

Changshin Environmental Management Policy

1. Purpose

To effectively manage environmental risks and continuously improve environmental performance, we establish this environmental management policy to minimize the negative impacts of our business activities and value chain.

Environmental commitments

1. We strive to reduce greenhouse gas emissions in alignment with the goals of the UNFCCC Paris Agreement and United Nations Fashion Industry Charter for Climate Action.
2. We are committed to reducing fossil fuel consumption to combat climate change and do not invest in sectors that contribute to fossil fuel expansion.
3. We actively participate in addressing climate change and do not provide financial support to institutions or policies that oppose climate action.
4. We prioritize the use of sustainable energy and work to minimize pollutants throughout the entire product lifecycle, from development to disposal.
5. We support our suppliers in their environmental management efforts and strive to raise awareness and build capacity among internal and external stakeholders through environmental training and campaigns.
6. We comply with international agreements and environmental laws domestically and globally, formulating and executing necessary policies for effective environmental management.
7. We disclose our environmental performance transparently and maintain open communication with stakeholders on environmental issues.

2. Policy Scope

This policy is applied to all our work sites in Korea and overseas. Also, we share our environment policy with all of our suppliers and business partners and encourage them to comply with this policy or policy similar to this.

3. Basic Principles

1) Adherence to Environmental Regulations and Reduction of Environmental Impact

- We work closely with our business partners and suppliers to ensure compliance with international environmental and energy-related agreements and laws. This includes implementing effective management of production and business facilities.
- We are committed to minimizing environmental impact throughout the entire product lifecycle—from development and production to use and disposal—by promoting the creation of eco-friendly products.

2) Supply Chain Management

- Changshin uses the Changshin Code of Conduct as a key criterion for selecting suppliers and partners. We are dedicated to minimizing environmental risks throughout the entire supply chain by implementing a comprehensive eco-friendly supply chain policy.

3) Response to Climate Change

- We establish a comprehensive, independent process to identify and assess climate-related risks and opportunities. Based on this process, we set strategies and goals and regularly evaluate our progress.
- We strive to reduce fossil fuel consumption and eventually cut greenhouse gas emissions by using renewable energy.

4) Energy Conservation and Energy Management System Operation

- We undertake energy conservation efforts by replacing outdated, inefficient equipment with energy-efficient alternatives.
- We implement an energy monitoring system to enhance energy management efficiency through data-driven analysis.

5) Water Resources Management

- We minimize water consumption and wastewater generation by optimizing resource use, enhancing recycling, and reducing discharge.
- We regularly monitor work sites in areas prone to water shortages and depletion, developing action plans for resource protection and shortage response.

6) Waste Management

- We classify waste according to management criteria for each type, in compliance with relevant laws, and contract with legally certified waste managers for disposal.
- We strive to minimize waste generation in production processes and enhance recycling efforts.

7) Hazardous Chemicals Management

- We are dedicated to minimizing the use of hazardous substances that could negatively impact the environment. Additionally, we implement a management system to effectively prevent spills and leaks of chemical substances.

8) Biodiversity

- Recognizing the potential impact of our business activities on the environment and biodiversity, we take proactive measures to minimize any negative effects on natural ecosystems.

9) Environmental Information Disclosure

- We are committed to transparently sharing our business management principles and environmental performance with all customers and stakeholders.

4. Addendum

- This environmental management policy was enacted and took effect on January 1, 2023.
- This environmental management policy was revised and takes effect on August 1, 2024.

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