

2030 STRATEGY

Hyundai Motor Manufacturing Czech

HYUNDAI

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TECHNOLOGY

We innovate with an emphasis on quality and customer satisfaction





PEOPLE

We invest in the safety, health, and development of our people

BUSINESS RESILIENCE

We strengthen stability in times of uncertainty





ENVIRONMENT

We strive to reduce greenhouse gas emissions and use natural resources more efficiently.



PEOPLE

We invest in the safety, health, and development of our people

People are the key to our success. We focus on the safety, health, development, and satisfaction of our own employees and those in our supply chain. Our strategy promotes inclusion, individual growth, digital literacy, and technical education, helping people develop the skills they need for the future.

TECHNOLOGY

We innovate with an emphasis on quality and customer satisfaction

We are strategically developing electromobility, automation, and digitalization of manufacturing processes. We implement these innovations while maintaining the high-quality standards of our vehicles and emphasizing customer satisfaction. We perceive technology as a tool for efficient, safe, and sustainable production.

ENVIRONMENT

We strive to reduce greenhouse gas emissions and use natural resources more efficiently

Our strategic goal is to reduce greenhouse gas emissions across our own activities and throughout the entire value chain. We are striving to transition to a circular economy that minimizes waste and maximizes resource utilization. At the same time, we support biodiversity as an integral part of ecological stability.

BUSINESS RESILIENCE

We strengthen stability in times of uncertainty

In an environment of global instability our goal is to ensure production continuity and long-term development of the company. We will focus on: risk management, flexible supply chains, and cyber security. Strengthening cooperation with key partners and actively supporting local communities is also an integral part of our business.

People

We invest in the safety, health, and development of our people

People are a key factor in the success and long-term sustainability of a company. In addition to technology and products, our employees, their safety, professional development, and a healthy working environment play a major role. Respect for fundamental human rights and dignified and safe working conditions must also be guaranteed for employees in our supply chain.

1. **Maintain high health & safety standards**
2. **Prepare for future challenges**
3. **Promote a healthy working environment**
4. **Care for workers in the supply chain**



1 Maintain high health & safety standards

HMMC is committed to creating a work environment where safety is paramount. The company is constantly looking for ways to improve safety standards in its operations, particularly in the areas of production equipment, accident prevention, fire protection, and risk management. Equal attention is paid to the prevention of occupational diseases. As part of our long-term commitment, we will continue to expand our range of above-standard services in the area of physical and mental health care for our employees.

2 Prepare for future challenges

In response to ongoing digitalization, HMMC will focus on the systematic development of employees‘ digital skills and support their openness to innovation. The aim is to strengthen their ability to use modern technologies and tools effectively, thereby increasing their independence and flexibility.

In response to the growing shortage of skilled workers, HMMC has long supported technical education through cooperation with schools and universities, and will sustain this commitment.

3 Promote a healthy working environment

HMMC has long been building a healthy and respectful work environment that values the unique skills and contributions of each individual. We support the personal and professional growth of our employees, encouraging their independence, adaptability, and resilience so that they can respond effectively to change. By providing suitable conditions and tools, we strive to strengthen cooperation across the entire organization. Development and innovation are part of our corporate culture.



Decent and safe working conditions in HMMC and the supply chain.

4 Care for workers in the supply chain

HMMC aims to ensure that workers in the supply chain are guaranteed decent and safe working conditions and that their fundamental human rights are fully respected. This commitment is an integral part of Hyundai Motor Group's broader strategy of responsible business and sustainable value chain management.

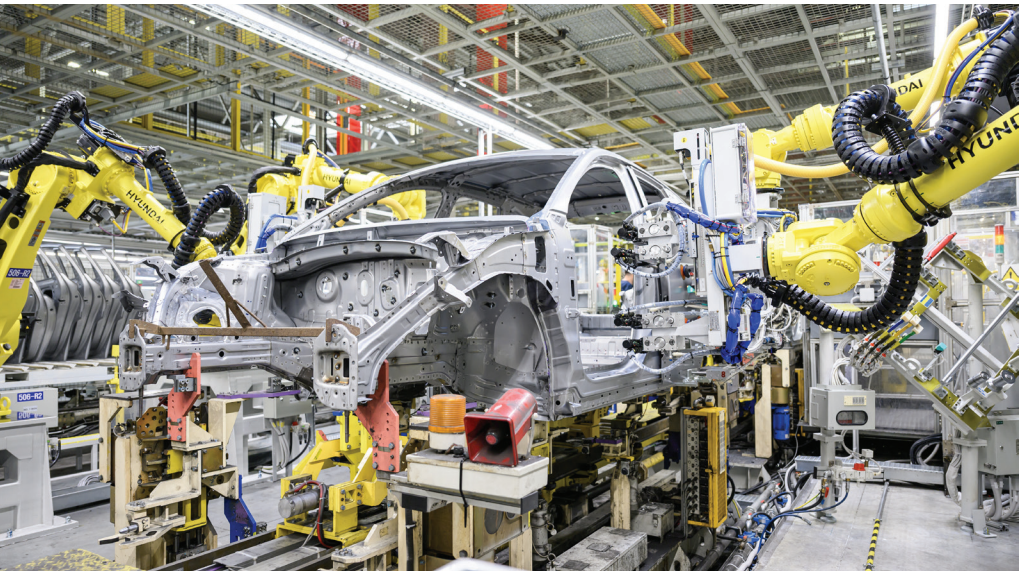
To support progress towards this goal, HMMC plans to systematically review its direct suppliers through due diligence processes, safety audits, and ESG assessments. In this way, the company will actively monitor and evaluate the level of working conditions at its partners, identify potential risks, and take corrective measures where necessary.

Technology

We innovate with an emphasis on quality and customer satisfaction

The automotive industry is undergoing a fundamental technological transformation, centered on the development of electromobility, automation, and digitization of production processes. HMMC is committed to strategically developing its production capacities in order to maintain high quality, flexibility, and competitiveness in the long term, with an emphasis on optimizing operating costs and minimising its impact on the environment.

1. **Optimize production**
2. **Continue EV transformation**
3. **Deliver high-quality products**
4. **Accelerate digital transformation**



1

Optimize production

To increase production efficiency, quality, and safety, HMMC will gradually expand share of automated production lines. This step will strengthen the company's ability to respond flexibly to changing market demands while ensuring the stability of production processes.

2

Continue EV transformation

By 2030, HMMC will be transformed into a modern electric vehicle manufacturing center that will produce three models of fully electric cars based on a new-generation EV platform, thereby optimally aligning production operations, quality control and logistics with the planned expansion of the electric vehicle product portfolio.

3

Deliver high-quality products

HMMC will strengthen quality management in the most critical areas, from key components through to control units and vehicle software. This will improve the reliability of the electric vehicles it manufactures, accelerate innovation and take customers' satisfaction to a new level.

4

Accelerate digital transformation

Data is a key aspect of HMMC's management. Through artificial intelligence, business intelligence and the 'Software-Defined Factory' concept, HMMC will build a manufacturing ecosystem capable of anticipating, optimising and supporting decision-making. This will lay the foundations for faster innovation, higher productivity and long-term competitiveness in the era of digital mobility.

Environment

We strive to reduce greenhouse gas emissions and use natural resources more efficiently.

Today, the automotive industry faces environmental challenges that arise mainly from increasingly stringent legislation aimed at mitigating the effects of climate change, evolving customers' expectations regarding sustainability, and the ever more urgent need to protect natural resources for future generations. For HMMC, responsible management of environmental impacts is therefore a strategic priority, contributing not only to mitigating climate change but also to reducing the burden on the environment.

1. **Reducing greenhouse gas emissions**
2. **Move towards a circular economy**
3. **Promote biodiversity**



1 Reducing greenhouse gas emissions

HMMC is committed to actively reducing greenhouse gas emissions across the entire spectrum of its activities in the long term. Its strategic approach is based on:

- increasing the company's energy efficiency, particularly by modernizing production technologies and equipment
- electrifying the company's vehicle fleet
- transitioning to renewable energy sources
- introducing a systematic energy management system within the company's own operations (ISO 50001).

The company is also striving to gradually reduce greenhouse gas emissions of its value chain by producing electrified vehicles and reducing emissions of its direct parts suppliers.

- ***Between 2027 and 2029, 80% of average electricity consumption will be covered by Virtual Power Purchase Agreements (vPPAs). The remaining part will be secured by own electricity production from renewable sources and the purchase of guarantees of origin.***
- ***By 2030, 70% of the company's vehicle fleet will consist of electric cars.***
- ***10% reduction in emissions from direct parts suppliers by 2030 compared to 2019.***

Note: Suppliers managed by the parent company are excluded from this target.
Reduction target refers to direct emissions and indirect energy emissions of suppliers (Scope 1 & 2).



Reducing water consumption is an important aspect of environmental responsibility.

2 Move towards a circular economy

HMMC sees the principles of the circular economy as a key tool for reducing the environmental footprint of production and using resources more efficiently across the entire value chain. The company will continue to work systematically to minimize the amount of waste generated by its own processes and to seek alternative ways of further using it. In cooperation with its suppliers, it will also focus on optimizing packaging, particularly in terms of recyclability and reusability.

HMMC considers water to be a key natural resource, the careful use of which is an important aspect of environmental responsibility and operational efficiency. The company actively implements projects focused on water conservation, particularly in production technologies.

- *In the period 2025-2029, reduce the average amount of mixed waste sent to landfill by 35% compared to the average for 2020-2024, from 4.35 kg to 2.77 kg per vehicle produced*
- *Reduce average water consumption by 4.6% between 2025 and 2029 compared to the average for 2020–2024, from 1.31 m^3 to 1.25 m^3 per vehicle produced.*

3 Promote biodiversity

HMMC considers the protection of biological diversity to be an important pillar of its environmental strategy. Biodiversity is the key to the stability of ecosystems and quality of life in the region.

The company participates in local projects focused on restoring natural habitats, planting greenery, protecting species diversity, and raising environmental awareness. These activities contribute to strengthening biodiversity in the region and creating value for local communities.

HMMC strives to more accurately identify the impacts of its activities on biodiversity across the entire value chain in order to better understand the impact of production and logistics processes on the natural environment and subsequently work systematically to mitigate them.

Business resilience

We strengthen stability in times of uncertainty

Business resilience represents a company's ability not only to prevent risks, but also to identify threats in a timely manner, respond to them effectively, and adapt to new conditions in order to ensure production stability. In an environment of global instability, frequent regulatory changes, and growing cyber threats, HMMC is committed to building a flexible, resilient, and sustainable business.

1. Secure supply chain stability
2. Regulatory compliance
3. Strengthen cybersecurity
4. Foster partnership with key stakeholders



1 Secure supply chain stability

As part of its strategic development, the company will focus on localizing its direct suppliers of parts and materials, which will enable a more flexible response to European regulations and specific market requirements. The company is also committed to continuing to implement thorough control mechanisms, including due diligence processes, in order to minimize the risks associated with supplier relationships.

2 Regulatory compliance

HMMC will actively monitor developments in the legislative framework and ensure a timely response to new regulatory requirements. The company will continue to provide expertise and factual information to legislators through industry associations, thereby contributing to informed decision-making.

Special attention will be paid to the use of harmful substances in production processes, with the aim of introducing suitable alternative solutions.

3 Strengthen cybersecurity

In response to the growing extent of digitalization, HMMC is committed to implementing advanced cybersecurity standards. The measures will focus on protecting production and information systems from growing cyber threats, with the aim of ensuring operational continuity, data protection, and the trust of partners and customers.

4 Foster partnership with key stakeholders

The company will deepen cooperation with key partners and share best practices with them. In the area of social responsibility, HMMC is committed to supporting local communities through grant programs, Hyundai fund activities, and volunteer initiatives.

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