MOVE

Kia Sustainability Report 2025



Movement that inspires

About MOVE

Report Overview

Kia has published the Sustainability Report 2025 titled 「MOVE」 to transparently disclose the impact of its business activities on the external environment and society as well as the efforts and actions taken in response. This report encompasses Kia's ESG achievements, strategies, and plans for 2024 and 2025. Through the annual publication of the sustainability report, Kia aims to evolve into a company communicating and growing together with stakeholders.

Reporting Principles

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. The financial information included in the report complies with Korean International Financial Reporting Standards (K-IFRS). Furthermore, to ensure disclosures are aligned with Kia's business activities and industry characteristics, the report complies with the requirements of the Sustainability Accounting Standards Board (SASB) and incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Reporting Scope

This report covers Kia's ESG management activities and performance across its all domestic and international business sites. Financial information is disclosed for the consolidated business sites in accordance with K-IFRS requirements, while non-financial information covers both domestic and international operations. In cases the reporting scope is limited to domestic operations or certain overseas operations due to limitations in the data collection process, this was separately noted.

Issuer	Kia Corporation (Headquarters Location: 12, Heolleung-ro, Seocho-gu, Seoul, Republic of Korea (Yangjae-dong))
Issued Date	June 2025
Responsible Department	Strategic Business Planning Division, Sustainability Management Team

Reporting Period

This report covers activities and performance in the economic, environmental, social, and governance areas for the period from January 1 to December 31, 2024, and includes certain material developments occurring through the first half of 2025. Quantitative performance data is presented for the three fiscal years ended December 31, 2024, 2023, and 2022, to enable year-over-year comparative analysis.

Report Verification

All information in this report has been compiled from relevant departments and verified for accuracy. Selected information has been subjected to independent assurance to ensure objectivity and credibility.

Forward-Looking Statements

This report may include "forward-looking statements" that describe facts not only related to the present or the past but also about the future. Forward-looking statements typically use words and terms such as "plan", "promote", "expect", "intend", "target", "strategy", and "estimate". In particular, some disclosures in this report may contain statements related to future business strategies, GHG emissions, energy consumption, environmental targets, external ESG commitments, and operational strategies. Kia believes that the expectations reflected in such forward-looking statements are reasonable, but there is no guarantee that these expectations will necessarily be correct. These statements are intended to help stakeholders understand Kia's approaches, strategies, initiatives, and anticipated operating environment across major ESG areas, and may not be appropriate for other purposes such as investment. In addition, these forward-looking statements are subject to assumptions, inherent risks, and uncertainties, many of which are beyond Kia's control or difficult to predict. Investors should be aware that actual outcomes may differ significantly from those expressed or implied in forward-looking statements and should take care not to place undue reliance on them. Except as required by law or regulatory obligations, Kia does not undertake any obligation to update forward-looking statements in light of new information, future events, or other outcomes.

Additional Information

For more information, please refer to the channel below.

Management·Brand Information
Kia Global Brand Site

Product Information·Customer Support
Kia Official Website

Business Report
Financial Supervisory Service Electronic Disclosure System

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Reader's Guide

"MOVE" is the title of Kia's sustainability report. It represents the movement that brings positive change to the world through mobility.
The PDF file can be downloaded from the Kia website, and you may find more detailed information by clicking the policy link icon.

PDF
Policy Link

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CEO's Message

We will continue to move toward an inspiring future for all.



We are deeply grateful for the ongoing interest and support from all stakeholders as we progress on our journey toward becoming a 'Sustainable Mobility Solutions Provider'.

The year 2024 was marked by the volatile global economy and the rapidly shifting business landscape. Despite these challenges, Kia delivered record-breaking performance yet again, demonstrating the potential for sustainable growth. Backed by strong sales momentum in North America and emerging markets, Kia achieved its largest sales volume to date. At the 'World Car Awards', Kia was widely recognized for its innovation and competitiveness as the EV3 was named the 2025 World Car of the Year, following EV9's win in 2024.

Building on these outstanding accomplishments, Kia has consistently prioritized the value of sustainability under its ESG vision, 「Sustainable Movement for an Inspiring Future」. To continuously move toward an inspiring future together with diverse stakeholders, Kia is dedicated to advancing ESG management based on the three core values of Cleaner & Circular, Safe & Satisfying, and Transparent & Trustworthy—focusing on carbon neutrality and resource circularity, safety and quality, sustainable supply chain, sound governance, and shareholder value.

In the Environmental (E) area, Kia is consistently pursuing carbon reduction throughout all stages of the product lifecycle from supply, production, use, logistics, to disposal—with the goal of achieving carbon neutrality by 2045. Aiming to attain RE100 goals by 2040, Kia has initiated solar power self-generation at AutoLand Hwaseong, Gwangju, and India, while accelerating its transition to renewable energy by signing a PPA in China. Since 2022, Kia has been supporting marine plastic waste recovery and recycling activities in partnership with the global environmental NGO The Ocean Cleanup and is also leading ecosystem protection by promoting the planting of halophytes for tidal flat restoration.

In the Social (S) area, Kia has remained committed to enhancing product quality for customer safety and satisfaction. As a result, five models including the Carnival, the EV6, and the EV9 achieved first place in their respective segments in the J.D. Power's quality survey in the United States. Moreover, Kia has supported its suppliers in developing capabilities for achieving carbon neutrality and in enhancing their future competitiveness in the evolving mobility sector. For local communities, Kia has expanded its domestic CSR program "Green Trip", which facilitates travel for persons with disabilities, and has scaled up the global "Green Light Project" aimed at addressing social and economic inequalities.

In the Governance (G) area, Kia has strengthened its governance centered on the Board of Directors by ensuring that independent directors represent a majority of all board subcommittees and by increasing the proportion of female independent directors to 60% to enhance board diversity. To bolster corporate value, Kia has consistently increased dividend payments and expanded share buybacks and cancellations compared to the previous year, further reinforcing its shareholder-friendly policies.

As a result of these efforts, Kia was listed in the 'Dow Jones Sustainability Index (DJSI) World' in 2024 for three consecutive years, an achievement awarded to the top 10% of companies in ESG management across various sectors among the 2,500 largest publicly traded companies by market capitalization.

CEO's Message

Kia will continue to grow as a company that actively seeks to address global environmental and social issues.

Kia ESG Strategy

Sustainable Movement for an Inspiring Future



Cleaner & Circular

To address climate-related risks and opportunities, Kia has developed strategic initiatives to reduce environmental impacts and achieve carbon emission reductions across our entire value chain through the implementation of circular resource management practices.

This year, we will further accelerate our transition to renewable energy by introducing in-house power generation at all AutoLand plants worldwide and executing the first PPA in our Korean operations following China. To ensure responsible design, we will expand the use of recycled and bio-based materials and establish concrete action plans—including material development and the construction of a waste resource supply chain—to achieve the target of incorporating 25% recycled plastic into the interiors of new vehicles sold in Europe by 2030. Furthermore, we plan to prioritize the use of carbon-reduced steel, which emits 20% less carbon than conventional blast furnace steel, by 2030, thereby gradually reducing supply chain emissions.

Safe & Satisfying

We will create a corporate culture where diverse human resources can thrive together, while building a sustainable supply chain and contributing to addressing shared societal challenges.

In accordance with Kia's values and code of conduct, we aim to foster a customer-centric and people-focused culture while promoting workforce diversity to build a creative corporate culture that integrates new perspectives and diverse ideas. To prevent accidents and ensure a safe working environment, we will strengthen our safety and health management system and actively adopt new safety technologies. To minimize risks within the supply chain, we will maintain responsible management practices throughout the raw material extraction process, ensuring that key minerals used in automobile manufacturing, including battery materials, are not sourced through unethical mining practices. Furthermore, through our CSR program 'Harmonium', which supports multicultural future generations, we will contribute to addressing Korea's demographic shifts. We will mitigate environmental pollution in the local community through our biomass recycling initiatives, specifically 'Bio-char' and 'Bio-gas' projects which utilize agricultural and livestock waste as feedstock.

Transparent & Trustworthy

We will strengthen the integration of sustainability into Board and executive activities and enhance shareholder value.

To align our day-to-day operations with our ESG management strategy, we will increase the proportion of ESG elements in our executive Key Performance Indicator (KPI) and reinforce the Board of Directors' review and decision-making on important company initiatives drawing on the diverse expertise of our board members. Building on the "Kia Value-up Program" announced late last year, we will pursue business diversification and future growth investments while increasing shareholder returns to continuously expand compensation for business performance. Concurrently, we will enhance transparent management by raising compliance awareness among employees through proactive fair trade and compliance initiatives.

To Our stakeholders,

Since its founding in 1944 over the past 80 years, Kia has risen to challenges and transformed crises into opportunities time and again. Through yet another transformation, we are now taking our first steps toward becoming a centennial company. We will implement customer-centric brand management, actively develop future mobility technologies, and reinforce our position as a leading electric vehicle (EV) Tier 1 brand. With the launch of Platform Beyond Vehicle (PBV) models and expansion into new segments, we aim to create new value for our customers.
Furthermore, we will continue to act responsibly in pursuit of a sustainable life for all. With genuine commitment to combating climate change, enhancing stakeholder value and fostering mutual growth and maintaining transparent and ethical management, Kia will realize its ESG vision 「Sustainable Movement for an Inspiring Future」.
We kindly ask for your unwavering encouragement and support as Kia continues its inspiring journey toward a sustainable future.

Thank You.

June 2025
Ho-sung Song,
CEO/President, Kia



Company Overview

Since its establishment in 1944, Kia has grown into a global automotive brand based on a spirit of relentless challenge. In 2021, Kia changed its name and logo from "Kia Motors" to "Kia", declaring a new brand direction and vision, and initiating transformation into a mobility brand beyond an automobile manufacturer. Going forward, Kia will accelerate its transition into a 「Sustainable Mobility Solutions Provider」 by enhancing its business capabilities and continue to move towards an inspiring future by focusing on sustainable growth together with diverse stakeholders.

Key Financial Indicators

Number of units sold

3,089,300 units
(Wholesale basis, Unit : Vehicles)

2023	3,087,384
2024	3,089,300

Revenue

KRW 107,448.8 billion
(Unit : KRW billion)

2023	99,808.4
2024	107,448.8

Operating profit and operating margin

KRW 12,667.1 billion / 11.8%
(Unit : KRW billion, %)

2023	11,607.9(11.6%)
2024	12,667.1(11.8%)

Net income

KRW 9,775.0 billion
(Unit : KRW billion)

2023	8,777.8
2024	9,775.0

Total assets

KRW 92,755.9 billion
(Unit : KRW billion)

2023	80,627.8
2024	92,755.9

Number of eco-friendly vehicles[1] sold

644,685 units
(Wholesale basis, Unit : Vehicles)

2023	598,846
2024	644,685

382,764units	67,797units	194,124units
HEV	PHEV	EV

Revenue from eco-friendly vehicles[2]

KRW 29,657.6 billion
(Unit : KRW billion)

2023	26,666.8
2024	29,657.6

Kia Line-Up

Sedan

*ICE, xHEV



Morning | Ray | K3 | K4 | K5 | K8 | K9
Pegas | Ceed | Forte

RV

*ICE, xHEV



Sonet | Syros | Carens | Sportage | Zhìpǎo | Soul
Stonic | Seltos | Niro | XCeed | Sorento | Telluride
Carnival | Tasman

EV



Ray EV | Niro EV
EV3 | EV4 | EV5 | EV6 | EV9 | Bongo III EV | PV5

* Platform Beyond Vehicle (PBV) : PV5

Commercial & Bus



Bongo III | Grandbird

1. "Eco-friendly vehicles" include EVs (Electric Vehicles), HEVs (Hybrids), and PHEVs (Plug-in Hybrids), while "electrification" refers to only EVs (Electric Vehicles)
2. Based on the management accounting standards

About Kia

Since its brand relaunching in 2021, Kia has been redefining its business from the ground up, establishing a new corporate philosophy framework for more systemic business operations. Kia firmly believes in the value of mobility as an enabler of new inspiring ideas and its raison d'être lies in its ability to create space and time to further enrich these ideas. Anchored on this management philosophy and brand purpose, Kia has charted a corporate vision 「Sustainable Mobility Solutions Provider」.

Corporate Philosophy

Kia has established Plan S as its mid- to long-term corporate strategy to achieve the company's vision, implemented through three strategic pillars: Planet, People, and Profit. 「Planet」 emphasizes assuming leadership in fulfilling environmental and social responsibility through sincere climate action and systematic ESG implementation, thereby positioning Kia as a sustainable enterprise. 「People」 seeks to deliver the highest customer value through customer-centric and people-focused brand innovation, as well as enhancing customer experience through AI and data-driven approaches. 「Profit」 aspires to position Kia as a Tier 1 EV brand and a first mover in Platform Beyond Vehicle (PBV), seeking to build a robust foundation for future profitability by enhancing product innovation, leveraging synergies in new businesses, and strengthening a profit-oriented business structure. These strategic directions are grounded in a corporate culture based on customer-centric and people-focused.



Brand Strategy

As a 「Sustainable Mobility Solutions Provider 」, Kia aims to continuously drive innovative changes towards a more flourishing life of customers. By fulfilling its social responsibilities as a mobility company and delivering sustainable mobility solutions, Kia emerges into a leading brand that contributes to customers, local communities, and ultimately, the global community and environment.

Prologue

Consistent New Kia Brand

Total Transformation

- Comprehensive brand-driven transformation including the new CI and design philosophy
- Strengthening Kia's position as a global brand through customer experience innovation at key touchpoints

Chapter 1

Desirable EV Brand

EV Tier 1 Brand

- Expanding the EV lineup and enhancing competitiveness to become a Tier 1 EV brand
- Improving customer convenience through advanced battery strategies and expanded charging infrastructure

Chapter 2

Personalized Mobility Brand

Platform Beyond Vehicle (PBV) 1st Mover

- Developing customized vehicles and solutions to pioneer the Platform Beyond Vehicle (PBV) market
- Providing tailored mobility experiences that meet diverse customer needs

Chapter 3

Aspirational Solutions Brand

Generating values by interconnecting future business

- Developing autonomous driving technology based on software defined vehicle (SDV)
- Creating synergies in alignment with future businesses, such as building a sustainable mobility ecosystem

Global Network

Kia operates production hubs, R&D centers, and design centers in key regions both domestically and internationally, and strives to provide customized products and services through its global sales and service network.

Head Office

1 Head Office
(12 Heolleung-ro, Seocho-gu, Seoul)

Regional Headquarters

2 North America
3 Europe
4 Latin America
5 Middle East & Africa
6 Asia Pacific
7 India

Sales and Services | Domestic

Sales sector
15 headquarters, 267 direct sales branches, 342 agencies, 9 delivery centers*
*Including contractors

Service sector
17 direct service centers, 751 comprehensive/ specialized Auto Q

Sales and Services | Overseas

Sales sector
22 sales corporations, 168 agencies, 4,611 dealers

Overseas Sales Corporations
8 USA
9 Canada
10 Mexico
11 Germany
12 UK
13 Spain
14 France
15 Italy
16 Austria
17 Hungary
18 Czech Republic
19 Slovakia
20 Poland
21 Belgium
22 Sweden
23 Netherland
24 Australia
25 New Zealand
26 Thailand
27 Russia
28 India
29 China

* Mexico, India, China : Integrated production and sales (single) corporation

Production

Korea
30 AutoLand Gwangmyeong
AutoLand Hwaseong
AutoLand Gwangju

Overseas
31 Kia AutoLand Georgia
32 Kia AutoLand Slovakia
33 Kia Mexico
34 Kia India
35 Kia China

R&D

Domestic
36 Namyang Technology Research Center
Mabuk Technology Research Center
Uiwang Technology Research Center
Pangyo AVP Headquarters

Overseas
37 USA R&D Center
38 Europe R&D Center
39 Japan R&D Center
40 China R&D Center
41 India R&D Center

Design Centers

Domestic
42 Global Design Tech Unit

Overseas
43 USA Design Center
44 Europe Design Center
45 China Design Group



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ESG STRATEGY



Kia ESG Strategy

Kia has established sustainable ESG management as a key corporate priority and is advancing transformation toward eco-friendly, customer-centric, and future new businesses through its corporate strategy, 「Plan S」. Based on this vision and structured management approach, Kia has established a new ESG management framework that defines its unique directions and values for sustainability. In 2024, Kia refined its strategic directions for each area to keep current with the evolving external environment. Building on this foundation, Kia is systematically implementing ESG management activities to transition its business structure toward one rooted in sustainable management.

Kia ESG Strategic Framework

Through its ESG vision and strategy, Kia ensures that all employees understand what actions need to be taken for sustainability. Kia promotes sustainable management practices that minimize negative environmental and social impacts while enhancing positive contributions.

ESG Vision and Core Values

Kia's ESG vision, 「Sustainable Movement for an Inspiring Future」, embodies Kia's commitment to advancing toward an inspiring future in collaboration with a wide range of stakeholders, including customers, shareholders, suppliers, local communities, and the natural environment. To realize this vision, Kia has established a set of ESG strategic direction encompassing climate change response, carbon neutrality, resource circularity, eco-friendly operations, enhancement of value for employees and local communities, sustainable supply chains, customer trust, strengthened ESG management, shareholder friendliness, and compliance management.

ESG Vision

Sustainable Movement for an Inspiring Future

As Kia transforms into a sustainable mobility solutions provider, the company continuously progresses towards an inspiring future in collaboration with a wide range of stakeholders.

Core Values

Cleaner & Circular	Safe & Satisfying	Transparent & Trustworthy
We will create a sustainable environment by minimizing negative environmental impacts and promoting resource circularity.	We will contribute to building a safe society for all and become a partner that delivers happiness and satisfaction.	We will grow into a more trustworthy company through transparent and responsible management.

2030 Key Targets

2045 Carbon Neutrality (RE100 66% · Recycled Plastic 25%)	**Management of 22 Types of Minerals · Corporate Culture that Respects Diversity & Inclusion**	**Strengthening Board-Centric Governance · Total Shareholder Return of 35%** (2025~2027)

Strategic Direction

E1 Climate Change Response E2 Enhancement of Carbon Neutrality Implementation E3 Creation of Eco-Friendly Workplace E4 Promotion of Resource Circularity E5 Response to Environmental Issues	S1 Enhancement of Employee Safety and Human Rights S2 Building a Sustainable Supply Chain S3 Managing Community Impact S4 Improving Quality Competitiveness and Customer Trust	G1 Strengthening the Foundation of ESG Management G2 Enhancing Shareholder-Friendly Policies G3 Establishing a Culture of Compliance

ESG Governance

To strengthen ESG-oriented decision-making, the Sustainability Management Committee within the Board of Directors—the company's highest decision-making body— convenes every quarter to review key ESG issues. In addition, Kia operates a dedicated ESG organization and monitors progress of division-specific improvement tasks through coordination councils in line with its newly established mid- to long-term ESG strategy.

ESG-Centered Decision-Making

Kia convenes the Sustainability Management Committee within the Board of Directors on a quarterly basis. The committee reviews ESG-related matters and makes key decisions. Additionally, a dedicated team for sustainable management is in operation, and company-wide improvement initiatives have been established based on the mid- to long-term ESG strategy. The progress of these initiatives is monitored through regular council meetings.

Sustainability Management Committee Agenda (2024)

Anti-Corruption	Implementation status of the code of ethics by employees, operation status of fair trade compliance
Occupational Health & Safety	Annual safety and health plan, status of safety and health activities
Local Communities	Status of social contribution activities and donations
ESG Management	Annual ESG promotion plan
Internal Transactions	Approval of financial transactions with affiliates, approval of transactions between directors and the company, approval of changes to the aggregate transaction limit for the largest shareholder, etc.

Kia ESG Governance



ESG Performance Management

Kia integrates ESG indicators into the performance evaluations of top management and each business unit to ensure that business operations and decisions align with the principles of sustainable management. Especially in 2024, efforts were made to encourage the integration of ESG perspectives into operations across the entire organization, including expanding the coverage of ESG KPI application.

Strengthening ESG Decision-Making

- **Strengthening ESG KPIs Across Domestic and International Sectors**
  Company-wide ESG integration through incorporation of performance evaluation systems for ESG, including carbon emissions reduction, progress on RE100, and compliance with fuel efficiency regulations
- **Internalizing Risk Prevention and Response Systems**
  Mandatory KPI evaluations across all global regions-encompassing human rights risk assessments, enhanced safety policies, and security system implementation levels
- **Monitoring Implementation Through Domestic and International ESG Councils**
  Sharing and reviewing key ESG issues at major sites, including relevant domestic sectors and European operations.

Internalization of ESG Capabilities

Kia is distributing the 'Kia Sustainability Issue Focus' to employees to move beyond the existing ESG-focused work structure centered on key related departments. This initiative aims to build a company-wide collaborative framework on a global scale and embed ESG awareness and response capabilities throughout the organization. By regularly publishing content that facilitates understanding of global ESG trends, Kia raises awareness of high-impact ESG issues and ensures that ESG considerations are taken into account across employees' day-to-day routines.





Key ESG Performance

Kia has established its ESG vision, 「Sustainable Movement for an Inspiring Future」, and is placing greater emphasis than ever on the importance of sustainable growth. Kia is strengthening its response to key ESG issues that are vital for its sustainable business or significantly impact stakeholders, while also reinforcing the internal foundation of its ESG management system.

ESG Assessment · Awards

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

S&P Dow Jones Sustainability Indices

Inclusion in the DJSI World Index for the third consecutive year

ESG 2024 THE ESG AWARDS

Chosun Biz 2024 THE ESG

THE ESG AWARDS Grand Prize

Climate Water CDP A List 2024

2024 Carbon Disclosure Project (CDP) Climate Change/Water

Climate Change Carbon Management Sector Honors Award

Water Resources Excellence Award

Key Performance by Area

Environmental | E

Solar power self-generation

- AutoLand Hwaseong (9.8 MW), Gwangju (1.1 MW), Kia India (3.7MW)

* As of January 2025

Renewable energy (PPA) procurement

- Executed PPA[1] in Kia China (58.3 MW)
- Signed PPA for domestic operations (50 MW) (Planned for introduction in 2025)

Strengthening workplace environmental management

- Achieved ISO14001 certification for all locations
- Promoted environmental pollutant control activities (introduced Gwangju Concentration RTO)
- AutoLand Gwangju achieved the 「Platinum」 designation under the Zero Waste to Landfill program

Driving wider adoption of resource circularity

- Established a roadmap for 25% recycled plastics by 2030 (European new cars)
- Developed an EV3 study car using advanced recycling and biomaterial technologies

Social | S

Supporting suppliers to strengthen their future competitiveness

- Supported suppliers for diversification of future vehicle business
- Supported the establishment of safety/ security systems for suppliers
- Supported operational carbon reduction efforts for suppliers
- Operated Win-win programs for small and medium-sized suppliers

Enhancing supply chain ESG management capability

- Supported ESG consulting for suppliers
- Expanded the evaluation scope to include other non-parts suppliers
- Supported capability enhancement to respond to global regulations (EUDR[2], etc.)

Enhancing workplace safety and health

- Achieved ISO 45001 certification for all sites
- Established and operated the "Safety Academy" training system
- Achieved a 40% YoY reduction in accidental industrial accidents

Expanding Kia's flagship CSR programs

- Launched a Harmonium initiative
- Established a Green Trip Daegu base and a highland exploration program
- Piloted a planting initiative for tidal flat restoration
- Advanced and expanded the eco-friendly treatment of livestock manu

Governance | G

Incorporating ESG into CEO and executive performance evaluations

- Incorporated sustainability management in addition to business and finance
- Applied detailed ESG evaluation criteria such as climate change, diversity, and human rights in accordance with the characteristics of each division's business.

Enhancing board diversity and independence

- Reached 60% in the proportion of female independent directors
- Reached over 50% in the proportion of independent directors (All members of the Audit Committee and Compensation Committee are independent directors)

*As of June 2025

Enhancing shareholder-friendly policies

- Dividend: KRW 5,600 per share (+60% YoY)
- Share buyback: KRW 500 billion (100% retired)

*As of 2024

1. PPA : Power Purchase Agreement

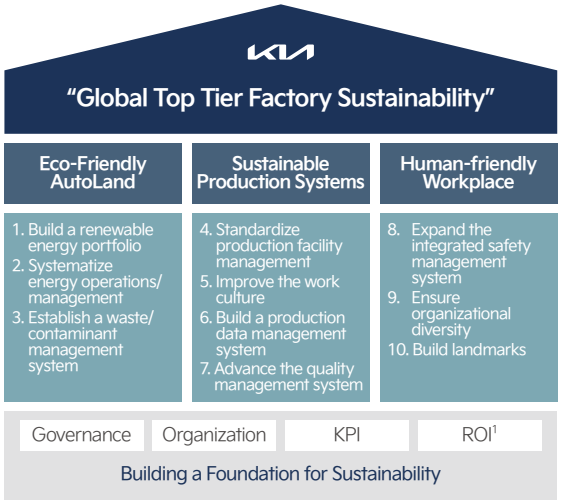
2. EU Deforestation Regulation (EUDR) : EU law against deforestation

ESG Highlights

To enhance the sustainability of its production sites, Kia is implementing initiatives aligned with the strategic directions of the AutoLand sustainability program. In parallel, the company is strengthening employee capabilities in response to rapidly evolving automotive industry trends and technological innovation, thereby improving readiness for the transition to an electric vehicle (EV) business portfolio.

AutoLand SUSTAINABILITY

In 2024, each AutoLand site carried out sustainability activities tailored to its specific business context. In 2025, Kia plans to advance awareness-raising initiatives among leaders and manufacturing divisions to build momentum for AutoLand's sustainability and will pursue stakeholder engagement and risk management—including input from local communities—to respond to external regulatory demands.





1. ROI : Return on Investment 2. Pursuing initiatives to transition to an eco-friendly factory, including solar power self-generation, energy efficiency improvements, and achieving zero waste disposal 3.DEI : Diversity, Equity, Inclusion 4. KPI : Key Performance Indicator
5. The final process of completing the vehicle involves installing interior and exterior components such as the dashboard and seats, assembling core automotive parts such as the engine, transmission, and axles, and completing the vehicle through electrical component installation and wiring and plumbing work 6. Compliance below the standards set by the revised Serious Accidents Punishment Act as of January 2023

Just Transition

To prepare for the transition to an EV business model, Kia is offering EV competency enhancement training for production employees. The curriculum is designed to enable participants to acquire knowledge and skills related to electric vehicles through theoretical understanding of EVs and hands-on experience in EV maintenance. It also delivers updates on rapidly changing automotive industry trends and innovative technologies, supporting employees in strengthening their capabilities to adapt to Kia's evolving business portfolio.

EV Job Competency Enhancement Training

In 2024, Kia conducted training sessions for production and office employees focusing on electric circuit systems—key EV parts that comprise energy management, motor control, charging systems, and safety functions. The program, held over eight sessions, enhanced on-site responsiveness by helping employees effectively identify causes of malfunctions. In addition, a 24-hour comprehensive EV practical training program was implemented to improve understanding of eco-friendly vehicle types and characteristics, EV charging systems, and the functions of key parts. The curriculum also included battery and vehicle control systems, along with case studies of real-world failures, to deepen understanding of the latest EV technologies.



Global Automotive Industry Trends Training

In 2025, to strengthen future competitiveness by fostering employee adaptability and building a foundation for cooperative labor-management relations, Kia plans to deliver a total of 218 sessions, each lasting 2 hours, on global automotive industry trends. The program will target a total of 21,894 engineers, site managers, and general employees at domestic AutoLand site. Employees are expected to gain enhanced insights into global industries by receiving training on industry trends, including the restructuring of the automotive industry due to global policies, global automotive production, sales, exports, changes in domestic and international demand, and EV-related developments.



ESG Highlights

As a mobility solutions provider, Kia showcases the vision and technological capabilities of electrified mobility not only through its products but also by providing diverse experiences and content throughout the EV transition journey. Building on this approach, Kia continues to enhance customer engagement with electrification and is collaboratively shaping the future value of mobility alongside its customers.

EV-Dedicated Factory EVO Plant

In 2024, Kia launched the Gwangmyeong EVO plant, the Hyundai Motor Group's first EV-dedicated factory, initiating full-scale production of electric vehicles. The name "EVO plant" combines "Evolution", which represents progress, and "Plant", meaning factory. Located on a site of approximately 60,000 m² (approximately 18,000 pyeong), the EVO plant serves as the frontline base for manufacturing Kia's mass-market EV models. Production began in 2024 with the compact SUV EV3, and starting in 2025, the plant will also produce the midsize electric sedan EV4. Kia plans to develop the Gwangmyeong EVO plant into a core EV production hub with an annual capacity of 150,000 units, reinforcing its position as a leading EV brand under the company's vision of delivering sustainable mobility solutions.





Gwangmyeong EVO Plant Customer Experience Space

The customer experience space within the Gwangmyeong EVO plant is where visitors can observe an EV-dedicated production line firsthand. Under the theme 「Technology for Life - A Space Where Technology Meets Our Lives」, this space offers visitors both direct and indirect insights into Kia's future technologies in action. Kia will continue to expand such on-site experiences as it advances its electrification efforts.



Kia Unplugged Ground

Kia operates "Kia Unplugged Ground", an EV-specialized cultural complex, to introduce customers to a new lifestyle shaped by electrified mobility. Guided by the motto 「A special space where mobility connects with people」, Kia Unplugged Ground goes beyond a traditional vehicle showroom to become a lifestyle space where the brand's EV identity and people interact in harmony. At Kia Unplugged Ground, visitors can experience Kia's mobility vision, technological capabilities, and the diverse daily life that unfolds with mobility. The space also showcases Kia's complete EV lineup and provides insight into the company's vision and technologies for electrified mobility.



1. The LED glass flooring at Kia Unplugged Ground incorporates bio-plastic derived from sugarcane, which is one of Kia's 「10 Material Solutions」 for responsible design.

2. At Kia Unplugged Ground, visitors can directly experience actual eco-friendly materials used in Kia's electric vehicles, including the EV9.





Stakeholder Engagement

Kia identifies seven key stakeholder groups—shareholders and investors, customers, dealers, employees, suppliers, local communities, and government/NGOs—based on various current issues and industry characteristics. The company operates tailored communication channels for each group, considering their specific areas of interest. Stakeholder feedback is used to enhance Kia's business strategies and refine its sustainable management approach, with outcomes transparently disclosed through the sustainability report.

Stakeholder Communication Channels

To identify and address the needs of its key stakeholders, Kia operates a variety of communication channels. Major stakeholder feedback and perspectives are shared across the organization, and issues with high relevance to Kia's business or significant external impact are reported to internal ESG governance bodies, such as the board level Sustainability Management Committee, to ensure proactive resolution.

Stakeholder	Shareholders and Investors	Customers	Dealers	Employees	Suppliers	Local Communities	Government and NGOs
Definition	Stakeholders that provide capital for Kia's sustainable growth, for whom we fulfill shareholder/investor expectations through transparent and reliable management	Stakeholders who purchase and experience Kia's products and services, for whom we provide the best quality and service for customer satisfaction and convenient purchasing experience	Important partners that deliver Kia's products directly to customers, promoting brand value together	Members who participate in the development, production, and sales of Kia's products and are the driving force behind realizing Kia's vision	Partners who supply parts and materials for Kia's vehicle production, contributing to our growth through a shared commitment to quality and sustainability	Local residents and communities where Kia's operations are located, with whom we seek to strengthen communication and contribute to the sustainable development of local communities	Influence Kia's business operations by enacting automotive industry-related legislation or calling for social responsibility
Key Issues of Interest	• Economic performance • ESG risk management • Board transparency • Shareholder rights protection	• Product safety/quality control • Customer satisfaction • Brand image	• Expanding the lineup of electric vehicles • Investment and development of technologies to improve fuel efficiency of internal combustion engine vehicles	• Organizational culture and compensation • Respect for employee human rights and diversity • Strengthening employee capabilities • Labor-management relations • Sharing company management status • Workplace safety and health	• Supply chain ESG management support • Support for carbon neutral management of suppliers • Support for suppliers' workplace safety management • Support for information security management • Support for capacity building and Win-win cooperation • Support for win-win cooperation with Tier 2 and 3 suppliers	• Strategic CSR initiatives • Employment creation and retention • Improving environmental efficiency at operational sites • Assessment and protection of biodiversity related to business activities	• Business ethics • Building infrastructure • Responding to fuel efficiency regulations • Environmental investments
Communication Channel	• Shareholder meetings • Corporate presentations • IR meetings • Disclosures and website • Sustainability Management Committee	• Motor shows and new car presentations • Test drives • Customer satisfaction surveys • Website and social media • Sports sponsorships	• Dealer events	• Human rights complaints mechanism • Future Car Committee • Labor unions • Occupational Safety and Health Committee	• Shared growth portal • Transparent purchase practices center website • Win-win cooperation center website • Global partnership center (GPC Portal) • HMG partner systems • Seminars and training	• Community contribution programs • Community engagement activities near business sites • Recruitment programs • Sustainability report	• Policymaking hearings • Policy roundtables and information sessions • Press Releases

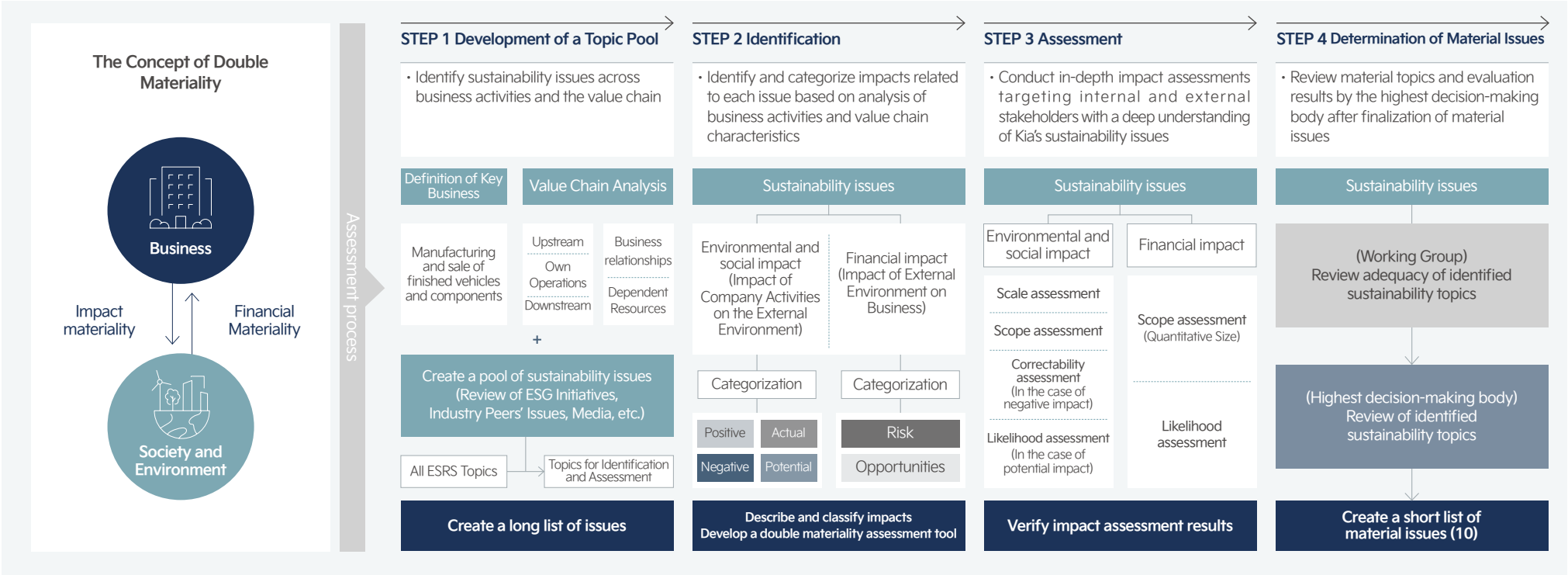
Double Materiality Assessment

Overview

Kia conducts a double materiality assessment annually to disclose activities and achievements related to material issues to stakeholders, and to review and enhance sustainability management strategies accordingly. The evaluation process adopts the implementation guidance of the European Sustainability Reporting Standards (ESRS), as provided by the European Financial Reporting Advisory Group (EFRAG). The double materiality assessment considers both the materiality of the impacts that corporate activities may have on society and the environment, and the materiality of external sustainability factors on the company's financial performance. Through this process, we have identified priority ESG issues for advancing sustainable management from the perspectives of internal and external stakeholders. Moving forward, Kia will continue to refine our double materiality assessment methodology in alignment with global reporting standards and transform identified material issues into strategic initiatives to drive tangible improvements.

Double Materiality Assessment Process

Kia has identified sustainability topics and constructed a pool of issues using various internal and external materials, including the sustainability topics specified in the European Sustainability Reporting Standards. We have assessed impact materiality as well as financial materiality of each issue. In this year's double materiality assessment process, we further refined the evaluation framework by segmenting the identified impact types and establishing more detailed assessment criteria for each type, in order to ensure objectivity. Subsequently, two rounds of in-depth assessments were conducted through paper-based Q&A sessions and interviews with internal and external stakeholders. Based on predefined thresholds, the assessment results were analyzed to determine the short list of material issues.



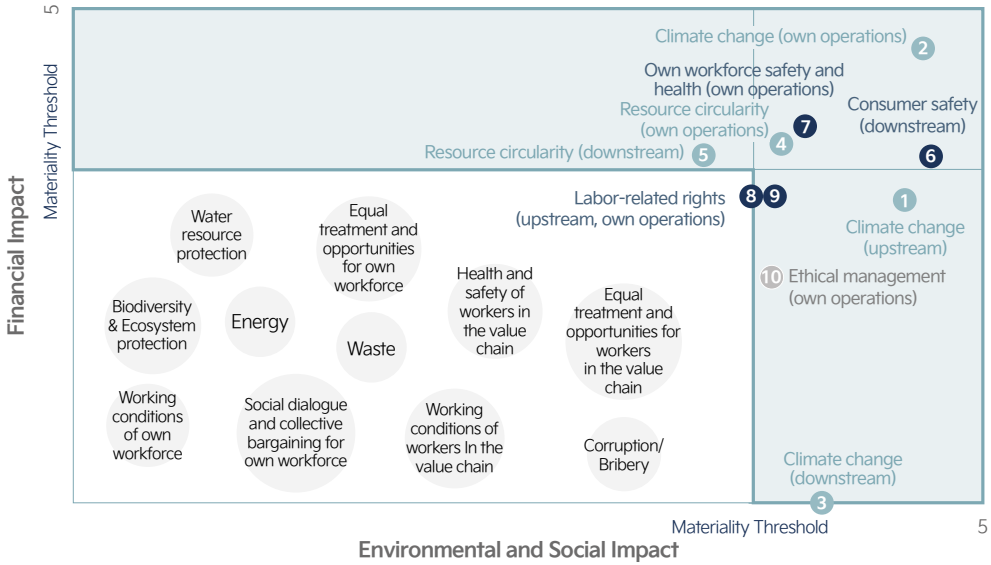
Double Materiality Assessment

Double Materiality Assessment Results

Following its double materiality assessment process, Kia evaluated each identified issue based on two dimensions: (1) impact materiality and (2) financial materiality. Thresholds were set for each impact type, and issues exceeding these were selected as material issues. As a result, a total of 10 material issues were identified across the environmental, social, and governance (ESG) domains. Especially, climate change emerged as a material issue requiring enterprise-wide management across the entire value chain—from upstream[1] to own operations[2] to downstream[3]. Kia has declared its target to achieve carbon neutrality by 2045 and plans to establish and implement climate change response strategies to continuously manage material issues related to climate change.

In addition to climate change, key issues such as "Resource Circularity", "Consumer Safety", "Own Workforce Safety and Health", "Labor-related Rights", and "Ethical Management" were also identified across the environmental, social, and governance areas. Kia will continue to monitor and manage these material issues and their associated impacts as identified by this assessment.

1. Upstream : The stage involving the production, processing, and procurement of raw materials used in Kia's operations
2. Own Operations : The stage covering all operational sites under Kia's control
3. Downstream : The stage involving customers who use Kia's products, including disposal and recycling after use



Area	Topic	Material Issue	Value Chain	Environmental and Social Materiality		Financial Materiality
				Positive/Negative	Actual/Potential	Risk/Opportunity
Environmental	Climate change	1 Climate change impacts at the raw material and parts procurement stage	Upstream	Negative	Actual	Risk
		2 Climate change impacts in vehicle production	Own Operations	Negative	Actual	Risk, Opportunity
		3 Climate change impacts in the vehicle delivery and use phase	Downstream	Negative	Actual	-
	Resource Circularity	4 Managing recycling of raw materials in the vehicle production phase	Own Operations	Negative	Actual	Risk, Opportunity
		5 Managing waste and end-of-life vehicles	Downstream	Negative	Actual	Risk
Social	Consumer Safety	6 Managing vehicle quality and safety risks	Downstream	Negative	Potential	Risk
	Own Workforce Safety and Health	7 Managing employee safety and health	Own Operations	Negative	Actual	Risk
	Labor-related Rights	8 Monitoring and managing supply chain human rights	Upstream	Negative	Potential	Risk
		9 Monitoring and managing employee human rights	Own Operations	Negative	Potential	Risk
Governance	Ethical Management	10 Establishing and practicing an ethical management system	Own Operations	Positive	Potential	Opportunity

Double Materiality Assessment

Management Status by Material Issue

Kia has identified the social and environmental impacts (both positive and negative) and financial impacts (risks and opportunities) of the 10 material issues affecting its business, and is establishing future plans to strengthen sustainable management.

Topic	Material Issue	Business Relevance of the Issue		Kia's Response Status	Future Plans	Report Page
		Social and Environmental Impact	Financial Impact			
Climate Change	Climate change impacts at the raw material and parts procurement stage	• Carbon emissions at the parts production stage by suppliers and other partners in the supply chain • Carbon emissions from transportation of parts for vehicle production	• Incurring material transition costs and technology development costs to respond to regulations, and incurring fines for violating laws and regulations	• Conduct a supply chain ESG assessment • Provide domestic and international supply chain carbon neutrality training support programs • Ensure Carbon Disclosure Project supply chain Engagement • Establish a carbon emissions calculation/ management system for suppliers • Select suppliers by embedding sustainability in contract terms • Run a supplier parts life cycle assessment (LCA) support program	• Expanding support for empowering low-carbon operations • Request and monitor carbon reduction plans for high-emitting Tier 1 suppliers • Mitigate supply chain deforestation risk and implement remediation measures	29, 75, 76
	Climate change impacts in vehicle production	• Carbon emissions during vehicle production	• Increased capital expenditures and R&D costs for electric vehicle production • Increased costs of managing site greenhouse gas emissions in response to regulations • Growing demand for EVs and government subsidies are driving EV sales	• Establish and promote the RE100 Implementation Roadmap • Establish a decarbonization plan for production sites • Promote electrification of business vehicles • Promote phased self-generation and PPA implementation • Adopt solar power self-generation at operational sites	• Continue to advance specific carbon neutrality action plans, including process efficiencies, energy savings, etc. • Strengthen management systems for the expansion of renewable energy transition • Achieve 100% renewable energy transition for operational sites (self-generation, power purchase agreements (PPA), etc.)	23-28, 31
	Climate change impacts in the vehicle delivery and use phase	• Use phase carbon emissions of internal combustion engine vehicles • Carbon emissions from vehicle delivery and transportation	• While financial impacts may arise from regulatory risk mitigation, no material financial impact has been identified. The company will continue to monitor potential financial impacts on a regular basis	• Increase green vehicle sales • Apply technologies to improve the internal combustion engine fuel efficiency • Pursue efficiency improvements through enhanced electric vehicle performance	• Review and accelerate green business portfolio transformation • Improve quality, performance, and infrastructure to accelerate green vehicle transformation • Expand the EV lineup with the 2030 eco-friendly vehicle lineup strategy • Achieve 100% global electrification by 2045	14, 24, 32
Resource Circularity	Managing recycling of raw materials in the vehicle production phase	• Recycling of raw materials during vehicle production to prevent environmental pollution and resource depletion	• Additional costs for research and development of raw material recycling and various management expenses	• Promote increased recycling through the operation of Resource Circularity Committees and a company-wide Recycled Plastic Council	• Continue to make R&D investments to reduce raw material usage and increase recycling • Target to apply 25% recycled plastic by 2030	36, 37
	Managing waste and end-of-life vehicles	• Waste and end-of-life vehicle management to prevent environmental pollution	• Research and development costs for reducing environmental pollution in waste and end-of-life vehicle processing, and penalties for violating regulations related to key material recycling	• Establish an end-of-life vehicle and battery recycling system • AutoLand Gwangju achieves a Platinum Zero Waste to landfill designation (ZWTL) • Adopt biomaterials for in-vehicle applications	• Build cross-functional collaboration and communication for responsible design • Expand the use of recycled and bio-based materials in products	12, 38-40, 42, 43, 46, 127

Double Materiality Assessment

Management Status by Material Issue

Topic	Material Issue	Business Relevance of the Issue		Kia's Response Status	Future Plans	Report Page
		Social and Environmental Impact	Financial Impact			
Consumer Safety	Managing vehicle quality and safety risks	• Increased personal and social anxiety in the event of a vehicle safety incident	• In the event of issues arising from vehicle defects or quality problems, various operating costs may be incurred, including safety and quality enhancement costs, as well as recall expenses	• Recall prevention process • Operate a council to prevent recurrence of recalls • Implement voluntary recalls	• Enhance processes for minimizing recurrence of recalls and post-safety/quality management	78, 79
Own Workforce Safety and Health	Managing employee safety and health	• Employee safety incidents may negatively impact the quality of life of employees and their families	• In the event of accidents, management costs may arise to ensure employee safety, including productivity loss, sales decline due to operational disruption, and compensation payments to employees	• Operate Kia SEMS as the internal safety and environment audit system and monitor safety and environment management • Achieve ISO 45001 certification for all operational sites	• Establish and implement the 2030 safety and environment vision/mission • Enhance safety lock mechanism operations • Expand Safety Academy training	64-67
Labor-related Rights	Monitoring and managing supply chain human rights	• Human rights violations such as child and forced labor in the supply chain may cause physical and mental harm to victims and trigger social conflicts.	• In cases of human rights violations in the supply chain, costs may be incurred for human rights assessments, risk mitigation, and remediation measures, along with sales decline due to reputational damage	• Include labor and human rights in supplier evaluations • Conduct supply chain assessments of domestic and international suppliers and conduct on-site due diligence on companies with high human rights risks • Incorporate ESG assessment results into supplier bidding	• Advance supplier human rights assessment and monitoring • Strengthen human rights violation checks/ management at the raw material stage	74-76
	Monitoring and managing employee human rights	• Human rights violations, such as forced labor for employees, cause personal suffering to the affected employees and their family members, and lead to various social disputes.	• Costs incurred to assess human rights impacts and mitigate risks/implement remedies, and revenue lost due to reputational damage	• Conduct annual monitoring of human rights management status • Expand human rights due diligence at key domestic and international operations	• Establish a voluntary human rights management system • Develop and implement a plan to upgrade human rights due diligence at all operational sites • Advance human rights risk improvement and mitigation processes	55-58
Ethical Management	Establishing and practicing an ethical management system	• Enhance stakeholder trust by practicing ethical management, including maintaining fair trade practices, and contribute to building an ethical market order	• Strengthening customer trust and increasing profitability by practicing ethical management, securing supply chain stability and stabilizing raw material procurement costs by building trust-based relationships with suppliers	• Conduct quarterly compliance self-checks • Evaluate the effectiveness of the compliance management system and the fair trade compliance program (CP)	• Strengthen internal control systems to minimize compliance issues • Provide site-centric customized compliance support	98-100

Double Materiality Assessment

Response to Material Issues Related to Kia's Business

Kia recognizes the importance of sustainability issues directly linked to its business operations and has established corresponding response strategies. To ensure systematic management, the company discloses quantitative targets, progress toward those targets, and the status of KPI management by the executive team.

Materiality of Issues	Business Impact	Business Strategy	Target and Progress	Management KPI
Climate change Impacts in Vehicle Production Carbon emissions generated during the vehicle production phase account for a significant portion of total emissions in the automotive industry and are emerging as a key challenge in climate change response. Major countries, including those in the European Union, are strengthening carbon regulations based on Life Cycle Assessment (LCA), and emission reduction efforts during the manufacturing stage are increasingly becoming essential for corporate sustainability and market entry. Failure to adequately respond to these requirements may result in various business impacts, such as increased costs due to delays in energy transition.	Cost	Kia joined the RE100 initiative in April 2022 and announced its commitment to transition 100% of electricity used at its sites to renewable energy by 2040. In 2023, the company established its RE100 implementation roadmap and plans to achieve the target through a phased approach that includes on-site generation and power purchase agreements (PPAs). In 2024, Kia began intro solar power self-generation on-site solar power generation systems at domestic and international sites, and by 2025, all AutoLand facilities are scheduled to operate on-site renewable energy generation.	**Target** • Achieve a 100% renewable energy transition rate by 2040 (15% by 2025, 66% by 2030, 82% by 2035) **Progress** • Renewable energy transition rate reached approximately 12% in 2024	• Kia has also incorporated climate change mitigation targets—such as compliance with CO_2 regulations and carbon emission reduction—into the KPI evaluation metrics of major organizational leaders across domestic and international operations
Climate change Impacts in the Vehicle Delivery and Use Phase Carbon emissions in the automotive sector primarily occur during the vehicle in use-phase, making electrified vehicles a key lever in responding to climate change. Major countries, including those in the EU, are tightening regulations on internal combustion engine vehicles, and South Korea has also set a goal of distributing 4.5 million electric vehicles by 2030. The ability to appropriately respond to these global regulatory shifts is directly linked to a company's profitability and overall business performance.	Revenue	As part of its 2045 Carbon Neutrality strategy, Kia has established the goal of achieving 100% electrification globally. The company launched its first dedicated electric vehicle, the EV6, in 2022 and unveiled its first electric sedan, the EV4, in March 2025. Moving forward, Kia plans to operate a lineup of 15 EV models by 2030, aiming to offer customers a diverse range of electric vehicles.	**Target** • Sales of 2.33 million eco-friendly vehicles globally by 2030 (Expand the share of eco-friendly vehicles sales in major markets to the target percentage (North America 70%, Europe 86%, South Korea 73%, India 43%)) **Progress** • 645,000 eco-friendly vehicles sold in 2024 (+8% year-over-year)	• Kia includes EV production and sales volume indicators in the KPIs of major organizational leaders • Climate change response KPIs are linked to executive incentives
Managing Employee Safety and Health Employee safety is regarded as an ethical responsibility of the company, going beyond mere legal obligations. In particular, the manufacturing industry involves various activities such as machine operation, making safety and health management especially critical in this sector. Following the strengthening of the Serious Accident Punishment Act in 2023, the 2024 revision of the Industrial Safety and Health Act further broadened the scope of responsible parties for safety measures in the manufacturing sector. As stakeholder expectations around safety and health management continue to rise, failure to adequately address these issues may lead to reputational damage and increased costs related to issue resolution, ultimately undermining business operations.	Risk	Kia has established and is operating its "Mid- to Long-Term Safety Assurance Strategy" with the goal of implementing an autonomous safety management system across global sites starting in 2026. In 2024, the company developed and launched a new "Safety Academy" training framework to strengthen safety leadership within line organizations. By 2025, Kia aims to achieve a participatory, field-driven safety management level as an independent stage, and plans to establish a new safety and environmental vision and mission beginning in 2026.	**Target** • Reduce the rate of occupational accidents compared to the previous year • Reduce the total incident rate compared to the previous year • Achieve safety/environmental system certification and score 80 on Kia SEMS (Safety and Environmental Internal Audit System) by 2025 **Progress** • Kia SEMS score of 78.3 achieved in 2024 (Target : 77 points)	• Safety and health management performance based on Kia SEMS results is reflected in the KPIs of organizational leaders and departments

Double Materiality Assessment

Response to Material Issues Related to External Stakeholders

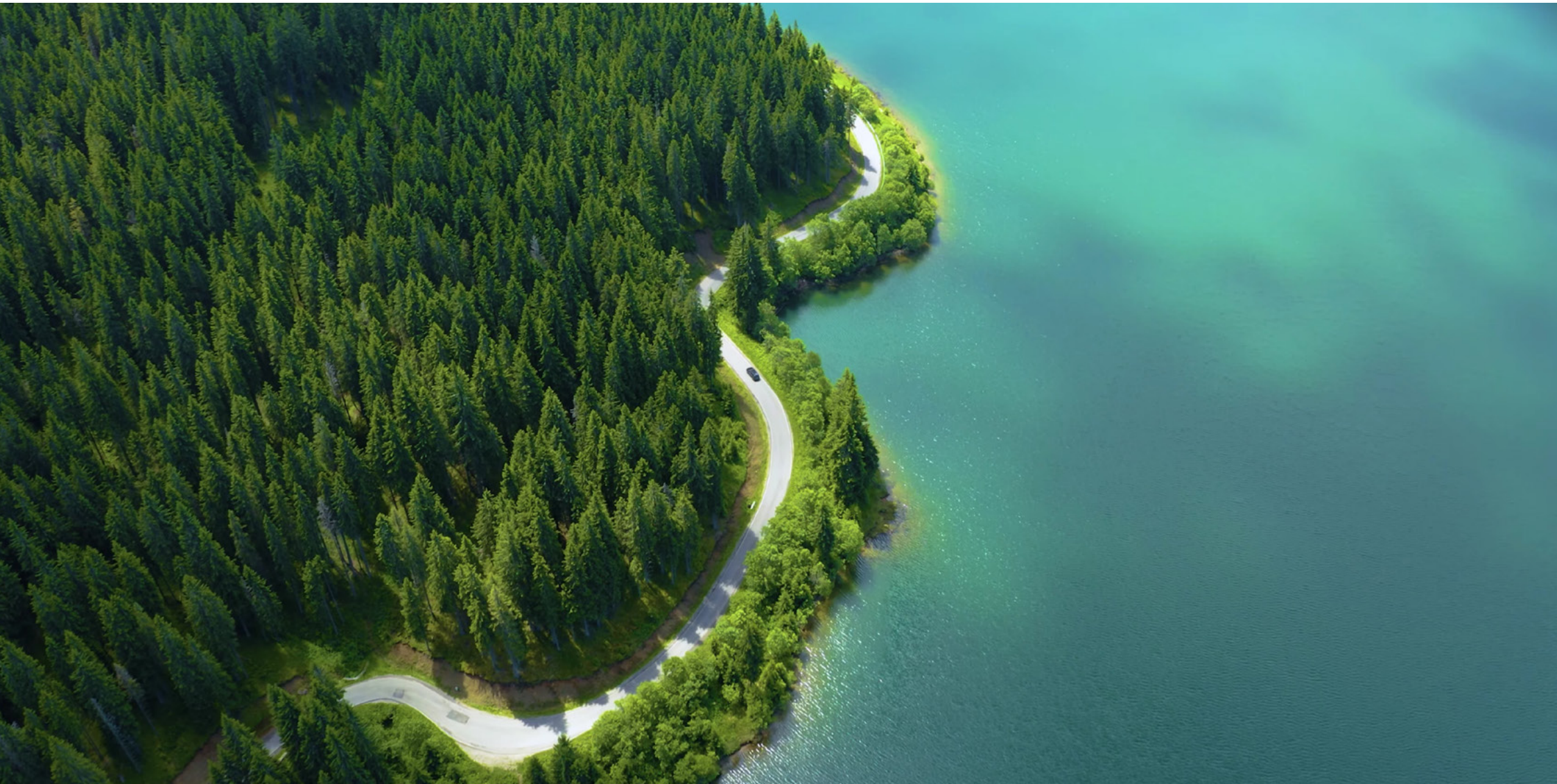
Kia identifies the major impacts of material issues related to external stakeholders and discloses the results of impact assessments along with the indicators used to quantify the associated social costs.

Materiality of Issues	Business Value Chain	Stakeholder Assessment Areas	Output Metric	Impact Valuation and Metric[1]
Climate change Impacts in the Vehicle Delivery and Use Phase Vehicles emit a majority of carbon emissions during use phase, contributing to climate change and air pollution, among other environmental impacts. Governments and NGOs are increasingly calling for electrification to combat climate change, which is accelerating structural transitions across the entire automotive industry. In Kia's major markets, regulations on fuel efficiency and CO_2 emissions continue to tighten, and policy pressures such as fines for non-compliance are expected to intensify. In response, Kia is accelerating its electrification strategy by expanding its EV lineup and aiming to become a Tier 1 EV brand to effectively navigate this evolving landscape.	Operations and Products/ Services	Environment & Society & Consumer	Life Cycle Assessment (LCA) is continuously refined to quantify the reductions made in carbon emissions from EV driving.	• Comparing the carbon emissions of Kia's EV4 model with its equivalent internal combustion engine model, the Seltos, over a driving distance of 200,000 kilometers, it was found that the EV4 produces direct emissions (TtW) of 0tCO_2eq, while the Seltos emits 28.48tCO_2eq. As a result, the carbon reduction effect of one EV4 is assessed to be 28.48tCO_2eq • Based on this, the total carbon reduction effect of the EVs sold in 2024 (194,124 units) is estimated to be approximately 5,528,652tCO_2eq • According to IFVI[2]'s GHG Emissions Topic Methodology, the Social Cost of Carbon (SCC) is approximately $236 per ton of greenhouse gases **Social cost avoided** Based on the carbon emission reduction from global EV sales in 2024, the social cost avoided is approximately KRW 191.79 billion
Managing Recycling of Raw Materials in the Vehicle Production Phase Kia recognizes the need to increase the recycling of various raw materials used in vehicle production in order to minimize environmental impact. In particular, resource consumption at the production stage has become a key challenge for realizing a circular economy, alongside carbon emissions. Regulatory frameworks related to resource circularity are also tightening, as seen in the European Commission's 2023 draft regulation on vehicle circularity and end-of-life vehicle management (ELVR). To proactively address these developments, Kia has set a target of applying 25% recycled plastic in new European vehicles by 2030. The company is strengthening its design and material application practices from the early stages of production by considering recyclability and resource efficiency from the outset.	Operations and Products/ Services	Environment & Society	To quantify the environmental impact of our efforts to expand the use of recycled plastic, we use the amount of plastic recycled as a metric to minimize our environmental footprint.	• Kia's EV3 model uses approximately 10.7 kg of recycled plastic per vehicle—about 4 % of its total plastic content • Kia's total EV3 sales in 2024 were 46,055 units, resulting in an estimated total plastic reduction of 492,789 kg • According to the World Wide Fund for Nature (WWF), the societal cost of every kilogram of plastic over its entire life cycle is approximately $150 **Social cost avoided** Reduced societal costs of approximately KRW 108.7 billion based on the amount of waste plastics reduced from the sales of the EV3 in 2024

1. This measurement is based on data maintained by the company and utilizes national statistics, research findings, and other resources. The monetary values used in the measurement are subject to change based on new research findings and cannot be considered part of the financial disclosure, as the completeness of the measurement results cannot be verified
2. IFVI : International Foundation of Valuing Impacts

Climate Change	23
Resource Circularity	36
Environmental Management	46
Natural Capital Management	50

ENVIRONMENTAL



Climate Change

As a global company, Kia recognizes its responsibility in addressing climate change and has established a clear strategy and implementation framework to tackle this challenge.

The company is pursuing multiple initiatives to achieve carbon neutrality across the entire product lifecycle by 2045, including achieving RE100, conducting Life Cycle Assessments (LCA) for all vehicle models, and strengthening its electrification strategy.

GOVERNANCE

Kia supports the Paris Agreement and is actively advancing its climate change response strategy. As part of the government's carbon neutrality policy, Kia has declared its 2045 Carbon Neutrality target, including Scope 3 emissions, and participates in global initiatives such as RE100.

Board Oversight of Climate Change Response

Kia manages company-wide ESG risks, including climate change, through the Sustainability Management Committee under the Board of Directors. In principle, the committee convenes quarterly in principle and reviews and oversees the implementation status and plans for key initiatives such as carbon reduction and climate action. The Board holds the ultimate authority and responsibility for decisions related to climate change and carbon neutrality, reviewing key performance outcomes and plans under the CEO's accountability.

Role of Management in Climate Change Response

In 2022, Kia established a dedicated Carbon Neutrality Department to systematically analyze climate-related risks and manage the company-wide carbon neutrality strategy. Head of Strategic Business Planning Division assumes relevant oversight roles and responsibilities, and regularly reports critical issues to the Board and CEO. Kia operates a governance structure that integrates Board committees and relevant departments, with clearly defined roles for overseeing and managing carbon neutrality within the organization.

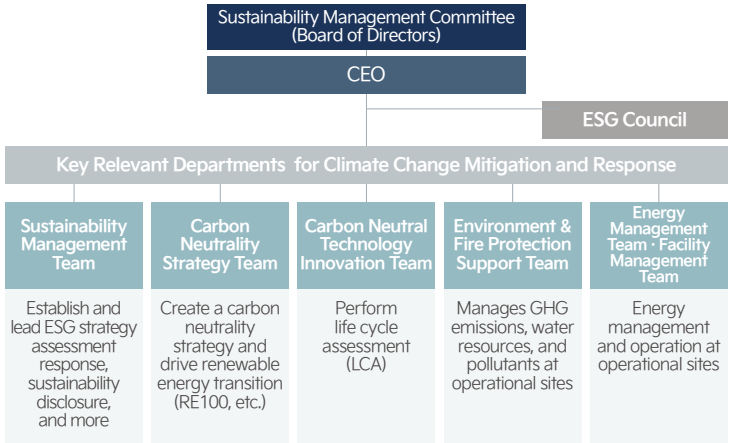
Climate-Related Incentives and KPI Management

Kia applies carbon neutrality-linked KPIs to the CEO, key executives, and organizational leaders. The CEO's KPIs include ESG performance, carbon neutrality achievements, and other ESG initiatives, which are tied to annual incentive payouts based on the level of achievement. Executives across key domestic and international organizations are also evaluated based on progress toward CO_2 reduction targets and regulatory compliance. The figures on EV production and sales performance are also included as KPIs, strengthening the effectiveness of climate response initiatives. Additionally, Kia runs a "Factory Energy-Saving Idea Contest" to encourage employee participation and gather site-driven improvement proposals. We offer incentives by rewarding outstanding suggestions that contribute to the reduction of GHG emissions and improvement in energy efficiency.

Key Timeline



Organizational chart



Carbon Neutrality Budget and Performance Oversight

To ensure the high return on investment (ROI) in carbon neutrality initiatives, Kia systematically manages an annual budget and key capital expenditure plans. Key budget items include the implementation of RE100 for the reduction of Scope 1 and 2 emissions (e.g., solar power self-generation, PPA agreements) and energy efficiency investments at production sites. The company reviews investment outcomes based on annual execution performance.

Carbon Neutrality Target Setting and Implementation Oversight

Kia regularly monitors the implementation status of carbon reduction targets at each production site through periodic working group meetings. This initiative contributes to the systematic management of company-wide goal achievement, supports the attainment of reduction outcomes, and is directly linked to carbon neutrality KPIs—enhancing the effectiveness of actual emissions reduction efforts.

Climate Change

STRATEGY

2045 Carbon Neutrality

Since declaring its "2045 Carbon Neutrality" commitment in 2021, Kia has been progressively implementing a comprehensive set of reduction initiatives—including the transition to renewable energy, expansion of electrification, and carbon reduction efforts across its supply chain. In light of strengthening global regulations and evolving international standards, Kia is positioning the year 2025 as a strategic turning point to comprehensively revise its existing carbon neutrality strategy. In the Scope 1 and 2 domains, Kia plans to maximize greenhouse gas (GHG) reduction at the site level by accelerating the transition to renewable energy at domestic and international operations, improving energy efficiency, and exploring applications of green energy. In Scope 3, Kia will refine ways by which it reduces emissions in the value chain by expanding the proportion of green vehicles, applying carbon reduced materials, and intensifying carbon reduction efforts across the supply chain. This strategic transformation goes beyond Kia's internal operations, aiming to build a sustainable carbon neutrality ecosystem in partnership with suppliers and a wide array of stakeholders. In this process, carbon offsetting will be developed not merely as a supplementary measure, but as an integral strategic component.

Carbon Neutrality Roadmap

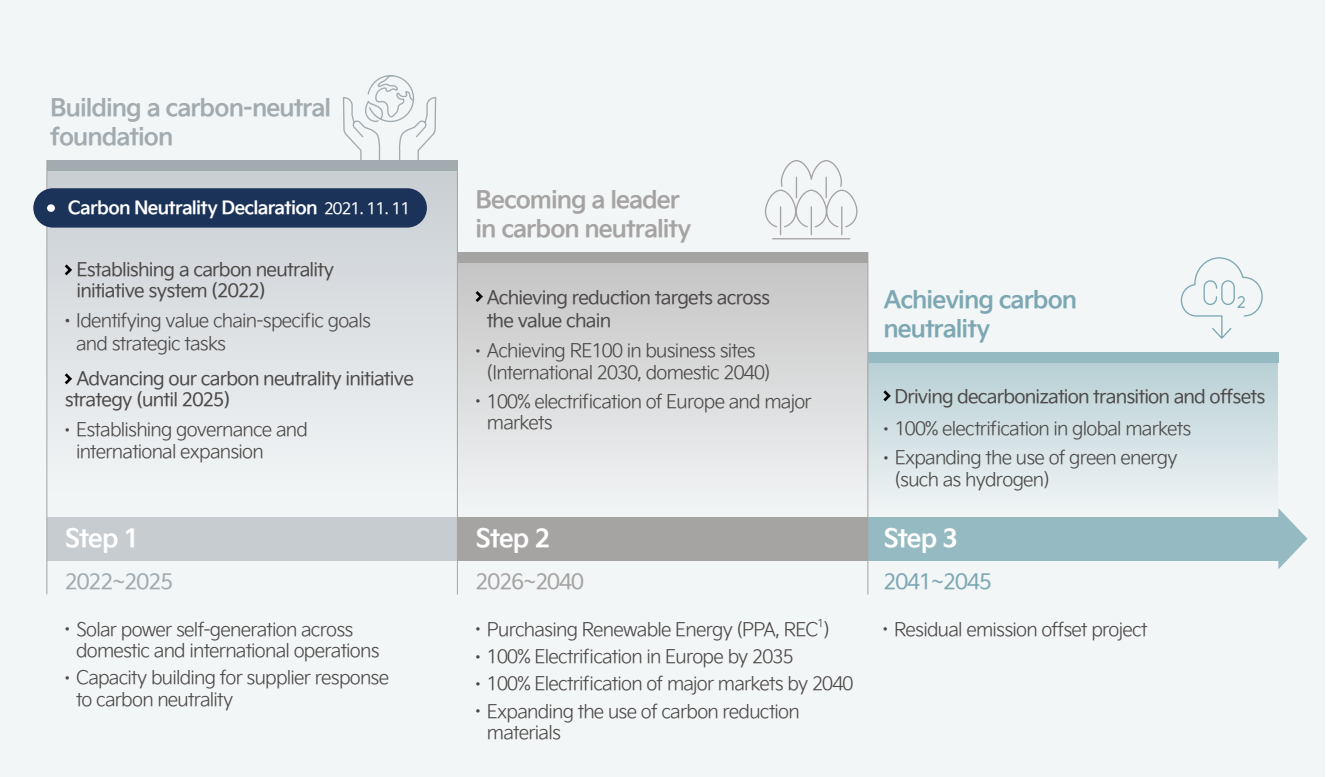
To achieve carbon neutrality across the entire value chain by 2045, Kia has established a phased, domain-specific mid- to long-term roadmap and is advancing structured implementation strategies based on this plan.

Kia primarily focuses on reducing Scope 1 and 2 emissions at the operational site level. In the short term, by 2025, Kia aims to expand the use of renewable energy at major sites and reduce GHG emissions by improving energy efficiency in production processes. In the mid- to long term, the company plans to gradually introduce green energy sources such as clean hydrogen and biogas to realize fundamental decarbonization at its sites.

To address Scope 3 emissions, Kia is implementing strategies to reduce them across its supply chain and the vehicle use phase. This includes the continuous development of fuel efficiency technologies and increasing sales of green vehicles to reduce use-phase emissions. Moreover, Kia plans to intensify reduction activities at the component and material level, such as applying carbon-reduced steel to mass-produced vehicles for the first time before 2030. Additionally, to offset the limitations in carbon reduction capacity, Kia will also pursue the acquisition of carbon offset credits by pursuing environmentally friendly projects linked to domestic and international emissions trading systems.

Guided by this strategic roadmap and platform for action, Kia aims to deliver tangible outcomes aligned with global emissions reduction standards and continue its responsible Carbon Neutrality journey in response to the climate crisis.

Carbon Neutrality Roadmap



1. REC : Renewable Energy Certificate

Climate Change

STRATEGY

2045 Carbon Neutrality

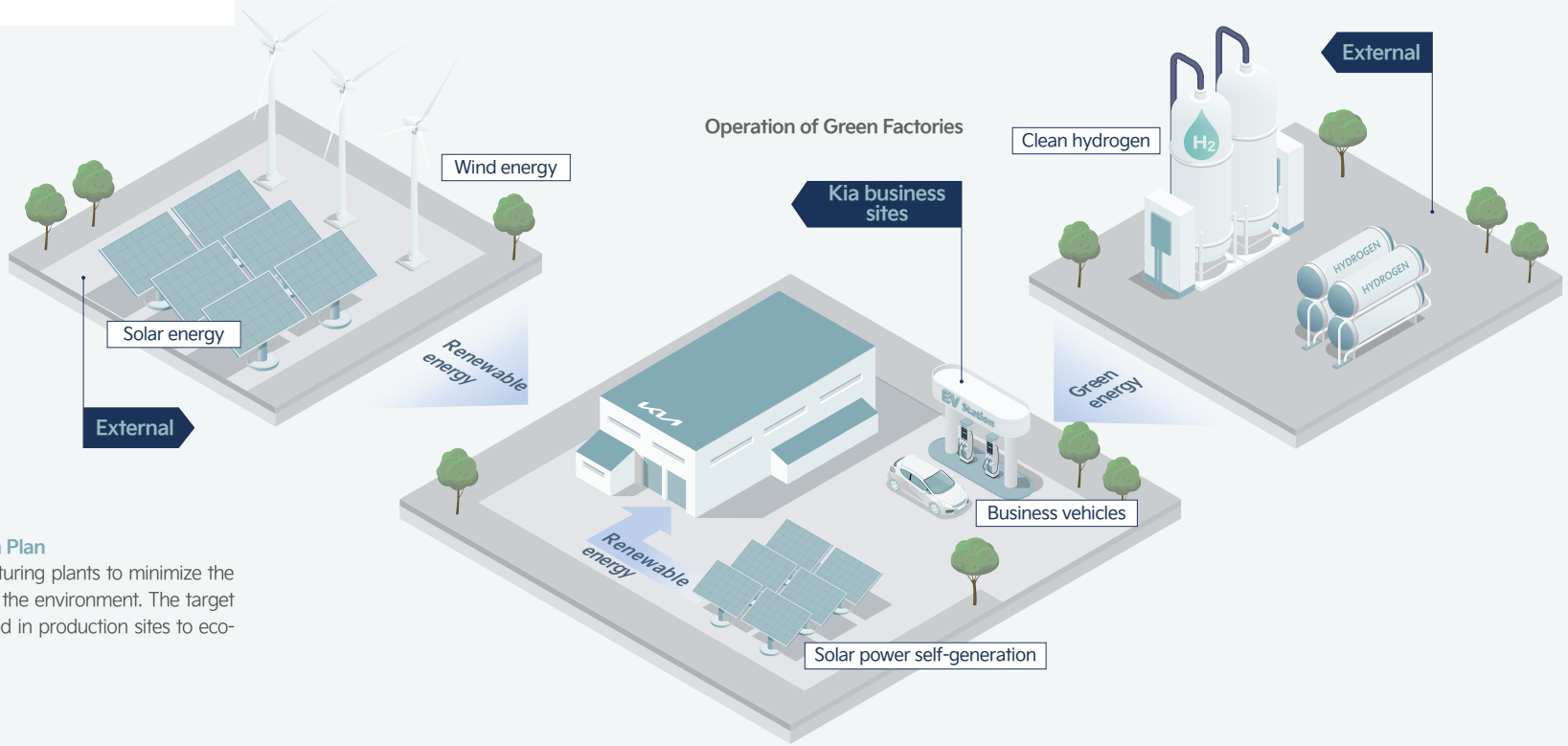
Electricity — Switch to renewable energy, such as solar and wind, for electricity used in the business sites

① Solar power self-generation	Electricity consumed in the production site is directly generated through self-generation
② External procurement	Procure energy from external renewable energy generation projects.

Gas — Switch from natural gas to green energy such as clean hydrogen and biogas for the painting process and heating and cooling facilities

① Clean hydrogen	Utilize clean hydrogen with significantly lower carbon emissions
② Biogas	Utilize energy sources that originate from living things, such as biogas and organic waste.

Oil — Convert business vehicles to electric vehicles (EVs) to zero oil use.



Production Sites Carbon Neutrality Action Plan

Kia is focusing on decarbonizing its manufacturing plants to minimize the negative impact of its corporate activities on the environment. The target is to transition the electricity, gas, and oil used in production sites to eco-friendly energy sources.

Climate Change

STRATEGY

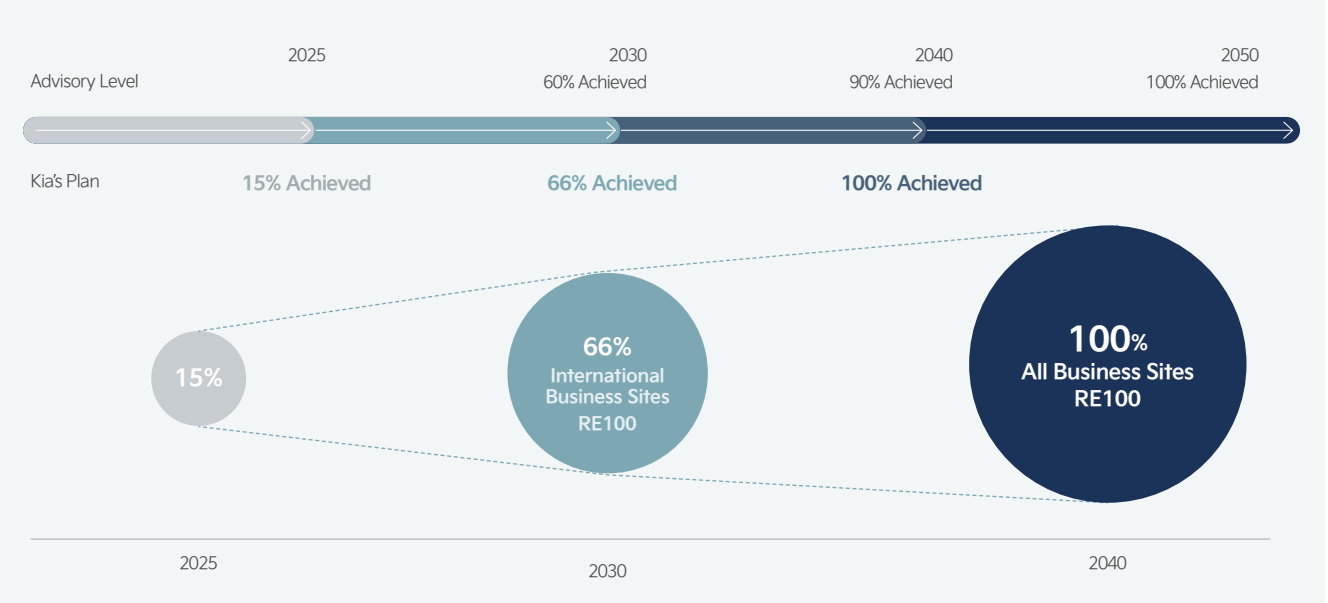
RE100 Implementation

RE100 Implementation Roadmap

In April 2022, Kia joined the RE100 initiative, launched by the UK-based non-profit organization The Climate Group in collaboration with Carbon Disclosure Project (CDP, and announced its commitment to transition 100% of its electricity consumption to renewable energy by 2040. The company plans to first complete the renewable energy transition across its overseas business sites by 2030, followed by all global operations by 2040—a target that is 10 years ahead of the RE100 initiative's recommended goal of achieving 100% renewable energy by 2050.

Taking into account national energy policies and renewable energy market conditions in each country, Kia has developed site-specific RE100 implementation roadmaps. To ensure both the authenticity and effectiveness of its decarbonization efforts, the company plans to achieve RE100 primarily through self-generation and Power Purchase Agreements (PPAs).

Roadmap to Achieve RE100



RE100 Implementation Strategy Development Process

Kia recognizes that expanding renewable energy is essential for the implementation of RE100. Given the need for significant capital investment, we have established a four-step review process to systematically pursue this initiative. Considering the financial implications associated with RE100 execution, the company conducts financial analyses for each portfolio to set achievable milestones in its progress towards RE100.

RE100 Review Process

Category	Step 1	Step 2	Step 3	Step 4
	Mid- to long-term electricity usage forecasting	Analyze the needs for Renewable energy transition	Develop self-generation targets and plans	Develop PPA/REC strategy
Description	Use forecasting/analysis after considering mid- to long-term business plans for all business sites	Calculate the demands for annual renewable electricity	Conduct a site-specific analysis of installation location, capacity, and economic efficiency	Forecast mid- to long-term, domestic & international PPA/REC unit price, review the timeline for implementing the transition plan, and establish strategies for its roll-out

Climate Change

STRATEGY

RE100 Implementation

Global RE100 Implementation Status

In line with the RE100 implementation roadmap established in 2023, Kia has been advancing its renewable energy transition primarily through solar power self-generation and Power Purchase Agreements (PPAs).

Solar power self-generation

In 2023, Kia began to generate solar power at its Hwaseong (Korea) and sites in India with a combined capacity of 6 MW. By 2025, all domestic and international AutoLand facilities—including those in the U.S., Slovakia, and Mexico—will operate solar power systems totaling 38 MW. Kia plans to expand this capacity to 62 MW by 2027.

PPA

In 2024, Kia completed the construction of a 58 MW solar power facility at its operational sites in China, which currently purchases renewable energy through an on-site PPA. In Korea, Kia began accelerating its transition to renewable energy following a 219 MW PPA signed with Hyundai E&C in December 2023. The company plans to introduce a 50 MW PPA for its domestic operations in 2025 and expand total PPA capacity to 220 MW by 2030.

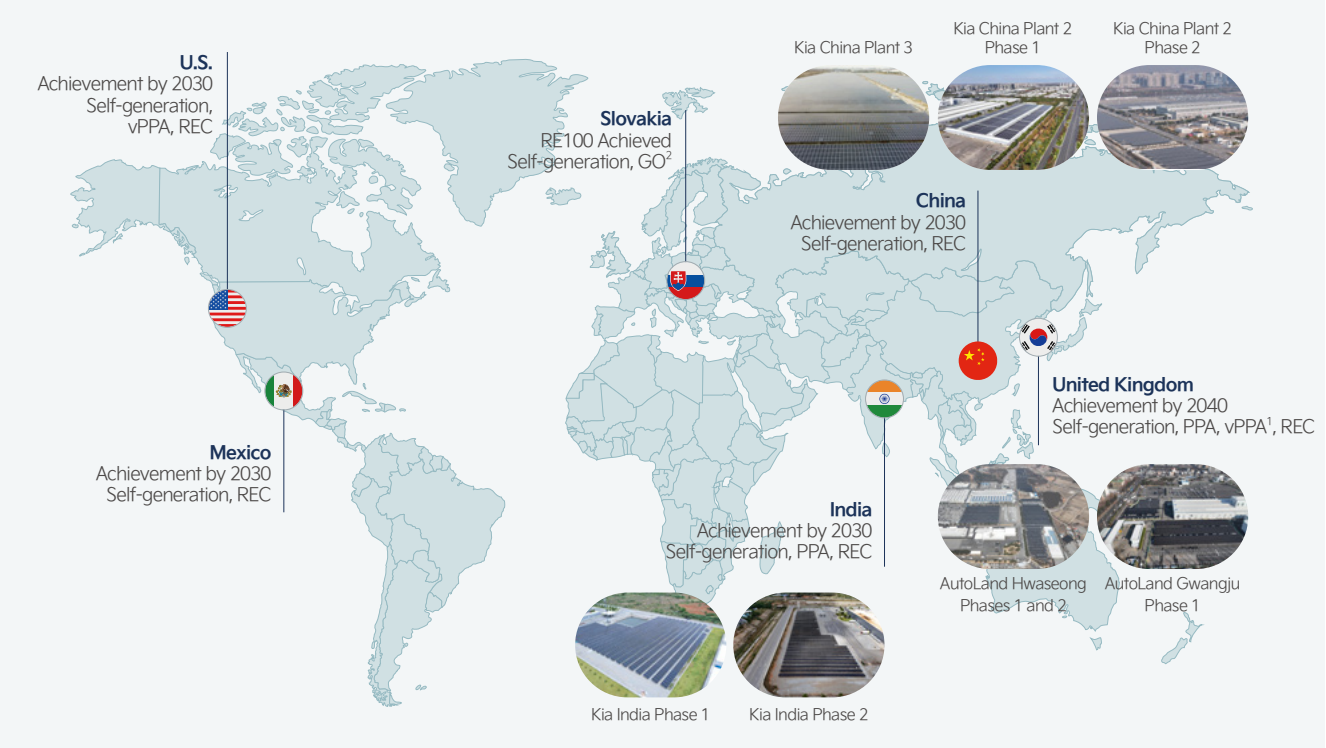
Kia is also preparing to implement PPAs at its U.S. and Indian sites, with execution scheduled for 2025 and 2026 respectively, aiming to introduce renewable energy by 2027.

Certificates

The Slovakia site has been achieving RE100 through the use of Guarantees of Origin (GO) certificates since 2016.

1. v PPA : Virtual Power Purchase Agreement
2. GO : Guarantee of Origin

RE100 Portfolio Across All Business Sites



Renewable Energy Transition Performance

Implementation	Self-Generation					PPA			Certification
Business site	Hwaseong		Gwangju	India		China			Slovakia
Capacity	4.3 MW	5.5 MW	1.1 MW	1.7 MW	2.0 MW	36.0 MW	7.8 MW	14.5 MW	Total power
Completion date	2023.09	2024.12	2024.12	2023.01	2025.01	2022.01	2024.01	2024.12	2016~

Climate Change

STRATEGY

RE100 Implementation

Implementation

Kia has set a mid-to-long-term goal of achieving a 10% reduction in Scope 1 and 2 emissions from its domestic and international manufacturing plants by 2030, compared to 2019 levels, through improvement in energy efficiency. The company is in the process of detailing plant-specific implementation strategies. Kia assessed the applicability of its energy efficiency initiatives across individual plants and identified potential sites for implementation. The findings will guide Kia in establishing annual implementation plans and carbon reduction targets. In addition, to accurately measure energy savings, the company is considering the introduction of a standardized verification process and plans to use standardized measurement criteria to objectively assess the effectiveness of investment.

Energy-Saving Technology Adoption Cases

	Ultra-power Saving Controls Applied in 2022	Smart Air Control Applied in 2023	Motor Load Variable Control Applied in 2023	DC Power Distribution To be applied by 2025	Optimize Compressed Air in Production sites To be applied by 2025
Existing	Power consumption by non-productive time standby loads	Air use due to leaks in and out of the facility during non-production hours	Steady-state operation of hydraulic pumps during plant operation	When supplying solar-generated power (DC) to loads such as AMRs, forklifts, etc, power is lost during DC ↔ AC conversion	Supplying the same compressed air pressure to the entire plant results in providing equipment with more pressure than needed, leading to energy inefficiency
Improvement Method	Shut off the source of power to non-production time standby power generators	Shut off the primary supply air source for non-production time equipment	Variable operation based on pressure sensor load detection	Powering DC loads directly with DC power distribution and dedicated converter application (DC → DC)	Optimize main compressed air supply pressure through facility-specific pressure condition analysis
(Expected) Outcome	Energy consumption reduction effectiveness evaluation results show that completely eliminating standby power during idle periods result in **82% reduction in power consumption**	By shutting off non-productive air sources **86% reduction in compressed air**	Energy consumption reduction effectiveness evaluation results show that when controlling motor load during production **Power consumption is reduced by more than 50%**	Increase power conversion and long-distance distribution efficiency with solar integration **Estimated 20% increase in energy efficiency**	Via factory main compressed air depressurization (6.7 → 5.5 bar) **Projected 56% savings in electricity**

Carbon Information Management and Carbon Cost Calculation

Global Integrated GHG Information System

Amid continued economic and political uncertainty, markets and relevant stakeholders increasingly call for carbon neutrality and climate action. In response to these rising expectations and tightening carbon emissions regulations, Kia has developed the Integrated Global GHG Information System (IGIS) to manage carbon emissions data across the entire company—including products, production sites, and the supply chain.
The system is expected to provide highly reliable carbon emissions data, enabling effective responses to various regulations and stakeholder demands. It also supports the development of carbon reduction technologies and provides general information related to carbon neutrality. Going forward, Kia plans to continuously update carbon emissions data through the system and improve it to enable agile responses to evolving market conditions.

Internal Carbon Pricing System

Kia has established internal carbon pricing guidelines to systematically calculate projected carbon-related costs associated with investments. Internal carbon prices will be used as reference in making decisions for large-scale investments such as new plant construction, facility expansion, and equipment upgrades.

Climate Change

STRATEGY

Carbon Neutrality Implementation in the Supply Chain

Carbon Neutrality Strategy in the Supply Chain

Kia is actively promoting carbon reduction efforts within its supply chain, which accounts for a significant portion of its value chain emissions. The company supports suppliers in developing their own carbon accounting capabilities and establishing reduction plans tailored to their specific business operations. In particular, Kia is requesting major carbon-emitting Tier 1 suppliers to obtain third-party verification of their site-level emissions and establish carbon reduction roadmaps. Kia also plans to monitor their implementation progress. In the long term, Kia aims to reduce emissions from raw materials by expanding the use of low-carbon and recycled materials such as steel, aluminum, and plastics.

Plan to Decarbonize the Supply Chain

Building a carbon neutrality response framework and enhancing capacity for suppliers

- Provide carbon neutrality training to suppliers
- Support Carbon Disclosure Project Supply Chain response
- Support emissions assessment at the component level (LCA) for partners

Building a commitment for carbon neutrality in supply chain

- Operate a third-party certification system for carbon emissions at suppliers' sites
- Help partners build carbon reduction roadmaps and deliver reductions
- Internalize the calculation of suppliers' emissions per component unit (LCA)

Implementing supply chain decarbonization

- Expand the use of carbon reduction, recycled materials
- Manage supplier carbon reduction performance (e.g., renewable energy transition)

Enhancing Capabilities for Supply Chain Carbon Neutrality

In 2023, Kia joined the Carbon Disclosure Project (CDP) Supply Chain program and began requesting climate-related disclosures from suppliers. The company uses CDP evaluation scores to assess each supplier's level of climate action. Last year, Kia requested disclosures from over 360 Tier 1 suppliers and provided both online and offline training on GHG accounting and the CDP questionnaire to support their participation. Additionally, Kia offers one-on-one consulting for suppliers with low CDP ratings to help establish climate response systems.

To support full carbon footprint assessments, Kia operates a Life Cycle Assessment (LCA) support program that helps suppliers measure emissions from raw material extraction to part manufacturing and delivery. This enables suppliers to identify high-emission processes and areas for reduction. Going forward, Kia plans to link vehicle-level LCA emissions with its procurement policies to drive structured carbon reduction activities.

Carbon Reduction in Key Supply Chain Materials

Kia calculates carbon emissions for key materials used in vehicle production—steel, aluminum, and plastics—and is reviewing reduction measures based on material characteristics. To reduce emissions from steel, which represents the largest share of a vehicle's weight, Kia plans to use steel that emits 20% less carbon than conventional blast furnace-produced steel by 2030. The company is also engaging in material research and parts development to expand the use of recycled aluminum and plastics in its vehicles.

Support for Supply Chain Carbon Neutrality Implementation

Kia operates various programs to help suppliers manage and reduce carbon emissions. The company provides an IT system to support suppliers in tracking site and component-level emissions and responding to carbon regulations. For major emitters, Kia assists in developing carbon reduction roadmaps and offers financial support for carbon-reduction equipment, especially for small and medium-sized suppliers. In 2024, Kia launched a pilot program to support suppliers in procuring renewable energy through Power Purchase Agreements (PPAs), targeting select domestic suppliers.

Raising supplier carbon neutrality awareness

- Share Kia's carbon neutrality strategy with suppliers
- Communicate the importance of carbon neutrality to suppliers' management
- Establish a Supplier carbon neutrality Implementation Guideline

Monitoring supplier carbon emissions

- Estimate supplier emissions and develop a management computerized system
- Support third-party certification of carbon emissions at supplier locations

Driving and supporting supplier carbon reduction

- Help large carbon emitters build reduction roadmaps
- Provide support for carbon reduction equipment procurement and renewable energy procurement
- Provide information on carbon neutral solutions through carbon neutral fairs

Climate Change

STRATEGY

Carbon Reduction Strategy Across the Entire Life Cycle

Carbon Reduction Strategy Incorporating Life Cycle Assessment (LCA)

Vehicle carbon emissions occur not only during the use phase but also indirectly throughout the entire life cycle, including raw material extraction, parts manufacturing, vehicle assembly, energy production, maintenance, disposal, and transportation between stages. In response, Kia conducts comprehensive Life Cycle Assessments (LCA) to analyze the environmental impacts of its products across their full life cycle. The company applies the EF 3.1 methodology[1] to assess a wide range of environmental impact categories, including climate change (Global Warming Potential, GWP).

Based on these LCA results, Kia identifies the impact of each phase and prioritizes areas for improvement, which are then incorporated into its carbon reduction strategy. Kia is also working to achieve zero emissions during the vehicle use phase by strengthening its electrified vehicle lineup and plans to expand LCA coverage to all models, starting with those launched in Korea, Europe, and the United States. Additionally, Kia's LCA methodology has been certified by an external verification body as meeting international standards of ISO 14040 and 14044. These certifications enhances the credibility of Kia's LCA data, and the company will continue efforts to ensure the reliability of its environmental impact assessments going forward.

LCA Methodology Certification



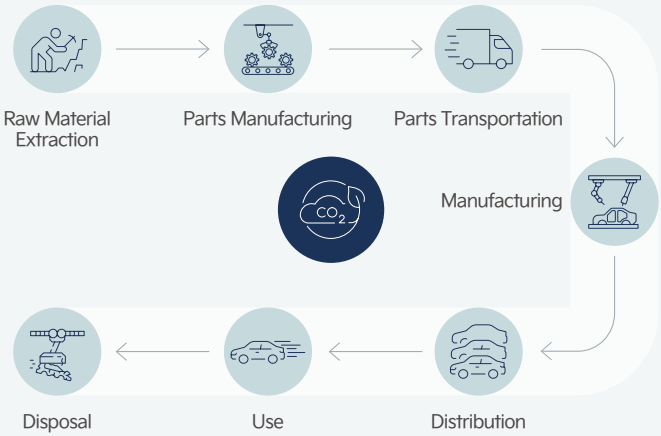
Application of Automotive Industry LCA Methodologies

Given the complexity of vehicles—comprising thousands of materials and parts sourced through global supply chains—precisely calculating carbon emissions throughout a vehicle's life cycle presents a significant challenge. Accordingly, different methodologies have been applied depending on the goals and data availability of the implementing organization (e.g., governments, research institutions, companies). To address this, the United Nations Economic Commission for Europe (UNECE) has established the Automotive LCA Informal Working Group (A-LCA IWG) to promote international harmonization of LCA methodologies in the automotive sector. This effort supports fair comparison of carbon emissions between vehicles and helps global automakers respond more efficiently to regulatory requirements across different jurisdictions.

Recognizing that harmonized methodologies can drive the development of carbon-neutral vehicles, Kia actively participates in the A-LCA IWG and contributes practical insights to ensure that the methodology reflects real-world applicability. In particular, Kia has proposed a tiered analysis framework based on the purpose of carbon accounting and the granularity of available data. This includes suggesting efficient selection criteria for vehicle models and specifications that represent actual market and technology conditions, grounded in real operational data held by manufacturers. Through these contributions, Kia aims to both improve the efficiency of emissions calculation and ensure that automakers' carbon reduction efforts are properly reflected in the finalized methodology. The proposed method is undergoing continued discussions and is expected to be submitted to the UN Working Group on Vehicle Emissions and Energy (GRPE) in the second half of 2025, with final adoption planned through reporting to the UN World Forum for Harmonization of Vehicle Regulations (WP.29) in 2026.

1. EF 3.1 : Environmental Footprint 3.1 is the impact assessment methodology used in the EU Product Environmental Footprint (EU PEF) guidelines.

Product Lifecycle Carbon Footprint Scope



LCA Impact Assessment Topics

- Climate change
  - -Climate change, fossil
  - -Climate change, biogenic
  - -Climate change, LUC
- Ozone depletion
- Particulate matter
- Ionising radiation
- Photochemical ozone formation
- Acidification
- Eutrophication, terrestrial
  - -Eutrophication, terrestrial
  - -Eutrophication, freshwater
  - -Eutrophication, marine
- Land use
- Water use
- Resource Usage
  - - Resource use, minerals and metals
  - - Resource use, fossils

Climate Change

STRATEGY

Carbon Reduction Strategy Across the Entire Life Cycle

Life Cycle-Based Carbon Emission Reduction

Kia is focusing on developing technologies aimed at achieving carbon neutrality across the full life cycle of its vehicles. These efforts span multiple stages—from raw material production and parts manufacturing to vehicle use—and are being carried out in a structured manner. A particular focus is placed on reducing carbon emissions associated with the raw materials used in vehicles. For steel, a primary automotive material, Kia is researching alternatives to conventionally produced steel from blast furnaces by using a hybrid process that combines blast and electric arc furnaces to produce lower-emission steel. For polymer-based materials, the company has developed parts made from bio-plastics derived from natural resources, and these have already been applied in actual vehicle production. Kia is also pursuing carbon reduction in the parts manufacturing process by lowering energy consumption. This includes the development of technologies such as low-temperature curing electrodeposition coatings and steel wires that eliminate the need for heat treatment—some of which have already been applied to production or are under review for application. Efforts are also being made to reduce emissions in the vehicle use phase, which accounts for the largest share of total carbon emissions. These initiatives are closely linked to improving fuel and energy efficiency, with Kia achieving tangible results through lightweighting technologies that incorporate high-strength materials.

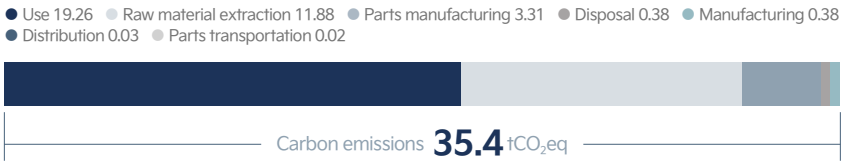
EV4 Life Cycle Assessment

The EV4, Kia's first dedicated electric sedan, represents a key milestone in the company's electrification strategy to address climate change. According to its Life Cycle Assessment (LCA), the EV4 produces approximately 27% fewer carbon emissions compared to an internal combustion engine (ICE) vehicle that is similar in size. While EVs typically produce higher emissions during the raw material extraction phase—due to parts such as high-voltage batteries—they emit zero emissions during usage. Even when factoring in the carbon emissions from electricity generation, the EV4's use phase emissions are 19.3 tons of CO_2, which is 19 tons lower than that of an equivalent ICE vehicle Seltos when considering fuel production and combustion. As Korea's national electricity mix improves under the Basic Plan for Power Supply and Demand and Kia's RE100 strategy, the indirect emissions associated with electricity use are expected to decline. Kia also plans to systematically reduce emissions during the raw material extraction phase through clear target-setting and implementation of carbon reduction strategies.

EV4 Carbon Footprint



* Based on 200,000 km total mileage
(Unit : tCO_2eq/Unit)

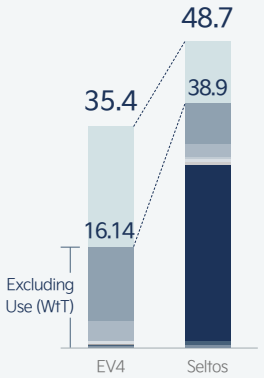


Key Specifications (Domestic)	Battery	Battery	Motor	Energy Efficiency	Body Type	Drive	Tires	Curb weight
	Lithium-ion	58.3 kWh	150 kW	5.8 km/kWh	Wagon 4DR 5P	2 WD	17 inches	1,745 kg

LCA Comparison : EV4 (EV) vs. Seltos (ICE)

In 2024, Kia conducted a Life Cycle Assessment (LCA) comparing the EV4 to the Seltos, a conventional internal combustion engine model. The results showed that the Global Warming Potential (GWP, in tCO_2eq) for the EV4 was approximately 27% lower than that of the Seltos. Electric vehicles like the EV4 have clear carbon reduction advantages due to their zero tailpipe emissions. However, unlike ICE vehicles, EVs contain carbon-intensive materials such as rare earth elements used in batteries and motors. This indicates that the environmental impact during the raw material extraction phase can be higher for EVs. As national carbon neutrality strategies are implemented, carbon emissions from the process of electricity generation are expected to gradually decrease. Consequently, the carbon emissions during the use-phase of electric vehicles and the raw material extraction phase will also be significantly reduced compared to internal combustion engines. To support this transition, Kia continues to invest in and apply technologies using low-carbon and recycled materials.

Carbon Emissions Comparison of EV4 (EV) to Seltos (ICE) (Domestic)



(Unit: tCO_2eq/Unit)

Life Cycle	EV4	Seltos
Raw material extraction	11.88	6.45
Parts manufacturing	3.31	2.69
Parts transportation	0.02	0.03
Manufacturing	0.38	0.29
Distribution	0.03	0.03
Use (WtT)	19.26	9.83
Use (TtW)	-	28.48
Maintenance	0.14	0.61
Disposal	0.38	0.31
Total	35.40	48.73

* EV4, results based on Seltos production/sales location domestic model

Climate Change

STRATEGY

Carbon Reduction Strategy for the Use Phase

Fuel and Energy Efficiency Improvements to Reduce Use Phase Emissions

Development of Fuel Efficiency Technologies

To reduce carbon emissions during the vehicle use phase, Kia is focused on improving fuel efficiency in new models. The company is applying aerodynamic improvements through design and engineering optimizations, such as reshaping bumpers, trunks, and roofs, as well as full underbody covers. Technologies like air guards and Active Air Flaps have been developed to reduce cooling resistance. Kia has also developed its third-generation Smartstream powertrain, which implements optimized fuel injection for varying driving conditions. Other applied technologies include integrated flow control valves for optimal cooling water temperature, Continuously Variable Valve Duration (CVVD), and Low Pressure Exhaust Gas Recirculation (LP-EGR). Additionally, Kia is expanding its HEV (Hybrid Electric Vehicle) lineup to achieve significant emissions reductions during the in-use phase.

Real-World Fuel Efficiency Testing (Off-Cycle Test)

Vehicle GHG emissions are influenced by both internal factors—such as vehicle weight, powertrain control, tire pressure, and operation of the heating, ventilation, and air conditioning (HVAC) system—and external factors like road conditions, weather, and traffic. Alongside standardized (on-cycle) testing, Kia conducts off-cycle tests that reflect real-world driving conditions across various countries to ensure more accurate assessment.

Third-Party Collaboration

In the vehicle development process, Kia uses test facilities validated by accredited bodies such as Korea Laboratory Accreditation Scheme (KOLAS), and tests vehicles according to both regulatory and proprietary methods. The company also compares third-party fuel efficiency results from sources like the U.S. EPA, J.D. Power, and Consumer Reports, as well as Europe's Green NCAP, Auto Bild, and Spritmonitor. Data from certification agencies and media in emerging markets like India and Brazil are also used to enhance reliability of fuel efficiency test results.

Electric Efficiency and Battery Performance

Kia is committed to securing high-quality batteries and improving battery performance. Kia's EV batteries are designed to support a lifespan[1] of 250,000 to 300,000 km before battery performance drops to 70-80%, which equates to 12-15 years of usage assuming annual driving of 20,000 km.

1. The driving range stated is based on highway driving conditions at moderate temperatures (25-50°C) and may vary depending on actual driving environments and individual driving habits.

Contribution to Carbon Reduction Through EV Product Launches

Kia's efforts to lead in sustainability go beyond reducing emissions at production sites; they extend to reducing use-phase emissions by producing high-quality EVs. The company is launching a competitive EV lineup and leading both domestic and global markets. Kia plans to operate 15 EV models by 2030 and aims to sell 1.26 million EVs globally (30% of total sales), contributing to carbon reduction.

Mid- to Long-Term EV Launch Plan

To achieve 2030 decarbonization targets, Kia will continue to implement its eco-friendly vehicle lineup strategy. HEV models will be expanded from the Seltos to the Telluride, while the EV lineup will grow from the EV3, EV4, and EV5 to the EV2, helping overcome the EV chasm and accelerating mass adoption.

Mid-to Long-Term EV Lineup

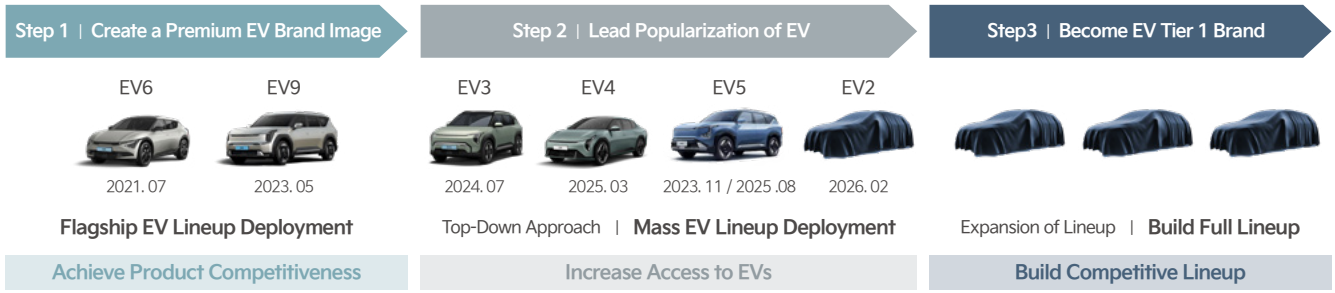
	Number of new medels					
	2025	2026	2027	2028	2029	2030
ICE	2	2	2	1	1	-
EV	**3**	**2**	**1**	**2**	**2**	**1**
PBV	1	-	1	-	1	-
Total	5	4	3	3	3	1

	Number of operating models	
	2025	2030
ICE	23	17
EV	**9**	**15**
PBV	1	3
Total	32	32

* As of year-end

EV Tier 1 Brand Strategy

To become a Tier 1 EV brand, Kia is building a premium EV image while leading EV mass adoption. The company is strengthening its mass-market EV lineup, enhancing price competitiveness, and improving trust in EV through ensuring safety, after-sales service, and reliability in the vehicles. Looking ahead, Kia aims to enhance product competitiveness and expand its lineup to lead the market and establish itself as a top-tier EV brand.



Climate Change

RISK MANAGEMENT

Identification and Assessment of Climate Change Risks

Kia regularly monitors climate-related risks and opportunities across its value chain, including the headquarters, to systematically manage potential climate factors. Among these, risks and opportunities that may significantly affect business operations are reported to the ESG Council, a company-wide, cross-functional body, in order to strengthen the response framework.

Need for Business Strategies Aligned with Climate Change Scenarios

Kia has declared a 2045 Carbon Neutrality target to be aligned with the 1.5°C scenario and is integrating this goal into its company-wide management strategy. To reflect the industry- and regional-level of emissions-related initiatives, Kia also takes into account the Korea's Nationally Determined Contributions (NDC). In addition, the company plans to manage Scope 1, 2, and 3 emissions more precisely by calculating carbon emissions based on Life Cycle Assessments (LCA) conducted on products.

Risk Identification and Management Process



Procedures for Managing Climate Change-related Risks

The process for managing risk and making related decisions is as follows.



Climate Change Risks and Opportunities

Kia identifies risks and opportunities related to climate change and conducts a comprehensive analysis of their underlying causes and potential impacts on the business. Based on this analysis, the company has established measures to mitigate individual risks.

① Transition Risks

Type	Identified Risk	Period	Key Potential Financial Impact	Kia Response Plan
Policy	Tighter cap-and-trade standards 	Short-, medium-, and long-term	Increased operational costs	As the eco-friendly vehicle market expands and expectations for corporate GHG emissions management continue to grow, Kia anticipates financial impacts such as reduced free allocation ratios and rising carbon reduction costs. Since 2015, Kia has participated in the Emissions Trading Scheme (ETS) and, in 2024, remains subject to government regulations under Korea's third ETS phase (2021-2025). To proactively comply with national GHG reduction policies, Kia is pursuing various strategies, including policy and regulatory monitoring, emissions allowance management, and GHG monitoring and reduction efforts. At its domestic AutoLand sites, the company utilizes the Global Energy-Greenhouse Gas Management System (GEMS) to forecast carbon emissions by energy source and set reduction targets accordingly. Kia also leverages various options available within the emissions market to minimize financial burden. To minimize any shortfalls in emission allowances over the long-term, the company is advancing multiple GHG reduction activities such as operational emissions reductions and adoption of renewable energy. In addition, Kia operates a "carbon neutrality investment" process to support carbon-neutral production, applying an internal carbon price to calculate the emission reduction effect and assess carbon opportunity costs during investment review.
Legal	Tighter standards for automotive fuel economy 	Short-term	Fines and litigation risk	In Kia's key markets—including Korea, the EU, North America, China, India, and the Middle East—regulations on vehicle fuel efficiency and CO_2 emissions during the use phase are becoming increasingly stringent. Non-compliance with these standards may result in penalties, highlighting the need for aggressive strategies such as improving fuel efficiency and accelerating electrification. To manage these risks, Kia closely monitors regulatory trends and compliance requirements through dedicated teams across the North America business division, product headquarters, and R&D units. The company conducts semiannual reviews of regulatory response based on sales performance and continuously checks the availability of credits for regulatory compliance to mitigate transition risks.

Climate Change

RISK MANAGEMENT

Identification and Assessment of Climate Change Risks

Climate Change Risks and Opportunities

② Physical Risks

Type	Identified Risk	Period	Key Potential Financial Impact	Kia Response Plan
Acute	Business site damage due to extreme weather 	Short-term (Less than 5 years)	Incurring recovery costs from damage to production sites	A review of physical risks which occurred near Kia's major operational sites revealed the company's exposure to events such as typhoons, floods, heavy rain or snow, heatwaves, cold snaps, and droughts. In fact, in 2024, heavy snowfall caused partial roof damage at the AutoLand Hwaseong plant, leading to a temporary shutdown and resulting in approximately KRW 2.83 billion in facility repair costs. In addition to Kia's own operations, the snowstorm also disrupted suppliers located in the Hwaseong area, damaging their facilities and logistics operations and affecting the broader value chain. Due to high likelihood of future physical damage, these risks are managed as critical issues. To respond effectively to acute climate events that may occur within the short term (less than five years), Kia has developed an emergency response manual. The company also conducts regular inspections and maintenance of facilities and ensure rigorous safety management to identify and address potential risks in a systematic manner.
Chronic	Operational disruptions due to changes in average precipitation 	Long-term	Increased operating costs and decreased revenue	In preparation for potential decreases in average precipitation, Kia has conducted internal reviews and is implementing a zero-discharge system, while also exploring plans to develop water recycling technologies and improve related infrastructure. A decline in average rainfall may result in limited water supply, leading to increased water costs and operating expenditures. In addition, if water quality deteriorates, it could negatively impact product quality and potentially reduce sales. Assuming a loss equivalent to approximately 1% of total revenue, the estimated financial impact could reach approximately KRW 1.07 trillion, depending on the nature and scale of the damage. To mitigate these risks, Kia has installed a third-stage reverse osmosis (RO) system to recycle wastewater generated by the RO process. AutoLand Gwangju has introduced the RO system at Plant 2, which was also applied to AutoLand Gwangmyeong, Hwaseong, and Gwangju Plants 1 and 3 between 2017 and 2018 to maximize the recycling and reuse of wastewater. Kia is also reviewing and upgrading its industrial water infrastructure to reduce overall water consumption and is conducting 24-hour water quality monitoring to ensure consistent product quality.

③ Opportunities

Type	Identified Opportunities	Period	Key Potential Financial Impact	Kia Response Plan
Market	Create a green business 	Medium to long term	Increased sales	Kia has set its 2030 global sales target at 4.19 million units, with a strategic focus on responding to global regulations by increasing the share of eco-friendly vehicles (xHEV + EV) to 56%, including a 30% share for EVs. In 2024, Kia sold approximately 645,000 eco-friendly vehicles, up by 8% from the previous year. While pursuing its goal of becoming an EV Tier 1 brand, Kia is also working toward becoming a Platform Beyond Vehicle (PBV) First Mover, with a four-pillar strategy to respond to the evolving EV market: ① Kia plans to establish a total EV lineup of 15 models, including mass-market EVs and PBVs by 2030, ② In connection with the expanded lineup, the company aims to sell approximately 1.26 million EVs annually by 2030. ③ For PBVs, Kia targets annual sales of 250,000 units by 2030, solidify its position as the PBV First Mover. ④ Regarding charging infrastructure, Kia plans to deploy more than 13,000 ultra-fast and fast chargers in Korea by 2030, including E-Pit stations. Overseas, Kia aims to establish strategic partnerships with regional champions to install over 50,000 chargers in North America and over 17,000 in Europe. * Based on 2025 CEO Investor Day
Reputation	Increasing demands for climate change disclosure 	Short and medium term	Increased enterprise value	Global companies are evaluated on their climate change strategies through international indices such as Carbon Disclosure Project (CDP) and DJSI. Kia actively engages with leading global sustainability assessment programs, including the TCFD, DJSI, and CDP, to meet the expectations of diverse stakeholders and enhance its investment value. As a result of these efforts, Kia has been awarded the CDP Climate Change "Sector Honors" for five consecutive years (2020-2024), marking the longest winning streak in the automotive sector. The company also plans to solidify its reputation as a global leader by pursuing its roadmap to achieve 100% electrification in the European automobile market by 2035. In the supply chain domain, Kia aims to further expand carbon reduction support programs for suppliers, strengthening its shared growth model. Going forward, Kia will continue to utilize internal processes for risk and opportunity identification, evaluation, and response as well as materiality assessments to proactively address climate-related risks. Based on this, Kia will remain committed to reducing environmental impacts and building trust capital.

Climate Change

METRICS & TARGETS

Carbon Neutrality Targets

Achieve Carbon Neutrality by 2045

Scope 1	Scope 2	Scope 3
Energy efficiency, electrification of business vehicle, and hydrogen energy transition	Achieve RE100 (International : 2030, Domestic : 2040)	Global electrification, application of carbon reduced materials in vehicles

GHG·Energy Reduction Targets

Data coverage : Global

Category	Unit	2024 (Target)	2024 (Performance)	2025 (Target)
GHG emissions intensity (Scope 1 & 2)	tCO_2eq/Unit	0.34	0.43	0.34
Energy intensity of use[1]	MWh/KRW billion	3.21	3.60	3.19

1. Since 2024, including overseas owned/leased assets

Mid- to Long-Term EV Global Sales Plan for Key Markets

Category	Unit	2025 (Target)	2027 (Target)	2030 (Target)
North America	Thousands units (Proportion of EVs)	75(8%)	186(18%)	287(26%)
Europe	Thousands units (Proportion of EVs)	129(23%)	333(49%)	526(68%)
Domestic	Thousands units (Proportion of EVs)	84(15%)	134(24%)	215(37%)
India	Thousands units (Proportion of EVs)	3(1%)	36(10%)	72(18%)

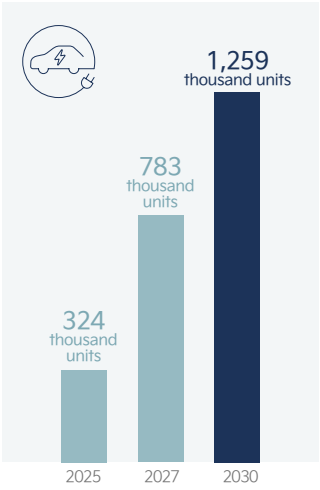
* Based on 2025 CEO Investor Day

Green Vehicle Sales Performance and Plan[1]

Category	Unit	2022	2023	2024	2025 (Target)
Total	Vehicles	492,593	598,846	644,685	896,949
HEV	Vehicles	254,327	311,671	382,764	491,662
PHEV	Vehicles	81,766	88,861	67,797	81,639
EV	Vehicles	156,500	198,314	194,124	323,648

1. Wholesale basis

Mid- to Long-Term EV Global Sales Plan



* Based on 2025 CEO Investor Day

GHG Emissions (Scope 1 & 2)

Data coverage : Global Production Sites

Category	Unit	2022	2023	2024
Total emissions (Scope 1 & 2)[1]	Thousand tCO_2eq	1,166.9	1,130.9	1,178.5
Direct emissions (Scope 1)	Thousand tCO_2eq	379.9	353.9	386.3
Domestic	Thousand tCO_2eq	266.0	244.6	238.6
International	Thousand tCO_2eq	113.9	109.3	147.7
Indirect emissions (Scope 2)	Thousand tCO_2eq	786.9	777.0	792.2
Domestic	Thousand tCO_2eq	467.3	454.4	471.2
International	Thousand tCO_2eq	319.6	322.6	321.0
Emissions intensity (Scope 1 & 2)	Thousand tCO_2eq	0.44	0.41	0.43
Domestic	tCO_2eq/Unit	0.58	0.52	0.55
International	tCO_2eq/Unit	0.31	0.30	0.32

1. Since 2024, emissions from leased assets, which were previously classified under Scope 3 Category 8, have been included in Scope 1 & 2 calculations

GHG Emissions (Scope 3)

Data Coverage : Global Business Sites

Category	Unit	2022	2023	2024
Total emissions (Scope 3)	Thousand tCO_2eq	72,975.5	99,498.2	99,395.2
Purchased goods and services[1]	Thousand tCO_2eq	13,736.3	17,176.3	18,437.9
Capital goods[2]	Thousand tCO_2eq	2.5	1.9	112.3
Fuel- and energy related activities (not included in Scope 1 or 2)[3]	Thousand tCO_2eq	99.3	185.8	208.7
Upstream transportation and distributions[4]	Thousand tCO_2eq	-	35.0	94.7
Waste generated in operations[5]	Thousand tCO_2eq	30.8	60.9	56.8
Business travel[6]	Thousand tCO_2eq	5.1	11.1	23.5
Employee Commuting[7]	Thousand tCO_2eq	277.6	47.9	57.8
Upstream leased assets	Thousand tCO_2eq	-	4.5	-
Downstream transportation and distribution[8]	Thousand tCO_2eq	1,153.6	1,311.6	1,188.5
Use of sold products[9]	Thousand tCO_2eq	57,390.0	79,327.6	77,804.5
End-of-life treatment of sold products[10]	Thousand tCO_2eq	189.0	1,199.1	1,267.6
Investments[11]	Thousand tCO_2eq	91.3	136.4	142.8

1. Emission factors for key raw materials (e.g., steel, aluminum, plastic) are applied based on the global LCI database, including Scope 1 & 2 emissions from major domestic emitting partners
2. Emissions generated during the production of purchased capital goods (e.g., buildings, structures, machinery)
3. Upstream emissions of used energy (electricity, LNG, gasoline, diesel, etc.) 4. Emissions from the transportation and logistics of components
5. Emissions from waste processing at business sites 6. Emissions generated from transportation methods used for employee business trips
7. Emissions generated from transportation methods used during employee commuting
8. Emissions from the transportation and logistics of products (finished vehicles)
9. Use phase emissions generated after 200,000 km of driving (excluding Well-to-Tank emissions)
10. Emissions from recycling, incineration, and landfill processes 11. Emissions from domestic corporate entities with a 20-50% shareholding

Resource Circularity

The Earth's resources are steadily depleting, while waste generation continues to rise. In this environmental context, business models that incorporate resource efficiency are increasingly recognized as essential for ensuring corporate sustainability.

Kia is actively pursuing opportunities to recycle raw materials such as plastic and steel scrap, thereby securing the sustainable sourcing of key materials.

Additionally, the company is establishing closed loop systems for end-of-life vehicles and batteries, creating a foundation that enables used products to be recovered and reprocessed into reusable resources.

GOVERNANCE

In compliance with laws related to the resource circularity of electrical and electronic products as well as vehicles, Kia manages four key areas to operate a resource-efficient business model. These include promoting the use and conservation of sustainable raw materials, waste management, resource circularity in manufacturing processes and end-of-life vehicle treatment, and the application of recycled plastics. To support these efforts, relevant departments maintain regular cross-functional coordination.

Use of sustainable raw materials

- Design and materials based on one-source principles to reduce product environmental impact

Waste management

- Environment & Fire Protection Support Team take the lead in implementing waste reduction KPIs and report to Sustainability Management Committee

Expanded recycling of manufacturing processes and waste vehicles

- Recycling waste batteries through European company collaboration
- Introduced a process for Scrap Steel Recycling in the manufacturing process

Expanded recycling of manufacturing processes and waste vehicles

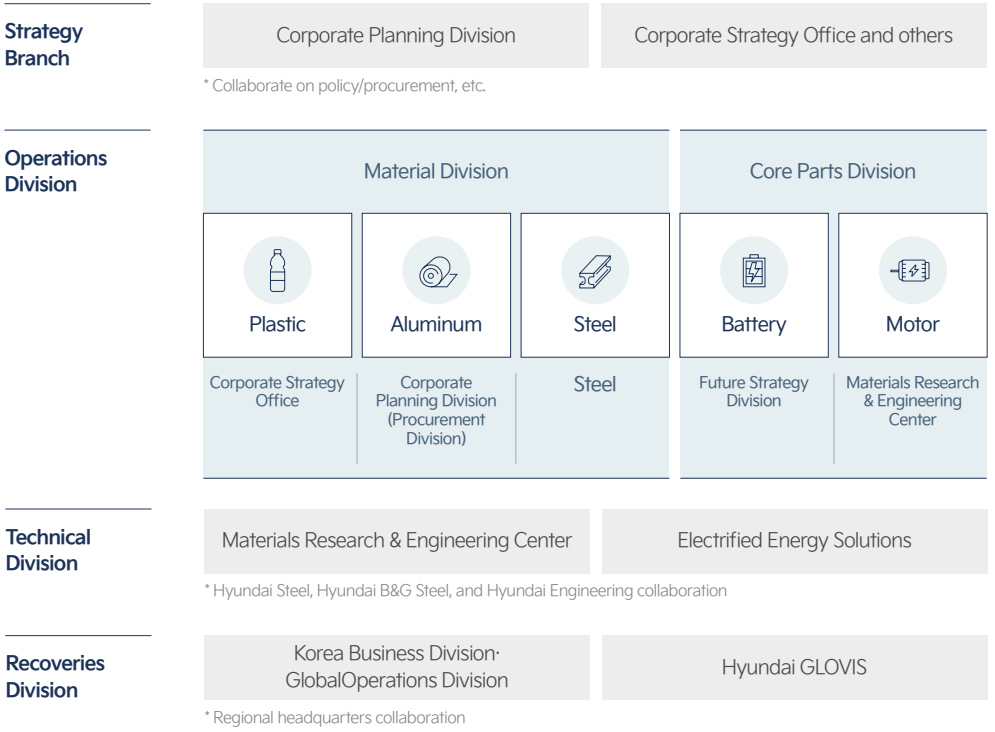
- Establish a company-wide collaborative system for recycled plastics
- Establish a target of 25% coverage in 2030 (European new cars)

Resource Circularity Council

To systematically address recycling regulations such as the EU End-of-Life Vehicle Regulation (ELVR) and the Battery Regulation (EUBR), Kia operates a cross-functional "Resource Circularity Council" led by the Corporate Planning Division. The council discusses optimization strategies for resource circularity based on shared regulatory directions and business objectives.

The Council convenes regularly, monthly at the group heads or division heads level, and quarterly at the executive level, with key outcomes and strategic directions reported to management.

Through this council, Kia is establishing strategic plans to build a full circular system—from vehicle design to the recovery and reuse of end-of-life resources—focused on five core materials and parts: plastic, steel, aluminum, batteries, and motors. In doing so, the company analyzes area-specific challenges and jointly develops solutions to enhance product competitiveness.

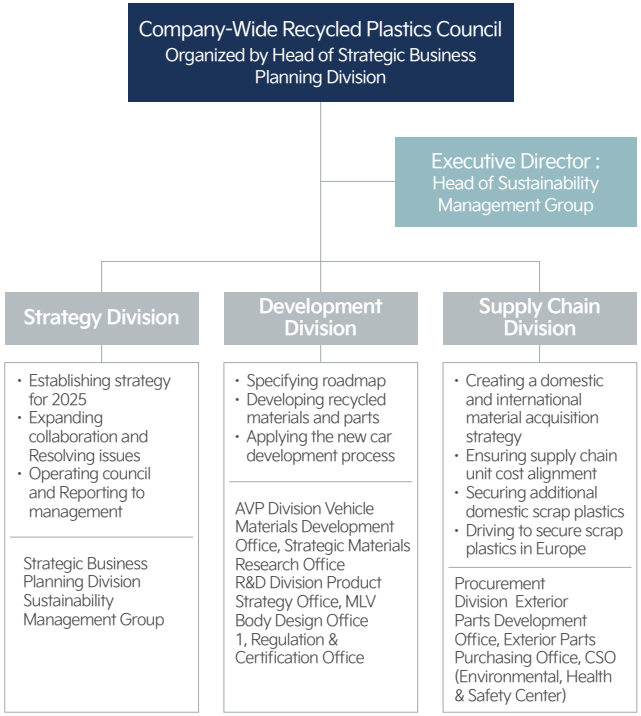


Resource Circularity

GOVERNANCE

Plastics Recycled Council

Kia operates a company-wide Recycled Plastics Council to expand the application of recycled plastic materials. The Strategy Subcommittee monitors domestic and international regulations and trends related to recycled plastics and sets implementation directions, while the company-wide council reviews the progress of each division and facilitates collaboration. The development division establishes and continuously updates plans for developing parts that support the use of recycled materials and proceeds with the design process to apply them to Kia vehicles. Meanwhile, the supply chain division works to secure a stable supply chain, including identifying material suppliers with competitive recycled plastics.



STRATEGY

Carbon Neutrality and Recycling Strategy Guide

In response to tightening global environmental regulations such as carbon neutrality policies and the EU End-of-Life Vehicle Regulation (ELVR), Kia has issued a carbon neutrality and recycling materials guide for key vehicle materials—steel, aluminum, and plastics—to address emerging issues in each material category more systematically. The guide includes information on global trends in recycling materials, Kia's strategies and issues related to the application of low-carbon steel, development status and application strategies for recycled aluminum and low-carbon virgin materials, as well as operational guidelines and management standards for recycled plastics. Through this initiative, Kia aims to enhance internal awareness and expertise in materials, aligning all employees towards its carbon neutrality policy and responding effectively to environmental regulations.

Principles for Using Raw and Subsidiary Materials

Kia has established fundamental principles for raw material use, which include the efficient use of raw materials, reintegration of production waste, inspection of production origins, protection of biodiversity, and prevention of deforestation. The company strives to minimize unnecessary consumption of natural resources by using raw materials efficiently in the production of products and services. Kia also monitors for raw materials that may have been produced through environmentally damaging or illegal means. Furthermore, the company is working to reduce the amount of raw materials used per product through improvements in the production process.

Raw and Subsidiary Materials Basic Principles

Waste Management Principles

Kia has established a set of core waste management principles to minimize the environmental impact of waste through recycling, incineration, and landfill. The company tracks waste generation by type, monitors performance against targets for both total volume and recycling rate, and links these results to KPIs at both the executive and site levels for management and accountability.
Since 2007, Kia has proactively responded to resource circularity policies by maintaining a recycling rate of over 90%. The company enforces strict waste separation practices for landfill and incineration and operates product recovery and recycling services in cooperation with waste processing companies to shift toward more sustainable disposal methods. Kia also provides information on its product recovery system to guide customers in the proper disposal of end-of-life products.
Notably, AutoLand Gwangju received the highest Platinum, validation under UL's Zero Waste to Landfill[1] program in 2024 in recognition of its efforts to reduce waste.

1. Zero Waste to Landfill (ZWTL) certification : This is a certification by Underwriters Laboratories (UL) that assigns ratings such as Platinum (100%), Gold (99~95%), Silver (94~90%), and Certified (80% or more) depending on the percentage of waste recycled at the workplace (rounding down to the nearest decimal point, 99.5% is rounded up to 100%)

Waste Basic Principles

To reduce waste generated during business operations and ensure efficient disposal, Kia abides by principles that include waste traceability, enhanced recycling, and resource recovery. These principles guide the company's approach to managing waste throughout its operations.

Waste Basic Principles

① Tracking waste disposal : Disposal and tracking of waste according to laws and regulations

② Improving waste recycling : Increase recycling rate by determining the optimal treatment method for each type and amount of waste

③ Waste recycling : Finding landfill/incineration waste in the production process and transforming it into new products and services

Resource Circularity

STRATEGY

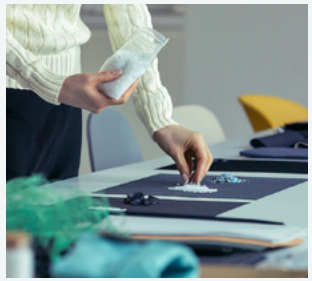
Responsible Design

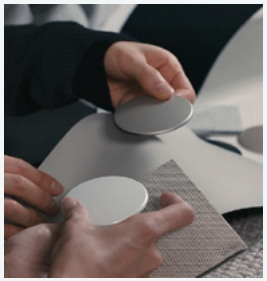
In developing innovative new materials and colors, Kia designers are committed to the responsible use of resources and strive to minimize environmental impact. After thoroughly evaluating the current state of recycled and bio-based material development, Kia is applying three key strategies to guide its responsible design approach.

Leather-free

ACTION 1

Kia is progressively phasing out the use of natural leather in its vehicle interiors. The EV9, launched in 2023, was the first model to reflect this initiative. Since then, all new models will exclude natural leather and instead adopt more responsible alternative materials, such as BIO PU. Kia's ultimate goal is to completely discontinue the use of natural leather and replace it with bio polyurethane (PU), which contains bio-derived parts such as corn or eucalyptus. Bio PU offers a leather-like texture with superior durability and can reduce both carbon emissions and the release of harmful chemical substances.

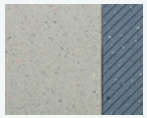




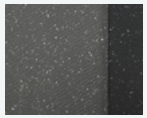
Responsible Material Design

ACTION 2

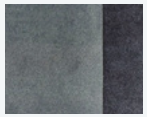
"Responsible Material Design" refers to a set of ten solutions—including bio polyurethane (PU), recycled PET (polyethylene terephthalate) fabric, and BTX-free (benzene, toluene, xylene-free) paint—that will be applied to Kia's new models to help reduce environmental impact. To generate meaningful impact, Kia has established Responsible Material Design as a standard to be implemented across all future models.



Bio plastic



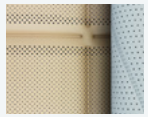
PCM plastic



Recycled PET or fishing net carpet



Bio PU foam



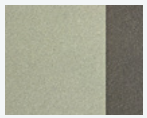
Bio PU



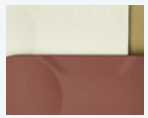
Recycled PET fabric



Recycled PET yarns



Recycled PET felt



Bio paint



BTX free paint

Bio Fabrication

ACTION 3

To further advance sustainable material innovation, Kia is actively developing bio-based materials. One of the company's key forward-looking projects involves developing mycelium-based materials, derived from mushrooms, in collaboration with leading global partners. Through these efforts, Kia aims to realize sustainable future mobility by advancing eco-friendly materials using cutting-edge bio-technology.







Resource Circularity

STRATEGY

Application of Recycled and Bio-Materials

Application of Recycled Parts from End-of-Life Vehicles

To advance resource circularity in the automotive sector, Kia is promoting the "Car-to-Car" project, which applies recycled parts from end-of-life vehicles to new vehicle production. The project focuses on five key materials and parts : plastics, steel, aluminum, batteries, and motors. By internalizing recycling technologies, Kia aims to secure high-quality recycled inputs and build a cost-competitive, circular supply chain for automobiles.

Kia is working closely with domestic and international suppliers of materials and parts to continuously apply eco-friendly materials such as recycled and bio-materials in its vehicles. These efforts also align with tightening plastic regulations and contribute to the Hyundai Motor Group's carbon neutrality policy, helping to reduce global environmental pollution and advance the realization of a circular economy.

Application of Bio-Materials

To achieve carbon neutrality, Kia is expanding the application of recycled plastics and developing technologies that apply natural materials—such as plant fibers and seashells—either in their raw form or through chemical conversion into plastic materials. These bio-based materials absorb carbon dioxide through photosynthesis during their growth, and when used in manufacturing, expected to contribute to carbon sequestration by storing atmospheric CO_2 in physical form. As they do not rely on fossil-based resources, bio-materials can help lower carbon emissions.



Development of Bio-Fabric

Quality Assurance Strategy for Recycled Material Parts

Securing High-Quality Recycled Materials Through Preprocessing Vendors

- Securing High-Quality Recycled Materials Through Preprocessing Vendors

Ensuring Exterior and Interior Surface Quality

- The company is expanding the use of co-injection molding technology, which combines a new material outer layer with a recycled material inner layer. This allows Kia to achieve surface quality and bright color performance equivalent to that of virgin materials.

Improving Odor in Interior Parts

- To reduce odor in interior parts, Kia applies vacuum pressure control during the extrusion process of recycled and new material blends to forcefully discharge odors from the material. The company is also analyzing odor sources in recycled materials and has accumulated technical expertise in the use of deodorizing additives.

Enhanced Material Quality Verification for Each System

- Kia is reinforcing material validation during the development phase to ensure that the materials meet required part performance and reliability standards.

Resource Circularity

STRATEGY

Application of Recycled and Bio-Materials

Vision for Eco-Friendly Vehicles「EV3 Study Car」

Kia has developed the "EV3 Study Car," a research vehicle designed to demonstrate the company's commitment to eco-friendly product development. The vehicle incorporates extensive use of recycled and bio-materials across its interior, exterior, and chassis parts.

A total of 22 recycled and bio-material technologies currently under development at Kia were applied to the EV3 Study Car, replacing materials in 69 different parts. By utilizing various types of everyday waste as automotive materials, the project showcases the value of resource circularity. The total weight of eco-friendly materials used in the study car amounts to 87.4 kg.

For example, recycled plastic recovered from end-of-life vehicles was used for frunk parts, while different types of household waste were transformed into bumper and interior/exterior plastic parts. Natural fiber-reinforced polymers (NFRP), composed of natural fibers and bio-polymers, were applied to the roof and garnish, while discarded marine shells were used to create door trim parts.

Additionally, waste apple peels from the food industry and spent mushroom substrates from mushroom farms were developed into leather-alternative materials. These were applied to the steering wheel, center console, and wireless charging pad of the vehicle.

The technologies used in the EV3 Study Car are undergoing continuous research and development to enhance quality and production efficiency, with the aim of applying them to real vehicles by 2030. Kia is committed to increasing the use of environmentally friendly materials in its cars to promote resource circulation through sustainable vehicles.

Kia EV3 Study Car

An experimental model for designing interior and exterior parts from discarded resources and natural materials.

1 Roof 2 Driver's seatback cover 3 Side mirror 4 Bio epoxy



- Natural fiber (flax)
- Bio epoxy

7 Tire



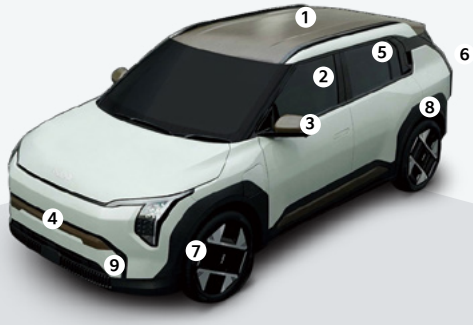
- Natural rubber
- Bio-synthetic rubber
- Silica from rice husks
- Electric furnace steel belt + Bead wire
- Chemically recycled PET cord

5 Glassrun



- Bio-ethylene propylene diene
- Rubber recycled polypropylene
- Process oils
- Carbon black + Peel extracted
- Other chemical substances

※ Slightly different formulation ratios depending on the Lip or Bottom section



6 Rear lamp



- Depolymerized polymethyl methacrylate
- Virgin polymethyl methacrylate

* Depolymerization : the process of returning plastics to their raw materials.

8 Quarter garnish 9 Front/rear bumper



- Solvent extracted recycled TPO
- Virgin TPO
- TD

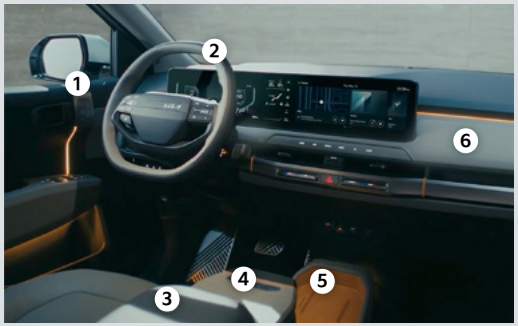
* TPO : Thermoplastic polyolefin, A material that is sensitive to high temperatures and can deform quickly.

* TD : Talc, Stiffeners used to make the material more rigid.

22 types Developing recycling and natural materials technologies

69 units Applying Major EV3 Parts

Car-to-Car Recycling plastic recovered from end-of-life vehicles



1 Door trim



- Polypropylene
- Bio fillers

2 Steering wheel 3 Console armrest



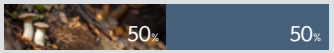
- Apple peel
- Polyurethane, etc.

4 Console table



- Natural fiber (flax)
- Bio-based expoxy

5 Charging pad



- Mushroom wastepaper sheet
- EVA

* EVA : Ethylene Vinyl Acetate, is a polymer material characterized by excellent durability and flexibility

6 Dashboard



- Chemically recycled PET fiber

Resource Circularity

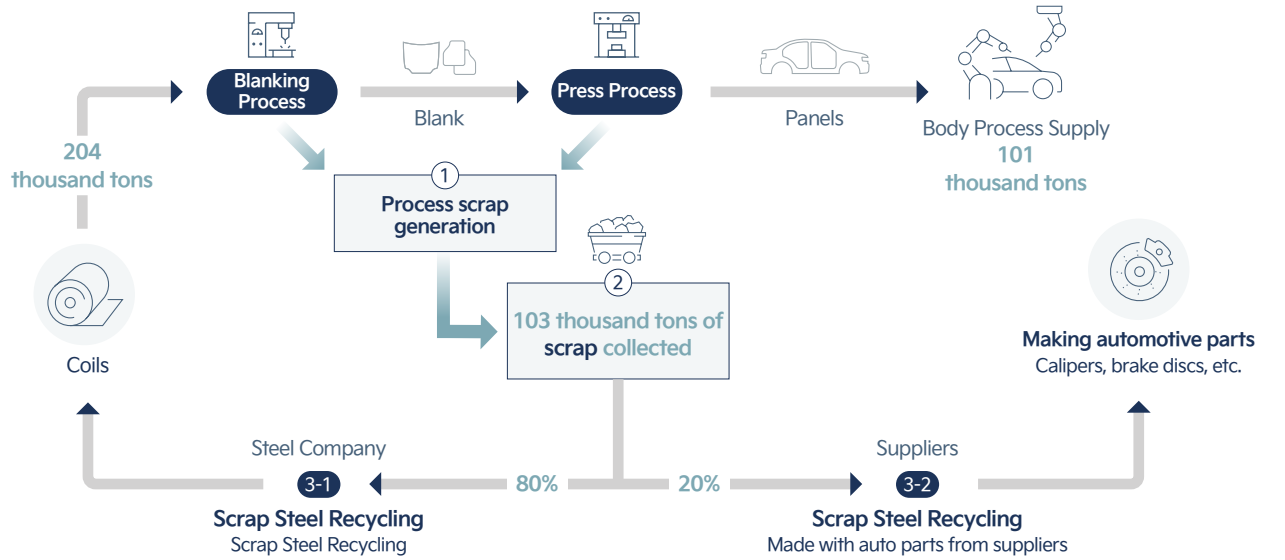
STRATEGY

Resource Circularity in the Production Process

Scrap Steel Recycling

Steel is a core raw material in vehicle manufacturing, and Kia is implementing a resource-efficient production system by recycling 100% of the steel scrap generated in its press shops. In these facilities, steel coils are formed into panels for vehicle exterior parts, and scrap refers to the unused sections of steel that are trimmed away during this process. In 2024, Kia used approximately 204,000 tons of steel, of which around 103,000 tons were recycled. Roughly 80% of this scrap—about 82,000 tons—is sent to steel manufacturers, who separate impurities during the steelmaking process and adjust material composition to reuse the scrap. This circular resource activity is estimated to reduce carbon emissions by approximately 166,000 tons[1] annually. The remaining 20%, or about 21,000 tons, is used by partner companies in foundries to produce automotive parts. In addition to environmental benefits, this recycling effort generates economic value. In 2024 alone, scrap sales to steel mills brought in approximately KRW 42.8 billion in revenue. To further enhance process efficiency, Kia's Forming System Engineering Team, which oversees domestic and international press facilities, collaborates with production departments to minimize material sizes during the design phase and optimizes blank sizing through post-production testing. These efforts contribute to improved resource efficiency throughout the manufacturing process.

Scrap Steel Recycling Process[2]



2. recycling figures: as of 2024

Optimize blank size

Optimize blank size through review and pilot testing to minimize the amount of scrap thrown away

Carbon savings 561tCO$_2$eq

- India : 169 tons of iron saved
- Mexico : 103 tons of iron save

※ Based on production performance in 2024

Efficiency through improved production processes

① Increase blank usage by keeping the blank storage area clean and preventing damage
② Reuse of discarded scrap as blanks for small parts with prior review

Carbon avoided 1,303 tCO$_2$eq

- Slovakia : 161 tons of iron saved
- China & Mexico : 471 tons of iron saved

※ Based on production performance in 2024

Streamline scrap transportation

Scrap transported for recycling is compressed into cubes using a 'bale press' facility and transported as cubes

Increased transportation efficiency by 150% and increased productivity by increasing input efficiency in reprocessing

- Slovakia : New BalePress installation (January 2024)
→ increased throughput by 15% and improved cycle time by 20%.

1. Calculated based on Hyundai Steel CO$_2$eq emission factor
- Scrap : 30.3 kgCO$_2$eq/ton (courtesy of ECOINVENT 3.11)
- Charter : 2,060 kgCO$_2$eq/ton (Hyundai Steel's own estimate)

·Iron savings : Actual savings by vehicle type × 2024 production performance
·Carbon Generation Savings : Calculation of the amount of CO$_2$eq generated by the production of steel (based on the CO$_2$eq emission factor of modern steel)
·Transportation Efficiency : Measures the increase in hauling when compressing compared to uncompressed scrap, and the improvement over existing balers based on new installation baler specs

Resource Circularity

STRATEGY

End-of-Life Vehicle and Battery Circulation

To mitigate the growing regulatory risks associated with batteries, Kia has established a recycling system for end-of-life electric vehicles and batteries.

Principles for End-of-Life Product Utilization

Kia considers recyclability from the product design stage to enhance the potential for material recovery. The company also works closely with waste processing firms to ensure efficient collection and recycling of end-of-life products, operating dedicated services to support proper disposal by customers. In addition, Kia actively provides information about its product recovery system to encourage customer participation.

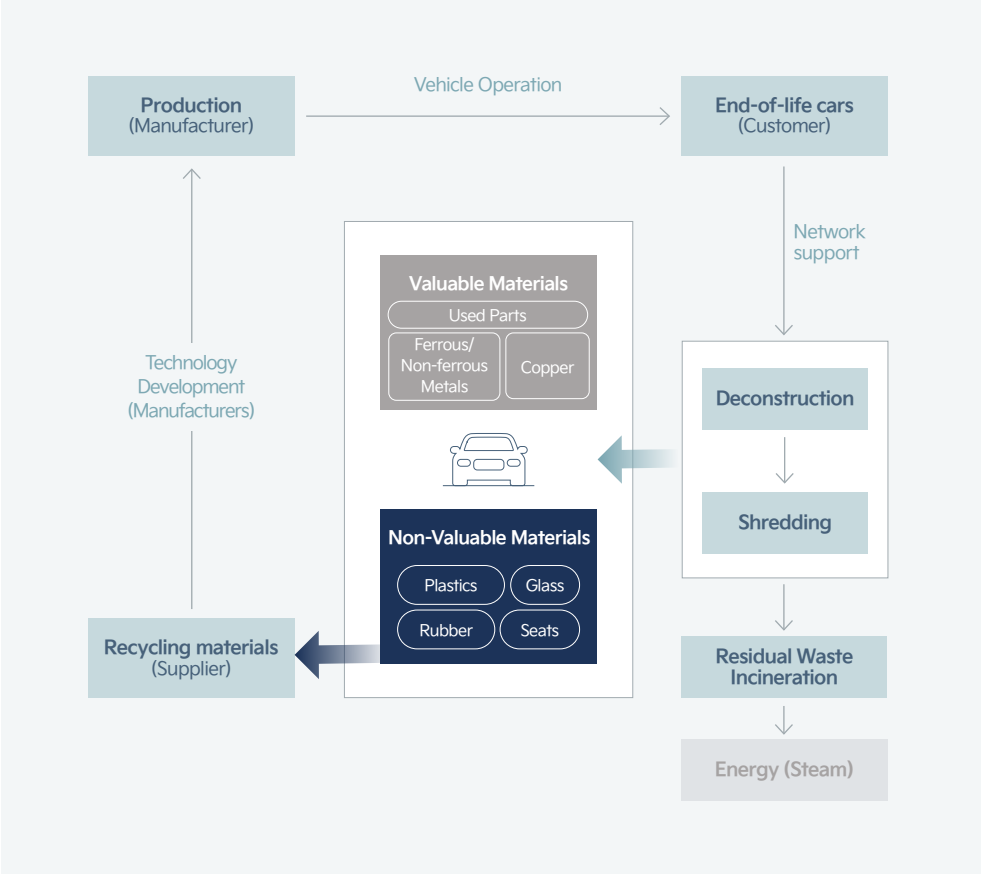
Battery Circular Ecosystem

As part of its Battery Life Cycle Management strategy, Kia is preparing for upcoming EU Battery Regulation requirements such as the introduction of a digital battery passport and mandatory use of recycled materials in battery production. In this regard, Kia is collaborating with the Global Battery Alliance (GBA) to establish a digital disclosure system covering battery carbon footprint. The company also plans to build a due diligence framework for battery supply chains in partnership with battery manufacturers. Furthermore, Kia is working with all participants in the battery value chain to prepare for the 2031 regulation mandating the use of recycled materials in new battery manufacturing.

Management of Network Connection for End-of-Life Vehicle Dismantling Process

In accordance with the Act on Resource Circularity of Electrical and Electronic Products and Vehicles, Kia is making ongoing efforts in cooperation with the Korea Environment Corporation and other related institutions to improve vehicle recycling rates. Kia collaborates with end-of-life vehicle recycling companies—including dismantling, shredding, and thermal recovery operators—that participate in pilot programs aimed at modernizing the vehicle recycling system. Kia provides financial support for labor costs associated with increasing the manual recovery of recyclable parts such as plastics, glass, and seats from vehicles. The company also subsidizes transportation between dismantling yards and new materials suppliers to promote the reuse of recycled materials in new vehicles. Additionally, Kia supports waste-to-energy incinerators participating in recycling advancement programs by subsidizing the processing of residual materials after shredding. While Kia does not generate a financial benefit from vehicle recycling or recovery, it covers related costs as part of its social responsibility to maximize resource circularity. Although recyclers may profit from the recovery of scrap metals, Kia supports part of the dismantling and recovery process to ensure that recyclable materials are not simply incinerated or landfilled. The company continues to collaborate with relevant agencies and recyclers to recover valuable and recyclable materials—including steel and non-ferrous metals—through responsible and efficient means.

End-of-Life Vehicle Dismantling Process

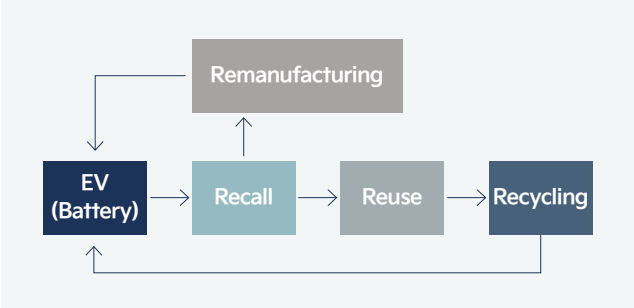


Resource Circularity

STRATEGY

End-of-Life Vehicle and Battery Circulation

Establishment of a Circular Economy System for End-of-Life Batteries



Remanufacturing Batteries (2024) Data Coverage : Domestic

Category	Unit	2024
Total number of batteries collected for repair, reuse, or remanufacturing[1]	Unit	762

1. Domestic warranty repair high-voltage battery remanufacturing repair inputs

❶ Collection System Development

Kia is working in collaboration with Hyundai GLOVIS to establish a global network and transport control system for the safe and efficient collection and transportation of used batteries from various locations, including end-of-life vehicle centers and dealerships worldwide. Hyundai GLOVIS has developed dedicated platform containers for the secure transport of used batteries and, in partnership with companies that possess battery preprocessing technology, has created a system capable of recovering high-quality black powder containing valuable metals. This system meets diverse and complex country-specific regulatory requirements and ensures the safe and efficient movement of batteries. Kia will continue to strengthen its reuse and recycling framework across the entire battery life cycle through partnerships with a range of stakeholders.

❷ Reuse

Kia plans to develop technologies to diagnose and assess the performance and remaining life of collected batteries, aiming to increase reuse rates. Through collaboration with Hyundai GLOVIS, the company is implementing a process to evaluate and classify the remaining performance of EV batteries and reuse high-performing units as second-life battery energy storage systems (UBESS, Used Battery Energy Storage System). This initiative extends battery lifespan, reduces the environmental impact associated with battery production, and supports the growth of battery-based energy storage system (ESS) businesses.

❸ Remanufacturing

Kia's remanufacturing program utilizes first-life batteries that still meet the highest quality standards at the end of their initial use. In partnership with Hyundai Mobis, which possesses extensive know-how in parts manufacturing and operates a global A/S parts supply network, remanufactured batteries are supplied for older vehicles and aftersales service. This approach extends the service life of EV batteries and promotes efficient resource use.

❹ Recycling

Batteries that are deemed unsuitable for remanufacturing or reuse are safely transported to dedicated facilities for crushing and processing. Through this process, valuable metals such as lithium, cobalt, and nickel are extracted and integrated into recycling operations.

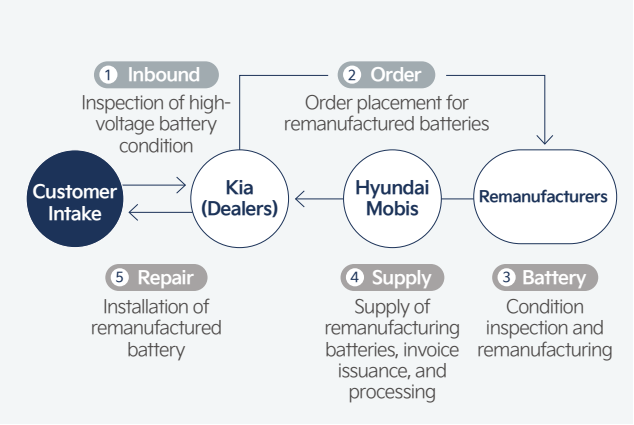
Kia is focused on securing eco-friendly and safe large-scale battery recycling technologies to minimize environmental impact from new mining activities and reduce carbon emissions associated with raw material production. The recovered materials are reintegrated into battery manufacturing processes, completing the closed-loop battery system. Through this circular battery ecosystem, Kia aims to strengthen regional raw material supply chains and establish a sustainable EV ecosystem.

Partnerships for Battery Remanufacturing

In Europe, Kia is working with local battery remanufacturing specialists to build a cost-effective and eco-friendly battery circularity system through high-voltage battery remanufacturing. This approach extends battery life and significantly reduces replacement costs in the event of battery failure. Kia aims to establish a closed-loop structure that enhances battery durability and lifespan while minimizing unnecessary resource waste.

In the first quarter of 2024, Kia initiated preparations for battery remanufacturing by securing 54 battery core units and completing the foundational process. In the second quarter, the full process was established, and a pilot operation began in the UK in October. The targeted models include the Niro EV, Soul EV, EV6, and EV9. To date, 15 high-voltage batteries have been successfully remanufactured and supplied to customers. Kia is continuously monitoring the effects of the remanufacturing pilot program and plans to review phased expansion to additional European countries going forward.

Battery Remanufacturing Process



Resource Circularity

STRATEGY

Building a Circular Economy Ecosystem

Marine Plastic Waste Recycling

In 2022, Kia formed a partnership with The Ocean Cleanup, a Netherlands non-profit organization dedicated to removing marine plastic and waste, with the shared goal of achieving plastic-free oceans. Based on a joint value framework, Kia and The Ocean Cleanup developed a plan to recycle plastic waste collected directly from the ocean.

Based on six key principles—customer-centric, sustainability, practicality, inspiration, future experience, and storytelling—the collected marine plastic will be repurposed into vehicle accessories. Since the types and quality of collected marine plastics are inconsistent, Kia is working to stabilize the entire circular process, from research on recyclability to material application. A key feature of this partnership is Kia's active involvement in every step of the process, from waste collection and sorting to material and product development. Following the launch of this partnership in 2022, Kia carried out R&D on materials in 2023 and is developing vehicle accessories using recycled plastics.

EV3 Limited-Edition Trunk Liner

In the 2024 Paris Motor Show, Kia unveiled a world-first limited edition trunk liner (mat) for the EV3, made from recycled waste plastic collected from the Great Pacific Garbage Patch. The company is currently developing this product ensuring its marketability and quality. The Ocean Cleanup collects the waste using ships and nets, transports it to recycling facilities, then sorts it by type and color. The waste undergoes shredding, washing, and drying before being processed into plastic pellets. Kia receives the pellets and develops the final product using an efficient production process designed to maximize the use of the recycled plastic and minimize residual waste.

To ensure that the liner consistently upholds quality and usability comparable to existing trunk liners, Kia is conducting research to determine the optimal blend ratio of marine plastic. Additionally, a QR code placed on the bottom of the liner allows customers to view the development journey of the product. Kia plans to continue expanding its use of recycled plastics in vehicle accessories development.

RISK MANAGEMENT

Compliance with Regulatory Framework for Resource Circularity

Promoting the Expansion of Recycled Plastics Usage

In 2023, the European Commission proposed a draft of the End-of-Life Vehicle Regulation (ELVR), which strengthens the obligations of automakers throughout the entire vehicle life cycle, from production to disposal. To proactively respond to tightening resource circularity regulations, Kia raised its target for the use of recycled plastics in new vehicles sold in Europe to 25% by 2030 and has established a phased annual roadmap to achieve this goal. To support this transition, Kia is advancing research and implementation efforts, including operating a company-wide council focused on expanding the application of recycled plastic materials and piloting an end-of-life vehicle network project to recover plastic parts from end-of-life vehicles.

In line with its carbon neutrality strategy and the enhanced ELVR, Kia has developed and shared a recycled plastics guide internally to deepen understanding across departments and promote its adoption. Kia is also preparing for the enforcement of the ELVR by gradually increasing the proportion of recycled materials used in vehicles on a year-by-year basis and establishing a monitoring system to track compliance with regulatory standards. Detailed development plans for applying recycled plastics have been formulated across all vehicle systems—including interior and exterior parts, which have the highest plastic content, as well as chassis, body, and electrification systems.







Resource Circularity Requirements in the Draft ELVR

Mandatory items for new vehicle certification (expected to be announced in 2026)
• Use of Recycled Plastics (of which 25% from recycled ELV) • Notice on Recycled Content for Iron, Aluminum, Magnesium, etc. (2028)

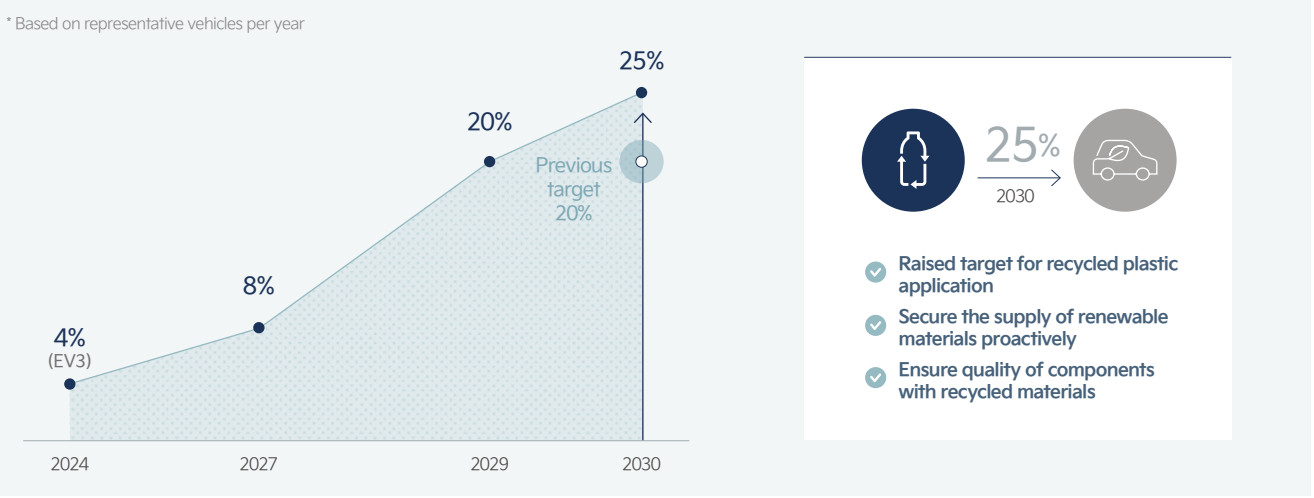
Resource Circularity

METRICS & TARGETS

Target for Recycled Plastic Usage

To address the environmental challenges associated with plastic pollution, Kia has set a target to achieve a 25% rate of recycled plastic use in new vehicles sold in Europe by 2030. This figure is 5 percentage points higher than the goal previously disclosed in the 2024 sustainability report. Beginning with 4% in 2024 (based on the EV3), Kia plans to gradually increase the application rate each year to advance a credible circular economy strategy. Under its plastic recycling strategy, Kia aims to ensure that recycled plastic accounts for 8% of the first eligible vehicle model in 2027, with material selection for the model finalized in 2025. To support this plan, Kia is working with domestic and international materials suppliers to secure recycled raw materials and is conducting rigorous quality validation to avoid any performance issues. By the target date, Kia intends to develop high-recycled-content plastic technologies and cost-reduction solutions while continuing to verify their quality, enabling the application of recycled plastics in parts such as dashboard, seat foam, bumpers, and exterior lamps.

Recycled Plastic Target



Waste Reduction Target

Data Coverage: Domestic

Category	Unit	2024 (Target)	2024 (Performance)	2025 (Target)
Waste Intensity	ton/KRW trillion	4,470	3,295	3,798
Waste Recycling Rate	%	95.0	93.5	95.0

Use of Plastics in Products (2024)

Category	Unit	2024
Total amount of plastic material used in products[1]	ton	39,884
Percentage of plastic raw materials recycled[2]	%	2.5

1. Limited to data-capable vehicle models (EV3, EV6, EV9)
2. Average of data-capable vehicle models (EV3, EV6, EV9)

Target for Application of Carbon-reduced Steel

Steel, the most heavily used raw material in vehicle production by weight, is also the focus of Kia's carbon reduction efforts. By 2030, Kia plans to apply steel produced using scrap and electric arc furnaces, which can reduce carbon emissions by approximately 20% compared to conventional blast furnace methods. In the long term, Kia aims to further reduce GHG emissions from steel use by adopting hydrogen-based steelmaking technologies.

To ensure a stable supply chain, Kia is strengthening partnerships with global steelmakers. In 2023, the company signed MOUs with Hyundai Steel and POSCO, and in 2024, with Voestalpine and ThyssenKrupp, laying the foundation for expanding the use of low-carbon steel. Additionally, Kia plans to articulate its global supply strategy by sourcing low-carbon steel for global vehicle models from Hyundai Steel's new electric arc furnace facility, which is scheduled for completion in Louisiana, the U.S., by 2029.

Carbon-reduced Steel Target



Environmental Management

Kia is committed to minimizing environmental impact and pursuing sustainable development. In its efforts to create eco-friendly workplaces, Kia explores strategies for reducing water usage and increasing recycling while maintaining zero hazardous chemical substances.

Additionally, Kia has established an emergency response system to prevent environmental accidents and conducts environmental education for employees to enhance their awareness and understanding of environmental management practices.

GOVERNANCE

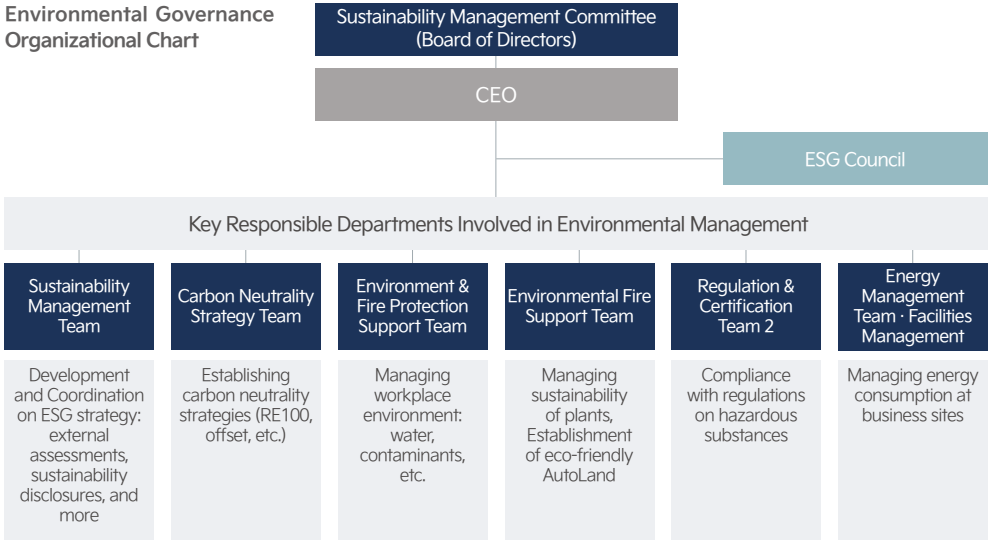
Environmental Management Governance

As Kia embraces its identity as a "Sustainable Mobility Solutions Provider," Kia is dedicated to converting all corporate activities to be environmentally friendly, contributing to environmental protection. Within its Board of Directors, the Sustainable Management Committee reviews and deliberates on revisions to environmental management policies, legal and regulatory compliance in environmental areas, and environmental management achievements. Additionally, through the ESG Council, which includes members of the Sustainable Management Committee and management, Kia discusses environmental management risks, strategies for addressing them, and oversees overall activities aimed at improving environmental performance.
In 2025, Kia has reported on strategic plans to address key environmental challenges, including climate change mitigation, enhancing carbon neutrality execution, creating eco-friendly workplaces, and promoting resource recycling.

Environmental Reporting History to the Board

- Mid- to long-term ESG strategy for establishing eco-friendly working environment and resource recycling system
- The Ocean Cleanup partnership-resourcing initiatives
- Tidal flat restoration collaborative projects for biodiversity recovery

Environmental Governance Organizational Chart



STRATEGY

Environmental Management Policy

Kia has established a company-wide environmental management policy and regularly reviews and updates it to incorporate internal and external environmental regulations and emerging issues when necessary. The company is committed to minimizing negative environmental impacts across all aspects of its value chain and actively strives to achieve positive outcomes. Kia also recommends compliance with this environmental management policy to all suppliers and partners, providing necessary training and support to ensure implementation. In every country where it operates, Kia prioritizes adherence to local environmental laws, and in cases where specific provisions are absent or inadequate, Kia uses its own policy as the standard for environmental management. Furthermore, Kia periodically reviews and refines its environmental management policy to align with changes in laws and regulations, shifts in the external market environment, and internal company circumstances.

Environmental Policies

Within the environmental management policy, Kia has established core principles for nine key environmental elements: raw and subsidiary materials, energy, water, greenhouse gases (GHG), waste, waste products, pollutants, hazardous materials, and the local community.

Scope of Environmental Management Policy

Kia's environmental management policy applies worldwide business units. This includes the supply chain, production and business sites, distribution networks, products and services, sales and marketing, as well as recovery and recycling. This also extends to mergers and acquisitions, and investments in emerging businesses and projects.

Environmental Management Policy

Environmental Management

STRATEGY

Water Resource Management

Regular Measurement and Monitoring

To ensure systematic and stable automobile manufacturing and production management, Kia regularly monitors water withdrawal and wastewater discharge at all its sites. Using the WRI Aqueduct assessment tool, Kia carries out risk evaluations to identify and manage high-risk areas experiencing water stress. The assessment identified the plant in India as located in a region classified as "Extremely High" for water stress. Wastewater discharged from business sites is monitored regularly through flow meters, and managed according to local water management standards specific to each location. Pollutants such as Total Organic Carbon (TOC) and Chemical Oxygen Demand (COD) are controlled to remain below 30% of legally permitted emission levels. At domestic plants, water is treated through physical, chemical, and biological processes before being discharged to third-party entities, such as local governments. Particularly for the India plant, advanced treatment using the Reverse Osmosis (RO) process is used, in addition to physical, chemical, and biological treatment, allowing for 100% reuse of the water.

Identification of Material Water-Related Dependencies, Impacts, Risks, and Opportunities

To address potential challenges posed by climate change, Kia uses the WRI Aqueduct tool and RCP climate scenarios to assess risks. These insights allow Kia to develop and implement strategies for managing these risks both in the short term and over the long run.

Hazardous Chemical Substance Management

Since Kia achieved zero hazardous chemical substances within AutoLand in 2020, Kia has maintained this status through 2024. Kia manages hazardous substances in accordance with management standards by categorizing them into three levels: prohibited use, restricted use, and usage under tighter control. The company systematically manages information on hazardous substance by implementing the international material data system (IMDS), which is jointly operated by global automobile manufacturers. Additionally, Kia conducts annual IMDS user training to improve the accuracy and reliability of IMDS data. These management procedures aim to continue to prevent accidents in the future.

Analysis and Management of Hazardous Substances

From the outset of developing and designing new vehicles, Kia tracks material information on components and conducts risk assessments to eliminate high-risk substances. By integrating the material analysis management system (MAMS) with the IMDS, Kia investigates the presence of regulated materials early on and anticipates new regulatory challenges. Regular user training on IMDS ensures data integrity, and Kia conducts systematic inspections with suppliers to analyze components and material changes during mass production. Kia's approach in screening new high-risk substances and implementing alternative materials helps prevent accidents. An integrated environmental monitoring system allows real-time checks for hazardous chemical leaks, which ensures a safe working environment. Additionally, Kia consistently shares regulatory trends and response strategies for hazardous materials with suppliers, and provides support for establishing response systems as needed, which reinforces efforts to manage hazardous substances within the supply chain.

Response to Hazardous Substance Regulations

Kia actively supports international regulations, standards, and initiatives related to hazardous substances. The company strives to develop and implement alternative materials, even before global bans or restrictions were confirmed. Kia is addressing key regulations such as the EU's End-of-Life Vehicle Directive (ELV), REACH[1], and the U.S. Toxic Substances Control Act (TSCA). Furthermore, Kia is pursuing alternatives to high-risk substances regulated in countries like Brazil and India. Particularly, in anticipation of potential bans on per- and polyfluoroalkyl substances (PFAS) in Europe and North America, Kia aims to substitute their use before the expected regulation date of 2029. This involves evaluating the current use of regulated substances and assessing the timeline for applying substitutes. Additionally, recognizing that biocide regulations are directly tied to public health, Kia collaborates with the government in actively reducing hazardous substances. This includes efforts such as creating and implementing the 'Biocide Regulation Response Guideline - Automotive Edition' to guide actions in the automotive sector.

1. Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) : EU chemicals regulation

Environmental Management

STRATEGY

Sustainability at Kia Stores

In March 2023, Kia unveiled the "Kia Store Sustainability Guidelines" to immerse customers in sustainability and green practices right from the start of their shopping experience. These guidelines explore eight essential areas and incorporate 42 elements that range from innovative architectural designs to effective waste emission management, which creates dynamic avenues for customer participation. By October 2023, Kia brought the Green Workshop program to life at the Ransh Kia dealership in Rohtak, Haryana. This marked the first application of the localized version, which delighted local customers with cutting-edge rooftop solar panels that decreased electricity usage by over 80%. A solar-powered 11kW EV charging facility was added to the dealership's offerings and the other sixty sales points further embraced these practices between 2023 and 2024. This, therefore, paved the way for mandatory implementation in new sales sites by 2025 with plans to extend to over 150 locations across India by 2026. In May 2024, Kia launched the European (localized) version with pilot programs at select dealerships in Germany and the Netherlands, which have been recognized for leading roles in promoting ESG practices worldwide. Reflecting local European needs, the guidelines have incorporated innovative solar panels and energy storage systems that repurpose EV waste batteries. Kia intends to gradually expand these initiatives throughout Europe and beyond, with a rollout planned for Mexico by 2025.

Kia Store | 8 Key Areas of the Sustainability Guidelines

1 **Sustainability Design & Build**
Install Green-walls to introduce green building materials

2 **Energy**
Reduce energy consumption and increase use of renewable energy

3 **Water**
Manage and reduce water consumption through water-saving car wash services and high-efficiency facilities

4 **Waste**
Set up systems to monitor emissions from waste and improve waste management processes

5 **Air**
Implement systems to enhance air quality

6 **Carbon Emission**
Reduce carbon emissions through replacing business vehicles with EVs and installing charging facilities in Kia stores

7 **Sustainable Processing**
Adopt green business practices, like moving towards paperless operations

8 **Sustainable Engagement**
Host events like the ECO Drive Guide to promote customer participation and engagement


Solar panels


Energy Storage System (ESS)


Green-walls

RISK MANAGEMENT

Environmental Incident and Regulatory Response System at Operational Sites

Kia has implemented an emergency response system designed to take swift action in line with environmental management system standards (ISO 14001). This is to ensure preparedness for any potential environmental incidents. For example, when unexpected accidents occur, such as pollutant leaks, Kia quickly draws up a manual for emergency response to immediately enable action with pre-developed scenarios and training based on simulated accident conditions. The training further includes review process on its effectiveness through evaluations and surveys by the participants, an important procedure that refines and advances its response capabilities. Furthermore, to comply with increasingly stringent environmental regulations, Kia continuously monitors and operates a committee committed to establishing effective responses.

Environmental Council

Category	Target	Frequency
HMG Technology Exchange Meeting	Hyundai Motor Group Environmental Officer (Kia, Hyundai Motor Company, Hyundai Mobis, Hyundai Wia, Hyundai Transys, Hyundai Steel)	Once every half year
Kia Environmental Council*	Kia environmental division staff	Once every quarter

* Participation in Korea Enterprises Federation, Korea Automotive Mobility (KAMA) as per agenda

Environmental Training

Kia provides various job-specific environmental trainings for all employees.

Environmental Training for Employees (2024)

Training	Target	Number of Trainees	Date	Training Goals
Basic Safety and Environmental Training for New Employees	New hires and personnel related to the safety and environment team	60	March - May 2024	To ensure effective job performance in the safety and environment team
Regular Safety and Health Training	All employees	34,265	September 2024	To raise awareness among employees about chemical safety management, including hazardous substances and MSDS

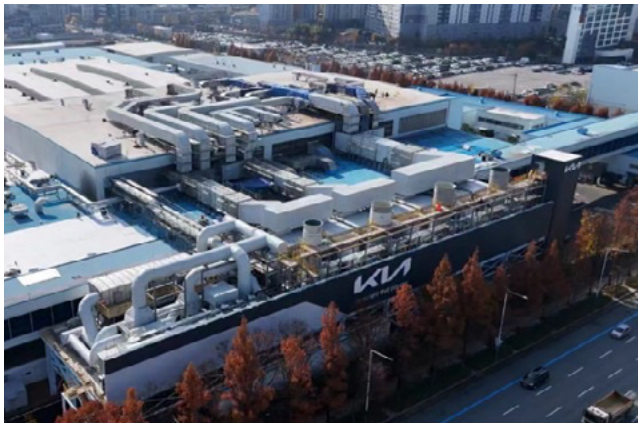
Environmental Management

Local Community Risk Management

Kia acknowledges the odor issue at the AutoLand Gwangju facility and is actively addressing it as a major environmental risk that matters for the local community.

- Each year, Kia collaborates with the Gwangju local government to operate a public-private partnership committee focused on odor prevention
- The negative impacts of odor complaints on the community are continuously monitored and managed
- Improvements to community facilities, such as waste collection sites and fence installations, are made based on odor analysis around the facility
- An eco-friendly regenerative thermal oxidizer (RTO)[1] has been installed (with an investment of 22 billion KRW) and is operated to facilitate odor reduction monitoring

1. Regenerative Thermal Oxidizer (RTO) : A thermal storage incinerator.



Installation of eco-friendly concentrated RTOs

METRICS & TARGETS

Environmental Management Performance and Goal Setting

Kia has embarked on a journey toward carbon neutrality by 2045 with a detailed roadmap that includes specific reduction targets for each segment of its value chain. The company reassesses the level of carbon emissions annually to track progress on these ambitions. This journey has taken a significant step forward through the transition to electric vehicles, the pursuit of RE100 certification, and the integration of materials that are designed to reduce carbon emissions. As Kia prioritizes health and safety, it also works to decrease air and water pollutants each year and therefore minimize impacts on the environment and foster healthier environments for customers and employees. In particular, Kia has set a goal to reduce water pollutants, air pollutants, and water usage by more than 1.5% compared to the average baseline (usage intensity) over the past three years. To enhance control over hazardous substance, stringent standards are in place at business sites, where pollutant levels are kept below 30% of legal limits. Emissions from smokestacks and wastewater are consistently monitored to uphold these standards and to prevent leakage accidents. Part of C-level KPIs are the internal environmental targets for controlling pollutant emissions.

Pollutant Emission Management Target

Air

5%

5% reduction relative to current nitrogen oxide inventory[2]

1.5%

Reduced sulfur oxide emissions by 1.5% year-over-year

Water quality

1.5%

1.5% reduction in TOC, SS compared to most recent three-year discharge

2. Nitrogen Oxide Allocation+Carryover Amount+Purchase Amount

Environmental Management Target and Performance

Data Coverage : Domestic

Category		Unit	2024 (Target)	2024 (Performance)	2025 (Target)
Water	Water consumption intensity	ton/KRW trillion	40,494.6	27,504.4	34,608.3
Water Pollutants	BOD Emissions Intensity	ton/KRW trillion	0.4	0.3	0.3
	COD Emissions Intensity	ton/KRW trillion	1.5	1.0	1.3
	TOC emissions intensity	ton/KRW trillion	1.0	0.6	0.8
	SS emissions intensity	ton/KRW trillion	0.2	0.1	0.2
Air Pollutants	Dust emissions intensity	ton/KRW trillion	1.4	1.3	1.4
	Sulfur oxides (SOx) emissions intensity	ton/KRW trillion	0.2	0.1	0.3
	Nitrogen oxides (NOx) emissions intensity	ton/KRW trillion	3.2	1.7	2.3
Chemicals	Chemical substance disposal intensity	ton/KRW trillion	51.7	27.0	39.7
	Hazardous chemical substance disposal intensity	ton/KRW trillion	-	-	-

Natural Capital Management

Globally, the loss of natural capital and the decline in biodiversity are emerging as long-term risk factors.

Kia is making efforts to protect natural capital by establishing policies to prevent biodiversity loss and deforestation, not only in the purchasing and procurement processes of raw materials but also throughout its business operations. Additionally, Kia contributes to the protection of marine ecosystems through activities such as tidal flat restoration and The Ocean Cleanup initiatives.

GOVERNANCE

Natural Capital Governance

Kia has developed a structured governance framework for the protection of natural capital. This framework includes key projects that are selected and managed under the guidance of the Strategic Business Planning Division at the headquarters who is responsible for overseeing sustainable management operations. Crucial decisions regarding natural capital are made after thorough review and approval by top management. This process ensures the responsible management and transparency in decision-making processes.

Decision-Making Framework

As of March 2025, Kia actively manages a range of projects dedicated to the protection of natural capital. These initiatives include tidal flat restoration, The Ocean Cleanup partnership, and the biochar project. The operational status and key details of these projects are regularly reported to top management. Specifically, plans for tidal flat restoration and The Ocean Cleanup partnership are presented to the board of directors to facilitate more responsible decision-making.

Framework for Implementing Natural Capital Protection Programs

The Strategic Business Planning Division is responsible for managing the tidal flat restoration initiative. The Ocean Cleanup partnership efforts are jointly led by the Strategic Business Planning Division and the Global Brand & CX Division, facilitating collaboration in various areas such as reporting to management, partnerships, resource recycling, and external communications.

STRATEGY

Biodiversity and Deforestation Prevention Policy

Kia acknowledges its dependence on natural ecosystems and takes measures to safeguard the environment by conducting risk analyses and undertaking conservation initiatives. Identifying risks of biodiversity degradation and loss within its operations helps Kia develop policies that preserve, restore, and enhance biodiversity in local communities.
In line with this policy, Kia avoids operations in biodiversity protection areas, increases investments in conservation, and works to prevent deforestation and protect local forests. These efforts are aimed at creating a value chain that is free from biodiversity degradation and loss.

Biodiversity Protection Policy

Kia assesses and evaluates potential risks to biodiversity and loss across its business operations while it has simultaneously established policies to preserve, restore, and propagate biodiversity in local communities. Kia's own operations are subject to these policies, and stakeholders—including suppliers, partners, and other business entities—are also encouraged to implement them as well.

Biodiversity Protection Policy

No Deforestation Policy

Kia has developed policies for biodiversity and forest protection by referencing international agreements such as the Convention on Biological Diversity and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). These policies are implemented not only within Kia's own operations but are also recommended for adoption by stakeholders, including suppliers, partners, and other business entities involved in Kia's supply chain and trade relationships.

No Deforestation Policy

Policy Management

The biodiversity and deforestation prevention policies are reviewed annually to assess the need for revisions based on external developments and company-specific risks. Additionally, these risks are overseen and managed through a committee involving key relevant departments, with major issues being addressed in consultation with the management.

Natural Capital Management

STRATEGY

Natural Capital Protection Activities

Implementation History of Natural Capital Protection Programs

Business Name	Details	Fulfillment Locations
Project Uphaar	Planting 400,000 fruit trees, combating climate change and supporting smallholder farmers	Kia India (India)
Beach Cleanup	Beach cleanups to protect marine ecosystems	KCSA (Puerto Rico)
Cooperative Project for Tidal Flat Restoration	Increasing marine biodiversity and carbon sink capacity by planting halophytes that grow on tidal flats	Headquarters
The Ocean Cleanup	Supporting The Ocean Cleanup, a nonprofit organization established to clean up ocean waste plastics	Headquarters

Training Programs on Natural Capital Protection

In addition to pursuing carbon neutrality, Kia is conducting various environmental training programs to enhance awareness and capabilities of employees regarding emerging environmental issues. These initiatives include not only mandatory legal training but also education on various environmental impacts related to Kia's business, such as biodiversity and forests. In 2025, Kia plans to implement training on biodiversity and forest protection for all global employees.

Tidal Flat Restoration Activities

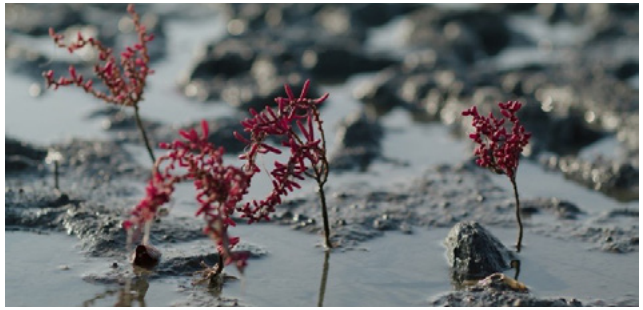
Importance of Tidal Flats in Carbon Absorption

Tidal flats serve as reservoirs for blue carbon, which refers to the carbon absorbed by marine organisms or ecosystems. In 2013, the IPCC (Intergovernmental Panel on Climate Change) officially recognized blue carbon as a means to reduce greenhouse gases. This prompted numerous countries to increase research and investment to validate their blue carbon resources.

South Korea's tidal flats are among the world's top five in terms of size. Studies have shown that these areas are home to approximately 1,000 marine species, which indicates the presence of significant marine biodiversity. Covering about 2,480 km^2, Korea's tidal flats can absorb up to 490,000 tons of carbon dioxide annually. This is equivalent to the emissions produced by around 200,000 internal combustion engine vehicles.

Roadmap for Tidal Flat Restoration





Tidal Flat Restoration Plants

Tidal Flat Restoration

The Ministry of Oceans and Fisheries is conducting a pilot tidal flat restoration project to protect marine resources and boost the capacity of tidal flats for carbon absorption. As a private sector partner, Kia signed a MOU on 'Blue Carbon Cooperative Project' with the Ministry in November 2022 and has collaborated on this restoration project. Subsequently, the Hwaseong Maehyang-ri tidal flat, designated as a wetland protection area, was selected for restoration. Through the planting of halophytes and scientific research, the optimal methodology for restoration was developed that is suitable for the Maehyang-ri tidal flat. In 2025, based on this methodology, Kia planted Suaeda japonica over an area of approximately 30,000 m^2, and plans to continue to monitor the progress and proceed with additional planting activities.

Moreover, after restoration is completed, Kia intends to measure and monitor changes in the marine ecosystem and the effects of carbon absorption and share findings with the international community. This is to demonstrate and emphasize the ecological potential and resilience of tidal flats. Kia also plans to engage with various stakeholders, including NGOs and students, by visiting tidal flats together to participate in cleaning and planting activities in order to reaffirm commitment and dedication to the protection of ecological resources in partnership with local communities.



Landscape of Tidal Flat Restoration

Natural Capital Management

RISK MANAGEMENT

Biodiversity Risk Assessment Across the Value Chain

In September 2023, the Taskforce on Nature-related Financial Disclosures (TNFD)[1] released its final recommendations, which can be used for assessing, managing, and disclosing nature-related risks for businesses. Given the impact of loss of natural capital on business and mitigation efforts, globally, there is an increasing emphasis on managing them. To address these challenges, Kia is analyzing risks related to biodiversity to understand the impact and dependency of its activities on natural ecosystems. As part of these efforts, Kia ran a risk analysis that is based on the TNFD's LEAP (Location, Evaluate, Assess, Prepare) methodology. It assessed the dependency of Kia's business operations on biodiversity and their impacts in terms of physical and reputational risks for areas where the affiliates and key supplier are located. Another value chain analysis was based on WWF's Biodiversity Risk Filter, which examined 34 companies in the domestic and international value chain. The results revealed that upstream sites that belong to industries such as steel and logistics industries, which have more influence on biodiversity, pose higher biodiversity risks compared to Kia's own operations. Depending on the sites' locations, the findings further highlighted the differences in physical risks, such as decreases in wildlife populations, due to their negative impacts on biodiversity. These results have prompted Kia to continue to monitor biodiversity risks across its value chain and surrounding areas, and to establish collaborations with partners to pursue eco-friendly initiatives to conserve biodiversity.

1. Taskforce on Nature-related Financial Disclosures (TNFD) : An international initiative aimed at guiding the disclosure of nature-related financial risks.

Locate

Identified the intersection between Kia's operations and nature.

Selection of Region to Analyze

18 locations in 6 countries, including Kia's production centers and key supply chains (steel, logistics, etc.)

South Korea, Slovakia, India, China, United States, Mexico

Location-specific

- Location of business sites
- Industry information
- Business significance

Evaluate

Identified Kia's dependencies and impacts on natural capital.

Identification of Dependencies and Impacts

Category		Evaluation Classification	Key Metrics
Physical Risk	Supply Services	Dependencies	Water shortages, limited wildlife availability, etc.
	Adjustment and Support Services (Activation)	Dependencies	Soil, water, air, ecosystem health, etc.
	Adjustment Service (Mitigation)	Dependencies	Landslides, wildfires, heat waves, etc.
	Cultural Services	Dependencies	Tourist attractiveness
	Biodiversity Pressures	Impact	Land, change in freshwater and ocean use, pollution, etc.
Reputational Risk	Environmental Factors	Impact	Proximity to protected/conservation areas, proximity to key biodiversity areas, proximity to other important areas, ecological conditions, range rarity (based on a measure of species endemism)
	Socioeconomic Factors	Impact	Food and water scarcity and air quality, labor/human rights, financial inequality
	Additional Reputation Factors	Dependencies	Preparation for country-level risks related to media research, political situation (Freedom Index), Ramsar and World Natural and Cultural Heritage sites, and biodiversity

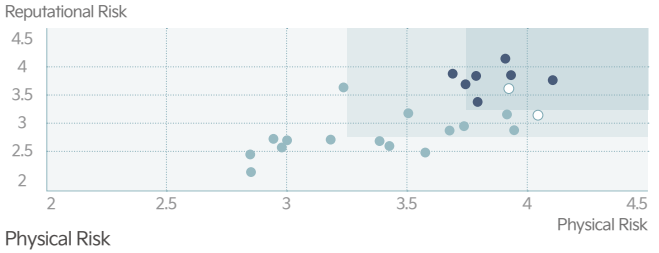
Assess

Analyzed risks and opportunities based on the relationship between its business activities and natural capital.

Assessment of Physical and Reputational Risk

Very Low	Low	Medium	High	Very High
1.0-1.8	1.8-2.6	2.6-3.4	3.4-4.2	4.2-5.0

● Upstream ○ Downstream ● Kia Production Entity (Own operations)



Physical Risk			Slovakia, U.S., Korea	India, Mexico, China
Reputational Risk		Slovakia, Korea	U.S., Mexico, China, India	
Risk by Value Chain Industries			Automotives (Kia)	Steel, Logistics (Supply Chain)

Prepare

Implement risk management process and disclose relevant information.

Kia Response Status

Risk Management Strategy

Kia regularly reports key biodiversity-related risks to the Sustainability Management Committee and integrates them into the company-wide risk management strategy.

Natural Capital Protection Program

Kia is participating in a tidal flat restoration partnership with the Ministry of Oceans and Fisheries. Additionally, Kia collaborates with The Ocean Cleanup partnership to collect plastics from the sea and recycle them to produce automotive products. This process contributes to the protection of marine ecosystems. Through these efforts, Kia aims to promote a circular economy and preserve ecosystems.

Natural Capital Management

RISK MANAGEMENT

Deforestation Risk Management

To prevent risks of deforestation within the value chain, Kia is actively managing and monitoring the place of origin on raw materials from the procurement stage. The European Union (EU) recognizes deforestation as a major cause of loss in biodiversity and has established the European Union Deforestation Regulation (EUDR), set to be implemented by 2025. Since there is a significant impact of land use on agriculture and forestry, and livestock on the loss of forest, the EU plans to ban import on goods related to deforestation. Under this law, agricultural products and derived goods will be examined for their impact on deforestation. If they are proven to be influential on deforestation, the EU will prohibit their import and distribution within the EU market. As of now, the regulations only apply to seven agricultural products—palm oil, cattle, coffee, wood, cocoa, rubber, and soy—as well as derived goods such as leather, furniture, paper, and rubber tires. The range of items subject to this regulation is expected to increase over time.

Kia also uses materials like leather and rubber in vehicle seats, tires, and other components. Since these items are subject to the EUDR, if Kia is unable to prove that the sourcing of these materials are not linked with deforestation, it could pose significant challenges to its operations. To prevent these risks, Kia requires suppliers of leather and rubber components to submit the place of origin on their goods during the bidding process. This enables Kia to identify the origin of goods from high-risk countries based on EUDR. Additionally, Kia is also providing trainings for procurement teams and suppliers to enhance their understanding of the EUDR and to pre-emptively manage deforestation-related risks. Kia also plans to strengthen audits on sourcing from high-risk countries. In the long run, it aims to expand the development and application of sustainable materials, including recycled ones, when using leather and rubber components.

METRICS & TARGETS

The Ocean Cleanup Partnership Target

Through its partnership with The Ocean Cleanup, Kia aims to collect and revalorize marine plastics and waste, and contributes to the protection of marine natural capital.

Target for 2025	Ensuring marketability and quality of EV3 Trunk Liner made from marine plastics
Mid- to long-term target	Identifying additional recycling items and developing and selling vehicle supplies



The Ocean Cleanup Partnership Activity

Tidal Flat Restoration Target

Through its tidal flat restoration project, Kia aims to protect marine ecosystems and enhance the carbon absorption capacity of tidal flats.

Target for 2025	Planting halophytes Suaeda japonica at 27,000m^2 in the Hwaseong Maehyang-ri tidal flat, South Korea
	Installation of a 1.2 kilometer flow reduction facility (wooden fence) in Hwaseong Maehyang-ri tidal flat (to be completed March 2025)
Mid- to long-term target	Planting Suaeda japonica across a total area of 120,000m^2 suitable for planting halophytes in the Hwaseong Maehyang-ri tidal flat (27,000 m^2 to be planted in 2025, and the remaining area in 2026)



Tidal Flat Restoration - Blue Carbon Project

SOCIAL

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Human Rights Management

Kia supports international standards and guidelines related to human rights and aims to realize respect for human rights across all stakeholders and its global operations.

To achieve this, Kia has established a mid- to long-term human rights management roadmap and has annually conducted impact assessment on human rights to detect potential risks early and take necessary actions.

GOVERNANCE

Human Rights Management Governance

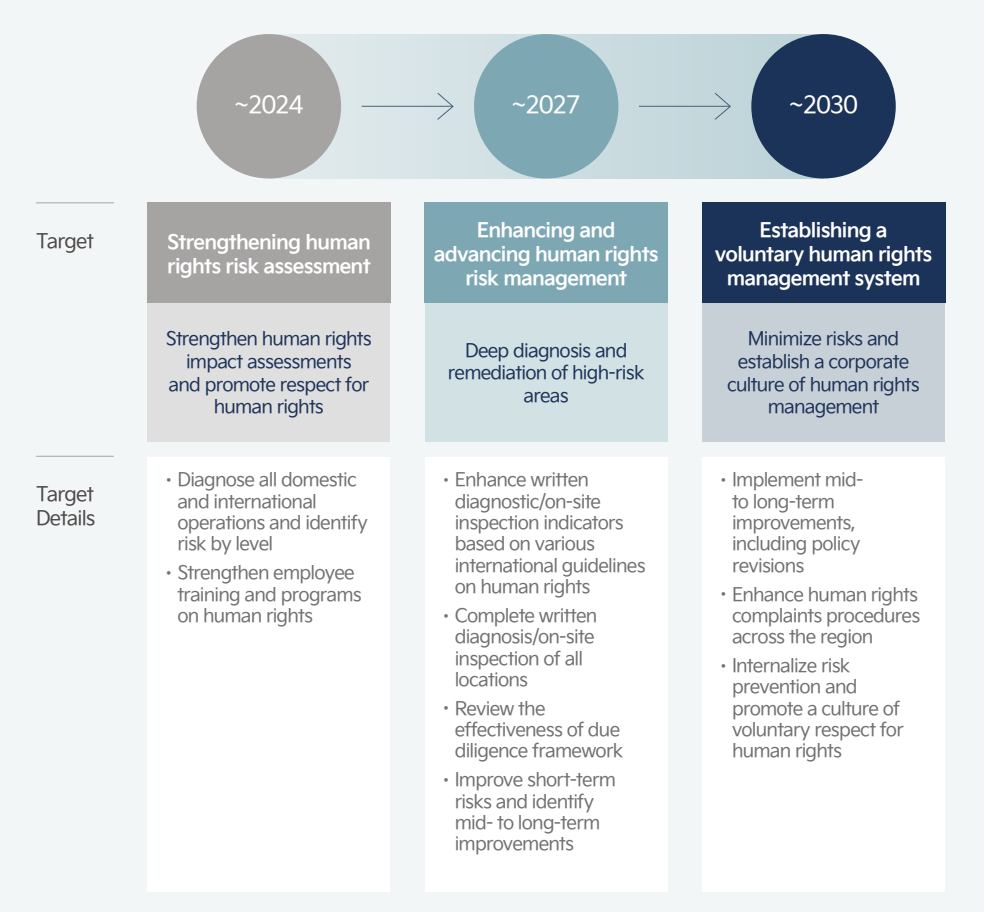
To protect the human rights of employees and stakeholders, Kia has established a collaborative framework involving various relevant departments, such as ESG, Human Resources, Safety and Environment, Procurement, and Legal. The company conducts regular audits on the investigation of complaints, reports, and suggestions related to employee misconduct and system improvements. These audits help assess the state of human rights, which is periodically reviewed by the board's Sustainability Management Committee. Additionally, the implementation of human rights throughout its operations is systematically managed and overseen through working meetings led by the dedicated human rights management department and decision-makers.

In 2025, Kia plans to establish a dedicated diversity, equity, and inclusion (DEI) organization to help institutionalize and foster a DEI-based system and culture. The initiative will focus on continuously promoting DEI values among employees, expanding the recruitment of international talent, and implementing tailored gender equality welfare programs for working mothers and fathers. Additionally, Kia aims to create a culture that respects diverse backgrounds and values by developing a disability-friendly working environment and establishing standard workplaces for people with disabilities.

STRATEGY

Mid- to Long-Term Roadmap for Human Rights Management

As Kia recognizes the importance of human rights, it has developed a mid- to long-term roadmap to internalize human rights-based management across all operational sites and among employees. By 2025, Kia aims to focus on managing risks related to human rights through a systematic process for identifying them. Ultimately, the company seeks to establish a voluntary management system in order to foster a culture of respect for human rights.



Human Rights Management

STRATEGY

Strategy for Internalizing Human Rights in Management

Kia respects and supports international human rights and labor standards and guidelines, such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Organization Constitution, the OECD Guidelines for Multinational Enterprises, and the OECD Due Diligence Guidance for Responsible Business Conduct. Building on these standards, Kia is advancing a global human rights management strategy. The company has established organizational structures and operational systems both domestically and internationally to internalize human rights in the management practices. Kia is committed to preventing human rights violations that may arise in its business operations and continually works to mitigate these risks.

In addition, Kia maintains a year-round human rights complaints handling system, both online and offline, to prevent human rights risks for employees. When a human rights complaints is submitted, the company responds promptly and, if needed, provides counseling to address work-related or interpersonal stress. Through these initiatives, Kia strives to enhance the effectiveness of its human rights management and create a respectful workplace for all employees.

Human Rights Charter

To practice human rights management and prevent violations, Kia has established a human rights charter, which guides all employees in their work. The kia human rights charter encompasses key human rights principles, including the prohibition of forced labor, prevention of child labor, freedom of association and collective bargaining, and non-discrimination. It applies to employees across domestic and international subsidiaries, affiliates, and joint ventures. Employees are expected to adhere to the human rights charter when dealing with suppliers, sales, and service organizations, and it is further encouraged that all stakeholders in business relations respect the charter. In 2023, Kia revised the charter to strengthen commitments against child and forced labor, adding principles for responsible supply chain management and guaranteeing environmental rights. Kia also conducts annual monitoring given the changes in internal and external environments regarding human rights and international guidelines, and amend the charter as necessary.

Human Rights Charter

Anti-Discrimination and Anti-Harassment Policy

To prevent and eliminate issues related to discrimination, harassment, and sexual harassment in the workplace, Kia has established an anti-discrimination and harassment policy. This policy clearly defines what constitutes such behaviors and transparently outlines the reporting procedures, contributing to the creation of a healthy organizational culture.

Non-Discrimination and Anti-Harassment Policy

Diversity and Inclusion Policy

A culture where individuals from diverse backgrounds and with different values feel a sense of belonging can lead to creative and innovative outcomes. To foster such a culture, Kia is committed to creating an environment where a diverse group of employees can collaborate with fairness and inclusivity. In 2024, Kia set quantitative goals to be achieved by 2030 for acquiring talent regardless of gender, nationality, or disability, striving continuously to meet these objectives.

Kia is dedicated to cultivating an organizational culture that enables a diverse group of talent to express creative and challenging thinking. The company publicly shares its diversity and inclusion policy as part of its contribution to the development of a more inclusive society.

Diversity and Inclusion Policy

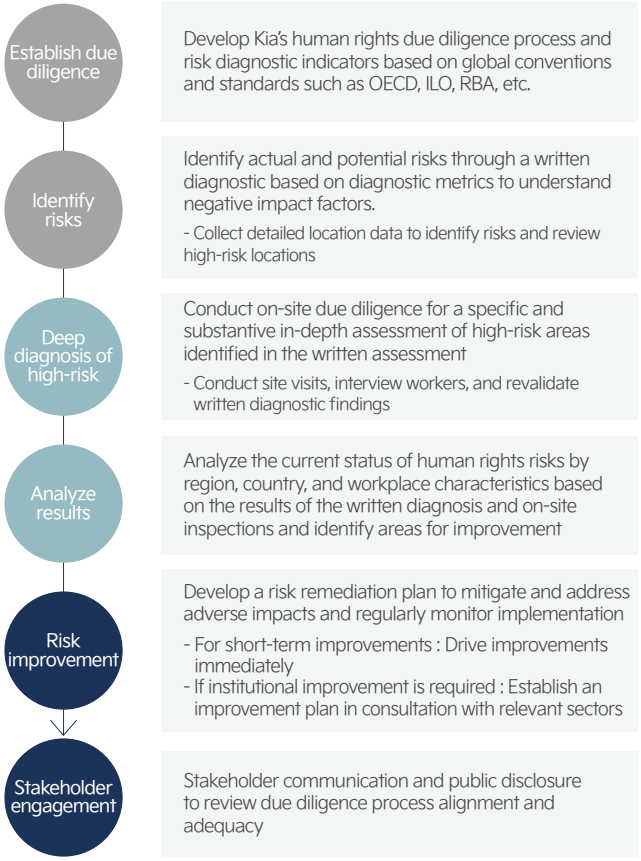
Human Rights Management

RISK MANAGEMENT

Human Rights Risks Assessment

By conducting annual impact assessments on human rights across its domestic and international operations, Kia has identified and improved potential impacts of its corporate activities on various stakeholders, including employees, suppliers, local communities, and customers. Starting in 2025, Kia plans to implement enhanced due diligence on human rights across all operational sites to manage risks more thoroughly. This process aims to identify specific risk factors and select improvement tasks to mitigate negative impacts. Kia remains committed to strengthening its risk identification processes to protect and respect the human rights of all stakeholders, including employees. As a global company, it will continue to fulfill its responsibilities and obligations in human rights management.

Human Rights Risk Management Process



Human Rights Impact Assessment

Kia conducts annual impact assessments on human rights for its domestic and international sites. Through these assessments, Kia identifies relevant human rights risks in ten areas, including non-discrimination, working conditions, forced and child labor, and responsible supply chain management. This process helps Kia understand and improve the potential impacts of its corporate activities on a broad range of stakeholders, including employees, suppliers, and local communities. In 2024, Kia expanded its scope of assessment to include major domestic and international operational sites and identified no major or potential risks identified.

Enhancement of Human Rights Risk Due Diligence System

Kia has enhanced its risk due diligence system to prepare for the EU Corporate Sustainability Due Diligence Directive (CSDDD) regulations by refining 196 diagnostic indicators across human rights, ethics, environment, and safety, and by expanding the scope of assessment. In April 2025, Kia conducted a screening on operational sites based on country-specific human rights and environmental indices, and selected a total of 79 business sites for survey-based assessment. Among these, on-site inspections were carried out with external experts for the operations in Europe, AutoLand Slovakia, domestic operations (Korea), and the headquarters (Korea). Kia also intends to conduct on-site inspections within the year for AutoLand Korea, Kia India, sales/service locations, and delivery centers. Following the on-site inspections, Kia will manage to prevent recurrences of risk-related activities by establishing improved plans through an in-depth diagnosis of identified high-risk areas and by monitoring the status on implementation. Moving forward, Kia will continuously refine the human rights risk due diligence system for both domestic and international operations.

* Risk screening based on Human Rights/Environmental Risks Index
- Environment : Biodiversity Intactness Index (BII), Environmental Performance Index (EPI), Water Stress Index (WRI)
- Human Rights : Human Development Index (HDI), Fragile States Index (FSI), Global Health Security Index (GHSI)

Human Rights Risk Assessment Results[1]

*Risk level categorization : low risk (2.5+), potential risk (< 2.5), high risk (< 2.0)

Inspection Areas		Results 2023	Results 2024
Non-Discrimination	Nondiscrimination in employment	2.76	2.82
	Male-female non-discrimination	2.84	2.85
	Temporary worker nondiscrimination	2.58	2.67
	Foreign national non-discrimination[2]	2.88	2.81
Compliance with Labor Conditions	Comply with legal working hours	2.80	2.84
	Comply with wage laws	2.87	2.86
	Guaranteed breaks	2.73	2.81
	Work Environment Assurance	2.53	2.73
Humane Treatment	Violence/Harassment Prevention	2.45	2.67
	No privacy intrusions	2.87	2.91
	Work-life balance	2.20	2.50
	Protection of personal information	2.80	2.73
	No coercion	2.80	2.84
Freedom of Association/ Collective Bargaining	Freedom of association/collective bargaining	2.77	2.76
	No union activity penalties	2.78	2.85
	Assurance and execution of bargaining	2.69	2.84
	Alternative actions in the absence of a union	2.83	2.69
No Forced or Child Labor	No forced labor	2.87	2.90
	Prevention of forced labor in suppliers	2.85	2.75
	Prohibition of child labor	2.87	2.86
	Response to the employment of minors	2.64	2.74
Occupational Safety and Health	Workplace safety	2.87	2.80
	Protecting pregnant women and the disabled	2.73	2.71
	Provide essential equipment and conduct training	2.64	2.71
	Supporting victims of industrial accidents	2.71	2.70
Protecting Local Residents' Human Rights	Respect local residents' human rights	2.71	2.63
	Protecting local residents' intellectual property rights	2.75	2.59
Protecting Customer Human Rights	Comply with consumer protection laws	2.64	2.65
	Actions in case of product defects	2.85	2.66
	Protecting consumer privacy	2.71	2.63

* 'Responsible Supply Chain Management' and 'Ensuring Environmental Rights' areas are piloted at headquarters only
1. The 2024 report listed only the top two risk issues for each area, but the 2025 report discloses all detailed sub-areas, resulting in additional specific items
2. Data was updated following the correction of a scoring error in the non-discrimination category for foreigners in 2023.

Human Rights Management

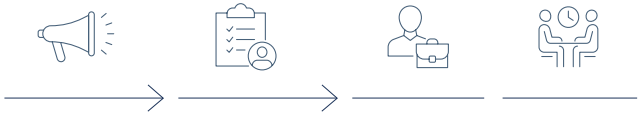
RISK MANAGEMENT

Human Rights Risk Management

Complaint Reporting System

To prevent the risks related to human rights, Kia operates a compliant reporting system through various online and offline channels. When compliants are filed, Kia assesses the situation according to internal procedures. If an employee is determined to have caused negative impacts, such as discrimination or harassment, appropriate actions are to be reviewed based on the company's standards and procedures. Kia also enhances accessibility for employees by displaying a compliant system banner on the main screen of its intranet, enabling easy access. Offline-compliant counseling centers are operated within each department to handle reports regarding issues such as sexual harassment or workplace bullying. Additionally, Kia provides free professional support programs in which one-on-one counseling is offered with specialized counselors and psychological assessments to help employees alleviate work-related stress and interpersonal challenges.

Complaints Handling Process



Complaints submission	Situation assessment	Review personnel actions	Program support as needed
Operate systems through online and offline channels	Follow the process to identify compliant situations	Review personnel actions based on criteria/ procedures	Free psychological testing and 1:1 counseling programs

Company-Wide Human Rights Training

As a legal requirement, Kia provides mandatory training for all employees on topics such as sexual harassment and awareness on the disabled. Additionally, Kia offers company-wide education to enhance awareness of diversity, equity, and inclusion (DEI). Through online human rights education, employees are also supported in applying the principles and guidelines of human rights practices to their work. The educational programs encompass not only legally required topics such as workplace harassment, sexual harassment , and awareness on the disabled, but also aimed at strengthening DEI awareness. Furthermore, human rights topics are integrated into the ESG mindset online training curriculum provided to all employees.

Strengthening DEI Capacity and Improving the Work Environment

Through initiatives like job mentoring on women's college campuses and female leader career talks, Kia enhances access for new female talent and operates a leadership development program for women to grow into leadership roles within the organization. Additionally, Kia's headquarters secured 11 exceptional foreign talents through its first-ever recruitment program targeted for international professionals. In collaboration with the Korea Employment Agency for the Disabled, Kia has also hired disabled employees and improved their accessibility by establishing dedicated rooms and bathrooms for them at offices and training facilities, as well as enhancing pathways for their movement and office environments.

DEI Awareness and Member Capacity-Building Training (2024)

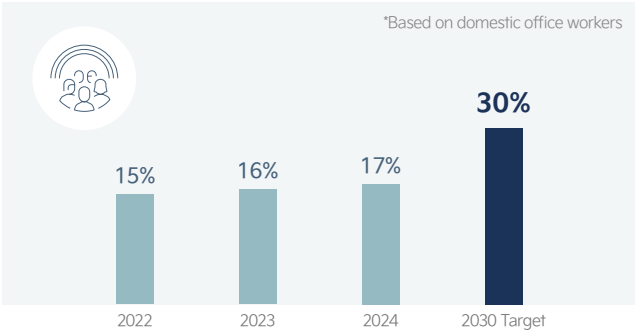
Category	Target	Contents	2024 Performance
Company-wide DEI Awareness Training	Executive, Team lead, General	Promote Awareness Change Through Dissemination of DEI Necessity	• Completion by 4,051 people • Online video
Leader DEI Management Training	Team-level leaders	Understanding workforce diversity and the role of leaders in fostering an inclusive culture	• Completion by 273 people • 10 rounds, 3 hours each
Women Leaders Development Program	G4 female senior managers	Understanding self-awareness and leadership competencies and creating an action plan	• Completion by 22 people • 3 days, 7 hours each
Forum Kia	Executives and group heads	Understanding diversity and practicing a customer-centric, people-centric culture	• 126 attendees

METRICS & TARGETS

Diversity and Inclusion Targets

Kia has set a goal to achieve a 30% female employment rate by 2030, aiming to incorporate diverse perspectives in the decision-making process. To ensure that gender, nationality, and disability do not become barriers for employees, Kia operates systems and programs based on diversity and inclusion. This approach fosters a corporate culture where talent from different backgrounds and with varying values can coexist harmoniously.

Female Employment Target Ratio



Gender Diversity Status and Target

Category	Unit	2023	2024	2025 (Target, %)
Total Female Employees	Persons (%)	1,684(4.7)	1,792(5.0)	5.1
Female Managers	Persons (%)	301(6.0)	373(7.2)	8.0
Female Low-level Managers	Persons (%)	211(10.7)	266(13.1)	15.0
Executive Female Employees	Persons (%)	3(2.0)	2(1.4)	2.0
Female Managers in Sales Generating Departments	Persons (%)	229(5.2)	296(6.2)	7.0
Female New Hires	Persons (%)	209(10.9)	176(7.3)	7.6
Female Employees in STEM[1] Departments	Persons (%)	626(2.6)	757(2.7)	2.8

1. Science, Technology, Engineering, and Mathematics

Human Resources

Kia has established a comprehensive talent management system to support employee growth and strengthen capabilities.

Based on our organizational cultural focus, 「Customer-centric and People-focused Culture」, we select diverse talents and offer a variety of training programs to equip employees with the foundation to maximize their capabilities, effectively responding to the rapidly changing industry environment.

GOVERNANCE

Human Resources Management Governance

Kia's training departments focuses its efforts on developing training programs that emphasize employee diversity and the cultivation of future business talent, as well as on supporting career development. Additionally, through performance evaluations from a growth perspectives and effectiveness of internal training programs, the department systematically manages its initiatives to continuously enhance the robustness of Kia's educational framework.

Human Resources Development Organization



STRATEGY

Corporate Culture

Kia believes that people are at the core of all its activities. The company respects diverse cultural backgrounds and individual values, fostering an organizational culture where employees can freely express their ideas and embrace new challenges. This cultural orientation is defined as a 「Customer-centric and People-focused Culture」, embodied by the foundational principles of "Kia Values and Behaviors." "Kia's values" are comprised of five core values, each accompanied by three "Behaviors" that represent the methods and attitudes with which employees work. To internalize "Kia Values and Behaviors" in everyday practice, Kia conducts its unique town hall meetings called "Kia value meeting" regularly at the organizational level and "Kia value on workshops" for all teams to foster team-level integration.
Kia is building a 「Customer-centric and People-focused Culture」 not only through Employee Experience (EX) programs designed to positively engage employees but also by embedding "Kia Values and Behaviors" into systems, welfare, environments, and other areas to drive comprehensive change.

Kia Values and Behaviors



Talent Recruitment

Based on Kia's 「Customer-centric and People-focused Culture」 the company selects diverse talent through processes with fairness. Kia participates in international student fairs and holds recruitment events aimed at career development for women and foreigners. To improve accessibility and convenience for global talents, all information on Kia's recruitment website is provided in both Korean and English. Kia has also pursued special recruitment initiatives for foreigners and individuals with disabilities to secure human diversity. Foreign applicants are given the option to submit applications in English and choose their interview language, along with visa support to enhance satisfaction for both applicants and successful candidates. When recruiting people with disability, Kia ensured its understanding of their disability complemented with prepared environments, and trained panel members that could help facilitate the process. Additionally, prior to the commencement of the employment, Kia provides candidates with awareness education, mentorship, and improvmenet of the office environment to support their early adaptation to company for all new hires.

Human Resources

STRATEGY

Employee Capability Development

Future Business Capability Training

Kia operates a comprehensive educational system to ensure that employees, from executives to new hires, acquire the skills necessary for their respective roles and departments. As part of this effort, Kia has revamped its company-wide job academy framework to include diverse training programs, such as the Mobility Academy, which supports the growth of talent aligned with the Kia's vision of becoming a 「Sustainable Mobility Solutions Provider」, and the Skill-up Academy, which offers skill-based courses that can be applied immediately to current work.

These training programs go beyond simply developing employee capabilities; they are crucial elements directly linked to the company's business success. The Mobility Academy, for instance, is designed to support 'New Biz' by helping employees learn about new business areas and services and understand emerging business opportunities. Additionally, it focuses on fostering a 'customer-centric' approach by encouraging employees to propose innovative ideas for enhancing customer satisfaction and developing practical implementation plans. The Skill-up Academy is structured to provide courses based on essential skills needed by Kia and applicable immediately to everyday work. It is divided into three main areas—communication strategies, project management, and data utilization—and is systematically planned and operated to enhance the way employees work.

Future Business Skills Training

Course Name	Development Direction	Key Programs
Leadership	Develop entrepreneurial leaders with a brand and customer-centric mindset	Inspiring Coaching programs, Onboarding of new team leaders, etc.
Onboarding	Phased onboarding program to support integration as Kia members	Onboarding step1 - step5
Job Function	Cultivate "cross-functional" talent that can create new customer-centric value and business based on their functional expertise	Mobility Academy, Skill-up Academy
Company-wide	Company-wide mandatory training programs, including legal compliance training	Disability inclusion awareness, Pre-retirement training, etc.
Other	Employee-driven learning through voluntary gatherings	Learning labs, Language training, etc.

Career Development

Kia operates a career development platform called 'Career Move,' which enables employees to expand their job experiences and grow through self-directed initiatives. This platform is part of Kia's effort to foster a unique career development culture and strengthen its institutional framework. Additionally, Kia has implemented the 'Veteran' program for senior employees with extensive skills and experience, allowing them to continue leveraging their expertise. This initiative aims to enhance organizational competitiveness and contribute to advancing the whole industry.

Expansion of Career Move



Performance Evaluation and Remuneration System

Fair Remuneration System

Kia evaluates employees from a perspective that emphasizes sharing and collaboration rather than competition. To facilitate employee growth, Kia operates an evaluation process and coaching system that provides appropriate feedback based on individual goal setting. Additionally, Kia maintains an equitable and fair compensation system, regardless of nationality or gender, to motivate its workforce. The HR system links absolute performance evaluations with the compensation structure to ensure individual performance improvements are reflected in rewards. Through agreements between the union and management, Kia distributes excess profits among its employees in the form of performance bonuses at a reasonable level and provides all employees with non-salary compensation, including retirement benefits.

Employee Performance Evaluation

Kia implements an evaluation process that emphasizes member growth and development, prioritizing sharing and collaboration over competition. This approach is supported by an evaluation and coaching system designed to provide meaningful feedback, enabling employees to grow based on their individual goal setting. Through a conversational-style continuous feedback system, work performance and feedback shared between leaders and team members are integrated into performance evaluations.

To ensure consistency and accuracy in evaluations, Kia operates a performance management process that includes "Goal-setting Sessions," "Ongoing Performance and Collaboration Feedback Throughout the Year," and "Review and Grade Finalization Sessions Before Evaluations." The company support the objective self-awareness and leadership development for leaders through 360-degree performance evaluations. Kia also conducts the "Inspiring Coaching" program four times a year to facilitate dialogue between evaluators and those being evaluated and to manage performance continually. In addition, Kia runs the "Collaboration Plus" system, which promotes individual growth and fosters a culture of organizational collaboration through peer feedback.

Criteria and Frequency of Employee Performance Reviews

Category	Evaluation Criteria	Evaluation Frequency
Management by Objective (MBO) assessment	Conducted 100% at senior manager level and above	Once a year
Multifaceted Performance Evaluation	Conducted 100% at team lead level and above	Once a year

Human Resources

STRATEGY

Employee Benefits Program

Flexible Work System

Kia operates a working system designed to enhance productivity through innovation in work practices.

Flexible work system	Employees have the flexibility to work autonomously within an average of 52 hours per month, provided they adhere to the core working hours of 5 hours each on Mondays and Tuesdays, and 4 hours each from Wednesday to Friday.
Part-time Working	Part-time arrangements are offered for limited jobs, such as 7 hours/day for driving managers, 4 hours/day for multilingual translators of the service manual.

Work-Life Balance Support

Kia is committed to creating a work environment that enables work-life balance by operating various maternity and childcare support systems for members and their families.

Parental Leaves	Up to two years of parental leave per child (Ages 8 and under or Grade 2 in elementary school and younger)
Reduced Working Hours During Pregnancy	Reduced working hours for pregnant employees within 12 weeks or after 32 weeks of pregnancy (Up to 2 hours/day)
Leave Before and After Childbirth	90 days of maternity leave before and after childbirth (120 days for multiple births)/20 days of paid paternity leave for male employees
Reduced hours during childrearing years	Up to 2 years of parental leave for each child, Up to 3 years of reduced working hours during childcare period (For children under 12 years old or up to grade 6, 5 to 25 working hours per week available)
Provision of Lactation Time	Breastfeeding facilities and time are provided during working hours
Workplace Daycare Centers	Operation of 4 workplace daycare centers at AutoLand Gwangmyeong/Hwaseong/Gwangju and Yangjae headquarters - 2024 Parental Satisfaction Survey Result Average : 4.85 Out of 5
Family Caregiving Leaves	Up to 90 days of family care leave per year to care for family members due to illness, accidents, or aging (Grandparents, parents, spouses, parents-in-law, children, or grandchildren)
Infertility Leave	Up to 6 days of leave per year for infertility treatment (Such as artificial insemination or in vitro fertilization)

Leave and Vacation Support

To enhance the sustainable quality of life for employees, Kia operates customized vacation programs tailored to different job levels. Additionally, the company provides year-round access to recreational facilities, promoting a balance between work and rest, which in turn fosters improved work engagement.

Summer vacation	Pro-dream Vacation	Long-service rewards	Retirement farewell leave	Operation of year-round resort
5 days of paid vacation per year	Senior managers are eligible for an additional 10 days of paid vacation upon promotion, in addition to their 5 days of personal annual leave	Employees with 20 years of service are eligible for 5 days of paid vacation in their 21st year	30 days of paid leave provided upon retirement after 20 years of service	Accommodation benefits for members at a total of 38 resorts

Health and Wellness Support

To improve employee well-being, Kia offers various physical and mental health programs.

Healthy Foods	Meal options such as healthy salads, vegetarian meals, and take-out menus
General Check-up	Mandatory annual statutory general medical examinations for all employees, with additional examinations and attendance recognized, and additional examinations for employees over the age of 40[1] (thyroid ultrasound, blood cancer screening, etc.)
Comprehensive Check-up	For every 10 years of service (every 3 years for employees aged 35[1] and above), the company provides 50% financial support for health check-ups for on family member annually
Fitness Facilities	Operation of fitness centers at AutoLand Gwangju/ Gwangmyeong/Hwaseong and Yangjae headquarters
Online and Offline Counseling Centers	1:1 counseling support for work and interpersonal stress - Expanded psychological counseling channels with additional employee assistance program (EAP) in * 94.8% of participants expressed satisfaction according to the counseling satisfaction survey results. * No employees classified in high risk group[2] for client crisis stages.

1. Change in the age criteria for medical examination support.
2. A state that is likely to have a negative impact on organizational life or poses a threat to life.



Human Resources

RISK MANAGEMENT

Talent Management

Kia conducts regular surveys to assess employee engagement and identify company-wide initiatives for improvement. The survey questions cover aspects such as employee happiness and stress within the organization, satisfaction with the company and roles, and the motivation provided by leaders' coaching. Additionally, Kia supports tailored consulting services for teams by diagnosing organizational culture issues and addressing root causes to resolve them effectively.

Labor-Management Harmony

Manage Labor-Management Risks

Kia actively responds to key risks and opportunities that may impact business operations by considering related labor regulations and trends. In 2024, Kia held a mid- to long-term Strategy Committee Meeting to discuss the global automotive market environment concerning the electric vehicle chasm, and to explain the company's policy direction. The company has prioritized identified risk factors and has developed and implemented risk mitigation strategies to address these challenges.

Addressing Key Risks (2024)

- Promotion of the establishment of a rational production system to respond to changes in the global sales environment, such as the strengthening of protectionist trade measures in various countries
- Agreement on parallel production of EV6 and EV9 at US plants

Principles of Transparent Disclosure

Upon request from the labor union, Kia provides explanations regarding management plans and performance, employee employment , and domestic and international investments. Kia also communicates and shares information about operational changes that may impact union members, such as amendments or repeals of regulations affecting personnel and decisions made by the board of directors.

Strengthening Labor-Management Cooperation

Kia ensures free labor union activities according to the constitutional rights on labor law—commonly known as the three labor rights—and the fundamental principles of the International Labor Organization (ILO). Kia respects labor rights and defines specific details through collective bargaining agreements, explicitly recognizing the union as the body that exercises these rights. These agreements create the basis for guaranteeing union activities, prohibiting unfair labor practices, providing facilities, and supporting promotional activities. Additionally, Kia guarantees the right to collective bargaining by establishing obligations, procedures, negotiation partners, and adherence clauses within the agreements. The collective agreements also specify protections concerning privacy, employment security, wages, working hours, holidays, and leave policy to uphold labor rights. Kia conducts regular annual sessions on collective bargaining and engages with employees through labor-management councils and committees, such as the Employment Stability Committee and the Occupational Safety and Health Committee, where employee opinions on improving working conditions, including wages and benefits, are heard and discussed.

Employee Stock Ownership Association

Kia implements an Employee Stock Ownership Plan (ESOP) to align business objectives with personal values, thereby boosting employee motivation and engagement. According to relevant laws, eligibility for union membership under this program is subject to employees who are directly employed by Kia, excluding registered executives.

Key Labor-Management Agreements (2024)



- Agreements to address the declining birth rate and support for childcare, including the extension of infertility treatment leave and the expansion of reduced working hour programs during the childcare period
- Special agreement to secure future competitiveness of AutoLand in Korea by internalizing core components for future vehicles and promoting new businesses
- Agreements to fulfill social responsibility by addressing climate change and supporting mutually beneficial partnerships with suppliers

METRICS & TARGETS

Employee Training Status

Training Implementation Status and Training Satisfaction

Data Coverage : Domestic

Category		Unit	2022	2023	2024
Employee Training	Total no. of trainings provided	Numbers	176,796	308,794	391,338
	Total training hours	Hours	1,238,622	1,575,895	1,766,358
	Total training investment budget	KRW 100 million	109.6	176.6	272.6
Training Satisfaction[1]		Points	4.6	4.7	4.7

1. Based on a 5-point scale

Key Program Performance and Target

Data Coverage : Domestic

Category	Contents	Number of courses	Order	Number of completions (people)
Mobility Academy	Mobility industry trends and new business planning capabilities, etc.	7	44	1,085
Skill-up Academy	Coding fundamentals and data analysis·planning methods, etc.	15	27	550

2025 Target	• Developed at least 3 new Skill-up Academy courses • Mobility Academy (5 courses, 12 sessions), Skill-up Academy (8 courses, 22 sessions) (4.5 overall satisfaction rating, 80% completion rate target)
Mid- to long-term target (~2030)	• Leverage training effectiveness diagnostic tools to measure job alignment effectiveness • Mobility Academy, Skill-up Academy, SCM Discovery and Dissemination of Success Stories

Employee Double Engagement

Employee engagement in the workplace globally averages around 23%, while in South Korea, it is approximately 13.4%. Kia's employee engagement level is notably high, and Kia is committed to maintaining this elevated level of employee engagement continuously.

Category	Unit	2022	2023	2024
Employee Engagement Survey Double Engagement Rate[2]	%	66	74	75

2. Method for measuring double engagement of employees : 1) Organization commitment measurement questions (I hope to continue working at our company), 2) Job satisfaction measurement questions (I am satisfied with the work I am currently doing), and the percentage of employees who selected 4 points or higher for both questions.

Safety and Health

Kia places the utmost importance on the safety and health of its employees and is dedicated to fostering a safe work environment.

To integrate and enhance the safety across all global operations, Kia has outlined a mid- to long-term strategic direction for safety in environments and is implementing specific strategies such as the Kia Safety Environment Management System (Kia SEMS) for internal audits.

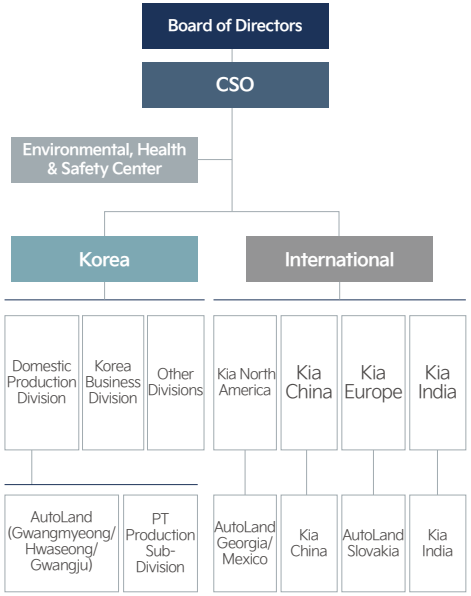
GOVERNANCE

Safety and Health Governance

Safety and Health Management System

Under the mission of 「Putting people and the environment first, making the value of a safety culture part of everyday work」, Kia has established and adheres to a vision and fundamental principles for its safety and environmental policies. Additionally, Kia operates the Environmental, Health & Safety Center, a dedicated organization overseen by the Chief Safety Officer (CSO) to comprehensively manage safety and environmental activities. The board of directors reviews and approves the "Plans for Safety and Health" annually and has expanded these reviews to twice a year beginning in 2024.

Safety and Health Management System



Occupational Safety and Health Committee

Kia operates the "Occupational Safety and Health Committee" (known as the OSHC) in three major forms to listen to and improve employees' opinions regarding their safety and health.

① The integrated OSHC functions as a consultative body that decides on company-wide safety and health matters, conducted in accordance with the collective bargaining agreement. This committee deliberates and makes decisions on safety and health and accidental industrial injury prevention policies, which require labor-management agreement.

② The division OSHC is a consultative body responsible for deliberating and deciding on safety and health matters that are specific to divisions, such as AutoLand Gwangmyeong, Hwaseong, Gwangju, sales, and service. This committee is conducted in accordance with Article 24 of the Industrial Safety and Health Act, which pertains to the Occupational Safety and Health Committee. It primarily addresses agenda items related to legal obligations and budget investments.

③ The departmental OSHC is a consultative body that deliberates and makes decisions on safety and health matters relevant to each department, conducted according to the collective bargaining agreement. This committee addresses and resolves safety and health issues that arise within individual departments through informed decision-making processes.

The Occupational Safety and Health Committee plays a positive role by listening to and addressing employee concerns related to safety and health, thereby providing a safe and healthy working environment. Additionally, it fulfills the requirement of 'listening to employee opinions' as stipulated by the Serious Accident Punishment Act implemented in 2022, thereby mitigating legal risks associated with compliance.

Occupational Safety and Health Committee roles and Key Agenda Items

Category	Integrated OSHC (As needed)	Division OSHC (Quarterly)	Department OSHC (Monthly)
Roles	Company-wide safety and health decisions	Division safety and health deliberations and resolutions	Review and approve departmental safety and health issues
Top agenda items	Matters requiring labor-management agreement (safety and health policies, occupational accident prevention management activities, etc.)	Legal obligations, budget investments, and more	Safety and health issues in each department

Safety Management Council for International Operational Sites

Kia shares its safety and environmental management policies across global operations and quarterly convenes international Safety Councils to enhance the capabilities of safety personnel. In 2024, Kia switched to a committee system that regularly convenes and is focused on local safety staff, facilitating more practical discussions on safety management. By expanding participation of local safety personnel, the company encouraged active exchanges among practitioners. The committee activities include benchmarking through the sharing of safety and environmental policies, performance management systems, best practices, and case studies on accidents.

Safety and Health

STRATEGY

Mid-to-Long-Term Occupational Safety and Health Strategy

Starting in 2026, Kia aims to establish an autonomous safety management system across its global operations, ensuring that all employees adhere to safety and environmental regulations while minimizing risks. To achieve this, Kia has developed a "Mid- to Long-Term Safety Assurance Strategy" designed to empower employees to voluntarily secure their safety, enhance the maturity of the safety culture, and aim for zero accidents and regulatory risks. To refine the safety and environmental management system, Kia conducts regular and ad-hoc inspections by safety departments at production sites and actively engages in regular meetings of enterprise-wide safety organizations.
Furthermore, Kia hosts a safety and health proclamation ceremony to boost employees' awareness. In 2024, a Safety Resolution Meeting was held at AutoLand Gwangju to foster a safe working environment. Kia plans to continue organizing safety and health proclamation ceremony at various locations, including AutoLand and service centers, and will maintain joint site inspections with labor and management to ensure the safety and environmental management system is firmly established across all operational sites.

Occupational Safety and Health Policy



AutoLand Gwangju Labor-Management Joint Safety Resolution Event

Safety and Health Training

Operation of Safety and Health Training Platform and Content Development

Kia provides a user-friendly online safety and health education platform, allowing employees to conveniently access safety and health training through online and mobile environments. Currently, the platform offers approximately 105 safety and health education modules to enhance employees' awareness, with a commitment to regularly updating and expanding the content with fresh material.

Development of Safety and Health Training Guidebook

Kia has produced and distributed a safety and health training guidebook to all worksites. The guidebook provides details on how to manage mandatory training items, the roles of each department, and answers to frequently asked questions, serving as a reference tool for consistent safety education implementation.

Operation of the Safety Academy

To internalize awareness on safety and health among employees, Kia offers various enhancement programs in addition to mandatory statutory trainings on safety. Beginning in 2024, Kia has launched a new "Safety Academy" focused on developing safety leaders and experts. The safety leadership program provides tailored training across three levels, from executives to site managers. In 2025, Kia is set to implement the Basic and Intensive courses, with plans to introduce the Master course in 2026. In an environment curriculum specialized in safety, introductory and advanced courses are offered to employees in the safety and health sector. By expanding safety education, Kia aims to enhance the safety consciousness and skills of its employees and establish an autonomous, field-centric safety management system.

Safety and Health Culture

Kia's 10 Safety Rules

Kia consistently adheres to the '10 Key Safety Rules' established through the labor-management joint declaration while promoting activities related to safety culture. These rules serve as essential safety standards that all employees must follow, providing a foundation for preventing serious accidents and ensuring worker safety.

Kia's Top 10 Safety Rules

① Provision and wearing of protective equipment
② Prohibition of tampering with or bypassing safety devices
③ Wearing seat belts and adhering to speed regulations
④ Prohibition of unauthorized access to unmanned areas and compliance with operating procedures when entering
⑤ Prohibition of entry beneath loads during lifting operations
⑥ Measurement and approval of gas concentration in confined spaces before entry
⑦ Power shutdown when dealing with electricity
⑧ No smoking outside designated areas
⑨ Pre-inspection and adherence to permit requirements before work
⑩ Immediate reporting after taking preliminary actions upon identifying hazardous conditions

Field-Based Safety Awareness Activities

Kia conducts experiential safety training at each AutoLand facility to enhance employees' awareness on safety. By offering practical immersion into safety-related practices—such as wearing protective gear, VR safety experiences, risk assessments, and CPR practice—Kia develops activities focused on real-world applications. Additionally, initiatives like "Safety Inspection Day" and "Find Hidden Hazards" are continuously strengthened to encourage employee participation in safety activities.

Safety Culture Assessment

Kia has been measuring the level of safety culture through a checklist within its internal safety and environment audit system, Kia SEMS. In 2025, Kia plans to conduct an assessment on safety culture in collaboration with an external professional organization to quantitatively measure the level of its safety culture. This initiative aims to gain a detailed understanding of Kia's current safety culture and to recalibrate its direction as needed.

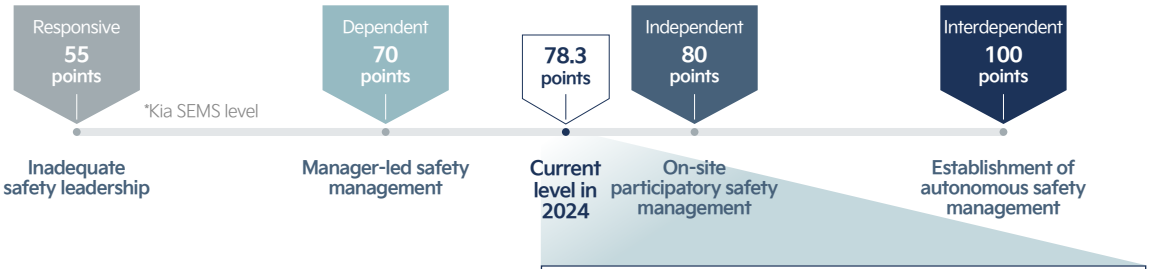
Safety and Health

RISK MANAGEMENT

Kia SEMS : Internal Safety Environment Management System

Using its internal audit system, Kia Safety Environment Management System (SEMS), Kia quantitatively assesses the level of quality on its management concerning safety and the environment. The system is composed of 145 items across six categories: management systems, Serious Injury and Fatality (SIF), safety, health, firefighting, and environment. It evaluates factors such as safety and environmental goals, implementation outcomes, and standards for safety devices on production equipment. The results serve as key indicators for the company's overall safety KPI. In 2024, Kia set a target score of 77, and the operational sites in Korea achieved 78.3, exceeding the goal. For 2025, Kia aims for a score of 80 on field-engaged safety management as an independent stage. The results will inform the development of Kia's 2030 mid- to long-term safety and environment strategy.

Kia SEMS Target



	~2020 Establish 5 Year Targets	2021~2022	2023~2024	2025~ New Targets To Be Set After 2026
Culture	Establishment of safety and environmental vision and mission - Safety management declaration ceremony (2020)	Strengthening safety leadership - Operation of Safety Council led by the Chief Safety Officer (from 2022)	Enhancing line organization safety leadership - Development and implementation of safety academy training system (2024)	Establishment of safety and environmental vision and mission for 2030
System	Improvement of workplace safety and environmental management levels - Development and operation of Kia SEMS	Establishment of safety compliance system - Establishment of a major industrial accident management system (2022)	Strengthening Safety Compliance System - Establishing a management system for serious civil accidents (2023)	Strengthening ESG evaluation and disclosure response system - Timely response to mandatory ESG disclosures in domestic and international markets
Workplace Environment	Focused management of regulatory risks (2020)	Prevention of equipment accidents and reinforcement of safety management - Establishment of safety and health equipment specifications (since 2021)	Establishment of Standard Safety Work Guidelines - Development and operation of standard safety work procedures (2023)	Enhancement of safety lockout device operations - Expansion of applicable targets and development and implementation of training programs

Safety and Health Management Activities

Risk Assessment

Kia conducts both regular and ad-hoc health and safety risk assessments and runs various programs to strengthen its capabilities on risk management. The company has established a system for promptly responding to safety-related incidents to manage health and safety risks effectively. Moreover, Kia manages ongoing risk assessment to identify and eliminate risk factors while developing and implementing measures to reduce them. High-risk factors (SIF) are managed in conjunction with ad-hoc risk assessments. For high-risk elements classified as Grade A, Kia sets a target of 100% improvement rate to address and mitigate factors that may lead to safety-related accidents.

Safety and Health Risk Management Activities

Kia is actively implementing various programs and emergency response drills to manage health and safety risks. To enhance skills to identify risks, the company conducts "Risk Assessment Coaching" and "VR Experience Training," ensuring the establishment and monitoring of safety work standards across all processes to check compliance with safety rules. When new risks emerge, information is shared in real time, enabling swift, on-the-ground responses. Kia has developed an emergency response manual for situations such as disasters and calamities, conducting emergency drills twice a year with participation from field workers. In addition to these efforts, Kia incorporates incident trends into its health and safety strategies to prevent similar and related incidents.

Safety and Health

RISK MANAGEMENT

Safety and Health Management Activities

Serious Accident Response

Kia has established a safety management system for preventing serious civic accidents. This is to protect customers from safety incidents related to the public facilities that Kia operates, as well as the materials and products that it uses in its design and manufacturing processes. Compliance with this safety management system is checked every half-year, and the outcomes are disseminated to the relevant departments to ensure ongoing management and adherence. For public facilities, which serve as points of contact with customers, Kia has developed safety plans to systematically manage these spaces. By listening to customer feedback, Kia also identifies potential risks associated with the facilities and conducts regular inspections, tests, and improvements. Regarding the parts and vehicles that Kia produces, manufactures, sells, and distributes, the company uses the voice of the customer (VoC) feedback to detect actual risk factors. Furthermore, Kia provides internal training for employees on safety to enforce rigorous quality control systems and safety management. For the raw materials used in production, Kia manages and performs inspections according to the regulatory requirements specific to each material.

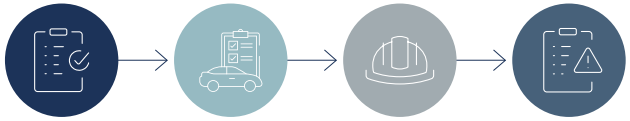
Near-Miss Prevention Activities

To reinforce awareness on safety and reduce accidents at workplaces, Kia is enhancing its identification capacity on near-miss incidents. A system has been set up to allow continuous reporting of near-miss incidents by linking QR codes, ensuring easy accessibility for employees. Employees who excel in risk assessment and the identification of near-miss incidents are recognized with awards.
Additionally, through the campaign on identifying potential safety risks, Kia provides coaching and inspections to help departments discover risk factors. Cases on accidents are shared company-wide to promote learning and prevention.

Equipment Inspection and Monitoring

From the initial design phase to post-installation management, Kia employs an equipment safety management process to ensure employee safety and verify compliance with relevant laws and safety standards for facilities and equipment within its workplaces.

Facility Safety Management Process



Design review based on standard safety specifications for equipment

Legal and permit compliance inspection process

Safety management during equipment installation

Periodic inspections after equipment installation

Use of Smart Safety Technology

To prevent safety-related accidents during work, Kia is utilizing robots equipped with advanced smart safety technologies. The company has introduced industrial wearable robots, such as the 'X-ble Shoulder', to assist workers with their onsite tasks. Following field tests completed in 2023 and 2024, Kia plans to introduce a total of 28 units in 2025. Additionally, Kia employs the patrol robot "SPOT" to conduct safety inspections in hazardous areas where human access is limited.



Industrial wearable robot 'X-ble Shoulder'



Patrol robot 'SPOT'

Safety and Health KPI Management

Kia has established safety and health KPIs to enhance the execution of company-wide safety activities and strengthen motivation at worksites. The evaluation metrics are divided into outcome indicators and process indicators, guiding prevention efforts and facilitating ongoing improvements through the analysis of outcome indicators, such as accident rates.

Detailed Safety and Health KPI Target

Category	Item	Target Details
Result Metric	Industrial accident rate	• Reduction in industrial accident rate compared to the previous year • Reduction in total accident rate compared to the previous year
	Total lost time injury frequency rate (LTIFR)	• Reduction in total lost time injury frequency rate compared to the previous year
Process Metric	Kia SEMS[1] (Safety and Environmental Management Level)	• Objective assessment of safety, environment, health, and fire protection across all areas • Application of global integrated management indicators and systematic improvement management

1. Kia International Assessment for Safety & Environment System (Kia SEMS) : Kia Safety and Environment Management System Evaluation

Internal Reporting Process for Safety and Health Issues

To achieve the independent stage by 2025, Kia is enhancing its safety management system. In the Safety Division, Kia is strengthening the verification function of the safety management system from a PDCA cycle[2] perspective, conducting inspections on implementation, and undertaking horizontal deployment activities during on-site equipment improvements.

2. PDCA Cycle : Plan - Do - Check - Act

Safety and Health

RISK MANAGEMENT

Safety and Health Management Activities

Safety and Health Management System Certification

Kia operates an occupational safety and health management system (ISO45001) and has established sustainable safety and health management frameworks based on international standards. Kia's integrated safety and environmental management system undergoes annual external audits by certified auditors to assess the level of implementation on safety and health management system. Kia continuously undertakes activities to create a safe workplace by identifying and addressing issues based on internal and external evaluations to prevent accidents.

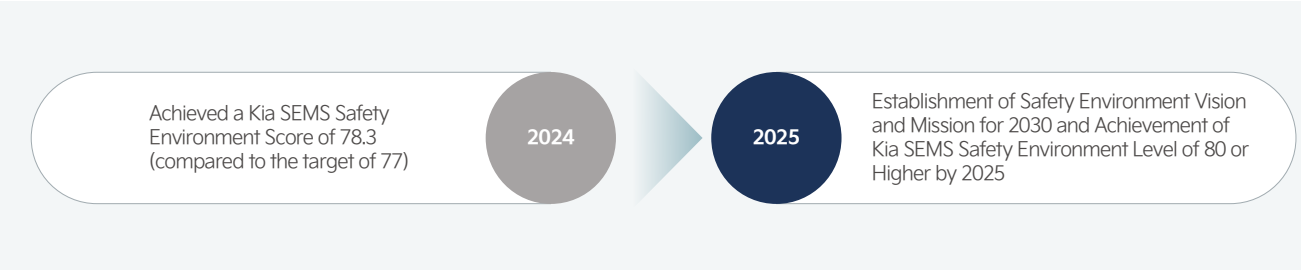
Employee Wellness Activities

Category	Details
Health Checkups	General health checkups, comprehensive health checkups, and special health checkups
In-house Wellness	Industrial Health Center : Western and Oriental medicine clinics, exercise therapy room, physical therapy room, psychological counseling room, X-ray room Sports Center: Swimming pool, gym, GX room
Wellness Programs	Full-time medical professionals and experts : Providing high-quality physical and mental health programs for the prevention of occupational and general diseases
Smoking Cessation Program	Operating an on-site clinic designated as a smoking cessation treatment facility : Physician consultations, provision of smoking cessation medications

METRICS & TARGETS

Safety and Health Targets

Aligned with its mid- to long-term strategy for ensuring workplace safety, Kia is strengthening its field participation-based management approach. The company has set a target to raise its internal audit score within the Kia SEMS system to 80 or higher by 2025. This goal reflects a transition from a regulation-centered safety management system to one that emphasizes on-site employee involvement. As Kia SEMS is linked to key safety and health KPIs, it will play a significant role in reducing both occupational and overall workplace incident rates.



Serious Accident Status

Data coverage : Global

Category	Unit	2022	2023	2024
Number of Serious Accidents	Cases	0	1	0

Safety and Health Management System Certification Status and Target

Kia aims to maintain 100 percent ISO 45001 certification coverage across all domestic and international production sites.

Category	Unit	Target (2024)	Performance (2024)	Target (2025)
For Domestic Operations (3 locations[1]) ISO 45001 application rate	%	100	100	100
For International Operations (5 locations[2]) ISO 45001 application rate	%	100	100	100

1. AutoLand Gwangmyeong, AutoLand Hwaseong, AutoLand Gwangju
2. AutoLand Slovakia, AutoLand Georgia, Kia Mexico, Kia India, Kia China

Sustainable Supply Chain

Kia is committed to minimizing social and environmental risks that may arise during the procurement of raw materials and parts.

By establishing a mutual growth strategy for its supply chain and an ESG management strategy, Kia promotes shared growth with its suppliers while enhancing the overall sustainability of its supply chain.

GOVERNANCE

Supply Chain Governance

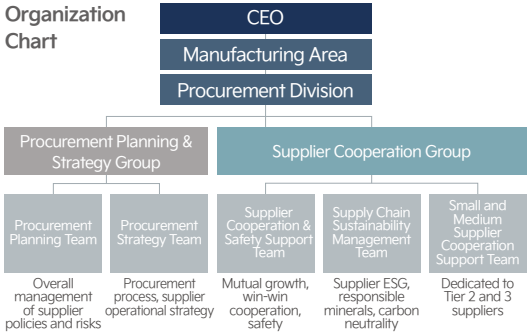
Supply Chain Governance

Kia's supply chain management focuses on supply chain strategy, supplier collaboration, and ESG compliance. Kia strives to build a sustainable supply chain prioritizing environment and human rights to ensure the timely delivery of essential parts and raw materials to both domestic and international manufacturing plants.

Dedicated Organization for Supply Chain Management

Kia prioritizes mutual growth with its supply chain as a core value and has established the Supplier Cooperation & Safety Support Team and the Small and Medium Supplier Cooperation Support Team under the Procurement Division to strengthen assistance for its partners. The Supply Chain Sustainability Management Team under the Supplier Cooperation Group reports supplier-related issues to the Sustainability Management Committee which operates under the Board of Directors, and takes responsibility for overseeing and managing supply chain sustainability risks. In particular, the team leads the process for responsible mineral management, continuously monitoring and managing environmental pollution and human rights violations in conflict-affected regions.

Organization Chart



Supply Chain Management Board Agenda (2024)
Donation expenditures and plans to support supplier mutual growth and cooperation

STRATEGY

Supply Chain Management Policy

Supply Chain Management Policy

Kia has established a supply chain sustainability management policy based on global standards covering ethics, environment, labor and human rights, safety and health, and management systems. This policy applies to all suppliers providing products and services to Kia or entering into contracts with the company, as well as their subcontractors. Kia ensures that suppliers adhere to international principles such as the UN Guiding Principles on Business and Human Rights, the OECD guidelines for multinational enterprises, and the ILO Core Conventions. Through ESG risk assessment and management processes, Kia provides proactive training and support to strengthen sustainable partnerships with its suppliers and explore opportunities for mutual growth.

Supply Chain Sustainability Management Policy

Supplier Code of Conduct

To support the development of a sustainable supply chain, Kia has established a Supplier Code of Conduct and requires its suppliers to integrate its principles into their decision-making and business operations. The code is regularly updated to prevent major ESG risks and ensure the adoption of best operational practices. In particular, the code has strengthened its provisions against forced labor by prohibiting the use of any parts or raw materials associated with forced labor at any stage of the supply chain. Suppliers are also required to establish their own codes of conduct prohibiting forced labor and to ensure that subcontractors in their supply chains comply with these requirements and undergo corresponding due diligence. The Supplier Code of Conduct applies to all suppliers that provide goods or services or enter into contracts with Kia, and it is recommended for full adoption across the entire supply chain, including subcontractors

Supplier Code of Conduct

Ethics	Safety and Health	Environment
• Transparency and anti-corruption • Export restrictions and economic sanctions compliance • Responsible materials purchasing	• Building a health and safety management system • Safety inspections • Safety management of machinery, equipment, and facilities • Contractor health and safety	• Building an environmental management system • Manage energy consumption/ greenhouse gas emissions • Protecting biodiversity and prohibiting deforestation
Management Systems	**Labor and Human Rights**	**Supply Chain Due Diligence**
• Operating a Human rights complaint handling system • Risk assessment/inspection • Vendor and subcontractor management	• Prohibition of child labor • Prohibition of forced labor • Provision of wages and benefits	• Identification and assessment of sustainability risks in the supplier's supply chain • Obligation to monitor risk mitigation and remediation • Establishment of a 6 step due diligence process in line with the OECD Due Diligence guidance

Sustainable Supply Chain

STRATEGY

Supply Chain Management Strategy

Supply Chain Management Strategy

Kia has established and is implementing five key strategic directions for supply chain management: enhancing quality and technological competitiveness of suppliers, ensuring supply stability, promoting fair trade practices, and supporting the development of environmentally responsible production systems.

5 Strategic Directions for Supply Chain Management

Five strategic directions	Performance metrics
Quality Competitiveness	Incoming defective goods, claims reimbursement rate, quality management, manufacturing process evaluation, management of outsourcing partners
Technical Competitiveness	Basic capability, performance capability, future capability, reliability testing capability, software verification capability
Supply Reliability	Smooth parts supply (preventing production line downtime), after-sales service parts delivery, KD parts delivery rate
Fair Trade	Payment terms, contract fairness, compliance with laws and regulations, win-win activities (supporting mutual growth)
Eco-Friendly Production System	Environmental management system, energy use, air pollutants, waste, hazardous chemicals management

Supplier Overview

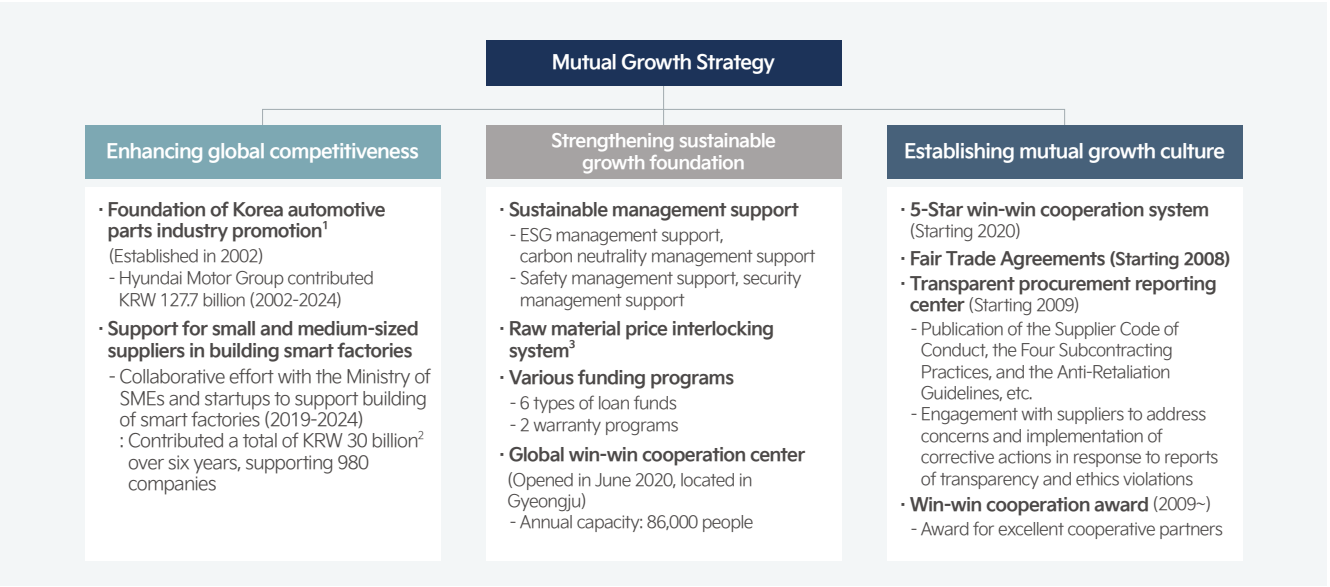
Kia identifies and manages key suppliers that provide critical parts—such as hydrogen fuel cell parts, battery parts, control modules, and electrification parts—or those with limited substitutability and high transaction volumes. As of 2024, Kia has registered and manages 1,494 Tier 1 suppliers (accounting for 100 percent of purchasing volume), including 374 in Korea and 1,120 overseas. Among these, 58 have been designated as key strategic partners (accounting for 69 percent of purchasing volume). In addition to Tier 1 suppliers, Kia also monitors Tier 2 suppliers that have a significant impact on its business operations, with 48 of them designated as key suppliers.

Support for Mutual Growth in the Supply Chain

Mutual Growth Strategy with Suppliers

Kia is committed to promoting mutual growth with its suppliers. To build a stable supply chain ecosystem, Kia has developed a three-pillar strategy focused on enhancing global competitiveness, strengthening the foundation for sustainable growth, and embedding a culture of mutual growth throughout the supply chain.

Strategy for Mutual Growth in the Supply Chain



1. A public foundation established in 2002 by Hyundai Motor Group to foster the quality, technology, and management development of the automotive parts industry
2. Contribution Amount from Hyundai Motor Group (Kia, Hyundai, Hyundai Mobis)
3. A system that applies changes in raw material costs to the unit cost of parts

Global Win-win Cooperation Center (GPC)

Kia's Global win-win Cooperation Center (GPC) operates under the guiding philosophy of creating a virtuous cycle of mutual growth between Kia and its suppliers. The center supports capacity building and competitiveness enhancement across the automotive industry. It provides training programs to Tier 1 and Tier 2 suppliers and offers training facilities and instructors when suppliers request customized programs. The GPC currently offers 17 training tracks and over 650 training programs across five categories: future competitiveness, global capabilities, leadership, automotive industry expertise, and essential skills for job performance.

Sustainable Supply Chain

STRATEGY

Support for Mutual Growth in the Supply Chain

Highest Rating on the Win-win Growth Index Evaluation

In 2024, Kia received the highest rating for the 11th consecutive year in the Shared Growth Index evaluation, which is conducted annually by the Korea Commission for Corporate Partnership to evaluate the level of cooperation between large corporations and SMEs across more than 200 major companies. The index is a composite indicator comprising the Fair Trade Agreement Evaluation by the Korea Fair Trade Commission and the comprehensive evaluation by the Korea Commission for Corporate Partnership. Kia earned the top rating based on its performance in fair contract practices, subcontract transaction monitoring systems, support programs for shared growth, and survey results from SMEs on actual outcomes and perceptions.

Establishing a Culture of Mutual Growth

Operation of the 5-Star Win-win Cooperation System	• System that evaluates the level of win-win cooperation between first-tier suppliers and their second-tier suppliers, and grants incentives to selected companies
Fair Trade Agreement (Term 16)	• Adjustments related to raw material price increases, financial support programs, implementation of the four subcontracting practices, and strengthening win-win cooperation with Tier 2 and 3 suppliers
Transparent Procurement Reporting Center	• Publication of the supplier code of conduct, the four subcontracting practices, anti-retaliation guidelines • Collecting feedback from suppliers and addressing procurement system improvements and violations of the code of conduct and ethical standards • Operating a Human rights complaint handling system for Tier 2 and Tier 3 suppliers to address complaints and identify unfair trade practices
Review and Rewarding Shared Growth Performance among Tier 1-2 Suppliers	• Review and reward for mutual growth performance, including improved payment terms between Tier 1 and 2 suppliers, since 2009 • 44 companies awarded for excellence in win-win cooperation by 2024

R&D Supplier Tech Day

Kia held the "2024 R&D Supplier Tech Day" with the participation of the Chief Technology Officer (CTO) and representatives from supplier companies. The event recognized suppliers with outstanding technologies and facilitated technological exchanges to promote R&D-based collaboration. In recognition of outstanding technological capabilities, awards were presented to selected suppliers across four key areas : electronics, chassis, body, and electrification. These awards acknowledge the role of suppliers in Hyundai Motor Group's rise to become the world's third-largest automaker and recognize Hyundai Motor Group's commitment to fostering mutual growth amid a rapidly changing industry landscape.



2024 R&D Supplier Tech Day

Green Procurement Implementation

Kia practices green procurement in cooperation with all suppliers as part of its commitment to sustainable management. The company has signed green procurement agreements to support the supply of eco-friendly parts and promote environmentally responsible manufacturing. Kia was one of the first companies to join the Ministry of Environment's voluntary Green Procurement Agreement in September 2005. In accordance with this agreement, Kia prioritizes the purchase of eco-certified products, items with excellent recycling ratings, and products with reduced hazardous substances. Since 2007, Kia has signed eco-friendly parts supply agreements with all parts suppliers in its supply chain. These agreements aim to ensure that developed and manufactured parts do not contain materials that are harmful to human health or the environment.

Mutual Growth in Automotive Industry

To foster cooperation and enhance competitiveness in the era of next-generation mobility, Kia is strengthening its collaboration with the government and suppliers. On April 25, 2024, Kia signed a memorandum of understanding (MOU) with the Ministry of Employment and Labor, Hyundai Motor Company, and supplier companies to promote shared growth in the automotive industry. Kia is actively implementing a variety of support programs for SMEs, including specialized workforce development, welfare benefits, and upgrades to outdated or hazardous processes. The company also plans to continuously operate a shared growth council with participation from government officials, experts, and supplier representatives and evaluate the progress achieved.

Sustainable Supply Chain

STRATEGY

Support for Shared Growth in the Supply Chain

Enhancing Supplier ESG Capabilities and Financial Support

Kia provides information on supplier ESG programs (procedures, requirements, etc.) to strengthen the ESG capabilities of its suppliers and supports the establishment of ESG management systems through consulting. Additionally, Kia conducts training for internal personnel on the significance and support aspects of supplier ESG programs, such as the Carbon Disclosure Project (CDP) supply chain. Furthermore, to enhance global competitiveness and improve vehicle quality, technology, and productivity, Kia operates capability enhancement and financial support programs to strengthen the sustainability of its supply chain. In 2024, Kia has provided financial support to suppliers totaling KRW 2.08 trillion. For small and medium-sized suppliers, Kia has implemented a cash payment system for transaction settlements, extending support beyond the criteria set by the Subcontractor Act by broadening the scope from "enterprises with sales under KRW 300 billion," to include "mid-sized enterprises with sales under KRW 500 billion" to support a wider range of suppliers. During holiday periods, Kia ensures early payment of delivery expenses to suppliers and incorporates delivery payment status into evaluation metrics for first-tier suppliers, considering liquidity issues faced by second and third-tier suppliers. Additionally, to address raw material price fluctuations, Kia operates various financial support programs, including a raw material linkage support fund, a business diversification support fund, and dedicated funds for second and third-tier suppliers, further strengthening the sustainability of its supply chain.

Financial Support Programs for Suppliers

Capacity Building	Smart Factory Construction Support	• Consulting and facility investment to help suppliers digitalize process data, reduce lead times, reduce defect rates, reduce scrap costs, improve on-time delivery, and increase sales	Capacity Building Training Support	• Providing training programs for Tier 1 and 2 suppliers to drive competency and improve competitiveness across the automotive industry • Supporting training facilities and instructors when suppliers need own training
	Export Marketing Support for Suppliers	• Supporting their participation in domestic and international auto parts industry trade shows • International buyer matching		
	Talent Acquisition Support	• Online job fair for suppliers • Online recruitment support system for partner companies available year-round • Partner company recruitment support program "Here We Go!" (Hyundai Motor and Kia collaborate in diverse aspects from recruiting trainees to connecting them with partner companies)	Quality Assurance Technical Support	• Operating the Quality Technology Support Group and Management Innovation Support Group to enhance the global capabilities of small and medium-sized suppliers by transferring automotive-related expertise and know-how free of charge (supporting field visits for suppliers)
Financial Assistance	P&L Support	• Operating a raw material price interlocking system		
	Liquidity Support	• Advance payment of delivery charges, early payment of investment costs (including expansion of lump-sum payments for mold costs) • Loan interest support fund, business diversification support fund, raw material price linkage support fund, future growth and mutual prosperity fund, future growth partnership fund, mutual prosperity mold equipment fund, dedicated loan fund for 2nd and 3rd Tier suppliers, Low-Interest Loan Support Fund • Joint project guarantees, special guarantees for overseas joint ventures, guarantees for domestic electric vehicle joint investments, export supply chain strengthening guarantees, support for P-CBO issuance		

Delivery Payment Terms (2024)

Category		Payment Terms	Payment Frequency
Parts for Domestic Consumption	Small and medium-sized businesses	Cash	Once a week
	Middle-standing companies (less than KRW 500 billion in revenue)	Cash	Once a week
	Middle-standing companies (KRW 500 billion or more in revenue)	Notes (60 days)	Once a week
	Large companies	Notes (60 days)	Once a week
Parts for exporting		Cash	Once a month

Supplier Training Status (2024)

Category		Number of Participants	Remarks
Automotive Parts Industry Promotion Foundation	Quality academy	1,741	16 customized training courses
	General education	2,231	General management training and seminars, etc.
Global Win-win Cooperation Center	Industry-specific training, etc.	84,552	Over 650 courses operated
Total		88,524	

On-Site Guidance and Training Project by Korea Automotive Parts Industry Promotion Foundation

On-Site Guidance	Technical support	Production site quality/technical guidance
	Management consulting	Sector-specific know-how from experts
Training Project	Quality academy	16 courses operated to establish a quality system
	Quality technology seminar	Spreading best practices for industry-specific technical guidance
	General business training	Training held to transform productivity
	Supplier training visits	On-site training support

Training to Enhance Suppliers' ESG Capabilities (2024) Unit: Numbers

Category	Details	No. of suppliers
Enhance ESG Capabilities	Enhance ESG expertise of suppliers[1]	600
	ESG materiality and human rights and environmental risk practices[2]	3,721

1. Aggregate online and offline course counts, including duplicates
2. Participation of Tier 1 and Tier 2 suppliers

Operation of Seminars for Suppliers (2024) Unit: Persons

Category	Details	Participants
Global Regulatory Response	Suggestion for appropriate disclosures by supplier size	525
	Suggestion for responding to EUDR	260

* Includes duplicates of participants

Sustainable Supply Chain

STRATEGY

Responsible Minerals Management

Responsible Minerals Management System

Kia has established a responsible minerals policy to prohibit the use of minerals that are unethically sourced from conflict-affected regions and ensures ethical, responsible sourcing practices. For all vehicle models, Kia monitors the usage of responsible minerals and checks whether smelters used by suppliers are certified. The company manages minerals such as tin, tungsten, tantalum, and gold (3TG), and applies its 'Responsible Mineral Sourcing' policy when these materials are present in supplied parts. Through its responsible minerals management process, Kia identifies risks, implements corrective actions, and requires suppliers to comply with the policy and transact with Responsible Minerals Assurance Process (RMAP)-conformant smelters. Kia publishes an annual responsible minerals management report to transparently disclose its practices and build stakeholder trust. In line with global regulations like the EU Battery Regulation (EUBR), Kia now manages 22 types of responsible minerals, expanding from the initial five conflict minerals to battery-related raw materials. This expansion is based on a comprehensive assessment of global regulatory trends, high-risk region data, stakeholder concerns, and potential impacts on human rights and the environment.

Assessment Results of Responsible Minerals Materiality

● Low ● Moderate ● High

Evaluation Criteria	Conflict minerals (Tin, tungsten, tantalum, gold)	Battery materials (Cobalt, lithium, nickel, natural graphite, etc.)	Other minerals (Mica, platinum, palladium, rhodium, etc.)
Global Regulation	●	●	●
Distribution of High-risk Regions	●	●	●
Human Rights and Environmental Risks	●	●	●
Strategic Procurement	●	●	●
Stakeholder Interest	●	●	●
Other (Global Certification, etc.)	●	●	●
Materiality Assessment Results	● Key Management Target	● Key Management Target	●

Responsible Minerals Management Plan

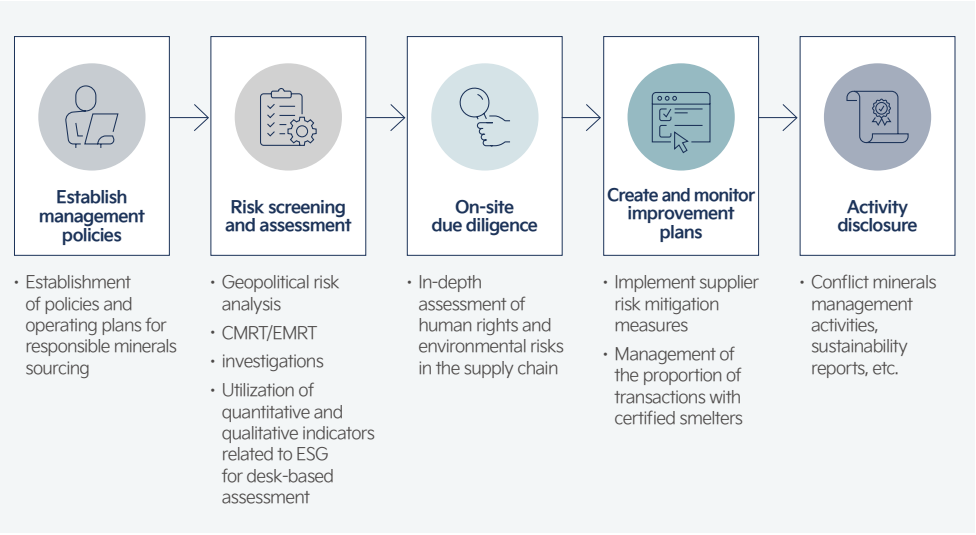
Category	How to manage
Conflict Minerals	RMAP[1] certified smelter status check (CMRT)
Battery Materials	Certified smelter verification (EMRT), on-site due diligence based on OECD guidelines
Other Minerals	Verify LPPM[2] certification and identify and mitigate risks based on OECD guidelines

1. Responsible Minerals Assurance Process (RMAP) : The Responsible Minerals Assurance Process, operated by the Responsible Minerals Initiative (RMI), assesses the use of conflict minerals in the supply chain and evaluates systems and processes for responsible mineral sourcing to award certification.
2. London Platinum and Palladium Market (LPPM) : The regulator of platinum and palladium trading on the London Bullion Market, which operates a Responsible Sourcing of Raw Materials certification program to ensure the ethical and responsible operation of the platinum and palladium supply chain.

Responsible Minerals Management Process

Kia adheres to OECD standards and the regulatory requirements of the EU Battery Regulation (EUBR) in managing its responsible minerals sourcing practices. The company conducts assessments of high-risk areas and supplements them with qualitative evaluations using ESG indicators such as forced labor risks and environmental management activities, as well as third-party due diligence data. Kia inspects suppliers to determine the types of minerals used and whether they are sourced from smelters certified for ethical operations. When minerals are sourced from non-conformant smelters, suppliers are required to take corrective actions to increase the proportion of minerals sourced from conformant smelters.

Responsible Minerals Management Process



Selection of High-Risk Regions

Kia classifies regions flagged for significant human rights and environmental risks associated with mining as high-risk areas, based on its internal critical mineral criteria. Minerals mined from these regions are prioritized for management. Kia continuously monitors the use of conflict minerals and cobalt that are mined or distributed illegally or unethically in these areas.

Sustainable Supply Chain

STRATEGY

Supply Chain Communication

Supply Chain Stakeholder Communication

Kia actively engages with supply chain stakeholders to ensure effective communication and collaboration. Through quarterly Supplier Sustainability Council meetings Kia shares relevant information, discusses ongoing issues, and gathers suggestions from suppliers, taking appropriate action when necessary.

During these council meetings, Kia provides updates on the progress of ESG evaluations and consulting programs designed to assess and enhance suppliers' ESG capabilities. Safety management seminars are also held to raise awareness and strengthen safety competencies among supplier CEOs. These seminars feature exhibitions of safety technologies and equipment designed to prevent serious accidents, as well as discussions on safety reinforcement strategies and support programs.

According to the results of 2024 Supplier Sustainability Council, meetings, some Tier 1 suppliers reported difficulties in managing and guiding their downstream suppliers due to a lack of sufficient ESG management capabilities. In response, Kia conducted a foundational "ESG Expert Training Program" for all domestic Tier 1 parts suppliers from March and May 2024. This training covered detailed evaluation indicators and best practices from leading suppliers. In 2025, Kia plans to provide more specialized and advanced training in partnership with the Korea Auto Industries Cooperative Association (KAICA).

Additionally, recognizing supplier feedback about the need for better information sharing on minerals sourced from high-risk or sanctioned regions, Kia has enhanced its communication through the Shared Growth Letter. The company shares regulatory trends and compliance updates, including key developments such as the EU Deforestation Regulation (EUDR), the Corporate Sustainability Due Diligence Directive (CSDDD)[1], and the EU regulation banning products made with forced labor.

1. Corporate Sustainability Due Diligence Directive (CSDDD) : EU directive requiring companies to conduct sustainability due diligence throughout their supply chains to protect human rights and preserve the environment.

Implementation of the Supplier Sustainability Council (2024)

Type	Suggested Items
Carbon Neutrality	• Encouraging active participation in parts Life Cycle Assessment (LCA) and Carbon Disclosure Project (CDP) supply chain ESG assessments • Guidance on the carbon reduction support program (Energy efficiency retrofits and energy diagnostic consulting)
ESG Assessment	• Notification and request for cooperation regarding the ESG assessment and consulting support program
Safety	• Conducted safety management seminars to raise safety awareness and enhance the capabilities of supplier CEOs • Requested suppliers to strengthen flood prevention inspections in response to the forecast of extreme rainfall

Actions Taken by the Supplier Sustainability Council (2024)

Type	Suggested Items	Actions Taken
Carbon Neutrality	• Request to share plans for managing carbon emissions and supporting consulting on reduction methods	• Conducting a carbon neutrality information-sharing seminars for suppliers • Introducing Kia's carbon neutrality commitment and support programs for suppliers
Human Rights	• Requesting information on major sanctioned countries by regulation and the countries of origin for regulated commodities (minerals) for supply chain management	• Share updates on supply chain legal and regulatory developments through the win-win cooperation newsletter
Safety	• Seeking support from Tier 2 and Tier 3 suppliers to strengthen capacity in response to the Major Disaster Penalty Act	• Contribute to the improvement of safety standards among Tier 2 and Tier 3 suppliers through safety-related support programs and consulting

RISK MANAGEMENT

Supply Chain Risk Assessment

Supply Chain Risk Assessment Overview

In response to increasingly stringent global regulations and the rising importance of ESG in supply chain management, Kia conducts an annual ESG assessment of both domestic and international suppliers. These assessments aim to identify each supplier's ESG performance level and implement improvement measures. The assessment involves participation from procurement departments and ESG assessment and inspection experts. The assessment results are used to support supply chain risk management and enhance the level of ESG implementation. According to the 2024 assessment, suppliers demonstrated the greatest vulnerabilities in the areas of general/ethics, environment, labor/human rights, and health/safety. Suppliers that score below the threshold or present significant risks related to safety, information security, labor, or human rights are categorized as high-risk suppliers. Kia requires these suppliers to undergo on-site inspections and mandates corrective actions. If suppliers fail to meet the minimum ESG standards, penalties may be applied. Through this assessment process, Kia aims to continuously enhance the resilience and sustainability of its supply chain.

Necessary Improvements by Area in Supply Chain Risk Assessment (2024)

Vulnerability Metrics		Required remediation and improvements by suppliers
Ethics	Procurement of responsible raw materials	Raise awareness and establish/operate response measures for the procurement of raw materials related to sustainability issues such as responsible minerals and rubber
	Information Security	Training and enhancement of management capabilities for information security practices
Human Rights	Child labor	Establishment and operation of policies based on global standards
	Indigenous people	Strengthening management of indigenous issues through communication channels, human rights/environmental impact assessments, etc
Environment	Climate Change	Setting and implementing greenhouse gas emission reduction targets
	Energy	Participation in and strengthened management of programs linked to greenhouse gas emission reduction and energy transition
	Environmental impact of products	Strengthening management of product environmental impacts

Sustainable Supply Chain

RISK MANAGEMENT

Supply Chain Risk Assessment

Composition of Risk Assessment Indicators

Kia's supply chain sustainability risk assessment indicators align with global standards and frameworks, including fair trade laws, environmental and labor regulations, the OECD guidelines for multinational enterprises, EcoVadis, the Responsible Business Alliance (RBA), and Drive Sustainability, an initiative for the automotive supply chain. The assessment framework covers four key areas: ethics, environment, labor and human rights, and safety and health. Evaluation outcomes are integrated into Kia's supply chain strategy, taking into account supplier size and performance against core criteria. The assessment is tailored to specific risk types based on global regulatory requirements. In addition, Kia is in the process of joining the Responsible Minerals Initiative (RMI) to improve transparency and strengthen its management of conflict mineral risks. Through this initiative, Kia plans to enhance supply chain transparency and strengthen its capabilities for managing conflict mineral risks.

Supply Chain Sustainability Risk Assessment Metrics

Ethics

- Prohibition of corruption and bribery
- Ethical management
- Responsible procurement (conflict minerals, responsible minerals, timber, rubber, and raw materials subject to EUDR regulations, etc.)
- Prohibition of counterfeit parts
- Intellectual property protection
- Information security
- Supplier audits

Environment

- Environmental management system
- Climate change and energy
- Air pollutants
- Water resource management
- Hazardous waste management
- Chemical substance management
- Marine pollution prevention
- Conservation of endangered plant and animal species
- Environmental impact of products

Human Rights and Labor

- Working conditions and environment
- Prohibition of discrimination
- Inhumane acts
- Freedom of association
- Prohibition of child labor
- Prohibition of forced labor
- Indigenous peoples
- Living wage

Safety and Health

- Occupational health and safety management system
- Prevention of industrial accidents
- Adequate housing
- Management of work-related injury rate

Integration of Sustainability in Supplier Selection and Contracts

Kia integrates sustainability into its supplier selection and contracting processes. As part of the risk assessment for new suppliers, ESG evaluations are conducted that cover ethics, environment, labor and human rights, and health and safety. If a prospective supplier does not meet the required threshold in the ESG assessment, they must submit an improvement plan and undergo a reassessment. If the supplier still does not meet the threshold in the reassessment, they are disqualified from doing business with Kia. For existing suppliers with ongoing business relationships, assessment results are reflected in the bidding process, and participation in new bids is permitted only if the required threshold is met. Suppliers that qualify for business are required to sign various sustainability-related agreements, including an ethics pledge, an eco-friendly parts supply agreement, a quality pledge, and a data protection agreement.

Kia's standard parts supply contract includes clauses requiring suppliers to comply with environmental and human rights-related laws. The request for quotation (RFQ) documents also incorporate a zero-tolerance policy on forced labor. Starting in 2025, Kia plans to extend this policy to existing suppliers by integrating ESG evaluation results into the bidding process.

Human Rights Risk Management in the Supply Chain

To manage human rights risks in the supply chain, Kia incorporates human rights assessments into its broader supply chain risk evaluation. This enables early identification of potential human rights issues among suppliers. On-site audits are conducted for suppliers deemed high-risk, and corrective measures are required. If a supplier fails to meet the minimum human rights standards, penalties apply, reinforcing human rights compliance across the supply chain.

In addition to internal assessments, additional verification was conducted to further analyze and prevent human rights and environmental risks across the supply chain. With the help of EcoVadis, a global sustainability rating agency, Kia evaluated all Korea Tier 1 suppliers from Q4 2024 to Q1 2025 in the areas of environment, labor and human rights, ethics, and sustainable procurement. The evaluation results showed an overall excellent performance, although ethics and sustainable procurement received relatively lower scores. To address this, Kia plans to expand training programs and provide consulting support tailored to enhance the capabilities of suppliers. Additionally, on-site inspections will be conducted when necessary to ensure improvements can be achieved in practice.

Sustainable Supply Chain

RISK MANAGEMENT

Supply Chain Risk Assessment

Risk Assessment and Due Diligence Process

Kia's supply chain sustainability risk assessment process consists of three stages : desk-based diagnosis, on-site audit, and corrective action. To effectively identify potential sustainability risks across its supply chain, Kia keeps its evaluation criteria up to date with global trends. In response to international supply chain due diligence regulations, Kia has also established a compliance program focused on addressing forced labor risks, thereby reinforcing its integrated approach to supply chain sustainability risk management.

Risk Assessment and Due Diligence Steps

Pre-identification
- Analyze anticipated risks by supplier location, including by country, industry, and delivered products
- Conduct forced labor risk screening through an external risk database provider

Desk-based assessment
- Access the online system to self-assess (Check-list) the sustainability risk level of suppliers and submit supporting documentation

On-site due diligence
- Jointly with external experts, visit the partner company to verify on-site conditions or confirm the authenticity of supporting documents

Remediation actions
- High-risk elements identified during the desk-based assessment or on-site inspection are either required to take immediate corrective action or recommended to develop a remediation plan

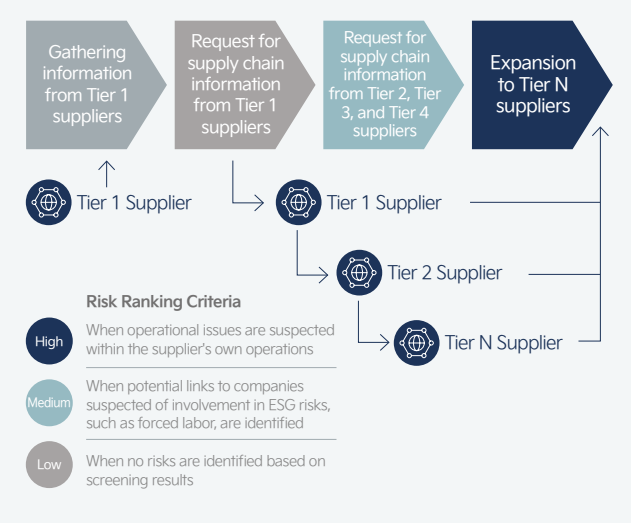
Supplier Monitoring
- Provide an improvement guide, offer consulting support for identified weaknesses, and impose penalties on unimproved partners by reflecting their status in deliberations/bidding
- Perform ongoing monitoring of the implementation of improvement plans

Pre-Identification of Supplier Risks

Kia evaluates suppliers across various dimensions, including overall ESG performance, business relevance, country-specific and industry-specific risk levels, and the type of products supplied. Based on this screening, suppliers are classified into categories such as key management targets or high-risk suppliers and managed accordingly. Since 2023, we have been conducting risk screening for all domestic and international Tier 1 suppliers, focusing on forced labor risks based on external external company databases. Additionally, the preliminary identification results are integrated into Kia's own supply chain management system to manage suppliers based on their level of risk and importance.

Global Distribution of Suppliers	Kia's suppliers are distributed globally and continue to collaborate toward establishing a stable supply chain that incorporates sustainability.
Identify Risks by Country, Industry, Parts, and Raw Material	Risks are identified and managed based on the countries, industries, and types of parts and raw materials supplied by each partner. To support this, data from government publications, research institutions, various media sources, and social media are utilized.
Analyze Supply Chain Sustainability Risk Assessment Results	Identified risks are categorized and managed according to specific areas such as ethics, environment, labor and human rights, and health and safety. These classifications are reflected in the development of supply chain risk mitigation strategies and the revision of assessment metrics.
Supply Chain Visibility Systems	A supply chain visualization system is in operation to map the supply chain status from Tier 1 to Tier N suppliers. This system is being integrated with external screening databases to enhance the efficiency of risk identification and evaluation processes using Tier N supplier information.

Continuous Supply Chain Mapping Process from Tier 1 to Tier N



Monitoring and Improvement of Suppliers with Identified Risks

Following the document review, Kia conducts on-site audits to immediately correct issues that can be addressed on the spot. For other identified risks, the company issues evaluation reports outlining necessary improvements, expected issues, and timelines. Kia then works with suppliers to develop improvement plans and agree on action steps and schedules. If a supplier lacks the capacity to implement improvements independently, Kia provides direct support. Kia places special emphasis on raising awareness of environmental risks and encouraging supplier engagement in this area. In 2024, the company expanded its support programs by offering both online and offline ESG training sessions, informational briefings, and consulting services. ESG consulting was provided specifically to Tier 1 and Tier 2 small and medium-sized suppliers to help them address weak areas and integrate ESG into their business strategies. In total, Kia delivered capacity-building support and consulting services to 188 suppliers in 2024, including 76 Tier 1 suppliers, 40 Tier 2 suppliers, and 72 shared purchasing partners.

Sustainable Supply Chain

RISK MANAGEMENT

Supply Chain Risk Management Activities

Supply Chain Risk Mitigation Cases

Enhanced Labor and Human Rights Management in the Supply Chain

In 2024, Kia conducted training for its suppliers on responsible sourcing of sensitive raw materials such as conflict minerals. The company also provided guidance on respecting the rights of indigenous communities in regions connected to mining activities. Kia plans to further strengthen its systems to identify and manage human rights risks that may arise during the extraction and procurement processes.

Strengthened Sustainability Oversight of International Suppliers

d suppliers in understanding and responding to evolving global ESG regulations. Based on the results of desk-based assessments, the company carried out on-site audits at international supplier sites to identify and address potential risks.

Supplier Component LCA Support Program

To measure carbon emissions across the entire lifecycle—from raw material extraction to processing and production—Kia operates a supplier Life Cycle Assessment (LCA) support program. From September to December 2023, data collection and verification were conducted for 86 high-emission suppliers, which enabled the calculation of part-level carbon emissions In 2024, the program was expanded to all Tier 1 suppliers, and starting in 2025, Kia plans to offer specialized training in partnership with the Korea Auto Industries Cooperative Association.

Battery Supply Chain Risk Prevention

Kia aligns its response levels with the regulatory significance of global battery supply chain legislation and rigorously verifies relevant information. The company mandates suppliers to sign pledges committing to prohibit the use of raw materials associated with human rights violations, maintain ethical sourcing practices (especially for cobalt and other conflict minerals), and avoid sourcing from high-risk regions.

Deforestation Prevention System in the Supply Chain

To comply with the EU Deforestation Regulation (EUDR), Kia collects and manages geolocation data for the origin of seven regulated commodities, including cattle, wood, rubber, and palm oil. The collected coordinates are mapped to identify source regions. Based on this information, Kia conducts risk assessments in alignment with EUDR requirements—covering deforestation, land-use changes, Indigenous rights violations, and breaches of local laws. If issues related to deforestation or land use arise, Kia will consider alternative sourcing options. In 2024, Kia hosted a guideline briefing for Tier 1 suppliers subject to the regulation and plans to expand due diligence to include assessments of origin verification, forest usage, human rights conditions, and legal compliance.

Supplier Complaints Management

Kia operates accessible complaint channels such as the transparent procurement reporting center and the Tier 2-3 supplier feedback portal to gather feedback and address challenges. These platforms are used to collect input for institutional improvements and to build transparent and trust-based supplier relationships. In 2024, all seven cases reported via the procurement center and all 72 submitted through the Tier 2-3 portal were resolved.

Four Subcontracting Practices

- Desirable contracting practices
- Best practices for registering and operating new suppliers
- Best practices for operating the Internal Subcontracting Review Committee
- Best practices for document issuance and retention

Transparent and Ethical Practice Suggestion Box

- Purpose of the suggestion box/ report box
- How to submit suggestions and reports
- Operation method (Anonymity and non-disclosure principle)
- View action results

Status of Supplier Transparency and Ethics Incidents (2024) Unit: Cases

Type	Submissions	Completed
System/process	2	2
Quality control	3	3
Other	2	2
Total	7	7

Status of Tier 2 and 3 Suppliers Compliant Reporting (2024) Unit: Cases

Type	Submissions	Completed
Support programs	26	26
System/process	24	24
Other	22	22
Total	72	72

Free, Prior and Informed Consent (FPIC) in the Supply Chain

To respect the rights of local communities and Indigenous peoples, Kia is committed to obtaining Free, Prior and Informed Consent (FPIC) within its supply chain. FPIC ensures that stakeholders affected by business activities related to land, resources, or rights are provided with adequate information in advance and retain the right to make informed and voluntary decisions regarding their consent. Kia is integrating the FPIC principle into its supply chain policies to ensure that decisions reflect stakeholder interests and contribute to more sustainable sourcing.

Protection of Workers and Indigenous Communities in the Supply Chain

Kia conducts risk assessments to protect the rights of workers and Indigenous populations within the supply chain. Special attention is given to EUDR-regulated products—such as cattle, wood, rubber, and palm oil—by assessing biodiversity and human rights compliance in the country of origin. If significant risks are identified, Kia will implement measures to mitigate or eliminate these risks, thereby preserving supply chain sustainability and ensuring human rights protection.

Sustainable Supply Chain

RISK MANAGEMENT

Supply Chain Risk Management Activities

Supply Chain Environmental Sustainability Activities

Kia is implementing a range of training programs and support activities to enhance the environmental sustainability of its supply chain. In 2024, the company improved the efficiency of evaluations by standardizing assessment indicators and provided ESG training to supplier representatives to strengthen their capabilities. For high-emission suppliers, Kia distributed carbon reduction strategy guidelines and conducted training sessions to support the development of actionable reduction plans. Kia also offered Life Cycle Assessment (LCA) training and consulting through its component LCA support program. To improve ESG and carbon neutrality awareness among domestic and international suppliers, Kia developed and distributed various training materials and video content. For Korean suppliers, Kia offered introductory ESG training and sessions on the basic concepts and practical applications of LCA, along with ongoing training on ESG integration, lower-tier supply chain management, and responsible minerals sourcing. For its overseas manufacturing plants in India and Europe, Kia conducted on-site assessments related to carbon neutrality and shared updates on ESG procurement policies and the latest developments in the Corporate Sustainability Due Diligence Directive (CSDDD). Kia held discussions on the pilot implementation and expansion strategy for global component LCAs and supported carbon neutrality efforts through plant-level energy efficiency assessments, carbon emission calculation training, and Carbon Disclosure Project (CDP) training.

Supply Chain GHG Reduction Target and Environmental Monitoring

Since 2025, Kia has introduced the "Third-Party Certification Support Program for Supplier Carbon Emissions" targeting small and medium-sized enterprises in the supply chain. This program supports participating suppliers in quantifying their operational carbon emissions and developing carbon reduction plans. It assists suppliers with inventory building, boundary setting, and identification of emission sources, helping them establish a foundation for independently managing and reducing emissions.

Percentage of Suppliers with GHG Emissions Reduction Targets (2024)

GHG Emissions Management in the Supply Chain	Unit	2024
Percentage of Tier 1 suppliers with Targets	%	19

Supplier Water Resource Management

Kia includes water resource management in its supplier ESG evaluation criteria. The criteria assess whether suppliers have policies or plans in place for managing water and wastewater, whether they are actively working to reduce water consumption, and whether they are monitoring their water withdrawal volumes. Through document-based due diligence, Kia identifies water-related risks. When risks are identified, on-site inspections are conducted, and suppliers are requested to submit improvement plans. Kia works collaboratively with suppliers to advance sustainable water resource management.

Automotive Parts Industry ESG/Carbon Neutrality Expo

In April 2025, the first domestic supply chain ESG/Carbon Neutrality Expo was held to support suppliers in securing future competitiveness through sustainability.
The event showcased practical solutions that could be immediately applied by suppliers in areas such as ESG, carbon neutrality, safety, and security.
Approximately 12,000 participants attended, including around 8,000 supplier employees.
To enhance sustainable management among Tier 1 and Tier 2 suppliers, Kia's sustainability policies were introduced to company representatives, and expert lectures were provided for each thematic area.



METRICS & TARGETS

Supplier Status (2024)

Unit : Number of Companies

Category	Total	Domestic	International
Tier 1 Supplier	1,494	374	1,120
Key Tier 1 Supplier[1]	58	58	-
Key Tier 2-N Suppliers	48	48	-

1. 69% of purchases from Tier 1 suppliers

Supply Chain Sustainability Risk Assessment - Results (2024)

Unit : Number of Companies

Category		Total	Domestic	International
ESG Risk Document Assessment	Tier 1 Supplier	1,494	374	1,120
	Key Tier 1 Supplier[1]	58	58	-
	Key Tier 2 Supplier	48	48	-
	Other non-part suppliers	220	220	-
Identification of High-risk Suppliers Based on Document-based Assessments	Tier 1 Supplier	19	8	11
	Key Tier 1 Supplier	2	2	-
	Key Tier 2 Supplier	-	-	-
	Other non part suppliers	-	-	-
ESG Risk Due Diligence	Tier 1 Supplier[2]	195	138	57
	Key Tier 1 Supplier[3]	17	17	-
	Key Tier 2 Supplier	40	40	-
	Other non part suppliers	72	72	-
High-risk Supplier Remediation[4]	Suppliers with negative impact	19	8	11
	Key Tier 1 Supplier	2	2	-
	Key Tier 2 Supplier	-	-	-
	Other non part suppliers	-	-	-
	Suppliers with an agreed upon remediation plan	19	8	11
	Key Tier 1 Supplier	2	2	-
	Suppliers with completion remediation plan	19	8	11
	Key Tier 1 Supplier	2	2	-

1. 100% written diagnosis rate for priority care partners
2. Includes 19 high-risk partners based on desk-based assessments
3. 100% ESG on-site due diligence rate for high-risk suppliers
4. 100% of improvement plans were completed from two Key Tier 1 suppliers identified high-risk

Supplier ESG Management Metrics and Targets Data Coverage : Domestic

Category	Unit	2024 (Target)	2024 (Performance)	2025 (Target)
Focused Supplier ESG Scorecard	%	100	100	100
ESG On-site Assessment of High-risk Suppliers	%	100	100	100

Customer Satisfaction Enhancement

Kia considers customer safety and satisfaction as core values and systematically manages product quality and safety risks through its global quality management system.

The company operates various customer care programs to deliver customer-centric services and continuously improves service quality through regular feedback collection and satisfaction surveys.

Moving forward, Kia will continue to enhance its response system for customer safety and quality issues, ensuring peace of mind for customers and providing them with a better experience.

GOVERNANCE

Customer Safety and Quality Governance

Dedicated Organizational Structure for Customer Safety

Kia places customer safety at the core of its values and, to bolster its customer safety-focused organizational structure, has established Korea Automotive Safety Office (KASO). KASO was created to closely manage and respond to safety issues by analyzing data on new issues, initiating investigations, and determining and implementing actions. It has launched as an integrated system, the Global Safety & Quality Office (GSQO), overseeing both safety and quality in conjunction with the quality-control organization. Additionally, Kia operates Safety and Quality Management Committees, such as regular meetings to review quality and the Recall Recurrence Prevention Committee.

Recall Prevention Council

Under the leadership of the Global Safety & Quality Office (GSQO), Kia is making efforts to prevent recurrence on recalls and such activities involve all areas of the value chain, including R&D, procurement, quality, and production. Past recall issues are grouped based on similar causes, enabling all departments to identify and implement improvement tasks optimized to prevent recurrence. Through regular meetings with leaders across departments, Kia comprehensively reviews the progress of improvements and collaborates on strategies to ensure the sustainability and completeness of process on recall recurrence prevention , systems, and their horizontal scaling.

Quality Regular Reporting

Kia operates regular quality inspection meetings, known as the Quality Regular Reporting Meeting and the Quality Management Meeting (QMM), to eliminate quality risks and ensure that products and services maintain a high level of quality throughout all stages—from development and production to sales and beyond. The main discussion topics include the progress of new vehicle quality assurance, monthly quality status for domestic and international operational sites, analysis of feedback from the voice of customer (VoC), strategies to ensure customer safety, and analysis and improvement plans for the quality status of each vehicle model.

Quality Regular Reporting Meeting Participants



STRATEGY

Customer-Centric Safety and Quality Strategy

To ensure customer safety and product quality, Kia implements three strategic initiatives focused on customer-centric safety strategies.

Customer Safety and Quality Strategy

Strengthening the response system for customer safety and market quality issues
· Strengthening the fundamental role of field support (Including the establishment of a global customer VoC sensing system) · Enhancing regional safety issue management · Promoting comprehensive recurrence prevention activities
Promoting customer reassurance
· Securing safety-focused UI/UX at customer touchpoints · Advancing customer ownership experience · Establishing a customer care process centered on customers and field operations
Embedding a sustainable safety culture
· Embedding a company-wide culture centered on customer safety · Strengthening safety response capabilities for key affiliates and suppliers

Principles for Ethical Advertising and Marketing

Kia has established "Ethical Advertising and Marketing Principles" to ensure the provision of knowledge and accurate information necessary for customer purchasing decisions, thereby upholding customers' right to know and rational choice. These principles aim to foster a healthy advertising and marketing environment. Kia is committed to delivering precise and balanced information about its products and services, without exaggerating or falsifying social or environmental impacts. Furthermore, Kia forbids practices that unfairly compare or disparage competitor products and prohibits advertising and marketing activities that fail to protect vulnerable groups, such as individuals with disabilities and the elderly.

Ethical Advertising and Marketing Principles

Customer Satisfaction Enhancement

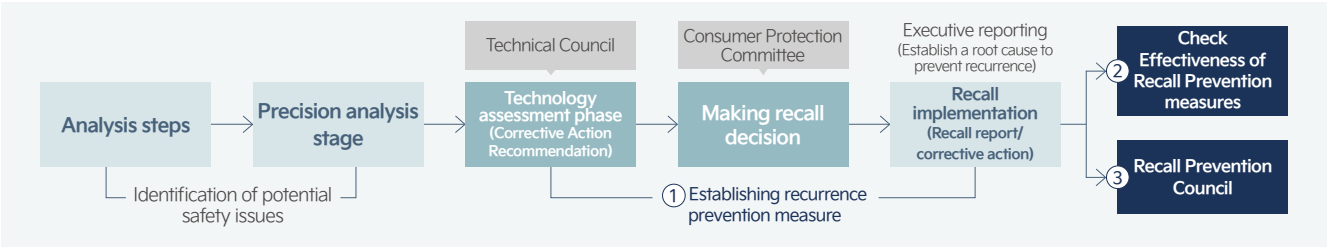
STRATEGY

Customer Safety and Satisfaction Enhancement Activities

Customer Safety Management Lifecycle

Kia's safety division, Korea Automotive Safety Office (KASO), systematically handles all safety-related issues through a lifecycle process, which includes identifying potential safety concerns, deciding on recalls, implementing corrective actions, and preventing future occurrences. Key actions taken by KASO include: 1. Analyzing Root Causes: Understanding the fundamental causes during the recall decision phase to establish effective prevention strategies. 2. Monthly Reviews: Regularly checking the effectiveness of measures to prevent issues from recurring. 3. Collaborative Improvement: Working through a company-wide collaboration committee to innovate work systems and manage efforts aimed at minimizing recurring recalls.

Safety Issue Lifecycle



Recall Recurrence prevention Process



Voluntary Recall Policy

Kia continuously monitors customer complaints and quality issues, and if these risks are deemed to be safety-related, the company proactively initiates voluntary recalls to ensure customer protection.

Voluntary Recall Policy

STEP 1	STEP 2	STEP 3	STEP 4
Report of recall decisions to regulatory authorities by country (Ministry of Land, Infrastructure and Transport, NHTSA, etc.)	Conduct a recall after informing customers of the defect, corrective actions, and related compensation criteria.	Monitoring the effectiveness, ease of operation, etc. of the initial recall implementation plan	Regularly manage remediation performance to renotify customers when remediation rates are low

Cases of Post-Recall Actions Taken

Voluntary Customer Satisfaction Campaign

In June 2021, the "Kia Boyz Challenge" gained traction in the United States on social media platforms, leading to an increase in vehicle theft incidents as the method of theft was shared and mimicked. This issue arose from customers not choosing the immobilizer option when purchasing their vehicles, which was not related to a product quality problem. In response, Kia collaborated with U.S. government agencies and police to offer free steering wheel locks to affected vehicle owners and made immobilizers a standard option on all models sold in the North American market. Additionally, to ensure customer safety and stabilize its credibility in the market, Kia developed anti-theft software and, in April 2023, conducted a free software update for 3.14 million vehicles. Kia also developed and offered enhancements to key cylinders and is preparing additional customer compensation in addition to the existing monetary reimbursements.

Voluntary Recall for Electric Vehicle (EV) Models

Kia conducted a voluntary recall for the EV9 and Niro EV models due to interference noise and potential loss of drive caused by issues with the reducer. The problem was traced to a loose bolt in the differential gear, which caused contact between the bolt head and gear during rotation. Although 70 out of 90,000 vehicles were affected, Kia took a proactive "pinpoint recall" approach to eliminate customer concerns. The company enhanced traceability for bolt torque data by lot and introduced automated systems with alert functions to prevent defective parts from being released, thereby bolstering its efforts to prevent recurrence.

Customer Satisfaction Enhancement

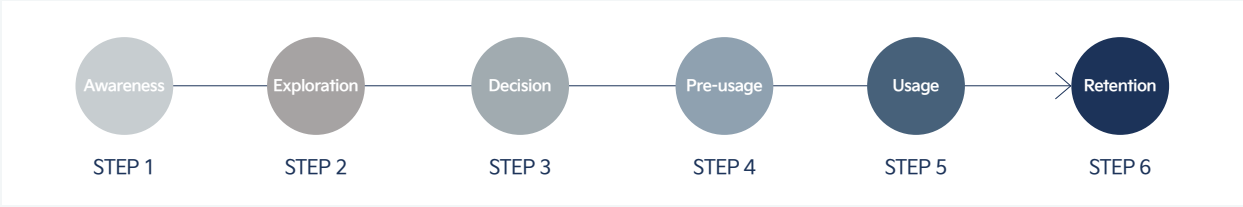
STRATEGY

Customer Safety and Satisfaction Enhancement Activities

Kia Customer Journey Mapping

Kia segments the customer journey into key moments of truth (MOT) to deliver differentiated value, strengthen brand loyalty, and drive sustainable growth. A multi-faceted approach ensures customers receive consistent and positive experiences throughout their journey. Kia continuously monitors the voice of customer (VoC) in real time, analyzes major customer touchpoints from purchase to service, and identifies customized improvement opportunities. Regular customer experience (CX) assessments are conducted to enhance satisfaction. Internally, Kia supports customer experience (CX) capability-building through training programs, cross-departmental collaboration, and innovation workshops, reinforcing a customer-centric culture. These efforts contribute not only to customer satisfaction but also to long-term customer relationships and enhanced brand value.

6-Step Standardized Journey



Awareness	How is the brand exposed and recognized?
Exploration	Is the method of delivering information about products and services effective?
Decision	How is Kia persuading customers to make a decision?
Pre-usage	How is the customer supported from contract signing to product delivery?
Usage	Is the actual use of products and services smooth and free of inconvenience?
Retention	Has the customer been locked in through repurchase or engagement with other business areas?

Customer-Oriented Maintenance Service

To provide standardized maintenance services to customers, Kia has developed and distributed the Kia Service Standard Map. This guide outlines the entire service process from appointment scheduling to vehicle delivery, detailing customer care programs and messaging services. Adherence to these processes is continuously monitored. Customers are encouraged to assess compliance throughout their service journey, and the results serve as foundational data for enhancing customer-centric service initiatives.

Customer Center Service Effectiveness Evaluation

Kia operates a dedicated team within its customer center focused on inquiries and error resolution for connected services. This team provides expert support for over-the-air (OTA) software updates and Kia Connect Store features, allowing customers to resolve issues quickly. As a result of ongoing customer-focused efforts, Kia has ranked first in the Korea Service Quality Index (KSQI) customer center category for 22 consecutive years[1], as evaluated by the Korea Management Association Consulting (KMAC).

Integrated Safety Inspection Service

To help Kia Members maintain optimal vehicle condition, the company provides free Kia Safety Inspections for 7 to 20 items, including oil and coolant levels, engine and transmission mounts, and high-voltage EV batteries. This service is available for up to 8 times over 8 years for passenger, RV, and commercial vehicles (trucks under 1.4 tons, buses under 15 seats), and 10 times over 10 years for electric vehicles. To enhance convenience for EV customers, Kia integrated its standard inspection service with the EV Safety Inspection. This allows customers to receive a comprehensive assessment of both general vehicle parts and key EV systems, including high-voltage battery and battery cooling systems. The service period was extended from 8 years to 10 years, allowing customers to benefit from longer free maintenance support.

Refurbished Battery Program

To alleviate the burden of repair costs on electric vehicle owners, Kia operates a "Refurbished Battery Program." Through this program, customers can access repair services using quality-assured batteries from Kia's partner suppliers, at approximately 31% of the cost compared to purchasing new batteries.

1. As of the 2025 award records

Customer Satisfaction Enhancement

STRATEGY

Customer Safety and Satisfaction Enhancement Activities

Emergency Roadside Assistance

Kia provides emergency roadside assistance services for vehicles that are unable to drive due to a breakdown. These services include on-site emergency repairs, basic maintenance, and towing to authorized service centers. For Kia Members, the emergency assistance service is extended up to six years from the date of vehicle delivery during the warranty period.

Free Towing Service

Kia offers free towing services for passenger cars, RVs, light trucks (under 1.4 tons), and minibuses (up to 15 passengers) when the vehicle is inoperable due to an accident or damage while driving or parked.

* Target : Kia Members Customers
* Service : Free towing up to 10 km when servicing at Kia AutoQ

Over-Servicing Compensation Program

To ensure transparency and build trust in Kia's Auto Q service network, Kia compensates customers up to 300 percent of the excess amount in cases where over-servicing is confirmed after review by the customer service center.

Quality Management System

Kia has established a company-wide integrated quality management system to meet a wide range of customer safety and quality expectations. Each manufacturing site operates its own quality management system, applying rigorous quality control across the entire process—from vehicle design and parts development to production and pre-mass production stages. Kia's domestic and international manufacturing plants are certified under ISO 9001 or equivalent automotive quality management standards, with ongoing updates and renewals to meet evolving industry requirements.

RISK MANAGEMENT

Customer Dissatisfaction and Quality Risk Prevention

Customer Dissatisfaction and Quality Risk Prevention

To uphold its customer-centric and people-focused culture, Kia is committed to resolving claims that require compensations and dispute resolution. Customers can report complaints or damages through service centers and customer support channels, where nationwide service center staff assist customers with consultations and compensation procedures. When claims related to quality, systems, or service are attributable to Kia, the company provides service or monetary compensation for verifiable losses, including direct costs (vehicle repair) and indirect losses (property damage, personal injury, etc.), with collaborative efforts among relevant departments to ensure smooth resolution. Korea Ownership Operation Group manages pending cases at each service center and supports resolution with corresponding teams for swift closure of unresolved matters. For quality issues, Kia collaborates with the Quality Control Division to conduct joint investigations. In cases of fire or vehicle accidents, Kia works with the R&D center, Quality Headquarters, and Legal Office to develop appropriate response strategies and documentation.

Customer Safety Quality Hotline System

Kia operates the 'Customer Safety Quality Hotline', which allows all employees to report potential safety issues that may affect customers. Potential safety risks include incidents that could lead to injury, accidents, fires, or loss of vehicle control during operation. Any Kia employee can report such issues through the internal system. Reports such as engine compartment smoke, brake lock-up, and unexpected stalling have been submitted through this channel and investigated accordingly. Kia remains committed to swiftly analyzing and resolving all reported issues to safeguard customer safety.

Quality Training

Kia provides continuous education for employees across early development, production, and market quality teams to strengthen validation capabilities throughout the quality value chain. Each training program incorporates basic theoretical knowledge along with practical exercises as needed. By collaborating with external training organizations, Kia has developed and implemented specialized training programs for quality verification experts, strengthening the validation of new technologies resulting from electrification and addressing quality issues from the customer's perspective.

Customer Satisfaction Enhancement

RISK MANAGEMENT

Greenwashing Risk Prevention System

To prevent the risk of greenwashing in environmental claims and advertisements, Kia conducted a proactive internal review of 1,020 eco-related content items across its global operations in 2024. When misleading or ambiguous expressions were identified, Kia immediately revised the content to ensure clarity and accuracy. Additionally, to prevent risks related to greenwashing, the company distributed greenwashing prevention guidelines and conducted training sessions for all employees. Kia also established a self-assessment process for employees responsible for developing eco-friendly content to ensure proper review before publishing. Beginning in 2025, Kia plans to conduct biannual audits in the first and second half of the year to continue mitigating greenwashing risks.

Greenwashing Risk Monitoring Status

Category	Period	Details
Risk Checks	Q1 2024	Greenwashing risk checks for domestic content
	Q3 2024	Greenwashing risk checks for international content
	Q2 2025	Greenwashing risk checks for domestic and international content
Raising Employee Awareness	December 2024	Anti-greenwashing guidelines seminar
	February 2025	Distribution of anti-greenwashing guidelines
	February 2025	Distribution of key greenwashing incidents and regulatory trends

Consumer Awareness and Satisfaction Monitoring

Global Brand Tracker Survey

Each year, Kia conducts the "Global Brand Tracker Survey," targeting global consumers to assess the current perception of the Kia brand. This survey aids in monitoring brand positioning and extracting insights to satisfy customer needs. The survey metrics include brand awareness, familiarity, positive opinions, purchase consideration, satisfaction, brand influence, and value. In 2024, the survey involved approximately 31,000 consumers across 20 countries. Results indicated that Kia, among the global Top 8 selling brands, ranked fifth in overall unaided brand awareness, with an improved score of 24.6% compared to the previous year. Notably, EV brand awareness reached 11.2%, climbing one position to secure the second rank globally, supported by the launch of key EV models such as the EV6 and EV9, thereby solidifying a competitive EV brand position.

2024 Global Total Brand Awareness **5th**

2024 Global EV Brand Awareness **2nd**

External Customer Satisfaction Surveys

To objectively evaluate and enhance customer experience and satisfaction, Kia actively participates in various reputable external customer satisfaction surveys. These include the National Customer Satisfaction Index (NCSI), Korean Service Quality Index (KSQI), and Korean Standard-Service Quality Index (KS-SQI), among others. This involvement allows Kia to comprehensively assess its service quality and customer satisfaction from multiple perspectives. Feedback obtained from these survey results serves as crucial indicators for developing and implementing Kia's customer-focused management strategies. It is also utilized as a foundational resource for ongoing service improvements and efforts to enhance customer satisfaction.

Key Customer Satisfaction Survey Results (2024)

National Customer Satisfaction Index (NCSI)

Measures, researches, indexes, and publishes customer satisfaction with a company's products and services

No. 1 in Mid-size vehicles (5 consecutive years)
No. 1 in compact RVs (2 consecutive years)
No. 1 in large RVs (2 consecutive years)
No. 1 in electric vehicles

Korean Service Quality Index (KSQI)

Indexes customer perception of service quality based on Korean industry and customer characteristics and publishes results

Contactless channels
Excellent Call Center (22 consecutive years[1])
In-person channels
No. 1 in automotive after-sales services (11 consecutive years)

Korean Standard Service Quality Index (KS-SQI)

Indexes and publishes results to help corporations assess their service quality levels and identifies areas for improvement for continuous service quality management

No. 1 in automotive sales services (5 consecutive years)

1. As of the 2025 award records

Customer Satisfaction Enhancement

METRICS & TARGETS

Metrics

Product Recalls

Data Coverage : Global

Category	Unit	2022	2023	2024
Total no. of vehicles recalled	10 thousand vehicles	422	751	245
Mandatory (non-voluntary) recalls	10 thousand vehicles	0	0	0
Voluntary recalls	10 thousand vehicles	422	751	245
Cost incurred due to total recalls	KRW 100 million	2,842	5,748	3,806

894,701Cases

VoC Cases Received (2024)

Data Coverage : Domestic

Category	Cases	Ratio (%)
Inquiry	778,482	87.01
Complaint	110,399	12.34
Compliment	5,547	0.62
Suggestion	273	0.03

VoC Type Classification (2024)

Data Coverage : Domestic

Category	Cases	Ratio (%)
Service	525,706	58.76
Membership	128,836	14.40
Sales	74,720	8.35
Quality	67,338	7.53
Business support	75,160	8.40
Other	22,941	2.56

Targets

Mid- to Long-Term Targets for Consumer Rights

Data Coverage : Domestic

Category	Unit	2025	2026	2027	2028
Target Number of Submitted Documents for Customer Satisfaction	Cases	10,970	10,920	10,860	10,790

Status and Targets for Consumer Feedback and Complaints Handling

Data Coverage : Domestic

Category	Unit	2022	2023	2024	2025 (Target)
Number of Responses to Consumer Feedback and Complaints[1]	Cases	8,818	11,522	12,963	10,984

1. Recalculation of prior data due to changes in classification criteria

Customer Satisfaction (CX Index)

Kia conduct surveys among customers who have purchased vehicles to assess the level of service provided and their satisfaction.

Data Coverage : Domestic

Category	Unit	2024 (Target)	2024 (Performance)	2025 (Target)
Customer Satisfaction Target Score[2]	Points	73.2	73.2	74.3

2. Customer satisfaction scoring criteria has been modified starting in 2024

Quality Training[3] Target

Data Coverage : Domestic

Category	Unit	2024 (Target)	2024 (Performance)	2025 (Target)
Quality Academy completion rate (new metric introduced in 2024)	%	90	97.7	90

3. For general employees (excluding team leaders) of Domestic Quality Division

Social Contribution

Kia is advancing its social contribution activities as a sustainable mobility solutions provider to ensure safe, free, and sustainable lives for all.

In particular, Kia actively addresses global social issues through its social contributions and works towards solving shared social and environmental challenges.

GOVERNANCE

Social Contribution Governance

Kia actively responds to global social issues and works to build a better world through strategic and mission-driven social contribution efforts. Kia has established a structured social contribution value framework, focused on key areas, and is implementing a variety of initiatives aligned with this structure.

Implementing Organization

To create substantial social value, Kia is operating a regular working group centered around the Sustainability Management Team within the Corporate Strategy Office, which reports directly to the CEO. This team collaborates with social contribution managers at domestic and international business sites to implement tailored activities that reflect the characteristics of each division and regional needs within the social contribution framework. Additionally, Kia reports its donation execution plans and annual social contribution plans to the Sustainability Management Committee, a board subcommittee, each year.

Organizational Chart



STRATEGY

Social Contribution Framework

Kia is actively engaged in addressing social issues such as environmental concerns, the needs of vulnerable groups, and demographic changes, in order to work towards practical solutions. With the social contribution vision of 「Contributing to the free and safe movement of humankind through sustainable mobility」, Kia focuses its social contributions on three main areas : "Environment" initiatives for climate change response and ecosystem protection, "Mobility" for ensuring safe and unrestricted movement, and "Challenge" for supporting the growth and self-reliance of future generations.

Social Contribution Framework

Corporate Vision

Sustainable Mobility Solution Provider

Social Contribution Mission

We contribute to the free and safe movement of humankind through sustainable mobility

Key Areas

Environment	Mobility	Challenge
Climate change response / Ecosystem protection	Free and safe movement	Growth and independence of future generation

Representative Projects

Environment	Mobility	Challenge
The Ocean Cleanup Collection and recycling of Marine Plastics	**Green Trip** Support of mobility rights for people with disabilities	**Harmonium** Multicultural youth independence support
Tidal flat Restoration Marine ecosystems protection and Increase of carbon absorption		**Green Light Project** Addressing global Socioeconomic Inequality
Eco-friendly treatment of livestock manure Biochar, biogas livestock manure recycling		

Social Contribution

STRATEGY

Social Contribution Activities

The Ocean Cleanup Partnership | Marine Environment Restoration

According to the United Nations Environment Programme (UNEP), over 8 million tons of plastic waste enter the oceans each year, forming massive garbage patches. As reported by the Dutch nonprofit organization The Ocean Cleanup in 2018, the largest of these patches contains approximately 1.8 trillion pieces of trash and spans an area of 1.55 million km². This unattended waste breaks down further, making collection difficult, poses threats to marine life that mistake it for food, and ultimately harms human health as well. In April 2022, Kia partnered with The Ocean Cleanup as part of its efforts for a sustainable Earth and future generations. The Ocean Cleanup employs two methods to combat marine plastic pollution: preventing plastic inflow from rivers and removing accumulated plastic from oceans. Leveraging support from marine scientists, volunteers, and businesses globally, The Ocean Cleanup uses its own purification solutions, including the "System" for cleaning ocean plastics and the "Interceptor" for extracting plastics before river water reaches the sea. The Ocean Cleanup has steadily increased the amount of plastic waste collected using these technologies. Through its partnership with the global environmental NGO The Ocean Cleanup, Kia is dedicated to tackling marine plastic pollution, and in 2024, introduced the EV3-specific trunk liner made from ocean-sourced plastic waste. Kia aims to establish a circular value chain to prevent plastics from being discarded back into the natural environment and continues to seek innovative solutions.

Kia and The Ocean Cleanup, a Shared Mission and Vision



Tidal Flat Restoration | Marine Ecosystem Protection and Carbon Absorption Enhancement

In November 2022, Kia signed an agreement with the Ministry of Oceans and Fisheries to jointly promote blue carbon cooperative project, with a focus on protecting tidal flat ecosystems. In 2024, Kia conducted a scientific study and pilot planting of halophytes in the Maehyang-ri tidal flats in Hwaseong to identify optimal restoration methods. In 2025, approximately 30,000m² of tidal flat area was restored through the planting of Suaeda japonica. Kia plans to continue monitoring and expanding the restoration and will share scientific data on changes in the marine ecosystem and carbon absorption with the international community, demonstrating the ecological potential of restoration and their relevance to climate change mitigation.

Biochar Project | Reducing GHG Emissions in Agriculture and Livestock Sectors

To reduce greenhouse gas emissions in agriculture and livestock, Kia has launched a biochar production project, a technology recognized for its resource circularity. Kia signed a four-party MOU with the Ministry of Agriculture, Food and Rural Affairs, Shinhan Bank, and Greenery to support a pilot biochar production project in Uiseong County, Gyeongsangbuk-do. In 2024, Kia processed 850 tons of livestock manure and produced 382.4 tons of biochar-based fertilizer. This initiative facilitates the eco-friendly disposal and recycling of livestock waste, reduces odors and water pollution in the local community.

Social Contribution

STRATEGY

Social Contribution Activities

Green Trip | Support of mobility rights for people with disabilities

Green Trip is Kia's social contribution project designed to provide a safe and convenient travel experiences for people with disabilities. The service offers modified vehicles, including Carnivals and Ray models, equipped for both electric and manual wheelchair access, with driving capability adjusted to accommodate different disability levels. In 2024, Kia signed an MOU with the Korea National Park Service to introduce a high-altitude exploration program for individuals with disabilities. Additionally, Kia partnered with Gwangju Kia Champions Field to host a baseball game viewing event for people with disabilities, promoting healthy culture and leisure activities. Kia also launched a public campaign in collaboration with KBS1 Radio, titled "Let's Go on a Green Trip", which airs weekly to promote disability awareness and prevent discrimination. Green Trip currently operates in eight regions across Korea, and Kia plans to expand the program using its Platform Beyond Vehicle (PBV) models tailored for transportation-disadvantaged individuals.

*Cumulative users: 94,206 (June 2012~February 2025)

Green Light Project | Addressing Global Socioeconomic Inequality

The Green Light Project offers opportunities for challenge to people who face limitations, while also supporting the growth and self-sufficiency of local communities. Since its inception in 2012, the project has provided essential social infrastructure in education, healthcare, and economic fields across 19 locations in 15 countries in Africa, Asia, and Europe. From 2012 to 2022, the social impact created through Kia's GLP initiatives is estimated to be 37.16 billion KRW. In addition to ongoing operations in Zimbabwe, Mozambique, and Albania, the Green Light Project expanded in 2024 to include new ventures in Cameroon, Benin, Côte d'Ivoire, Senegal, and other countries, bringing the total to seven. Notably, in April 2025, a new IT education center was completed and inaugurated in Côte d'Ivoire, aiming to increase access to IT education for young people and support their employment opportunities.

*The performance figure reflects results from 2012 to 2022.

Harmonium | Empowering Multicultural Youth

Kia aims to support the social and economic independence of multicultural youth and contribute to developing a society in South Korea that more fully respects and embraces diversity. To achieve this, Kia launched the "Harmonium" project in 2024, a new initiative that combines "Harmony" and "Umteuda" (meaning "to sprout" in Korean). This project symbolizes a society where future generations with diverse cultural backgrounds grow and develop together harmoniously. The first step of this initiative was hosting the "Harmonium Festival," where people from various backgrounds gathered to enjoy talk concerts and musical performances, fostering mutual understanding and closeness in a multicultural society. In 2025, Kia introduced the "Harmonium Education Program," offering career-oriented educational curriculum and hands-on experiences in IT, F&B, video editing, and landscaping. The program also provided internship opportunities through collaboration with leading social ventures and startups, enabling multicultural youth to take charge of their career planning and enhance their employment and entrepreneurial skills. Beyond the education program, Kia established the "Harmonium Online Platform" (harmonium.kr) to make it easier for multicultural youth who have struggled to find information to easily access support project details in one place. Through high-quality content provided by reputable institutions, the platform helps these youths develop the foundational skills needed for entering society.



[Green Trip] Providing Service Across All Regions, Including The Newly Added Daegu Area



[Green Light Project] Opening of the IT Training Center in Côte d'Ivoire



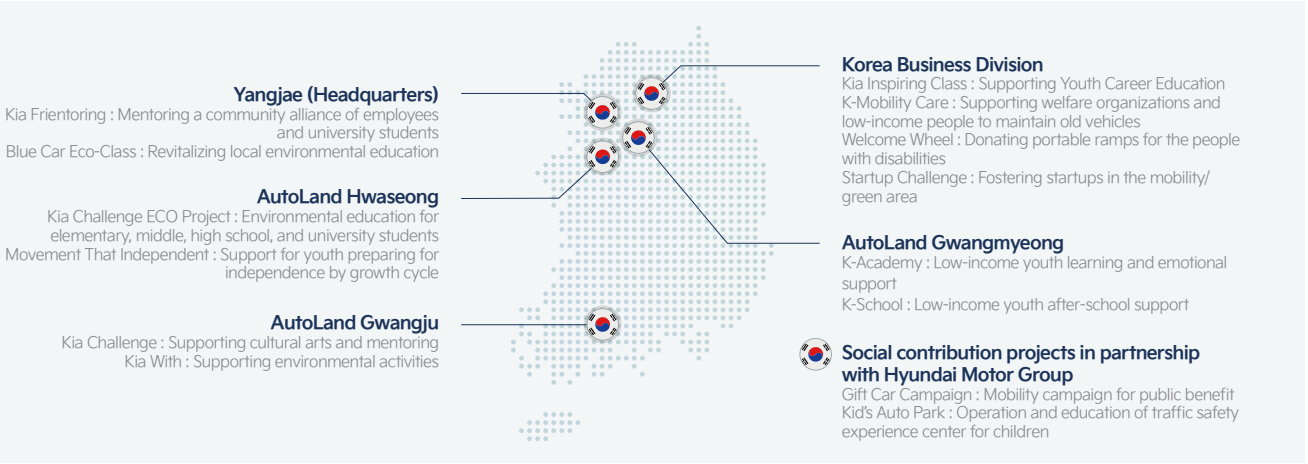
[Harmonium] Running a Multicultural Youth Education Program

Social Contribution

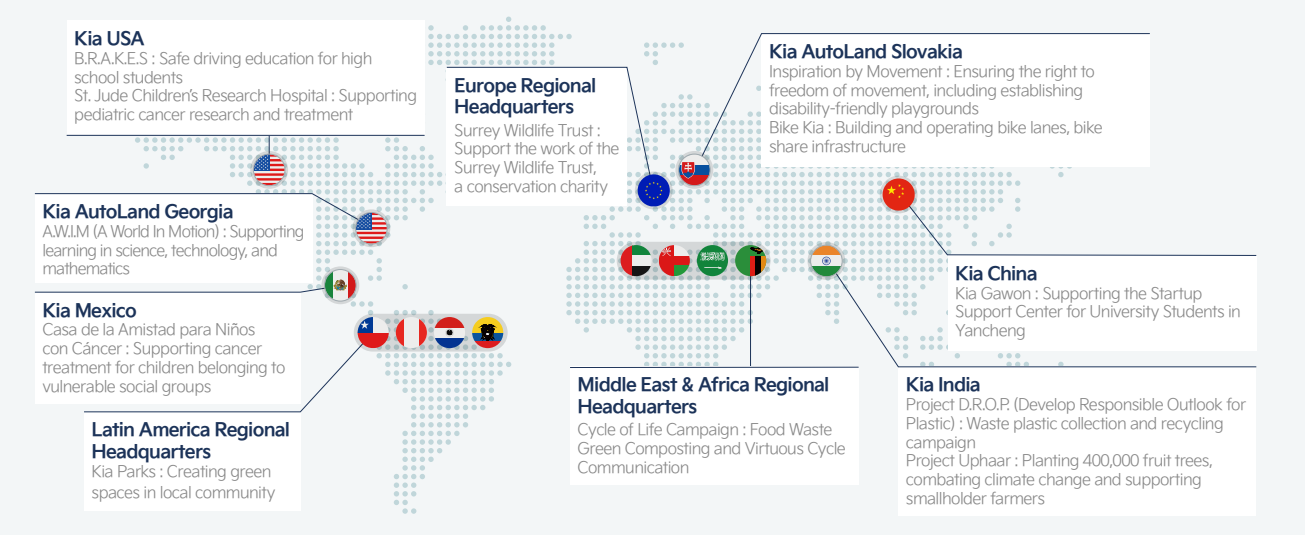
STRATEGY

Major Social Contributions by Korea and International Sites

Korea Sites



International Sites



METRICS & TARGETS

Social Contribution Target

2025 Target	Expanding and strengthening social contributions to address demographic changes and environmental pollution and climate change
	• Responding to the changing demographics : Full-scale Launch of Harmonium Entrepreneurship and Job Training • Environmental pollution/climate change response : Promoting 'biogas', an eco-friendly treatment project for livestock manure to reduce livestock odor and solve water pollution
Mid- to Long-Term (~2030) Target	Build trust and reputation as a beloved company by solving future societal problems
	• Increase efforts to address population and climate challenges • Biodiversity conservation projects near business sites • Social value calculation



[Harmonium] Supporting job training to empower multicultural youth to become self-reliant



[Harmonium] Promoting Multicultural Future Generation Growth and Social Awareness

Information Security

Kia is committed to ensuring that employees recognize the importance of information security and privacy protection through its governance framework, making every effort to safeguard customers' personal data.

To achieve this, Kia conducts regular information security training and audits to prevent data breach risks and plans to continuously strengthen its information security system to maintain customer trust.

GOVERNANCE

Information Security Governance

Kia has established a dedicated security organization responsible for developing information protection policies, which are reviewed annually. To ensure safe internal and external service provision, Kia has implemented a system to prevent and respond to information leaks, coupled with ongoing monitoring. The company also runs various preventative security measures, including online and offline security education and training programs, to enhance employee awareness of security issues. Additionally, Kia renews its certification for information protection management system each year to maintain a stable and robust information security framework.

Information Security Committee

Kia operates a group heads level Information Security Committee composed of department heads responsible for key business functions. The committee serves as the decision-making body for company-wide information security issues, investment decisions, and strategic initiatives.

Information Security Organization (as of 2024)



Information Security Organizational Structure and Roles

To conduct systematic and effective information protection, Kia operates Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO). The Chief Information Security Officer is responsible for establishing information protection policies, managing security systems, inspecting and improving information systems, responding to incidents, overseeing international information protection management, and ensuring the rights of information subjects.

Information Security Performance Management

Recognizing the importance of systematic security oversight, Kia manages its security posture by integrating the results of security assessments and the implementation of Hyundai Motor Group's ICT policies into the CEO's performance evaluation (KPI).

Personal Data Protection Governance

Kia's Chief Privacy Officer (CPO) and the privacy protection team are responsible for operating a safe and organized system for managing personal data. The team develops and distributes policies and guidelines, and conducts continuous monitoring, audits, and training. Kia holds an annual Privacy Protection Council Meeting to address major privacy issues across departments and core services. The company also updates its privacy policy monthly. In 2024, there were zero incidents of customer data being used for purposes other than those publicly disclosed to data subjects.

STRATEGY

Information Security Management System

- Operating an information security management system based on international organization for standardization (ISO) guidelines
- Staying aware of the latest legislation and information security technologies to update security practice standards and privacy policies at least annually
- Applying the privacy policy to Kia employees, temporary workers, and employees of external companies that process customer information
- Establishing an "easy-to-understand privacy policy" from a customer's perspective and publishing it on the website
- Establishing and operating an information security incident response policy

Information Security

RISK MANAGEMENT

Information Security and Personal Data Protection

Enhancing Information Security and Privacy Protection

In 2024, Kia reported zero information security incidents. To address the increasingly diverse internal and external working environments and the latest security threats, Kia is focusing on enhancing information security awareness among its employees.

Privacy Policy

Verification of Compliance with Information Protection Policies	Information systems (including personal data processing systems), teams, departments, and suppliers are inspected at least once annually. In cases of regulatory violations, disciplinary procedures are carried out based on the type of misconduct and degree of negligence.
Education and Training Programs	On-site and online video training sessions are conducted at least once annually. Monthly information management campaigns are implemented, newsletters are distributed, and various educational programs and exercises—such as phishing email simulations—are carried out.
Promotion of Information Security Awareness	Security guidelines such as response measures for receiving or being infected by malicious code emails and the prohibition of data export through unauthorized channels are shared monthly via newsletters. To emphasize the importance of customer data protection, regular training is conducted for employees, including annual team security officer training, annual online education, monthly information management campaigns, and ad-hoc security training for new hires.
Leakage Prevention and Response	To prevent information security incidents, a 24/7 security monitoring system is operated for real-time surveillance. Response procedures for security and personal data breaches have been established to ensure prompt action in the event of an incident. Incident response protocols based on information security and Business Continuity Planning (BCP) are outlined in the 'Security Incident Prevention and Response Guidelines,' and regular inspections are conducted. An incident reporting channel is maintained to enable employees to report security incidents in accordance with established procedures. Relevant processes are included in the security incident response and management standards and manuals.
New System Risks Management	During the development of new systems, security review procedures and personal data impact assessments are conducted to verify compliance with security requirements and relevant data protection laws. Security vulnerabilities are managed through system security vulnerability analysis, and secure business systems are built and operated accordingly.
Administrative Measures for Privacy	The personal data protection work standards are regularly revised to ensure compliance by employees and entrusted parties. Through inspections of personal data processing systems, risk factors for data leakage are addressed. To raise awareness of personal data protection, various training programs are provided to employees through on-site sessions, online platforms, and video content. In addition, regular analysis of access logs and voluntary inspection campaigns for personal data files are conducted to prevent misuse.
Technical Measures for Privacy	To ensure secure personal data protection, communication channels and customer information are encrypted, and access to data is blocked in the event of external intrusion. Security solutions and antivirus programs are installed and updated, and access logs are monitored to guard against hacking attempts.
External Certification and Audit of Information Security Management Systems	Since first acquiring information security management system (ISO 27001) certification in 2006, Kia has maintained 100% certification coverage for 19 consecutive years as of 2024. In April 2024, the domestic information security management system (ISMS) certification was obtained to enhance the information security framework in compliance with the Information and Communications Network Act and to establish a secure working environment. Certification under the domestic personal information and information security management system (ISMS-P) is under progress in 2025 for key customer services.

METRICS & TARGETS

Information Security Training Target

Kia is committed to enhancing information security and the management of customer personal data by providing employees with both online and offline training globally. Kia boosts overall information protection awareness and competence through regular newsletters distributed to all employees. In 2025, the key focus of information security training will be providing online and offline education for security personnel at domestic offices, regional headquarters, branches, and service centers. Training for security personnel will include topics such as security portal management and compliance with relevant regulations. Participation is mandatory for all designated personnel, and departments that fail to participate will receive penalties during information management competency assessments and must undergo retraining. These measures aim to elevate company-wide security awareness and strengthen individual accountability for information protection.

Information Security Training Performance and Target

Training Participants	Performance (2024)		Target (2025)
	Number of Training Sessions	Accumulated Number of Participants	Number of Training Sessions
Training for New Hires	21	451	**Permanent**
Training for General Employees	31	231,727	**25**
In-person Group Training for Security Personnel	1	609	**1**
Training for International Employees	3	219	**3**

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Board of Directors

Kia is committed to establishing a transparent and sound governance structure through its Board of Directors.

The Board of directors both decision-making and management oversight functions, serving to represent the rights and interests of all shareholders and stakeholders in a balanced manner.

Kia aims to strengthen governance centered around the board of directors while ensuring diversity, expertise, and independence within the Board of Directors.

Board Composition

Kia's Board of Directors, as the company's highest decision-making body, represents various stakeholders, including shareholders, customers, employees, and suppliers. It oversees and approves critical management issues. To ensure that the board is independent, professional, and diverse, Kia has structured its board so that the majority of its members are independent directors, limiting dual roles without prior approval and restricting voting rights in cases of conflicts of interest. The board comprises experts from various fields, such as future governance, management strategy, and accounting. It undergoes evaluations once a year to continually assess its performance. Additionally, Kia is committed to ensuring diversity within the board by maintaining a 60% ratio of female directors among independent directors and appointing foreign nationals as independent directors.

Board Composition Status

As of the end of June 2025, Kia's Board of Directors is composed of nine members to ensure effective and meticulous decision-making. In accordance with the Commercial Act, more than half of the board—five members—are independent directors, ensuring its independence. The board consists of experts in various fields, including governance, strategic investment, management strategy, financial accounting, and future technology, and respects diversity without discrimination based on gender, race, religion, etc.
As of the end of June 2025, the average tenure of the nine board members is 5.4 years, in line with South Korean corporate law, which stipulates that independent directors may not serve for more than six years. In March 2025, new appointments included three executive directors (two reappointments and one new appointment) and one independent director (reappointment).

Board Composition

(As of the end of June 2025)

Category	Name	Gender	Appointment Background	Career Highlights	Term
Executive Director (4)	Eui-Sun Chung	Male	As the Executive Chair of the group, possessing the capabilities to effectively coordinate internal and external group dynamics	Chairman of Hyundai Motor Group	~2028.3
	Ho-Sung Song (Chairperson)	Male	Capable of overseeing overall business operations and performing public relations stably	Kia CEO	~2028.3
	Jun-Young Choi	Male	Having the capacity to operate and manage the entire business stably as the Chief Safety Officer (CSO) and the person in charge of domestic production	Kia CEO/Chief Safety Officer (CSO) and responsible for domestic production	~2027.3
	Seung-Jun Kim	Male	Possesses the capability to conduct thorough reviews during financial decision-making, supported by a high level of understanding of financial conditions as CFO	Kia Chief Financial Officer (CFO)	~2026.3
Independent Director (5)	Wha-Sun Jho	Female	As a future governance expert, being expected to make a valuable contribution to the operation and development of the BoD based on her extensive experience and transparency in related fields	Professor of Political Science and International Relations at Yonsei University; Full member, Faculty of Policy Studies, Korea Academy of Science and Technology	~2027.3
	In-Kyung Lee	Female	As a capital market and strategic investment expert, it is expected to contribute to enhancing the expertise and transparency of the board of directors	MBK PARTNERS Chief Financial Officer (CFO)·Vice President	~2027.3
	Chan-Hyuk Jeon	Male	As a management strategy expert, being expected to make a valuable contribution to the operation and development of the BoD based on his extensive experience and knowledge in related fields	CESCO CEO	~2026.3
	Jae-Yong Shin	Male	As an accounting expert, being expected to make valuable a contribution to the operation and development of the BoD based on his extensive experience and knowledge in related fields.	Professor, College of Business School, Seoul National University	~2026.3
	Jennifer Hyunjong Shin	Female	As a mechanical engineering expert, being expected to make a valuable contribution to the operation and development of the BoD based on her extensive experience and knowledge in related fields.	Professor, Department of Mechanical Engineering, KAIST	~2028.3

Board of Directors

Board Composition

Board Independence

Kia ensures the independence of its board of directors by appointing a majority of its members (55.6%) as independent directors. In accordance with Kia's independence guidelines, each candidate's potential conflicts of interest and individual expertise are thoroughly reviewed. The Independent Director Nomination Committee evaluates the diversity and qualifications of candidates and recommends the most suitable individuals.
Kia also submits the "Confirmation of Eligibility for Independent Director" to the Korea Exchange on a regular basis. Policies are in place to restrict external positions and competitive business activities by directors without prior board approval, supporting the faithful performance of their duties.

Independent Directors Independence

Category	2022	2023	2024
Whether an Independent Director Serves as the Chairman	–	–	–
Implementation of the Shareholder Recommendation System for Independent Directors	V	V	V
Operation of Independent Director Candidate Recommendation Committee	V	V	V

Establishment of Independent Directors' Meeting and Lead Independent Director System

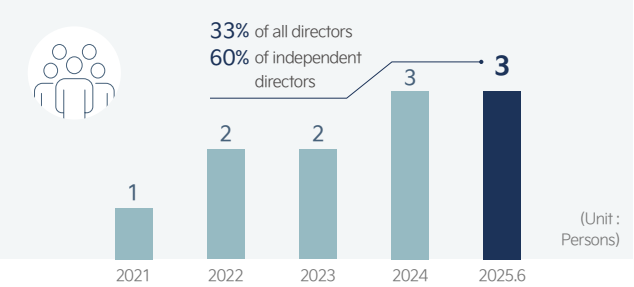
In 2025, Kia introduced the lead independent director system to enhance the independence and objectivity of the board of directors. Relevant provisions were added to the board regulations and the corporate governance charter, and a lead independent director has been appointed accordingly. Before each board meeting, a separate meeting of the independent directors is convened, led by the lead independent director, to thoroughly review agenda items and communicate feedback to the board or management as needed.

Board Diversity and Expertise

Kia prohibits discrimination based on gender, age, race, ethnicity, nationality, political or cultural background, and experience when appointing members to the Board of Directors. The company enhances the board's expertise by appointing independent directors with specialization in areas such as future governance, management strategy, and accounting, enabling them to play a crucial role in deliberating and deciding on important managerial issues.

- Appointment of foreign national independent directors
- Increase of female independent directors (2 persons→3 persons, in 2024)
- Appointment of additional independent directors with expertise in capital markets and strategic investment

Number of Female Independent Directors



Board Skill Matrix

(As of the end of June 2025)

Category		Executive Director				Independent Director				
		Eui-Sun Chung	Ho-Sung Song	Jun-Young Choi	Seung-Jun Kim	Wha-Sun Jho	In-Kyung Lee	Chan-Hyuk Jeon	Jae-Yong Shin	Jennifer Hyunjong Shin
Competency Index	Leadership	•	•	•	•	•	•	•		
	Accounting·Finance·Management	•	•	•	•		•	•	•	
	Industry·Technology	•	•	•	•					•
	Legal·Policy			•		•				
	Global Capability	•	•		•	•	•	•	•	•
	ESG	•	•	•	•	•	•	•	•	•
Diversity Index	Year of Appointment	2025	2025	2024	2025	2024	2024	2023	2023	2025
	Age	54	62	62	53	59	56	56	53	50
	Gender	Male	Male	Male	Male	Female	Female	Male	Male	Female

Board Training

Kia provides a range of training programs to help independent directors understand the automotive industry and enhance their expertise. Additionally, Kia organizes separate meetings exclusively for independent directors, known as independent director meetings, to ensure they have access to the information and resources necessary for effectively fulfilling their roles.

Key Training Content for Independent Directors (2024)

Date	Topic	Participants
2024.01.26	Understanding of global business conditions (Visited Australian open and experienced global marketing, sponsorship marketing, etc)	All 5 independent directors
2024.04.05	CEO Investor Day briefings	Wha-Sun Jho, In-Kyung Lee, Chan-Hyuk Jeon, Jae-Yong Shin
2024.04.14	Enhancing understanding of global business operations (Including design week and the Singapore global innovation center)	Wha-Sun Jho, In-Kyung Lee, Chan-Hyuk Jeon, Jennifer Hyunjong Shin
2024.04.24	Management strategy in response to potential U.S. policy changes	All 5 independent directors
2024.10.21	Review of major international investment entities	All 5 independent directors
2024.11.28	Reassessing global battery material sourcing strategy	All 5 independent directors

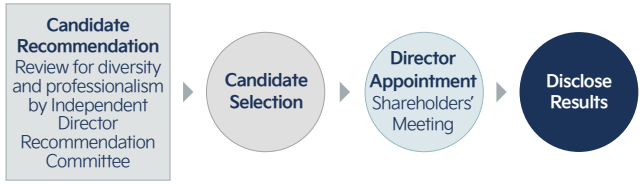
Board of Directors

Board Operations

In accordance with Article 32 of Kia's Articles of Incorporation, the Chair convenes the Board of Directors and notifies each director of the meeting date, location, and agenda at least seven days in advance. A separate pre-briefing session is held specifically for independent directors. Furthermore, the board receives regular reports on ESG strategies and plans. A minimum attendance rate of 80 percent is required to ensure participation in major decision-making processes. To improve the board's performance and efficiency, when reappointing current directors or appointing new ones, Kia presents each candidate as an individual agenda item at the general meeting of shareholders for separate resolution.

Independent Director Appointment Process

The Independent Director Recommendation Committee pre-reviews candidates' expertise, independence, fairness, ethics, and diversity to ensure the appointment of qualified and independent board members. Each director candidate is presented as an individual agenda item at the shareholders' meeting, where their appointment is determined through a separate resolution.



Committees under the Board

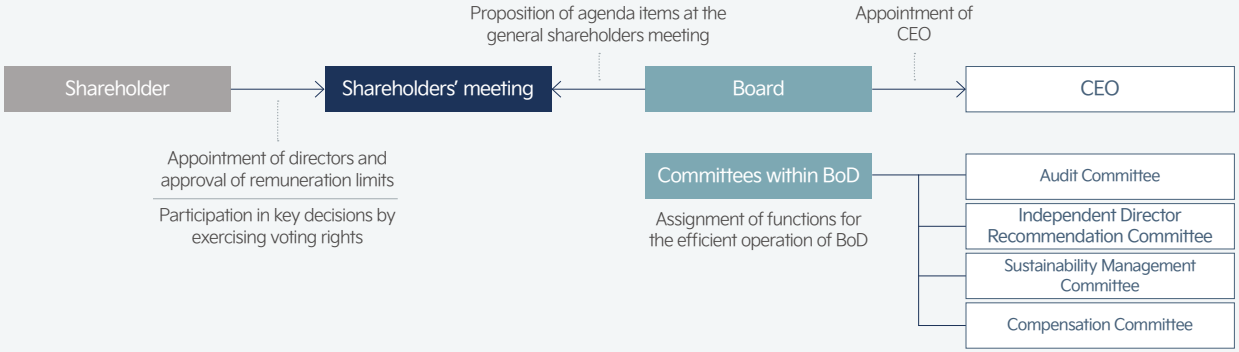
Under Kia's Board of Directors, there are four committees : the Audit Committee, the Independent Director Recommendation Committee, the Sustainability Management Committee, and the Compensation Committee. The key details of each committee's regulations are disclosed annually in May through the corporate governance report, and all regulations can be accessed on our IR website. The chair of the Audit Committee is a director with financial expertise, and the CEO participates as a member of the Independent Director Recommendation Committee.

Board of Directors Activities

As the company's highest standing decision-making body, Kia's Board of Directors operates in alignment with the unique characteristics of the automotive industry. In 2024, the board held a total of seven meetings. The agenda items and reports discussed at each meeting are disclosed through Kia's official website and annual report.

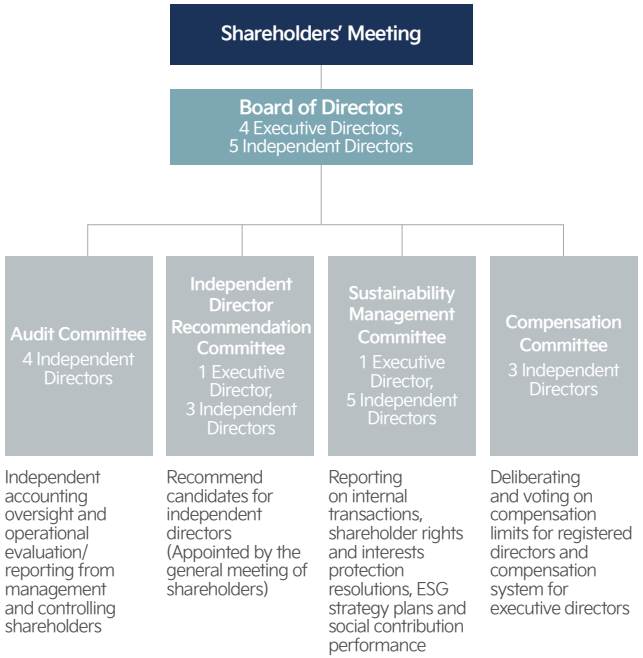
Details of Board Activities

Board of Directors Decision-Making Process



Organizational Chart of Committees under the Board

(As of the end of June 2025)



Board of Directors

Board Operations

Board Evaluation and Remuneration

Board Evaluation

Since 2021, Kia has implemented a regular evaluation system for the board and its committees. To maintain objectivity and ensure candid feedback, only independent directors are responsible for conducting the evaluations, which are carried out anonymously. Additionally, the insights provided by independent directors are actively reflected in the company's efforts to enhance transparency in board operations.

Board Evaluation Results (2024)

Category	Points
Board Roles	4.53
Board Responsibilities and Obligations	4.60
Board Composition	4.45
Board Independence	4.63
Board Operation	4.82
Board Information Collection	4.50
Audit Committee	4.60
Sustainability Management Committee	4.85
Independent Director Recommendation Committee	4.33
Compensation Committee	4.80
Overall average (Out of 5)	**4.61**

Regulatory Compliance

Kia had no violations of laws or regulations related to corporate governance in 2024. Furthermore, no executives appointed to the Board have been convicted of embezzlement, breach of trust, or unfair trading practices under the Capital Markets Act. Kia has established and operates internal control mechanisms to prevent transactions intended to serve the personal interests of executives or controlling shareholders.

Board Remuneration

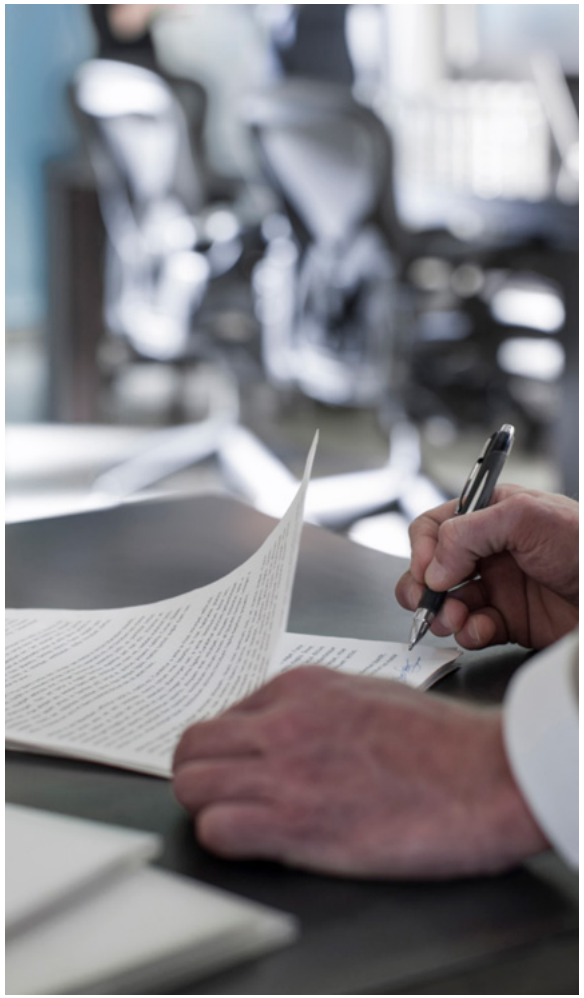
Kia pays remuneration to executive人 and independent directors within the limits approved by the general meeting of shareholders. The amounts are determined based on internal remuneration standards and each director's contributions to the company. The approved remuneration cap for directors in 2024 was KRW 8 billion, with actual payments totaling KRW 6.4 billion. In the case of the CEO, a performance evaluation system is in place that considers financial performance indicators such as ROI, ROE, revenue, and operating profit, as well as relative indicators including stock performance compared to the auto industry, competitiveness ratings, and ESG grades. The evaluation also reflects the CEO's leadership, contributions, and responsiveness to internal and external business risks.

Board Remuneration System (2024)

Category		2024
Remuneration System	Including ESG performance in CEO performance indicators	V
	Disclosure of individual remuneration amount	V

Board Remuneration (2024)

Category		Unit	2024
Remuneration	Total CEO annual remuneration	KRW million	2,877
	Average remuneration per registered director	KRW million	1,487
	Average remuneration per independent director	KRW million	90
	Average remuneration per Audit Committee member	KRW million	90
	Average remuneration of all employees	KRW million	136
	CEO-to-employee remuneration ratio	Multiples	21.1



Shareholder-Friendly Policy

Kia is committed to respecting shareholder rights and actively supports the realization of shareholder interests through various shareholder-friendly policies.

Moreover, the company communicates with shareholders through a wide range of investor relations (IR) activities such as corporate briefings and enhances transparency and trust by disclosing corporate information in a timely and accurate manner.

Shareholder-Friendly Policy

Support for Shareholder Rights

As key stakeholders and partners in business operations, Kia implements various policies aimed at supporting its shareholders. Ensuring that shareholders can participate in corporate governance and exercise their voting rights is a fundamental aspect of Kia's shareholder policies. To increase direct participation in exercising rights, Kia introduced electronic voting in 2020 and incorporated a shareholder-recommended independent director system to integrate minority shareholder opinions into the director appointment process.

Since 2019, the Korea Exchange has mandated the submission of "Corporate Governance Reports," but Kia has already been voluntarily publishing governance reports annually. Kia maintains a high compliance rate in the "Shareholder" section of these reports, which reflects the company's commitment to ensuring shareholder participation in management and the prompt and transparent disclosure of information.

Compliance Status of Key Indicator 'Shareholders' in Corporate Governance

Category	2021	2022	2023	2024
Four weeks' notice of shareholders' meeting[1]	●	●	-	●
Adoption of electronic voting	●	●	●	●
Holding shareholders' meeting on a date that avoids concentration with other companies' shareholders' meetings	●	●	●	●
Notifying shareholders of dividend policy and dividend implementation plan at least once a year	●	●	●	●

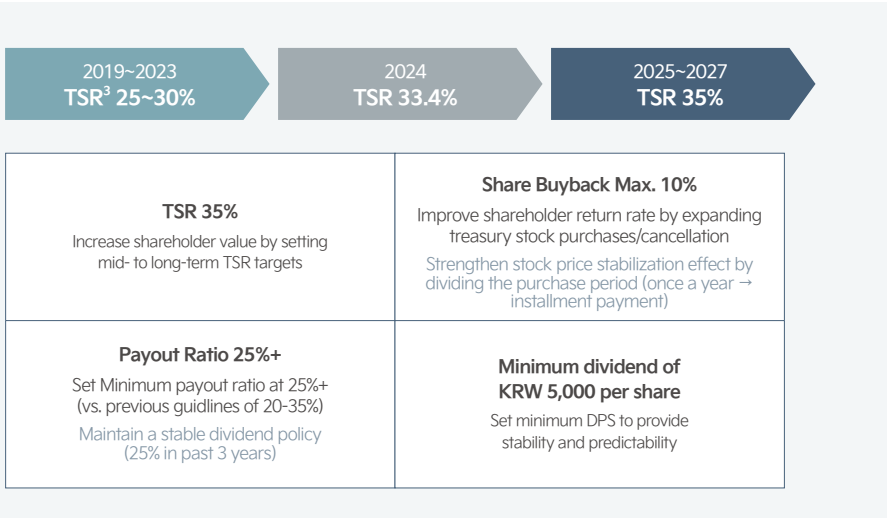
1. Due to unavoidable circumstances, the board of directors and the notice of the shareholders' meeting were convened on the fourth week of the accounting year 2023 for maximum attendance by directors.

Corporate Value-up Plan

In December 2024, Kia participated in the "Value-up Program," aiming to contribute to alleviating the Korea stock market being discounted and announced mid- to long-term shareholder value enhancement plans to elevate corporate value. The Value-up initiative is based on three key factors that constitute corporate value. Firstly, Kia outlined a plan to achieve over 10% annual average sales growth by improving product added value and expanding market dominance in major regions as part of its long-term growth strategy. Secondly, to maintain high profitability, Kia, already among the top-performing major OEMs, plans to sustain its operational principles based on the Pull method and efficient execution of fixed costs to uphold cost competitiveness, targeting profits exceeding 10%. Lastly, Kia intends to enhance capital efficiency by striking a balance between future growth investments and shareholder returns, aiming to maintain industry-leading ROE[2] levels. To sustain an ROE of over 15% through balanced financial policies, Kia sets the total shareholder return (TSR) at 35% of net profit (2025-2027), while planning to operate with a dividend payout ratio of at least 25% and repurchasing up to 10% of our own shares. Additionally, Kia plans to implement a minimum dividend (5,000 KRW) policy to improve dividend policy stability while presenting sustainable growth and profit generation capabilities.

Kia Value-up Plan

Corporate Value-up Plan



2. Return on Equity (ROE) : Net income attributable to owners of the company ÷ (average) equity
3. Total Shareholder Return (TSR) : (Total Dividends + Share Repurchases and Buybacks) ÷ Net Income Attributable to Shareholders

Shareholder-Friendly Policy

Shareholder Return Policy

Shareholder Return Policy

Considering that 2024 marks the midpoint of the capital policy implementation period under the Value-up Program, Kia increased its total shareholder return ratio from 30.7 percent in the previous year to 33.4 percent, reflecting a 2.7 percentage point increase.

Dividend Payout Ratio

For 2025, Kia has decided on a per-share dividend of 6,500 KRW, which represents an increase of 900 KRW (+16%) compared to the previous year. This results in a dividend payout ratio of 26.2%. Kia is committed to consistently expanding the rewards and profit returns to shareholders based on its business performance. At the same time, the company aims to maintain a predictable and sustainable dividend policy through the stable growth of its dividends per share (DPS).

Share Buyback and Cancellation Policy

Starting in 2023, Kia has implemented an annual buyback and cancellation program of treasury shares to enhance shareholder value and capital efficiency. For 2025, Kia decided to increase the buyback amount to 700 billion KRW, which is a 200 billion KRW (+40%) increase compared to the previous year. All the repurchased shares will be completely canceled upon the completion of the buyback process. The buyback will be carried out in two phases, once in the first half and once in the second half of the year.

Investment Contributions

Kia is committed to sustainable growth through efficient capital allocation and strategic investments. In 2024, Kia's total capital expenditures amounted to KRW 4.68 trillion, and the combined total for share buybacks and dividend payments planned for 2025 is KRW 3.26 trillion.

Transparent Information Disclosure

Corporate Information Disclosure

Kia is strengthening its shareholder-friendly policies and is committed to ensuring transparency in corporate information to fully uphold the right to know for shareholders and other stakeholders. Kia promptly uploads key information such as audit reports and announcements on financial results to disclosure platforms like DART and KIND, as well as on Kia's global brand website, ensuring transparency in corporate disclosures. In 2024, the total number of disclosures amounted to 153, including 20 fair disclosures and 3 voluntary disclosures. To ensure equity in information access for domestic and international investors, Kia posts major decisions on its English disclosure site, improving accessibility for foreign investors. Furthermore, Kia publishes a Sustainability Report annually, clearly outlining its ESG management and business performance. To enhance stakeholder access to information, Kia systematically organizes and discloses a wide range of information on its website.

Investor Relations Events

Following each quarterly earnings announcement, Kia regularly organizes corporate briefings through domestic and international Non-Deal Roadshows (NDRs). In 2024, Kia held 28 briefings, with 17 in South Korea and 11 in overseas. Notably, among the overseas briefings, Kia conducted a corporate governance session featuring an independent director responsible for reporting on shareholder rights, providing investors with information on Kia's ESG initiatives and sustainability efforts. Starting in 2025, Kia plans to conduct Korean and English earnings announcements simultaneously, improving information dissemination to foreign investors and ensuring the availability of unified information. Additionally, Kia has held the CEO Investor Day annually in the first quarter since 2020, where long-term business goals and strategies are presented to enhance investor understanding. Kia has continuously expanded investor-facing activities involving participation from top management, including the CEO and CFO. Furthermore, Kia conducts approximately four annual overseas Non-Deal Roadshows (NDRs), led by the CEO and CFO, actively engaging with shareholders and market participants.

Tax and Accounting

Kia complies with the tax laws and regulations of the countries where it operates and fulfills its tax obligations in accordance with the principles of fair taxation.

Additionally, Kia seeks to enhance stakeholder value through the transparent disclosure of its tax-related information.

Tax Governance

Kia clearly defines responsibilities and procedures related to tax reporting and payment and ensures compliance through a dedicated team. The company systematically manages tax risks across all business areas and relies on external expert advice and consultations with tax authorities or legal interpretations for significant tax issues before making final decisions. The board of directors and the audit committee regularly review and approve Kia's financial status, financial performance, and internal accounting management system. Additionally, Kia continuously monitors the impact of tax-related policies, such as legislative changes, new guidelines, and court rulings, on its operations.

Tax Policy

Kia avoids transactions or contracts that exploit differences in tax laws between countries or loopholes in international tax systems. The company faithfully fulfills its tax filing and payment obligations in accordance with local laws and international tax treaties, maintaining cooperative and trustworthy relationships with tax authorities. Kia also discloses its financial status and transaction rationale transparently to investors and stakeholders and continuously works to enhance the transparency and reliability of its accounting practices. To ensure compliance with tax regulations and minimize tax-related risks, Kia has established a formal tax policy. The company strictly adheres to the arm's-length principle for transfer pricing transactions with related parties, in accordance with the legal requirements of each country.

Tax Policy

Independent Audit Report

In accordance with the 「Act on External Audit of Stock Companies」, Kia reviews the expertise and independence of its external auditors every three years and selects its auditors accordingly. The appointed external auditor reviews and evaluates the company's financial condition and performance. Kia regularly discloses both the consolidated audit report and the separate audit report containing the auditor's opinion.

Audit Report

Tax Reporting by Country (2024)

Unit : Persons, KRW million

Tax Jurisdiction	Corporate Name	Main Business	Total Number of Employees	Revenue	Profit Before Tax	Income Tax Payables	Income Tax Expense
Korea	Kia Corporation	Production and sales of finished vehicles	35,747	63,256,745	8,790,371	1,449,125	2,082,504
USA	Kia Georgia, Inc.	Production and sales of finished vehicles	3,018	15,082,175	1,263,625	103,575	246,076
	Kia America, Inc.	Sales of finished vehicles and Parts	717	39,408,225	1,084,226	0	238,528
Mexico	Kia Mexico, S.A. de C.V.	Production and sales of finished vehicles	2,490	7,837,115	534,768	15,890	229,605
India	Kia India Private Limited	Production and sales of finished vehicles	4,349	5,142,920	307,419	0	51,626
Slovakia	Kia Slovakia s.r.o	Production and sales of finished vehicles	3,598	11,915,191	1,242,026	193,417	235,183

Ethics and Compliance Management

Kia is committed to establishing transparent and reliable governance by enacting an Ethics Charter and code of conduct to internalize a culture of compliance.

In addition, the company, led by its dedicated compliance organization, implements company-wide education, self-assessments, and effectiveness evaluations, along with various improvement initiatives, to enhance compliance awareness.

Compliance Management System

Compliance Management Governance

In 2012, Kia adopted a statutory compliance support system under the 「Korean Commercial Act」 and established a compliance officer and a compliance team. The company enacts and revises its compliance control standards through resolutions of the Board of Directors. These standards define the rules and procedures employees must follow in order to ensure legal compliance and sound business conduct. Based on these standards, Kia conducts monitoring activities, provides compliance-related information, promotes a culture of compliance, and evaluates the effectiveness of its compliance system. To oversee fair trade compliance efforts, Kia appoints its compliance officer through the board.

Key Items Related to Ethics and Compliance for the Board

- Report status on annual compliance support at regular board meetings
- Report on the operations of fair trade compliance on a quarterly basis

Ethics Charter and Code of Conduct

Kia has established its ethics charter and code of conduct based on international frameworks such as the Universal Declaration of Human Rights, the Paris Agreement, and the OECD guidelines for Multinational Enterprises, and is committed to ethical management practices across the organization. The ethics charter and code of conduct include provisions on anti-corruption and anti-bribery, anti-discrimination, data protection, conflict of interest, anti-monopoly and anti-competitive behavior, anti-money laundering, insider trading, health, safety and the environment, and whistleblower protection.

Ethics Charter and Code of Conduct

Implementation and Establishment of Compliance Management Targets

Implementation of 2024 Target

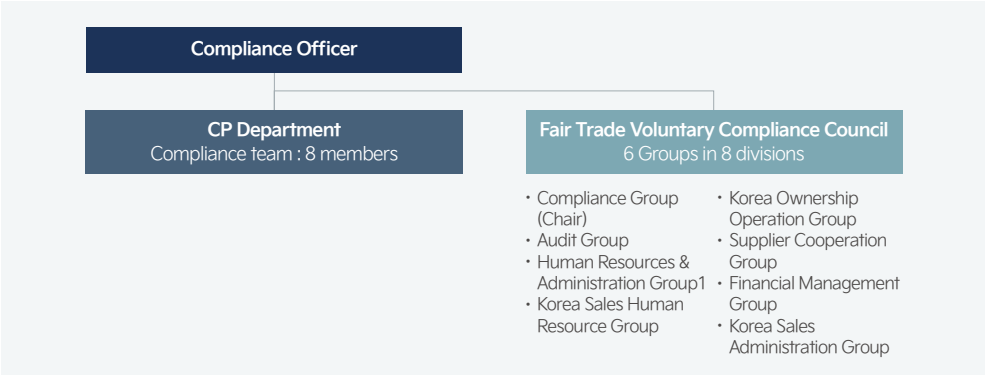
In 2024, Kia set the enhancement of employees' understanding of compliance as its compliance management goal. To improve this, the company implemented a structured compliance program. As a result, employees have begun to integrate compliance activities into their routine work. During Compliance Week events held in both the first and second halves of the year, employees actively participated in various events that contributed to strengthening compliance capabilities.

- Use a card format as compliance newsletter to enhance readability and accessibility
- Host Compliance Week twice a year with various interactive events included
- Conduct specialized training on the Fair Transactions in Subcontracting Act (technical data) for approximately 200 employees of the Procurement Division
- Publish a compliance newsletter related to greenwashing, conduct training, and distribute guidelines and checklists

2025 Target

Kia has designated "field-oriented, tailored compliance support" in order to improve tasks for compliance management in 2025. By considering the Fair Trade Commission's key monitoring items, Kia plans to conduct inspections and provide support to relevant teams and departments. This will allow the company to identify weaknesses in day-to-day operations and implement thematic compliance activities, thereby enhancing employees' compliance awareness. In addition, Kia will continuously collect feedback on these activities and reflect it in further support initiatives, ensuring a structured and effective compliance management program.

Fair Trade Compliance Organization



Ethics and Compliance Management

Internalization of Compliance Culture

Compliance Information Provision

Kia has published and uploaded approximately 40 compliance guidelines by business area on its internal system, providing employees with essential legal information and response strategies needed for daily operations. In 2024, the company revised the "Fair Trade Compliance Guide" twice to promptly reflect changes in fair trade regulations and added an appendix on greenwashing regulation. Kia also distributed a simplified version titled "Fair Trade Compliance Leaflet" to encourage more active usage of the guide during operations.
In addition, Kia regularly provides compliance training for new employees, newly appointed and promoted personnel, and overseas assignees. The company also implemented company-wide online training to prevent abuse of superior bargaining positions, targeting general, R&D, and legal staff.

Spreading a Culture of Compliance

To enhance employee awareness of compliance and promote compliance-driven management, Kia provides ongoing legal consultations, contract reviews, and compliance advisory services. It also offers 32 standardized Korean and 20 English contract templates by business area. A company-wide compliance pledge was conducted, achieving a 90.72 percent participation rate. To make compliance and compliance program (CP) activities more familiar, Kia held "Compliance Week" twice a year, in the first and second halves, featuring employee engagement programs. As part of its global compliance rollout, Kia India subsidiary developed a practical, localized personal data compliance manual, which was shared through in-person training. Kia India subsidiary also discussed ways to establish an independent compliance system.

Donation and Sponsorship Policy

Kia conducts charitable donations and sponsorships in accordance with internal implementation standards and procedures. Business sites located in South Korea are subject to chapter 6, article 31 of the 「Political Funds Act」, which prohibits political donations or sponsorships for political purposes. In 2024, Kia made no direct or indirect political donations. The amount contributed to associations under Kia's name is transparently disclosed each year in the sustainability report.

Fair Trade Compliance Program and Training

Kia operates a Fair Trade Compliance Program (CP) and conducts effective fair trade and general compliance training. In 2024, the company held the 'Fair Trade CP Academy' on a quarterly basis for CP council members, compliance officers, and relevant departments by topic, providing specialized training in fair trade and compliance[1]. Additionally, Kia implemented executive compliance training for the first time, targeting all executives at the senior vice president level and above, in order to promote top-down compliance activities.

1. 1st quarter (Greenwashing, 98 participants), 2nd quarter (Improper interference in management, 65 participants), 3rd quarter (Privacy and disciplinary measures, 34 participants), 4th quarter (Autonomous driving, 36 participants)

- CEO fair trade compliance commitment message announced in May and December, displayed on the company website and internal work screens
- CEO fair trade compliance commitment video produced and distributed in December, broadcast through internal channels
- Operation of cooperation and support programs to promote a culture of compliance at international subsidiaries
- CP effectiveness evaluations conducted twice a year through interviews with high-risk departments and third-party verification, with results reported to the CEO

Fair Trade Training Status

Data Coverage : Domestic

Category		Unit	2022	2023	2024
General Fair Trade	Departments related to fair trade	Persons	378	112	102
Subcontracting/ Unauthorized Use of Technology	Procurement Division	Persons	9	184	205

Compliance Risk Management

Effectiveness Evaluation of the Compliance Control System

Kia verified that its compliance control standards and related systems are effectively designed and operated to prevent or detect legal risks in a timely manner through an independent third-party evaluation[2]. Based on this verified system, the company continuously conducts monitoring and carries out compliance support and improvement activities.

2. According to Kia's internal operating rules, the effectiveness evaluation cycle is every two years, and the results remain valid throughout the evaluation period

Effectiveness Evaluation of the Fair Trade CP

Kia conducts more than two evaluations annually to assess the effectiveness of its Fair Trade Compliance Program (CP) and determine whether it is achieving its purpose of preventing legal violations. Kia continuously improves the evaluation process and methods in accordance with CP operational regulations and guidelines. Third-party opinions are actively reflected to further enhance the program.

Compliance Violation Management

Kia enforces disciplinary measures without exception in cases of compliance violations. Violations affect eligibility for job appointments, and in cases of serious misconduct—including assault, embezzlement, bribery, and sexual harassment—offenders are barred from leadership appointments.

Code of Ethics Implementation Status

In accordance with its code of workplace ethics, Kia has established and adheres to the code of ethics governing relationships among employees, customers, business partners, and competitors. In 2024, there were no confirmed violations related to corruption or bribery, customer data leakage, conflict of interest, money laundering, or insider transactions. For 13 confirmed cases involving discrimination or harassment, disciplinary measures were taken.

Ethics and Compliance Management

Compliance Risk Management

Compliance Self-Assessment

Kia conducts quarterly compliance self-assessments by selecting issues and areas that employees should be mindful of in the course of their work, in order to prevent violations of compliance obligations. These assessments are linked to the topics covered in the 'Fair Trade CP Academy' training. In the first half of 2024, compliance self-assessments were conducted by department on issues related to management interference and greenwashing, achieving 100% participation from relevant departments. In the second half, compliance self-assessments were conducted individually for all executives and senior manager-level employees on the topic of fair business practices. In particular, for high-risk departments in fair trade (Procurement/Sales/Finance & Accounting), additional compliance self-assessments were carried out. Through this, Kia is building a database to identify areas of legal vulnerability among employees and to support the development of tailored compliance activities.

Self-Assessment for Anti-Corruption (2024) Data Coverage : Domestic

Category		Unit	2024
Fair business conduct and fair trade	Senior Manager	Persons	2,582
	Executive	Persons	104
High-risk areas for fair trade (Fair trade, subcontracting, distributorship, franchise business, etc.)	Procurement	Persons	219
	Sales	Persons	913
	Finance	Persons	62

Unfair Trade and Competition Risk Management

To ensure fair business conduct by employees, Kia carries out activities to identify and manage risks related to unfair trade practices. Systematically, Kia operates a compliance support advice center within its compliance management system to promote ethical and legal conduct and to enable employees to seek advice or report violations. In 2024, online compliance training focused on "Gapjil" (abuse of authority) under fair trade law was provided to all employees in general, research, and legal roles. Additionally, team leaders participated in quarterly compliance training sessions focused on timely topics. In addition, to ensure that employees can easily and conveniently access the 'Fair Trade Compliance Guide' at any time, we distributed leaflets containing the key content to each department.

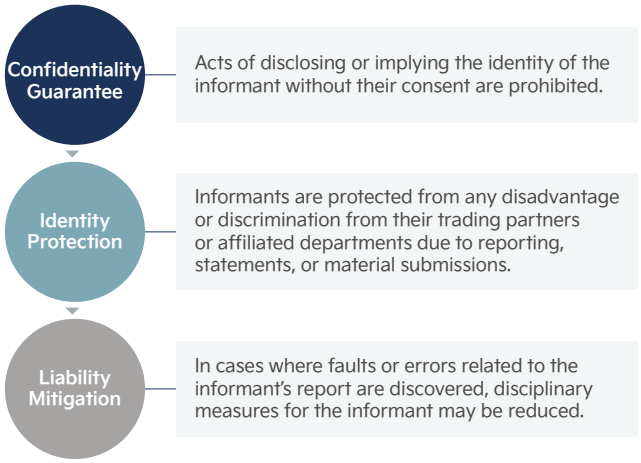
Unfair Trade and Competition Management Activities

Fair Trade Compliance Council	• Check key issues related to unfair trade/unfair competition risks and share internal status and feedback
Compliance Self-Check Related to Fair Trade	• Conduct quarterly self-checks on compliance by department and individual • Compliance self-check specialized for the relevant departments of fair trade, including procurement, sales, and finance & accounting division
Pre-check of Legal Risks	• Conduct specialized compliance self-checks for purchasing, sales, and finance departments related to fair trade. • Provide tailored compliance support for each department to assess current status and training for purchasing and service centers. • Provide continuous contract review and legal consultation by compliance officers and legal division.
Conduct Training for Those Requiring Risk Management, such as Personnel Transfers, Newly Established Organizations, and Changed Departments	• Provide contract review and legal consultation by compliance officers and the legal department on a regular basis. • Conduct compliance training for new employees, newly appointed team leaders, and executives. • Provide specialized fair- trade training for employees in purchasing, sales, and business sectors performing related tasks.

Operation of Ethics and Compliance Reporting System

Kia provides multiple channels, including the Cyber Audit Office, One Click HR, and the compliance support advice center, through which employees can freely report unethical behavior, workplace harassment, and abuse of authority. Reports can be made anonymously in accordance with the principle of whistleblower protection. Throughout the handling of reports, confidentiality obligations are strictly upheld, and there have been no instances of secondary harm resulting from breaches of whistleblower anonymity.
In addition, Kia provides employees with a "Workplace Sexual Harassment Response Manual" outlining how to report issues through each channel. The HR system also includes a direct link to One Click HR, enabling easy access for all employees.

Whistleblower Protection Mechanism



Key Communication Channels

Hyundai Motor Group, Corporate Audit Division

Cyber Audit Office	audit.hyundai.com
Telephone	02-3464-3500
Fax	02-3464-8813

Risk Management

Kia operates an enterprise-wide risk management system to respond swiftly and strategically to rapidly changing internal and external environments.

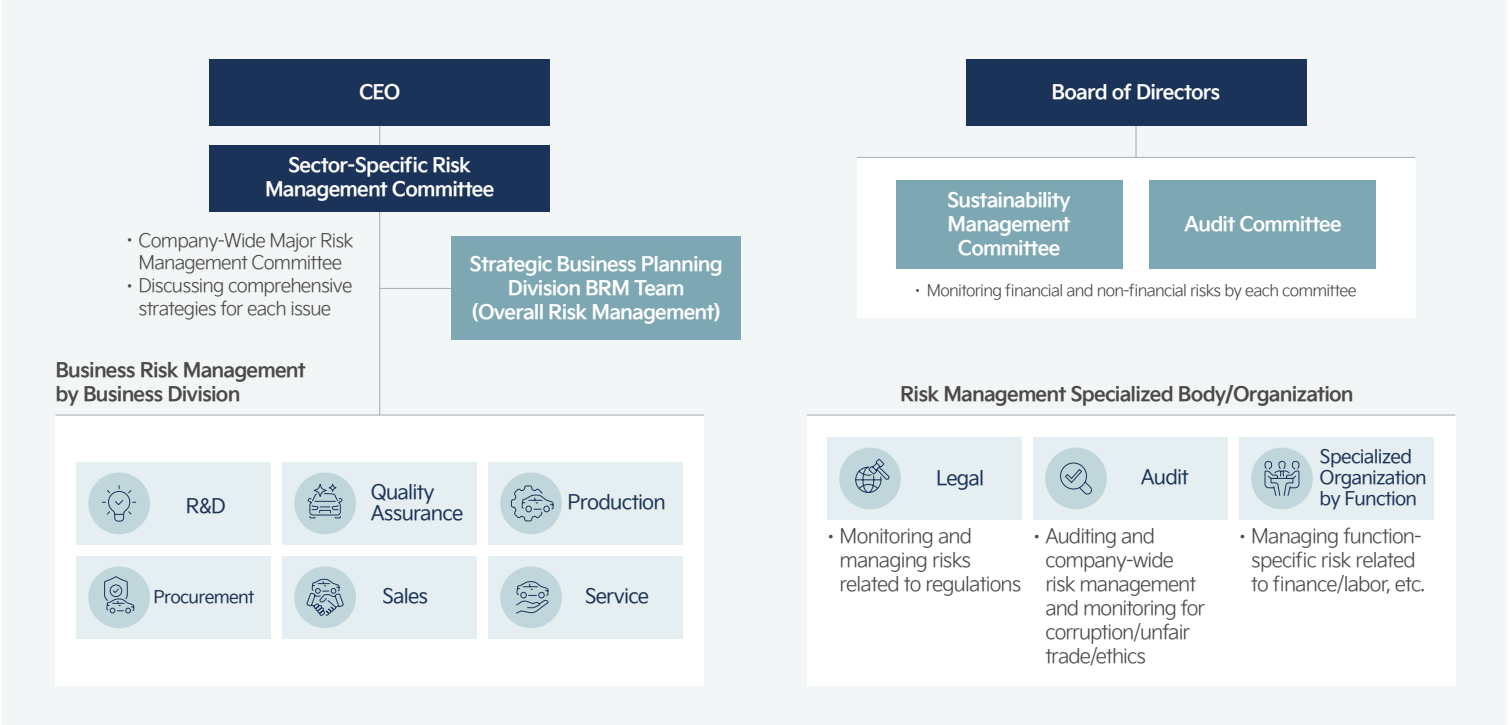
Through continuous enhancement of this system, the company aims to promote sustainable growth and establish a stable foundation for management.

Risk Management System

Risk Management Governance

Kia identifies and mitigates financial and non-financial risks through integrated management. Additionally, to ensure effective risk management, responsibilities are allocated across three levels. Primarily, dedicated managers within each business unit continuously monitor and manage potential risks during operational activities. Furthermore, a dedicated team within the Strategic Business Planning Division oversees risk response status by implementing company-wide risk sensing and response processes. Kia reviews material ESG risks identified through the company-wide risk management process. Centered around the Sustainability Management Committee, Kia has established an ESG risk management system to review key sustainability-related issues and report the implementation status and plans of ESG tasks. The committee also deliberates and decides on ethics management and social contribution policies. ESG elements are reflected in KPIs across departments to manage non-financial risks comprehensively.

Risk Management System



Risk Management

Risk Management System

Risk Management Policy

In accordance with its risk management policy, Kia aims to prevent significant management risks that may arise directly or indirectly from the company's business activities and to foster sustainable growth. For identifying and addressing risks that may occur during business operations, Kia pursues integrated management of financial and non-financial risks while maintaining a systematic risk management governance framework. Additionally, Kia is committed to transparently disclosing these risk management activities and response statuses to strengthen trust with stakeholders.

Risk Management Policy

Risk Management Areas

To identify risks that impact business performance and prepare mid- to long-term response strategies, Kia classifies and manages risks in detail. Identified risks are addressed with response strategies established through the risk management process and are managed in an integrated manner across the organization. Stress testing is also conducted to advance risk management, and a risk assessment model is operated in collaboration with business departments to detect risks early.

Risk Areas

Environmental Risk	Financial Risk	Business Risk	Operational Risk
• Climate change • Domestic and international regulations • Disasters	• Market economy • Exchange rate changes • Credit rating volatility • Liquidity fluctuations	• Strategy establishment • Investors • Competitors • Technological change	• Process • Workforce • Partner companies • Infrastructure

Risk Management Process and Response

Risk Management Process

Kia evaluates the materiality of risks based on business impact and predictability, focusing on those that may have short- or long-term adverse effects on management. Risks with low predictability but high business impact are identified as key risks and are prioritized for response. Risk status, developments, impacts, and response measures are continuously monitored by responsible departments. Comprehensive risk management reports are regularly submitted to the CEO. Major decisions are made in a timely manner based on urgency and severity. Information from overseas risk management departments is rapidly shared across regions, enabling consolidated analysis and management in line with company-wide risk standards. Kia will continue to improve its early-detection capability and management processes for global regions to prevent information omissions and foster horizontal deployment of risk intelligence. Kia aims to continuously enhance its integrated financial and non-financial risk management system to support sustainable growth and stable business operations.

Key Risks and Mitigation Actions

Kia detects and analyzes immediate risks, assesses their potential impact, and shares results with the CEO and relevant departments. Risks are categorized into geopolitical risk, disaster, economic and finance, policy and regulation, and supply chain management (SCM)[1] domains. The Business Risk Management (BRM) Team is responsible for developing mitigation and response strategies and communicates with relevant teams to ensure follow-up actions. Kia classifies risks from strategic and operational perspectives. Strategic risks include geopolitical risk, disaster, economic and finance, policy and regulation, and supply chain. Geopolitical risk and disaster are considered to have the greatest impact due to their unpredictability, and Kia responds quickly from the initial stage, fulfilling the role of a control tower. For more predictable risks such as economic and finance, policy and regulation, and supply chain, Kia has pre-established monitoring and response protocols across departments. Operational risks include safety and quality, information security, legal compliance, workplace accidents, and supplier and partner management. These are continuously monitored, and when incidents occur, key information is identified and reported from a company-wide perspective to establish response strategies.

Kia Key Risks

Risk Classification	Key Risks	Mitigation Measures
Geopolitical Risk	• Prolonging of Russia-Ukraine war • Intensification of Israeli-Palestine Middle East conflict • Continuation of China-Taiwan conflict	• Provide overseas departments the ability to check sales impact in the region where the issue occurred and check production and shipment status at domestic and international factories • Grant the purchasing department the ability to check for parts
Disasters and Hazards	• Abnormal temperature: Wildfires, heavy rainfall/flooding, abnormal temperatures due to El Niño events, etc.	
Economy and Finance	• Delayed monetary easing in major economies/shrinking real economy due to high global prices (energy inflation, etc.)	• Strengthening the emergency management system function of the finance and strategy departments
Policy and Regulation	• Review of major policies of the US government under the 2nd term of Trump Administration • Enhanced monitoring and response to EU legislative trends	• Environmental regulations and laws : Strengthening sensing and cooperation between departments related to fuel efficiency/emissions (legal, product planning) • Trade tariffs : Check and respond to impacts by product/sales/procurement, etc.
SCM	• Export restrictions related to US-China trade dispute • Geopolitical issues related to raw material supply/price instability (battery raw materials, etc.)	• Strategic material acquisition activities (direct material contracts, etc.) • Market and price analysis of core strategic raw materials • Review investment needs (investment in strategic material mines, JVs with battery-related companies, etc.)

1. Supply Chain Management (SCM) : The integrated management of all processes from the procurement of raw materials, production, and distribution to reaching the consumer.

Risk Management

Risk Management Process and Response

Emerging Risk Management

Category	Definition/Explanation of Risks	Potential Business Impact	Risk Response Activities
Regulatory Risks from National Supply Chain Protection Policies	The impacts of the U.S.-China trade war, COVID-19, and the Russia-Ukraine conflict have intensified the power struggle between the U.S. and China and brought significant attention to supply chain fragmentation. The paradigm is shifting from a China-centric, low-cost, high-efficiency supply chain system to a stable supply chain structure centered around domestic and allied countries.	The United States is strengthening its supply chain policies to protect its advanced strategic industries and reduce dependency on China. Measures include increasing tariffs on Chinese strategic items, the the Inflation Reduction Act (IRA), the CHIPS Act, export controls, regulations on Chinese-made connected cars, and the Uyghur Forced Labor Prevention Act (UFLPA).These actions are tightening tax laws targeting Chinese-made vehicles and components. Consequently, a shift in the long-established supply chain reliant on Chinese components has become essential. This transition could increase costs, affecting business operations and potentially reducing supply chain resilience.	To alleviate the tariff burden on Chinese-made products, Kia is reviewing, implementing, and preparing to expand the diversification of its production locations. In response to the Inflation Reduction Act (IRA) and Foreign Entity of Concern (FEOC) regulations, Kia is strategizing the relocation of battery precursor production sites and diversifying production sites for Chinese-made components related to connected cars. The company is also reviewing the expansion of regulations like the Uyghur Forced Labor Prevention Act (UFLPA) and is developing strategies and measures to audit supply chains by focusing on high-risk partners throughout their entire lifecycle.
Regulatory Risks from ESG Management within the Supply Chain	As the influence of ESG (Environmental, Social, and Governance) grows, there is increasing emphasis on strengthening ESG management within corporate supply chains. With the EU moving towards mandatory ESG disclosures and regulations along with guidelines on resource recycling, Kia is facing heightened demands for robust supply chain management.	The European Union is strengthening ESG-related legislation to reinforce competitiveness in key strategic industries and promote the localization of supply chains, particularly under the Green Deal and digital transition policies. Key regulatory frameworks include the Critical Raw Materials Act (CRAM), End-of-Life Vehicle Regulation (ELVR), Carbon Border Adjustment Mechanism (CBAM), Corporate Sustainability Due Diligence Directive (CSDDD), and Corporate Sustainability Reporting Directive (CSRD). Failure to comply with these regulations concerning resource circularity and supply chain management within the EU may lead to a decline in corporate reputation and ESG performance levels.	Kia is actively working to develop countermeasures for risks related to resource circularity legislation, including the EU End-of-Life Vehicle Regulation (ELVR), centered around Hyundai Motor Group. These efforts are being carried out company-wide, including within local regions.

Risk Management Training

Kia provides training to strengthen practical risk management capabilities. In 2024, two sharing sessions and external expert-led training were conducted to increase understanding of management risks and global trends and to foster cross-functional collaboration. Training covered strategies for responding to emerging risks such as industry and policy trends in domestic and international markets. Additionally, training was provided for risk management personnel as well as company-wide investment, strategy, and ESG managers on designing management risk frameworks and developing scenario-based risk analysis and monitoring strategies. Kia is committed to expanding this training further in the future.

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ESG DATA & APPENDIX



ESG Metric and Data

Financial Data

Summary of Consolidated Statement of Financial Position and Key Ratios

Metric	Unit	2022	2023	2024
Assets				
I. Current assets	KRW million	34,147,147	37,466,302	41,797,457
II. Non-current assets	KRW million	39,563,818	43,161,524	50,958,417
Total assets	KRW million	73,710,965	80,627,826	92,755,874
Liabilities				
I. Current liabilities	KRW million	25,377,803	25,674,105	26,977,376
II. Non-current liabilities	KRW million	8,990,081	8,395,486	9,938,189
Total liabilities	KRW million	34,367,884	34,069,591	36,915,565
Capital				
I. Common stock	KRW million	2,139,317	2,139,317	2,139,317
II. Additional paid-in capital	KRW million	1,560,650	1,560,650	1,560,650
III. Retained earnings	KRW million	36,320,754	43,270,759	50,241,096
IV. Accumulated other comprehensive income	KRW million	-610,514	-220,991	2,038,913
V. Other capital items	KRW million	-72,269	-197,351	-148,811
VI. Non-controlling interests	KRW million	5,143	5,851	9,144
Total capital	KRW million	39,343,081	46,558,235	55,840,309
Total liabilities and equity	KRW million	73,710,965	80,627,826	92,755,874
Shareholders' equity ratio (equity/asset)	%	53.37	57.74	60.20
Debt to equity ratio (debt/equity)	%	87.35	73.18	66.11

Summary of Consolidated Income Statement

Metric	Unit	2022	2023	2024
Sales	KRW million	86,559,029	99,808,420	107,448,752
Cost of sales	KRW million	68,536,010	77,179,573	82,677,981
Gross profit	KRW million	18,023,019	22,628,847	24,770,771
Operating profit	KRW million	7,233,120	11,607,873	12,667,139
Earnings before income taxes	KRW million	7,501,993	12,677,344	13,500,201
Income tax expenses	KRW million	2,093,017	3,899,527	3,725,196
Net income	KRW million	5,408,976	8,777,817	9,775,005

Summary of Consolidated Cash Flow Statement

Metric	Unit	2022	2023	2024
Ⅰ. Cash flows from operation activities	KRW million	9,333,186	11,296,526	12,564,368
Ⅱ. Cash flows from investing activities	KRW million	-5,671,268	-3,106,766	-10,152,822
Ⅲ. Cash flows from financial activities	KRW million	-3,454,447	-5,596,331	-3,569,987
Ⅳ. Effect of exchange rate changes in foreign currency denominated cash	KRW million	-187,209	205,741	371,867
Ⅴ. Net increase or decrease in cash and cash equivalents	KRW million	20,262	2,799,170	-786,574
Ⅵ. Net increase or decrease in cash and cash equivalents at the beginning of the term	KRW million	11,533,710	11,553,972	14,353,142
Ⅶ. Net increase or decrease in cash and cash equivalents at the end of the term	KRW million	11,553,972	14,353,142	13,566,568

Sales Performance Results

Metric	Unit	2022	2023	2024	Rate of Change
Sales volume[1]	Vehicles	2,901,797	3,087,384	3,089,300	0.06%
Sales	KRW 100 million	865,590	998,084	1,074,488	7.66%
Operating profit	KRW 100 million	72,331	116,079	126,671	9.12%

1. Wholesale basis

Carbon emissions Liabilities

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Carbon emissions liabilities	KRW billion	0.3	0.6	0.2
Carbon emissions liabilities ratio	%	0.0043	0.0048	0.0015

Innovation Management

Metric	Unit	2022	2023	2024
Total R&D expenditure	KRW 100 million	21,630	26,092	32,473
Proportion of R&D expenditure compared to sales	%	2.499	2.614	3.022

ESG Metric and Data

Environmental

Climate Change

GHG Emissions (Scope 1 & 2)

Data Coverage : Global Production Sites

Metric	Unit	2022	2023	2024
Total emissions (Scope 1 & 2)[1]	Thousand tCO_2eq	1,166.9	1,130.9	1,178.5
Direct emissions (Scope 1)	Thousand tCO_2eq	379.9	353.9	386.3
Domestic	Thousand tCO_2eq	266.0	244.6	238.6
Overseas	Thousand tCO_2eq	113.9	109.3	147.7
Indirect emissions (Scope 2)	Thousand tCO_2eq	786.9	777.0	792.2
Domestic	Thousand tCO_2eq	467.3	454.4	471.2
Overseas	Thousand tCO_2eq	319.6	322.6	321.0
GHG emissions intensity (Scope 1 & 2)	tCO_2eq/Unit	0.44	0.41	0.43
Domestic	tCO_2eq/Unit	0.58	0.52	0.55
Overseas	tCO_2eq/Unit	0.31	0.30	0.32

1. Since 2024, emissions from leased assets, which were previously classified under Scope 3 Category 8, have been included in Scope 1 & 2 calculations

Eco-Friendly Vehicles

Data Coverage : Global

Metric	Unit	2022	2023	2024
No. of Eco-friendly vehicles sold[1]	Vehicles	492,593	598,846	644,685
HEV	Vehicles	254,327	311,671	382,764
PHEV	Vehicles	81,766	88,861	67,797
EV	Vehicles	156,500	198,314	194,124

* 'Eco-friendly vehicles' include EVs (Electric Vehicles), HEVs (Hybrids), and PHEVs (Plug-in Hybrids), while 'Electrification' includes only EVs (Electric Vehicles)
1. Wholesale basis

Percentage of Eco-Friendly Vehicles in Sales

Based on the management accounting standards

Metric	Unit	2022	2023	2024
Percentage of Eco-friendly vehicles in sales	%	23.5	26.3	27.0

* 'Eco-friendly vehicles' include EVs (Electric Vehicles), HEVs (Hybrids), and PHEVs (Plug-in Hybrids), while 'Electrification' includes only EVs (Electric Vehicles)

GHG Emissions (Scope 3)

Data Coverage : Global

Metric	Unit	2022	2023	2024
Total emissions (Scope 3)	Thousand tCO_2eq	72,975.5	99,498.2	99,395.2
Purchased goods and services[1]	Thousand tCO_2eq	13,736.3	17,176.3	18,437.9
Capital goods[2]	Thousand tCO_2eq	2.5	1.9	112.3
Fuel- and energy-related activities (not included in Scope 1 or 2)[3]	Thousand tCO_2eq	99.3	185.8	208.7
Upstream transportation and distribution[4]	Thousand tCO_2eq	-	35.0	94.7
Waste generated in operations[5]	Thousand tCO_2eq	30.8	60.9	56.8
Business travel[6]	Thousand tCO_2eq	5.1	11.1	23.5
Employee commuting[7]	Thousand tCO_2eq	277.6	47.9	57.8
Upstream leased assets	Thousand tCO_2eq	-	4.5	-
Downstream transportation and distribution[8]	Thousand tCO_2eq	1,153.6	1,311.6	1,188.5
Use of sold products[9]	Thousand tCO_2eq	57,390.0	79,327.6	77,804.5
End-of-life treatment of sold products[10]	Thousand tCO_2eq	189.0	1,199.1	1,267.6
Investments[11]	Thousand tCO_2eq	91.3	136.4	142.8

1. Emission factors for key raw materials (e.g., steel, aluminum, plastic) are applied based on the global LCI database, including Scope 1 & 2 emissions from major domestic emitting partners
2. Emissions generated during the production of purchased capital goods (e.g., buildings, structures, machinery)
3. Upstream emissions of used energy (electricity, LNG, gasoline, diesel, etc.)
4. Emissions from the transportation and logistics of components
5. Emissions from waste processing at business sites
6. Emissions generated from transportation methods used for employee business trips
7. Emissions generated from transportation methods used during employee commuting
8. Emissions from the transportation and logistics of products (finished vehicles)
9. Use phase emissions generated after 200,000 km of driving (excluding Well-to-Tank emissions)
10. Emissions from recycling, incineration, and landfill processes
11. Emissions from domestic corporate entities with a 20-50% shareholding

ESG Metric and Data

Environmental

Climate Change

Energy Consumption

Data coverage : Global Production Sites + International owned/leased assets

Metric			Unit	2022	2023	2024
Total energy	Total consumption (MWh)[1]		MWh	3,794,359	3,637,639	3,869,712
		Domestic	MWh	2,467,659	2,322,506	2,327,178
		Overseas[1]	MWh	1,326,700	1,315,133	1,542,534
	Total consumption (TJ)[1]		TJ	19,763	19,035	20,112
		Domestic	TJ	14,987	14,301	14,559
		Overseas[1]	TJ	4,776	4,734	5,553
Non-renewable energy	Total consumption (MWh)[1]		MWh	3,653,010	3,486,064	3,654,650
	Total consumption (TJ)[1]		TJ	19,254	18,484	19,309
		Domestic	TJ	14,987	14,292	14,514
		Fuel	TJ	5,221	4,797	4,667
		Electricity	TJ	9,766	9,495	9,847
		Overseas[1]	TJ	4,267	4,192	4,795
		Fuel[1 3]	TJ	2,130	2,183	2,691
		Electricity[1 3]	TJ	2,137	2,009	2,104
Renewable energy	Total consumption (MWh)[1]		MWh	141,348	151,575	215,062
		Domestic	MWh	38	1,024	4,657
		Overseas[1]	MWh	141,310	150,551	210,405
	Total consumption (TJ)[1]		TJ	509	551	803
		Domestic	TJ	0.3	9	45
		Overseas[1]	TJ	509	542	758
By renewable energy source	REC Purchase[1]		MWh	141,310	147,367	165,746
	PPA[1]		MWh	0	0	41,474
	Self-generation[1]		MWh	38	4,208	7,842
Energy intensity of use	Total energy intensity of use		MWh/KRW 100 million	4.38	3.64	3.60
		Non-renewable energy intensity of use[1]	MWh/KRW 100 million	4.22	3.49	3.40
		Renewable energy intensity of use[1 2]	MWh/KRW 100 million	0.16	0.15	0.20
	Total energy intensity of use target[1]		MWh/KRW 100 million	5.90	3.21	3.19

1. Since 2024, including overseas owned/leased assets 2. Recalculation of 2022~2023 data due to unit changes
3. 2023 : Corrections due to inaccuracies

Pollutants & Chemicals

Water Pollutants

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
BOD	BOD emissions	ton	22.8	14.8	18.7
	BOD emissions intensity	ton/KRW trillion	0.5	0.3	0.3
COD	COD emissions	ton	82.2	67.4	65.2
	COD emissions intensity	ton/KRW trillion	1.8	1.2	1.0
TOC	TOC emissions	ton	51.4	42.1	40.8
	TOC emissions intensity	ton/KRW trillion	1.1	0.7	0.6
SS	SS emissions	ton	7.7	10.4	8.0
	SS emissions intensity	ton/KRW trillion	0.2	0.2	0.1

Air Pollutants

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Dust	Dust emissions[1]	ton	73.2	73.8	82.4
	Dust emissions intensity[1]	ton/KRW trillion	1.6	1.3	1.3
Sulfur oxides (SOx)	Sulfur oxides (SOx) emissions[1]	ton	8.6	29.2	9.2
	Sulfur oxides (SOx) emissions intensity[1]	ton/KRW trillion	0.2	0.5	0.1
Nitrogen oxides (NOx)	Nitrogen oxides (NOx) emissions[1]	ton	101.0	172.9	110.5
	Nitrogen oxides (NOx) emissions intensity[1]	ton/KRW trillion	2.2	3.0	1.7
THC/VOC	THC emissions per unit area[2]	g/㎡	33.0	27.1	25.5
	VOC emissions	ton	100.5	58.0	47.2
	VOC emissions intensity	ton/KRW trillion	2.2	1.0	0.7

1. Recalculation of 2022~2023 air pollutants due to changes in the calculation standards (internal management standards → government reporting standards)
2. Organic solvent amount/Coated area

Chemical Substance

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Chemical substance	Chemical substance disposal	ton	2,672	2,117	1,709
	Chemical substance disposal intensity	ton/KRW trillion	57.6	36.2	27.0
Hazardous chemical substance	Hazardous chemical substance disposal	ton	-	-	-
	Hazardous chemical substance disposal intensity	ton/KRW trillion	-	-	-

ESG Metric and Data

Environmental

Resource Circulation

Waste

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Generation	Total waste generated		ton	199,933.7	231,938.1	208,417.8
		General waste generated	ton	191,796.1	222,292.1	198,900.5
		Designated waste generated	ton	8,137.6	9,646.0	9,517.3
	Waste generation intensity		ton/KRW trillion	4,308.0	3,963.4	3,294.8
Recycling	Total waste recycled		ton	187,593.4	216,537.4	194,858.9
		General waste recycled	ton	183,852.6	212,110.7	190,170.5
		Designated waste recycled	ton	3,740.8	4,426.7	4,688.4
	Total recycling ratio		%	93.8	93.4	93.5
Treatment	Total waste treated		ton	12,340.2	15,400.7	13,558.9
	General waste treated		ton	7,943.4	10,181.4	8,730.0
		Incineration (energy recovery included)	ton	-	-	-
		Incineration (energy recovery excluded)	ton	7,308.3	9,736.4	8,548.9
		Landfill	ton	635.1	445.0	181.1
		Others	ton	-	-	-
	Designated waste treated		ton	4,396.7	5,219.4	4,828.9
		Incineration (energy recovery included)	ton	-	-	-
		Incineration (energy recovery excluded)	ton	4,375.8	5,110.2	4,783.7
		Landfill	ton	20.9	109.2	45.2
		Others	ton	-	-	-

Recycling of End-of-Life Vehicles

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Recycling rate of end-of-life vehicles	%	82.4	82.5	82.6
Including heat recovery	%	91.0	91.0	92.0

Raw Materials

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Main raw materials	Total usage		ton	267,267.7	281,528.8	279,539.1
	Intensity of use		kg/unit	211.0	208.1	217.3
Iron	Total usage		ton	195,570.7	207,142.7	204,421.1
	Intensity of use		kg/unit	154.4	153.1	158.9
	Scrap steel recycled		ton	100,260.0	101,904.0	102,513.1
		Ratio of steel materials recycled	%	51.3	49.2	50.1
Thinner	Total usage		ton	4,968.8	4,107.2	3,468.4
	Intensity of use		kg/unit	3.9	3.0	2.7
Paint	Total usage		ton	17,806.4	18,955.5	16,897.9
	Intensity of use		kg/unit	14.1	14.0	13.1
Aluminum	Total usage		ton	48,921.8	51,323.5	54,751.8
	Intensity of use		kg/unit	38.6	37.9	42.6

ESG Metric and Data

Environmental

Water

Water Consumption

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Water intake	Total water intake		ton	7,006,517	6,343,388	6,516,768
		Waterworks	ton	5,627,986	5,040,540	5,214,769
		Underground water	ton	1,378,531	1,302,848	1,301,999
		Others (rainwater, surface water, etc.)	ton	0	0	0
	Water intake from high water stress areas[1]		ton	1,633,092	1,421,762	0
		Waterworks[1]	ton	1,000,485	897,377	0
		Underground water[1]	ton	632,607	524,385	0
		Others (rainwater, surface water, etc.)[1]	ton	0	0	0
Water withdrawal	Total water withdrawal		ton	4,737,786	4,645,326	4,776,932
	Water withdrawal to high water stress areas[1]		ton	1,409,389	1,279,843	0
Water consumption	Total water consumption		ton	2,268,731	1,698,062	1,739,836
	Water consumption in high water stress areas[1]		ton	223,703	141,919	0
	Water consumption intensity		ton/KRW trillion	48,884.8	29,016.8	27,504.4
Water reuse	Amount of reuse		ton	324,827	269,342	284,129
	Ratio of water reused		%	14.3	15.9	16.3

1. 2024 : AutoLand Gwangmyeong is excluded from water stress areas

Water Consumption by Business Site

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
AutoLand Gwangmyeong	Total water intake		ton	1,633,092	1,421,762	1,552,041
		Waterworks	ton	1,000,485	897,377	1,011,589
		Underground water	ton	632,607	524,385	540,452
		Other (rainwater, surface water, etc.)	ton	0	0	0
	Water withdrawal		ton	1,409,389	1,279,843	1,414,471
	Water consumption		ton	223,703	141,919	137,570
AutoLand Hwaseong	Total water intake		ton	3,525,286	3,062,939	3,114,964
		Waterworks	ton	3,525,286	3,062,939	3,114,964
		Underground water	ton	0	0	0
		Other (rainwater, surface water, etc.)	ton	0	0	0
	Water withdrawal		ton	2,284,497	2,159,070	2,247,885
	Water consumption		ton	1,240,789	903,869	867,079
AutoLand Gwangju	Total water intake		ton	1,848,139	1,858,687	1,849,763
		Waterworks	ton	1,102,215	1,080,224	1,088,216
		Underground water	ton	745,924	778,463	761,547
		Other (rainwater, surface water, etc.)	ton	0	0	0
	Water withdrawal		ton	1,043,900	1,206,413	1,114,576
	Water consumption		ton	804,239	652,274	735,187

ESG Metric and Data

Environmental

Environmental Investment and Legal Compliance

Environmental Investment at Operational Sites

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Plan	KRW thousand	5,663,000	7,784,000	19,747,000
Performance	KRW thousand	7,886,400	13,781,463	21,924,185
Execution rate	%	139.3	177.0	111.0

Environmental Management Cost

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Total cost	KRW thousand	19,209,250	27,878,383	28,820,570
Direct cost to reduce environmental loads	KRW thousand	10,778,863	18,664,218	19,041,229
Indirect costs to reduce environmental loads	KRW thousand	2,158,881	2,092,114	2,472,878
Waste treatment and recycling	KRW thousand	6,219,872	7,106,722	7,302,294
Environmental risk management	KRW thousand	51,634	15,329	4,169

Environmental Training[1]

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Safety and Environment New employee Training[2]	Persons	41	172	60
Regular Safety and Health Training[3]	Persons	33,790	34,842	34,265

1. Recalculation of 2022-2023 data due to changes in the selection criteria for training participants (engineers → engineers + general staff)
2. 1) Training target : New hires and personnel related to the safety and environment team, 2) Training goals : To ensure effective job performance in the safety and environment team
3. 1) Training target : all employees, 2) Training purpose: To raise awareness among employees about chemical safety management, including hazardous substances and MSDS

Violation of Environmental Laws[1]

Data Coverage : Global

Metric	Unit	2022	2023	2024
Violation of laws[2]	Cases	0	0	1
Penalty and fines[2]	KRW million	0	0	43,734

1. Number of serious violations of environmental laws over $10,000
2. 2024 : Due to negligence in fulfilling supervisory obligations in the European region (KEU) and the German sales corporation (KDE), some diesel vehicles exceeded emissions compared to Euro 5, 6b standards on real roads, resulting in a violation of Act on Regulatory Offences and a fine (approximately 28.61 million euros). The investigation confirmed there was no intentional misconduct, and internal technical compliance systems were strengthened to prevent recurrence.

Environmental Management System Certification

Data Coverage : Global

Metric	Unit	2022	2023	2024
Environmental Management System (ISO 14001) certification ratio	%	100	100	100
Energy Management System (ISO 50001) certification ratio	%	100	100	100
Internal safety environment audit ratio (Kia SEMS)[1]	%	100	100	100

1. Kia SEMS (Kia International Assessment for Safety & Environment System) : Kia Safety and Environment Management System Assessment

ESG Metric and Data

Social

Employee Status

No. of Employees (Domestic Operations)

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Total no. of employees		Persons	35,847	35,741	35,747
By employment type	Regular worker (ratio)	Persons (%)	34,260 (95.6%)	33,641 (94.1%)	33,203 (92.9%)
	Non-regular worker (ratio)	Persons (%)	1,587 (4.4%)	2,100 (5.9%)	2,544 (7.1%)
By gender	Male (ratio)	Persons (%)	34,335 (95.8%)	34,057 (95.3%)	33,955 (95.0%)
	Female (ratio)	Persons (%)	1,512 (4.2%)	1,684 (4.7%)	1,792 (5.0%)
By age	Under 30 (ratio)	Persons (%)	2,160 (6.0%)	2,539 (7.1%)	3,015 (8.4%)
	30-49 (ratio)	Persons (%)	14,077 (39.3%)	13,391 (37.5%)	12,884 (36.1%)
	50 and above (ratio)	Persons (%)	19,610 (54.7%)	19,811 (55.4%)	19,848 (55.5%)
By nationality	Korean (ratio)	Persons (%)	35,829 (99.950%)	35,723 (99.950%)	35,726 (99.941%)
	American (ratio)	Persons (%)	5 (0.014%)	6 (0.017%)	7 (0.020%)
	Canadian (ratio)	Persons (%)	3 (0.008%)	3 (0.008%)	7 (0.020%)
	New Zealander (ratio)	Persons (%)	2 (0.006%)	2 (0.006%)	0 (0.000%)
	Australian (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)
	French (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)
	Swiss (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)
	Belgian (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)
	Spanish (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)
	Portuguese (ratio)	Persons (%)	1 (0.003%)	0 (0.000%)	0 (0.000%)
	Japanese (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)
	Taiwanese (ratio)	Persons (%)	1 (0.003%)	1 (0.003%)	1 (0.003%)

No. of Employees (Overseas Operations)

Data Coverage : Overseas

Metric		Unit	2022	2023	2024
Regional headquarters	Kia NA[1,2]	Persons	842	933	913
	Kia EU[1,2]	Persons	200	1,405	1,465
	Kia CSA[1]	Persons	19	24	35
	Kia MEA[1]	Persons	18	26	57
	Kia APAC[1,2,3]	Persons	18	19	290
	Kia India[1,4]	Persons	4,073	3,831	4,349
Production entity	KaGA	Persons	3,135	3,351	3,018
	KMX	Persons	2,196	2,196	2,490
	KaSK	Persons	3,912	3,909	3,598
	KCN	Persons	4,202	3,908	3,811

1. Change in calculation method for certain regions starting from 2023
2. Including the number of employees in subsidiaries under regional headquarters
3. 2024 : Including Australia, New Zealand, Thailand, and Malaysia
4. Including India production entity

Position by Age

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Age under 30		Persons	2,160	2,539	3,015
	Non-manager level (G1, G2)[1]	Persons	2,160	2,539	3,015
	Manager level (G3 or higher, including executives)[2]	Persons	0	0	0
Age 30-49		Persons	14,077	13,391	12,884
	Non-manager level (G1, G2)[1]	Persons	11,600	10,788	10,108
	Manager level (G3 or higher, including executives)[2]	Persons	2,477	2,603	2,776
Age 50 and above		Persons	19,610	19,811	19,848
	Non-manager level (G1, G2)[1]	Persons	17,029	17,362	17,421
	Manager level (G3 or higher, including executives)[2]	Persons	2,581	2,449	2,427

1. Non-manager level : Including G1, G2, engineer, auto-consultant, etc
2. Executive status has been integrated into the manager level since 2024

ESG Metric and Data

Social

Employee Diversity

Gender Diversity

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Gender balance	Total female employees	Persons	1,512	1,684	1,792
	Total female employees ratio	%	4.2	4.7	5.0
	Female managers[1]	Persons	242	301	373
	Female managers ratio[1]	%	4.8	6.0	7.2
	Female low-level managers	Persons	173	211	266
	Female low-level managers ratio	%	9.1	10.7	13.1
	Executive female employees	Persons	2	3	2
	Executive female employees ratio	%	1.5	2.0	1.4
	Female managers in sales generating departments	Persons	179	229	296
	Female managers in sales generating department ratio	%	4.1	5.2	6.2
	Female new hires	Persons	158	209	176
	Female new hires ratio	%	9.5	10.9	7.3
	Female employees in STEM departments[2]	Persons	541	626	757
	Female employees in STEM departments ratio	%	2.3	2.6	2.7

1. Managers : Including executives
2. 2024 : Including open innovation in the STEM departments

Workforce Diversity

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Employment of the disabled	Total no. of the disabled[1]		Persons	1,200	1,066	1,104
	Ratio of the disabled		%	3.51	3.25	3.30
Employment of veterans	Total no. of veterans[2]		Persons	1,221	1,185	1,147
	Ratio of veterans		%	3.41	3.32	3.21
Employment by nationality (manager level)	Total no. of managers		Persons	5,058	5,052	5,203
		Korean (ratio)[3]	Persons (%)	5,043 (99.70)	5,036 (99.68)	5,185 (99.65)
		American (ratio)	Persons (%)	5 (0.10)	5 (0.10)	6 (0.12)
		Canadian (ratio)	Persons (%)	2 (0.04)	3 (0.06)	6 (0.12)
		New Zealander (ratio)[3]	Persons (%)	2 (0.04)	2 (0.04)	0 (0.00)
		Australian (ratio)[3]	Persons (%)	0 (0.00)	0 (0.00)	0 (0.00)
		French (ratio)	Persons (%)	0 (0.00)	1 (0.02)	1 (0.02)
		Swiss (ratio)	Persons (%)	1 (0.02)	1 (0.02)	1 (0.02)
		Belgian (ratio)	Persons (%)	1 (0.02)	1 (0.02)	1 (0.02)
		Spanish (ratio)	Persons (%)	1 (0.02)	1 (0.02)	1 (0.02)
		Portuguese (ratio)	Persons (%)	1 (0.02)	0 (0.00)	0 (0.00)
		Japanese (ratio)	Persons (%)	1 (0.02)	1 (0.02)	1 (0.02)
		Taiwanese (ratio)	Persons (%)	1 (0.02)	1 (0.02)	1 (0.02)

1. Reporting standards of the Ministry of Employment and Labor
2. Recalculation of 2022~2023 data due to changes in assessment criteria (registered person at the Veteran Affairs Office → actual employees issued with a veteran number)
3. 2022 : Corrections due to inaccuracies

ESG Metric and Data

Social

Training Completion Status

Training Status

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Training Status	Training target employees		Persons	34,260	33,225	32,806
	Total no. of training provided		Numbers	176,796	308,794	391,338
	Total training hours		Hours	1,238,622	1,575,895	1,766,358
	Total training investment budget		KRW 100 million	109.6	176.6	272.6
	Average training hours per employee		Hours	36.2	47.4	53.8
	Average training cost per employee		KRW thousand	320	531	831
Training hours per capita for each job/ position	Office job		Hours	37	79	78
		Top manager level (executive)	Hours	20	69	84
		Middle manager level (team leader)	Hours	52	67	82
		Non-manager level (team member)	Hours	37	81	77
	Field workers		Hours	36	38	47
By training program	Job		Hours	37	46	51
	Leadership		Hours	42	58	76

Training Satisfaction

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Training satisfaction[1]	Points	4.6	4.7	4.7

1. Based on a 5-point scale

Performance Evaluations

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Percentage of all employees receiving regular performance evaluations	%	100	100	100
Ratio of females subject to regular performance evaluations	%	100	100	100
Ratio of males subject to regular performance evaluations	%	100	100	100

Human Capital Return on Investment(ROI)

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Total return from human capital investment	KRW million	86,559,029	99,808,420	107,448,752
Human capital investment operating expenses	KRW million	10,789,899	11,020,974	12,103,632
Total employee-related expenditure (operating expenses)	KRW million	1,695,067	1,906,209	2,060,221
Human capital ROI[1]	-	45.7	47.6	47.3

1. Total revenue- (total operating expenses-total employee-related expenses)/total employee-related expenses

Employee Hires and Turnover

New Hires

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Total newly hired employees			Persons	901	836	1,067
By gender	Male		Persons	743	627	891
		Male ratio	%	82.46	75.00	83.51
	Female		Persons	158	209	176
		Female ratio	%	17.54	25.00	16.49
By age	Under 30		Persons	545	527	562
	30-49		Persons	305	276	437
	50 and above		Persons	51	33	68
By region	Headquarters		Persons	270	355	259
	Gwangmyeong		Persons	160	75	162
	Hwaseong		Persons	228	163	336
	Gwangju		Persons	127	69	139
	Namyang Technology Research Center		Persons	10	23	29
	Others		Persons	106	151	142
By nationality	Korean		Persons	900	835	1,062
	American		Persons	0	1	1
	Chinese		Persons	0	0	0
	Indian		Persons	0	0	0
	Others		Persons	1	0	4

Internal Recruitment

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Total employees internally hired[1]	Persons	554	767	891
Internal recruitment rate[2]	%	38.1	47.8	45.5

1. No. of recruits through veterans, in-house open recruitment, in-house FA, etc.
2. Internal recruitment/Total vacancies (new hires+internal hires)

Recruitment Cost

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Average recruitment cost per employee	KRW	1,439,457	2,437,779	2,027,669

ESG Metric and Data

Social

Employee Hires and Turnover

Turnover

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Total	Turnover	Persons	1,517	1,441	1,770
	Turnover rate	%	4.20	4.03	4.95
By gender	Male	Persons	1,461	1,385	1,702
	Female	Persons	56	56	68
By age	20s	Persons	84	58	65
	30s	Persons	84	53	58
	40s	Persons	35	35	43
	50s	Persons	172	86	64
	60s and above	Persons	1,142	1,209	1,540

Voluntary Turnover[1]

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Total	Voluntary turnover	Persons	270	150	124
	Voluntary turnover rate	%	0.80	0.42	0.35
By gender	Male	Persons	240	127	101
	Female	Persons	30	23	23
By age	20s	Persons	63	37	28
	30s	Persons	63	28	25
	40s	Persons	23	17	25
	50s	Persons	117	59	44
	60s and above	Persons	4	9	2

1. All turnover except regular retirement or layoffs

Retention

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Average retention period	Years	22.4	21.9	21.8
Male	Years	22.7	22.3	22.2
Female	Years	15.2	14.4	14.4

Employee Pay

Remuneration[1]

Data Coverage : Domestic

Metric			Unit	2022	2023	2024
Average salary			KRW million	112	127	136
Pay	Average salary for female (Basic salary[2])		KRW thousand	390,500	320,500	316,655
	Average salary for female executives (Basic salary + performance-based incentives[3])		KRW thousand	458,500	435,243	447,826
	Average salary for female managers (Basic salary[4])		KRW thousand	81,887	85,063	87,191
	Average salary for female managers (Basic salary + performance-based incentives[3])		KRW thousand	111,184	128,246	140,600
	Average salary for female employees in non-managers positions (Basic salary[4])		KRW thousand	57,255	60,011	62,981
	Average salary for male (Basic salary[2])		KRW thousand	382,086	369,205	373,674
	Average salary for male executives (Basic salary + performance-based incentives[3])		KRW thousand	514,658	549,854	511,402
	Average salary for male managers (Basic salary[4])		KRW thousand	96,089	100,328	104,256
	Average salary for male managers (Basic salary + performance-based incentives[3])		KRW thousand	129,344	151,193	165,787
	Average salary for male employees in non-managers positions (Basic salary[4])		KRW thousand	76,004	80,691	82,771
Equal pay[5]	All employees		%	77.2	76.8	78.9
		Executives	%	102.2	86.8	84.7
		Manager level	%	85.2	84.8	83.6
		Non-manager level	%	75.3	74.4	76.1

1. Based on domestic payment standards (excluding overseas payment personnel and salaries such as expatriates)
2. Executive base salary : Contracted annual salary 3. Total annual wages including other compensation
4. Including salary and bonus 5. Average salary for women/Average salary for men x 100, based on basic salary

Long-Term Incentive Program

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Ratio of employees below senior manager level covered by the long-term incentive program[1]	%	0	0	0

1. RSUs (Restricted Stock Units) have been newly introduced and calculations are based on the criteria including RSUs since 2024

Survey on Employee Work Engagement[1]

Data Coverage : Global

Metric	Unit	2022	2023	2024
Employee engagement survey double engagement rate	%	66	74	75
Employee engagement survey participation rate	%	70	83	84

1. Methods for measuring employee double engagement : The percentage of employees who scored 4 or higher on the following two questions : 1) Organizational Engagement(I hope to continue working at our company) and 2) Job Satisfaction (I am satisfied with my current job) (1 point : Strongly Disagree, 5 points: Strongly Agree)

ESG Metric and Data

Social

Employee Benefits

Childbirth and Childcare

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Subject to parental leave[1]	Total employees subject to parental leave	Persons	5,092	4,556	4,060
	Male employees subject to parental leave	Persons	4,870	4,351	3,872
	Female employees subject to parental leave	Persons	222	205	188
Use of parental leave[1]	Total employees who used parental leave	Persons	191	192	207
	Male employees	Persons	118	115	134
	Female employees	Persons	73	77	73
Return to work after parental leave[1]	Total employees returning to work after parental leave	Persons	129	134	137
	Male employees	Persons	87	89	97
	Female employees	Persons	42	45	40
	Total number of employees scheduled to return to work after parental leave	Persons	130	135	140
	Male employees	Persons	87	90	98
	Female employees	Persons	43	45	42
	Rate of total employees returning to work after parental leave	%	99.2	99.3	97.9
	Male employees	%	100	98.9	99.0
	Female employees	%	97.7	100	95.2
	Total employees working for at least 12 months after returning to work	Persons	94	126	133
	Male employees	Persons	63	85	88
	Female employees	Persons	31	41	45
No. of weeks of paid parental leave	No. of weeks of paid parental leave for female employees	Weeks	12	12	12
	No. of weeks of paid parental leave for male employees	Weeks	2	2	2

1. Recalculation of 2022~2023 data due to changes in subject to persons calculation criteria

Labor and Human Rights

Labor Union Membership Rate

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
No. of labor union members	Persons	28,226	27,487	26,852
Union membership rate[1,2]	%	78.7	76.9	75.1

1. Recalculation 2022~2023 data
2. Based on total number of employees

Labor Practice

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
No. of work stoppages	Cases	0	1	1
Total days idle[1]	Days	0	1,445	5,667

1. Strike by the metal union at the Gwangmyeong, Hwaseong, and Gwangju plants with 2-hour protests leaving work during the day and night shifts(2024.12.11) (not applicable to military supply plants)

Employee Productivity

Data Coverage : Global

Metric	Unit	2022	2023	2024
Profit per employee[1]	KRW	150,891,288	245,594,695	273,449,660

1. Based on net profit for the current year

Human Rights Complaint Management

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Human Rights Complaints reported	Cases	17	8	11
Human Rights Complaints handled	Cases	17	8	11
Human Rights Complaints handling rate	%	100	100	100

ESG Metric and Data

Social

Supply chain

Suppliers Status

Data Coverage : Global

Metric			Unit	2022	2023	2024
Total no. of suppliers			Numbers	1,704	1,478	1,762
No. of key suppliers			Numbers	71	79	106
No. of Tier 1 suppliers	Total no. of Tier 1 suppliers		Numbers	1,680	1,454	1,494
		Domestic	Numbers	380	372	374
		Overseas	Numbers	1,300	1,082	1,120
	No. of Tier 1 key suppliers		Numbers	47	55	58
No. of Tier 2 suppliers	No. of Tier 2 key suppliers		Numbers	24	24	48

Proportion of Purchasing Amounts from Suppliers

Data Coverage : Global

Metric	Unit	2022	2023	2024
Ratio of Tier 1 suppliers	%	100	100	100
Ratio of Tier 1 key suppliers[1]	%	65	69	69

1. Criteria for key partners : Importance of components(battery, electrification, electrical/electronics among 10 teams) and purchase amount(exceeding KRW 500 billion annually)

Green Procurement Performance and Ratio

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Total procurement amount	KRW million	39,830,700	48,813,400	48,485,800
Green procurement amount	KRW million	2,233	389,649	445,724
Green procurement ratio	%	0.006	0.798	0.919

Supplier Grievances

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Grievances reported	Cases	1	10	79
Grievances handled	Cases	1	10	79
Grievances handling rate	%	100	100	100

Supplier ESG Management

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
ESG assessment rate for key suppliers	%	100	100	100
ESG assessment rate for high-risk suppliers	%	100	100	100

Supplier Support Program

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Technical guidance	No. of Tier 1 suppliers	Numbers	16	22	11
	No. of Tier 2 suppliers	Numbers	86	86	181
Management consulting	No. of Tier 1 suppliers	Numbers	26	14	6
	No. of Tier 2 suppliers	Numbers	24	16	6
Global Win-win Cooperation Center	No. of training programs	Numbers	510	593	657
	No. of participants	Persons	63,082	75,184	84,552
	Smart factory establishment support program[1]	KRW 100 million	19	17	19
	Export marketing support program[1]	KRW 100 million	4	4	4

1. 2023~2024: Based on donations

Supplier Support Program

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Total scale of financial support operations	KRW 100 million	6,288	14,468	20,798
Shared Growth Partnership Loan[1]	KRW 100 million	2,380	1,190	1,190
Future Growth Mutual Fund	KRW 100 million	935	935	935
Future Growth Win-Win Fund	KRW 100 million	1,500	1,500	1,500
Win-Win Mold Equipment Fund	KRW 100 million	750	750	750
Dedicated Loan for Tier 2 and Tier 3 Suppliers	KRW 100 million	723	1,723	1,723
Loan Interest Support Fund for Tier 1 and Tier 2 Suppliers	KRW 100 million	-	2,000	2,000
Business Diversification Support Fund	KRW 100 million	-	1,000	1,000
Raw Materials Price Indexing Support Fund	KRW 100 million	-	1,000	1,000
Korea Credit Guarantee Fund joint project guarantee program[2]	KRW 100 million	-	1,370	2,700
Special guarantee program for overseas market entry[2]	KRW 100 million	-	3,000	3,000
Domestic EV investment guarantee support program[2]	KRW 100 million	-	-	5,000

1. Project ended on June 2024 2. Cumulative basis

ESG Metric and Data

Social

Product Safety and Customer Satisfaction

Product Recalls

Data Coverage : Global

Metric	Unit	2022	2023	2024
Total no. of vehicles recalled	10 thousand vehicles	422	751	245
Mandatory (non-voluntary) recalls	10 thousand vehicles	0	0	0
Voluntary recalls	10 thousand vehicles	422	751	245
Cost incurred due to total recalls	KRW 100 million	2,842	5,748	3,806
Cost incurred due to recalls compared to annual sales	%	0.3283	0.5759	0.3542

Consumer Feedback and Complaints Handling

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
No. of responses to consumer feedback and complaints[1]	Cases	8,818	11,522	12,963

1. Recalculation of prior data due to changes in classification criteria

Customer Satisfaction (CX Competitiveness Index)[1]

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
Customer satisfaction score	Points	69.7	72.2	73.2

1. Change in Criteria for Calculating Customer Satisfaction Scores starting in 2024

Product Safety

Data Coverage : Global

Metric		Unit	2022	2023	2024
Warranty provisions	Provision warranty balance at the beginning of the period	KRW million	4,640,702	6,642,777	6,973,375
	Warranty payments (cost) made during the period	KRW million	2,454,520	2,943,604	2,684,235
	Revenues	KRW million	86,559,029	99,808,420	107,448,752
	Cost of warranty payments as a percentage of annual revenues	%	2.84	2.95	2.50
Safety-related defect complaints[1]	Number of safety-related defect complaints	Cases	3,255	3,981	4,357
	Rate of investigated safety-related defect complaints	%	100	100	100

1. Overseas Safety-related defect complaints : U.S. National Highway Traffic Safety Administration Vehicle Owners Questionnaire (NHTSA VOQ)

Safety and Health

Industrial Accidents

Data Coverage : Global

Metric		Unit	2022	2023	2024
Employees	Total work hours	Hours	100,426,000	102,376,000	101,398,000
	No. of regular employees	Persons	50,213	51,188	50,699
	Lost Time Injury (LTI) cases	Cases	172	186	138
	Lost Time Injury Frequency Rate (LTIFR)[1]	Cases per 1 million working hours	1.71	1.82	1.36
	No. of fatalities	Persons	0	1	0
	No. of industrial accidents	Cases	388	457	381
	Industrial accident rate	%	0.77	0.89	0.75
	No. of occupational disease cases	Cases	216	271	243
	Occupational Injury Frequency Rate (OIFR)	Cases per 1 million working hours	2.15[1]	2.65[1]	2.40
Suppliers' employees[2]	Total work hours	Hours	17,560,313	19,188,000	20,949,693
	No. of regular employees	Persons	8,780	9,594	10,475
	No. of fatalities	Persons	0	0	0
	Lost Time Injury (LTI) cases[3]	Cases	58	51	65
	Lost Time Injury Frequency Rate(LTIFR)[1]	Cases per 1 million working hours	3.30	2.66	3.10

1. Recalculation of 2022~2023 data due to changes in the method of calculating total working hours 2. In-house suppliers
3. Recalculation of 2022-2023 data due to changes in calculation criteria(including disease-related industrial accidents

Safety and Health Education

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Employees	Participation	Persons	33,790	34,842	33,854
	Rate of employee participation	%	100	100	100
	Training hours	Hours	815,280	836,208	812,496
	Training hours per employees	Hours	24	24	24
Suppliers' employees	Health and safety education for employees from in-house suppliers	Hours	64,824	63,432	47,544

Occupational Health and Safety Management System Certification

Data Coverage : Global

Metric	Unit	2022	2023	2024
For domestic operations (3 locations[1]) ISO 45001 application rate	%	100	100	100
For overseas operations (5 locations[2]) ISO 45001 application rate	%	80	100	100

1. AutoLand Gwangmyeong, AutoLand Hwaseong, AutoLand Gwangju
2. AutoLand Slovakia, AutoLand Georgia, Kia Mexico, Kia India, Kia China

ESG Metric and Data

Social

Social Contribution

Social Contribution Impact Conversion

Data Coverage : Global

Metric	Unit	2022	2023	2024
Social contribution expense ratio compared to sales revenue	%	0.0289	0.0912	0.0602
Revenue	KRW 100 million	865,590	998,084	1,074,488
Social contribution expense	KRW million	24,986	91,033	64,642
Cash/in-kind social contribution amount	KRW million	24,365	90,516	64,382
Social contribution time per person	Hours	0.3083	0.2270	0.1073

Donations and Social Contribution Expense[1]

Data Coverage : Global

Metric		Unit	2022	2023	2024
Total		KRW million	27,839	95,407	81,755[3]
	Domestic[2]	KRW million	24,365	90,516	64,382
	Overseas	KRW million	3,474	4,891	17,373

1.2024 Social contribution expenses : KRW 97.58 billion
- Donations : Domestic KRW 64.38 billion, Overseas KRW 17.37 billion
- Social Contribution expense : The Ocean Cleanup KRW 5.6 billion, International business sites KRW 10.22 billion

2. 2024 Domestic donations : Headquarters KRW 10.5 billion, Domestic facilities KRW 8.21 billion, Group contribution expenses KRW 45.67 billion
3. Completion of early payment of the Supply Chain Stabilization Fund from the Win-Win Partnership Fund to suppliers in 2023

Breakdown of Donations (by Donation Purpose)[1]

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Cash donation		KRW million	24,365	90,516	64,382
	Social welfare	KRW million	10,707	13,167	15,983
	Education, school and academic research	KRW million	4,452	4,642	7,316
	Culture arts and physical education	KRW million	1,138	2,323	3,556
	Environment	KRW million	1,045	1,906	1,954
	Emergency aid and disaster relief	KRW million	2,099	3,530	1,566
	International activities	KRW million	400	1,717	2,110
	Others	KRW million	4,524	63,231	31,897
In-kind donation		KRW million	-	-	-

1. Domestic donations

Volunteer

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
No. of participants	Persons	2,428	2,205	1,079
Total hours of volunteer works	Hours	10,561	7,635	3,562
Hours of volunteer works per employee	Hours	0.30	0.23	0.11

Social Investment

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Policy contributions	Political contributions	KRW million	0	0	0
	Lobbying, interest representation or similar	KRW million	0	0	0
	Other (spending related to ballot measures or referendums)	KRW million	0	0	0
Association fees and contributions	Total[1]	KRW million	6,313	4,226	6,432
(Major) Association fees and contributions	Foundation of Korea Automotive Parts Industry Promotion	KRW million	1,500	1,750[2]	1,750
	Korea Automobile Research Institute	KRW million	259	253	188
	Korea Traffic Disabled Association	KRW million	70	70	80

1. Due to the change in the accounting reference date, part of the 2023 performance was recalculated as the 2024 performance, excluding the details of support for partner companies.
2. Recalculation of data due to the change in internal calculation criteria (excluding details of win-win cooperation within contributions to the Korea Auto Industry Cooperation Foundation)

Information Security Training

Data Coverage : Global

Metric	Unit	2022	2023	2024
No. of training sessions	Times	55	56	56
No. of participants	Persons	246,431	234,965	233,006

Information Violation

Data Coverage : Global

Metric	Unit	2022	2023	2024
Total information leakages[1]	Cases	1	0	0
Customer information leakages[1]	Cases	1	0	0
Complaints proven to loss of customer information	Cases	0	0	0
Fines for information leakage violation[1]	KRW	0	0	2,400,000

1. In 2022, there was one incident of customer information leakages, and the fine related to this incident was imposed in 2024

ESG Metric and Data

Governance

Board of Directors

Board Status[1]

Metric		Unit	2022	2023	2024
BoD Composition	Total no. of board members	Persons	9	9	9
	No. of independent directors	Persons	5	5	5
	No. of executive directors	Persons	4	4	4
	No. of other non-executive directors	Persons	0	0	0
	Ratio of independent directors	%	55.6	55.6	55.6
	Target ratio for independent directors in the Board	%	60	60	60
BoD Diversity	Female director ratio	%	22	22	33
	No. of female directors	Persons	2	2	3
	No. of female independent directors	Persons	2	2	3
	Female registered executives who are not a controlling shareholder or a family member	Persons	2	2	3
BoD Expertise	No. of directors with industry experience	Persons	4	4	4
	No. of independent directors with industry experience	Persons	1	1	1
	Ratio of independent directors with industry experience	%	20	20	20

1. As of the end of June 2025

Committees under the Board

Metric		Unit	2022	2023	2024
Audit Committee	Percentage of independent directors	%	100	100	100
	Independent director attendance rate	%	100	100	100
	No. of committee meetings convened	Times	5	7	6
	No. of financial experts	Persons	1	1	2
Independent Recommendation Committee	Percentage of independent directors	%	60	60	60
	Independent director attendance rate	%	100	100	100
	No. of committee meetings convened	Times	1	2	2
Sustainability Management Committee	Percentage of independent directors	%	83.3	83.3	83.3
	Independent director attendance rate	%	100	100	97.6
	No. of committee meetings convened	Times	9	7	7
Remuneration Committee	Percentage of independent directors	%	66.7	66.7	66.7
	Independent director attendance rate	%	100	100	100
	No. of committee meetings convened	Times	1	1	4

Board Operation

Metric		Unit	2022	2023	2024
Board operation	No. of meetings convened	Times	8	9	7
	Attendance rate of directors	%	97.2	97.6	98.4
	Attendance rate of independent directors	%	100	97.8	97.1
	Minimum attendance rate required for board members	%	80	80	80
	No. of agenda resolutions and reports	Cases	28	35	37
	Average term	Years	4.5	4.8	5.5
	Limited no. of concurrent positions	Positions	2	2	2
	No. of independent directors limited to holding four or fewer other positions	Positions	5	5	5
Opinion by agenda	Approve	Cases	19	28	27
	Oppose	Cases	0	0	0
	Amend	Cases	0	0	0

ESG Metric and Data

Governance

Status of the Largest Shareholders and Related Parties

Shareholding Status of the Largest Shareholders and Related Parties

Metric		Unit	2022	2023	2024
Hyundai Motor Company	No. of shares owned	Shares	137,318,251	137,318,251	137,318,251
	Share ratio	%	33.88	34.16	34.53
Eui-Sun Chung, Chairman of Hyundai Motor Company	No. of shares owned	Shares	7,061,331	7,061,331	7,061,331
	Share ratio	%	1.74	1.76	1.78
National Pension Service	Share ratio	%	6.91	7.10	7.12

Shareholding Status of the CEO

Metric	Unit	2024
CEO's shares as a multiple of base salary	Multiples	0.316

Remuneration

Metric	Unit	2022	2023	2024
Average remuneration of all employees	KRW million	112	127	136
Median remuneration of all employees	KRW million	117	133	144
Total CEO annual remuneration	KRW million	2,541	3,268	2,877
CEO-to-employee remuneration ratio (average)	Multiples	22.7	25.7	21.1

Long-Term Performance Alignment

Metric	Unit	2024
Portion of the CEO's short-term incentive deferred in the form of shares or stock options	%	-
Performance period applied to evaluate variable compensation	Years	1
Longest time vesting period for variable CEO compensation	Years	3

ESG Metric and Data

Governance

Ethics and Compliance

Fair Trade Training

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
Ratio of departments conducting fair trade training that are related to anti-corruption and fair trade		%	81.8	23.2	33.2
	Fair trade practices	Persons	378	112	102
	Subcontracting·technology transfer	Persons	9	184	205

Ethics and Compliance Violation Cases

Data Coverage : Domestic

Metric		Unit	2022	2023	2024
No. of Ethics and compliance violation cases		Cases	52	85	111
Violations	Corruption and bribery	Cases	2	13	0
	Discrimination and harassment	Cases	6	4	13
	Customer Privacy Data	Cases	0	0	0
	Conflict of interest	Cases	0	0	0
	Money laundering or insider trading	Cases	2	0	0
	Others	Cases	42	68	165
Actions taken for violations	Fire	Cases	1	3	5
	Suspension	Cases	42	41	38
	Wage cut	Cases	31	31	30
	Reprimand	Cases	7	13	16
	Warning	Cases	14	33	84
	Others (recommended resignation)	Cases	10	5	5

Anti-Corruption Assessment

Data Coverage : Domestic

Metric	Unit	2022	2023	2024
No. of contracts terminations with suppliers due to corruption	Cases	0	0	0
No. of contracts cancelled with suppliers due to corruption	Cases	0	0	0

Tax Policy

Tax Policy

Metric	Unit	2022	2023	2024
Profit before tax	KRW million	7,501,993	12,677,344	13,500,201
Nominal tax	KRW million	2,093,017	3,899,527	3,725,196
Effective tax rate	%	27.90	30.76	27.59
Cash taxes paid	KRW million	2,732,941	2,919,993	3,543,268
Cash tax rate	%	36.43	23.03	26.25

ESG Reporting Index

GRI Standards 2021 Index

Kia reported sustainability information for the period January 1, 2024 to December 31, 2024 in accordance with the Global Reporting Initiative(GRI) Standards.

Universal Standards

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GRI Standards 2021 Index

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ESG Reporting Index

ESRS (European Sustainability Reporting Standards) Index

European Sustainability Reporting Standards(ESRS) is a management tool for executing the Corporate Sustainability Reporting Directive(CSRD), which is a guideline that was enforced in March 2023 by the EU to make sustainability reports mandatory. Kia has subsidiaries and branches in the EU and achieves considerable sales from them. As such, we are striving to faithfully include non-financial information required by CSRD and ESRS reporting standards.

General Disclosures

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ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	36, 44
ESRS E5-1	Policies related to resource use and circular economy	37
ESRS E5-2	Actions and resources in relation to resource use and circular economy	36-44
ESRS E5-3	Targets related to resource use and circular economy	45
ESRS E5-4	Resource inflows	45, 108
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ESRS E5-6	Anticipated financial effects from resource use and circular economy-related risks and opportunities	18

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ESRS (European Sustainability Reporting Standards) Index

MATERIAL TOPICS

ESRS S1. Own Workforce

Indicator No.	Title	Page
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ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	19, 55, 59-60
ESRS S1-1	Policies related to own workforce	55-56, 65
ESRS S1-2	Processes for engaging with own workers and workers' representatives about impacts	62
ESRS S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	58
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	57
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	57-58
ESRS S1-6	Characteristics of the undertaking's employees	111-112
ESRS S1-7	Characteristics of non-employees in the undertaking's own workforce	111
ESRS S1-8	Collective bargaining coverage and social dialogue	62, 115
ESRS S1-9	Diversity metrics	112
ESRS S1-10	Adequate wages[1]	129, Footnote reference
ESRS S1-11	Social protection	61, 115
ESRS S1-12	Persons with disabilities	112
ESRS S1-13	Training and skills development metrics	62, 113
ESRS S1-14	Health and safety metrics	67, 117
ESRS S1-15	Work-life balance metrics	61, 115
ESRS S1-16	Renumeration metrics(pay gap and total renumeration)	114
ESRS S1-17	Incidents, complaints and severe human rights impacts	58, 66-67, 117

1. Pay is set above the minimum wage stipulated by local laws where domestic and international business locations are situated, with wages calculated accurately based on working hours and paid regularly on specified dates.

ESRS S2. Workers in the value chain

Indicator No.	Title	Page
ESRS 2 SBM-2	Interests and views of stakeholders	15, 73
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	19, 68-69
ESRS S2-1	Policies related to value chain workers	68
ESRS S2-2	Processes for engaging with value chain workers about impacts	73
ESRS S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	76, 100
ESRS S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	73-76
ESRS S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	68, 77

ESRS S4. Consumers and end-users

Indicator No.	Title	Page
ESRS 2 SBM-2	Interests and views of stakeholders	15, 80-82
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	19, 78
ESRS S4-1	Policies related to consumers and end-users	78-79
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	80-82
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	81
ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	79, 81
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	83

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ESRS (European Sustainability Reporting Standards) Index

MATERIAL TOPICS

ESRS G1. Business conduct

Indicator No.	Title	Page
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	91-92
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	16, 93, 101
ESRS G1-1	Business conduct policies and corporate culture	59, 98
ESRS G1-2	Management of relationships with suppliers	68-71, 73-77
ESRS G1-3	Prevention and detection of corruption and bribery	98-100
ESRS G1-4	Incidents of corruption or bribery	121
ESRS G1-5	Political influence and lobbying activities	99
ESRS G1-6	Payment practices	71

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SASB (Sustainability Accounting Standards Board) Index

Topic	Code	Accounting metric	Our response
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	The following vehicle models have an overall safety rating of 5 stars in the NCAP program. Percentage of new vehicle models with an overall safety rating of 5 stars : Korea 100%, Australia 100%, U.S. 86.4% Region / Rating / Vehicle model Korea / 1st grade / EV3 Australia / 5★ / EV5 U.S. / 5★ / Awarding of 5-Star Safety Ratings for Telluride FWD and 19 Other Models
	TR-AU-250a.2	(1) Number of safety- related defect complaints, (2) Percentage investigated	A total of 4,357 complaints about Kia were filed to NHTSA VOQ[1] in 2024. We conduct full investigations on all complaints related to safety. 1. NHTSA VOQ : National Highway Traffic Safety Administration Vehicle Owners Questionnaire
	TR-AU-250a.3	Number of vehicles recalled	Total number of vehicles recalled in 2024 was 2.45 million, all of which were voluntary recalls.
Labor Practices	TR-AU-310a.1	Percentage of active workforce covered under collective bargaining agreements	Proportion of employees who participated in collective bargaining agreements in 2024 was 75.1%.
	TR-AU-310a.2	(1) Number of work stoppages and (2) total days idle	Total number of work stoppages : 1, Total days idle : 5,667 * Number of Employees on Strike in 2024 : 22,668, Strike Participation Rate in 2024 : 63.4%. The number of strike participants includes only union members and is calculated based on a total workforce of 35,747 employees.
Fuel Economy & Use phase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy, by region	Europe : 105.8 Grams of CO_2/km U.S. : Passenger vehicle 45.8 MPG, Light truck 34.5 MPG
	TR-AU-410a.2	Number of (1) zero-emission vehicles (ZEV), (2) hybrid vehicles and (3) plug-in hybrid vehicles sold	A total of 194,124 EVs, 382,764 HEVs, and 67,797 PHEVs were sold based on wholesale data in 2024.
	TR-AU-410a.3	Discussion of strategy for managing fleet fuel economy, and emissions risks and opportunities	We expanded EV sales and promoted the improvement of ICE fuel efficiency
Materials Sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	Kia has established a 'Conflict Minerals(Responsible Minerals) Policy' that follows the OECD Guidelines on Conflict Minerals, the US Securities and Exchange Commission's (SEC) rules for companies under the US Dodd-Frank Regulatory Reform Act, and the EU's Conflict Minerals Regulations, striving to manage conflict minerals and cobalt ethically and responsibly. In line with its 'Conflict Minerals (Responsible Minerals) Policy,' Kia conducts regular assessments on social and environmental issues, such as human rights abuses, ethical breaches, and negative environmental impacts, when raw materials containing conflict minerals(tin, tungsten, tantalum, gold) are used in Kia's parts. On top of that, Kia issues a 'Conflict Minerals (Responsible Minerals) Report' annually to demonstrate its commitment to responsible mineral management. Furthermore, Kia utilized environmentally friendly materials that can be reused for the storage space and leather seats of its first EV-only model, EV6. Kia intends to completely eliminate the use of leather for all future products, beginning with New EV9. By substituting leather and PVC with BIO PU enriched with bio-materials such as corn and eucalyptus, Kia aims to lower CO_2 emissions and harmful chemicals as well as offer high-quality products.
Materials Efficiency & Recycling	TR-AU-440b.1	Total amount of waste from manufacturing, percentage recycled	Total amount of waste produced from manufacturing in 2024 was 208,417.8 tons. We recycle 93.5% of the waste.
	TR-AU-440b.2	Weight of end- of-life material recovered, percentage recycled	The weight of the recovered/recycled material varies depending on the infrastructure available for recycling in the area. - The resource recovery quantity from scrapped vehicles in 2024 is 200,063 tons. - The recycling rate for scrapped vehicles in 2024 is 82.6%, and the recycling rate including heat recovery is 92%.
	TR-AU-440b.3	Average recyclability of vehicles sold	We are undertaking various activities to increase the average recyclability of vehicles for sale, including the expanded use of recyclable materials at the design stage.
Activity Metrics	TR-AU-000.A	Number of vehicles manufactured	We produced a total of 3,112,822 units (Including Outsourced Production Volume) in 2024.
	TR-AU-000.B	Number of vehicles sold	A total of 3,089,300 units were sold based on wholesale data in 2024.

ESG Reporting Index

WEF (World Economic Forum) Contents Index

Theme	Metrics	Disclosure		Page
Corporate Purpose	Definition of purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.		6-8, 10
Quality of Governing Body	Governance body composition	Composition of the highest governance body and its committees by	Competencies relating to economic, environmental and social topics	92
			Number of Executive or Independent directors	91
			Independence	92
			Tenure on the governance body	91
			Number of each individual's other significant positions and commitments, and the nature of the commitments	91
			Gender	91
			Stakeholder representation (ex. employee, government, community,Industry, etc.)	91
Stakeholder Engagement	Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company		16-17
		How the topics were identified and how the stakeholders were engaged		16-17
Ethical Behaviors	Anti-corruption	Disclosure of Anti-corruption and compliance inspection status	Number of anti-corruption and compliance inspection departments	98-100
	Protected ethics advice and reporting mechanisms	A description of internal and external mechanisms for	Reporting concerns about unethical or unlawful behavior and lack of organizational integrity	100
Risk and Opportunity Oversight	Integrating risk and opportunity into business process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks)	The company appetite in respect of these risks	102-103
			How these risks and opportunities have moved over time and the response to those changes	103
Climate Change	Greenhouse gas (GHG) emissions	For all relevant greenhouse gases (e.g., carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tons of carbon dioxide equivalent (tCO_2eq) GHG Protocol Scope 1 and Scope 2 emissions		106
		Estimate and report material upstream and downstream (Greenhouse Gas Protocol Scope 3) emissions where appropriate		106
	TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)		23-35
		Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement - to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C and to achieve net-zero emissions before 2050		23-35
Nature Loss	Land use and ecological sensitivity	Report the number of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas		52
Freshwater Availability	Water consumption and withdrawal in waterstressed areas	Estimate and report the same information for the full value chain (upstream and down-stream) where appropriate		109

ESG Reporting Index

WEF (World Economic Forum) Contents Index

Theme	Metrics	Disclosure		Page
Dignity and Equality	Diversity and Inclusion	Percentage of employees per employee category	By age group	111
			By gender	111
			By other indicators of diversity	111-112
	Pay equality	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality	Women to men	114
	Wage level	Ratio of standard entry-level wage for men compared to local minimum wage		220.4% (Based on General Personnel New Staff)
		Ratio of standard entry-level wage for women compared to local minimum wage		220.4% (Based on General Personnel New Staff)
Health and Well-being	Health and safety	An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services		65-66
		The scope of access provided for employees and workers		65-66
Skills for the Future	Training provided	Average training and development expenditure per full time employee (total expenses of training provided to employees divided by the number of employees)		113
Employment and Wealth Generation	Absolute number and rate of employment	Total number and rate of new employee hires during the reporting period	By age group	113
			By gender	113
			By other indicators of diversity	113
			By region	113
		Total number and rate of employee turnover during the reporting period	By age group	113
			By gender	113
	Economic contribution	Direct economic value generated and distributed (EVG&D), on an accrual basis, covering the basic components for the organization's global operations, ideally split out by	Revenues	105, Business Report
			Operating cost	105, Business Report
			Employee wages and benefits	114, Business Report
			Payments to shareholder and investor	96, Business Report
			Payments to government (tax payment)	97, Business Report
			Community investment	118
Innovation of Better Products and Services	Total R&D expenses	Total expenses related to research and development		14, 105, 110, Business Report

GHG Assurance Statement

This Assurance Statement has been prepared for Kia Corporation in accordance with our contract.

Terms of engagement

LRQA was commissioned by Kia Corporation (Kia) to provide independent assurance on the GHG emissions inventories of Kia for the calendar year 2024 (hereinafter referred to as "the report") against the assurance criteria below to a limited level of assurance and materiality of 5% using ISO 14064-3:2019, 'Specification with guidance for verification and validation of greenhouse gas statements'.

Our assurance engagement covered the operations and activities of domestic and overseas sites Kia, and specifically the following requirements:

- Evaluating conformance with Greenhouse Gas Protocol[1]: A Corporate Accounting and Reporting Standard, revised edition
- Evaluating conformance with Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Evaluating the accuracy and reliability of data and information for direct GHG emissions (Scope 1), energy indirect GHG emissions (Scope 2) and other indirect GHG emissions (Scope 3)

The main activities of Kia include manufacturing of vehicles, and the GHG emissions have been consolidated using an operational control approach.

LRQA's responsibility is only to Kia. LRQA disclaims any liability or responsibility to others as explained in the end footnote. The responsibility of Kia is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Kia.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Kia has not, in all material respects:

- Met the requirements above; and
- Disclosed accurate and reliable data and information as summarized in Table 1, Table 2 below.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of 5%.

Note : The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- interviewing key people of the organization responsible for managing GHG emissions data and records;
- reviewing processes related to the control of GHG emissions data and records;
- reviewing whether GHG emissions have been calculated with parameters from recognized sources;
- checking whether direct GHG emissions of Slovakia's manufacturing subsidiary were transposed correctly from the GHG inventory which was verified by the third-party assurance provider other than LRQA;
- checking whether direct and indirect GHG emissions of domestic manufacturing sites and offices were appropriately transposed from the GHG inventory which was verified by LRQA through the Korean Emissions Trading Scheme (K-ETS); and
- verifying historical GHG emissions data and records at an aggregated level for the calendar year 2024.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases - Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment - Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is Kia's certification body for ISO 14001 and ISO 50001, and verification body for its greenhouse gas emissions. We also provide Kia with a range of training services related to management systems. The verification and certification assessments, together with the training, are the only work undertaken by LRQA for Kia and as such does not compromise our independence or impartiality.

1. https://www.ghgprotocol.org

GHG Assurance Statement

This Assurance Statement has been prepared for Kia Corporation in accordance with our contract.

Summary of Kia's Domestic and Overseas Sites, Scope1 and Scope2 GHG Emissions Inventory 2024

Region		Scope of GHG emissions (tCO_2e)			Energy consumption (TJ)
		Direct GHG emissions (Scope 1)	Energy indirect GHG emissions (Scope 2, location-based)	Energy indirect GHG emissions (Scope 2, market-based)	
Domestic[1]					
manufacturing subsidiary	Gwangmyeong	50,728	85,505	85,505	2,771
	Gwangju	62,025	83,070	83,070	2,946
	Hwaseong	122,686	280,639	280,639	8,320
domestic offices[2]		3,159	22,003	22,003	521
Overseas					
manufacturing subsidiary	United States	28,534	53,391	53,391	1,057
	Slovakia	27,724	32,631	3,394	1,077
	China	43,743	119,623	97,284	1,726
	Mexico	19,567	51,282	44,622	795
	India	11,954	115,229	115,229	782
overseas offices[3]		16,179	7,121	7,121	117

Note 1: Scope 2, Location-based and Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015

1. The Scope 1 and Scope 2 emissions from domestic manufacturing subsidiaries and offices were transposed from the results separately verified by LRQA through the Korean Emissions Trading Scheme (K-ETS).
2. headquarters, sales branches, and service centers located in South Korea
3. overseas sales subsidiaries

Summary of Kia's Domestic and Overseas Sites, Scope3 GHG Emissions Inventory 2024

Scope of GHG emissions (tCO_2e)	
Other Indirect GHG emissions (Scope 3)	
Purchased goods & services - Upstream emissions associated with the raw materials used in the production of each vehicle model	18,437,870
Capital goods - Capital goods - Buildings, infrastructure, machinery and transportation equipment	112,343
Fuel and energy related activities - Upstream emissions of purchased fuels and energy	208,715
Upstream transportation and distribution	94,715
Waste generated in operations	56,804
Business travel - Air travel, trains, buses and personal vehicles	23,518
Employee commuting - Shuttle buses and personal vehicles	57,798
Downstream transportation and distribution - Transportation and distribution of sold vehicles	1,188,460
Use of sold products - Use of sold vehicles	77,804,542
End-of-life treatment of sold products - End-of-life treatment of sold vehicles	1,267,561
Investments - Domestic equity investments	142,836

Dated: 1 June 2025



Chan-Sik Yun

LRQA Lead Verifier
On behalf of LRQA
2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea

LRQA reference: SEO000000445

Independent Assurance Statement

To readers of Kia Sustainability Report 2025

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of Kia Sustainability Report 2025 for the year ending December 31, 2024. The preparation, information and internal control of the report are the sole responsibility of Kia's the management. KMR's responsibility is to comply with the agreed engagement and express an opinion to Kia's management.

Subject Matter

The reporting boundaries included the performance and activities of sustainability-related organizations as described in Kia's report:

- Kia Sustainability Report 2025

Reference Standard

- GRI Standards 2021 : 2023 (GRI)

Assurance criteria

KMR conducted the verification in accordance with the globally recognized standard AA1000AS v3 and KMR's assurance standard SRV1000 based on requirements of ISO 17029 and KMR EDV 01, and set the levels of assurance and materiality as below. Under AA1000AS v3, We assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using the GRI index specified in the report. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria.

- ISO 17029 : 2019, ISO 14065 : 2020, AA1000AS v3 : 2020 (AccountAbility), AA1000AP : 2018 (AccountAbility), SRV1000 : 2022 (KMR), KMR EDV 01 : 2024 (KMR)
- Levels of assurance/materiality: AA1000AS v3 - Type 2/moderate, limited/ not set

Scope of assurance

The scope of our assurance included the verification of compliance with the reporting requirements of the GRI Standards 2021. We confirmed that the following indicators of material topics were identified through the materiality assessment process.

- GRI Standards 2021 reporting principles
- Universal Standards
- Topic Specific Standards
  - GRI 205 : Anti-corruption
  - GRI 206 : Anti-competitive Behavior
  - GRI 301 : Materials
  - GRI 302 : Energy
  - GRI 305 : Emissions
  - GRI 306 : Waste
  - GRI 403 : Occupational Health and Safety
  - GRI 406 : Non-discrimination
  - GRI 407 : Freedom of Association and Collective Bargaining
  - GRI 408 : Child Labor
  - GRI 409 : Forced or Compulsory Labor
  - GRI 414 : Supplier Social Assessment
  - GRI 416 : Customer Health and Safety

As for the reporting boundary, the engagement excludes the data and information of Kia's partners, suppliers and any third parties.

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

- Evaluating the appropriateness of the reference standard used as a basis for preparing sustainability information and the reliability of the materiality assessment process and its findings;
- Conducting inquiries to understand the data management and control environment, processes, and information systems (the effectiveness of controls was not tested);
- Evaluating the appropriateness and consistency of the methodology for estimation (note that the underlying data was not tested and KMR has not made any estimates);
- Visiting the headquarters, determining visit sites based on the site's contribution to sustainability and the possibility of unexpected changes since the previous period and sampling data, and carrying out due diligence on a limited number of source records at the sites visited;
- Interviewing people in charge of preparing the report;
- Considering whether the presentation and disclosures of sustainability information are accurate and clearly defined;
- Identifying errors through comparison and check against underlying information, recalculation, analyses, and backtracking; and
- Evaluating the reliability and balance of information based on independent external sources, public databases, and press releases.

Independent Assurance Statement

To readers of Kia Sustainability Report 2025

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment. The scope of this assurance included the confirmation of the truthfulness of claims regarding results that have already been obtained as stipulated by ISO 17029. However, the plausibility of intended claims of forecasts or hypotheses was not validated even if the related content was contained in the report.

A limited assurance evaluates the appropriateness of the criteria used by Kia for preparing sustainability information on subject matters, the risk of material misstatement in the sustainability information, whether due to fraud or error, responses to risks, and disclosure of the sustainability information on subject matters. However, the scope of the risk assessment process and the subsequent procedures performed in response to assessed risks, including an understanding of internal controls, is more limited than that of a reasonable assurance.

Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by Kia are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System (NGMS).

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with Kia on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report was prepared in accordance with the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

Inclusivity

Kia has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

Materiality

Kia has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

Responsiveness

Kia prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of Kia's actions.

Impact

Kia identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of Accounting data, GHG Emission, and Energy consumption related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

KMR's Competence, Independence, and Quality Control

Korea Management Registrar (KMR) is a verification body for the greenhouse gas emissions trading scheme, accredited by the Korea Laboratory Accreditation Scheme (KOLAS) under the National Institute of Technology and Standards of Korea for ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, and additional accreditation criteria, ISO 14065. It is also recognized by the Korea Accreditation Board (KAB) for ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems), and the National Institute of Environmental Research under the Ministry of Environment of Korea. Additionally, KMR maintains a comprehensive quality control system that includes documented policies and procedures of the KMR EDV 01:2024 (ESG Disclosure Assurance System) based on ISO/IEC 17029 requirements and compliant with IAASB ISQM1:2022 (International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board). Furthermore, KMR adheres to the ethical requirements of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in accordance with the IESBA Code:2023 (International Code of Ethics for Professional Accountants). Our assurance team consists of sustainability experts. Other than providing an independent assurance, KMR has no other contract with Kia and did not provide any services to Kia that could compromise the independence of our work.

Limitations of Use

This assurance statement is made solely for the management of Kia for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of Kia. The statement is valid as of the assurance date below. Certain events that may occur between the assurance date and the time of reading this report could have a material impact on the report, which may lead to revisions to this assurance statement. Therefore, we recommend visiting the Kia website and verifying whether this is the latest version.

June 23, 2025 Seoul, Korea

CEO E. J Hwang

KMR 한국경영인증원 Korea Management Registrar SRV1000 Sustainability Committee Assurance AA1000 Licensed Report 000-129/V3-B22ZV


Movement that inspires