

News Release

Hyundai Motor Advances Electrification Vision with New EV-dedicated Plant in Ulsan, Building on Its Brand Heritage

- Hyundai Motor holds groundbreaking ceremony at its plant complex in Ulsan where Founding Chairman Ju-yung Chung established the company's first major manufacturing base more than 50 years ago
- The new EV plant to build on Hyundai Motor's brand heritage while laying the foundation for the company's growth in the era of electrification
- New plant to occupy 548,000 m² site with capacity to produce 200,000 EVs per year
- Approx. KRW 2 trillion (\$1.53 billion) to be invested in the project, which will begin full-scale construction in Q4 2023 with mass production commencing in Q1 2026
- People-centric plant to utilize innovative manufacturing platforms, with optimal working conditions for safety and efficiency
- Groundbreaking ceremony includes brand heritage exhibition, commemorating more than half a century of history at Hyundai Ulsan Plant

SEOUL, November 13, 2023 – Hyundai Motor Company today held a groundbreaking ceremony for a new electric vehicle (EV) plant at its complex in Ulsan, the heart of Korea's automotive industry. The new EV-dedicated plant will lay the foundation for future growth in the era of electrification while building on the dream first established by Hyundai Motor's Founding Chairman more than half a century ago.

The new EV-dedicated plant will be a human-centered facility with an innovative manufacturing platform that delivers an optimal working environment for employees. The new plant will also be the hub for Hyundai Motor's mobility production in the era of electrification. With the new plant, Hyundai Motor's Ulsan Plant complex will become a base of future mobility production.

At the new plant, Hyundai Motor will actively advance its 56-year brand heritage, automotive business know-how and technological capabilities, and will continue to innovate for the benefit of humanity in the era of vehicle electrification based on people-centered humanism.

Euisun Chung, Executive Chair of Hyundai Motor Group; Jaehoon Chang, President and CEO of Hyundai Motor Company; and Dong-seock Lee, Executive Vice President, Chief Safety Officer and Head of Domestic Productions for Hyundai Motor Company, attended the ceremony. They were joined by dignitaries, including Ulsan Metropolitan City Mayor, Doo-gyeom Kim, and First Vice Minister of the Ministry of Trade, Industry and Energy, Youngjin Jang.

“The new EV-dedicated Plant in Ulsan is the beginning of a promising future for the next 50 years and the era of electrification. I am honored to share our dream of a 100-year company here,” said Executive Chair Chung. “Just as the dream of building the best car in the past made Ulsan an automotive city today, I trust Ulsan will be an innovative mobility city that leads the way in the era of electrification, starting with a dedicated EV plant.”

“It is undeniable that Hyundai Motor Company has played the biggest role in the growth of Ulsan,” said Ulsan Metropolitan City Mayor Doo-gyeom Kim. “We will continue to do our best to draw a new future together in line with the changes in the global automotive industry.”

In his congratulatory remarks, First Vice Minister of Trade, Industry and Energy Young-jin Jang said, “I believe that Hyundai Motor will stand out as a powerhouse in the electric vehicle era with decisive investments. The government will prioritize supporting the improvement of the business investment environment, including bold tax incentives and eliminate regulations that inhibit economic growth.”

New EV plant reflects ambition to provide a better life and deliver sustainability mobility

The new EV plant in Ulsan builds on the vision of Hyundai Motor’s Founding Chairman Ju-yung Chung (1915-2001), who believed the car industry would become the cornerstone of the Korean economy and underpin the country’s industrial development. More than half a century ago, he chose Ulsan as the location to help to create a better outlook and realize Korea’s mobility dreams. Now, the new EV plant will build on that legacy with a global impact.

“We have the world's greatest strength, and that strength is the world’s best craftsmen. I am confident that thanks to their ability and dedication, Korean cars, our cars, will soon take the world by storm.” the Founding Chairman said historically.

His famous quote was reproduced through artificial intelligence (AI) technology and shared at the groundbreaking ceremony, demonstrating the humanistic spirit of Hyundai Motor and representing the long-held dream of its employees to become a global automotive powerhouse.

Beginning as an assembly plant in 1968, Hyundai Motor’s Ulsan Plant grew by leaps and bounds in an incredibly short period of time. The mass production of Hyundai Motor’s first unique model, the Pony, in 1975 demonstrated the unrelenting determination and incredible drive of the company’s employees to realize South Korea’s first independently developed automobile. They achieved this despite the harsh domestic environment and skepticism, driven by a grand dream of introducing

Korean cars to the global market.

The Pony's mass production was also a catalyst for technological independence, leading to localization of automotive parts production where the company had been previously reliant on overseas markets. It also led to the development of domestic automobile production technology.

In addition, Honorary Chairman Mong-Koo Chung's prioritization of quality management became the source of Hyundai Motor's transformation into a global brand that could leave its mark on the global automotive industry beyond South Korea.

More than half a century later, Hyundai Ulsan Plant is the largest single plant in the world, the center of the company's finished vehicle production and the birthplace of the Korean automotive industry.

A dedicated human-centered EV plant keeping humanism alive in the age of electrification

In line with the humanistic objectives of its Founding Chairman, Hyundai Motor will continue to advance its vision for mobility.

The EV-dedicated facility will be Hyundai Motor's first new plant in Korea in 29 years, following the opening of the Asan plant in 1996. The dedicated EV plant will lead the electrification era, provide products that exceed customer expectations and strengthen the domestic industry base.

Hyundai Motor's human-centered values of providing people with the experience of free movement and striving for harmonious coexistence are not only directed at customers, but also at employees who make Hyundai Motor vehicles.

Reflecting this, the new EV-dedicated plant in Ulsan will be equipped with innovative production facilities, create an optimal working environment for employees and a space for coexistence with nature, and present itself as a people-centered plant that will lead the next 50 years.

"For the past half century, Hyundai's Ulsan Plant has evolved as technicians on the production line have learned, created and challenged new things," said Jaehoon Chang, President and CEO of Hyundai Motor Company. "Inheriting the heritage of the Ulsan Plant, which has turned grand dreams into reality through the power of people, Hyundai will do its best to become the first mover in the electrification era with the pride and responsibility to create mobility innovations for people."

EV plant to supercharge next-generation mobility

Hyundai Motor's new EV-dedicated plant in Ulsan will form part of a 548,000 m² site with a capacity to produce 200,000 EVs per year. Approximately KRW 2 trillion (\$1.53 billion) will be invested in the project, with full-scale construction set to begin in the fourth quarter of this year. The construction is

scheduled to be completed in 2025, and vehicle mass production will commence in the first quarter of 2026. An electric SUV from Hyundai Motor Group luxury brand, Genesis, will be the first model to be produced at the new plant.

The dedicated EV plant in Ulsan will be located on the site of Hyundai Motor's former proving ground, a place where the company looked to the future and shaped innovation.

The proving ground was first utilized in the 1980s, when the company was actively seeking to expand into overseas markets, developing vehicles that could withstand the diverse terrains and harsh climates found around the world.

In this historic place, Hyundai Motor developed such high-quality global models as Sonata, Accent and Elantra (badged Avante in South Korea). It was on this site that advanced technology research for EVs and autonomous driving began early on, with the dream of creating world-class vehicles.

In 1991, Hyundai Motor's first EV prototype, Sonata (Y2) EV, was developed, and the following year, the first driverless car successfully completed its initial test drive on the Belgian Road test track.

The comprehensive engineering test center, where many of Hyundai Motor's vehicles were born and where the seeds for future vehicle research were sown, bore fruit with EVs, such as IONIQ 5 and IONIQ 6, which have been recognized for their technological excellence around the world.

New plant to feature an innovative manufacturing platform and eco-friendly environment

Hyundai Motor plans to apply an innovative manufacturing platform that was developed by the Hyundai Motor Group Innovation Center in Singapore (HMGICS) at its dedicated EV plant in Ulsan to future-proof the facility and prioritize employee safety, convenience and efficiency.

HMGICS' manufacturing innovation platform includes demand-driven, AI-based intelligent control systems; eco-friendly, low-carbon construction methods to achieve carbon neutrality and RE100 certification (100 percent renewable energy use); and human-friendly facilities that enable safe, efficient working.

Hyundai Motor will use this to build a smart logistics system, including automated parts logistics, at the new EV plant. It will introduce a flexible production system to diversify vehicle models, respond to global market changes and automate assembly facilities to improve productivity and quality.

The company plans to create a safer, more accurate and efficient workplace with innovative technologies, such as robotics, smart logistics systems and AI to improve the working environment. A nature-friendly space design, breaking away from the closed image that comes to mind when thinking of a conventional plant will help realize the next-generation manufacturing philosophy as a cradle of eco-friendly future mobility production.

The new EV-dedicated plant will feature a nature-friendly design to reduce worker fatigue and encourage interaction with each other, a departure from the dreary factory environment of heavy machinery.

Natural light will be maximized inside the factory so that workers can feel the warmth of the sun, and the group lounge, which will be used as a rest and office space, will be organized in an open format so that people can gather naturally.

In addition, the plant's Central Park, which brings the nature of Ulsan into the facility, is expected to become a rest area and a hub connecting each building.

In addition, solar power panels and upcycled concrete panels will be applied to the building façade, making it a sustainable plant that minimizes carbon emissions.

Groundbreaking ceremony reflects the company's past, present and future

Hyundai Motor organized a groundbreaking ceremony to reflect on the past, present and future of the Ulsan Plant.

The groundbreaking ceremony, which began with a video featuring an AI-generated voiceover by Founding Chairman Ju-yung Chung, reflected on Hyundai Motor's humanistic spirit and demonstrated the company's commitment to people-centered innovation and its brand vision, 'Progress for Humanity.'

Following Executive Chair Chung's greetings, a panel discussion with Head of Domestic Production Dong-seock Lee introduced the key features and vision for the new EV-dedicated plant, which will be created as a 'space for people.'

The ceremony, which concluded the event, was based on the concept of 'Portal to Another Dream,' and conveyed the message that Hyundai Motor will lead the EV era by linking the Ulsan Plant's past, present and future.

Former Vice Chairman Yeo-chul Yoon, former Vice Chairman Eok-jo Kim and former President Gap-han Yoon, who contributed to the development of the Ulsan Plant, attended the ceremony.

Also present was legendary designer Giorgetto Giugiaro, who penned many of Hyundai Motor's first independent models, including the Pony and Pony Coupe concept, as well as the Pony Excel, Presto, Stella and the first- and second-generation Sonata.

In celebration of the groundbreaking ceremony, Hyundai Motor is also hosting a heritage exhibition consisting of three themes: 'The Beginning of a Dream,' 'The Realization of a Dream' and 'Our

Dream, Dreams Ever Dreamt,' to look back on the past 50 years of the Ulsan Plant.

The first theme, 'The Beginning of a Dream,' features a restored Cortina, the first vehicle produced by the Ulsan Plant, and documents related to the establishment of the plant and the construction of the Gyeongbu Expressway. It also highlights the first steps of Founding Chairman Ju-yung Chung's dream that began in Ulsan and spread with the development of national industry beyond the automotive sector.

The second theme, 'The Realization of the Dream,' visualizes the development of the Ulsan Plant, achieving the accolade of the world's largest single automobile plant. It covers the construction of the Ulsan General Automobile Plant, the birth of the national car, the Pony, the construction of a dedicated export dock and the completion of a vehicle test facility.

In addition, Hyundai Motor's EV prototype, Sonata (Y2) EV, is on display to show the seeds of employees' efforts to create the world's best cars, from internal combustion engines to eco-friendly vehicles.

The final section, 'Our Dream, Dreams Ever Dreamt,' contains stories about the evolution of Hyundai Motor's Ulsan Plant and the employees who have been part of it. Employee artefacts from those who created the Ulsan Plant are on display, such as the paycheck envelopes they collected over time, employee certificates and handwritten notes for quality development.

The exhibition will be open to the public at the Heritage Hall of the Ulsan Plant's Culture Center from January next year.

"The Ulsan Plant is the world's largest single plant, established in 1968 with the grand dream of providing the world's best automobile," said Sung-won Jee, Head of Brand Marketing Division, Hyundai Motor Company. "Through this groundbreaking ceremony, we aim to trace our journey with the Ulsan Plant, which was built by tens of thousands of individuals who have propelled us to today's achievements. They are also at the heart of our expedition into the electrifying era of electric vehicles."

Jee added, "Through the new EV-dedicate plant in Ulsan, we will strive to advance our mobility solutions for everyone by leading the paradigm of future automobile production."

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About Hyundai Motor Company

Established in 1967, Hyundai Motor Company is present in over 200 countries with more than 120,000 employees dedicated to tackling real-world mobility challenges around the globe. Based on the brand vision 'Progress for Humanity,' Hyundai Motor is accelerating its transformation into a Smart Mobility Solution

Provider. The company invests in advanced technologies such as robotics and Advanced Air Mobility (AAM) to bring about revolutionary mobility solutions, while pursuing open innovation to introduce future mobility services. In pursuit of sustainable future for the world, Hyundai will continue its efforts to introduce zero emission vehicles equipped with industry-leading hydrogen fuel cell and EV technologies.

More information about Hyundai Motor and its products can be found at:
<https://www.hyundai.com/worldwide/en/> or [Newsroom: Media Hub by Hyundai](#)