

MOVE

Kia Sustainability Report 2026 (ENGLISH)

Movement that inspires

About MOVE

Report Overview

Kia has published its Sustainability Report 2026 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 2025 and 2026. Through the annual publication of the sustainability report, Kia aims to evolve into a company that communicates and grows together with its stakeholders.

Reporting Standards

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

Reporting Scope

Financial data presented in this report is aligned with Kia's consolidated financial statements prepared in accordance with Korean International Financial Reporting Standards (K-IFRS). Environmental and social information covers the automotive/parts manufacturing and sales operations included within the scope of the consolidated financial statements. The data encompasses domestic/overseas business operations, including domestic headquarters, production plants, technology research centers, service and logistics centers, as well as overseas production and sales corporations. Where the reporting scope is limited to domestic operations or certain overseas operations due to limitations in the data collection process, this was separately noted.

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Issued Date	June 30 2026
Responsible Department	Strategic Business Planning Division, Sustainability Management Group

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, 2025, and includes certain material developments occurring till June 30 2026. Quantitative performance data for the three fiscal years from 2023 to 2025 is presented to enable year-over-year comparative analysis.

Report Verification

All information contained in this report has been compiled from relevant departments and verified for accuracy. Data presented in this report has undergone independent assurance to ensure its objectivity and credibility.

For More Information

Further information is available on our websites or through the relevant departments.

Management/Brand Information
Kia Global Brand Website

Product Information/ Customer Support
Kia Official Website

Annual Report
Financial Supervisory Service Electronic Disclosure System

Forward-looking Statements

This report may contain "forward-looking statements" that relate not only to historical or current facts, but also to future events. Forward-looking statements typically use words and expressions such as "plan," "promote," "expect," "intend," "target," "strategy," and "estimate." In particular, certain disclosures in this report may contain statements related to future business strategies, greenhouse gas (GHG) emissions, energy consumption, environmental targets, external ESG commitments, and operational strategies.
Kia believes that the expectations reflected in these forward-looking statements are reasonable, however these expectations are not guaranteed to be correct. These statements are intended to help stakeholders understand Kia's approaches, strategies, initiatives, and anticipated operating environment across key ESG areas, and are not intended to be taken as investment advice or the basis for an investment decision. In addition, such forward-looking statements and sustainability performance estimates are subject to intrinsic risks and uncertainties, including the global economy, geopolitical risks, policy and regulatory environment changes, technological advancements, market demand fluctuations, raw material prices, and supply chain uncertainties, many of which are beyond the company's control or difficult to predict.
Therefore, caution should be taken to recognize that actual results may differ materially from those expressed or implied in forward-looking statements, and undue reliance should not be placed on such information. Except as required by law or regulatory obligations, certain sustainability-related indicators and data may be based on measurement methodologies, assumptions or estimates, and are subject to change accordingly. Kia does not undertake any obligation to update forward-looking statements in light of new information, future events, or other outcomes.

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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.

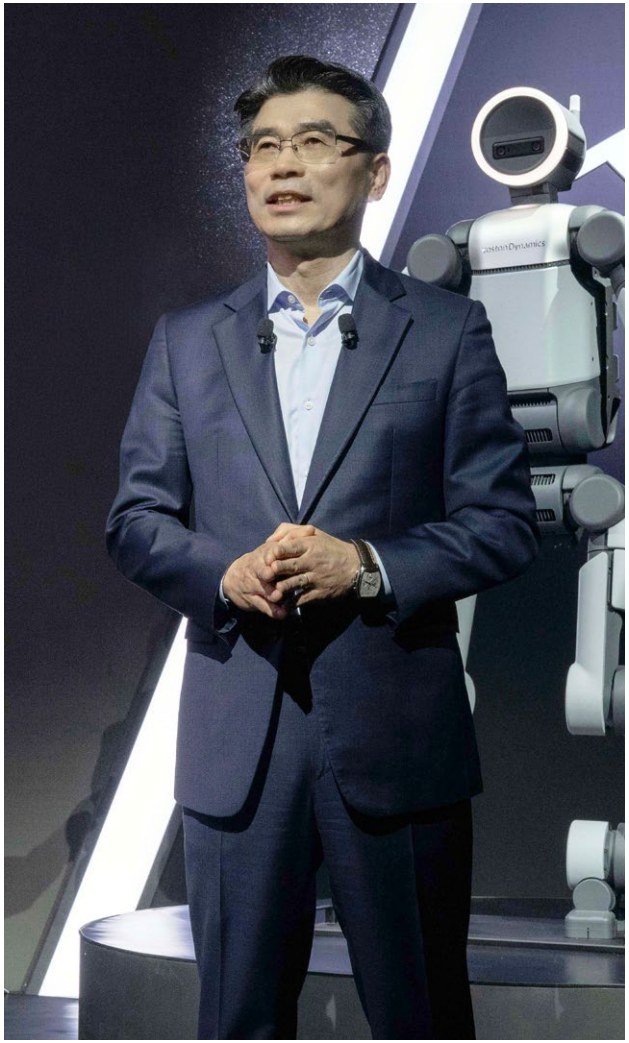
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CEO Message

Shaping a sustainable future through relentless innovation

We extend our deepest gratitude to all our stakeholders for your continued encouragement and support on our journey to become a true 'Sustainable Mobility Solutions Provider.'



Amid a complex environment shaped by U.S. tariff policies, intensifying global competition, and the rapid expansion of Chinese automakers, Kia achieved record-high performance in 2025. Building on Kia's expanded EV lineup (EV4 and EV5), Kia's first pickup truck (Tasman), and Kia's first Platform Beyond Vehicle (PV5), Kia entered new segments and strengthened its future mobility portfolio. As a result, Kia recorded KRW 114 trillion in revenue, up 6.2% year over year and surpassing KRW 100 trillion for the second consecutive year. Kia's product competitiveness was globally recognized with the EV3 named "2025 World Car of the Year (WCOTY)" and the PV5 receiving the "2026 International Van of the Year (IVOTY)" award. These achievements reflect not only higher sales but qualitative growth driven by enhanced brand and product value, higher ASP from electrified vehicles, and an improved product mix—making Kia one of the fastest-growing companies in the global automotive industry over the past five years.

Building on this progress, Kia continues to advance its sustainability efforts. Kia's ESG vision, "Sustainable Movement for an Inspiring Future," reflects Kia's commitment to creating meaningful change with diverse stakeholders. Guided by three core values—Cleaner & Circular, Safe & Satisfying, and Transparent & Trustworthy—Kia is focused on achieving carbon neutrality by 2045, building a circular resource system, prioritizing human rights and safety, strengthening supply chain risk management, enhancing Board-centered governance, and maximizing shareholder value.

In the environmental (E) area, Kia's mid-to-long term carbon emission reduction roadmap secured near-term target validation from the Science Based Targets initiative (SBTi), reinforcing its credibility. Kia also expanded the use of recycled and low-carbon materials. For Scope 1 and 2, accelerated renewable energy adoption across global operations lifted Kia's RE100 achievement rate to 24%—9%p above plan—and Kia confirmed the installation of the largest in-house solar facility at any single domestic site at AutoLand Hwaseong. Marine plastic waste collected with the NGO The Ocean Cleanup is being recycled into EV3 trunk liners, launching this year, and Kia planted halophytes to restore the Maehyang-ri tidal flat in Hwaseong, advancing natural capital preservation.

In the social (S) area, Kia is committed to prioritizing quality innovation and customer safety. This dedication was demonstrated by our PV5 Cargo model achieving the highest safety rating in the Euro NCAP commercial van assessment, proving its world-class performance in safety. Meanwhile, through capability-building programs and financial support, we have actively fortified the competitiveness of our partners. As a testament to these shared growth efforts, Kia was honored with the highest grade in the Mutual Growth Index, jointly evaluated by the Korea Commission for Corporate Partnership and the Fair Trade Commission. To ensure alignment with international standards, we also joined the Responsible Minerals Initiative (RMI), establishing a responsible mineral management framework. In addition, we launched "Harmonium," an educational program designed to foster social independence among multicultural youth, and through "Green Trip," our social contribution initiative supporting travel for people with disabilities, we have provided travel opportunities to a cumulative total of over 100,000 individuals with disabilities, contributing to inclusive social integration.

In the governance (G) area, our Board of Directors, comprising members with expertise in strategic investment, finance, and accounting, systematically evaluates and oversees key business decisions. To further strengthen Board-led governance, our Audit Committee and the Compensation Committee are composed entirely of independent directors. In addition, we have established the Lead Independent Director system to enhance the Board's independence and integrity. Regarding shareholder returns, Kia's total shareholder return (TSR) for 2025 rose to 34.9%, a 1.5%p increase from 33.4% the previous year. To ensure stable profits and returns for our shareholders, we also raised the dividend per share to KRW 6,800, an increase of KRW 300 from the prior year.

As a result of these efforts, Kia has been included in the Dow Jones Sustainability Indices (DJSI) World Index since 2022, ranking among the top 10% of global sustainability leaders. In addition, our governance excellence was recognized in the prestigious Extel Survey, where global investment professionals voted Kia an outstanding company in the ESG category for the Asian automotive industry.

CEO Message

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

Cleaner & Circular

We will take the lead in accelerating EV adoption to mitigate the global climate crisis, while continuing efforts toward carbon neutrality by 2045 through the transition to renewable energy and innovations in low-carbon materials.

Starting with 11 models in 2026, Kia plans to expand its EV lineup to a total 14 models across all segments by 2030. Based on a comprehensive strategy of product innovation and supply chain strengthening, we aim to achieve annual EV sales of 1 million units and a global EV market share of 3.8% by 2030, leading the mainstream adoption of electric vehicles. In terms of renewable energy, to achieve its goal of transitioning overseas operations to renewable energy by 2030, Kia plans to further accelerate RE100 efforts, beginning with RE100 achievement in China in 2025 and expanding to other key overseas production hubs, including Mexico and the U.S. In addition, we will strengthen our resource circularity system through recycling across the entire product lifecycle, including parts sourcing, production, vehicle use, and end-of-life disposal, while accelerating carbon reduction initiatives for key materials. For steel, Kia aims to reduce carbon emissions by 15% by 2030 by applying steel produced through integrated domestic production processes beginning this year, followed by the adoption of electric arc furnace-based low-carbon steel in the U.S. starting in 2029. For aluminum, Kia plans to establish collaboration frameworks with global smelters to reduce carbon by 40% by 2030. We will also continue expanding the use of recycled plastics in vehicles, especially aiming to apply 15% recycled plastic (in response to EU ELVR) to new vehicles in Europe by 2032.

Safe & Satisfying

We are dedicated to fostering an inclusive corporate culture and a safe workplace where everyone can thrive together, while creating social value alongside diverse stakeholders, including our supply chain partners and local communities.

Kia is committed to fostering a customer-centric and people-focused culture grounded in the Company's core values and principles. By embracing greater diversity in talent, we aim to build a creative corporate culture where new perspectives and diverse ideas converge. In addition, through the establishment of Eeum, a standard workplace for persons with disabilities, we support employees with disabilities to fully realize their potential within an environment that provides equal opportunities for all.
Furthermore, to prevent workplace accidents and create a safer working environment, we will expand the adoption of our exoskeleton X-ble Shoulder across our global production sites and strengthen the use of smart technology-based safety management systems by utilizing our patrol robot SPOT to monitor potential risks in blind spots. To minimize supply chain risks, we will broaden the scope of managed critical minerals, including battery materials, and establish a responsive system for proactively identifying and addressing potential risks through a screening system that integrates our proprietary supply chain data with global risk databases. Also, Kia has launched Move to You, a free fresh food delivery service for rural communities, to help address food desert issues caused by declining rural population and contribute to enhancing convenience for elderly residents.

Transparent & Trustworthy

We are committed to enhancing corporate value through future competitiveness and shareholder returns, while leading transparent communication and responsible management.

By 2030, Kia will invest KRW 21 trillion in new growth drivers, including electrification, autonomous driving, and robotics, representing an 11% increase from the previous five-year investment plan. Our shareholder return policy also targets a total shareholder return (TSR) ratio of over 35% from 2026 to 2028, with a continued focus on strengthening dividend-centered shareholder returns.
In addition, we plan to hold regular corporate briefings, including CEO Investor Day and ESG roadshows (NDRs), to communicate Kia's mid-to-long term strategies and goals to domestic and international investors while actively engaging with investors. Furthermore, to effectively execute our ESG strategy, we will further integrate sustainability factors into management KPI evaluations, uphold fair and ethical business practices, and strengthen transparent management through fair trade compliance activities.

Kia ESG Strategy
Sustainable Movement for an Inspiring Future

Cleaner & Circular | Safe & Satisfying | Transparent & Trustworthy

To our stakeholders,

Instead of relying on our current growth trajectory, Kia is taking a new leap forward to become a sustainable mobility solutions provider. By responding with agility to the diverse demands of the rapidly evolving global market, we aim to accelerate the adoption of EVs. Through PBVs, an emerging area of mobility, we will deliver tailored mobility solutions that address a wide range of customer needs. We are also strengthening our competitiveness in the automotive industry while positioning autonomous driving and robotics as key drivers of future growth. Together, these efforts will enable Kia to build a new mobility ecosystem in which vehicles, software, robotics, and services are seamlessly connected.

Since our founding in 1944, Kia has achieved remarkable milestones through a spirit of challenge that transformed business paradigms, even amid numerous hardships such as the Asian financial crisis, the global financial crisis, and the pandemic. These accomplishments have been driven by our unwavering commitment to customers and quality, as well as continuous innovation in brand value and mobility. Today, however, the new challenges we face — including climate change and supply chain risks — demand an entirely different level of response.

Yet, drawing on the resilience and strength that have enabled Kia to overcome countless crises throughout our more than 80-year history, we will continue to navigate these new challenges and move forward responsibly toward a sustainable future. Through sincere action to address the climate crisis, value creation through shared growth with diverse stakeholders, and business practices grounded in transparent governance and strong ethical principles, we will realize our ESG vision, "Sustainable Movement for an Inspiring Future." We sincerely ask for your continued encouragement and support as Kia advances on its journey to create a better tomorrow.

Thank you.

June 2026
Ho Sung Song
CEO and President of 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 continuing to move towards an inspiring future by focusing on sustainable growth together with diverse stakeholders.

Financial Highlights

Number of Units Sold

(Unit: Wholesale, Vehicles)

3,135,873 units

2024	3,089,300
2025	3,135,873

Revenue

(Unit: KRW billion)

KRW 114,140.9 billion

2024	107,448.8
2025	114,140.9

Operating Profit and Operating Margin

(Unit: KRW billion, %)

KRW 9,078.1 billion / 8.0 %

2024	12,667.1 (11.8%)
2025	9,078.1 (8.0%)

Net Income

(Unit: KRW billion)

KRW 7,554.2 billion

2024	9,775.0
2025	7,554.2

Total Assets

(Unit: KRW billion)

KRW 98,979.1 billion

2024	92,755.9
2025	98,979.1

Number of Electrified Vehicles[1] Sold

(Unit: Wholesale, Vehicles)

772,798 units

2024	644,685
2025	772,798

HEV	PHEV	EV
467,611	57,142	248,045

Electrified Vehicle[2] Revenue

(Unit: KRW billion)

KRW 36,102.6 billion

2024	29,657.6
2025	36,102.6

1. "Electrified Vehicles" refer to environment-friendly motor vehicles as defined in Article 2-2 of the Korean Environment-friendly Motor Vehicles Act and include electric vehicles (EV), hybrid electric vehicles (HEV), and plug-in hybrid electric vehicles (PHEV). However, only EVs were included in electrified vehicles up to the previous year with HEVs and PHEVs added to the scope beginning this year.
2. Based on internal accounting standards

Kia Line-up

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

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

EV
Ray EV | Niro EV | Carens Clavis EV
EV2 | EV3 | EV4 | EV5 | EV6 | EV9 | BongoIII EV | PV5

Commercial & Bus
BongoIII | Grandbird



* ICE, xHEV



* ICE, xHEV



* PBV : PV5



About Kia

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

Corporate Philosophy

In line with its brand purpose of "Movement Inspires Ideas," Kia has established its identity as a brand that creates new value by discovering inspiration through mobility and movement. Based on this brand purpose, Kia has defined its corporate vision as a "Sustainable Mobility Solutions Provider" and is pursuing concrete future strategies to achieve it. As part of this direction, Kia implements "Plan S 2030," its mid-to-long term strategy built on three pillars: Planet (reducing carbon emissions and advancing a circular economy), People (strengthening brand innovation and corporate value), and Profit (leading electrification and enhancing customer experience through smart mobility). Through this strategy, Kia drives innovation across its products, services, and ways of working, grounded in a customer- and people-focused culture that places human beings at the center of everything it does, guided by respect and empathy.



Brand Strategy

As a Sustainable Mobility Solutions Provider, Kia aims to continuously drive innovation to create a better life for its customers. By fulfilling its social responsibilities as a mobility company and delivering sustainable mobility solutions, Kia aspires to become a leading brand that contributes to its customers, local communities, and ultimately, the global community and environment.



1. Software Defined Vehicle

Global Network

Kia operates production hubs, R&D centers, and design centers in key domestic and international regions 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 Central & South America
5 Middle East & Africa
6 Asia Pacific
7 India

Sales & Services | Domestic

Sales
Headquarters,
direct sales branches, agencies,
delivery centers*

Services
direct service centers,
comprehensive/specialized Auto Q

*including contractors

Sales & Services | Overseas

Sales
Sales Corporations, agencies, dealers

Sales Corporations
8 USA
9 Canada
10 Mexico[1]
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 the Netherlands
24 Ireland
25 Australia
26 New Zealand
27 Thailand
28 Indonesia
29 Malaysia
30 Russia
31 India[1]
32 China[1]

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

Production

Domestic
33 AutoLand Gwangmyeong
AutoLand Hwaseong
AutoLand Gwangju

Overseas
34 Kia AutoLand Georgia
35 Kia AutoLand Slovakia
36 Kia Mexico
37 Kia India
38 Kia China
39 Kia Kazakhstan (CKD)
40 Kia Malaysia (CKD)

R&D

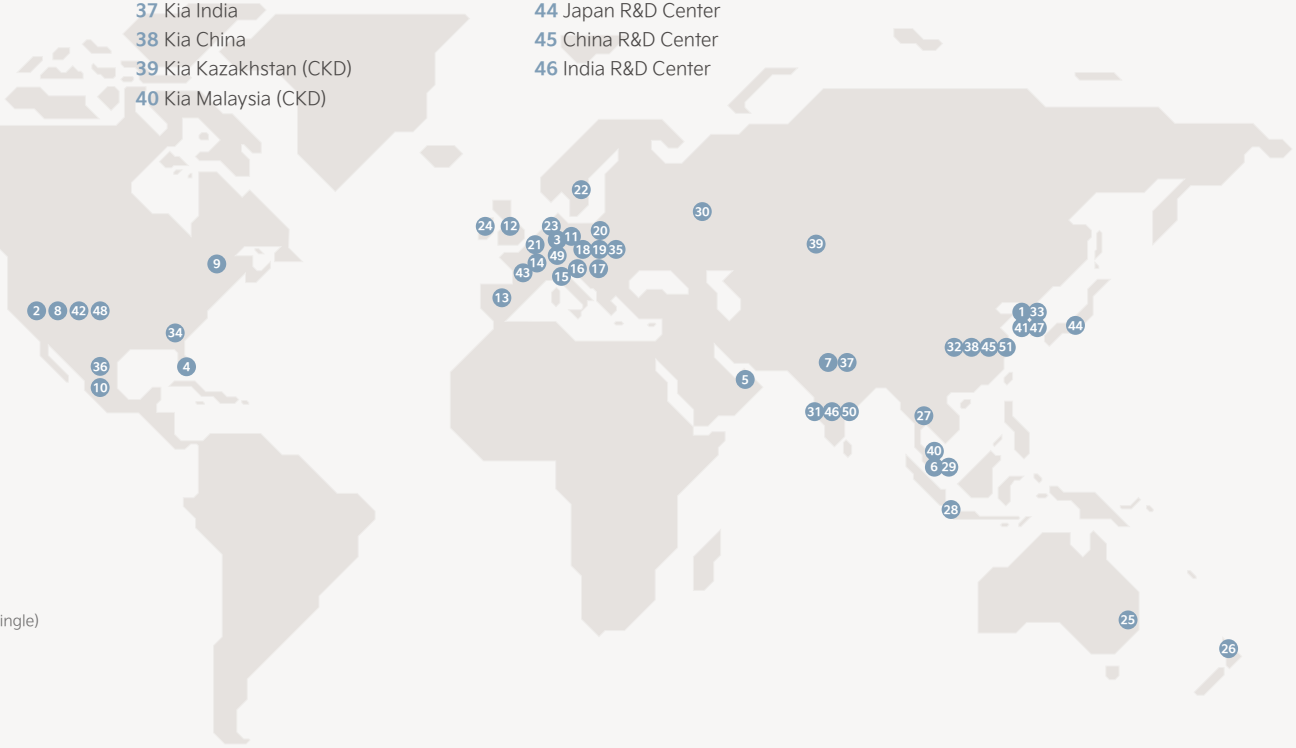
Domestic
41 Namyang Technology Research Center
Mabuk Technology Research Center
Uiwang Technology Research Center
Pangyo AVP Headquarters

Overseas
42 USA R&D Center
43 Europe R&D Center
44 Japan R&D Center
45 China R&D Center
46 India R&D Center

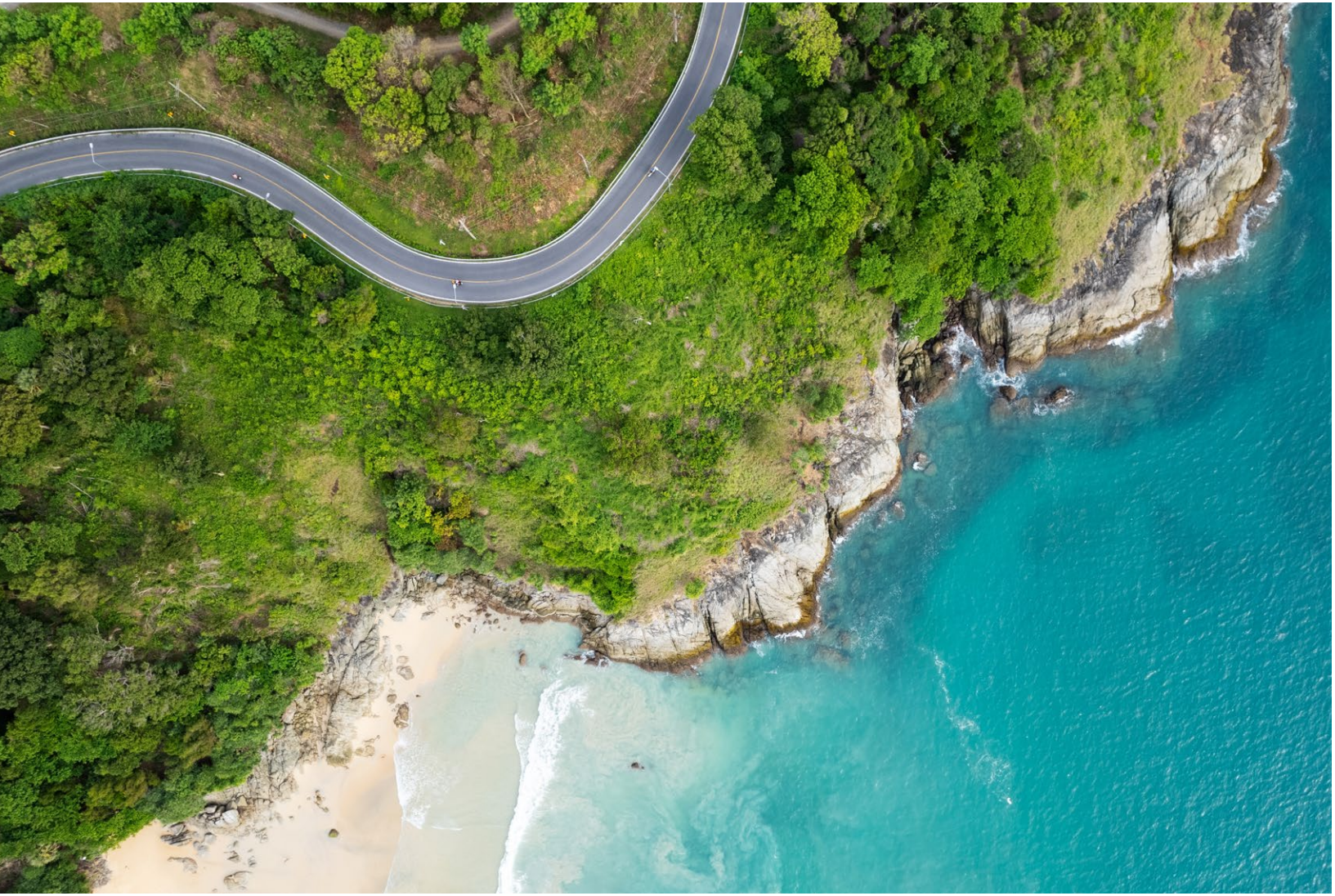
Design

Domestic
47 Global Design Tech Unit

Overseas
48 USA Design Center
49 Europe Design Center
50 India Design Center
51 China Design Center



ESG Strategy



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ESG Governance

To strengthen ESG-based decision-making, the Sustainability Management Committee under the Board of Directors, Kia's highest decision-making body, meets quarterly to review key ESG issues. In addition, Kia operates a dedicated ESG organization and monitors progress on division-specific improvement tasks through the ESG Council, in line with its newly established mid-to-long term ESG strategy.

ESG-Centered Decision-Making

The Sustainability Management Committee under the Board of Directors, Kia's highest decision-making body, convenes quarterly meetings to review ESG issues and make decisions on key matters. In addition, the Head of the Strategic Business Planning Division oversees the formulation and operation of the ESG business strategy, while a dedicated sustainability management organization develops improvement tasks across all business divisions based on Kia's mid-to-long term ESG strategy, monitoring progress through councils with relevant departments. Important or urgent ESG issues are reported to management, as needed, for timely decisions.

Sustainability Management Committee Agenda (2025)

Anti-Corruption	Implementation of employee Code of Ethics and Fair Trade Compliance
Health & Safety	Annual safety and health plans and activities
Local Communities	Status of social contribution initiatives 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 in the aggregate transaction limit for majority shareholder, etc.
Shareholder	Appointment of officer in charge of protecting shareholder interests

Kia's ESG Governance



ESG Performance Management

Kia integrates ESG metrics into the performance evaluations of top management, as well as each business division and unit, to ensure that business operations and decision-making are aligned with the principles of sustainable management. In 2025, efforts were made to further embed ESG considerations across the organization, including expanding both the scope and weighting of ESG KPIs.

Strengthening ESG Decision-Making

Strengthening ESG KPIs across domestic and global divisions

Company-wide ESG integration through incorporation of performance evaluation systems for ESG, including carbon emissions reduction, RE100 progress, and compliance with fuel efficiency regulations

Internalizing risk prevention and response systems

ESG KPI evaluations across domestic and global organizations on climate change risks, human rights risk assessments, enhanced safety policies, and security system implementation levels

Monitoring implementation through domestic and global ESG Councils

Share and review ESG issue at key business sites, including relevant domestic business divisions and European operations

Embedding ESG Capabilities

Kia distributes the "Kia Sustainability Issue Focus" to employees as part of its effort to move beyond an ESG execution structure centered on key related departments and establish a global, company-wide collaborative framework that embeds ESG awareness and response capabilities across the organization. The contents are published on a wide range of ESG topics, including carbon neutrality, human rights, and waste management, as well as global ESG regulatory trends, providing easily accessible and understandable materials to enhance employee awareness on ESG.



ESG Strategic Framework

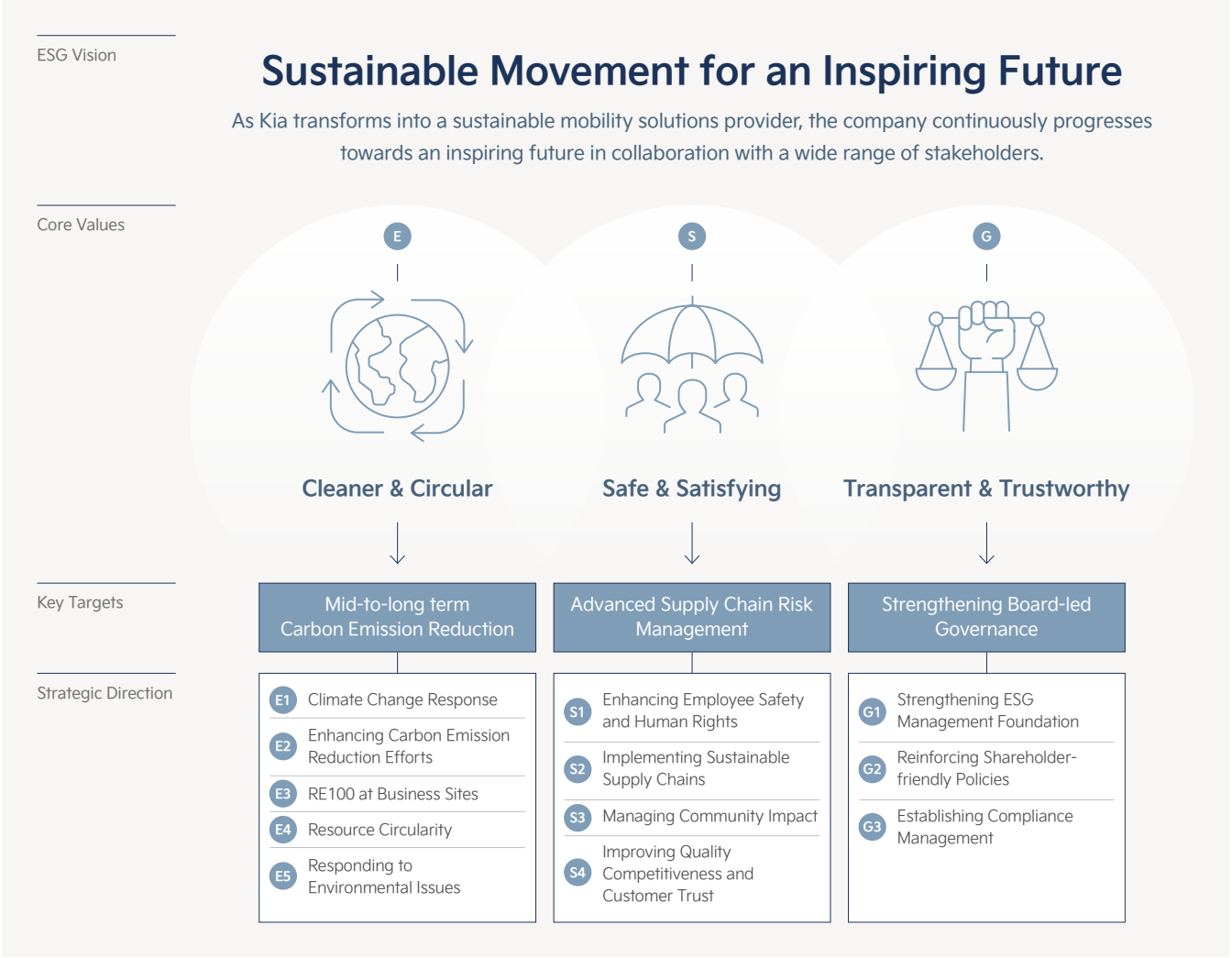
Kia has established sustainable ESG management as a key corporate priority and is driving its transformation toward eco-friendly, customer-centric, and future-oriented new businesses through its corporate strategy, "Plan S." Based on this vision and structured management approach, Kia established a new ESG management framework that defines its own direction and value for sustainability. In 2025, Kia further refined strategic initiatives in response to changes in the external environment and to achieve its mid-to-long term goals. Building on this foundation, Kia systematically implements ESG management activities to transition its business structure toward one grounded in sustainable management.

Kia's ESG Strategic Framework

Through its ESG vision and strategy, Kia ensures that all employees clearly understand the actions required to advance sustainability. Kia promotes sustainable management practices that minimize negative impacts on the environment and society while maximizing 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 directions encompassing climate change response, carbon emission reduction, resource circularity, RE100 at business sites, enhancement of value for employees and local communities, sustainable supply chains, customer trust, strengthened ESG management, shareholder-friendly policies, and compliance management.



Key ESG Performance

Kia 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-Centered Decision-Making

Environmental (E)

Solar Power Self-Generation	· Domestic (22.0MW): Gwangmyeong (1.2MW), Hwaseong (19.7MW), Gwangju (1.1MW) · Overseas (17.8MW): U.S. (10.1MW), Slovakia (2.0MW). Mexico (2.0MW), India (3.7MW) *As of June 2026
Adoption of Renewable Energy PPA[1]	· Domestic (51.1MW): Gwangmyeong (9.0MW), Hwaseong (33.1MW), Gwangju (9.0MW) · Overseas (58.3MW): China (58.3MW) *As of June 2026
Strengthening Workplace Environmental Management	· ISO 14001 certification at all business sites · New process to respond to stakeholder complaints from local communities near business sites · Zero Waste To Landfill (ZWTL) Platinum certification at AutoLand Gwangju and Gold at AutoLand Hwaseong
Driving Wider Adoption of Resource Circularity	· Established roadmap to increase the use of recycled plastics · Applied recycled plastic to major electrification models · Invested in recycling scrap steel and low-carbon steel

Social (S)

Support for Supplier Future Competitiveness	· Support suppliers in future vehicle business diversification · Support supplier safety and security management · Support suppliers in carbon emission reduction management · Operate win-win program for small and medium-sized suppliers
Strengthening Supply Chain ESG Management	· Support ESG consulting for suppliers · Tier 1 supplier-led auditor training support for Tier 2 ESG management · Reinforced response to global laws and regulations (EUDR[2])
Strengthening Safety and Health at Business Sites	· ISO 45001 certification at all business sites · Implementation and operation of the 'Safety Academy' training system · Conducted a corporate safety culture assessment
Expansion of Kia's Key Social Contribution Initiatives	· Launch of Harmonium training program to support self-reliance of youth from multicultural backgrounds and to improve multicultural awareness · Reached cumulative 110,000 people[3] who benefited from the Green Trip initiative, enhancing traveling convenience for people with disabilities · Restored halophyte vegetation in the Maehyang-ri tidal flats, Hwaseong · Resource recovery of livestock manure · New 'Move to You' initiative to improve access to fresh food in rural areas

Governance (G)

Strengthening ESG Criteria in CEO/ Executive Evaluations	· Included sustainability factors in addition to business and financial metrics · Applied specific ESG evaluation criteria such as climate change, diversity, and human rights depending on the characteristics of each division
Enhancing Board Diversity and Independence	· 60% female ratio among independent directors · Majority of all committees are composed of independent directors (all members of the Audit Committee and Compensation Committee are independent directors) · Adoption of Lead Independent Director (Wha Sun Jho) * As of June 2026
Strengthening Shareholder-friendly Policies	· KRW 6,800 dividend per share (+ KRW 300 year-on-year) · Total Shareholder Return (TSR) of 34.9% (+1.5%p year-on-year)

1. Power Purchase Agreement
2. EU Deforestation Regulation
3. Cumulative beneficiaries totaled 110,000 as of June 2026, up from 100,000 at the end of 2025

ESG Ratings and Awards

S&P Dow Jones Sustainability Indices
· Included in the DJSI World Index for the fourth consecutive year

2025 CDP Climate Change/Water
· Carbon Management Sector Honors for the seventh consecutive year
· Water Resources Excellence Award for the second consecutive year

Extel Asia
Ranked 2nd in the Best ESG Programs of the Automotive Industry
*Excluding Japan/Australia/New Zealand

JoongAng ESG Management Awards
· Outstanding Company in the Automobile and Transportation Sector for the sixth consecutive year

ESG Highlight

Just Transition

Understanding of Just Transition

The transition of the automotive industry, driven by electrification, is triggering profound shifts across business architectures and the entire value chain, directly and indirectly impacting various stakeholders, including suppliers, employees, customers, and local communities. Technological advancements such as electrification and software-defined vehicles (SDVs) are especially expected to affect employment, supplier operations, and local economies, underscoring the need to consider social impacts throughout the transition process. Against this backdrop, Kia analyzes these effects across the end-to-end value chain to ensure a just transition, continuously monitoring and addressing critical issues, including the business restructuring of suppliers faced with declining demand for ICE parts, workforce transitions driven by evolving functional job requirements, limited customer access to EVs, insufficient charging infrastructure, and the potential contraction of local economies due to industrial restructuring, as well as the pressing need to cultivate local talent.

Key Stakeholders

Suppliers	Employees
Strengthen response to structural change through supplier support	Support job transitions and strengthen workforce capabilities through expertise
Customers	**Community**
Provide affordable, quality EVs and enhance customer impact and convenience through technological advancements	Drive mutual growth by cultivating local talent and boosting the local economy

Stakeholder Support Initiatives

01. Suppliers

Consulting Support for Transition to Future Mobility	Domestic EV Co-Investment Guarantee Program	Support for SW Development to Address SDVs
We support engine/transmission parts suppliers with consulting to help their transformation to future mobility (EV, PBV, etc.) parts businesses.	We provide financial guarantees to support supplier financing, considering the initial investments needed for ICE parts suppliers transitioning to EV parts supply.	We support hardware-focused suppliers in strengthening digital transformation capabilities for the SDV era, offering an upskilling program for supplier employees to develop future job competencies.

02. Employees

Training Support on EV Architecture&Characteristics	Reskilling and Talent Redeployment
We provide role-based, practice-oriented training to employees in Production and Quality functions to enable application of EV technologies in their work. Through the EV Basic and EV Practical courses, we continuously strive to foster skills regarding EV architecture and characteristics (control logic, systems, etc.).	To respond to production system changes driven by electrification, Kia provides job transition training for employees and supports workforce redeployment based on newly acquired skills. During the conversion of AutoLand Gwangmyeong into a dedicated EV plant, employees previously responsible for ICE models, such as K9 and Carnival, received pre-training and are being gradually assigned to EV3 and EV4 production lines to participate in mass production. In addition, Kia operates continuous employee training on robot maintenance and the use of digital tools, supporting ongoing capability development to ensure employees adapt to the changing production environment.



ESG Highlight

Just Transition

Stakeholder Support Initiatives

03. Customers

Enhancement of EV Convenience

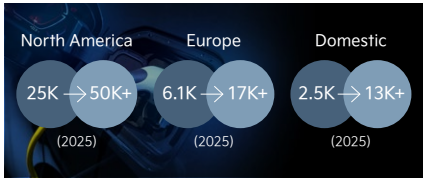
To enhance customer convenience and maintenance reliability in the EV ownership stage, Kia is continuously strengthening the capabilities of its service network and technical workforce. Leveraging 17 directly operated service centers and over 750 Auto Q centers nationwide, the company provides comprehensive maintenance services to customers. Kia plans to expand deployment of its EV specialists through the KEVT PRO (Kia EV Technician Level-up Program) across all service sites, ensuring that customers always receive consistent, reliable services for not only routine maintenance, but also advanced repairs.

Expansion of EV Product Lineup

Kia plans to expand its EV lineup from 11 models in 2026 to 14 models by 2030, including 2 passenger sedans, 9 SUVs, and 3 PBVs. Starting with the EV2 and Syros EV in 2026, the company will continuously launch volume EV models while also introducing new C-segment SUV EVs and expanding its PBV lineup to offer customers a wider range of choices.

Development of EV Charging Infrastructure

Expanding charging infrastructure is a top priority for Kia in its EV transition. The company is continuously expanding its ultra-fast charging network through strategic partnerships with charging consortia in key markets with plans to actively scale up Hyundai Motor Group's E-pit ultra-fast charging brand. Kia has secured a comprehensive charging infrastructure, including ultra-fast, fast, and slow chargers, totaling 240,000 units in North America, 1 million units in Europe, and 480,000 units in Korea. In addition, the company seeks to enhance user convenience through the Kia One App and Plug and Charge 2.0.





04. Local Community

Development of Future Mobility Service Technicians

Global



Kia operates talent development programs overseas that cover HEV and EV maintenance training to employment opportunities at local dealerships, helping to mitigate the impacts of the just transition on local communities. In particular, the company is strengthening customized, country-specific shared-growth education programs in collaboration with local educational institutions and dealers, including vocational training for women from vulnerable communities (Ecuador), scholarship programs (Peru), and career exploration programs for high school students (South Africa).



Trained cumulative of 106 technicians in 4 countries

Currently expanding to 7 countries (46 additional participants trained, including women and youth)

Domestic

Through an MOU between the Ministry of Employment and Labor and Auto Q, Kia is contributing to building a training system for EV maintenance professionals. The company supports local community members to acquire new job skills and transition to quality job opportunities through training to employment linkage programs.

Support	① Support for designing training courses
	② Specialized training for instructors at training centers
	③ Free provision of maintenance parts and training material, such as accelerator and battery components

Implementation of PBV Production System·Conversion Center

Kia will establish the EVO Plant East&West at AutoLand Hwaseong, along with a PBV Conversion Center, to transition to an electrified PBV production system with annual capacity of up to 250,000 units. Through close cooperation with local partners, Kia seeks to promote local manufacturing and mutual growth by developing and producing specialized models and a local PBV ecosystem that embraces all regions and industries in the just transition process.



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

Kia operates diverse communication channels to systematically identify the needs and expectations of key stakeholders. Feedback from stakeholders are shared across the organization and reflected in management decision-making processes. In addition, issues with material impacts on the business and external environment are reported to and reviewed through the company's ESG governance framework, including the Sustainability Management Committee under the Board of Directors.

Kia operates dedicated communication channels tailored to stakeholder groups, including NGOs, media, investors, and rating agencies, to facilitate clear and professional communication. Kia also operates the Supply Chain Sustainability Council, led by the Procurement Division, to respond quickly to ESG issues across the supply chain submitted through various channels. The Council holds quarterly meetings, as well as ad hoc meetings convened immediately upon the occurrence of material issues. A hotline system utilizing email loops is also in place for real-time sharing of relevant information.

Stakeholder	Shareholders and Investors	Customers	Dealers	Employees	Suppliers	Local Communities	Government and NGO
Definition	Stakeholders that provide capital for Kia's sustainable growth, for whom we fulfill shareholder and 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 services for customer satisfaction and convenient purchasing experience	Important partners who serve as key customer touchpoints by directly delivering Kia's brand, products, and services, while enhancing brand value and practicing customer-centric management	Stakeholders 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.	Influences 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 and quality control · Customers satisfaction · Brand image	· Brand, product, marketing investments · Product lineup expansion · Support for stable dealership operations · Expansion of new business (mobility/PBV, etc.) services	· Organizational culture and compensation · Respect for employee human rights and diversity · Employee capability-building · Labor-management relations · Sharing company management issues · Workplace safety and health	· Supply chain ESG management support · Support for carbon emission reduction of suppliers · Support for suppliers' workplace safety management · Support for supplier information security · Supplier capability-building and win-win cooperation support · Support win-win cooperation with Tier 2 and Tier 3 supplier	· Strategic CSR initiatives · Job creation and retention · Improvement in environmental efficiency at business sites · Biodiversity assessment and protection related to business activities	· Business ethics · Infrastructure implementation · Response to fuel economy regulations · Environmental investments
Communication Channel	· Shareholder meetings · Non-deal roadshows · IR meetings · Disclosures and website · Sustainability Management Committee	· Motor shows and car launch presentations · Test drives · Customer satisfaction surveys · Website and social media · Sports sponsorships	· Dealer events · Dealer satisfaction surveys · Dealer training · Dealer support system (business, customer management)	· Grievance Handling System · Future Car Committee · Labor unions · Occupational Safety and Health Committee	· Shared Growth portal · Transparent Procurement Reporting Center website · Win-win Cooperate Center website · Global Partnership Center (GPC portal) · HMG Partner System · Seminars and training	· Community contribution programs · Community engagement activities near business sites · Recruiting programs · Sustainability Report	· Policymaking hearings · Policy roundtables and briefing sessions · Press releases

Double Materiality Assessment

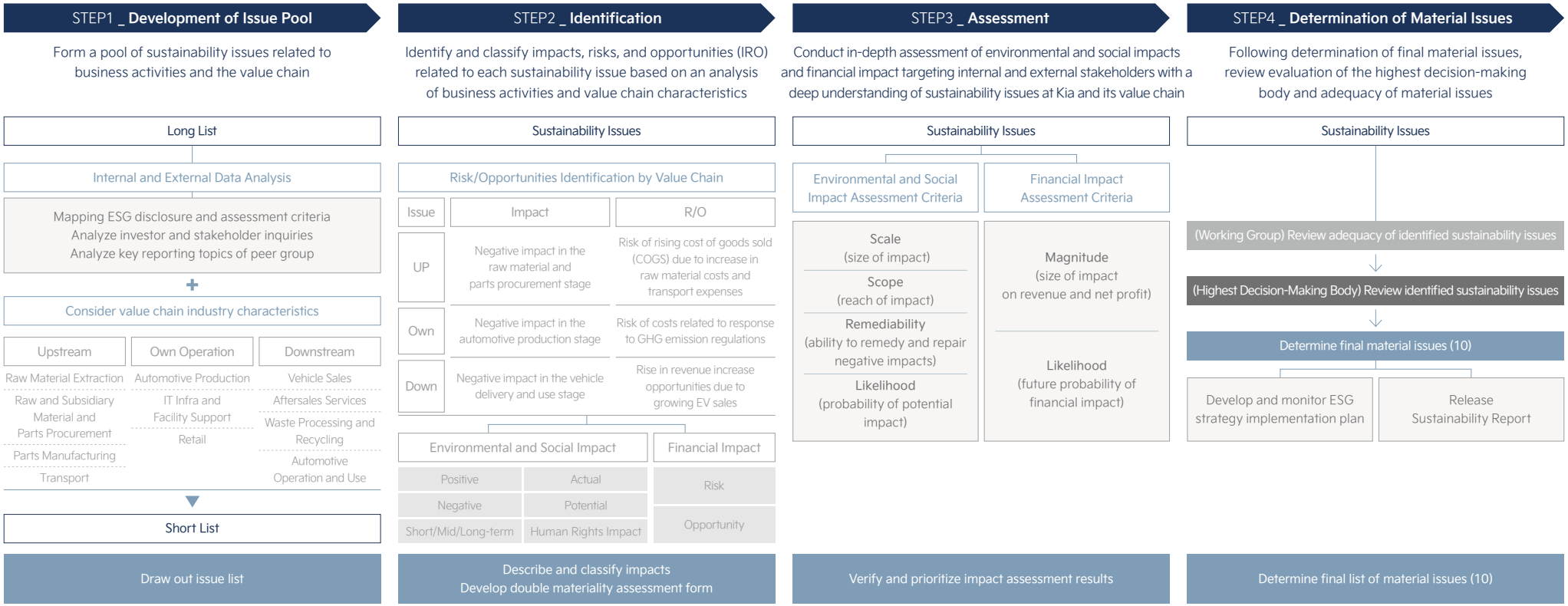
Overview

Kia conducts an annual double materiality assessment to identify key ESG issues and transparently disclose related activities and performance to stakeholders. The assessment process is based on the implementation guidance for the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG). Double materiality refers to both the magnitude of positive and negative impacts that the company's business activities may have on the environment and society (impact materiality), and the extent to which sustainability-related external factors may positively or negatively affect the company's financials (financial materiality). Through the assessment, Kia identifies ESG issues that should be prioritized from the perspectives of both internal and external stakeholders. Going forward, Kia will continue to advance its assessment methodology in line with global disclosure standards and drive strategic initiatives to effectively manage identified material issues to continue to deliver meaningful improvements.

Double Materiality Assessment Process

Kia develops an issue pool based on the sustainability topics specified in the European Sustainability Reporting Standards (ESRS), as well as an analysis of various internal and external data. Through this process, the company identifies the environmental and social impacts, as well as the financial risks and opportunities, associated with each issue. In this year's double materiality assessment, Kia strengthened its approach to issue identification and impact analysis by incorporating the characteristics of the industry value chain, enabling a more comprehensive evaluation of impacts related to the company's activities across all stages of the value chain. To enhance objectivity, identified impacts were further categorized by type, and evaluation criteria for each type were refined in detail. Subsequently, a survey was conducted among internal and external stakeholders to support the assessment process, and final material topics were selected based on a predefined threshold.

Assessment Process



1. European Financial Reporting Advisory Group 2. European Sustainability Reporting Standard 3. Legislations, regulations, key issues in domestic and international media, international issues, etc.

Double Materiality Assessment

Double Materiality Assessment Results

Through the double materiality assessment process, Kia quantitatively evaluated the environmental and social impacts, as well as the financial risks and opportunities, associated with each issue. Issues were classified as material if they met or exceeded the predefined threshold in either impact materiality (environmental and social) or financial materiality. As a result, a total of ten material issues were identified across the environmental, social, and governance (ESG) areas.

The material issues selected for the current year remain consistent with those identified in the previous year. This indicates that these issues continue to be assessed as highly significant in terms of their impact on the company's business activities and stakeholders. In particular, climate change was reaffirmed as a key issue with the most extensive impact across the entire value chain, from raw material sourcing through production and end-of-life stages. In this year's assessment, the importance of energy management at the production stage in mitigating climate-related impacts increased, and more detailed considerations of energy management were incorporated into the impact identification process, further reinforcing the significance of climate change. Going forward, Kia plans to further strengthen its management approach across key ESG issues, including resource circularity, consumer safety, employee safety and health, labor rights, and ethical management.



Area	Topic		Material Issue	Value Chain	Environmental and Social Materiality		Financial Materiality	
Environmental	Climate Change	1	Supply chain carbon emission reduction	Upstream	●●●	Negative/Actual	●●●	Risk
		2	Site-level carbon emission reduction and renewable energy transition	Own Operation	●●○	Negative/Actual	●●●	Risk/Opportunity
		3	Carbon emission reduction and electrification in the vehicle use stage	Downstream	●●●	Negative/Actual	●●●	Risk/Opportunity
	Resource Circularity	4	Circular economy in vehicle design and production	Upstream, Own Operation	●●●	Negative/Actual	●●●	Risk/Opportunity
		5	Circular economy for end-of-life vehicles and batteries	Downstream	●●●	Negative/Actual	●●●	Opportunity
Social	Consumer Safety	6	Quality and customer safety management	Downstream	●●●	Negative/Potential	●●●	Risk
	Employee Safety and Health	7	Employee safety and health management	Own Operation	●●●	Negative/Actual	●●○	Risk
	Labor Rights	8	Human rights management and DEI advancement	Upstream	●●○	Negative/Potential	●●○	Risk
		9	Supply chain human rights & environmental due diligence framework	Own Operation	●●●	Negative/Potential	●●○	Risk
Governance	Ethical Management	10	Compliance framework implementation	Own Operation	●●○	Positive/Potential	●●○	Opportunity

Double Materiality Assessment

Management of Material Issues

Kia strengthens its sustainability management by establishing management indicators and developing future plans to systematically respond to the potential impacts of the 10 material issues.

Topic	Material Issue		Business Relevance of the Issue		Kia's Response	Future Plans
			Environmental·Social Impact	Financial Impact		
Climate Change	1	Supply chain carbon emission reduction	· Carbon emissions in the parts production stage of suppliers in the supply chain · Carbon emissions in the parts transportation stage	· Increased procurement costs from sourcing lower-carbon-emission raw materials and components · Higher costs for supplier carbon reduction support (technology, facilities, training) and supply chain due diligence and monitoring	· Embed ESG due diligence into supplier selection and contracting criteria · Implement carbon emissions management system at suppliers and support supplier training · Operate supplier parts life cycle assessment (LCA) support program	· Request and monitor high-emission suppliers to build carbon emission mitigation plans
	2	Site-level carbon emission reduction and renewable energy transition	· Carbon emissions in the vehicle production stage	· Rise in greenhouse gas emission management costs at business sites · Lower energy costs and reduced cost volatility via direct renewable energy sourcing	· Implement Mid-to-long Term Carbon Emission Reduction Roadmap · Obtain approval for SBTi short-term targets · Phased implementation of solar power self-generation and PPA based on RE100 roadmap · Achieve 24% renewable energy transition rate in 2025 (exceeded target) · Drive carbon reductions in production plant processes	· Expand solar power generation facilities in domestic and overseas AutoLands · Early achievement of RE100 targets
	3	Carbon emission reduction and electrification in the vehicle use stage	· Carbon emissions in the vehicle usage stage · Carbon emissions in the vehicle delivery and transportation stage	· Expanded EV sales in line with growing demand for EVs · Increased capital expenditure and research and development costs for the production of electric vehicles (EV)	· Build 100% global electrification target · Increase sales of electrified vehicles · Apply fuel economy improvement technologies to internal combustion engine (ICE) vehicles · Improve efficiency by enhancing EV performance	· Target sales of 1 million EVs by 2030 · Expand EV lineup to a total of 14 models by 2030
Resource Circularity	4	Circular economy in vehicle design and production	· Adverse impact of environmental pollution when the level of material recycling is low in the vehicle production stage	· Research and development costs for parts recycling *Increase in unit cost of parts using recycled or sustainable material · Reduced raw material procurement and vehicle production costs by utilizing recycled materials and resource-efficient design (lightweighting, part simplification, etc.)	· Operate a Resource Circularity Committee and company-wide Recycled Plastic Council · Increase application of recycled plastic and low-carbon steel in electrified models and parts · Invest in Scrap Steel Recycling and low-carbon steel	· Set target to adopt 15% recycled plastics in new vehicles in Europe by 2032 (in response to EU ELVR) · Make continuous R&D investments to reduce raw material consumption and increase recycling
	5	Circular economy for end-of-life vehicles and batteries	· Environmental pollution when waste is generated in the end-of-life vehicle disposal stage	· Research and development costs for mitigating environmental pollution in the waste and end-of-life vehicle disposal stage · Potential fines and penalties resulting from non-compliance with regulations such as the EU Battery Regulation (EUBR) and the End-of-Life Vehicles Regulation (ELVR), which govern vehicle recycling and battery sustainability	· Implement a waste battery remanufacturing process and start pilot operations in the UK · Achieve Zero Waste to Landfill (ZWTL) Platinum level in AutoLand Gwangju and Gold in AutoLand Hwaseong for the first time · Minimize waste in the production phase by improving production processes and environments	· Develop end-of-life battery performance diagnostics and grading technology · Advance the global end-of-life battery recovery network · Set 2026 target of 93.0% waste recycling and 3,311 ton/KRW trillion waste generation intensity

Double Materiality Assessment

Management of Material Issues

Topic	Material Issue		Business Relevance of the Issue		Kia's Response	Future Plans
			Environmental·Social Impact	Financial Impact		
Consumer Safety	6	Quality and customer safety management	· Increased personal and social anxiety in the event of a vehicle safety accident	· Various operating costs may be incurred when vehicle defects and quality issues arise such as vehicle safety and quality enhancement costs and recall expenses, etc.	· Manage safety issues based on the customer safety management lifecycle · Advance safety technologies in electrified vehicles such as Pedal Misapplication Safety Assist (PMSA) and Acceleration Limit Assist (ALA), etc. · Obtain the highest rating for 30 models among the 36 evaluated in the New Car Assessment Programme (NCAP) in key global markets · Operate a 'Customer Safety Quality Reporting Channel' for employees	· Continuously operate processes for identifying potential safety issues and developing prevention measures · Advance safety technologies by linking electrification technologies with safety assist systems
Employee Safety and Health	7	Employee safety and health management	· Deterioration in the quality of life for individual employees and their families in the event of an employee safety accident	· Productivity and revenues may decline, and management costs such as compensation payments are incurred to ensure employee safety when accidents occur	· Operate Kia's internal safety and environment assessment framework KIA SEMS, and monitor safety and environment management · ISO 45001 certification across all business sites · Adopt smart safety technologies at sites such as exoskeleton robots (X-ble Shoulder) and patrol robots (SPOT), etc.	· Target lowering incident rate to below 0.3% by 2030 by continuously reinforcing safety and health management · Utilize 'KIA SEMS 3.0,' a safety and environment diagnosis tool for the field · Expand use of exoskeleton robots to global production plants
Labor Rights	8	Human rights management and DEI advancement	· 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 associated with conducting human rights impact assessments and implementing risk mitigation and remediation measures, as well as litigation costs and reduced capital inflows and revenue due to reputational damage in the event of human rights violations attributable to the company	· Annual monitoring of the Human Rights Charter · Expand human rights due diligence across domestic and international operations · Enhance objectivity of on-site due diligence with the participation of external experts · Develop mid-to-long term roadmap for human rights management (~2030) and revise the Human Rights Charter to align with ILO requirements · Set up 'Kia Inclusion Lab,' a dedicated DEI organization, in 2025 and set female employment targets	· Expand human rights on-site due diligence to more business sites · Build a high-risk in-depth diagnosis framework and enhance issue-based on-site due diligence procedures
	9	Supply chain human rights & environmental due diligence framework	· Physical and mental harm to victims, as well as various social conflicts may be triggered when human rights violations such as regarding child labor and forced labor take place against workers in the value chain	· Costs associated with conducting human rights impact assessments and implementing risk mitigation and remediation measures, as well as litigation costs and reduced capital inflows and revenue due to reputational damage in the event of human rights violations attributable to the company	· Conduct supply chain evaluations on domestic and global suppliers that include labor rights and human rights areas, and on-site due diligence of high-risk suppliers · Revise the Supplier Code of Conduct and explicitly include human rights and environmental compliance obligations in contracts · Mandatory use of RMAP-conformant smelters for responsible minerals (expand to Tier 3+ suppliers) · Conduct third-party site due diligences of high-risk local mines and smelters/refineries in Congo and Indonesia, and support implementation of improvements	· Strengthen the supply chain human rights risk assessment framework · Continue to diversify supply sources for minerals sourced from high-risk regions through alternative suppliers, sourcing regions, and raw materials
Ethical Management	10	Compliance framework implementation	· Contribution to enhancing stakeholder trust and building ethical market order through ethical management practices including fair trade compliance	· Supply chain stability from drop in employee turnover and building a trust-based relationship with suppliers	· Quarterly compliance self-checks · Evaluate effectiveness of the Compliance Management System and Fair Trade CP · Distribute compliance guidelines tailored to seven key areas, including dark patterns and AI washing, etc.	· Reinforce field-based risk mitigation activities by advancing the compliance risk diagnosis system

Double Materiality Assessment

Material Issues from a Business Perspective

Among the 10 material issues identified, Kia prioritizes key issues that are closely linked to the company's value creation for focused management. To support systematic management, the company discloses response strategies, quantitative targets and performance progress, as well as the status of management KPI oversight.

Category	2 Site-level carbon emission reduction and renewable energy transition	3 Carbon emission reduction and electrification in the vehicle use stage	7 Employee safety and health management
Business Relevance	As carbon regulations in major markets, including the EU, continue to have a growing impact on the automotive industry, energy efficiency management in the production process and the transition to renewable energy are emerging as key priorities for Kia. These efforts are important not only for reducing carbon emissions, but also for strengthening long-term market competitiveness. Failure to respond effectively may lead to increased regulatory costs and weakened competitiveness.	In the automotive industry, the largest share of carbon emissions across the value chain is generated during the vehicle use phase, making the transition to electrification a key strategy for reducing emissions. Effectively responding to global trends, including tighter regulations on ICE vehicles and policies promoting EV adoption in key markets such as the EU, can create opportunities for market expansion and revenue growth.	Employee safety extends beyond a legal obligation and is regarded as an ethical responsibility of companies, particularly in the manufacturing industry where operations of various machinery and equipment are involved. Failing to respond appropriately to increasingly stringent safety and health regulations, including the Serious Accidents Punishment Act and the Occupational Safety and Health Act, can result in reputational damage and negatively affect business operations.
Impact on Business	Incur costs	Generates profits	Triggers risks
Response Strategy	In 2025, Kia formalized its science-based emissions reduction targets through approval of its SBTi near-term targets. Through lifecycle-based emissions analysis across the automotive value chain, the company is establishing carbon reduction strategies covering all stages of the vehicle lifecycle. Based on its RE100 roadmap, Kia is gradually expanding renewable energy self-generation and power purchase agreements (PPAs). In particular, the company plans to achieve RE100 overseas ahead of schedule, beginning in China in 2025, Mexico in 2026, and the U.S. in 2027.	Through its Mid-to-long Term Carbon Emission Reduction Roadmap, Kia has established global electrification targets, aiming to achieve annual EV sales of 1 million units by 2030. The company plans to expand its EV lineup from 11 models in 2026 to 14 models by 2030, covering all vehicle segments. Kia is also enhancing EV energy efficiency while continuously applying fuel-efficiency technologies to ICE vehicles to reduce carbon emissions throughout the transition to electrification.	Kia has established and is implementing its "Mid-to-long Term Direction for Safety Assurance" with the goal of establishing an autonomous safety management system across its global operations starting in 2026. The company also operates "KIA SEMS," an internal safety and environment audit system, and has newly introduced "KIA SEMS 3.0," a field-oriented diagnostic tool designed to systematically monitor safety and environmental management levels across all business sites. Obtaining ISO 45001 certification at all business sites, Kia meets global occupational health and safety management standards and is expanding the application of smart safety technologies, including exoskeletons (X-ble Shoulder) and patrol robots (Spot), across its global production plants to strengthen worker safety and enhance risk prevention capabilities.
Target and Progress	[Target] · Achieve 100% transition to renewable energy by 2040 (32% by 2026, 66% by 2030, and 100% by 2040) [Progress] · Achieved approximately 24% transition to renewable energy in 2025	[Target] · Global sales of 1 million EV units by 2030 · Total 14 models in the EV lineup by 2030 (11 models as of 2026) [Progress] · 248,000 EV units sold in 2025 (27.8% increase year-on-year)	[Target] · Reduce occupational accident rate compared to previous year · Reduce integrated accident rate compared to previous year · Obtain safety and environmental system certification and 80 points in the 2025 KIA SEMS [Progress] · Scored 83.7 points in the KIA SEMS in 2025 (vs. target of 80 points)
Management KPI	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	Kia includes EV production and sales volume indicators in the KPIs of major organizational leaders Climate change response KPIs are linked to executive incentives	Safety and health management performance based on internal safety and environment audit system results is reflected in the KPIs of organizational leaders and departments

Double Materiality Assessment

Material Issues from an External Stakeholder Perspective

Among the selected 10 material issues, those with high impact on external stakeholders were identified as key issues for management. Kia discloses the output metrics used to quantify the associated social costs of these impacts, as well as the results of the impact valuations.

Category	3 Carbon emission reduction and electrification in the vehicle use stage	4 Circular economy in vehicle design and production
Business Value Chain	Operations and products/services	Operations and products/services
Affected External Stakeholder Type	Environmental/Social, Consumer	Environmental/Social
External Stakeholder Impact	GHG emitted in the vehicle use stage accelerates climate change, including abnormal weather patterns, changes in precipitation, and rising sea levels, and has a negative impact on communities, as well as future generations. Increased frequency of extreme weather conditions, such as heat waves, floods, and droughts, undermine agricultural productivity and expand damages from natural disasters which can affect the quality of life in communities. Rising sea levels are also aligned with social challenges, such as influencing the living environment of people in coastal communities. Kia contributes to reducing GHG emissions by expanding its EV product category, measuring and managing its performance by calculating carbon emission reductions from EV operations taking a life cycle assessment (LCA) approach.	Waste generation and resource consumption during the vehicle production process can contribute to resource depletion and environmental pollution, negatively affecting ecosystems and local communities. In particular, waste treatment processes such as landfilling and incineration may cause soil, water, and air pollution, posing risks to the health and living environment of communities near business sites. Excessive extraction of raw materials may also result in environmental degradation and the loss of livelihoods in resource-producing regions. As stakeholder demand for a circular economy continues to grow, Kia is expanding the use of recycled materials to reduce the negative environmental impacts associated with waste generation, while quantitatively measuring and systematically managing related performance.
Output Metric	EV Carbon Emission Reductions The life cycle assessment (LCA) method is applied to quantify carbon emissions actually reduced by driving EVs	Recycled plastic volume Amount of recycled plastic used in vehicles is managed as a key indicator to measure how much environmental impact has been reduced by expanding the use of recycled plastic
Impact Valuation and Impact Metric[1]	· Carbon reduction impact per EV: Assessed as 21.9tCO_2e (carbon emission comparison between EV5 (EV) and Sportage (ICE) when driving a range of 200,000km) · Carbon reduction impact through 2025 EV5 sales: Estimated at approximately 321,842.4tCO_2e (based on total 2025 EV5 sales of 14,696 units) · SCC (Social Cost of Carbon) per 1 ton of GHG based on the IFVI[2]'s GHG Emissions Topic Methodology : Approximately $236 [Social Cost Avoided] · Based on the carbon emission reductions of 2025 EV5 vehicle sales, approximately 111.5billion KRW in social costs were avoided	· Amount of recycled plastic used per EV4 vehicle: Approximately 12.1kg (approximately 4.5% of total plastic consumption) · Total amount of recycled plastic used in EV4 vehicles sold in 2025: Estimated at approximately 197,170kg (based on total 2025 EV4 sales of 16,295 units) · Lifecycle SCC (Social Cost of Carbon) per 1kg of plastic based on the World Wide Fund for Nature (WWF) criteria : Approximately $150 [Social Cost Avoided] · Based on the use of recycled plastic in the number of 2025 EV4 vehicle sales, approximately 43.4billion KRW in social costs were avoided

1. This valuation was conducted using national statistics and research findings based on data managed by the company. The monetary valuation factors applied may change as new research findings become available. As the completeness of the valuation results cannot be fully verified, they should not be regarded as part of the company's financial disclosures.
2. IFVI: International Foundation of Valuing Impacts

Environmental



Climate Change 23
Resource Circularity 43
Natural Capital Management 51
Environmental Management 61

Climate Change

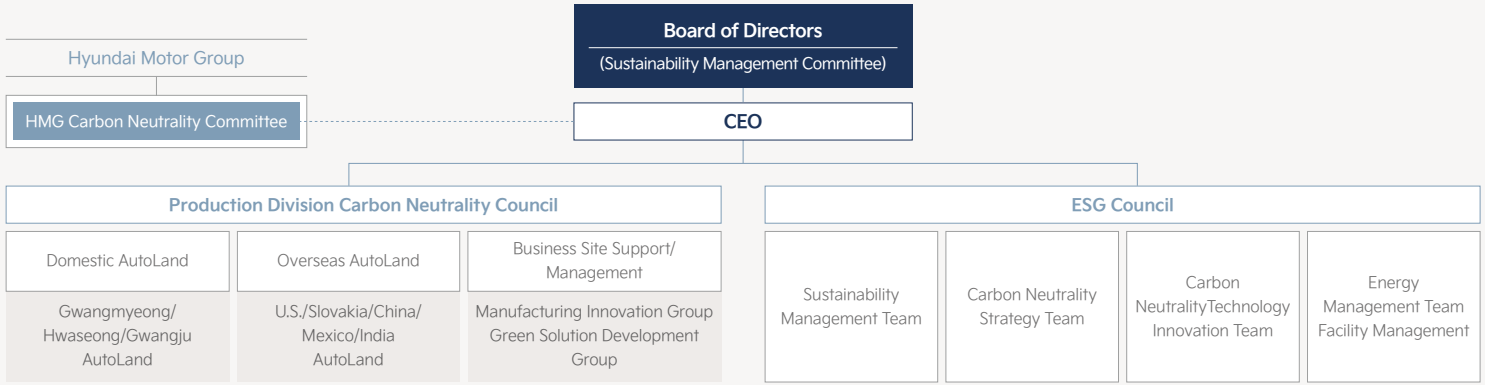
Kia is committed to implementing climate change response strategy. In line with domestic and international mid-to-long term carbon emission reduction policies and environmental regulations, we have established mid-to-long term carbon emission reduction targets and implementation plans and actively participate in global initiatives such as RE100.

Governance

Climate Change Governance

Decision-Making System

Kia has established a tiered governance system spanning from operational execution at production sites to Board-level oversight to manage climate change response and the carbon emission reduction implementation plan. Climate-related risks and opportunities are systematically managed, while performance and improvement actions are regularly monitored. The company also actively engages in policy dialogue with stakeholders, including government bodies, industry associations, and global initiatives.



Sustainability Management Committee

The Board Committee convenes at least once a year to make final decisions on climate change and carries out oversight responsibilities. It reviews key business performance and plans on climate change and carbon reductions and receives relevant reports from management under the CEO.

BOD Role

CEO / Group Carbon Neutrality Committee

The CEO participates in the Hyundai Motor Group Carbon Neutrality Committee, chaired annually by the Chairman of Hyundai Motor Group, to review climate change response strategies and overall implementation plans. The CEO also receives regular reports on key climate change related matters from the Head of the Strategic Business Planning Division to monitor management performance.

Management Role

Production Division Carbon Neutrality Council

Regular meetings are held semiannually, led by the Head of the Sustainability Management Group, who oversees and is accountable for carbon neutrality initiatives. The Group manages carbon emission reduction implementation progress across AutoLand production sites, tracks key emissions reduction achievements by area, and carbon neutrality investment performance and plans to guide the company's overall response. Participation in the council is reflected in KPI evaluations for Kia's relevant divisions, with additional points awarded for plant-level presentations on key initiatives.

Management Role

ESG Council

Meetings convene semiannually to review ESG risks, including climate change, discuss response measures, and oversee improvement initiatives.

Management Role

Climate Change Mitigation and Response Key Departments

- Carbon Neutrality Strategy Team: Develops carbon neutrality strategy and drives transition to renewable energy
- Sustainability Management Team: Develops and oversees ESG strategy, responds to assessments, and issues the Sustainability Report, etc.
- Carbon Neutrality Technology Innovation Team: Conducts the life cycle assessment (LCA)
- Domestic and Overseas AutoLands: Reduces carbon emissions and makes transition to renewable energy at production sites
- Manufacturing Innovation Group/Green Solutions Development Group: Manages and supports carbon neutrality at domestic AutoLands and oversees energy efficiency investments
- Energy Management Team&Facility Management: Responsible for energy management and operations at business sites

Climate Change

Governance

Target Setting and Progress Monitoring

Setting and Managing Targets

Kia develops annual ESG plans for key business sites, including domestic and overseas AutoLand production sites, and reports them to the Sustainability Management Committee at headquarters to ensure alignment with the corporate strategy. The plans include directions for climate-related disclosures and key implementation initiatives and serve as the foundation for the company's mid-to-long term climate response strategy.

In addition, responsibility for managing and overseeing climate-related risks and opportunities is assigned to management to support systematic target and strategy development. Based on collaboration among relevant departments, including the Sustainability Management Team, Carbon Neutrality Technology Innovation Team, Environment & Fire Protection Support Team, and Energy & Facility Management Team, Kia operates the ESG Council, a consultative body composed of Group leaders under the management team.

The Head of the Strategic Business Planning Division oversees development and implementation of the company's climate response strategy and reports key matters to the CEO. Meanwhile, the CEO participates in the Sustainability Management Committee to strengthen alignment between management execution and the Board's oversight function to enable company-wide coordination of climate response strategies and carbon reduction targets.

Progress Management

The Sustainability Management Committee, operating under the Board of Directors, meets at least annually to review progress on climate-related targets and the implementation of related strategies. Under the CEO's oversight, the Committee receives reports from management on key performance and progress related to climate change response and carbon emission reduction initiatives. Based on these reports, the Committee reviews the execution and implementation status of the company's climate strategies.

In addition, Kia conducts four regular inspections of its production sites each year to monitor the implementation of carbon reduction targets at each site. The results of these inspections are used to manage company-wide progress toward climate targets and are linked to carbon reduction KPIs to support the achievement of tangible emissions reductions.

Through this regular review and monitoring framework, Kia clarifies management accountability and continuously oversees the implementation of its climate-related strategies.

Carbon Emission Reduction Budget and Performance Oversight

Kia establishes and systematically manages annual budgets and capital expenditure plans related to carbon reduction investments to ensure their effective implementation and outcomes. Key budget items include RE100 initiatives to reduce Scope 1 and 2 emissions (solar power self-generation and Power Purchase Agreements (PPAs)) and investments in improving energy efficiency at business sites. The effectiveness of these investments is reviewed based on annual execution performance.

Management Compensation

Kia integrates climate change response performance into the KPIs of the CEO, key executives, and organizational leaders.

The CEO's KPIs consist of sustainability metrics (20%), financial metrics (35%), and business and strategy metrics (45%), with ESG-related initiatives, including carbon emission reduction performance, incorporated into the sustainability management category. In particular, the level of achievement is assessed based on compliance with GHG emissions reduction targets and the establishment of GHG emissions management systems at business sites, and annual incentives are awarded accordingly.

In addition, Kia links carbon emission reduction performance to the KPIs of business division heads, leaders of domestic and overseas production sites, and regional heads in North America and Europe. The KPIs include evaluations based on responsiveness to CO_2 regulations, achievement rates for carbon emissions reduction targets, and EV production and sales performance to enhance the effectiveness of climate change response initiatives.

To strengthen employee engagement and encourage the development of improvement ideas from the field, Kia also holds a "Plant Energy Conservation Idea Contest," offering incentives for outstanding proposals that contribute to GHG reduction and energy efficiency improvements.

Climate Change

Strategy

Climate-related Risks and Opportunities

Kia regularly identifies and reports physical risks, transition risks, and opportunities arising from climate change. Climate-related risks and opportunities are classified in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In identifying climate-related risks and opportunities that could reasonably be expected to affect the company's prospects, Kia also refers to the industry-based disclosure topic of "Automobiles" under the IFRS S2 Implementation Guidance published by the International Sustainability Standards Board (ISSB).

Time Horizon of Risks and Opportunities

Category	Definition of Term	Rationale
Short-term	Within 1 year (2025~2026[1])	Adopted the definition of 'short-term' used in KSSB No.1 Standard
Mid-term	Within more than 1 year and less than 5 years (2027~2031)	Interim target year of the Carbon Emission Reduction Roadmap and when international operations reach RE100
Long-term	More than 5 years (2032~2045)	When mid-to-long term carbon emission reduction target is achieved

1. The analysis is based on 2024-2025 data, and the short-term period is defined as 2025-2026 to reflect the reporting timeline and ensure the validity of the results

Physical·Transition Risks and Opportunities

Category			Description	Impact Time Horizon			Scenario Analysis	Strategy and Response
				Short-term	Mid-term	Long-term		
Physical Risk	Acute	Typhoons	Growing possibility of damages to business sites and logistics infrastructure, as well as possibility of production suspension and asset losses due to increase in frequency and intensity of typhoons				●	① Installation of adaptation facilities
		Heavy Rainfall	Potential disruptions to production facility operations, logistics delays, and increased uncertainty in supply chain operations caused by torrential rain and flooding				●	
Transition Risk	Policy and Regulation	Strengthening the emissions trading system in Korea and Europe	Potential increase in emissions trading costs resulting from reduced emissions allowance allocations and higher carbon prices				●	③ Development of a Carbon Emission Reduction Roadmap ④ Data-Driven Carbon Management
	Policy and Regulation	Rise in industrial electricity cost	Potential increase in electricity procurement costs resulting from changes in the power market structure and the expanded incorporation of carbon costs				●	⑤ Implementation of RE100 ⑥ Improvement of Energy Efficiency
	Market	Growing demands for supply chain carbon emissions management	Increased burden of emissions data management and mitigation efforts due to expanding supply chain carbon management requirements from global OEMs and clients					④ Data-Driven Carbon Management ⑦ Reduction of Supply Chain (Supplier) Emissions
	Policy and Regulation	Stricter regulations on automotive fuel economy	Potential increase in technology development and product transition costs in response to stricter regulations on fuel economy and GHG emissions				●	⑧ Reduction of Vehicle Use-Phase Emissions
Opportunity	Products and Services	Increased demand for electrified vehicle products and technologies	Market expansion of electrification related products and revenue opportunities from growing demand for electrified vehicles, such as EVs				●	② Expansion of EV Lineup ⑨ Lifecycle Assessment and Improvement
	Energy Source	Expansion in renewable energy procurement	Emissions reduction and long-term energy cost management through increased renewable electricity use				●	⑤ Implementation of RE100

*For response item numbers, please refer to the detailed descriptions on the subsequent pages

Climate Change

Strategy

Scenario Analysis

Physical Risk

Analysis Overview

Kia conducts analysis based on climate change scenarios provided by the IPCC, IEA, and NGFS to identify physical and transition risks that may arise in the short, medium, and long term, and to assess the potential financial impacts of these risks. For the identified risks, Kia develops mitigation strategies and evaluates the extent of risk reduction achieved through the implementation of these strategies to understand Kia's strategic response capabilities and resilience.

Stage 1. Analysis Target and Period

Analysis Target Timeframe	Analysis Target Business Site
Short-term: 2025~2026 Mid-term: 2027~2031 Long-term: 2032~2045	Key production corporations in Korea and abroad were selected for the physical risk analysis.

Domestic	Production Corporation	· AutoLand Gwangmyeong · AutoLand Gwangju · AutoLand Hwaseong
Overseas	Production Corporation	· KaSK (Kia AutoLand Slovakia) · KaGA (Kia AutoLand Georgia) · KMX (Kia Mexico) · KIN (Kia India) · KCN (Kia China)
	Sales Corporation	· Kia EU (Kia Europe) · KES (Spain) · KUK (UK) · KDE (Germany) · KUS (U.S.) · KCA (Canada) · KFR (France) · KAU (Australia) · KIT (Italy)

Stage 2. Scenario Assumptions and Asset Exposure Assessment

Scenarios Used in the Analysis

Kia applied the IPCC's SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios to analyze physical risks.

SSP1-2.6	High contributions to climate change mitigation and adaptation, sustainable developments, rapid technological advancement, low social inequality, and expanded use of low-carbon energy sources
SSP2-4.5	Middle-of-the-Road pathway with moderate contributions to climate change mitigation and adaptation (in-between SSP1 and SSP3)
SSP5-8.5	Low contribution to climate change mitigation where populations are left vulnerable to climate change due to moderate pace of economic developments, rapid population growth, slow technological advancement, and high social inequality

Stage 3. Financial Impact Estimation

Climate Scenario Assumption	· SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios reflect future socioeconomic pathways and GHG mitigation levels at national and regional levels · Incorporates comprehensive assumptions related to demographics, economic development, welfare, ecosystems, resources, and policies while considering the extent to which Earth absorbs solar radiation due to GHGs to project the amount of solar energy absorbed by Earth under different CO_2 concentrations.
Financial Data Assumption	· Financial data such as Kia's revenue, labor costs, and fixed asset/inventory value are used to assess financial impacts · Macroeconomic indicators such as inflation rates are reflected in short-, mid-, and long-term financial data assumptions

Climate Change

Strategy

Scenario Analysis

Physical Risk

Analysis Outcome

Kia used Jupiter Intelligence to assess location-based exposure to physical risks from typhoons and heavy rainfall across each corporation. Exposure levels were classified into five categories (Very Low to Very High) based on typhoon wind speed and 24-hour cumulative precipitation, and changes in exposure were analyzed across short-, medium-, and long-term climate scenarios.

Analysis found that, within Korea, AutoLand Gwangju and AutoLand Hwaseong exhibited relatively high exposure to typhoons and heavy rainfall. Overseas, KCN (Kia China) and KMX (Kia Mexico) were identified as having High to Very High levels of heavy rainfall risk in the long term. In response, Kia is progressively strengthening disaster prevention infrastructure and response measures at high-risk sites, including reinforcement of roofing and drainage systems, protection of vehicle inventory, and establishment of emergency power facilities.

Category of Exposure Levels

Typhoon	Very Low(<119 km/h)	Low(119-154 km/h)	Medium (154-178 km/h)	High(178-209 km/h)	Very High(>= 209 km/h)
Heavy Rainfall	Very Low(<150 mm)	Low(150-200 mm)	Medium(200-250 mm)	High(250-325 mm)	Very High(>= 325 mm)

Exposure to Physical Risks by Corporation

Corporation	Scenario	Physical Risk					
		Typhoons			Heavy Rainfall		
		Short-term	Medium-term	Long-term	Short-term	Medium-term	Long-term
Kia HQ (Headquarters)	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
AutoLand Gwangju	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
AutoLand Gwangmyeong	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
AutoLand Hwaseong	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						

Corporation	Scenario	Physical Risk					
		Typhoons			Heavy Rainfall		
		Short-term	Medium-term	Long-term	Short-term	Medium-term	Long-term
KaSK (Kia AutoLand Slovakia)	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
KaGA (Kia AutoLand Georgia)	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
KMX (Kia Mexico)	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
KIN (Kia India)	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						
KCN (Kia China)	SSP1-2.6						
	SSP2-4.5						
	SSP5-8.5						

Climate Change

Strategy

Scenario Analysis

Physical Risk

Financial Impact Analysis

Kia used the SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios presented in the IPCC Sixth Assessment Report to analyze the impact of physical risks, such as typhoons and heavy rainfall, on its domestic and global production facilities. These scenarios reflect future socioeconomic developments and GHG mitigation at national and regional levels, incorporating comprehensive assumptions regarding demographics, economic development, social welfare, ecosystems, resource availability, and policy frameworks. They also consider the extent of solar energy retained by Earth in relation to CO_2 concentrations to take into account various climate pathways and possible occurrence of extreme weather events. In addition, the analysis estimated financial impacts under short-, medium-, and long-term time horizons using company financial data, including revenue, labor costs, and the value of fixed and inventory assets, as well as economic indicators such as inflation rates.

Physical Risk		Explanation	Financial Impact	Description	Response Measures
Acute	Typhoon	Operational Suspension	· Decline in operating profit · Increase in liquidated damages and penalties · Additional operating costs to address production disruptions	· Delay in vehicle production and shipment schedules and decline in operating profit due to temporary operational suspensions at production and sales corporations caused by typhoons · Reduced profitability due to penalties or contractual fines caused by delivery delays to clients and dealers · Additional operating costs incurred from emergency recovery measures, alternative production planning, and overtime and special shift work	· Develop emergency overtime and special work manual
		Damage to Fixed Assets	· Impairment and restoration costs of property, plant, and equipment · Increase in CAPEX and non-operating expenses	· Asset impairment losses · Increased expenditure of KRW 53.6 billion can occur in the short- to mid-term (5 years) related to physical damages, recovery, and replacement of fixed assets such as production plants, sales corporation buildings, and production and logistics facilities caused by strong winds, flooding, and debris · Additional production losses in the event of temporary suspension of facility operations	· Procurement of insurance coverage for all production corporations and fixed assets
		Damage to Inventory Assets	· Inventory impairment losses · Increase in vehicle repairs and replacement costs · Increase in non-operating expenses	· Damages to automotive and inventory stored in outdoor yards near production corporations due to strong winds, flooding, and falling objects in the event of typhoons · Inventory devaluation in the process of repairing, recovering, and disposing of damaged vehicles which in the long-term (5 years or more) can lead to a cumulative financial impact of up to KRW 183.4 billion	· Typhoon monitoring and timely relocation of vehicles, when needed · Typhoon insurance for each production corporation · Measures such as canopy installations to prevent damage from falling objects
	Heavy Rainfall	Operational Suspension	· Decline in operating profit due to production suspension · Increase in fixed cost burden · Production recovery costs	· Undermined profitability due to continued fixed costs, including labor costs, depreciation, and other overhead costs, even during production shutdowns · Additional costs associated with facility inspections, restoration work, and operation normalization to resume production · Torrential rainfall may cause flooding around plants or roof leaks, resulting in production line shutdowns, reduced production, and lower operating profit	· TPO sheets on rooftops · Improvement to designs of stormwater drainage pipes and drainage systems, etc.

Climate Change

Strategy

Scenario Analysis

Transition Risk and Opportunities

Analysis Overview

Kia applied the IEA Net Zero Emissions (NZE) and NGFS Phase 5 scenarios to assess transition risks and opportunities. In addition, Kia evaluated its climate resilience by considering its carbon emission reduction and RE100 roadmaps, mid-to-long term sales plans, and plans for expanding R&D and production infrastructure.

Stage 1. Analysis Target and Period

Analysis Target Timeframe

Short-term: 2025~2026
Mid-term: 2027~2031
Long-term: 2032~2045

Analysis Target Business Site

Key production corporations in Korea and abroad were selected for the transition risk and opportunity analysis.

Domestic	Production Corporation	· AutoLand Gwangmyeong · AutoLand Gwangju · AutoLand Hwaseong
Overseas	Production Corporation	· KaSK (Kia AutoLand Slovakia) · KaGA (Kia AutoLand Georgia) · KMX (Kia Mexico) · KIN (Kia India) · KCN (Kia China)

Stage 2. Scenario Assumptions

Scenarios Used in the Analysis

Kia applied the IEA's Net Zero Emissions (NZE) scenario and the NGFS Phase 5 scenario to the analysis.

	Scenario	Policy
IEA	STEPS	Maintaining current energy and climate policies
	APS	Each country carries out its announced climate pledges
	NZE 2050	To reach net zero emissions in global energy by 2050
NGFS	Current Policies	Maintaining current policy but with continuous GHG increase (3℃)
	Delayed Transition	Delay in transition until 2030 followed by sudden decarbonization (2℃)
	NZE 2050	Stringent policy action and innovations to reach zero emissions by 2050 (1.5℃)

Stage 3. Financial Impact Estimation and Resilience Assessment

Key Assumptions Applied to Analysis

Emissions Trading Scheme	· Incorporation of carbon allowance prices and auctioning allocation ratios under each NGFS Phase 5 scenario · Estimated of emissions allowance purchase volumes and related costs across the short-, mid-, and long-term based on emissions and auctioning allocation plans for domestic and European production corporations, as well as the Carbon Emission Reduction Roadmap (long-term allowance sales revenue for some scenarios)
Transition to Renewable Energy	· Incorporation of renewable energy prices and electricity rate pathways from the IEA Net Zero Emissions (NZE) scenario · Assessment of the RE100 roadmap's renewable energy targets and procurement costs by mechanism (e.g., PPA, vPPA, and RECs), based on historical spending data and IEA benchmark price assumptions
Development and Sales of Electrified Products	· Incorporation of electrification transition pathways from NGFS and IEA scenarios, stricter emissions and fuel economy regulations in key markets, and projected demand for electrified vehicles · Estimation of changes in the sales ratio and revenue of electrification-related products based on the company's electrification strategy, relevant product developments (fuel efficiency improvements and electrification technologies), and portfolio expansion plans

Climate Change

Strategy

Scenario Analysis

Transition Risk and Opportunities

Financial Impact Analysis

Kia identified transition risks associated with policy and regulatory changes, as well as market shifts, and identified transition opportunities related to products, services, and energy sources. To address these risks, the company has developed and is implementing mitigation measures aimed at strengthening resilience.

Going forward, Kia plans to analyze the quantitative financial impact of each identified risk and opportunity, taking into account various climate scenarios, as well as internal and external climate transition plans.

Transition Risk	Explanation	Financial Impact	Description	Response Measure
Policy and Regulations	Stricter emissions trading schemes in Korea and Europe	· Increase in direct operating expenses	· Increased costs for purchasing emissions allowances due to higher carbon prices and the expansion of auction-based allocation under emissions trading schemes in Korea and Europe · Increased costs associated with emissions monitoring, mitigation initiatives, and operation of emissions allowance management systems	· Participation in the emissions trading scheme since 2015, monitoring policy and regulations to respond to the Korean government's GHG mitigation policy and implementing strategies that include managing emissions allowances · Projection and calculation of carbon emissions by major energy source through energy management systems at domestic AutoLands to manage emission allocations · Achievement of SBTi short-term targets and development of Carbon Emission Reduction Roadmap as a long-term response · Operation of a carbon neutrality investment process: Assess the effect of carbon mitigations using internal carbon prices and evaluate carbon opportunity costs when reviewing investments
Market	Rise in industrial electricity prices	· Increase in direct operating expenses · Increase in equipment and energy transition investments	· Increased electricity costs at production corporations due to rising industrial electricity rates and volatility in energy prices · Increased capital expenditures related to replacing existing equipment with high-efficiency production facilities and implementing energy management systems	· Energy efficiency and conservation
Policy and Regulations	Stricter vehicle fuel economy regulations	· Increase in fines and litigation costs · Increase in R&D costs	· Penalties, fines, and additional compliance costs when fuel economy and GHG emission standards are not met · Increased costs for production facility modifications and development of new platforms to support transition to an electrified vehicle portfolio · Increased R&D expenses to improve vehicle fuel efficiency and advance vehicle electrification technologies · Increased investments in battery performance enhancement, vehicle lightweighting, and development of next-generation powertrain technologies	· Continued improvement of vehicle fuel and energy efficiency · Monitoring of regulatory trends and compliance levels by responsible division · Regular semiannual reviews of response based on sales performance · Ongoing monitoring of available credit volumes for compliance with fuel economy regulations

Opportunity	Explanation	Financial Impact	Description	Response Measure
Product and Service	Growing demand for low carbon emission products	· Increase in revenues	· Increased revenue due to growing sales of electrified vehicles such as EVs and HEVs · Upgraded portfolio and improved profitability as a result of increased share of electrified vehicle sales	· Set 2030 sales target for 1.15 million HEV units and 1 million EV units · Sharpen EV competitiveness with enhanced EV lineup and product improvements · Improve key product features such as cost efficiency and driving range by developing next generation EV platform and adopting 5th generation batteries · Expand high-speed charging infrastructure for widespread use of EVs
Energy Source	Increase in renewable energy procurement	· Energy procurement cost reduction	· Lower electricity costs through increased utilization of solar power self-generation, PPA, and vPPA · Reduced GHG emissions and allowance purchasing costs due to increased use of renewable energy	· Establishment of RE100 roadmap · Driving transition to renewable energy at overseas business sites

1. GEMS, Global Energy-Greenhouse Gas Management System

Climate Change

Strategy

Strategy and Response

① Installation of Adaptation Facilities

To reduce the impact of climate-related physical risks, such as typhoons and heavy rainfall, on production activities and assets, Kia conducts site vulnerability assessments and comprehensive management initiatives spanning prevention, response, and remediation.

Typhoon

Based on its typhoon response manual, Kia carries out on-site measures, such as managing vulnerable facilities and relocating inventory vehicles when typhoon warnings are issued and mitigates potential financial impacts by securing insurance for inventory assets and production facilities. Meanwhile, overseas production corporations operate localized response systems, including emergency generators and evacuation shelters. Going forward, Kia plans to proactively reduce asset damage by further installing preventive infrastructure such as canopies.

Heavy Rainfall

Based on its heavy rainfall response manual, Kia conducts regular inspections, maintenance, and repairs of key facilities vulnerable to torrential rain, including roof TPO sheets and stormwater and drainage pipes to prevent leaks, flooding, production disruptions, and asset damage caused by heavy rainfall. The company is also gradually expanding response infrastructure at highly exposed overseas production corporations, reflecting local weather conditions to systematically mitigate the impact of climate risks on business continuity.

Physical Risk Mitigation at Key Production Sites CASE

AutoLand Gwangmyeong	AutoLand Hwaseong	AutoLand Gwangju	Kia Mexico	Kia China
· Waterproof TPO sheets and phased replacement to prevent roof leaks · Tent repairs and facility inspections for strong winds	· Closing entrances and relocation/ securing outdoor materials for typhoon/strong winds · Outdoor inspections and organizing hazardous material upon typhoon forecasts · Vehicle relocation to higher ground upon typhoon forecasts	· Waterproof roof and drainage inspections to prepare for monsoons · Manual and organization-based typhoon response system	· Waterproof TPO sheets to prevent leaks, and pumps and sandbags to prepare for the rainy season · Inspections of drainage pipes and buildings in high-risk areas	· Roof inspection and cleaning to remove debris and prevent drainage or sewer blockages in preparation for the monsoon season · Provision of site-specific flood prevention materials (sandbags, shovels, pumps, raincoats, lanterns, etc.)

1. Business Continuity Management

② Expansion of EV Lineup

To proactively address climate change transition risks and seize opportunities arising from the transition to electrified mobility, Kia continues to strengthen its electrification leadership as a "Sustainable Mobility Solutions Provider." By expanding its EV market share and fostering an eco-friendly mobility ecosystem, Kia aims to sell 1 million electric vehicles (EVs) out of 4.13 million total global vehicle sales by 2030.

Implementation Strategy

1. Build EV Full Lineup and Drive Mass Market Adoption	· Build an EV lineup consisting of 14 models (including 9 SUVs, 2 passenger cars, and 3 PBVs) · Overcome the EV Chasm and accelerate electrification transition by gradually introducing full volume models, including EV2, EV3, EV4, and EV5, etc.
2. Secure Next Generation Technologies and Production Flexibility	· Adopt Gen5 battery technologies that improve energy density by 15% and lower costs by 30% and introduce next generation EV platforms · Implement a flexible production system to respond to evolving global demand, led by the Gwangmyeong and Hwaseong EVO plants dedicated to EVs
3. Strengthen the Electrification Transition Bridge (HEV/PBV)	· Expand the hybrid (HEV) lineup to 10 models by 2030 · Starting with the launch of PV5 in 2025, unfold a PBV (Platform Beyond Vehicle) lineup to drive electrification transition across various industries, such as B2B, etc.



EV4



EV5



PV5 Passenger

Climate Change

Strategy

Strategy and Response

③ Development of a Carbon Emission Reduction Roadmap

Kia developed its Mid-to-long Term Carbon Emission Reduction Roadmap in 2021 and has progressively implemented comprehensive reduction efforts, including global RE100 initiatives, electrification expansion, and supply chain carbon reduction.

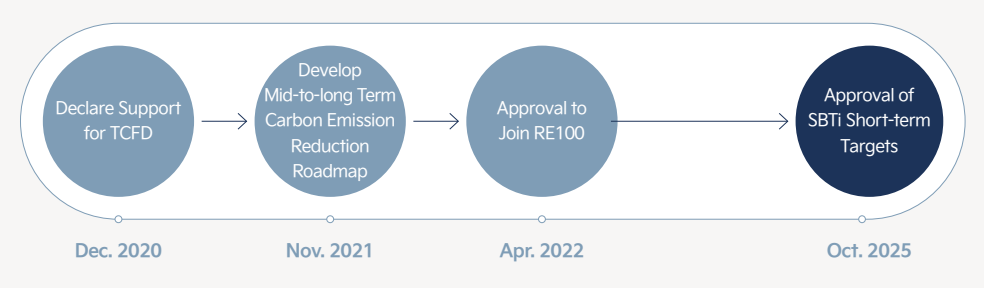
In October 2025, Kia obtained official validation from the Science Based Targets initiative (SBTi) for its near-term GHG reduction targets, confirming their scientific validity and international alignment. Building on this momentum, Kia established a target to reduce emissions by 63% by 2035 compared to 2024 levels, covering both Scope 1 and 2 and the use phase of Scope 3.

To further advance the existing carbon emission reduction strategy in 2026, the company plans to specify reduction pathways across Scope 1, 2, and 3 emissions based on SBTi methodologies while strengthening quantitative target management and monitoring processes.

In Scope 1 and 2 emissions, Kia is driving tangible reductions by accelerating the increase of renewable energy share and diversifying energy sources across domestic and international operations. In Scope 3 emissions, the company is pursuing value chain-wide carbon emission reduction by reducing carbon intensity in key raw materials (steel, aluminum, and plastics), expanding electrification, pursuing vehicle lightweighting, and improving fuel efficiency.

Beyond simple participation, SBTi validation implies that scientifically validated targets are integrated into Kia's business decisions, investments, and operational strategies. This allows Kia to strengthen climate risk management while proactively responding to evolving global regulations and market demands.

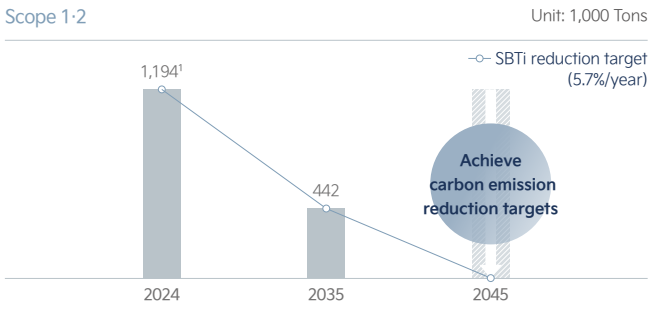
Mid-to-long Term Carbon Emission Reduction Milestones



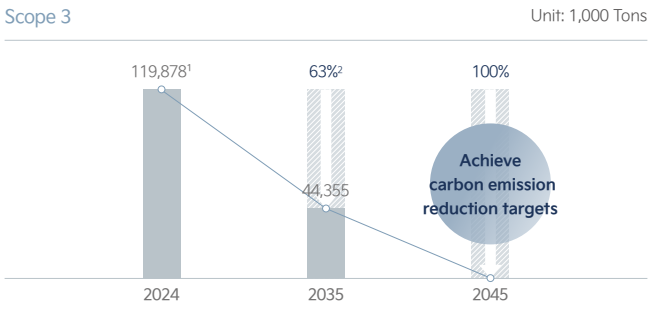
Mid-to-long Term Carbon Emission Reduction Measures

Scope 1·2	Scope 3
· Accelerate transition to renewable energy · Diversify energy sources (biogas, hydrogen)	· Expand electrified vehicles · Curb carbon emissions in the supply chain (raw material, suppliers) · Improve vehicle fuel economy and energy efficiency

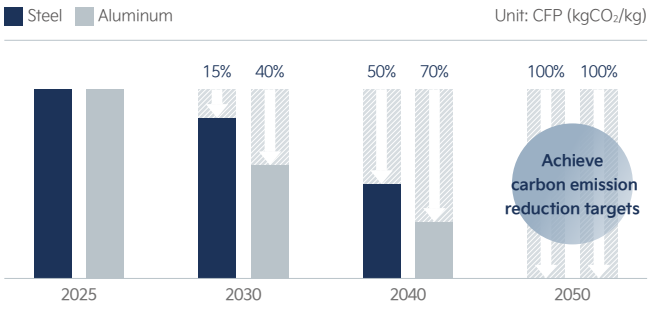
Carbon Emission Reduction Roadmap



1. Based on SBTi criteria



1. Based on SBTi criteria 2. Scope 3 Category 11 target



Climate Change

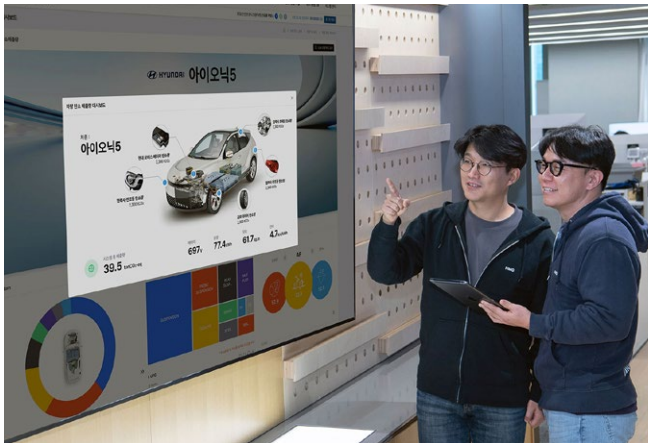
Strategy

Strategy and Response

④ Data-Driven Carbon Management

Integrated Greenhouse Gas Information System (IGIS)

Amid global economic and political uncertainties, market and stakeholder expectations regarding carbon neutrality and climate change response continue to rise. To address these external demands and increasingly stringent carbon emissions regulations, Kia has established the Integrated Greenhouse Gas Information System (IGIS) to enable integrated management of carbon emissions across products, business sites, and the supply chain. Through IGIS, Kia conducts life cycle assessments (LCA) of vehicles, including carbon emissions calculations, and shares the results internally to support compliance with regulatory requirements and stakeholder demands. Going forward, Kia plans to further enhance the system to ultimately evolve into a carbon intelligence platform that contributes to Kia's carbon neutrality goals by enabling quantitative carbon emissions management at the vehicle development stage and introducing functions that actively drive emissions reductions.



Global Energy Monitoring System(GEMS)	Supplier Carbon Emission Management System (SCEMS)	Integrated Greenhouse Gas Information System (IGIS)
Installed at domestic AutoLands to measure and estimate carbon emissions by key energy source and set emission targets	Integrated management of carbon emissions across the entire value chain from raw material extraction to manufacturing and transportation of parts and vehicles	Conducts life cycle assessments (LCA) to monitor, quantify, and manage carbon emissions throughout the entire vehicle lifecycle

Internal Carbon Pricing

Kia applies internal carbon pricing to both carbon emission increase and reduction factors arising from investment activities at its production plants when making investment decisions. The internal carbon price is based on a shadow price[1] and is set annually using carbon price projections developed by the HMG Business Intelligence Institute.

Accordingly, internal carbon pricing is used not only to evaluate the economic feasibility of renewable energy adoption and GHG reduction technologies, but also to assess potential increases in emissions associated with investment activities. By comparing the internal carbon cost, which is calculated as "emissions impact × internal carbon price," with investment costs, Kia makes balanced investment decisions that take both emission increases and reductions into account. In particular, for proposals reviewed by the Investment Review Committee where either emission reductions or increases are expected, carbon costs are incorporated as a financial decision-making factor to strengthen the implementation of carbon neutrality across the production division.

1. Shadow Price: A theoretical financial value assigned to a ton of carbon emissions to be used in company decision-making processes

Climate Change

Strategy

Strategy and Response

⑤ Implementation of RE100

In April 2022, Kia joined RE100, a global initiative launched by the UK-based non-profit organization, The Climate Group, in collaboration with the 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 transition across its all overseas business sites by 2040 which is 10 years ahead of the RE100 initiative's recommended target year of 2050.

Taking into account national energy policies and renewable energy market conditions in each country, Kia has developed site-specific RE100 implementation roadmaps. To enhance both the credibility and effectiveness of its decarbonization efforts, the company is expanding the adoption of renewable energy primarily through self-generation and Power Purchase Agreements (PPAs). In 2025, Kia China newly achieved RE100, becoming the second overseas business site to do so following Slovakia. Kia also aims to accelerate the RE100 transition at key overseas production sites, including Mexico and the U.S., to achieve RE100 even earlier than its existing roadmap.



1. Kia original target 2. RE100 recommendation

RE100 Strategy Development Process

Kia recognizes that expanding renewable energy is essential for the implementation of RE100. Given the need for significant capital investment, the company has 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.

Development Process

Step 1	Project mid-to-long term electricity usage	Consumption forecasting analysis linked to mid-to-long term business plans of all business sites
Step 2	Analyze need for renewable energy transition	Calculate annual demands for renewable electricity transition
Step 3	Develop self-generation targets and plans	Conduct site-specific analysis of installation location, capacity and economics
Step 4	Develop PPA and REC strategy	Forecast mid-to-long term domestic/overseas PPA and REC prices, review transition timing, develop implementation strategies

Climate Change

Strategy

Strategy and Response

⑤ Implementation of RE100

Global RE100

Kia is driving its transition to renewable energy with the goal of achieving RE100 at overseas business sites by 2030 and at all business sites by 2040. Since the Slovakia business site achieved RE100 in 2016, China added its name to the list in 2025 with efforts being accelerated at other overseas sites, including Mexico and the U.S., to achieve RE100.

Self-generation | In 2025, Kia completed the installation of a total of 40MW of solar PV capacity across domestic and overseas AutoLand sites, enabling direct on-site generation of electricity required for operations. The company plans to add a further 60MW of solar PV capacity by 2028 across AutoLand Hwaseong, Gwangju, and Slovakia, bringing the total capacity to 100MW. In particular, AutoLand Hwaseong plans to utilize idle national and public land within the site to develop a 50MW solar PV self-generation facility to maximize renewable energy self-sufficiency.

PPA | In 2024, Kia installed a total of 58MW solar PV capacity at its China business site, utilizing renewable electricity through on-site PPAs. In 2025, the company introduced 51MW PPA capacity at its domestic business sites and plans to gradually expand total PPA capacity to 240MW by 2030. Kia's business sites in the U.S. and India are also pursuing the adoption of PPAs, with plans to sign agreements in 2026 and begin sourcing renewable electricity between 2027 and 2028.

Certificates | At the Slovakia and China business sites, Kia purchases renewable energy certificates to cover the remaining electricity demand for achieving RE100 after implementing self-generation and PPAs.

RE100 Implementation Progress

Overseas	· Target to achieve RE100 at business sites · China achieved RE100 in 2025, and Mexico and the U.S. are aiming to achieve RE100 by 2026-2027
Domestic	· AutoLand Hwaseong to install the largest solar PV facility (50MW) by 2028 · Self-generation and PPA to be continuously expanded across all business sites



Climate Change

Strategy

Strategy and Response

⑥ Improvement of Energy Efficiency

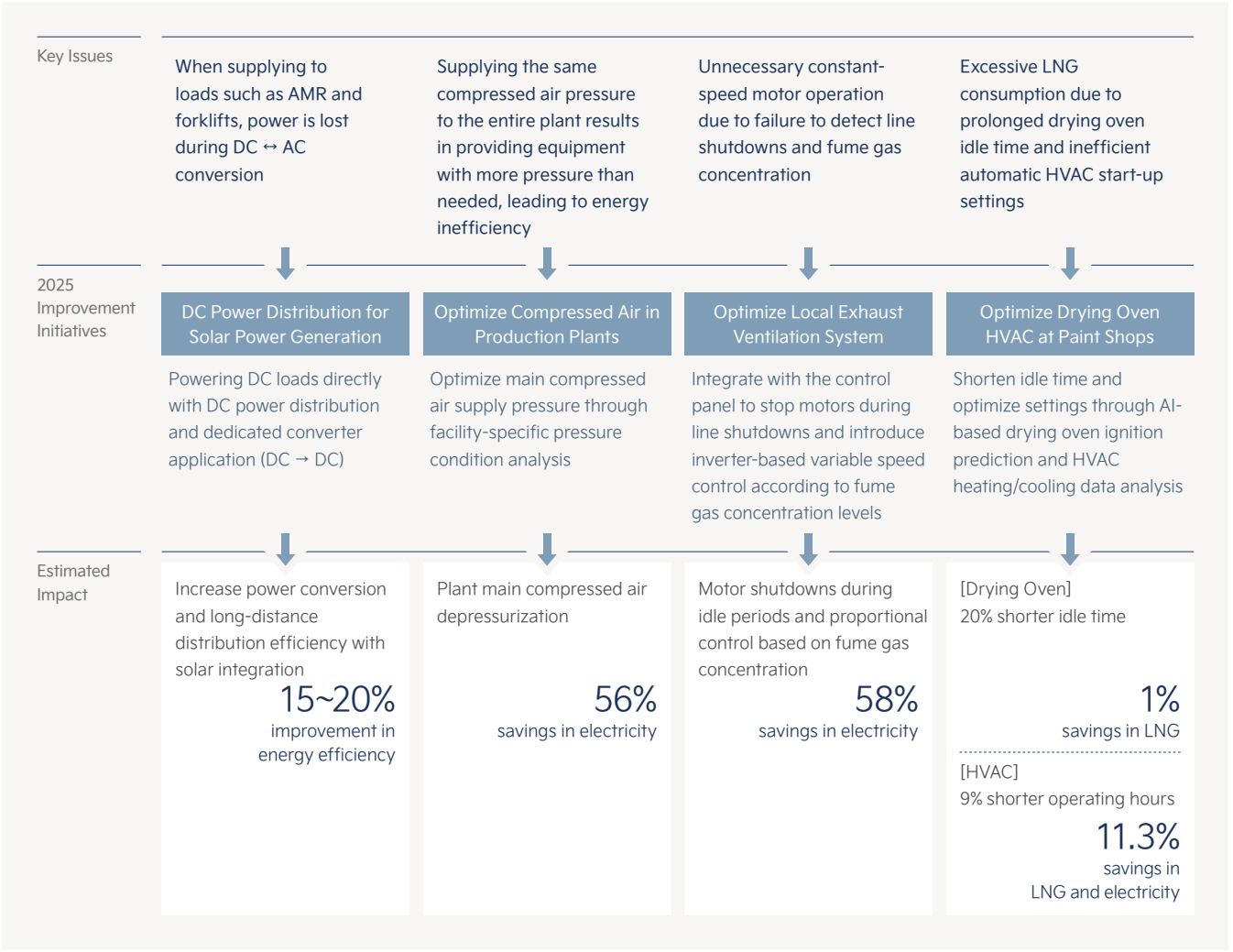
Kia has established a mid-to-long term target of reducing 10% of Scope 1 and 2 emissions at its production plants by 2030 compared to 2019 levels through energy efficiency, and is further refining implementation strategies for each AutoLand. In addition, the company regularly monitors energy consumption of AutoLand processes through the IGIS global energy monitoring system to identify improvement opportunities through energy diagnostics and develop investment plans that consider process and facility characteristics. In 2025, Kia identified opportunities primarily at domestic production sites, including AutoLand Gwangju and Gwangmyeong, and implemented energy-saving initiatives such as DC wiring applications and compressed air optimization. In the same year, Kia invested KRW 7.37 billion in a total of 60 energy-saving projects that had been identified and approved for on-site implementation across each AutoLand. Using standardized criteria, the company evaluated the effectiveness of these investments and confirmed annual energy cost savings of approximately KRW 3 billion based on approved project outcomes.

To further strengthen employee awareness of energy conservation and encourage the identification of new energy-saving initiatives, Kia also held the Hwaseong Energy Idea Contest in 2025. The contest received a total of 243 proposals covering various themes, including lighting efficiency, standby power reduction, and facility optimization, with awards granted for outstanding ideas. In addition, regular energy patrols and monitoring activities are conducted at each AutoLand. To maintain ISO 50001 Energy Management System certification, external certification auditors visit each AutoLand annually to review energy targets, performance, and the implementation status of energy-saving activities, while also verifying whether operations are being managed in accordance with the PDCA (Plan-Do-Check-Act) framework.

Energy Management System Certification Ratio Data Coverage: Domestic

Category	Unit	2023	2024	2025
ISO 50001 Certification Ratio	%	100	100	100

Case Study of Energy-Saving and Efficiency Initiatives



Climate Change

Strategy

Strategy and Response

⑦ Reduction of Supply Chain (Supplier) Emissions

Supplier Carbon Emission Reduction Strategy

Kia is actively promoting carbon reduction across its supply chain partners, which account for a significant share of its value chain carbon emissions by supporting suppliers in developing carbon accounting capabilities and emissions reduction plans tailored to their specific operations. Major Tier 1 emitters are required to obtain third-party verification of site-level emissions and establish carbon reduction roadmaps, with progress monitored regularly. In the long term, Kia aims to reduce raw material emissions by expanding the use of low-carbon and recycled materials such as steel, aluminum, and plastics.

Win-Win Carbon Reductions in the Automotive Supply Chain CASE

As global environmental regulations, including those in the EU, become increasingly stringent and shift from the site level to product level, managing carbon footprints across the supply chain has emerged as a key factor in maintaining export competitiveness. In response, as part of its efforts to foster a culture of shared growth, Kia has signed a "Mutual Growth Agreement for Carbon Reduction in the Automotive Supply Chain" with stakeholders, including the government, Hyundai Motor Group, and 87 small and medium-sized suppliers to fulfill its social responsibility to enhance carbon competitiveness in the automotive industry.

Through the agreement, priority support is provided to Tier 1 suppliers for the transition to low-carbon equipment. In return, Tier 1 suppliers are required to reinvest the support they receive into Tier 2 suppliers in cooperation with the Ministry of SMEs and Startups, thereby establishing a mutually beneficial structure for carbon reduction across all suppliers. Through this initiative, Kia aims to realize a practical culture of shared growth between large and small and medium-sized enterprises, while promoting sustainable management practices and advancing the green transformation (GX) of the industrial ecosystem.



Building Readiness and Capabilities

Kia provides carbon neutrality training programs for employees of its suppliers, with a total of 3,614 supplier employees participating annually and completing a cumulative 1,059 hours of training. In particular, to strengthen capabilities in responding to global carbon regulations, Kia conducts a total of 18 specialized training sessions focused on key international carbon regulatory frameworks such as the CBAM. Through these initiatives, Kia systematically manages and verifies improvements in suppliers' practical response capabilities.

Supplier Parts LCA Support Program

- 2023: Data collection and validation from 86 high carbon-emitting companies, and carbon emission calculations for each part
- 2024: Expansion of support to all Tier 1 suppliers
- 2025: Operation of professional training programs in connection with the K-Mobility Bridge Foundation and support for review of LCA interim and final stages for 130 overseas plant suppliers

MOU and Seminars for Carbon Reduction in the Automotive Industry Supply Chain

- MOU on carbon reduction in the automotive industry supply chain and seminar for representatives of high carbon-emitting suppliers
- MOU: Includes new facility support program carried out by Kia, the government, and suppliers to achieve carbon neutrality in the automotive industry's supply chain
- Seminar: Introducing Kia's carbon management policies to supplier representatives and offering lecture on enhancing carbon reductions and carbon management governance

Full-Fledged Implementation

Kia regularly monitors whether suppliers have established carbon reduction targets and tracks their implementation progress. Based on the results, the company provides performance-based feedback and is also reviewing incentive-linked measures for suppliers with outstanding carbon reduction performance. In 2025, Kia confirmed carbon reduction target-setting among 73 Tier 1 suppliers and based on this, implemented supplier GHG emission management initiatives.

Suppliers with GHG Emission Reduction Targets (2025)

Supplier GHG Emission Management	Unit	2025
Number of Tier 1 Suppliers with Targets Set	Companies	73

Implementation Framework

Kia manages suppliers within its supply chain by categorizing them into high carbon-emitting suppliers and general suppliers, and requires annual third-party verification of emissions for high carbon-emitting Tier 1 suppliers. Starting in 2025 with support for domestic high-emitting suppliers in setting emissions reduction targets, Kia plans to expand the scope of its support to include general domestic suppliers and overseas suppliers from 2026, while also monitoring their emissions reduction performance. In addition, through its supplier site-level third-party verification support program, Kia has supported the establishment of GHG inventories for 111 suppliers and the achievement of third-party verification for 149 suppliers.

Support for Management Capabilities	Support for Capital Expenditure	Carbon Emission Monitoring	Carbon Reduction Promotion and Support
· Support fostering carbon neutrality experts at suppliers · Support joint response to global regulations (EU CBAM) · Support development of supplier carbon emission reduction roadmap	· Support suppliers in switching to high energy efficient equipment · Support supplier participation in carbon reduction government initiatives · Support consulting for suppliers in business site energy diagnosis	· Develop IT system for calculating and managing supplier emissions · Support third-party verification of supplier carbon emissions	· Support carbon reduction equipment purchases at SME suppliers · Offer carbon neutrality solution information and promote best practices through exhibitions and seminars

Climate Change

Strategy

Strategy and Response

⑧ Reduction of Vehicle Use Stage Emissions

Kia is improving fuel economy and electric energy efficiency to reduce emissions during the vehicle use stage. The company conducts on-cycle fuel economy tests based on the regulatory standards of key markets, as well as off-cycle tests that reflect actual driving conditions with results verified through comparison with third-party measurements. In addition, Kia is carrying out technology development and performance management activities to enhance electric energy efficiency of EVs and battery performance.

Real-World (Off-Cycle) Fuel Economy Testing

Vehicle fuel economy is influenced by vehicle-related factors, such as powertrain control, vehicle weight, HVAC settings, and tire conditions, as well as various driving conditions, including road conditions and traffic situations. Therefore, Kia conducts real-world off-cycle tests alongside the standardized on-cycle testing that is done in controlled environments. In addition, during the development phase, actual driving tests are carried out, reflecting major road conditions of each country where the vehicles will be sold.

Kia internally analyzes consistency between the on-cycle and off-cycle test data and reports the results to the relevant R&D executive.

In addition, Kia conducts a correlation analysis of off-cycle testing and fuel economy measurements performed by third-party organizations. The company compares data released by the U.S. EPA, J.D. Power, Consumer Reports, Europe's Green NCAP, Auto Bild, and Spritmonitor, and also references certification data from key emerging markets such as India and Brazil to continuously verify the objectivity and reliability of its test results.

Energy and Battery Performance Improvement

Kia is committed to securing high-quality batteries and improving battery performance. Designed to support approximately 300,000 km of driving until battery performance reaches 70% and 200,000-250,000km until reaching 80%, Kia EV batteries are estimated to last around 10-12 years based on the company's design and validation standards, assuming annual driving of around 20,000km.

Fuel Economy Regulatory Response by Region

Korea has been steadily tightening its vehicle greenhouse gas (GHG) emission regulations. For passenger vehicles, the baseline emission standard[1] will be lowered in stages—from 89g/km in 2025 to 86g/km in 2026, and to 70g/km or below by 2030—with a penalty of KRW 50,000 per gram exceeding the allowable limit[2]. These rules support the government's 2030 Nationally Determined Contribution (NDC) to put 4.5 million zero- and low-emission vehicles on the road and cut GHG emissions by 40% from 2018 levels by 2030. Kia meets the required emission standard, calculated based on the 2025 baseline value (89g/km) and the average curb weight of the vehicles it sells.

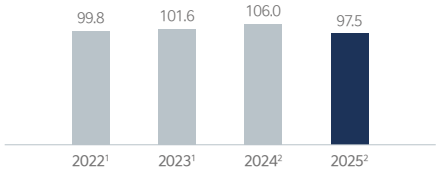
1. The base value is a constant in the regulatory formula, and each manufacturer's actual emission standard reflects the average curb weight (m) of the vehicles it sells:
   - m > 1,110kg: 89 + 0.0373 × (m - 1,571.8) g/km, m ≤ 1,110kg: 71.8 g/km
2. Article 2(6) of the Notification on Average Energy Consumption Efficiency and GHG Emission Standards for Automobiles. The "GHG emission standard" is the average GHG emissions standard (g/km) manufacturers must meet. Any shortfall may be offset within three years, with a penalty applying if unresolved

Europe

The EU is strengthening regulations to reduce average passenger vehicle emissions across the EU automotive industry to 49.5g/km by 2030 and is also reviewing a further reduction target of 11g/km by 2035. To support implementation, it plans to ease rules for compact EU-made EVs and vehicles using low-carbon steel and renewable fuels. Some countries, including Norway, the Netherlands, and Germany, are pursuing earlier bans on new ICE vehicle sales before 2035.

1. 2021-2023 figures are final values confirmed by the EC
2. 2024-2025 figures are internal estimates based on Kia's sales performance and subject to final confirmation by the EC

Kia's Average Carbon Emissions[1,2] in the EU (Unit: g/km)

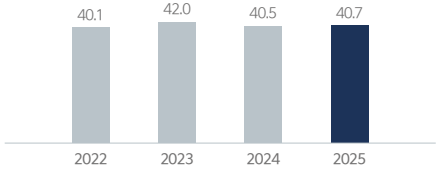


U.S.

The U.S. government is pursuing deregulation by revising the Corporate Average Fuel Economy (CAFE) standards to remove penalties and withdraw federal GHG regulations. The fuel economy target for Model Year 2030 has been significantly lowered from 49.4 miles per gallon to 34.4 miles per gallon, and existing federal GHG frameworks, including reporting and credit systems, have been repealed. While the federal government revoked California's authority to set its own regulations, California has enacted emergency legislation and is pursuing measures to maintain and strengthen its standards.

1. Estimates based on the Trump second-term draft (December 2025) and subject to change based on final confirmation of regulatory targets

Kia's Average Fuel Economy[1] in the U.S. (Unit: mpg)

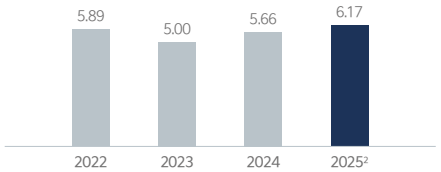


China

The Chinese government is tightening regulations to reduce corporate average fuel consumption (CAFC) to 3.3L/100km by 2030. Incentives for electrified vehicles (EV, HEV, PHEV, FCEV) and low-fuel-consumption vehicles under the CAFC system have been removed, further tightening the regulation. The electrified vehicle mandate is also being expanded, with required sales shares increasing to 48% in 2026 and 58% in 2027.

1. Based on average fuel economy by automotive brand, disclosed annually by the Chinese government
2. Internal estimates based on Kia's sales performance and subject to final confirmation by China's Ministry of Industry and Information Technology (MIIT)

Kia's Average Fuel Economy[1] in China (Unit: L/100km)



Climate Change

Strategy

Strategy and Response

⑨ Lifecycle Assessment and Improvement

LCA Carbon Reduction Strategy

Vehicle carbon emissions occur not only in the use phase but also indirectly throughout the entire life cycle, including in 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.

As of 2025, the cumulative share of vehicle models that underwent full LCA was 65.5%, including 26 models evaluated in 2025. All models underwent Full LCA. In addition, Kia is strengthening its electrified vehicle lineup to continuously reduce carbon emissions during the use phase. Currently, LCA is conducted in key markets and is planned to be expanded to all global models, targeting 80% LCA coverage by 2026.

Reducing Carbon Emissions Across the Lifecycle

Kia is committed to developing core technologies and securing solutions to reduce carbon emissions across the entire vehicle lifecycle, spanning raw material production, parts manufacturing, and vehicle use.

To curb emissions from major materials, Kia is developing technologies to replace traditional blast-furnace steel with low-carbon steel produced from combined blast- and electric-arc furnaces while increasing use of parts made with natural bio-plastics. In the parts manufacturing stage, Kia has completed or is reviewing use of process efficiency technologies, such as low-temperature curing electrodeposition paint and wire rods that eliminate heat-treatment processes. In the vehicle use stage, which represents the largest share of lifecycle emissions, Kia continues to expand R&D for proven carbon emission reduction technologies, such as weight reduction technologies using high-strength material.

1. EU Product Environmental Footprint
2. United Nations Economic Commission for Europe
3. Automotive LCA Informal Working Group (IWG)
4. The Working Party on Pollution and Energy

LCA Based on International Standards

Kia has established a company-wide LCA standard compliant with ISO 14040 and ISO 14044, covering all stages from raw material extraction, parts manufacturing and transportation, to vehicle production, distribution, use, and end-of-life treatment. Kia's LCA applies the Environmental Footprint 3.1 methodology adopted under the EU PEF[1] framework to assess key environmental impact categories, including climate change (Global Warming Potential, GWP), and review metrics such as human toxicity and freshwater, marine, and terrestrial ecotoxicity.

In the vehicle manufacturing stage, business site energy consumption and pollutant emissions are based on actual data measured at the business sites. For the EV use stage, future electricity emission factors derived from national power supply and demand projections are applied for more realistic results. Kia's LCA methodology has been verified by external certification bodies, ensuring the reliability, transparency and international compliance of the data. The company plans to continue providing high-quality and reliable data going forward.

LCA Impact Evaluation Criteria

Climate Change · Fossil fuels · Biogenic · Land use (LUC)	Eutrophication, Terrestrial · Terrestrial · Freshwater · Marine
Ozone Depletion	Acidification
Particulate Matter	Land Use
Ionising Radiation	Water Use
Photochemical Ozone Formation	Resource Use · Minerals and metals · Fossil fuels

Automotive LCA Methodology Development by Participating in International Councils

Calculating carbon emissions across a vehicle's life cycle is highly challenging due to the complexity of vehicles and their global supply chains. As a result, organizations have applied different LCA methodologies depending on their objectives and available data. To address this, the UNECE[2] established the A-LCA IWG[3] to harmonize LCA methodologies in the automotive sector, supporting fair comparison of carbon emissions between vehicles and helping global automakers meet regulatory requirements across different jurisdictions.

Recognizing the value of a harmonized approach for low-carbon vehicle development, Kia actively participates in the A-LCA IWG and provides practical input to improve real-world applicability. Specifically, Kia proposed a tiered analysis framework based on carbon accounting purposes and data granularity. This includes suggesting efficient selection criteria for selecting representative vehicle models and specifications using manufacturers' operational data. Through these efforts, Kia aims to improve calculation efficiency while ensuring automakers' carbon reduction efforts are properly reflected. The proposed methodology remains under discussion, with submission to the UN GRPE[4] in the second half of 2026, with final adoption planned through reporting to the UN World Forum for Harmonization of Vehicle Regulations (WP.29) in 2027.

Climate Change

Strategy

Strategy and Response

⑨ Lifecycle Assessment and Improvement

Carbon Reduction Efforts Based on LCA

Kia utilizes LCA results to identify key environmental impact factors throughout the vehicle lifecycle and integrates these findings into its carbon reduction strategy and product development decisions. The company also continues to lower carbon emissions during the vehicle use stage by expanding its electrified vehicle lineup.

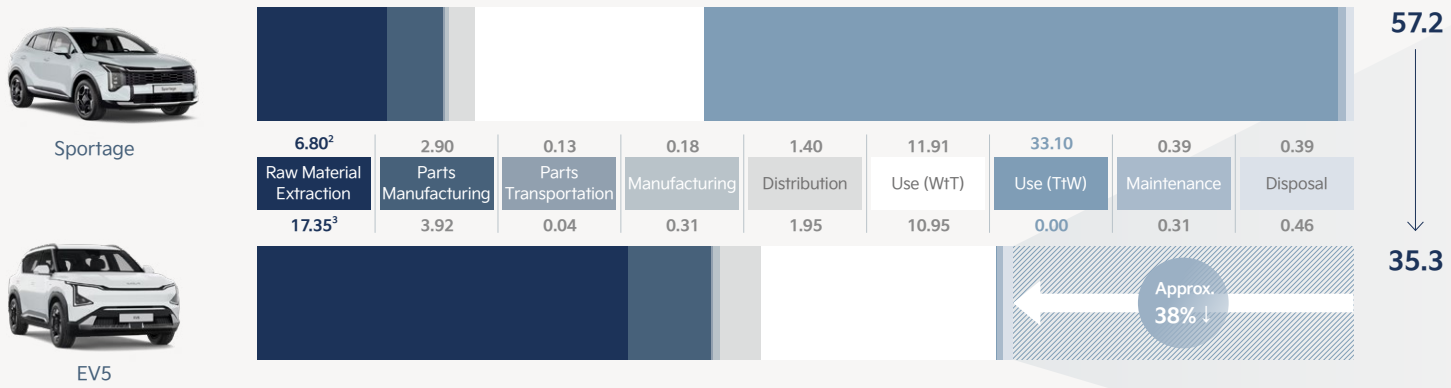
[Case] EV5 (EV)-Sportage (ICE) LCA Results

CASE

EV5 is a dedicated EV model developed to further advance Kia's global electrification strategy, driving the transition to sustainable mobility in major markets. To quantitatively assess environmental impacts throughout the vehicle's life cycle, Kia conducted an LCA of the EV5 and, in 2025, compared it against the Sportage, a conventional internal combustion engine (ICE) model. The assessment found that the EV5's GWP[1] was 35.3tCO_2e, approximately 38% lower than the Sportage's 57.2tCO_2e. This result reflects environmental impacts across the entire vehicle life cycle, from raw material extraction to vehicle disposal. The lower GWP of the EV5 is primarily attributable to the absence of direct tailpipe emissions during the vehicle use stage under equivalent driving conditions. Electric vehicles may generate higher emissions than ICE vehicles during the raw material extraction and component manufacturing stages due to the use of carbon-intensive materials in high-voltage batteries and electric drive motors. However, even when indirect emissions associated with electricity generation are taken into account, EVs exhibit lower carbon emissions during the use phase, resulting in a lower overall carbon footprint from a life cycle perspective. Consequently, EVs demonstrate a clear environmental advantage over conventional ICE vehicles.

As electricity generation becomes increasingly decarbonized and the share of renewable energy continues to grow, indirect emissions associated with EV charging are expected to further decline. In response to such changes, Kia is pursuing vehicle lightweighting, expanding use of low-carbon materials, and enhancing environmental sustainability throughout the battery supply chain. Through these efforts, Kia aims to reduce carbon across the entire vehicle lifecycle and improve the environmental performance of its electrified vehicle lineup.

Unit: tCO_2e



EV5	Sales Area	Battery	Battery Capacity	Motor	Energy Consumption	Body Type	Drivetrain	Tire	Curb Weight
	Europe	Lithium-ion	81.4kWh	160kW	17.1kWh/100km	Wagon-5DR5P	2WD(FWD)	19 inches	2,010kg

Material used for EV5

Material	Usage (kg)	Weight Share (%)
Ferrous Metal	918.9	44.8
Aluminum	280.8	13.7
Other Nonferrous Metal	65.3	3.2
Plastic	297.7	14.5
Rubber	47.4	2.3
Glass	33.8	1.6
Ceramic	25.4	1.2
Organic Composites	1.7	0.1
Fluids	21.7	1.1
Electronic Materials	314.9	15.3
Other	44.1	2.1
Total	2,051.7	100.0

1. Global Warming Potential 2. During the raw material extraction stage of Sportage, steel emits 2.3tCO_2e and aluminum emits 2.6tCO_2e of GHG per unit 3. During the raw material extraction stage of EV5, steel emits 2.4tCO_2e and aluminum emits 4.5tCO_2e of GHG per unit

Climate Change

Risk Management

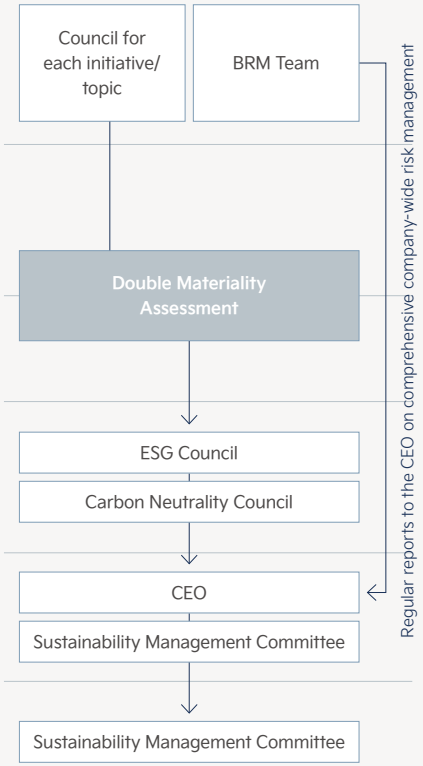
Risk and Opportunity Management

Integrated Management Process

Kia conducts integrated management of financial and non-financial risks and operates a systematic risk management governance to identify and respond to risks that can arise in doing business. The company works with various division and initiative-specific councils to identify company-wide risks and opportunities and reports the results regularly to the ESG Council to review progress and performance. Key matters are especially reported to the highest decision-making bodies, such as the CEO or Sustainability Management Committee. Climate-related risks are also handled by this integrated risk management process to ensure they are managed from a corporate-wide perspective. Climate change risk analysis and related plans and response measures are reported regularly to the Board of Directors each year so they can be operated under oversight from the highest decision-making body.

Procedures		Description
1. Identification	Identify sustainability related risks and opportunities that can have impact across the overall value chain	· Identify key information and stakeholders related to risk occurrence · Define the company's time horizon for the assessment · Identify stakeholder expectations and perception through interviews and surveys · Monitor changes in relevant legislations, regulations, and standards
2. Evaluation	Determine materiality by evaluating the scale and likelihood of potential risks and opportunities, as well as risk vulnerabilities	· Scale: Assess the financial impact of factors based on quantitative and qualitative criteria · Likelihood: Assess based on historic data and input from field organizations and external experts · Risk Vulnerability: Include internal and external factors such as asset damage and regulatory violations
3. Prioritization	Based on the evaluation results, determine importance of risks and their order of priority	· Identify material risks and opportunities based on time horizon, impact scale, likelihood, and vulnerability, etc.
4. Management Measure Development	Develop and implement management measures to address the identified risks	· Discuss with relevant departments, develop short-, mid-, long-term response measures, and review implementation and response outcomes · Integrate adaptation and mitigation measures regarding climate-related risks into key processes such as capital investments, supply chain management, and the safety and health system
5. Monitoring	Regularly monitor the effectiveness of risk control measures and changes in the environment	· Report to highest decision-making body such as the Sustainability Management Committee
6. Approval	Share risk and opportunity assessment outcomes with stakeholders and carry out validation and approval steps	· Based on reports, integrate adaptation, mitigation, and implementation status to carry out Board approval process

Lead Department



Climate Change

Metrics & Targets

Targets and Performance

Carbon Emission Reduction Targets

Mid-to-long Term Carbon Emission Reductions

Scope 1	Scope 2	Scope 3
Energy efficiency, electrification for business vehicles, and clean hydrogen/bioenergy transition	Achieve RE100 (Overseas: 2030, Domestic: 2040)	Global electrification, application of carbon reduced materials in vehicles

GHG & Energy Reduction Targets

Data Coverage : Domestic + Overseas

Category	Unit	2025 (Target)	2025 (Performance)	2026 (Target)
GHG Emissions Intensity (Scope 1 & 2)	tCO_2e/vehicle	0.34	0.39	0.36
Energy Use Intensity[1]	MWh/KRW 100 million	3.19	3.79	3.61

1. Including overseas owned/leased assets since 2024

GHG Emissions

Data Coverage : Domestic + Overseas sites

Category	Unit	2023[1]	2024[1]	2025
Total Emissions (Scope 1 & 2)[2]	1,000 tCO_2e	1,130.9	1,178.5	1,096.4
Direct Emissions (Scope 1)	1,000 tCO_2e	353.9	386.3	398.5
Indirect Emissions (Scope 2)	1,000 tCO_2e	777.0	792.2	697.9
Total Emissions (Scope 3)	1,000 tCO_2e	99,498.2	99,395.2	142,060.7

1. SBTi (approval in Oct 2025) criteria not applied
2. Starting in 2024, emissions from leased assets are included under Scope 1&2 instead of the previous Scope 3 Category 8

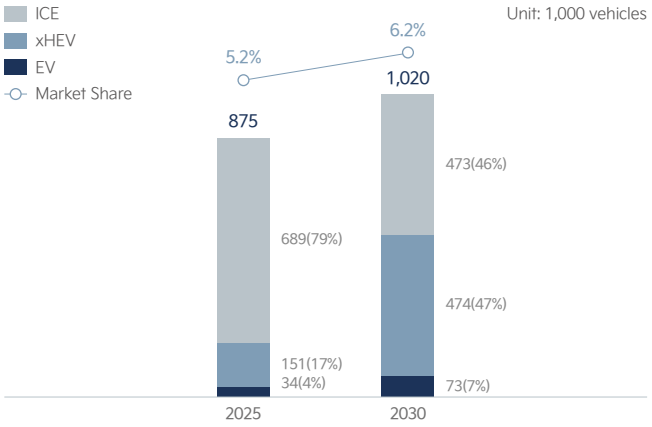
Electrified Vehicle Sales Performance and Plan[1]

Data Coverage : Domestic + Overseas

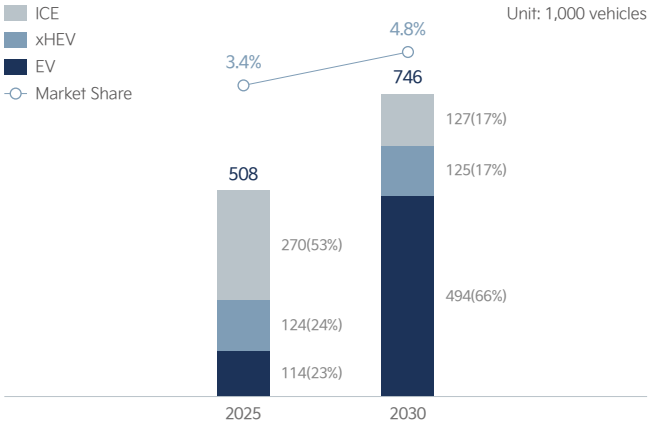
Category	Unit	2023	2024	2025	2026 (Target)
Total	Vehicles	598,846	644,685	772,798	1,122,388
HEV	Vehicles	311,671	382,764	467,611	691,127
PHEV	Vehicles	88,861	67,797	57,142	31,124
EV	Vehicles	198,314	194,124	248,045	400,137

1. Wholesale based

U.S. Sales Target



Europe Sales Target



Resource Circularity

As global resources continue to decline and waste generation increases, the importance of resource-efficient business models has become essential for corporate sustainability. Therefore, Kia is actively pursuing opportunities to recycle raw materials such as plastic and steel scrap, to support 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, recycled, and reprocessed into valuable resources.

Governance

Resource Circularity Governance

Operating Framework

In compliance with the Act on Resource Circulation of Electrical and Electronic Equipment and Vehicles, Kia operates a resource-efficient business model that implements management initiatives around the four key areas of sustainable raw material consumption and conservation, waste management, resource circularity in manufacturing processes and end-of-life vehicles, and the application of recycled plastics. To support these efforts, Kia operates a Resource Circularity Council led by the Corporate Planning Division where relevant divisions regularly discuss how to optimize resource circularity.

The Council convenes monthly by agenda, identifying key issues and strategic directions in response to global recycling regulations, including the EU Circularity and End-of-Life Vehicle Regulation (ELVR)[1] and the EU Battery Regulation (EUBR), and reports them to management to support decision-making.

Based on these efforts, Kia is establishing a strategy to build a closed-loop circular system spanning the entire vehicle lifecycle, from design to the recovery and reuse of end-of-life resources. This strategy focuses on five core materials and components: plastics, steel, aluminum, batteries, and motors. Through these initiatives, Kia continues to develop and implement measures to strengthen product competitiveness across the circular value chain.

1. End-of-Life Vehicle Regulation (ELVR): An EU regulation governing resource circulation and end-of-life vehicle management across the entire vehicle lifecycle

C-level

	Plastic	Aluminum	Steel	Battery	Motor
Operation Division	Strategic Business Planning Division	Corporate Planning Division (Procurement Division)	Hyundai Steel	Future Strategy Division	Materials Research & Engineering
Technology Division	Materials Research & Engineering			Electrification Energy Solution	
Recovery Division	Korea Business Division·Global Operations Division			Hyundai GLOVIS	

Division Operation Direction

Use of sustainable raw material:
- Apply designs and material in line with the raw and subsidiary material principle to reduce the environmental impact of products

Waste management
- Implement waste reduction KPIs of the dedicated team (Environment & Fire Protection Support Team) and report to the Sustainability Management Committee

Increase manufacturing processes and end-of-life vehicle resource circularity
- Recycle end-of-life batteries through cooperation with European companies
- Adopt recycling of steel scrap from manufacturing processes

Develop and apply recycled plastic material
- Build a company-wide collaboration system for recycling plastic
- Target applying 15% recycled plastic to new vehicles in Europe by 2032 (in response to EU ELVR)

Recycled Plastics Council

Kia operates a company-wide Recycled Plastics Council to respond to the EU ELVR and expand the use of recycled plastics. The Strategy Division monitors regulations and trends and sets implementation directions, while the Council reviews progress and facilitates cross-functional collaboration. The Development Division develops parts and designs to incorporate recycled materials into Kia vehicles, and the Supply Chain Division secures a stable supply network by engaging competitive recycled plastic suppliers.

Company-wide Recycled Plastics Council
Organized By Head of the Corporate Planning Division

Executive Director | Head of the Sustainability Management Group

Strategy Division	Development Division	Supply Chain Division
· Establishing strategy for 2025 · Expanding collaboration, and resolving issues · Operating council and reporting to management	· Specifying roadmap · Developing recycled material and parts · Applying to new vehicle development process	· Developing a domestic and global material acquisition strategy · Ensuring consistency supply chain unit costs · Securing additional domestic scrap plastics · Securing scrap plastic in Europe
· Strategic Business Planning Division Sustainability Management Group	· R&D Division Body Materials Development Group, Strategic Materials Research Group, MLV Body Engineering Design Group1, Regulation & Certification Group	· Procurement Division Trim Parts Development Group, Trim Parts Purchasing Group · CSO (Environmental, Health & Safety Center)

Resource Circularity

Strategy

Impacts, Risks and Opportunities

Through its materiality assessment, Kia identifies key environmental and social impacts, as well as financial risks and opportunities associated with resource circularity. In relation to the management of raw and subsidiary material recycling during the vehicle production stage, insufficient recycling of end-of-life vehicles and batteries across the upstream and own operation value chain may accelerate the depletion of critical natural resources, such as lithium and cobalt, while contributing to environmental pollution caused by landfill saturation. These impacts could hinder the transition toward a circular economy and generate adverse environmental and social consequences. From a financial perspective, increased investment in research and development for recycling technologies may lead to higher R&D expenditures, while stricter battery management requirements, including enhanced safety inspections and labeling systems, could result in additional operational costs and risks. Meanwhile, with respect to waste and end-of-life vehicle management, financial opportunities were identified through strengthened management practices across the downstream value chain. Systematic management of waste and end-of-life vehicles, along with expanded use of recycled raw materials, can improve raw material self-sufficiency, mitigate raw material cost volatility, and contribute to the long-term stabilization of cost of goods sold.

Management Policy

Raw and Subsidiary Material Utilization Principle

Kia has established basic principles for raw and subsidiary materials to promote resource circularity, including efficient use of raw and subsidiary materials, re-use of production waste, inspection of raw and subsidiary materials production site, biodiversity protection, and prevention of deforestation.
Kia maximizes material efficiency, monitors sourcing for illegal practices that damage natural capital or cause environmental pollution, and continuously improves production processes to reduce raw material usage at the product level.

Waste Basic Principle

Kia implements waste basic principles to minimize the environmental impacts of recycling, incineration, and landfill disposal. The company monitors waste by type and reviews recycling performance against targets, linking these performance indicators to executive and business site KPIs to drive waste reduction, resource recovery, and increased use of renewable materials.

① Tracking Waste Disposal: Manage waste disposal and tracking in accordance with relevant laws and regulations
② Improving Waste Recycling: Determine optimal treatment method for each type and amount of waste and improve recycling rates
③ Waste Recycling: Identify landfill/incineration waste in the production process and transform into new products and services

End-of-Life Product Recycling Principle

Kia enhances recyclability by thoroughly reviewing the possibility of recycling beginning in the product design stage. In addition, the company works closely with end-of-life product recyclers to support the efficient collection and recycling of used products by providing information on recovery systems and encouraging active participation.

Resource Circularity Strategy

Carbon Reduction and Recycling Strategy Guide

To address carbon neutrality policies and global environmental regulations, such as the EU ELVR, Kia has distributed a Carbon Reduction and Recycled Materials Guide for key materials such as steel, aluminum, and plastics to employees, including the R&D teams. The guide outlines material-specific carbon reduction measures, recycling strategies, technology developments, and management standards. By providing the guide, Kia enhances internal expertise to achieve carbon reduction and strengthen compliance with environmental regulations.

Consideration of Recyclability in Vehicle Designs

Kia applies Design for Recycling (DfR) principles across the entire vehicle lifecycle to reduce waste and promote resource circularity. For non-metal materials such as plastics and glass, the company expands the use of recyclable and natural materials as well as materials that facilitate recycling to improve vehicle circularity. In addition, most metal materials, including steel and non-ferrous metals, which represent approximately 70% of a vehicle's material composition, are designed to be recyclable.

Application of Recycled Parts from End-of-Life Vehicles

To strengthen resource circularity in vehicles, Kia is advancing its Car-to-Car project, applying recycled parts from end-of-life vehicles to new vehicle production. Focusing on plastics, steel, aluminum, batteries, and motors, the project evaluates their application in future mobility solutions. By internalizing recycling capabilities, Kia aims to secure high-quality recycled materials and expand a cost-competitive circular supply chain to overseas markets. Kia also collaborates with suppliers to increase the use of recycled and bio-based materials, supporting compliance with increasingly stringent plastics regulations and contributing to the circular economy.

Waste Management Training

To raise awareness on waste management and the prevention of environmental pollution, Kia provides an entry-level course for safety and environment professionals, as well as new hires, covering waste management procedures by waste type and precautions for waste storage.

Resource Circularity

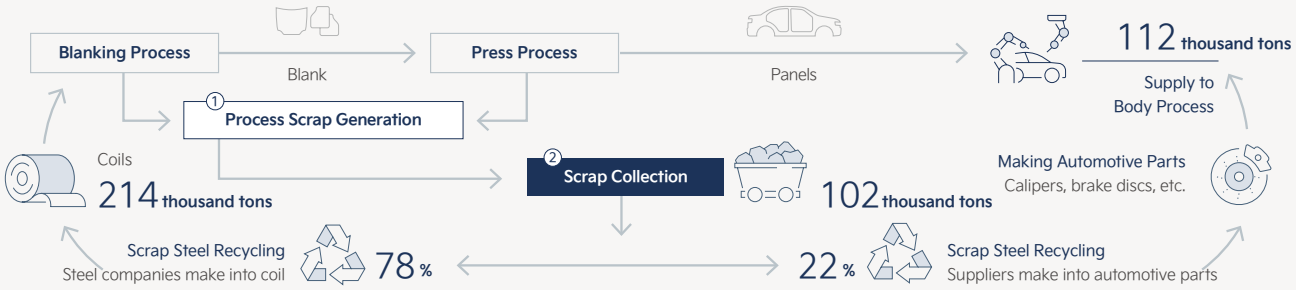
Strategy

Business Site Waste Recycling

Steel Scrap Management

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 generated here refers to the unused sections of steel that are trimmed away during this process. In 2025, Kia used approximately 214,000 tons of steel of which around 102,000 tons were recycled. Roughly 78% of this scrap, or about 80,000 tons, was sent to steel manufacturers, who separate impurities during steelmaking and adjust material composition to reuse the scrap. This circular resource activity is estimated to reduce carbon emissions by approximately 160,000 tons[1] annually. The remaining 22%, or 22,000 tons, was used by suppliers in foundries to produce automotive parts. In addition, this recycling effort generated economic value worth KRW 42.3 billion in revenue in 2025 alone. To further enhance process efficiency, Kia's Forming System Manufacturing Engineering Team, which oversees domestic and overseas press facilities, collaborates with production departments to continuously improve resource efficiency throughout the manufacturing process, from design to post-production testing. Through blank size optimization and improvements to production processes and the environment, Kia reduced steel usage by 636.65 tons and carbon emissions by 1,311.5 tons in 2025.

Scrap Steel Recycling Process[2]



Blank Size Optimization	Efficiency Through Improved Production Process	Efficiency Through Improved Environment
Review to minimize discarded scrap and optimize blank size based on test results	Reuse of blanks for small parts through scrap steel recycling	Improved blank utilization via clean storage and damage prevention
Carbon Savings of 378.19tCO$_2$e	**Carbon Savings of 633.43tCO$_2$e**	**Carbon Savings of 299.89tCO$_2$e**
India: 183.59 tons of steel saved ※ Based on 2025 production performance	China & Mexico: 307.49 tons of steel saved ※ Based on 2025 production performance	China: 145.58 tons of steel saved ※ Based on 2025 production performance

· Steel Reduction: Actual reduction per model x 2025 production volume
· Carbon Emission Reduction: CO_2e reduction based on steel savings, using Hyundai Steel CO_2e emission factors

MOU on Industrial Waste Plastic Recycling

Kia signed an MOU with the city of Gwangju to expand recycling of industrial plastic waste generated during production and further advance its resource circularity system. Moving beyond incineration and landfill-based conventional waste treatment, the agreement aims to establish a circular system where plastic waste is recycled into raw material. Based on this partnership, Kia is strengthening management processes to enhance the separation and collection of plastic waste and improve recycling quality. Collaborating with local communities and related companies, Kia is expanding the use of recycled materials and continuously increasing the resource recovery rate of industrial waste. Through these efforts, Kia is promoting a virtuous cycle that enhances resource efficiency while reducing carbon emissions.

ZWTL Certification

CASE

Kia has maintained a recycling rate of over 90% since 2007, proactively responding to resource circularity policies. The company strives to establish a resource-efficient production system by recycling waste generated throughout production, while implementing strict waste separation for landfill and incineration waste streams. In recognition of these waste reduction efforts, AutoLand Gwangju achieved UL's Zero Waste to Landfill (ZWTL)[3] Platinum certification, the highest rating, for two consecutive years beginning in 2024. In addition, AutoLand Hwaseong obtained UL ZWTL Gold certification for the first time in 2025.

1. Calculation using Hyundai Steel's CO_2e emission factor
   - Scrap: 30.2kgCO_2e/ton (ECOINVENT 3.12)
   - Hot Metal: 2,040kgCO_2e/ton (Hyundai Steel proprietary calculation)
2. Recycling data is based on 2025 figures
3. Zero Waste to Landfill (ZWTL) Certification: Certification program administered by UL (Underwriters Laboratories) that evaluates the recycling rate of waste generated from business sites with grades including Platinum (100%), Gold (99~95%), Silver (94~90%), and Certified (≥ 80%) (values are rounded to the nearest whole number such as 99.5% rounded and recognized as 100%)

Resource Circularity

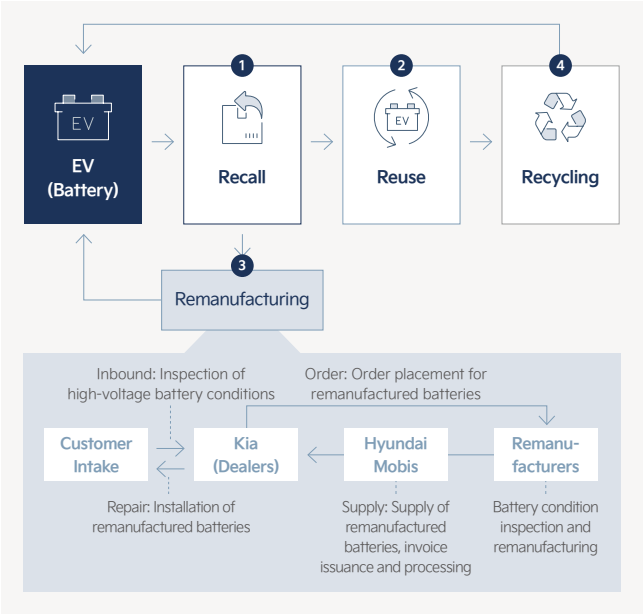
Strategy

End-of-Life Product Resource Recycling

Battery Circular Ecosystem

Kia has established a system to recycle end-of-life vehicle and batteries to mitigate risks from increasingly stringent battery regulations. As part of its Battery Life Cycle Management strategy, Kia is also 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 launched an internal taskforce to review establishing 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.

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



① Implementation of a Collection System

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.

② Reuse

Kia plans to develop technologies to diagnose and assess the performance and remaining life of collected batteries, aiming to increase reuse rates. 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.

③ Remanufacturing

Kia's remanufacturing program utilizes batteries that meet the highest quality standards at the end of their initial use. In partnership with Hyundai Mobis, remanufactured batteries are supplied to older vehicles and aftersales services. This approach extends the service life of batteries and enables efficient resource use. In Europe, the company works with a specialized local battery remanufacturer to establish a cost-saving and closed-loop battery circular economy.

In the first quarter of 2024, Kia completed the procurement of 54 battery core units and established a related remanufacturing process. In October of the same year, the company launched pilot operations in the UK. Target models included the Kia Niro EV, Soul EV, EV6, and EV9. In 2025, a total of 197 high-voltage batteries were remanufactured and supplied. In 2026, Kia plans to expand the program to include the Kia EV3, EV4, and EV5, while also extending the remanufacturing process across Central and Northern European countries.

Battery Remanufacturing (2025)

Total number of batteries collected for repair, reuse, or remanufacturing[1]	1,777 Units

1. Global warranty repairs with remanufactured high-voltage batteries

④ Recycling

Batteries that are deemed unsuitable for remanufacturing or reuse are 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.

Resource Circularity

Strategy

End-of-Life Product Resource Recycling

Plastic Recycling

Kia continues to expand the use of recycled plastics based on product designs that incorporate resource circularity. From the early stages of vehicle development, the company reviews the applicability of recycled materials and applies recycled plastics to interior and exterior parts to lower the environmental impact associated with plastic use.

Kia applies recycled plastics across key electrified models, including the Kia EV3, EV4, EV5, EV6, and EV9, utilizing recycled materials for interior trims and selected parts according to vehicle class and application. For certain models, Kia incorporates a defined amount of recycled plastics per vehicle or reflects the overall recycled plastic content ratio as part of the vehicle design process to strengthen resource circularity considerations from the outset of development. Kia will continue to further expand the application of sustainable materials, including recycled plastics, across its electrified vehicle lineup while continuing to realize resource-circulating mobility solutions without compromising quality or functionality.

Scrap Metal Recycling

Kia actively promotes scrap metal recycling as part of its resource-circulation-based material strategy. By expanding the use of recycled materials in the steel used for vehicles, Kia aims to reduce the environmental impact associated with raw material consumption and lower carbon emissions during the production process. In line with these efforts, Kia is participating in the development of high-strength steel belts for tires made from recycled steel scrap, thereby increasing the application of recycled scrap metal in actual automotive components. These steel belts are manufactured using recycled steel scrap instead of conventional iron-ore-based materials, maintaining the same levels of performance and safety while reducing carbon emissions during manufacturing. Such material innovations are expected to be gradually applied to future Kia vehicles, contributing to the establishment of a resource-circulation and low-carbon production system through scrap metal recycling.

Low-Carbon Steel Investment and Production MOU

Kia, together with Hyundai Steel, Hyundai Motor Company, and POSCO, is participating in an investment in U.S.-based electric arc furnace (EAF) steel mills. Kia will contribute approximately 15% of the total investment to establish a collaborative system aimed at expanding the production of low-carbon steel. In addition, Kia has signed a long-term supply agreement with Hyundai Steel for the low-carbon steel produced at the EAF steel mill and will receive priority supply of high-grade automotive steel sheets.

The steel mill utilizes production processes based on steel scrap and direct reduced iron, reducing approximately 70% of carbon emissions compared with conventional blast furnace methods and expected to serve as a stable supply base for advanced automotive steel plates. Through these initiatives, Kia plans to contribute to reducing carbon emissions throughout the vehicle production process while further expanding the application of low-carbon materials.

Recycled Plastic in EV4



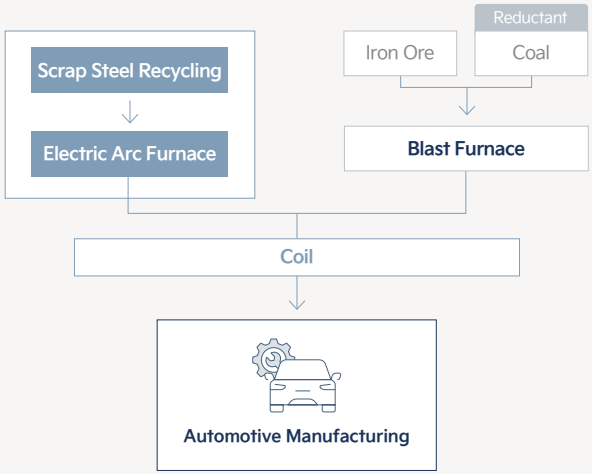
Vehicle Weight	1,745kg	Recycled Plastic	12.1kg(4.5%)
Plastic Weight	271kg		

* Vehicle Weight Basis: Standard (2WD)

Low-Carbon Steel Belts



Integrated Low-Carbon Steel Production Process



Resource Circularity

Strategy

Innovative Material Design

Starting with the EV9 in 2023, Kia has been gradually phasing out the use of natural leather in vehicle interiors, expanding the application of eco-friendly alternatives such as plant-derived bio-based PU made from corn. Materials such as recycled PET, bio paint, and bio plastic are already integrated into major mass-production vehicle parts, including seats, interior trims, and carpets. At the same time, Kia is pursuing resource circularity by upcycling raw materials recovered from end-of-life vehicles into new models. Furthermore, the company is actively recycling consumer and industrial waste, such as discarded PET bottles and fishing nets, while expanding the integration of nature-derived bio-based materials sourced from corn, sugarcane, and rapeseed.

Applications in Key Models

Model	Applied Materials
EV2	Bio Plastic, PCM (Post Consumer Material) Plastic, Bio PU, Bio TPO, Recycled PET Fabric, Recycled PET Carpet, Bio Paint, BTX Low Paint, Recycled PET Yarn, Recycled PET Felt
EV3	Bio Plastic, PCM (Post Consumer Material) Plastic, Bio PU, Bio TPO, Recycled PET Fabric, Recycled PET Carpet, BioPU Foam, Bio Paint, BTX Low Paint, Recycled PET Yarn, Recycled PET Felt
EV4	Bio Plastic, PCM (Post Consumer Material) Plastic, Bio PU, Bio TPO, Recycled PET Fabric, Recycled PET Carpet, BioPU Foam, Bio Paint, BTX Low Paint, Recycled PET Yarn, Recycled PET Felt
PV5	Bio Plastic, PCM (Post Consumer Material) Plastic, Bio PU, Recycled PET Fabric, Recycled PET Carpet (limited to domestic use), Bio Paint, BTX Low Paint, Recycled PET Yarn, Recycled PET Felt

10 Material Solutions[1]

Models Using Recycled Material
EV9, EV5, EV6, EV3, Syros(EV), Tasman, EV4, PV5, Telluride, Seltos, EV2



Key Applications

Recycled and Bio-based Material in EV3*

CASE



Part	Applied Ratio	Material Used
❶ Bumper Cover	20%	Recycled Plastic from End-of-life Vehicles
❷ Fender	20%	
❸ Side Sill Moulding	20%	
❹ Wheel Guard	18%	Recycled PET Plastic from Industrial Waste



Part	Applied Ratio	Material Used
❶ Steering Wheel & Buttons	10%	Bio Paint
❷ Crash Pad (Garnish)	20%	Recycled PET Fabric
❸ Door Trim	20%	Bio TPO[2]
❹ Floor Mats	95%	Recycled PET Carpet



Part	Applied Ratio	Material Used
❶ Trunk Liner[3]	40%	Recycled Plastic from GPGP[4]

*The following % are based on the standard model. GT-Line and optional accessories might affect %. Recycled content refers to the mass of recycled material contained within plastic components. Component weights may include both recycled and virgin material. Bio-based content refers to the proportion of material derived from biological sources within a component.

1. Currently not applied consistently to all models, but applied selectively to certain parts depending on vehicle design, technical requirements, and market characteristics
2. Thermoplastic Olefin
3. Based on limited edition trunk liners for EV3, using 40% recycled marine plastic, 35% TPV, and 25% inorganic/other additives
4. The Great Pacific Garbage Patch

Resource Circularity

Risk Management

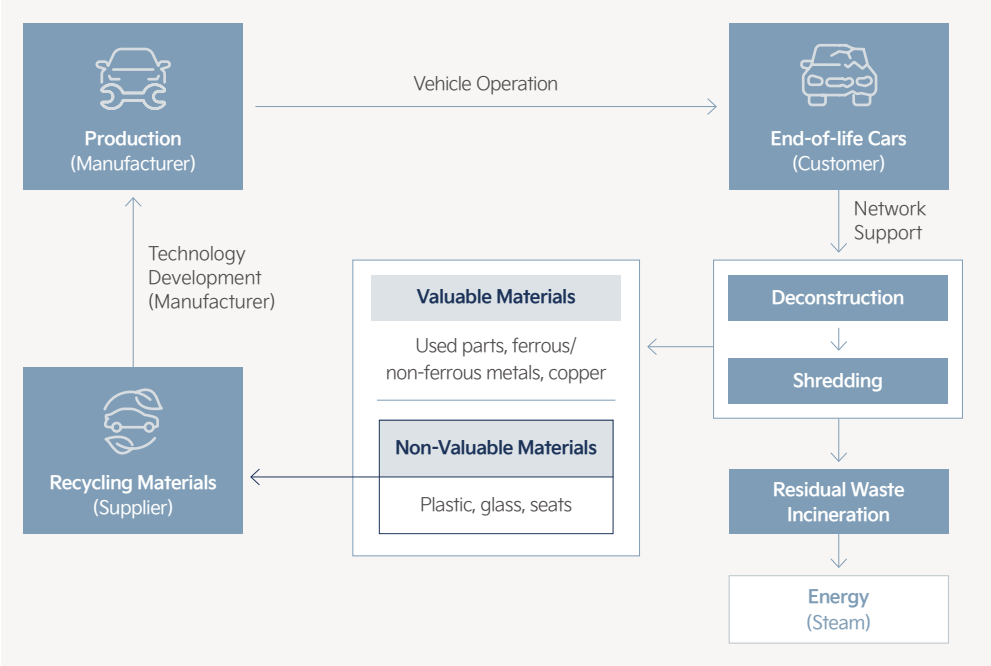
End-of-Life Vehicle Resource Circularity

End-of-Life Vehicle Network Management

In accordance with the Act on Resource Circulation of Electrical and Electronic Equipment and Vehicles, Kia collaborates with the Korea Environment Corporation and other relevant organizations to enhance end-of-life vehicle recycling rates. End-of-life vehicles are treated as valuable materials from the point of generation and are processed by end-of-life vehicle recycling operators, including dismantling facilities, shredding facilities, and thermal recovery incineration operators. However, additional efforts are required to improve recycling rates.

Kia provides partial cost support to end-of-life vehicle recycling operators participating in resource circularity advancement pilot programs. While Kia does not generate direct financial benefits from resource recovery and recycling, it supports associated costs as part of its environmental responsibility as a producer. Accordingly, Kia does not recognize any direct revenue from these activities.

End-of-life Vehicle Dismantling Process



EU ELVR Response

In 2023, the European Commission proposed a draft of the End-of-Life Vehicle Regulation (ELVR), which strengthens automakers' obligations across the entire vehicle life cycle, from production to end-of-life management. A provisional agreement on the EU ELVR was reached in December 2025, extending the deadline for achieving a 25% recycled plastic content requirement from six years to ten years after the regulation enters into force. This extension reflects the insufficient recycled plastic supply chain in Europe. In response to evolving regulatory requirements and external conditions, Kia has established a target of achieving 15% recycled plastic content in new vehicles in Europe by 2032 and implements a phased roadmap.

To support this roadmap, 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 resource circularity strategy and relevant regulations, Kia operates a company-wide Recycled Plastics Council to expand the adoption of recycled plastics, and 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



Resource Circularity

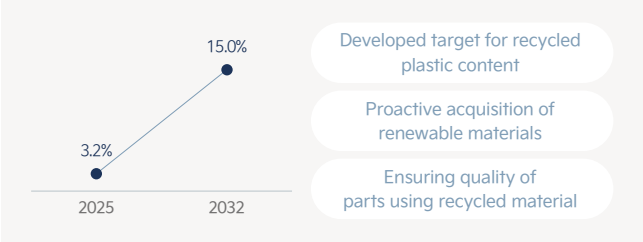
Metrics & Targets

Targets and Performance

Target for Increased Recycled Plastic Content

To respond to automotive regulations regarding the circular economy in Europe, Kia has established a plan to gradually increase recycled plastic content in new vehicles sold in Europe each year to reach 15% by 2032. This is intended to ensure compliance with regulatory requirements for recycled plastic use while contributing to reduced plastic consumption and enhanced resource circularity. Under its recycled plastic strategy, Kia plans to apply a 6% recycled plastic content rate to target vehicle models for the European market by 2027. In 2025, the company selected the applicable parts for these target models and carried out material development. To support this plan, Kia is collaborating with domestic and international materials suppliers to secure recycled raw materials while conducting rigorous quality validation to prevent any performance issues. By the target date, Kia intends to develop technologies for high-recycled-content plastics and cost-reduction solutions along with continuous quality testing, enabling the application of recycled plastics in various parts such as crash pads, seat foam, bumpers, and exterior lamps.

Recycled Plastic Content Target (New Vehicles in Europe)



Use of Recycled Plastic Material

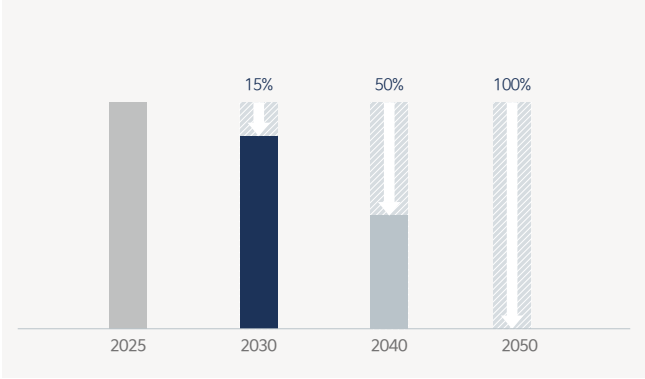
Category	Unit	2025
Total amount of plastic material used in products[1]	ton	55,898
Percentage of plastic raw materials recycled[2]	%	3.2

1. Limited to data-capable vehicle models (EV3, EV4, EV5, EV6, EV9)
2. Average of data-capable vehicle models (EV3, EV4, EV5, EV6, EV9)
3. Carbon Footprint

Target for Steel CFP[3] Reduction

Steel, the most heavily used raw material in vehicle production by weight, is also the focus of Kia's carbon emission 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 fundamentally 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 Austria's Voestalpine and Germany-based ThyssenKrupp, laying the foundation for expanding the use of low-carbon steel. Additionally, Kia plans to apply domestic hybrid-process steel starting in 2026. Furthermore, from 2029, Kia will specify its global supply strategy for low-carbon steel applicable to global vehicle models through strategic investment in Hyundai Steel's new electric arc furnace facility, which is scheduled for completion in Louisiana.

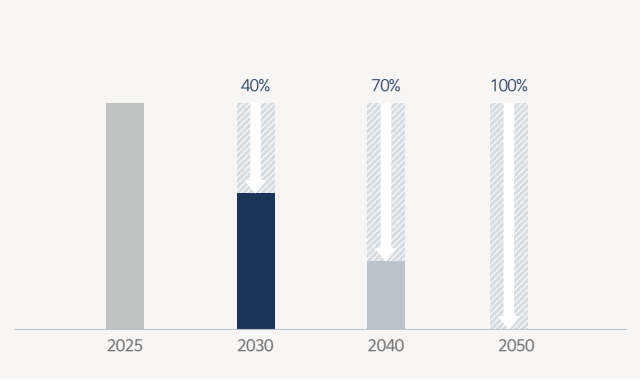
Target for Steel CFP Reduction



Target for Aluminum CFP Reduction

Kia continues its efforts to reduce carbon emissions generated during the production of aluminum used in vehicle manufacturing. By partnering with global smelters, Kia manages carbon emissions throughout the aluminum production process and is expanding the application of recycled or low-carbon aluminum in vehicle production. Based on these initiatives, Kia has established targets to reduce its aluminum carbon footprint by 40% by 2030, 70% by 2040, and 100% by 2050.

Target Aluminum CFP Reduction



Target for Waste Reduction

Kia sets waste intensity targets at the company-wide level and monitors waste recycling rates.

Waste Performance and Target

Data Coverage: Domestic

Category	Unit	2025 (Target)	2025 (Performance)	2026 (Target)
Waste intensity	ton/KRW trillion	3,798	2,661	3,311
Waste recycling rate	%	95.0	92.9	93.0

Natural Capital Management

Globally, the loss of natural capital and the decline in biodiversity are emerging as long-term risks. Kia is making efforts to protect natural capital by establishing policies to prevent biodiversity loss and deforestation, not only in its raw material sourcing and procurement processes but also throughout its business operations. In addition, Kia contributes to the protection of marine ecosystems through activities such as tidal flat restoration, The Ocean Cleanup initiative, and water usage reduction measures, while maintaining its hazardous chemical reduction policy.

Governance

Natural Capital Governance

Decision-Making Framework

Kia has established a structured governance framework for the protection of natural capital. This framework includes key initiatives that are selected and managed under the oversight of the Strategic Business Planning Division at headquarters, which is responsible for sustainable management. Key decisions related to natural capital are made following thorough review and approval by top management, ensuring responsible management and transparency in decision-making.

As of June 2026, Kia actively manages a range of projects dedicated to the protection of natural capital. These 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 and 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 exclusively 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, collaborating in various areas such as reporting to management, partnerships, resource recycling, and external communications.

Strategy

Impacts, Risks and Opportunities

Through its materiality assessment, Kia identifies key environmental and social impacts, as well as financial risks associated with natural capital management. In relation to biodiversity impacts in the raw material and parts procurement stage, the company has identified that the extraction of critical minerals and non-ferrous metals for batteries in the upstream value chain can lead to habitat destruction and water resource depletion, resulting in biodiversity loss and adverse environmental and social impacts. Accordingly, financial risks have been identified, including higher cost of goods sold (COGS) and selling, general and administrative expenses (SG&A) driven by rising raw material prices and development of supply chain traceability and management systems. Meanwhile, with regard to biodiversity impacts in the vehicle production stage, changes in land use from the operation and expansion of manufacturing plants, as well as pollutant emissions, have been identified as factors that may negatively affect surrounding ecosystems. From a financial perspective, additional risks include increased costs related to biodiversity impact assessments and mitigation measures, higher monitoring expenses to address regulatory requirements, and potential revenue declines due to reputational damage in the event of biodiversity-related issues.

Management Policy

Policy Management Plan

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 by a cross-functional council, and material issues are reported to senior management. Meanwhile, in line with the policies, Kia is committed to building a value chain that does not contribute to biodiversity degradation or loss by refraining from operating in biodiversity conservation areas, increasing investments in biodiversity initiatives, and protecting forests in local communities.

Biodiversity Policy

Kia assesses and evaluates potential risks to biodiversity and loss across its business operations while establishing policies to preserve, restore, and promote biodiversity in local communities. Kia's own operations are subject to these policies, and stakeholders, including supply chain partners, suppliers, and other business counterparts are also encouraged to implement them.

Biodiversity 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 business counterparts such as supply chain partners and suppliers.

No Deforestation Policy

Natural Capital Management

Strategy

Natural Capital Protection Activities

Water Resource Management

Regular Measurement and Monitoring Avoid

To ensure systematic and stable automotive manufacturing and production management, Kia regularly monitors water withdrawal and wastewater discharge across all business sites. The company conducts water risk assessments using the WRI Aqueduct tool to identify and manage sites exposed to high levels of water stress. Based on the assessment, the India plant[1] was identified as being located in a region classified as having "Extremely High" water stress. Wastewater generated at business sites is continuously monitored using flow meters and managed in accordance with applicable local regulations on water quality. Key pollutants, including Total Organic Carbon (TOC) and Suspended Solids (SS), are controlled to levels below 30% of the legally permitted discharge limits. At domestic plants, wastewater undergoes physical, chemical, and biological treatment prior to discharge to third parties, such as local governments, or to marine environments. In particular, the India plant operates a zero liquid discharge (ZLD) system, where water is treated through advanced processes, including reverse osmosis (RO), enabling 100% water reuse.

Contribution to UN SDG Goal 6 Reduce

The United Nations Sustainable Development Goals (UN SDGs) are a set of global sustainability objectives adopted by the United Nations in 2015, with a target achievement year of 2030. UN SDG Goal 6 focuses on ensuring clean water and sanitation for all. Kia's water resource management activities contribute to the achievement of the specific targets under UN SDG Goal 6.

	UN SDG Goal 6	Kia's Response
6.3	· Improve water quality by minimizing pollutants and release of hazardous substances and halving the proportion of untreated wastewater	· Manage wastewater risks based on WRI Aqueduct · Strict water quality management at 30% of permitted emission limits
6.4	· Increase water-use efficiency and ensure sustainable withdrawals and supply of freshwater	· Reuse water resources by applying RO filtration

Pollutant Management

Hazardous Chemical Substance Management Avoid

Kia continues to maintain zero hazardous chemicals at AutoLand in 2025, building on the achievement first reached in 2020. Kia manages hazardous substances by categorizing them into three levels: prohibited use, restricted use, and usage under tighter control. The company systematically manages information on hazardous substances by implementing the International Material Data System (IMDS). Additionally, Kia conducts annual IMDS user training to improve IMDS data consistency.

Analysis and Management of Hazardous Substances Reduce Transform

From vehicle development and design, Kia conducts substance risk assessments based on material information to identify and eliminate high-risk substances. Through MAMS-IMDS[2] integration, Kia verifies regulated substances and responds to emerging regulations. During mass production, data integrity is managed through training, inspections, and material analyses. Kia also prevents potential incidents by conducting pre-assessments of high-risk substances and applying alternative materials. For hazardous chemicals, Kia utilizes an integrated monitoring system real-time leak detection to maintain a safe working environment while strengthening supply chain compliance by sharing regulatory updates and supporting suppliers' response efforts.

Response to Hazardous Substance Regulations Transform

Kia upholds international regulations and standards on hazardous substances and preemptively adopts alternatives ahead of regulatory enforcement. The company actively phases out high-risk substances under the ELVR[3], REACH[4], the US TSCA[5], and regional regulations in Brazil and India. To address upcoming per- and polyfluoroalkyl substances (PFAS) regulations in Europe and North America, Kia aims for a complete substitution before the projected 2030 timeline by tracking usage and scheduling alternative applications.

Additionally, Kia aggressively reduces hazardous substances by collaborating with the government to develop the "Biocide Regulation Response Guidelines for the Automotive Sector."

Deforestation Management

Response to Deforestation Regulations

To prevent deforestation risks across its value chain, Kia actively manages and monitors the place of origin regarding raw materials from the procurement stage. The European Union (EU) has identified deforestation as a major driver of biodiversity loss and introduced the EU Deforestation Regulation (EUDR) for implementation in 2026. Based on the recognition that land use in agriculture, forestry, and livestock production contributes to forest loss, the EU plans to prohibit the distribution of deforestation-linked products in the EU market. The regulation initially covers seven agricultural goods - palm oil, cattle, coffee, wood, cocoa, rubber, and soybeans - as well as derived products such as leather, furniture, paper, and rubber tires, with the scope expected to expand over time. Leather and rubber, which are key materials procured by Kia, fall within the scope of the EUDR. Failure to demonstrate that these materials are deforestation-free may result in risks of production disruptions. In response, Kia requires suppliers to submit country-of-origin information during the bidding process and uses this data to identify sourcing from high-risk regions. The company also provides EUDR-related training to procurement employees and suppliers, strengthens due diligence on sourcing from high-risk countries, and aims to expand the development and application of sustainable materials, including recycled alternatives, over the mid-to-long term.

1. As of 2025, water use at plants in India is 567,871 Tons
2. MAMS-IMDS (Materials Management System-International Material Data System): A system that manages and verifies component material information to confirm that substances comply with regulated substances
3. EU's End of Life Vehicle Regulation
4. REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals): EU regulation on chemical substances
5. The U.S. Toxic Substances Control Act

Natural Capital Management

Strategy

Natural Capital Protection Activities

Biodiversity Management

Training on Biodiversity Avoid

In 2025, Kia published "Sustainability Issue Focus," its training material under the biodiversity theme, to raise employee awareness on biodiversity to train global employees on the impact of each stage of the automotive industry's value chain on biodiversity, the endangered species found near business sites, and global biodiversity trends. Furthermore, the material introduces Kia's efforts to preserve biodiversity, including tidal flat vegetation restoration, The Ocean Cleanup initiative, and floodplain conservation activities.

Implemented Natural Capital Protection Programs

Program	Details	Lead Site
Project for Domestic Tidal Flat Restoration	Increasing marine biodiversity and carbon sink capacity by planting halophytes that grow on tidal flats	Headquarters
The Ocean Cleanup	Sponsoring The Ocean Cleanup, an NGO founded to clean up marine plastic waste	Headquarters
Jangrok Wetland Conservation	Removing invasive plants and monitoring winter migratory birds	AutoLand Gwangju
Crane Conservation Project	Planting trees in crane conservation areas	KCN (Kia China)
The Nature Conservancy	Supporting research on freshwater ecosystems, forests, and marine conservation	KUS (U.S.)
Beach& River Clean up	Beach and river clean-up activities	KCSA (Central & South America), KEU (Europe), etc
Project UPHAAR	Planting 455,000 fruit trees, addressing climate change, and supporting smallholder farms	KIN (Kia India)
Freedom for wild birds	Conducting wildlife protection awareness campaigns	KMEA (Asia/ Middle East)

Tidal Flat Restoration Initiative Restore Regenerate

Tidal flats serve as reservoirs for blue carbon, which refers to the carbon absorbed by marine organisms or ecosystems. In 2013, the Intergovernmental Panel on Climate Change (IPCC) officially recognized blue carbon as a means to reduce greenhouse gases. This prompted 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 2,443 km^2, Korea's tidal flats can absorb up to 260,000 tons of carbon dioxide annually. This is equivalent to the emissions produced by around 110,000 internal combustion engine vehicles. The Ministry of Oceans and Fisheries is conducting a pilot tidal flat restoration project to protect marine ecological resources and boost the carbon absorption capacity of tidal flats. As a private sector partner, Kia is pursuing a tidal flat restoration project and signed an MOU with the Ministry in November 2022 to cooperate on a blue carbon 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, an optimized restoration methodology tailored to the site has been developed. In 2025, based on this methodology, Kia planted Suaeda japonica over an area of approximately 30,000 m^2, and is proceeding with additional planting of 12,100 m^2 in 2026. Going forward, Kia will continue to monitor environmental and ecological changes in the project area and scientifically measure its carbon absorption effects.



Tidal Flat Vegetation Restoration Area in Maehyang-ri, Hwaseong



Suaeda Japonica Vegetation in Maehyang-ri, Hwaseong

Tidal Flat Restoration Roadmap

2022	2023~	2025~
MOU with the Ministry of Oceans and Fisheries	Site Selection and Restoration Planning	Halophyte Planting and Environmental Impact Studies

Natural Capital Management

Risk Management

LEAP (Locate, Evaluate, Assess, Prepare)

In response to the growing importance of natural environment and biodiversity issues, Kia conducted an analysis based on the TNFD LEAP (Locate, Evaluate, Assess, Prepare) approach to systematically identify its dependencies, impacts, risks, and opportunities related to natural capital. Four domestic and overseas sites were selected for the location-based assessment. ENCORE was utilized to analyze ecosystem service dependencies and environmental impact drivers associated with the automotive manufacturing sector, and to derive key natural capital topics. Subsequently, the WWF Biodiversity Risk Filter and Water Risk Filter were applied to assess site-specific risks and opportunities related to biodiversity and water resources. Based on these results, the potential financial implications of key risks were reviewed. In addition, Kia plans to progressively expand the assessment scope across the entire value chain to enable more systematic management of natural capital risks and opportunities. Through this approach, the company aims to further strengthen its risk management framework and enhance its resilience to nature- and biodiversity-related risks throughout its operations.

Locate

Identify the company's interface with nature

Select Analysis Regions

Four domestic and overseas key business sites were selected as the scope for Kia's nature and biodiversity assessment

Domestic	Overseas
AutoLand Gwangju AutoLand Gwangmyeong AutoLand Hwaseong	Kia AutoLand Slovakia

Identify Ecologically Sensitive Areas by Business Site

The 4 locations were all identified as sensitive areas based on the definition used in the LEAP Guidance

Identify Biodiversity Area, Protected Area, and IUCN Endangered Species by Site

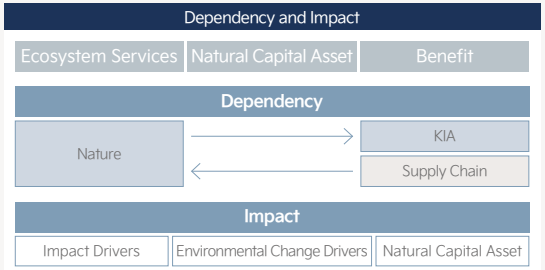
Identify key biodiversity area (KBA), protected area (PA), and IUCN endangered species for each business site using the global DB

Evaluate

Analyze dependencies and impact

Dependency and Impact Analysis Across the Value Chain by Business

Conduct dependency and impact assessment using ENCORE



Derive Key Natural Capital Topics

Identify high priority topics from the assessment

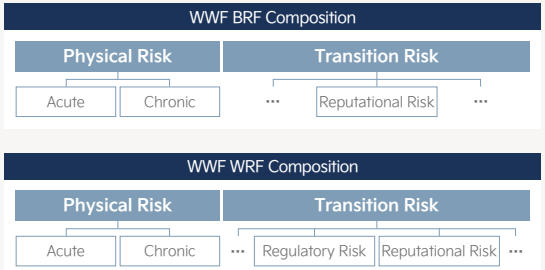


Assess

Analyze risks and opportunities

Risk and Opportunity Analysis based on Geographical Location

Analyze the natural capital risks of the business site using WWF tools



TNFD 2x2 Scenario Analysis

Conduct scenario analysis of key natural capital topics using the TNFD 2x2 methodology

Financial Impact of Risks and Opportunities

Analyze physical/transition risks, and the financial impact of risks and opportunities regarding natural capital topics

Prepare

Respond to risks and report

Incorporate Analysis Results in the Sustainability Report and Disclose Initiative Details

Risk Management Strategy

Kia reports key biodiversity risks regularly to the Sustainability Management Committee and incorporates them into the corporate risk management strategy.

Natural Capital Conservation Program

Kia contributes to protecting the marine ecosystem, participating tidal flat restoration along with the Ministry of Oceans and Fisheries and partnering with The Ocean Cleanup to recycle plastic waste collected from the sea into automotive parts.
Kia also conducts pollutant control and water resource management initiatives to manage its impact on ecosystems near its business sites.

Natural Capital Management

Risk Management

LEAP (Locate, Evaluate, Assess, Prepare)

Locate (Region Selection)

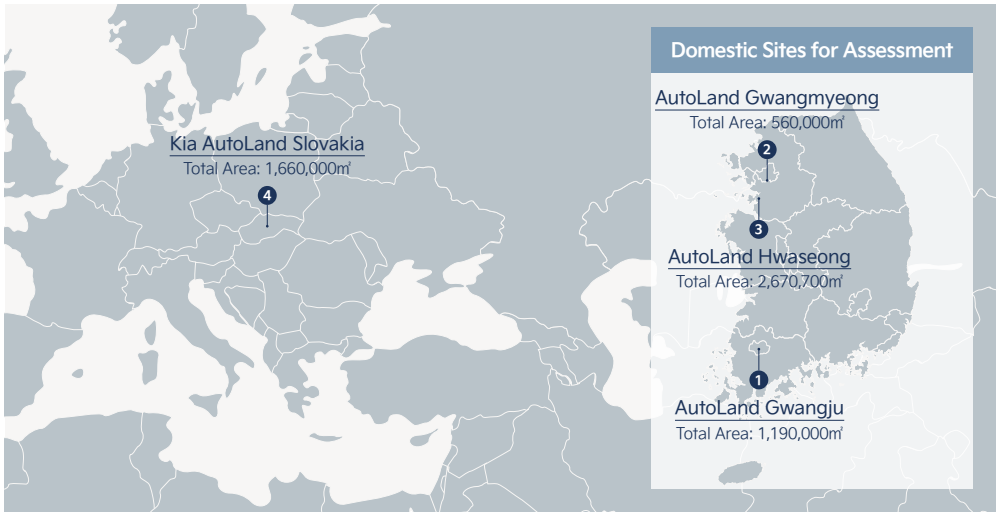
For its nature and biodiversity assessment, Kia defined the scope of analysis to include four domestic and overseas plants (AutoLand Gwangju, AutoLand Gwangmyeong, AutoLand Hwaseong, and Kia AutoLand Slovakia) and identified ecologically sensitive areas surrounding each business site. By reviewing the ecological environment and surrounding natural capital conditions at each location, potential interfaces between plant operations and adjacent ecosystems were identified. This enabled the identification of areas with potential linkages to nature and biodiversity, based on the locational characteristics of each site and its surrounding environment. Through this assessment, Kia identified the ecological characteristics of the evaluated sites and their potential interfaces with natural capital.

Using a global biodiversity database and in accordance with the definition of sensitive areas outlined in the TNFD LEAP Guidance, all four assessed business sites were identified as being located within or near sensitive areas. Within a 10 km radius of the sites, a total of three Key Biodiversity Areas (KBA[1]) and 26 Protected Areas (PA[2]) were identified. In particular, the Hwaseong Maehyang-ri tidal flat is included in an area where a tidal flat ecosystem restoration project is underway. In terms of spatial distribution, KBAs were concentrated around the Hwaseong site, while PAs were prevalent near the Gwangmyeong site. Endangered species analysis identified birds and marine species in the vicinity of the domestic sites, and fungi species near the Slovakia site.

Value Chain for Assessment

Kia		
Upstream Raw material sourcing and parts procurement stage	**Own Operation** Kia internal activities and at its own business sites	**Downstream** Post-sales use/distribution/ disposal stage

Global Distribution of Business Sites for Assessment



Identification of Sensitive Areas and Biodiversity Conservation by Business Site

Category		AutoLand Gwangju	AutoLand Gwangmyeong	AutoLand Hwaseong	Kia AutoLand Slovakia
Definition of Sensitive Areas	Biodiversity Importance	Y	Y	Y	Y
	High Ecosystem Integrity	Y	N	N	Y
	Sharp Decline in Ecosystem Integrity	N	N	N	N
	High Physical Water Risk	Y	N	Y	Y
	Importance of Ecosystem Services	N			
Key Biodiversity Area (KBA[3])		-	-	2	1
Protected Area (PA[3])		2	12	4	7
IUCN Endangered Species[4]	CR	-	5	6	4
	EN	12	37	38	13
	VU	21	53	50	63

1. KBA (Key Biodiversity Area): Key area where biodiversity conservation is important based on international standards
2. PA (Protected Area): Biodiversity conservation areas such as national parks that are protected and managed by law
3. KBA, PA: Within a 10km radius
4. IUCN Endangered Species Categorization Criteria (within a 25km radius)
   - Critically Endangered (CR): Extremely high risk of extinction in the wild unless immediate action is taken
   - Endangered (EN): Very high risk of extinction and likely to become extinct in the near future
   - Vulnerable (VU): High risk of extinction in the near future

Natural Capital Management

Risk Management

LEAP (Locate, Evaluate, Assess, Prepare)

Evaluate (Analysis)

Kia used the ENCORE tool to systematically identify key natural capital dependencies and impacts associated with automotive manufacturing, based on the resources and environmental factors utilized throughout the production process. Through this analysis, the links between Kia's key business activities and natural capital were assessed in order to identify potential nature-related risks and impacts. The analysis found that water resources, biodiversity, and hazardous pollutants are closely related to Kia's operations and were identified as key natural capital dependency and impact topics, representing high-priority issues.

Dependency and Impact Analysis by Economic Activity

Economic Activity			Very Low	Low	Medium	High	Very High
			Kia	Supply Chain-related Industries			
			Automotive Manufacturing	Non-ferrous Metal Mining	Rubber Product Manufacturing	Battery and Accumulator Manufacturing	Automotive Parts Manufacturing
Dependency	Supply	Water Supply					
	Regulation and Maintenance	Global Climate Regulation					
		Precipitation Pattern			-		
		Regional Climate Regulation					
		Air Purification					
		Soil and Sediments					
		Waste Treatment					
		Water Purification					
		Water Flow Regulation					
		Flood Mitigation					
		Storm Mitigation					
		Noise Reduction					
		Air Dilution			-		
		Intense Sensory Stimulus			-		
Impact		Disturbance (Noise and Light Pollution)					
		GHG Emissions					
		Air Pollutants					
		Solid Waste Generation and Discharge					
		Land					
		Hazardous Pollutants					
		Water Consumption					

Definition of Key Nature-related Dependencies and Impacts in the Automotive Manufacturing Industry

Dependency	Soil and Sediment Regulation	· Dependency on natural erosion control services, including vegetation cover, to protect roads and infrastructure
	Water Purification	· Dependency on ecosystem water purification services to detoxify potential wastewater and maintain water quality across key stages of the production process.
	Water Flow Regulation	· Dependency on water flow services by manufacturing sites to mitigate flood and damage risks · Dependency on ecosystem water flow regulation and maintenance services, given that some plants rely on water availability
	Flood Mitigation	· Dependency on flood mitigation ecosystem services to protect manufacturing sites and other infrastructure from floods
	Storm Mitigation	· Dependency on storm mitigation ecosystems to protect manufacturing sites and other infrastructure from being affected by wind, sand, and other storms
Impact	Disturbance (Noise and Light Pollution)	· The operation of machinery and vehicles, as well as production activities, require adequate lighting which may generate disturbances, including noise and light pollution, and negatively affect species populations near the business site.
	Hazardous Pollutants	· Hazardous waste may be generated from automotive chemicals such as paint residues, waste oil and absorbents, lead-acid batteries, antifreeze, and refrigerants, which may cause soil and water contamination.

Key Natural Capital Topics

Water Resources



Changes in water usage, quality, and quantity

Biodiversity



Impact on ecosystem and species diversity

Hazardous Pollutants



Substances hazardous to the environment and human body

Natural Capital Management

Risk Management

LEAP (Locate, Evaluate, Assess, Prepare)

Evaluate (Analysis)

WWF Biodiversity Risk Filter

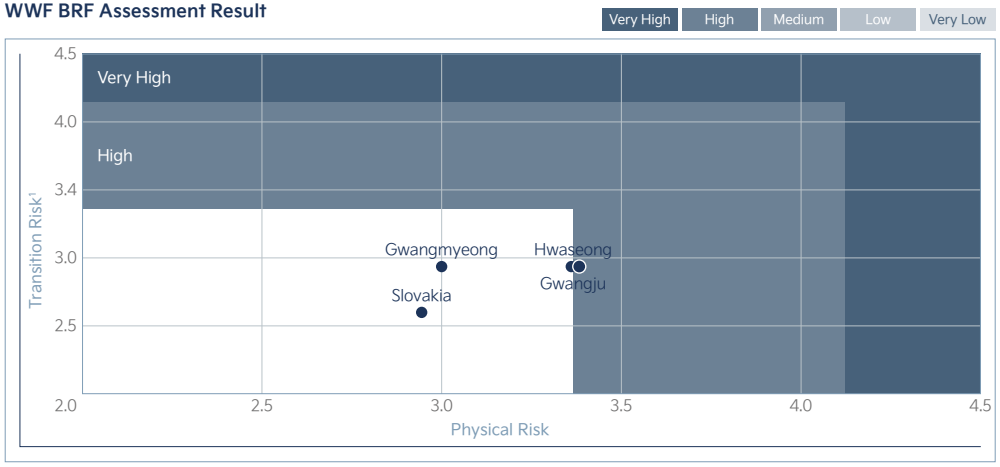
Using the WWF Biodiversity Risk Filter, the company assessed the ecosystem and biodiversity conditions at the target sites from both physical and reputational risk perspectives, classifying each site into one of five risk tiers and identifying those in high-risk areas. Overall, biodiversity risk was moderate, with limited variation across sites. Physical risk was relatively high at some sites, particularly for limited availability of wild flora and fauna and pollution. Regulating and supporting services were moderate to low overall: water condition was relatively low, while air condition and certain mitigation services showed moderate or higher risk. Reputational risk was also moderate, driven mainly by local characteristics such as protected and conservation areas and areas of international interest. The company used these results to identify the sites at greatest ecosystem and biodiversity risk.

WWF Water Risk Filter

Using the WWF Water Risk Filter, the company analyzed water stress and water quality risks at the target sites and identified those located in relatively high-risk areas. Overall, water-related risk was moderate, with some variation across categories. Physical risk was relatively high, particularly for natural hazards such as drought and flooding, as well as water quality measures such as coastal eutrophication, toxic stress, and unmanaged plastic waste. Ecosystem service impact was moderate overall, rising in areas such as wetland degradation and changes in river extent.

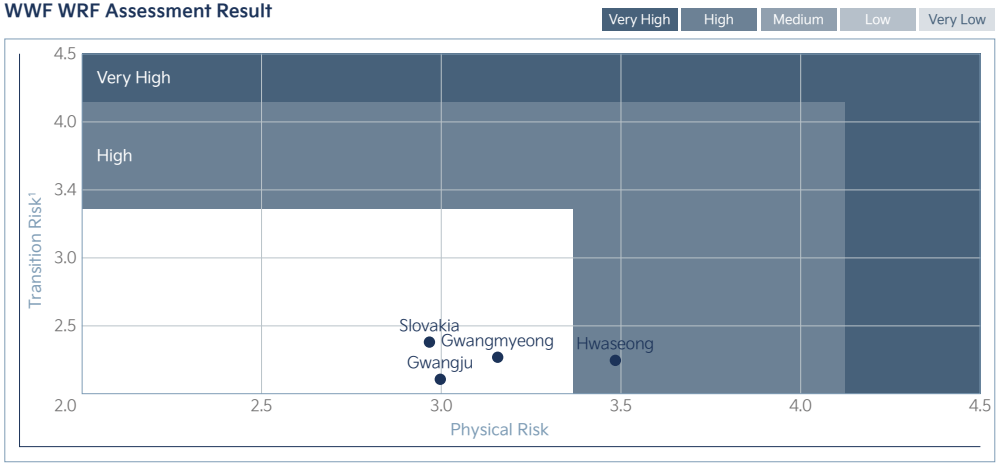
Regulatory risk was low overall: freshwater policy and water management plans were stable, though monitoring station density and corruption control varied across sites. Reputational risk was moderate, driven mainly by freshwater endemism and biodiversity richness, water-related conflict, and areas of international interest. The company used these results to identify the sites where water resource management is most needed.

WWF BRF Assessment Result



1. WWF BRF Transition Risks: Consists solely of reputational risk, reflecting social awareness and stakeholder pressure related to biodiversity

WWF WRF Assessment Result



1. WWF WRF Transition Risks: Calculated as the average of regulatory risk and reputational risk, reflecting both policy changes related to water resources and social pressure

Natural Capital Management

Risk Management

LEAP (Locate, Evaluate, Assess, Prepare)

Assess (Impact Assessment)

Scenario-based Impact Analysis

Kia applied the 2x2 scenario analysis methodology outlined in the TNFD framework to assess potential impacts of nature-related risks and future uncertainties on its business. Based on water resources, biodiversity, and pollution, the key natural capital topics identified through ENCORE and WWF Risk Filter analyses, Kia developed four scenarios to analyze the risks and impact drivers across its operations. Kia also reviewed key potential risks and responses for each topic by scenario, and assessed potential impacts across different time horizons, considering uncertainties such as the changing natural, policy and regulatory environments.

S Short-term: 0-1 year M Mid-term: 1-5 years L Long-term: 5+ years



Scenario	Potential Risk Type		Definition
	Transition[1]	Physical[2]	
S1 Ahead of the Game	▲	▼	Society recognizes the urgency of environmental issues early on and actively collaborates in addressing them
S2 Go Fast or Go Home	▲	▲	Government, businesses, and society work collectively to respond to the environmental crisis as it reaches a tipping point
S3 Sand in the Gears	▼	▲	Ecosystem destruction continues due to weak government oversight and passive corporate response
S4 Back of the List	▼	▼	Climate policies such as net-zero are implemented, but environmental protection remains low priority

1. Transition Risk: Risks arising from how quickly companies respond to strengthened natural capital-related policies and regulation, as well as market changes, etc.
2. Physical Risk: Risks arising from physical deterioration of the natural environment such as depletion of water and ecosystem degradation which may have direct impact on business activities

Physical Risk

Based on impact pathways, Kia analyzed the financial impact pathways of physical risks associated with the natural capital topics of water resources, biodiversity, and pollution. Physical risks were categorized into acute and chronic types, and the potential impacts of each risk on business operations, along with their corresponding financial impact pathways, were assessed. In addition, the company conducted a step-by-step analysis of risks and opportunities arising from changes in the natural environment, their impact pathways, and potential financial implications, and identified the key natural capital topics associated with each risk.

Water Resources Biodiversity Hazardous Pollutants

Risk and Opportunity	Impact Pathway	Financial Impact	
[Acute] Floods from extreme weather	· Extreme weather events can damage or destroy facilities, equipment, vehicles, and inventory, leading to production disruptions and increased restoration costs	Revenue	Revenue decline (reduced production)
		Cost	Restoration and repair costs, business interruption costs
		Asset	Impairment of tangible assets and inventory losses
		Liabilities	Recovery loans
[Acute] Operational disruptions from proliferation of species or introduction of invasive species	· Rapid proliferation of jellyfish and invasive species may disrupt operations at power and water facilities, and lead to fines for regulatory violations	Revenue	Revenue decline (operation disruption/delay)
		Cost	Increase in operating expenses, legal expenses
		Liabilities	Fines and legal settlements
[Chronic] Water shortages and water stress	· Water shortages in manufacturing—driven by drought, climate change, or overuse—can reduce production and increase costs and capital investment for water supply	Revenue	Revenue decline (operation disruption)
		Cost	Increase in operating costs, such as water procurement and treatment costs
		Asset	Capital expenditure related to impairment of existing tangible assets, new water-saving facilities (technology), and facility relocations
[Chronic] Changes in land usage and deforestation	· Destruction of ecosystems from raw material extraction and facility construction can drive long-term cost increases, fines, litigation, and reputational damage	Revenue	Revenue decline
		Cost	Increase in COGS, supply chain management costs, legal expenses
		Asset	Risk of stranded assets
		Liabilities	Fines and litigation settlements
[Chronic] Soil degradation	· Rising raw material costs due to declining quality and yields of agricultural inputs, including natural rubber, caused by soil erosion and pollution	Revenue	Revenue decline
		Cost	Increase in COGS and operating expenses

Natural Capital Management

Risk Management

LEAP (Locate, Evaluate, Assess, Prepare)

Assess (Impact Assessment)

Transition Risk

Transition risks were analyzed based on internal and external transition drivers, including policy and regulatory changes related to natural capital and evolving market conditions. This analysis considered potential impacts on business operations and cost structures arising from stricter nature-related regulations, changes in environmental standards, and increasing market demand, and identified potential risks associated with key natural capital topics.

Opportunity

Opportunity factors were reviewed with a focus on resource efficiency, circular economy expansion, increased adoption of eco-friendly products and services, and investments in nature-based solutions. Accordingly, the analysis assessed how changes in natural capital management may contribute to improved operational efficiency, enhanced competitiveness in eco-friendly technologies and products, and the creation of sustainable business opportunities.

Water Resources · Biodiversity · Hazardous Pollutants

Risk and Opportunity	Impact Pathway	Financial Impact	
[Policy and Regulation] Stricter environmental regulations and legal accountability	· Stricter environmental regulations and policies may increase pollution remediation costs in automotive manufacturing processes and supply chains, as well as fines and penalties	Cost	Increase in operating costs, R&D costs
		Asset	Investment in tangible assets
		Liabilities	Fines and litigation settlements
[Market] Changes in consumer preference and the raw material market	· Increasing consumer preference for nature-friendly products and sustainable supply chains may lead to reduced demand for ICE vehicles and higher raw material procurement costs	Revenue	Revenue decline
		Cost	Increase in COGS, marketing/PR costs
[Technology] Development and application of environment-friendly technologies	· Increased research and development costs, as well as capital expenditure, for the development of eco-friendly materials and new manufacturing technologies with lower environmental impact	Revenue	Revenue increase (competitive advantage)
		Cost	Increase in R&D costs and depreciation expenses Operating cost savings
		Asset	Investment in intangible (new technology patents) and tangible assets
[Reputation] Negative image associated with nature	· Decline in revenues and increased financing costs due to negative public perception, media coverage, and NGO campaigns arising from business-related environmental degradation or unethical supply chain practices	Revenue	Revenue decline
		Cost	Marketing/PR costs, legal expenses
		Financing Cost	Increase in financing costs

Type	Risk and Opportunity	Impact Pathway	Financial Impact	
Resource Efficiency, Circular Economy	Sustainable production process and resource efficiency	· Increase in revenues from eco-friendly products and decline in cost of sales through minimizing resource consumption in production processes, increasing use of recyclable materials, and adopting product designs and manufacturing processes that reduce environmental impact across the product lifecycle	Revenue	Revenue increase (eco-friendly products)
			Cost	Reduction in COGS, decline in waste treatment costs, R&D expenses
			Asset	Investment in tangible assets
Eco-friendly Products and Services	Consumption of nature-friendly material and provision of services	· Increase in eco-friendly revenues and a reduction in financing costs through sourcing raw materials from sustainably managed ecosystems, as well as the development of eco-friendly automotive parts and related services	Revenue	Revenue increase
			Cost	Marketing costs
			Financing Cost	Decline in financing costs (green financing)
Investment in Nature-based Solutions	Investment in ecosystem conservation and restoration projects	· Investments in ecosystem conservation and restoration activities across supply chains or operating areas may enhance the provision of key ecosystem services and generate new revenue from carbon and biodiversity credits	Revenue	New revenue from carbon/biodiversity credits
			Cost	Project expenditure, sustainability/CSR operating expenses
			Asset	Long-term investments

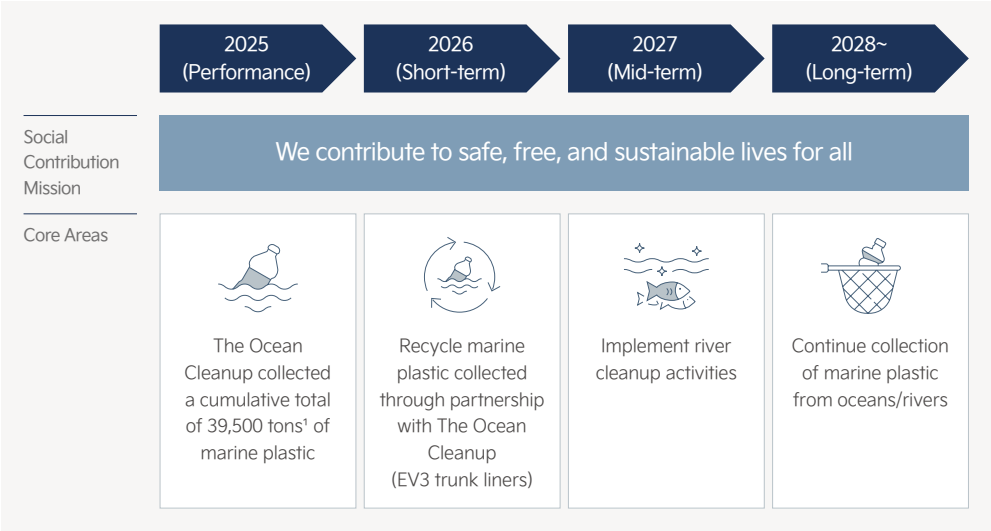
Natural Capital Management

Metrics & Targets

Targets and Performance

The Ocean Cleanup Partnership Target

Kia collects marine plastic and waste through its partnership with The Ocean Cleanup and builds a recycling system to contribute to protecting marine natural capital.



1. Based on DNV Certification (Mar, 2026)

Tidal Flat Restoration Target

Kia aims to protect marine ecosystem resources and strengthen the carbon absorption capacity of tidal flats through the tidal flat restoration project.

2025 Performance	2026 Target	Mid-to-long term Target
Planted Suaeda japonica, a halophytic species, across 27,000m² of the Maehyang-ri tidal flat in Hwaseong	Plant Suaeda japonica across an additional 12,000m² within the Maehyang-ri tidal flat in Hwaseong	Expand area of planting halophytic species in tidal flats Restore marine ecosystem and strengthen carbon absorption

Water Resources and Pollutants Target and Performance

Kia establishes annual targets to reduce emissions of air and water pollutants, doing its utmost to minimize adverse impacts on the natural environment and local communities while protecting the health and safety of customers and employees. Regarding, water quality and air pollutants, the company aims to achieve continuous reductions relative to the three-year average intensity levels. To strengthen the management of pollutants emitted from business sites, Kia sets internal standards at 30% below legally permitted limits. Compliance is ensured through regular monitoring of emission concentrations from stacks and wastewater discharges, thereby preventing leakage incidents. In addition, internal targets for pollutant emissions are developed and incorporated into management KPIs.

Target and Performance

Data Coverage: Domestic

Category		Unit	2025 (Target)	2025 (Performance)	2026 (Target)
Water Resources	Water Consumption Intensity	ton/KRW trillion	34,608.3	32,455.5	29,658.9
Water Pollutants	BOD Emissions Intensity	ton/KRW trillion	0.3	0.2	0.3
	COD Emissions Intensity	ton/KRW trillion	1.3	1.4	1.3
	TOC Emissions Intensity	ton/KRW trillion	0.8	0.8	0.7
	SS Emissions Intensity	ton/KRW trillion	0.2	0.1	0.1
Air Pollutants	Dust Emissions Intensity	ton/KRW trillion	1.4	1.3	1.3
	Sulfur Oxides Emissions Intensity	ton/KRW trillion	0.3	0.2	0.3
	Nitrogen Oxides Emissions Intensity	ton/KRW trillion	2.3	1.5	2.1
Chemicals	Chemical Substance Disposal Intensity	ton/KRW trillion	39.7	22.8	28.7
	Hazardous Chemicals Disposal Intensity	ton/KRW trillion	-	-	-

Environmental Management

Kia is committed to minimizing environmental impacts and pursuing sustainable development.
It has established an emergency response system to prevent environmental incidents and provides environmental training to employees to enhance their awareness of environmental management.

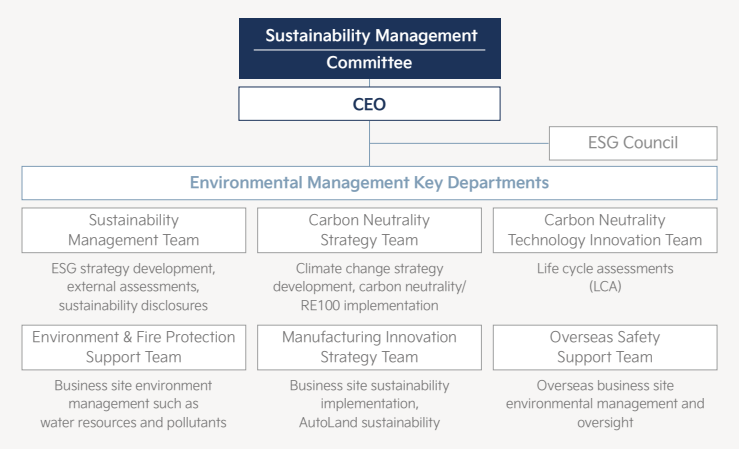
Governance

Environmental Management Governance

Decision-Making System

As Kia embraces its identity as a "Sustainable Mobility Solutions Provider," Kia is dedicated to minimizing environmental impacts of corporate activities, thereby contributing to global environmental protection.
The Board of Directors' Sustainability Management Committee reviews and deliberates on revisions to environmental management policies, legal and regulatory compliance, and environmental management achievements. Additionally, through the ESG Council, attended by the Committee and top management, Kia discusses environmental risks and responses, overseeing activities to improve environmental performance. Key environmental initiatives, including climate change impact analysis and response strategy development, were reported to the ESG Council through the first half of 2026.

Environmental Management Organization



Environmental Reporting to the Board of Directors

2030 ESG strategy framework including mid-to-long term carbon emission reduction plans and progress in transitioning to renewable energy	Recycling plan based on partnership with The Ocean Cleanup Collaboration plans for the tidal flat biodiversity restoration project	Analysis of climate change impact and development of response strategy

Strategy

Management Policy

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. The company is committed to minimizing environmental impacts throughout its value chain while continuously pursuing positive environmental outcomes. Kia also encourages all suppliers and contract partners to comply with its environmental management policy and provides the necessary education and support for implementation. In all countries of operation, Kia prioritizes adherence to local environmental laws, and in cases where specific provisions are absent or inadequate, Kia uses its own policy as a supplementary standard.

Key Principles of Each Environmental Factor

Kia has established key principles within its environmental management policy for nine environmental factors: raw and subsidiary materials, energy, water, greenhouse gases, waste, end-of-life products, environmental pollutants, hazardous substances, and local communities.

Scope

Kia's environmental management policy applies across its overseas business operations. The policy covers the supply chain, business sites, distribution networks, products and services, and sales and marketing activities, as well as product take-back and recycling, mergers and acquisitions, and investments in new businesses and projects.

Environmental Management Policy

Green Purchasing

Kia practices green purchasing as part of its commitment to sustainable management, striving to establish an environmentally friendly manufacturing environment through agreements for eco-friendly parts. As a participant in the Ministry of Environment's voluntary agreement on green purchasing, Kia gives priority to purchasing environmentally certified products, including eco-label products, recycling-certified products, and low-hazard materials in accordance with its green purchasing guidelines. Since 2007, Kia has also signed Eco-Friendly Parts Supply Agreements with suppliers to ensure that substances harmful to human health or the environment are excluded from the development and production processes of automotive parts.

Environmental Management

Risk Management

Response System

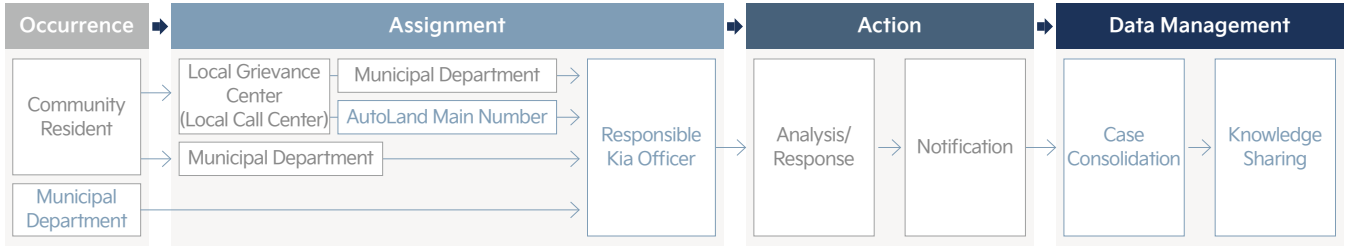
Environmental Incident and Regulatory Response at Business Sites

In line with ISO 14001, Kia has established an emergency response system for immediate action in the event of environmental incidents. The company develops response manuals and conducts scenario-based drills and training to prepare for unforeseen events such as pollutant leaks, evaluating their effectiveness through performance assessments and participant surveys to identify improvements and strengthen response capabilities. To comply with increasingly stringent environmental regulations, Kia also monitors pollutant concentrations in wastewater discharge and major air emission facilities 24 hours a day through its Tele Monitoring System (TMS) and continuously monitors other emission facilities in line with statutory requirements. In addition, the company operates a quarterly council meeting with environmental officers from each business site and external advisory committee members, while collaborating with the Korea Employers Federation and the Korea Automobile and Mobility Association (KAMA) to respond to evolving environmental regulations.

Response to Local Community Grievances

To establish clear communication channels with local community stakeholders near its AutoLand operations, Kia implemented a grievance handling process in 2025. Depending on the type of inquiry, responsible departments and points of contact were designated, and information on business sites was updated on Kia's official website to help stakeholders connect with appropriate contacts. In addition, stakeholder feedback received through these channels is categorized and systematically managed to serve as foundational data for the continuous improvement of stakeholder communication.

Grievance Handling Process



Community Risk Management Activities (2025)

- Operation of a private and public sector joint council between Kia and the Gwangju Provincial Government on odor prevention
- Continuous monitoring and management of adverse impacts on the local community based on odor complaints
- Improvement of community facilities, including maintenance of waste collection sites and fence installations, through analysis of odors around business sites
- Installation of eco-friendly concentrator RTO[1] systems to monitor odor reduction

1. RTO: Regenerative Thermal Oxidizer

Metrics & Targets

Performance

Environmental Training Performance

Kia provides various job-specific environmental training to its employees.

Environmental Training for Employees (2025)

Training	Audience	Trainees (Number of persons)	Training Goals
Safety and Environmental (Introductory) Training	Safety and Environment Personnel and New Hires	60	· Effective job performance of safety and environment officers and responsible water management and environmental risk prevention through training on business site water management
Environmental Job Training (intensive)	Safety and Environment Division and frontline workers	53	· Strengthen importance of air environment management and relevant capabilities

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 manages potential and actual risks by conducting annual human rights impact assessments at its business sites and suppliers in the supply chain to identify negative impacts and take necessary corrective measures.

Governance

Human Rights Management Governance

Decision-Making System

To protect the human rights of employees and stakeholders, Kia operates 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 the company's operations is systematically managed and overseen through working meetings led by the dedicated human rights management department and decision-makers.

Reporting System



Dedicated DEI[1] Organization

In 2025, Kia established a dedicated DEI organization to build a foundation where the values of diversity, equity, and inclusion can be naturally embedded across both institutional systems and its organizational culture. In particular, Kia defines its DEI vision as "Kia's Embrace," and continues to promote workforce diversity in areas such as gender, nationality, and disability, while fostering an inclusive environment where diversity is respected and embraced. Kia seeks to build empathy through experience-based communication so that employees can genuinely recognize and experience a culture that respects individual differences and promotes inclusion.

1. DEI: Diversity, Equity, Inclusion

Role of Key Departments

Department	Role
Sustainability Management Team	· Develop human rights due diligence roadmap and annual plans · Conduct human rights due diligence at all domestic and overseas operations · Respond to and disclose evaluations on human rights management
HR	· (Domestic/Overseas) Handle, investigate, and follow-up on employee grievances/sexual harassment/workplace bullying · Implement initiatives to improve organizational culture · Conduct anti-discrimination activities for fair recruiting
Labor-Management	· Maintain cooperative labor-management relations
Safety and Environment	· In charge of internal safety management and employee/supplier accident prevention, post-accident measures
Legal	· Compliance and ethical management initiatives for employees · Conduct legal review of human rights issues
Procurement	· (Domestic/Overseas) Conduct and support suppliers' human rights due diligence · Implement corrective actions for human rights risks at suppliers · Handle and manage supplier grievances
Privacy Protection	· Employee/Supplier/Consumer privacy protection
Each Business Site	· Protect employees' human rights at individual business sites
IR, PR, External Affairs	· Respond to external stakeholder inquiries and requests for explanation regarding human rights issues

Strategy

Impacts, Risks, and Opportunities

Through its materiality assessment, Kia identifies key environmental and social impacts, as well as financial risks associated with human rights management. In relation to securing employee diversity and fostering an inclusive organizational culture, positive environmental and social impacts were identified. These include contributing to the broader diffusion of inclusion values across society by providing equal employment opportunities across own operations and downstream value chains, as well as enhancing employee awareness of diversity through internal awareness campaigns and building an inclusive workplace culture. Meanwhile, from a financial perspective, risks were identified regarding potential increases in training expenses associated with diversity and inclusion employee capability-building programs. In addition, inadequate implementation of diversity policies may lead to financial risks, such as reduced capital inflows due to reputational damage, as well as additional training costs required for the continued operation of employee diversity programs.

Human Rights Management

Strategy

Management Policy

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 that establishes organizational structures and operational systems both domestically and internationally to internalize human rights in its 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 complaint 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 Charter is applied to all domestic and international production and sales corporations, subsidiaries and second-tier subsidiaries, and joint ventures, outlining key principles including the prohibition of forced labor, prevention of child labor, freedom of association and collective bargaining, and non-discrimination. 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. As the prevention of human rights risks becomes increasingly important, the Human Rights Charter will be revised by 2026 to explicitly incorporate ILO requirements. The revised Human Rights Charter will explicitly prohibit the employment of individuals under the age of 15 within the child labor clause, and guarantee the rights to freedom of association and collective bargaining. In addition, anti-discrimination provisions will be supplemented to cover labor union membership and marital status. The charter will also strengthen clauses on working conditions, including the payment of at least the statutory minimum wage and adherence to living wage principles. Kia also conducts monitoring given changes in internal and external environments regarding human rights and international guidelines, and amends the Charter as necessary.

Human Rights Charter

Non-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 & Anti-Harassment Policy

Diversity and Inclusion Policy

Diversity goes beyond simply acknowledging differences and is a key asset that drives organizational dynamism and creativity. By respecting and understanding each individual's identity and way of life regardless of gender, nationality, generation, disability status, or family composition, Kia seeks to foster an inclusive culture. To create an environment where employees with diverse backgrounds can fully realize their creative and challenging potential, the company has established diversity and inclusion policies, along with quantitative targets to be achieved by 2030. In addition, through work systems, talent management practices, organizational culture initiatives, and training programs, the company strives to ensure that employees can experience diversity and inclusion in their daily work.

Diversity and Inclusion Policy

Diversity and Inclusion Strategy

Kia creates an inclusive work environment where employees from diverse backgrounds can work together by recruiting foreign nationals and persons with disabilities. Recruitment materials are provided in English, and the company collaborates with university Disability Support Centers to improve accessibility for diverse talent. In addition, all new employees, regardless of nationality or disability status, participate in the onboarding process together, fostering mutual understanding, strengthening a sense of belonging, and supporting smoother organizational integration.

Eeum Inc. 'People and the World, Connecting Hearts to Hearts'

CASE

As part of its efforts to strengthen diversity, equity, and inclusion (DEI) management, Kia has sincerely explored sustainable employment models and as a result, established "Eeum Inc." in May 2025. Eeum plans to professionally recruit and support individuals with severe developmental disabilities, whose participation rates in economic activities are relatively low, with the aim of providing stable opportunities for social entry. In addition, with the safety and convenience of employees with disabilities as a top priority, the workplace is being designed in accordance with Barrier-Free (BF) certification standards, with operations targeting to commence and achieve standard workplace certification by the end of 2026. Through the establishment of Eeum, Kia seeks to continuously expand employment opportunities for persons with disabilities while fostering an inclusive corporate culture in which all employees are respected. Meanwhile, in recognition of its accomplishments in establishing Eeum and expanding recruiting of persons with disabilities, Kia received the Minister of Employment and Labor Award at the 2026 Disability Employment Promotion Conference.

Human Rights Management

Strategy

Handling Grievances

Complaint Reporting System

To proactively address human rights risks, Kia operates a complaint reporting system through online and offline channels. When complaints 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 taken based on the company's internal standards and procedures. Kia displays the complaint reporting system banner on the main screen of its intranet, enabling easy access for employees. Meanwhile, offline complaint counseling centers are operated within each division to handle reports regarding sexual harassment or workplace bullying. Additionally, Kia provides free professional support, such as one-on-one counseling with specialized counselors and psychological assessments to help employees alleviate work-related stress and interpersonal challenges.
In Korea, grievances can be submitted through designated personnel within the Human Resources and Legal departments. In addition, separate channels are operated for ethics reporting and human rights reporting, along with dedicated channels for safety and environmental grievances. In some overseas business sites, including North America and New Zealand, third-party operated grievance systems are in place to ensure independence and to support employees and stakeholders to report ethical violations and human rights concerns.

Grievance Handling Process

Submission	Situation Assessment	Review Personnel Actions	Program Support as Needed
Operate system through online and offline channels	Identify situations in line with procedures	Review personnel actions in line with standard procedures	Free psychological testing and 1:1 counseling programs

Raising Awareness

Company-wide Human Rights Education

As a legal requirement, Kia provides mandatory training for all employees on topics such as prevention of workplace bullying, sexual harassment and disability awareness. 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 and human rights topics are also integrated into the ESG Mindset Training Curriculum. In 2025, human rights risk due diligence training was carried out to all business sites (domestic and overseas regional subsidiaries, sales corporations and production corporations), covering topics on the need for human rights risks management, external requirements related to human rights risk assessment, and human rights risk identification processes. Moreover, company-wide human rights training based on the revised Human Rights Charter will be conducted for all employees in 2026.

Human Rights and Environmental Risk Training (2025)

Title	· Company-wide Human Rights and Environmental Due Diligence Briefing
Audience	· Personnel in charge of human rights and environmental due diligence at each business site (79 personnel from a total of 79 sites)
Content	· Understanding human rights due diligence regulations, case studies regarding forced and child labor issues · Kia's human rights due diligence framework, procedures, and diagnosis indicators, etc.
Participation	· 79 persons (100% attendance)

Fostering Company-wide Inclusive Culture

Kia is making various efforts to foster an inclusive culture in which the values of diversity and inclusion can be experienced in everyday work life. The company operates experience-based DEI programs that enable employees to engage in and develop a positive understanding of diversity and inclusion. Kia also held "Kia Inclusion Week" where various sessions, including special lectures and talk concerts, took place under the theme "Embracing the Diversity Within Us." With the participation of female leaders, global employees, and life-stage experts, Kia reiterated its commitment to inclusion by respecting and embracing the diverse life experiences of each of its employees.
These efforts were recognized with the Ministerial Award from the Ministry of Gender Equality and Family in the 2025 Corporate Customized Diversity Training Best Practice Competition.



Human Rights Management

Risk Management

Human Rights Due Diligence

Overview

Kia conducts annual human rights impact assessments across its domestic and overseas operations to identify and address potential impacts from its business activities on various stakeholders, including employees, suppliers, local communities, and customers. Now, the assessment has been further advanced into a human rights and environmental due diligence framework. To strengthen the framework, Kia developed risk assessment indicators reflecting global ESG due diligence standards and regulations, including the OECD Guidelines, ILO standards, the RBA Code of Conduct, and external regulatory requirements such as the EU CSDDD. In addition, the human rights and environmental due diligence framework was built in collaboration with human rights experts, labor attorneys, and external specialized institutions.

Due Diligence Process

Kia conducts human rights and environmental due diligence across all business sites to identify human rights risks in comprehensive areas. Target sites are selected through an analysis of risk factors, including workforce size and presence of production facilities. Kia carries out both document-based assessments and on-site inspections for all domestic and overseas operations, including headquarters, domestic plants, sales corporations, distribution centers, service centers, regional headquarters, overseas sales corporations, overseas plants, and joint ventures. To mitigate risks identified through the due diligence process, improvement plans are established for business sites with high-risk factors, and implementation of these plans is continuously monitored and disclosed.

Implementation Process

Regulatory Analysis and Site Selection	Prioritization of business sites where high human rights and environmental risks are expected
Implementation of Due Diligence Framework – Prepare Assessment	Development of assessment indicators for business sites to respond to EU CSDDD - Develop Kia's risk diagnosis metrics based on global regulations and standards, including from the OECD, ILO, and RBA, etc
Implementation of Due Diligence Framework – Desk-based Assessment	Data collection by business site and desk-based risk identification - Identify potential and actual risks at multiple business sites to determine negative factors
Implementation of Due Diligence Framework – On-site Inspection	Identification of actual risks at business sites through on-site inspections and interviews - Review to identify actual risks based on the actual business site's operating environment
Implementation of Due Diligence Framework – Mitigation	Risk mitigation for high-risk factors identified from the due diligence - Draw out comprehensive due diligence outcome and improvement tasks based on the document-based assessment and on-site inspection - Develop improvement plans for each site and monitor implementation
Internal/External Communication	Disclosure of due diligence status, key risks identified, and outcome of actions taken

Groups Vulnerable to Human Rights Risks

Kia defines vulnerable groups with high exposure to human rights risks at its business sites in accordance with guidance from global standards such as the OECD and UNGP. Accordingly, Kia includes groups vulnerable to human rights risks, such as female and foreign workers, on-site partner companies, and employees, in the assessment scope to identify key risks at each business site through desk-based and on-site inspections.

	Category	Definition	Estimated Risk Type
1	Women during Pregnancy, Childbirth, and Childcare	Workers legally protected in relation to pregnancy, childbirth, and childcare	Discrimination, workplace bullying, compliance with working conditions, and reasonable accommodation
2	Young Workers	Workers aged 15 to under 18 *Based on the minimum legal working age of each country where business sites are located	Child labor, forced labor, and occupational health and safety
3	Employees	Full-time workers who serve in field/office/research positions that are exposed to specific risks, including safety accidents and emotional strain	Occupational health and safety, discrimination and workplace bullying, compliance with working conditions
4	Interns	Fixed-term workers employed for short periods (3~6 months)	Child labor, forced labor, compliance with working conditions
5	Dispatch and Contract Workers	Indirectly employed worker, employed by a dispatch employer and working at assigned user company	Discrimination and workplace bullying, freedom of association, collective bargaining
6	Persons with Disabilities	Overall persons with disabilities including mild and severe disabilities	Discrimination and workplace bullying, reasonable accommodation
7	Foreign and Migrant Workers	Workers residing in the country where the corporation/business site is located but who do not hold its nationality	Forced labor, discrimination and workplace bullying, freedom of association, collective bargaining
8	Race/ Ethnicity	Workers who do not belong to the majority race/ethnicity in the country of operation	Forced labor, discrimination and workplace bullying, freedom of association, collective bargaining

Human Rights Management

Risk Management

Human Rights Due Diligence

Human Rights Risk Desk-based Assessment

Kia refined 196 due diligence indicators across the human rights, ethics, environment, and safety domains and conducted desk-based assessments accordingly. In 2025, business sites subject to desk-based assessment were selected through risk screening[1] based on national human rights and environmental indices. Following the desk-based assessments, detailed evaluation results are provided, including risk exposure levels and operational control effectiveness. The assessment indicators are managed under three categories: policy, operational management, and compliance.

Human Rights Risk Desk-based Assessment Outcome

In 2025, 79 business sites (45 domestic and 34 overseas), including headquarters, regional offices, sales and production corporations, and joint ventures, were selected[5] for desk-based assessments. Results of the 2025 assessments showed that all domestic and international operations recorded an overall indicator compliance rate of approximately 69%. While results varied by country, common areas for improvement included enhancement of human rights policies, expansion of employee human rights training, and improvement of grievance handling procedures. Accordingly, improvement actions are being implemented. Going forward, based on the 2025 assessment results, Kia plans to further refine and enhance its indicators in order to conduct in-depth assessments of areas with higher potential exposure to human rights risks.

Due Diligence Indicators

Human Rights

- Human Rights and Labor Risks
- Human Rights Management System[2]
- Human Rights Risk Management[3]
- Improvement in Working Conditions[4]
- Supply Chain Human Rights/Labor Management
- Living Conditions Human Rights Management

Environment

- Environmental Risks
- Environmental Management System
- Greenhouse Gases and Energy
- Water Resource Management
- Waste Management
- Air Pollutant Management
- Hazardous Substance Management
- Biodiversity and Nature Protection

Ethics

- Ethical Risks
- Ethical Management System
- Information Security
- Responsible Raw Material Procurement

Safety

- Safety Risks
- Safety Management
- Occupational Hazards
- Chemical Substance Safety

Risk Assessment and Improvement Implementation Ratio

Category			Unit	Result
Business Site	Human rights risk assessment execution ratio[6]		%	100
	Ratio of business sites with risk identification		%	100
	Implementation ratio of improvement measures and actions taken		%	100
	Number of improvement measures implemented	Domestic	Cases	91
		Overseas	Cases	25
Supplier	Human rights risk assessment execution ratio		%	100
	Ratio of business sites with risk identification[7]		%	100
	Implementation ratio of improvement measures and actions taken		%	100

1. Risk screening based on the Human Rights and Environmental Risk 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)
2. Internalized human rights and labor policies, work management, anti-discrimination
3. Prohibition of Inhumane Conduct, Child and Forced Labor, and Community & Indigenous Peoples Rights
4. Improvement to working conditions, freedom of association, grievance handling
5. Domestic direct operation sites with low risks are excluded from the desk-based assessment (less than 50 persons and no production facilities)
6. Number of business sites that conducted the human rights risk assessment / business sites* subject to human rights risk assessment
   *Domestic: All business sites excluding domestic direct operation sites with low risk (less than 50 persons and no production facilities), Overseas: All business sites
7. Ratio of business sites with risk identification = Number of tier 1 suppliers with identified risks / number of tier 1 suppliers subject to desk-based assessments

Human Rights Management

Risk Management

Human Rights Due Diligence

Human Rights Risk On-site Inspection

Kia conducts on-site inspections on business sites with relatively high risks based on internal standards after considering desk-based assessment results, site-specific issues, and regulatory conditions. Interviews using checklists and business site inspections are carried out to identify actual risks at the selected business sites.

On-site Inspection Process

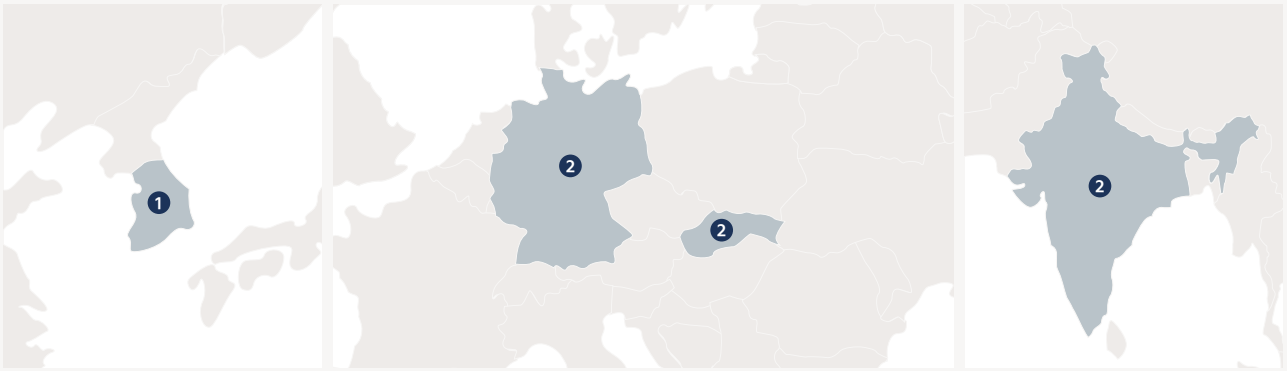
Inspection on Management Status	· Review desk-based assessment results · Review worker interviews and on-site hazardous factors · Draw out improvement tasks
↓	
Inspection on Operating Systems	· Review operations · Draw out improvement tasks
↓	
Analysis of Inspection Outcome and Sharing Results	· Analyze comprehensive inspection outcome · Report inspection outcome to business site management

Human Rights Risk Corrective Actions

In-depth assessments are carried out on high-risks identified through desk-based and on-site inspections to draw out improvement tasks which are approached from policy, operation management, and compliance perspectives. In particular, corrective action is taken immediately for issues that can be addressed in the short-term.
Appropriate improvement plans are developed for risks identified through the human rights due diligence through discussions with relevant divisions and considering global guidelines and Kia's current operating conditions. The company monitors implementation and manages the outcome of such corrective actions. To ensure proper measures are taken, Kia's improvement plans are further refined through cooperation and communication with external human rights specialists such as labor attorneys.

Human Rights Risk On-site Inspection Outcome

Among the 79 business sites subject to desk-based assessments in 2025, 11 sites across Korea, Europe, and India were selected for on-site inspections that were carried out along with external experts. In Korea, headquarters, production sites (AutoLand), the Korea Business Division, local sales divisions, distribution center, and service centers were inspected while overseas, regional headquarters and production corporations were targeted. The 2025 on-site inspections found that improvements in human rights policies and grievance handling procedures were needed to meet global standards. Accordingly, improvement plans have been developed with relevant divisions with measures being gradually carried out. Some issues that called for large scale investments or significant time for resolution will continue to be addressed by 2026.



Case ❶ Domestic Business Site

Category	Inspection Result	Improvement Direction
Human Rights	Improvement needed in reflecting core human rights topics into policies and implementation system	· Improve policies by including key terms regarding minimum age for employment and freedom of association clauses in the Human Rights Charter · Raise employee awareness by expanding human rights training
Safety	Need to reinforce the legislation implementation system for disaster prevention	· Strengthen site management systems

Case ❷ Overseas Business Site

Category	Inspection Result	Improvement Direction
Human Rights	Pay statements should be provided in languages workers can comprehend	· Add language option to system · Provide contracts and pay statements in dual languages
Safety	Improvements needed in emergency response system documents	· Display documents regarding evacuation plans and response systems · Improve emergency evacuation system

Human Rights Management

Metrics & Targets

Targets and Performance

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. Kia aims to focus on managing risks related to human rights through a systematic identification process by 2025 and ultimately establish a voluntary management system in order to foster a culture of respect for human rights.

	~2026	~2028	~2030
Target	Strengthening human rights risk assessment Establishment of human rights due diligence system for business sites	Enhancing human rights risk management and improvement measures In-depth diagnosis and remediation for high-risk factors	Establishing a voluntary human rights management system Minimizing risks and embedding a human rights management culture
Target Details	· Framework and Standards: - Establish a company-wide human rights due diligence system · Assessment and Due Diligence: - Company-wide desk review and on-site inspections at key locations* *Key Locations: Domestic, Europe, North and South America, India, China, etc. - Introduction of upstream supply chain due diligence · Key Metrics: - 90% implementation rate of corrective actions for identified risks - 70% implementation of grievance channels at domestic and overseas business sites	· Framework and Standards: - Enhance diagnosis standards based on global guidelines · Assessment and Due Diligence: - Company-wide desk review and in-depth site due diligence for high-risk business sites - Expand to up/downstream supply chain due diligence · Key Metrics: - 95% implementation rate of corrective actions for identified risks - 85% implementation of grievance channels at domestic and overseas business sites	· Framework and Standards: - Comply with global human rights due diligence regulations, including the EU CSDDD - Embed risk prevention systems and foster a culture of respect for human rights · Assessment and Due Diligence: - Establish regular human rights due diligence and implement mid-to-long term corrective actions · Key Metrics: - 100% implementation rate of corrective actions for identified risks - 100% implementation of grievance channels at domestic and overseas business sites

Diversity and Inclusion Targets

Kia has set a target of achieving a 30% female employment rate by 2030, with the aim of incorporating diverse perspectives through workforce diversity. Through campus pop-up events at women's universities, Kia enhances access to emerging female talent and highlights women across various functions across the organization, including manufacturing, through multiple recruitment channels. By enabling employees from diverse backgrounds to work together across different roles and business sites, Kia seeks to enhance organization-wide awareness of diversity and foster a more inclusive corporate culture.

2030 Diversity and Inclusion Targets

2030 Female Employment Rate Target[1] **30%**

Gender Diversity Status and Target

Category	Unit	2024	2025	2026 (Target, %)
Total Female Employees	Persons (%)	1,792(5.0)	1,902(5.2)	5.3
Female Managers	Persons (%)	373(7.2)	452(8.6)	9.3
Female Junior Managers	Persons (%)	266(13.1)	319(15.6)	16.5
Female Executives	Persons (%)	2(1.4)	4(2.5)	2.6
Female Managers of Revenue-Generating Departments	Persons (%)	296(6.2)	357(7.5)	8.0
Female New Hires	Persons (%)	176(7.3)	182(6.3)	6.2
Female Employees in STEM Departments[2]	Persons (%)	757(2.7)	836(2.9)	2.9

1. Based on domestic office workers 2. Science, Technology, Engineering, Mathematics

Human Resources

Kia has established a comprehensive talent management system to support employee growth and strengthen their capabilities. Pursuing a "customer-centric and people-focused" organizational culture, the company operates various training programs aimed at developing future business capabilities and career development opportunities for employees. In addition, Kia strives to ensure a fair working environment for employees while strengthening labor-management cooperation.

Governance

Human Resources Management Governance

Decision-Making System

Led by the CEO, Kia operates a human resources governance framework where 9 teams including the People & Corporate Services Group 1 and 2 under the People & Corporate Services Division work closely together.
All areas of human resources management, including recruitment, compensation, performance evaluation, organizational culture, training, and workforce operations, are each assigned to a dedicated team and work in close coordination at the division level for an integrated talent management approach that supports employees throughout their entire career lifecycle. Through this system, Kia focuses on securing employee diversity and cultivating key talent capable of leading future businesses. At the same time, the company is building a virtuous cycle in which the growth of individual employees contributes directly to organizational competitiveness through growth-oriented performance evaluations and systematic career development support.

Human Resources Management Organizations



Strategy

Impacts, Risks, and Opportunities

Through its materiality assessment, Kia identifies environmental and social impacts, as well as financial risks associated with human resources management. In relation to workforce diversity and an inclusive organizational culture, equal employment opportunities and awareness initiatives were found to generate positive impacts by enhancing employee understanding of diversity and inclusion. From a financial perspective, risks were identified in potential fines and penalties, and litigation costs when violating working hour regulations. In addition, violations of workers' rights may negatively affect brand reputation and ESG ratings, potentially resulting in decreased revenues.
Meanwhile, in relation to collective bargaining rights and labor rights, insufficient protection of such rights within the company's own operations value chain could result in negative environmental and social impacts, including infringement of labor rights, reduced sense of belonging, and workforce anxiety. From a financial standpoint, labor-management conflicts may lead to operational disruptions, reduced production and sales, and consequently lower revenue. Additional operational costs associated with resolving and managing labor-management disputes were also identified as potential financial risks.

Talent Recruitment

Based on its "customer-centric and people-focused" organizational culture, Kia strives to enhance fairness and competitiveness in recruitment through talent diversity as part of its efforts to build an inclusive corporate culture.
The company has strived to foster a gender-inclusive corporate image by conducting recruitment outreach activities at women's universities, and recruited foreign nationals and persons with disabilities through special hiring and placed them across various roles and sites, expanding diversity awareness company-wide. In addition, the company established a global recruitment platform that enables applicants to conveniently access worldwide recruitment information in one place. In particular, for employees with disabilities, Kia offers awareness training, mentoring programs, and inclusive onboarding programs conducted together with non-disabled employees, to foster a sense of belonging.

Human Resources

Strategy

Performance Evaluation and Compensation

Fair Compensation System

Kia supports employee growth through an evaluation and coaching system that provides feedback based on individual goals. The company maintains a fair and equitable compensation system regardless of nationality or gender, continuously monitoring the gender pay gap to promote equal pay and employee motivation. Kia's HR system links an absolute evaluation framework with performance-based compensation, ensuring that individual performance improvements are reflected in rewards, with a differentiated incentive pay structure that covers all employees, including contractors. In addition, labor-management agreements provide reasonable performance bonuses from excess profits, while all employees receive non-wage benefits, including retirement benefits.

Employee Performance Evaluation

Kia conducts employee evaluations from a growth and development perspective, emphasizing knowledge sharing and collaboration rather than competition. The company operates "Inspiring Coaching," a year-round feedback program based on ongoing dialogue between leaders and team members to reflect performance discussions in evaluations. To ensure consistency, Kia follows a performance management process consisting of goal setting, year-round feedback, and pre-evaluation reviews and rating calibration.

In addition, Kia supports leadership development through the Leadership Surround View (LSV)[1] assessment, which provides 360-degree feedback and leadership evaluations from self-assessments, supervisors, team members, and peers. In 2025, Kia also operated the year-round peer feedback program "Collaboration Plus," enabling employees to share collaboration experiences and feedback, fostering individual development and a stronger collaborative culture.

Employee Performance Review Target and Frequency

Category	Target Audience	Frequency
Management By Objective (MBO) Assessment	100% of senior manager level or above	Once a year
Leadership Surround View (LSV) Assessment	100% of team leader level or above	Once a year

1. LSV (Leadership Surround View): A 360 degree multi-rater leadership assessment tool

Employee Capability-Building

Leadership Training

Kia has established comprehensive succession planning and leadership development programs at multiple levels, encompassing employees from new joiners to top management, enabling them to develop the leadership capabilities required at each stage of their career transitions in a timely manner. In addition, the Leadership Academy module within Learning Lounge, the company-wide online learning platform, is continuously open to all employees without eligibility restrictions, including full-time employees, part-time and contractors. Through this platform, Kia provides equal opportunities for leadership development regardless of employment type.

Leadership Development Programs by Staff Level

Category	Key Programs
Executive	· Leaders Forum
Team Leader	· New Team Leader Onboarding Course, New Team Leader Coaching Course
Team Member-Level (Senior Manager, Manager)	· New Senior Manager Seminar · Inspiring Coaching Program

Future Business Capability-Building Training

Kia's training system is designed to help all full-time employees, from new hires to executives, acquire the skills necessary for their respective roles. In particular, the company has revamped its training system into "The New Mobility Academy," which reflects Kia's new business initiatives and ways of working, and the "Skill-up Academy," which focuses on common core capabilities. The Mobility Academy aims to enhance understanding of emerging business areas and foster a customer-centric way of working. The program is designed around practical learning where employees solve problems and generate new ideas from the customer's perspective. Courses cover service businesses that enhance customer value, customer-centric EV product planning, B2B business innovation based on customer-participation, and store strategies aimed at improving customer experience. The Skill-up Academy supports the practical application of core skills in daily work. To support the advancement of employees' ways of working, Leveraging AI and digital tools across three areas (communication, project management, data utilization), the program offers eight practice-oriented courses to employees in general, research, specialized, and legal positions.

Future Business Skills Training

Course	Development Direction	Key Programs
Onboarding	Phased onboarding program to support integration into the Kia organization	Onboarding Step1 – Step5
Job Function	Cultivation of "cross-functional" talent that can create new customer-centric value and businesses based on functional expertise	Mobility Academy, Skill-up Academy
Company-wide	Company-wide mandatory training courses including statutory training, etc.	Disability Awareness Program, Pre-retirement Training, etc.
Other	Voluntary internal learning network	Learning Lab, Language Training, etc.

Measuring Training Effectiveness

To systematically measure the effectiveness of training programs, Kia has implemented a comprehensive evaluation framework that goes beyond simple satisfaction surveys. One month after training is completed, the company assesses on-the-job applicability and conducts SCM (Success Case Method) interviews. In addition, Kia carries out both standard evaluations based on the CIPP model and specialized analyses covering applicability to the workplace, facilitating factors, and impediments, enabling a multifaceted review of how training contributes to actual work performance. In the first half of 2025, assessments conducted for selected Skill-up Academy courses showed a score of 4.2 for workplace applicability and 4.6 in overall satisfaction, while the Mobility Academy recorded an overall satisfaction score of 4.7. Kia is also strengthening its management of training effectiveness by tracking changes in participants' understanding through pre- and post-course self-assessments.

Human Resources

Strategy

Employee Capability-Building

Learning Lab

Kia operates Learning Lab, an internal voluntary learning network that promotes an employee-led growth culture and cross-functional collaboration. As a self-directed program, employees design their own learning schedules and formats, supporting diverse learning activities based on employee needs, including research on new technologies, patent development, and discussions on job-related topics.

Learning Lab Operations (2025)

Category	Outcome
Period	March ~ July
Number of Learning Labs	119
Number of Participants	865 persons
Learning Lab Example	Studies on issues from outsourcing of engine materials and improvement measures, AI Learning Lab, and work optimization studies using OpenAI, etc.

Digital Talent Training

Kia implements digital capability-building programs to proactively respond to the rapidly evolving digital environment and strengthen future competitiveness. Kia's year-round "DX Academy" supports the development of core competencies across all areas of digital transformation (DX), including AI, data, and software. Through these initiatives, Kia helps employees build the expertise required in the digital era and apply it to their daily work.
Moreover, DX Leader training is offered to leaders across all positions to enable and accelerate digital transformation led by leadership.

Big Data Bootcamp Best Practice CASE

AI and deep learning capabilities acquired through the Big Data Bootcamp were applied to enhance specification recognition performance in the vehicle door vision system.
AI-based OCR models were developed and deployed using real production data, improving accuracy from below 80% to 99% and increasing equipment operation rates from below 50% to 100%. The solution has been implemented at the Gwangmyeong Plant1, with expansion planned for the Gwangju Plant 2 and Hwaseong Plants 2/3.

Career Development

Kia operates a career development platform, Career Move, which enables employees to expand their job experiences and grow through self-directed initiatives. The company also fosters a proprietary career development culture, internalizing programs such as internal FA, OJM, OXM (internal interns), and regular transfers.

Expansion of Career Move

Experience Preparation	→	Experience Expansion
Prepare employees for expanded experiences alongside leaders through personal profiles, leader consulting, etc.		Support employees expand their experience through internships, internal hires, internal FAs, and regular transfers

Career Move Programs

Program	Description
Internal FA	Program where departments in need of internal talent send offers to qualified candidates in the FA market for recruiting
OJM (Open Job Market)	Departments in need of internal talent select and recruit talent from other divisions through internal job postings
OXM (Open eXperience Market)	Internal internship program that supports employee experience and cross-functional cooperation
Regular Transfers	Company-wide employee transfer program conducted annually at the beginning of the year, linking career development, organizational restructuring, and job rotation based on employee needs.

Degree and Certification Support

Kia provides education and certification support programs for all full-time employees to strengthen job expertise and core capabilities. For employees pursuing a full-time master's degree related to their work, the company operates a study leave system that allows up to two years of leave for employees in general or research positions with at least three years of continuous service.
In addition, each division supports full-time employees in participating in external training courses and certification programs voluntarily considering their professional needs for the given function.

Target Certified Licenses

- Forklift Operator
- Fire Safety Manager (Level 2)
- Electrician, Gas Technician, Hazardous Materials Technician, Welder, Hydraulic and Pneumatic Technician
- Industrial Safety Engineer
- Automotive Appraiser, Automotive Technician
- Class 1 License, Drone Operator, and Barista License for workers aged 60+

Total Number of Recipients **4,748**

Total Execution Amount **KRW 1.14 billion**

Future Planning Program

Kia supports employees' career transition by operating a three-stage training program for employees approaching retirement. The program is conducted in phases covering five to two years prior to retirement, as well as the retirement year itself. It provides comprehensive support for post-retirement life planning, including career assessment, financial management, re-employment preparation, change management, and guidance on government support programs, helping employees build a sustainable life plan for the future.

Human Resources

Strategy

Employee Welfare and Benefits

Kia offers various non-pay benefits to all employees, including part-time and contractors, such as congratulatory/condolence leaves, group accident insurance, vaccinations, dormitories/company housing, and seasonal resorts, etc.

Labor Practices

Kia manages statutory working hours by automatically escalating overtime and late-night work requests to managers for approval while report screens enable employees to monitor their working hours at any time. Preventive measures are also in place to avoid excessive monthly working hours and late-night work. When overtime, holiday work, or extended working hours occur, appropriate allowances are provided. In addition, Kia complies with relevant labor laws, such as the Labor Standards Act and Minimum Wage Act, to protect employees' fundamental rights and promote a fair working environment. To support employees' stable living, Kia adheres to living wage principles covering basic needs of employees, offering welfare benefits including educational, healthcare, and childcare assistance, and encourages the use of paid leave such as summer vacation.

Housing Support

Kia provides housing loans via its employee welfare fund to build a stable residential environment for employees. Eligible employees (excluding executives and non-regular staff) with at least two years of continuous service, one year of non-homeownership, and guarantee insurance eligibility may apply for jeonse (lease deposit) and home purchase loans at a low 1% annual interest rate. Loan allocation is prioritized based on criteria such as first-time applicants, length of service, and newlyweds to ensure fair and equitable distribution.

Group Accident Insurance

Kia provides group accident insurance for all employees regardless of job category, to ensure coverage for injuries that may occur in daily life. Employees who have sustained injuries can apply via the internal system, and the insurance covers daily hospitalization benefits for injuries, accidental death, death due to illness, cancer diagnosis, minor cancer diagnosis, disability from injury, and severe disability (80% or more) due to illness.

Support Programs

Category		Details
Work System	Flexible Work	Average 52 hours of flexible work arrangements available per month
	Part-time Work	Hourly workforce system *Limited to certain functions (daily 7 hours for driving managers, etc.)
	WFH, Hub-based Work	Working from home or from satellite hub offices is available
Work-Life Balance	Parental Leave	Maximum 2 years per child (Up to age 8 or elementary school grade 2 or below; up to age 12 for single-parent households)
	Reduced Work Hours during Pregnancy	2 hours per day (pregnant employees within 12 weeks or after 32 weeks of pregnancy)
	Leave before/after Childbirth	90-days paid maternity leave (120 days for multiple births/ 100 days for premature births) 20-days paid paternity leave
	Reduced Hours during Child-rearing Years	Up to 2 years of parental leave per child and up to 3 years when combining reduced work hours (1~5 reduced work hours per day for children 12 or under or grade 6 or younger)
	Lactation Facility	Operates lactation facility and provides lactation time during workhours
	Family Care-giving Leave	Up to 90 days a year (grandparents, parents, spouse, parents-in-law, children, or grandchildren)
	Infertility Leave	Up to 6 days a year (for infertility treatments, including artificial insemination and in-vitro fertilization)
	Inhouse Daycare	5 daycare centers operated at head office and business sites
Leave	Summer Vacation	5 days of paid leave
	Pro-Dream Vacation	10 days of additional paid leave (employees promoted to senior managers)
	Long-Service Reward	5 days of paid leave (employees with 20 years of continuous service)
	Retirement Farewell Leave	30 days of paid leave (mandatory retirements after 20 years or more continuous service)
	Year-round Resort	Membership benefits for 8 hotels and resorts
	Local Cultural Experiences	Local cultural experiences are available by taking monthly or annual leave after the end of business trips
Health	General Check-up	Annual statutory medical examinations (additional examinations, such as thyroid and blood cancer screening, for employees aged 40 or older)
	Comprehensive Check-up	Examinations every 3 years (employees with 10 years or more continuous service or aged 35 or older, 50% financial support for health check-ups for one family member)
	Fitness Facilities	Operation of fitness center
	On/Offline Counseling Center	EAP program (1:1 psychological counseling for employees and family members)

Organizational Culture Diagnostics

Kia Values and Behaviors

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 themselves and embrace new challenges. Guided by this "customer-centric, people-focused" cultural ambition, the company practices "Kia Values and Behaviors" across the organization. "Kia Values" are built on five core principles, each supported by three specific behaviors that define the attitude and ways of working expected of all employees.

To internalize "Kia Values and Behaviors" in everyday practice, Kia conducts regular town hall meetings called "Kia Value Meeting" 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 through Employee Experience (EX) programs designed to positively engage employees, as well as by consistently embedding "Kia Values and Behaviors" into systems, welfare, and the overall work environment.

Named as a Top 100 Great Place to Work CASE

Kia was named among the "Top 100 Great Places to Work in Korea" at the 'GPTW Management Innovation Conference' held in February 2026, recognized for its positive organizational culture. In the organizational culture survey conducted to over 5,000 employees in Korea, Kia recorded a high level of employee satisfaction with a 79% positive response rate, and was highly rated in the Culture Audit for its efforts in operating programs to foster a customer-centric, people-focused culture.

Employee Culture Survey

Kia conducts regular culture 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, motivation provided by leaders' coaching, and questions on work purpose such as work value. Additionally, Kia supports tailored consulting services for teams to address root causes in organization culture.

Human Resources

Risk Management

Labor-Management Cooperation

Labor-Management Communication

Kia promotes sustainable growth by fostering a safe, mutually respectful working environment. In 2025, labor and management jointly adopted a special declaration to prevent serious industrial accidents, build safe workplaces, strengthen global quality competitiveness, and promote communication and collaboration. Kia regularly consults with employee representatives on working conditions and shares management plans, financial performance, employment matters, and investment data upon union request. It also actively communicates operational changes, including updates to internal regulations and Board-approved decisions.

Key Risk Responses (2025)

· Timely production of popular EV models to sharpen competitiveness and overcome the EV chasm (EV4 / EV5 / PV5)

Key Labor-Management Agreements (2025)

· Agreement to build business sites for serious accident prevention and employee safety
· Agreement to support the AutoLand work environment and employee childcare program
· Agreement on expanding the assembly plant to ease labor intensity and sharpen global competitiveness

Collective Agreements

Kia guarantees labor union activities in line with the Constitution and ILO's fundamental principles. Through collective agreements, Kia establishes standards for exercising labor rights, prohibiting unfair labor practices, providing facilities and conveniences, and conducting communications. It also safeguards collective bargaining rights by defining bargaining obligations, procedures, bargaining subjects, and compliance requirements. Labor rights matters, including personnel management, employment security, wages, working hours, holidays, and leave, are also stipulated in collective agreements. Kia also conducts annual collective bargaining and gathers employee feedback on working conditions through labor-management channels, including the Labor-Management Council, Employment Stability Committee, and Occupational Safety and Health Committee.

Employee Stock Ownership Association

Kia operates an Employee Stock Ownership Association to align business objectives with employee motivation and engagement, and ensures eligibility for all full-time employees.

Metrics & Targets

Targets and Performance

Employee Training

Status of Training Implementation and Satisfaction

Data Coverage: Domestic

Category		Unit	2023	2024	2025
Employee Training	Total number of training provided	Number	308,794	391,338	366,225
	Total training hours	Hours	1,575,895	1,766,358	1,647,098
	Total training investment budget	KRW 100 million	176.6	272.6	321.3
Training Satisfaction[1]		Points	4.7	4.7	4.8

1. 5-point scale

Key Training Program Performance and Targets

Data Coverage: Domestic

Category	Contents	Number of Courses	Session	Number of Completions (persons)	Satisfaction (score)
Mobility Academy	Mobility industry trends and new business planning capabilities, etc.	5	11	191	4.7
Skill-up Academy	Coding fundamentals and data analysis/planning methods, etc.	7	22	438	4.6

2026 Target

· Plan and operate job training on common AI skills
· Launch Growth Program 2.0 to promote employee growth
  - Launch new Growth Support Initiative, including a growth support program and field-led talent development assistance
  - Core Talent Academy and In-hub training to nurture leaders
  - Open Forum Kia to strengthen business insights
  - Expand Vision Square to connect heritage and future vision

▶

Mid-to-long Term Target (~2030)

· Strengthen new business capabilities through talent cultivation
  - Strengthen capabilities for the AI-based future business
  - Support up/re-skilling of expertise to carry out new businesses
· Foster leaders to head the global mobility ecosystem
  - Develop entrepreneur-style leaders to drive innovation
  - Develop customer-centric strategies and new business specialists

Employee Dual Engagement

According to the Gallup State of the Global Workplace (2024) survey, 21% of employees worldwide were found to be engaged in their work. By country, the work engagement ratio for Korea was 13.8%, and Kia marked 80%.

Employee Dual Engagement Rate

Data Coverage: Domestic+Overseas

Category	Unit	2023	2024	2025 (Target)	2025 (Performance)
Employee Dual Engagement Survey Rate[1]	%	74	75	75	80

1. Method for measuring employee dual engagement: % of employees who selected a score of 4 or higher on two questions, namely an organizational commitment ("I hope to continue working at our company") and a job satisfaction ("I am satisfied with current work")

Safety and Health

Kia places the highest priority on the safety and health of its employees and is committed to fostering a proactive safety culture in which all members voluntarily practice safety beyond mere regulatory compliance. To integrate and advance safety and environmental management systems across all global operations, Kia has established a mid-to-long term safety strategy roadmap. In addition, the company has enhanced and operates its internal safety and environmental audit system, the Kia Safety and Environment Management System (KIA SEMS), with a strong focus on practical implementation at operational sites to execute effective accident prevention strategies.

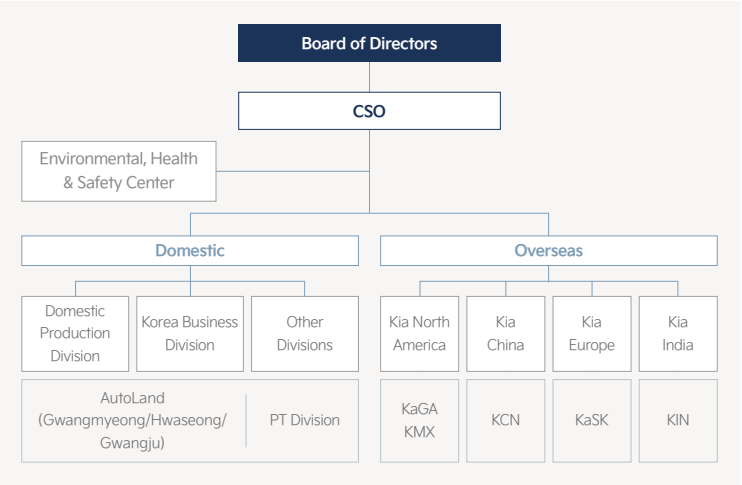
Governance

Safety and Health Governance

Decision-Making System

Under the mission of "Putting people and the environment first and making the value of a safety culture part of everyday work," Kia has established and practices its safety environment guidelines and vision.
In addition, to strengthen expertise and execution capabilities in safety and environmental management, Kia operates the Environmental, Health & Safety Center, a dedicated organization under the direct supervision of the Chief Safety Officer (CSO) that oversees and manages all related activities.
The Board of Directors reviews and approves the company's Plans for Safety and Health, expanding the number of reports to twice a year since 2024, to reinforce the Board's substantive review and oversight of safety and health management.

Safety and Health Organization



Occupational Safety and Health Committee

Kia operates "Occupational Safety and Health Committees" (hereinafter "OSHC") in three forms to listen to employees and improve safety and health matters. The OSHC plays a positive role in providing a safe and healthy working environment by addressing employee concerns related to safety and health. It also fulfills the requirement to listen to employee opinions under the 2022 Serious Accident Punishment Act, helping to mitigate compliance-related legal risks.

① **Integrated OSHC:** Deliberates and makes decisions on company-wide safety and health issues based on agreements between labor and management while also in charge of safety and health policies and industrial accident prevention initiatives

② **Division OSHC:** Deliberates and makes decisions on safety and health issues at the division level where legal compliance and budget investments are the key agenda

③ **Departmental OSHC:** Deliberates and makes decisions on safety and health issues at the department level, making decisions to address issues on the field

Role and Key Agenda of the Occupational Safety and Health Committees

Category	Integrated OSHC (Annual)	Division OSHC (Quarterly)	Departmental OSHC (Monthly)
Role	Company-wide safety and health decisions	Division safety and health deliberations and decisions	Department level safety and health deliberations and decisions
Key Agenda	Matters requiring labor and management agreements (safety and health policies, occupational accident prevention initiatives, etc.)	Legal obligations and budget investments, etc.	Safety and health issues of each department

Safety Management Council at Overseas Business Sites

Kia operates a quarterly council for its overseas business sites to share safety and environmental management policies and strengthen personnel capabilities through benchmarking of best practices and accident cases. In 2025, the council prioritized identifying risk factors to prevent serious accidents and establishing an environmental information management system, developing corresponding action plans. It also shares safety and environmental performance, key issues, assessment results, and improvement initiatives across sites.

Safety and Health

Governance

Performance-based Compensation

Safety and Health KPI

Kia establishes and operates a systematic safety KPI management framework to enhance the effectiveness of safety and health management and foster a field-oriented safety culture.
Safety KPIs are categorized into result and process indicators to promote balanced performance management.
Result indicators focus primarily on occupational accident rates as a key management metric. Quantitative analyses of accident trends and severity are used to develop measures that prevent the recurrence of similar incidents while also providing motivation regarding safety.
Process indicators measure the level of implementation of various safety policies established to support the safety management system. Kia also develops and operates indicators that assess the execution of safety leadership across the organization and employee participation in safety practices. In addition, Kia conducts integrated analyses across all safety KPI categories to verify whether preventive activities lead to actual reduction of workplace incidents. Improvement tasks identified each year are reflected in the following year's KPIs, thereby establishing a virtuous cycle of continuous improvement.

Detailed Safety and Health KPI Targets

Category	Item	Target Details
Result Metrics	Industrial Accident Rate	- Reduction in industrial accident rate (year-on-year and 3-year average) - Reduction in total accident rate (compared to 3-year average)
	Total lost time injury frequency rate (LTIFR)[1]	- Reduction in LTIFR (year-on-year)
Process Metrics	KIA SEMS[2]	- Objective assessment of safety, environment, health, and fire protection areas - Application of global integrated management indicators and systematic improvement management

1. Rate of workers unable to work (i.e.., were absent) due to occupational accidents
2. KIA SEMS (KIA International Assessment for Safety & Environment System)

Impacts, Risks and Opportunities

Through its materiality assessment, Kia identified key environmental and social impacts as well as financial risks related to safety and health. With respect to employee safety and health management, the assessment found that inadequate management of safety hazards and exposure to hazardous chemicals throughout Kia's own operations and downstream value chain—including manufacturing processes, vehicle maintenance, transportation, and end-of-life vehicle treatment—may lead to industrial accidents or occupational diseases. Such incidents can negatively affect workers' safety and health, threaten lives, and undermine quality of life, resulting in adverse environmental and social impacts. From a financial perspective, industrial accidents that disrupt plant operations may result in additional operating costs due to production losses and the burden of fixed expenses such as labor and depreciation costs. Furthermore, violations of relevant laws and regulations may lead to non-operating expenses, including fines and penalties, which were also identified as potential financial risk factors.

Management Policy

Safety and Health Policy

Kia places the safety and health of all stakeholders, including employees and business partners, as its top priority, and establishes and operates a company-wide safety and health management system and policies. Kia's safety and health management system is driven by management leadership and is applied across all domestic and international operations. Based on a safety and health management system aligned with international standards, the company promotes proactive risk management and the prevention of occupational accidents. Each business site continuously strengthens the effectiveness of its safety and health management through a systematic management process that includes developing safety and health implementation plans, identifying hazards and risk factors, monitoring performance, and carrying out improvement measures.
In addition, through its safety and health policies, Kia complies with relevant laws and regulations and systematically manages safety and health risks, including the prevention of serious accidents. Based on risk assessments covering the work environment, facilities, processes, and overall work practices, the company carries out preventive safety management activities while providing education and training programs to enhance employees' safety awareness and foster a strong safety culture. Kia also shares its safety and health policies with business partners and other stakeholders across its value chain and supports the strengthening of their safety and health management capabilities. Through these efforts, the company seeks to create a safe working environment throughout its value chain while promoting sustainable growth.

Safety Management System Safety and Health Policy

Kia's Top 10 Safety Rules

Kia consistently adheres to the 'Top 10 Safety Rules' established through the labor-management joint declaration while promoting activities related to a 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.

① Provide and wear protective equipment
② Prohibit tampering with or bypassing safety devices
③ Wear seatbelts and adhere to speed limits
④ Prohibit unauthorized access to unmanned areas and compliance with operating procedures when entering
⑤ Prohibit entry beneath loads during lifting operations
⑥ Measure gas concentration levels of confined spaces before entry
⑦ Power shutdown when dealing with electricity
⑧ No smoking outside designated areas
⑨ Adhere to pre-inspections and permit requirements
⑩ When risks are identified, report immediately after taking preliminary action

Safety and Health

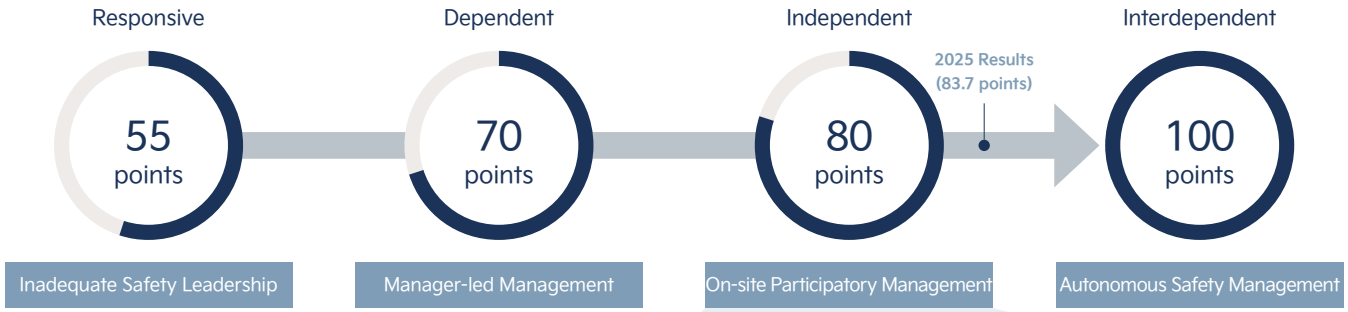
Strategy

Direction of Safety and Health Efforts

Kia's Internal Safety and Environment Management System (SEMS)

Through its internal audit program, the KIA Safety and Environment Management System (SEMS), Kia quantitatively evaluates the level of safety and environmental management across its operations. The system consists of five categories (management systems, safety, health, fire protection, and environment) and assesses areas including safety and environmental targets, implementation performance, and safety device standards for production equipment. The assessment results serve as key indicators for the company's overall safety KPIs. In 2025, Kia set a target score of 80, and its domestic business sites exceeded the target, achieving a score of 83.7. In 2026, the company plans to enhance the effectiveness of its safety and health management system and existing activities, while strengthening on-site execution capabilities based on internal and external requirements in preparation for reaching the interdependent stage of safety culture maturity.

KIA SEMS Results



Category	~2020	2021~2022	2023~2024	2025	2026~2030
Culture	Develop safety and environment vision and mission - Safety management declaration ceremony (2020)	Strengthen safety leadership - Operate the Safety Council led by the CSO (2022~)	Enhance line organization safety leadership - Develop and implement Safety Academy training system (2024)	Identify and improve serious accident risks - Observe unsafe behavior or conditions of workers	Strengthen safety awareness in leaders and field workers (develop and operate tailored training programs, etc.)
System	Improve workplace safety environment management - Develop and implement KIA SEMS	Implement a safety compliance system - Serious Industrial Accident Management System (2022)	Strengthen safety compliance system - Serious Civil Accident Management System (2023)	Labor-Management Safety Commitment - Adopt the Safe Workplace Declaration	Advance the Safety Management System
Workplace Environment	Focus on regulatory risk management (2020)	Prevent equipment accidents and reinforce safety management - Establish safety and health equipment specifications (2021~)	Develop Standard Safety Work Guidelines - Develop and operate Safety Standard Work Procedures (2023)	Strengthen heat illness prevention and management - Install temperature and humidity monitors and expand cooling equipment	Strengthening compliance with regulations and safety rules (awareness campaigns and guidance activities, etc.)

Labor-Management Joint Safety Goal Declaration

Through the Labor-Management Joint Safety Goal Declaration, Kia reinforced the "safety first" principle in the workplace under the shared responsibility of labor and management while promoting compliance with Kia's Top 10 Safety Rules and expanding pre-task risk identification. With engagement from the labor union in fulfilling safety and health responsibilities, Kia strengthened internal and external trust while actively communicating its commitment to safety and health to improve employee safety awareness. Kia also promoted a safety culture through communications, including the development of a safety mascot and use of posters, banners, and training materials, as well as on-site campaigns and media coverage.

Labor-Management Joint Declaration (Full Text)

Labor and management place highest priority on safety, working together to create a safe workplace by eradicating serious accidents among all employees and business partners, preventing accidents across all business sites, and ensuring practice of safety rules.

- Labor and management practice 'Safety First' and focus on identifying risks and making improvements.
- The company practices ESG management based on safety, health, fire protection, and the environment at the core of its operations.
- The Labor Union actively engages in initiatives aimed at enhancing safety and health and promoting a safety culture.



Safety and Health

Strategy

Safety Training

Development of Safety and Health Contents

Through its online and mobile safety and health training platform, Kia provides employees with convenient access to learning anytime and anywhere. In addition, the company develops and distributes a guidebook to all business sites, providing guidance on statutory training operations, departmental roles and responsibilities, and key FAQs.

Content Expansion

The company has around 122 different types of safety and health training contents and continues to develop and update video contents each year to incorporate recent trends and raise safety awareness.

Field-oriented Training

The company operates field-oriented training to go beyond theoretical learning and integrates real-world cases identified from site audits and company-specific incidents.

Field-based Safety Awareness Activities

Kia conducts field-oriented safety initiatives to raise safety awareness among employees, strengthening experience-based training tailored to each AutoLand.

Practical Safety Experience Program

The company operates experience-based safety programs designed to strengthen practical response capabilities, including the use of personal protective equipment, risk assessments, and fire suppression training.

On-site Safety Training

The company utilizes mobile VR training equipment to deliver immersive, preventive training to employees by simulating newly identified risk factors and real-life accident cases.

Safety Academy

Kia has operated the Safety Academy, its company-wide safety capability-building framework, since 2024 to foster a strong safety culture and advance a field-oriented, self-directed safety management system. The Academy consists of the Safety Leadership Course and the Safety & Environment Professional Course, integrating safety capabilities throughout the organization through customized training tailored to employee roles and job functions.

The Safety Leadership Course is designed for leadership groups, including executives, department heads, managers, and frontline supervisors. It follows a three-stage process for Knowledge, Skills, and Ability through Basic, Intensive, and Master levels, reflecting role-specific core capabilities. In 2025, Kia developed and operated the new Basic and Intensive levels to strengthen on-site execution and improve learning effectiveness by identifying and sharing practical field cases. In 2026, the Master level will be introduced to further advance problem-solving for complex issues. Meanwhile, the Professional Course is offered to members of safety-related functions through introductory and advanced programs. The introductory program covers Kia's safety management system and key safety areas while the advanced program aims to strengthen practical competencies in safety, health, environment, and fire safety. Through these programs, Kia continuously enhances professional expertise and contributes to improving safety management capabilities through field-oriented training.

Safety Culture Assessment

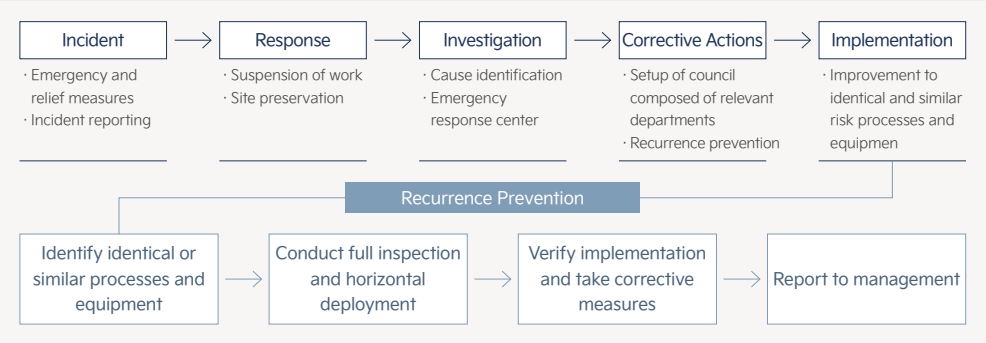
In 2025, Kia conducted a company-wide safety culture assessment in partnership with an external specialized agency to objectively evaluate areas including leadership, roles and responsibilities, risk management, and compliance with safety standards. Based on the assessment results, the company plans to further enhance and improve initiatives aimed at fostering a proactive safety culture.

Emergency Response Process

To carry out company-wide safety and health risk management, Kia proactively identifies major industrial accident risks and newly emerging risks, incorporating them into emergency response scenarios. The company develops a response manual to address serious industrial accidents and urgent dangers and conducts emergency response drills at least twice a year with the participation of on-site workers. Incident trends are also reflected in the company's safety and health strategy to prevent the recurrence of similar or related accidents.

When a major industrial accident does occur, Kia immediately activates its response process, implementing relief measures, work suspension, and actions to prevent further damage. The company manages the entire process systematically from incident investigation to the development and implementation of recurrence prevention measures.

Response Process



Safety and Health

Strategy

Safety Accident Prevention

Serious Accident Prevention System

Kia operates a priority management system that proactively identifies and improves serious injury and fatality (SIF) risks, focusing on preventing serious accidents at their root.

To prevent serious accidents, the company has established 13 key compliance requirements as company-wide guidelines to fulfill the Chief Safety Officer (CSO)'s obligation to ensure occupational safety and health. These legal requirements are systematically implemented across the organization, to set safety and health targets, identify and inspect hazardous and risk factors, allocate personnel and budgets, and listen to employee opinions. Risk assessment processes have been strengthened to enable detailed identification of on-site risks, and the company is allocating sufficient budget and personnel to mitigate identified risks.

To prevent serious civil accidents, safety management plans are developed for public-use facilities, regulatory compliance inspections are conducted for production materials, and risks in parts and automotive are detected through VOC (Voice of Customer) feedback.

Implementation of these safety and health mandatory practices is reviewed semiannually and reported directly to the CSO, reflecting results in Kia's decision-making to continuously strengthen safety and health management.

Near-Miss Prevention

Kia operates a safety suggestion system to identify workplace risks and prevent accidents. Near-miss events and risks can be reported at any time via QR codes, and these reports are linked to ad hoc risk assessments to develop and implement improvement measures. In addition, employees who actively report high-risk factors are rewarded to encourage greater employee participation.

Equipment Inspection and Monitoring

Kia operates a systematic safety management process applied to the equipment lifecycle, from initial design to post-management.

Legal and Standard Compliance	Compliance with relevant laws and internal safety standards is strictly monitored to fundamentally ensure employee safety.
Feedback-based Improvement	Recurring equipment-related issues are incorporated into specialized training programs to strengthen capabilities at relevant departments. When necessary, equipment intrinsic safety is enhanced through reinforcement of safety devices and revisions to technical specifications.

Equipment Safety Management Process

Review design based on standard safety specifications for equipment → Inspect legal and permit compliance → Conduct safety management during equipment installations → Implement regular inspections following equipment installation

Industrial Exoskeleton (X-ble Shoulder)

Kia continues to expand the adoption of smart safety technologies to prevent employee safety incidents. The X-ble Shoulder, an industrial exoskeleton developed by the Robotics Lab, is designed to support workers' shoulder muscles, thereby reducing musculoskeletal strain and work-related fatigue. The technology was recognized with the Ministerial Award at the Korea Technology Grand Prize Awards. The X-ble Shoulder has been deployed at domestic and overseas production plants since the second half of 2025, contributing to improved workplace safety. Following validation of its global applicability at the Mexico plant, implementation will be expanded to all global production facilities starting in 2026.



Industrial Exoskeleton, 'X-ble Shoulder'

Patrol Robot 'SPOT'

Kia utilizes robots equipped with advanced smart safety technologies to prevent workplace accidents among employees. In high-risk areas prone to falls and caught-in incidents, AI-based thermal imaging safety systems have been introduced to automatically shut down equipment when risks are detected. In addition, the patrol robot SPOT continuously monitors blind spots in real time, enabling a proactive safety management system.



Patrol Robot, SPOT

Detection
- Thermal imaging camera identifies people and high-temperature objects
- Checks whether doors to hazardous material storage areas or restricted areas are left open and alerts

Navigation
- Technology enabling the robot to autonomously move along designated routes

Teleoperation
- Robot teleoperation from the control system

Streaming
- Videos from the attached camera are streamed to the control system in real-time

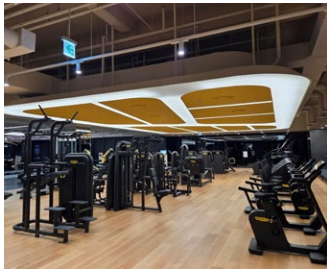
Safety and Health

Strategy

Employee Health Management

Through the renewal of its headquarters lobby in 2026, Kia introduced various health management facilities to enhance employee health and work engagement. The company operates a 'Health Checkroom' where employees can assess their current health through body composition, stress levels, and nutritional analysis using various equipment, including stress measurement devices and vascular analyzers. In addition, professional consultations are available to provide tailored health guidance suited to each individual's physical condition. To ensure employees can receive diagnosis and prescriptions whenever they feel unwell during work, on-site medical facilities and pharmacy are in operation. Furthermore, Kia runs a fitness center equipped with high-end machines, divided into dedicated cardio, weight, and stretching zones to accommodate different workout goals. This fitness facility is accessible not only on weekdays but also on weekends for employees and their families without prior registration. Kia plans to expand its health support in the future by opening a swimming pool.

Category	Details
Health Checkups	- General health checkups, comprehensive health examinations, special health examinations
In-house Wellness	- Industrial Health Center: Western and Oriental clinics, exercise therapy center, physical therapy center, psychological counseling, X-Ray room - Sports Center: Swimming pool, gym, and GX room
Health Management Programs	- Full-time medical professionals and personnel - High-quality physical and mental health programs to prevent occupational and general illnesses
Smoking Cessation Programs	- On-site clinic as designated smoking cessation support centers: Physician consultations and smoking cessation medications







Risk Management

Risk Assessment

Kia conducts regular and ad hoc risk assessments each year to systematically identify various risk factors and establish and implement corrective measures, thereby promoting a safe working environment. The company actively identifies newly emerging risks while continuously reviewing existing ones to ensure ongoing and systematic safety management. Identified risk factors are classified into three levels based on severity and likelihood of occurrence for systematic management. A-grade risks, representing the highest level of risk, are subject to a 100% remediation principle. Furthermore, internal standards have been strengthened to ensure that corrective actions are implemented for all high-risk factors, regardless of their grade.

In 2025, a total of 48,841 risk factors were identified through the risk assessment, and and 5,352 improvement actions have been completed, with priority given to high-risk factors requiring immediate mitigation. In addition, the safety suggestion system is operated in connection with risk assessments to strengthen near-miss prevention. Potential risks reported from sites are thoroughly reviewed and addressed to enable proactive safety management.

Aside from risk assessments, the company implements various safety activities to identify and mitigate risks. In particular, site inspections based on safety leadership are conducted in parallel to continuously enhance the overall level of safety management.

Case Study of Improving Caught-In Accident Risks

The risk of caught-in incidents is assessed based on frequency and severity, with higher scores indicating greater risk (maximum 25 points). Potential entrapment hazards in reciprocating or moving parts of equipment are identified in advance, and sensor-based protective devices are applied as a safety measure to prevent accidents even in cases of human significantly reducing frequency and risk of caught-in incidents.

Category		Severity				
		1	2	3	4	5
Frequency	1	1	2	3	4	5
	2	2	4	6	8	10
	3	3	6	9	12	15
	4	4	8	12	16	20
	5	5	10	15	20	25

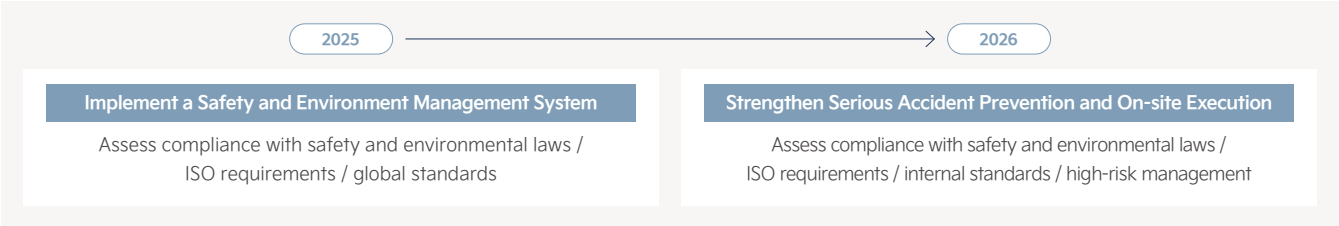
Safety and Health

Metrics & Targets

Targets and Performance

Safety and Health Targets

By 2025, Kia exceeded its target score of 80 and achieved 83.7 points in its internal safety and environment management system, KIA SEMS, successfully advancing the company-wide safety management level to a systematization stage. Based on such achievements, the company plans to fully implement the KIA SEMS 3.0 framework from 2026. The new system is grounded in compliance with applicable laws and regulations, and has been designed to precisely assess on-site execution capabilities that are directly associated with preventing serious accidents. In particular, the framework moves beyond formal document-based reviews to rigorously verify compliance with safety procedures in high-risk processes. The assessments will not end as standalone scores but be integrated into a performance-linked feedback loop, informing future strategy development, budgeting, and continuous improvement initiatives.



Safety and Health Management Mid-to-long Term Plan

	Short-Term (2026)	Mid-Term (2027~2028)	Long-Term (2030~)
Compliance with Safety and Environmental Laws	· Advance compliance assessment framework for global safety and environmental legislations · Strengthen review of on-site execution to prevent serious accidents	· Transition to an inspection framework centered on field execution · Adopt monitoring system to achieve zero legal risks	· Build a world-class safety environment compliance system · Lead global safety management standards through proactive regulatory response
Minimize Safety and Environmental Risks	· Achieve 0.39% occupational accident rate · Increase activities to identify and mitigate serious accident risks · Safety mechanisms to prevent all process and equipment accidents	· Achieve 0.33% occupational accident rate · Direct link between risk assessment and safety work procedures · Focused management of high-risk groups to stabilize lower accident rates	· Achieve occupational accident rate below 0.3% · Implement a risk-based intelligent safety management system · Establish a proprietary safety model to achieve zero accidents
Safety-embedded Organization Culture	· Voluntary engagement from employees in safety culture initiatives based on the safety mascot 'Suho' · Implement custom improvement tasks in line with Safety Culture Assessment (SCA) results	· Enter the employee mutual observation and feedback stage · Strengthen leadership and field communication to enter the 'Interdependent' phase	· Complete Kia's own unique safety DNA where all employees become safety owners · Achieve Bradley Curve Stage 4 (Autonomous Stage)

Safety and Health Management System Certification Status and Target

Kia's domestic and overseas production subsidiaries operate sustainable safety and environment management systems based on ISO standards. Each year, the company conducts internal audits to assess implementation of its ISO 45001 and ISO 14001 management systems, while also undergoing external audits by accredited certification bodies. Based on these assessments, Kia continuously improves its management systems, operational processes, and workplace environment. Through ongoing safety and environmental initiatives aligned with the ISO High-Level Structure (HLS) and the PDCA (Plan-Do-Check-Act) cycle, the company strives to create a safer workplace.

Certification Status and Target

Category	Unit	2025 (Target)	2025 (Performance)	2026 (Target)
Domestic (3 sites[1]) ISO 45001 Coverage Ratio	%	100	100	100
Overseas (5 sites[2]) ISO 45001 Coverage Ratio	%	100	100	100

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

Sustainable Supply Chain

Kia recognizes the supply chain as a core element of sustainable management and operates a supply chain management framework to minimize social and environmental risks arising from the sourcing of raw materials and parts. Through its supply chain shared growth and ESG management strategies, the company promotes collaborative partnerships with suppliers to enhance sustainability across the supply chain.

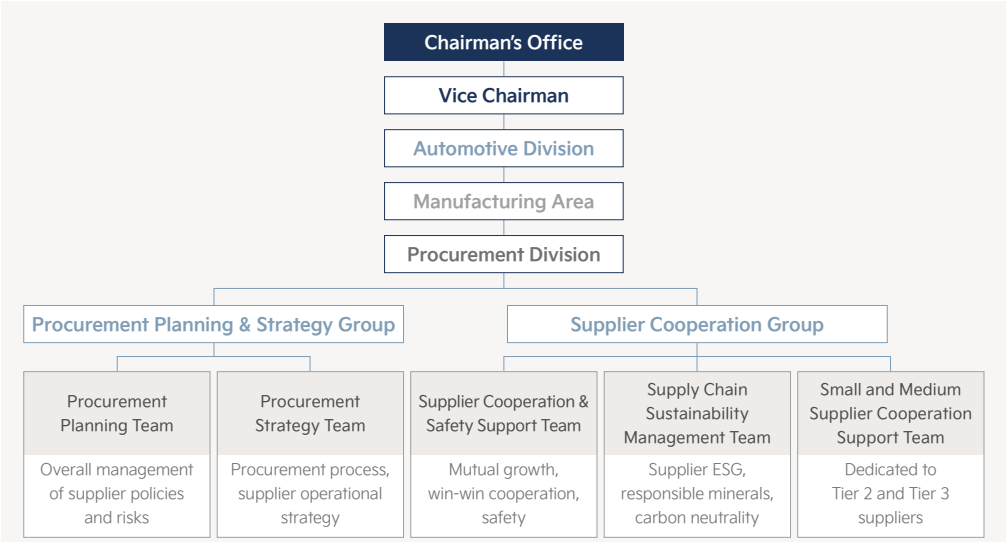
Governance

Sustainable Supply Chain Governance

Decision-Making System

The Supply Chain ESG Management organization identifies, assesses, and manages risks related to the environment, human rights, and ethics, regularly reporting relevant issues to management. Furthermore, it develops ESG policies and supplier management standards that are applied to parts and raw material procurement at domestic and international production hubs. To foster mutual growth with its supply chain, Kia operates the Supplier Cooperation and Safety Support Team and the Small and Medium Supplier Cooperation Support Team under the Procurement Division while the Supply Chain Sustainability Management Team under the Supplier Cooperation Group is in charge of managing sustainability risks in the supply chain. To ensure robust governance, supplier ESG programs and key issues are reported to the Board of Directors' Sustainability Management Committee for oversight. In addition, Kia operates a responsible mineral management process to manage responsible minerals and monitor environmental and human rights risks in mineral-procured regions.

Supply Chain Organization



Board Agenda on Supply Chain Management (2025)

- Regulatory and external trends related to the supply chain, and ESG due diligence plans for business sites and supplier sites
- Supplier mutual cooperation support plan and performance

Strategy

Impacts, Risks and Opportunities

Through its materiality assessment, Kia identified key environmental and social impacts, as well as financial risks and opportunities associated with its supply chain. In connection with supply chain employment stability and working environment management, and supply chain human rights monitoring and management, across the upstream supply chain and broader value chain, poor working conditions and unethical labor practices among suppliers may infringe on the right to health and basic human rights of supply chain workers and vulnerable groups, resulting in negative environmental and social impacts that increase social risks. This, in turn, leads to financial risks, including the costs of sourcing alternative suppliers, increased rework costs, fines and litigation expenses from regulatory violations, and potential revenue losses resulting from reputational damage and reduced investor confidence. Furthermore, in connection with supply chain safety and health management, inadequate accident prevention management may lead to industrial accidents and occupational illnesses, causing operational disruptions, reduced production and sales, and increased compensation and safety management costs. In addition, in connection with supply chain fair trade and ethics risk management, and supply chain transparency management within sales and distribution networks, while unfair trade practices and corruption may undermine market order, strengthening internal controls to improve unfair trade practices could lead to financial opportunities, including improved cost structures, reduced anti-corruption costs, and lower recruitment and training expenses by preventing the departure of key personnel.

Sustainable Supply Chain

Strategy

Management Policy

Key matters related to supply chain sustainability management plans and programs are subject to ongoing oversight and review by the Board of Directors to support continuous improvement. As part of these Board-led efforts, Kia regularly revises relevant policies to further strengthen ESG risk management throughout the supply chain, including responsible sourcing of raw and subsidiary materials and the management of high-risk minerals.

Supply Chain Sustainability Management Policy

Kia has established a supply chain sustainability management policy aligned with global standards covering business ethics, environmental management, labor and human rights, occupational safety and health, and management systems. The policy applies to all suppliers and sub-suppliers that conduct business with Kia. It is approved and managed by the Procurement Division, and supply chain ESG risks are regularly shared with management and linked to corrective actions. In addition, Kia regularly reviews and updates the policy to incorporate FPIC (Free, Prior and Informed Consent) principles to support respect for the rights of local communities.

Supply Chain Sustainability Management Policy

Responsible Raw Materials Sourcing Policy

Kia established a Responsible Raw Materials Sourcing Policy to identify, monitor, prevent, and mitigate human rights and environmental risks in its raw and subsidiary materials supply chain, with the aim of building a sustainable supply chain. The policy applies to Kia's domestic and overseas operations, subsidiaries, relevant stakeholders, and supply chain, covering key materials such as cotton, PVC, polysilicon, wood, rubber, palm oil, and leather. Kia traces the origin and supply routes of these materials and evaluates factors like usage volume, association with high-risk regions, regulatory exposure, and social and environmental impacts. Based on these assessments, the company designates “priority raw materials” and applies enhanced due diligence procedures. Results are reported to management at least annually, while material risks are reported immediately upon identification. Kia also regularly discloses policy implementation and performance to stakeholders and updates the policy to reflect changes in international standards, regulations, and supply chain risks.

Responsible Raw Materials Sourcing Policy

Supplier Code of Conduct

To establish a sustainable supply chain, Kia requires all suppliers to integrate its Supplier Code of Conduct into their business decisions and operations. Aligned with Kia's Human Rights Charter and corporate policies on labor, human rights, safety, ethics, and the environment, the Code is regularly revised to reflect evolving regulations and international standards, such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the ILO Core Conventions. It covers fundamental labor rights such as freedom of association, collective bargaining, prohibition of forced and child labor, prohibition of discrimination and harassment, workplace safety and health. In line with ethical recruitment principles, the Code also prohibits recruitment fees. The Code also mandates compliance with labor-related laws and regulations, including fair wage payment, living wage payment, working hour limits, and benefits provision. Accordingly, suppliers must respect the labor relations laws of the countries in which they operate and provide workers with sufficient opportunities for communication. The Code also reviews the alignment between supplier purchasing practices, including supply chain due diligence, and the Code itself, to prevent conflicts with ESG requirements. ESG risk responsibilities are embedded in contract terms and managed through regular assessments, with non-compliance resulting in penalties or exclusion from future bidding.

Supplier Code of Conduct

Key Revisions to the Supplier Code of Conduct

Strengthened Obligation to Manage Sub-tier Supply Chain	Impose obligations on Tier 1 suppliers to take responsibility for ESG risk management and promote the Code of Conduct to sub-tier suppliers (Tier 2~Tier N) ① Apply the code of conduct or equivalent standards to sub-suppliers ② Incorporate provisions on the prohibition of material human rights violations, such as forced labor and child labor, into contracts and require compliance ③ Conduct due diligence to confirm compliance of sub-suppliers ④ When violations are identified, develop and implement CAPs and follow-up inspections
Stricter Regulations on Forced Labor	· Strengthen standards prohibiting the use of parts and raw materials related to forced labor across the entire supply chain (raw materials, parts, finished products) · Ensure parts and raw materials linked to forced labor are not used through supplier due diligence, and require mitigation measures when risks are identified within the sub-tier supply chain

Amendments to Standard Contract Agreements

To proactively respond to increasingly stringent global supply chain due diligence regulations and enhance supplier sustainability performance, Kia has established and amended "Sustainability Management" clauses within its primary supplier contracts, including the Master Parts Purchase Agreement, the Integrated Master Procurement Agreement, and the Raw Material Purchase Agreement. The purpose of these revisions is to effectively manage ESG risks across Kia's supply chain, including human rights and environmental risks, while imposing legally binding obligations on suppliers to comply with supply chain due diligence legislation. Through these standard contract amendments, Kia is transforming ESG compliance requests into binding contractual obligations.

Key Amendments to the Standard Contract

Category	Key Details
Legal Compliance	· Supplier compliance with ‘Kia Code of Conduct’ and relevant domestic and international supply chain legislations (EU FLR, EU CSDDD) · Provision on prohibiting forced labor at suppliers
Code of Conduct Implementation	· Impose obligation to develop internal management system, such as supplier self-assessments, training, and audits · Assign management and oversight responsibility to suppliers regarding sub-suppliers
Responsible Mineral Procurement	· Secure information on country of origin and smelters regarding responsible minerals (22 types including tungsten) mined from conflict-affected and high-risk areas · Specify mandate of using RMI (Responsible Minerals Initiative)[1] certified smelters
Contract Termination	· Material violations or failure to implement corrective measures by suppliers are grounds for contract termination

1. RMI (Responsible Minerals Initiative): An initiative that promotes responsible mineral sourcing across global supply chains and provides standards and programs to support mineral supply chain due diligence

Sustainable Supply Chain

Strategy

Mutual Growth

Implementation Strategy

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 supporting funding for suppliers, strengthening competitiveness, and embedding a culture of mutual growth throughout the supply chain.

Supply Chain Mutual Growth Strategy

Mutual Growth Strategy

Enhancing Global Competitiveness	Strengthening Sustainable Growth Foundation	Establishing Mutual Growth Culture
· K-Mobility Bridge Foundation[1] (founded in 2002) - Hyundai Motor Group contributed KRW 134.7 billion (2002~2025) · Support for implementing smart factories at SME suppliers - Collaborative effort with the Ministry of SMEs and Startups to support building smart factories (2019~2025) : Contributed a total KRW 35 billion[2] over the period of seven years, supporting 1,054 companies	· Sustainable management support - ESG management support, carbon neutrality management support - Support for safety management and security management · Raw materials price interlocking system[3] · Various funding programs - Six types of loan funds, three types of warranty programs · Global win-win cooperation center (opened in June 2020, located in Gyeongju) - Supports suppliers in strengthening future competitiveness: Supports acquisition of quality and technology knowhow	· 5-star win-win cooperation system (2020~) · Fair trade agreements (2008~) · SME supplier win-win cooperation program (2024~) - Win-win welfare program for Tier 2 and 3 suppliers · Transparent Procurement Reporting Center suggestion box (2009~) - Addresses supplier concerns, and improves transparency/ethical violations · Win-win cooperation awards (2009~) - Award for excellent cooperative partners

1. A public foundation established in 2002 through contributions from Hyundai Motor Group to foster quality, technology, and business management capabilities in the automotive parts industry
2. Contributions made by Hyundai Motor Group (Kia, Hyundai Motor Company, and Hyundai Mobis)
3. A system that reflects fluctuations in raw material prices in the unit prices of automotive parts

Funding Support

Funding support programs are operated to enhance global competitiveness and strengthen sustainability across the supply chain with a total of KRW 3,293.8 billion in financial support extended until 2025.

Response to Raw Material Price Fluctuations

To alleviate the burden of rising raw material costs on suppliers, Kia absorbs a portion of the financial impact driven by price fluctuations. For steel sheets and precious metals, the company operates a direct sourcing system, purchasing these materials at international benchmark prices and supplying them to suppliers. For materials such as aluminum and plastics, Kia applies a price indexation system, ensuring that raw material price fluctuations are systematically reflected in supplier delivery payouts. The company also supports financial stability across its supply chain through various financial programs, including the Raw Material Indexation Support Fund, the Business Diversification Support Fund, and Dedicated Loans for Tier 2 and 3 suppliers.

Liquidity Support

To help secure suppliers' liquidity, Kia operates various funds, including a loan interest support fund and mutual prosperity mold equipment fund. In addition, the company is expanding cash payments for delivered goods and broadening the scope of support to include medium-sized businesses with revenue of less than KRW 500 billion to support SME suppliers. For suppliers providing export parts, payments are made in full in cash once a month, and payments are also made earlier during traditional holidays to help ensure liquidity stability for Tier 2 and 3 suppliers.

Delivery Payment Terms (2025)

Category		Payment Terms	Payment Frequency
Parts for Domestic Consumption	Small and medium-sized businesses	Cash	Once a week
	Medium-sized businesses (less than KRW 500 billion revenue)	Cash	Once a week
	Medium-sized businesses (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

Sustainable Supply Chain

Strategy

Mutual Growth

Strengthening Competitiveness

Support for Business Training

Aiming to create a virtuous cycle of mutual growth with suppliers and strengthen competitiveness of the automotive industry, Kia provides all suppliers with training consisting of 17 training tracks and over 650 training programs on five areas of future competitiveness, global capabilities, leadership, automotive industry expertise, and essential job skills, and supports training facilities and instructors when needed. To strengthen quality competitiveness of parts, Kia operates over 50 specialized online and in-person monthly training programs and fosters quality experts within suppliers. By expanding training and support to Tier 2 suppliers, the company is strengthening quality across the entire supply chain.

Supplier Training Status (2025)

Category		Number of Participants	Remarks
K-Mobility Bridge Foundation	Quality Academy	3,456	17 customized training courses
	General Training, etc.	4,869	Manufacturing and business innovation courses, etc.
Global Win-Win Cooperation Center	Sector-specific Training, etc.	93,806	Around 650 courses
Total		102,131	-

Supplier On-Site Guidance and Training (K-Mobility Bridge Foundation)

On-site Guidance	Technical Guidance	Production site quality and technical guidance
	Business Consulting	Sharing expert knowledge
Training Initiatives	Quality Academy	Support quality management by fostering quality control experts
	Quality Technology Seminar	Sector-specific technical guidance best practices
	General Business Management	Training for productivity innovation
	Parts Suppliers On-site Training	Training support through on-site visits

Support for ESG Training

To strengthen ESG capabilities across the supply chain, Kia operates customized training and consulting programs for its suppliers. In 2025, Kia provided basic ESG training to Tier 2 suppliers and non-parts suppliers in SQ risk sectors such as casting, forging, painting, and plating. In addition, Kia operated an ESG supply chain assessment expert development program for Tier 1 suppliers to strengthen their practical response capabilities.

For suppliers with high carbon emissions, Kia distributed guidelines on emissions reduction strategies and provided training and consulting through a parts LCA support program. For overseas suppliers in India and Europe, Kia also conducted on-site due diligence and provided support related to ESG procurement policies, EU CSDDD trends, emissions calculation, and CDP training.

Furthermore, to help Kia personnel systematically understand their roles in supplier ESG due diligence and risk management processes, Kia visited key regions in North America and conducted training sessions for local procurement expatriates and employees. These sessions covered ESG-related regulations such as the EUDR and EUBR, key policies from headquarters, human rights and environmental risk management indicators, carbon emissions management procedures, and forced labor prevention measures for global suppliers.

Training to Enhance Suppliers' ESG Capabilities (2025)

Category	Details	Number of Suppliers
ESG Capability-Building	Fostering Supplier ESG Experts[1]	352
	ESG Materiality and Human Rights, Environmental Risk Practices[2]	925

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

Support for Capability-Building Programs

Hyundai Motor Group, including Kia, is carrying out various initiatives to strengthen the practical business capabilities of suppliers and support their growth.

In cooperation with the government, the Group annually operates shared-growth smart factory support programs for large companies and SMEs, contributing to the transition to the future mobility era through support for smart factory programs and equipment installation. In addition, the Group supports suppliers' export marketing activities and talent recruitment efforts, helping to build a foundation for stronger mid-to-long term competitiveness.

Supplier Support Activities (2025)

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

Export Marketing Support for Suppliers

- Supporting participation in domestic and international auto parts industry trade shows
- International buyer matching

Talent Acquisition Support

- Supplier online job fair
- Online recruitment support system dedicated to suppliers available year-round
- "Here We Go!' program to support supplier recruitment activities

Quality and Technology Improvement and Business Innovation 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)

Sustainable Supply Chain

Strategy

Mutual Growth

Establishing a Culture of Mutual Growth

Highest Rating on the Win-Win Growth Index Evaluation

The Win-Win Growth Index, administered by the Korea Commission for Corporate Partnership (KCCP), is an annual evaluation of shared growth at over 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 KCCP. Among the 230 companies assessed in 2024, Kia earned the top rating based on its performance in fair contract practices, systems for preventing and monitoring legal violations in subcontracting transactions, support programs for shared growth, and survey results from SMEs on actual outcomes and perceptions.

Culture of Mutual Growth

5-Star Win-Win Cooperation System

- Tier 1 supplier efforts for mutual growth with Tier 2 suppliers are evaluated and reflected in bidding processes to strengthen Tier 1 supplier compliance with fair trade and to promote mutual cooperation

Fair Trade Agreement

- Implementation of supplier financial support program, four subcontracting practices, strengthening win-win cooperation with Tier 2 and Tier 3 suppliers

Transparent Procurement Reporting

- Post Supplier Code of Conduct, four subcontracting practices, and anti-retaliation guidelines, etc. on portal
- Suggestion box for transparent procurement practices to address supplier concerns and improve transparency/ethical violations

Review and Rewarding Shared Growth Performance among Tier 1 and Tier 2 Suppliers

- Review and rewards for Tier 1 suppliers with outstanding mutual growth performance
- A total of 46 companies have been rewarded as of 2025 for excellence in win-win cooperation

Strengthening Win-Win Cooperation in Safety

As serious accidents continue to occur at industrial sites, social demand is increasing for stronger safety cooperation with suppliers and improved safety standards across industrial workplaces. In response, Hyundai Motor Group, including Kia, has established a non-profit public foundation specializing in safety through joint contributions from the Group, as part of its commitment to fulfilling social responsibility in preventing industrial accidents and promoting a culture of safety.

In 2025, the foundation achieved meaningful outcomes through various initiatives, including safety and health consulting, establishment of post-management systems, cultivation of safety professionals through the Industrial Safety Mutual Growth Academy, and scholarship support in the field of safety. In 2026, it plans to continue carrying out industrial accident prevention and safety culture promotion activities through 11 key initiatives across five major areas.

R&D Partners Tech Day

R&D Partners Tech Day is a leading mutual growth program in R&D where Hyundai Motor Group (HMG), including Kia, awards suppliers that demonstrate excellence in technology development and quality and seeks mutual cooperation through technology exchanges. HMG is committed to pioneering the future automotive market by driving shared growth and securing R&D competitiveness through the event.

Supplier Communication Program

Kia is strengthening its communication framework with suppliers to promote mutual growth. Through the operation of a mutual growth portal website, Kia provides information on Win-Win cooperation activities and support programs. In addition, the company publishes and distributes a Win-Win Cooperation Letter to maintain an ongoing cooperative network. Kia also enhances communication with suppliers by issuing the GPC Newsletter and operating a YouTube channel. Going forward, Kia plans to further advance various communication channels to continuously strengthen the foundation for win-win cooperation.

Mutual Growth Portal Website

- Provides information on mutual growth activities, news, training, and supplier support programs

Win-win Cooperation Letter

- Newsletter prepared and distributed to Tier 1 suppliers to maintain an ongoing win-win cooperation network
- Includes topics, such as mutual growth, industrial safety, information security, sustainability management, and key notices

GPC Newsletter

- Bimonthly newsletter for Procurement Division employees and supplier training officers
- Includes GPC news, supplier training participant reviews, HR knowledge, best practice suppliers, etc.

Sustainable Supply Chain

Strategy

Embedding Sustainability into the Supply Chain

Integration of Sustainability in Supplier Selections and Contracts

Kia conducts sustainability (ESG) assessments, covering four areas: ethics, environment, labor and human rights, and safety and health. The assessment results are reflected in bidding scores, and suppliers with outstanding ESG performance receive preferential consideration. If a prospective supplier fails to meet ESG assessment standards, the suppliers that fall below the required ESG standards are ineligible for new transactions and must undergo reassessment where necessary.

In addition, Kia's Master Parts Purchase Agreement includes requirements for suppliers to comply with environmental and human rights-related supply chain regulations, while requests for quotation (RFQs) incorporate a zero-tolerance policy on forced labor. Since 2025, Kia has expanded the application of ESG assessment results to existing suppliers as part of the bidding process and plans to continuously enhance supplier compliance through risk-based procedures, including on-desk assessments, on-site audits, and corrective action plans (CAPs).

Furthermore, through the "Commitment to Use RMAP-Conformant Smelters for Responsible Minerals," which applies across the supply chain, Kia clearly stipulates key requirements such as the prohibition of forced labor, responsible sourcing practices, and information disclosure when sourcing from high-risk areas, aligning these requirements with both contract and bidding processes. Accordingly, suppliers are required to verify information on their sub-suppliers and, based on smelter information collected from sub-suppliers, confirm whether smelters involved in raw material sourcing (Tier 3 and beyond) are RMAP-conformant.

Environment

Water Resources Management

Kia includes "water resource management" as a key component of its supplier ESG evaluation to assess whether suppliers have established water management policies, implemented water reduction efforts, and monitor water withdrawal and usage. Risks are identified through desk-based due diligence, followed by step-by-step measures such as on-site inspections and CAP requests, where necessary. In 2026, Kia plans to designate "water resources" and "biodiversity" as priority management themes based on the 2025 regular assessments. To strengthen oversight, Kia will introduce enhanced evaluation criteria and thematic assessments targeting priority suppliers, and water resource is regarded as a key basis for ESG assessment. Based on evaluation results, Kia presents improvement tasks and, where necessary, provides training, consulting, and follow-up inspections to further support suppliers.

Deforestation and Land-Use Change Management

To prevent deforestation in its supply chain and comply with the EU Deforestation Regulation (EUDR), Kia collects and manages geolocation data for the origin of seven regulated commodities, including cattle, timber, rubber, and palm oil. Using this information, Kia identifies source locations and assesses risks related to deforestation, land-use change, violations of Indigenous peoples' rights, and non-compliance with local laws in accordance with EUDR requirements. In addition, the company incorporates EUDR requirements into supplier contracts and may restrict business relationships in cases of non-compliance.

In 2025, Kia conducted an EUDR compliance workshop for Tier 1 suppliers and performed due diligence on origin information for applicable commodities, deforestation risks, indigenous peoples' rights violations, and local legal compliance. No risks requiring further action were identified. In 2026, Kia plans to update the list of applicable commodities and conduct additional due diligence assessments.

GHG and Air Pollutant Emission Control

Since 2025, Kia has managed GHG reduction plans for high-emitting domestic suppliers and plans to expand to overseas suppliers in 2026. Suppliers with strong reduction performance receive preferential treatment, including additional points when being selected for supplier support programs such as carbon reduction equipment purchase support. From 2027, Kia plans to quantify suppliers' GHG reduction performance and management practices and reflect them in bidding scores. It also evaluates air pollutant emissions and related management systems, incorporating the results into final supplier selection scores.

Social

Protection of Community and Indigenous People's Rights

Kia incorporates the principles of UNDRIP and FPIC into its Supplier Code of Conduct and Responsible Minerals Policy, and operates grievance channels open to stakeholders, including Indigenous Peoples.

Respect for FPIC Principles in the Supply Chain

- Align Supplier Code of Conduct with the Responsible Minerals Policy and require suppliers to recognize and respect the rights, cultures, and traditions of Indigenous peoples and communities (UNDRIP compliance)
- Requires appropriate procedures to obtain FPIC prior to initiating any projects or activities that may affect Indigenous peoples or local communities
- Respect rights in resource development and mining at Indigenous lands, prohibits unlawful forced evictions

Handling Indigenous People and Community Grievances

- Supplier Code of Conduct and grievance channels are provided in both English and Korean for accessibility
- Continuous review is carried out to improve accessibility for Indigenous people and community stakeholders
- Checks facts and reviews corrective and remedial measures when violation of Indigenous people and community rights are suspected or when grievances are submitted

Protection of Human Rights of Supply Chain Workers

Beyond compliance with regulations such as the EUDR and EUBR, Kia reviews battery and supply chain information within a reasonable scope. To prevent sourcing linked to human rights violations, it requires suppliers to submit written commitments including human rights protection provisions. Kia also incorporates compliance with environmental and human rights laws, along with a zero-tolerance policy on forced labor, into the Master Parts Purchase Agreement and RFQs to clearly define requirements.

Quality Control

When entering into contracts with new suppliers, Kia requires compliance with product quality standards through its standard master agreements and Quality Assurance Agreement.

Sustainable Supply Chain

Strategy

Communication

Stakeholder Engagement and Communication

Responsible Minerals Initiative (RMI)

For the sustainable management of its supply chain, Kia recognizes the importance of cooperation and communication with stakeholders and is establishing a supply chain management system aligned with international standards through participation in global initiatives.

As part of these efforts, Kia joined the Responsible Minerals Initiative (RMI) in 2025. RMI is a global initiative that supports companies in implementing responsible mineral sourcing practices and verifies whether smelters and refiners comply with the Responsible Minerals Assurance Process (RMAP) standards. By leveraging RMI's global network and expertise, Kia is strengthening its risk analysis and response to ensure transparency in the responsible minerals supply chain and promote responsible mineral sourcing. This way, Kia will continue to enhance its efforts to build a more sustainable supply chain.

Supplier Sustainability Council

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.

In 2025, the progress of supplier ESG assessments, ESG evaluations, and consulting support programs aimed at enhancing ESG capabilities was shared at the Supplier Sustainability Council meeting. In addition, Kia held a safety management seminar, which included exhibitions on safety devices and new technologies designed to prevent serious accidents and safety incidents at supplier workplaces.

A safety management support program was also conducted to raise safety awareness among supplier CEOs and strengthen their safety management capabilities.

Handling Supply Chain Grievances

To proactively identify and address potential ESG issues in the supply chain, including those related to human and labor rights, safety, the environment, and ethics, Kia operates a supply chain grievance mechanism accessible not only to Tier 1 suppliers, but also to various stakeholders at the Tier N levels. Stakeholders may raise supply chain grievances and concerns through this integrated mechanism, including those on responsible minerals and smelters or refiners (SoRs). When a grievance is received, Kia internally verifies the facts of the case and notifies the reporter of whether a detailed investigation will be initiated. Investigations are conducted based on objective evidence, following which corrective measures are determined to prevent recurrence and remediate adverse impacts, with implementation plans and target timelines established. When a reported grievance is categorized as a supply chain human rights or environmental risk, a Corrective Action Plan (CAP) is developed, including remediation plans to minimize and prevent adverse impacts. Tier 1 suppliers are required to manage sub-tier suppliers with the same CAP requirements, ensuring they are cascaded to sub-tier suppliers. Progress at each stage is shared with the grievance reporter, and cases are closed following notification of outcomes and follow-up actions, along with a review of implementation status.

Supply Chain Grievance Handling Process

Case Submission	· Grievances are submitted and notice is given on the follow-up process and estimated timeframe
↓	
Fact Verification	· Identify facts and potential impact through verification with relevant parties such as informants, suppliers, and on-site personnel
↓	
Initiation and Conduct of Investigation	· Notify the reporter of whether a detailed investigation will be initiated, and conduct investigation based on objective evidence
↓	
Remediation and Corrective Action	· Determine preventive measures and remedial measures · Set implementation plan, defining responsibilities and deadlines
↓	
Closing of Case	· Notify results and follow-up measures · Close case after monitoring implementation

Sustainable Supply Chain

Strategy

Communication

Supply Chain Grievance Mechanism

Kia operates an online communication platform to share information with suppliers and collect their feedback to lay the groundwork for mutual growth. The company also operates the Transparent Procurement Reporting Center, Supplier Suggestion Box, Supply Chain Sustainable Management Center to handle difficulties and concerns and gather input on institutional and process improvements.

① Transparent Procurement Reporting Center

The Transparent Procurement Reporting Center is operated to receive tips, reports, and complaints regarding requests for gifts or entertainment by Kia employees, as well as violations of the Code of Ethics by employees and suppliers.

Types of Reports

Irregularities and abusive practices	Gifts and entertainment, unfair trade practices, personal demands, improper solicitation, provision of hospitality, verbal abuse, or physical assault
Conflicts of interest and inappropriate business conduct	Investments using internal information, leaking company data, secondary employment, etc.
Actions that undermine social value	Human rights violations, customer data leaks, etc.

Cases Resolved by the Transparent Procurement Reporting Center (2025)

Unit: Cases

Type	Submissions	Resolved
System and Process	3	3
Quality Control	9	9
Other	1	1
Total	13	13

② Supplier Suggestion Box

Kia receives proposals, suggestions, and improvement ideas regarding purchasing systems and support policies for the company and its suppliers to achieve mutual growth.

Cases Resolved by the Supplier Suggestion Box (2025)

Unit: Cases

Type	Submissions	Resolved
Support Program	20	20
System and Process	21	21
Other	77	77
Total	118	118

③ Supply Chain Sustainable Management Center

Through the Supply Chain Sustainable Management Center, all stakeholders affected by the supply chain, including regular and non-regular employees of all suppliers from Tier 1 to N, local communities, NGOs, media, and investors, are able to freely raise ESG-related concerns and opinions. The service is available in both Korean and English, and stakeholders may submit issues related to human rights and labor, the environment, carbon neutrality, safety, biodiversity, Indigenous peoples, legal violations, security, and other matters. In addition, the supply chain grievance mechanism operates in accordance with the principles of confidentiality and protection of identity. In particular, for issues that may arise in the sourcing of conflict minerals and responsible minerals, such as human rights violations, environmental degradation, bribery and corruption, forced labor, child labor, and gender-based violence, Kia operates an accessible internal channel (the Supply Chain Sustainable Management Center grievance mechanism) to report and address grievances related to mines, smelters, and refineries.

Principles in Resolving Grievances

Guaranteed Confidentiality	Reporter's identity is not disclosed without his or her consent
Identity Protection	Reporters are protected from disadvantages or discrimination in business relationships or from relevant departments due to reports, statements, or data submission

Cases Resolved by the Supply Chain Sustainable Management Center (2025)

Category	Unit	2025
Number of grievances submitted	Cases	19
Number of grievances resolved	Cases	19
Grievance resolution rate	%	100

Corrective Action for Resolving Submitted Grievance Case

Through its supply chain grievance mechanism, Kia reviews feedback and concerns submitted by suppliers and implements corrective and improvement measures where necessary. In 2025, a total of 19 cases were received, of which zero cases involved meaningful improvement requests.

Sustainable Supply Chain

Risk Management

Supply Chain ESG Due Diligence

Assessment Overview

Kia has established supply chain sustainability risk assessment indicators based on domestic and international regulations related to fair trade, the environment, labor and human rights, safety and health, and supply chain due diligence, while also referring to guidelines set forth by the OECD Guidelines for Multinational Enterprises, EcoVadis, the Responsible Business Alliance (RBA), and Drive Sustainability. Indicators are grouped into ethics, environment, labor and human rights, and safety and health, and results are reflected in supply chain operations by considering supplier size and compliance with assessment criteria.

In addition, Kia conducts inspections based on specific risk types in response to global regulatory requirements. To enhance transparency and response capabilities in responsible minerals management, Kia has joined the RMI and operates its management system in accordance with related standards and procedures.

Furthermore, when human rights or environmental risks are identified during the supply chain due diligence, Kia differentiates its response according to the nature of the risks. Suppliers whose assessment results fall below standards or who raise significant concerns regarding human rights, safety, or environmental issues, are classified as high-risk suppliers and are required to implement Corrective Action Plans (CAPs) through on-site audits. For remediable issues, such as domestic law violations or deficiencies in management systems, Kia requests supplementary documentation and corrective actions from suppliers and verifies implementation. Penalties are imposed on suppliers that fail to meet minimum standards.

Supply Chain Sustainability Risk Assessment Metrics

Ethics

- Prohibition of corruption and bribery
- Ethical management
- Responsible procurement (responsible minerals, wood, rubber, and other EUDR-regulated raw materials)
- Prohibition of counterfeit parts
- Protection of intellectual property rights
- 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
- Biodiversity/ecosystem preservation
- Resource use and circular economy

Human Rights and Labor

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

Safety and Health

- Safety and health management system
- Prevention of industrial accidents
- Adequate housing
- Management of work-related injury

Human Rights Vulnerabilities in the Automotive Industry Value Chain

Human rights risks in the automotive supply chain tend to be concentrated in the raw material sourcing stage, primarily due to structural factors such as limited oversight and weak legal enforcement in mining and procurement processes. Taking this into consideration, Kia conducts human rights risk assessments from the perspective of responsible sourcing.

Risk Levels and Vulnerabilities Across the Automotive Value Chain

Value Chain	Risk Level	Key Vulnerabilities	Key Cause
Raw Material Procurement	High	Child labor, forced labor, weak safety	Poverty, lack of oversight, weak legal enforcement
Manufacturing	Medium	Low wages, long working hours, discrimination	Cost pressure, complex supply chain
Logistics and Transportation	Low	Work hours, compliance with safety regulations	Regulatory gap, subcontracting structure
Distribution and Sales	Low	Wage, working conditions	Local labor laws, workforce deployment

Supply Chain Human Rights Risk Assessment

Kia identifies human rights risks in the supply chain through regular annual assessments, prioritizing responses based on severity, exposure, relevance, potential for spread, and improvement history, etc. Moreover, Kia strengthens the effectiveness of human rights risk assessment through a multi-layered approach.

Preemptive Human Rights Risk Assessment and CAPs	· Include human rights category in supply chain risk assessment indicators and review potential human rights risks · On-site audits and CAPs for high-risk suppliers identified through assessments · Where suppliers fail to meet minimum standards or fail to improve, strict reviews are conducted to see whether action was taken regarding procurement measures and alternative sourcing
Validation of the Assessment System based on Global Benchmarks	· Additional assessment using EcoVadis carried out on Tier 1 domestic parts suppliers in 2024 Q4~2025 Q1 · Validation results confirmed consistency of assessment metrics and operation procedures with international benchmarks · Supplier training expanded in areas requiring improvements in 2025, completing revisions to assessment indicators and operational processes
Securing Objectivity and Expertise through Third-Party Collaboration	· Joint on-site inspections with external experts · End-to-end advisory support, including inspection design, root cause analysis, and review of CAP adequacy · Finalization of corrective recommendations based on advisory findings

Sustainable Supply Chain

Risk Management

Supply Chain ESG Due Diligence

Risk Mitigation Process

Supplier Screening

Kia systematically screens suppliers to identify potential sustainability risks in the supply chain. The company evaluates environmental, social, and governance factors, alongside business relevance, to identify risks at the country, sector, parts, and raw and subsidiary materials levels, designating key and high-risk suppliers accordingly. Kia has also been screening forced labor risks using a global database since 2023, expanding the scope to all domestic and global suppliers in 2025.

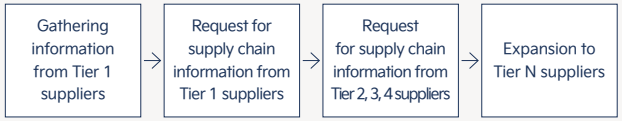
Risk Identification at the Country, Sector, Parts, and Raw and Subsidiary Material Level

Category	Details
Country-Specific Risk	National and regional regulations, conflicts, security, human rights, and labor environment, etc.
Sector-Specific Risk	Risks related to forced labor, occupational safety and health, and environmental impact, etc.
Parts and Raw and Subsidiary Material Risks	Risks related to country of origin, supply structure, price volatility, quality and transport

Global Supplier Distribution Analysis

· Mapping supply chain status across global Tier 1 to Tier N suppliers via the Supply Chain Visibility System

Continuous Supply Chain Mapping Process from Tier 1 to Tier N



Risk Assessment Criteria

High	When operational issues are suspected within the supplier's own operations
Medium	When a supplier is suspected of potential association with companies linked to ESG risks, such as forced labor
Low	When no risks are identified based on screening results

Assessment and Due Diligence

Kia operates online assessment and due diligence processes to manage sustainability risks across its supply chain. Suppliers complete ESG self-assessments and submit supporting documentation to evaluate ethical, environmental, labor, human rights, safety, and health risks and allow Kia to assess management practices and identify potential risks. To verify assessment results, Kia conducts on-site due diligence with external experts or reviews supporting evidence. Suppliers that fall below the threshold or require ongoing monitoring are further reviewed on operating conditions, management systems, and gaps between documented policies and on-site practices. Results are analyzed to identify improvement measures and, where necessary, refine assessment indicators and evaluation criteria to enhance Kia's supply chain management framework.

Areas for Improvement by Supply Chain Risk Assessment Category (2025)

The 2025 regular assessments and inspections identified common areas for improvement across suppliers in Security Company Management, Child Labor, Supply Chain Management, Raw Material Procurement, Climate Change, Water Resources, and Biodiversity.

Vulnerabilities		Required Improvements
Human Rights	Security Company Management	Raising awareness through training
	Child Labor	Training on child labor and support for policy development
Supply Chain	Supply Chain Management	ESG assessment support (metrics provision), sharing supplier ESG support methods and best practices
	Raw Material Procurement	Raising awareness on raw materials/parts IP protection and authenticity verification
Environment	Climate Change	Training and information on GHG mitigation method
	Water Resources	Training and information on third-party validation of training and external disclosures
	Biodiversity	Training and information on the need for biodiversity and how to preserve it

Corrective Action

Following desk-based assessments, issues that can be resolved rapidly are corrected immediately during on-site due diligence. For identified risks, Kia analyzes potential issues and distributes reports outlining necessary improvements. The company then collaborates with suppliers on corrective action plans, timelines, and methodologies to encourage the remediation of vulnerable areas. Progress is continuously monitored, and suppliers failing to make required improvements face penalties that are reflected in review and bidding processes. Meanwhile, Kia proactively supports suppliers that lack the capability to implement improvements on their own.

In 2025, the company expanded its support initiatives by hosting online and offline ESG training sessions, briefings, and consulting programs. In particular, considering industry significance and evaluation scores, Kia provided specialized consulting services to 26 Tier 1 suppliers, 58 Tier 2 suppliers, and 116 non-parts suppliers. This targeted support helped small and medium-sized Tier 1 and Tier 2 suppliers address their vulnerabilities and enabled them to integrate ESG into their management strategies.

Supplier ESG Benchmarking and Support

Kia provides suppliers with benchmarking data that compares their ESG assessment results against industry peers. Individual supplier evaluation reports include relative comparison indicators, such as percentiles and quartiles, enabling suppliers to objectively gauge their standing within the industry. Using these insights, suppliers can identify their strengths and areas for improvement to prioritize tasks and monitor corrective initiatives.

Furthermore, standardized benchmarking enhances both the comparability and traceability of assessment results. When necessary, these insights are linked to action-oriented improvement support, including targeted training, consulting, on-site audits, and CAPs.

Sustainable Supply Chain

Risk Management

Responsible Minerals Management

Management System

Kia operates a dedicated Responsible Minerals team within its Procurement Division, reporting key matters to management in accordance with internal procedures. Since joining the RMI[1] in 2025, Kia has been actively managing human rights, labor, environmental, and conflict risks across its responsible minerals supply chains, which include 3TG and core battery minerals such as lithium, nickel, and cobalt. The company has established and operates a Responsible Sourcing Management System (RSMS) and supply chain due diligence processes based on the OECD Due Diligence Guidance. Kia applies a risk-based approach to identify, assess, prevent, mitigate, and remedy potential and actual negative impacts throughout the mineral supply chain. Furthermore, conflict and responsible mineral risks are assessed and identified through structured procedures that align with the OECD guidelines and the EU Battery Regulation (EUBR).

To enhance supply chain transparency regarding Smelters or Refiners (SoRs), Kia utilizes RMI's standardized reporting templates (such as CMRT, EMRT, and AMRT) to collect SoR data from suppliers, verifying the minerals used and their RMAP (Responsible Minerals Assurance Process) certification status.

If sourcing from Conflict-Affected and High-Risk Areas (CAHRAs) or non-RMAP-conformant smelters is detected, Kia applies enhanced, risk-based due diligence, including expanded documentation reviews, on-site visits, and third-party verifications. When risks are identified, Kia prioritizes corrective measures such as requesting supplementary data and consulting on and verifying Corrective Action Plans (CAPs). If critical issues persist—such as the continuous use of uncertified SoRs or unresolved data discrepancies—the company reviews proportional, phased measures, including re-evaluating procurement channels.

Additionally, as part of its responsible mineral management initiatives, Kia requires Tier 1 suppliers to submit CMRT/EMRT forms, recommends trading with RMAP-conformant smelters, and provides training on regulatory trends and company policies. Through these efforts, Kia strengthens collaboration and raises awareness to ensure suppliers understand and implement the necessary procedures for responsible mineral sourcing.

Responsible Minerals Management Process

Establish Policy	Risk Screening	Desk-based/ On-site Due Diligence	Create and Monitor Improvement Plans	Activity Disclosure
· Establish policy and operation plan for responsible minerals procurement	· Geopolitical risk analysis · CMRT&EMRT investigation	· Desk-based assessment using quantitative and qualitative ESG metrics · In-depth assessment of human rights and environmental risks within the supply chain	· Implementation of supplier risk mitigation measures · Management of share of transactions with certified smelters	· Conflict minerals management activities, sustainability reports, etc.

1. RMI (Responsible Minerals Initiative): Initiative that promotes procurement of responsible minerals across the global supply chain, providing standards and programs to support due diligence of the minerals supply chain

Policy Development

Kia operates a Responsible Minerals Policy to prevent the use of unethically mined minerals from conflict regions. In 2025, the policy was updated to align with ILO standards, refining clauses on child and forced labor and clarifying core management principles. Kia tracks responsible mineral usage across all vehicle models and verifies transactions with certified smelters within a reasonable scope, maintaining a principle to source from RMAP-conformant SoRs. Kia also aims to establish an EUBR-compliant supply chain management system, securing data and strengthening management of key minerals including cobalt, nickel, lithium, and natural graphite. Following European Commission guidelines, Kia will gradually advance its responsible sourcing system through phased implementation of supply chain identification, risk assessment, and corrective action procedures.

Conflict Minerals Report

Risk Screening and Assessment

Kia assesses responsible mineral risks based on materiality, considering the likelihood of conflict-sourcing, the severity of human rights and environmental violations, and supply chain controllability to identify priority minerals and regions. These assessments are used to prioritize high-risk areas and reflect in screening and due diligence. In major sourcing countries, environmental, social, and human rights risks can arise during the mining process. In certain regions, including Indonesia, the Democratic Republic of the Congo (DRC), Morocco, and Chile, environmental issues such as deforestation and water depletion/pollution are being raised, as well as human rights risks like child and forced labor. Consequently, Kia is establishing a traceability system for EUBR core minerals down to the mining stage. For items subject to the EUDR, Kia secures essential data, such as country of origin and transaction history, to conduct risk assessments, based on Annex II of the OECD Due Diligence Guidance for conflict minerals.

Responsible Minerals Materiality Assessment Results

● 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 Regulations	●	●	●
Distribution of High-Risk Regions	●	●	●
Human Rights and Environmental Risks	●	●	●
Strategic Procurement	●	●	●
Stakeholder Interest	●	●	●
Other (Global Certification, etc.)	●	●	●
Materiality Assessment Results	●	●	●

Subject to Priority Management

Sustainable Supply Chain

Risk Management

Responsible Minerals Management

Implementation Activities

On-Site Due Diligence

Kia conducts independent third-party on-site due diligence on key mines and SoRs within its responsible minerals supply chain. Targets are prioritized based on mineral characteristics, supply chain position, and country-of-origin risk levels, assessing ESG factors including human rights and environmental risks under the OECD 5-Step Guidance. Both desk and on-site due diligence are performed across the entire supply chain, including Tier 1 and sub-tier (Tier N) suppliers, covering 3TG, nickel, lithium, and cobalt. Furthermore, Kia revised its Supplier Code of Conduct to clearly mandate suppliers to monitor and mitigate sub-tier ESG risks. In 2025, three on-site audits were conducted at nickel and cobalt mines/SoRs in the Democratic Republic of the Congo (DRC) and Indonesia, with no high-risk ESG risks identified within the scope of the audits.

Selection of High-Risk Regions

Kia operates a responsible procurement system aligned with OECD Guidelines, using the RMI Risk Map to identify high-risk regions and risk signals in the supply chain. Focusing on conflict-affected and high-risk countries, Kia continuously monitors its suppliers for unethical mining and distribution of responsible minerals.

1 OECD Guidelines	2 National & Regional Trends	3 Country of Origin & SoRs
· Red Flags	· National and regional regulatory and governance environment · Track record of conflict and safety incidents, and environmental accidents	· Transparency and traceability of countries of origin and SoRs

Corrective Action Plan Development and Monitoring

For identified issues, corrective action plans (CAPs) are developed in consultation with suppliers, specifying timelines, responsibilities, and supporting evidence. Compliance is continuously monitored through document review and follow-up assessments. In 2025, EV battery suppliers were subject to risk screening, and for identified concerns, suppliers were required to submit CAPs, with implementation currently under review. In addition, compliance with the Supplier Code of Conduct is required during the contracting process, and regular ESG desk assessments are conducted to verify suppliers' implementation.

Responsible Minerals Management Measures

Category	Management Measure
Conflict Minerals	Check smelters for RMAP certification (CMRT)
Battery Materials	Check for certified smelters (EMRT) and conduct on-site due diligence based on OECD guidelines
Other Minerals	Check for LPPM[1] certification, and identify and mitigate risks based on OECD guidelines

1. LPPM (London Platinum and Palladium Market): Oversight institution in the London precious metals market, overseeing platinum and palladium trading and running a certification program for ethical and responsible raw material sourcing through the platinum and palladium supply chain

On-Site Due Diligence

CASE

Cobalt and Copper Mines and Smelters in Congo (DRC)

Materials were sourced legally with no material human rights violations (forced/child labor or armed group involvement) identified. However, social responsibility management is weak, showing gaps in the human rights due diligence process and grievance channels. Environmental and safety risks were also identified, including a suspended ISO 14001 certification, inadequate tailings erosion prevention, and a lack of dedicated safety technicians.

Nickel Mines in Indonesia

Operations rely solely on internally sourced mined materials, eliminating external sourcing risks. Strong environmental and safety performance is supported by ISO 14001 and ISO 45001 certifications and a PROPER Green rating. Renewable energy adoption and community programs were also positively assessed. However, gaps remain in supply chain governance, including the absence of a responsible minerals policy, limited CAHRA identification procedures, and insufficient disclosure of due diligence results.

Nickel Smelters in Indonesia

Strong supply chain transparency was verified, supported by a formal responsible sourcing policy and an ERP-based mineral traceability system. No instances of forced or child labor were identified, and human rights due diligence processes and grievance mechanisms are appropriately implemented. However, safety-related deficiencies were found, including excessive disciplinary deduction clauses in foreign workers' contracts, inadequate secondary containment for hazardous materials, and missing emergency exits and lighting.

Sustainable Supply Chain

Metrics & Targets

Targets and Performance

Supplier Status

Tier 1,2 Suppliers (2025)

Unit: Number of Companies

Category	Total
Tier 1, 2 Supplier[1]	2,086
Key Tier 1 Supplier	93
Key 2~N Supplier	39

1. Tier 1 suppliers, Core Tier 2 suppliers, and non-parts suppliers

Supplier Capability-Building

Unit: Number of Companies

Category	Total
Number of Key suppliers that participated in supplier ESG capability-building program (training, consulting, etc.)	1,477
Key Tier 1 Supplier	95
Key Tier 2 Supplier	8

Supplier Risk Assessment and Due Diligence Result (2025)

Unit: Number of Companies

Category		Total
ESG Risk Desk Assessment	Total Suppliers	2,086
	Key Tier 1 Supplier[1]	93
	Key Tier 2 Supplier	39
ESG Risk On-Site Due Diligence	Total Suppliers[2]	127
	Key Tier 1 Supplier[3]	5
	Key Tier 2 Supplier	-
High-Risk Supplier Identification	Total Suppliers	25
	Key Tier 1 Supplier	1
	Key Tier 2 Supplier	-
High-Risk Supplier Corrective Action Plan[4]	Suppliers with an Agreed-upon Corrective Action Plan (CAP)	25
	Key Tier 1 Supplier	1
	Key Tier 2 Supplier	-
	Suppliers with a CAP Implementation	25
	Key Tier 1 Supplier	1
	Key Tier 2 Supplier	-
	Terminated Suppliers due to Negative Impacts[5]	-
	Key Tier 1 Supplier	-
	Key Tier 2 Supplier	-

1. Key supplier desk-based assessment rate 100%
2. High-risk suppliers (25) ESG on-site due diligence rate 100%
3. Including Key Tier 1&2 supplier and non-parts supplier
4. One Key Tier 1 supplier was identified with high-risk factors, then implemented 100% of improvement plans
5. The company's penalty system is primarily based on bidding restrictions, and no cases involving risks severe enough to terminate business relationships have been identified through ESG assessments

Customer Satisfaction Enhancement

Kia places customer safety and satisfaction at the core of its values and systematically manages product quality and safety risks. In particular, Kia applies advanced safety technologies to enhance the safety of electrified vehicles and verifies product safety in accordance with global standards, including the New Car Assessment Programme (NCAP). Kia will continue to enhance product safety and quality to provide customers with reliable and trustworthy mobility solutions.

Governance

Customer Satisfaction Governance

Customer Safety and Quality Control Governance

Kia places customer safety at the core of its values and established KASO&QA (Korea Automotive Safety Office & Quality Assurance) to proactively identify and respond to potential safety and quality issues that may arise after vehicle sales.
KASO&QA systematically manages the entire process from early detection of safety and quality issues in global markets to investigation, corrective actions, follow-up measures, and recurrence prevention, strengthening customer trust and enhancing sustainable quality competitiveness.

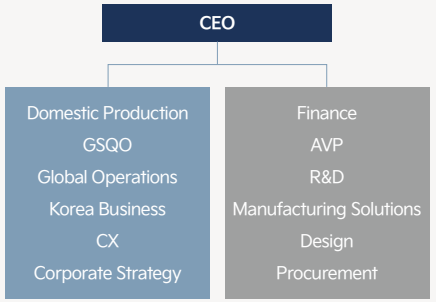
Recall Prevention Council

Led by the Global Safety & Quality Office (GSQO), Kia is working to prevent recalls through activities involving all areas of the value chain, including R&D, procurement, quality, and production. Past recalls are categorized based on common root causes, enabling each department to identify and implement optimized corrective actions to prevent recurrence. Through regular meetings with departmental leaders, Kia reviews the progress of improvements and collaborates on strategies to strengthen the sustainability and completeness of recall prevention through processes, systems, and horizontal deployment.

Regular Quality Meetings and QMM

Kia operates regular quality review meetings, including the Quality Management Meeting (QMM), to proactively eliminate quality risks and deliver the highest quality across its end-to-end value chain. Key agenda items include measures to ensure quality in new vehicles, analysis of customer VOCs and preventive actions, initiatives to strengthen customer safety, monthly quality performance reviews for domestic and overseas plants, and model- and plant-specific quality improvements.

Participants of the Regular Quality Meetings



Category	Key Agenda
Regular Quality Meeting	· New vehicle quality securing measures · Monthly quality issues at domestic and overseas plants · Model - and plant - specific quality improvements
QMM	· Customer VOC analysis and prevention measures · Strengthening quality of key parts · Customer safety measures

Strategy

Impacts, Risks and Opportunities

Through its materiality assessment, Kia identified key environmental and social impacts as well as financial risks associated with enhancing customer satisfaction. With respect to quality and customer safety management in the sales and services stage, the assessment found that vehicle quality defects or inadequate safety management across the downstream value chain may pose direct threats to consumers' lives and physical safety. Large-scale accidents may also result in significant negative environmental and social impacts, including serious injuries and fatalities. From a financial perspective, large-scale recalls caused by product defects may increase SG&A expenses due to vehicle repair and replacement costs. In addition, safety-related incidents may lead to class-action lawsuits, resulting in compensation payments as well as legal advisory and litigation expenses. The assessment also identified potential increases in R&D expenditures as a financial risk, driven by expanded research and testing activities aimed at strengthening product safety, including battery safety verification and crash testing.

Customer Satisfaction Enhancement

Strategy

Implementation Strategy

Customer Safety and Quality Strategy

Kia implements three customer-centric safety strategies to ensure customer safety and product quality.

Strengthen Global Safety & Quality Competitiveness
- Accelerate durability improvement
- Drive significant improvements in North American market claims
- Strengthen global quality response capabilities and parts quality competitiveness

Advance Processes and Systems
- Innovate company-wide recurrence prevention system
- Implement a comprehensive safety & quality management system
- Advance customer-centric market measures

Establish a Proactive Safety & Quality Response System
- Strengthen safety quality of future electrified vehicles
- Secure future mobility core technologies and safety quality

Quality Control System

Kia has obtained global ISO 9001 certification, achieving 100% application across 29 domestic business sites, including its headquarters, Namyang R&D Center, domestic and overseas AutoLands, and domestic direct service centers. All organizations within this scope meet international standards across the entire value chain: R&D, design, testing, procurement, production, quality, sales, and service.

To optimize operations, Kia enacted the Kia Quality Management Manual (KQM-9001) in alignment with global specifications and established roughly 800 operational standards across all sites. Furthermore, Kia maintains quality through regular internal audits, continuously strengthening systematic quality management activities such as role assignment, communication, target setting, and performance analysis.

Quality Management System (ISO 9001) Certification



Target Sites
29



ISO 9001 Certified Ratio
100%

Training on Product Quality

Kia provides continuous training on the roles and key tasks of advanced, manufacturing, and market quality functions to enhance validation capabilities across the quality value chain. Combining basic theory with hands-on practice, these programs leverage external professional institutions to run quality and future technology verification courses, strengthening new technology and customer-centric validation for the Software-Defined Vehicle (SDV) transition. Additionally, Kia operates 'Learning Lounge,' a company-wide online learning platform accessible to all employees, including contractors, and regularly updates it with quality-related courses to support continuous organization-wide learning.

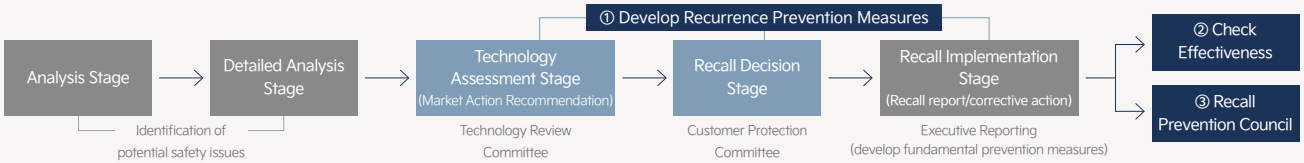
Quality Function Employee Training Program Results (2025)

Training Course	GSQO Academy
Audience	GSQO General Staff
Training Type/Cycle	Cohort training (23rd session)
Number of Completions	510

Customer Safety Management Lifecycle

KASO systematically manages Kia's safety issues by identifying potential issues, making recall decisions, taking market actions, and preventing recurrence. In the process, KASO ① identifies root causes and develops preventive measures during the recall decision stage, ② reviews effectiveness of these measures monthly, and ③ improves work systems through the Recall Prevention Council to prevent repeat recalls.

Safety Issue Lifecycle



Recall Prevention Process

① Develop Recurrence Prevention Measures	② Check Effectiveness	③ Recall Prevention Council
Identify root cause and develop fundamental measures in the recall decision stage → Including root cause, countermeasures + prevention strategies	Validate effectiveness of safety issue prevention measures → Site inspections + check for recurrence	Decision-making body for fundamental prevention → System innovation and themed activities

Voluntary Recall of Niro EV CASE

Kia conducted a voluntary recall of its Niro EV model due to a rear-view camera malfunction. The issue was identified as a lack of video output caused by damage to the camera's internal power components due to overvoltage inflow. Although the root cause of the overvoltage was not specified, Kia replaced the rear cameras of approximately 13,000 vehicles with reinforced products to address customer concerns. Furthermore, Kia has strengthened its overvoltage design standards for rear-view cameras, focusing on quality assurance to prevent identical issues from reoccurring.

Customer Satisfaction Enhancement

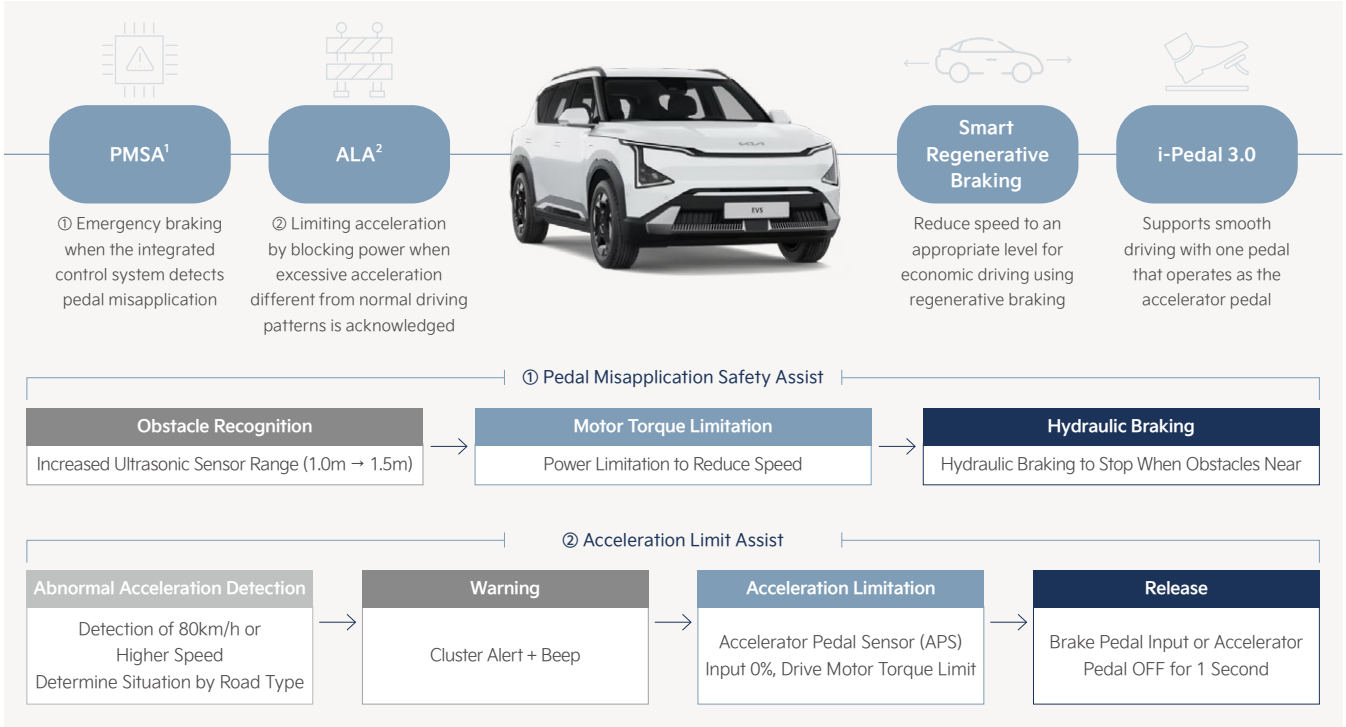
Strategy

Product Safety and Quality Improvement

Advanced Driver Assistance Systems

Kia applies advanced driver assistance systems (ADAS) to its electrified vehicles to enhance the safety of both drivers and pedestrians, contributing to a safer mobility environment. In particular, to address the risk of pedal misoperation under various driving conditions, Kia is continuously advancing proactive safety technologies that use in-vehicle systems to recognize driving environments and intervene in vehicle control. Kia's dedicated electric vehicles are equipped with technologies that detect excessive acceleration deviating from normal driving patterns during both driving and parking situations, and respond by limiting acceleration or assisting braking. In addition, the vehicles utilize forward sensing data and driving information to automatically adjust deceleration and regenerative braking. Such ADAS minimize accident risks by reducing driver burden and enhancing both safety and convenience in everyday driving. Moving forward, Kia plans to further integrate electrification technologies with advanced safety systems to continuously enhance vehicle safety and deliver a safe driving experience for all users.

Key Advanced Safety Technologies in Kia EVs

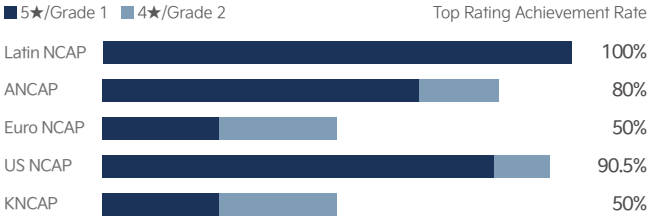


1. PMSA: Pedal Misapplication Safety Assist 2. ALA: Acceleration Limit Assist

New Car Assessment Program

The NCAP (New Car Assessment Program) evaluates the safety of newly launched vehicles through various tests and transparently discloses the results to consumers. The assessment, which is widely used in key markets including Europe, Korea, the U.S., China, Japan, Australia, and ASEAN countries, consists of four categories: adult occupant protection, child occupant protection, vulnerable road user protection, and safety assist systems. As of 2025, a total of 36 Kia models have been evaluated by major global NCAP programs, including KNCAP, US NCAP, Euro NCAP, ANCAP, and Latin NCAP, with 30 models, or approximately 83%, achieving the highest rating (5 stars/Grade 1).

Kia Global NCAP Status (2025)



Kia's 5-Star Euro NCAP Ratings



Customer Satisfaction Enhancement

Strategy

Enhancing Customer Experience

Advertising and Marketing Principles

Kia has established the "Ethical Advertising and Marketing Principles" to provide customers with the information needed in making purchasing decisions, thereby supporting their right to know and make rational choices. These principles aim to foster a sound advertising and marketing environment. Kia is committed to delivering accurate and balanced information about its products and services without exaggerating or misrepresenting their social or environmental impacts. In addition, Kia prohibits advertising and marketing practices that unfairly compare with or disparage competitors' products and forbids activities that fail to protect vulnerable groups, including persons with disabilities and older adults.

Ethical Advertising and Marketing Principles

Integrated Customer Care Inspection Services

To help Kia Members maintain optimal vehicle performance, Kia provides free Kia Customer Care Inspection Services covering 7 to 20 items, including various oils and coolant levels, engine and transmission mounts, and high-voltage EV batteries. To enhance convenience for EV customers, Kia integrated its standard vehicle inspection with the EV Customer Care Inspection Service. This integrated service allows customers to receive comprehensive inspections for both overall vehicle condition and key EV components in a single visit. In particular, inspection items have been strengthened by selectively focusing on high-voltage battery systems and battery cooling systems considering the characteristics of each vehicle model. The EV Customer Care Inspection Service coverage period has also been extended from 8 years to 10, enabling customers to benefit from complimentary inspection services for a longer period.

Maintenance Services

To provide standardized customer services, Kia developed and distributes 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. Customers visiting service centers are invited to evaluate compliance in each stage of the maintenance process. Their feedback is used to monitor adherence to service procedures and serves as foundational data for enhancing customer-centric services.

Emergency Roadside Services

This service provides basic emergency support and towing when issues occur during vehicle operations. A 24-hour emergency response center is operated to ensure prompt dispatch and assistance through free roadside assistance for Kia Members during the warranty period and may be extended for up to six years from vehicle delivery.

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.

Strengthening Customer Communication

Customer Service and Communication Channels

Kia operates various online and offline channels, including phone, website, and mobile apps, for customers to submit inquiries and complaints. In particular, Kia consolidated its scattered customer center numbers into a single hotline (080-200-2000). Through this integrated system, the company provides tailored services, ranging from general to specialized consultations, based on the customer's specific inquiry type and request.

VOC Handling System

Kia operates a VOC (Voice of Customer) system to respond to customer feedback quickly and systematically. Various opinions and complaints collected through customer touchpoints are immediately forwarded to relevant departments, and the responsible personnel contact customers within one hour of VOC submission through a reassurance call to acknowledge receipt and inform them on how the matter is being handled. The entire process, from progress updates to final resolution, is managed through a one-stop system designed to minimize customer concern and provide transparent service. In addition, VOC data is analyzed and regularly shared across divisions, including quality, service, and sales, to support the continuous improvement of product and service quality.

Customer Center Services and 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 services (digital features that can be purchased over-the-air), 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) automotive after-sales services for 12 consecutive years and the customer center category for 22 consecutive years, as evaluated by the Korea Management Association Consulting (KMAC).

Customer Satisfaction Enhancement

Strategy

Customer Satisfaction Survey

Global Brand Tracker Survey

Every year, Kia conducts a Global Brand Tracker Survey targeting global consumers to review how the brand is perceived, monitor its brand positioning, and derive insights to satisfy customer needs. Survey metrics are established based on factors such as brand awareness, familiarity, positive perception, purchase consideration, satisfaction, brand influence, and brand value. In the 2025 survey, where approximately 30,000 consumers across 20 countries participated, Kia maintained its 5th-place ranking in overall unaided brand awareness at 23.6% among the top eight global automotive brands by sales volume. EV brand awareness (11.3%) in the total market, slightly increased compared to the previous year (0.1%p), maintaining its second place in the market.

2025 Overall Global Brand Awareness **5th**

2025 Global EV Brand Awareness **2nd**

Quality and Satisfaction Survey

Kia participates in reputable external surveys such as the National Customer Satisfaction Index (NCSI) and the Korea Service Quality Index (KSQI) to objectively evaluate customer experience and satisfaction levels. These surveys provide a multi-dimensional assessment of service quality and customer satisfaction, and their results are reflected in Kia's customer-centric management strategy to enhance its customer experience competitiveness.

NCSI

- 1st in Mid-size Passenger Vehicles (6 consecutive years)
- 1st in Compact RVs (3 consecutive years)
- 1st in Large RVs (3 consecutive years)
- 1st in EVs (2 consecutive years)

Index on customer perception of service quality based on the characteristics of Korean industries and customers

KSQI

- Contactless Channels Excellent Call Center (22 consecutive years)
- In-person Channels 1st in Automotive After-sales Services (12 consecutive years)

Index on customer satisfaction regarding a company's products and services

Risk Management

Customer Protection

Customer Safety Quality Hotline

Kia operates the "Customer Safety Quality Hotline," enabling all employees to report potential safety issues that may affect customers for prompt identification and improvement. Potential safety risks include incidents that could lead to injury, accidents, fires, or loss of vehicle control during operation. Any employee can submit reports through the internal system, and cases have been reported and investigated accordingly. Kia remains committed to swiftly analyzing and resolving all reported issues to safeguard customer safety.

Customer Compensation and Dispute Resolution

To uphold its customer-centric and people-focused culture, Kia has systematic standards and processes in place to resolve claims that require compensation and dispute resolution. Customers can report complaints or damages through service centers and customer support channels, with nationwide service center staff assisting customers with consultation and compensation procedures. When claims related to quality, systems, or services are attributable to Kia, the company provides services or monetary compensation for verifiable losses, including direct costs for vehicle repairs and indirect losses such as property damage and personal injuries.

The 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 Division, and Legal Division to develop documentation and appropriate response measures. In addition, an EV Fire Assurance Program is operated, covering up to KRW 10 billion for third-party property damage resulting from the spread of EV fires occurring within 10 years of vehicle sale. The program also covers emergency support expenses, including loss prevention costs, legal defense costs, and temporary living expenses of up to KRW 200,000 per day for a maximum of 30 days per household.

Greenwashing Risk Prevention

To prevent greenwashing risks in environmental claims and advertising, Kia proactively audited 567 global marketing items in 2025, immediately correcting ambiguous expressions that could mislead consumers. Additionally, the company distributed prevention guidelines, conducted employee training, and established a self-assessment framework for content creators developing environmental promotional materials. To ensure continuous compliance, Kia conducts regular inspections during the first and second halves of each year.

Greenwashing Risk Monitoring Status

Category		Monitoring Details
Risk Check	Q2 2025	Check for greenwashing risks in domestic contents
	Q4 2025	Check for greenwashing risks in overseas contents
Raising Employee Awareness	April 2026	Company-wide training to raise awareness on greenwashing

Customer Satisfaction Enhancement

Metrics & Targets

Targets and Performance

Customer Satisfaction Metrics

Product Recalls

Data Coverage: Domestic + Overseas

Category		Unit	2023	2024	2025
Total Number of Vehicles Recalled		10,000 vehicles	751	245	157
	Number of Mandatory (non-voluntary) Recalls	10,000 vehicles	0	0	0
	Number of Voluntary Recalls	10,000 vehicles	751	245	157
Costs Incurred Due to Total Recalls		KRW 100 million	5,748	3,806	4,078

2,232,927cases

VoC Cases Received (2025)

Data Coverage: Domestic

Category	Number of Cases	Ratio (%)
Inquiries	2,117,196	94.8
Complaints	114,539	5.1
Suggestions/ Compliments	1,192	0.1

VoC Classification (2025)

Data Coverage: Domestic

Category	Number of Cases	Ratio (%)
Kia Members	138,810	6.2
Kia Connect	459,692	20.6
Scheduling Maintenance	627,221	28.1
Emergency Roadside Assistance	378,751	17.0
Quality	86,801	3.9
Maintenance	279,208	12.5
Sales	53,295	2.4
Other	209,149	9.4
Total	2,232,927	100.0

Mid-to-long Term Targets for Consumer Protection

Data Coverage: Domestic

Category	Unit	2026	2027	2028
Number of Pending Customer Satisfaction Cases	Cases	10,920	10,860	10,790

Status and Target for Consumer Feedback and Complaints Submitted

Data Coverage: Domestic

Category	Unit	2023	2024	2025	2026 (Target)
Number of Consumer Feedback and Complaints Addressed	Cases	11,522	12,963	15,793	10,950

Customer Satisfaction (CX Competitiveness Index)

Satisfaction of the Kia Customer Journey is measured from customers who purchased vehicles to assess the experience provided to customers.

Data Coverage: Domestic

Category	Unit	2025 (Target)	2025 (Performance)	2026 (Target)
Customer Satisfaction Target Score	Points	74.3	74.4	75.3

Quality Training[1] Target

Data Coverage: Domestic

Category	Unit	2025 (Target)	2025 (Performance)	2026 (Target)
Quality Academy Completion Rate	%	90	97	90

1. Subject to general staff (excluding team leader) in the domestic business Quality Division

Social Contribution

As a sustainable mobility solutions provider, Kia actively implements social contribution initiatives that promote safe, free, and sustainable lives for all. Kia is guided by its corporate social contribution mission and value framework to address not only global issues but also diverse social and environmental challenges across both domestic and international contexts.

Governance

Social Contribution Governance

Decision-Making System

To create meaningful social value, Kia's Sustainability Management Team within the Strategic Business Planning Division, directly under the CEO, serves as the company-wide control tower for social contribution activities. The team operates regular councils with social contribution managers across domestic and international operations and implements tailored initiatives based on Kia's social contribution framework that reflect the characteristics of each site and needs of local communities. Additionally, donation execution plans and results, as well as annual social contribution plans are reported each year to the Sustainability Management Committee, a subcommittee of the Board of Directors.

Social Contribution Organization

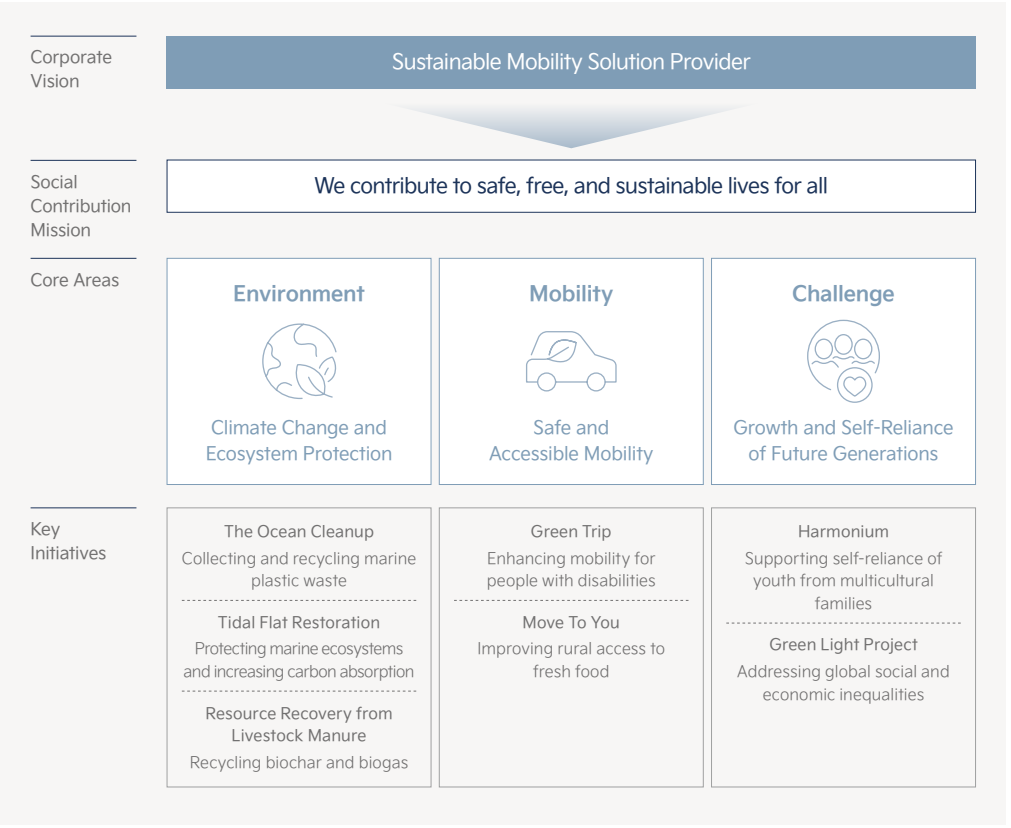


Strategy

Social Contribution Value Framework

Under its social contribution mission of 'contributing to safe, free, and sustainable lives for all,' Kia implements social contribution initiatives structured around three core areas: "Environment," which focuses on addressing climate change and protecting ecosystems; "Mobility," which promotes safe and accessible mobility; and "Challenge," which supports the growth and self-reliance of future generations. Starting in 2026, a new "Move To You" initiative is scheduled to address rural extinction and food desert issues in rural areas caused by demographic changes.

Social Contribution Framework



Social Contribution

Strategy

Social Contribution Initiatives

Environment

The Ocean Cleanup Partnership | Marine Plastic Collection and Resource Recovery

According to the United Nations Environment Programme (UNEP), over 8 million tons of plastic waste enter the ocean each year. This marine debris gradually breaks down into microplastics, posing a serious threat to ecosystems and human health. Working with The Ocean Cleanup, a Netherlands-based nonprofit organization, 39,500 tons of marine plastic waste were removed from rivers and oceans. Kia partnered with The Ocean Cleanup in April 2022 and introduced an EV3-specific trunk liner in 2024, made from ocean-sourced plastic waste. Commercial production began in December 2025, with preparations underway for sales to commence in 2026. To ensure the same quality and performance as conventional products, 40% marine waste plastic was incorporated. Kia will continue to contribute to addressing marine plastic pollution and resource recovery from marine plastic waste.

The Ocean Cleanup Initiative Named 'Sustainability Disruptor of the Year'

Kia was honored as 'the Sustainability Disruptor of the Year' at Newsweek's 'World's Greatest Auto Disruptors 2025' award ceremony. The company's ongoing efforts to collect and recycle marine plastic waste through its partnership with the Netherlands-based NGO, The Ocean Cleanup since 2022, were recognized for contributing to sustainable business management and creating social value. Kia plans to continue its collaboration with The Ocean Cleanup, expanding beyond oceans to address all plastic inflow sources, including rivers.





Tidal Flat Restoration | Protecting Marine Ecosystems and Strengthening Carbon Absorption

Since signing an agreement with the Ministry of Oceans and Fisheries (MOF) in November 2022 to implement blue carbon cooperative projects, Kia has been striving to protect tidal flat ecosystems. In 2024, Kia conducted a scientific study and pilot planting of halophytes in the Maehyang-ri tidal flats of Hwaseong to identify optimal restoration methods. In 2025, 30,000m^2 of tidal flat area was restored through the planting of Suaeda japonica, followed by further expansion of approximately 12,100m^2 in the first half of 2026. Kia will continue to monitor ecological changes and carbon absorption, while scaling up the project's scope and geographical coverage in cooperation with the MOF.



Tidal Flat Vegetation Restoration

Resource Recovery from Livestock Manure | Biochar and Biogas Resource Recovery

To reduce greenhouse gas emissions in the agriculture and livestock sectors, Kia is developing technologies that recycle livestock manure, such as to derive biochar and biogas. In the biochar area, the company is conducting a pilot production project in Uiseong, Gyeongsangbuk-do based on an MOU signed with the Ministry of Agriculture, Food and Rural Affairs, Shinhan Bank, and Greenery in 2023. The project has contributed to expanding energy recovery and recycling of manure by producing 680 tons of biochar-based fertilizer from a cumulative 1,500 tons of livestock manure to date. In addition, we are enhancing treatment and production capacity through facility upgrades and equipment expansion, to contribute to the reduction of odors and water pollution. In the biogas sector, we entered into an MOU with Hongseong County, the Livestock Environment Management Institute, and the Global Vision Network to advance the development of a renewable energy village based on recycled livestock manure.



Biogas MOU Signing Ceremony

Social Contribution

Strategy

Social Contribution Initiatives

Mobility

Green Trip | Improving Mobility Rights for the Transportation Vulnerable

Green Trip operates a total of 30 vehicles nationwide, including Carnivals, PV5 passenger vehicles, and PV5 WAV year-round to support people with disabilities to travel freely. The program offers customized transportation services that accommodate both electric and manual wheelchairs, as well as adapted vehicles that can be driven directly by individuals, depending on the severity of their disabilities. In 2025, cumulative users surpassed 100,000 as services were expanded nationwide and introduced island and coastal travel in partnership with the Korea National Park Service. Also, continuous efforts are being made through public radio campaigns and open concerts to prevent discrimination against people with disabilities and to improve awareness and understanding.



Green Trip PBV Expansion Declaration


MOU to Support Island and Coastal Travel

Move To You | Enhancing Rural Access to Fresh Food

"Move To You" is an initiative aiming to improve food security for the elderly in rural areas at risk of depopulation and to support self-reliance of local communities. In collaboration with the Ministry of the Interior and Safety (MOIS), local governments, and community partners, Kia plans to operate a PBV-based free delivery service for low-cost, high-quality fresh food. Using PV5 Cargo vehicles equipped with refrigeration and freezing systems, the program will enhance access to fresh food for individuals aged 65 and older and strengthen supply chains with local grocery stores while building a community-based operation infrastructure.



Kia-MOIS Cooperation Agreement to Address Rural Depopulation

Fresh Food Delivery Process



Challenge

Harmonium | Empowering Multicultural Youth

Kia launched the Harmonium initiative in 2024 to support the independence of multicultural youth and promote social integration. As a first step, it hosted the "Harmonium Festival," bringing together a diverse audience through talk concerts and musical performances to foster mutual understanding and inclusiveness in a multicultural society. In 2025, Kia launched the "Harmonium Education Program," providing career-oriented training and internships in IT, F&B, video editing, and landscaping. In 2026, coverage expanded to include North Korean defector youth, with more than 90 participants expected to complete the program. Kia also provides the Harmonium online platform to support multicultural youth nationwide, who are unable to participate in training, to access information they need for self-reliance. Kia will continue to promote multicultural awareness through initiatives such as documentary production in partnership with broadcasting stations and the 'Harmonium x Run Piano' Music Concert to create an inclusive society where youth can fulfill their potential.


Harmonium F&B Training


Awareness Campaign (Concert)



The 2nd "Harmony Day" Event

Green Light Project | Addressing Global Socioeconomic Inequality

The Green Light Project is a global social contribution initiative that has been carried out for 15 years since 2012. The initiative provides opportunities for people faced with limitations to take on new challenges and supports the growth and self-reliance of local communities by improving basic social infrastructure for education, healthcare, and economic development across 19 hubs in 15 countries in Africa, Asia, and Europe. Currently, the project is underway in six African countries (Zimbabwe, Mozambique, Cameroon, Benin, Côte d'Ivoire, and Senegal) and one country in Europe (Albania). In 2026, the projects in Zimbabwe and Albania are planning to transfer operations to local community. In the remaining five countries, we are fostering local self-reliance by supporting infrastructure and tailored mobility in education, vocational training, and agriculture.



Students Learning at the GLP School in Benin


Graduates of the GLP Vocational Training Center in Senegal



GLP Mobile Library

Social Contribution

Strategy

Key Social Contributions by Domestic and Overseas Business Sites

Domestic and Overseas Business Sites

Overseas Business Sites

1 Europe Regional Headquarters
- Secure Every Child: Child protection initiative to prevent abuse and grooming crimes

2 Central & South America Regional Headquarters
- Kia Parks: Creating green spaces in local communities

3 Middle East & Africa Regional Headquarters
- Cycle of Life Campaign: Food waste composting and river restorations, etc.

4 Asia Pacific Headquarters
- Halberg Foundation: Vehicle and training support for a youth disability sports foundation

5 Kia USA
- B.R.A.K.E.S: Safe driving education for high school students·parents
- St. Jude Children's Research Hospital: Support for pediatric disease research and treatment

6 Kia Mexico
- Casa de la Amistad para Niños con Cáncer: Support for cancer treatment in children from vulnerable social groups

7 Kia China
- Kia Gawon: Supporting the University Startup Support Center in Yancheng

8 Kia India
- Project D.R.O.P.*: Plastic waste collection and recycling campaign *Develop Responsible Outlook for Plastic
- Project Uphaar: Planting 455,000 fruit trees to combat climate change, and support smallholder farmers

9 Kia AutoLand Georgia
- A.W.I.M*: Support for learning in science, technology, and mathematics
  *A World In Motion

10 Kia AutoLand Slovakia
- Inspiration by Movement: Establishing disability-friendly playgrounds, etc.
- Bike Kia: Implementing and operating bicycle lanes and public bicycle infrastructure

Common Regional Social Contribution Programs
- (Central & South America/Africa & Middle East/Asia Pacific Regional Headquarters) Boot Camp: Providing technical maintenance training for future generations in local communities to support self-reliance



Domestic Business Sites

11 Yangjae (Headquarters)
- Move On 80: Employee volunteer program, celebrating the company's 80th anniversary and supporting the fulfillment of 80 selected cases nationwide
- Kia Frientoring: Employee and university student mentor program in alliance with local communities

12 Korea Business Division
- Move & Connect: Tailored support with PV5 for welfare centers and social enterprises nationwide

13 AutoLand Gwangmyeong
- K-Academy: Learning and emotional support program for youth from low-income families
- K-School: Supporting after-school learning for youth from low-income families

14 AutoLand Hwaseong
- Kia Challenge ECO Project: Environmental education for elementary, middle, high school, and university students
- Movement That Independent: Support for youth independence through capability-building and social safety nets

15 AutoLand Gwangju
- Kia Challenge: Support and mentoring for cultural arts
- Kia With: Support for environmental activities

Social Contribution Initiatives in Partnership with Hyundai Motor Group
- Giftcar: Mobility support program that sponsors transportation for youth sports clubs nationwide
- E-share: Green mobility initiative that supports social welfare centers across the country with EVs and charging infrastructure

Social Contribution

Metrics & Targets

Targets and Performance

Kia establishes systematic mid-to-long term targets across the three core areas of Environment, Mobility, and Challenge, to guide and ensure implementation of its responsible social contribution programs.

			2025 (Performance)	2026 (Short-term)	2027 (Mid-term)	2028 (Long-term)
Social Contribution Mission			We contribute to safe, free, and sustainable lives for all			
Core Areas	Environment	The Ocean Cleanup	· Marine plastic collection : Cumulative total of approximately 39,500 tons · Ongoing research on plastic recycling	· Succeed in recycling collected marine plastic waste : Introduce EV3 trunk liner (containing 40% recycled plastic)	· Implement river restoration efforts · Follow-up study on recycling plastic waste	· Continue collection of marine plastic waste from the sea and rivers · Develop follow-up product using recycled plastic
		Tidal Flat Restoration	· Hwaseong Maehyang-ri tidal flat restoration for marine ecosystem conservation (2023~2025): Restoration across approximately 30,000m²	· Hwaseong Maehyang-ri tidal flats additional restoration: Approximately 12,100m²	· Hwaseong Maehyang-ri tidal flats environmental impact monitoring (planting area, seabird activity, etc.)	· Hwaseong Maehyang-ri tidal flats environmental impact monitoring: Continued
		Biochar/ Biogas	· Resource and energy recovery from livestock manure - Uiseong biochar : Production of 300 tons - Hongseong Biogas : Launch of new project and commencement of water purification system storage tank construction	· Expand resource and energy recovery from livestock manure (continued) - Increase Uiseong biochar production: 1,000 tons - Build new composting facility in Hongseong to increase manure processing for biogas production	· Implement a circular system for livestock manure-based resources - Uiseong biochar : Use of biochar for soil improvement - Hongseong biogas: Implement waste heat recycling facilities	· Advance the circular model for livestock manure-based resources - Uiseong biochar : Increase production and sales volume (continued)
	Mobility	Green Trip	· Initiative supporting the freedom of movement for the mobility disadvantaged (2012~) · Total cumulative beneficiaries : Over 100,000	· PV5 Wheelchair Accessible Vehicles (WAV) tailored to beneficiary needs · Operate 30 units, including 4 new vehicles	· Increase in tailored transportation and travel services for beneficiaries · Total cumulative beneficiaries : Target 130,000	· Total cumulative beneficiaries: Target 150,000
		Move To You	· New initiative to address rural extinction	· 'Launch of 'Move To You' initiative : Improving access to fresh food in rural areas to address rural decline	· Number of rural areas supported : Operation at 2 local governments	· Number of rural areas supported : Continued operation at 2 local governments and expansion to 1 additional local government
	Challenge	Green Light Project	· Initiative to implement a self-reliance infrastructure to address global socioeconomic inequality (2012~)	· Self-reliance through implementation and handover of agricultural and mining infrastructure · Transfer target : 2 countries (Zimbabwe, Albania)	· Self-reliance through implementation and handover of vocational/training centers · Transfer target: 5 countries (Cameroon, Benin, Senegal, Mozambique, Cote d'Ivoire)	· Continue to implement post-inspections and monitoring of handover countries
		Harmonium	· Launch support program for youth from multicultural backgrounds to respond to changing demographics	· Expansion of training audience (Youth from multicultural and North Korean defector backgrounds)	· Continued training initiative for the self-reliance of multicultural youth and awareness improvement	· Monitoring and advancement of project impact

Information Security

Kia is committed to ensuring that employees recognize the importance of information security and privacy protection through its information security framework, making every effort to safeguard customer's personal data. Kia conducts regular training and audits to mitigate risks of data breaches, leakage, and damage, and will continue to enhance its information security systems to maintain customer trust.

Governance

Information Security Governance

Information Security Committee

Kia operates an Information Security Committee composed of group leaders responsible for key business functions. The committee shares current company-wide information security issues and serves as the decision-making body for key agendas such as investment decisions and strategic initiatives.

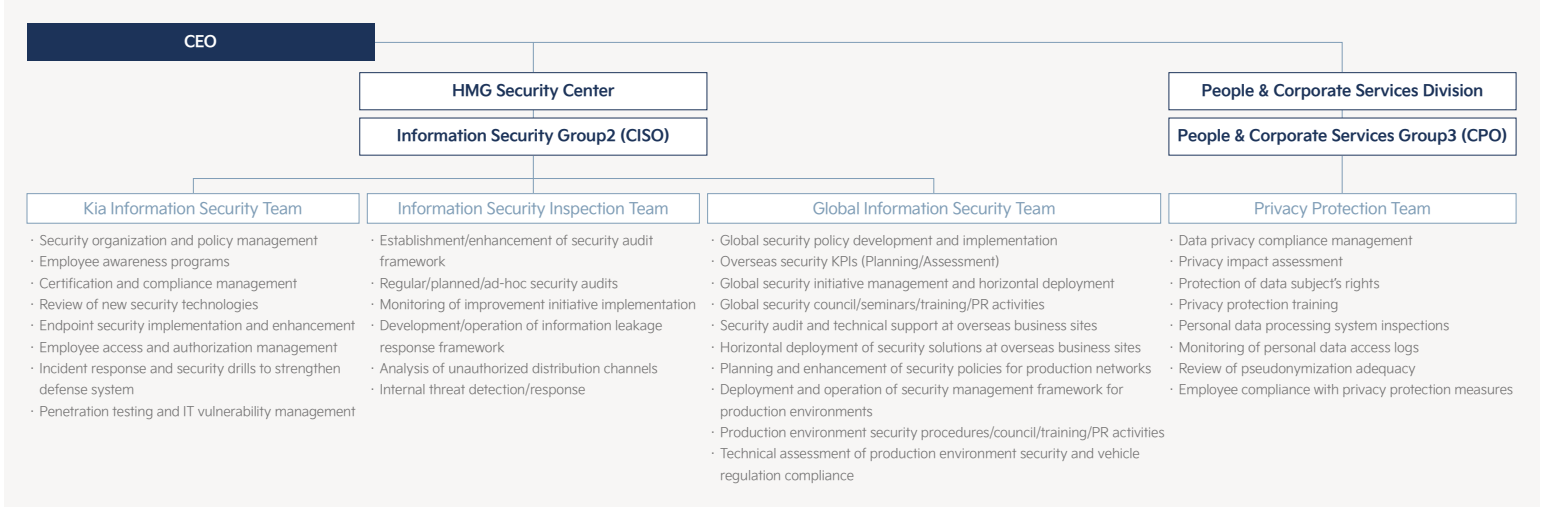
Information Security Performance Management

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 key performance indicators (KPI).

Information Security Organization Structure and Roles

To carry out information security activities systematically and effectively, Kia operates dedicated organizations for information security, led by the Chief Information Security Officer (CISO), and for privacy, led by the Chief Privacy Officer (CPO). The information security organization establishes security policies, operates security systems, inspects and improves information systems, responds to incidents, and manages information security at overseas operations. The privacy organization protects customer and employee information through privacy training, the inspection and improvement of personal data processing systems, the protection of data subjects' rights, privacy impact assessments, and inspections of overseas subsidiaries. The Privacy Protection Team also establishes and distributes policies and guidelines and conducts ongoing privacy management, inspections, and training. Kia operates a Personal Information Protection Committee that convenes annually to decide on key matters across company-wide personal data processing and major service operations. Kia updates its privacy policy monthly. In the 2025 Privacy Policy Evaluation Program, the policy received an Excellent (A) rating. In 2025, there were zero cases of customer data being used for purposes beyond those disclosed to data subjects.

Information Security Organization



Information Security

Strategy

Impacts, Risks and Opportunities

Through the materiality assessment, we identified key environmental, social, and financial risks related to information security. With respect to "customer personal data management," differences in security levels between digital channels and offline stores across the downstream value chain, as well as excessive data collection, may lead to consumer privacy violations and personal data leakage, resulting in negative environmental and social impacts. From a financial perspective, violations of personal data protection regulations may increase selling, general and administrative (SG&A) expenses due to fines and penalties. In the event of personal data leakage, additional costs may arise from compensation for damages, large-scale recalls, and security system enhancements, increasing both SG&A and non-operating expenses. Such incidents were also identified as financial risks due to potential damage to brand reputation and a consequent decline in revenue resulting from loss of consumer trust.

Management Policy

Privacy Policy

Kia views information asset protection as a core element of sustainability management, maintaining a privacy framework that includes privacy protection policies and personal data processing guidelines. By monitoring the latest legislation and security technologies, Kia updates its security standards and privacy policy at least once a year. This policy applies to all employees, dispatched personnel, and third-party contractors handling customer data. Kia also publishes an easy-to-understand privacy policy on its website, informing customers of the procedures and methods for requesting access to personal information held by the company at no additional cost. Based on this framework, Kia sets its policy direction toward continuously improving systems across the personal information lifecycle, ensuring data protection and integrity, and strengthening its security threat monitoring and response systems.

Privacy Policy Personal Data Processing Guidelines

Information Security Training

Information Security Education and Training

Kia conducts on-site and online security training for employees and team security officers at least once a year to enhance information security awareness and reinforce the importance of protecting customer information. Security training is also provided to new employees upon joining the company. In addition, monthly newsletters on the latest security trends, including prevention of malicious email incidents, operational technology (OT) security, and generative AI security, are shared with employees, alongside monthly information management campaigns and regular phishing email simulation exercises.

Privacy Protection Training and Campaigns

Kia provides employee training programs in various formats, including on-site, online, and video-based training, to enhance awareness of privacy protection. The company also regularly analyzes access logs for personal information processing systems and conducts self-inspection campaigns for personal information files to prevent the misuse and abuse of personal information.

Information Security Management Initiatives

Prevention of Leakage Incidents

A 24/7 real-time security monitoring system is operated to prevent information security incidents.

Verification of Compliance with Information Security Policies

Information systems, including personal data processing systems, as well as relevant teams, departments, and suppliers are inspected at least once a year. In cases of regulatory violations, disciplinary procedures are implemented in accordance with the nature of the misconduct and degree of negligence.

Administrative Measures for Privacy Protection

Personal information protection standards are regularly reviewed and updated to ensure compliance by employees and entrusted third parties. Kia addresses potential risk factors for data leakage through periodic inspections of personal information processing systems.

Technical Measures for Privacy Protection

To ensure robust privacy protection, communication channels and customer information are encrypted, and access to data is restricted in the event of unauthorized external intrusion. Security solutions and antivirus software are deployed and regularly updated, while access logs are continuously monitored to prevent hacking attempts.

Management of New System Risks

When deploying new systems, Kia conducts security reviews and personal information impact assessments to verify compliance with security requirements and applicable personal information protection laws in advance. Through these security review procedures for IT systems, the company proactively identifies and manages security vulnerabilities while establishing and operating secure business systems.

Information Security

Risk Management

Information Security Risk Management

Information Security Management System Certification

Since first acquiring Information Management System (ISO 27001) certification in 2006, Kia has maintained 100% certification coverage for 20 consecutive years as of 2025. Kia also obtained Information Security Management System (ISMS) certification (April 2024) for key customer services to comply with the Information and Communications Network Act and establish a secure working environment while further enhancing its information security management framework by acquiring the domestic Personal Information and Information Security Management System (ISMS-P) certification (August 2025).

Information Security Risk Management Framework and Operations

Kia conducts multifaceted security assessments to systematically manage security risks and continuously enhance its security posture. These assessments include a wide range of activities, including vulnerability inspections of company-wide IT infrastructure and information assets, access control management, and system security reviews. Through these efforts, Kia proactively identifies potential security vulnerabilities and implements corrective measures. In addition, the company reviews its security management system and monitors operations on an ongoing basis by reflecting domestic and international regulations, as well as global information security standards. Kia will further advance its information security management framework to take the lead in responding to the evolving security threats.

Information Security Incident Post-Management

Response to Data Leakage Incidents

Kia ensures prompt responses to information security incidents and personal data breaches through established response procedures. Additionally, Kia operates an incident reporting channel to enable employees to report security incidents in accordance with these established protocols.

Incident Identification and Response Process



Metrics & Targets

Targets and Performance

Information Security Training Targets

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 2026, 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	2025 (Performance)		2026 (Target)
	Number of Training Sessions	Cumulative Number of Participants	Number of Training Sessions
New Hires	19	450	Ongoing
General Employees	33	234,092	36
In-person Group Training for Security Personnel	1	668	1
Overseas Employees	7	8,176	7

Governance



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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 perform both decision-making and management oversight functions, representing the rights and interests of all shareholders and stakeholders in a balanced manner. Kia is dedicated to strengthening governance centered on the Board of Directors by enhancing its diversity, expertise, and independence.

Board Composition

Kia's Board of Directors, as the company's highest decision-making body, represents the interests of diverse stakeholders, including shareholders, customers, employees, and suppliers, and is responsible for overseeing and approving key management matters. To ensure independence, professionalism, and diversity, we maintain a board structure in which a majority of members are independent directors. We also limit the holding of concurrent positions without prior approval and restrict voting rights in cases of conflicts of interest. The Board is composed of experts from a wide range of fields, including future governance, management strategy, and accounting, and undergoes annual performance evaluations. In addition, Kia is dedicated to promoting diversity within the Board by maintaining a 60% ratio of female directors among independent directors and appointing foreign nationals as independent directors.

Composition Status

As of the end of June 2026, Kia's Board of Directors comprises eight members to ensure effective and meticulous decision-making. In accordance with the Korean Commercial Act, more than half of the board—five members—are independent directors, ensuring its independence. The Board is composed of experts from diverse fields, including governance, strategic investment, management strategy, financial accounting, and future technology, and upholds diversity without discrimination based on gender, race, religion, or other characteristics. As of the end of June 2026, the average tenure of the eight board members is 6.1 years (10.2 years for executive directors and 3.7 years for independent directors), in line with South Korean corporate law, which stipulates that independent directors may not serve for more than six years. In March 2026, appointments included one executive director (one reappointment) and two independent directors (2 reappointments).

Board Composition[1]

As of June 2026

Category	Name	Gender	Appointment Background	Career Highlights	Term
Executive Director (3)	Ho Sung Song (Chair)	Male	Strong leadership in business oversight and stakeholder relations	Kia President and Chief Executive Officer (CEO)	Mar. 2028
	Euisun Chung	Male	Capability to effectively coordinate internal operations and external factors as the overall Group executive responsible for management	Hyundai Motor Group Chairman	Mar. 2028
	Seung Jun Kim	Male	Stable management and operational capability as CFO	Kia Chief Financial Officer (CFO)	Mar. 2029
Independent Director (5)	Wha Sun Jho	Female	Future governance expert contributing to Board operations and development through extensive experience and expertise	Current) Yonsei University Department of Political Science and International Relations Professor	Mar. 2027
	In Kyung Lee	Female	Strategic investment/capital market expert contributing to Board operations and development through extensive experience and expertise	Current) MBK Partners Vice President, CFO	Mar. 2027
	Chan Hyuk Chyun	Male	Management strategy expert contributing to Board operations and development through extensive experience and expertise	Current) CESCO CEO and Chairman	Mar. 2029
	Jae Yong Shin	Male	Accounting and compensation expert contributing to Board operations and development through extensive experience and expertise	Current) Seoul National University, College of Business Professor	Mar. 2029
	Hyunjong (Jennifer) Shin	Female	Mechanical engineering expert contributing to Board operations and development through extensive experience and expertise	Current) KAIST Department of Mechanical Engineering Professor, KAIST Endowed Chair Professor	Mar. 2028

1. As of December 2025, the Board was composed of nine members. Following the resignation of one executive director in May 2026, the Board consists of eight members; An extraordinary general meeting of shareholders is scheduled for July 2026 to appoint one executive director.

Board of Directors

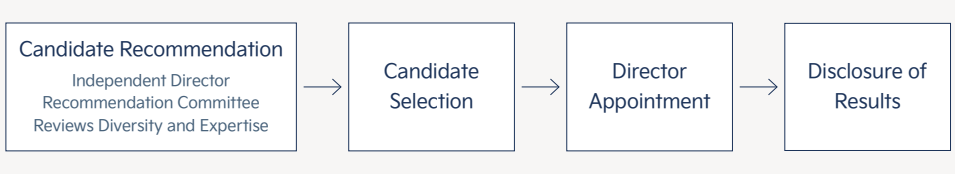
Board Composition

Independence

Kia ensures the independence of its Board of Directors by appointing a majority (62.5%) of its members 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 Recommendation Committee evaluates diversity and qualifications and recommends the most suitable candidates. In addition, 'Independent Director Qualification Statements' are submitted prior to appointing independent directors. Policies are in place to restrict directors from holding external positions or engaging in competitive business activities without prior Board approval, thereby supporting the faithful performance of their duties.

Independent Director Appointment Process

The Independent Director Recommendation Committee reviews candidates' expertise, independence, fairness, ethics, and diversity to ensure the appointment of qualified and independent members of the Board. Each director candidate is presented as a separate agenda item at the General Meeting of Shareholders, where their appointment is subject to an individual resolution.



Independence of Independent Directors

Category	2023	2024	2025
Status of Independent Director as Chair	V	V	V
Implementation of Shareholder Recommendation System for Independent Directors	V	V	V

New Independent Directors' Meeting and Lead Independent Director

In 2025, Kia introduced the Lead Independent Director system to enhance the independence and objectivity of the Board of Directors. Relevant provisions were newly established in the Board Regulations and the Corporate Governance Charter, and Wha Sun Jho was appointed as the Lead Independent Director accordingly. Prior to each Board meeting, a separate meeting of the independent directors is held, chaired by the Lead Independent Director, to conduct an in-depth review of agenda items in advance and, where necessary, communicate opinions to the Board of Directors and management. In this role, the Lead Independent Director facilitates seamless communication between shareholders, the Board, and management. Kia actively supports this function and is dedicated to ensuring the Lead Independent Director system becomes firmly established within the organization.

Diversity and Expertise

Kia prohibits discrimination based on gender, age, race, ethnicity, nationality, political or cultural background, and professional experience in the appointment of members to the Board of Directors. To strengthen the Board's expertise, the company appoints independent directors with specialization in areas such as future governance, management strategy, and accounting. These independent directors play a vital role in the deliberation and decision-making of key management matters.

Based on the Global Industry Classification Standard (GICS) Level 1 classification, the company's Board of Directors includes one director (Hyunjong (Jennifer) Shin independent director) with experience in the Consumer Discretionary sector, ensuring that relevant industry expertise are effectively reflected in the Board composition.

- Appointment of independent directors with foreign nationality
- 60% ratio of female independent directors among total independent directors
- Additional appointment of female independent director with expertise in the capital market and strategic investments

Board Skill Matrix

Category		Executive Director			Independent Director				
		Euisun Chung	Ho Sung Song	Seung Jun Kim	Wha Sun Jho	In Kyung Lee	Chan Hyuk Chyun	Jae Yong Shin	Hyunjong (Jennifer) Shin
Competency Index	Leadership	●	●	●	●	●	●		
	Accounting/ Finance/ Management	●	●	●		●	●	●	
	Industry/ Technology	●	●	●					●
	Legal/Policy				●				
	Global Capability	●	●	●	●	●	●	●	●
	ESG	●	●	●	●	●	●	●	●
Diversity Index	Year of Appointment	2025	2025	2026	2024	2024	2026	2026	2025
	Age (as of March 2026)	55	63	53	60	57	57	54	51
	Gender	Male	Male	Male	Female	Female	Male	Male	Female

Board of Directors

Board Operations

Board Committees

There are four committees under Kia's Board of Directors: the Audit Committee, the Independent Director Recommendation Committee, the Sustainability Management Committee, and the Compensation Committee. Key provisions of each committee's regulations are disclosed annually in May through the Corporate Governance Report, and all committee regulations are available on our IR website. The Chair of the Audit Committee is a director with financial expertise, and the CEO serves as a member of the Independent Director Recommendation Committee.

Board of Directors Activities

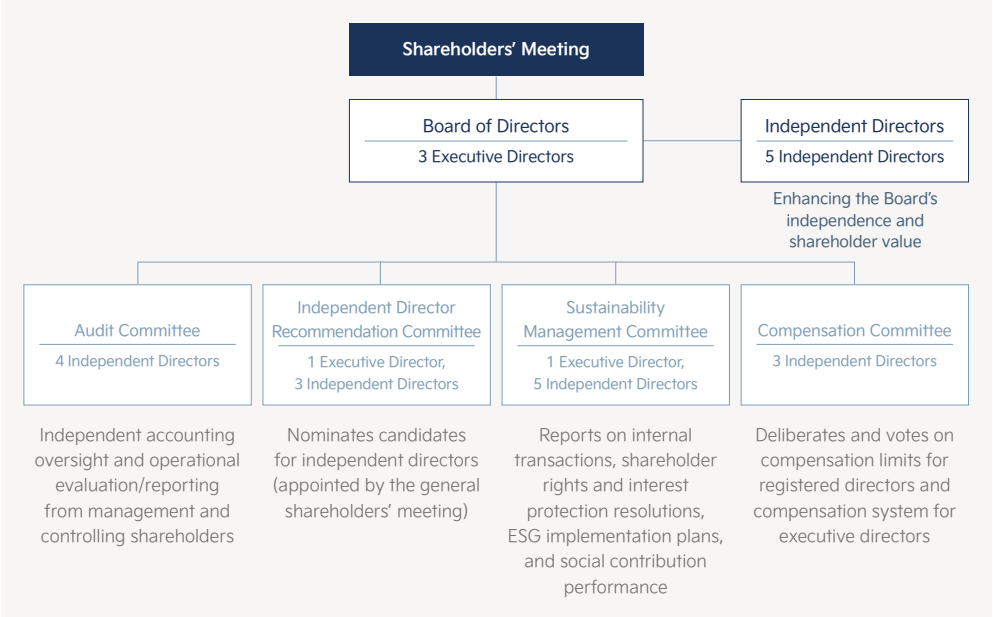
As Kia's highest standing decision-making body, the Board of Directors operates in alignment with the specific characteristics of the automotive industry. In 2025, the Board held a total eight meetings. The agenda items discussed and reports presented at each meeting are disclosed on Kia's official website and Annual Report.

Board of Directors Activities

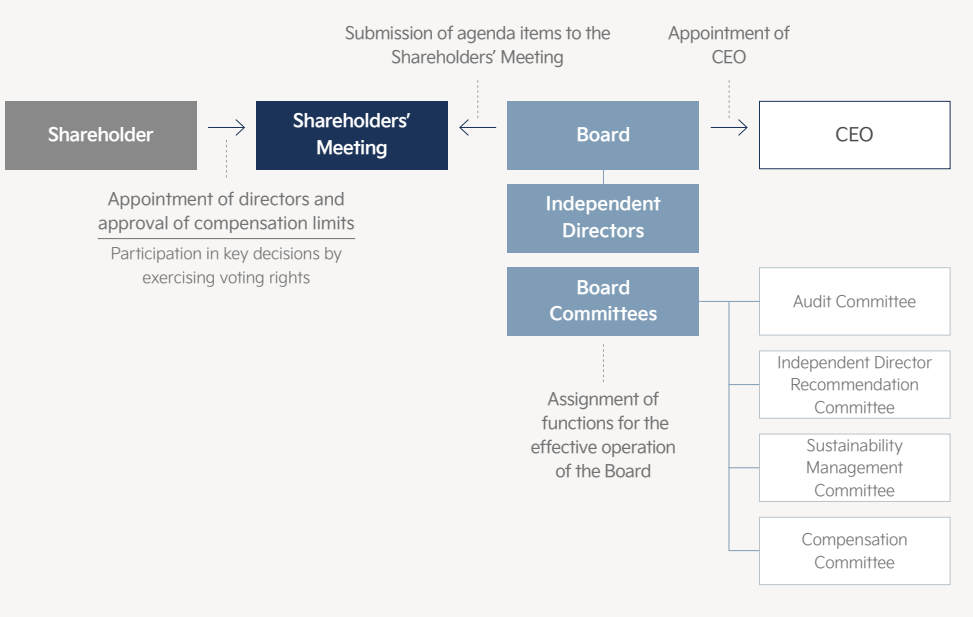
Decision-Making

In accordance with Article 32 of Kia's Articles of Incorporation, the Chair convenes meetings of the Board of Directors and provides notice to each director at least seven days in advance, specifying the date, venue, and agenda of the meeting. An executive session is also held exclusively for independent directors. In addition, the Board regularly receives reports on ESG strategies and initiatives. To ensure effective participation in key decision-making processes, a minimum attendance rate of 80% is required for directors. To enhance the Board performance and efficiency, each candidate for reappointment or new appointment is presented as a separate agenda item at the General Meeting of Shareholders for individual resolution.

Board of Directors Organization



Board of Directors Decision-Making Process



Board of Directors

Board Operations

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 to ensure they have access to the information and resources necessary for effectively fulfilling their roles.

Key Training for Independent Directors

Date	Topic	Participants
Feb 23, 2025	Enhancing understanding of global marketing (EV DAY)	Wha Sun Jho, In Kyung Lee, Jae Yong Shin, Hyunjong (Jennifer) Shin
Apr 9, 2025	CEO Investor Day briefing	All 5 independent directors
Jun 18, 2025	Assessment of major domestic investment firms	Wha Sun Jho, In Kyung Lee, Chan Hyuk Chyun, Jae Yong Shin
Jul 22, 2025	Response to enforcement of the amended Commercial Act	All 5 independent directors
Jul 25, 2025	Internal accounting control system training	All 5 independent directors
Sep 5, 2025	ESG planning and performance training	Hyunjong (Jennifer) Shin
Sep 8, 2025	Assessment of major overseas investment firms	All 5 independent directors
Oct 29, 2025	Assessment of major investors and fund investments	All 5 independent directors
Dec 5, 2025	Attendance at Kia's 80th anniversary ceremony	All 5 independent directors

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. The 2025 evaluation of the Board and its committees took place in January 2026, with the results reported to the Board to strive to improve the Board's operations.

Board Evaluation Results (2025)

Category	Score
Role of the Board of Directors	4.73
Board Responsibilities and Obligations	4.76
Board Composition	4.80
Board Independence	4.91
Board Operations	4.85
Board Information Collection	4.70
Audit Committee	4.84
Sustainability Management Committee	4.90
Independent Director Recommendation Committee	4.47
Compensation Committee	4.60
Total Average (5-point Scale)	**4.76**

Board Compensation

Kia provides compensation to executives and independent directors within the limits approved by the general meeting of shareholders. Amounts are determined based on internal standards and each director's individual contributions to the company. For 2025, the approved cap for directors was KRW 17.5 billion, while actual payments totaled KRW 12 billion. In the case of the CEO, compensation is determined through a performance evaluation system that incorporates both financial performance (business results, such as revenue and operating income, which are the basis for financial metrics such as ROE and ROI), as well as relative indicators including stock performance compared to the automotive industry, competitiveness ratings, and ESG grades. The evaluation also considers the CEO's leadership and contributions, as well as the internal and external business environment.

Board Compensation System

Category		2025
Compensation System	Including ESG performance in CEO performance indicators	V
	Disclosure of Individual Compensation Amount	V

Regulatory Compliance

Kia had no violations of laws or regulations related to corporate governance in 2025. 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.

Shareholder-Friendly Policy

Kia is committed to respecting shareholder rights and actively supports the realization of shareholder interests through various shareholder-friendly policies. Furthermore, the company engages with shareholders through a range of investor relations (IR) activities, including investor presentations, and enhances transparency and trust by disclosing corporate information in a timely and accurate manner.

Shareholder-Friendly Initiatives

Support for Shareholder Rights

Kia operates various policies for shareholders, focusing on enabling management participation and protecting voting rights. To promote more direct participation, Kia introduced an electronic voting system in 2020 and adopted a shareholder-recommended independent director system to reflect minority shareholder perspectives in the director appointment process. Since 2019, the Korea Exchange has mandated the submission of Corporate Governance Reports, but Kia had already been voluntarily publishing such reports on an annual basis. Kia maintains a high level of compliance in the "Shareholder" section of these reports, reflecting its commitment to facilitating shareholder participation in management and ensuring the timely and transparent disclosure of information.

Compliance of 'Shareholders,' a Key Indicator in Corporate Governance

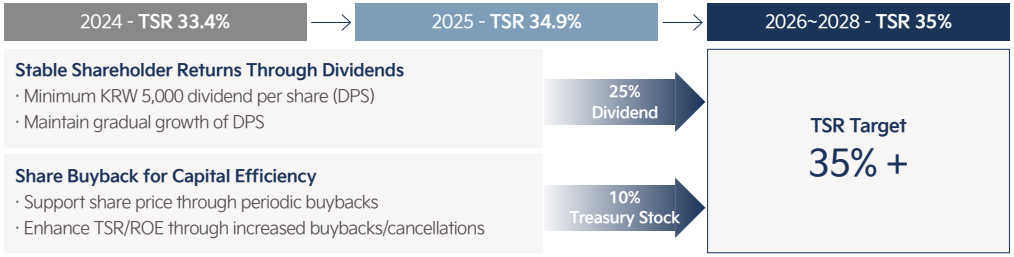
Category	2022	2023	2024	2025
Four weeks notice of shareholders' meeting[1]	●	-	●	●
Adoption of electronic voting	●	●	●	●
Holding shareholders' meeting on an off-peak date	●	●	●	●
Notifying shareholders of dividend policy and payout plans at least once a year	●	●	●	●

1. Due to unavoidable circumstances, the Board of Directors resolved to convene the General Meeting of Shareholders and issued the related notice on the date exactly four weeks prior to the meeting in fiscal year 2023, in order to facilitate maximum director attendance.

Corporate Value Enhancement Plan

In December 2024, Kia joined the Korean government's "Corporate Value-up Program" to address the "Korea discount" and announced mid-to-long term plans to enhance shareholder value. For 2026-2028, Kia set its Total Shareholder Return (TSR[1]) target at 35% of net profit, aiming to stabilize its dividend policy alongside sustainable growth and earnings capacity. This 35% TSR consists of dividends and share buybacks/cancellations; while continuously strengthening dividend-centered returns, Kia will actively review further raising the TSR in the future. Additionally, Kia set its Dividend Per Share (DPS) at KRW 6,800 (up KRW 300 year-on-year) and expanded its 2025 TSR to 34.9%, maintaining a predictable, sustainable dividend policy through performance-based return expansion and stable DPS growth.

Kia's Value-up Plan



1. Total Shareholder Return (TSR): (Total Dividends+Share Repurchases and Buybacks)÷Net Income Attributable to Shareholders

Transparent Information Disclosure

Investment Contributions

Kia is committed to achieving sustainable growth through disciplined capital allocation and strategic investments. In 2025, total capital expenditures amounted to KRW 4,993.1 billion, and the planned combined total for share buybacks and dividend payments is KRW 2,642.5 billion.

Corporate Information Disclosure

Kia is committed to transparency by promptly disclosing key corporate information, such as audit reports and earnings announcements, through disclosure platforms including DART and KIND, as well as Kia's global website. In 2025, Kia recorded a total of 147 disclosures, comprising 27 fair disclosures and 3 voluntary disclosures. To ensure equitable access to information for both domestic and international investors, Kia also publishes major corporate decisions on its English disclosure website, enhancing accessibility for foreign investors.

Investor Relations Events

Following each quarterly earnings announcement, Kia regularly organizes investor presentations in the form of domestic and international Non-Deal Roadshows (NDR). In 2025, a total of 30 presentations were conducted, comprising 19 domestic and 11 overseas. Notably, as part of our overseas engagement efforts, Kia hosted a dedicated corporate governance session led by an independent director responsible for shareholder rights, providing investors with visibility into our ESG initiatives and sustainability practices. Since 2025, Kia conducts earnings announcements simultaneously in Korean and English, improving information disclosure to foreign investors and ensuring availability of unified information.

Tax·Accounting

Kia complies with the tax laws and regulations of all countries in which it operates and fulfills its tax obligations in accordance with the principles of fair taxation. In addition, Kia is committed to enhancing stakeholder value through 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 tax function. 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 position, financial performance, and internal accounting control system. In addition, Kia continuously monitors the impact of tax-related policies, such as legislative changes, new administrative guidance, and court rulings, on its operations.

Tax Policy

Kia does not engage in transactions or contracts that exploit differences in tax laws between countries or loopholes in international tax systems. It 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 position and transaction rationale transparently to investors and stakeholders and continuously strives 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. In addition, the company strictly adheres to the arm's-length principle in 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 appoints auditors based on the results of such evaluation. The appointed external auditor reviews and assesses the company's financial position 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 (2025)

Unit: Persons, KRW million

Tax Jurisdiction	Company Name	Main Business	Total Number of Employees	Revenue	Profit Before Tax	Income Tax Payables	Income Tax Expense
Korea	Kia Corporation	Automotive production and sales	36,566	65,148,676	6,584,035	701,993	1,390,292
U.S.	Kia Georgia, Inc.	Automotive production and sales	3,094	16,070,072	387,403	6,701	84,333
	Kia America, Inc.	Automotive sales	738	41,924,262	1,450,308	29,458	279,986
Mexico	Kia Mexico, S.A. de C.V.	Automotive production and sales	2,431	8,958,992	355,784	0	37,638
India	Kia India Private Limited	Automotive production and sales	4,586	5,752,746	240,072	0	63,412
Slovakia	Kia Slovakia s.r.o	Automotive production and sales	3,611	11,441,269	955,036	0	230,039

Ethics·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-checks, 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 framework under the Korean Commercial Act and established a compliance function led by a compliance officer. The company enacts and amends its Compliance Control Standards through resolutions of the Board of Directors. These standards define the principles and procedures that employees must follow to ensure legal compliance and sound business conduct. Based on these standards, Kia conducts monitoring activities, provides compliance-related guidance, promotes a culture of compliance, and assesses the effectiveness of its compliance program. To strengthen oversight of fair trade compliance, the Compliance Officer is appointed by the Board of Directors pursuant to the Korean Commercial Act, reporting annually to the Board. In 2025, the report covered compliance activities for the given year, including responses to CP rating evaluations, implementation of tailored CP activities, and efforts to enhance CP effectiveness, as well as key plans for 2026.

Compliance Management Governance



Impacts, Risks and Opportunities

Through the materiality assessment, Kia identified key environmental and social impacts related to ethics and compliance management. With respect to "establishing and implementing a business ethics framework," the systematic establishment and operation of ethics and compliance management across the company's internal value chain was found to enhance transparency in business operations and strengthen trust among various stakeholders, including employees, suppliers, customers, and local communities, thereby generating positive environmental and social impacts. These efforts were also assessed as contributing to the dissemination of a responsible business culture across the organization and serving as a foundation for promoting ethical market practices within the industry.

Implementation of Compliance Management Targets

Implementation of 2025 Targets

In 2025, Kia conducted activities across various areas, including franchising, dark patterns, national core technologies, open-source software, and AI washing, based on tailored, field-oriented compliance support and proactive legal services. Timely and customized compliance measures were implemented across seven key operational areas through special training sessions, the provision of guidelines, and the distribution of practical handbooks for employees. In addition, to further advance compliance, Kia developed a method for quantifying risk levels and established a three-step cyclical system designed to effectively mitigate risks.

- Advanced compliance management and assessed fair trade risks
- Held a compliance event, engaging all employees, to promote a culture of voluntary compliance (First Half & Second Half)
- Conducted specialized training on fair trade/subcontracting to relevant departments, including the Procurement Division
- Tailored compliance programs diversified across seven key areas

2026 Targets

Kia has set "expanding compliance" as its 2026 compliance management strategy. Based on an advanced compliance risk diagnosis system, the company will strengthen collaboration with relevant departments to expand compliance activities. It will operate a three-step process of risk diagnosis (Step 1), tailored compliance support (Step 2), and re-diagnosis (Step 3) to identify and address issues. Moving beyond training and guidelines, Kia will focus on improving actual business practices through field-based compliance activities to effectively mitigate identified risks.

Ethics·Compliance Management

Embedding a Compliance Culture

Donation and Sponsorship Policy

Kia conducts charitable donations and sponsorship activities in accordance with its internal implementation standards and procedures. For business sites located in the Republic of Korea, Chapter VI, Article 31 of the Political Funds Act prohibits political donations or sponsorships for political purposes. In 2025, the company made no direct or indirect political contributions. Contributions made to associations under Kia's name are transparently disclosed on an annual basis in the Sustainability Report.

Fair Trade Compliance Program and Training

Kia operates a Fair Trade Compliance Program (CP) and promotes effective CP activities and fair trade training. In addition, the provision of fair trade training with managerial responsibilities is incorporated into the CEO's fair trade KPI.

CP Operations

- Conducted various CEO-led initiatives, including CEO reporting, a fair trade compliance commitment video, and CEO messages
- Enhanced accessibility for global employees by distributing English versions of the CP Operational Rules and localizing the compliance bulletin board in English
- Hosted fair trade compliance events that engage all employees (approximately 985 participants in the first half and 787 in the second half)

Provision of Fair Trade Training

- Compliance Training for All Employees: Training on unfair support under the Fair Trade Act and payment obligations under the Subcontracting Act (7,057 employees)
- Special Training for Fair Trade-related Departments[1]: Training on prevention of business interference for manager-level employees (506 employees), and specialized training on prevention of technology misappropriation for all employees in the procurement division (1,254 employees)
- Fair Trade CP Academy (first and second half): Training for CP managers in fair-trade departments on subcontracting practices and prevention of technology misappropriation (131 employees)
- Executive Training: Fair trade training (122 executives)

1. Fair trade high-risk departments (Procurement, etc.)

Provision of Compliance Information

Kia has published and uploaded approximately 16 compliance guidelines by business area on its internal system to provide all employees with the key legal requirements and corresponding response measures necessary for their day-to-day work. In 2025, new guidelines were developed on dark patterns and the Franchise Business Act, and the Fair Trade Compliance Guidelines were revised.

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 39 standardized Korean and 24 English contract templates by business area. In addition, a company-wide compliance pledge was conducted, achieving a 95.9% participation rate.

Corruption and Bribery (2025)

Data Coverage: Domestic

Category	Unit	2025
Fines related to corruption and bribery cases	KRW	0
Convictions related to corruption and bribery cases	KRW	0

Compliance Self-Check

Kia's employees at managerial level and above conduct compliance self-checks for departments and individuals to identify potential legal risks that may arise in the course of their work. In 2025, self-checks were conducted on laws and regulations related to fair trade, data privacy protection, and fair business practices, including the Improper Solicitation and Graft Act, with participation from 3,972 senior managers and 99 executives. In addition, department-level compliance self-checks were conducted on three occasions, focusing on legal risks business interference (March), technology misappropriation (June), and national core technologies (October-November), with heads of relevant departments assessing compliance risks independently. Following the self-checks, results are categorized into three levels (high, medium, and low), based on a comprehensive analysis of factors including error rates, legal disputes and sanctions, reputational risks, human resource impacts, and business disruptions. Through this process, the company identifies areas of legal vulnerability among employees and establishes a database to support tailored compliance initiatives.

Self-Check for Anti-Corruption (2025)

Category		Unit	2025
Fair business conduct and fair trade	Senior Manager	Persons	3,972
	Executive	Persons	99

Ethics·Compliance Management

Compliance Risk Management

Compliance Control System Effectiveness Evaluation

Kia evaluates the effectiveness of its compliance control system every two years to prevent or detect legal risks in a timely manner. Through such continuous monitoring, the company supports compliance and implements improvement initiatives while the objectivity of the evaluation is ensured by incorporating independent third-party opinions.

Fair Trade CP Effectiveness Assessment

In accordance with its internal regulations, including the Fair Trade Compliance Program Operational Rules, Kia conducted 32 monitoring and effectiveness assessment activities using 19 different methods to evaluate CP implementation, analyzing issues and identifying improvement measures. Reports to management on the plan, execution, and results of these assessments were made on both a regular and ad hoc basis, and the findings were continuously reflected in management practices.

In addition, Kia conducts a biennial compliance effectiveness assessment to evaluate whether its compliance system operates effectively in accordance with the Korean Commercial Act and internal compliance control standards. In 2025, the assessment was carried out using the three approaches of CP organization self-checks, interviews with heads of key departments (HR, audit, procurement, sales, etc.), and an external third-party review conducted by a law firm. Through this process, improvement areas such as CP risk management and compliance training were identified.

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.

Unfair Trade and Competition Risk Management

Kia operates a Compliance Support Advice Center within its compliance management system to promote ethical and compliance management and to prevent potential risks. The Center supports employees in carrying out compliance duties and enables the reporting of legal violations. In 2025, accessibility for global employees was significantly enhanced by making the Center available in English.

Unfair Trade and Competition Management

Fair Trade Compliance Council	· Check key issues related to unfair trade and unfair competition, share internal status, and give feedback
Fair Trade Compliance Self-Check	· Compliance self-check by all manager-level or above employees · Self-check by relevant departments on business interference, technology misappropriation, and national core technology topics (3 occasions)
Pre-assessment of Legal Risks	· Risk assessment across seven key fair trade issues (55 teams answering a total 151 questions on unfair support, unfair trade practices, the Agency Act, collusive conduct, abuse of market dominance, misappropriation of technical data, and the Subcontracting Act) · Tailored compliance assessments for dark patterns, franchise business, and AI washing · Compliance Officer and Legal Office review contracts and offer ongoing legal advisory services
Training for Those Requiring Risk Management such as those newly reassigned or in newly established or restructured organizations	· Compliance training for new hires, new team leaders, and newly appointed executives · Specialized training on fair trade for employees in procurement, sales, and business sectors performing duties related to fair trade

Ethics and Compliance Reporting System

Kia provides all employees, including executives, multiple reporting channels—the Cyber Audit Office, One Click HR, and the Compliance Support Advice Center—for unethical behavior, workplace harassment, and abuse of authority. Anonymous reporting is permitted and strict confidentiality is maintained throughout case handling, with no recorded cases of secondary harm from breaches of confidentiality. The company also prohibits unfair treatment, discrimination, or retaliation against whistleblowers. In addition, Kia provides a "Workplace Sexual Harassment Response Manual" outlining reporting channels and procedures, linked directly to One Click HR in its HR system for easy access.

Whistleblower Protection Measures

Guaranteed Confidentiality	Identity Protection	Liability Mitigation
Disclosure or implication of informant's identity without their consent is prohibited.	Informants are protected from any disadvantage or discrimination from their trading partners or affiliated departments due to reporting, statements, or material submissions.	If any fault or error on the part of the informant is identified in connection with the report, disciplinary measures may be mitigated

Major Reporting Channels

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

Process for Handling Ethics Reports and Violations

1. Report Receipt: Online (Cyber Audit Group), telephone, and other channels, etc.
   ※ Compliance with whistleblower protection principles
2. Preliminary Investigation: Review report details and secure supporting evidence
   ※ Investigation initiates only after preliminary plan is reported and approved
3. Audit: Verify facts through interviews of involved individuals, departments, and suppliers
4. Corrective Actions: Develop corrective and preventive measures and request disciplinary action. Following internal reporting, forward to relevant divisions

Ethics·Compliance Management

Ethical Management Framework

Governance for Ethical Management

Kia establishes a compliance governance framework, including fair trade practices, to manage its economic and legal responsibilities to key stakeholders such as customers, shareholders, suppliers, and local communities. The Sustainability Management Committee under the Board of Directors is responsible for reviewing fair trade and ethical management matters. The Committee receives quarterly reports on employee compliance with ethical management requirements, including implementation of the Employee Code of Ethics and operation of the Fair Trade Compliance Program. The Committee also oversees the establishment, revision, and implementation assessment of key ethical management policies and Code of Ethics. Through these activities, Kia strengthens employee compliance practices and continuously monitors and enhances the effectiveness of its ethical management system.

Governance for Ethical Management



Internalization of Ethical Management

Bribery and Anti-Corruption Policy

To uphold transparent and ethical management, Kia works to prevent corruption and bribery that harm its tangible and intangible assets and undermine employees' fair conduct. The company complies with international standards, including major anti-corruption laws, and tolerates no bribery or corruption in any form, direct or indirect.

Risk Management and Reporting Channels

Kia monitors bribery and corruption risks and operates reporting channels through the Cyber Audit Office and the Transparent Procurement Reporting Center, open to all stakeholders, including employees and suppliers. Whistleblowers' identities are protected, and any disadvantage on the grounds of reporting is strictly prohibited.

Action on Violations

Where a violation is confirmed, Kia neither conceals nor overlooks it, conducting a fair and independent investigation under a policy of addressing all violations without exception. Disciplinary measures under internal rules may include warnings, pay cuts, suspension, or dismissal. Employees aware of a corruption or bribery matter must report it immediately through the reporting channels and cooperate fully once an investigation begins.

Training and Awareness

Kia provides ongoing ethics training to all employees including contractors through Learning Lounge. Kia helps employees understand anti-corruption standards and apply them in daily work. In 2026, the Legal Affairs Office produced and distributed the "2025 Anti-Bribery & Corruption Manual" to overseas regions and subsidiaries, and will then extend training to all employees, adding anti-corruption training on overseas laws such as the FCPA and the UK Bribery Act.

Anti-Corruption Training

Category	Onboarding Training	Expatriate Training
Audience	New and experienced hires	Expatriates (pre-assignment)
Description	Anti-corruption[1] and risk briefing	- Briefing on the Criminal Act, Improper Solicitation and Graft Act, FCPA - Explaining the Codes of ethics[2] and violation case studies

1. Bribes in breach of trust, embezzlement, prohibition of improper solicitation
2. Gifts, entertainment, hospitality and prohibitions

Ethics Charter and Code of Conduct

Kia establishes an Ethics Charter and Code of Conduct reported to management, actively promoting ethical management practices among its employees. The Ethics Charter and Code of Conduct cover areas including corruption and bribery, discrimination, information protection, conflicts of interest, anti-monopoly and anti-competitive practices, money laundering and insider trading, safety and health, environmental responsibility, and whistleblowing. In particular, the employee ethics section of the Ethics Charter and Code of Conduct addresses bribery and improper solicitation first, demonstrating the company's strong recognition of and strict approach to these issues. Specifically, employees are prohibited from receiving, providing, or promising any form of illegal or unethical benefit or bribery, whether monetary or non-monetary, from or to stakeholders. Improper solicitation between employees and stakeholders, as well as among employees, is also strictly prohibited, and any violations are handled in accordance with company regulations. In addition, Kia has established an internal control system that includes an organizational structure and reporting channels for risk prevention, continuous monitoring, and a 24-hour reporting mechanism accessible both internally and externally. Finally, all employees are informed of relevant provisions under the Improper Solicitation and Graft Act to ensure compliance with applicable laws and to prevent unethical practices in advance.

Ethics Charter and Code of Conduct

Compliance with Code of Ethics

Kia establishes and complies with ethical standards governing relationships among employees, and with customers, suppliers, and competitors in accordance with its Code of Ethics. In 2025, no violations were identified in relation to corruption and bribery, customer data breaches, conflicts of interest, money laundering, or insider trading. However, disciplinary actions were taken in 25 confirmed cases of discrimination and harassment.

Ethics·Compliance Management

Responsible Use of AI

AI Governance and Ethical Principles

Kia is cultivating a responsible AI ecosystem to earn ongoing trust from customers and society, ensuring technological advancement aligns with ethical values. As part of this commitment, Kia established an AI governance framework in 2026 and distributed the "AI Compliance Guide" in 2025, codifying the legal and ethical standards employees must uphold throughout AI development and usage. Kia aims to adopt privacy protection, bias prevention, transparency, and human-oriented AI design as its core AI principles, and plans to develop specific AI ethics principles through an AI Ethics Committee to be established in the future.

Privacy Protection

In accordance with the personal information protection act, Kia guarantees users the right to request explanations of, or opt out of, automated decision-making. The company implements personal data processing standards through the lifecycle of AI development and service, along with guidelines for pseudonymized and synthetic data, and an AI privacy risk management model. Furthermore, when utilizing publicly available personal data for AI training, Kia plans to enhance its processes by integrating robust safeguards, including prompt and output filtering, access control, secure storage, and machine unlearning.

Transparency

To enhance AI transparency, Kia is developing a framework across key service areas to ensure users can easily identify AI-generated content and automated decisions. The company enforces clear labeling and notification mandates for automated decision-making, providing users with explicit criteria, procedures, and core information. Furthermore, to align with the transparency obligations and training data summary disclosure standards of the EU AI Act, Kia will continuously advance its information disclosure systems regarding AI system operations and data sources.

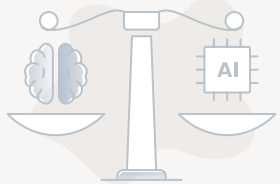
Bias Prevention

To manage potential bias and discriminatory elements in AI, Kia is establishing screening and regular inspection systems for high-impact areas such as recruitment and personnel evaluations. To prevent critical decisions from being made without human review, Kia mandates human oversight for fully automated decision-making and guarantee users the right to request human intervention. Furthermore, Kia is strengthening its compliance by continuously monitoring global and domestic regulatory trends, including obligations for high-risk AI under the EU AI Act and high-impact AI under Korea's Basic Act on the Advancement of AI and Establishment of Trust.

Human-oriented AI Design

Kia defines clear roles and responsibilities across the organization, aligned with Korea's Basic Act on the Advancement of AI and Establishment of Trust and the risk classification framework of the EU AI Act. In accordance with the accountability principles of the NIST AI RMF, the company is reinforcing its documentation and governance structures. To prevent mission creep, Kia predefines the applicable scope of AI and advances its management systems based on the EU AI Act's risk levels (prohibited, high-risk, transparency-eligible, and minimal-risk). Crucially, Kia strictly excludes any AI applications prohibited under the EU AI Act, such as potential subliminal manipulation, social scoring, and real-time remote biometric identification (RBI) in public spaces.

Furthermore, in consideration of the environmental impact of AI operations, Kia continuously pursues measures to reduce the environmental burden of AI adoption through the establishment of energy-efficient infrastructure, model lightweighting and optimization, and the minimization of unnecessary training and operations.



Ethics·Compliance Management

Responsible Use of AI

AI Management Program

Continuous Learning Framework to Address AI Model Drift and Performance Degradation

Kia ensures the stable performance of its AI-based driver assistance systems through a continuous learning framework that utilizes real-world driving data. The proprietary Smart Cruise Control-Machine Learning (SCC-ML) technology gathers circumstantial data from front cameras, radar, and other sensors, transmitting it to the ADAS control computer to analyze driving habits and tendencies using machine learning algorithms. This analysis comprehensively evaluates key metrics, such as distance to the vehicle ahead, acceleration trends, and responsiveness, across various speed and traffic conditions. By categorizing behavior into over 10,000 distinct driving patterns, the system reflects the driver's recent tendencies in real time. Based on this framework, Kia's autonomous driving assistance features incorporate actual driving characteristics and adapt flexibly to changing user preferences. To guarantee system reliability, data representing behaviors that deviate significantly from safe driving thresholds are excluded from the training set. Moving forward, Kia plans to leverage this data update and learning infrastructure to advance its management mechanisms against AI model drift and performance degradation, thereby continuously strengthening the stability and reliability of its autonomous driving assistance systems.

Distinct Labeling of AI-generated Contents and Outcomes of AI-driven Decisions

Kia plans to continuously advance its labeling system to ensure users can clearly identify AI-generated content and the outcomes of automated decision-making, faithfully complying with relevant legal requirements.

In accordance with relevant regulations, the company explicitly applies labels such as "AI-Generated" or "AI-Edited" to images, videos, and text produced or modified using generative AI across its official website, social media, and marketing channels where transparency is required. Specifically, for vehicle renderings, concept designs, and marketing campaigns that utilize generative AI, Kia plans to implement disclosures at the bottom of the content or use captions for indication. Furthermore, the company is actively reviewing the adoption of Content Credentials based on the C2PA (Coalition for Content Provenance and Authenticity) standard.

Additionally, within Kia's integrated mobility platform and connected car services, Kia utilizes in-product disclosures for generative AI-based chatbots, voice assistants, and recommendation systems to ensure users know they are interacting with an AI system. This practice is also being implemented in the pilot dealer AI services through clear service naming and disclaimers.

Moving forward, Kia will closely monitor international standards like C2PA to continuously evolve its labeling policies, fostering a trustworthy environment where users can clearly recognize AI interactions.

Employee Training on Ethical Use and Security of AI

Kia is developing a systematic training program to support responsible AI usage and foster an ethical AI culture across the organization.

To strengthen corporate AI capabilities, the "AX Capability Development Section" under the AI Governance Taskforce plans and operates training programs anchored in the company's "AI Implementation Guidelines."

To enhance understanding of AI ethics and compliance, relevant topics are integrated into leadership training. The "AX Decision-Making Course" for business unit leaders covers the Basic Act on AI along with case studies and legal precedents, while the "AX Leader Fundamental Course" for team and department heads addresses identical themes. Additionally, Kia is preparing to distribute online educational content through "Learning Lounge," its corporate training platform, to ensure all employees have seamless access to these resources.

Furthermore, the company plans to share educational materials regularly and hold briefings to enhance employee readiness in addressing potential issues that may arise in the process of using AI such as AI hallucinations, bias, and ethical dilemmas. As part of these practical integration efforts, a company-wide online briefing session was held on the 'AI Project Implementation Process' to share safe AI usage standards with employees.

Moving forward, Kia will expand training tailored to each division and continue to strengthen the Group's overall AI compliance capabilities.

Ethics·Compliance Management

Responsible Use of AI

AI Management Program

Customer Feedback via AI Consultations

Kia has established a 24/7 integrated customer consultation system by consolidating previously fragmented service channels and introducing AI-based solutions to enhance accessibility and service quality. This allows customer services to be available regardless of time or location, significantly elevating user convenience.

Under this system, AI-powered callbots and chatbots provide initial responses for simple or repetitive inquiries, while specialized or complex matters are forwarded to professional agents. If customers are unsatisfied with the AI response or require further assistance, they can request an immediate transfer to a live agent via the callbot at any time. For chatbot interactions, users can directly share feedback through a star-rating evaluation after their session has ended. By ensuring human intervention is always accessible rather than imposing a one-way AI response, Kia delivers efficiency with consistent, high-quality, one-stop customer services.

Furthermore, customer inquiries and complaints received during AI operations are systematically classified, analyzed, and logged as consultation data within the company's integrated VOC system. Kia leverages this accumulated VOC data across the company to improve product and service quality and prevent customer inconveniences to reinforce customer-centric management. Moving forward, Kia will continue to foster a trustworthy environment by enhancing the transparency and accountability of its AI systems, ensuring customers can rely on Kia's AI-driven services.



Limited Access for Sensitive AI Features

Kia is reviewing the implementation of a "Limited Access" operating system for highly sensitive AI features, such as facial recognition, biometrics, and driver monitoring systems, while progressively establishing supporting internal standards. Practices with high privacy risks, including the collection of biometric data without consent, indiscriminate real-time facial recognition in public spaces, fully automated decision-making without human review, and behavioral tracking that infringes upon personal privacy are strictly prohibited.

When utilizing generative AI for business operations, employees are permitted to use only officially sanctioned tools that have undergone rigorous information security and data privacy verification. Introducing any new AI tool requires final approval following a security review by the Integrated Security Center and an ethics and privacy assessment by the AI Project Review Committee under the AI Governance Taskforce. Entering confidential, personal, or proprietary technical information into unapproved external generative AI services is prohibited.

Furthermore, access and usage logs for sensitive AI features are electronically recorded and stored, enabling the AI Governance Taskforce to regularly inspect usage and continuously enhance control policies.

Risk Management

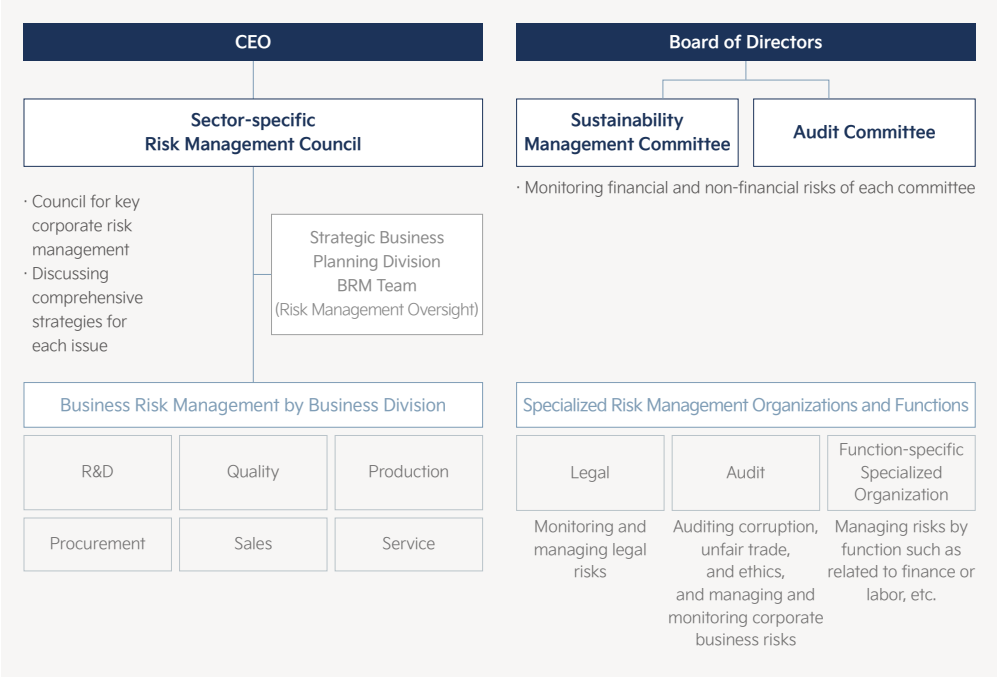
Kia operates an enterprise-wide risk management system to respond swiftly and strategically to rapidly changing internal and external environments. Through continuous enhancement of this system, the company aims to promote sustainable growth and establish a stable management foundation.

Risk Management Governance

Decision-Making System

Kia identifies and mitigates financial and non-financial risks through integrated management, operating a three-tiered accountability system for effective response. Business unit managers continuously monitor operational risks, while a dedicated team within the Strategic Business Planning Division oversees response statuses by implementing a company-wide risk sensing and response processes. In line with this risk management process, Kia reviews material ESG risks derived from its materiality assessment. Furthermore, the Board of Directors established an ESG risk management system centered on the Sustainability Management Committee to deliberate on non-financial risks, review key sustainability issues, and track ESG roadmap implementation. To enforce company-wide non-financial risk management, ESG elements are integrated into divisional KPIs. Additionally, the Board's Audit Committee, an internal auditing body composed entirely of independent directors, reviews financial and internal control risks by auditing corporate accounting, operations, and the effectiveness of the Internal Accounting Control System.

Risk Management Framework



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 its 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 responses to strengthen trust with stakeholders.

Risk Management Policy

Risk Management Areas

To identify risks that may affect business performance and to establish mid-to-long term response strategies, Kia classifies and manages risks in detail. Identified risks are addressed through response strategies developed under the risk management process and are managed in an integrated manner across the organization. The company also conducts stress testing to enhance its risk management capabilities and operates a risk assessment model in collaboration with business units to enable early detection of potential risks.

Risk Areas

Environment	Finance
· Climate change · Domestic and global regulations · Disaster	· Market economy · Exchange rate changes · Credit rating volatility · Liquidity
Business	**Operations**
· Strategy development · Investors · Competitors · Technology changes	· Process · Workforce · Suppliers · Infrastructure

Risk Management

Risk Management System

Compensation System Linked to Key Risk Indicators

The KPIs of C-level executives, including the CEO, incorporate key financial risk management indicators such as global profit and loss (P&L) management, as well as non-financial risk indicators linked to overall business performance, including market share, new vehicle quality issues, and the achievement of electric vehicle (EV) and PBV sales targets. Executive performance is evaluated annually based on this KPI framework, and the results are linked to the compensation system, including incentive payments.
In particular, the CFO's KPIs comprehensively reflect financial stability indicators such as global P&L, revenue, and cash flow, as well as non-financial factors. These include market risk indicators such as changes in market share, expansion of EV sales, enhancement of price competitiveness through cost reduction, share price performance, and ESG ratings.

Performance-linked Compensation for Management

Category	CEO		General Management[1]	
Salary	Determined based on comprehensive factors including CEO role, leadership, expertise, and corporate contribution		Determined individually based on executive salary levels related to management compensation systems, position, and role	
Performance Incentives	Finance (35%)	Revenue Profit & Loss Net-cash Debt etc.	Finance	Revenue Net-cash Debt etc.
	+		+	
	Business/ Strategy (45%)	Sales Performance Brand Equity Future Strategy etc.	Business	Sales Performance Future Strategy etc.
	+		+	
	Sustainable Management (20%)	Safety Management Organization Culture ESG/Carbon Neutrality Security etc.	Sustainable Management	ESG Brand Equity

1. Head of key organization

Risk Review

Kia analyzes and evaluates the impact (magnitude) and likelihood of key risks identified through the BRM Team's risk sensing system, based on their financial and business impacts. Based on the results of this analysis, risks are prioritized for response. High-priority risks are reported separately according to their level of urgency to enable timely decision-making. In addition, Kia operates a dedicated consultative body with Hyundai Motor Company to manage risks that require a joint response at the automotive or group affiliate level. Coordinated responses are implemented for these risks that are also assessed for materiality based on business impact and urgency.

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 while comprehensive reports on company-wide risk management are made to the CEO regularly. Decisions on key matters are made in a timely manner based on urgency and severity through separate reports. 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.

Risk Management

Risk Response

Key Risks and Mitigation Measures

Kia proactively identifies and analyzes immediate risks, assesses their impact across the business, and shares the results with the CEO and relevant departments. Risks are classified into geopolitical risk, disasters and natural hazards, economic and financial risk, policy and regulatory risk, and supply chain management (SCM) risk. The Business Risk Management (BRM) Team, as the central risk management organization, communicates mitigation measures and response strategies by risk category to relevant functions to ensure timely follow-up actions. Kia manages risks from both strategic and operational perspectives. Strategic risks include geopolitical risk, disasters and natural hazards, economic and financial risk, policy and regulatory risk, and SCM risk. Among these, geopolitical risks and disasters are considered to have the greatest impact due to their unpredictability. Accordingly, the company operates a rapid-response system, acting as a cross-functional control tower from the initial stages. For more foreseeable risks, such as economic and financial conditions, policy and regulatory changes, and SCM risks, Kia establishes advance monitoring systems and response processes across business units. From an operational perspective, the company continuously monitors risks such as safety and quality, information security, legal compliance, and supplier and partner management. In the event of risk occurrence, key information is escalated and reported at the company-wide level to establish response strategies. In addition, through the BRM Council, the company regularly shares risk sensing results, progress updates, and response measures identified across various business units within the Group, ensuring timely responses by relevant functions.

Risk Management Training

Kia provides training to strengthen practical risk management capabilities. In 2025, we conducted two knowledge-sharing sessions, alongside internal and external expert-led training programs to enhance employee 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 both domestic and international markets.

Potential Risk

Category	Risk Definition and Description	Potential Business Impact	Risk Response
Regulatory Risks from National Supply Chain Protection Policies	Supply chain fragmentation is accelerating amid shifts in the global trade environment, driven by expanding U.S.-led tariffs, increasing protectionist policies worldwide, intensifying strategic tensions between the U.S. and China, and ongoing geopolitical instability, including the prolonged Russia-Ukraine war. The paradigm is moving from low-cost and high-efficiency supply chains to a more diversified model focused on domestic production and partner countries.	The U.S. is strengthening domestic supply chains and promoting onshore investment through tariff measures. With its reinforced friend-shoring policy, higher risks are expected regarding increased costs. At the same time, U.S.-led economic nationalism is spreading globally, leading to similar initiatives such as the EU's "Made in Europe" approach. As a result, companies face growing pressure to diversify their supply chains and accelerate regional localization strategies.	Kia is increasing its share of production and supply within the U.S. and optimizing its global supply chain and logistics structure to mitigate the impact of tariffs. Moreover, taking into account supply chain policies based on friend-shoring, including the IRA[1]'s FEOC[3] regulations and the OBBBA[2]'s PFE[4] provisions, Kia is developing response measures such as reviewing the entire supply chain. Furthermore, Kia actively monitors protectionist policies such as the EU IAA[5], to proactively develop localization strategies beyond the U.S., and is reviewing proactive response measures.
Regulatory Risks from Supply Chain ESG Risk Management Mandates	Regulations mandating companies to manage human rights, environmental, and carbon-related risks across their supply chains, such as the EU CSDDD[6] and CBAM[7], are rapidly expanding across key markets. The automotive manufacturing industry operates complex, multi-tier supply chains involving numerous supplier tiers. Consequently, ESG due diligence requirements could be strengthened across the entire supply chain, imposing a higher regulatory compliance burden compared to other industries.	The EU CSDDD requires companies to conduct human rights and environmental due diligence across their supply chains and imposes penalties based on global turnover in the event of non-compliance. This is expected to increase cost-related risks associated with establishing due diligence systems and managing supplier relationships. In addition, growing regulatory costs for preventing forced labor across regions and the need to internalize carbon costs in line with CBAM implementation are leading to increasingly multi-layered ESG management obligations across the entire supply chain.	Kia shares its Supplier Code of Conduct that incorporates international standards such as the OECD Due Diligence Guidance and RBA[8] with all global suppliers, and operates an ESG management system across its supplier value chain by conducting supplier ESG assessments and regular on-site audits of high-risk suppliers. Kia also strengthens supplier inspections in forced labor high risk areas and monitors carbon emissions of suppliers and supports mitigation efforts to address the CBAM. Kia also reviews proactive response measures by continuously monitoring legislative trends regarding supply chain due diligence in key regions.

1. IRA: The U.S. Inflation Reduction Act
2. OBBBA: The U.S. 'One Big Beautiful Bill Act'
3. FEOC: Foreign Entity of Concern
4. PFE: Prohibited Foreign Entity
5. EU IAA: EU Industrial Accelerator Act
6. EU CSDDD: The EU's Corporate Sustainability Due Diligence Directive
7. CBAM: Carbon Border Adjustment Mechanism
8. RBA: Responsible Business Alliance

Risk Management

Risk Response

Key Risks and Mitigation Measures

Key Risks

Category	Key Risk	Mitigation Measure
Geopolitical Risk	· Prolonging of the Russia-Ukraine War · Breakout of the war between the US & Israel, and Iran (shrinking automotive sales, rising raw material prices, and unstable supply and demand, etc.) · U.S. national security strategy (America First policy) · FTAs between major countries	· Review sales impact of areas with issues and assign function to inspect production and shipment from domestic and overseas plants · Operate safety response process for employees in areas affected by wars · Assign function to review issues in sourcing parts
Disasters and Hazards	· Extreme weather: Wildfires, torrential rain, floods, and temperature anomalies associated with El Nino, etc.	· Purchase insurance coverage to protect against potential damages · Carry out roof waterproofing work and inspect drainage systems · Prevent blockages in drainage and sewer pipes
Economy and Finance	· Delays in monetary easing by major economies and slowdown in the real economy due to high global prices (energy inflation, etc.) · Oil price hikes and increased economic uncertainty caused by the war between the U.S. and Iran	· Strengthening the emergency management system of the finance and strategy functions
Policy and Regulations	· Key policies of the second Trump administration (trade, tariffs, and reshoring policy, etc.) · Impact from joint review of USMCA · Key policies of the new EU European Commission · Policy priorities of the new Korean administration · Changes in EV subsidy policies of key countries · Stricter ESG, critical minerals, and technology regulations in key countries	· Trade and tariffs: Review and respond to impacts on each function including product, sales, procurement, and finance, etc. · Check and respond to impacts of each country's EV subsidy policies · Strengthening sensing and cooperation systems among relevant departments
SCM	· US-China trade conflict impact on the supply chain · Risks in the supply chain for automotive semiconductors caused by security issues and the AI supercycle · Unstable supply and prices of raw material related to geopolitical issues · Supply chain bloc formation · Stricter regional environmental regulations	· Secure parts inventory, diversify sourcing channels · Response to semiconductor risks: Establish long-term contracts, implement multi-sourcing by specification, and develop alternative parts, etc. · Optimize supply chain through market and price analysis of key strategic materials · Expand material localization to address regional blocs · Develop and apply low-carbon materials to achieve carbon emission reduction targets

Inventory Risk Mitigation Measures CASE

To mitigate global market volatility and supply uncertainties that may lead to production disruptions, Kia operates a flexible, optimized supply chain utilizing multiple suppliers per item and regional production hubs for mutual backup. For EVs, Korea acts as the global R&D and production hub by enhancing production efficiency at the Gwangmyeong and Hwaseong EVO Plants, while localized bases in Europe (EV2/EV4), the U.S. (EV6/EV9), and India (emerging-market strategic SUVs) diversify production to enable quick shifts during demand fluctuations or emergencies. For ICE and hybrid vehicles, Kia strengthens its flexible network across Korea, China, India, and Mexico to ensure alternative production during disruptions. Furthermore, Kia proactively manages risks through continuous monitoring of global raw materials and maintaining optimal safety stocks of critical components. PBV production is centered at the Hwaseong EVO Plant, leveraging global conversion partnerships for multi-model, low-volume manufacturing.

ESG Data & Appendices



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ESG Metric and Data

Financial Data

Summary of Consolidated Statement of Financial Position and Key Ratios

Metric		Unit	2023	2024	2025
Assets					
	I. Current assets	KRW million	37,466,302	41,797,457	44,425,929
	II. Non-current assets	KRW million	43,161,524	50,958,417	54,553,126
	Total assets	KRW million	80,627,826	92,755,874	98,979,055
Liabilities					
	I. Current liabilities	KRW million	25,674,105	26,977,376	28,378,332
	II. Non-current liabilities	KRW million	8,395,486	9,938,189	9,410,259
	Total liabilities	KRW million	34,069,591	36,915,565	37,788,591
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	43,270,759	50,241,096	54,519,590
	IV. Accumulated other comprehensive income	KRW million	-220,991	2,038,913	2,931,060
	V. Other capital items	KRW million	-197,351	-148,811	37,267
	VI. Non-controlling interests	KRW million	5,851	9,144	2,580
	Total capital	KRW million	46,558,235	55,840,309	61,190,464
Total liabilities and equity		KRW million	80,627,826	92,755,874	98,979,055
Shareholders' equity ratio (equity/asset)		%	57.74	60.20	61.82
Debt to equity ratio (debt/equity)		%	73.18	66.11	61.76

Summary of Consolidated Income statement

Metric	Unit	2023	2024	2025
Sales	KRW million	99,808,420	107,448,752	114,140,919
Cost of sales	KRW million	77,179,573	82,677,981	91,632,842
Gross profit	KRW million	22,628,847	24,770,771	22,508,077
Operating profit	KRW million	11,607,873	12,667,139	9,078,148
Earnings before income taxes	KRW million	12,677,344	13,500,201	10,241,391
Income tax expenses	KRW million	3,899,527	3,725,196	2,687,217
Net income	KRW million	8,777,817	9,775,005	7,554,174

Summary of Consolidated Cash Flow Statement

Metric	Unit	2023	2024	2025
Ⅰ. Cash flows from operation activities	KRW million	11,296,526	12,564,368	9,054,140
Ⅱ. Cash flows from investing activities	KRW million	-3,106,766	-10,152,822	-4,959,892
Ⅲ. Cash flows from financial activities	KRW million	-5,596,331	-3,569,987	-4,175,458
Ⅳ. Effect of exchange rate changes in foreign currency denominated cash	KRW million	205,741	371,867	512,748
Ⅴ. Net increase or decrease in cash and cash equivalents	KRW million	2,799,170	-786,574	431,538
Ⅵ. Net increase or decrease in cash and cash equivalents at the beginning of the term	KRW million	11,553,972	14,353,142	13,566,568
Ⅶ. Net increase or decrease in cash and cash equivalents at the end of the term	KRW million	14,353,142	13,566,568	13,998,106

Sales Performance Results

Metric	Unit	2023	2024	2025	Rate of Change
Sales Volume[1]	Vehicles	3,087,384	3,089,300	3,135,873	1.51%
Sales	KRW 100 million	998,084	1,074,488	1,141,409	6.23%
Operating profit	KRW 100 million	116,079	126,671	90,781	-28.33%

1. Wholesale basis

Carbon Emissions Liabilities

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Carbon emissions liabilities	KRW billion	0.6	0.2	0.3
Carbon emissions liabilities ratio	%	0.00477	0.00151	0.00375

Innovation Management

Metric	Unit	2023	2024	2025
Total R&D expenditure	KRW 100 million	26,092	32,473	37,124
Proportion of R&D expenditure compared to sales	%	2.614	3.022	3.252

ESG Metric and Data

Environmental

Climate Change

GHG Emissions (Scope 1&2)

Data Coverage: Domestic+Overseas sites

Metric	Unit	2023[1]	2024[1]	2025
Total emissions (Scope1&2)[2]	Thousand tCO_2e	1,130.9	1,178.5	1,096.4
Direct emissions (Scope 1)	Thousand tCO_2e	353.9	386.3	398.5
Domestic	Thousand tCO_2e	244.6	238.6	255.7
Overseas	Thousand tCO_2e	109.3	147.7	142.9
Indirect emissions (Scope 2)	Thousand tCO_2e	777.0	792.2	697.9
Domestic	Thousand tCO_2e	454.4	471.2	480.8
Overseas	Thousand tCO_2e	322.6	321.0	217.1
GHG emissions intensity (Scope 1&2)	tCO_2e/Vehicle	0.41	0.43	0.39
Domestic	tCO_2e/Vehicle	0.52	0.55	0.55
Overseas	tCO_2e/Vehicle	0.30	0.32	0.24

* Figures may not sum to totals due to rounding
1. SBTi (approval in Oct 2025) criteria not applied
2. Since 2024, emissions from leased assets, which were previously classified under Scope 3 Category 8, have been included in Scope 1&2 calculations

Electrified Vehicles

Data Coverage: Domestic+Overseas sites

Metric	Unit	2023	2024	2025
No. of Electrified vehicles sold[1]	Vehicles	598,846	644,685	772,798
HEV	Vehicles	311,671	382,764	467,611
PHEV	Vehicles	88,861	67,797	57,142
EV	Vehicles	198,314	194,124	248,045

* 'Electrification vehicles' refers to environmentally friendly vehicles as defined in Article 2, Paragraph 2 of the Korean Act on the Promotion of Development and Distribution of Environmentally Friendly Motor Vehicles, including EVs (electric vehicles), HEVs (hybrid electric vehicles), and PHEVs (plug-in hybrid electric vehicles). However, only EVs were included in electrified vehicles up to the previous year with HEVs and PHEVs added to the scope beginning this year.
1. Wholesale basis

Percentage of Electrified Vehicles in Sales

Based on the management accounting standards

Metric	Unit	2023	2024	2025
Percentage of electrified vehicles in sales	%	26.3	27.0	31.0

* 'Electrification vehicles' refers to environmentally friendly vehicles as defined in Article 2, Paragraph 2 of the Korean Act on the Promotion of Development and Distribution of Environmentally Friendly Motor Vehicles, including EVs (electric vehicles), HEVs (hybrid electric vehicles), and PHEVs (plug-in hybrid electric vehicles). However, only EVs were included in electrified vehicles up to the previous year with HEVs and PHEVs added to the scope beginning this year.

GHG Emissions (Scope 3)

Data Coverage: Domestic+Overseas sites

Metric	Unit	2023[1]	2024[1]	2025
Total emissions (Scope 3)	Thousand tCO_2e	99,498.2	99,395.2	142,060.7
Purchased goods and services[2]	Thousand tCO_2e	17,176.3	18,437.9	23,322.8
Capital goods[3]	Thousand tCO_2e	1.9	112.3	-
Fuel- and energy-related activities (not included in Scope 1 or 2)[4]	Thousand tCO_2e	185.8	208.7	181.8
Upstream transportation and distribution[5]	Thousand tCO_2e	35.0	94.7	1,742.5
Waste generated in operations[6]	Thousand tCO_2e	60.9	56.8	56.6
Business travels[3]	Thousand tCO_2e	11.1	23.5	-
Employee commuting[3]	Thousand tCO_2e	47.9	57.8	-
Upstream leased assets[7]	Thousand tCO_2e	4.5	-	-
Downstream transportation and distribution[8]	Thousand tCO_2e	1,311.6	1,188.5	-
Use of sold products[9]	Thousand tCO_2e	79,327.6	77,804.5	114,663.1
End-of-life treatment of sold products[10]	Thousand tCO_2e	1,199.1	1,267.6	1,317.0
Investments[11]	Thousand tCO_2e	136.4	142.8	776.8

1. SBTi (approval in Oct 2025) criteria not applied
2. 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
3. Excluded from the calculation scope starting from 2025 as it falls below the company's materiality threshold
4. Upstream emissions of used energy (electricity, LNG, gasoline, diesel, etc.)
5. Emissions from the transportation and logistics of components
6. Emissions from waste processing at business sites
7. Upstream leased assets are included within the organizational boundary and accounted for under scope 1 & 2
8. Included in Category 4 calculations, based on Well to Wheel standard
9. Use phase emissions generated after 220,000 km of driving (Well to Wheel standard)
   * For 2023 and 2024, a baseline driving distance of 200,000 km was applied, while for 2025 it was raised to 220,000 km, resulting in an increase in use-phase emissions
10. Emissions from recycling, incineration, and landfill processes
11. Emissions from domestic and overseas entities exceeding the materiality threshold among equity-held companies

ESG Metric and Data

Environmental

Climate Change

Energy Consumption

Data Coverage: Domestic+Overseas Production Sites + Overseas owned/leased assets

Metric			Unit	2023	2024	2025
Total energy	Total consumption (MWh)[1]		MWh	3,637,639	3,869,712	4,328,433
		Domestic	MWh	2,322,506	2,327,178	2,455,454
		Overseas[1]	MWh	1,315,133	1,542,534	1,872,979
	Total consumption (TJ)[1]		TJ	19,035	20,112	21,983
		Domestic	TJ	14,301	14,559	15,240
		Overseas[1]	TJ	4,734	5,553	6,743
Non-renewable energy	Total consumption (MWh)[1]		MWh	3,486,064	3,654,650	3,880,299
	Total consumption (TJ)[1]		TJ	18,484	19,309	20,242
		Domestic	TJ	14,292	14,514	15,037
			Fuel	TJ	4,797	4,667	4,999
			Electricity	TJ	9,495	9,847	10,037
		Overseas[1]	TJ	4,192	4,795	5,206
			Fuel	TJ	2,183	2,691	2,596
			Electricity	TJ	2,009	2,104	2,610
Renewable energy	Total consumption (MWh)[1]		MWh	151,575	215,062	448,134
		Domestic	MWh	1,024	4,657	21,217
		Overseas[1]	MWh	150,551	210,405	426,917
	Total consumption (TJ)[1]		TJ	551	803	1,741
		Domestic	TJ	9	45	204
		Overseas[1]	TJ	542	758	1,537
By renewable energy source	REC Purchase[1]		MWh	147,367	165,746	358,706
	PPA[1]		MWh	0	41,474	64,999
	Self-generation[1]		MWh	4,208	7,842	24,430
Energy intensity of use	Total energy intensity of use		MWh/ KRW 100 million	3.64	3.60	3.79
		Non-renewable energy intensity of use[1]	MWh/ KRW 100 million	3.49	3.40	3.40
		Renewable energy intensity of use[1]	MWh/ KRW 100 million	0.15	0.20	0.39
	Total energy intensity of use target[1]		MWh/ KRW 100 million	3.21	3.19	3.61

1. Since 2024, including overseas owned/leased assets

Pollutant & Chemicals

Water Pollutants

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
BOD	BOD emissions	ton	14.8	18.7	14.3
	BOD emissions intensity	ton/KRW trillion	0.3	0.3	0.2
COD	COD emissions	ton	67.4	65.2	92.6
	COD emissions intensity	ton/KRW trillion	1.2	1.0	1.4
TOC	TOC emissions	ton	42.1	40.8	51.4
	TOC emissions intensity	ton/KRW trillion	0.7	0.6	0.8
SS	SS emissions	ton	10.4	8.0	8.2
	SS emissions intensity	ton/KRW trillion	0.2	0.1	0.1

Air Pollutants

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Dust	Dust emissions	ton	73.8	82.4	81.7
	Dust emissions intensity	ton/KRW trillion	1.3	1.3	1.3
Sulfur Oxide (SOx)	Sulfur oxides (SOx) emissions	ton	29.2	9.2	14.8
	Sulfur oxides (SOx) emissions intensity	ton/KRW trillion	0.5	0.1	0.2
Nitrogen Oxides (NOx)	Nitrogen oxides (NOx) emissions	ton	172.9	110.5	99.2
	Nitrogen oxides (NOx) emissions intensity	ton/KRW trillion	3.0	1.7	1.5
THC/VOC	THC emissions per unit area[1]	g/m²	27.1	25.5	25.3
	VOC emissions	ton	58.0	47.2	45.9
	VOC emissions intensity	ton/KRW trillion	1.0	0.7	0.7

1. Organic solvent amount/Coated area

Chemical Substance

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Chemical substance	Chemical substance disposal	ton	2,117	1,716[1]	1,488
	Chemical substance disposal intensity	ton/KRW trillion	36.2	27.1[1]	22.8
Hazardous chemical substance	Hazardous chemical substance disposal	ton	-	-	-
	Hazardous chemical substance disposal intensity	ton/KRW trillion	-	-	-

1. Revision of 2024 data based on actual performance figures submitted to the Ministry of Environment after June 2026

ESG Metric and Data

Environmental

Resource Circulation

Waste

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Generation	Total waste generated	ton	231,938.1	208,417.8	174,650.4
	General waste generated	ton	222,292.1	198,900.5	165,049.5
	Designated waste generated	ton	9,646.0	9,517.3	9,600.9
	Waste generation intensity	ton/KRW trillion	3,963.4	3,294.8	2,660.8
Recycling	Total waste recycled	ton	216,537.4	194,858.9	162,181.5
	General waste generated	ton	212,110.7	190,170.5	157,974.7
	Designated waste generated	ton	4,426.7	4,688.4	4,206.8
	Total recycling ratio	%	93.4	93.5	92.9
Treatment	Total waste treated	ton	15,400.7	13,558.9	12,468.8
	General waste treated	ton	10,181.4	8,730.0	7,074.8
	Incineration (energy recovery included)	ton	-	-	557.4
	Incineration (energy recovery excluded)	ton	9,736.4	8,548.9	6,517.4
	Landfill	ton	445.0	181.1	-
	Others	ton	-	-	-
	Designated waste treated	ton	5,219.4	4,828.9	5,394.0
	Incineration (energy recovery included)	ton	-	-	-
	Incineration (energy recovery excluded)	ton	5,110.2	4,783.7	5,274.3
	Landfill	ton	109.2	45.2	119.7
	Others	ton	-	-	-

Recycling of End-of-Life Vehicles

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Recycling rate of end-of-life vehicles	%	82.5	82.6	82.8
Including heat recovery	%	91.0	92.0	92.5

Raw Materials

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Main raw materials	Total usage	ton	281,528.8	279,539.1	246,167.0
	Intensity of use	kg/Vehicle	208.1	217.3	184.4
Iron[1]	Total usage	ton	207,142.7	204,421.1	213,931.3
	Intensity of use	kg/Vehicle	153.1	158.9	160.2
	Scrap steel recycled	ton	101,904.0	102,513.1	102,148.2
	Ratio of steel materials recycled	%	49.2	50.1	47.8
Thinner	Total usage	ton	4,107.2	3,468.4	3,842.3
	Intensity of use	kg/Vehicle	3.0	2.7	2.9
Paint	Total usage	ton	18,955.5	16,897.9	17,092.0
	Intensity of use	kg/Vehicle	14.0	13.1	12.8
Aluminum	Total usage	ton	51,323.5	54,751.8	11,301.4[2]
	Intensity of use	kg/Vehicle	37.9	42.6	8.5

1. The volume of steel consumed during product manufacturing at production sites, and steel used in raw material processing and parts manufacturing is excluded
2. Consumption decreased compared to 2024 due to the rationalization of material plants

ESG Metric and Data

Environmental

Water

Water Consumption

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Water intake	Total water intake	ton	6,343,388	6,516,768	7,094,878
	Waterworks	ton	5,040,540	5,214,769	5,676,357
	Underground water	ton	1,302,848	1,301,999	1,418,521
	Other (rainwater, surface water, etc.)	ton	0	0	0
	Water intake from high water stress areas[1]	ton	1,421,762	0	0
	Waterworks[1]	ton	897,377	0	0
	Underground water[1]	ton	524,385	0	0
	Other (rainwater, surface water, etc.)[1]	ton	0	0	0
Water withdrawal	Total water withdrawal	ton	4,645,326	4,776,932	4,980,448
	Water withdrawal to high water stress areas[1]	ton	1,279,843	0	0
Water consumption	Total water consumption	ton	1,698,062	1,739,836	2,114,430
	Water consumption in high water stress areas[1]	ton	141,919	0	0
	Water consumption intensity	ton/KRW trillion	29,016.8	27,504.4	32,455.5
Water reuse	Amount of reuse	ton	269,342	284,129	225,443
	Ratio of water reused	%	15.9	16.3	10.7

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

Water Consumption by Business Site

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
AutoLand Gwangmyeong	Total water intake	ton	1,421,762	1,552,041	1,719,396
	Waterworks	ton	897,377	1,011,589	1,035,934
	Underground water	ton	524,385	540,452	683,462
	Other (rainwater, surface water, etc.)	ton	0	0	0
	Water withdrawal	ton	1,279,843	1,414,471	1,451,621
	Water consumption	ton	141,919	137,570	267,775
AutoLand Hwaseong	Total water intake	ton	3,062,939	3,114,964	3,268,058
	Waterworks	ton	3,062,939	3,114,964	3,268,058
	Underground water	ton	0	0	0
	Other (rainwater, surface water, etc.)	ton	0	0	0
	Water withdrawal	ton	2,159,070	2,247,885	2,322,690
	Water consumption	ton	903,869	867,079	945,368
AutoLand Gwangju	Total water intake	ton	1,858,687	1,849,763	2,107,424
	Waterworks	ton	1,080,224	1,088,216	1,372,365
	Underground water	ton	778,463	761,547	735,059
	Other (rainwater, surface water, etc.)	ton	0	0	0
	Water withdrawal	ton	1,206,413	1,114,576	1,206,137
	Water consumption	ton	652,274	735,187	901,287

ESG Metric and Data

Environmental

Environmental Investment and Legal Compliance

Environmental Investment at Operational Sites

Data Coverage: Domestic

Metric	Unit	2023	2024	2025[1]
Plan	KRW thousand	7,784,000	19,747,000	4,782,000
Performance	KRW thousand	13,781,463	21,924,185	5,743,000
Execution rate	%	177.0	111.0	120.1

1. Decrease in environmental investment due to the completion of the concentrator RTO installation project at AutoLand Gwangju in 2024

Environmental Management Cost

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Total cost	KRW thousand	27,878,383	28,820,570	26,066,007
Direct cost to reduce environmental loads	KRW thousand	18,664,218	19,041,229	17,447,166
Indirect costs to reduce environmental loads	KRW thousand	2,092,114	2,472,878	2,669,034
Waste treatment and recycling	KRW thousand	7,106,722	7,302,294	5,943,958
Environmental risk management	KRW thousand	15,329	4,169	5,849

Environmental Training

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Safety and Environmental New Employee Training[1]	Persons	172	60	60
Advanced Environmental Job-Specific Training	Persons	-	-	53

1. 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

Violation of Environmental Laws[1]

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
Violation of laws[2]	Cases	0	1	0
Penalty and fines[2]	KRW million	0	43,734	0

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: Domestic+Overseas

Metric	Unit	2023	2024	2025
Environmental Management System (ISO 14001) 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	2023	2024	2025
Total no. of employees		Persons	35,741	35,747	36,566
By employment type	Regular worker (ratio)	Persons (%)	33,641(94.1)	33,203(92.9)	32,777(89.6)
	Non-regular worker (ratio)	Persons (%)	2,100(5.9)	2,544(7.1)	3,789(10.4)
By gender	Male (ratio)	Persons (%)	34,057(95.3)	33,955(95.0)	34,664(94.8)
	Female (ratio)	Persons (%)	1,684(4.7)	1,792(5.0)	1,902(5.2)
By age	Under 30 (ratio)	Persons (%)	2,539(7.1)	3,015(8.4)	3,757(10.3)
	30-49 (ratio)	Persons (%)	13,391(37.5)	12,884(36.0)	12,585(34.4)
	50 and above (ratio)	Persons (%)	19,811(55.4)	19,848(55.5)	20,224(55.3)
By nationality	Korean (ratio)	Persons (%)	35,723(99.950)	35,726(99.941)	36,535(99.915)
	American (ratio)	Persons (%)	6(0.017)	7(0.020)	8(0.022)
	Canadian (ratio)	Persons (%)	3(0.008)	7(0.020)	6(0.016)
	New Zealander (ratio)	Persons (%)	2(0.006)	0(0.000)	0(0.000)
	Australian (ratio)	Persons (%)	1(0.003)	1(0.003)	1(0.003)
	French (ratio)	Persons (%)	1(0.003)	1(0.003)	2(0.005)
	Swiss (ratio)	Persons (%)	1(0.003)	1(0.003)	1(0.003)
	Belgian (ratio)	Persons (%)	1(0.003)	1(0.003)	2(0.005)
	Spanish (ratio)	Persons (%)	1(0.003)	1(0.003)	0(0.000)
	Portuguese (ratio)	Persons (%)	0(0.000)	0(0.000)	0(0.000)
	Japanese (ratio)	Persons (%)	1(0.003)	1(0.003)	2(0.005)
	Taiwanese (ratio)	Persons (%)	1(0.003)	1(0.003)	1(0.003)
	British (ratio)	Persons (%)	0(0.000)	0(0.000)	1(0.003)
	Italian (ratio)	Persons (%)	0(0.000)	0(0.000)	1(0.003)
	Indonesian (ratio)	Persons (%)	0(0.000)	0(0.000)	1(0.003)
	Kazakhstani (ratio)	Persons (%)	0(0.000)	0(0.000)	1(0.003)
	Turkish (ratio)	Persons (%)	0(0.000)	0(0.000)	1(0.003)
	Nigerian (ratio)	Persons (%)	0(0.000)	0(0.000)	1(0.003)
	Chinese (ratio)	Persons (%)	0(0.000)	0(0.000)	2(0.005)[1]

1. Including one employee from Hong Kong in the calculation

No. of Employees (Overseas Operations)

Data Coverage: Overseas

Metric		Unit	2023	2024	2025
Regional headquarters	Kia NA[1]	Persons	933	913	939
	Kia EU[1]	Persons	1,405	1,465	1,583
	Kia CSA	Persons	24	35	44
	Kia MEA	Persons	26	57	61
	Kia APAC[1,2]	Persons	19	290	352
	Kia India[3]	Persons	3,831	4,349	4,586
Production entity	KaGA (Kia AutoLand Georgia)	Persons	3,351	3,018	3,094
	KMX (Kia AutoLand Mexico)	Persons	2,196	2,490	2,431
	KaSK (Kia AutoLand Slovakia)	Persons	3,909	3,598	3,611
	KCN (Kia China)	Persons	3,908	3,811	3,754

1. Including the number of employees in subsidiaries under regional headquarters
2. 2024 : Including Australia, New Zealand, Thailand, and Malaysia
3. Including India production entity

Position by Age

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Age under 30		Persons	2,539	3,015	3,757
	Non-manager level(G1, G2)[1]	Persons	2,539	3,015	3,757
	Manager level(G3 or higher, including executives)[2]	Persons	0	0	0
Age 30-49		Persons	13,391	12,884	12,585
	Non-manager level(G1, G2)[1]	Persons	10,788	10,108	9,659
	Manager level(G3 or higher, including executives)[2]	Persons	2,603	2,776	2,926
Age 50 and above		Persons	19,811	19,848	20,224
	Non-manager level(G1, G2)[1]	Persons	17,362	17,421	17,886
	Manager level(G3 or higher, including executives)[2]	Persons	2,449	2,427	2,338

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	2023	2024	2025
Gender balance	Total female employees	Persons	1,684	1,792	1,902
	Total female employees ratio	%	4.7	5.0	5.2
	Female managers[1]	Persons	301	373	452
	Female managers ratio[1]	%	6.0	7.2	8.6
	Female junior managers	Persons	211	266	319
	Female junior managers ratio	%	10.7	13.1	15.6
	Executive female employees	Persons	3	2	4
	Executive female employees ratio	%	2.0	1.4	2.5
	Female managers in revenue-generating departments	Persons	229	296	357
	Female managers in revenue-generating departments ratio	%	5.2	6.2	7.5
	Female new hires	Persons	209	176	182
	Female new hires ratio	%	10.9	7.3	6.3
	Female employees in STEM departments[2]	Persons	626	757	836
	Female employees in STEM departments ratio[2]	%	2.6	2.7	2.9

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

Workforce Diversity

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Employment of the disabled	Total no. of the disabled	Persons	1,065[1]	1,115[1]	1,129
	Ratio of the disabled	%	3.25	3.34[1]	3.37
Employment of veterans	Total no. of veterans	Persons	1,185	1,147	1,076
	Ratio of veterans	%	3.32	3.21	2.94
Employment by nationality (manager level)	Total no. of managers	Persons	5,052	5,203	5,264
	Korean (ratio)	Persons (%)	5,036(99.68)	5,185 (99.65)	5,245(99.64)
	American (ratio)	Persons (%)	5(0.10)	6(0.12)	7(0.13)
	Canadian (ratio)	Persons (%)	3(0.06)	6(0.12)	5(0.09)
	New Zealander (ratio)	Persons (%)	2(0.04)	0(0.00)	0(0.00)
	Australian (ratio)	Persons (%)	0(0.00)	0(0.00)	0(0.00)
	French (ratio)	Persons (%)	1(0.02)	1(0.02)	2(0.04)
	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)	0(0.00)
	Portuguese (ratio)	Persons (%)	0(0.00)	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)
	British (ratio)	Persons (%)	0(0.00)	0(0.00)	1(0.02)

1. Data revised based on recalculation in accordance with KEAD (Korea Employment Agency for Persons with Disabilities) submission standards

ESG Metric and Data

Social

Employee Hires and Turnover

New Hires

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Total newly hired employees		Persons	836	1,067	1,368
By gender	Male	Persons	627	891	1,186
	Male ratio	%	75.00	83.51	86.70
	Female	Persons	209	176	182
	Female ratio	%	25.00	16.49	13.30
By age	Under 30	Persons	527	562	946
	30-49	Persons	276	437	404
	50 and above	Persons	33	68	18
By region	Headquarters	Persons	355	259	257
	Gwangmyeong	Persons	75	162	305
	Hwaseong	Persons	163	336	318
	Gwangju	Persons	69	139	312
	Namyang Technology Research Center	Persons	23	29	40
	Others	Persons	151	142	136
By nationality	Korean	Persons	835	1,062	1,355
	American	Persons	1	1	2
	Chinese	Persons	0	0	2
	Indian	Persons	0	0	0
	Others	Persons	0	4	9

Internal Recruitment

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Total employees internally hired[1]	Persons	767	891	1,160
Internal recruitment rate[2]	%	47.8	45.5	45.9

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

Recruitment Cost

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Average recruitment cost per employee	KRW	2,437,779	2,027,669	1,094,677[1]

1. Decrease in average recruitment cost per employee due to streamlined operations in 2025

Turnover

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Total	Turnover	Persons	1,441	1,770	2,066
	Turnover rate	%	4.03	4.95	5.65
By gender	Male	Persons	1,385	1,702	1,981
	Female	Persons	56	68	85
By age	20s	Persons	58	65	60
	30s	Persons	53	58	55
	40s	Persons	35	43	41
	50s	Persons	86	64	85
	60s and above	Persons	1,209	1,540	1,825

Voluntary Turnover[1]

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Total	Voluntary turnover	Persons	150	124	142
	Voluntary turnover rate	%	0.42	0.35	0.39
By gender	Male	Persons	127	101	121
	Female	Persons	23	23	21
By age	20s	Persons	37	28	21
	30s	Persons	28	25	28
	40s	Persons	17	25	24
	50s	Persons	59	44	59
	60s and above	Persons	9	2	10

1. All turnover except regular retirement or layoffs

Retention

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Average retention period	Years	21.9	21.8	20.8
Male	Years	22.3	22.2	21.1
Female	Years	14.4	14.4	14.5

ESG Metric and Data

Social

Employee Pay

Remuneration[1]

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Average salary		KRW million	127	136	134
Pay	Average salary for female executives (Basic salary[2])	KRW thousand	320,500	316,655	305,500
	Average salary for female executives (Basic salary + performance-based incentives[3])	KRW thousand	435,243	447,826	446,537
	Average salary for female managers (Basic salary[4])	KRW thousand	85,063	87,191	91,766
	Average salary for female managers (Basic salary + performance-based incentives[3])	KRW thousand	128,246	140,600	143,181
	Average salary for female employees in non-managers positions (Basic salary[4])	KRW thousand	60,011	62,981	66,500
	Average salary for male executives (Basic salary[2])	KRW thousand	369,205	373,674	400,228
	Average salary for male executives (Basic salary + performance-based incentives[3])	KRW thousand	549,854	511,402	577,413
	Average salary for male managers (Basic salary[4])	KRW thousand	100,328	104,256	109,422
	Average salary for male managers (Basic salary + performance-based incentives[3])	KRW thousand	151,193	165,787	167,807
	Average salary for male employees in non-managers positions (Basic salary[4])	KRW thousand	80,691	82,771	83,670
Gender pay gap ratio[5]	All employees	%	76.8	78.9	82.8
	Executives	%	86.8	84.7	76.3
	Manager level	%	84.8	83.6	83.9
	Non-manager level	%	74.4	76.1	79.5

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

Training Completion Status

Training Status

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Training Status	Training target employees	Persons	33,225	32,806	32,381
	Total no. of training provided	Numbers	308,794	391,338	366,225
	Total training hours	Hours	1,575,895	1,766,358	1,647,098
	Total training investment budget	KRW 100 million	176.6	272.6	321.3
	Average training hours per employee[1]	Hours	47.4	53.8	50.9
	Average training cost per employee[1]	KRW thousand	531	831	992
Training hours per capita for each job/position	Office job	Hours	79	78	67
	Top manager level (executive)	Hours	69	84	77
	Middle manager level (team leader)	Hours	67	82	72
	Non-manager level (team member)	Hours	81	77	66
	Field workers	Hours	38	47	46
By training program	Job	Hours	46	51	49
	Leadership	Hours	58	76	67

1. Based on the number of employees in service, excluding contract workers and overseas employees

Training Satisfaction

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Training Satisfaction[1]	Points	4.7	4.7	4.8

1. Based on a 5-point scale

Performance Evaluations

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
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	2023	2024	2025
Total return from human capital investment	KRW million	99,808,420	107,448,752	114,140,919
Human capital investment operating expenses	KRW million	11,020,974	12,103,632	13,429,929
Total employee-related expenditure (operating expenses)	KRW million	1,906,209	2,060,221	2,143,530
Human capital ROI[1]	-	47.6	47.3	48.0

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

ESG Metric and Data

Social

Employee Benefits

Childbirth and Childcare

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Subject to parental leave	Total employees subject to parental leave	Persons	4,556	4,060	3,759
	Male employees	Persons	4,351	3,872	3,557
	Female employees	Persons	205	188	202
Use of parental leave	Total employees who used parental leave	Persons	192	207	272
	Male employees	Persons	115	134	195
	Female employees	Persons	77	73	77
Return to work after parental leave	Total employees returning to work after parental leave	Persons	134	137	190
	Male employees	Persons	89	97	137
	Female employees	Persons	45	40	53
	Total employees scheduled to return to work after parental leave	Persons	135	140	200
	Male employees	Persons	90	98	146
	Female employees	Persons	45	42	54
	Rate of total employees returning to work after parental leave	%	99.3	97.9	95.0
	Male employees	%	98.9	99.0	93.8
	Female employees	%	100	95.2	98.1
	Total employees working for at least 12 months after returning to work	Persons	126	133	128
	Male employees	Persons	85	88	93
	Female employees	Persons	41	45	35
No. of weeks of paid parental leave	Female employees	Weeks	12	12	12
	Male employees	Weeks	2	2	4

Survey on Employee Work Engagement[1]

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
Employee engagement survey double engagement rate	%	74	75	80
Employee engagement survey participation rate	%	83	84	83

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)

Labor Union Membership Rate

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
No. of labor union members	Persons	27,487	26,852	25,882
Union membership rate[1]	%	76.9	75.1	70.8

1. Based on total number of employees

Labor Practice

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
No. of work stoppages	Cases	1	1	0
Total days idle[1]	Days	1,445	5,667	0

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)

Human Rights Complaint Management

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Human Rights Complaints reported	Cases	8	11	29
Human Rights Complaints resolved	Cases	8	11	29
Human Rights Complaints resolution rate	%	100	100	100

ESG Metric and Data

Social

Safety and Health

Industrial Accidents

Data Coverage: Domestic+Overseas

Metric		Unit	2023	2024	2025
Employees	Total work hours	Hours	102,376,000	101,398,000	104,554,000
	No. of regular employees	Persons	51,188	50,699	52,277
	Lost Time Injury (LTI) cases	Cases	186	138	117
	Lost Time Injury Frequency Rate (LTIFR)[1]	Cases per 1 million working hours	1.82	1.36	1.12
	Total Recordable Incident (TRI) Cases	Cases	491.0	437.0	417.0
	Total Recordable Incident Rate (TRIR)[2]	Cases per 200 thousand working hours	1.0	0.9	0.8
	No. of fatalities	Persons	1	0	3
	Accidents	Persons	1	0	3
	Diseases	Persons	0	0	0
	No. of industrial accidents	Cases	457	381	350
	Industrial accident rate	%	0.89	0.75	0.67
	No. of occupational disease cases	Cases	271	243	233
	Occupational Illness Frequency Rate (OIFR)[3]	Cases per 1 million working hours	2.65	2.40	2.23
Suppliers' employees[4]	Total work hours	Hours	19,188,000	20,949,693	18,124,000
	No. of regular employees	Persons	9,594	10,475	9,062
	No. of fatalities	Persons	0	0	0
	Lost Time Injury (LTI) cases	Cases	51	65	62
	Lost Time Injury Frequency Rate (LTIFR)[1]	Cases per 1 million working hours	2.66	3.10	3.42

1. LTIFR (Lost-Time Injuries Frequency Rate) = (No. of lost-time injuriesx1,000,000) ÷ Annual Working hours
2. TRIR (Total Recordable Incident Rate) = (No. of recordable incidents)/(Total working hours) x 200,000
3. OIFR (Occupational Illness Frequency Rate) = (No. of occupational illness cases)/(Total working hours) x 1,000,000
4. In-house subcontractors

Safety and Health Education

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Employees	Participation	Persons	34,842	33,854	34,472
	Rate of executive participation	%	100	100	100
	Training hours	Hours	836,208	812,496	827,328
	Training hours per employee	Hours	24	24	24
Suppliers' employees	Safety and Health education for employees from in-house suppliers	Hours	63,432	47,544	57,096

Occupational Safety and Health Management System Certification

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
For domestic operations (3 locations[1]) ISO 45001 application rate	%	100	100	100
For overseas operations (5 locations[2]) ISO 45001 application rate	%	100	100	100

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

ESG Metric and Data

Social

Supply Chain

Supplier Status

Data Coverage: Domestic+Overseas

Metric		Unit	2023	2024	2025
Total no. of suppliers		Numbers	1,478	1,762	2,086
No. of key suppliers		Numbers	79	106	132
No. of Tier 1 suppliers	Total no. of Tier 1 suppliers	Numbers	1,454	1,494	1,690
	Domestic	Numbers	372	374	379
	Overseas	Numbers	1,082	1,120	1,311
	No. of Tier 1 key suppliers	Numbers	55	58	93
No. of Tier 2 suppliers	No. of Tier 2 key suppliers	Numbers	24	48	39

Proportion of Purchasing Amounts from Suppliers

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
Ratio of Tier 1 suppliers	%	100	100	100
Ratio of Tier 1 key suppliers[1]	%	69	69	71

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	2023	2024	2025
Total procurement amount	KRW million	48,813,400	48,485,800	37,100,000
Green procurement amount	KRW million	389,649	445,724	522,792
Green procurement ratio	%	0.798	0.919	1.409

Supplier Grievances

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Grievances reported	Cases	10	79	150
Grievances resolved	Cases	10	79	150
Grievances resolution rate	%	100	100	100

Supplier ESG Management

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
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	2023	2024	2025
Technical guidance	No. of Tier 1 suppliers	Numbers	22	11	14
	No. of Tier 2 suppliers	Numbers	86	181	204
Management consulting	No. of Tier 1 suppliers	Numbers	14	6	3
	No. of Tier 2 suppliers	Numbers	16	6	9
Global Win-win Cooperation Center	No. of training programs	Numbers	593	657	650
	No. of participants	Persons	75,184	84,552	93,806
	Smart factory establishment support program[1]	KRW 100 million	17	19	18
	Export marketing support program[1]	KRW 100 million	4	4	4

1. 2023~2024: Based on donations

Supplier Financial Support Program

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Total scale of financial support operations	KRW 100 million	14,468	20,798	32,938
Shared Growth Partnership Loan[1]	KRW 100 million	1,190	1,190	0
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	1,723	1,723	1,723
Loan Interest Support Fund for Tier 1 and Tier 2 Suppliers	KRW 100 million	2,000	2,000	2,000
Business Diversification Support Fund	KRW 100 million	1,000	1,000	1,000
Raw Materials Price Indexing Support Fund	KRW 100 million	1,000	1,000	1,000
Low Interest Loan Support Fund[3]	KRW 100 million	-	-	2,000
Korea Credit Joint Guarantee Program[3]	KRW 100 million	1,370	2,700	5,100
Overseas Joint Expansion Guarantee Program[3]	KRW 100 million	3,000	3,000	3,000
Domestic EV Investment Guarantee Support Program[3]	KRW 100 million	-	5,000	5,000
Export Supply Chain Strengthening Guarantee Program[2]	KRW 100 million	-	-	6,300
Primary Collateralized Bond Obligations (P-CBO) Issuance Support Program[2]	KRW 100 million	-	-	2,630

1. Project ended on June 2024
2. Newly introduced program in 2025
3. Cumulative basis

ESG Metric and Data

Social

Product Safety and Customer Satisfaction

Product Recalls

Data Coverage: Domestic+Overseas

Metric		Unit	2023	2024	2025
Total no. of vehicles recalled		10,000 vehicles	751	245	157
	Mandatory (non-voluntary) recalls	10,000 vehicles	0	0	0
	Voluntary recalls	10,000 vehicles	751	245	157
Cost incurred due to total recalls		KRW 100 million	5,748	3,806	4,078
Ratio of cost incurred due to recalls compared to annual sales		%	0.5759	0.3542	0.3573

Consumer Feedback and Complaints Handling

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
No. of responses to consumer feedback and complaints	Cases	11,522	12,963	15,793

Customer Satisfaction (CX Competitiveness Index)[1]

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
Customer satisfaction score	Points	72.2	73.2	74.4

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

Product Safety

Data Coverage: Domestic+Overseas

Metric		Unit	2023	2024	2025
Warranty provisions	Provision warranty balance at the beginning of the period	KRW million	6,642,777	6,973,375	8,263,545
	Warranty payments (cost) made during the period	KRW million	2,943,604	2,684,235	3,799,749
	Revenues	KRW million	99,808,420	107,448,752	114,140,919
	Cost of warranty payments as a percentage of annual revenues	%	2.95	2.50	3.33
Safety-related defect complaints[1]	Number of safety-related defect complaints	Cases	3,981	4,357	3,885
	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)

Information Security

Information Security Training

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
No. of training sessions	Times	56	56	60
No. of participants	Persons	234,965	233,006	243,386

Information Violation

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
Total information leakages	Cases	0	0	0
Customer information leakages	Cases	0	0	0
Complaints proven to loss of customer information	Cases	0	0	0
Fines for information leakage violation[1]	KRW	0	2,400,000	0

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

Social

Social Contribution

Social Contribution Impact Conversion

Data Coverage: Domestic+Overseas

Metric	Unit	2023	2024	2025
Social contribution expense ratio compared to sales revenue[1]	%	0.0956	0.0761	0.0728
Revenue	KRW 100 million	998,084	1,074,488	1,141,409
Social contribution expense[1]	KRW million	95,407	81,755	83,052
Cash/in-kind social contribution amount	KRW million	90,516	64,382	67,991
Social contribution time per person	Hours	0.2270	0.1073	0.1604

1. Recalculation of 2023~2024 data (on a consolidated basis) due to changes in assessment criteria

Donations and Social Contribution Expense[1]

Data Coverage: Domestic+Overseas

Metric		Unit	2023	2024	2025
Total		KRW million	95,407	81,755[3]	83,052
	Domestic[2]	KRW million	90,516	64,382	67,991
	Overseas	KRW million	4,891	17,373	15,061

1. 2025 Social contribution expenses : KRW 83.05 billion
   - Donations : Domestic KRW 67.99 billion, Overseas KRW 15.06 billion
   - Social Contribution expense : The Ocean Cleanup KRW 5.8 billion, Overseas business sites KRW 29.16 billion
2. 2025 Domestic donations : Headquarters KRW 19.02 billion, Domestic business sites KRW 8.52 billion, Group contribution expenses KRW 40.45 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	2023	2024	2025
Cash donation		KRW million	90,516	64,382	66,210
	Social welfare	KRW million	13,167	15,983	18,350
	Education, school and academic research	KRW million	4,642	7,316	11,108
	Culture arts and physical education	KRW million	2,323	3,556	1,512
	Environment	KRW million	1,906	1,954	2,035
	Emergency aid and disaster relief	KRW million	3,530	1,566	3,494
	International activities	KRW million	1,717	2,110	2,498
	Others	KRW million	63,231	31,897	27,213
In-kind donation		KRW million	-	-	1,781

1. Domestic donations

Volunteer

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
No. of participants	Persons	2,205	1,079	1,411
Total hours of volunteer works	Hours	7,635	3,562	5,257
Hours of volunteer works per employee[1]	Hours	0.23	0.11	0.16

1. Based on domestic regular employee

Social Investment

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
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	KRW million	4,226	6,432	4,482
(Major) Association fees and contributions	K-Mobility Bridge Foundation	KRW million	1,750	1,750	1,750
	Korea Automobile Research Institute	KRW million	253	188	194
	Korea Traffic Disabled Association	KRW million	70	80	80

ESG Metric and Data

Governance

Board of Directors

Board Status[1,2]

Metric		Unit	2023	2024	2025
BoD Composition	Total no. of board members	Persons	9	9	8
	No. of independent directors	Persons	5	5	5
	No. of executive directors	Persons	4	4	3
	No. of other non-executive directors	Persons	0	0	0
	Ratio of independent directors	%	55.6	55.6	62.5
	Target ratio for independent directors in the Board	%	60	60	60
BoD Diversity	Female director ratio	%	22	33	37.5
	No. of female directors	Persons	2	3	3
	No. of female independent directors	Persons	2	3	3
	Female registered executives who are not a controlling shareholder or a family member	Persons	2	3	3
BoD Expertise	No. of directors with industry experience[3]	Persons	5	5	4
	No. of independent directors with industry experience	Persons	1	1	1
	Ratio of independent directors with industry experience	%	20	20	20

1. 2024: As of the end of June 2025
2. 2025: As of the end of June 2026 (excluding president Junyoung Choi)
3. Restated 2023, 2024 data due to aggregation errors

Committees under the Board

Metric		Unit	2023	2024	2025
Audit Committee	Percentage of independent directors	%	100	100	100
	Independent director attendance rate	%	100	100	100
	No. of committee meetings convened	Times	7	6	7
	No. of financial experts	Persons	1	2	2
Independent Director Recommendation Committee	Percentage of independent directors	%	60	60	75
	Independent director attendance rate	%	100	100	100
	No. of committee meetings convened	Times	2	2	1
Sustainability Management Committee	Percentage of independent directors	%	83.3	83.3	83.3
	Independent director attendance rate	%	100	97.6	100
	No. of committee meetings convened	Times	7	7	6
Compensation Committee	Percentage of independent directors	%	66.7	66.7	100
	Independent director attendance rate	%	100	100	100
	No. of committee meetings convened	Times	1	4	3

Board Operation

Metric		Unit	2023	2024	2025
Board Operation	No. of meetings convened	Times	9	7	8
	Attendance rate of directors	%	97.6	98.4	97.1
	Attendance rate of independent directors	%	97.8	97.1	100
	Minimum attendance rate required for	%	80	80	80
	No. of agenda resolutions and reports	Cases	35	37	40
	Average term[1]	Years	4.8	5.5	6.1
	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	28	27	32
	Oppose	Cases	0	0	0
	Amend	Cases	0	0	1

1. As of the end of June 2026 (excluding president Junyoung Choi)

ESG Metric and Data

Governance

Ethics and Compliance

Fair Trade Training

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
Ratio of departments related to anti-corruption and fair trade out of all departments that received fair trade training		%	23.2	33.2	31.6
	Fair trade practices	Persons	112	102	578
	Subcontracting and technology transfer	Persons	184	205	1,254

Anti-Corruption Assessment

Data Coverage: Domestic

Metric	Unit	2023	2024	2025
No. of contracts terminations with suppliers due to corruption	Cases	0	0	0
No. of contract renewals with suppliers cancelled due to corruption	Cases	0	0	0

Ethics and Compliance Violation Cases

Data Coverage: Domestic

Metric		Unit	2023	2024	2025
No. of Ethics and compliance violation cases		Cases	85	111	138
Violations	Corruption and bribery	Cases	13	0	16
	Discrimination and harassment	Cases	4	13	28
	Customer Privacy Data	Cases	0	0	0
	Conflict of interest	Cases	0	0	2
	Money laundering or insider trading	Cases	0	0	0
	Others	Cases	68	165	98
Actions taken for violations	Fire	Cases	3	5	7
	Suspension	Cases	41	38	52
	Wage cut	Cases	31	30	25
	Reprimand	Cases	13	16	15
	Warning	Cases	33	84	40
	Others (recommended resignation)	Cases	5	5	5

ESG Metric and Data

Governance

Status of the Largest Shareholders and Related Parties

Shareholding Status of the Largest Shareholders and Related Parties

Metric		Unit	2023	2024	2025
Hyundai Motor Company	No. of shares owned	Shares	137,318,251	137,318,251	137,318,251
	Share ratio	%	34.16	34.53	35.17
Euisun Chung, Chairman of Hyundai Motor Company	No. of shares owned	Shares	7,061,331	7,061,331	7,061,331
	Share ratio	%	1.76	1.78	1.81
National Pension Service	Share ratio	%	7.10	7.12	7.25

Shareholding Status of the CEO

Metric	Unit	2025
CEO's shares as a multiple of base salary	Multiples	0.281

Remuneration

Metric	Unit	2023	2024	2025
Average remuneration of all employees	KRW million	127	136	134
Median remuneration of all employees	KRW million	133	144	143
Total CEO annual remuneration	KRW million	3,268	2,877	3,042
CEO-to-employee remuneration ratio (average)	Multiples	25.7	21.1	22.7

Tax Policy

Tax Policy

Metric	Unit	2023	2024	2025
Profit before tax	KRW million	12,677,344	13,500,201	10,241,391
Nominal tax	KRW million	3,899,527	3,725,196	2,687,217
Effective tax rate	%	30.76	27.59	26.24
Cash taxes paid	KRW million	2,919,993	3,543,268	3,538,724
Cash tax rate	%	23.03	26.25	34.55

ESG Reporting Index

GRI Standards 2021 Index

Kia reported sustainability information for the period January 1, 2025 to December 31, 2025 in accordance with the Global Reporting Initiative(GRI) Standards.

Universal Standards

GRI Standard	Indicators	Page
2-1	Organizational details	6-8
2-2	Entities included in the organization's sustainability reporting	2
2-3	Reporting period, frequency and contact point	2
2-4	Restatements of information	136, 143, 144
2-5	External assurance	157-158
2-6	Activities, value chain and other business relationships	6-8, Annual Report
2-7	Employees	135-136
2-8	Workers who are not employees	135, Annual Report
2-9	Governance structure and composition	111
2-10	Nomination and selection of the highest governance body	112-113
2-11	Chair of the highest governance body	111
2-12	Role of the highest governance body in overseeing the management of impacts	112
2-13	Delegation of responsibility for managing impacts	112
2-14	Role of the highest governance body in sustainability reporting	10
2-15	Conflicts of interest	112
2-16	Communication of critical concerns	113
2-17	Collective knowledge of the highest governance body	112
2-18	Evaluation of the performance of the highest governance body	114
2-19	Remuneration policies	114
2-20	Process to determine remuneration	114
2-21	Annual total compensation ratio	114
2-22	Statement on sustainable development strategy	4-5
2-23	Policy commitments	11
2-24	Embedding policy commitments	23, 43, 51, 61, 64, 71, 76, 83, 96, 102, 107, 111, 115, 116, 117, 124
2-25	Processes to remediate negative impacts	67-69, 81, 88
2-26	Mechanisms for seeking advice and raising concerns	66
2-27	Compliance with laws and regulations	118, 134, 142
2-28	Membership associations	143
2-29	Approach to stakeholder engagement	15
2-30	Collective bargaining agreements	139
3-1	Process to determine material topics	16
3-2	List of material topics	17
3-3	Management of material topics	18-21

Topic Specific Standards

GRI Standard		Indicators	Page
Material Topic 1. Climate change			
Material Issue ① Supply chain Carbon Emission Reduction			
Material Issue ② Site-level carbon emission reduction and renewable energy transition			
Material Issue ③ Carbon emission reduction and electrification in the vehicle use stage			
GRI 302. Energy	302-1	Energy consumption within the organization	131
	302-2	Energy consumption outside of the organization	131
	302-3	Energy intensity	131
	302-4	Reduction of energy consumption	34-35
	302-5	Reductions in energy requirements of products and services	38-40
GRI 305. Emissions	305-1	Direct (Scope 1) GHG emissions	130
	305-2	Energy indirect (Scope 2) GHG emissions	130
	305-3	Other indirect (Scope 3) GHG emissions	130
	305-4	GHG emissions intensity	130
	305-5	Reduction of GHG emissions	42
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	131
Material Topic 2. Resource Circularity			
Material Issue ④ Circular economy in vehicle design and production			
Material Issue ⑤ Circular economy for end-of-life vehicles and batteries			
GRI 301. Materials	301-1	Materials used by weight or volume	132
	301-2	Recycled input materials used	44, 46-48
	301-3	Reclaimed products and their packaging materials	46, 50
GRI 306. Waste	306-1	Waste generation and significant waste-related impacts	43
	306-2	Management of significant waste-related impacts	43-49
	306-3	Waste generated	132
	306-4	Waste diverted from disposal	132
	306-5	Waste directed to disposal	132
Material Topic 3. Labor-related Rights			
Material Issue ⑧ Human rights management and DEI advancement			
Material Issue ⑨ Supply chain human rights & environmental due diligence framework			
GRI 406. Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	145
GRI 407. Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	69
GRI 408. Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	69
GRI 409. Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	69
GRI 414. Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	91-92
	414-2	Negative social impacts in the supply chain and actions taken	91-92

ESG Reporting Index

GRI Standards 2021 Index

Topic Specific Standards

GRI Standard		Indicators	Page
Material Topic 4. Own Workforce Safety and Health			
Material Issue ⑦ Employee safety and health			
GRI 403. Occupational Health and Safety	403-1	Occupational health and safety management system	76
	403-2	Hazard identification, risk assessment, and incident investigation	78
	403-3	Occupational health services	79-81
	403-4	Worker participation, consultation, and communication on occupational health and safety	76
	403-5	Worker training on occupational health and safety	79
	403-6	Promotion of worker health	81
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79, 81
	403-8	Workers covered by an occupational health and safety management system	76, 82
	403-9	Work-related injuries	140
	403-10	Work-related ill health	140
Material Topic 5. Customer Safety			
Material Issue ⑥ Quality and customer safety management			
GRI 416. Customer health and safety	416-1	Assessment of the health and safety impacts of product and service categories	97
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	101
Material Topic 6. Ethical Management			
Material Issue ⑩ Establishing and practicing an ethical management system			
GRI 205. Anti-corruption	205-1	Operations assessed for risks related to corruption	118-119
	205-2	Communication and training about anti-corruption policies and procedures	118-119
	205-3	Confirmed incidents of corruption and actions taken	145
GRI 206. Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	145
Additional validation indicators other than material topic related indicators			
GRI 201. Economic Performance	201-1	Direct economic value generated and distributed	129
	201-2	Financial implications and other risks and opportunities due to climate change	28, 30
	201-3	Defined benefit plan obligations and other retirement plans	Annual Report
	201-4	Financial assistance received from government	Annual Report
GRI 202. Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	154
	202-2	Proportion of senior management hired from the local community	136
GRI 204. Procurement Practices	204-1	Proportion of spending on local suppliers	141
GRI 207. Tax	207-1	Approach to tax	116
	207-2	Tax governance, control, and risk management	116
	207-3	Stakeholder engagement and management of concerns related to tax	116
	207-4	Country-by-country reporting	116

GRI Standard		Indicators	Page
GRI 303. Water and effluents	303-2	Management of water discharge related impacts	52
	303-3	Water withdrawal	133
	303-4	Water discharge	52
	303-5	Water consumption	133
GRI 101. Biodiversity	101-1	Policies to halt and reverse biodiversity loss	51
	101-2	Management of biodiversity impacts	52-53
	101-4	Identification of biodiversity impacts	51
	101-5	Locations with biodiversity impacts	55
	101-8	Ecosystems services	58
GRI 308. Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	88
	308-2	Negative environmental impacts in the supply chain and actions taken	88
GRI 401. Employment	401-1	New employee hires and employee turnover	137
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	74
	401-3	Parental leave	139
GRI 404. Training and Education	404-1	Average hours of training per year per employee	138
	404-2	Programs for upgrading employee skills and transition assistance programs	138
	404-3	Percentage of employees receiving regular performance and career development reviews	72, 138
GRI 405. Diversity and Equal opportunity	405-1	Diversity of governance bodies and employees	136, 144
	405-2	Ratio of basic salary and remuneration of women to men	138
GRI 410. Security practices	410-1	Security personnel trained in human rights policies or procedures	138
GRI 411. Rights of indigenous peoples	411-1	Incidents of violations involving rights of indigenous peoples	88
GRI 413. Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	105
	413-2	Operations with significant actual and potential negative impacts on local communities	68-69, 92
GRI 415. Public policy	415-1	Political contributions	118
GRI 417. Marketing and Labeling	417-1	Requirements for product and service information and labeling	99-100, 122, 145
	417-2	Incidents of non-compliance concerning product and service information and labeling	99-100, 122, 145
	417-3	Incidents of non-compliance concerning marketing communications	99-100, 122, 145
GRI 418. Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	142

ESG Reporting Index

ESRS(European Sustainability Reporting Standards) Index

The ESRS serves as an implementation tool for the Corporate Sustainability Reporting Directive (CSRD), which the EU has introduced to mandate sustainability disclosures. It sets out the scope and criteria of the information that companies are required to disclose in relation to sustainability. Kia has prepared this report reflecting the non-financial information required under the CSRD and ESRS reporting standards.

General Disclosures

ESRS 2. General Disclosures

Indicator No.	Metric	Page
ESRS 2 BP-1	General basis for preparation of the sustainability statements	2
ESRS 2 BP-2	Disclosures in relation to specific circumstances	136, 143
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	111-112, 124-127
ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	10, 17
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	24
ESRS 2 GOV-4	Statement on sustainability due diligence	67-69, 91-92, 125-127
ESRS 2 GOV-5	Risk management and internal controls over sustainability reporting	125-127
ESRS 2 SBM-1	Strategy, business model and value chain	6-7, Annual Report
ESRS 2 SBM-2	Interests and views of stakeholders	16, 21
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	18-20
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	16
ESRS 2 IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	149-151
ESRS 2 MDR-P	Policies Adopted to Manage Key Sustainability Issues	51, 65, 77, 84, 97, 117
ESRS 2 MDR-A	Measures and Resources Related to Key Sustainability Issues	25-41, 44-49, 64-69, 77-81, 83-94, 96-100, 117-120
ESRS 2 MDR-M	Metrics Related to Key Sustainability Issues	42, 50, 70, 82, 95, 101, 130-132, 139-142, 145
ESRS 2 MDR-T	Tracking the Effectiveness of Policies and Measures through Goals	42, 50, 70, 82, 95, 101

Material Topics

ESRS E1. Climate Change

Indicator No.	Metric	Page
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	24
ESRS E1-1	Transition plan for climate change mitigation	30, 38-40
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	28, 30
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	25, 41
ESRS E1-2	Policies related to climate change mitigation and adaptation	23-24
ESRS E1-3	Actions and resources in relation to climate change policies	25-40
ESRS E1-4	Targets related to climate change mitigation and adaptation	42
ESRS E1-5	Energy consumption and mix	131
ESRS E1-6	Gross Scopes 1·2·3 and Total GHG emissions	130
ESRS E1-7	GHG removals and GHG mitigation projects financed through carbon credits	34-35
ESRS E1-8	Internal carbon pricing	33
ESRS E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	28, 30

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ESRS(European Sustainability Reporting Standards) Index

Material Topics

ESRS E5. Resource use and circular economy

Indicator No.	Metric	Page
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	51, 54-59
ESRS E5-1	Policies related to resource use and circular economy	51
ESRS E5-2	Actions and resources in relation to resource use and circular economy	51-53
ESRS E5-3	Targets related to resource use and circular economy	60
ESRS E5-4	Resource inflows	132
ESRS E5-5	Resource outflows	132
ESRS E5-6	Anticipated financial effects from resource use and circular economy-related risks and opportunities	18

ESRS S1. Own Workforce

Indicator No.	Metric	Page
ESRS 2 SBM-2	Interests and views of stakeholders	15, 66, 76
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	19, 64, 71
ESRS S1-1	Policies related to own workforce	65, 77
ESRS S1-2	Processes for engaging with own workers and workers' representatives about impacts	75
ESRS S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	66
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	67-70
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	70
ESRS S1-6	Characteristics of the undertaking's employees	135-136
ESRS S1-7	Characteristics of non-employees in the undertaking's own workforce	135
ESRS S1-8	Collective bargaining coverage and social dialogue	75, 139
ESRS S1-9	Diversity metrics	136
ESRS S1-10	Adequate wages[1]	154, Refer to footnote
ESRS S1-11	Social protection	74, 139
ESRS S1-12	Persons with disabilities	136
ESRS S1-13	Training and skills development metrics	75, 138
ESRS S1-14	Health and safety metrics	82, 140
ESRS S1-15	Work-life balance metrics	74, 139
ESRS S1-16	Remuneration metrics(pay gap and total remuneration)	138
ESRS S1-17	Incidents, complaints and severe human rights impacts	66, 140

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.

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ESRS(European Sustainability Reporting Standards) Index

Material Topics

ESRS S2. Workers in the value chain

Indicator No.	Metric	Page
ESRS 2 SBM-2	Interests and views of stakeholders	15, 89-90
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	19, 83
ESRS S2-1	Policies related to value chain workers	84
ESRS S2-2	Processes for engaging with value chain workers about impacts	89-90
ESRS S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	89-90, 119
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	83-90
ESRS S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	83, 95

ESRS S4. Consumers and end-users

Indicator No.	Metric	Page
ESRS 2 SBM-2	Interests and views of stakeholders	15, 96-100
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	19, 96
ESRS S4-1	Policies related to consumers and end-users	96-97, 99
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	99-100
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	99
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	97, 100
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	101

ESRS G1. Business conduct

Indicator No.	Metric	Page
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	111
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	16, 113, 125
ESRS G1-1	Business conduct policies and corporate culture	65, 74
ESRS G1-2	Management of relationships with suppliers	83-92, 95
ESRS G1-3	Prevention and detection of corruption and bribery	117- 120
ESRS G1-4	Incidents of corruption or bribery	145
ESRS G1-5	Political influence and lobbying activities	118
ESRS G1-6	Payment practices	85

ESG Reporting Index

SASB(Sustainability Accounting Standards Board) Index

Kia is classified under the Automobiles industry within the industry classification of the SASB (Sustainability Accounting Standards Board) standards. The disclosures are presented based on the disclosure topics required by the accounting standards for this industry, with information on each disclosure topic provided at the respective reporting locations.

<table>
<tr><th>Topic</th><th>Code</th><th>Accounting metric</th><th>Our response</th></tr>
<tr><td rowspan="3">Product Safety</td><td>TR-AU-250a.1</td><td>Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region</td><td>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 50%, Australia 80%, U.S. 90.5%, Europe 50%, Latin America 100%
<table>
<tr><th>Region</th><th>Rating</th><th>Vehicle model</th></tr>
<tr><td>Korea</td><td>1st grade</td><td>EV4</td></tr>
<tr><td>Australia</td><td>5★</td><td>EV3, EV4, K4, Tasman</td></tr>
<tr><td>U.S.</td><td>5★</td><td>SORENTO HYBRID FWD and 18 Other Models</td></tr>
<tr><td>Europe</td><td>5★</td><td>EV3, EV4, EV5</td></tr>
<tr><td>Latin America</td><td>5★</td><td>Sportage, EV4, K4</td></tr>
</table></td></tr>
<tr><td>TR-AU-250a.2</td><td>(1) Number of safety-related defect complaints, (2) Percentage investigated</td><td>A total of 3,885 complaints about Kia were filed to NHTSA VOQ[1] in 2025. We conduct full investigations on all complaints related to safety.
1. NHTSA VOQ : National Highway Traffic Safety Administration Vehicle Owners Questionnaire</td></tr>
<tr><td>TR-AU-250a.3</td><td>Number of vehicles recalled</td><td>Total number of vehicles recalled in 2025 was 1.57 million, all of which were voluntary recalls.</td></tr>
<tr><td rowspan="2">Labor Practices</td><td>TR-AU-310a.1</td><td>Percentage of active workforce covered under collective bargaining agreements</td><td>Proportion of employees[2] who participated in collective bargaining agreements in 2025 was 70.8%.
2. Based on total number of employees</td></tr>
<tr><td>TR-AU-310a.2</td><td>(1) Number of work stoppages and (2) total days idle</td><td>Total number of work stoppages : 0, Total days idle : 0</td></tr>
<tr><td rowspan="3">Fuel Economy & Use phase Emissions</td><td>TR-AU-410a.1</td><td>Sales-weighted average passenger fleet fuel economy, by region</td><td>Europe : 97.5 Grams of CO_2/km,
U.S. : Passenger vehicle 46.6 MPG, Light truck 35.5 MPG</td></tr>
<tr><td>TR-AU-410a.2</td><td>Number of (1) electric vehicles (EV), (2) hybrid vehicles (HEV) and (3) plug-in hybrid vehicles (PHEV) sold</td><td>A total of 248,045 EVs, 467,611 HEVs, and 57,142 PHEVs were sold based on wholesale data in 2025.</td></tr>
<tr><td>TR-AU-410a.3</td><td>Discussion of strategy for managing fleet fuel economy, and emissions risks and opportunities</td><td>We expanded electrified vehicle sales and promoted the improvement of ICE fuel efficiency</td></tr>
<tr><td>Materials Sourcing</td><td>TR-AU-440a.1</td><td>Description of the management of risks associated with the use of critical materials</td><td>Kia has established a ‘Responsible Minerals Policy’ that follows relevant laws and international standards, including the OECD Guidelines, the UN Guiding Principles on Business and Human Rights, the ILO Core Conventions, and the EU Battery Regulation, and is implementing comprehensive management across its raw materials supply chain including battery raw materials. Kia continuously monitors social, environmental, and ethical issues to fulfill its corresponding responsibilities when raw materials such as responsible minerals (tin, tungsten, tantalum, and gold) are used in parts supplied to Kia. In addition, Kia publishes a ‘Conflict Minerals Report’ to actively participate in responsible minerals management. Furthermore, starting in 2025, Kia has joined the Responsible Minerals Initiative (RMI) to manage risks across the supply chain of transition minerals, including 3TG and key battery minerals (lithium, nickel, and cobalt). Through a responsible minerals materiality assessment, Kia identifies priority minerals and regions for focused management and prioritizes high-risk areas and incorporates them into its screening and due diligence plans based on the assessment results.</td></tr>
<tr><td rowspan="3">Materials Efficiency & Recycling</td><td>TR-AU-440b.1</td><td>Total amount of waste from manufacturing, percentage recycled</td><td>Total amount of waste produced from manufacturing in 2025 was 174,169.9 tons. We recycle 92.2% of the waste.</td></tr>
<tr><td>TR-AU-440b.2</td><td>Weight of end-of-life material recovered, percentage recycled</td><td>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 2025 is 206,369 tons.
- The recycling rate for scrapped vehicles in 2025 is 82.8%, and the recycling rate including heat recovery is 92.5%</td></tr>
<tr><td>TR-AU-440b.3</td><td>Average recyclability of vehicles sold</td><td>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.</td></tr>
<tr><td rowspan="2">Activity Metrics</td><td>TR-AU-000.A</td><td>Number of vehicles manufactured</td><td>We produced a total of 3,197,652 units (Including Outsourced Production Volume) in 2025.</td></tr>
<tr><td>TR-AU-000.B</td><td>Number of vehicles sold</td><td>A total of 3,135,873 units were sold based on wholesale data in 2025.</td></tr>
</table>

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.		6-8, 11
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	112
			Number of Executive or Independent directors	111
			Independence	111
			Tenure on the governance body	111
			Number of each individual's other significant positions and commitments, and the nature of the commitments	111
			Gender	111
			Stakeholder representation (ex. employee, government, community, Industry, etc.)	111
Stakeholder Engagement	Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company		17
		How the topics were identified and how the stakeholders were engaged		16
Ethical Behaviors	Anti-corruption	Disclosure of Anti-corruption and compliance inspection status	Number of anti-corruption and compliance inspection departments	118
	Protected ethics advice and reporting mechanisms	A description of internal mechanisms for	Reporting concerns about unethical or unlawful behavior and lack of organizational integrity	119
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	125-127
			How these risks and opportunities have moved over time and the response to those changes	126-127
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		130
		Estimate and report material upstream and downstream (Greenhouse Gas Protocol Scope 3) emissions where appropriate		130
	TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)		23-42
		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		32
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		54-55
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		133

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	135
			By gender	135
			By other indicators of diversity	135-136
	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	138
	Wage level	Ratio of standard entry-level wage for men compared to local minimum wage		223.9% (Based on entry-level general staff)
		Ratio of standard entry-level wage for women compared to local minimum wage		223.9% (Based on entry-level general staff)
Health and Well-being	Health and safety	An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services		81
		The scope of access provided for employees and workers		81
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)		138
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	137
			By gender	137
			By other indicators of diversity	137
			By region	137
		Total number and rate of employee turnover during the reporting period	By age group	137
			By gender	137
	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	129, Annual Report
			Operating cost	129, Annual Report
			Employee wages and benefits	138, Annual Report
			Payments to shareholder and investor	115, Annual Report
			Payments to government (tax payment)	116, Annual Report
			Community investment	102-106
Innovation of Better Products and Services	Total R&D expenses	Total expenses related to research and development		129, 134, Annual Report

GHG Assurance Statement

LRQA's Assurance Statement

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 2025 (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 Protocol1: 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 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 2025.

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.

Dated: 1 June 2026

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: SEO00000445

GHG Assurance Statement

LRQA's Assurance Statement

Summary of Kia's Domestic and Overseas Sites, Scope 1 and Scope 2 GHG Emissions Inventory 2025

Region			Scope of GHG emissions (tCO_2e)		
			Direct GHG emissions (Scope 1)	Energy indirect GHG emissions (Scope 2, location-based)	Energy indirect GHG emissions (Scope 2, market-based)
Domestic[1]	Production Sites	Gwangmyeong	57,070	93,884	93,884
		Hwaseong	128,509	278,317	277,418
		Gwangju	66,682	86,335	86,335
	Non-production Sites[2]		3,164	21,798	21,798
	Kia Tigers[3]		239	1,375	1,375
Overseas	Production Sites	United States	27,445	54,873	45,372
		Slovakia	29,042	19,074	2,365
		China	47,140	132,013	7,920
		Mexico	22,886	52,052	39,397
		India	12,096	115,652	115,652
	Non-production Sites[4]		4,275	6,359	6,359

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 production sites 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. The KIA Tigers is a Korean professional baseball team operated by KIA.
4. Overseas sales branches

Summary of Kia's Domestic and Overseas Sites, Scope3 GHG Emissions Inventory 2025

Scope of GHG emissions (tCO_2e)	
Other Indirect GHG emissions (Scope 3)	
· Category1 Purchased goods & services - Upstream emissions associated with the raw materials used in the production of each vehicle model	23,322,820
· Category3 Fuel and energy related activities - Upstream emissions of purchased fuels and energy	181,822
· Category4 Upstream transportation and distribution	1,742,519
· Category5 Waste generated in operations	56,583
· Category11 Use of sold products - Use of sold vehicles	114,663,082
· Category12 End-of-life treatment of sold products - End-of-life treatment of sold vehicles	1,317,026
· Category15 Investments - Domestic equity investments	776,848

Independent Assurance Statement

To readers of KIA Sustainability Report 2026

Introduction

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of KIA Sustainability Report 2026 for the year ending December 31, 2025. 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 2026

Reference Standard

· GRI Standards 2021

Assurance criteria

KMR applied the quality management system in accordance with ISO 17029 and KMR EDV 01, and carried out the verification in accordance with the assurance criteria of AA1000AS v3 and KMR's proprietary SRV1000. 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. 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), SRV 1000 : 2022 (KMR), KMR EDV 01 : 2024 (KMR)
· Levels of assurance/materiality: AA1000AS v3 - Type 2/moderate

Scope of assurance

The information subject to verification in the sustainability report is as follows.

· GRI Standards 2021 reporting principles
· Universal Standards
  - GRI 2 General Disclosures 2021
  - GRI 3 Material Topics 2021
· Topic Specific Standards
  - GRI 101: Biodiversity(101-1, 101-2, 101-4, 101-5, 101-8),
  - GRI 201: Economic Performance, GRI 202: Market Presence, GRI 204: Procurement Practices, GRI 205: Anti-corruption, GRI 206: Anti-competitive Behavior, GRI 207: Tax,
  - GRI 301: Materials, GRI 302: Energy, GRI 303: Water and Effluents(303-2, 303-3, 303-4, 303-5), GRI 305: Emissions(305-1, 305-2, 305-3, 305-4, 305-5, 305-7), GRI 306: Waste, GRI 308: Supplier Environmental Assessment,
  - GRI 401: Employment, GRI 403: Occupational Health and Safety, GRI 404: Training and Education, GRI 405: Diversity and Equal Opportunity, GRI 406: Non-discrimination, GRI 407: Freedom of Association and Collective Bargaining, GRI 408: Child Labor, GRI 409: Forced or Compulsory Labor, GRI 410: Security Practices, GRI 411: Rights of Indigenous Peoples, GRI 413: Local Communities, GRI 414: Supplier Social Assessment, GRI 415: Public Policy, GRI 416: Customer Health and Safety, GRI 417: Marketing and Labeling, GRI 418: Customer Privacy

As for the reporting boundary, the engagement excludes the data and information of KIA's partners, suppliers and any third parties.

KMR's Approach

Our Assurance Team undertook the following activities for the agreed scope of assurance using the standard outlined above:

· 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 2026

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. In a limited assurance engagement, the scope of the risk assessment procedures and the subsequent procedures performed in response to the assessed risks are limited than in a reasonable assurance engagement. 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. We found that the report was prepared in accordance with the criteria presented by KIA, and nothing comes to our attention to suggest that the evidence obtained regarding its content is insufficient to provide a basis for our opinion. Our opinion on the principles is as follows:

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 sustainability performance data, including employee status, persons with disabilities, national merit persons, new hires, turnover, and length of service. 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 Republic of Korea Emissions Trading Scheme (K-ETS), accredited to ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, the additional accreditation criteria ISO 14065, and ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems). 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. As this assurance statement may be subject to revision after the assurance date below, we recommend verifying whether this is the latest version.


Movement that inspires