

 Daechang Seat Co., LTD.	<h1>ESG</h1>	Document No.	DSCA-ESG-01
		Creation/ Amendment	Nov. 1 <sup>st</sup> , 2023
	<h2>Environmental Policy</h2>	Amendment No.	0
		Page	1/4

< Table of Contents >

1. Purpose
2. Scope
3. Environmental Policy
  - 3.1) Energy Use and Greenhouse Gases
  - 3.2) Air Pollutants
  - 3.3) Wastewater Management
  - 3.4) Water Use and Resources
  - 3.5) Waste
  - 3.6) Circular Economy
  - 3.7) Hazardous Chemicals
  - 3.8) Biodiversity and Deforestation
  - 3.9) Soil Quality and Noise Emissions
4. Environmental Management System

Amendment History				
No.	Date	Contents	Department	Drafter

	<b>ESG</b>	Document No.	DSCA-ESG-01
		Creation/ Amendment	Nov. 1 <sup>st</sup> , 2023
	<b>Environmental Policy</b>	Amendment No.	0
		Page	2/4

**1. Purpose**

DSC establishes this policy to improve environmental performance through environmental management and to minimize the negative environmental impacts across the value chain of business activities. DSC is committed to establishing an environmental management system.

**2. Scope**

This policy applies to all stakeholders, including all employees of DSC, both regular and non-regular, partner company employees, customers, and community members.

**3. Environmental Policy**

**3.1) Energy Use and Greenhouse Gases**

As part of efforts to reduce greenhouse gas emissions to combat climate change, DSC aims to improve energy efficiency across the entire product lifecycle—from development, procurement, production, and logistics to use and disposal—and expand the use of renewable energy. DSC will build a greenhouse gas inventory and monitor emissions.

**3.2) Air Pollutants**

DSC monitors the emissions of air pollutants such as nitrogen oxides (NOx), sulfur oxides (SOx), and total suspended particulates (TSP). Internal standards exceeding legal requirements will be set to manage emissions within permissible levels and minimize air pollution.

**3.3) Wastewater Management**

DSC monitors the discharge of water pollutants, including total organic carbon (TOC), biochemical oxygen demand (BOD), and chemical oxygen demand (COD). Wastewater treatment facilities are used to manage effluent discharge within legal limits, and efforts are made to reduce wastewater and pollutants through maintenance and improvement of wastewater treatment systems to prevent groundwater contamination.

**3.4) Water Use and Resources**

Recognizing the need for sustainable water resource conservation, DSC seeks ways to reduce and recycle water usage. In areas expected to face water shortages, DSC will actively consider operating storage facilities to expand water storage capacity. DSC will also undertake activities to identify and mitigate the risk of water depletion in industrial

	<b>ESG</b>	Document No.	DSCA-ESG-01
		Creation/ Amendment	Nov. 1 <sup>st</sup> , 2023
	<b>Environmental Policy</b>	Amendment No.	0
		Page	3/4

and regional water sources.

**3.5) Waste**

DSC establishes and operates standards for reducing waste generation, storing, transporting, and treating waste generated from business activities. Efforts will be made to minimize landfill/incineration waste ratios, improve recycling rates, and ensure lawful waste treatment through communication with waste treatment contractors and on-site inspections.

**3.6) Circular Economy**

To promote the value of the circular economy through business activities, DSC prioritizes sustainable sourcing of raw materials from the product development stage, considers greenhouse gas reduction and resource circulation potential, and collaborates with waste treatment companies to improve resource efficiency, reuse, and recycling.

**3.7) Hazardous Chemicals**

To minimize the negative environmental, health, and safety impacts on stakeholders, DSC identifies the status of hazardous chemicals used in business processes or contained in products. Information on the identification, manufacture, import, use, transportation, and storage of chemicals or materials containing chemicals is managed. Emergency response scenarios are established, regular employee training is conducted, and efforts are made to reduce the use or generation of hazardous chemicals. Relevant information is provided to stakeholders.

**3.8) Biodiversity and Deforestation**

DSC supports activities to protect biodiversity and prevent deforestation worldwide, including in local communities. Efforts are made to minimize environmental impacts on biodiversity and forests due to business operations. Compliance with the laws and regulations of countries where DSC operates is ensured, and reasonable concerns raised by local communities and stakeholders about biodiversity and deforestation are addressed. Biodiversity assessments or forest area surveys are conducted, and plans to conserve, restore, and expand vulnerable species affected by business operations are implemented.

**3.9) Soil Quality and Noise Emissions**

DSC measures and monitors soil pollutants to manage them safely, prevents soil

	<b>ESG</b>	Document No.	DSCA-ESG-01
		Creation/ Amendment	Nov. 1 <sup>st</sup> , 2023
	<b>Environmental Policy</b>	Amendment No.	0
		Page	4/4

contamination through proper waste disposal, and minimizes environmental pollution. Noise and vibration equipment and facilities used at DSC sites are efficiently managed to ensure a comfortable working environment for employees and a pleasant living environment for local residents.

#### 4. Environmental Management System

DSC manages environmental management issues and risks and monitors environmental improvement activities through ESG performance review meetings involving the CEO and management. Environmental impact management strategies, including short- and long-term improvement goals and implementation plans, are established and incorporated into management performance indicators (KPIs) to ensure continuous efforts towards achieving set targets.