

## 환경경영

### Environmental Policy

Last Revised	2024. 06. 28.
Responsible Department	(Primary) General Affairs Team (Secondary) Safety & Health Team, Communication Team



## **Environmental Policy**

### **Chapter 1 General Provisions**

#### **Article 1 (Purpose)**

F&F Holdings Co., Ltd. (hereinafter referred to as the "Company") recognizes the environment as 'natural capital borrowed from future generations' and strives to become a company that creates a new eco-friendly fashion trend through green management (Going Green with Fashion). The Company has established this policy to identify and manage environmental impacts that may arise across all aspects of business operations, including production, distribution, logistics, product usage, and disposal. It also aims to contribute to national greenhouse gas reduction targets, promote a circular economy, and restore natural ecosystems.

#### **Article 2 (Scope of Application)**

This environmental policy applies to all employees at the Company's domestic and international business sites and subsidiaries. To ensure collective environmental protection and conservation, the Company encourages its supply chain partners, service providers, and key business partners (e.g., joint ventures, outsourcing partners) involved in transactions or impacted by the Company's operations to comply with this policy.

The Company adheres to environmental laws and regulations in all countries where its business sites are located. In cases where local laws and regulations differ from this policy, the local legal requirements take precedence, with active communication pursued if necessary.

#### **Article 3 (Review Cycle)**

This policy is reviewed at least once per year, based on domestic legislation, international standards, and the prior year's initiatives and achievements. Any revisions are approved following approval from the designated authority.

### **Chapter 2 Management System**

#### **Article 4 (Key Organizations)**

The Company has established the following organizational structure to implement environmental management initiatives effectively. Details regarding the specific responsibilities and reporting



mechanisms of each organization are provided in Appendix 1:

1. Board of Directors
2. Management
3. Implementation Body

### **Article 5 (Objectives)**

The Company deeply recognizes the importance and value of environmental conservation and implements environmental management by continuously improving its environmental performance through the following tasks:

1. Conducting an integrated environmental and energy management
2. Monitoring environmental goals and performance (water use, waste management, etc.)
3. Establishing eco-friendly supply chain policies for partners
4. Setting and managing goals and plans for eco-friendly product purchasing
5. Providing environmental management training for employees
6. Performing activities to address climate change
7. Performing activities to preserve biodiversity

### **Article 6 (Incentives)**

The Company promotes internal campaigns to encourage company-wide participation in environmental management, and integrates environmental performance evaluations to the management and employee assessment and compensation systems.

- ① Management: Managing goals for creating eco-friendly workplaces (e.g., achieving the target reduction rate of resource usage such as water, energy, etc.)
- ② Implementation Body: Compiling and disclosing environmental information, conducting employee environmental training and campaigns.
- ③ Employees: Participating in environmental management programs, proposing eco-friendly ideas (individual employee rewards).

## Chapter 3 Risk Management

### Article 7 (Risk Management Process)

The Company identifies the potential financial impacts of physical and transitional risks and opportunities arising from environmental changes on its business areas. To address these risks, a risk management process has been established to prevent and mitigate potential risks through regular inspections, evaluations, and actions. Details are provided in 'Appendix 2.'

### Article 8 (Training and Dissemination)

The Company conducts various training programs and campaigns to spread and raise awareness of environmental issues among employees, evaluates training satisfaction to analyze effectiveness, and take measures based on the results. The detailed process for environmental training is provided in 'Appendix 3.'

### Article 9 (Grievance Handling)

The Company operates a grievance handling system to address risks and potential risks related to environmental impacts. Reported issues are acted upon, and the handling process is transparently disclosed to the reporter. The detailed grievance handling procedure is provided in 'Appendix 4.'

## Chapter 4 Climate Change Mitigation and Adaptation (Greenhouse Gases and Energy)

### Article 10 (Fundamental Principles)

The Company supports the Paris Agreement and adheres to domestic and international regulations related to climate change, contributing to the achievement of national greenhouse gas reduction targets.

### Article 11 (Climate Change Mitigation and Adaptation Process)

The Company has established a climate change mitigation and adaptation process to identify potential financial impacts from physical and transitional risks and opportunities, formulates response plans, and evaluates their outcomes. Details of the climate change mitigation and adaptation process are provided in 'Appendix 5.'



## **Chapter 5 Waste**

### **Article 12 (Fundamental Principles)**

To implement sustainable environmental management, the Company complies with waste-related laws, minimizes waste disposal, and tracks the disposal of products with environmental considerations in mind. The Company is committed to minimizing its environmental impact by expanding waste recycling through various measures.

### **Article 13 (Waste Management Process)**

The Company has established a waste management process to promote circular fashion, aiming to pursue a sustainable business cycle that encompasses product planning, design, production, sales, and disposal.

Creation Date: June 14, 2023

Revision Date: June 28, 2024

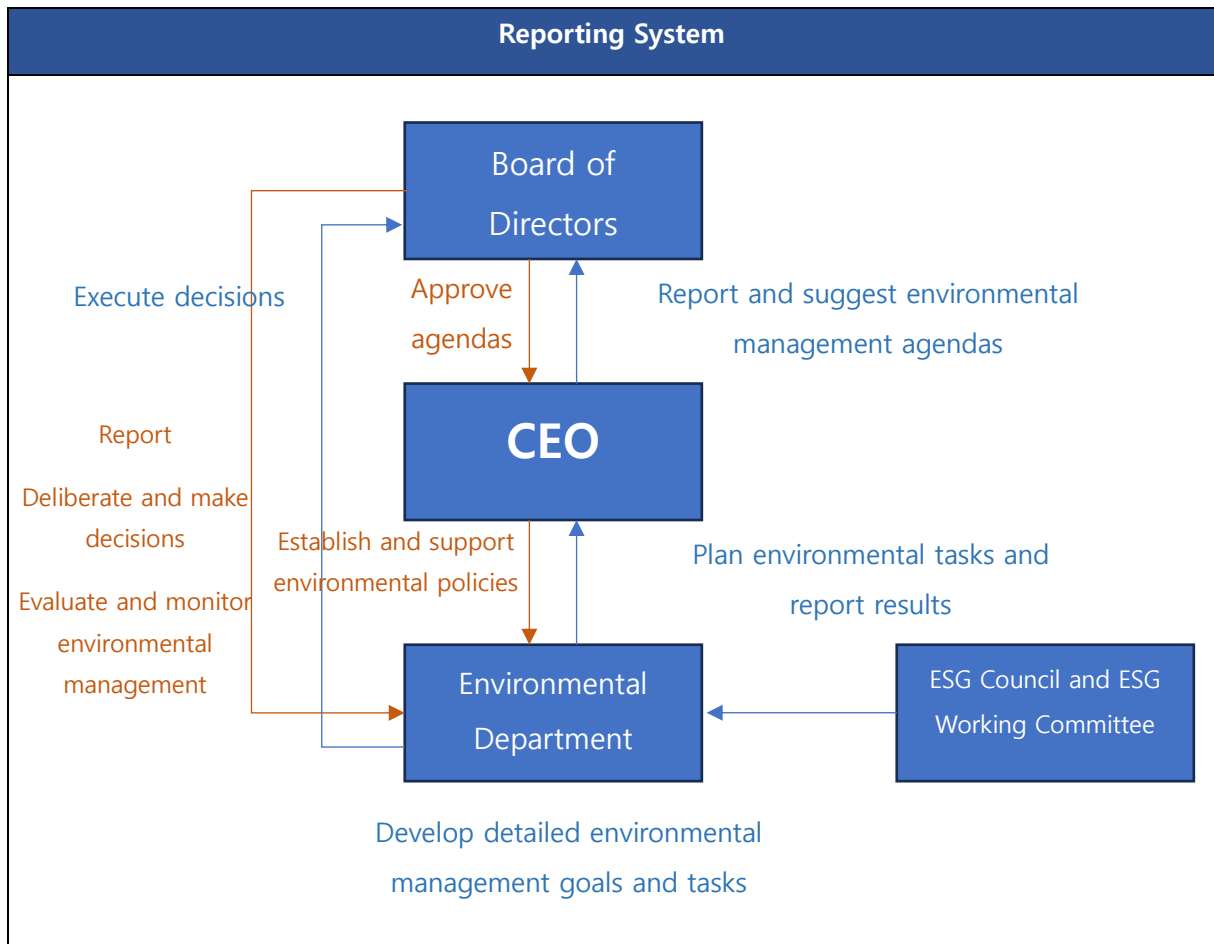
## [Appendix 1] (Related to Article 4) Detailed Organizational Tasks and Reporting System

Organizational Classification	Detailed Classification	Detailed Tasks
Board of Directors	ESG Committee	<ul style="list-style-type: none"> <li>▪ Develop key annual environmental policies</li> <li>▪ Deliberate and make decisions on reports from implementation organizations               <ul style="list-style-type: none"> <li>- Detailed ESG strategies</li> <li>- Evaluate sustainable management performance</li> <li>- Support internalization and disclose ESG information</li> <li>- Other measures necessary for environmental management</li> </ul> </li> <li>▪ Address general matters for building an environmental management system               <ul style="list-style-type: none"> <li>- Monitor environmental management performance</li> <li>- Conduct regular internal environmental evaluations</li> <li>- Other measures necessary for building an environmental management system</li> </ul> </li> </ul>
Management	CEO	<ul style="list-style-type: none"> <li>▪ Develop environmental policies and plans</li> <li>▪ Report environmental management agendas to the Board of Directors</li> <li>▪ Evaluate eco-friendly activities and recommend improvements</li> <li>▪ Oversee environmental information disclosure</li> <li>▪ Organize support teams for environmental management</li> <li>▪ Support internalizing sustainable management practices</li> </ul>
Implementation Organizations	Environmental Department (General Affairs Department)	<ul style="list-style-type: none"> <li>▪ Plan and execute environmental management tasks, and manage performance               <ul style="list-style-type: none"> <li>- Establish and maintain an environmental management system</li> <li>- Set annual environmental management plans and targets</li> <li>- Develop evaluation criteria and indicators for environmental management</li> <li>- Measure and monitor environmental performance</li> <li>- Respond to and resolve environmental issues</li> <li>- Manage environmental objectives</li> <li>- Conduct regular environmental training for employees</li> <li>- Develop and implement in-house campaign programs</li> </ul> </li> </ul>
	ESG	<ul style="list-style-type: none"> <li>▪ Organize working committees from respective departments and facilitate communication</li> </ul>

# F&F

	Council and ESG Working Committee	<ul style="list-style-type: none"><li>▪ Plan and implement decisions made by the ESG Committee</li><li>▪ Establish specific environmental management goals and tasks</li></ul>
--	---	--

# F&F

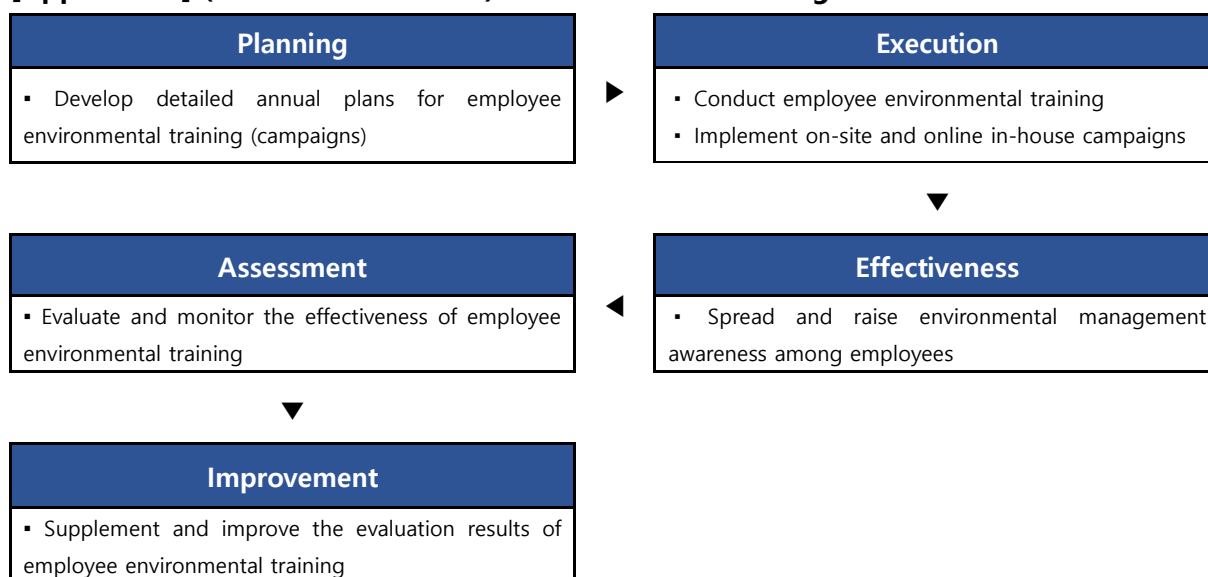




## [Appendix 2] (Related to Article 7) Risk Management Process

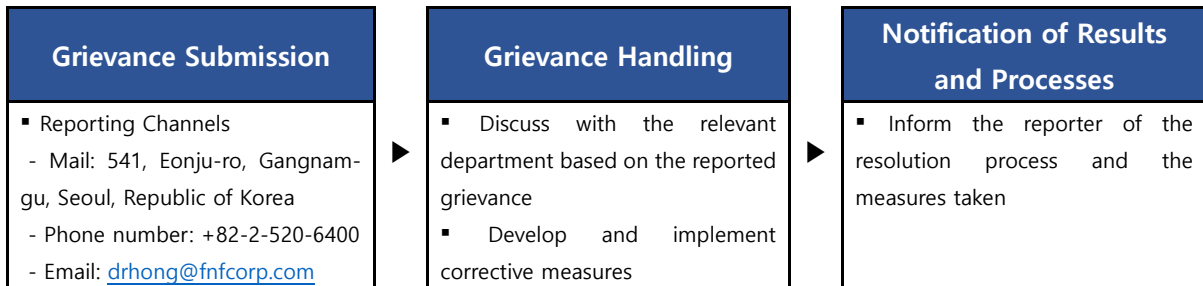
Risk Management Process	Detailed Tasks	Implementation Cycle	Responsible Parties
Inspections and assessments	<ul style="list-style-type: none"> <li>Inspect the current status of risks across organizations subject to the environmental policy.</li> <li>Conduct climate change risk assessments, environmental impact assessments, and other evaluations at all business sites</li> <li>Identify and evaluate key environmental issues and their impacts</li> </ul> <p>Disclose significant issues to stakeholders</p>	When an issue arises	ESG Council
Risk mitigation measures	<ul style="list-style-type: none"> <li>Provide safety training to prevent environmental risks</li> <li>Establish a response system, including occasional inspections</li> <li>Monitor risks</li> </ul>	Occasional	Relevant Departments

## [Appendix 3] (Related to Article 8) Environmental Training Process



F&F

## [Appendix 4] (Related to Article 9) Grievance Handling Process



## [Appendix 5] (Related to Article 11) Climate Change Mitigation and Adaptation Process

