

About this Report

Report Overview

DRB publishes its Sustainability Report to present achievements, strategies, and initiatives in sustainable management for the 2023–2024 period. This report has been prepared to transparently share our efforts in addressing sustainability-related issues and to communicate to our stakeholders the impact of DRB’s business activities on society and the environment. Through the annual publication of this report, DRB seeks to foster communication with its stakeholders and to pursue continuous growth.

Report Criteria

This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, a widely recognized global framework for sustainability reporting. Additionally, it adheres to the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the standards of the Sustainability Accounting Standards Board (SASB), ensuring the inclusion of issues pertinent to the industry.

Reporting Period

This report covers activities from January to December 2023, with key data presented over the most recent three years to enhance comparability. For information that may have a significant impact on stakeholders, it contains information prior to 2023 and by the first half of 2024 as well.

Reporting Scope

The scope of this report encompasses DRB Holding and five of its principal subsidiaries involved in product manufacturing. Some data with different reporting scopes has separate indications.

* Subsidiaries covered

DRB Industrial, DRB Automotive, DRB Qingdao, DRB Slovakia and DRB Vietnam

Reporting Assurance

This report has been validated by BSI Group Korea to enhance its reliability and quality. The assurance findings are provided in the Appendix. Financial data in this report has been independently audited by an external accounting firm.

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CEO Message

“DRB will remain resolute in practicing sustainable management through continuous innovation.”

“We will continue to share our passion for sustainable growth and lead positive change through collective efforts.”

I would like to express my sincere gratitude to all stakeholders who have consistently supported and contributed to the success of DRB.

The past year marked a significant period of challenges for DRB, as we strived to enhance our sustainable management practices. As we look to 2024, DRB is committed to moving forward with renewed determination and a stronger sense of responsibility towards sustainable management. Sustainability is not solely an environmental concern but also has significant social and economic dimensions. Therefore, we must continue striving toward a future that surpasses the achievements we have made thus far.

1. Environmental Protection and Eco-Friendly Product Development

DRB is dedicated to fulfilling its corporate responsibility to the global environment. To this end, we have established incremental carbon neutrality targets for each of our entities, spanning from 2045 to 2050, and have already initiated preparations for their implementation. Our efforts will focus on minimizing our environmental impact while offering customers better choices through the development of eco-friendly products. Specifically, DRB will work to reduce production waste (by 5% compared to the previous year), improve processes and facilities to minimize the use of environmentally harmful substances (also targeting a 5% reduction), and transition to an eco-friendly production system through the adoption of renewable energy. These efforts will not only address the climate crisis but also strengthen our plans and efforts for sustainable growth.

2. Promoting Recycling and a Circular Economy

DRB will actively incorporate recyclable materials, considering the entire product lifecycle, and will continue to explore methods to improve product recycling. We aim to transform into a company that efficiently utilizes resources, grounded in a deep appreciation for the value of natural resources and the principles of a circular economy. To achieve this, DRB will pursue the goal of recycling 85% of the waste generated and establish a robust management system to further expand the recycling of water resources. Additionally, we will formalize plans for the preservation of biodiversity.

3. Advancing Social Responsibility and Diversity

At DRB, we believe that sustainable management is fundamentally rooted in social responsibility. As such, we will continue to develop and implement cooperative strategies for the mutual growth of all partners within our value chain. Furthermore, DRB will strengthen its collaboration with local communities and remain steadfast in its commitment to regional development and the creation of social value. We are equally committed to promoting diversity and eliminating discrimination within our organization, ensuring a workplace where all employees enjoy fair and equal treatment. Our goal is to foster an organizational culture where every individual is respected and provided with opportunities for personal development, thereby driving continuous progress.

4. Creating a Safe and Healthy Workplace

The health and safety of our employees is paramount in all of DRB’s management activities. Accordingly, we will make concerted efforts to improve the health of our employees and ensure a safe working environment through a variety of initiatives. Specifically, DRB will ensure fundamental safety by advancing its health and safety management systems, proactively identifying potential risks, and working toward the goal of zero industrial accidents. In addition, we will cultivate an advanced safety culture by establishing a self-regulating prevention system and introducing smart safety technologies. At the same time, we will implement health promotion programs, monitor their effectiveness, and encourage our employees to adopt a health-conscious lifestyle voluntarily. Moreover, DRB will actively engage with stakeholders—including partners and local communities—to ensure that our health and safety activities are collaborative and participatory.

5. Strengthening Ethics and Compliance Management and Information Security

DRB will unequivocally demonstrate its determination to fulfill its corporate social responsibilities as a corporate citizen and uphold strict ethics and compliance management practices. We will ensure that ethical values serve as the guiding principles for our decision-making and actions. We will conduct our business in adherence to established compliance processes and remain dedicated to transparency by providing stakeholders with accurate and relevant information, thereby fostering public trust. Additionally, we will minimize unforeseen risks by enhancing our information security systems and individual security awareness.

DRB will remain resolute in practicing sustainable management through continuous innovation. As part of this strategy, we will prioritize enhancing product performance while minimizing environmental impact through the research and development of advanced materials and technologies. Moreover, we will continue to uphold human rights, fulfill our corporate social responsibilities, and promote proactive approaches that generate positive social value. In 2024, DRB will continue to share our passion for sustainable growth and lead positive change through our collective efforts. I firmly believe that by avoiding impatience, setting incremental goals, and making steady progress together, we will secure a brighter future for all.

CEO of DRB Holding,

Ryu, Yeong Sik

Y. S. Ryu

Sustainability Management Statements

Chairman of the ESG Committee, DRB HoldingSon, Dong Wun

Historically, under the ideology of shareholder capitalism, corporate social responsibility (CSR) activities were often seen as conflicting with the creation of economic value. However, in recent years, stakeholder capitalism—where companies are expected to consider the interests of a wide range of stakeholders, including customers, employees, and suppliers—has rapidly gained traction. Today, ESG management practices that increase social value have become integral to a company's profit model. These activities contribute to long-term sustainability and social trust, helping to reduce financing costs, boost product loyalty, and attract top-tier talent. In light of these changes in the business landscape, DRB must not shy away from the growing regulatory trends surrounding sustainable management, both domestically and internationally. Instead, we must actively monitor policy shifts and align our strategies with the evolving regulations across different countries. Therefore, I recommend that DRB Holding adopt sustainable management as a core principle from the outset of our growth phase and integrate it into all aspects of our operations. The global ESG trend presents both an opportunity and a

Chairman of the ESG Committee, DRB IndustrialHeo, Tae Wook

"We will transition to the ESG 2.0 phase with more active innovation."

ESG, an acronym for Environment (E), Society (S), and Governance (G), encompasses profound keywords, such as corporate sustainability, corporate value, and non-financial performance indicators. Currently, the global paradigm is shifting fundamentally toward integrating non-financial performance alongside traditional financial metrics into corporate management strategies and disclosure reports, including sustainability reports. In this context, ESG is driving the transition to a 'new paradigm' of corporate value.

challenge for DRB. To thrive, DRB must manage a wide array of risks effectively, and ESG management across various factors such as carbon emissions, energy use, water conservation, waste management, resource circulation, health and safety, diversity and inclusion, and human rights become ever more critical. Given that DRB's core businesses are intrinsically linked to global climate action and human rights throughout the entire value chain—from raw material sourcing to manufacturing, sales, and post-consumer recycling—the importance of identifying risks and seizing opportunities for resolution has never been greater.

In this context, the ESG Committee will lead efforts to enhance corporate transparency, a critical aspect of our compliance framework. We are committed to ensuring that the discussions and decisions made within the Committee are reported to the Board of Directors and disclosed both internally and externally in a transparent manner. The ESG Committee is expected to play a pivotal role in supporting DRB's mission to fulfill its social responsibilities and evolve into a more trusted partner to stakeholders.

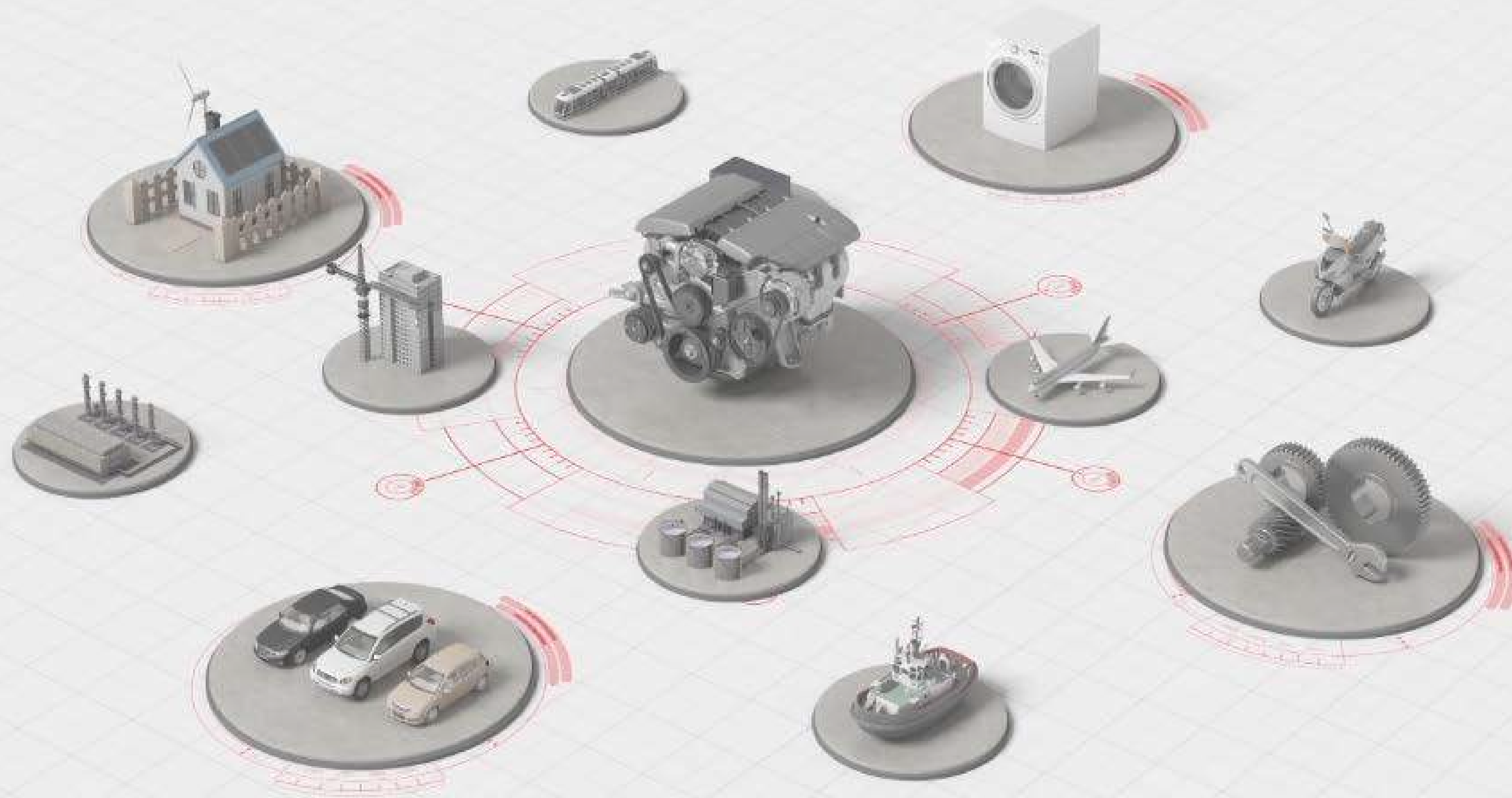
Aligned with this paradigm shift, DRB Industrial has been at the forefront of ESG management and achieved remarkable success in related ESG evaluations. Notably, in 2024, DRB Industrial was awarded the prestigious 'Platinum Medal' by EcoVadis, the world's largest and most credible global sustainability assessment organization, founded in France in 2007. EcoVadis evaluates sustainability performance across four key areas—environment, labor and human rights, ethics, and sustainable procurement—covering over 130,000 companies in more than 180 countries. Based on their sustainability performance, companies are awarded grades ranging from Platinum (top 1%), Gold (top 5%), and Silver (top 15%) to Bronze (top 35%). DRB Industrial's outstanding performance in the supply chain due diligence assessment earned us a Platinum medal, placing us in the top 1% within our industry sector. DRB Industrial's journey in ESG management has demonstrated continuous improvement, progressing from a Silver medal in the initial assessment in 2021 to consecutive Gold medals in 2022 and 2023, and ultimately achieving Platinum in 2024.

Finally, DRB is required to provide reliable, standardized ESG disclosures to investors, enhancing our corporate value. The recent establishment of ESG disclosure standards by the ISSB is anticipated to accelerate this shift, making it easier for stakeholders to assess corporate sustainability and future growth potential. In alignment with this global movement, the ESG Committee will engage in thorough deliberation and make sound decisions within a sustainable governance framework. We will also ensure that our decisions, processes, and outcomes are shared transparently and promptly with all stakeholders.

Building on these achievements, DRB Industrial is now set to enter the 'ESG 2.0' stage. Moving beyond the existing 'ESG 1.0' phase, which focused on establishing frameworks and goals, we will now embark on a new phase characterized by active ESG investment and transformative business practices. We will be committed to advancing proactive and anticipatory ESG management. Moreover, we will pursue ESG management through a 'twin transformation' approach, focusing on both green and digital transformation. ESG and digital innovation are intrinsically linked, and as such, companies must address both challenges simultaneously to thrive. DRB Industrial will be dedicated to advancing ESG 2.0 and twin transformation with multifaceted collaboration with global customers.

We greatly appreciate your continued support and interest in DRB Industrial as we remain committed to our ESG management activities, striving for sustainable growth in the years ahead.


Company Profile




Company Profile

Since our founding in 1945, DRB has successfully pioneered the domestic production of rubber belts, becoming a leader in Korea’s industrial rubber sector. Through ongoing innovation, DRB has continually developed products that meet evolving market needs and expanded from the rubber industry into future-oriented advanced sectors, thereby contributing to global industrial development and the enhancement of quality of human life.


General Information




Company name
DRB Holding Co.,Ltd.




Established date
September 30, 1945




CEO
Ryu, Yeong Sik



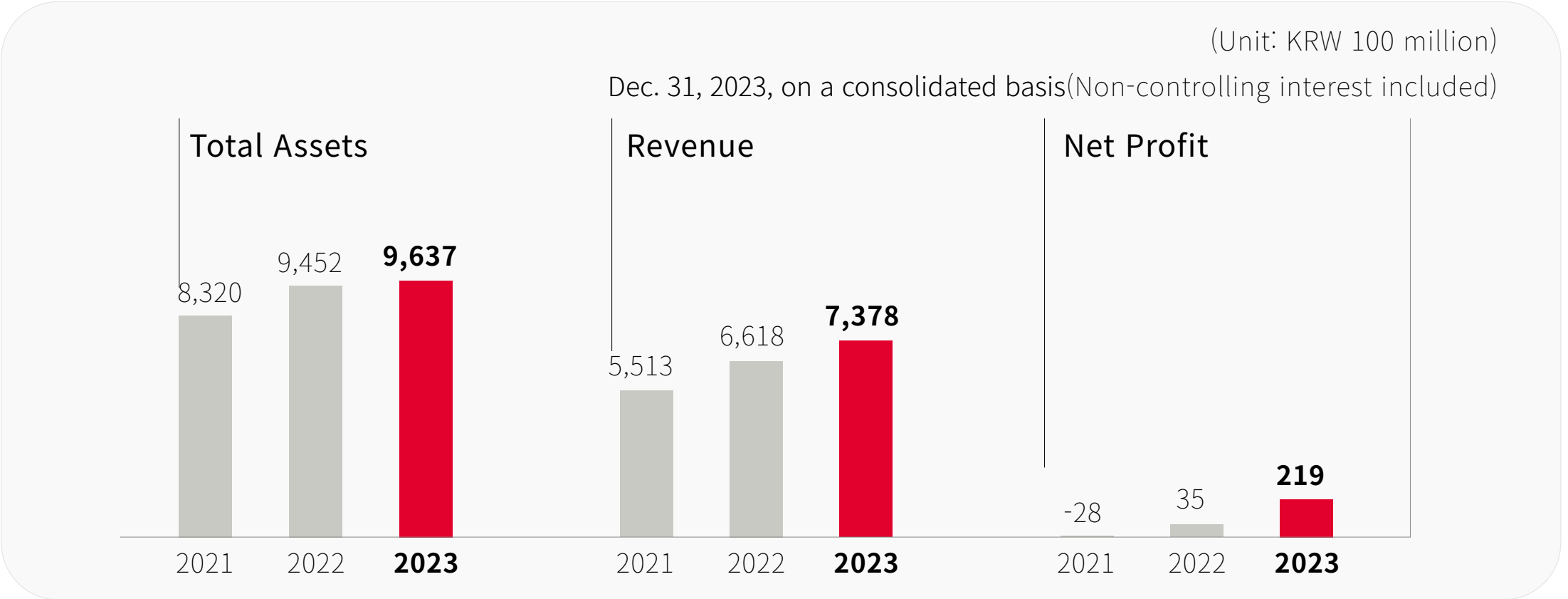
Head office address
28, Gongdandong-ro 55beon-gil,
Geumjeong-gu, Busan, Korea



Employees
86 employees
2,743 employees (Dec. 31, 2023,
on a consolidated basis)



Credit Rating
BB0(Nice Information Service)



DRB Slogan

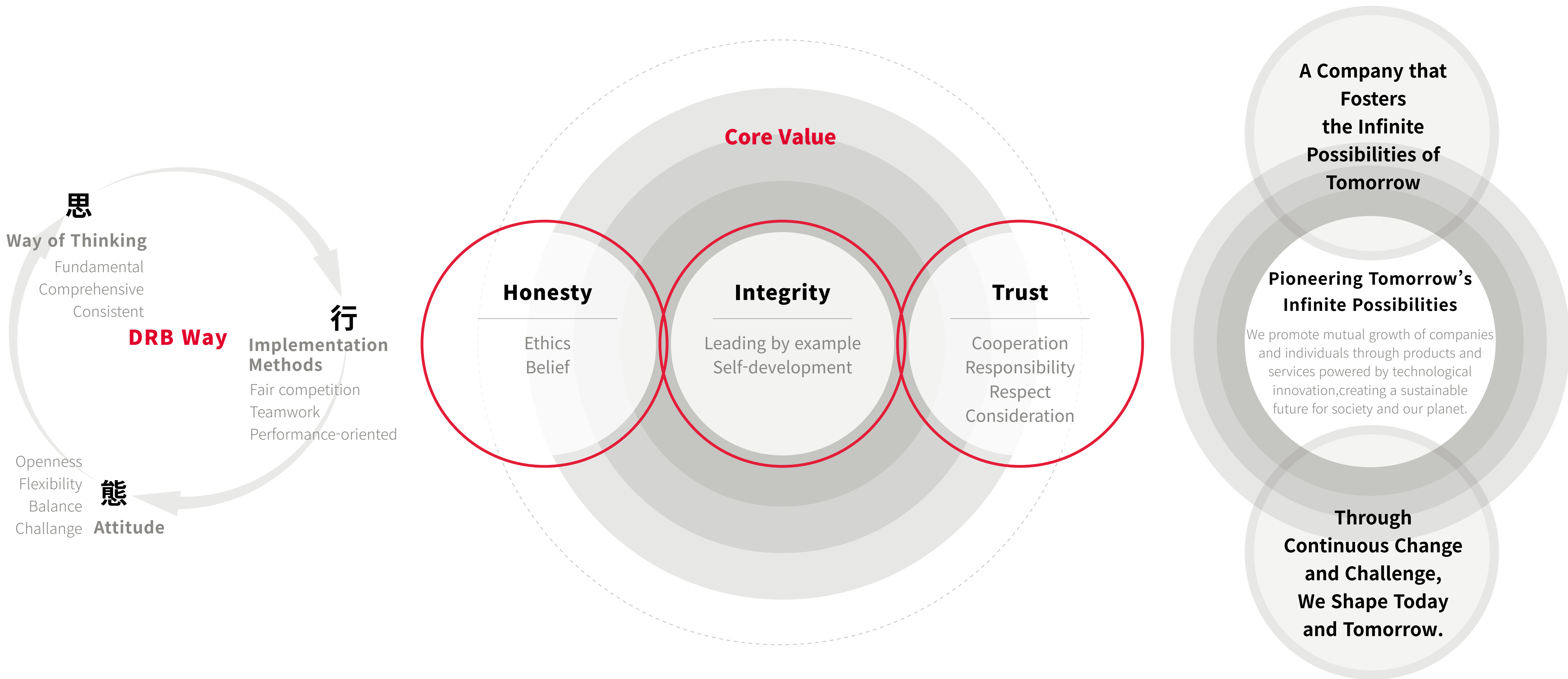
Over the past decade, DRB has faced significant external challenges, including the THAAD-related downturn in our operations in China, the European financial crisis, and the COVID-19 pandemic, alongside internal pressures such as rising costs and logistics disruptions. However, guided by our slogans—"New Start," "No Worries, Let’s Do It!," and "The Path of the Pioneer"—which inspire us to embrace fresh perspectives and actions, and boldly take on challenges without fear of setbacks, each entity and division at DRB has launched Future Growth TFs to assess current operations, identify areas for improvement, and navigate crises through organizational renewal and ESG-centered management, continuously advancing to where we are today. As we embark on 2024, we begin a new journey of renewal, challenge, and pioneering. Every employee of DRB sympathizes with the company’s commitment to sustainable growth and will spare no efforts in making meaningful contributions, step by step, toward both individual and organizational goals.



Company Profile

Core Value

At DRB, we recognize the profound importance of honesty and sincerity. We have always believed these values are the essential bonds that connect us to our customers. Over the next 100 years, DRB will uphold these guiding values and work to leave behind a legacy of trust, built on an honest and sincere attitude.



Company Profile

History

DRB was founded on September 30, 1945, as ‘Dongil Chemical Works’ and went public on May 21, 1976, under the name ‘Dongil Rubber Belt Co., Ltd.’ On October 1, 2012, the company underwent a structural division, resulting in the formation of DRB Holding Co., Ltd., DRB Industrial Co., Ltd., and DRB International Co., Ltd. In 2013, following a regular general shareholders' meeting on March 22, the company officially changed its name to ‘DRB Holding Co., Ltd.’ Then, on May 3, 2022, DRB Holding Co., Ltd. was further divided into DRB Holding Co., Ltd. and DRB Automotive Co., Ltd., transitioning into a pure holding company.



● The Birth of Korea’s First Belt Manufacturing Company

- 1987 Organized a labor union
- 1985 Won the grand prize at Busan Industry Grand Awards
- 1981 Received the USD 10 Million Export Tower Award on the 18th Export Day
- 1978 Built Geumsadong Plant in Busan
- 1976 Listed on the Korea Stock Exchange
- 1975 Received an award on the Export Day for its contribution to expansion of exports
- 1966 Renamed to Dongil Rubber Belt Co., Ltd.
- 1965 Became the first Korean company to obtain the KS standard for belts
- 1964 Became the first Korean exporter of belts
- 1945 Established Dongil Chemical Works

● Securing Growth Momentum Through Business Diversification

- 1999 Developed seismic isolation rubber for bridges and buildings
- 1995 Acquired ISO-9002 (Quality Management System) Certification
- 1993 Established Gochon Scholarship Foundation
- 1992 Developed Korea’s first anti-vibration rubber box and elastic pad
- Completed Yangsan Plant for VS
- 1990 Launched factory automation(FA) business

● A New Step Toward Becoming a Global Company

- 2009 Awarded appreciation plaque from city of Qingdao for outstanding corporation
- 2007 Established PT. Dongil Rubber Belt Indonesia
- Established Shanghai Dongil Rubber Belt Co., Ltd.
- 2006 Established Dongil Rubber Belt Vietnam Co., Ltd.
- Won Quality Management Award
- 2005 Established Dongil Rubber Belt Japan Co., Ltd.
- Obtained ISO/TS-16949(Automotive Belt) Certification
- 2004 Established Dongil Rubber Belt Slovakia, S.R.O.
- Established Dongil Rubber Belt America, Inc.
- Obtained ISO-14001(Environmental Management System) Certification
- 2001 Established Qingdao Dongil Rubber Belt Co., Ltd.

● Fulfilling Corporate Social Responsibility

- 2019 Certified as a leisure-friendly company
- Established DRB Rus LCC
- 2018 Awarded the Minister of Trade, Industry, and Energy Award (AGV)
- 2017 Opened DRB’s CSR platform "Campus D"
- Obtained ISO-22301 (Business Continuity Management System) certification
- Certified as an excellent family-friendly company
- 2015 Established Chongqing DRB Vehicle Parts Co., Ltd.
- Selected as one of the top 100 best companies for job creation (Ministry of Employment and Labor)
- 2012 Selected as a great workplace in Busan
- Divided by spin off into two companies (DRB Holding Co., Ltd./ DRB Industrial Co., Ltd.)
- 2010 Built Qingdao Dongil Culture Center

● Change and Innovations to Become a Company With a Legacy of 100 Years

- 2023 Named one of the Top 10 LEAD Companies by the UNGC Network Korea
- 2022 DRB Industrial Co., Ltd. Awarded Gold Rating in EcoVadis Supply Chain Assessment
- DRB Fatec Co., Ltd. renamed to DRB Automation
- Divided by spin off into two companies (DRB Holding Co., Ltd./ DRB Automotive Co., Ltd.)
- 2021 Achieved Excellence in recognition of Partner-level Performance by John Deere (4 consecutive years)
- DRB Healthcare launched its healthcare business
- 2020 Won Overall Excellence Award in Work-Life Balance Excellent Company Competition
- Completed the Georgia Office (Field Test Site) construction in the United States
- Won the grand prize at Korea Social Contribution Awards

1945 ~ 1989

1990 ~ 1999

2000 ~ 2009

2010 ~ 2019

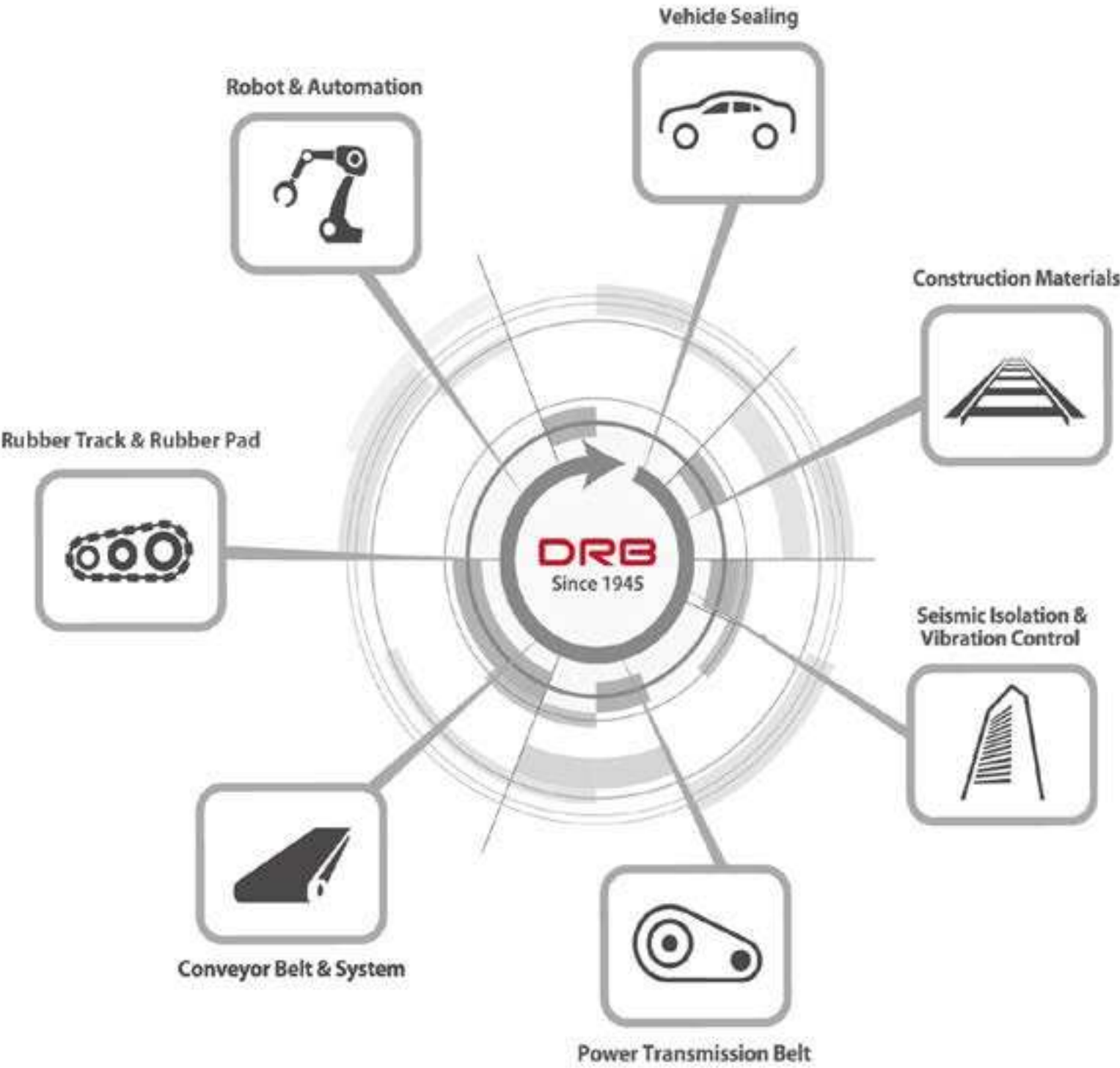
2020 ~

Company Profile

Business Areas

DRB engages in various business areas, including i) industrial rubber products, such as rubber tracks and rubber pads for construction and agricultural machinery, transmission belts widely used in power transmission, and conveyor belts designed to maximize the efficiency of transport lines; ii) automotive rubber parts (vehicle sealing) used as automotive sealing materials to enhance quality by minimizing noise and vibration; iii) comprehensive rubber parts that offer seismic isolation and vibration control; iv) automation solutions tailored to the specific needs of various industries; and v) a healthcare business that provides environmentally friendly intravenous (IV) fluid lines to prevent drug adsorption. To protect the global environment and adapt to climate change, we will continue our efforts to deliver eco-friendly products and services to customers, such as energy savings through technological innovation across all business areas.

Sales Figures and Proportions by Business Sector



Industrial rubber product sector

/ Rubber tracks / Power belts / Conveyor belts, etc.

57 %
KRW 424.6 billion



General rubber part sector

/ Automotive rubber parts / Materials for civil engineering and construction, etc.

28 %
KRW 206.0 billion



Other sectors

/ Automation business / Medical devices, etc.

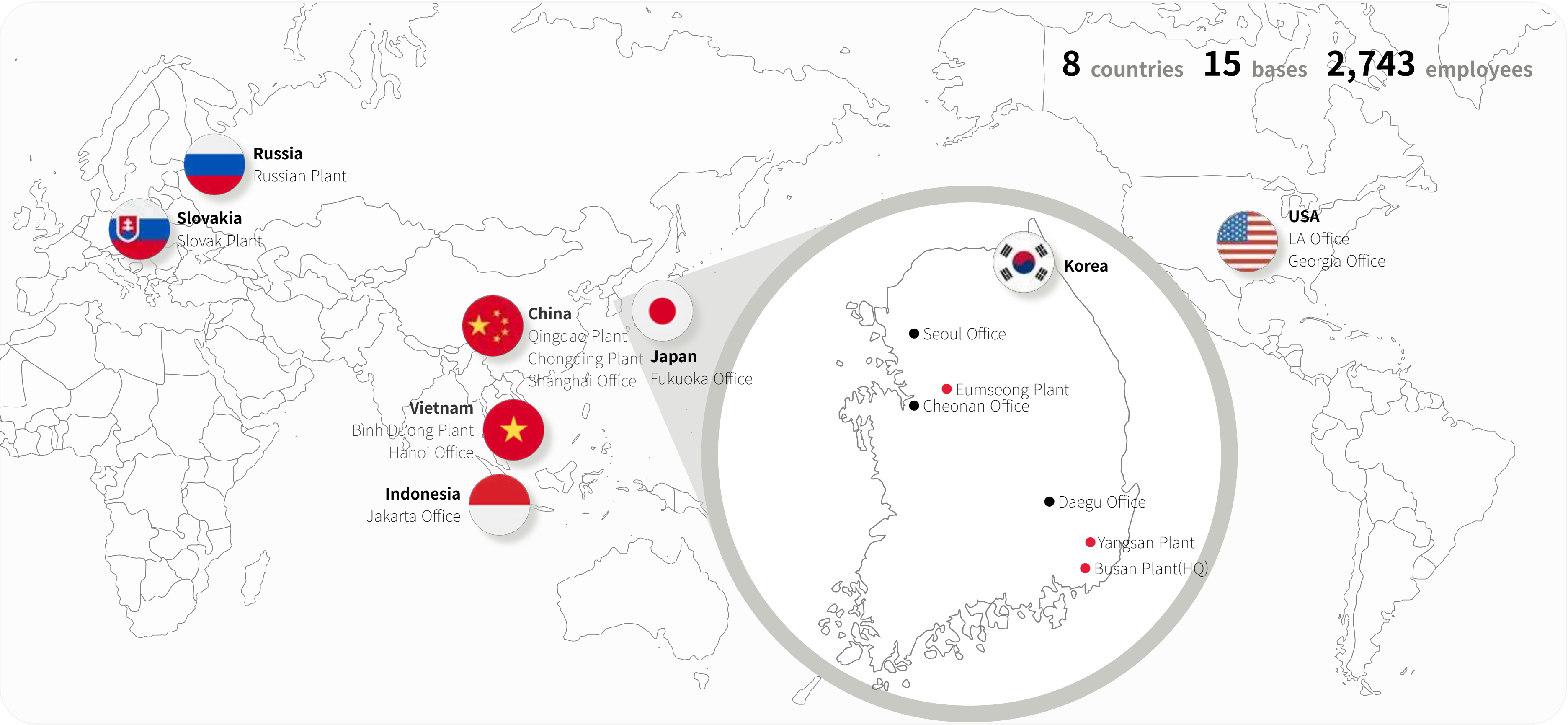
15 %
KRW 107.2 billion



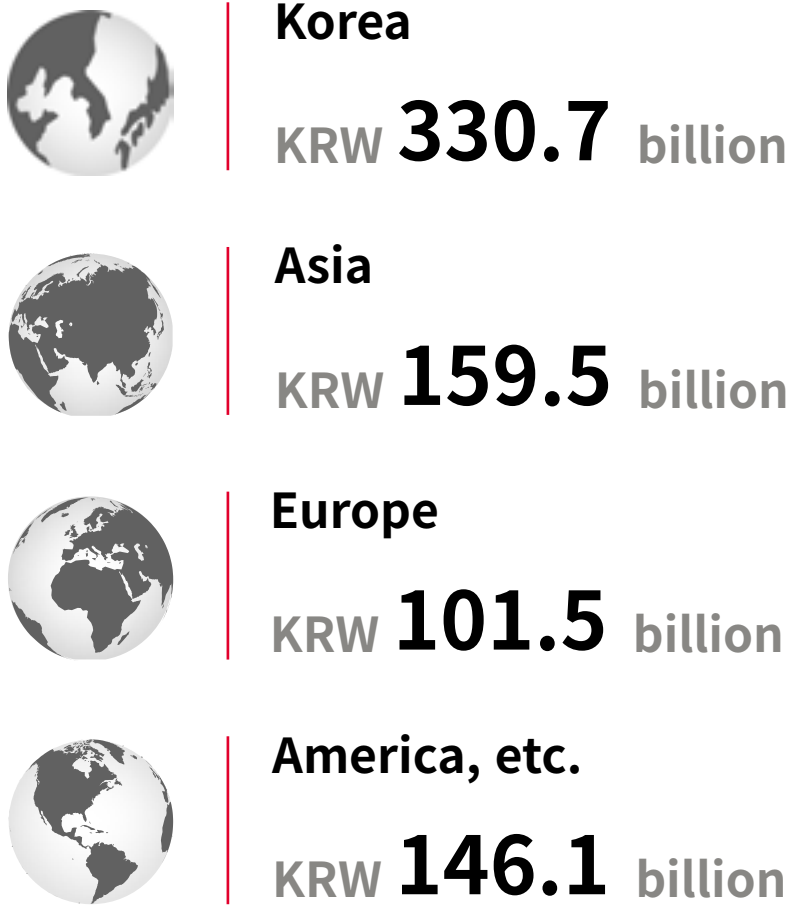
Company Profile

Global Network

Since the 2000s, DRB has steadily expanded its overseas manufacturing and sales bases, evolving into a truly global player. We will continue to strengthen our competitive edge in the global market through effective localization strategies.



2023 Regional Sales Status



Korea

DRB Holding	(1945. 09.)	DRB Automation	(2001. 09.)
DRB Industrial	(2012. 10.)	DRB Healthcare	(2021. 12.)
DRB Automotive	(2022. 05.)	DRB International	(2012. 10.)

USA

DRB America	(2004. 01.)
Georgia Office	(2020. 05.)
Japan	
DRB Japan	(2005. 05.)

China

DRB Qingdao	(2001. 12.)
DRB Shanghai	(2007. 10.)
Chongqing Plant	
* Merged with DRB Qingdao in 2023	

Vietnam

DRB Vietnam	(2006. 05.)
Hanoi Office	(2008. 03.)
Indonesia	
DRB Indonesia	(2014. 06.)

Slovakia

DRB Slovakia	(2004. 12.)
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Russia

DRB Russia	(2019. 04.)
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Overview			Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile		Sustainable Mgt.	ENVIRONMENT	SOCIAL	GOVERNANCE	ESG Fact Sheets	Index	Assurance
	General Info.	Core Value	History	Business Areas	Global Network	Subsidiaries	Value Creation		

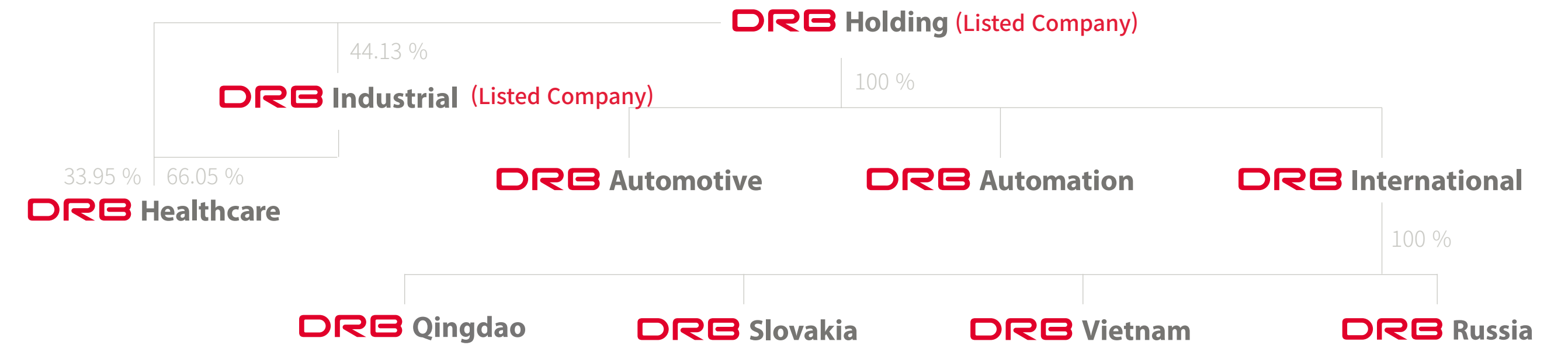
Company Profile

Subsidiaries

DRB Holding oversees a total of 17 consolidated subsidiaries. In May 2022, it transitioned into a pure holding company through a corporate split-off. This structural transformation is designed to improve the efficiency of developing and implementing the company’s management strategies.

Governance

In May 2022, DRB Holding adopted a holding company structure to enhance management transparency and efficiency. The company is tasked with formulating plans for future growth businesses, expanding R&D investments, and supporting the reinforcement of core competencies across its subsidiaries, while simultaneously optimizing the business portfolio. Moreover, DRB Holding serves as a central driver of sustainable management initiatives, contributing to DRB's long-term growth and value creation.



DRB Automation



DRB Healthcare



DRB Qingdao



DRB Vietnam



DRB Slovakia



DRB Russia



DRB Industrial



DRB Automotive

Company Profile



DRB Industrial

General Information

Company name	DRB Industrial Co.,Ltd.
Location	28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan, Korea
Establishment	Oct. 1, 2012 (Relisted on the Korea Exchange on Oct. 19, 2012)
CEO	Lee, Yun Hwan
Employees	545 employees
Business area	Rubber belts, other rubber products, etc.
Credit rating	BB+ (NICE Information Service)



DRB Automotive

General Information

Company name	DRB Automotive Co.,Ltd
Location	28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan, Korea
Establishment	May 1, 2022 (split-off from DRB Holding Co., Ltd.)
CEO	Ryu, Yeong Sik
Employees	199 employees
Business area	Manufacturing of industrial and other non-cured rubber products

Business area

Rubber belt area



We manufacture transmission belts, which are widely used in industrial applications, automobiles, agricultural machinery, home appliances, and other systems requiring power transmission. Additionally, we produce conveyor belts designed to enhance material and logistics flow processes, optimizing the overall transportation environment.

Track area



Rubber tracks, designed to ensure optimal driving stability across various ground conditions, are widely used in construction and agricultural machinery. Additionally, rubber pads, which can be easily mounted on steel-type caterpillars, enhance the benefits of rubber tracks by offering both superior functionality and cost-effectiveness.

Others (engineering, etc.)



DRB's engineering division leverages its expertise in rubber application technologies across civil engineering and construction sectors, including marine, railway, road, and bridge projects. By managing the entire lifecycle—from product development through construction to after-sales service—the division plays a vital role in fostering safer and more comfortable living environments for a broader population.

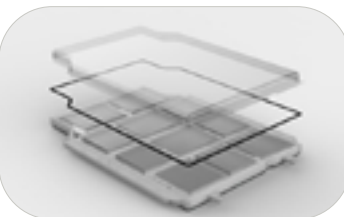
Business area

Vehicle sealing



DRB's vehicle sealing parts are designed to prevent the intrusion of water, dust, and noise, enhancing interior quietness and overall comfort. This product line incorporates advanced technologies and superior quality, ensuring key functionalities such as reduced friction during door operation and minimized vibration and noise at high speeds.

Battery gasket



DRB's battery gaskets create airtight seals between the housing and cover, effectively blocking external elements like water and dust. Designed to meet stringent flame-retardancy and cleanliness standards, these gaskets ensure the safety and reliability of assembled components.

Elevator flat belt

CLICK HERE



DRB's elevator flat belts offer significant energy savings through high flexibility and improved traction, enabled by a smaller pulley diameter. These belts are engineered for durability and ease of maintenance, with features such as low vibration, minimal elongation, and reduced noise, all contributing to a superior user experience.

Financial achievements¹⁾

(unit: KRW 100 million)

Category	2021	2022	2023
Sales	2,775	3,904	3,578
Net Profit	61	69	84
Total Assets	3,138	3,812	3,740
Total Liabilities	1,048	1,632	1,503
Total Equity	2,090	2,180	2,237

1) on a consolidated basis(Non-controlling interest included)

Sustainability Mgt. Assessment



SUSTINVEST

ESG BEST Company 100

Overall rating **A**

Rating in corporate with assets of less than KRW 500 billion **AA**

Certification by External Agencies

ISO 9001:2015 ISO 14001:2015 ISO 45001:2021



Financial achievements

(unit: KRW 100 million)

Category	2021	2022	2023
Sales	-	660	1,057
Net Profit	-	11	25
Total Assets	-	979	1,042
Total Liabilities	-	413	488
Total Equity	-	565	554

Sustainability Mgt. Assessment

Supply Chain ESG Assessment by HMG



Certification by External Agencies

IATF 16949:2016 ISO 14001:2015 ISO 45001:2021



ISO 9001:2015



Company Profile



DRB Qingdao

General Information

Company name	Qingdao Dongil Rubber Belt Co.,Ltd.
Location	No.10 Xianghui Road,Lancun, Jimo, Qingdao city, Shandong Province
Establishment	December 2001
CEO	An, Il Hong
Employees	508 employees
Business area	Industrial rubber products and general rubber parts

Business area



Financial Achievements

(unit: KRW 100 million)

Category	2021	2022	2023
Sales	836	1,073	1,119
Net Profit	- 12	- 7	- 14
Total Assets	1,086	1,177	1,260
Total Liabilities	292	415	533
Total Equity	794	792	727

Assessments & Certifications



Awarded as an Outstanding Contributor Company



B86



DRB Slovakia

General Information

Company name	Dongil Rubber Belt Slovakia, s.r.o
Location	Robotnicka 2198, 017 01 Povazska Bystrica
Establishment	December 2004
CEO	Jang, Man Un
Employees	510 employees
Business area	General rubber parts

Business area



Financial Achievements

(unit: KRW 100 million)

Category	2021	2022	2023
Sales	733	661	772
Net Profit	3	- 29	- 7
Total Assets	603	643	627
Total Liabilities	349	416	397
Total Equity	254	227	230

Assessments & Certifications



B80



DRB Vietnam

General Information

Company name	Dongil Rubber Belt Vietnam Co.,Ltd.
Location	F-1-CN & F-7-CN, My Phuoc 2 Industrial Park, Ben Cat District, Binh Duong Province
Establishment	May 2006
CEO	Park, Jung Ho
Employees	581 employees
Business area	Industrial rubber products

Business area



Financial Achievements

(unit: KRW 100 million)

Category	2021	2022	2023
Sales	1,195	1,883	1,554
Net Profit	- 8	68	53
Total Assets	902	1,284	1,234
Total Liabilities	470	773	681
Total Equity	432	511	553

Assessments & Certifications



A Plaque of Appreciation for Social Contribution Activities

Company Profile



DRB Automation

General Information

Company name	DRB Automation Co., Ltd.
Location	130, Geumsa-ro, Geumjeong-gu, Busan
Establishment	July 20, 1989
CEO	Kook, Bin Yong
Employees	109 employees
Business area	Other machinery and equipment manufacturing

Business area



As a key enabler of the Fourth Industrial Revolution, the automation industry uniquely integrates core technologies from diverse fields, including IT, electronics, machinery, information systems, and engineering. DRB Automation provides customized automation solutions for industrial sites, leveraging its extensive experience and expertise in automation technologies.



DRB Healthcare

General Information

Company name	DRB Healthcare Co., Ltd.
Location	77-35, Daegeum-ro, Daeso-myeon, Eumseong-gun, Chungcheongbuk-do
Establishment	October 1, 2021 (acquisition through new investment)
CEO	Shim, Jung Sun
Employees	14 employees
Business area	Other medical device manufacturing

Business area

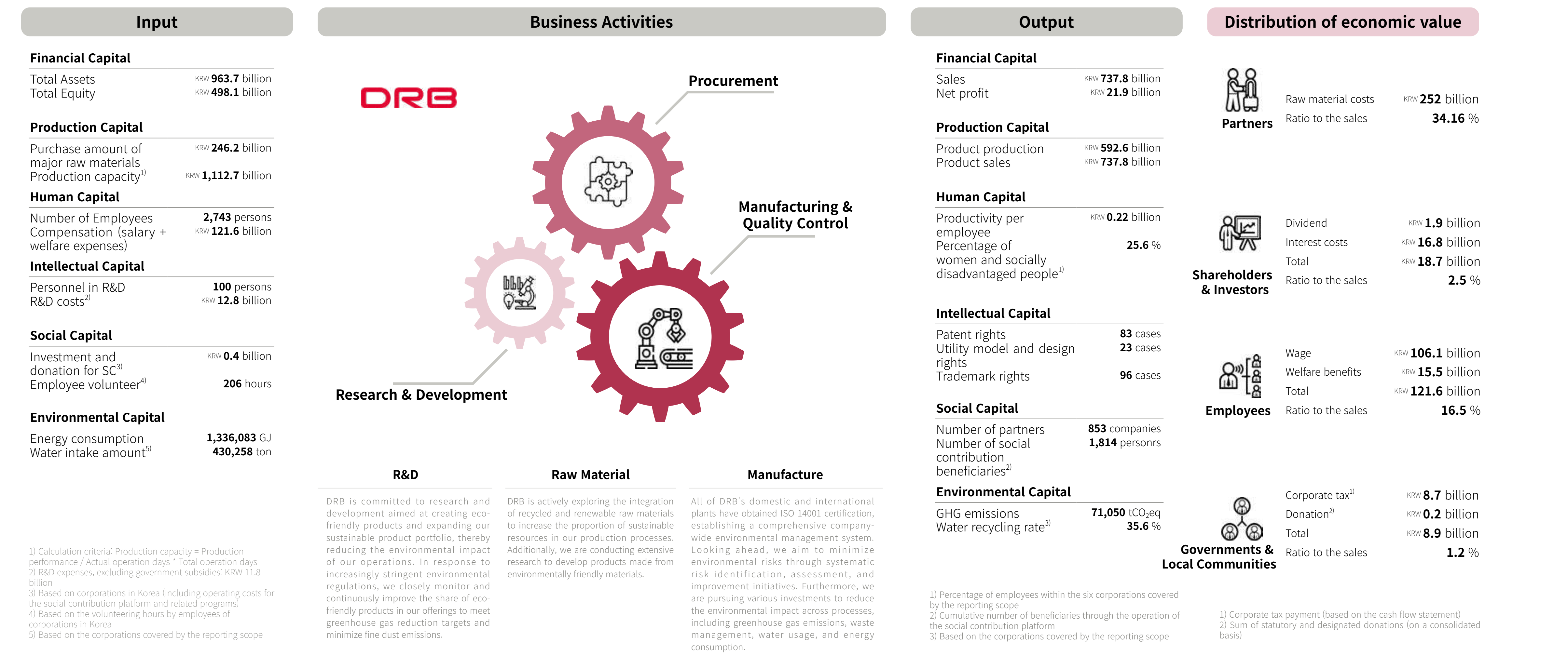


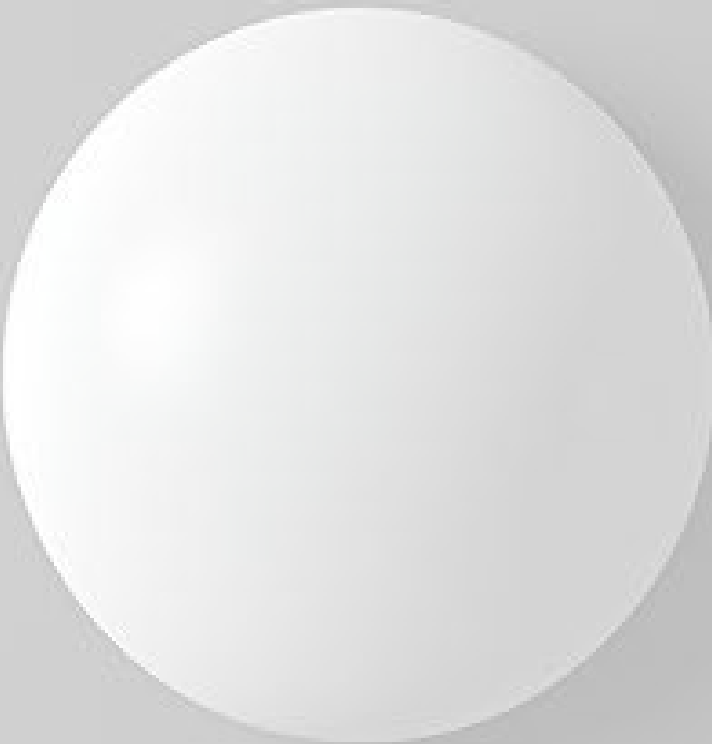
DRB Healthcare’s products retain the functions and composition of standard IV sets (A79030.01) but are classified separately due to their specialized feature designed to prevent partial medication absorption. Our IV sets ensure accurate dosage delivery to support patient health and incorporate various components to enhance the convenience and safety of medical professionals.

Company Profile

Value Creation

DRB Holding and its subsidiaries invest in six core capitals essential for corporate operations, driving economic, environmental, and social outcomes. By creating value across the entire value chain for our stakeholders, we strive to contribute to society’s sustainable growth and support the advancement of the UN Sustainable Development Goals (SDGs).





Sustainable Management

2030

ONE STEP AHEAD

Upgrading Integrated Business Management

2027

STEP UP

Setting Data-Driven Growth Targets
From Data To Real Impact

2024

STEP INTO

Digitalization X Sustainability

2022

START

Building a Foundation for Sustainable Management
in Pursuit of Sustainable Growth

DRB Sustainable Management

Sustainable Management Framework CLICK HERE

DRB is dedicated to advancing sustainability management by evaluating its corporate value through the lens of sustainability, addressing both present and future needs. To support this vision, we have established a sustainable management framework that fosters awareness of sustainability in all aspects of work and daily life for our employees. This approach enables us to pursue a responsible management model that balances environmental and social accountability with economic value creation. We execute sustainability management in alignment with our vision, ‘Daily Life of DRB Contributes to the Sustainable Growth in the Future,’ by securing sustainable market opportunities and managing integrated risks. DRB is committed to translating sustainability management into measurable and practical business outcomes.

DRB Sustainability Management Policy CLICK HERE

DRB contributes to sustainable growth by fulfilling social responsibilities as a employee of theglobal civil society, providing innovative products and services, and creating economic, social, andenvironmental values and economic growth.

- DRB communicates with stakeholders and strives to create social and environmental values as well as economic values.
- DRB respects the dignity and value of employees and partners.
- DRB complies with business ethics such as laws, international standards, and internal regulations with an honest and fair attitude.
- DRB strives for continuous improvement in safety, health, energy and environmental management activities.
- DRB fulfills corporate social responsibilities for sustainable development with business partners and local communities.

Achievements of External Activities



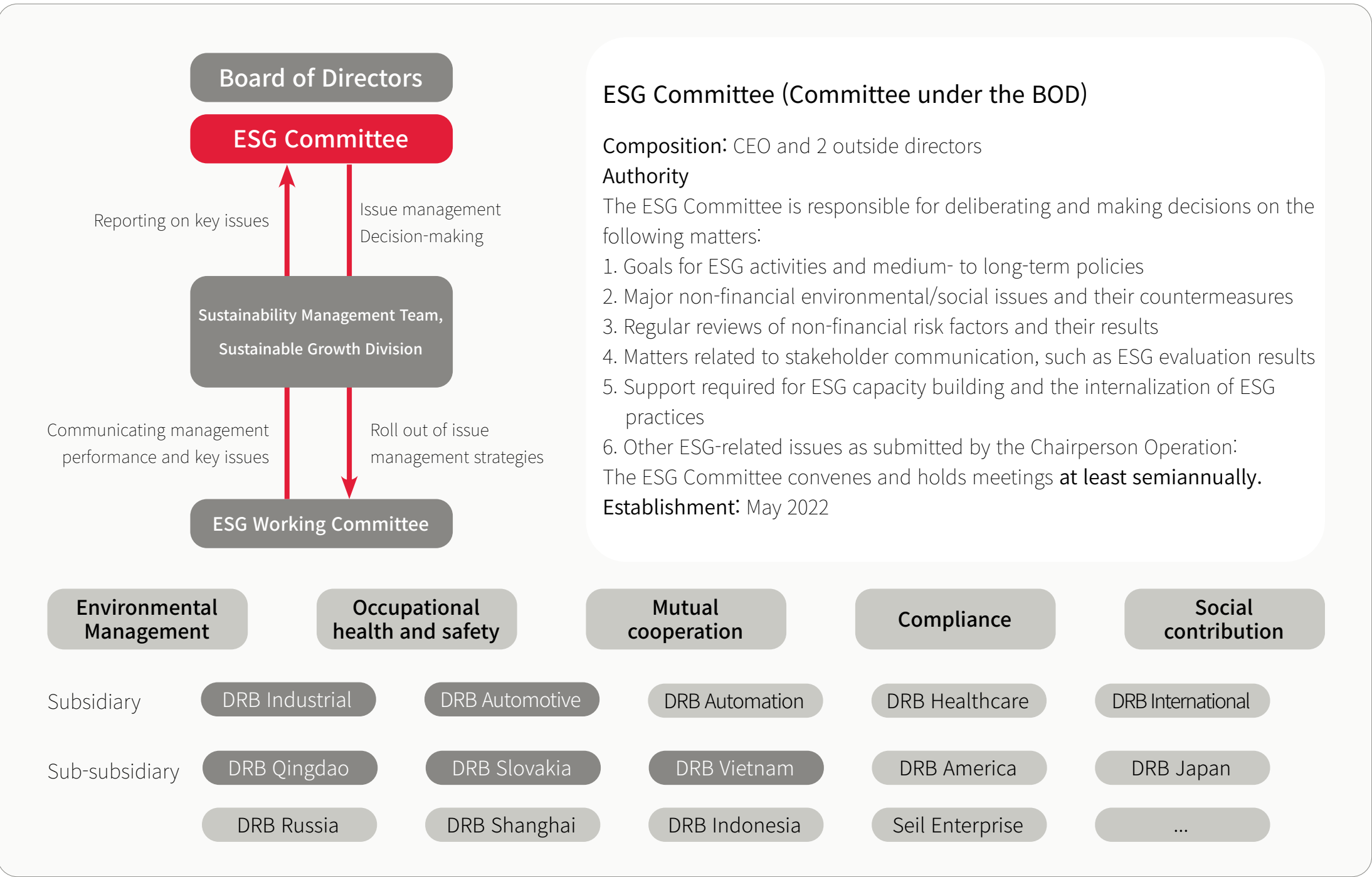
DRB Holding Co., Ltd. was honored as a ‘Leading Sustainability Management Company (LEAD Group)’ for two consecutive years at the ‘2023 UNGC Korea Leaders Summit,’ hosted by the UN Global Compact(UNGC) Network Korea.



We also received a plaque and a letter of appreciation from UNGC Network Korea in recognition of our role as a mentor company in the association’s ESG mentoring program.

Governance for Sustainable Management

DRB Holding and DRB Industrial have established an ESG Committee under the Board of Directors to drive forward the vision and core strategic tasks for sustainable management. A working committee is also in place to develop and implement strategies for specific ESG tasks. An ESG-dedicated team develops initiatives, regularly monitors their alignment with the company’s management objectives, and reports sustainability outcomes to both the management and the ESG Committee. This is followed by regular discussions to foster a deeper integration of sustainable practices throughout the organization. Through a transparent governance structure, DRB strategically and systematically manages its environmental, social, and governance (ESG) commitments, ensuring a sound governance framework, evaluating the company’s impact on society and the environment, and promoting positive contributions toward long-term sustainable growth.



DRB Sustainable Management

Board of Directors and ESG Committee

The Board of Directors of DRB has engaged in a range of activities, including the formation of sub-committees within the Board, the review of the internal accounting management system, the establishment of compliance control standards, approval of the Compliance Program, and amendments to the Operating Regulations for the Board of Directors. The ESG Committee reviews and deliberates on ESG activity goals, mid- to long-term policies, major non-financial issues, and responsive strategies and makes decisions accordingly. In 2023, the Committee reviewed the first Sustainability Management Report, established an internal Code of Conduct based on Sustainability Management principles, and provided strategic direction following deliberations on risks and major tasks.

Activities of the Board of Directors and ESG Committee

Date	Agenda(BoD)	Status	Agenda(ESG Committee)	Status
2023.02.07	Result report on the status of the internal accounting management system	Reported		
2023.02.21	Evaluation report on the status of the internal accounting management system	Reported		
2023.05.10	Appointment of committee employees within the board of directors	Approved	Appointment of the Chairperson Interim report on the Sustainability Management Report (including double materiality assessment) Report on ESG risk reviews Report on ESG priority tasks Enactment of the DRB Code of Conduct (draft)	Approved Reported Reported Reported
2023.08.09	Approval of the compliance control standards (draft) Approval of the Compliance Program	Approved Approved		
2023.11.07	Amendment to the Board of Directors Operational Regulations	Approved	Final review of the Sustainability Management Report Report on sustainability evaluation and actions for improvement Report on other achievements - Publication of sustainability management performance on the website - Appointed as a LEAD Group by UNGC Network Korea - DRB Industrial's SBTi Commitment - DRB Automotive's CDP_SC	Reported Reported Reported

ESG Working Committee

DRB has established working committees for key areas, including the environment, industrial health and safety, mutual cooperation, compliance, and social contribution, primarily operating at DRB Holding and its major subsidiaries in Korea, such as DRB Industrial and DRB Automotive. The committees are responsible for discussing, overseeing, and managing the execution of tasks and activities to address major issues and achieve desired outcomes. In the future, as DRB's overseas production subsidiaries establish a more systematic framework for promoting sustainability management, DRB plans to facilitate regular meetings between working committees from each area. These meetings will enable the exchange of progress reports on sustainability initiatives and support joint efforts to achieve DRB's overarching sustainability vision, through educational seminars and collaborative initiatives.

Activities of ESG Working Committee

Environmental Management	Occupational Health and safety	Compliance
1Q 1st 2023.01.08 1. Establishment of environmental management governance 2. Formulation of environmental management policies and goals 3. Selection and implementation of environmental tasks requiring improvement 4. Disclosure of environmental information 5. Review of participation in international initiatives	1Q 1st 2023.03.29 1. Posting of emergency contact network on site 2. Implementation of fire risk prevention measures 3. Implementation of measures to mitigate risk factors and prevent their recurrence 4. Implementation of preventive measures for forklift collision accidents	-
-	2Q 2nd 2023.06.28 1. Guidance on AED installation locations and usage 2. Campaign on safe use of mobile phones 3. Implementation of preventive measures for heat-related illnesses on site	-
3Q 2nd 2023.09.26 1. Review of 2023 business performance 2. Review of sustainability assessment response history and results 3. Status update on environmental management publications and disclosures 4. Management of 2024 environmental indicator goals	3Q 3rd 2023.09.26 1. Supplementation of the response manual in the event of safety accidents	3Q 1st 2023.08.02 1. Review of compliance control standards (draft) 2. Compliance Program 1) Declaration of the voluntary compliance with fair trades (draft) 2) Program operation plan (draft) 3. Sharing of compliance education plans
4Q 3rd 2023.11.10 1. Agreement on assignment of responsible tasks and indicators for each team 2. 2024 environmental management goals 3. Confirmation of scope for eco-friendly raw materials 4. Discussion of mid- to long-term goal establishment regarding circular economy	4Q 4th 2023.12.05 1. Fire response manual training Request for health consultations for process workers in the event of fire 2. Implementation of site-specific safety education	-

Dedicated Organization

Our Sustainability Management Team plays a critical role in assisting with the implementation and oversight of detailed sustainability activities by developing company-wide strategies and goals. The team also serves as the primary point of communication with stakeholders regarding sustainability issues and supports the operations of the ESG Committee. The Sustainability Management Team particularly supports the work of the relevant committees in major subsidiaries, ensuring alignment toward a common objective across the DRB. We aim to foster active communication and consultation when selecting key performance indicators, determining evaluation criteria, and assigning weightings. By 2026, we intend to apply these standardized measures across the entire organization, based on a shared understanding of sustainable growth and a commitment to achieving it. To date, DRB has identified 28 key action tasks (10 in the environmental sector, 11 in the social sector, and 7 in governance). DRB is dedicated to forming the foundation of our management for sustainable growth by focusing on five key priority areas that were identified through global trends and materiality assessments: (1) establishing climate change response strategies and goals; (2) implementing a human rights management system; (3) managing supply chain sustainability risks; (4) promoting a culture of compliance; and (5) enhancing stakeholder communication. Moreover, DRB's major subsidiaries are working to establish dedicated sustainability management teams to manage ESG indicators and tasks internally. They are continuously improving their frameworks and strengthening their ESG capabilities through various educational and operational programs, ensuring compliance with evolving global regulations and standards.

DRB Sustainable Management

Vision and Strategy

Sustainability Management Vision

Daily Life of DRB Contributes to the Sustainable Growth in the Future

Strategic Direction and Action Tasks

Sustainable Environment

Eco-Friendly Transition for Future Generations

Setting and implementing carbon neutrality by 2050
Practicing energy transition
Enhancing hazardous pollutants management
Establishing a resource circulation system

Healthy Society

Pursuing Development for Employees and Society

Fostering of human rights respect culture
Ensuring a healthy and safe workplace
Operating a responsible supply chain
Increasing local community contribution

Transparent Governance

Implementing Trusted, Responsible, and Transparent Management

Strengthening ethics and compliance
Enhancing internal oversight and risk management
Improving information reliability
Expanding stakeholder engagement

Management and Response System

Establishing a Governance System

Committees, dedicated organizations, and working committees
Integrated sustainability data management platform
Subsidiary-specific management units

Defining Organizational Performance Indicators (KPIs)

KPIs incorporating key sustainability areas, including quality, environment, safety, products, labor, service, sales, Risks (regulation), production performance, and technology development

Responding to External Disclosure and Evaluation

Strategic communication with stakeholders
Diversifying content related to sustainability management
Enhancing alignment with corporate and product brands

Implementation Status of Strategic Tasks

Strategic tasks	2030 implementation goals	Achievements in 2023 and 2024
Eco-Friendly Transition for Future Generations		
Setting and implementing carbon neutrality by 2050	· Calculating Scope 3 emissions and setting reduction targets · Reducing carbon emissions by 43% by 2034 (compared to 2021) · Expanding LCA product lines and building tracking systems	- Set carbon neutrality goals by business sector (Automotive parts by 2045 and rubber products by 2050) - Joined SBTi and reported on CDP_SC
Practicing energy transition	· Setting and implementing energy transition priorities across business sectors · Expanding PPAs and REC purchases (establishing the procedures for assessing financial impact) · Converting fossil fuel-based facilities within the organization	- Internal site utilization and gradual application of PPA - Compiled a list of facilities to be replaced for energy efficiency improvements
Enhancing hazardous pollutants management	· Reducing hazardous chemical usage by 80% (compared to 2021) · Maintaining zero violations of environmental regulations across sites	- Gradually replaced toluene solvent (with a target of zero usage by 2026) - enhanced facilities to prevent hazardous chemical i ncidents
Establishing a resource circulation system	· Expanding the use of recycled raw materials (13%) · Improving water recycling rates at all sites · Promoting recycling within business sites	- Increased recovery and recycling of used packaging materials - Increased waste recycling rates to 80% - Expanded use of recycled materials
Pursuing Development for employees and Society		
Fostering of human rights respect culture	· Conducting regular(annual) human rights impact assessments · Establishing a risk management system for human rights across the supply chain and overseas business sites	- Operated a human rights grievance handling channel (0 consultation cases and 0 settled cases) - Implemented training to improve human rights awareness
Ensuring a healthy and safe workplace	· Maintaining zero (0) cases of major accidents · Maintaining zero (0) cases of safety regulation violations	- Convened four meetings of the Occupational Safety and Health Committee - Obtained ISO 45001 certification for DRB Vietnam
Operating a responsible supply chain	· Conducting regular evaluations and providing training support for external suppliers · Expanding green purchasing processes	- Revised the Suppliers Code of Conduct - Conducted on-site ESG inspections
Increasing local community contribution	· Supporting disaster relief and cultural exchange projects · Overseas: Carrying out region-focused contribution initiatives in communities neighboring business sites	- Implemented 29 social contribution programs, engaging 1,814 participants (in Korea) - Achieved 4.8/5 satisfaction in contribution programs
Implementing Trusted, Responsible, and Transparent Management		
Strengthening ethics and compliance	· Establishing a compliance management system with global standards	- Enacted the DRB Ethics Charter and DRB Code of Conduct - Issued a quarterly compliance letter
Enhancing internal oversight and risk management	· Enhancing the internal control system · Consolidating a comprehensive management system for non-financial risks	- Improved efficiency within the internal accounting management system - Set compliance control standards
Improving information reliability	· Advancing data systems · Establishing standards and processes for non-financial data management	- Initiated the development of an ESG data management system - Assessed data management of each corporation
Expanding stakeholder engagement	· Expanding communication channels for information disclosure · Enhancing the operation of company websites and information channels	- Reorganized corporate websites (disclosure of sustainability information) - Published a sustainability management report

DRB Sustainable Management

Stakeholder Communication

DRB categorizes its stakeholders into customers, employees, partners, local communities, governments, shareholders, and investors. We assess the specific needs and characteristics of each stakeholder group, enhance communication channels, and engage in regular dialogue to foster mutually beneficial initiatives and proactively address potential conflicts that may arise during business operations. Through these efforts, DRB will strive to positively impact people, society, and the environment in relation to its corporate activities.

Stakeholder	Issues of Interest	Communication channels	Frequency	Response activities	
<div>Customers</div> <div></div>	Development of eco-friendly products and improvement of product quality Acquisition of external global certifications and compliance with global standards and requirements Response to climate change Human rights and labor practices	- Customer satisfaction surveys - Sustainability assessments on customers' supply chains - SNS channels	Annually Annually As required	Research activities on materials and technologies to develop eco-friendly products Proactive responses to diverse needs arising from strengthened global regulations Maintenance of sustainable supply chains	
<div>External Suppliers</div> <div></div>	Establishment of mutual cooperative relationships Compliance with fair trade practices Supply chain ESG management Sustainable supply chains	PSM (procurement system) Operating education programs Regular evaluation and due diligence Reporting channels	At all times Regularly Regularly At all times	Policy sharing and partner feedback collection through PSM (purchasing system) for mutual growth Regular education support for maintaining a sustainable supply chain Annual sustainability assessments of the supply chain Field inspection for high-risk groups (including inspections and consulting support for improvement)	
<div>Shareholders and Investors</div> <div></div>	Advancement of corporate value and creation of management outcomes Sound governance Ethical and compliance management Transparent information disclosure	Board of Directors and shareholders' meetings Corporate disclosures Company website Sustainability management report	Regularly Regularly At all times Regularly	Provision of reliable information Spreading of a compliance culture (proactively preventing ethical and legal issues)	
<div>Employees</div> <div></div>	Fair employee evaluation and performance compensation Workplace environment and employees' health Operation of talent development programs Work-life balance	Labor union and labor-management council employees satisfaction surveys Reporting and grievance handling channels DRB forum and SNS channels (YouTube, etc.)	Regularly Annually At all times As required	Gathering diverse opinions through labor-management meetings / Workplace environmental improvemet Self-directed evaluation and CFR activities for fair employee evaluation and performance management Implementation of training programs to enhance employees' capabilities in anticipation of digital transformation Implementation of health and work-life balance policies (certification as leisure-friendly, family-friendly, and health-friendly company)	
<div>Local communities</div> <div></div>	Contribution to local community development Social contribution and volunteer activities Revitalization of local economies	DRB social contribution platform NGOs and community organizations Partnerships with the youth and social enterprises	At all times As required As required	Utilizing DRB's social contribution platform, Campus D (supports cultural and arts activities across generations) Provision of office spaces to support the growth of youth and social enterprises Collaborative projects with various NGOs (Implementation of various programs to support residents)	
<div>Government and related organizations</div> <div></div>	Compliance with laws and regulations Participation in policy development Transparent information disclosure	Policy discussion meetings Participation in global initiatives (e.g., UNGC)	As required Regularly	Compliance with evolving laws and regulations Participation in meetings for policy formulation Involvement in various government support projects (upgrading sustainable management systems)	

DRB Sustainable Management

Double Materiality Assessment

DRB is undertaking a materiality assessment to identify key sustainability issues and evaluate their impacts on both stakeholders and the company itself. This assessment aims to enhance the efficiency of our sustainability management practices. Our materiality assessment process adheres to the methodology outlined in the 2021 GRI Standards. We conduct this assessment annually to determine material issues, which are then integrated into our sustainability management strategy. Furthermore, DRB is enhancing the accuracy of its reporting and strengthening stakeholder communication by focusing on the material issues identified through this process.

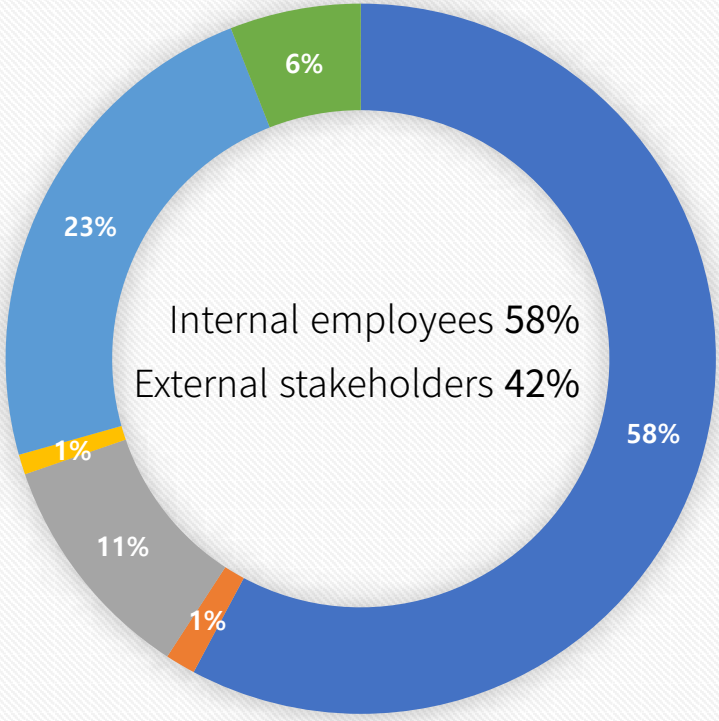
Assessment Process



Overview of Stakeholder Survey

1. Survey details
- Period: May 24, 2024 ~ June 7, 2024 (for 15 days)
- Method: Online survey via URL
- Target: 218 internal and external DRB stakeholders

2. Survey content
Assessment of the impact of the 18 issue pool (positive or negative)
Selection of major environmental, social, and financial issues (prioritization)



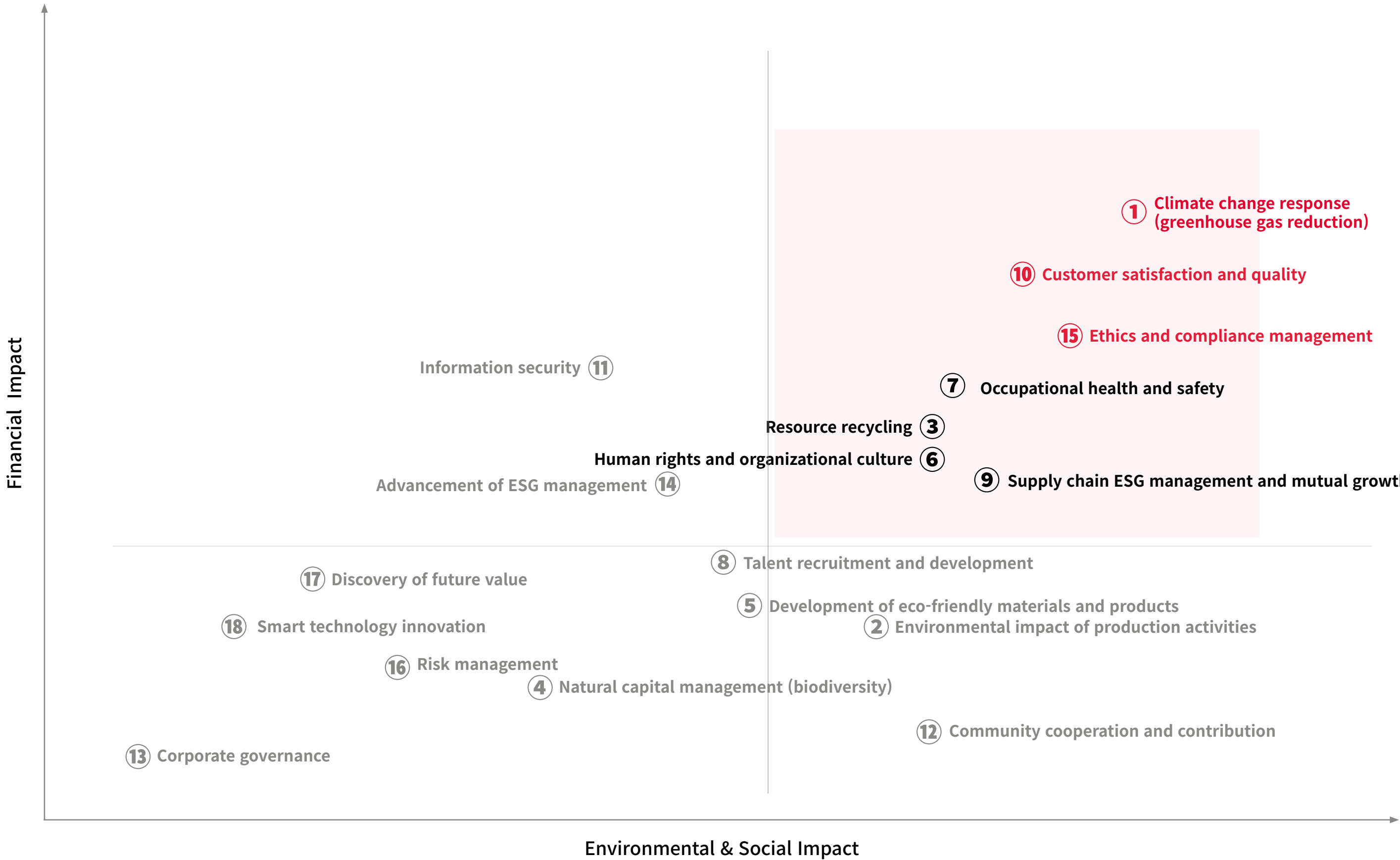
Category	Percentage
Internal employees	58%
External stakeholders	42%

DRB Sustainable Management

Materiality Assessment Results

Based on the results of the double materiality assessment, DRB has identified 3 key reporting issues and 4 important reporting issues. These issues are disclosed in the sustainability report with the utmost transparency and accuracy. Each key issue is systematically managed in alignment with DRB’s sustainability management strategy. The final selection of these issues was subject to review and approval by the board of directors. DRB regularly monitors these critical issues and oversees the management of response measures, with the ESG Committee assuming a central role. Going forward, we aim to systematically manage key issues related to sustainability management, continually advancing our sustainability efforts and enhancing execution capabilities.

Double Materiality Matrix



Priority	Issue	Double Materiality		YoY
		Financial Impact	Environmental & Social Impact	
1	① Climate change response (greenhouse gas reduction)	<div><div></div></div> Risk	<div><div></div></div> Complex	▲
2	⑩ Customer satisfaction and quality	<div><div></div></div> Opportunity	<div><div></div></div> Positive	▲
3	⑮ Ethics and compliance management	<div><div></div></div> Risk	<div><div></div></div> Positive	▲
4	⑦ Occupational health and safety	<div><div></div></div> Risk	<div><div></div></div> Complex	▲
5	③ Resource recycling	<div><div></div></div> Risk	<div><div></div></div> Positive	▲
6	⑥ Human rights and organizational culture	<div><div></div></div> Opportunity	<div><div></div></div> Positive	▲
7	⑨ Supply chain ESG management and mutual growth	<div><div></div></div> Risk	<div><div></div></div> Positive	▼

DRB Sustainable Management

● Important IssueOccupational health and safety

Impact on business	Significance and business impact	Response strategy	Achievements and goals	Page
<div>Risk</div> <div>Cost</div>	<div>Environmental and social</div> <div>• Guaranteeing the right to work in a safe and healthy environment • Minimizing legal risks</div> <div>• Improving employee morale and satisfaction • Damaging corporate reputation • Increasing turnover rates</div> <div>• Causing physical harm to employees from workplace accidents and injury risks</div> <div>Financial</div> <div>• Increasing productivity • Incurring expenditures for compensation, fines, lawsuits, etc., in the case of accidents and casualties • Generating recovery costs, such as hiring and training expenses • Raising facility investment costs to prevent health and safety accidents • Decreasing productivity</div>	<div>• Securing investment for health and safety measures</div> <div>• Eliminating potential risk factors through risk assessments</div> <div>• Implementing continuous accident prevention activities</div> <div>• Conducting emergency response training and education</div> <div>• Internalizing safety diagnostic activities</div> <div>• Inspecting the health and safety management systems of partners</div> <div>• Participating in health-friendly company certification (2022~ongoing)</div> <div>• Establishing a smart health management system and implementing health improvement programs for high-risk groups in each industry</div>	<div>• Recording zero (0) cases of serious accidents</div> <div>• Recording zero (0) cases of occupational diseases</div> <div>• Recording zero (0) penalties or surcharges related to occupational safety</div> <div>• Strengthening sustainable management through the prevention of diseases among employees</div> <div>• Consolidating the voluntary health management culture through the expansion of customized services</div> <div>• Enhancing systematic health solutions through smart health management</div>	60~67

● Important IssueResource recycling

Impact on business	Significance and business impact	Response strategy	Achievements and goals	Page
<div>Opportunity</div> <div>Cost</div>	<div>Environmental and social</div> <div>• Complying with waste-related regulations to build an eco-friendly corporate image and establish a circular economy system</div> <div>• Raising concerns about environmental pollution due to improper waste management</div> <div>• Affecting the environment and ecosystem through excessive extraction of raw materials</div> <div>Financial</div> <div>• Increasing costs for disposing of high-risk/non-recyclable waste • Improving recycling rates and reducing waste disposal costs through a shift in waste disposal methods (incineration/landfill to recycling) • Causing legal sanctions and affecting brand image and consumer trust in the event of resource waste or environmental damage</div>	<div>• Establishing a resource circulation system</div> <div>• Monitoring waste disposal status at business sites</div> <div>• Conducting research and development on the reuse/recycling of raw materials, auxiliary materials, and scrap from production processes</div> <div>• Implementing waste reduction education and awareness campaigns</div>	<div>• Establishing interdepartmental collaboration and communication systems for responsible design (waste reduction/resource circulation)</div> <div>• Expanding continuous R&D investment to reduce the use of raw materials (including new materials) and increase recyclability</div>	42~44

● Important IssueHuman rights and organizational culture

Impact on business	Significance and business impact	Response strategy	Achievements and goals	Page
<div>Opportunity</div> <div>Cost</div>	<div>Environmental and social</div> <div>• Improving employee quality of life and enhancing social stability by improving working environment and conditions • Guaranteeing employees' rights and maintaining smooth labor-management relations to improve working conditions and enhance social stability</div> <div>Financial</div> <div>• Incurring fines for non-compliance with legal requirements, costs for hiring and training new employees due to employee turnover, and loss in capital inflow due to company's reputational damage</div>	<div>• Eradicating forced labor and child labor</div> <div>• Securing ethical hiring practices and ensuring fair evaluation and compensation</div> <div>• Operating regular labor-management councils and maintaining employee communication channels</div> <div>• Encouraging organizational diversity and protecting vulnerable individuals</div> <div>• Implementing family-friendly and leisure-friendly management programs</div>	<div>• Expanding human rights impact assessments</div> <div>• Enhancing supply chain due diligence regarding forced labor and child labor, including conflict minerals statement</div> <div>• Strengthening global human rights grievance handling channels</div> <div>• Expanding workforce diversity and reinforcing anti-discrimination policies</div>	46~59

● Important IssueSupply chain ESG management and mutual growth

Impact on business	Significance and business impact	Response strategy	Achievements and goals	Page
<div>Risk</div> <div>opportunity</div> <div>Cost</div>	<div>Environmental and social</div> <div>• Promoting mutual development in new markets and technological fields through collaboration with suppliers</div> <div>• Reducing resource consumption and improving productivity across society by enhancing environmental efficiency, labor conditions, and governance practices within the supply chain</div> <div>• Addressing supply continuity risks arising from sustainability challenges within the supply chain</div> <div>Financial</div> <div>• Increasing consumer preference for companies that produce products in a sustainable manner, thereby securing a competitive advantage in the market</div> <div>• Incurring fines for non-compliance with laws and regulations due to insufficient response to supply chain due diligence and disclosure requirements</div>	<div>• Reorganizing the purchasing strategy</div> <div>• Managing emission reductions of external suppliers</div> <div>• Revamping the supply chain management system to identify potential sustainability risks and implement mitigation measures</div> <div>• Monitoring improvements related to identified sustainability risks within the supply chain</div> <div>• Providing education and consultation to enhance the supply chain sustainability management capabilities of employees within external suppliers</div>	<div>• Signing ethical agreements with new external suppliers and requesting written pledges to comply with external supplier codes of conduct and obligations related to conflict minerals</div> <div>• Diagnosing sustainability risks among major Korean and international suppliers</div> <div>• Collecting emissions data related to key raw materials</div> <div>• Developing an on-site due diligence system for external suppliers in relation to sustainability management, aligned with global standards</div> <div>• Preparing to disclose a supply chain due diligence report</div>	68~74

Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt. Eco-Friendly Mgt.	ENVIRONMENT Climate Change	SOCIAL Impact Mgt.	GOVERNANCE Resource Recycling	ESG Fact Sheets	Index	Assurance

Sustainability Areas

ENVIRONMENT



ENVIRONMENT

Eco-Friendly Management

DRB is developing its environmental management system grounded in an integrated environmental management policy. Each corporation within DRB identifies potential environmental impacts throughout its operations and conducts continuous improvement efforts to mitigate these impacts. Corporations are also actively working to minimize environmental risks by adhering to key environmental regulations, such as the Framework Act on Carbon Neutrality and Green Growth for Coping with the Climate Crisis, effective from 2022. Major internal and external environmental concerns are managed through regular, company-wide environmental management committees, which include participation from working groups and reports to executive management. DRB is formulating mid- to long-term environmental investment plans for improving environment and reducing greenhouse gas emissions, aiming to meet corporate environmental and social responsibilities.

Environmental Management Governance

DRB has built an environmental management governance framework, which includes an environmental management committee, an environmental management organization, and environmental managers. DRB regularly convenes the Environmental Management Committee, comprising environmental departments from all Korea and overseas subsidiaries, to address key environmental management issues. This includes formulating and revising environmental policies, responding to climate change, setting carbon neutrality targets, planning mid- to long-term environmental investments, identifying priority environmental tasks, and communicating related outcomes. Results from the Committee's meetings are reported to each corporation’s CEO and the ESG Committee within the Board of Directors, with significant environmental management decisions resolved by the Board of Directors (ESG Committee). Moreover, the Environmental Management Committee proactively addresses potential risks by identifying stakeholder-related environmental issues from the initial business planning stage. Through a unified reporting system directed to management with decision-making authority, the Committee plays a central role in coordinating and managing these environmental matters.

Responsibilities and Authority of C-Level Executives in Environmental Management

The CEO of each corporation serves as the primary authority responsible for environmental management. They regularly receive reports and oversee environmental performance, assess major risk factors, and monitor ongoing improvement activities. Furthermore, they review and approve key strategic and business decisions, such as the establishment of mid- to long-term environmental management goals and strategies—including greenhouse gas reduction targets—and oversee investments in environmental management.

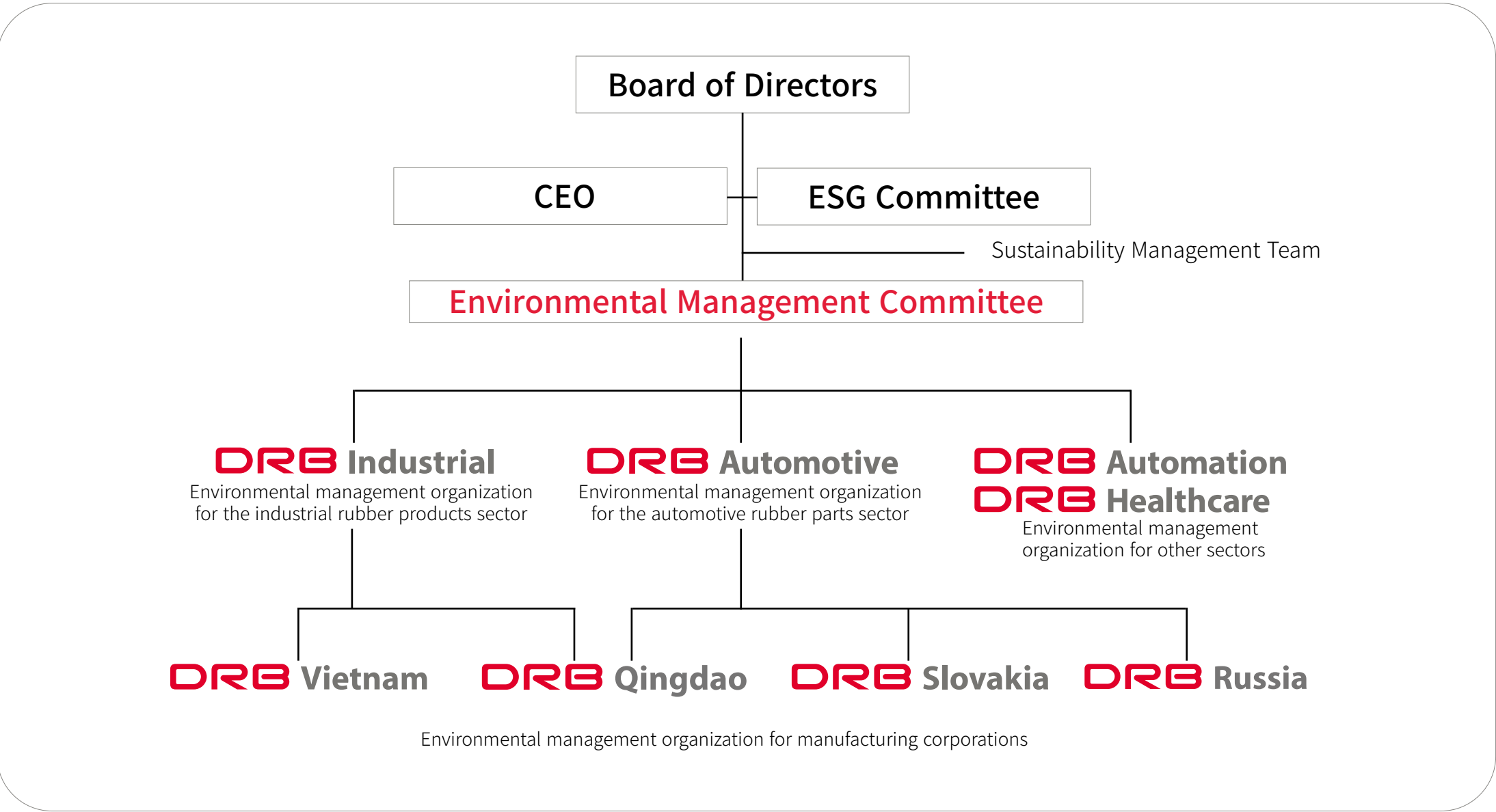
Environmental Management Committee

The Environmental Management Committee, convened three times in 2023, is tasked with establishing environmental governance, setting environmental policies and targets, selecting and implementing tasks for environmental improvement, disclosing environmental information, and sharing business achievements. While the Committee primarily operates through Korea sites, DRB plans to expand its scope, promoting systemic communication and coordination with international sites to ensure alignment on environmental strategies and goals in each sector.

Dedicated Units by Corporation

DRB has established a dedicated environmental unit to ensure compliance with environmental laws and regulations and to prevent environmental incidents. These units conduct periodic monitoring and implement measures for improvement. These units, comprised of experts in various environmental fields such as water quality, air, chemicals, and waste, work with related departments to establish and operate an environmental management system as well as prepare to obtain permits for the installation and operation of environmental facilities. Furthermore, They perform all environmental management activities organically, such as protecting and restoring environmental capital, managing pollutant emissions generated during business operations, identifying and improving environmental risks, sharing and disseminating environmental management, accepting and processing environment-related grievances, and other external cooperation activities.

Environmental Management Organizational Chart



Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt. Eco-Friendly Mgt.	ENVIRONMENT Climate Change	SOCIAL Impact Mgt.	GOVERNANCE Resource Recycling	ESG Fact Sheets	Index	Assurance

ENVIRONMENT

Environmental Management Strategy

Environmental Management Vision

DRB perceives the protection of the global environment and response to climate change as the main agenda of its management activities and is working to realize a sustainable, low-carbon, eco-friendly economy as a corporate citizen that mutually grows with society.

Environmental Management Mission

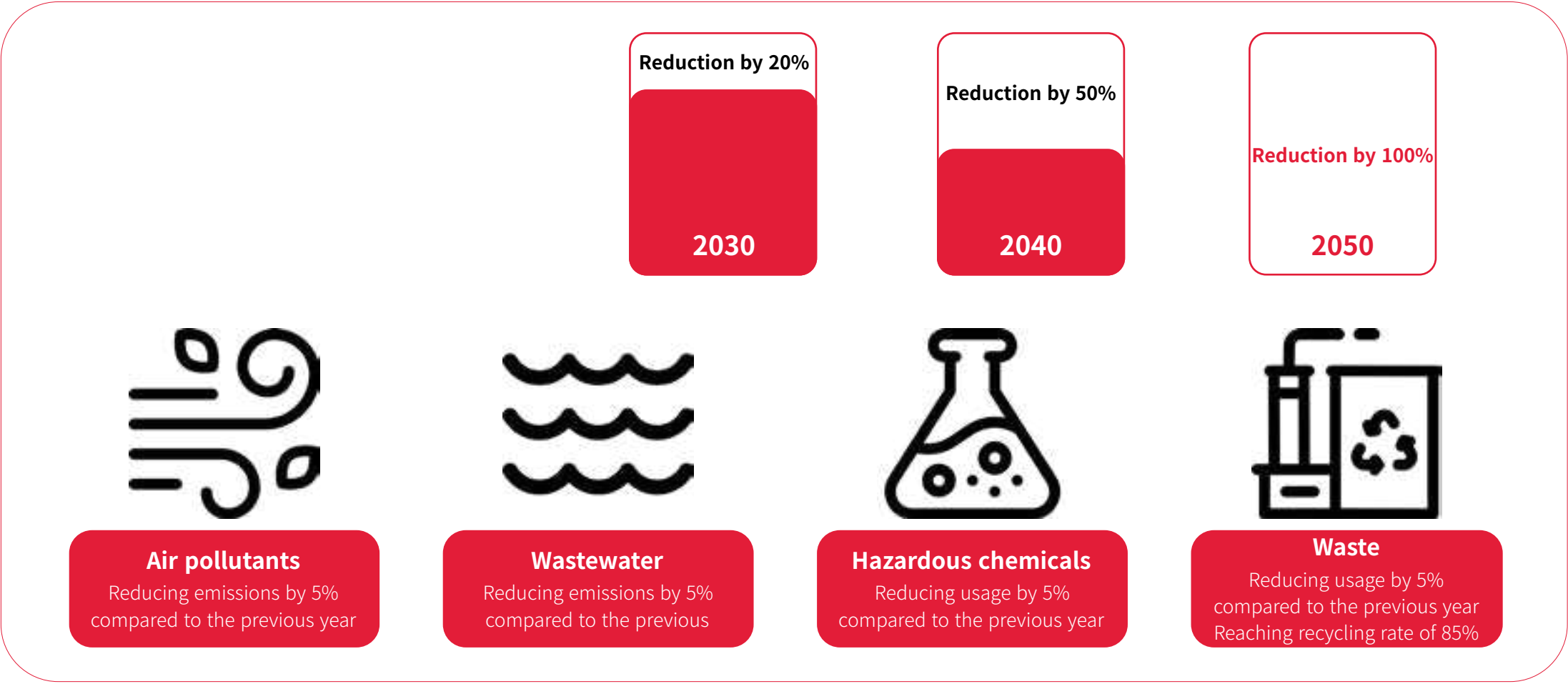
DRB aspires to contribute to improving the quality of life for humanity and preserving the global environment by responding to climate change and protecting the global environment.

Environmental Management Goals

DRB establishes progressive annual improvement goals to minimize the environmental impact of its business activities across all areas.

Response to Climate Change	Developing a circular economy	Leading Eco- friendly materials	Water protection
Carbon neutral 100% renewable energy	Zero waste landfill Zero natural raw materials 100% recycling rate	Zero harmful substances Replacing materials with eco-friendly ones, developing green technologies, and obtaining eco-friendly certification	100% recycling of water resources Reduction in water usage Securing purification technology and infrastructure

GHG and Environmental Pollutant Emissions Reduction Targets



DRB Green Management Policy

DRB recognizes global environmental protection and climate change response as major agendas for management activities, and we practice the following to realize a sustainable, low-carbon, eco-friendly economy as responsible corporate citizens:

- DRB leads the response to climate change based on the green management strategy system and creates the foundation for green management.
- DRB recognizes the importance of protecting the global environment and minimizes greenhouse gas emissions from products and services while striving to protect water resources, preserve marine ecosystems, secure forests/ biodiversity, reduce air pollution, hazardous substances, and waste, and expand energy conservation and recycling.
- DRB complies with domestic and international laws, international initiatives, and international standards (ISO) related to the environment. We will establish and improve our own standards to a global level.
- DRB provides differentiated value to customers by operating an eco-friendly system that minimizes environmental load throughout the entire business process.
- DRB establishes a company-wide environmental management system and conducts regular inspections and diagnoses to create a pleasant working environment and contribute to the company's sustainable growth.
- DRB actively supports the green management improvement programs of partner companies and local communities, faithfully fulfills corporate social responsibilities, and transparently discloses related information to stakeholders.

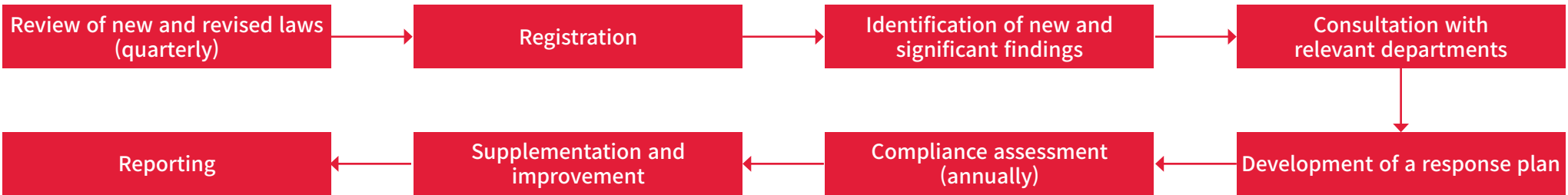
DRB's executives and employees, along with those of its subsidiaries—including production and sales corporations in Korea and overseas—adhere to the above environmental management policy in all their responsibilities. Furthermore, our executives and employees encourage suppliers, distributors, and service providers, including vendors and outsourcing partners, to comply with this environmental management policy.

ENVIRONMENT

Risk Management in Environmental Management

DRB recognizes and works hard to reduce any environmental effects of all production processes, from raw material procurement to product completion. In addition, we establish annual goals, monitor progress on an annual and semi-annual basis, and report the performance and results to the CEO and Board of Directors in order to prevent and remove major compliance risks related to the environmental domains, such as global environmental agreements, laws, policies, and system. In addition, we investigate the demands and challenges of internal and external stakeholders, such as employees, civil society, and customers, as well as significant environmental factors, make corrective plans, and execute them to enhance the environment. To ensure compliance with environmental laws, DRB has built an internal law and regulatory management process in which newly enacted and amended laws are studied and registered on a regular basis, and compliance evaluations are undertaken. When a new risk is detected, we work with relevant departments ahead of time to develop and report a response plan and address the risk by taking supplementary or improvement measures for shortcomings.

DRB Environmental Compliance Risk Management Process



Risk Prevention through Response to Changes in Major Laws and Standards in 2023

DRB swiftly identifies and responds to Korea and international laws, agreements, and standards that directly or indirectly impact green management, including climate change responses. Departments involved in green management, such as the Compliance Management Team, Sustainability Management Team, and Environment and Safety Team, track changes in relevant laws, regulations, and standards, as well as the requirements of related authorities, and explores appropriate response measures. Furthermore, DRB proactively mitigates risks by establishing and revising internal company regulations when necessary and communicating them to employees to ensure compliance.

	Changes in Major Laws and Requirements in 2023	Response strategies and activities
Environmental	<ul style="list-style-type: none">• Chemical Substances Control Act(amended in2023.10, 2024.02) Adjustment of training periods for handlers and reorganization of hazardous chemicals• EU Regulation on Deforestation free product(2023.06) Preparation and submission of field inspection declarations for products containing natural rubber	<ul style="list-style-type: none">- Implementation of regular inspections for facilities handling hazardous chemicals- Establishment of a supply chain due diligence system to prepare for the due diligence declaration- Preparation for the submission of the due diligence declaration in December 2023
Climate change	<ul style="list-style-type: none">• Carbon Border Adjustment Mechanism(2023.10~transitional period) Obligation for importers of energy-intensive goods to pay a surcharge equivalent to the EU ETS emission rights price• Mandatory climate disclosure Mandatory disclosure of information such as greenhouse gas emissions, as well as the financial impact of related risks and opportunities	<ul style="list-style-type: none">- Installation and gradual expansion of solar power generation facilities at the Yangsan and Qingdao plants.- Preparation for emission (Scope 3) calculation across all global business sites, including indirect facilities on a consolidated basis- Implementation of the Proof of Concept (PoC) for the GHG Management System

Environmental Law Violations and Response Measures

DRB is committed to compliance with environmental laws through a structured response process. In the event of any violation, we identify the cause and implement corrective actions to prevent future occurrences.

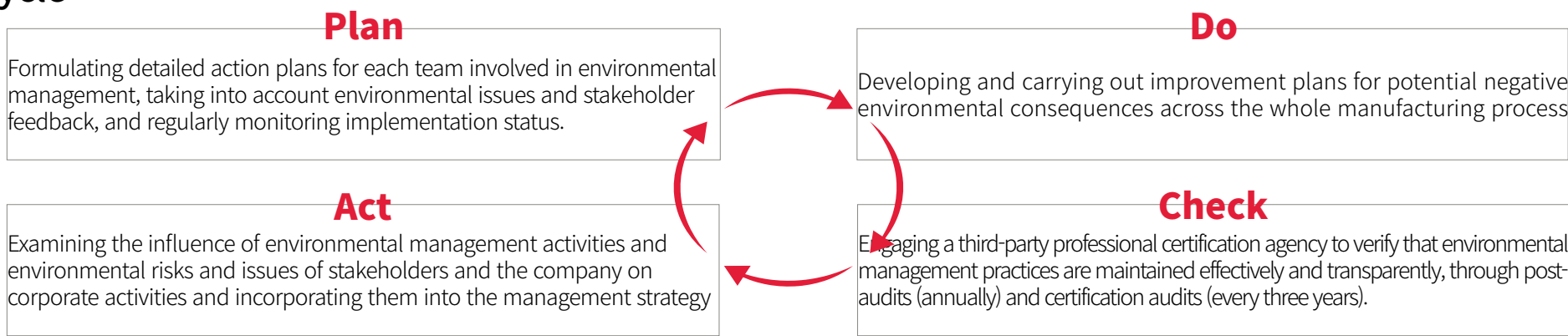
Category	Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Vietnam	DRB Slovakia	DRB Qingdao
Number of violations of environmental laws	violations	Case(s)	0	1 ¹⁾	0	0	0
	Penalty	KRW 1,000	0	480	0	0	0

1) The above violation pertains to corrective actions issued to a DRB business site in Korea in 2023. In this case, DRB Industrial received a fine for non-compliance with the Emission Facility Installation Permit and Reporting requirements. In response, DRB conducted training for relevant teams on protocols for information sharing when modifying emission facilities to prevent any recurrences.

Environmental Management Operation Framework and System(ISO 14001)

DRB is currently carrying out the following major activities as a process each year in accordance with the PDCA Cycle, which consists of four phases: In addition, DRB has acquired ISO 14001 (Environmental Management System) certification by securing an environmental management system that satisfies international standards. We are examining the status of environmental management and assessing performance against the certified system.

PDCA Cycle



ISO 14001(Environmental Management System) Certification Status

Site	Business site	validity period	scope
DRB Industrial Co., Ltd.	Busan Plant	2021.12.11. ~ 2024.12.10	Transmission belts, conveyor belts, plants, rubber tracks, industrial rubber products, civil construction rubber products, and design, development, and production of rubber products for railroad vehicles
DRB Automotive Co., Ltd.	Yangsan Plant	2022.05.12. ~ 2025.05.11	Design, development, Manufacture, and additional services of automotive rubber products (weather strips)
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao Plant	2022.12.02. ~ 2025.12.03	Design and production of automobile weather strips, power belts (wrapped belts), crawler production, and related management activities.
	Chongqing Plant	2024.02.21. ~ 2027.02.10	Environmental management activities for automobile weather strip production
Dongil Rubber Belt Slovakia, s.r.o.	Slovak Plant	2024.01.20. ~ 2027.01.19	Manufacture of automotive rubber products (weather strips)
Dongil Rubber Belt Vietnam Co.,Ltd.	Vietnam Plant	2022.03.26. ~ 2025.03.25	Manufacture and sale of industrial machinery rubber conveyor belts and crawlers

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Life Cycle Assessment

DRB is working to expand the application of life cycle assessment (LCA) based on the principle of responsibility, with the goal of minimizing environmental impact across the entire product life cycle—from manufacturing and distribution to usage and disposal. As part of a pilot program, DRB conducted a thorough evaluation of environmental impacts, including air and water quality, as well as the management of chemicals and waste, during the LCA of select automotive parts. Based on the results of these assessments, we are dedicated to creating a more environmentally friendly product production environment and developing eco-friendly products.

Stakeholder Communication

Operation of Environmental Complaint Acceptance Channel

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DRB operates a dedicated channel for environmental complaints from various stakeholders, including employees, and processes these complaints in accordance with established procedures and standards. Environmental complaints can be submitted through the environmental-related department at each business site, the collaboration platform for external suppliers(DRB PSM), or the primary complaint processing channel (DRB Cyber Audit Department).

DRB employees

DRB actively implements green management, with the goal of conserving the global environment and creating a healthy society for humanity as its top priority. DRB is engaged in a variety of preventative efforts to raise the level of environmental awareness among all employees and reduce environmental dangers. We also provide training programs to help people in charge of air pollution, water quality, waste, chemicals, soil management, energy reduction, and climate action improve their skills.

Environmental Education for DRB Employees

Site	Education name	Target	Period (hours)
DRB Industrial	Air Environmental Technician Training Water Environmental Technician Training Waste Emitter Training Noise and Vibration Environmental Technician Training	Employees in charge of environmental management	2023.03.21~03.24(28hours) 2023.06.19~06.22(28hours) 2023.04.18(4hours) 2023.04.11(6hours)
DRB Automotive	Air Environmental Technician Training ESG Understanding and Practical Training ESG Understanding and On-site Improvement Training	Employees in charge of environmental management	2023.10.16~10.19(28hours) 2023.05.30~05.31(16hours) 2023.09.06~09.07(14hours)
DRB Qingdao	Hazardous Waste Disposal Regulation Training Hazardous Waste Environmental System Documentation Training Hazardous Waste Safety Awareness Training	Managers, Field Staff and EHS Manager in Chongqing Plant Managers and Field Staff in Qingdao Plant	2023.01.30(0.5hours) 2024.01.15(8hours) 2023.12.7~12.8(2hours)
DRB Vietnam	Revised Environmental Protection Act Training	Employees in charge of environmental management	2024.06.18(4hours)

Customers

DRB actively engages in supply chain ESG evaluations to assess environmental management performance, including climate change response, as per the requirements of major customers in Korea. We conduct life cycle assessments (LCAs) for our products and participate in the Carbon Disclosure Project (CDP) to report on its climate change responses. Moreover, DRB continues to engage in research and development activities in collaboration with customers to improve eco-friendly processes and products. We are also focusing on transitioning to eco-friendly packaging materials and reusing existing packaging in compliance with global plastic regulations. Additionally, DRB is preparing for global climate change and biodiversity regulations such as CBAM (Carbon Border Adjustment Mechanism) and the EU Regulation on Deforestation-free Products (EUDR). Furthermore, DRB is working to transition from fossil fuel-based energy to renewable sources, including hydroelectric, wind, and solar power.

External suppliers

DRB has conducted environmental training for external suppliers, including raw material providers, equipment manufacturers, and dealers. The training focused on key areas such as carbon neutrality and climate change response, chemical substance management, regulatory responses, waste management, and resource circulation. Following the training, DRB conducted a survey for participants to gather feedback on training aspects such as duration, instructors, difficulty level, and content. Based on the survey results, DRB plans to continuously develop training content and expand online training programs, further enhancing communication systems for stakeholders. Furthermore, we help external suppliers enhance their environmental management capabilities and offer procurement incentives to suppliers with excellent environmental management assessment results an incentive throughout the procurement process.

Government and civil society

DRB collaborates with the national government and civil society to preserve the environment of local communities and contribute to the promotion of sustainable business.

DRB Acceptance and Handling of Environmental Complaints

			DRB Industrial			DRB Automotive		
Category		Unit	2021	2022	2023	2021	2022	2023
Employees	Acceptance (report)	case(s)	18	16	14	-	1	-
	Handling	case(s)	18	16	14	-	1	-
	Handling rate	%	100	100	100	-	100	-
External stakeholder	Acceptance (report)	case(s)	1	3	6	1	-	2
	Handling	case(s)	1	3	6	1	-	2
	Handling rate	%	100	100	100	100	-	100

* Based on business sites in Korea

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Response to Climate Change

Climate Change Response System

DRB acknowledges the urgency of reacting to climate change and is working tirelessly at the corporate level to find a strategic solution. We have formed a company-wide integrated Environmental Management Committee and an ESG Working-Level Council to develop a comprehensive climate change response strategy and to examine our risk management system on a regular basis. Furthermore, a strategy to minimize greenhouse gas emissions is devised, and related actions are monitored on a regular basis, with the results reported to each corporation's CEO and the ESG Committee of the Board of Directors. Based on these findings, the Committee develops strategic methods and improvement plans, such as mid- to long-term plans and workplace carbon emission reductions. As such, DRB is looking for diverse approaches to successfully responding to climate change.

Responsibilities and Roles of the Highest Decision-Making Body (ESG Committee)

The highest decision-making body overseeing DRB's climate-related risks and opportunities is the ESG Committee, which operates under the Board of Directors. The ESG Committee is responsible for deliberating and making decisions on ESG policies, plans, and major activities, including those related to environmental management. As part of its duties, the ESG Committee convenes quarterly to discuss key ESG issues, including climate change. It is tasked with resolving and overseeing the strategic approaches, mid- to long-term plans, and improvement efforts to deal with major issues and tasks such as carbon reduction, climate change responses, product life cycle assessments, the expansion of eco-friendly products, and supply chain ESG management.

Responsibilities and Roles of Management (Environmental Management Committee)

The Environmental Management Committee is responsible for overseeing and managing risks and performance improvement efforts for each ESG area, including carbon neutrality. The Committee reviews and supervises various matters, with urgent risk factors, issues requiring improvement initiatives aligned with the company’s mid- to long-term business strategy, and matters subject to deliberation and approval by the highest decision-making body being reported to the ESG Committee.

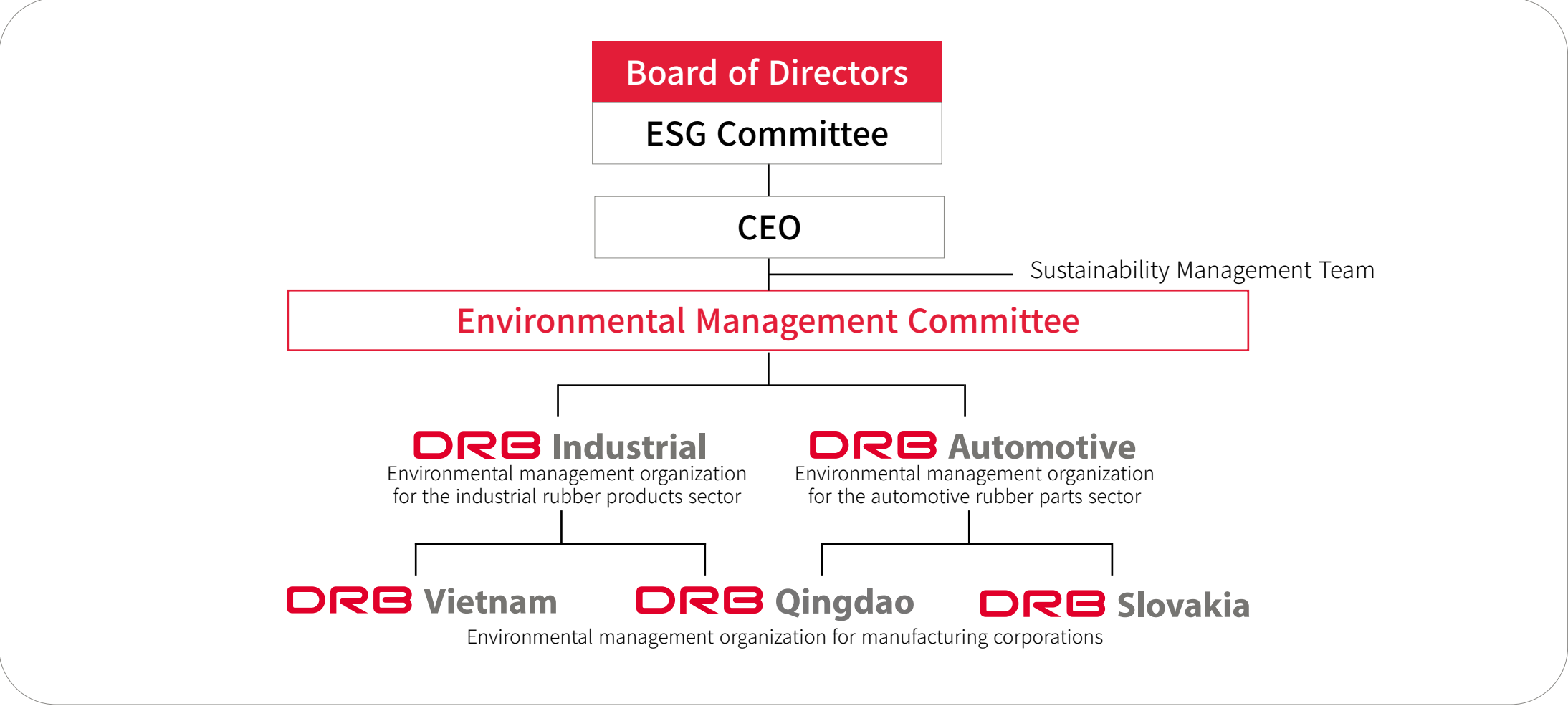
Role of Dedicated Organizations and Consultative Bodies (Environmental and Safety Organizations by Business Site)

To respond to climate change more aggressively, DRB has established environmental and safety organizations to drive carbon neutrality initiatives. We also join force with related organizations to develop implementation strategies in diverse areas such as products, business sites, and supply chains. Furthermore, DRB is making its utmost efforts to improve energy efficiency at its business sites, expanding the use of renewable energy, and enhancing the work environment. In this regard, we have formed a carbon neutral consultative body, which includes production, purchasing, and research departments at each corporation, to address climate change and achieve mid- to long-term carbon neutrality goals.

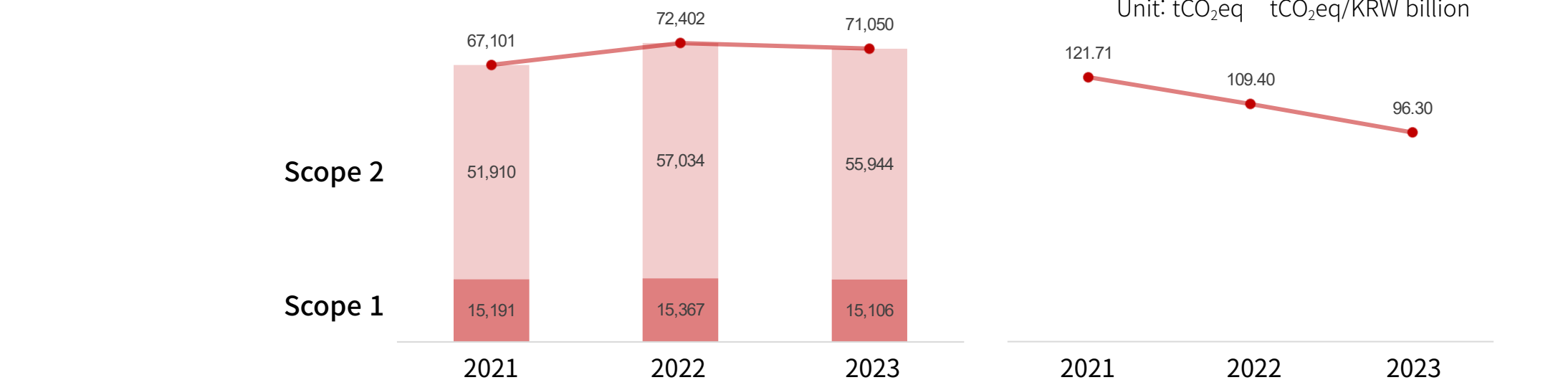
DRB Process for developing a Climate Change Response Strategy



DRB governance for the response to climate change



DRB Company-Wide Aggregated GHG Emissions (Scope 1+2) and Intensity¹⁾



1) For the DRB’s company-wide aggregated GHG emissions and intensity (sales in KRW billion), consolidated sales are applied.

ENVIRONMENT

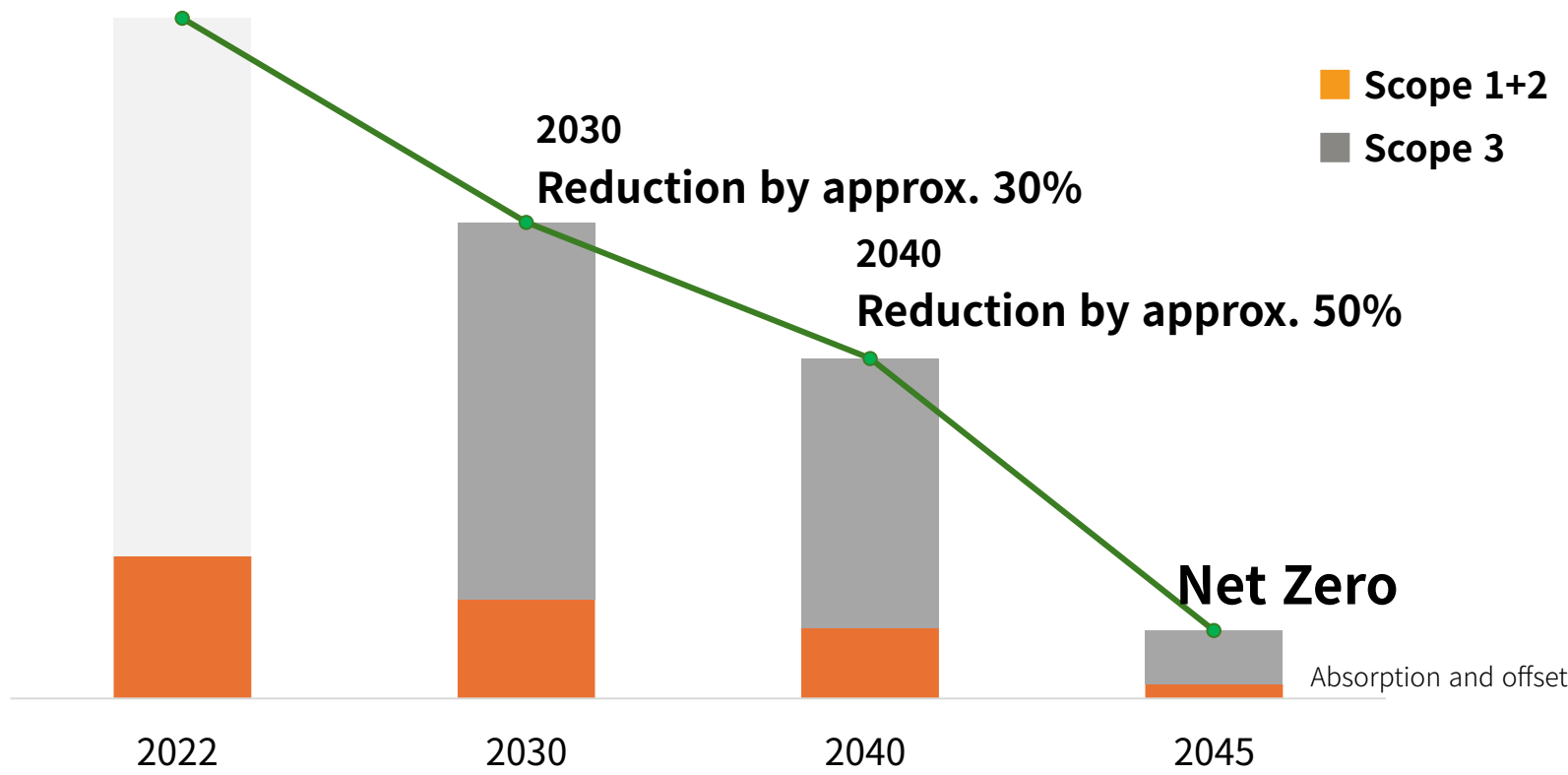
Goals and strategies for responding to climate change

DRB has set a goal of achieving carbon neutrality across all subsidiaries' business sites by 2050. We have disclosed its carbon neutrality goals and implementation plans to all stakeholders, including employees, customers, and external suppliers. Currently, DRB is in the process of establishing a system for collecting and managing emission data to set reduction targets for Scope 3 emissions. This system is expected to be completed and disclose our targets by 2025.

DRB Plans for the Response to Climate Change



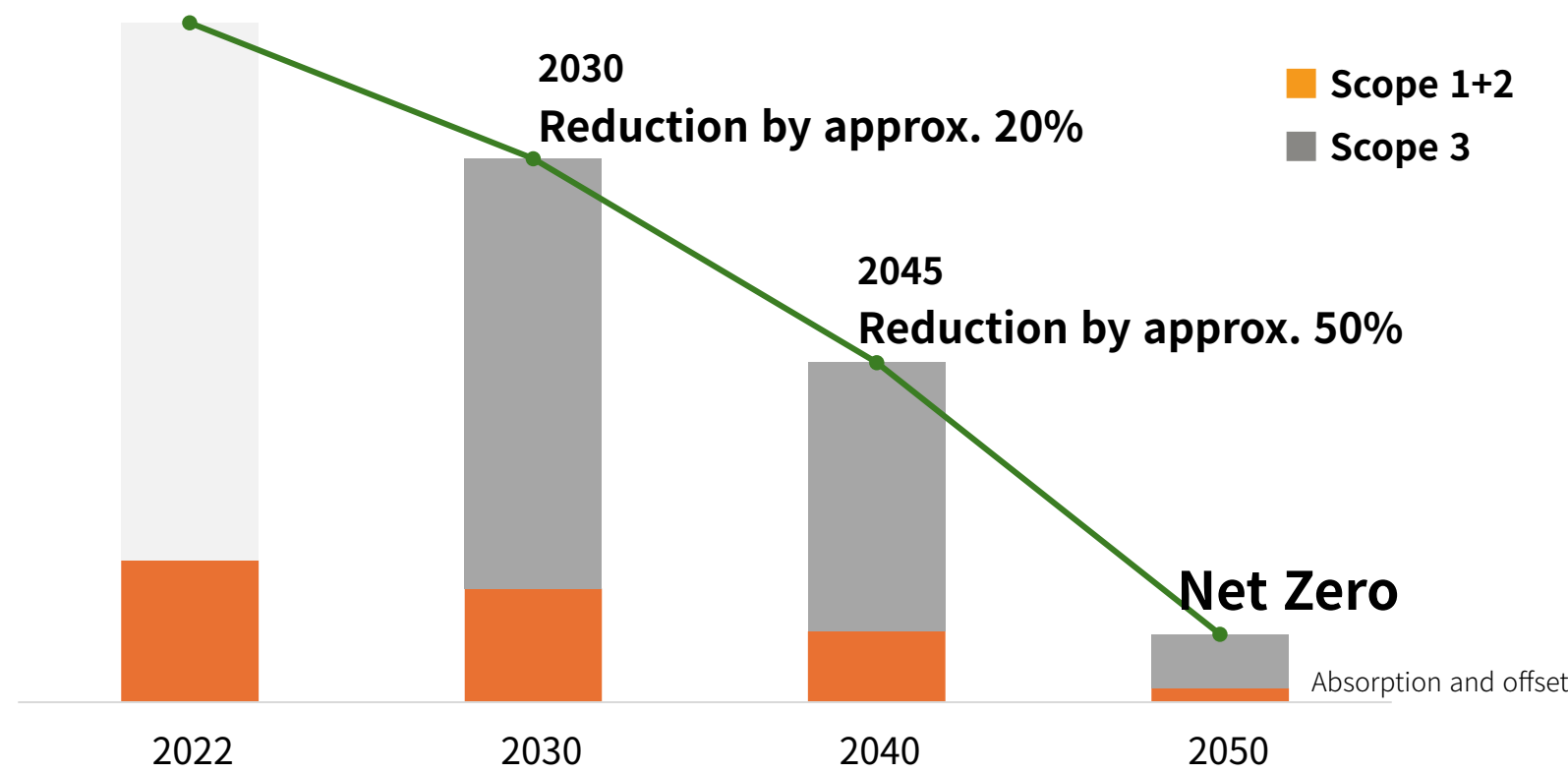
GHG Reduction Targets for the Automotive Rubber Parts Sector



- Automotive Rubber Parts Sector (DRB Automotive, DRB Slovakia, and DRB Qingdao)

These corporations have constructed air pollution control facilities and are developing and executing specific renewable energy conversion plans in order to achieve carbon neutrality by 2045. Based on these efforts, they have devised a gradual reduction plan to cut workplace carbon emissions by 30% by 2030 compared to 2022 and 50% by 2040, with a 15% increase in the usage of renewable energy by 2030.

GHG Reduction Targets for the Industrial Rubber Products Sector and Other Sectors



- Other Sectors, including the Industrial Rubber Products Sector (DRB Industrial, DRB Vietnam, and DRB Qingdao)

Other sectors aim to reach carbon neutrality by 2050 by conducting thorough cause analysis and developing and implementing step-by-step improvement plans for realizing a low-carbon, green-growth economy. To be specific, these factors will gradually work toward carbon neutrality by 2050, with a 20% reduction by 2030 and a 50% reduction by 2045. To this end, corporations in these sectors plan to perform energy reduction activities by introducing an energy management system (ISO-certified) centered on total productive maintenance (TPM) and developing a mid- to long-term master plan for expediting the transition to renewable energy.

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Climate change risk management system

DRB manages risks in a total of four stages, beginning with climate change risk assessments and ending with reaction and improvement. We review the results from regular risk analysis, incorporate them into our management strategy, and review the performance and improvement plans in connection with specific risk management activities. Moving forward, we intend to formulate strategies grounded in the specific risks and opportunities identified at each business site through advanced analytics.

DRB Climate change risk management process

1	Climate change risk analysis	2	Review of response plans	3	Risk management and response activities	4	Monitoring and improving risk response performance
	•Defining highly significant risks •Conducting risk analysis (including risk occurrence cycle, probability, financial, geographic, and temporal impact scope)	•Reducing greenhouse gases •Establishing and operating business sites •Products and services •Technology R&D •Costs for climate change response		•Improving workplace energy efficiency •Strengthening renewable energy •Advancing GHG reduction projects •Engaging in climate change initiatives •Assisting external suppliers' reduction projects		•Monitoring achievements •Evaluating initiative results •Reflecting and improving evaluation results for the next year •Establishing an annual activity plan	

Climate Change-Related Risks and Opportunities Identified by DRB

Risk/Opportunity		Impact	Financial impact		Short-/Mid-/Long-term	Response
Physical risks	Acute	· Elevated risk of extreme weather events in regions where key production facilities are located (floods, heat waves, water shortages, and wildfires)	· Increased asset loss and recovery costs due to the damage to production plants and logistics facilities	High	Short-term	· Regular inspections of production plants and logistics facilities · Development of emergency response manuals and provision of education and training on emergency response · Formation of specialized crisis response units across various fields (firefighting, gas, electricity)
	Chronic	· Raw material supply disruptions from climate change	· Increased purchase costs and supply difficulties due to abnormal weather in regions supplying raw materials (e.g., natural rubber)	High	Mid- and long-term	· Participating in sustainable natural rubber supply chain management and promoting its sustainability
Transition risk	Policies/Regulations	· Rising carbon emission costs due to stricter climate regulations · Expedited development of binding regulations, such as the Carbon Neutrality Act and the EU Regulation on Deforestation-Free Products	· Rising regulatory compliance costs associated with the purchase of carbon credits and related investments in facilities · Rising regulatory compliance costs, including fines and penalties for noncompliance	High Mid	Mid-term Short- and mid-term	· Implementation of GHG reduction efforts and expanded use of renewable energy · Understanding regulations and implementing various improvement initiatives · Sharing information with relevant departments and establishing response measures upon the announcement of new laws or regulations
	Technology	· Promotion of the transition to low-carbon products. · Expansion of infrastructure and workforce to support technology development	· Decreased profitability due to market dominance by leading companies in the low-carbon sector and rising R&D costs · Increase in labor costs due to financial losses from failed technology development and personnel expansion	High	Short- and mid-term	· Expansion of sustainable raw material usage and development of products that reduce environmental impact · Increase in investment in technology development and securing of skilled talent
				High	Mid- and long-term	
	Market	· Increase in electricity and fuel prices · Expansion of the low-carbon and eco-friendly parts market driven by the growth of the electric vehicle market	· Increase in direct costs due to rising electricity and fossil fuel prices (e.g., LNG, diesel, gasoline) · Increase in costs associated with the establishment of new production facilities and processes	High	Short- and mid-term	· Expansion of renewable energy adoption and promotion of fuel conversion · Growth in sales of eco-friendly parts for electric vehicles and market leadership through research
				High	Mid- and long-term	
	Reputation	· Rising demands from customers and investors for climate change responses	· Decline in corporate value and sales due to sourcing restrictions from unmet expectations	High	Mid-term	· Implementation of improvements based on the findings from sustainability assessments
Opportunity	Market	· Increase in stakeholder expectations driven by improved sustainability performance · Creation of new markets resulting from the expansion of the electric vehicle market · Reduction in climate change impact through business diversification	· Expansion of investments and growth in sales · Profit increase through the production and sales of eco-friendly parts exclusively for electric vehicles · Revenue growth through business diversification	Mid High Mid	Mid-term Short-term Mid- and long-term	· Execution of activities for improvement based on the sustainability assessment results · Growth in sales of eco-friendly parts for electric vehicles and enhancement of low-carbon product development through R&D · Review and promotion of new businesses
	Technology	· Reduction of resource input through technological advancements	· Improvement of yield and expansion of resource recycling (efforts to reduce waste and recover discarded products, etc.)	High	Mid- and long-term	· Efforts to conserve resources and use them efficiently

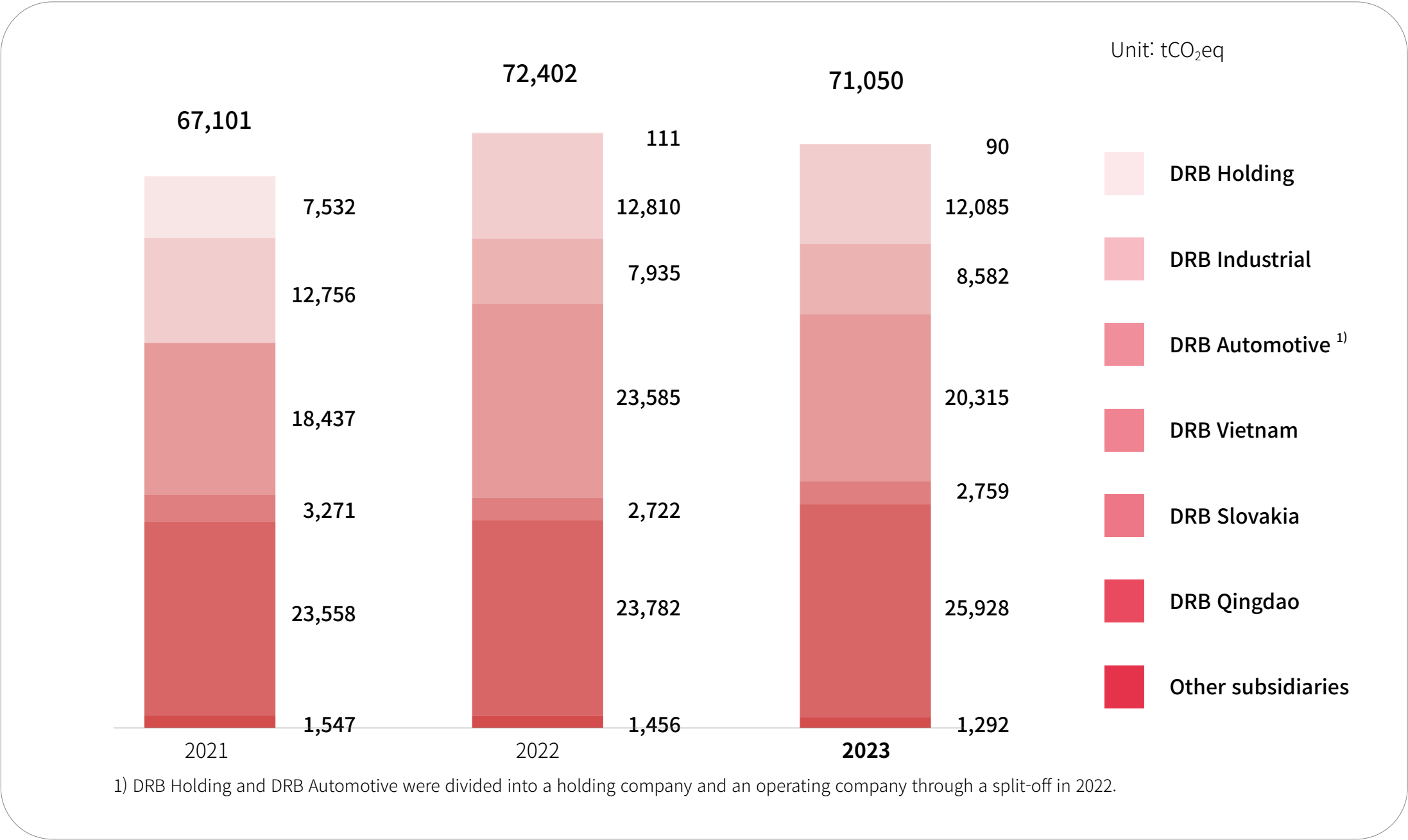
ENVIRONMENT

GHG and energy management

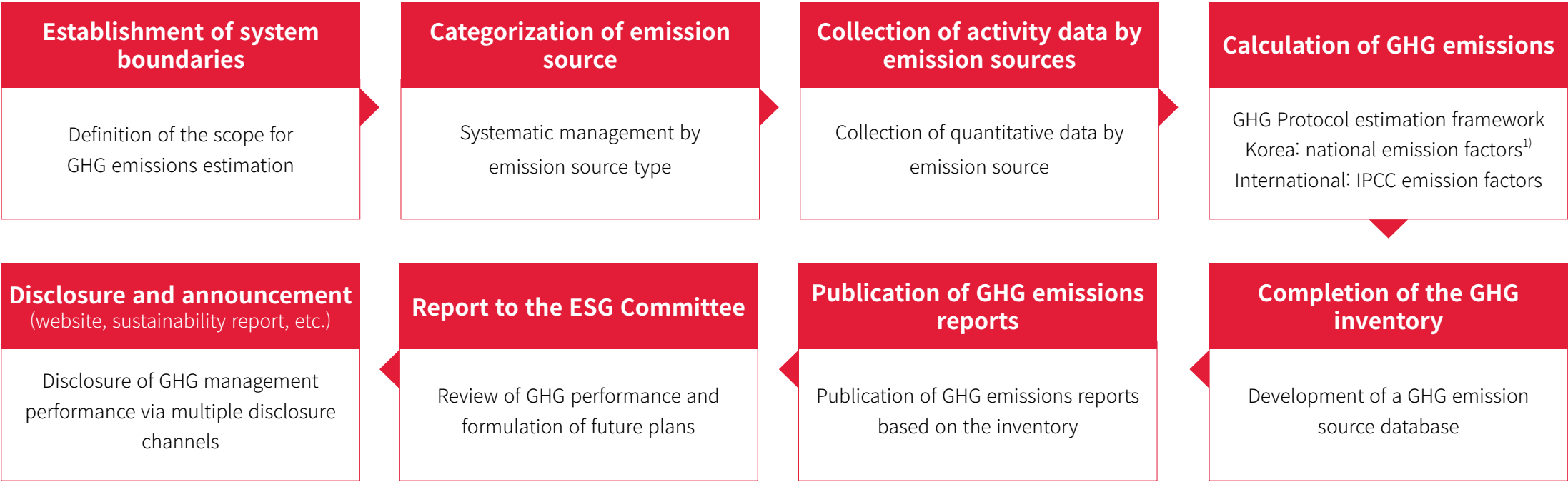
GHG emission management

Since 2019, DRB Holding, DRB Industrial, DRB Vietnam, DRB Slovakia, and DRB Qingdao have monitored energy usage and greenhouse gas emissions by business site, facility, and instrument, and DRB Automotive has measured energy usage and greenhouse gas emissions since May 2022, when the corporate division was implemented. Furthermore, beginning in 2023, DRB intends to build its own monitoring system to more systematically control greenhouse gas emissions across the entire company. We plan to leverage this system to digitize emissions management in the course of monitoring emissions more efficiently, checking progress, and making improvement plans for the goal of carbon neutrality. DRB will also measure Scope 3 in the future to identify all greenhouse gases emitted from its business sites and strive to explore ways to minimize them.

DRB GHG Emissions (Scope1 + Scope2)



DRB GHG Inventory Development Process



Applying the 'Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading System'

Third-Party Verification of GHG Emissions

Every year since 2021, DRB has measured the greenhouse gas emissions. Starting in 2022, we have conducted third-party verification of Scope 1 and 2 emissions for more effective management. In addition, from 2025, data on all emission sources (Scope 1, 2, and 3) will be managed comprehensively. From the 15 categories under Scope 3, key items relevant to DRB, such as emissions from the use of company-produced goods and services or the provision of goods and services outside company boundaries, will be designated. Verification of these efforts will also be requested.

DRB GHG Third-Party Verification Status

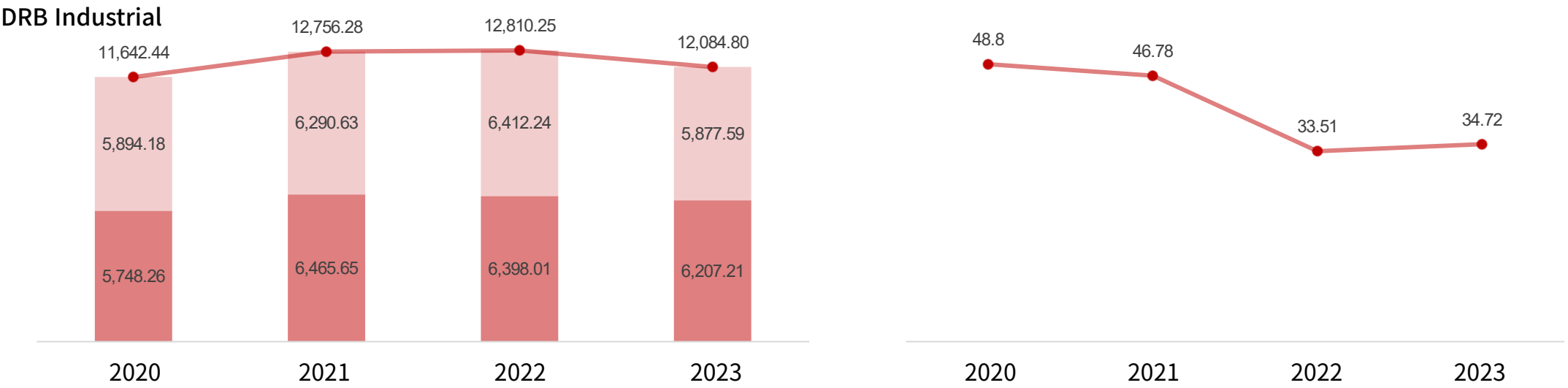
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Site	Scope	Coverages at business sites	period	Basis for emission calculation	Level	Agency
DRB Industrial	Scope 1 + 2	100% (Busan Plant, Dongrae Plant, field test sites, Seoul Sales Office, Siheung Logistics Center, and Daegu Sales Office)	2019~2023	Guidelines for Reporting and Certification of GHG Emissions Trading Scheme	Reasonable	Korea Quality Assurance
DRB Automotive	Scope 1 + 2	100% (Yangsan Plant 1 & 2)	2022~2023	Guidelines for Reporting and Certification of GHG Emissions Trading Scheme	Limited	
DRB Qingdao	Scope 1 + 2	100% (Chongqing Plant and Qingdao Plant)	2019~2023	2006 IPCC Guidelines for National Greenhouse Gas Inventories, and GHG Protocol's regional emission factors	Limited	
DRB Slovakia	Scope 1 + 2	100% (Slovak Plant)	2019~2023	2006 IPCC Guidelines for National Greenhouse Gas Inventories, and GHG Protocol's regional emission factors	Limited	
DRB Vietnam	Scope 1 + 2	100% (Vietnam Plant)	2019~2023	2006 IPCC Guidelines for National Greenhouse Gas Inventories, and 2018 national emission factors	Limited	

Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt. Eco-Friendly Mgt.	ENVIRONMENT Climate Change	SOCIAL Impact Mgt.	GOVERNANCE Resource Recycling	ESG Fact Sheets	Index	Assurance

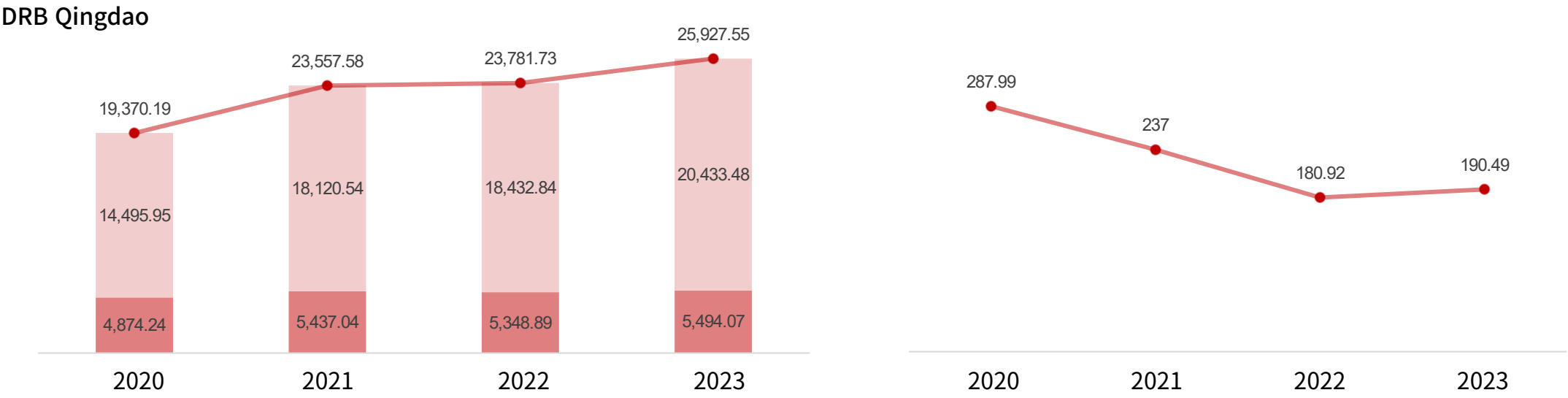
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GHG (Scope 1 + 2) Emissions and Intensity



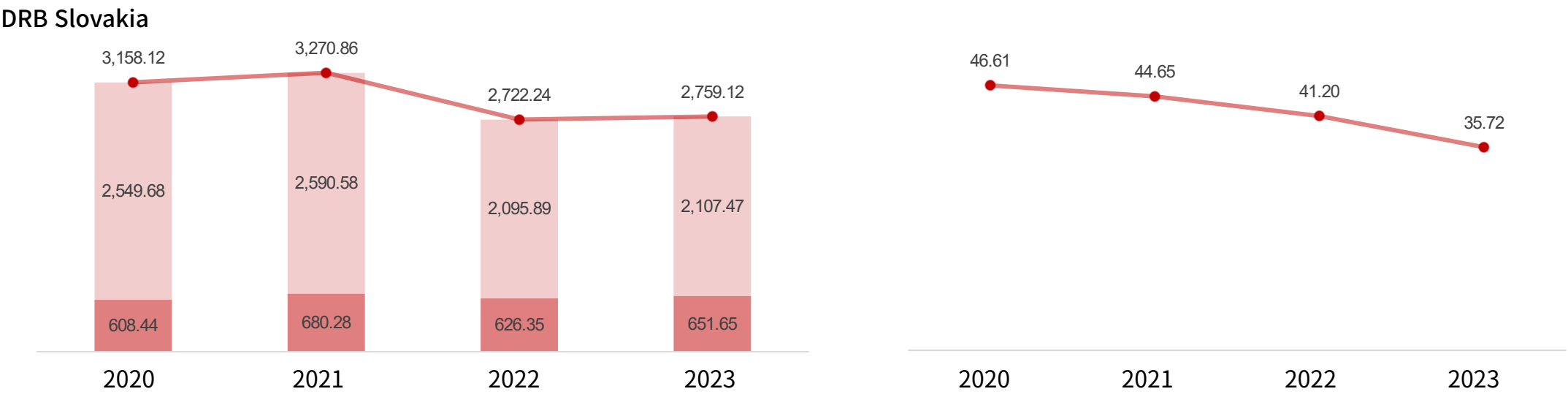
DRB Industrial is saving energy by replacing various facilities, including outdated air dryers, with high-efficiency equipment. Furthermore, the corporation has implemented a smart integrated control system to optimize factory power consumption, strengthened peak power management, and upgraded critical infrastructure such as VCBs, protection relays, and high-efficiency transformers to enhance power supply stability. In addition, following the integration of production operations with DRB Vietnam’s conveyor belt manufacturing base, DRB Industrial has ceased the production and receipt of orders for conveyor belts. As a result, there has been a notable reduction in electricity and fuel consumption.

- The production volume of conveyor belts in 2023 dropped by 73% compared to 2022 (2022 production: 3,099.642 tons, 2023 production: 834.030 tons).



Since 2022, DRB Qingdao has started using renewable energy with on-site solar power facilities and is further advancing emission reduction efforts through the purchase of RECs. The corporation has also installed and operates three air pollution control facilities (RCO), which was intended to respond to increased sales in 2023. However, emissions from the on-site addition of external suppliers were incorporated into the overall emission calculations, leading to an increase in emissions. This trend is expected to persist in the short term. In alignment with its greenhouse gas emission reduction targets, DRB Qingdao is negotiating additional PPAs and developing plans for further REC acquisitions. The corporation is also set to review the priorities of facility investments that can contribute to higher energy efficiency in production processes.

- Renewable energy consumption at DRB Qingdao in 2022: 1,845 GJ (325,697 GJ)
- Renewable energy consumption at DRB Qingdao in 2023: 11,191 GJ (361,659 GJ)



Both DRB Automotive and DRB Slovakia have seen variations in their greenhouse gas emissions relative to sales. DRB Automotive has completed the installation of solar power generation facilities in the first half of 2024.

Unit: tCO2eq tCO2eq/KRW billion
For the emission intensity of individual production corporations (sales in KRW billions), the sales from non-consolidated financial statements were applied.

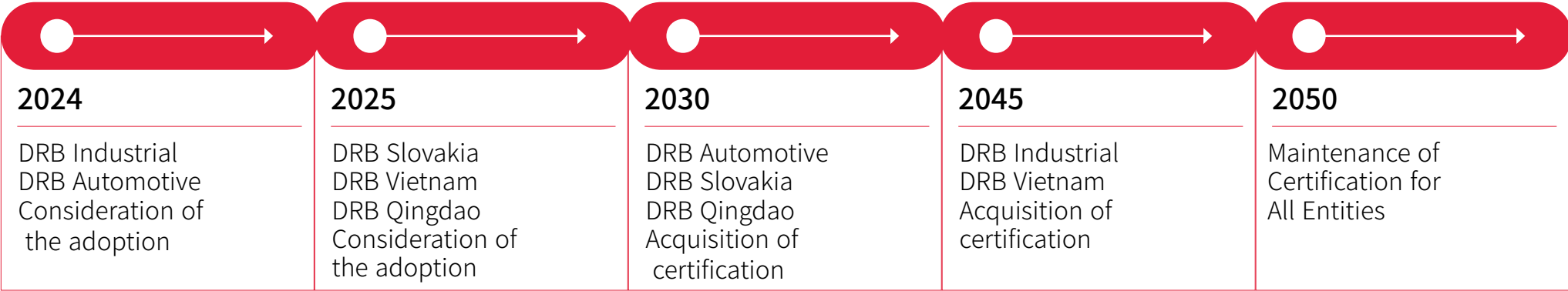
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ENVIRONMENT

Energy management

DRB has conducted a comprehensive assessment of energy usage. Based on this analysis, we identified key energy management priorities, taking into account factors such as the implementation timeline, investment costs, and the anticipated effectiveness of reduction measures for each emission source. Additionally, we are planning to establish an energy management system designed to efficiently manage both greenhouse gas emissions and energy consumption.

DRB ISO 50001 Implementation Roadmap



DRB Industrial energy management system

2023 DRB Energy Management Status

Site	Activity	Energy	Reduction amount or costs	Anticipated effect	Investment cost
DRB Industrial	Management of power phase factors in the research building	Electricity	KRW 208 thousand/year	Reduction of electricity bills	
	Replacement of air dryers at the research institute (refrigeration type → phase change type)	Electricity	KRW 254 thousand/second half	Reduction in electricity usage	
DRB Automotive	Replacement of LED bulbs	Electricity	KRW 11,291 thousand/year (32W*2*887→40W*887)	Reduction in electricity consumption, extended bulb life, and a decrease in safety incidents	
	Replacement of screw compressors (fixed speed type → inverter type)	Electricity	KRW 24,560 thousand/year (decreased from 49.91KW to 38.5KW)	Enhanced energy management efficiency	KRW 33,090 thousand (Subsidy: KRW 29,000 thousand Self-cost: KRW 4,090 thousand)
DRB Qingdao	Solar power generation facility	Electricity	KRW 7,000 thousand/year (based on the annual power generation capacity of 1.1 million kw/h)	Introduction of renewable energy	Installment payment of electricity bills totaling KRW 1.7 billion (to be assumed by the power generation company)
	Improvement of the heat dissipation fan in the power distribution room	Electricity	Saved ¥ 34,560 per year	Reduction in electricity consumption	Improvement cost ¥ 4,643
	Improvement of steam heating traps	LNG	Saved ¥ 78 per day	Reduction in LNG consumption	Steam traps ¥ 17,345
	Safety inspection of LNG facility	LNG		Prevention of LNG leaks	Replacement of leak detectors ¥ 5,176
	Upgrade of process lines	LNG	Saved ¥ 23,003 per year	Reduction in LNG consumption	Pipeline upgrade ¥ 6,400
DRB Vietnam	Compressed air management	Electricity	Saved KRW 6,569 thousand/year compared to the previous year	Reduction in electricity consumption	

DRB’s Energy Consumption Status

			DRB Holding			DRB Industrial			DRB Automotive			DRB Qingdao			DRB Slovakia			DRB Vietnam			Integration		
Category		Unit	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Total energy consumption		GJ	155,340	2,320	1,875	252,007	258,651	232,437	-	163,760	163,908	321,707	325,697	361,659	124,725	101,977	100,273	359,931	496,115	435,806	1,242,736	1,370,089	1,336,083
General energy	Total	GJ	155,340	2,320	1,875	252,007	258,651	232,437	-	163,760	163,908	321,707	323,852	350,468	124,725	101,977	100,273	359,931	496,115	435,806	1,242,736	1,368,244	1,324,892
	Direct energy	GJ	22,840	140	155	120,556	124,659	109,617	-	23,820	24,204	105,504	103,923	106,668	12,897	11,754	12,260	170,802	255,220	228,739	443,856	530,616	491,672
	Indirect energy	GJ	132,500	2,180	1,720	131,451	133,992	122,820	-	139,940	139,704	216,203	219,929	243,800	111,828	90,223	88,013	189,129	240,896	207,067	798,880	837,628	833,220
Energy usage intensity ¹⁾		GJ/KRW billion	3,005.85	111.91	109.21	924.2	676.5	667.7	-	2,481.2	1,551.0	3,236.3	2,477.5	2,657.2	1,702.5	1,543.2	1,298.1	3,012.5	2,634.9	2,803.8	2,254.0	2,070.2	1,811.0
Renewable energy	Total	GJ	0	0	0	0	0	0	-	0	0	0	1,845	11,191	0	0	0	0	0	0	0	1,845	11,191
	Solar power (PPA)	GJ	0	0	0	0	0	0	-	0	0	0	477	3,991	0	0	0	0	0	0	0	477	3,991
	REC	GJ	0	0	0	0	0	0	-	0	0	0	1,368	7,200	0	0	0	0	0	0	0	1,368	7,200
Renewable energy consumption ratio		%	0	0	0	0	0	0	-	0	0	0	0.57	3.09	0	0	0	0	0	0	0	0.13	0.84

1) For the emission intensity of individual production corporations (sales in KRW billions), the sales from non-consolidated financial statements were applied.

Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt. Eco-Friendly Mgt.	ENVIRONMENT Climate Change	SOCIAL Impact Mgt.	GOVERNANCE Resource Recycling	ESG Fact Sheets	Index	Assurance

ENVIRONMENT

Enhanced Efforts to Reduce Greenhouse Gas Emission and Energy Usage

- Adoption of high-efficiency and eco-friendly facilities

DRB is actively advancing process improvements and the adoption of high-efficiency and eco-friendly facilities to enhance energy efficiency. Fossil fuel consumption is minimized through waste heat reuse. Moving forward, we plan to systematically drive energy efficiency enhancements in diverse areas, including research facilities, conveyors, and electrical equipment.

- Production of high-efficiency energy components

DRB Industrial has developed an energy-saving conveyor belt that decreases rolling resistance and energy loss by applying high-performance rubber materials to the conveyor belt. This innovative product lowered the power consumption of the conveyor belt transfer line by 25.6%, resulting in energy savings for our customers and even green technology certification. Rather than becoming complacent, DRB Industrial is consistently investing in the development of eco-friendly goods to achieve greater results.

- Increasing the usage of alternative and renewable energy

DRB is expanding its solar power production facilities in order to increase the use of clean, renewable energy at its business sites at home and abroad. DRB Qingdao completed the building of solar power-generating facilities in 2022, and DRB Automotive and DRB Vietnam are also developing plans to use new and renewable energy, including solar power generation, at their respective business locations. These approaches are intended to reduce the purchase of fossil fuel-based power while also lowering indirect greenhouse gas emissions (Scope 2).

- Professional training in the management of greenhouse gas emissions

Starting in 2021, DRB Holding, DRB Industrial, and DRB Automotive have been providing field managers with training on greenhouse gas emissions calculation techniques and reduction procedures in order to more effectively cut greenhouse gas emissions at their workplaces. In addition, we retained an external consulting firm to provide a variety of training programs that deliver expertise, such as other companies' reduction cases, reduction methodologies, feasibility reviews of internal reduction plans, calculation of carbon emissions by emission source, as well as practical information on GHG protocol and establishing guidelines and procedures for greenhouse gas reduction.

- Construction of a smart factory

Building a smart factory is one of DRB's key environmental management strategies, and DRB is constantly improving its systems to reach this aim. Smart Factory enables real-time monitoring of energy usage in the context of climate change response, real-time connectivity of all production-related resources within the workplace, and data analysis to create an optimum production environment. Furthermore, by determining optimal operating conditions, we may not only boost manufacturing yield but also help reduce greenhouse gases by lowering energy consumption.



DRB Automotive Solar Panels



DRB Qingdao Solar Panels



ENVIRONMENT

Global Initiative

CDP (Carbon Disclosure Project) [CLICK HERE](#)

DRB Automotive is participating in the 2023 CDP Climate Change to assess both the company's impact on climate change and the potential effects of climate change on DRB Automotive. This initiative aims to inform and guide the planning and implementation of climate change response activities. In the 2023 CDP Climate Change assessment, DRB Automotive received a C score.

CoREi (Corporate Renewable Energy Initiative) [CLICK HERE](#)

In 2022, DRB Holding, DRB Industrial, and DRB Automotive joined CoREi, a corporate renewable energy initiative. This initiative is a collaborative effort organized by the UN Global Compact Network Korea, World Wildlife Fund (WWF), Korea Sustainable Investment Forum, and the Korean Society for New and Renewable Energy, with the aim of raising awareness of the importance of transitioning to renewable energy and to drive practical environmental change.

2023 CoREi Key Activities

January	8th Climate Action Roundtable
March	Webinar titled "Renewable Energy Policy and Corporate Climate Action" Publication of the "2030 Domestic Renewable Energy Demand Outlook Report"
August	A national assembly meeting titled "RE100 for Enhancing Industrial Competitiveness: Gathering Corporate Opinions" Korea-Europe Business Knowledge Sharing Seminar: Promoting Renewable Energy Policy Toward the 1.5°C Target
November	2023 Korea Leaders Summit Session named "Corporate Renewable Energy Transition Plan"

SBTi(Science-Based Target Initiative)

DRB is currently evaluating energy consumption, energy source mix by country, renewable energy infrastructure across all subsidiaries, and analyzing trends in REC price fluctuations to set science-based reduction targets. We are also in the course of developing a process to calculate and verify Scope 3 emissions and are preparing to set efficient reduction targets by securing verified data by 2025.

TCFD (Task Force on Climate-related Financial Disclosures) [CLICK HERE](#)

DRB is advancing its climate change response efforts in line with the recommendations of the TCFD to effectively identify and manage financial risks associated with climate change. In alignment with TCFD's core recommendations—governance, strategy, risk management, metrics, and reduction targets—we are working to transparently disclose climate-related risks and provide relevant information to investors and stakeholders.

UN GLOBAL COMPACT



In April 2024, DRB Industrial joined the UNGC Network Korea's 'Forward Faster' initiative to accelerate progress toward achieving the Sustainable Development Goals (SDGs). The 'Forward Faster' initiative focuses on five key areas: gender equality, climate action, living wage, water resource resilience, and sustainable finance. Participating companies are required to develop and implement specific action plans for achieving goals in each of these areas. DRB Industrial plans to focus on the climate action area.

[CLICK HERE](#)

DRB Industrial Science-Based Target (SBT)

DRB Industrial has established a policy to reduce carbon emissions by setting a Science-Based Target (SBT) for 2023. In October 2023, DRB Industrial joined the Science-Based Target initiative (SBTi) and committed to a target of reducing annual GHG emissions by 4.2% and achieving a minimum of 42% reduction by 2033, in line with the 1.5°C global temperature rise scenario, using 2021 as the baseline year. Moreover, DRB Industrial has set an additional goal to reduce its GHG emissions by 90% by 2050 compared to 2021 levels. To meet these targets, the company plans to implement various emission reduction measures, including facility upgrades and replacements, solar power generation, and the purchase of RECs. DRB Industrial aims to complete verification of its emissions reduction target by 2025 and will be committed to achieving carbon neutrality by 2050.

Year	Target Reduction (%)
2021	Baseline
2033	42%
2050	90%

- Annual 4.2% GHG reduction required. Considering green premiums, RECs, and third-party PPAs.
- Further reductions possible via high-efficiency upgrades and solar panels; additional measures needed.

DRB Industrial also plans to calculate its Scope 3 emissions in the future, set reduction targets, and undergo verification, with the ultimate goal of obtaining approval for SBTi membership. While investment in high-efficiency facilities and renewable energy is crucial for carbon neutrality, as seen in other companies, replacing energy facilities alone has limitations in reducing emissions. Therefore, the introduction of renewable energy is essential for meeting carbon neutrality goals. However, the company faces price risks associated with renewable energy adoption. Given the relatively low production capacity of renewable energy in the Korean market, compounded by high prices compared to overseas options, DRB Industrial has determined that a comprehensive, long-term economic feasibility review is necessary to obtain its SBTi membership. In this regard, DRB is reassessing business site conditions and reprioritizing applicable measures.

ENVIRONMENT

Environmental Impact Management

Atmospheric environment management

All of DRB’s subsidiaries are lowering air pollutants and greenhouse gas emissions by enhancing processing facilities and substituting clean fuels for conventional fuels. Furthermore, DRB manages air pollutants and greenhouse gas emissions through internal standards that exceed the legal requirements of the countries where each subsidiary operates. We establish and implement plans to reduce emissions and measures emission concentrations at least once a month through specialized agencies. DRB is also actively working to improve and manage its air pollutant emission facilities. Each DRB production plant sets an annual target to reduce emissions by 5% and conducts daily inspections of its air pollutant emission and prevention facilities to meet the target. Problems identified during inspections (e.g., damage to hoods and ducts, abnormal noise generation, blower belt malfunctions, internal pressure irregularities in pollution control facilities, etc.) are promptly addressed. Additionally, pollutant treatment consumables—such as activated carbon, filter bags, and demister filters—are regularly replaced to ensure the continued optimal performance of the facilities. DRB conducts routine maintenance (e.g., head cleaning, bearing lubrication, etc.) on specific facility components based on a maintenance plan established at the beginning of each year. To ensure compliance with legal standards, we also perform biannual self-monitoring of the entire pollution control system to verify that emissions remain within the legally permissible limits.

Achievements in atmospheric environment management activities

DRB has increased the effectiveness of the pollutant treatment process by replacing aging air pollution prevention facilities. In workplaces where production lines need to be expanded, DRB has conducted environmental impact assessments in advance to calculate air pollutant emissions and install additional pollution control equipment as needed. In response to strengthened air pollution emission standards, DRB Industrial is upgrading its waste gas incineration facility (RTO) and establishing internal standards that exceed legal requirements. The corporation has also switched from oil-based to water-based solvents in its manufacturing processes to reduce air pollutant emissions and has expanded its odor reduction and air pollution prevention systems. DRB Automotive has improved particulate matter treatment efficiency by replacing dust collector equipment in the



DRB Industrial’s waste gas incineration equipment



DRB Qingdao’s waste gas incineration equipment

mixing process. It is also reducing air pollutant emissions by developing and applying water-based solvents that are free from volatile organic compounds. DRB Qingdao has upgraded its overall air pollutant treatment facilities to comply with stricter air pollution standards. Meanwhile, the VS Division and RT Division have replaced existing spray towers and activated carbon adsorbers with rotating-stream-tray scrubbers and RCOs. New treatment equipment has also been installed in the metal core coating process. Furthermore, the PT/RT vulcanization process has upgraded its activated carbon adsorbers to more efficient equipment and strengthened its facilities with the introduction of zeolite molecular sieves to reduce the generation of hazardous waste. DRB Vietnam has also installed a cyclone system to improve the efficiency of short ball dust collection. DRB actively supports the construction and enhancement of pollution control facilities through collaboration with external suppliers. We are also taking steps to reduce odors, which are particularly relevant in the rubber product manufacturing industry. As part of these efforts, DRB continuously monitors odor levels with automatic measurement devices installed at facility boundaries and major exhaust outlets.

DRB Air Pollutant Emissions

Site	Category	Unit	2021	2022	2023	Site	Category	Unit	2021	2022	2023
DRB Industrial	Total	Kg	3,737	3,698	3,552	DRB Automotive	Total	Kg		1,193	2,040
	NOx	Kg	2,265	2,839	2,413		NOx	Kg		0	0
	SOx	Kg	0	0	0		SOx	Kg		570	260
	VOCs	Kg	15	26	24		VOCs	Kg		-	-
	PM	Kg	412	623	757		PM	Kg		620	1,780
	Others	Kg	1,045	210	358		Others	Kg		0	0
DRB Qingdao	Total	Kg	10,069	7,534	7,593	DRB Vietnam	Total	Kg	459,190	956,080	359,080
	NOx	Kg	1,070	980	2,180		NOx	Kg	146,200	262,590	132,160
	SOx	Kg	0	0	0		SOx	Kg	0	0	0
	VOCs	Kg	1,350	1,960	1,670		VOCs	Kg	27,420	30,390	58,040
	PM	Kg	7,430	3,960	4,530		PM	Kg	285,570	663,100	168,880
	Others	Kg	533	264	813		Others	Kg	0	0	0

* The data from DRB Slovakia has not been incorporated.

ENVIRONMENT

Water quality management

DRB is protecting water and improving its quality by creating and executing specific action plans such as lowering water use and securing wastewater purification technology and infrastructure. When new pollutants are discovered, we conduct cause analysis and risk assessment to establish an appropriate response system. In order to comply with legal regulations, we make sure to immediately report or obtain permission in the event of any change. In addition, we perform regular monitoring of pollutants and resolve legal risks by immediately obtaining licenses or permits as soon as new pollutants are detected. DRB Industrial employs an external professional organization to measure raw wastewater and discharged water semi-annually, while DRB Automotive commissions an external agency to assess wastewater quality twice a year. Additionally, the company has developed an internal monitoring system to evaluate water quality. DRB Qingdao, in cooperation with the Chinese government, has installed an online water quality monitoring system that allows both the Qingdao factory and the government to monitor water quality in real time. The factory measures water quality indicators - such as pH, CODcr, NH3-N, and water temperature - on a daily basis, managing the data through graphical analysis. Moreover, water quality is assessed twice a year by an external agency. DRB Vietnam treats wastewater before discharging it and conducts water quality measurements twice annually.

DRB’s Water Pollutant Discharge

Site	Category	Unit	2021	2022	2023	Site	Category	Unit	2021	2022	2023
DRB Industrial	Total	Kg	78	0	0	DRB Automotive	Total	Kg		4,014	3,444
	COD	Kg	6	0	0		COD	Kg		590	640
	BOD	Kg	4	0	0		BOD	Kg		610	480
	SS	Kg	3	0	0		SS	Kg		20	1
	TOC	Kg	-	0	0		TOC	Kg		586	474
	Others	Kg	65	0	0		Others	Kg		2,208	1,849
DRB Qingdao	Total	Kg	2,833	1,804	4,273	DRB Vietnam	Total	Kg	20,136	19,955	17,515
	COD	Kg	1,070	980	2,180		COD	Kg	114	6	66
	BOD	Kg	360	230	460		BOD	Kg	5	3	0
	SS	Kg	420	330	820		SS	Kg	7	6	29
	TOC	Kg	-	-	-		TOC	Kg	-	-	-
	Others	Kg	533	264	813		Others	Kg	20,010	19,940	17,420

* The data from DRB Slovakia has not been incorporated.

Soil environment management

DRB is working to prevent soil contamination at all subsidiaries. In particular, we continuously monitor the potential soil contamination risks during the manufacturing process to contribute to global environmental conservation and the protection of local ecosystems. DRB Industrial and DRB Automotive comply with the Soil Environment Conservation Act, commission third-party agencies every two year to conduct soil contamination and leakage tests focusing on hazardous chemical storage at the workplace, and maintain the test findings for an extended period of time. Improvement plans are made for concerns identified through inspection results, and other findings are integrated into the environmental management goals for the next year. We regularly monitor the soil environment by examining leaks of waste oil, chemicals, and other variables that may cause soil contamination. DRB Vietnam complies with Article 15 (2) of Vietnam’s Environmental Protection Law on Soil Environment Protection (effective in 2020) and provides training on preventing soil contamination, controlling leaks, and responding to accidents in oil storage areas and chemical tanks. The corporation has also constructed ditches to prevent the leakage of chemicals and oil into the soil and conducts treatment of chemicals and waste oil.

DRB Investment in Environmental Facilities

Site	Business(Equipment)	Function	Investment Cost
DRB Industrial	Installation of a dust collector for ribbed belt vertical polishing machine	Collecting polishing dust	KRW 14,330 thousand
	Installation of a dust collector for ribbed belt mold cleaners	Preventing airborne dust and on-site equipment contamination by capturing silicon dust	KRW 17,930 thousand
	Installation of local exhaust for wrapped short dyeing process	Improving work environment and reducing odor	KRW 6,500 thousand
DRB Automotive	Maintenance and replacement of fume scrubbers and repair of pumps	Maintaining the efficiency of air pollutant control facilities	KRW 27,830 thousand
	Construction of an air emission line for the molding facility	Developing air pollution control and ducting systems	KRW 119,990 thousand
	Construction of an air emission line for Yangsan Plant 2	Developing air pollution control and ducting systems	KRW 68,200 thousand
DRB Qingdao	Installation of 3 units of RCO (RT/VS)	Reducing air pollution emissions	¥ 2,700,000
	Renovation of extrusion line smoke exhaust	Reducing waste emissions	¥ 23,000
DRB Vietnam	Improvement of the dust collection system for short blast machine (installation of a cyclone)	Reducing air pollutants	KRW 10,225 thousand

Hazardous Chemical Management

Goal for hazardous chemical compound reduction

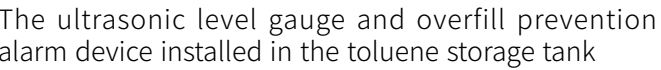
Reduction target for hazardous chemical consumption

Enhanced chemical management

DRB prevents accidents related to chemical substances by eliminating safety, environmental, and health hazards and risk factors related to chemical substances in advance throughout the entire process, from the introduction, use, sale, and disposal of chemical substances.

Strengthening the prevention of hazardous chemical accidents

DRB stores chemicals in designated locations upon receipt and maintains a monthly ledger to track usage. In addition, in order to respond to leaks and fire accidents, protective equipment boxes and fire extinguishers are furnished around the storage area, and a locking device is installed within the storage area to prevent unauthorized use by anyone other than relevant employees. DRB Industrial and DRB Qingdao have implemented a range of safety measures to reduce workers' exposure to toluene and prevent chemical accidents, such as those caused by overfilling. Both companies have installed detection and alarm systems in hazardous chemical storage, handling, and usage areas, as well as overfill prevention alarms to mitigate the risk of chemical accidents. Remarkably, DRB Industrial has installed ultrasonic liquid level sensors in toluene storage tanks to improve monitoring accuracy and has constructed barriers and collecting wells to minimize potential damage in the event of a chemical spill. Additionally, emergency shower stations have been set up at each process to facilitate immediate decontamination and first aid in case of an emergency. DRB Qingdao manages its toluene storage facility separately and has enhanced staff preparedness by providing training on emergency cleaning procedures prior to transportation to a medical facility in the event of an accident. DRB Vietnam regularly reports the chemicals in use to the Ministry of Industry and Trade of Vietnam in compliance with the "Law on Chemicals." Moreover, the company has implemented measures to segregate areas where chemicals are stored or used and installed clear warning signs to ensure employees are fully informed and aware of potential hazards.



DRB Hazardous Chemical Management Items

Education on Chemical Management

DRB conducts safety training for chemical use departments, handling staff, and managers. Every year, DRB Industrial and DRB Automotive provide statutory hazardous chemical safety training, such as hazardous chemical safety training (courses for technical personnel managers and handling staff) and training for workers at workplaces handling hazardous chemical substances. Additionally, for the safety of workers, guidance is provided on the proper use of protective gear.

DRB Chemical Management Training Status

Site	Activities
DRB Industrial	<p>Target: 14 hazardous chemical managers and handlers</p> <p>Period: May 9, 2023 – Octo 26, 2023 (16 hours/2 years)</p> <p>Education: Safety training on hazardous chemicals</p> <ul style="list-style-type: none"> - Safety-related training, which covers hazardous chemical handling
DRB Automotive	<p>Target: All production process workers (180 employees)</p> <p>Period: Jun 19, 2023 – Jun 26, 2023 (2 hours in the 1st half of the year) Dec 18, 2023 – Dec 26, 2023 (2 hours in the 2nd half of the year)</p> <p>Education: Training for employees handling hazardous chemicals</p> <ul style="list-style-type: none"> - Training on hazardous chemical handling methods and the use of protective gear, etc.

ENVIRONMENT

Biodiversity Management

DRB recognizes the potential impact of its business activities on the environment and biodiversity. We are committed to adhering to the biodiversity policies outlined in our company-wide environmental policies and actively work to prevent and minimize any potential harm. We uphold the United Nations Sustainable Development Goals (SDGs) for biodiversity and support the international community’s collective efforts to protect biodiversity, including initiatives such as the Convention on Biological Diversity (CBD) and the International Union for Conservation of Nature’s Guidelines for Applying Protected Area Management Categories. To further these efforts, DRB is planning to establish a comprehensive biodiversity policy that covers all sites and external suppliers, while encouraging employee engagement in biodiversity conservation.

Biodiversity Conservation Efforts

DRB has undertaken initiatives to remove invasive plant species at Samrak Ecological Park in collaboration with the Nakdong River Management Headquarters in Busan. Additionally, annual environmental cleanup activities are conducted, focusing on surrounding green spaces and parks near the factory, with active participation from employees.



Removal of invasive plants



Green DRB activities

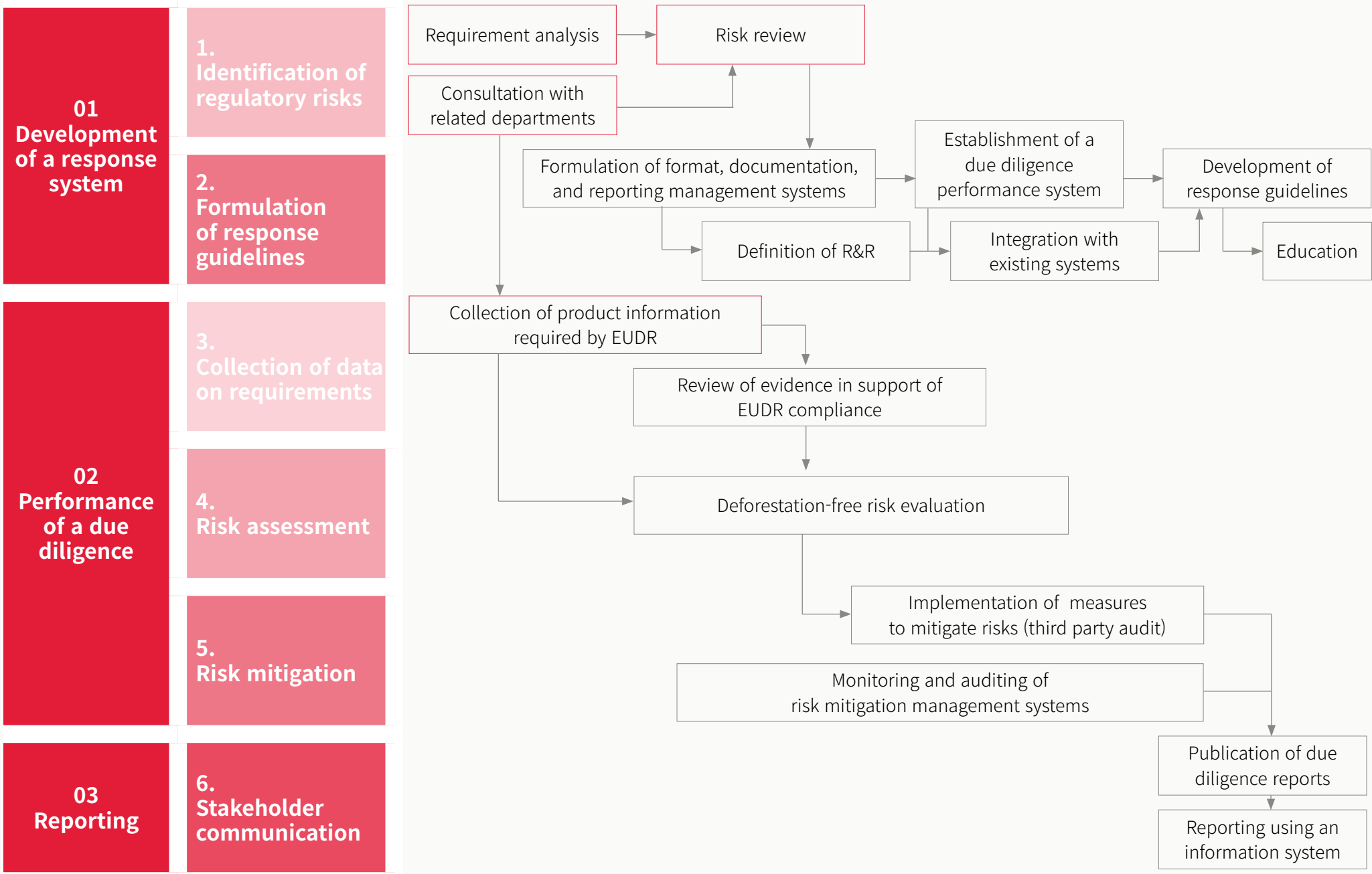
In the future, DRB plans to initiate further biodiversity conservation efforts by clearly communicating the definition, significance, and necessity of biodiversity to all employees in Korea, emphasizing the connection between natural resources, particularly natural rubber, and corporate activities. DRB will also focus on raising awareness and fostering a sense of responsibility for protecting and promoting biodiversity near its business sites and continually explore strategies to enhance employee participation through collaborations with external organizations. Additionally, DRB intends to develop a roadmap for the establishment and improvement of management policies. In the medium to long term, DRB plans to assess ecosystem risks to formulate response strategies for biodiversity conservation.

EUDR (EU Regulation on Deforestation-free Products) Response Plan

In response to the EU Regulation on Deforestation-Free Products, DRB aims to develop a supply chain management system that prevents deforestation and forest degradation in natural rubber sourcing areas, thereby supporting biodiversity conservation.



EUDR Response Work Process



ENVIRONMENT

Resource Recycling

Water resource management

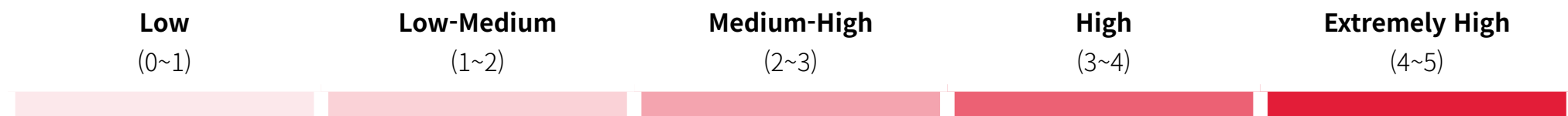
DRB works closely with manufacturing process-related departments to reduce excessive water consumption. DRB Industrial and DRB Qingdao have built water reuse facilities and operated processes to expand the use of recycled water, such as water for washing, cleaning, and firefighting. In this process, the water used in the process is collected and reused to reduce water usage and boost the water recycling rate. DRB aims to gradually expand its water recycling corporation in the future with the aim of increasing the company-wide water recycling rate to 100%.

Water Resource Risk Analysis

DRB has conducted a water resource risk analysis for its business sites in Korea, China, Vietnam, and Slovakia, using the Aqueduct Water Risk Atlas provided by the World Resources Institute (WRI). The analysis revealed that overall water resource risks are higher for our sites in China and Vietnam compared to those in Korea and Slovakia. Specifically, the Qingdao and Vietnam plants face high water stress, with Vietnam also experiencing significant water quality risks due to insufficient wastewater management. For the Korean plant, although the overall water resource risk is low, flood risk remains a significant concern due to its coastal location, with the potential impact of droughts and heatwaves expected to increase in the future. In response to these findings, DRB is periodically measuring water resource risks and reviewing the implementation of targeted mitigation measures.

DRB Water Stress Analysis

Corporation	DRB In Korea		DRB Slovakia	DRB Qingdao		DRB Vietnam
Location of business site	Busan	Yangsan	Povazska	Qingdao	Chongqing	Binh Duong
Overall_Water_Risk	2.13	1.26	1.48	4.10	2.45	4.04
Physical_Quantity_Risk ¹⁾	3.39	2.30	2.59	4.26	0.79	3.67
Physical_Quality_Risk ²⁾	1.15	1.33	1.96	3.51	3.41	4.48
Regulatory_Reputational_Risk ³⁾	2.06	1.40	1.31	2.73	2.72	2.83



1) Physical_Quantity_Risk: Measures the risk associated with insufficient or excessive water availability. A higher value indicates a greater risk related to water quantity.
2) Physical_Quality_Risk: Measures the risk associated with water that is unsuitable for use. A higher value indicates a higher risk related to water quality.
3) Regulatory_Reputational_Risk: Measures the risk arising from potential conflicts with the public and uncertainty over regulatory changes regarding water issues. A higher value indicates a greater risk.

Reuse of Water

DRB's Korea sites use water supply as their primary water source, and DRB Industrial recycles more than 95% of the wastewater generated from the production process after physically or chemically treating it through a wastewater treatment plant installed at the headquarters. At the DRB Qingdao plant, efforts are underway to reduce water consumption and enhance water recycling. Wastewater generated during production is treated and reused in the boiler and spray tower systems, helping to minimize water usage and promote sustainable water reuse.

DRB Use and Reuse of Water

Site	Category	Unit	2021	2022	2023	Site	Category	Unit	2021	2022	2023
DRB Industrial	Usage	ton	335,640	348,872	320,803	DRB Automotive	Usage	ton		32,101	36,338
	Intensity	ton/KRW billion	352.0	242.3	263.5		Intensity	ton/KRW billion		486.4	343.9
	Recycled amount	ton	239,661	256,240	229,078		Recycled amount	ton		0	0
	Recycling rate	%	71.4	73.5	71.4		Recycling rate	%		0	0
DRB Qingdao	Usage	ton	130,271	105,169	142,688	DRB Slovakia	Usage	ton	113,757	70,927	81,843
	Intensity	ton/KRW billion	1,310.5	800.0	1,048.4		Intensity	ton/KRW billion	1,552.7	1,073.3	1,059.5
	Recycled amount	ton	11,200	11,200	8,833		Recycled amount	ton	-	-	-
	Recycling rate	%	8.6	10.6	6.2		Recycling rate	%	-	-	-
DRB Vietnam	Usage	ton	139,123	158,243	86,497						
	Intensity	ton/KRW billion	1,164.4	840.4	556.5						
	Recycled amount	ton	-	-	-						
	Recycling rate	%	-	-	-						

Wastewater management

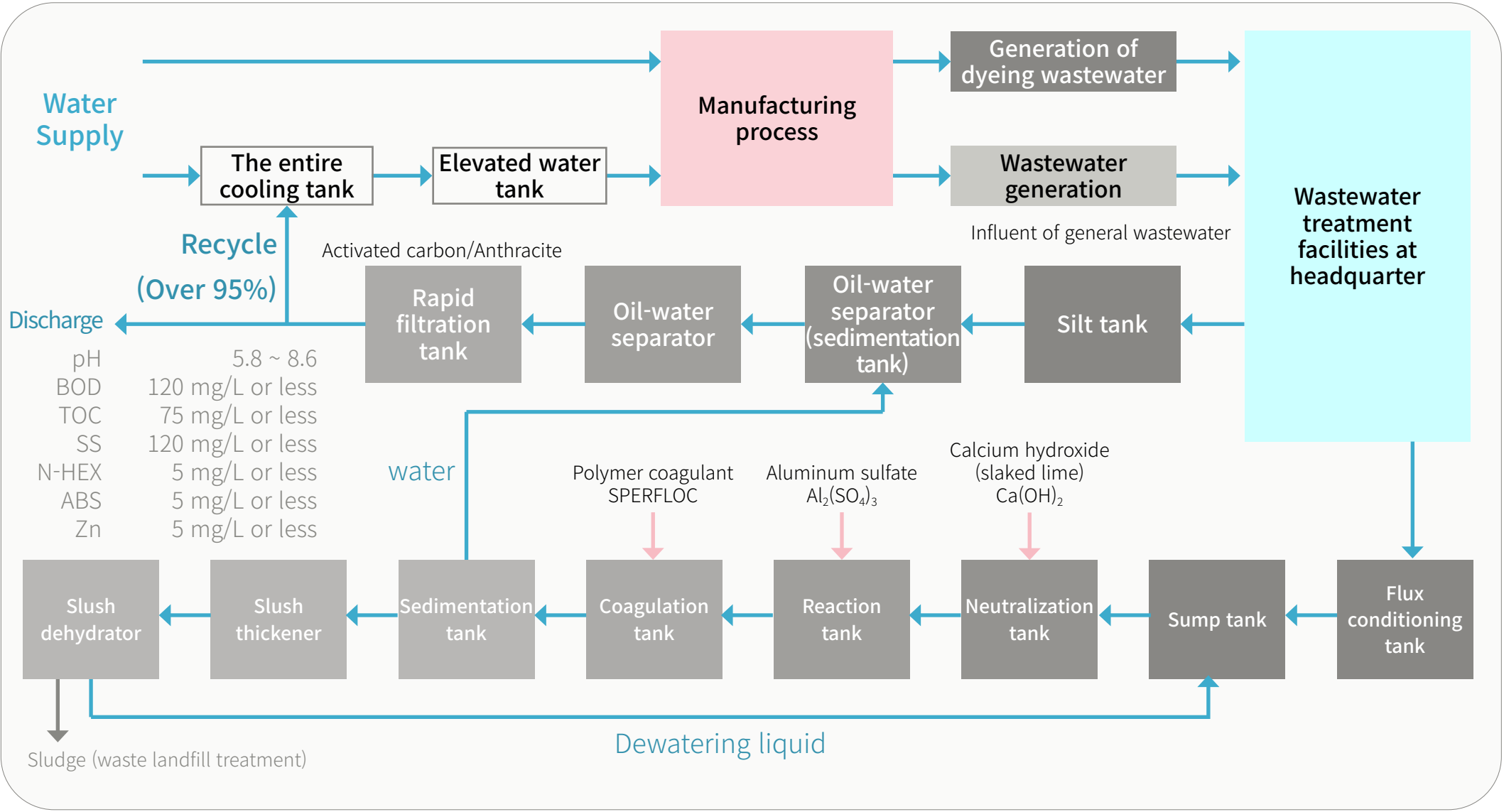
DRB collects wastewater generated during the production process, and either reuses it after treatment or discharges it to a treatment plant. We intend to reduce discharged wastewater and increase the rate of water reuse through continuous process improvements.

DRB Wastewater Discharge Amount

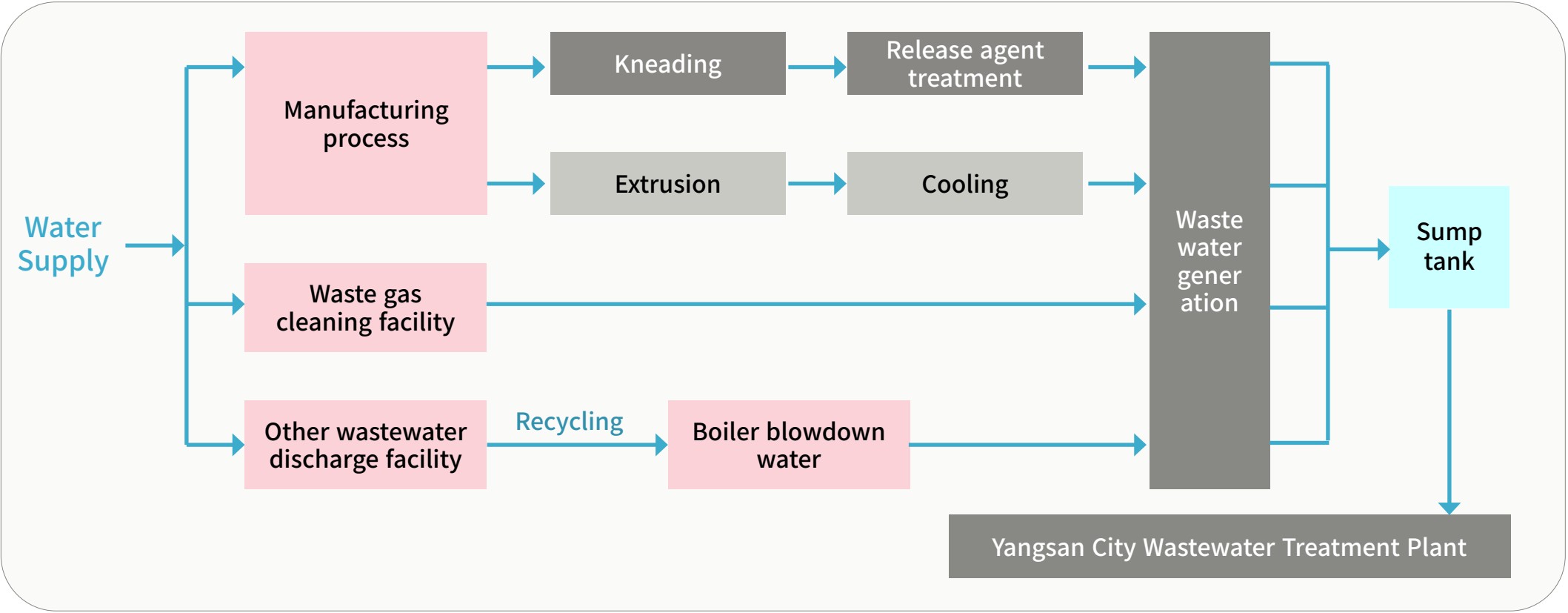
Site	Category	Unit	2021	2022	2023	Site	Category	Unit	2021	2022	2023
DRB Industrial	Discharge	ton	785	0	0	DRB Automotive	Discharge	ton		10,110	10,782
	Intensity	ton/KRW billion	2.9	0	0		Intensity	ton/KRW billion		153.2	102.0
DRB Qingdao	Discharge	ton	-	35,460	35.064	DRB Vietnam	Discharge	ton	139,123	158,243	86,497
	Intensity	ton/KRW billion	-	269.7	257.6		Intensity	ton/KRW billion	1,164.4	840.4	556.5

ENVIRONMENT

DRB Industrial Wastewater treatment process diagram



DRB Automotive Wastewater treatment process diagram



Raw and Auxiliary Materials Management

DRB is working to minimize raw material purchases by optimizing inventory and usage management of raw and auxiliary materials. Concurrently, we are advancing technology and processes to reduce product waste rates. DRB reduces the input of new emulsions by minimizing emulsion loss during production, while also increasing the reuse cycle by substituting product storage materials with high-strength alternatives, thereby reducing new purchases.

Transition to eco-friendly raw materials

DRB is committed to environmental preservation and sustainable management, and it is pursuing innovative strategies to replace toluene, a representative hazardous chemical substance. Through proactive research, we have successfully developed technology to replace toluene used in certain rubber molding processes and rubber bonding fluid manufacturing processes with eco-friendly materials. Our goal is to replace toluene with eco-friendly raw materials across all future processes.

Increasing the use of recycled raw and auxiliary materials

To protect natural resources and minimize carbon emissions, DRB is doing research and process restructuring to migrate to sustainable raw materials. We have successfully developed technology to recycle waste synthetic rubber dust (rubber abrasive powder) generated during the polishing process, repurposing it as a filler in specific rubber formulations, and have scaled this innovation to mass production. In addition, we have also developed the technique for applying recycled carbon black in certain rubber formulations and achieved mass production. Furthermore, DRB is dedicated to replacing conventional petrochemical-based raw materials with recycled, renewable, and plant-based alternatives. Through joint research collaborations with other companies and industry-academia partnerships, we are advancing product development and localizing raw material sourcing. Through these multifaceted initiatives, we will take the lead in the eco-friendly transition within the global rubber industry and achieve carbon neutrality by expanding the sustainable raw material supply network.

DRB usage of raw and recycled raw materials

Site	Category	Unit	2021	2022	2023
DRB Industrial	Total	ton	3,763	4,521	3,727
	Recycled	ton	559	763	593
	Rate	%	14.9	16.9	15.9
DRB Qingdao	Total	ton	15,002	17,308	19,095
	Recycled	ton	842	663	707
	Rate	%	5.6	3.8	3.7
DRB Vietnam	Total	ton	42,123	53,140	43,909
	Recycled	ton	5,242	7,841	6,622
	Rate	%	12.4	14.8	15.1

Site	Category	Unit	2021	2022	2023
DRB Automotive	Total	ton		9,287	10,291
	Recycled	ton		0	0
	Rate	%		0	0
DRB Slovakia	Total	ton	6,920	6,018	6,243
	Recycled	ton	-	-	-
	Rate	%	-	-	-

ENVIRONMENT

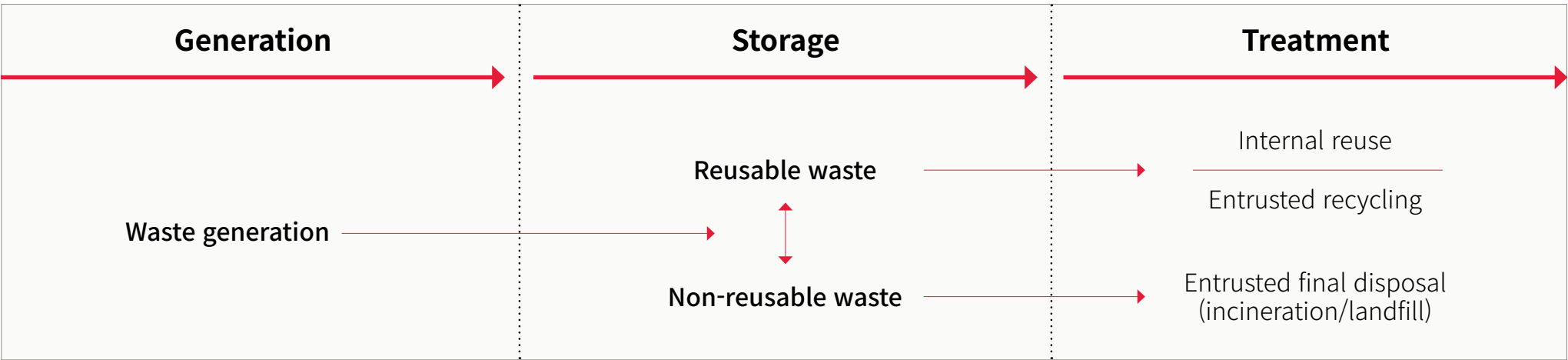
Waste management

DRB segregates waste by category, stores, and disposes of it in compliance with waste management regulations, and actively engages in waste recycling by signing a contract with a professional waste recycling company. At the design phase, DRB fully evaluates and reflects probable environmental consequences throughout the whole process (raw material selection, manufacture, transportation, packaging, usage, and disposal) because the majority of a product's environmental impact is determined during the design stage.

Waste management systems and processes

DRB develops monthly waste disposal plans each year to identify projected waste volumes during the construction or expansion of facilities. We also conduct research and implement different waste-reduction strategies, such as enhancing processes, raw materials, and packaging materials. In addition, DRB refrains from landfilling or incinerating waste. We seek to increase recycling rates through contracts with specialized recycling providers, and we are relying on the Korea Environment Corporation's All-Baro system to satisfy our legal reporting obligations on waste disposal. Furthermore, DRB Industrial is studying and developing technology for sustainable resource recycling at its own research institute, such as eco-friendly raw material development and waste reuse, with the goal of increasing waste recycling rates and enhancing recycling processing in the raw material manufacturing process.

DRB Waste treatment process



DRB Waste Reduction and Recycling Program

Site	Activities	Explanation
DRB Industrial	Recycling of waste synthetic rubber	Commissioning the recycling of waste synthetic rubber (such as RT defective products, repaired rubber, etc.) that was previously disposed of by incineration through a recycling company
	Recycling of packaging materials	Recovering and recycling used packaging materials
	Reuse of rubber powder	Reusing rubber powder generated from the grinding process in certain mixing process
DRB Automotive	Crushing and reuse of TPV extruded product scraps	Crushing and reusing scrap generated during the production of TPV-based semi-finished products as material for further production of TPV-based semi-finished products
	Recovery and reuse of flocking file	Recovering and reusing flocking files collected by a filter dust collector in the flocking process for reuse in the same process
DRB Vietnam	Refined oil utilization	Saving costs by recycling refined oils (savings of KRW 52,635 thousand in 2023)

Waste Management Status

DRB is minimizing packaging waste and reducing the procurement of new packaging materials by collecting and reusing packaging materials used in product shipments across all subsidiary business sites. In addition, the R&D Centers of DRB Industrial and DRB Automotive are conducting research and development to improve the recycling rate of raw and subsidiary materials generated during the manufacturing process, with tangible results expected.

DRB Waste(general + designated) Management

Site	Category	Unit	2021	2022	2023	Site	Category	Unit	2021	2022	2023
DRB Industrial	Generated	ton	1,605	1,485	1,405	DRB Automotive	Generated	ton		1,922	2,280
	Recycled	ton	1,344	1,272	1,212		Recycled	ton		1,871	2,208
	Rate	%	83.7	85.6	86.3		Rate	%		97.3	96.8
	disposed	ton	261	213	193		disposed	ton		51	72
	Incineration ¹⁾	ton	0	0	0		Incineration ¹⁾	ton		0	0
	Incineration ²⁾	ton	229	201	177		Incineration ²⁾	ton		39	52
	Landfill	ton	28	12	16		Landfill	ton		12	20
	Others	ton	4	0	0		Others	ton		0	0
	Intensity	ton/KRW billion	5.9	3.9	4.0		Intensity	ton/KRW billion		29.1	21.6
DRB Qingdao	Generated	ton	1,654	1,534	1,789	DRB Slovakia	Generated	ton	1,530	1,211	1,183
	Recycled	ton	1,463	1,360	1,623		Recycled	ton	1,226	914	993
	Rate	%	88.5	88.7	90.7		Rate	%	80.1	75.5	83.9
	disposed	ton	191	174	166		disposed	ton	304	297	190
	Incineration ¹⁾	ton	0	0	0		Incineration ¹⁾	ton	0	0	0
	Incineration ²⁾	ton	154	125	127		Incineration ²⁾	ton	0	0	0
	Landfill	ton	0	0	0		Landfill	ton	304	297	190
	Others	ton	37	49	39		Others	ton	0	0	0
	Intensity	ton/KRW billion	16.6	11.7	13.1		Intensity	ton/KRW billion	20.9	18.3	15.3
DRB Vietnam	Generated	ton	941	1,233	1,558	1) Incineration after energy recovery: - Energy recovery rate of 75% or more - Energy recovery rate of less than 75%, maintaining energy recovery efficiency certification 2) Incineration without energy recovery: Energy recovery rate of less than 75%					
	Recycled	ton	0	0	0						
	Rate	%	0	0	0						
	disposed	ton	941	1,233	1,558						
	Incineration ¹⁾	ton	0	0	0						
	Incineration ²⁾	ton	941	1,233	1,558						
	Landfill	ton	0	0	0						
	Others	ton	0	0	0						
	Intensity	ton/KRW billion	7.9	6.5	10						

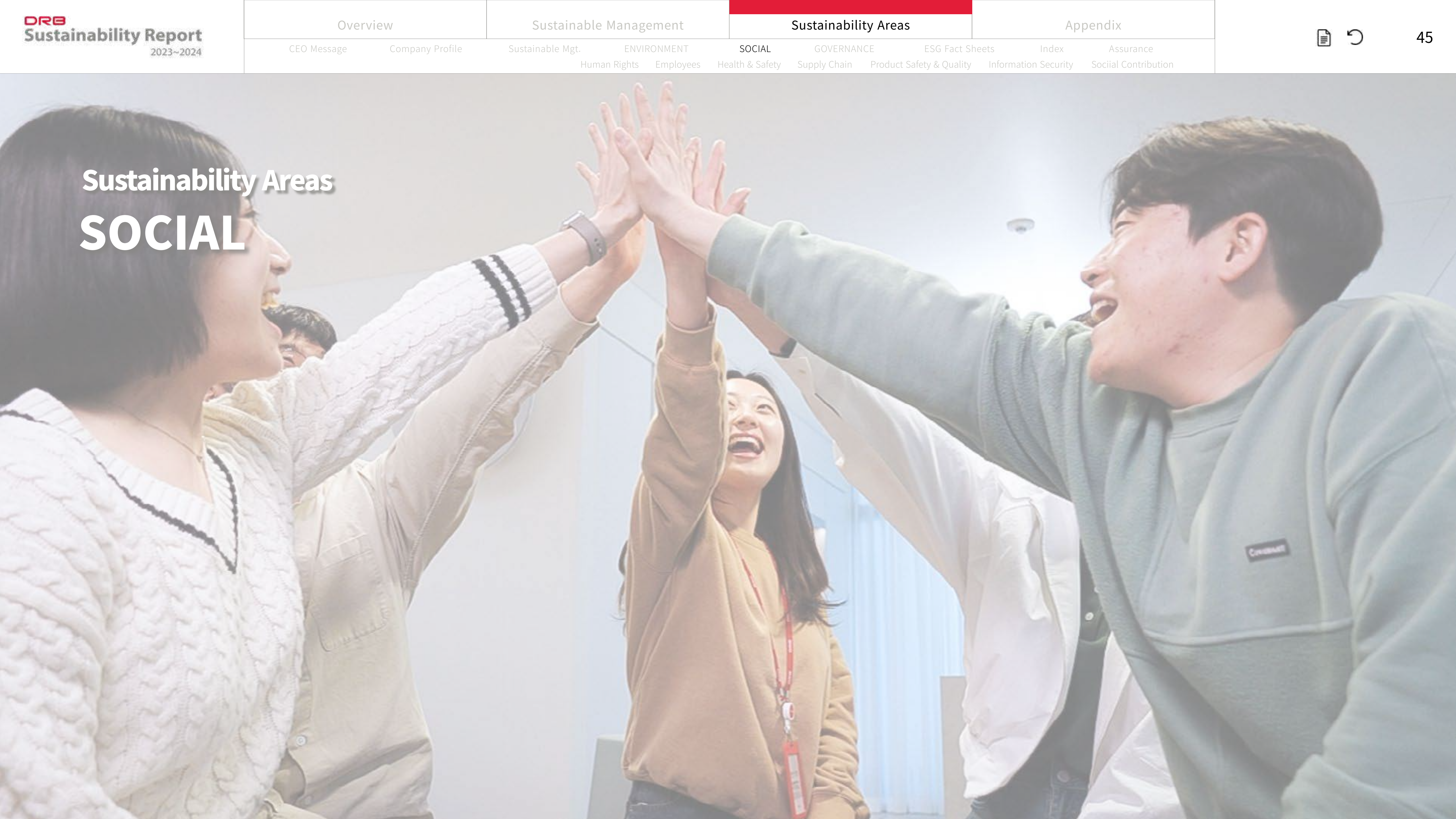
1) Incineration after energy recovery:

- Energy recovery rate of 75% or more
- Energy recovery rate of less than 75%, maintaining energy recovery efficiency certification

2) Incineration without energy recovery: Energy recovery rate of less than 75%

Sustainability Areas

SOCIAL



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Human Rights

Establishment of a Human Rights Management System

DRB is set to develop a human rights management governance for systematically advancing human rights management. To this end, we are considering the establishment and operation of a Human Rights Management Committee within the ESG Working Committee. This committee will comprise heads of human rights departments from all DRBI subsidiaries, tasked with overseeing the human rights risk management system, the development of response measures for identified human rights issues, and their implementation. Key activity plans and outcomes related to human rights management will be reported annually to the ESG Committee for approval. Additionally, the departments responsible for human rights management will establish standardized procedures to assess and address human rights risks, identify improvement areas, implement corrective actions, and conduct follow-up monitoring, all in accordance with the responsibilities and roles (R&R) assigned to each department.

DRB Statement on Human Rights Management

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DRB upholds a responsible attitude towards society based on our core values of honesty, integrity, and trust, and seeks to respect human rights and dignity as basic rights through practical actions.

We support the principles of the Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights (UNGP), and intend to internalize the Ten Principles of the UNGlobal Compactthroughthe company’shumanrights managementpolicy.

We apply the policy to all our affiliates and share it with business partners and customers. Human rights risks management processes will be established and monitored.Furthermore, severe human rights violations will be prioritized as critical material issues of management.

As a company that fulfills corporate social responsibilities and pursues the happiness of all employees and stakeholders, we comply with the domestic and international laws in any circumstance, respects and protects human rights, and contributes to the development of the society.

Principles and Policies of Human Rights Management

DRB aspires to fulfill its responsibilities in society based on its core values of ‘honesty, integrity, and trust.’ DRB formulated the Human Rights Management Policy in 2022 by incorporating respect for human rights and human dignity, which are fundamental to humanity, as the foundation of its management activities.

Human Rights Principles and Stakeholder Mapping

Scope of Application	DRB Policies	Stakeholders			
		Employee	Supply chain	Customer	Community
Anti-Discrimination	Human Rights Management Principles/ Collective Bargaining Agreement (CBA)/ Ethical Charter and Code of Ethics/ DRB Code of Conduct/ Supplier Code of Conduct	●	●	●	●
Humane Treatment	Sustainability Management Policy/ Human Rights Management Policy/ Collective Bargaining Agreement (CBA)/ Ethical Charter and Code of Ethics/ DRB Code of Conduct/ Supplier Code of Conduct	●	●	●	●
Compliance with Working Conditions	Human Rights Management Principles/ Collective Bargaining Agreement (CBA)/ Ethical Charter and Code of Ethics/ DRB Code of Conduct/ Supplier Code of Conduct	●	●		
Prohibition of Workplace Harassment	Human Rights Management Principles/ Collective Bargaining Agreement (CBA)/ Ethical Charter and Code of Ethics/ DRB Code of Conduct/ Supplier Code of Conduct	●	●		
Freedom of Association	Human Rights Management Principles/ Collective Bargaining Agreement (CBA)/ DRB Code of Conduct/ Supplier Code of Conduct	●	●		
Prohibition of Forced Labor and Child Labor	Human Rights Management Principles/ DRB Code of Conduct/ Supplier Code of Conduct/ Conflict Minerals Policy	●	●		●
Guaranteeing Workplace Safety	Sustainability Management Policy/ Health and Safety Management Policy/ DRB Code of Conduct/ Supplier Code of Conduct	●	●	●	●
Protection of Personal Information	Privacy Policy/ DRB Code of Conduct/ Supplier Code of Conduct	●	●	●	●
Safeguarding Human Rights in Local Communities	Sustainability Management Policy/ Social Contribution Charter/ DRB Code of Conduct/ Supplier Code of Conduct	●	●		●

Overview		Sustainable Management		Sustainability Areas			Appendix		
CEO Message	Company Profile	Sustainable Mgt.	ENVIRONMENT	SOCIAL	GOVERNANCE	ESG Fact Sheets	Index	Assurance	
		Human Rights	Employees	Health & Safety	Supply Chain	Product Safety & Quality	Information Security	Social Contribution	

SOCIAL

Prevention of Discrimination and Harassment (Diversity and Inclusion)

DRB sets forth the obligation to prohibit discrimination and harassment in Articles 1 (Respect for Human Rights) and 2 (Respect for Diversity and Prohibition of Discrimination) of the Human Rights Management Policy, Article 17 (Personnel Management) of the Collective Agreement, Article 21 (Assignment, Transfer, and Promotion), and Article 77 (Education and Training) of the Employment Rules. Our Employment Rules' Chapter 13 also addresses the prevention of harassment in the workplace. DRB respects our employees' diverse backgrounds and values and does not unreasonably discriminate against them on grounds other than work, such as gender, race, ethnicity, nationality, religion, age, marital status, sexual orientation, gender identity, social status, disability, pregnancy, military service status, genetic information, political orientation, or conditions under local law, in order to provide equal opportunities to all. We also make every effort to follow international community agreements (such as ILO conventions 100 and 111). DRB also safeguards our employees against harassment based on inferiority in their status, relationships, etc. In this regard, harassment includes offensive verbal or physical behavior, such as sexual harassment, sexual abuse, violence, or verbal abuse. Furthermore, we track the ratio of cases settled to workplace harassment claims in order to internalize human rights management and policies.

Protection of Maternal Rights and Work-Family Balance

DRB incorporates the value of women's maternity protection and work-family balance into its management through Article 2 (Respect for Diversity and Prohibition of Discrimination) of our Human Rights Management Policy and operates a maternity protection program based on Chapter 5, Section 3 of the Employment Rules. Pregnant female employees are entitled to 90 days of pre- or post-natal leave, with the duration being extended to 120 days if they are pregnant with more than one child at the same time. Furthermore, following giving birth, a mandatory leave of at least 45 days is provided (60 days if pregnant with more than one baby at the same time). In addition, under the childcare leave program, employees with children under the age of eight or in the second grade of elementary school (including adopted children) are eligible for up to one year of parental leave. There are additional systems in place for infertility treatment leave and menstrual leave, and female employees with infants under one year old can use paid breastfeeding time for 30 minutes twice a day.

Prohibition of child labor

In compliance with applicable child labor regulations, DRB has incorporated a child labor prohibition clause into its Human Rights Management Policy and Employees' Code of Conduct, based on Korean laws (Labor Standards Act) and international conventions (ILO Conventions No. 138, No. 182, etc.). Accordingly, DRB follows stringent employment procedures, including age verification, when hiring minors. We also ensure the protection of their safety and rights by guaranteeing educational opportunities for those under 18 and by refraining from assigning hazardous or night work. In addition, DRB diligently monitors and manages child labor issues not only within its own operations but also throughout its supply chain through its Mutual Cooperation Policy, Supplier Code of Conduct, and sustainability assessment for external suppliers. Furthermore, DRB has issued the Declaration of Responsible Mineral Sourcing to address social issues such as child labor, human rights violations, environmental degradation, and the financing of conflict groups in mineral-rich regions, particularly in Africa, Asia, and the Middle East. As part of this initiative, DRB strives to build a responsible supply chain by monitoring the mining and use of conflict minerals, starting from the initial stage of assessing the status of external suppliers.

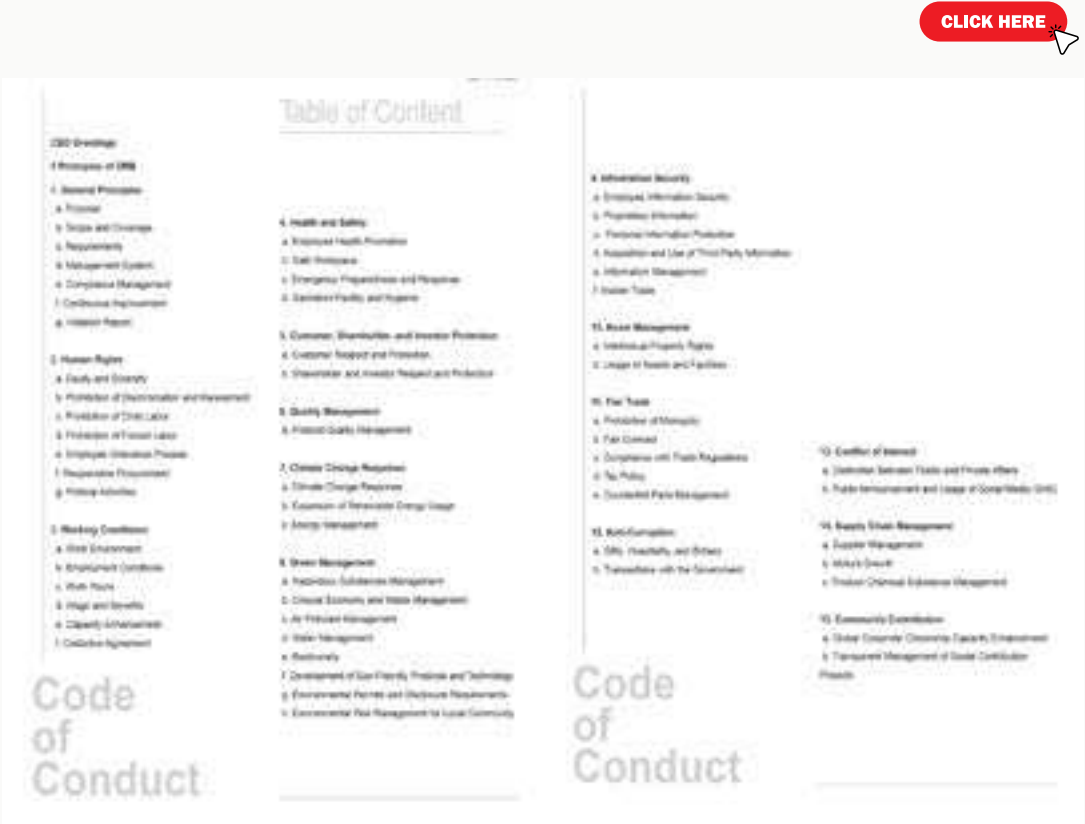
Prohibition of Forced Labor and Compliance with Working Conditions

DRB prohibits modern slavery across all its supply chains through its Human Rights Management Policy (Article 3: Prohibition of Forced Labor) and the DRB Code of Conduct (Section 2. Human Rights, Subsection d: Prohibition of Forced Labor). In addition, DRB adheres to Korean laws (Labor Standards Act), international legislation (California Transparency in Supply Chains

Act, Uyghur Forced Labor Prevention Act, Modern Slavery Act), and international conventions (ILO No. 29, etc.) to ensure that no individual is subjected to forced labor, through any form of mental or physical coercion, including slavery, human trafficking, or debt bondage. In terms of employment contracts, we strictly adhere to the labor standards laws of every country where our operations are based, and we strive to sign and fulfill fair and transparent labor contracts. Furthermore, we uphold the freedom of movement for all our employees, explain employment contract details in employees' native languages to enhance their understanding, and continually strengthen oversight and management to prevent forced labor. In addition, DRB prohibits forced labor not only within its own operations but also throughout its entire supply chain, requiring its external suppliers to monitor and address any related issues.

DRB Code of Conduct

The demands of various stakeholders, including customers, shareholders, employees, external suppliers, NGOs, and governments, continue to grow, and expectations regarding corporate social responsibility are also rising globally. In response to these developments, DRB has established the Code of Conduct as a concrete framework for advancing sustainability management, under the vision that “Daily life of DRB contribute to the sustainable growth in the future .” We will ensure more responsible management practices by outlining and publicly disclosing the commitments that all employees must uphold. In particular, DRB has formulated the Code of Conduct (2023), which includes key provisions on respect for human rights, prohibition of discrimination, prohibition of forced and child labor, compliance with labor laws and regulations, guarantee of freedom of association and collective bargaining, health and safety, responsible supply chain management, information protection, environmental rights, engagement with local communities, product quality, and safeguarding the interests of customers and shareholders. DRB Code of Conduct applies to all DRB employees in all DRB subsidiaries. DRB is committed to adhering to the labor laws and regulations of each country or region, meeting customer needs in alignment with the Code of Conduct, and upholding the principles set forth in the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the labor standards recommended by the International Labour Organization (ILO) and ratified by relevant governments.



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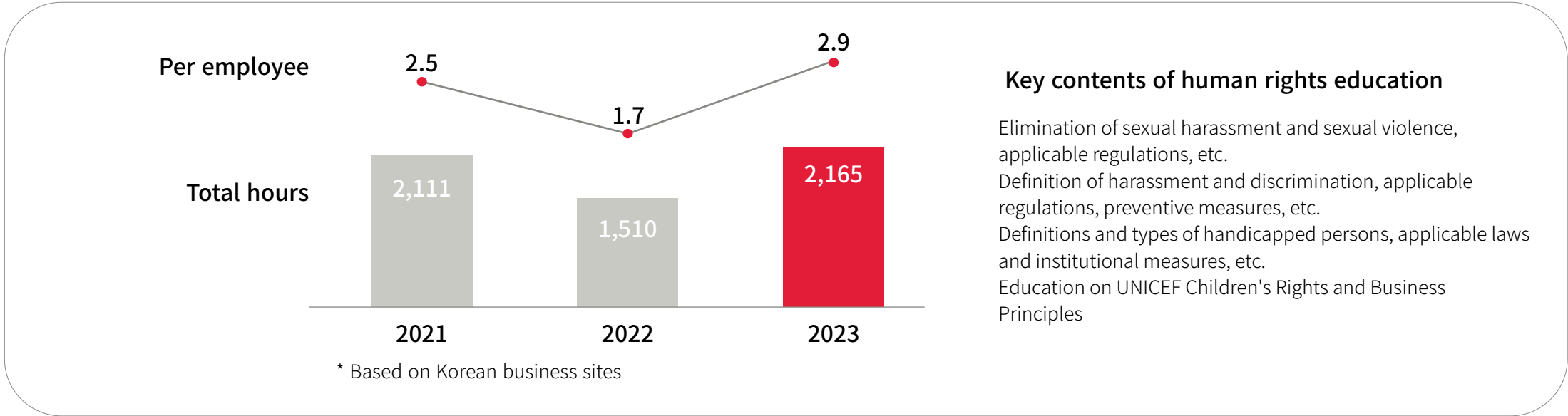
SOCIAL

Human rights education

Increasing education to raise awareness of human rights

DRB conducts human rights training for all employees across its business sites in Korea at least once each year to raise awareness on critical issues such as child labor, forced labor, workplace sexual harassment prevention, anti-harassment measures, enhanced awareness on people with disabilities, and the promotion of diversity and inclusion. To enhance the effectiveness of these educational programs, we regularly invite experts, such as lawyers, or utilize online resources from professional training institutions. For our overseas business sites, DRB Qingdao initiated regular online human rights training starting in 2022, and DRB Slovakia joined these efforts in 2023. Moving forward, we plan to expand and tailor our educational initiatives to include both common global themes and region-specific topics relevant to the local or regional context.

DRB Human Rights Education Status



DRB regularly conducts human rights education for its employees as well as the employees of its partners (external suppliers) at least once a year. The program primarily covers domestic human rights management requirements, including gender equality in employment, support for work-family balance, working conditions, and consumer protection. It also addresses global human rights regulations on supply chains and responses, such as the issue of conflict minerals, the US Uyghur Forced Labor Prevention Act, the EU's regulation to prohibit forced labor products on the EU market and the EU Corporate Sustainability Due Diligence Directive (CSDDD). DRB is focusing on raising awareness of the importance of human rights risk management within the supply chain and strengthening the ability to respond to global supply chain regulations through human rights education for its suppliers.

Compliance with and participation in global initiatives

To this end, DRB supports the human rights principles enshrined in the ‘Universal Declaration of Human Rights’ and the ‘UN Guiding Principles on Business and Human Rights (UNGPR)’ and seeks to integrate the resultant ‘UN Global Compact Ten Principles’ into its Human Rights Management Policy. In addition, DRB Holding and DRB Industrial joined the United Nations Global Compact (UNGC) in April 2021 and are stepping up their efforts to voluntarily adhere to the ten principles in four areas: human rights, labor, the environment, and anti-corruption. In addition, DRB strives to systematize human rights management by collaborating with UNICEF to establish core policies that are consistent with the 10 ‘Children’s Rights and Business Principles’.



Appointed as a LEAD Group by UNGC Network Korea

Children's Rights Management Practice Award

In 2023, DRB Holding was honored with the Children's Rights Management Practice Company Award by the National Center for the Rights of the Child in recognition of its significant contributions to the promotion of children's rights and human rights. This achievement was made possible through the establishment of corporate policies that integrate children's rights business principles, as well as the expansion of child rights support projects within local communities. Furthermore, DRB Holding has been appointed as one of the UNGC Network Korea 10 LEAD companies for the second consecutive year since 2023. This recognition underscores DRB’s dedication to disseminating a culture of sustainable management and establishing ESG management. Moving forward, DRB will fulfill our corporate social responsibility in the future by actively participating in initiatives connected to the UNGC 10 principles and identifying sustainable agendas.

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Human Rights-Related Grievance Handling

Human Rights-related Grievance Handling Channel

DRB runs DRB HappyMint as a grievance resolution channel, allowing employees to report any human rights-related issues that pose human rights risks in the workplace, such as psychological difficulties, sexual harassment, and bullying. Consultation and reporting are available by phone, mobile app, and dedicated website, as well as face-to-face consultation with a licensed counselor. In addition, the operation of the grievance channel is entrusted to a third-party professional organization, ensuring the reporter's identity and the details of the report are kept confidential. In the event of significant human rights violation reports, we conduct internal investigations and take appropriate action, such as disciplinary action, in direct collaboration with external labor attorneys.

Grievance Handling Channels for External Stakeholders

DRB also maintains a complaint handling channel for external stakeholders, including partners (external suppliers) and customers. Notably, the DRB PSM site is available for partners, while customers and the general public can report complaints through the Cyber Audit Office.

Reporter Protection and Relief Procedures

In preparation for potential human rights violations, DRB has established the DRB Healthy Workplace Culture Center, a dedicated organization for victim protection and relief. We also provide reporting channels and operate a structured remedy procedure to safeguard and support victims. When we receive a complaint on human rights abuses, we verify the facts using our handling processes and, if necessary, we execute additional legal verification procedures with the assistance of relevant agencies. In addition, a personnel committee meeting is held to decide on and implement disciplinary action in accordance with our internal disciplinary procedures. During the investigation process, we take care to guarantee that the identity of the reporter or victim is not revealed and that no personnel disadvantage develops as a result of the report. When workplace harassment is reported, we strengthen preventive measures to ensure that such instances do not reoccur.

DRB Healthy Workplace Culture Center



* Committee which is handling the case must include at least one female employee.
* In the case of a group grievance (sexual harassment or harassment in the workplace), one extra employee from HR Team should be appointed.

DRB HappyMint



DRB Grievance Handling Process

Report	Acceptance	Handling	Remedy procedures and follow-ups
Internal			
DRB Healthy Workplace Culture Center (counselling@drbworld.com)	Classifying grievances by type and determining the handling method through the DRB Healthy Workplace Culture Center	Individual/group grievances: Personnel Committee + External mediator (labor attorney, etc.) * Checking the facts and confirming the reporter's requirements Policy grievances: Reviewing issues with related departments + Identifying the measures for improvement	Taking measures to prevent recurrence within the company - Implementing external legal proceedings as required
Entrustment to an external specialized agency (DRB HappyMint)			
Telephone, e-mail, mobile application, special website (drb.happymint.kr)	Classifying complaints by grievance type and determining the handling method through a third-party professional organization	Individual grievances: Connecting with a professional psychological counselor Group grievances: Transferring to an external investigator. However, in cases of internal group grievances, transfer the case to the DRB Healthy Workplace Culture Center.	Settling the conflict - Following the legal proceedings as required - Taking appropriate measures, such as disciplinary action against the offender

Acceptance and Handling of Grievances

	Category	Unit	2021	2022	2023
Employees	Acceptance (Report)	case(s)	1	5	0
	Handling	case(s)	1	5	0
	Rate	%	100	100	100
External Stakeholders	Acceptance (Report)	case(s)	-	-	-
	Handling	case(s)	-	-	-
	Rate	%	-	-	-

Human Rights Infringement Reports and Violations

	Category	Unit	2021	2022	2023
Internal	Report	case(s)	0	0	0
	Occurrence	case(s)	0	0	0
	Handling	case(s)	0	0	0
	Legal violation	case(s)	0	0	0
External Suppliers	Report	case(s)	0	0	0
	Occurrence	case(s)	0	0	0
	Handling	case(s)	0	0	0
	Legal violation	case(s)	0	0	0

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Human Rights Impact Assessment

Human Rights Impact Assessment

In 2023, DRB conducted a human rights impact assessment for its holding company, DRB Holding, to proactively identify and evaluate human rights risks and adverse impacts associated with corporate activities. This assessment forms a critical part of the company's due diligence efforts to fulfill its responsibility to respect human rights. The process of developing a response plan—considering the implementation procedures and outcomes of the human rights impact assessment—provided an opportunity for various departments to engage in discussions about the company’s key human rights issues. In addition, the results of the assessment proposed a basis for the company to determine impending human rights issues and establish effective response measures.

Human Rights Impact Assessment Process

01	Establishment of an implementation plan	- Confirming the detailed direction and schedule for implementation
02	Development of assessment indicators	- Reviewing, improving, and supplementing the standard assessment indicators provided by the National Human Rights Commission of Korea (NHRCK) - Incorporating the specific characteristics of the manufacturing industry into the indicators
03	Working-level meeting	- Understanding the field work for conducting a human rights impact assessment - Assessing the current status of the company's human rights management initiatives - Sharing the methods, content, and schedule for implementing the human rights impact assessment
04	Initial diagnosis	- Based on internal regulations and publicly disclosed data
05	Written interview	- Sharing the results of the initial diagnosis - Collecting feedback on the initial diagnosis results and gathering data for the second diagnosis
06	Second diagnosis	- Analyzing the data from the second diagnosis - Supplementing the findings from the initial diagnosis
07	On-site interview	- Conducting practical training on the human rights impact assessment - Carrying out on-site interviews with key departments and related departments
08	Analysis of assessment results	- Analyzing and evaluating the negative human rights impacts identified
09	Identification of tasks for improvement	- Developing proactive measures to prevent negative human rights impacts and mitigation strategies - Reviewing the findings with the company’s human rights management department and related departments

Human Rights Impact Assessment Indicators

No.	Sector	NHRCK's standard manual		No.	Sector	DRB		Remarks
		Items	Indicator			Item	Indicator	
01	Establishment of a human rights management system	Declaration of a policy on respecting human rights Regular execution of human rights impact assessments Adoption of required measures for the institutionalization of human rights management Achievements of human rights management Development of a remedy procedure	30	01	Establishment of a human rights management system	Governance and human rights policies Institutionalization of human rights policy implementation Identification and evaluation of the negative human rights impacts Improvement and reporting Grievance handling mechanisms and remedies Human rights due diligence for supply chains	24	Integration of UNGP human rights due diligence as core elements and procedures Incorporation of revisions to the OECD Guidelines for Multinational Enterprises Inclusion of revisions to the ILO Declaration on Fundamental Principles and Rights at Work Integration of human rights due diligence for supply chains
02	Anti-discrimination in employmen	Non-discrimination in employment Non-discrimination in employment based on gender Non-discrimination against non-regular workers Non-discrimination against foreign workers	17	02	Anti-discrimination in employmen	Anti-discrimination Active measures for equality	4	Integration of similar indicators (related to discrimination against women, non-regular workers, and foreign workers) Addition (perspectives on ESG value creation)
03	Guarantee of freedom of association and collective bargaining	Freedom of association and collective bargaining Prohibition of discriminatory treatment related to labor union activities Guarantee of collective bargaining and faithful adherence to agreements Development of alternative measures in the absence of labor unions	16	03	Guarantee of freedom of association and collective bargaining	Prohibition of discriminatory treatment related to labor union activities Guarantee of collective bargaining and faithful adherence to agreements	6	Integration of similar indicators Integration of similar indicators Integration of similar indicators Not applicable. Excluded.
04	Prohibition of forced labor	Prohibition of forced labor Prevention of forced labor within subsidiaries and partners	11	04	Prohibition of forced labor	Rejection of all forms of forced labor	4	Adherence to the Labor Standards Act ==> The practice of directing private work or unfair work assignments Rejection of all forms of forced labor (supply chain)
05	Prohibition of child labor	Ban on the employment of minors Measures to be taken when the employment of minors is identified	14	05	Prohibition of child labor	Effective abolition of child labor	2	Emphasis on preventing child labor within the supply chain
06	Occupational safety	Workplace safety Protection of pregnant workers and people with disabilities, etc. Supply of essential equipment and relevant education, etc. Assistance for workers impacted by industrial accidents	17	06	Guarantee of Occupational safety	Workplace health and safety Protection of pregnant workers and people with disabilities Assistance for workers impacted by industrial accidents Protection from violence and harassment	23	Supply of essential equipment and relevant education and establishment of integrated emergency plans Addition (reflecting ILO Convention No. 190)
07	Responsible supply chain management	Prevention of human rights violations by partners, etc. Implementation of monitoring Prevention of human rights infringements by security personnel	10					Transfer and integration into the human rights due diligence system sector
08	Protection of the human rights of local residents	Respect for and protection of the human rights of local residents Protection of intellectual property rights of local residents	10					Integration into the environmental right protection sector
09	Guarantee of environmental rights	Establishment and maintenance of an environmental management system Disclosure of environmental information The principle of a preventive approach to environmental issues Establishment of an emergency plan	18	07	Guarantee of environmental rights	Establishment and maintenance of an environmental management system Disclosure of environmental information	8	Integration of similar indicators Transfer to the guarantee occupational safety sector
10	Protection of the human rights of consumers	Compliance with laws and regulations for consumer protection Actions to be taken in the event of detected product defects Protection of consumer privacy	15	08	Protection of consumer rights	Compliance with laws and regulations for customer protection Actions to be taken in the event of detected product defects Protection of customer information	14	
Total	10	33	158	Total	8	22	85	

Note 1) Utilization of the indicators proposed in the Standard Manual for Public Institutions' Human Rights Management (NHRCK, 2018)

Note 2) Incorporation of revisions to the OECD Guidelines for Multinational Enterprises concerning human rights due diligence (June 2023)

Note 3) Inclusion of the Convention on the Prevention of Violence and Harassment in the World of Work (ILO, 2019)

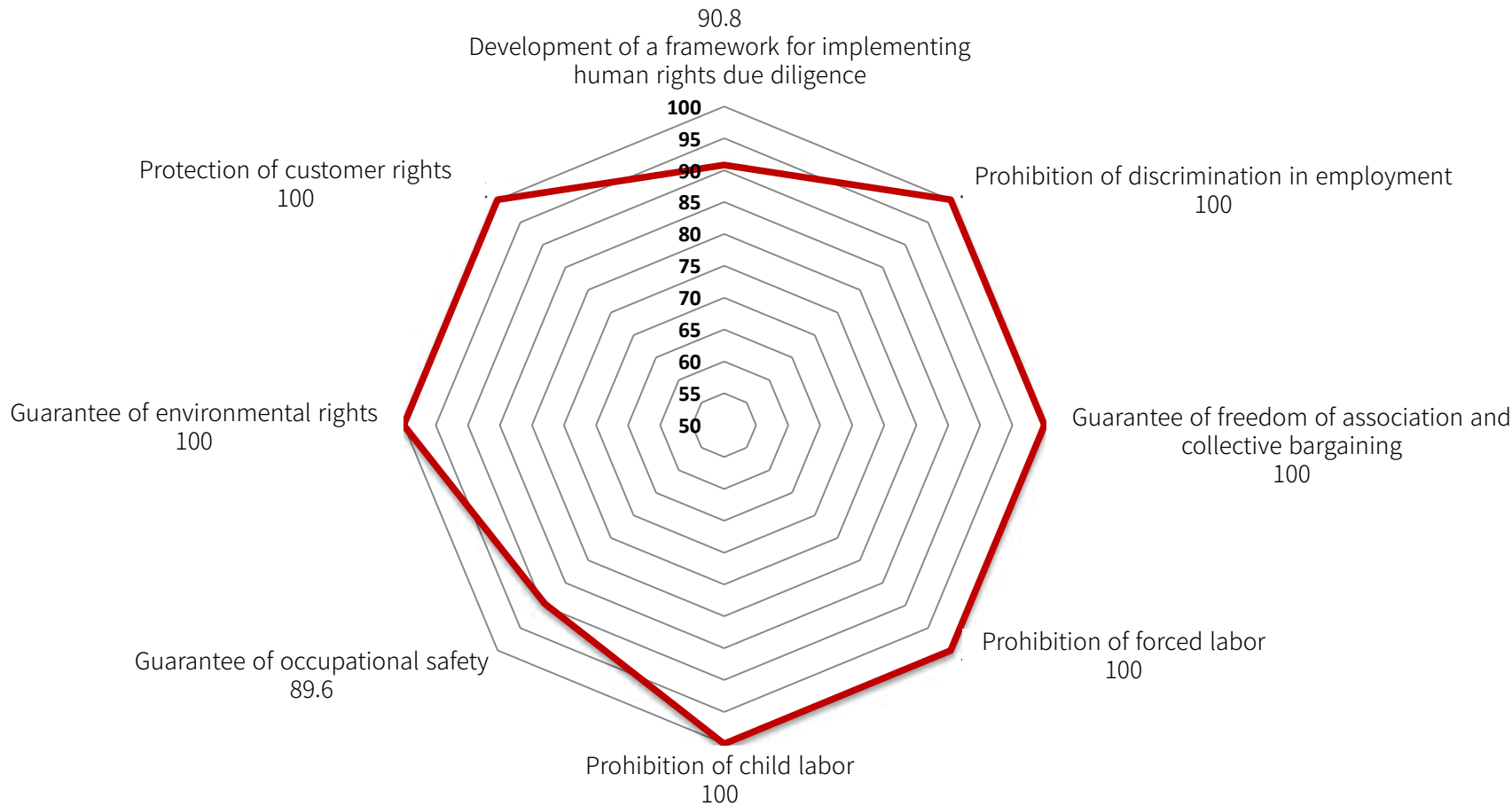
Note 4) Incorporation of revisions to the ILO Declaration on Fundamental Principles and Rights at Work (June 2022)

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Identification of tasks for improvement

The human rights impact assessment of DRB Holding identified several potential risks, including the absence of governance for implementing human rights management, the lack of a management system aligned with diversity goals, and insufficient monitoring of harassment prevention policies. To address these findings, DRB will formulate an improvement plan and enhance the human rights risk assessment process.

Results of the Human Rights Impact Assessment



The assessment results for compliance with all 85 indicators were categorized as follows: Yes (78 indicators, 91%), Needs Improvement (4 indicators, 5%), and No (3 indicators, 4%). The overall satisfaction level for the indicators was calculated at a percentile score of 94.6%. DRB is in the process of developing and implementing a human rights due diligence system to fulfill its corporate responsibility to respect human rights, as outlined in the UN Guiding Principles on Business and Human Rights (UNGPs). While the management system for addressing major human rights issues has been assessed as stable, areas requiring further systemic enhancement for more effective implementation have been identified, including the development of a framework for implementing human rights due diligence, prohibition of discrimination in employment, and guarantee of occupational safety.

(Development of a framework for implementing human rights due diligence sector) Involving human rights experts in human rights management bodies, ensuring stakeholder group representation, formulating regulations for implementing human rights policies, and identifying tasks to systematize performance reporting on human rights management

(Prohibition of discrimination in employment sector) Adopting a goal-based approach to managing the implementation outcomes of diversity policies

(Guarantee of occupational safety sector) Establishing procedures to monitor the implementation of harassment prevention policies, introducing mechanisms to ensure the confidentiality of individuals involved in cases, and preventing secondary harm during investigations and deliberations

Advancing Human Rights Impact Assessments

Starting in 2025, DRB plans to expand human rights impact assessments to cover all global business sites. DRB also aims to further broaden the scope of these assessments to include internal stakeholders such as employees and labor unions, as well as external stakeholders including partners, local residents, and customers, thereby identifying human rights risks for all stakeholders based on domestic and international guidelines and regulations. Besides, in order to ensure the effectiveness of these assessments, DRB plans to provide regular capacity-building training for personnel responsible for conducting human rights impact assessments.

Diversity and Non-Discrimination Policy

DRB is seeking to ensure that all employees are respected and treated equitably, regardless of race, gender, ethnicity, nationality, religion, or disability. We strictly prohibit unjust discrimination and strive to ensure fairness across all personnel practices. DRB implements the management based on diversity and inclusion by supporting employees from various backgrounds to recognize and respect one another’s values and collaborate effectively. In particular, we prioritize educational opportunities and career development support for socially disadvantaged groups, including women, individuals with disabilities, and ethnic minorities.

Expanding a Culture of Respect for Diversity

In recruiting talent, DRB creates a socially responsible employment environment to by awarding advantages to applicants who have disabilities or who are national veterans. Notably, DRB Industrial and DRB Automotive collaborated with a consulting firm specializing in disability recruitment to hire employees with severe disabilities. Furthermore, the two subsidiaries introduced institutional enhancements such as the implementation of telecommuting to provide a more pleasant working environment for new employees with severe disabilities, and supplied online collaboration tools to facilitate efficient cooperation. Through these efforts, DRB is building a corporate culture that pursues diversity among its employees.

Workforce Diversity

Category			Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Vietnam
Total number of employees			person(s)	86	545	199	508	581
Total number of female employees			person(s)(%)	25(29.1)	55(10.1)	9(4.5)	120(23.6)	27(4.6)
Gender diversity	Female	Executives	person(s)(%)	0(0)	0(0)	0(0)	0(0)	0(0)
		Senior management	person(s)(%)	1(12.5)	2(13)	0(0)	0(0)	0(0)
		Junior management	person(s)(%)	2(20)	1(10)	0(0)	1(1.1)	5(18.5)
		STEM department	person(s)(%)	2(12.5)	9(24.3)	1(5.6)	13(10.8)	3(10.3)
		Sales generating department	person(s)(%)	-	13(39.4)	4(23.5)	2(1.7)	1(20)
Other diversity	People with disabilities		person(s)(%)	0(0)	12(2.2)	6(3)	6(1.2)	0(0)
	National veterans		person(s)(%)	0(0)	12(2.2)	6(3)	0(0)	0(0)

SOCIAL

Employees

Talent strategy

DRB aims for shared growth with its constituents. We are continuously upgrading our personnel system, including operating a self-directed promotion system to strengthen the self-motivation of our constituents. In terms of talent development, beyond building a self-directed learning system, DRB will continue to construct a ‘workplace and learning ecosystem tailored to learners.’ In order to realize its core values of ‘honesty’, ‘integrity’, and ‘trust’, DRB highlights 'driving change’, ‘growing together’, and ‘sense of responsibility’ as essential capabilities and ideal talents' qualifications. DRB also respects the diversity of talent and does not discriminate against applicants based on gender, age, religion, social status, region of origin, school, marriage, pregnancy, childbirth, or military service status throughout the entire personnel process, including hiring, promotion, and job assignment.

DRB ideal talent



Ethical Recruitment

DRB operates the entire recruitment process, from talent recruitment to confirmation of employment, in a fair and transparent manner. DRB is working to secure a range of recruitment channels, such as DRB Career website and various job platforms. Since October 2020, we have adopted AI competency testing in the employment process for all subsidiaries in Korea as well as an objective data-driven competency verification process. Furthermore, based on specific recruiting criteria that match the aim of each recruitment step, we examine not only the applicant's work competencies but also their appropriateness for DRB's core values and organizational culture.

Recruitment Procedure

01. Recruitment	Diversification of recruitment channels Complying with the Fair Hiring Procedure Act by collecting the minimum amount of personal information necessary for recruiting.
02. Document screening	Examining the applicant's fit for DRB's organizational culture and the position through the job application and self-introduction supplied by the applicant and picking suitable talent by incorporating the opinions of the relevant department
03. Competency validation	Administering an AI-based competency test to fairly evaluate the job abilities of those who pass the document screening and announcing the results in advance so that applicants can prepare
04. 1st interview	Interviewing the applicants on their knowledge and experience based on the documents submitted and the results of the AI-based competency test and verifying the applicant's actual job performance ability
05. 2nd interview	Intensively verifying applicants who pass the first interview to validate their suitability for DRB's core values and corporate culture, including communication and leadership skills
06. Confirmation of recruitment	Discussing and making reasonable accommodations considering the applicant's circumstances once the recruitment has been decided

New Recruitment Status

Category		Unit	2021	2022	2023
New employment	Total	Person(s)	542	452	246
	- New hires	Person(s) (%)	358(66)	339(75)	126(51)
	- Experienced	Person(s) (%)	184(34)	113(25)	120(49)
Employment type	Full-time	Person(s)	456	389	177
	Non-regular	Person(s)	86	63	69
Gender	Male	Person(s)	484	404	203
	Female	Person(s)	58	48	43
Age	Under 18 years old	Person(s)	0	0	0
	18 years old or older and under 30 years old	Person(s)	280	261	120
	30 years old or older and under 50 years old	Person(s)	255	179	115
	50 years old or older	Person(s)	7	12	11

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Talent development

DRB aims to help individuals and organizations grow together through self-directed learning. To this end, we operate a variety of talent development programs to strengthen the core competencies, leadership competencies, and job competencies of our employees based on our company-wide training system.

DRB Education System

Executive

G3/T3

G2/T2

G1/T1

DRB Core Competency

Leadership Competency

Job Competency

Introduction courses for new employees (regular/occasional)

JOB ORT

DRB WAY

Compliance

Global competency

Leadership by grade

Courses for newly promoted employees

New team leader onboarding

Leadership courses for position holders (team Leaders/executives)

Basic job skills courses

Advanced job skills courses

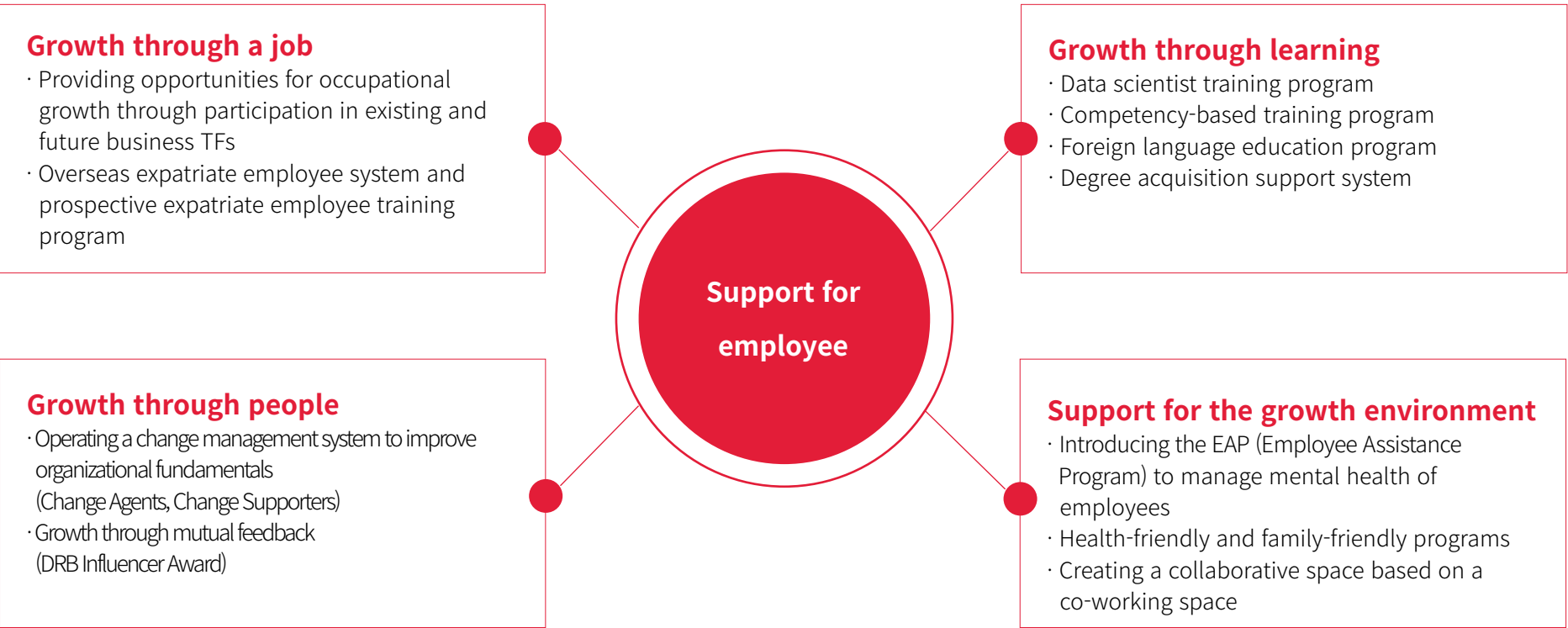
Courses for prospective expatriate employees

DH (Digital Transformation) course

In-house instructor training courses

DRB implements an annual survey to assess the educational needs of its employees, hoping to deliver more systematic and customized training programs. Based on this feedback, the curriculum is improved and reorganized to reflect the opinions and needs of employees. Moreover, DRB analyzes past education and training outcomes to inform the development of the following year’s plans and to ensure the provision of advanced educational opportunities to its employees.

Support for the Growth of DRB Employees



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Support for Employee Growth Through a Life Cycle Perspective

DRB remains steadfast in fostering an ecosystem where employees and the organization grow together, with a firm belief that the growth of its employees drives the growth of the organization.

Introductory Education Programs:
Promoting Belonging and Rapid Adaptation

To help new employees quickly adapt and unlock their potential with a sense of belonging, DRB offers comprehensive introductory education programs. On the first day of employment, regular introductory training is provided to familiarize employees with DRB’s business operations and corporate culture, along with a welcome kit called [Twinkle Box], designed to make new employees feel genuinely welcomed. Following this, an On-the-Job Training (OJT) course is implemented to enable new employees to systematically acquire the skills and competencies required for their roles. Through regular introductory training courses, DRB supports employees in internalizing the company’s core values, vision, and value chain. Additionally, an array of recreational programs are organized to strengthen relationships among employees from different departments and continually reinforce a strong sense of belonging. In 2023, the overall satisfaction level for introductory training was rated at 4.9 out of 5, reflecting a very high level of satisfaction.

DRB Education for Designing the Second Act of Life

To support prospective retirees who have dedicated their entire careers to DRB, we offer practical education that goes beyond theoretical knowledge. The programs focus on career planning, financial management, and future planning, helping them adapt to social and environmental changes while preparing for a fulfilling post-retirement life.

“It was more helpful than I anticipated. I hope my junior colleagues will continue to benefit from this valuable course.”

- Testimonial from a participating trainee -



Strengthening Leadership Competency

DRB offers diverse educational programs based on of its leadership training system to enhance the leadership skills required by executives and team leaders. To address the growing challenges of the VUCA era (volatility, uncertainty, complexity, and ambiguity), DRB provides educational courses that incorporate evolving trends in technology, systems, and workforce sectors. Delivered as special lectures, these courses equip leaders with the flexible leadership skills necessary to navigate a rapidly changing business environment. Moreover, monthly Leadership Days serves as a platform for organizational leaders to gather, communicate openly, and foster collaboration. This initiative promotes mutual understanding across corporations, business units, and departments while strengthening organic cooperation between leaders to maximize interorganizational synergy.



Enhancing Digital Competencies of Employees

DRB runs various digital transformation (DX) education programs to accelerate the organization's digital transformation. Among these, [Project Bumblebee], an annual program designed to foster data scientists, saw the participation of 11 employees in 2023, completing a total of 88 hours of training. Additionally, DRB offers courses in data analysis and artificial intelligence technologies, specifically using Python, to enhance employees' skills and enable them to apply these competencies in their practical roles. Furthermore, we organize an in-house data utilization competition to provide employees with hands-on experience in analyzing and leveraging job-related field data, while also promoting a culture of data-driven decision-making. In 2023, a total of seven teams received awards.



Internalizing Sustainability Management Competencies

DRB has supported wide-ranging training on sustainable management for employees across DRB Holding, DRB Industrial, and DRB Automotive. Topics include anti-corruption, environment (climate change), human rights, ESG reporting/disclosure, and supply chain management. DRB actively participates in external initiatives, including the UN Global Compact (UNGC) Network Korea, and collaborates with professional institutions like the Korea Environmental Industry & Technology Institute to deepen expertise and broaden perspectives on sustainable management. To embed sustainability management throughout the organization, DRB plans to expand internal training programs and encourage participation in specialized external training.



UNGC Working Group Training



Workshops/Seminars/External Training



ESG Team Leader Network

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Personnel System

Personnel Evaluation

DRB’s evaluation system emphasizes collaboration and growth, aiming to create a future-oriented framework that provides employees with opportunities for development through positive and constructive feedback rather than focusing solely on performance outcomes. Evaluation is conducted in the form of performance evaluation and competency evaluation based on coaching and feedback, and the results of the comprehensive evaluation at the end of each year are determined based on these two evaluations.

Performance evaluation

DRB's performance evaluation is based on a semi-annual target agreement and performance inspection, and each step is complemented by coaching and feedback via interviews. DRB's leaders and team members discuss each other's aims and expectations, and the leader truly works as a facilitator who promotes and supports team members in reaching their goals.

Performance Evaluation Process

First/Second half

Establishment of semi-annual goals

- Instillation of a sense of purpose to contribute to organizational performance
- Opportunity to reflect on role performance and growth

First/Second half

Semi-annual achievement check

- Emphasis on core achievements and improvement areas
- Execution of regular performance interviews → Enhancement of feedback

Second half (November)

Performance evaluation

- Comprehensive evaluation of individual performance and organizational contribution (excellence, contribution, growth potential, and compensation opportunities)

Competency evaluation

DRB's competency system is divided into core competencies required for all employees, leadership competencies required for position holders, and job competencies based on job characteristics. Competency evaluations are conducted once a year at a separate time from performance evaluations. In addition, DRB also places emphasis on delivering competency feedback by position holders to develop the common and job competencies of its employees.

Compensation

DRB’s remuneration is offered based on fairness and competitiveness and fairly represents the outcomes of individual employees' talents and job performance evaluations. DRB abides by the Labor Standards Act, and all employees' wages are higher than the minimum wage. Additionally, our pay stubs provide transparency into the wage calculation procedure and payment rules for bonuses, severance compensation, and special vacation expenses. We use the same salary system for all employees in the same job group to maintain fairness in salary management, and we award performance-based bonuses and wage increases depending on evaluation findings.

Organizational Culture

Direction of Organizational Culture

DRB respects and embraces the integrity of each employee based on its healthy organizational culture and hopes that the organization and its employees will grow together and reach their dreams. We have defined our organizational culture vision for survival and sustainable growth as ‘One DRB, Daily Innovation Inspiring the World.’ It aspires to establish a horizontal and flexible environment where seamless communication and collaboration thrive.

Organizational culture for sustainable growth

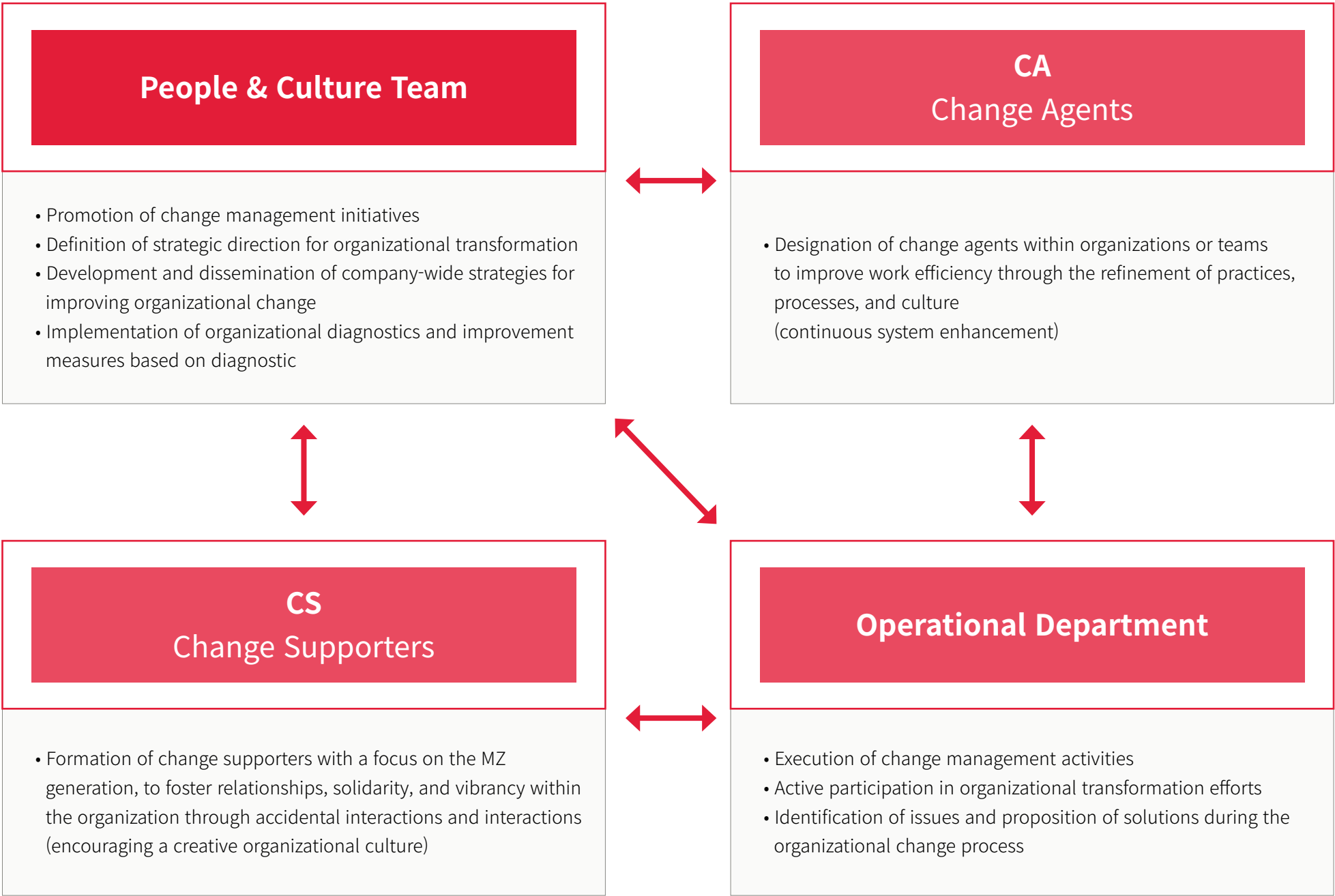


DRB’s organizational culture is built on three key pillars: leadership, systems, and people. First, within the leadership domain, DRB champions a horizontal leadership style encapsulated in the motto ‘Leadership for One DRB.’ To achieve this, we have introduced various communication platforms, including the DRB Forum, Leadership Day, and DRB Culture Camp, allowing all employees to share a unified sense of purpose and direction. Second, in terms of systems, DRB is committed to establishing management frameworks and systems that foster a productive culture, guided by the motto 'Daily Innovation System.' Specifically, our efforts focus on change management initiatives such as Change Agent (CA) programs, CFR activities, the DRB Influencer Awards, Change Supporters (CS), and the development of a digitally empowered work environment through smart offices and smart tools. Finally, the ‘People Inspiring the World’ motto underscores the importance of freedom and responsibility among employees. DRB actively fosters workplace flexibility to enhance employee autonomy, while offering comprehensive support to address health and life challenges, thereby enabling employees to fully engage in their work.

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Organizational Culture Management System

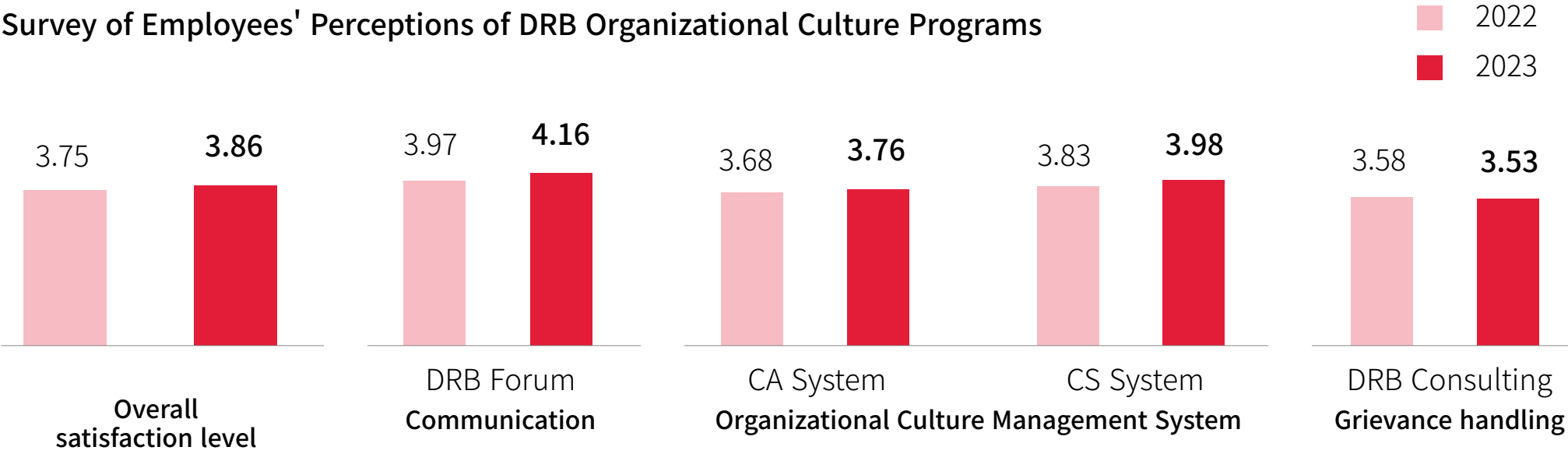
DRB has established and operates a change management system to improve the fundamentals of the organization in order to create an innovative culture.



Organizational Culture Diagnosis

DRB carries out surveys to assess employees' perceptions of organizational culture programs implemented throughout the year and to gather their suggestions for improvement. Based on the results of the 2023 survey, 84% of respondents indicated that the DRB Forum is effective in sharing internal information (other than management updates). Moreover, 81% found the special lectures offered through the forum helpful in understanding changes in the management environment. When it came to change-focused activities, 66% reported that CA activities effectively promote behaviors that support organizational and individual development while fostering recognition and encouragement among employees. Similarly, 76% acknowledged that CS activities are effective in facilitating interactions among employees and contributing to a pleasant workplace environment. Regarding counseling services, 53% of respondents rated DRB Counseling for You's counseling program as effective. Additionally, 47% expressed that its Come to Us event had a positive impact.

Survey of Employees' Perceptions of DRB Organizational Culture Programs



Organizational culture for sustainable growth

Advanced Story

Leadership for One DRB

Horizontal leadership development

Sharing of a **reasonable sense of purpose and meaning**
Construction and operation of diverse communication channels

● **DRB Forum, etc**

- Knowledge-sharing through external experts
- Discussion through internal experts/panels (Future Growth TF, sharing of change cases)

● **DRB Leadership Day**

- Leaders’ gathering in one place to engage in autonomous work
- Forming mutual consensus to cultivate a horizontal organizational culture
- Sharing of directions and information for each area

● **Operating value internalization programs (DRB Culture Camp, etc.)**

- Sharing and acquiring the direction of DRB corporate culture
- Training facilitators to foster a growth-oriented team culture

● **Delivering brand stories (DRB Star Goods)**

- Reinterpreting the history and philosophy of the brand
- Using goods as a medium to communicate the brand story

Daily Innovation System

Innovative culture

Establishment of **management frameworks and systems**

● **Change agents: creating a growth-centered team culture**
Team/TF communication and cooperation > Identifying issues > Developing key habits and system

- Leading improvements in systems, including work practices and institutions
- Leading CFR (Conversation, Feedback, Recognition) activities
- DRB Influencer Awards

● **Creating a culture of communication through change supporters**
Accidental conflicts > Building relationships > Communication without barriers

- Planning and operating organizational culture programs
- Executing missions and offering suggestions to enhance the organizational culture

● **Creating a digitalized organizational culture and environment**

- Promoting digital transformation (Agile Work, Smart Tools, Smart Office)
- Internalizing smart work through the gradual expansion of digital culture experience

● **Fostering an environment for communication and collaboration**

- Team-building programs (MBTI package tours, team building through business trips, etc.)

People Inspiring the World

Freedom and responsibility of Employee

Increased **workplace flexibility and autonomy**

● **Enhance flexibility in the work environment**

- Using "Nim"(Mr. or Mrs. title) and reorganizing the rank system
- Free dress code

● **Family-friendly culture**

- Early introduction and implementation of family-friendly systems such as childcare leave, family care leave, and flexible work hours to balance work and family life
- Planning and operating a variety of internal family-friendly programs

Managing health and overall life concerns for work immersion

● **Physical health management**

- Supporting the practice of a healthy lifestyle (operating customized health management programs for employees)
- Systematic health management (providing comprehensive checkups and implementing smart health management)

● **Fostering an environment for communication and collaboration**

- Psychological and stress counseling
- Workplace life coaching
- Reporting and counseling on sexual harassment and bullying

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Labor-Management Cooperation

Labor-Management Culture

DRB guarantees the freedom of association and collective bargaining of its constituents in accordance with Article 33 of the Constitution and the basic labor rights. In addition, our Code of Conduct stipulates that our constituents have the right to free association and to have their interests represented by elected representatives. DRB Holding, DRB Industrial, and DRB Automotive are striving to consolidate a mutually beneficial labor-management culture based on participation, cooperation, mutual respect, and consideration. DRB conducts collective bargaining every year to ensure workers' basic rights such as the right to organize, the right to collective bargaining, and the right to collective action, thereby improving technical workers' wages and working conditions.

Labor-Management Relations

Category		Unit	2021	2022	2023
DRB Industrial	Number of Union Members	person(s)	374	393	340
	Union membership rate	%	68	68.4	62.4
	Collective agreement application rate	%	100	100	100
	Labor-Management Council	case(s)	4	4	4
DRB Automotive ¹⁾	Number of Union Members	person(s)		115	119
	Union membership rate	%		59.3	59.8
	Collective agreement application rate	%		100	100
	Labor-Management Council	case(s)		4	4
DRB Qingdao	Number of Union Members	person(s)	382	396	400
	Union membership rate	%	78.4	79.7	78.7
	Collective agreement application rate	%	100	100	100
	Labor-Management Council	case(s)	1	1	1
DRB Slovakia ²⁾	Number of Union Members	person(s)			
	Union membership rate	%			
	Collective agreement application rate	%	100	100	100
	Labor-Management Council	case(s)	4	4	4
DRB Vietnam	Number of Union Members	person(s)	516	609	570
	Union membership rate	%	91.5	99	98.9
	Collective agreement application rate	%	100	100	100
	Labor-Management Council	case(s)	3	1	3

1) A newly incorporated subsidiary following the split-off in 2022
2) Under Slovakian law, the identification of union members is prohibited.

Labor-Management Council

Each quarter, DRB hosts a labor-management council involving labor and management representatives to build the cooperative connection between employers and workers, promote worker welfare, and support the company's healthy development. The council consists of eight employers and worker employees each, and the worker members formally submit labor-management council agenda items on a quarterly basis. The proposed agenda is finalized through consultation between the employer and employees and then announced to all for execution throughout the company.

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Working Conditions

Grievance handling

DRB has contact systems in place to gather and handle complaints and suggestions of constituents.

DRB Grievance Handling Process

Report/Acceptance		Handling			Result	
Occurrence of a grievance	Acceptance of a grievance	Individual, policy, and group grievance counseling ¹⁾	Internal action or formal procedures	Fact investigation and mediation	Report of the investigation reports	Monitoring and follow-up actions

¹ Verifying the reporter's requirements and providing professional consulting if required

Welfare

DRB has a number of welfare benefit programs in place to boost the enthusiasm and work satisfaction of its employees and to offer a stable work environment while also contributing to their better family lives. Employees can take advantage of the summer holidays as well as corporate savings on hotels and plane tickets to ensure their relaxation and leisure. Additionally, employees can enjoy a number of advantages, such as regular health checks and a health management system to help them live a healthy lifestyle, and an in-house gym is also available. Employees can also pursue self-development and improve their work talents by participating in complementary language education programs. DRB help our employees' families grow and educate their children through programs that cover childcare expenses, celebratory money for elementary, middle, and high school admission, and college tuition for our employees' children. These programs assist employees and their families in building a better future together. Furthermore, DRB has a flexible work system in place for employees who need to change their working hours for reasons such as childbirth or childcare. Employees can work flexibly during work hours other than the intensive working hours from 10:00 to 15:00 by using the personalized work hour system and the personalized start and departure time system upon application. Moreover, the convertible time selection system includes a child care support type and a family care type, allowing users to adjust work hours to a minimum of 2 hours and a maximum of 4 hours per day.

DRB Welfare System

Work	Commuter bus, in-house restaurant, lounges, flexible work systems (selective commuting hour system and convertible time selection system)
Health	Health checkups, group accident insurance, an in-house gym, EAP services (psychological counseling and coaching), etc.
Refresh	Financial assistance for summer vacation and holidays, support for club activities, corporate discounts on hotels and plane tickets, leisure-friendly programs, etc.
Family	Maternity leave and childcare leave, assistance for entrusted care expenses and children's tuition, congratulation and condolence money, family-friendly programs, etc.

Family-Friendly Company

DRB has consistently implemented various online family-friendly programs that allow employees' families to participate together. These programs include crafting traditional games, healthy baking classes, cooking mango sago, children's educational musicals, and the DRB Environmental Guardian Contest. In recognition of its efforts to foster an organizational culture that supports work-life balance, DRB Holding and DRB Industrial were recertified as family-friendly companies (for 2022-2025) by the Ministry of Gender Equality and Family in 2022. DRB Industrial will continue to achieve both the happiness of its employees' families and the happiness of the company by striking a balance between work and family.



Leisure-Friendly Company

DRB plans and implements a variety of initiatives to assist employees in participating actively in leisure activities. In 2023, DRB organized a variety of welfare promotion events, including a Nordic walking class to promote employees' health, as well as several one-day classes such as a Popmaker composition class and a European performance drawing class featuring jazz music. Furthermore, DRB encourages a variety of hobby activities so that employees can engage in healthy leisure activities and socialize with one another. DRB has in-house clubs in a variety of areas, including literature, fishing, soccer, and even screen scuba diving, and provides subsidies for both regular club events and special events. As a result of these efforts, DRB Holding was recertified as a leisure-friendly company (for 2022-2024) in 2022.



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Health and Safety

DRB has established a health and safety management system to provide a secure and pleasant environment for all stakeholders, including employees, external suppliers, and customers. We are strengthening our health and safety organization to effectively manage health and safety hazards and risk factors, while also making efforts to implement safe management, such as ensuring fundamental safety at our workplaces, establishing a systematic management system, and fostering a distinct safety culture. In addition, DRB goes above and beyond complying with the relevant laws and stakeholders' requirements of the country where its business is located to operate a health and safety management system in accordance with its own stricter standards.

Health and Safety Management Policy

CLICK HERE

DRB gives top priority to the safety of its employees under the belief that their health defines the competitiveness of the company. In line with this goal, we have established and announced a health and safety management policy based on the management philosophy of respect for people.

DRB Health and Safety Management Policy

DRB establishes a health and safety management system based on the management philosophy of respect for human dignity, provides a safe and pleasant environment to all stakeholders including employees, partners, and customers, and carries out various activities to promote health.

1. DRB creates an accident-free and pleasant working environment with the employees by establishing and implementing a health and safety management system, and periodically checks and continuously improves the health and safety activity process and implementation status.

2. DRB strictly complies with all domestic and international laws, regulations, and agreements related to health and safety. We do not perform work in a state where the health and safety of workers is not guaranteed under any circumstances.

3. DRB regularly inspects health and safety factors such as hazardous chemical conditions, workplace noise and vibration. Additionally, we prepare for immediate response in case of an emergency.

4. DRB continuously conducts training for an effective health and safety management, and enhances reliability by communicating with stakeholders.

5. DRB prioritizes the health of all stakeholders, including customers, employees, and partners, and practices health managementthrougha corporateculture of humanrespect.

In addition, DRB Holding, DRB Industrial, and DRB Automotive guarantee employees' right to work in a safe and clean environment through Chapter 7 (Accident Compensation for Health and safety) of the Collective Agreement, Chapter 12 (Health and safety) of the Employment Rules, and Chapter 4 (Health and Safety) of the Code of Conduct. Through these regulations, we protect our employees' health and safety while also pursuing more sustainable management.

Occupational health and safety management systems (ISO 45001)

Through a health and safety management systems that complies with international standards, DRB Industrial, DRB Automotive, DRB Qingdao, and DRB Slovakia have obtained ISO 45001 (Occupational health and safety Management System) certification. In addition, DRB Vietnam obtained ISO 45001 certification in 2023, making the entire DRB company ISO 45001 certified. Every year, we employ a professional certifying organization to perform a post-examination, which assesses the entire content of shealth and safety management, and we implement improvement measures based on the results.

ISO 45001(Occupational health and safety Management System) certification

Company name	Site	Validity period	Scope
DRB Industrial Co.,Ltd.	Busan plant	2021.12.11. ~ 2024.12.10	Design, development and production of power transmission belts, conveyor belts, plant, rubber tracks, industrial rubber products, rubber products for civil engineering & construction and rubber products for rolling stock
DRB Automotive Co., Ltd.	Yangsan Plant	2022.11.03. ~ 2025.11.02	Design, development, production of rubber products(weather strips) for automobile
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao Plant	2022.12.02. ~ 2025.12.03	Design and manufacture of Weather Strips; manufacture and related management activities of belts(raw edge belts, V-ribbed belts, power transmission wrapped belt) and rubber track
	Chongqing Plant	2024.02.21. ~ 2027.02.10	Occupational health and safety management activities involved in the manufacturing of rubber sealing strips
Dongil Rubber Belt Slovakia, s.r.o.	Slovakia Plant	2022.12.10. ~ 2025.12.09	Manufacturing of rubber sealing products for automotive industry
Dongil Rubber Belt Vietnam Co.,Ltd.	Vietnam Plant	2023.10.20. ~ 2026.10.19	Manufacture and sales of rubber conveyer belts and crawlers for industrial machines

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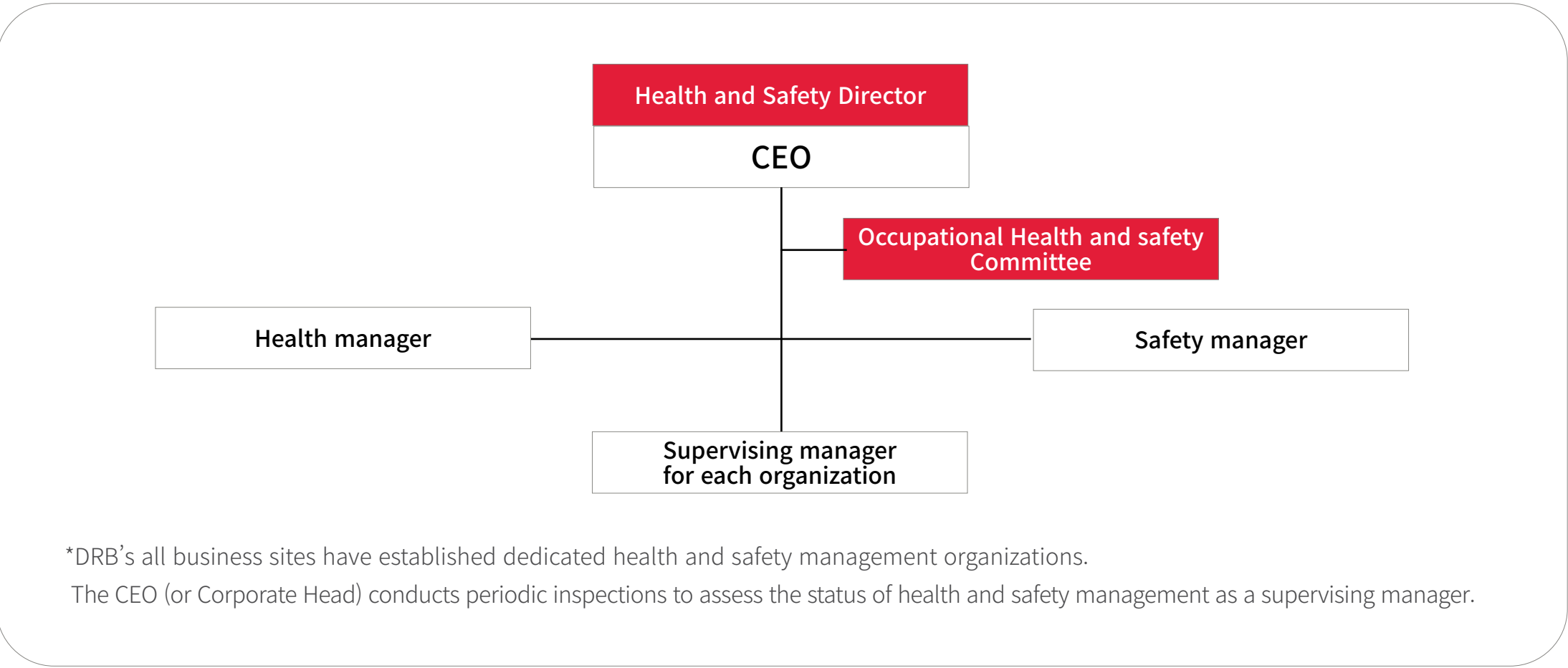
Health and safety Management System

DRB gives top priority to the safety of its employees under the belief that their health defines the competitiveness of the company. Accordingly, we established and announced a health and safety management policy based on the management philosophy of respect for people. In addition, DRB Holding, DRB Industrial, and DRB Automotive guarantee their employees' right to work in a safe and clean environment through Chapter 7 (Accident Compensation for Health and safety) of the Collective Agreement, Chapter 12 (Health and safety) of the Employment Rules, and Chapter 4 (Health and Safety) of the Code of Conduct. Through these regulations, we protect our employees' health and safety while also pursuing more sustainable management.

Health and safety Management Governance

DRB has formed a systematic health and safety management organization to implement its policies and vision regarding health and safety management. Communication and decisions are made based on a structured process, and the information is shared with all employees. Furthermore, in response to rising occupational safety risks and enhanced legal regulations, we regularly inspect the status of health and safety management to ensure that our health and safety management system is embedded in our employees' safety awareness.

Health and safety Management Organization



Occupational Health and safety Committee

DRB Holding, DRB Industrial, and DRB Automotive each have an Occupational Health and safety Committee, which holds meetings quarterly and is chaired by the health and safety director (CEO). Employees’ health and safety management requirements are collected on a regular basis through this system, and improvements are brought about through communication and information exchange. Major issues are submitted to the ESG Committee within the Board of Directors for final decisions. We also monitor whether the final decision is systematically executed through a specialized health and safety management organization for each domestic and overseas affiliate and business site.

Regular meetings of Occupational Health and safety Committee

1Q 1st 2023.03.29	2Q 2nd 2023.06.28	3Q 3rd 2023.09.26	4Q 4th 2023.12.05
1. Posting of emergency contact network on site 2. Implementation of fire risk prevention measures 3. Implementation of measures to mitigate risk factors and prevent their recurrence 4. Implementation of preventive measures for forklift collision accidents	1. Guidance on AED installation locations and usage 2. Campaign on safe use of mobile phones 3. Implementation of preventive measures for heat-related illnesses on site	1. Supplementation of the response manual in the event of safety accidents (in relation to workers)	1. Fire response manual training Request for health consultations for process workers in the event of fire 2. Implementation of site-specific safety education

Dedicated organization for health and safety management

For health and safety management, DRB's domestic and overseas business sites designate health and safety departments and health and safety managers. These managers are responsible for all activities related to health and safety management, including establishing and maintaining a health and safety management system, preparing for the acquisition of permits for the installation and operation of health and safety facilities, managing industrial accidents occurring during business operations, identifying and mitigating health and safety risks, expanding health and safety management, handling health and safety-related grievances, and engaging in external collaboration activities.

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Safety management goals

DRB is stepping up its efforts to reduce internal risks and entirely prevent serious accidents from occurring in order to achieve an accident-free workplace. We build a preventive system by increasing our employees' safety awareness and guaranteeing process stability.

DRB goals and strategies for safety management

Harmonizing DRB business and safety and strengthening the ability to execute safety management

Goal	'Zero' serious accident	Enhancing safety awareness	'Zero' violation of safety regulations	Developing preventive systems
Strategy	Development of a safety management system	Internalization of safety management	Improving safety management communication	Transforming the safety management business

Serious accidents

0 case

Occupational illnesses

0 case

Fines imposed

0 case

Detailed targets for achieving ‘Zero’ serious accidents

	Unit	DRB Industrial				DRB Automotive			
		Result	Target			Result	Target		
		2023	2024	2025	2026	2023	2024	2025	2026
Training completion rate under the health and safety-related laws and regulations	%	100	100	100	100	100	100	100	100
Employee health checkup rate		100	100	100	100	100	100	100	100
Participation rate in health consulting related to medical conditions		100	100	100	100	100	100	100	100
Implementation rate of improvement recommendations from administrative agencies		100	100	100	100	100	100	100	100
Implementation rate of the improvements after the risk assessment		100	100	100	100	100	100	100	100
Implementation rate of the improvements after the safety diagnosis		100	100	100	100	100	100	100	100
Participation rate of employees in health-friendly management programs		34	40	40	40	30	40	40	40

Health management goals

DRB carries out health management with a sense of responsibility for its employees' health. We will continue to develop a health-friendly workplace with no workers suffering from occupational illnesses by implementing a health management-friendly program based on the construction of a health management system and consulting via periodic exams and job transitions suited to each employee.

DRB goals and strategies for health management.

Together, DRB becomes healthier

Goal	Through disease prevention for all employees, DRB secure sustainable management	By expanding customized services, DRB creates voluntary health managing culture	Through smart health management, DRB establishes a systematic health solution
Strategy	Establishing a health management system	Enhancing customized health management	Securing smart health management

Risk Management

Implementation of risk assessment

DRB improves the safety of facilities in operation by conducting risk assessments and removes root causes of risk factors through inspections. DRB Industrial and DRB Automotive perform risk assessments involving all department personnel at least once a year. For safety management, required changes discovered through risk assessment are implemented horizontally to all departments. Moreover, when new equipment and facilities are introduced or risk assessment requirements change as a result of legislation or amendments to health and safety-related laws and regulations, irregular assessments are conducted. Factors identified as having a risk level of 4 or higher, based on the results of the risk assessment, are recorded in the important risk register. Immediate improvement or risk reduction measures are then established, with plans prioritized based on the level of risk in order to address these factors. Furthermore, these risk mitigation measures are incorporated into the relevant annual business plan and work promotion plan to reduce or eliminate the identified risks. DRB identified hazardous risk factors for each process, developed a plan to determine and reduce risks, and then conducted a risk assessment involving workers from all departments at each domestic business site to prevent safety accidents. We monitored the improvements identified during the assessment and carried out safety management actions through horizontal deployment after applying the assessment findings of certain departments to all departments. DRB intends to undertake safety diagnosis and semi-annual risk assessments in order to continually improve possible risk factors.

Baseline for Determining Risk Level



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Management of industrial accidents

DRB has sought to eliminate internal safety risk factors while simultaneously executing health and safety activities for DRB's external suppliers. We will continue to work with external providers to strengthen our health and safety management skills. Furthermore, we will address risk issues identified during on-site assessments and execute changes and investments through external supplier safety management reviews. DRB Industrial and DRB Automotive hire specialized agencies to examine the degree of exposure to physical and chemical risks such as chemicals and noise in the workplace. Measurement results are posted on the work bulletin board or communicated to employees through regular health and safety training sessions. In addition, DRB Industrial prevents possible accidents by replacing outdated high-voltage switchboards for stable power supply at the workplace and efficient management of power facilities, and it minimizes damage from accidents by preparing measures to respond quickly in the event of an accident. In addition, we plan to establish a web-based smart power monitoring system to computerize power-related data and increase the efficiency of power distribution and management through the response to power demand (peak) based on statistical analysis. DRB Automotive has installed an automatic CO2 extinguishing system for the extrusion vulcanization process within its mass production plant. For the coating process, a manual CO2 fire extinguishing device is equipped to enable effective early extinguishing in the event of a fire. By means of these initiatives., DRB is averting serious accidents such as burns from massive flames and suffocation from poisonous fumes.

DRB Industrial Accident Rate

Category		Unit	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Employee	Total working hurs	hours	1,233,727	493,643	1,011,936	848,836	1,669,557
	Full-time employees	persons	545	199	508	510	581
	LTI	cases	1	0	5	9	32
	LTIFR	case/million hours	0.81	0	4.94	11	19.16
	Occupational illness	cases	0	0	0	0	0
	OIFR	case/million hours	0	0	0	0	0
	Work-related death	cases	0	0	0	0	0
	Accidents related to process safety	cases	0	0	3	0	0
External Supplier	Total working hurs	hours	81,642	241,552	582,620	-	-
	Full-time employees	persons	34	154	161	-	-
	LTI	cases	0	0	2	-	-
	LTIFR	case/million hours	0	0	3.43	-	-
	Work-related death	cases	0	0	0	-	-

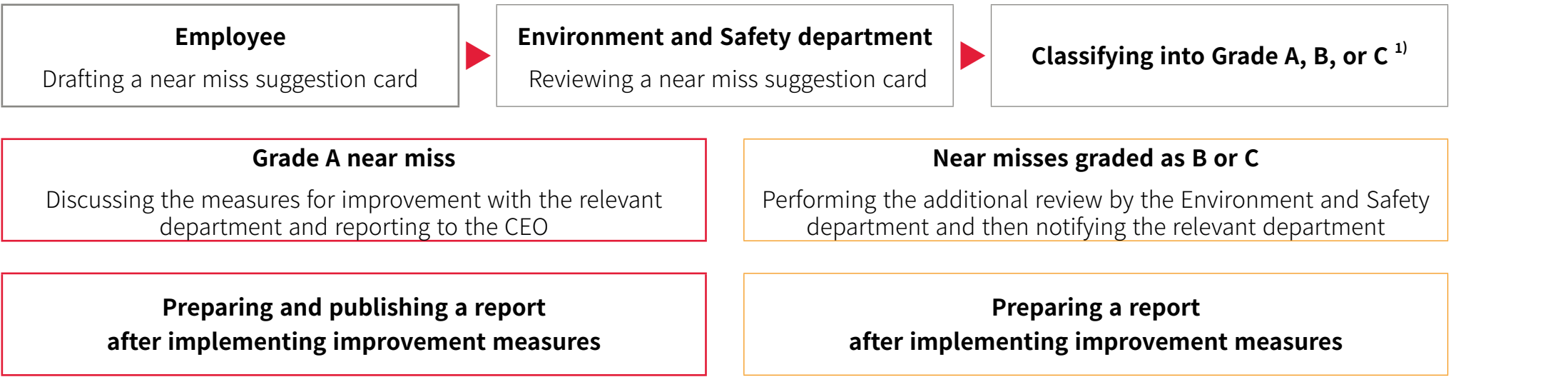
Accident response process

DRB has built its own accident response procedure to prepare for probable workplace disasters (human-caused accidents, fires, leaks, etc.) and performs emergency response training on a regular basis. Accidents are handled immediately, and the extent of damage is minimized within this framework. To avoid accidents, we make certain that all employees identify and control any dangerous circumstances or behaviors that might result in damage to machinery, equipment, or workers. Furthermore, our company's near misses are graded A, B, and C to be systemically monitored and prevented in advance, and employees who propose near misses are rewarded to promote proposals.

Safety Accident Response Process



Near Miss Response Process



¹⁾ Grading near misses

Grade	Criteria
A	- Matters that are difficult to improve at the department level or affect the entire workplace - Cases where the absence of safety measures may directly lead to a serious disaster or environmental accident
B	- Matters to be improved internally by field workers (Managers) or to be addressed at the department level
C	- Cases where the issues can be addressed by the field workers (Chief Master or Master) and the relevant workers take action on their own

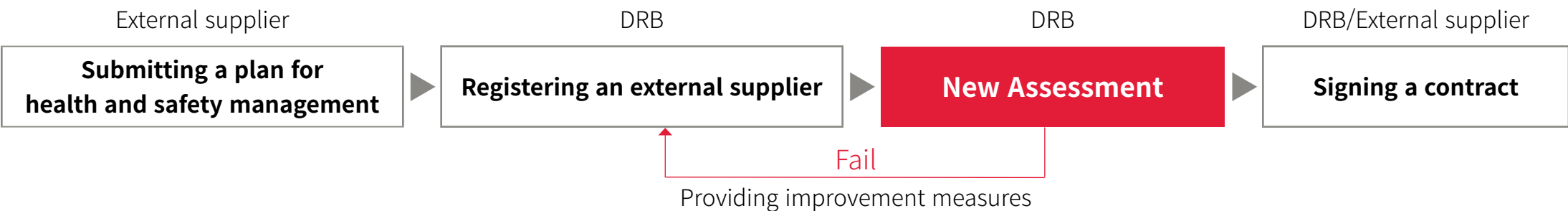
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Building up the health and safety management of external suppliers

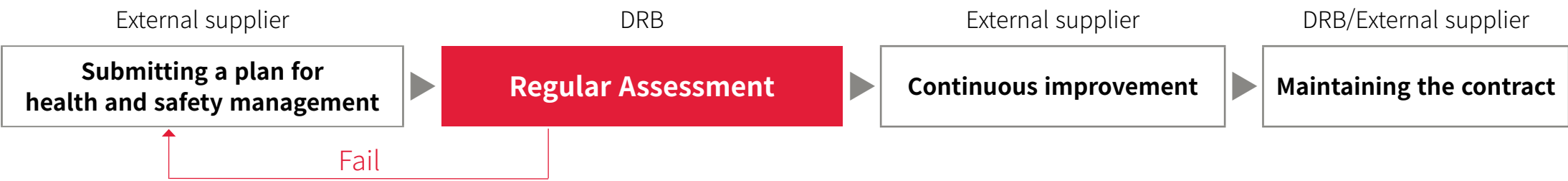
DRB aspires to enhance the health and safety levels of external suppliers and achieve mutual growth in the health and safety sectors. DRB Industrial and DRB Automotive comply with industrial accident prevention measures when subcontracting business in accordance with the Occupational Health and safety Act and regularly hold the Health and safety Council for in-house external suppliers to improve the voluntary safety management abilities of external suppliers working in-house. The Health and safety Council discusses safety management issues and improvement directions through inspections while also routinely monitoring the progress of improvement measures.

Inspection and evaluation of external suppliers’ health and safety management capabilities

New assessment: Evaluation of new external suppliers' health and safety management skills and provision of improvement plans



Regular Assessment: Regular evaluation of existing external suppliers for renewed contracts over health and safety management skills and the provision of improvement plans (once per year)



Legal Violation

DRB seeks to establish a workplace where all employees may work safely and in good health. DRB is dedicated to fostering accident-free business sites and ensuring legal compliance.

Category	Unit	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Violation	case	0	0	0	0	0

Health and safety Activities

Enhancing health and safety competency

DRB develops health and safety policies, continually trains all employees to follow them, and operates an emergency response system to guarantee that swift action is taken in the case of an accident. Moreover, we perform emergency preparedness training and education based on scenarios for various types of disasters, such as various safety accidents, fires, environmental accidents, and natural disasters, in order to increase our employees' emergency response capabilities. In addition, personalized training is offered to internal employees by class and job function to help them build their safety competencies. In particular, for those in charge of chemical handling, we provide pre-training on the Material Safety Data Sheet (MSDS), which includes information on the hazards and risks of chemicals handled by workers. Furthermore, DRB Industrial and DRB Automotive offer statutory safety training to their workers and those from external suppliers each year in order to enhance their safety awareness and reduce safety risks. At the same time, both companies provide separate training on handling hazardous substances to workers of external suppliers.

Operation of Occupational Health and safety Training in 2023

Category	Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Total training hours	hour(s)	1,456	12,540	5,112	2,018	1,025	3,755
Participants ¹⁾	person(s)	869	6,540	2,229	532	636	363

1) The number of participants is counted on a cumulative basis.

DRB Occupational Health and safety Education for Employees

Company	Education	Target	Training period(hours)
DRB Industrial	Safety training on hazardous chemicals	Hazardous chemical managers and handlers	2023.5.9~10.26(16 hours/2 years)
	Emergency (fire) response training	Production workers	2023.4.28(1/2 hours)
	External training for supervising managers	Supervising manager	2023.4.12~12.7(16 hours)
	Risk assessment personnel training	Supervising manager	2023.4.24~10.12(16 hours)
	Regular health and safety training	All employees	2023.1~12(12 hours/semi-annual)
DRB Automotive	Emergency response training in case of accidents	Supervising manager, Production workers	2023.11.20/27/30(2 hours)
	Emergency (fire) response training	Production workers	2023. 10. 23/30(2 hours)
	External training for supervising managers	Supervising manager	2023.1.2~2023.12.19(16 hours)
DRB Qingdao	Occupational health training	Production workers	2023.7.15(4 hours)
	Emergency rescue training	Production workers	2023.9.8(4 hours)
	Occupational health manager training	Occupational hygiene manager and staff	2023.10.16(8 Hours)
	Safety training on return to work	Production workers	2024.2.3(4 hours)
	Safety training on hazardous work	Production workers	2024.5.30(4 hours)
DRB Vietnam	ISO 45001:2018 internal audit training	ISO45001:2018 internal auditor	2023.3.1~3.3(24 hours)

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Expansion of the health and safety culture

DRB has conducted various environmental health and safety awareness campaigns, recognizing that raising worker safety awareness is crucial to achieving the core goals and vision of a zero-accident workplace and healthy management. To further foster safety consciousness among employees, we organized a contest on slogans for preventing major accidents and fire safety and offered incentives to the winners to encourage active participation. The winning slogan for company-wide serious accident prevention was displayed at the workplace's entrance to disseminate safety consciousness. Furthermore, during lunch hours, we showed various industrial accident prevention videos to provide information on major safety accident instances and help employees better understand safety accidents. Additionally, DRB Vietnam launched a campaign to promote compliance with workwear regulations and raise safety awareness to prevent accidents.

Chemical management

DRB has formal processes in place, such as manuals, procedures, and guidelines covering the purchase and handling of chemicals, screening, and management of employees with health issues. In the event of an addition or change of chemical substances, the health and safety manager records the information in the complete chemical substance enumeration, an internal management document. The enumeration includes the findings of a review of substances subject to statutory regulations regarding health and safety, and it serves as a basis for the placement of the MSDS in the workplace or the attachment of hazard warning signs. Furthermore, DRB categorizes the hazardous compounds handled by personnel and measurement substances in the workplace for each process and provides this information to measurement and inspection organizations.

Advancement of health and safety management through regular inspection

DRB conducts a variety of inspections to protect the safety of its employees and all visitors, and it constantly strives to address risk concerns found during inspections. Once a year, DRB Industrial and DRB Automotive undertake accurate autonomous safety diagnostics. Issues are delivered to the person in charge of each business department, and then a relevant improvement plan is developed and monitored for execution. The Occupational Health and safety Committee reports the inspection results to the CEO, who is in charge of health and safety management and decision-making. In addition, as part of its efforts to provide a healthy and safe environment for its employees, DRB conducts internal assessments to measure and strengthen the health and safety management capabilities of its employees. Furthermore, firefighting facilities are subjected to frequent inspections to ensure that they are in the best condition to prevent fire-related casualties. During the work process, employees' exposure to harmful factors is measured and disclosed to them, and the harmful elements are regulated to guarantee that they do not exceed the standard. In particular, for work processes with a high risk of musculoskeletal disorders, we conduct regular investigations and enhance them. DRB also operates a number of programs, such as an award system for the unit that achieved zero accidents and a campaign to raise health and safety awareness to motivate the constituents to manage health and safety. Meanwhile, hazardous or dangerous machinery (industrial robots, pressure vessels, cranes, rollers, elevators, etc.) utilized in workers' work processes undergo regular safety inspections to maintain a safe working environment for workers. When we construct new facilities or processes, we develop and implement a hazard prevention strategy to ensure workers' safety. DRB Automotive performs labor-management health and safety inspections once a quarter to identify and improve potential workplace dangers, foster a safety culture, and raise safety awareness among workers.

Efforts to Improve the Working Environment

DRB strives to maintain a comfortable internal and external working environment for employees by focusing on preserving the health of its employees and ensuring a clean and safe workplace. Based on safety equipment usage and management regulations, DRB provides personal protective equipment (PPE) to relevant personnel and mandates its proper use. Furthermore, DRB supplies a variety of PPE tailored to specific processes, including safety helmets, gas masks, dust masks, earplugs, earmuffs, face shields, safety goggles, and heat-resistant gloves, while clearly designating mandatory PPE zones. To enhance user convenience and performance, DRB and its subsidiaries, including DRB Industrial and DRB Automotive, are continuously improving the design and functionality of PPE used in the workplace. Additionally, DRB implements a hearing conservation program and adheres to health standards such as a confined space health management program to safeguard worker well-being and ensure compliance with safety regulations.

DRB Acceptance and Handling of Occupational Health and safety-Related Grievances

		DRB Industrial				DRB Automotive		
Category		Unit	2021	2022	2023	2021	2022	2023
Employees	Acceptance (report)	case(s)	9	10	18	2	2	-
	Handling	case(s)	9	10	18	2	2	-
	Handling rate	%	100	100	100	100	100	-
External stakeholders	Acceptance (report)	case(s)	2	2	4	1	4	2
	Handling	case(s)	2	2	4	1	4	2
	Handling rate	%	100	100	100	100	100	100

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Health Management Activities

DRB is seeking to provide a health-friendly work culture and environment. We will evolve into an exemplary company that continuously strives to practice health-conscious management by fostering a healthy organizational culture and work environment while helping our employees manage their own health.

Employee health management activities

Health checkup	<div>- Offering general and special health checkups every year and a comprehensive health checkup every two years</div> <div>- Evaluating and improving the work environment through semiannual work environment measurements for field workers.</div> <div>- Conducting periodic special health checkups tailored to the characteristics of each hazardous factor handled</div>
Health management	<div>- Implementing a proprietary health support program and conducting a preference survey</div> <div>- Offering health support programs for customized exercise education, body composition management, oral health, walking, sleep health, and smoking cessation while operating a health management office</div> <div>- Maintaining a health management database to monitor employee performance and offering personalized health management support, including assistance with self-care</div>
Sleep health promotion program	<div>- Running a program to improve sleep health using neurofeedback training</div>
Customized exercise education program	<div>- Implementing individual assessments, diagnoses, and consultations, followed by personalized management that combines exercise therapy provided by a certified exercise therapist and manual therapy administered by a physical therapist</div> <div>- Collaborating with Spo1 Physical Fitness Center and Geumjeong-gu Health Center for physical condition assessments and customized exercise prescriptions by an exercise therapist</div> <div>- Offering education on eating habits for obesity prevention using the 'Walk On' app (healthy diet and exercise certification)</div>
Anti-smoking program	<div>- Operating a smoking cessation program to prevent cerebrovascular disease and promote worker health</div> <div>- Strengthening stress coping skills for individuals attempting to quit smoking and awarding incentives to those who successfully quit</div>
Mental health promotion program	<div>- Running the 'HappyMint' program, a professional counseling service, to prevent issues caused by depression and job stress</div>
ICT-based mobile healthcare	<div>- Leveraging smart devices to prevent chronic diseases, collect real-time health data, provide customized health feedback, and manage various health indicators such as BMI, body fat, neutral fat, cholesterol, and fasting blood sugar</div>

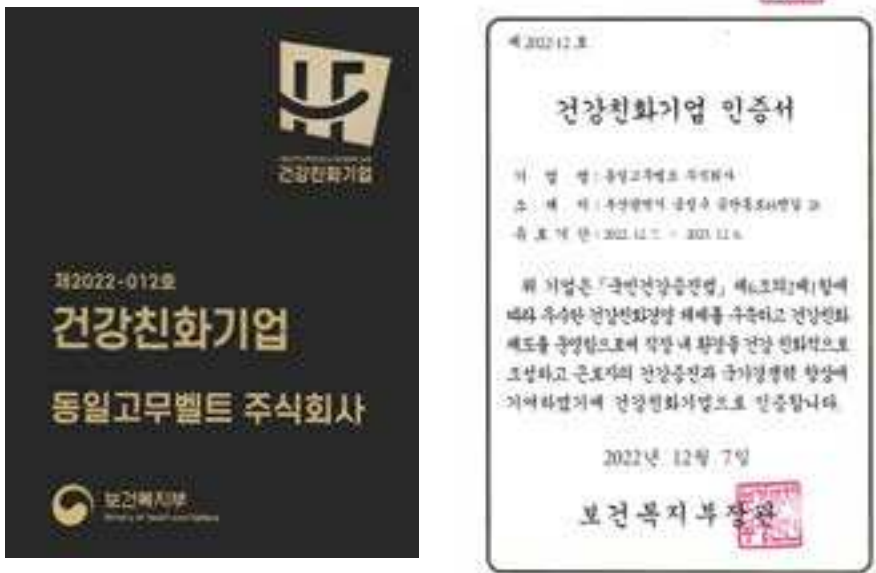
Employee health management program



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Health-friendly company certification [CLICK HERE](#)

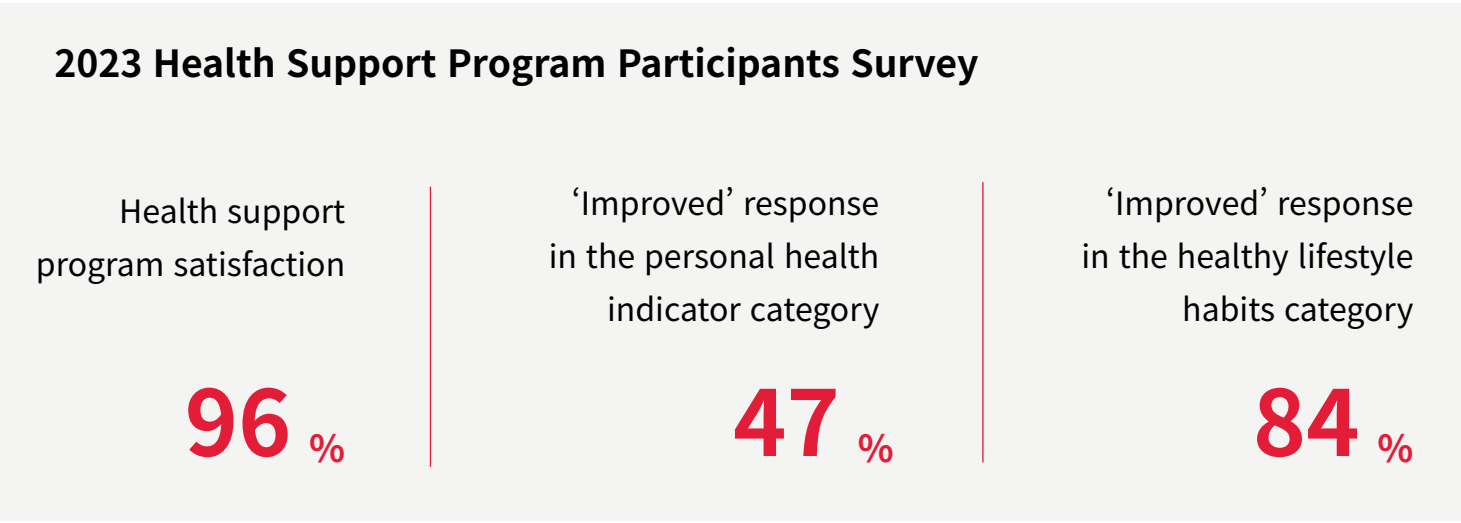
DRB’s subsidiaries in Korea, including DRB Holding, DRB Industrial, and DRB Automotive, are independently implementing a range of health support programs for their employees. In recognition of these efforts, DRB Holding received the 2021 Presidential Award at the Health-Friendly Company Certification Performance Contest hosted by the Korea Health Promotion Institute. Furthermore, DRB Industrial received the Minister of Health and Welfare Award for two consecutive years, in 2021 and 2022.



DRB Industrial’s Health-Friendly Company Certification (for 2022-2025)

Program preference survey

Prior to program implementation, a survey on program preferences is conducted among employees, and these results are reflected when selecting a program. Meanwhile, after the support program ends, we collect feedback through employee evaluations and strive to deliver a higher-quality program.



Examples of Employee Health Management Program

● Dental health management

Three photos showing employees participating in dental health management programs, including a dental checkup and a dental hygiene lecture.

● Anti-smoking program

Two photos showing employees participating in an anti-smoking program, including a lecture and a group discussion.

● Musculoskeletal pain relief program

Four photos showing employees participating in a musculoskeletal pain relief program, including a physical therapy session, a lecture, and a group exercise.

● Body composition management program

Three photos showing employees participating in a body composition management program, including a body composition measurement, a lecture, and a group exercise.

● ICT-based mobile healthcare program

Two photos showing employees participating in an ICT-based mobile healthcare program, including a mobile health app interface and a group discussion.

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Supply Chain Management

Supply Chain Management System

DRB is committed to managing supply chain ESG, and beginning in 2022, we have systematized responsible supply chain management to achieve mutual growth while minimizing the ESG risks of external suppliers. DRB is collaborating with external providers to implement a program focused on mutual growth and plans to gradually expand its scope to a broader target group.

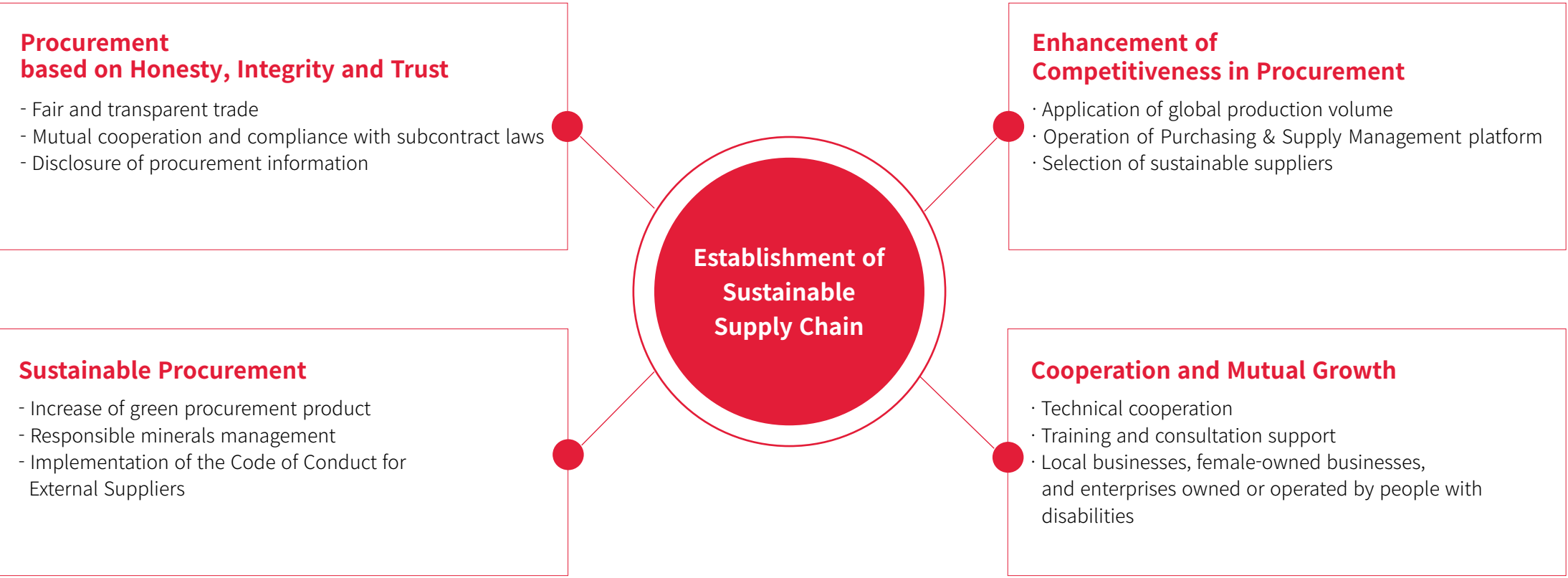
DRB Sustainable Procurement Policy

1. DRB upholds legal and social standards, working with suppliers to implement 'the Code of Conduct for the External Suppliers' for social responsibility.
2. DRB prioritizes collaboration with suppliers in enhancing technical prowess, ensuring consistency in product quality, and maintaining competitive pricing.
3. DRB collaborates with suppliers in environmental management, aligning with our 'Environmental Policy' for global conservation and sustainable society.
4. DRB's material sourcing is established through cooperation with suppliers, guided by our philosophy of 'honesty, integrity, and trust.'

DRB Sustainable Procurement Implementation Plan



DRB Sustainable Supply Chain Management



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Sustainable supply chain management process

From the time of investigating the external supplier’s status, DRB evaluates various ESG-oriented items, such as compliance with environmental laws and regulations, use of eco-friendly and renewable raw materials, discrimination based on gender, religion, disability, age, or place of origin in terms of labor practices, and use of conflict minerals. When evaluating external suppliers for the first time in the registration of raw materials, DRB takes into account ESG criteria. Suppliers are assessed based on 12 factors across three key categories: human rights and labor; ethical management, safety and health; environment, and greenhouse gas emissions; and sustainable procurement; emergency response; and partner management. In addition, we actively operate a regular post-ESG evaluation process in the areas of environment, safety and health, labor and human rights, ethical management, information protection, and sustainable procurement to manage the ESG of external suppliers. If an external supplier subject to post- ESG evaluation receives a grade 1, it is exempt from the evaluation for determining enterprises subject to ESG evaluation for the following year and is granted priority in the course of developing new and alternative raw materials. Furthermore, we provides education and consulting support to assist external suppliers in enhancing their competitiveness and managing potential risks.

DRB Supplier Registration Process



DRB Basic Qualification Screening for Supplier Registration (ESG pre-assessment items)

Human rights, labor/ Ethical management	Does the company have a policy on labor practices or human rights issues? Does the company have an implementation document that includes training, actions, etc. regarding labor practices and human rights issues? Does the company have a policy prohibiting all forms of unethical behavior, including bribery, graft, and unfair internal trading? Does the company operate a communication channel for reporting unethical behavior and addressing grievances?
Safety and health/ Environment and greenhouse gas	Does the company have an environmental and safety policy? Is there a designated person in charge of environment and safety, and are inspections of the working environment and safety equipment planned and implemented on a regular basis? Are air and water pollutants and waste properly disposed of? Are activities to reduce energy use or greenhouse gas emissions being carried out?
Sustainable procurement/ Emergency response/ External supplier management	Does the company have a purchasing policy on sustainable procurement? Are the criteria for selecting and assessing external suppliers defined, and do they include items for sustainable procurement? Are external providers evaluated using the selection and assessment criteria and asked to make improvements? Are emergency response scenarios prepared, and are training and education programs planned and executed?

Supply Chain Management Policy

Compliance with the Suppliers Code of Conduct

DRB requires all external suppliers to comply with the “Suppliers Code of Conduct” to ensure fair and transparent business relationships when supplying contracted goods and services. This policy requires each supplier to fully comply with the laws and regulations of the country in which they operate, while also following established guidelines in key areas including ethics, the environment, human rights, safety, supply chain management, and technology. DRB revises the Suppliers Code of Conduct based on the Responsible Business Alliance’s Code of Conduct and Drive Sustainability’s Sustainability Practice Guidelines, in order to promote responsible business practices. In addition, the revised Code incorporates global trends related to human rights and environmental issues, including the EU Corporate Sustainability Due Diligence Guidelines Directive and ESG guidelines. This Code of Conduct applies to all external suppliers and their employees who engage with DRB, and compliance is also encouraged among all stakeholders across the supply chain, including subcontractors. DRB reserves the right to monitor and assess supplier compliance with the Code of Conduct and, when necessary, recommend improvements. Improvement activities by external suppliers are implemented following consultation with DRB, and corrective actions are taken promptly when risks are identified within the supply chain. DRB regularly reviews compliance with the Code of Conduct and sustainable management practices in its procurement-related activities.



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Green Procurement Policy

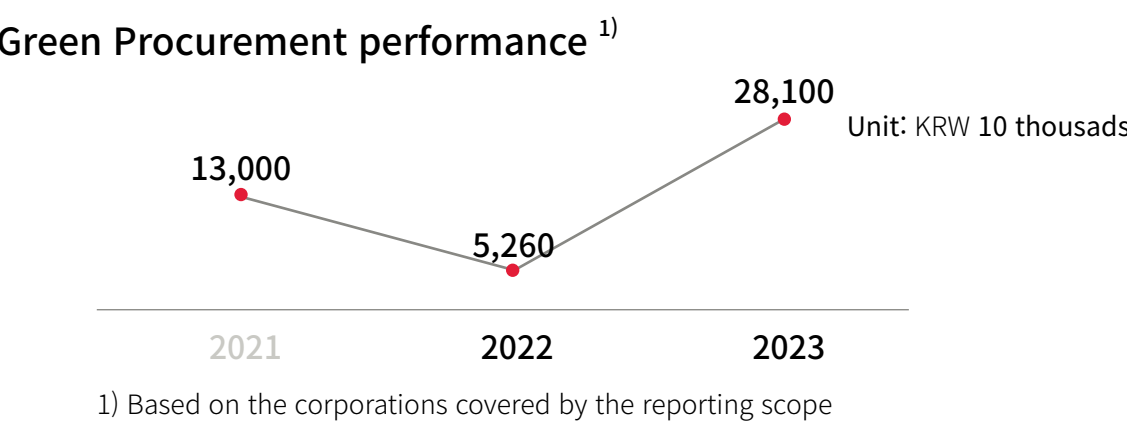
DRB has established a Green Procurement Policy to strengthen supply chain management from an ESG perspective, actively promoting the purchase of environmentally certified products. We are seeking to fulfill our social responsibility by preserving the environment and conserving natural resources through green purchasing initiatives, including prioritizing the acquisition of environmentally certified auxiliary materials. In addition, DRB incorporates eco-friendliness into every step of the process, including supply, transportation, and unloading, and gives top priority to evaluating the potential for purchasing environmentally friendly materials when performing new development projects. We will continue to expand the scope of green purchasing and enhance collaboration with various companies to practice eco-friendly management and drive sustainable growth.

DRB Green Procurement Policy

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DRB contributes to society by fulfilling corporate social responsibilities for environmental preservation and natural resource conservation through green procurement activities, and practices eco-friendly management and promotes sustainable growth by gradually increasing the scale of green procurement.

- DRB performs green procurement activities under the corporate philosophy of honesty, sincerity, and trust.
- DRB's green procurement activities consider eco-friendliness throughout the entire process including supply, transportation, and unloading. We prioritize eco-friendly products whenever possible.
- DRB strongly recommends eco-friendly products (subsidiary materials, consumables, etc.) to strengthen environmental managementactivities.
- DRB monitors green procurement performance and discovers eco-friendly products for company-wide application to reduce environmental risk and contribute to sustainable growth.
- DRB leads green procurement activities including discovery and introduction of eco-friendly materials for sustainable environmental development.



Conflict Minerals Management

DRB is fully committed to addressing the global issue of conflict minerals and prohibits the use of minerals sourced from conflict areas, in efforts to eliminate human rights violations and environmental degradation. We comply with relevant regulations and establish policies on conflict minerals in alignment with international guidelines, such as the OECD's Due Diligence Guidance for responsible mineral management and ongoing monitoring of the ethical procurement of conflict minerals. Furthermore, DRB periodically collects data for the Conflict Minerals Reporting Template (CMRT) through its internal system and systematically monitors this data to proactively manage conflict mineral risks.



Fair Trade Principles with Partners

DRB adheres strictly to fair trade rules for subcontractors, grounded in the core values of ‘Fairness, Openness, and Coexistence.’ We distribute fair trade guidelines to partners through DRB PSM and conduct regular fair trade education sessions for employees in charge of purchasing. Looking ahead, DRB is preparing to implement the four key practices for fair trade and mutual growth, ensuring that our business operations are conducted fairly and transparently. Through these efforts, we aim to comply with the Fair Transactions in Subcontracting Act and foster a fair, reasonable trading culture.

Emergency Response

Since the outbreak of COVID-19, DRB has faced challenges in procuring raw materials due to national lockdowns and limited shipping capacity. In response, we have developed an emergency response process to address these issues.

Emergency Response Process



Response Measures in the Event of an Emergency

Category	Emergency	Response measure
Natural disasters (uncontrollable)	Earthquakes, tsunamis, volcanic eruptions, floods	Swift information sharing, inventory checks at in-house and suppliers, alternative sourcing evaluations, and assessment of production plan modification feasibility
Natural disasters (controllable)	Monsoon rains, typhoons, heatwaves, cold waves, forest fires	Advance preparation [investigating disaster-proofing companies], requesting an increase in agent and other material inventory, and adopting measures similar to those for uncontrollable natural disasters upon occurrence
International situations	Wars, terrorism, trade disputes, viral pandemics	Swift information sharing and procurement risk management, such as upward adjustment of safety inventory ratios
Internal errors	Order omissions, demand forecast inaccuracies, system errors	Swift information sharing, establishment of emergency procurement routes, production plan modification feasibility checks, root cause analysis, and development of corrective measures
Supplier issues	Fire, supply interruptions, defects, missed delivery deadlines	Swift information sharing, inventory checks at in-house and suppliers, alternative sourcing evaluations, and review of the feasibility of emergency sourcing of similar materials and the potential for emergency procurement
Domestic transportation	Cargo union strikes, KCTU strikes, etc.	Scope of strike (regional/industry-specific participation), verification of supplier participation in logistics strikes, assessment and adjustment of incoming quantities during the affected period, and prompt information sharing (logistics, shipping, etc.)
Overseas transportation	Shipping capacity shortages, port blockades, and border blockades	dentification of affected materials and inventory status, evaluation of alternative supply routes (air, sea, rail, etc.), and swift information sharing (logistics)

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Promotion of Mutual Growth

To foster mutual cooperation, DRB prioritizes the selection of exceptional local companies, women-owned businesses, and enterprises led by individuals with disabilities when choosing external suppliers. We also provide support for executive leadership training and safety and health programs to enhance the capabilities of our partners' officers and employees. Moving forward, DRB plans to identify and implement partner support programs to build a sustainable supply chain and foster successful, sustainable partnerships.

DRB Mutual Cooperation Policy

Under the management philosophy that 'competitiveness of suppliers contributes to DRB's growth', we promote mutual cooperation based on company core values and corporate citizenship to build a sustainable supply chain.

- 1. (Expansion of Sustainable Management) To realize a sustainable society, DRB makes joint efforts in environmental protection, human rights protection, industrial safety, and compliance and ethical managementwith suppliers.
- 2. (Practice of Ethical Procurement) DRB pursues fair trade starting from the initial contractsigning stage to the entire fulfillment stage to comply with the basics and principles of fair trade.
- 3. (Enhanced Communication) DRB establishes a system to prevent and audit suppliers' grievances and unfair trade practices.
- 4. (Expansion of a Shared Growth Culture) DRB provides various supports to enhance the competitiveness of external suppliers and manage potential risks.

DRB External Supplier ESG Capacity Building Education

As part of its mutual growth initiative, DRB has conducted ESG capacity-building training for employees of external suppliers.

2023 DRB External Supplier Sustainability Management Training

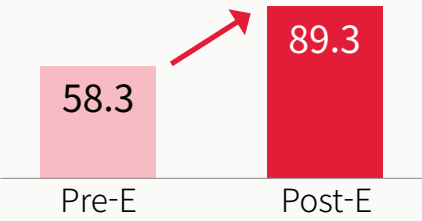
Company	Date	Suppliers		Details	Hours	Method
DRB Industrial	2023.08.24	20 companies	25 persons	Environmental management (including climate change response) and six other areas of sustainable management	8 hours	on-site training
DRB Automotive	2023.08.24	22 companies	24 persons	Environmental management (including climate change response) and six other areas of sustainable management	8 hours	on-site training
DRB Qingdao	2023.09.14	8 companies	8 persons	Data compliance and security	2 hours	on-line

01	Understanding DRB ESG management	1. DRB ESG management goals and vision 2. Major customer requirements 3. DRB partner ESG requirements
02	Environmental management	1. Carbon neutrality and climate change response 2. Chemical substance management and regulatory response 3. Waste management and resource recycling
03	Health and Safety	1. Safety accident management and system development 2. Improving awareness of personnel and members 3. Safety management performance management
04	Labor and human rights	1. Human rights protection 2. Grievance handling
05	Ethic management	1. Anti-corruption 2. Ethical management
06	Information protection	1. Trade secrets 2. Personal information protection
07	Sustainable procurement	1. Sustainable supply chain issues (green purchasing, conflict minerals) 2. Guidance on sustainable supply chain assessment (ESG assessment) 3. Guidance on PSM and its usage



2024 First-Half DRB Automotive ESG Training Results for External Suppliers

DRB Automotive provided foundational training on ESG management, automotive parts supply chain ESG, and environmental management to five external suppliers. The average improvement in educational effectiveness, as measured by pre- and post-evaluations, was 31 points.





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Supply Chain Sustainability Assessment

DRB's supply chain sustainability risk assessment process includes the following stages: risk analysis, written diagnosis, on-site inspection, improvement and monitoring, and capacity enhancement support. Based on the results of these assessments, high-risk partners are identified, tasks for improvement are established, and progress is monitored for each partner. Additionally, we are providing education and consulting services to help enhance the sustainable management capabilities of our suppliers.

Supply Chain Sustainability Assessment Process

01 Risk analysis	<ul style="list-style-type: none">Analyzing ESG risks by countryAnalyzing transaction size, frequency, key raw materials, etc., related to purchases
02 Documented Assessment	<ul style="list-style-type: none">Conducting ESG evaluations for key partnersIdentifying high-risk partners based on written evaluations
03 On-site inspection	<ul style="list-style-type: none">Determining tasks for improvement based on the results of on-site inspections
04 Improvement and monitoring	<ul style="list-style-type: none">Requesting submission of improvement plans from high-risk partners related to human rights/environmental issuesMonitoring long-term asks for improvement for high-risk partners based on the previous year's evaluation results
05 Support for capacity building	<ul style="list-style-type: none">Providing education and consulting to help partners improve their ESG management capabilities, particularly those with identified deficiencies

Risk Analysis

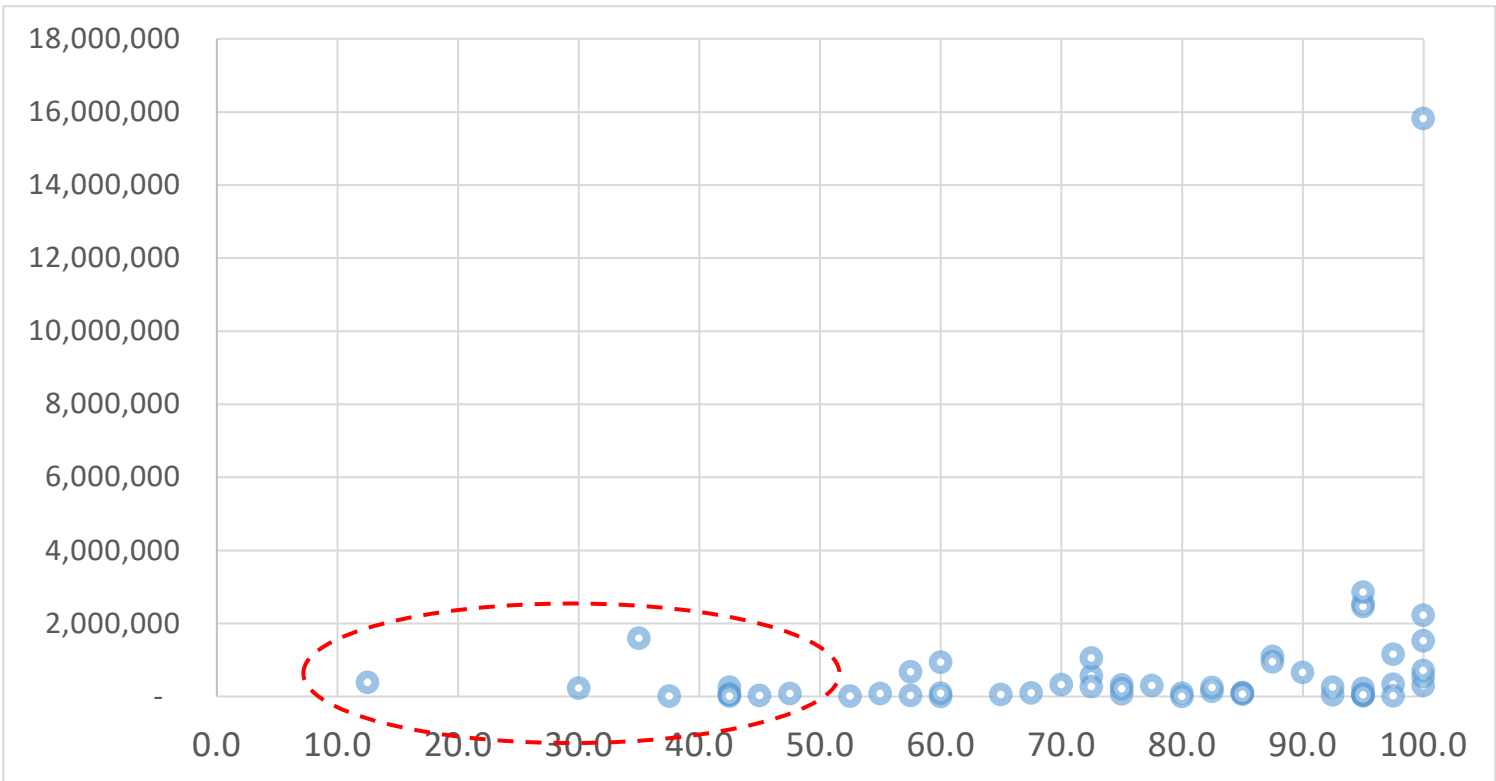
DRB analyzes potential and existing risks within the supply chain prior to performing a due diligence to diagnose supply chain risks. Based on the results of the previous year's assessment, DRB identified high-risk groups, and in 2023, the scope of the written assessment was expanded to include overseas business sites.

Risk Analysis of DRB Global Supplier Countries

Country	High-risk countries (Conflict, war)	Water stress	Protection of indigenous people
Canada			Danger
Switzerland			
China	Danger		Danger
Germany			
France			
UK			
Italy		Caution	
Japan			Danger
Korea			
Netherlands			
Philippines	Caution		Danger
Pakistan	Danger	Caution	Danger
Singapore		No information	
Thailand	Caution	Caution	Danger
Taiwan	No information	No information	Danger
USA			Danger
Vietnam			Danger
Malaysia			Danger
Czech Republic			
Slovakia			
UAE		Danger	
Saudi Arabia	Caution	Danger	
Australia			Danger

Identification of Risk Groups

by Transaction Size and Previous Year's Evaluation Results (Unit: KRW 1,000)



* Based on 2022 external suppliers in Korea

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Documented Assessment

DRB evaluates sustainability risks within supply chains using its own set of differentiated indicators and criteria. The documented assessment consists of 20 evaluation items, with external suppliers conducting self-assessments and responding to the evaluation indicators. The results of this documented assessment provide essential data for identifying external supplier sustainability risks, selecting companies for on-site inspections, and classifying high-risk external suppliers.

2023 External Supplier ESG Post-Assessment Items

Environment	Whether the company has an environmental policy (regulation) to follow during procurement, design and manufacturing, and distribution and sales Whether the company is certified to an international environmental management system standard, such as ISO 14001, or its equivalent Whether the company measures and manages energy consumption, greenhouse gas emissions, etc. Whether the company measures and manages air pollutant emissions Whether the company measures and manages general or designated waste emissions Whether the company manages information on chemicals received, used, or released into the workplace (e.g., response to the Act on Registration and Evaluation of Chemical Substances and the Chemical Substances Control Act) Whether the company tracks and manages the presence of hazardous substances in raw and subsidiary materials, intermediate materials, products, etc. (REACH management)
Health and safety	Whether the company has established health and safety management regulations or has prepared and maintained related manuals Whether the company has obtained international or national health and safety management standards and certifications, such as ISO 45001 Whether the company has designated a health and safety director or manager to manage the health and safety system Whether the company has established and implemented a plan for periodic inspections of the work environment and safety equipment Whether the company has and regularly renews permits, reports, qualifications, etc. for facility operations required by laws and regulations Whether the company has provided health and safety training to its employees in the last year
Labor and human rights	Whether the company has employment rules in accordance with the Labor Standards Act or a human rights charter that aims to promote the human rights of employees and remedy human rights violations Whether the company includes prohibitions against discrimination in its employment rules or human rights charter (such as gender, race and nationality, disability, age, pregnancy, and childbirth) Whether the company pays its employees at least the legal minimum wage Whether the company complies with legal working hours in each country Whether the company operates a human rights or labor-related grievance system (system, channel, etc.)
Ethical management	Whether the company has policies (regulations) prohibiting all forms of unethical behavior such as bribery and graft, unfair internal transactions, etc. Whether the company has reporting channels for corruption, conflict of interest behavior, etc.
Information protection	Whether the company has policies (regulations) on the security of trade secrets, protection of nonpublic information, and protection of personal information
Sustainable procurement	Whether the company has an environmentally and socially responsible procurement policy (regulation) Whether the company tracks and manages the inclusion of conflict minerals in its raw and subsidiary materials, intermediates, products, etc. Whether the company has established criteria for selecting and evaluating external suppliers and whether the criteria include items for sustainable procurement Whether the company evaluates its external suppliers according to the selection and evaluation criteria and asks for improvements Whether the company has prepared emergency response scenarios and whether training and education are planned and implemented

2023 External Supplier ESG Documented Assessment and Evaluation Results

Company	Assessment target	Grade 1 (71~100 points)	grade 2 (51~70 points)	Grade 3 (0~50 points)
DRB Industrial	30 (34)	18 (22)	10 (6)	2 (6)
DRB Automotive	18 (11)	11 (7)	6 (3)	1 (1)
DRB Qingdao	4	-	4	-
DRB Slovakia	3	2	1	-
DRB Vietnam	14	12	2	-

* The numbers in () indicate 2022 assessment results.

On-Site Inspection

DRB selects target external suppliers for on-site inspection based on a comprehensive evaluation that considers factors such as the supplier's country of location, industry, supplied parts and raw materials, and results from the written diagnosis. In particular, external suppliers with insufficient responses to the documented assessment, or those identified with potential or actual sustainability risks, are prioritized for on-site inspection. On-site inspections and evaluations are conducted in close collaboration between the ESG and purchasing departments. During these inspections, DRB assesses the partner company's systems and regulations to verify measures for addressing violations of the code of ethics, proper disposal of waste and pollutants, management of working hours and wage payments based on the working hour management system, risk assessments, and the establishment of emergency respon se plans. In future on-site visits, DRB plans to seek and adopt measures for a more refined inspection process to more effectively identify potential sustainability risks at the work site.

Improvement and Monitoring

DRB plans to expand its ESG evaluations of external suppliers, which have previously focused on manufacturing companies in Korea, to include manufacturing base companies that directly engage with overseas corporations. To this end, DRB will set priorities for evaluating the global supply chain and conduct assessments to identify and address practical sustainability risks.

Support for Capacity Building

DRB conducts annual ESG training for external suppliers and enhance their ESG awareness and improve their sustainable management capabilities by introducing and encouraging participation in various support programs. Furthermore, DRB plans to strengthen the internal capabilities of its overseas subsidiaries to ensure stable management of their supply chains. We are also drafting plans to conduct ESG education for local companies directly engaged with these subsidiaries.

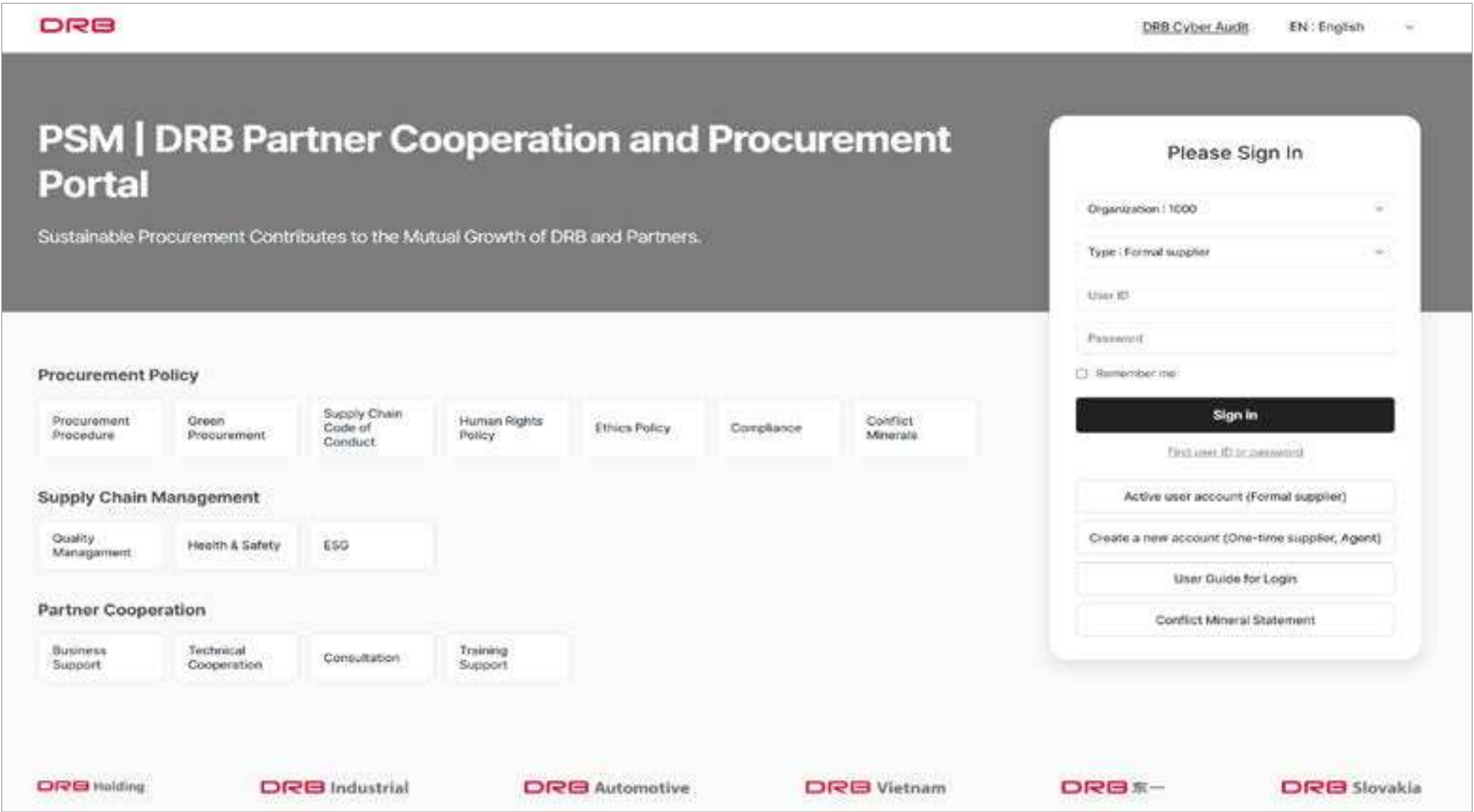
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Strengthening Communication with Partners

Operation of the external supplier management channel

In 2021, DRB launched the PSM (Purchasing & Supply Management) portal system to facilitate seamless communication with external suppliers. This system provides key information such as bids, purchase order inquiries, inventory status, and purchase specifications. In the event of an emergency, suppliers can also communicate through the emergency response manual. The PSM system includes functionality for addressing supplier grievances and monitoring and preventing potential unfair trade practices. If external suppliers have concerns or suggestions, they can submit feedback through the communication (grievance handling) channel within the PSM. DRB is working to respond with the plans for improvement within 7 days after discussing the issues with relevant internal stakeholders.

PSM portal system



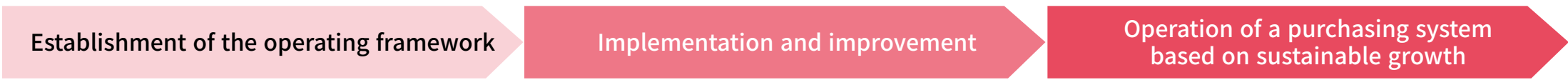
Communication (Grievance Handling) Status within PSM

Category	2021	2022	2023
Number of grievances accepted	0	0	3
Number of grievances settled	0	0	3

Upgrade of the supply chain management

DRB intends to enhance sustainability and build a foundation for future growth through business based on a unified purchasing policy and system. With operation and management of global purchasing, establishment of a sustainable management system, and borderless collaboration as three core pillars, we intend to advance the supply chain in stages, in the order of establishing, executing, and improving the operating system, and then moving on to operating a purchasing system based on sustainable growth.

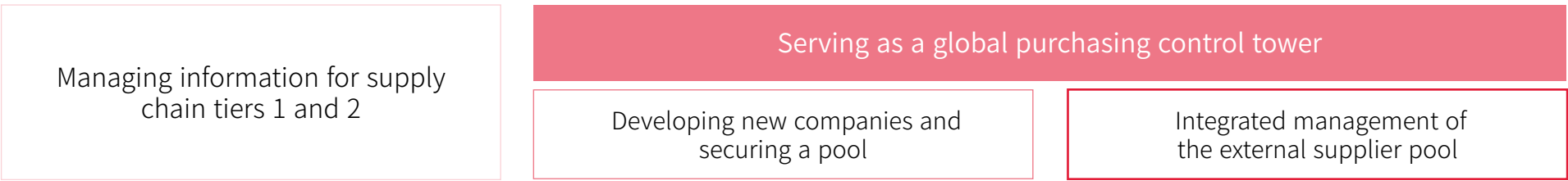
DRB roadmap for building a sustainable supply chain



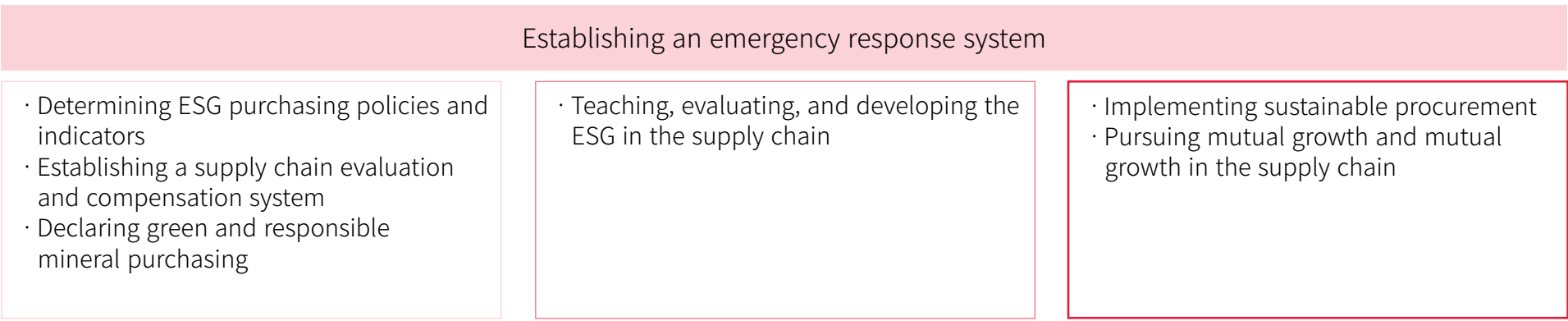
Core strategy

“Enhance sustainability and build a foundation for future growth through business based on a unified purchasing policy and system”

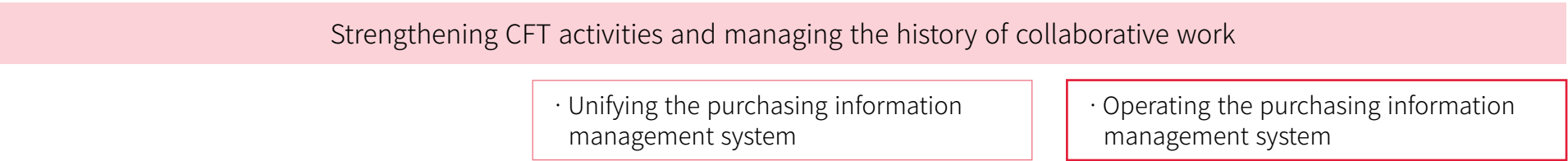
Global purchasing operation and management



Establishment of a sustainable management system



Boundless collaboration



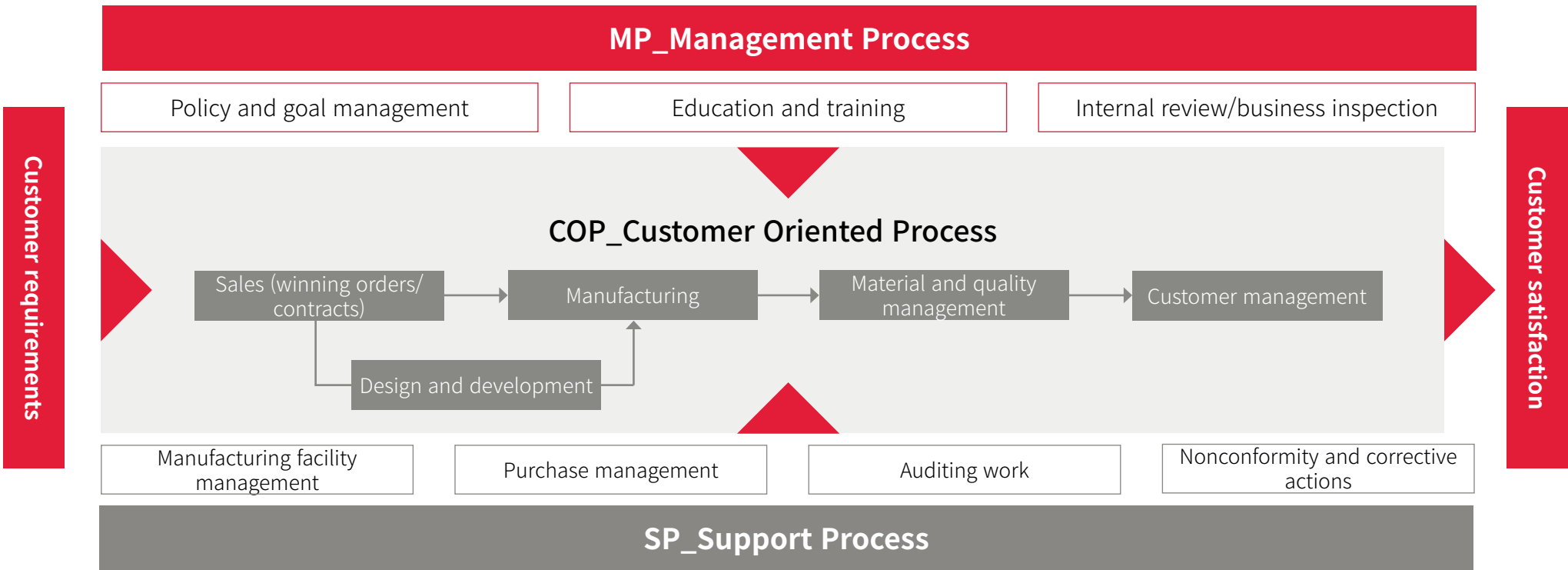
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Product Safety and Quality

Quality Management

DRB upholds its core corporate values of 'honesty, integrity, and trust', implements quality management to secure world-class quality, and ultimately aims to expand as a sustainable growth company. Therefore, DRB strives to become a market leader in industrial rubber products and automotive components sectors by implementing its own optimized quality management system. In addition, we contribute to the improvement of the quality control of external suppliers with whom we collaborate by upgrading their quality control evaluation system, and pursue mutual growth toward shared goals.

Quality management process



2023 Best Practices for Quality Management



DRB Industrial won Grand Prize at Busan Quality Circle Competition

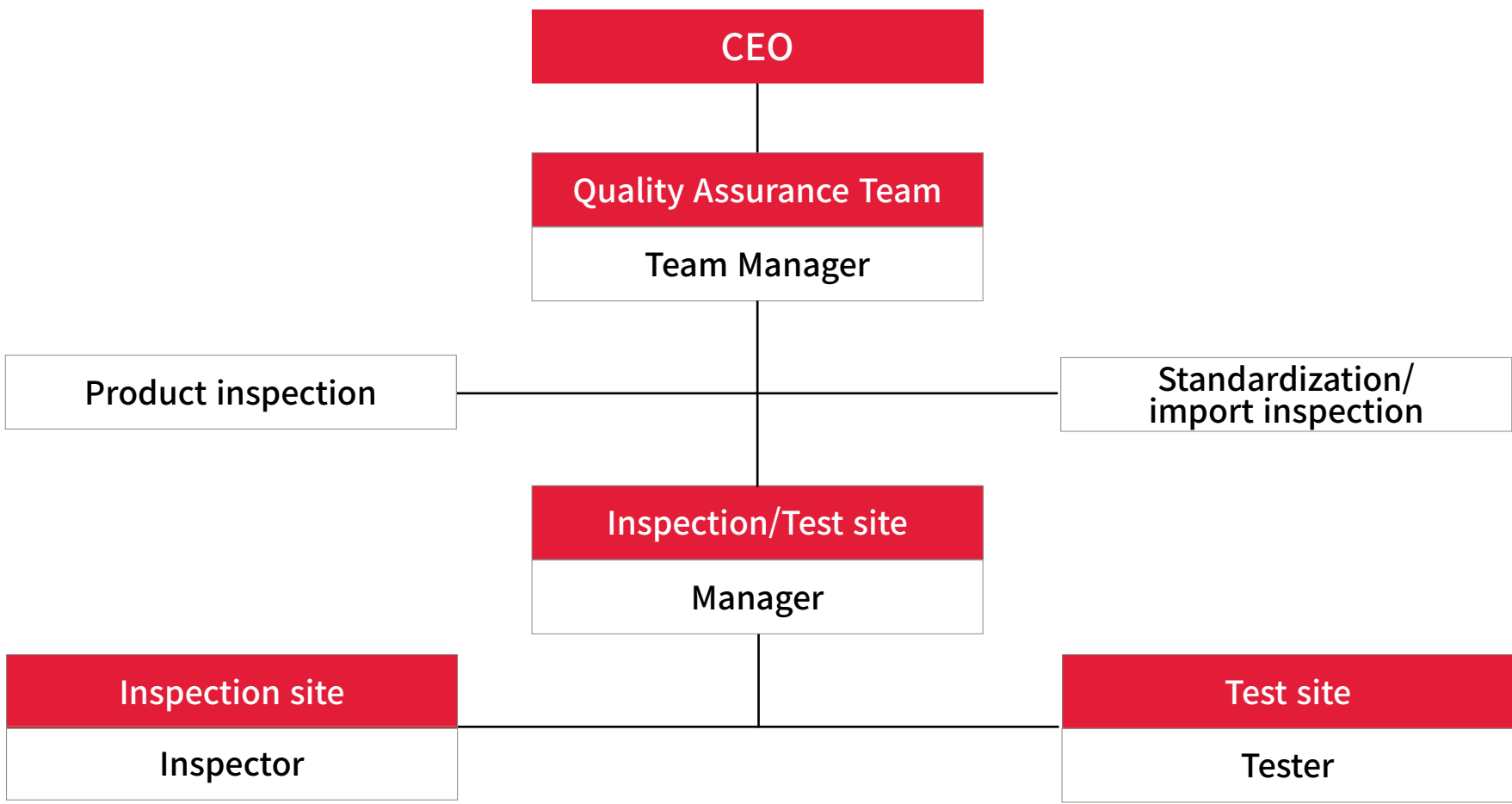


DRB Industrial won Silver and Bronze Prize at National Quality Circle Competition

Quality Management Organization

The quality management organization reports directly to the CEO of each corporation, setting quality objectives, developing strategic quality plans, and overseeing quality management and improvement activities. Moreover, this organization systematically collects and analyzes quality-related data and reports to the management in preparation for both internal and external audits.

Organizational Chart for Quality Management



DRB's domestic and overseas business sites have quality management organizations that report directly to the CEO (or corporate head).

Quality Management Organization Personnel Status

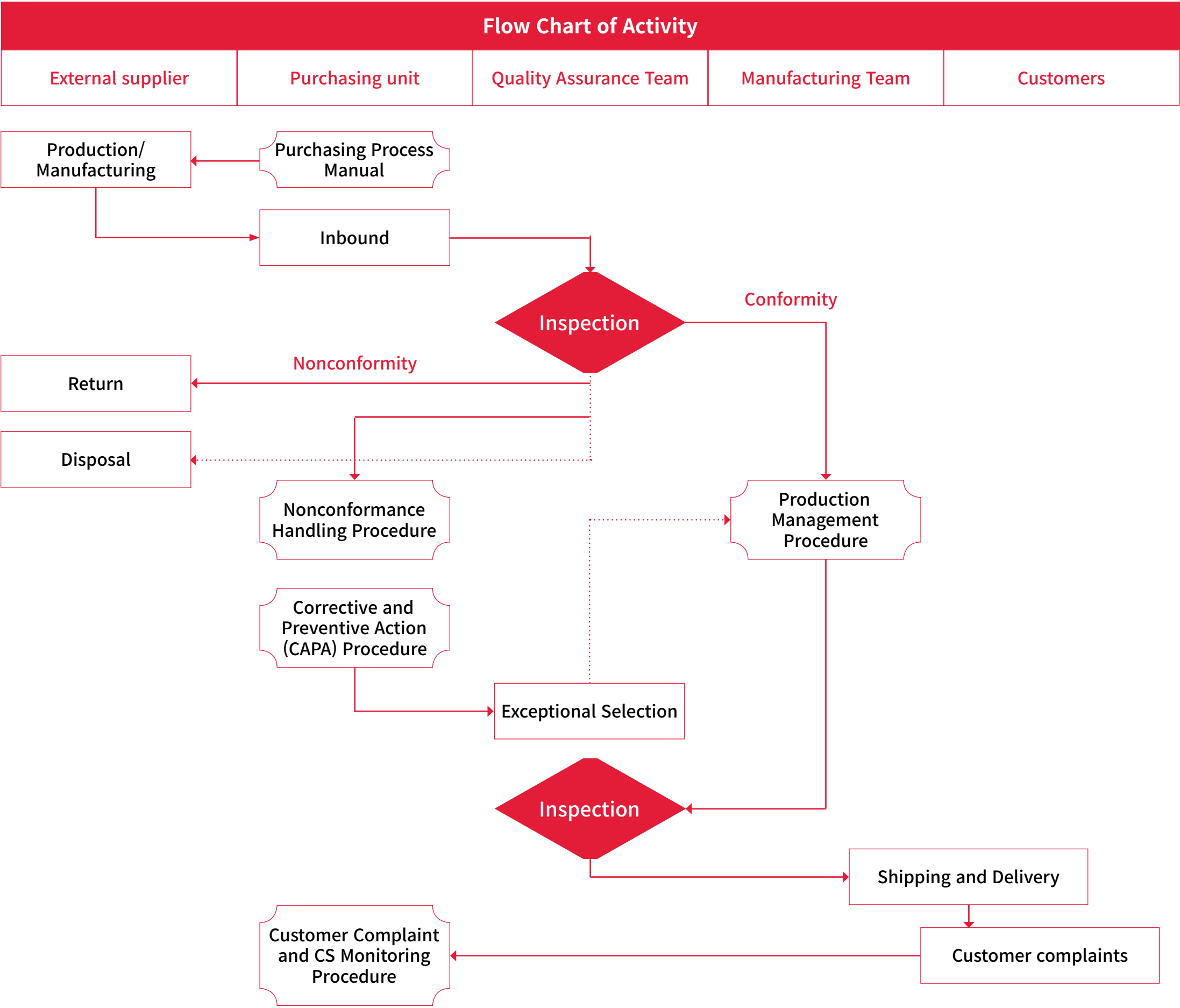
Category	Unit	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Toital	person(s)	37	24	35	47	70
Manager	person(s)	6	11	15	7	8
Inspector	person(s)	19	7	10	36	47
Tester	person(s)	12	6	10	4	15

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Quality Management Process

As an innovative manufacturer of industrial rubber products and automotive parts, DRB places a high priority on quality management at the corporate level. All products undergo a comprehensive quality control process, which includes incoming inspections, process inspections, and final inspections. If the product is found to be nonconforming as a result of the inspection, the Quality Assurance Team determines the extent of the fault and takes corrective and preventive measures. If a product is determined to be usable after or without repair, it will be treated in accordance with the client's request following consultation with the customer.

Quality inspection and defect evaluation processes



Quality Management

DRB has established an inspection and test management system for raw materials, products, commodities, and toll processing to produce products that meet the quality requirements of customers. DRB conducts a comprehensive range of inspections—including incoming inspections, intermediate inspections, process inspections, product inspections, and reliability inspections—in accordance with the ISO 9001 Quality Management System standard. Additionally, DRB holds IATF 16949 certification, which aligns with the specific requirements of the automotive industry. This certification highlights compliance with customer requirements, documentation and record management of quality systems and records, process and risk management, supply chain management, and continuous improvement. DRB is diligently observing these standards to enhance quality management, foster continuous improvement, and strengthen the reliability of the supply chain.

ISO 9001 (Quality Management System) Certification

Company	Plant	Validity period	Scope
DRB Industrial Co., Ltd.	Busan	2022.06.01. ~ 2025.05.31	Transmission belts, conveyor belts, plants, rubber tracks, industrial rubber products, civil construction rubber products, and design, development, and production of rubber products for railroad vehicles
DRB Automotive Co., Ltd.	Yangsan	2022.09.08. ~ 2025.09.07	Design, development and manufacturing of elevator parts (flat belts, etc.)
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao	2022.12.02. ~ 2025.12.02	Production of power belts (wrapped belts) and crawlers
Dongil Rubber Belt Vietnam Co.,Ltd.	Vietnam	2022.03.19. ~ 2025.03.18	Manufacture and sale of industrial machinery rubber conveyor belts and crawlers

IATF 16949 (Quality Management System for the Automotive Industry) Certification

Company	Plant	Validity period	Scope
DRB Automotive Co., Ltd.	Yangsan	2024.15.29. ~ 2027.05.28	Design and manufacture of weather strips
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao	2022.10.21. ~ 2025.10.20	Design and manufacture of weather strips
	Chongqing	2021.07.29. ~ 2024.07.28	Design and manufacture of EPDM sealing and TPV sealing parts
Dongil Rubber Belt Slovakia, s.r.o.	Slovakia	2021.10.18. ~ 2024.10.17	Manufacture of automotive rubber products (weather strips)

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Quality Management and Competitiveness Enhancement

DRB has established and operates a quality management process based on global quality management system certification. We are building a system that consistently produces the best quality products and promotes customer satisfaction by employing management and support processes based on customer requirements. Our quality management efforts are further classified into five categories: quality planning, customer satisfaction surveys, quality management, quality education on suppliers, infrastructure building, and customer satisfaction survey.

Quality planning

- Managing KPIs of quality management strategic tasks for realizing the optimal value
- Enhancing the management system through periodic quality management assessments
- Maintaining the global management system

DRB maintains the best quality management system to provide stakeholders with quality satisfaction while eliminating or minimizing all nonconformities. As a result, we strive to achieve customer satisfaction through the ongoing application and improvement of the quality management systems ISO 9001:2015, IATF (automotive parts supplier) 16949:2016, and customer-specified requirements.

Quality management

- Implementing preventive quality management by operating relevant product expert courses
- Implementing on-site customer satisfaction (CS) activities: Conducting visits to stakeholders to better understand customer needs and establish a prompt improvement system
- On-site quality inspections: Proactively addressing potential quality issues through thorough product inspections prior to the delivery to customers
- Establishing a real-time system for sharing quality data across global operations

DRB manages pre-process and post-process quality with its own quality management system and monitors quality with regular quality reporting sessions. Furthermore, if any problems are detected, improvements are made by setting up a quality management TF and implementing a quality management system. DRB has secured an integrated management system in which quality issues that arise throughout the entire process, from development to production, sales, and after-sales service, are registered and improved in real time on the website, and relevant quality information is shared among related departments.

Quality education

Quality Training for Partners

- Nurturing quality management system experts and internal auditors
- Conducting seminars led by quality management experts
- Establishing process standards

Quality education and infrastructure development

- Training QMS experts and internal auditors
- Hosting technical seminars with quality management professionals (sharing defect case studies)
- Maintaining and providing support for the acquisition of certification for standard document system and official quality standards

DRB provides job training for quality engineers as well as training programs to train internal auditors under the supervision of the HR Team in order to propagate quality culture and strengthen capabilities. We adopt a number of training approaches, including inviting in-house instructors and outside specialists with expertise in the relevant field, and we encourage members to participate in process improvement and quality advancements through a suggestion system and small group activities. Furthermore, in order to develop professional capabilities for each manufacturing process, we are cultivating quality specialists by aiding members in obtaining expert certifications such as ISO 9001-certified auditor licenses.

2024 DRB Automotive’s Quality Seminar for External Suppliers

Target	Details
External suppliers of DRB Automotive (5 companies)	<ul style="list-style-type: none">- Introduction to the 2024 Quality Task Force (TF) Operation Plan- Overview and consultation regarding the 2024 mock and regular evaluation schedules for partners- Sharing of 2024 ESG management results from partners and guidance on establishing ESG Key Performance Indicators (KPIs) for 2024

On-Site Innovation Activities

DRB has formed 23 circles (16 for DRB Industrial, 7 for DRB Automotive) focused on quality and production innovation. These groups engage in activities such as theme-based suggestions and improvements, 3C5S , and Total Productive Maintenance (TPM). In relation to circle activities, DRB holds an annual company-wide performance-sharing event (Circle Excellence Awards) to share and reward outstanding cases of on-site innovations from circle activities.

DRB On-Site Innovation Activities

Circle	<ul style="list-style-type: none">• Fostering a culture of active communication and collaboration within the organization to address on-site challenges and enhance systems for improving production, quality, delivery, safety, and environmental practices• Selecting specific topics to boost on-site competitiveness and transform employees' awareness
Proposal	<ul style="list-style-type: none">• A proposal system to identify issues and suggest improvement measures during production activities<ul style="list-style-type: none">- Improvement cases: 7,209 (2022), 6,188 (2023)
3C5S	<ul style="list-style-type: none">• Promoting an on-site improvement culture by ensuring compliance with basic principles, such as quality and safety, to create an ideal workplace environment
TPM	<ul style="list-style-type: none">• Carrying out TPM activities to eliminate inefficiencies at production sites by emphasizing self-maintenance, planned maintenance, and individual improvement. Establishing a safe, efficient work environment to build competitive manufacturing operations through improved productivity, quality, and delivery.<ul style="list-style-type: none">- Presidential Citation at the National Quality Innovation Awards (Facility Innovation)- Silver and Bronze Prizes at the National Quality Circle Competition (2023)- Busan Quality Circle Competition Best Award (2023)

* Target subsidiaries: DRB Industrial and DRB Automotive

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Customer Satisfaction and Communication

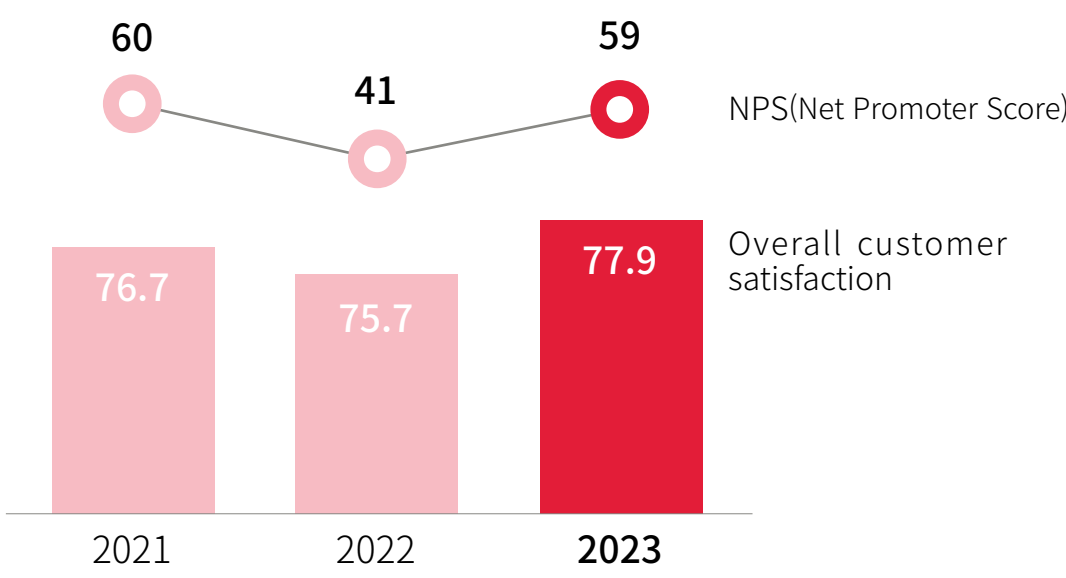


Customer satisfaction survey

- Implemented for all completed projects across all divisions
- Collection and analysis of client and partner satisfaction, together with VOCs
- Strengthening feedback by business division

DRB conducts regular customer satisfaction surveys to identify customer opinions and needs for improvement regarding products and services. In satisfaction surveys targeting key customers, various aspects such as product quality, technology, delivery, price, packaging, and overall image are evaluated. The survey results indicated that customer trust and support services received high ratings, while delivery and price satisfaction were identified as areas requiring improvement. Based on the feedback, DRB demonstrates strong performance in product quality and customer service. However, issues related to pricing and delivery have been highlighted as areas of concern, primarily due to rising raw material costs and logistics risks. DRB is actively addressing these concerns by continuously gathering customer feedback and making necessary improvements to enhance satisfaction.

Overall results and item-specific results of the customer satisfaction survey ¹⁾



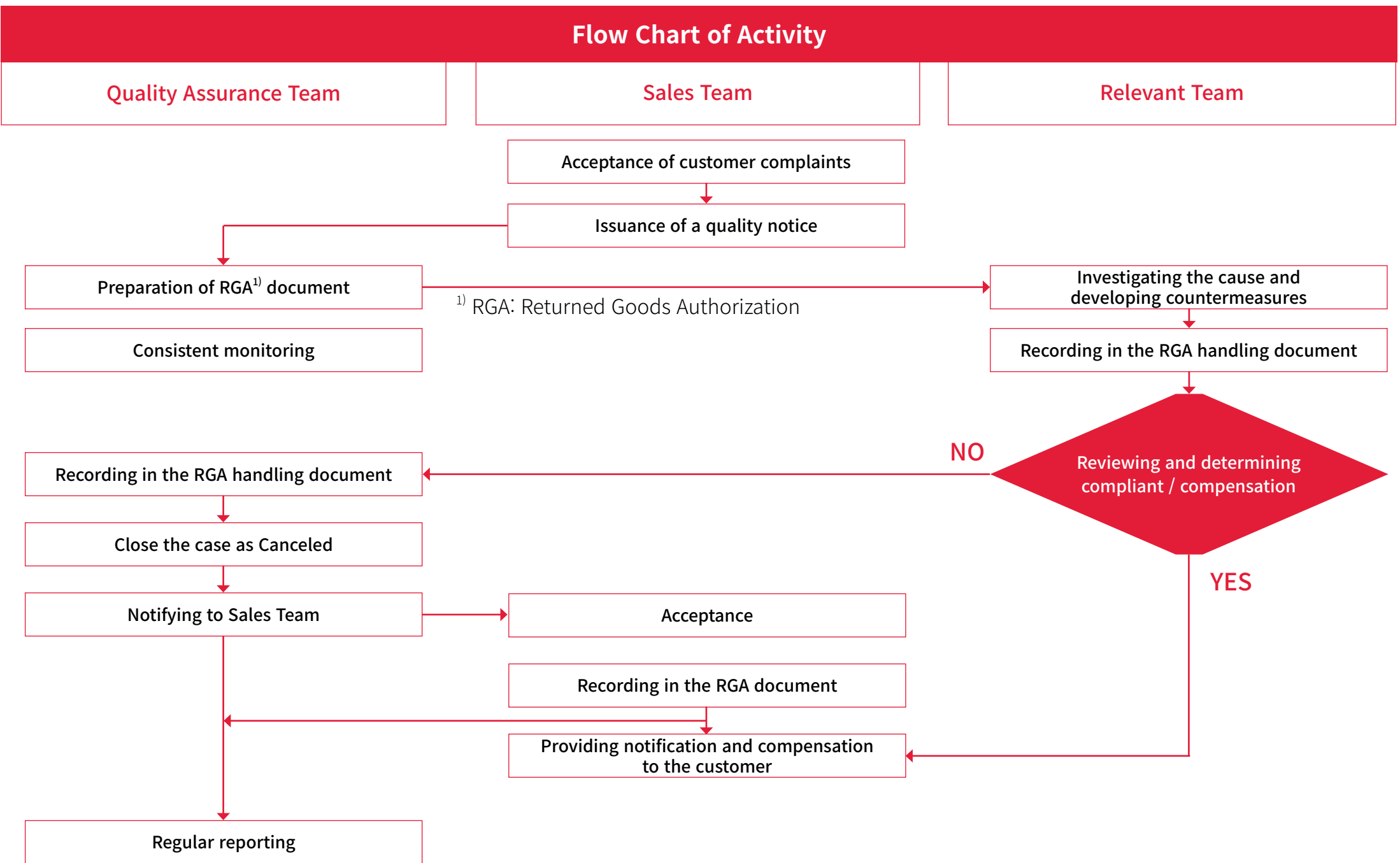
1) Survey of customers in the industrial rubber products division



Customer Complaint Acceptance and Settlement

DRB operates a customer complaint acceptance and settlement process to address customer complaints and comments regarding products and services and to prevent problems from recurring due to the same cause. Relevant departments, including the Sales Team, Research and Development Team, Quality Assurance Team, and Manufacturing Team, receive customer feedback and resolve issues in accordance with the process.

Customer complaint acceptance and settlement process



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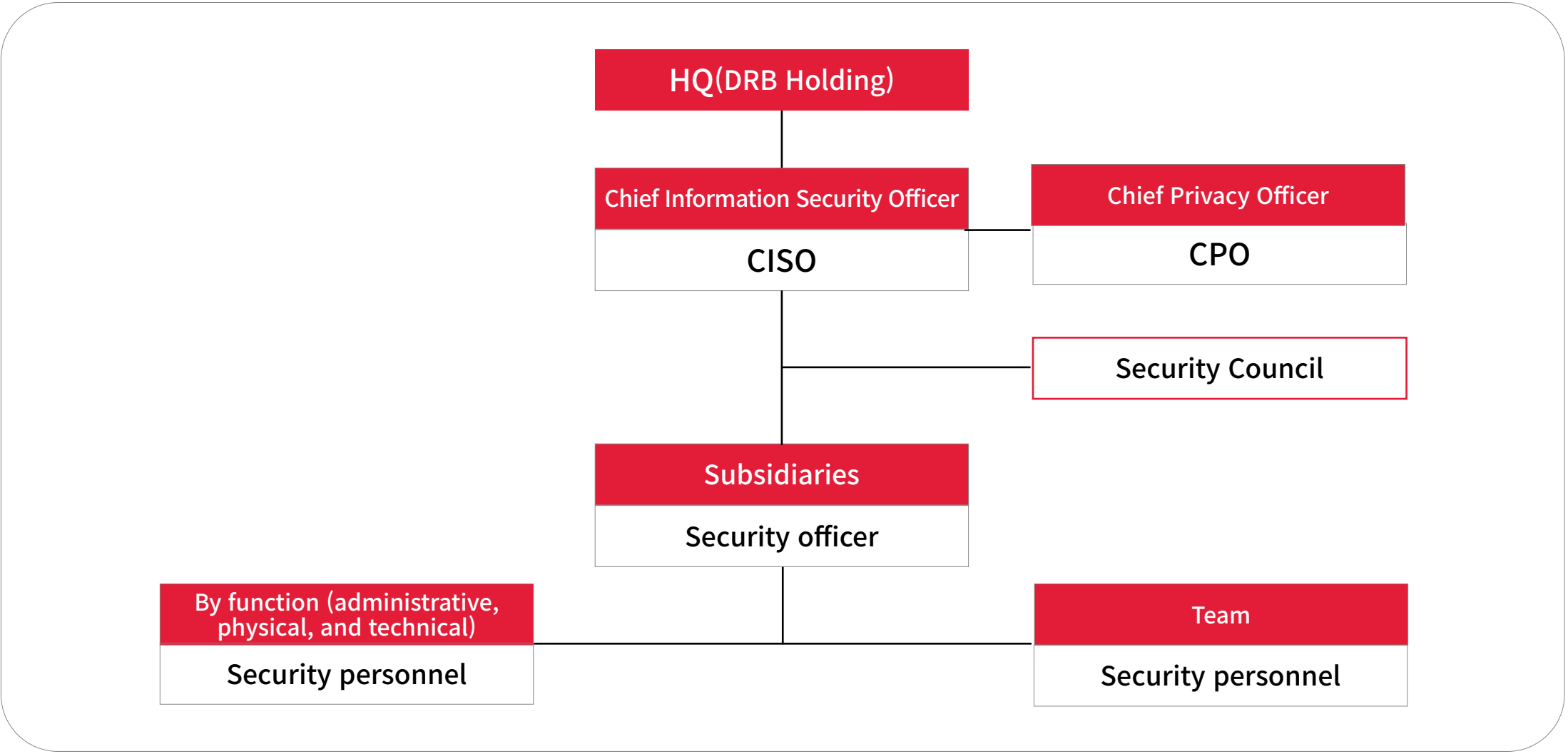
Information Security

Information Security Governance

In order to protect the company’s critical information, including trade secrets, from internal and external security threats and to comply with relevant domestic and international information protection laws as well as customer security requirements, DRB has established and is implementing a written procedure for information protection, which includes security management regulations and work guidelines, as part of its internal regulations. The written procedure for information protection applies to all individuals associated with the company—employees, suppliers, and visitors—and covers all information assets owned or operated by DRB.

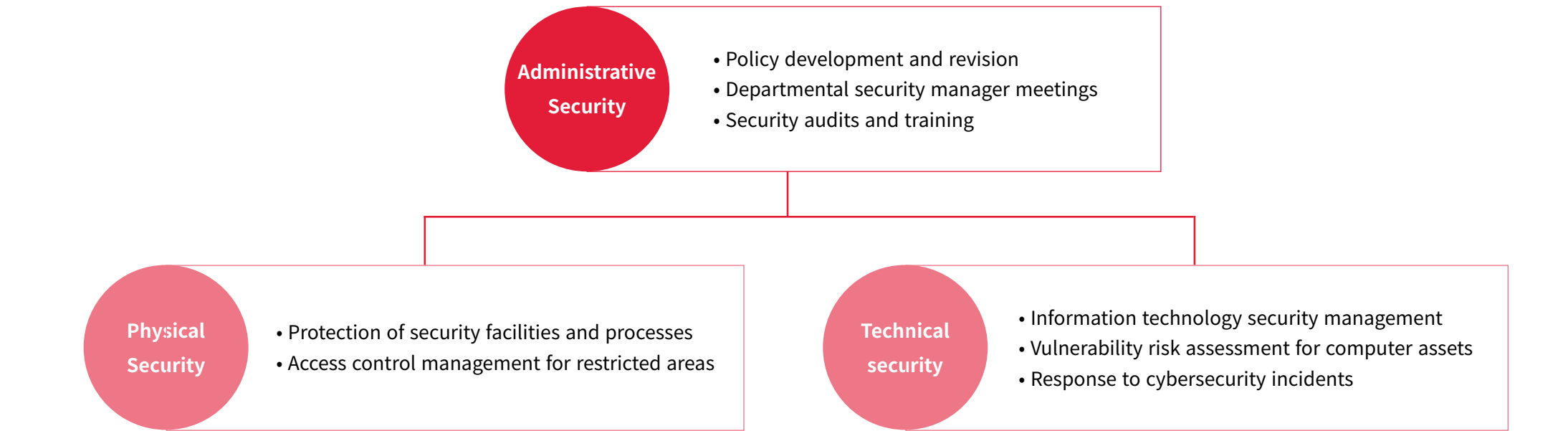
To systematically manage various information security activities, DRB appoints a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) in accordance with the Act on Promotion of Information and Communications Network Utilization and Information Protection and the Personal Information Protection Act and the Personal Information Protection Act. These officers are responsible for overseeing the company's information security framework, preventing external information asset leaks and unauthorized intrusions, ensuring compliance with personal data protection regulations, and managing key security tasks for critical information assets. DRB appoints a security manager for each function and team, with the Chief Information Security Officer (CISO) at the helm. They communicate various security issues to individual team members and ensure efficient security management. DRB also operates a Security Council, which includes department managers, to discuss and make decisions on establishment and revision of security policies, security levels, and the classification of protected areas.

DRB Organization Chart for Information Security



Information Security System

DRB manages security work by categorizing it as administrative security, which is responsible for establishing and managing security policies; physical security, which is responsible for access and document security; and technical security, which is responsible for email and Internet security.



Activities to Enhance Security Systems

Administrative	Operation of the Security Council	Establishment of security policies, review on security levels, classification of protected areas, conducting security-related meetings, etc.
Physical	Visitor access control to secure zones	Establishment of a pre-approval system for external visitors after review by the Pre-Security Rating Review Committee
	Document security	Assignment of management numbers to confidential documents and regular inspections
Technical	Email security	Batch distribution of emails to members, along with simulated training in relation to malicious emails Individual management of sensitive and important emails by setting passwords or encrypting documents when sending the emails Introduction of security systems to prevent hacking, malignant codes, and attempts to steal transaction funds, etc.
	Mobile device/Internet security	Prohibition on storing company information on personal mobile devices and blocking unauthorized access from outside Implementation of a pre-approval process for FTP/web hard drives to prevent information leaks

Privacy Policy

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DRB discloses its Privacy Policy so that customers and other stakeholders can transparently understand its details. It helps us give guidance to help intuitively understand the purpose of collecting personal information, how it is used, and how it is destroyed. Furthermore, we continuously monitor the status of amendments to applicable legislations, such as the Personal Information Protection Act, and regularly verify and revise our Privacy Policy to ensure that it conforms with the law and continues to safeguard personal information proactively.

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Risk Management in Information Security

In compliance with the information security management framework, DRB performs regular and ad-hoc information security operation inspections. Through these activities, we are making every effort to preemptively identify and address various security-related risks that may arise, including cybersecurity, system security, and document security.

Measurement and Evaluation of information Protection System and Service Level

DRB measures and evaluates the service reliability of IT system operations to use the company's resources as efficiently as possible and provide timely and accurate decision-making information via the information system.

DRB Information Protection System and Information Security Service Evaluation Indicators

	Information protection system assessment	Information security service assessment
Availability management	1. Server equipment operation rate	1. Groupware operation rate
	2. Security equipment operation rate	2. File Server operation rate
	3. Storage utilization rate	3. ERP operation rate
	4. Network equipment operation rate	4. MES (POP) operation rate
	5. VM operation rate	5. PLM operation rate
	6. Hyper-V operation rate	
Failure management	1. Average monthly downtime per device	1. Groupware average monthly downtime
	2. Average monthly downtime per work	2. File server average monthly downtime
	3. Failure cause identification rate	3. SAP average monthly downtime
	4. Number of cases exceeding the maximum allowable failover time	4. MES (POP) average monthly downtime
	5. Number of duplicate failures	5. PLM average monthly downtime
	6. Number of security breach incidents	
	7. Total number of failures	
Operation management	1. Intrusion detection rate	
	2. Application rate of the firewall blocking policy	
	3. Security violation	
	4. Backup success rate	
	5. Compliance rate of the target change request time	
	6. Change operation success rate	
	7. Compliance rate with change procedures	
	8. Regular preventive inspection implementation rate	
	9. Service desk satisfaction	
	10. Service desk response rate	

Information leakage response system

DRB has built an integrated log repository to efficiently manage logs generated from security equipment such as numerous servers, communication devices, and firewalls. We have invested in expanding log repository processing capabilities to respond to the continually rising log volume caused by the growth of the service and server scale. As a result, log storage performance has been enhanced, allowing large volumes of logs to be gathered, processed, and stored reliably. In addition, we operate a system that prevents breaches through 24/7 security control and responds quickly when anomalies are detected.

Information Leaks and Information Security Breach Management

Category		2021	2022	2023
Information leaks and security breaches	Total number of information leaks	0	0	0
	Total number of information security violations	0	0	0
	Personally identifiable information leaks	0	0	0
	Number of legal violations related to customer information protection	0	0	0
	Amount of fine for information protection violation	0	0	0

Reporting Channels for information leaks

[CLICK HERE](#)

DRB Information Protection Rules

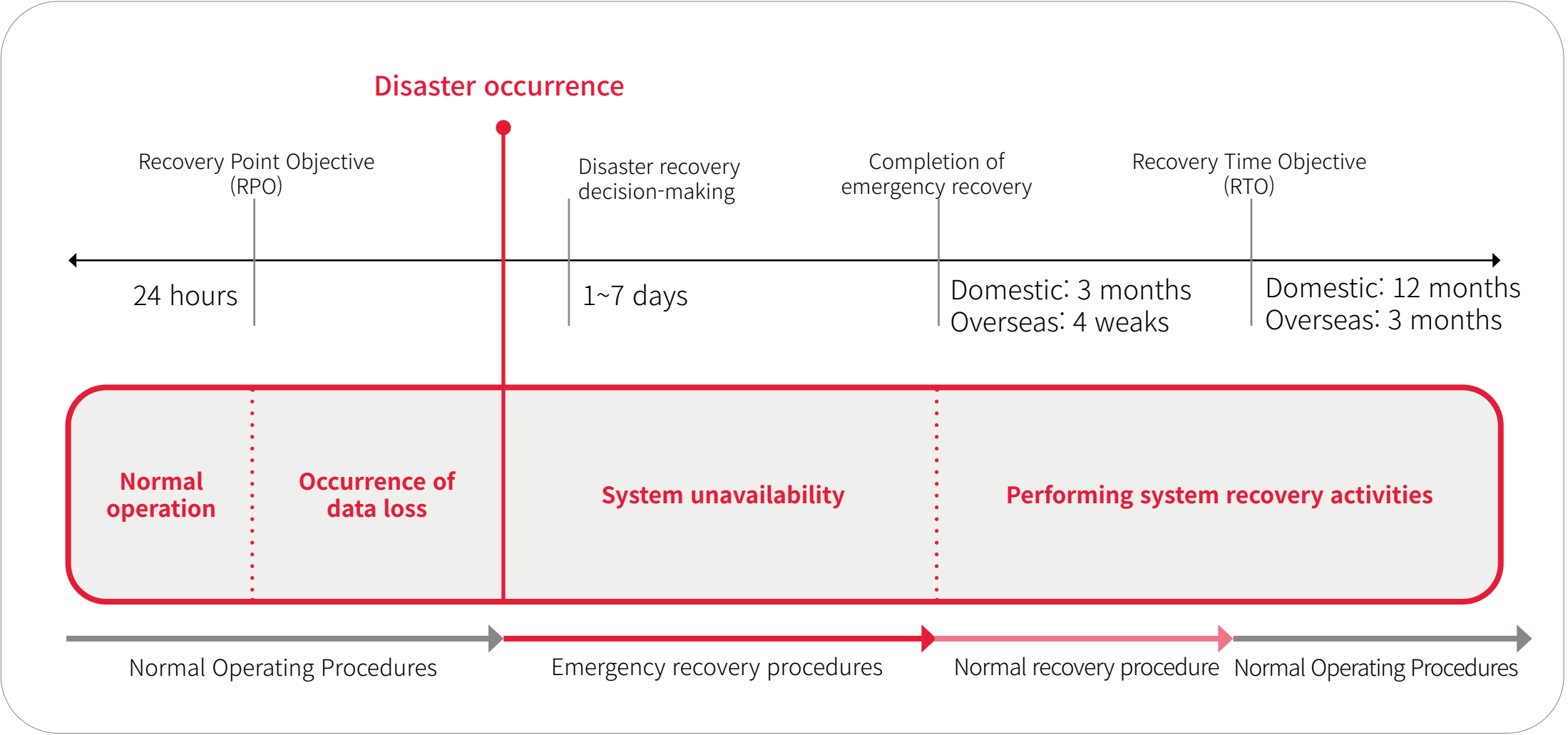
- Set passwords with a minimum of 8 characters, including a mix of letters, numbers, and special characters, and changing them periodically
- Use two-factor authentication (e.g., mobile phone login) for accessing Teams and emails
- Use of genuine software only
- Avoid opening of emails from unknown senders
- Regularly back up (save) important data
- Keep desks organized (Refrain from storing notebooks or sensitive documents on the desk.)
- Restart the computer once a day and turn it off when not in use
- Verify file extensions (e.g., .pptx, .xlsx, .docx) before opening documents
- Decrypt documents only when absolutely necessary for work
- Turn off the computer when leaving work

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Disaster recovery management

DRB has developed and implemented policies and emergency response processes to protect information and data in the event of natural disasters or other unavoidable incidents. We assess the extent of comprehensive loss by evaluating tangible damage (quantitative), such as productivity, financial indicators, additional costs, and income, and intangible damage (qualitative), such as business relationships, as a result of a disaster-related interruption of business activities. In addition, information system disasters (risks) are classified from a total of 4 levels (interest) to 1 level (serious or alert), depending on the degree of urgency. If a relevant disaster occurs, it must be reported to the information security manager immediately or within 10 minutes in accordance with company regulations. In the event of an information system failure, we endeavor to restore normal operation as quickly as possible by implementing emergency and regular recovery measures. In the case of overseas manufacturing corporations, the corporation's disaster recovery center is incorporated and administered in the headquarters data center for simplicity of management and disaster response capabilities.

DRB Information System Disaster (Risk) Recovery Process



DRB Composition of Operational Organizations for Disaster Recovery and Their Roles

Category		Activity details	Responsibility
Management organization	Emergency response team	- The highest consultative body on emergency measures - Identifying disaster status - Making a decision to initiate disaster recovery systems - Verifying service restart/data center recovery	Team Manager
	System recovery team	- Identifying the cause of the disaster and the expected recovery time - Preparing and implementing the conversion of the disaster recovery system - Identifying damage to the data center and developing a recovery plan - Monitoring the system after the conversion	PI Team
	Network recovery team	- Converting and monitoring the communication network - Identifying damage to the data center and developing a recovery plan	PI Team
Support organization	Business recovery team	- Checking whether the disaster recovery system is functioning normally - Identifying and reporting possible or impossible tasks - Checking lost data and application operations - Responding to exceptional circumstances	PI Team Related Team
	Support department	- Performing the systematic public announcements and promotional activities - Procuring and approving emergency supplies and necessary resources - Securing necessary personnel related to recovery and assigning personnel	Business Administration Division
	External supplier	- Providing resources and technical support necessary for system maintenance and recovery	External supplier

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Information Security Activities

DRB has formed an information security organization to carry out preventive measures against security incidents, including establishing management regulations, conducting security training, performing security inspections, and engaging in awareness-raising activities.

Security Education

DRB establishes an information security training plan every year and conducts systematic information security training for new employees and existing employees. We also run information protection campaigns once a month through various channels, such as email and bulletin boards. After the training, all participants are asked to prepare an information protection pledge and a pledge to take responsibility for negligence in security incidents to raise awareness and maintain constant security awareness. We have established and implemented our own Privacy Policy to protect personal information, and conduct annual personal information protection training to ensure that all members understand the significance of personal information protection.

2023 Security Education Operation

Category	Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Number of participants	person(s)	86	545	199	90	-	-
Total education hours	hour(s)	86	545	199	30	-	-
Education hours per employee	hour(s)	1	1	1	0.3	-	-

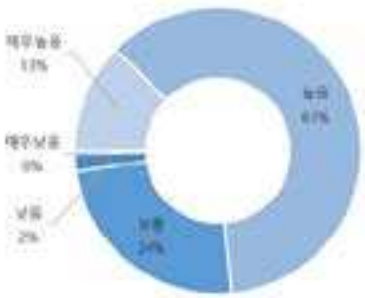
Security Day Event

DRB designates a quarterly Security Day to enhance security awareness among employees and eliminate security risks. Security Days are designated as the last Wednesday of the final month of each quarter (March, June, September, December). If the scheduled day coincides with a public holiday, the event is held on the following business day. On Security Day, various activities are conducted to engage employees and strengthen their awareness of security, including watching security-related promotional videos, organizing security training sessions, reviewing the management of confidential documents by team, and carrying out activities such as shredding unnecessary documents.

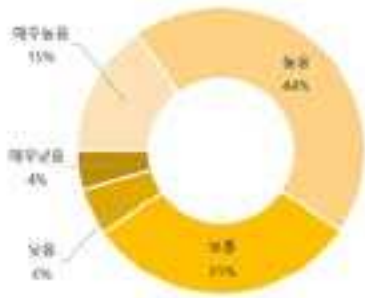
Security Awareness Check for Employees

Category	2021	2022	2023
Employees' awareness level on information security	3.75	3.83	-
Effectiveness of the document export system	3.62	3.60	3.32
Compliance with internal regulations	3.79	3.87	-
Overall average	3.72	3.77	-

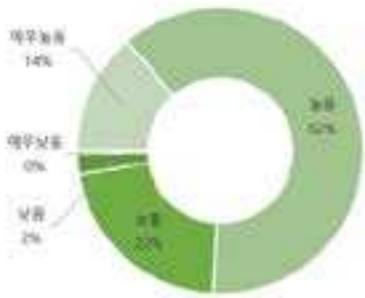
Employees' awareness level on information security



Effectiveness of the document export system



Compliance with internal regulations



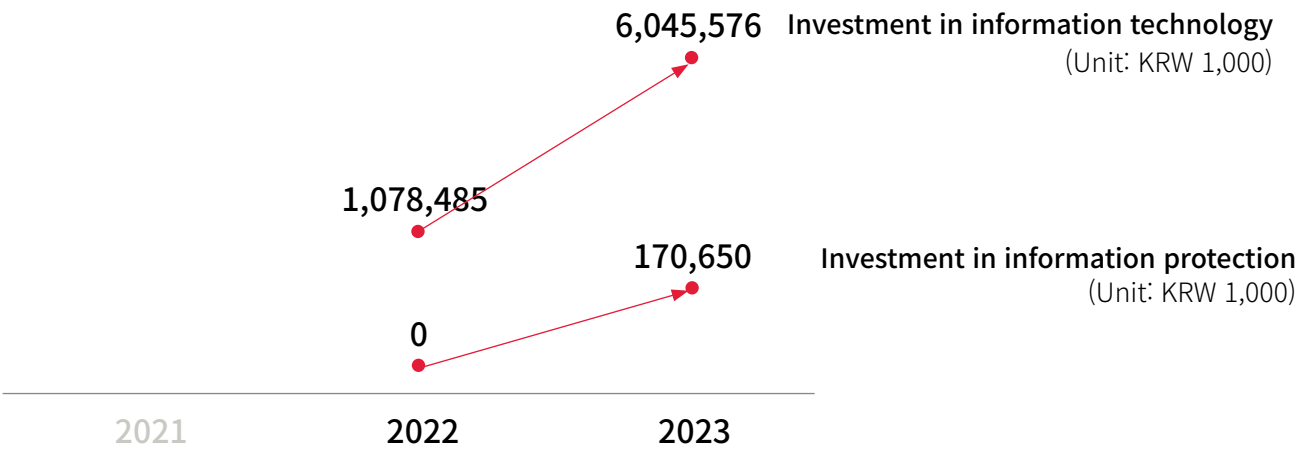
Reinforcing the Software and Hardware Security

DRB complies with intellectual property rights, installs only genuine software, and prohibits the use of illegal software. We prohibit the arbitrary installation and use of unauthorized software that may behave like viruses or malware and require the installation and update of company security programs. Additionally, in principle, bringing in and using personal computer equipment (laptops, tablet PCs, external storage devices, etc.) into the company is prohibited, and an exception can be made for specific business purposes with the approval of the CEO. In the case of disposing of information devices, we instruct the information to be completely deleted through the Low Level Format specified by the company.

Information Security Disclosure

In compliance with mandatory information security disclosure requirements (Korea Internet and Security Agency, 2022), DRB Industrial discloses details on internet user protection activities, corporate information security investments, information security personnel, and certifications, assessments, and audits related to information security on the KISA's Comprehensive Portal for Information Security Disclosure. Moreover, DRB Industrial conducts a pre-inspection of the disclosure content through a third-party expert agency to ensure compliance with relevant laws, guidelines, and accuracy of the information presented.

DRB Industrial's Investment in Information Protection



DRB Industrial's disclosure of information protection status

DRB Industrial's disclosure of information protection status

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SOCIAL

Social Contribution

Social contribution strategy

DRB works to fulfill its corporate social responsibilities and grow together with its members, families, and communities worldwide under the vision of 'Better Together, Better Tomorrow.' We realize that as corporate citizens, we have an essential role to play in creating a sustainable society by safeguarding the global environment, coexisting and mutually growing with local communities, cultivating global talent, and seeking happiness for future generations. Thus, we are taking part in the collective efforts of global citizens for the UN SDGs. DRB goes beyond simple donations and charity-centered activities to seek social contribution activities that benefit both the local and international communities and promote sustainable development. We contribute to the improvement of local residents' quality of life by carrying out specialized social contribution activities tailored to the characteristics of the region and taking the lead in customized social contribution activities centered on consumers through our social contribution platform, Campus D, and network.

DRB Social Contribution Charter

DRB recognizes eco-friendly, mutual growth and partnership with the communities, as well as realization of sustainable society through global talent development and pursuit of happiness of the next generation to be its essential role as a corporate citizen, and participates in the global efforts to attain the UN SDGs (Sustainable Development Goals).

1. Active social contributions	DRB will recognize social contribution activities as its fundamental roles as a corporate citizen and will make the best effort to fulfil corporate social responsibility.
2. Global environmental protection	DRB will strive to protect sustainable safety of the people and global environment.
3.Contributions to communities	DRB will use its expertise and differentiated ability to perform special activities that makes social contributions and improves the life quality of the local residents.
4. Talent development	DRB will provide an equal opportunity of learning and make special efforts for the next generation, and thereby will contribute to building a generous and healthy society.
5. Demand-based contributions	DRB will lead customized social contributions focusing on consumers based on the social contribution platforms and networks.
6. Promise of continuing efforts	In promoting social contribution activities, DRB will take the direction of continuing development, instead of anecdotal and charity activities.

DRB Core Social Contribution Values and Implementation Strategies

Mutual growth with communities	Protection of global environment	Talent development	Human right protection and health promotion	Expansion of communication
Enhancing locally customized support activities	Realizing Zero-carbon society and conserving ecological environment	Talent development	Solving social problems	Expanding voluntary sharing culture
Tasks				
· Support for economic activation · Support for cultural and art activities · Support for emergency disaster relief	· Ocean and river ecosystem conservation activities · Recycling campaign support · Support for climate change response activity	· Support for creative talent development · Support for science talents development · Support for technology talents development · Support for global talents development	· (Human rights) Support for the socially vulnerable · (Health) Support for health education campaigns and health check-up programs · (Safety) Response to seismic disasters · (Education) Support for youth education projects	· DRB employees' voluntary works · Support for voluntary work networking activation · Support for enhancement of volunteer competency · Support for voluntary activity space

Social Contribution Organization

To facilitate the seamless operation of important initiatives, DRB has developed a specific department for social contribution. This unit plans and operates social contribution projects and manages their achievement. In addition, DRB maintains the social contribution platform, Campus D, and implements sustainable social contribution projects in conjunction with diverse members of civil society.

DRB Social Contribution Council

DRB’s Social Contribution Council comprises two branches: an internal council and an external cooperative organization council. This structure enables us to gather input from a broad range of stakeholders, allowing the company to implement more systematic, sustainable, and impactful social contribution initiatives that promote eco-friendly coexistence within local communities, foster mutual growth, and support the development of future talent.

SOCIAL

Goals of social contributions


DRB seeks to continuously tackle community problems by forming social impact partnerships and thereby contributing to society. We will expand our employee volunteer base and work to address local problems through local councils while carrying out activities to implement ESG management. Moreover, DRB will leverage the social contribution platform to not only revitalize the social contribution ecosystem but also to address global social concerns.

DRB Social Contribution Goals

01

Creating social impact collaborations to address community


Forming a community with diverse stakeholders, setting common goals for existent local issues, devising actionable plans to address issues in local communities, and then breaking the plans down into detailed, step-by-step solutions to resolve problems.



02

Participating in ESG management activities


Carrying out DRB's carbon reduction activities to combat the climate crisis, such as energy conservation, waste reduction, recycling campaigns, and biodiversity conservation programs, while also contributing to DRB's ESG management practice by constantly engaging in activities to preserve the global environment and improve the health and work-life balance of our members.



03

CSR education and Employee Volunteer Group

Providing education to increase members' understanding of CSR activities and volunteer work, as well as encouraging members to volunteer through partnerships with related organizations, thereby helping to resolve community problems. Exploring an acceptable remuneration scheme (reward system, etc.) for members' volunteer work.



DRB Social Contribution Roadmap

01 Introduction

Organization of social contribution

1. Establishment of a social contribution system

- Establishing a dedicated organization for social contribution
- Forming and operating a social contribution committee (forging an operational system and forming internal and external bodies)
- Developing social contribution indicators and systems

2. Advancement of the social contribution platform

- Improving and expanding the website for social contribution
- Expanding the operation of the social contribution platform (expanding partnerships, etc.)
- Discovering and operating cooperative programs



02 Development

Advancement of strategic social contribution

1. Development of strategic projects for social contribution

- Supporting the operation of strategic social contribution activities for environment, human rights, mutual growth with local communities, global talent nurturing, etc.

2. Advancement of social contribution operations

- Constructing a company-wide social contribution management system
- Providing and managing company-wide social contribution training (at least once a year)

3. Advancement of the system for employees' volunteer activities

- Introducing and operating a volunteer service incentive system (more than 80% of members participate at least once a year)



03 Settlement

Global social contribution

1. Creation of a global social contribution system

- Organizing a social contribution committee for overseas corporations
- Setting up and running a management system

2. Educating global experts

- Training and hiring professional personnel
- Building a global specialized education system

3. Development of DRB's specialized initiatives

- Constructing a social contribution platform for overseas corporations
- Entering into local partnerships



SOCIAL

Social contribution activities

DRB has identified regional coexistence, environmental protection, talent development, human rights protection, health promotion, and participatory communication as core social contribution areas. We are dedicated to fulfilling our responsibilities as a corporate citizen and actively engage in various initiatives through our Social Contribution Council. Our environmental protection initiatives include a range of educational programs, such as the Our Village Tour Group, EM Mud Ball Throwing, and Making Our Eco-Friendly Neighborhood. Additionally, we are raising awareness on public safety through creative initiatives like the life safety education musical. We also seek to improve the quality of life for local residents by organizing diverse community-centered events such as the Local Culture Sharing Festival and the Moti Shelter Festival. DRB is also supporting future generations by contributing to children's growth and development through programs like Dream Designer and the Stepping Seed Account project, in collaboration with World Vision and Save the Children. Additionally, in partnership with the International Child Rights Center, we have been supporting the Child Rights Advocate (CRA) course since 2022, with a focus on promoting children's rights. Going beyond one-off initiatives, DRB plans to actively pursue ongoing social contribution efforts to help build a sustainable society. We promise to remain dedicated to participating in global initiatives aligned with the UN SDGs and put our utmost efforts to fulfill its responsibilities as a corporate citizen.

DRB Overseas Subsidiaries’ Social Contribution Activities

Company	Activities	Period	Highlights	Beneficiaries	Expense
DRB Qingdao	Scholarship for students from low-income families	2023.10.20	Support for tuition and living expenses	Local students	\$ 834
	Calligraphy and painting activities at a cultural center	2024.6.29	Teaching calligraphy, painting creation, and work creation	Local residents	\$ 5,007
DRB Slovakia	Support for people with intellectual disabilities	Sep. 2023	Delivery of sponsorship funds for a local association	Local people with intellectual disabilities	\$ 447
	Renovation of daycare facilities	June 2024	Repair of fences at daycare centers within the region	Local children	-
DRB Vietnam	Support for scholarships at Thu Dau Mot University	Nov. 2023	Support for scholarships for Korean language department students	Local residents	KRW 8 million
	Support for KOCHAM charity activities	Nov. 2023	Support for tuition for underprivileged students from elementary, middle, and high schools	Local students	KRW 12 million
	Scholarships for underprivileged students	Nov. 2023	Support for tuition for underprivileged students from elementary, middle, and high schools	Local students	KRW 8 million
	Support for daily necessities for underprivileged families in poverty	Jan. 2024	Donation of daily necessities (rice, basic seasonings, etc.)	Students at Thu Dau Mot University	KRW 8 million

Social Contribution Platform Campus D

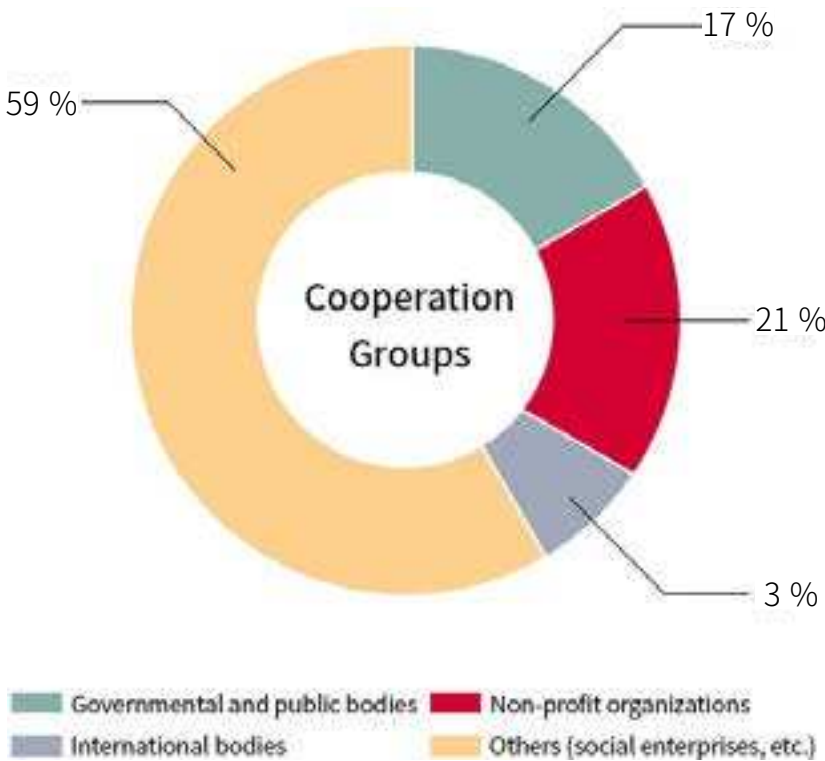
Campus D is a welfare center built to provide welfare and education for our members and local residents in commemoration of the 50th anniversary of DRB Industrial's founding in 1995. It was transformed into a social contribution platform in 2017 to celebrate the 100th birthday of our founding president, Gochon Kim Do-geun. This platform is presently in use in both Seoul and On that day Busan, and it is assisting the growth of local communities. It is mainly used as an educational and cultural area to help the development of kids, teenagers, and the youth. Campus D encourages the creative and educational activities of all citizens by offering public spaces of various concepts, such as performance halls, forum halls, and practice rooms. DRB is forming social contribution relationships with young entrepreneurs, social businesses, NGOs, culture and arts groups, etc. by allowing them to move into or live in the area or by cooperating with and fostering their growth.

Campus D is a special space of education and culture where DRB members, their families, and the community can grow together.



DRB Social Contribution Cooperation Group

DRB has established ties and is actively working with governments, public institutions, non-profit organizations, international organizations, and social entrepreneurs in all fields in order to improve the performance and efficiency of social contribution efforts.



Total numbers: 96

- Governmental and public bodies: 16
- Non-profit organizations: 20
- International bodies: 5
- Others (social enterprises, etc.): 55

SOCIAL

Achievements in Social Contribution

DRB evaluates the social contribution project budget, beneficiaries, and overall business field to more effectively manage the performance of social contribution projects. DRB also conducted a satisfaction survey to improve the quality of social contribution programs. DRB will continue to create its own special social contribution program by expanding survey participation and incorporating important feedback from program participants.

Outcomes of social contribution operations

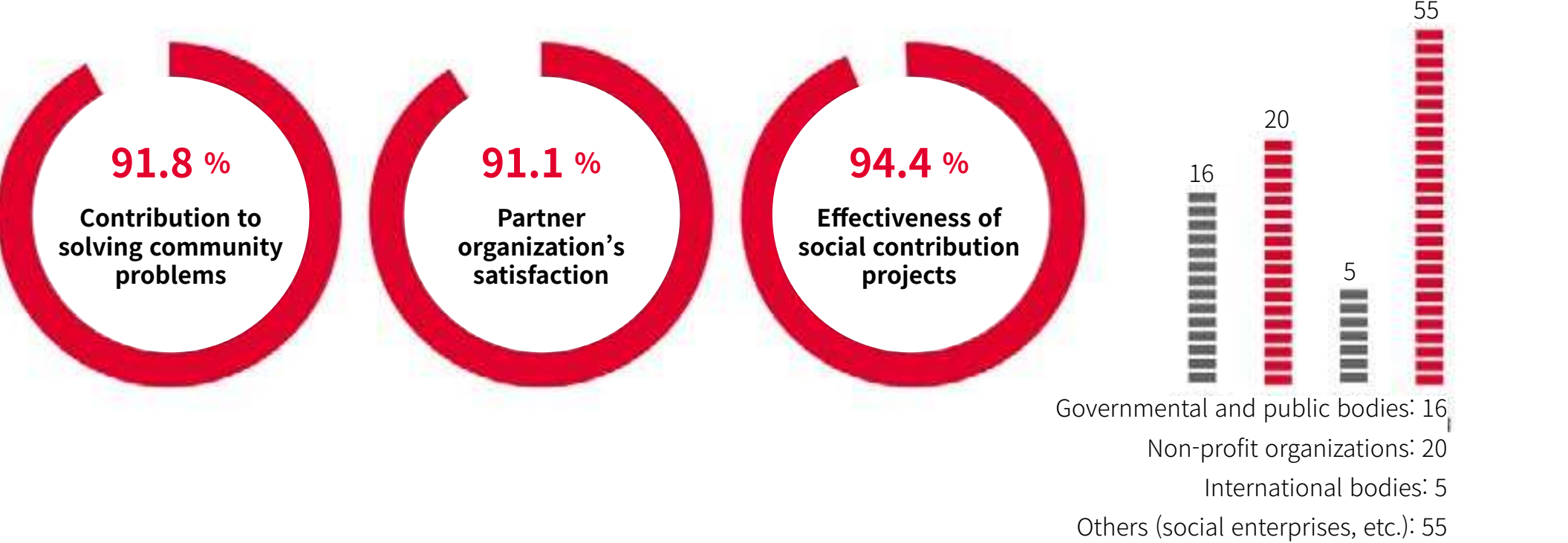
In 2023, DRB conducted a total of 29 social contribution programs, providing support in diverse areas such as education, culture, leisure, and economic assistance to 1,814 individuals. Moreover, participants in the social contribution programs rated their satisfaction at an impressive 4.8 points. Our programs are designed to address the needs of all age groups, from children to seniors, throughout their life cycle.



* The above outcomes are based on the feedback from projects implemented at a social contribution facility (Campus D, Busan).

Outcomes of social contribution partnerships

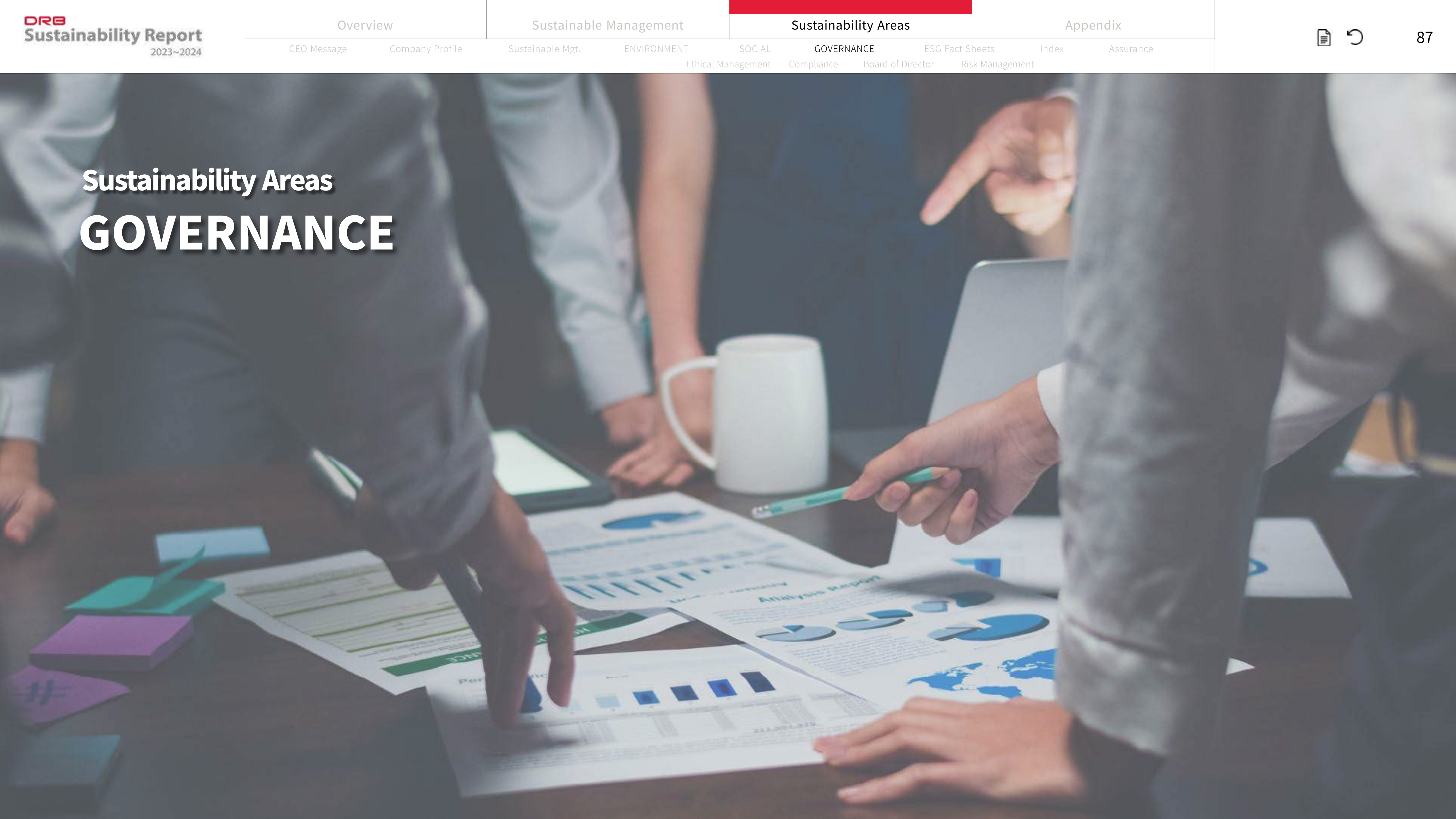
DRB is focusing on fostering mutual cooperation by establishing various collaborative relationships with public institutions, non-profit organizations, international organizations, and social enterprises to enhance the social value and expand the impact of social contribution programs. In 2023, 91.1% of partner organizations expressed high effectiveness with DRB, and 94.4% acknowledged the effectiveness of DRB’s social contribution projects (in terms of platform space utilization, consideration of local needs, and integration with external resources). Furthermore, 91.8% of respondents praised DRB’s significant contribution to addressing community challenges. DRB will continue to collaborate with its partner organizations to spearhead sustainable change in local communities.



Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt.	ENVIRONMENT	SOCIAL	GOVERNANCE	ESG Fact Sheets	Index	Assurance
				Ethical Management	Compliance	Board of Director	Risk Management	

Sustainability Areas

GOVERNANCE



GOVERNANCE

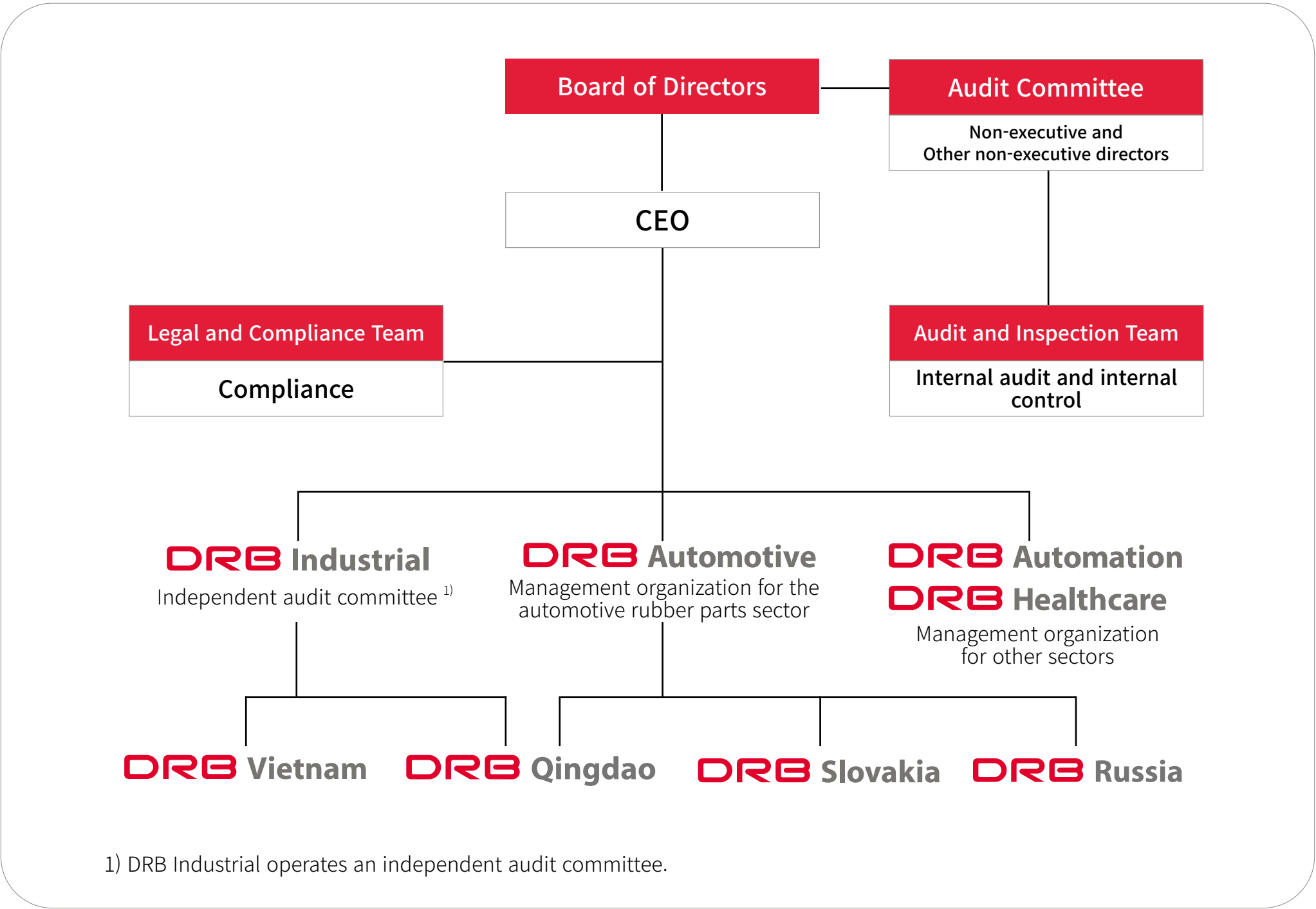
Ethical Management

DRB perceives ethical management as an essential element for mutually sustainable development with all stakeholders and is making multifaceted efforts to put it into practice. In 2016, we declared a code of ethics and asked all employees to use it as a standard for making desirable decisions and actions. Since 2020, each employee has produced a written pledge in person to practice the code of ethics every year, reinforcing their commitment to its implementation. Furthermore, we enacted the Ethics Charter and Employees’ Code of Conduct in 2023 to further consolidate the company’s ethical management principles and dedication to applying them.

Ethical Management Governance

DRB has formed an Audit & Inspection Team to support the audit committee and a Legal & Compliance Team reporting directly to the CEO to implement of ethical management practices. We continuously monitor internal risks by managing and overseeing ethical and corruption-related issues.

DRB Ethical Management Governance



DRB Ethical Management Policy

CLICK HERE

DRB Ethics Charter

1. We will comply with all laws and regulations in all areas of DRB's activities and aim to create a transparent and sound corporateculture throughethical business execution.
2. We will keep in mind that the growth of our customers is our development, and strive for customer satisfaction by providing products and services that customers can trust.
3. We will respect the free market economic order and pursue common development through fair competition and fair trade.
4. We will actively participate in social contribution activities to fulfill our responsibilities and obligations as a member of the country and local community.

Ethical Management Operational System

DRB has a four-stage ethical management strategy in place to successfully implement ethical management.



- ① **Prevention:** Avoiding problems ahead of time
- ② **Detection:** Monitoring and Discovering
- ③ **Investigation:** Auditing and Diagnosing
- ④ **Response:** Measures for improvement

GOVERNANCE

① Prevention: Avoiding problems ahead of time

Pledge to Observe the Code of Ethics

At the beginning of each year, DRB posts the Ethics Charter, Code of Ethics, and Practice Guidelines on the DRB Intranet to ensure that all employees are thoroughly familiar with them. With this heightened awareness, employees affirm their commitment to ethical management by electronically signing a pledge to uphold the Code of Ethics. Furthermore, DRB proactively mitigates potential ethical issues by requesting external suppliers to submit a pledge confirming their adherence to the Suppliers Code of Conduct.

Pledge Status to Observe the Code of Ethics and Supplier Code of Conduct

Category		Unit	2021	2022	2023
Pledge status	Pledge to comply with the internal code of ethics ¹⁾	persons (%)	1,386(56.1)	1,399(56.1)	1,404(57.8)
	Pledge to Comply with the Supplier Code of Conduct	%	100	100	100

1) DRB has obtained pledges from office staffs in Korea, expatriate employees at overseas subsidiaries, and production workers.

Ethical education

Each year, DRB conducts ethical education for all employees, emphasizing the significance of ethical management to deepen their understanding and internalize ethical principles.

Implementation of Ethical Education

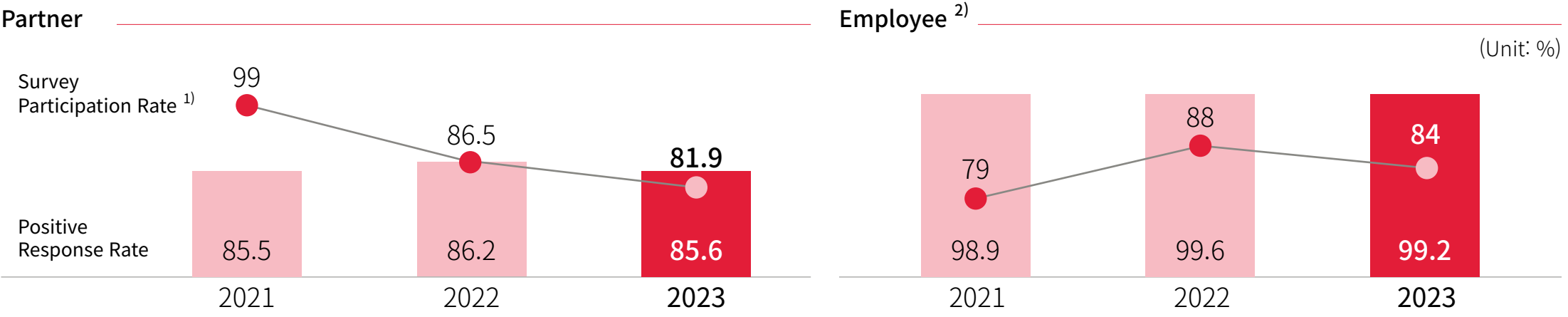
Category		Unit	2021	2022	2023
Ethical education	Total education hours	hours	314	789	990
	Number of participants	person(s)	359	835	1,233

② Detection: Monitoring and Discovering

Ethics Awareness Surveys

Since 2016, DRB has conducted surveys on ethical awareness among its partners to proactively identify potential risks associated with corporate activities and prevent their recurrence. These surveys not only introduce DRB’s ethical management principles but also address complaints related to business relationships and unfair trade practices, reaffirming DRB's dedication to ethical business conduct. To expand participation, DRB lowered the transaction value threshold in 2022 and included consumables suppliers as survey participants. While this adjustment led to a slight decline in the overall participation rate, it significantly increased the number of partners involved in the survey. Furthermore, since 2021, DRB has extended the scope of these surveys to include office workers in Korea subsidiaries and expatriate employees in global subsidiaries. By engaging its members in surveys covering issues such as bribery, gift acceptance, information leaks, sexual harassment, and abuse of authority, DRB actively fosters voluntary ethical awareness and strengthens its commitment to ethical management.

2023 DRB Survey on Ethical Management



1) Expansion of Target Companies in Surveys Since 2022

2) The survey results indicated a strong awareness of preventing unfair trade and adhering to ethical management.

• Reporting Channel

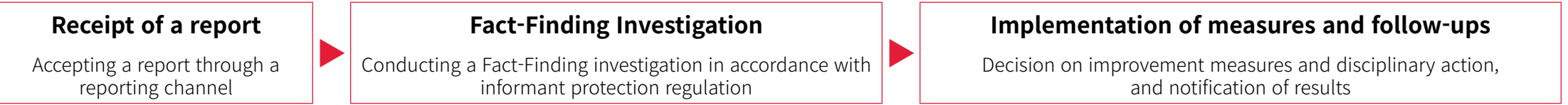
Since 2021, DRB has operated a reporting channel to strengthen transparent management and foster a fair business environment. Administered in compliance with applicable regulations, the reporting channel ensures the protection of informants and enables all stakeholders to report concerns freely, whether under their real name or anonymously.

Cyber Audit Department [CLICK HERE](#)

Reporting channel

Mail	Audit and Inspection Team, 28, Gongdandong-ro55beon-gil, Geumjeong-gu, Busan, Korea
Tel/Fax	+82 51. 520. 9270 / +82 502. 289. 9601
e-mail	cyber@drbworld.com / compliance@drbworld.com
Internet	DRB Cyber Audit website

Report Handling Process



GOVERNANCE

③ Investigation: Auditing and Diagnosing

Internal audit

DRB audits its entire company's operations across all of its business sites and subsidiaries. Compliance with regulations, adequacy and efficiency of work processing, unethical practices, etc. are subject to regular or occasional audits, and the audit results are reported to the CEO and audit committee.

Internal control

DRB performs internal control activities annually to protect corporate assets and prevent potential malpractice risks. We analyze quantitative and qualitative risk information for major business processes, define elements to be controlled, and conduct internal control evaluations on a quarterly basis.

Company-wide Control System

Work process	Control item
Control Environment	<div>- Responsibility for morality and ethical values</div> <div>- Responsibility for supervising the internal accounting management system (bolstering expertise, independence, the responsibility for supervising, etc. of the board of directors and audit committee)</div> <div>- Defining the organizational structure, authorities, and responsibilities</div> <div>- Maintaining qualifications (making policies and practical procedures, and selecting, training, and maintaining personnel)</div> <div>- Increasing internal control responsibilities (making performance evaluation and compensation policies)</div>
Risk assessment	<div>- Setting specific objectives (complying with accounting standards and substantially incorporating them into corporate activities)</div> <div>- Identifying and analyzing risks</div> <div>- Assessing the risk of malpractice</div> <div>- Identifying and analyzing significant changes</div>
Control activities	<div>- Selecting and developing control activities</div> <div>- Selecting and developing general information technology control mechanisms</div> <div>- Implementing control activities through policies and procedures (making the operational regulations for the internal accounting management system)</div>
Information and communication	<div>- Utilizing relevant information (identifying and assessing information needs)</div> <div>- Internal and external communication</div>
Monitoring	<div>- Continuous monitoring and independent evaluation</div> <div>- Evaluating vulnerability and improvement activities</div>

④ Response: Measures for improvement

Inappropriate acts detected during internal audit and internal control are either corrected immediately or rigorously reviewed for improvement on a regular basis in accordance with the corrective action plan established to prevent the risk from recurring. For unjustifiable acts that require disciplinary action, we convene the personnel committee and take sanctions in accordance with the ‘zero tolerance principle.’

Occurrence and Handling of Violations

Category		Unit	2021	2022	2023
Handling of violations	Report / Whistleblowing	case(s)	0	1	1
	Violations	case(s)	0	1	1
	Handling ¹⁾	%	-	100	100

1) The proportion of cases received that were resolved through fact-finding investigations and the implementation of related measures

Advancing Ethical Management

DRB established a solid foundation for ethical management by proclaiming the Code of Ethics in 2016, enacting the Audit Work Regulations in 2017, and introducing the Ethics Charter and Code of Conduct in 2023. Since then, we have consistently pursued ethical management and internal audit activities, prioritizing the enhancement of practical ethics awareness. Looking ahead, we aim to further reinforce ethical management by instituting a framework to reward internal whistleblowers, issuing regular ethical management newsletters, and conducting audit quality assessments through external specialized agencies, among other measures.

GOVERNANCE

Compliance

Compliance Management Strategy

DRB has engaged in a variety of compliance actions in order to develop a compliance management system and foster a stable compliance culture for a sustainable future. At the core of DRB's compliance management system lies the firm commitment of its leadership, supporting an integrated framework that includes proactive prevention, inspection and monitoring, and post-management measures. Notably, DRB has developed, implemented, and publicly disclosed its tailored Compliance Program to promote voluntary adherence to fair trade laws and regulations. Furthermore, we are committed to cultivating a strong compliance culture through active employee participation, supported by practical and diverse policies.

01 Framework Development

- Developing policies and guidelines
- Implementing the Compliance Program
- Enhancing compliance education

02 Internalization

- Conducting regular compliance inspections by dedicated organizations and personnel
- Reviewing and refining manuals and internal regulations
- Consolidating a culture of compliance

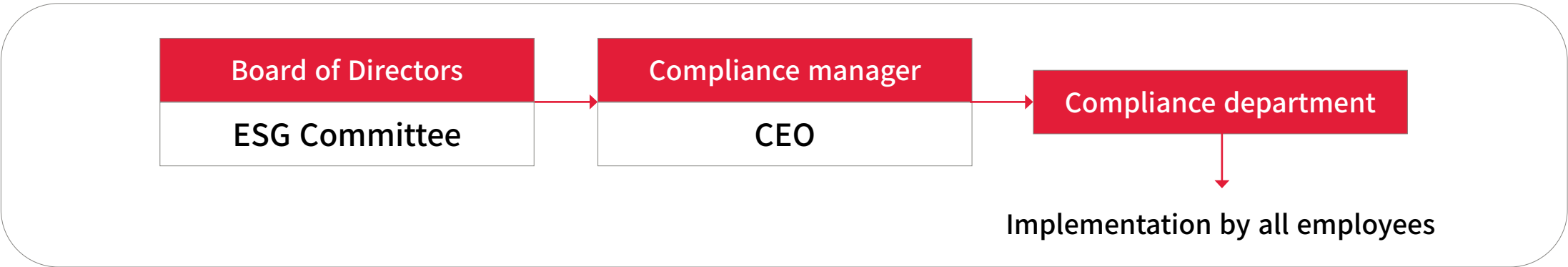
03 Advancement

- Adopting global standards (ISO) and obtaining certification
- Ensuring actual compliance

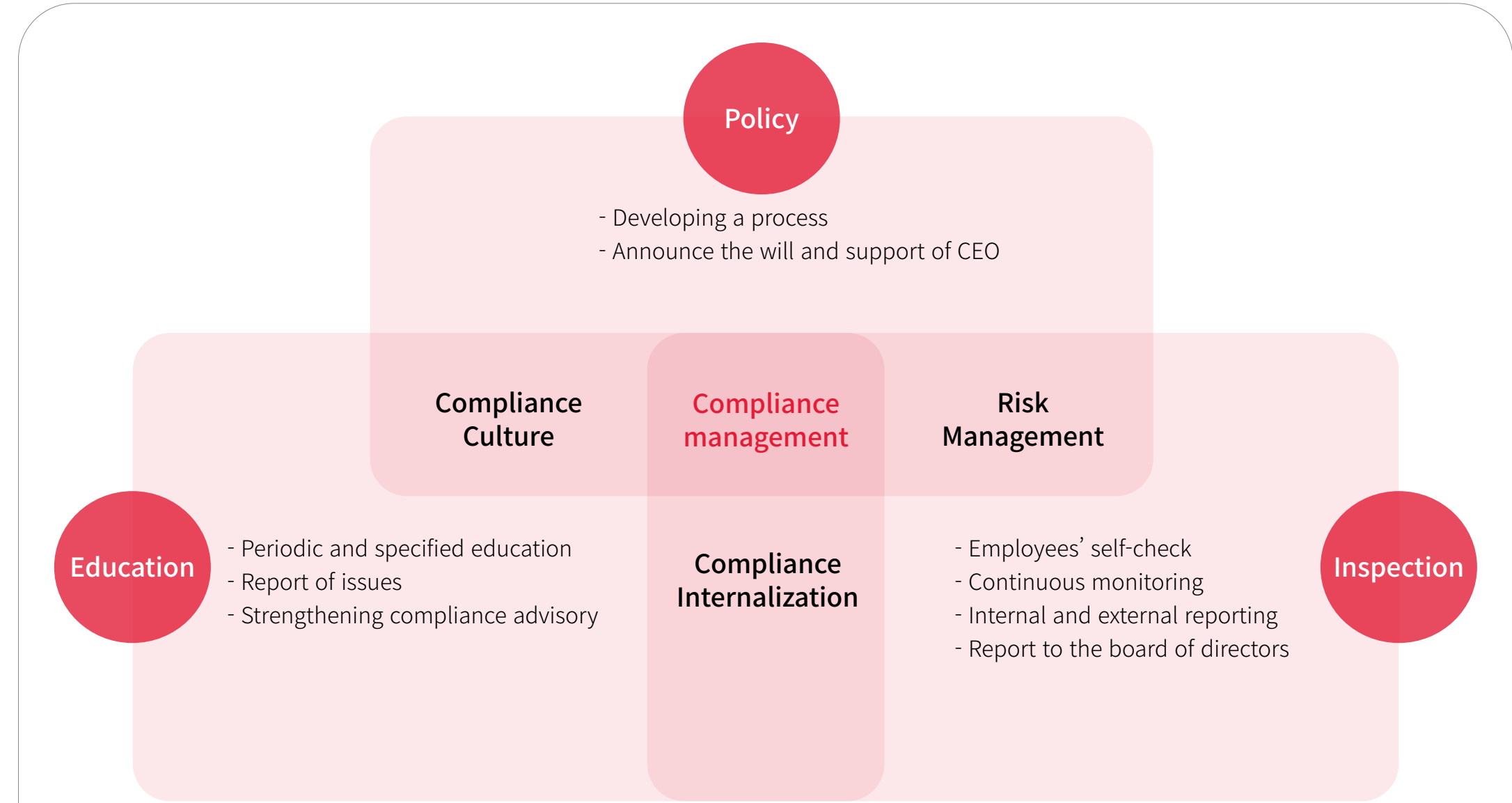
Compliance System and Operation

With a steadfast commitment to compliance management, DRB identified and analyzed the gap between external compliance demands and its internal status through compliance inspections and employee awareness surveys. Building on these insights, DRB has formulated a systematic, phased compliance management system. Initially, we undertook governance improvements by incorporating expert feedback and established the Legal and Compliance Team in 2022. A consultative body comprising management and related departments subsequently developed specific compliance management policies to be uniformly applied across all subsidiaries. To ensure effective implementation, DRB introduced a Compliance Program in 2023, designated voluntary compliance managers for each corporation and established dedicated compliance departments. This structured approach ensures that the expertise-driven compliance policies developed by the holding company’s dedicated department are seamlessly implemented by the responsible teams within each subsidiary. DRB continues to enhance its compliance system by strengthening policies, education, and inspection activities, embedding compliance into daily operations to ensure it is consistently and naturally practiced.

DRB Organizational Structure for Compliance Management



DRB Compliance Operation



DRB strives to cultivate an environment where ethical and compliance management seamlessly integrate into employees' daily work processes, with the ultimate goal of fostering a practical compliance culture. To this end, we have developed a proactive compliance risk prevention system that includes self-check activities and a prior consultation mechanism for external transactions, enhanced individual training, regular updates and dissemination of the autonomous compliance manual, and ongoing sharing of compliance-related issues. Additionally, we have established a robust monitoring framework, which includes on-site inspections focused on key risks related to the Fair Transactions in Subcontracting Act, the Fair Agency Transactions Act, and the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises, along with individual issue consulting and continuous monitoring via dedicated reporting channels. We are further enhancing the system by revising manuals, conducting training, and implementing measures to prevent recurrence based on identified issues. As part of our comprehensive post-management and corrective system, we have also established and operate a disciplinary action framework for violations, and an incentive system to recognize exemplary executives and employees. DRB will continue to prioritize self-inspections, external consultations, and awareness-building initiatives to ensure its ethics and compliance management align with the expectations of the global market.



GOVERNANCE

Achievements in Compliance

Expansion of Compliance Education

DRB has conducted fundamental compliance competency training alongside job-specific legal compliance training to enhance employees' awareness of compliance practices. Additionally, we actively communicate regulatory trends and DRB's compliance policies to external suppliers, promoting a culture of fair trade. Furthermore, the regular publication of compliance newsletters serves to deepen understanding of compliance issues while fostering awareness and shared commitment among employees.

DRB Compliance Education

Category	Unit	Purpose
Compliance education	All employees	Understanding the introduction to and operation of the Compliance Program (CP)
	Subsidiaries	Promoting the spread of compliance culture within subsidiaries
for executives	Executives	Understanding corporate governance and compliance responsibilities
for new employees	New employees	Introduction to compliance concepts and communicating DRB policies
for high-risk departments	Purchasing Dept.	Understanding the introduction to and operation of the Compliance Program (CP)
	Sales dept. for exclusive agencies	Precautions for managing exclusive agencies
	Frontline employees	Training on agents under the Commercial Act for employees interacting with customers and partners
for partners	Supplier's executives and employees	Compliance regulation trends and DRB's Suppliers Code of Conduct
Training to enhance legal expertise	Contract Mgt. Dept.	Considerations for contract practitioners to manage contracts and prevent disputes
	Legal Dept.	Understanding the compliance management system and strengthening

Implementation of Compliance Education

Category		Unit	2021	2022	2023
Compliance education	Total hours	hours	3,230	5,943	4,773
	participants	person(s)	1,982	3,835	4,277
	per employee	hours	1.63	1.55	1.12

Publication of Compliance Letters

Period	Details
2023. 3Q	<DRB Compliance A-Z> Compliance Program
2024. 1Q	Outlook on fair trade policies 2024 and review of DRB's preparatory activities
2024. 2Q	Corporate trade regulations for sustainability and responses

Application of standard subcontract agreements

DRB applies and complies with the standard subcontract agreement publicly notified by the Fair Trade Commission to its contracts. In particular, when entering into subcontracting agreements, we include provisions that prohibit the forced provision of technical data, ensure the escrow of technical materials, and guarantee the implementation and protection of intellectual property rights to safeguard both the material and intellectual property rights of external suppliers. Additionally, we ensure full compliance with the Fair Transactions in Subcontracting Act by promptly incorporating the newly introduced subcontracting price linkage system into our contracts. Additionally, we have introduced a mutually beneficial agreement that adheres to the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises as well as the Fair Agency Transactions Act. We are also developing and utilizing a standard contract format for each type of business contract to ensure legal compliance.

Operation of a compliance checklist, a prior consultation system, and internal reporting

In transactions with external suppliers, DRB operates a compliance checklist, a prior consultation system, and an internal reporting channel to monitor and control unlawful matters and unfair trade practices. We conduct self-examination using a compliance checklist and consultation to ensure compliance regarding the prohibition of unfair subcontract pricing, coercion to purchase goods, unfair economic demands, and forced unfair transaction conditions prior to a transaction. Following the completion of the transaction, compliance with the transaction is enforced by a whistle-blowing mechanism for the whole transaction, including delayed payment, unfair reductions in subcontracting costs, and legal violations relating to the demand for technical data. As a result, we have averted violations of laws and regulations, detected and corrected potential violations early, and confirmed that potential risks stemming from unfair transactions were effectively eliminated in advance.

GOVERNANCE

Introduction of Compliance Program(CP)

As part of its compliance management system, DRB operates an internal compliance framework to voluntarily adhere to fair trade-related laws and regulations. Through this system, we provide clear standards of conduct to our employees for complying with fair trade principles, such as prohibiting collusion, thereby proactively preventing legal violations and enabling the early detection and response to non-compliant activities.

Steps	Detailed procedures
Step 1 [Establishment of an implementation system]	1.Management's declaration of voluntary compliance on company website.
	2. Appointment and operation of a voluntary compliance manager within the company. * Designation of one in-house registered director per corporation (Appointed by CEO: Reported to and approved by the board of directors).
	3.Development of an annual voluntary compliance implementation plan
	4. Formation of a compliance management organization – General management of the holding company and policy development (Legal & Compliance Team) - Designation of responsible staff for DRB Industrial and DRB Automotive. * Inclusion in the internal organization chart/work division table.
Step 2 [Promotion of voluntary compliance]	5. Revision and distribution of the compliance manual 6. Implementation of compliance training programs 7. Establishment of a monitoring system
Step 3 [Efficient operation]	8. Systematic management of related documents 9. Effective operation of the program
* Improvement of procedures and systems (enactment and revision of company regulations) * Continuous updates in line with evolving policies (formation of a CP council)	

Voluntary Declaration of Fair Trade Compliance

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Strengthening internal monitoring, inspection, and supplementation activities

DRB supplements and improves issues through continuous inspections along with regular internal monitoring to ensure ethical management and compliance. We regularly conduct self-assessments, on-site inspections, and consultations for compliance with fair trade laws such as the Fair Transactions in Subcontracting Act and the Fair Agency Transactions Act to prevent and address compliance violations. In addition, we also have a whistleblower protection scheme in place to promote internal and external reporting. Furthermore, in accordance with internal audit regulations, the compliance department assists in the examination and improvement of processes to prevent compliance violation issues discovered during audit activities from recurring in the future. We also punish law-violators through a disciplinary system. DRB has established incentives for compliance whistleblowers to enhance the effectiveness of the system and intends to continuously improve the related processes.

Compliance Inspection Activities

Period	Details
2023. 3Q	Inspection of compliance with the Act on the Protection of Temporary Agency Workers in in-house subcontracting
2023. 4Q	Inspection of compliance with the implementation of the subcontracting price (delivery price) linkage system
2024. 1Q	Inspection and evaluation of compliance with the Fair Agency Transactions Act and the agreement for fair trade (under the same act)
2024. 2Q	Inspection of compliance with the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises and the Fair Transactions in Subcontracting Act

Management of Legal Violations

Category		Unit	2021	2022	2023
Legal violation ¹⁾	Unfair trade acts such as anti-competitive practices, monopolies, etc.	case(s)	1	0	0
	Violation concerning product and service information and labeling	case(s)	0	0	0
	Violation concerning internal transactions	case(s)	0	0	0
	Violation concerning subcontracting transactions	case(s)	0	0	0
	Litigations due to the violation of laws or regulations	case(s)	0	0	0

1) Based on the corporations covered by the reporting scope

External Cooperation

DRB actively participates in the Business Integrity Society hosted by the UNGC Network Korea and the Korea Sustainability Investing Forum. In December 2023, DRB also joined the UNCAC Call-to-Action pledge, which urges governments to intensify efforts to combat corruption that impacts the global economy and society, and to collaborate in these efforts.



Participation in the BIS

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GOVERNANCE

Board of Directors

DRB Holding aims for the growth of the company and the creation of value for its stakeholders by establishing a sustainable management system grounded in a transparent and robust governance. We are dedicated to ensuring the transparency, stability, and soundness of the governance in order to enhance shareholder value and protect their rights. Simultaneously, we strive to build the trust of all stakeholders on a stable organizational foundation while carrying out rational and responsible management activities. Furthermore, efforts are underway to establish a governance that safeguards corporate social responsibility and rights, encompassing labor-management cooperation and coexistence with partners. DRB has developed and operates foundational principles and procedures to implement a transparent governance structure, which are outlined in the Articles of Incorporation, Corporate Governance Charter, Code of Ethics, Board of Directors’ Operational Regulations, and the operational regulations of each committee. The activities of the Board of Directors are regularly disclosed through the Corporate Governance Report, Business Report, and Quarterly/Semi-annual Reports, which are made available on the Financial Supervisory Service’s Electronic Disclosure System (<http://dart.fss.or.kr>).

The Board of Directors and management reliably exercise their delegated authorities in decision-making and business execution through a well-balanced system of checks and balances. In accordance with the Commercial Act and the Articles of Incorporation, we are dedicated to establishing a governance structure that addresses matters related to the general shareholders' meeting, management, finance, and directors, while ensuring a balance between the Board and management through mutual checks and balances. To secure the effectiveness of the Board of Directors in overseeing management, the board is granted the authority to appoint and dismiss the CEO in accordance with relevant laws and regulations. In order to prevent the Board’s oversight function from being compromised by collusion with management, the majority of the Board is comprised of outside directors with proven independence (1 inside director, 3 outside directors, and 1 non-executive director).

To enhance the systematic nature and transparency of the governance and to lay a foundation for sustainable management, we proactively established an audit committee during our transition to a pure holding company, at the 56th regular shareholders' meeting held on March 24, 2022. The Audit Committee is composed of experts with extensive experience in management, law/policy, finance/accounting, etc., and participates in policy formation and decision-making from a transparent and objective standpoint. This strengthens the efficiency of the Board of Directors while fulfilling its role in monitoring and restraining management. Simultaneously, the ESG Committee reviews and deliberates on key strategic directions related to environmental, social, and governance matters, ensuring a systematic response to major ESG issues across DRB.

DRB Holding Corporate Governance Report

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DRB Industrial Corporate Governance Report

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Composition of the Board of Directors

The Board of Directors of DRB Holding consists of five members: 1 inside director, 3 outside directors, and 1 non-executive director. To guarantee the independence of the Board, more than half of the directors are outside directors, and the Chairperson of the Board is independent from the CEO. We enhance the efficiency of the BOD by appointing external professionals in diverse sectors such as management, law, policy, finance, and accounting as outside and non-executive directors, while also ensuring the role of keeping management in check. We also augmented our efforts for greater diversity on the Board by appointing our first female outside director at the 56th ordinary general shareholders’ meeting.

Board Composition as of March 2024

Type	Name	Position	Gender (Age)	Term Expiration (Tenure)	Area of Expertise	Key Experience
Executive director	Ryu Yeong-sik	· CEO · Member of C ³⁾	Male (57)	2026.03.22 (51 months)	· Management/Leadership · Risk management · ESG	· Production Support/Production team leader, at DRB Industrial · President Director of DRB Vietnam
Non-executive director (Chairperson)	Park Jin-su	· Chairman of B ²⁾ · Member of A ¹⁾	Male (58)	2026.03.22 (51 months)	· Management/Leadership · Risk management	· PhD. In Business Management, Univ. of Arizona, USA · Professor at the Business School, Korea Univ. · Member of IT Integration Promotion Committee, Korea Exchange (KRX) · Chairman of the Korea Association of Information System · Ai research professor at the Graduate School of Data Science, Business School of Seoul National University (current)
Non-executive director	Park In-suk	· Chairman of A · Member of C	Female (75)	2025.03.22 (27 months)	· Law/Policy · ESG	· Member of the 19th and 20th National Assembly (Health and Welfare Committee, Education, Culture, Physical Education and Tourism Committee, Gender Equality and Family Committee, Safety Administration Committee), Dean of School of Medicine · Honorary director of Woori Idle Hospital (Current) · Honorary professor at the Department of Pediatric Cardiology of the Seoul Asan Medical Center, University of Ulsan College of Medicine · MA, School of Business Administration, Seoul National University
Non-executive director	Son Dong-wun	· Chairman of C · Member of B	Male (62)	2026.03.22 (51 months)	· Law/Policy · ESG	· General manager and executive director of the Federation of Busan Science and Technology · Head of Exhibition Research, Busan National Science Museum · Industry-Academy Cooperation Professor, Pukyong National University
Other non-executive director	Yoo Hee-chan	· Member of A · Member of B	Male (62)	2025.03.22 (27 months)	· Finance/Accounting/Investment · Risk management	· MA, School of Business Administration, Seoul National University · Worked at Samil PWC Accountings · Worked at PWV Consulting · Regular auditor of Cheil Co., Ltd.

1) A: Audit Committee
2) B: Non-executive Director Candidate Recommendation & Compensation Committee
3) C: ESG Committee

- Directors are elected by a resolution of shareholders at the general shareholders' meeting. Candidates for executive directors are selected through recommendations by the board of directors, and candidates for non-executive directors are chosen by the non-executive Director Candidate Recommendation Committee.
- Directors are appointed for three years and can be re-appointed at a general shareholders' meeting after the expiration of their directorships.
- DRB seeks to ensure that the composition of the BoD reflects diversity, including in terms of gender, race, region of origin, nationality, etc.

GOVERNANCE

Independence, Diversity, and Expertise of the Board of Directors

To further strengthen the independence of the Board of Directors, DRB appoints non-executive directors as chairs of all committees within the Board. We organize more than two-thirds of the committee members as non-executive directors to ensure robust checks on management. Additionally, DRB provides board members with the necessary information to ensure their access to key company data, while also assuring the accuracy and transparency of that information. DRB is also working to promote diversity and prevent overrepresentation of specific interests by allowing non-executive director candidates to be selected without restrictions based on gender, age, nationality, cultural background, race, or ethnicity.

Principles for Enhancing the Independence of Directors

- Separation of the Chairperson of the Board of Directors and the CEO
- Prohibition of concurrent positions as general partners or directors of other companies with the same business purpose, unless approved by the BOD
- Organization of more than half of the board members as outside directors
- Restriction of directors' voting rights on resolutions involving personal interests

DRB also manages a board skills matrix for the Board of Directors to guide the appointment of professional directors. To further improve the expertise of appointed directors, DRB supports the cost of expert assistance or professional training, as outlined in Article 3 (5) of the Board of Directors' Operational Regulations.

Board Skills Matrix

Type	Name	Gender (Age)	Area of Expertise				
			Management/ Leadership	Finance/ Accounting/ Investment	Law/Policy	Risk management	ESG
Executive director	Ryu Yeong-sik	Male (57)	●			●	●
Non-executive director	Park Jin-su	Male (58)	●			●	
Non-executive director	Park In-suk	Female (75)			●		●
Non-executive director	Son Dong-wun	Male (62)			●		●
Other non-executive director	Yoo Hee-chan	Male (62)		●		●	
		Female 20%	40%	20%	40%	60%	60%

Operation of the Board of Directors

Committees within the BoD

DRB Holding operates an Audit Committee, an Non-executive Director Candidate Recommendation and Compensation Committee, and an ESG Committee within the Board of Directors to enhance the expertise and efficiency of the Board. In addition to the roles and authority defined by law, the committees perform active functions guided by clearly defined internal regulations. The Audit Committee significantly enhances the review of financial risks and the oversight of management activities. The ESG Committee systematically addresses non-financial risks, such as the company’s environmental and social responsibilities. The Non-executive Director Candidate Recommendation and Compensation Committee ensures fairness and independence in the selection of director candidates, contributing to the expertise and diversity of the Board.

BoD Organizational Chart



Education for Non-executive Directors

Date	Provider	Attending directors	Key contents
2023. 06. 30	Audit committee support unit	Park Jin-su, Son Dong-wun, Park In-suk	Internal accounting management system
2023. 08. 09	External organization (marcspn)	Park Jin-su, Son Dong-wun	Understanding non-financial data disclosure for ESG
2023. 10. 31	Audit committee support unit	Park Jin-su, Son Dong-wun, Park In-suk	Board of directors and directors' Roles and responsibilities
2023. 11. 10	UNGC Network Korea	Park In-suk	Roles and responsibilities of ESG committee members

GOVERNANCE

BoD and Committees Activities

The meetings of DRB Holding's board of directors are divided into regular meetings that are held once a quarter and extraordinary meetings that are held as necessary. We have established board regulations for its efficient operation, and minutes are prepared and maintained for each meeting. We have convened a total of six BoD sessions in 2023 and except as otherwise provided by applicable laws and regulations, resolutions at the Board of Directors are made with the attendance of a majority of directors and the approval of a majority of directors present.

2023 Board of Directors Meetings

Session (Date of meeting)	Agenda	Status	Name of director				
			Ryu Yeong-sik	Park Jin-su	Son Dong-wun	Park In-suk	Yoo Hee-chan
1st Regular (2023.02.07)	Approval of the separate financial statements	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Approval of extensions of borrowings, etc.	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Approval of the extension of the payment guarantee for the subsidiary's borrowings, etc.	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Reported on the 2023 business plan	Reported	-	-	-	-	-
	Reported on the operational status of the internal accounting management system in 2022	Reported	-	-	-	-	-
2nd Regular (2023.02.21)	Approval of the planned dividend for 2022	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Approval of consolidated financial statements	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Convening the 57th regular general meeting of shareholders and approving the agenda	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Reported on the evaluation results on the operational status of the internal accounting management system in 2022	Reported	-	-	-	-	-
3rd Extraordinary (2023.03.23)	Appointment of CEO	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
4th Regular (2023.05.10)	Appointment of committee members within the board of directors	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Approval of the extension of the payment guarantee for the subsidiary's borrowings, etc.	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Reported on financial statements for the first quarter of 2023	Reported	-	-	-	-	-
5th Regular (2023.08.09)	Approval of the compliance control standards (draft)	Approved	○(Approval)	○(Approval)	○(Approval)	Absent	○(Approval)
	Approval of the Compliance Program	Approved	○(Approval)	○(Approval)	○(Approval)	Absent	○(Approval)
	Approval of extensions of borrowings, etc.	Approved	○(Approval)	○(Approval)	○(Approval)	Absent	○(Approval)
	Reported on financial statements for the first half of 2023	Reported	-	-	-	-	-
6th Regular (2023.11.07)	Amendment to the Board of Directors Operational Regulations	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Approval of extensions of borrowings, etc.	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Approval of the extension of the payment guarantee for the subsidiary's borrowings, etc.	Approved	○(Approval)	○(Approval)	○(Approval)	○(Approval)	○(Approval)
	Reported on financial statements for the third quarter of 2023	Reported	-	-	-	-	-

2023 Audit Committee Meetings

Session (Date of meeting)	Agenda	Status	Name of director			Report to the BoD
			Park In-suk	Park Jin-su	Yoo Hee-chan	
1st (2023.02.07)	Amendment to the External Auditor Appointment Regulations	Approved	○(Approval)	○(Approval)	○(Approval)	X
	Selection of an external auditor	Approved	○(Approval)	○(Approval)	○(Approval)	X
	Report on the operational status of the internal accounting management system	Reported	-	-	-	○
	Report on financial statements for the fourth quarter of 2022	Reported	-	-	-	○
2nd (2023.02.21)	Operation status of internal monitoring devices	Approved	○(Approval)	○(Approval)	○(Approval)	X
	Audit Committee's audit report	Approved	○(Approval)	○(Approval)	○(Approval)	X
	Post-evaluation of the auditor for the previous term	Approved	○(Approval)	○(Approval)	○(Approval)	X
	Report on the consolidated financial statements and operating report for 2022	Reported	-	-	-	○
	Report on the agenda items for the regular shareholders' meeting	Reported	-	-	-	○
3rd (2023.05.10)	Report on the plan to inspect the operation status of the internal accounting management system	Reported	-	-	-	X
	Review of the consolidated financial statements for the first quarter of 2023	Reported	-	-	-	○
4th (2023.08.09)	Report on the results and operational plan for internal accounting management system evaluation	Reported	Absent	-	-	X
	Report on the status of internal audit work in the first half of 2023	Reported	Absent	-	-	X
	External auditor's communication with the Audit Committee	Reported	Absent	-	-	X
	Review of the consolidated financial statements for the first half of 2023	Reported	Absent	-	-	○
5th (2023.11.07)	Implementation of non-audit services by the external auditor	Approved	○(Approval)	○(Approval)	○(Approval)	X
	Report on the status of internal audit work	Reported	-	-	-	X
	Report on educational performance in the second half of 2023	Reported	-	-	-	X
	Review of the consolidated financial statements for the third quarter of 2023	Reported	-	-	-	○

2023 Non-executive Director Candidate Recommendation & Compensation Committee Meetings

Session (Date of meeting)	Agenda	Status	Name of director			Report to the BoD
			Park Jin-su	Son Dong-wun	Yoo Hee-chan	
1st (2023.02.21)	Recommendation of non-executive director candidates_Park Jin-su	Approved	-	○(Approval)	○(Approval)	○
	Recommendation of non-executive director candidates_Son Dong-wun	Approved	○(Approval)	-	○(Approval)	○
	Approval of limit on compensation for directors	Approved	○(Approval)	○(Approval)	○(Approval)	○
2nd (2023.05.10)	Appointment of the Chairperson	Approved	○(Approval)	○(Approval)	○(Approval)	○

2023 ESG Committee Meetings

CLICK HERE

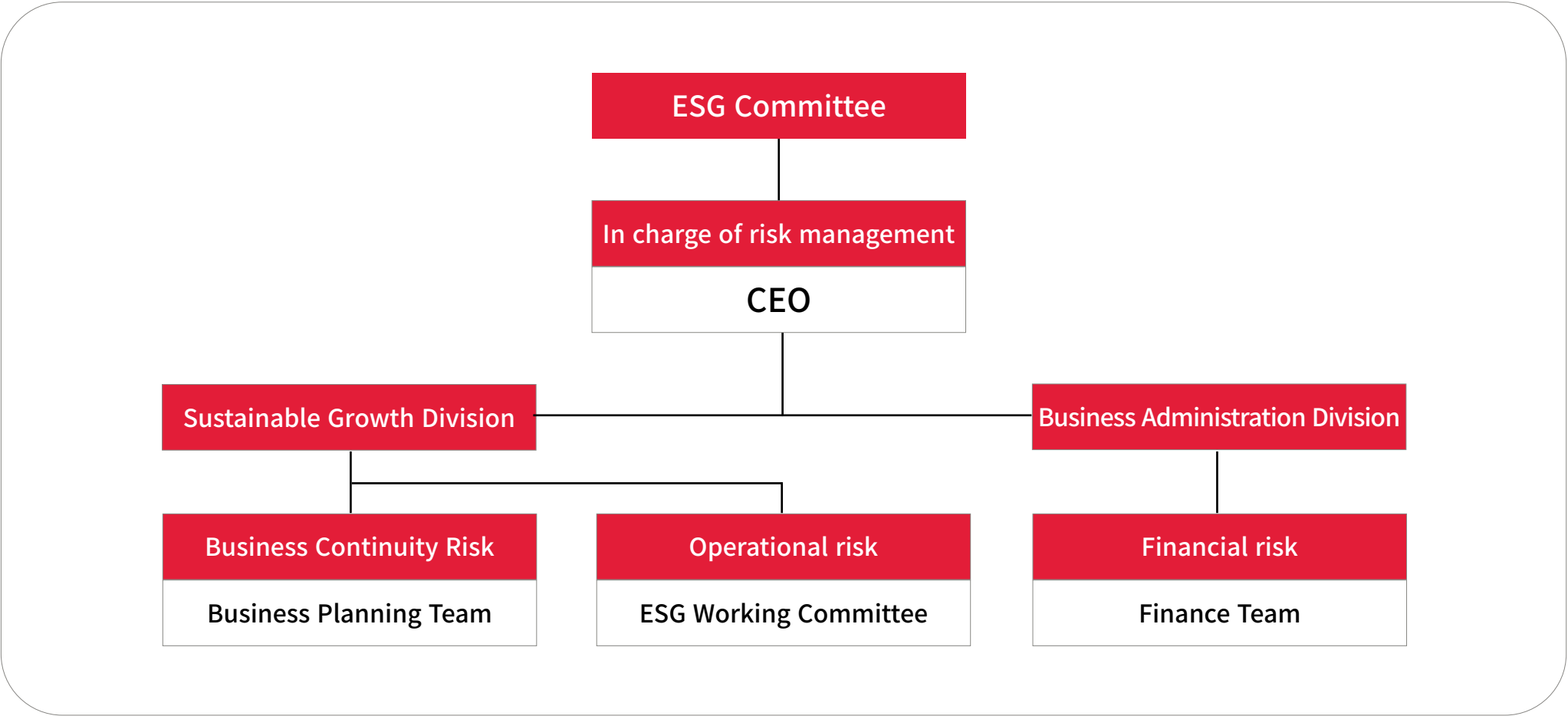
Please refer to the main activities of the Board of Directors and ESG Committee

GOVERNANCE

Risk management

DRB views risk management to be an integral component of corporate governance and aims to build an active risk management culture. Furthermore, we are constantly improving our risk management processes with the aim of maintaining the soundness and stability of our corporate operations. DRB handles the risk agenda at the board of directors' ESG Committee, where it examines the conditions and measures to address major risks. Furthermore, the CEO is designated as the person in charge of risk management, and heads of departments in charge of compliance, finance, management support, production, technology, and research are included in the risk management system to manage financial and non-financial risks across the company.

DRB Risk Management Governance



DRB Risk Management System



GOVERNANCE

Management of Key Risks by Type

DRB has classified various risks into environmental risks based on a broad perspective to respond to mid- to long-term risks, financial risks such as sales, exchange rates, liquidity, and interest rates, business risks such as strategy, competitors, customers, and technological changes, and operational risks such as members, processes, infrastructure, and security, with further grouping of the last two risk types into a non-financial risks. Based on this classification, we establish a response strategy to proactively identify and manage company-wide integrated risks.

Financial risk

	Risks	Management activities
Market	Foreign exchange risk	<ul style="list-style-type: none">Management of foreign exchange risk for functional currencies ¹⁾
Credit	Inability of the customer or counterparty to perform contractual obligations	<ul style="list-style-type: none">Establishing and managing credit limits for trading partners with trade receivables in accordance with internal receivable management regulationsManaging fund collection plans such as credit checks and collateral for investments and loans
Liquidity	nexpected deterioration in liquidity	<ul style="list-style-type: none">Maintaining an adequate level of deposits by periodically predicting future cash flowsEntering into agreements with financial institutions for the investment of emergency funds

1) Managing exchange rate fluctuation risk for US, European, and Japanese currencies

Non-financial risk_business continuity

	Risks	Management activities
Supply chain	Delay in product delivery due to failure to secure raw material supply and production continuity	<ul style="list-style-type: none">Establishing and training a response system for each supply continuity emergency scenarioRegularly evaluating the quality and environment of external raw and subsidiary material suppliers based on IATF 16949, ISO 9001, and ISO 14001Establishing a procurement emergency response manualProviding consultation and regularly evaluating to strengthen external suppliers’ ESG management capabilitiesManaging unfair trade risks in the supply chain and addressing external supplier grievances through PSMReviewing orders and operating BAC (Bid Approval Committee)
Disaster and safety	Disasters such as earthquakes, fires, etc. or safety accidents in the workplace	<ul style="list-style-type: none">A special organization for company-wide safety risk managementSetting up an emergency response organization for disasters and safety accidents, preparing manuals for each scenario, and defining recovery targetsConducting regular public-private joint training based on accident scenarios (fires, explosions, etc.) in the workplace.
Environ mental	Imposition of legal sanctions and fines according to environmental regulations	<ul style="list-style-type: none">Operating a dedicated environmental risk management organizationRegularly diagnosing and preventing potential risks through environmental impact assessmentRenewing and self-checking ISO 14001 certificationConducting regular response training for each environmental accident scenario, such as chemical and wastewater spills

Non-financial risk_operation

	Risks	Management activities
Climate change	Regulatory risks related to emissions; transition to business related to physical risks	<ul style="list-style-type: none">Operating a dedicated climate change risk management organization, monitoring related laws, and setting and enforcing reduction targetsMonitoring greenhouse gas emissions at the workplace
Quality management	Risks resulting from changes to 4M Risks affecting continued supply or delivery	<ul style="list-style-type: none">Evaluating the impact of 4M changes and monitoring quality levelsManaging non-conforming products according to the treatment processEstablishing and training quality control risk in emergency scenarios
Human rights	Human rights violations, human resource management	<ul style="list-style-type: none">Carrying out periodic human rights impact assessments and implementing improvement measures.Establishing and disseminating human rights policies and guidelinesProviding training and operating a reporting system on human rights protection, anti-discrimination, etc.
Information security	External cyberterrorism, internal data leakage, and information loss	<ul style="list-style-type: none">Operating a dedicated security organization and establishing security regulations and operating standardsKnowledge management through the document centralization system (ECM)Providing regular training on in-house security guides, security training for security personnel in each department, and company-wide security training
Law and ethics	Unfavorable contract conclusion, lawsuits, unfair transactions, and corruption	<ul style="list-style-type: none">Avoiding legal risks by adhering to contract review regulations and the use of standard contracts, and raising awareness by disseminating litigation casesDeveloping knowledge through practical training in foreign exchange, patents, contract management, etc.Providing anti-corruption and ethics education, including the Improper Solicitation and Graft Act, Fair Transactions in Subcontracting Act, and Monopoly Regulation and Fair Trade Act
Brand and reputation	Compromising the corporate image due to misinformation, negative communication, etc.	<ul style="list-style-type: none">Providing PR risk response training to new hires, promoted employees, and newly appointed team leadersRaising awareness through behavioral principles, action processes, and case studies for public relations personnelImplementing brand marketing and communicating with stakeholders through various channels

Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt.	ENVIRONMENT	SOCIAL	GOVERNANCE	ESG Fact Sheets	Index	Assurance

APPENDIX



Financial Achievement

Condensed consolidated balance sheet

	2021	2022	2023
(Unit: 1,000 KRW)			
[Current Assets]	384,837,852	475,692,074	508,096,734
Cash and Cash Equivalents	107,263,427	143,643,614	152,563,890
Short-term Financial Instruments	5,127,181	14,773,361	37,870,614
Trade Receivables	128,277,650	146,658,474	162,349,978
Other Receivables	10,376,328	9,803,358	17,945,546
Inventories	110,920,541	142,723,633	123,096,765
Financial Assets Measured at Fair Value Through Profit or Loss	10,200,912	-	516,508
Other Current Assets	12,671,812	18,089,633	13,753,433
[Non-current Assets]	447,118,710	469,546,421	455,554,858
Long-term Financial Instruments	1,507,429	136,630	7,481
Investment Assets	19,227,080	17,994,055	16,114,709
Other Receivables	10,296,435	13,023,258	10,653,120
Property, Plant, and Equipment (PPE)	392,898,062	397,591,091	403,744,029
Intangible Assets	4,170,381	4,690,957	1,857,277
Investment Properties	16,097,907	15,975,851	15,854,129
Other Non-current Assets	2,392,465	12,358,812	2,141,950
Defined Benefit Assets	528,951	7,775,767	5,182,163
[Total Assets]	831,956,562	945,238,495	963,651,592
[Current Liabilities]	311,773,257	400,359,407	396,123,601
[Non-current Liabilities]	44,627,553	65,110,403	69,418,137
[Total Liabilities]	356,400,810	465,469,810	465,541,738
Capital Stock	9,965,000	9,965,000	9,965,000
Capital Surplus	35,196,190	35,234,324	35,238,137
Other Capital	-96,390,340	-96,390,340	-96,390,340
Accumulated Other Comprehensive Income	-1,032,494	-3,157,412	-3,345,717
Retained Earnings	416,821,449	419,962,651	433,508,043
Non-controlling Interests	110,995,947	114,154,462	119,134,731
[Total Equity]	475,555,752	479,768,685	498,109,854

Condensed consolidated income statement

	2021	2022	2023
(Unit: 1,000 KRW)			
Revenue	551,337,200	661,814,016	737,777,768
Operating Profit	577,562	12,110,321	35,845,945
Net Profit	-2,796,740	3,536,815	21,854,908
Total Comprehensive Income for the Period	-2,796,740	3,536,815	21,854,908
Equity Attributable to Owners of the Parent	-4,054,340	1,534,701	15,372,362
Non-controlling Interests	1,257,600	2,002,114	6,482,546
Other Comprehensive Income	15,013,075	1,837,456	-1,814,705
Total Comprehensive Income	12,216,335	5,374,271	20,040,203
Earnings Per Share (EPS)			
Basic and Diluted Earnings Per Share	-210	80	798
Number of Subsidiaries Included in Consolidation	18	18	17

General information of subsidiaries

(Unit: 1,000 KRW)					
Name of Company	Assets	Liabilities	Equity	Revenue	Profit(Loss)
DRB Industrial Co.,Ltd.	363,793,479	143,920,853	219,872,627	348,100,286	10,395,389
DRB International Co.,Ltd.	99,416,489	6,310,231	93,106,258	646,287	13,120
DRB Automation Co.,Ltd.	93,400,799	71,636,945	21,763,854	96,373,698	3,425,559
Saeil Enterprise Co.,Ltd.	11,090,273	6,422,075	4,668,198	3,255,097	-578,184
DRB Union Beltinno Co., Ltd.	7,457,159	596,964	6,860,196	4,547,371	107,061
Wired Corporate Financial Stability Private Equity Fund(PEF)	12,456,181	49,521	12,406,659	-	-92,814
Wired Corporate Financial Stability Private Company (SPC)	12,391,015	1,221	12,389,794	-	-1,212
DRB Healthcare Co.,Ltd.	21,168,302	5,957,986	15,210,316	5,821,939	-3,513,281
DRB Automotive Co.,Ltd.	104,209,402	48,805,476	55,403,925	105,680,399	2,461,554
Qingdao Dongil Rubber Belt Co., Ltd.	126,055,090	53,281,707	72,773,383	111,924,864	-1,392,454
Dongil Rubber Belt Slovakia s.r.o	62,757,996	39,744,060	23,013,936	77,245,232	-673,705
Dongil Rubber Belt Vietnam Co., Ltd	123,457,546	68,135,182	55,322,364	155,437,059	5,327,369
Dongil Rubber Belt America Inc.	60,092,005	50,644,496	9,447,508	141,749,048	3,756,087
Dongil Rubber Belt Japan Co., Ltd	25,748,031	22,949,031	2,799,000	55,018,759	1,126,100
Shanghai Dongil Rubber Belt Co., Ltd.	4,049,022	886,363	3,162,658	7,877,152	430,352
PT. Dongil Rubber Belt Indonesia	760,073	894,256	-134,183	2,004,046	13,944
DRB RUS LIMITED LIABILITY COMPANY	10,134,285	11,281,458	-1,147,173	406,381	-3,660,033

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1-1. Greenhouse Gas (Scope 1&2) Emissions

Category		Unit	2021	2022	2023	Notes
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	7,532	111	90	
	Scope 1	tCO ₂ -eq	1,191	7	8	
	Scope 2	tCO ₂ -eq	6,341	104	82	
Greenhouse gas emissions intensity (FY2023 Separate Revenue by Legal Entity)		tCO ₂ -eq/onebillionKRW	78.7	2.8	5.3	

1-2. Energy Consumption

Category			Unit	2021	2022	2023	Notes
Total energy consumption			GJ	155,340	2,320	1,875	
Total non-renewable energy consumption	Total		GJ	155,340	2,320	1,875	
	Direct Energy	Total	GJ	22,840	140	155	
		LNG	GJ	21,060	140	155	
		LPG	GJ	0	0	0	
		Gasoline	GJ	210	0	0	
		Diesel	GJ	1,450	0	0	
		Kerosene	GJ	120	0	0	
		Wood	GJ	0	0	0	
	Indirect energy	Total	GJ	132,500	2,180	1,720	
		Electricity	GJ	132,500	2,180	1,720	
		Other	GJ	0	0	0	
Energy consumption intency (FY2023 Separate Revenue by Legal Entity)			GJ/one billion KRW	3,005.9	111.9	109.2	

1-3. Raw Material Consumption

Category	Unit	2021	2022	2023	Notes
Total raw material consumption (purchased)	ton	8,822			
Renewable raw material consumption (purchased)	ton	0			
Renewable raw material usage ratio (purchased)	%	0			

1-4. Hazardous Chemical Management

Category	Unit	2021	2022	2023	Notes
Chemical material management	Total	ton	97		
	Emission amount	ton	41		
	Transported amount	ton	56		
Total hazardous chemical usage	ton	115			
Hazardous chemical usage intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	1.2			
Major hazardous chemical spill incidents	cases	0			

1-5. Waste Management

Category		Unit	2021	2022	2023	Notes	
Total waste generation (general + designated)	Total	ton	1,919				
	Recycled	ton	1,890				
	Recycling rate	%	98.5				
	Processed	Total	ton	29			
		Incinerated with energy recovery	ton	0			
		Incinerated without energy recovery	ton	20			
		Landfilled	ton	9			
		Other methods	ton	0			
Waste generation intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	20				
General waste	Total	ton	1,845				
	Recycled	ton	1,836				
	Recycling rate	%	99.5				
	Processed	Total	ton	9			
		Incinerated with energy recovery	ton	0			
		Incinerated without energy recovery	ton	0			
		Landfilled	ton	9			
		Other methods	ton	0			
Designated waste	Total	ton	74				
	Recycled	ton	54				
	Recycling rate	%	73				
	Processed	Total	ton	20			
		Incinerated with energy recovery	ton	0			
		Incinerated without energy recovery	ton	20			
		Landfilled	ton	0			
		Other methods	ton	0			

1-6. Water Intake and Usage

Category	Unit	2021	2022	2023	Notes
Total water usage	ton	35,125			
Water intake	Total	ton	35,125		
	Surface water	ton	35,125		
	Groundwater	ton	0		
Water usage intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	366.8			
Total water recycled	ton	0			
Water recycling rate	%	0			

1-7. Wastewater Discharge

Category	Unit	2021	2022	2023	Notes
Wastewater discharge	ton	13,553			
Wastewater discharge intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	141.5			

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1-8. Water Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total water pollutants emissions	kg	8,801			
COD	kg	420			
BOD	kg	1,070			
SS	kg	100			
TOC	kg	-			
T-N	kg	952			
T-P	kg	30			
N-H	kg	0			
Other water pollutants	kg	6,229			
Water pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	91.91			

1-9. Air Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total air pollutants emissions	kg	1,420			
NOx	kg	0			
SOx	kg	0			
PM	kg	1,420			
Other air pollutants	kg	0			
Air pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	14.8			

1-10. Environmental Regulation Violations

Category	Unit	2021	2022	2023	Notes
Number of environmental regulation violations	cases	0	0	0	
Fines and penalties	One million KRW	0	0	0	

2-1. Employees

Category	Unit	2021	2022	2023	Notes
Total	persons	280	81	86	
Employment type	Regular	persons(%)	278(99.3)	79(97.5)	80(93)
	Non-regular	persons(%)	2(0.7)	2(2.5)	6(7)
External employees	persons	16	0	0	
Social insurance coverage rate	%	96.4	90.1	91.9	
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)
	18 to under 30 years old	persons(%)	16(5.7)	9(11.1)	6(7)
	30 to under 50 years old	persons(%)	198(70.7)	59(72.8)	61(70.9)
	50 years old and over	persons(%)	66(23.6)	13(16.1)	19(22.1)

2-2. New employees

Category	Unit	2021	2022	2023	Notes
Total	persons	9	13	12	
Employment type	Regular	persons	7	10	6
	Non-regular	persons	2	3	6
Gender	Male	persons	7	8	6
	Female	persons	2	5	6

2-3. Turnover

Category	Unit	2021	2022	2023	Notes
Total	persons(%)	27(9.6)	5(6.1)	3(3.5)	
Turnover type	Voluntary	persons(%)	16(5.7)	3(3.7)	2(2.3)
	Involuntary	persons(%)	11(3.9)	2(2.5)	1(1.2)

2-4. Tenure

Category	Unit	2021	2022	2023	Notes
Average tenure	Years	13.3	10.6	10.4	
Gender diversity	Male	Years	13.8	11.2	11.6
	Female	Years	9.7	8.7	7.3

2-5. Diversity

Category	Unit	2021	2022	2023	Notes
Total number of female employees	persons(%)	30(10.7)	20(24.7)	25(29.1)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)
		Senior management	persons(%)	0(0)	1(10)
		Junior management	persons(%)	1(5.9)	2(20)
		STEM departments	persons(%)	3(6.8)	2(12.5)
		Revenue-generating departments	persons(%)	7(22.6)	0(0)
Other	Disabled employees	persons(%)	5(1.8)	0(0)	0(0)
	Veteran employees	persons(%)	6(2.1)	0(0)	0(0)

2-6. Wage

Category	Unit	2021	2022	2023	Notes
Ratio of actual wage to average wage	Male	%	102.4	106.5	115
	Female	%	80.4	75	73.1
Ratio of hourly base wage to minimum wage	%	113.5	158	104.6	
Equal pay	Ratio of average base wage between male and female	%	78.6	70.4	63.6
	CEO-to-employee wage gap (median)	%	342.7	353.2	371.3

2-7. Parental Leave

Category	Unit	2021	2022	2023	Notes
Employees on parental leave	Total	persons	5	1	1
	Male	persons	4	0	0
	Female	persons	1	1	1
Employees returning after parental leave	Total	persons(%)	1(100)	0	1(100)
	Male	persons(%)	0	0	0
	Female	persons(%)	1(100)	0	1(100)
Employees who worked for 12 months or more after parental leave	Total	persons(%)	0	1(100)	0
	Male	persons(%)	0	0	0
	Female	persons(%)	0	1 (100)	0

2-8. Training

Category	Unit	2021	2022	2023	Notes
Total hours	Hours	4,239	4,473	4,069	
Total costs	1,000 KRW	113,527	154,820	158,106	
Training hours per employee	Hours	15.1	55.2	47.3	
Training costs per employee	1,000 KRW	405	1,911	1,838	

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2-9. Grievance

	Category	Unit	2021	2022	2023	Notes
Grievance	Received(report)	cases	0	0	0	
	Processed	cases	0	0	0	
	Processing rate	%	0	0	0	

2-10. Human Rights

	Category	Unit	2021	2022	2023	Notes
Human rights violation (DRB)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	
Human rights violation (External supplier)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	
	Child labor	cases	0	0	0	
	Forced labor	cases	0	0	0	

2-11. Human Rights Training

	Category	Unit	2021	2022	2023	Notes
Total training hours		Hours	706	226	313	
Number of participants		persons	758	226	231	

2-12. Occupational Accident Rate

	Category	Unit	2021	2022	2023	Notes
Employees	Total working hours	Hours	589,608	158,163	181,120	
	Number of employees	persons	195	81	86	
	Lost time injury cases (LTI)	cases	1	0	0	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	1.69	0	0	
	Number of Injured Persons	persons	1	0	0	
	Occupational injury rate	%	0.51	0	0	
	Severity rate	Cases per Thousand Work Hours	0.08	0	0	
	Absenteeism rate	%	0.1	0	0	
	Number of occupational diseases	cases	0	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0	
	Number of work-related fatalities	persons	0	0	0	
	Number of Process Safety Incidents	cases	1	0	0	
Contractor	Total working hours	Hours	298,100			
	Number of employees	persons	123			
	Number of Work-Related Fatalities	persons	0			
	Lost time injury cases (LTI)	cases	0			
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	0			
Number of violations of occupational health and safety laws		cases	0	0	0	

2-13. Occupational Health and Safety Management System

	Category	Unit	2021	2022	2023	Notes
ISO 45001 implementation rate		%	50	0	0	

2-14. Occupational Health and Safety Training

	Category	Unit	2021	2022	2023	Notes
Total training hours		Hours	0	1,399	1,456	
Number of participants		persons	0	781	869	

2-15. Employees Health Check-Ups

	Category	Unit	2021	2022	2023	Notes
Employee health examinations participants	General health check-up	persons	280	92	86	
	Comprehensive health check-up	persons	125	43	37	
	Special health check-up	persons	85	0	0	

2-16. Union

	Category	Unit	2021	2022	2023	Notes
Number of union employees		persons	118	0	0	
Union employeeeship rate		%	41.5	0	0	
Collective bargaining agreement coverage rate		%	100	100	100	
Number of labor-management committee meetings		cases	4	0	0	

2-17. Supply Chain ESG Assessment

	Category	Unit	2021	2022	2023	Notes
ESG risk assessment conducted	document	Cases	2	0	0	
	on-site	Cases	0	0	0	
ESG risk assessment result	Identified risks	Numbers	3	0	0	
	Established improvement plans	Numbers	3	0	0	
	Suspended transactions	Numbers	0	0	0	

2-18. Social Contribution

	Category	Unit	2021	2022	2023	Notes
Social contribution amount	Total amount	100 million KRW	1.03	1.08	3.64	
	Cash donations	100 million KRW	0.70	0.80	0.84	
	In-kind donations	100 million KRW	0	0	0	
	Operating expenses	100 million KRW	0.33	0.28	2.80	
Political contributions		100 million KRW	0	0	0	
Major association fees and contributions		100 million KRW	0.28	0.21	0.01	
Volunteer work	Total hours	hours	0	158	84	
	Volunteer hours per employee	hours	0	2	1	

2-19. Information Security Status

	Category	Unit	2021	2022	2023	Notes
information security incident occurred	Total	Cases	0	0	0	
	Personal information protection violations	Cases	0	0	0	
	Information security violations related to customer information	Cases	0	0	0	

2-20. Information Security Training

	Category	Unit	2021	2022	2023	Notes
Total training hours		Hours	0	10	86	
Number of participants		Persons	0	10	86	

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3-1. Ethics Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	141	66	67	
Number of participants	Persons	141	66	67	

3-2. Compliance Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	1,173	713	838	
Number of participants	Persons	856	461	583	

3-3. Code of Ethics

Category	Unit	2021	2022	2023	Notes
Number of employees who signed the code of ethics	Persons(%)	149(53.2)	161(58.5)	68(79.1)	
Signature Rate of External Supplier Code of Conduct	%	100	100	100	

3-4. Ethics Management Reports & Actions

Category	Unit	2021	2022	2023	Notes
Code of ethics violations / reports	Cases	0	0	0	
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0	

3-5. Compliance

Category	Unit	2021	2022	2023	Notes
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	1	0	0	
Violation of product/service information and labeling regulations	Cases	0	0	0	
Violation of internal transaction regulations	Cases	0	0	0	
Violation of subcontracting regulations	Cases	0	0	0	
Lawsuits related to legal and regulatory violations	Cases	0	0	0	

3-6. Board Independence

Category	Unit	2021	2022	2023	Notes
Ratio of non-executive directors	%	0	66.7	60	
Limit on the number of additional positions held by executives	Numbers	1	1	1	

3-7. Board Diversity

Category	Unit	2021	2022	2023	Notes
Female executives	Persons(%)	0(0)	1(20)	1(20)	

3-8. Board Operation

Category	Unit	2021	2022	2023	Notes
Average tenure of non-executives	Year	1.8	2.1	3.1	
Number of board meetings	Numbers	5	6	6	
Board meeting attendance rate	%	100	100	97	
Board Agenda Items	Total	Cases	15	25	21
	Report	Cases	0	6	6
	Resolution	Cases	15	19	15
Opinions on agenda items	Total	Cases	15	19	15
	In favor	Cases	15	19	15
	Against	Cases	0	0	0
	Amendments	Cases	0	0	0
	Abstentions	Cases	0	0	0
Training for non-operating directors	Cases	0	3	4	
Participation of non-executive directors in internal training	Y/N	N	Y	Y	
Training for non-executive directors	Cases	0	3	2	

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1-1. Greenhouse Gas (Scope 1&2) Emissions

Category		Unit	2021	2022	2023	Notes
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	12,756	12,810	12,085	
	Scope 1	tCO ₂ -eq	6,466	6,398	6,207	
	Scope 2	tCO ₂ -eq	6,291	6,412	5,878	
Greenhouse gas emissions intensity (FY2023 Separate Revenue by Legal Entity)		tCO ₂ -eq/onebillionKRW	46.8	33.5	34.7	

1-2. Energy Consumption

Category			Unit	2021	2022	2023	Notes
Total energy consumption			GJ	252,007	258,651	232,437	
Total non-renewable energy consumption	Total		GJ	252,007	258,651	232,437	
	Direct Energy	Total	GJ	120,556	124,659	109,617	
		LNG	GJ	116,852	121,311	31,382	
		LPG	GJ	0	976	75,206	
		Gasoline	GJ	70	67	226	
		Diesel	GJ	3,567	2,186	2,693	
		Kerosene	GJ	67	119	110	
		Indirect energy	Total	GJ	131,451	133,992	122,820
	Electricity		GJ	131,451	133,992	122,820	
	Other		GJ	0	0	0	
Energy consumption intency (FY2023 Separate Revenue by Legal Entity)			GJ/one billion KRW	924.2	676.5	667.7	

1-3. Raw Material Consumption

Category	Unit	2021	2022	2023	Notes
Total raw material consumption (purchased)	ton	3,763	4,521	3,727	
Renewable raw material consumption (purchased)	ton	559	763	593	
Renewable raw material usage ratio (purchased)	%	14.9	16.9	15.9	

* We have supplemented missing data in the raw material usage and purchase quantities. (Figures differ from those in the previous year's report.)

1-4. Hazardous Chemical Management

Category		Unit	2021	2022	2023	Notes
Chemical material management	Total	ton	42	35	30	
	Emission amount	ton	21	20	18	
	Transported amount	ton	21	15	12	
Total hazardous chemical usage		ton	235	204	162	
Hazardous chemical usage intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	0.9	0.5	0.5	
Major hazardous chemical spill incidents		cases	0	0	0	

* Prepared based on the results of chemical substance emissions surveys in accordance with Article 11 of the Chemical Substances Control Act.

1-5. Waste Management

Category		Unit	2021	2022	2023	Notes
Total waste generation (general + designated)	Total	ton	1,605	1,485	1,405	
	Recycled	ton	1,344	1,272	1,212	
	Recycling rate	%	83.7	85.6	86.3	
	Processed	Total	ton	261	213	193
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	229	201	177
		Landfilled	ton	28	12	16
		Other methods	ton	4	0	0
	Waste generation intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	5.9	3.9	4.0
General waste	Total	ton	1,539	1,463	1,359	
	Recycled	ton	1,288	1,250	1,176	
	Recycling rate	%	83.7	85.4	86.6	
	Processed	Total	ton	251	213	183
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	229	201	177
		Landfilled	ton	22	12	6
		Other methods	ton	0	0	0
	Designated waste		ton	66	22	46
	Recycled	ton	56	22	36	
	Recycling rate	%	84.7	99.5	77.9	
	Processed	Total	ton	10	0	10
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	6	0	10
		Other methods	ton	4	0	0

* Reporting Standards for Business Site Waste Generation and Disposal Performance

* Classification Criteria for Incineration Recycling: Recycling and incineration are categorized based on an energy recovery efficiency standard of 75%.

1-6. Water Intake and Usage

Category		Unit	2021	2022	2023	Notes
Total water usage		ton	335,640	348,872	320,803	
Water intake	Total	ton	95,979	92,632	91,725	
	Surface water	ton	95,979	92,632	91,725	
	Groundwater	ton	0	0	0	
Water usage intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	352	242.3	263.5	
Total water recycled		ton	239,661	256,240	229,078	
Water recycling rate		%	71.4	73.5	71.4	

1-7. Wastewater Discharge

Category		Unit	2021	2022	2023	Notes
Wastewater discharge		ton	785	0	0	
Wastewater discharge intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	2.9	0	0	

* Wastewater Discharge Volume: The amount discharged to the outside of the company through outfall points.

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1-8. Water Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total water pollutants emissions	kg	78	0	0	
COD	kg	6	0	0	
BOD	kg	4	0	0	
SS	kg	3	0	0	
TOC	kg	-	0	0	
T-N	kg	2	0	0	
T-P	kg	0	0	0	
N-H	kg	0	0	0	
Other water pollutants	kg	63	0	0	
Water pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	0.29	0	0	

* In accordance with the Water Environment Conservation Act, the organic matter indicator for water pollutants has been changed from COD to TOC (COD measured until 2021, TOC measured from 2022 onward).

1-9. Air Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total air pollutants emissions	kg	3,737	3,698	3,552	
NOx	kg	2,265	2,839	2,413	
SOx	kg	0	0	0	
POP	kg	0	0	0	
VOCs	kg	15	26	24	
PM	kg	412	623	757	
Other air pollutants	kg	1,045	210	358	
Air pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	13.7	9.7	10.2	

1-10. Environmental Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	1,452	1,310	1,372	
Number of participants	Persons	554	548	531	

1-11. Environmental Regulation Violations

Category	Unit	2021	2022	2023	Notes
Number of environmental regulation violations	cases	0	0	1	
Fines and penalties	One million KRW	0	0	0.48	

* Based on the final confirmation date of environmental regulation violation dispositions.

1-12. Environmental Management System

Category	Unit	2021	2022	2023	Notes
ISO 14001 certification rate	%	100	100	100	

1-15. Eco-friendly Products

Category	Unit	2021	2022	2023	비고
Revenue from eco-friendly products	100 million KRW	2.1	13.5	0	

2-1. Employees

Category		Unit	2021	2022	2023	Notes
Total		persons	550	574	545	
Employment type	Regular	persons(%)	517(94)	550(95.8)	536(98.3)	
	Non-regular	persons(%)	33(6)	24(4.2)	9(1.7)	
External employees		persons	34	34	34	
Social insurance coverage rate		%	88.0	86.9	85.0	
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)	
	18 to under 30 years old	persons(%)	41(7.6)	30(5.2)	17(3.1)	
	30 to under 50 years old	persons(%)	274(49.8)	301(52.4)	272(49.9)	
	50 years old and over	persons(%)	234(42.6)	243(42.3)	256(47)	

2-2. New employees

Category		Unit	2021	2022	2023	Notes
Total		persons	52	40	22	
Employment type	Regular	persons	11	14	20	
	Non-regular	persons	41	26	2	
Gender	Male	persons	51	31	14	
	Female	persons	1	9	8	

2-3. Turnover

Category		Unit	2021	2022	2023	Notes
Total		persons(%)	46(8.4)	46(8)	37(6.8)	
Turnover type	Voluntary	persons(%)	10(1.8)	14(2.4)	13(2.4)	
	Involuntary	persons(%)	36(6.5)	32(5.6)	24(4.4)	

2-4. Tenure

Category		Unit	2021	2022	2023	Notes
Average tenure		Years	18.3	18.6	18.7	
Gender diversity	Male	Years	18.6	19	19.3	
	Female	Years	14.4	14.2	13.5	

2-5. Diversity

Category		Unit	2021	2022	2023	Notes
Total number of female employees		persons(%)	39(7.1)	51(8.9)	55(10.1)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)	
		Senior management	persons(%)	0(0)	2(20)	
		Junior management	persons(%)	0(0)	0(0)	
		STEM departments	persons(%)	7(14.3)	8(15.1)	
		Revenue-generating departments	persons(%)	13(21.7)	15(23.1)	
Other	Disabled employees	persons(%)	13(2.4)	13(2.3)	12(2.2)	
	Veteran employees	persons(%)	13(2.4)	12(2.1)	12(2.2)	

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2-6. Wage						
	Category	Unit	2021	2022	2023	Notes
Ratio of actual wage to average wage	Male	%	101.6	103.2	102.9	
	Female	%	78.9	76.6	73.5	
Ratio of hourly base wage to minimum wage		%	113.1	115.4	102.8	
Equal pay	Ratio of average base wage between male and female	%	77.6	74.8	71.4	
	CEO-to-employee wage gap (median)	%	350.4	364.9	399.3	

2-7. Parental Leave						
	Category	Unit	2021	2022	2023	Notes
Employees on parental leave	Total	persons	4	5	8	
	Male	persons	2	3	6	
	Female	persons	2	2	2	
Employees returning after parental leave	Total	persons(%)	3(75)	4(80)	5(100)	
	Male	persons(%)	2(100)	2(66.7)	4(100)	
	Female	persons(%)	1(50)	2(100)	1(100)	
Employees who worked for 12 months or more after parental leave	Total	persons(%)	3(100)	1(25)	4(100)	
	Male	persons(%)	2(100)	0(0)	3(100)	
	Female	persons(%)	1(100)	1(50)	1(100)	

2-8. Training						
	Category	Unit	2021	2022	2023	Notes
Total hours		Hours	5,920	11,986	12,182	
Total costs		1,000 KRW	170,475	75,588	120,176	
Training hours per employee		Hours	10.8	20.9	22.4	
Training costs per employee		1,000 KRW	310	132	221	

2-9. Grievance						
	Category	Unit	2021	2022	2023	Notes
Grievance	Received(report)	cases	0	0	0	
	Processed	cases	0	0	0	
	Processing rate	%	0	0	0	

2-10. Human Rights						
	Category	Unit	2021	2022	2023	Notes
Human rights violation (DRB)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	
Human rights violation (External supplier)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	
	Child labor	cases	0	0	0	
	Forced labor	cases	0	0	0	

2-11. Human Rights Training					
Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	1,405	1,284	1,403	
Number of participants	persons	1,599	1,284	1,403	

2-12. Occupational Accident Rate						
	Category	Unit	2021	2022	2023	Notes
Employees	Total working hours	Hours	1,208,545	1,298,583	1,233,727	
	Number of employees	persons	550	574	545	
	Lost time injury cases (LTI)	cases	4	3	1	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	2.48	2.31	0.81	
	Number of Injured Persons	persons	4	3	1	
	Occupational injury rate	%	0.73	0.54	0.18	
	Severity rate	Cases per Thousand Work Hours	0.32	0.40	0.07	
	Absenteeism rate	%	0.29	0.38	0.07	
	Number of occupational diseases	cases	1	2	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0.83	1.54	0	
	Number of work-related fatalities	persons	0	0	0	
	Number of Process Safety Incidents	cases	0	0	0	
Contractor	Total working hours	Hours	80,162	80,162	81,642	
	Number of employees	persons	34	34	34	
	Number of Work-Related Fatalities	persons	0	0	0	
	Lost time injury cases (LTI)	cases	0	0	0	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	0	0	0	
Number of violations of occupational health and safety laws		cases	1	0	0	

* Process safety incident data has been supplemented due to changes in management criteria. (Figures differ from those in the previous year's report.)
* Criteria for process safety incidents: Includes accidents such as fires, explosions, and toxic substance leaks, as well as similar incidents that could potentially escalate into such accidents.

2-13. Occupational Health and Safety Management System						
Category		Unit	2021	2022	2023	Notes
ISO 45001 implementation rate		%	100	100	100	

2-14. Occupational Health and Safety Training					
Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	12,900	13,236	12,540	
Number of participants	persons	6,660	6,888	6,540	

2-15. Employees Health Check-Ups						
	Category	Unit	2021	2022	2023	Notes
Employee health examinations participants	General health check-up	persons	530	542	517	
	Comprehensive health check-up	persons	261	276	249	
	Special health check-up	persons	348	356	347	

2-16. Union					
Category	Unit	2021	2022	2023	Notes
Number of union employees	persons	374	393	340	
Union employeeship rate	%	68	68.4	62.4	
Collective bargaining agreement coverage rate	%	100	100	100	
Number of labor-management committee meetings	cases	4	4	4	

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2-17. External Suppliers Status

Category	Unit	2021	2022	2023	Notes
Total number of external suppliers	Numbers	95	96	82	
Number of new external suppliers	Numbers	4	0	1	

2-18. Supply Chain ESG Assessment

Category	Unit	2021	2022	2023	Notes
ESG risk assessment conducted	document	2	34	33	
	on-site	0	5	9	
ESG risk assessment result	Identified risks	0	0	0	
	Established improvement plans	0	0	0	
	Suspended transactions	0	0	0	

2-19. Mutual cooperation

Category	Unit	2021	2022	2023	Notes
Total amount of mutual purchasing	100 million KRW	0	0	3.98	
Number of ESG support projects	Cases	0	0	2	
Number of ESG training supports	Cases	0	0	1	

2-20. External Suppliers Grievance Process

Category	Unit	2021	2022	2023	Notes
External Suppliers Grievance Process	Number of grievances received	0	0	0	
	Number of grievances processed	0	0	0	

2-21. Social Contribution

Category		Unit	2021	2022	2023	Notes
Social contribution amount	Total amount	100 million KRW	1.07	1.51	2.42	
	Cash donations	100 million KRW	0.93	1.12	0.66	
	In-kind donations	100 million KRW	0.06	0.06	0.06	
	Operating expenses	100 million KRW	0.08	0.33	1.70	
Political contributions		100 million KRW	0	0	0	
Major association fees and contributions		100 million KRW	0.39	0.46	0.50	
Volunteer work	Total hours	hours	0	188	122	
	Volunteer hours per employee	hours	0	0.32	0.22	

2-22. Information Security Status

Category	Unit	2021	2022	2023	Notes
information security incident occurred	Total	0	0	0	
	Personal information protection violations	0	0	0	
	Information security violations related to customer information	0	0	0	

2-23. Information Security Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	15	15	545	
Number of participants	Persons	15	15	545	

3-1. Ethics Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	128	521	492	
Number of participants	Persons	128	521	492	

3-2. Compliance Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	2,057	3,959	2,662	
Number of participants	Persons	1,126	2,496	2,337	

3-3. Code of Ethics

Category	Unit	2021	2022	2023	Notes
Number of employees who signed the code of ethics	Persons(%)	140(25.5)	157(27.4)	156(28.6)	
Signature Rate of External Supplier Code of Conduct	%	100	100	100	

3-4. Ethics Management Reports & Actions

Category	Unit	2021	2022	2023	Notes
Code of ethics violations / reports	Cases	0	0	0	
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0	

3-5. Compliance

Category	Unit	2021	2022	2023	Notes
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0	
Violation of product/service information and labeling regulations	Cases	0	0	0	
Violation of internal transaction regulations	Cases	0	0	0	
Violation of subcontracting regulations	Cases	0	0	0	
Lawsuits related to legal and regulatory violations	Cases	0	0	0	

Overview		Sustainable Management		Sustainability Areas			Appendix	
CEO Message	Company Profile	Sustainable Mgt.	ENVIRONMENT	SOCIAL	GOVERNANCE	ESG Fact Sheets	Index	Assurance

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3-6. Board Independence

Category		Unit	2021	2022	2023	Notes
Ratio of non-executive directors		%	66.7	60	60	
Limit on the number of additional positions held by executives		Numbers	1	1	1	

3-7. Board Diversity

Category		Unit	2021	2022	2023	Notes
Female executives		Persons(%)	0(0)	1(20)	1(20)	

3-8. Board Operation

Category		Unit	2021	2022	2023	Notes
Average tenure of non-executives		Year	3.3	1.1	2.1	
Number of board meetings		Numbers	6	6	5	
Board meeting attendance rate		%	100	100	92	
Board Agenda Items	Total	Cases	12	22	17	
	Report	Cases	0	5	6	
	Resolution	Cases	12	17	11	
Opinions on agenda items	Total	Cases	12	17	11	
	In favor	Cases	12	17	11	
	Against	Cases	0	0	0	
	Amendments	Cases	0	0	0	
	Abstentions	Cases	0	0	0	
Training for non-operating directors		Cases	0	0	0	
Participation of non-executive directors in internal training		Y/N	N	Y	Y	
Training for non-executive directors		Cases	0	3	5	

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1-1. Greenhouse Gas (Scope 1&2) Emissions

Category		Unit	2022	2023	Notes
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	7,935	8,582	
	Scope 1	tCO ₂ -eq	1,239	1,256	
	Scope 2	tCO ₂ -eq	6,697	7,326	
Greenhouse gas emissions intensity (FY2023 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	120.2	81.2	

1-2. Energy Consumption

Category			Unit	2022	2023	Notes
Total energy consumption			GJ	163,760	163,908	
Total non-renewable energy consumption	Total		GJ	163,760	163,908	
	Direct Energy	Total	GJ	23,820	24,204	
		LNG	GJ	22,160	22,693	
		LPG	GJ	0	0	
		Gasoline	GJ	140	29	
		Diesel	GJ	1,480	1,482	
		Kerosene	GJ	40	0	
		Wood	GJ	0	0	
	Indirect energy	Total	GJ	139,940	139,704	
		Electricity	GJ	139,940	139,704	
		Other	GJ	0	0	
Energy consumption intency (FY2023 Separate Revenue by Legal Entity)			GJ/one billion KRW	2,481.2	1,551	

1-3. Raw Material Consumption

Category	Unit	2022	2023	Notes
Total raw material consumption (purchased)	ton	9,287	10,291	
Renewable raw material consumption (purchased)	ton	0	0	
Renewable raw material usage ratio (purchased)	%	0	0	

* We have supplemented missing data in the raw material usage and purchase quantities. (Figures differ from those in the previous year's report.)

1-4. Hazardous Chemical Management

Category	Unit	2022	2023	Notes
Chemical material management	Total	ton	52	20
	Emission amount	ton	34	5
	Transported amount	ton	18	15
Total hazardous chemical usage	ton	118	118	
Hazardous chemical usage intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	1.8	1.1	
Major hazardous chemical spill incidents	cases	0	0	

* Prepared based on the results of chemical substance emissions surveys in accordance with Article 11 of the Chemical Substances Control Act.

1-5. Waste Management

Category			Unit	2022	2023	Notes
Total waste generation (general + designated)	Total		ton	1,922	2,280	
	Recycled		ton	1,871	2,208	
	Recycling rate		%	97.3	96.8	
	Processed	Total	ton	51	72	
		Incinerated with energy recovery	ton	0	0	
		Incinerated without energy recovery	ton	39	52	
		Landfilled	ton	12	20	
		Other methods	ton	0	0	
Waste generation intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	29.1	21.6		
General waste	Total		ton	1,818	2,145	
	Recycled		ton	1,806	2,125	
	Recycling rate		%	99.3	99.1	
	Processed	Total	ton	12	20	
		Incinerated with energy recovery	ton	0	0	
		Incinerated without energy recovery	ton	0	0	
		Landfilled	ton	12	20	
		Other methods	ton	0	0	
Designated waste	Total		ton	104	135	
	Recycled		ton	65	82	
	Recycling rate		%	62.5	60.7	
	Processed	Total	ton	39	52	
		Incinerated with energy recovery	ton	0	0	
		Incinerated without energy recovery	ton	39	52	
		Landfilled	ton	0	0	
		Other methods	ton	0	0	

* Reporting Standards for Business Site Waste Generation and Disposal Performance

* Classification Criteria for Incineration Recycling: Recycling and incineration are categorized based on an energy recovery efficiency standard of 75%

1-6. Water Intake and Usage

Category	Unit	2022	2023	Notes
Total water usage	ton	32,101	36,338	
Water intake	Total	ton	32,101	36,338
	Surface water	ton	32,101	36,338
	Groundwater	ton	0	0
Water usage intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	486.4	343.9
Total water recycled	ton	0	0	
Water recycling rate	%	0	0	

1-7. Wastewater Discharge

Category	Unit	2022	2023	Notes
Wastewater discharge	ton	10,110	10,782	
Wastewater discharge intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	153.2	102	

* Wastewater Discharge Volume: The amount discharged to the outside of the company through outfall points.

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1-8. Water Pollutants Emissions

Category	Unit	2022	2023	Notes
Total water pollutants emissions	kg	4,014	3,444	
COD	kg	590	640	
BOD	kg	610	480	
SS	kg	20	1	
TOC	kg	586	474	
T-N	kg	220	151	
T-P	kg	11	5	
N-H	kg	0	0	
Other water pollutants	kg	1,977	1,693	
Water pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	60.8	32.6	

1-9. Air Pollutants Emissions

Category	Unit	2022	2023	Notes
Total air pollutants emissions	kg	1,193	2,040	
NOx	kg	0	0	
SOx	kg	570	260	
PM	kg	620	1,780	
Other air pollutants	kg	0	0	
Air pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	18.1	19.3	

1-10. Environmental Training

Category	Unit	2022	2023	Notes
Total training hours	Hours	648	684	
Number of participants	Persons	162	171	

1-11. Environmental Regulation Violations

Category	Unit	2022	2023	Notes
Number of environmental regulation violations	cases	0	0	
Fines and penalties	One million KRW	0	0	

1-12. Environmental Management System

Category	Unit	2022	2023	Notes
ISO 14001 certification rate	%	100	100	

1-13. Environmental Investment & Costs

Category	Unit	2022	2023	Notes
Environmental investment amount	100 million KRW	1.54	1.76	
Environmental equipment operating costs	100 million KRW	1.04	0.84	

2-1. Employees

Category		Unit	2022	2023	Notes
Total		persons	194	199	
Employment type	Regular	persons(%)	188(96.9)	197(99)	
	Non-regular	persons(%)	6(3.1)	2(1)	
External employees		persons	16	16	
Social insurance coverage rate		%	93.2	92	
Age	Under 18 years old	persons(%)	0(0)	0(0)	
	18 to under 30 years old	persons(%)	5(2.6)	2(1)	
	30 to under 50 years old	persons(%)	124(63.9)	121(60.8)	
	50 years old and over	persons(%)	65(33.5)	76(38.2)	

2-2. New employees

Category		Unit	2022	2023	Notes
Total		persons	9	11	
Employment type	Regular	persons	2	6	
	Non-regular	persons	7	5	
Gender	Male	persons	8	11	
	Female	persons	1	0	

2-3. Turnover

Category		Unit	2022	2023	Notes
Total		persons(%)	4(2.1)	10(5)	
Turnover type	Voluntary	persons(%)	2(1)	5(2.5)	
	Involuntary	persons(%)	2(1)	5(2.5)	

2-4. Tenure

Category		Unit	2022	2023	Notes
Average tenure		Years	16.8	16.4	
Gender diversity	Male	Years	17.1	16.7	
	Female	Years	8.9	9.9	

2-5. Diversity

Category		Unit	2022	2023	Notes
Total number of female employees		persons(%)	9(4.6)	9(4.5)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)
		Senior management	persons(%)	0(0)	0(0)
		Junior management	persons(%)	0(0)	0(0)
		STEM departments	persons(%)	1(6.3)	1(5.6)
		Revenue-generating departments	persons(%)	4(22.2)	4(23.5)
Other	Disabled employees	persons(%)	6(3.1)	6(3)	
	Veteran employees	persons(%)	6(3.1)	6(3)	

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2-6. Wage					
	Category	Unit	2022	2023	Notes
Ratio of actual wage to average wage	Male	%	101.6	101.5	
	Female	%	65.9	66.9	
Ratio of hourly base wage to minimum wage		%	122.2	105.6	
Equal pay	Ratio of average base wage between male and female	%	64.8	65.9	
	CEO-to-employee wage gap (median)	%	356.6	418.8	

2-7. Parental Leave					
	Category	Unit	2022	2023	Notes
Employees on parental leave	Total	persons	6	5	
	Male	persons	5	4	
	Female	persons	1	1	
Employees returning after parental leave	Total	persons(%)	3(60)	5(100)	
	Male	persons(%)	3(60)	4(100)	
	Female	persons(%)	0(0)	1(100)	
Employees who worked for 12 months or more after parental leave	Total	persons(%)	2(66.7)	1(33.3)	
	Male	persons(%)	2(66.7)	1(33.3)	
	Female	persons(%)	0(0)	0(0)	

2-8. Training					
	Category	Unit	2022	2023	Notes
Total hours		Hours	4,233	3,928	
Total costs		1,000 KRW	5,455	9,689	
Training hours per employee		Hours	21.8	19.7	
Training costs per employee		1,000 KRW	28	49	

2-9. Grievance					
	Category	Unit	2022	2023	Notes
Grievance	Received(report)	cases	0	0	
	Processed	cases	0	0	
	Processing rate	%	0	0	

2-10. Human Rights					
	Category	Unit	2022	2023	Notes
Human rights violation (DRB)	Reported	cases	0	0	
	Occurred	cases	0	0	
	Processed	cases	0	0	
	Law violation	cases	0	0	
Human rights violation (External supplier)	Reported	cases	0	0	
	Occurred	cases	0	0	
	Processed	cases	0	0	
	Law violation	cases	0	0	
	Child labor	cases	0	0	
	Forced labor	cases	0	0	

2-11. Human Rights Training					
	Category	Unit	2022	2023	Notes
Total training hours		Hours	449	542	
Number of participants		persons	449	542	

2-12. Occupational Accident Rate					
	Category	Unit	2022	2023	Notes
Employees	Total working hours	Hours	411,540	439,643	
	Number of employees	persons	194	199	
	Lost time injury cases (LTI)	cases	1	0	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	2.42	0	
	Number of Injured Persons	persons	1	0	
	Occupational injury rate	%	0.51	0	
	Severity rate	Cases per Thousand Work Hours	0.001	0	
	Absenteeism rate	%	0.001	0	
	Number of occupational diseases	cases	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	
	Number of work-related fatalities	persons	0	0	
	Number of Process Safety Incidents	cases	0	0	
Contractor	Total working hours	Hours	257,164	241,552	
	Number of employees	persons	111	154	
	Number of Work-Related Fatalities	persons	0	0	
	Lost time injury cases (LTI)	cases	0	0	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	0	0	
Number of violations of occupational health and safety laws		cases	0	0	

* Process safety incident data has been supplemented due to changes in management criteria. (Figures differ from those in the previous year's report.)

* Criteria for process safety incidents: Includes accidents such as fires, explosions, and toxic substance leaks, as well as similar incidents that could potentially escalate into such accidents.

2-13. Occupational Health and Safety Management System					
	Category	Unit	2022	2023	Notes
ISO 45001 implementation rate		%	100	100	

2-14. Occupational Health and Safety Training					
	Category	Unit	2022	2023	Notes
Total training hours		Hours	4,292	5,112	
Number of participants		persons	1,939	2,229	

2-15. Employees Health Check-Ups					
	Category	Unit	2022	2023	Notes
Employee health examinations participants	General health check-up	persons	114	117	
	Comprehensive health check-up	persons	96	85	
	Special health check-up	persons	80	78	

2-16. Union					
	Category	Unit	2022	2023	Notes
Number of union employees		persons	115	119	
Union employeeeship rate		%	59.3	59.8	
Collective bargaining agreement coverage rate		%	100	100	
Number of labor-management committee meetings		cases	4	4	

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2-17. External Suppliers Status

Category	Unit	2022	2023	Notes
Total number of external suppliers	Numbers	52	55	
Number of new external suppliers	Numbers	0	5	

2-18. Supply Chain ESG Assessment

Category	Unit	2022	2023	Notes
ESG risk assessment conducted	document	20	22	
	on-site	5	3	
ESG risk assessment result	Identified risks	0	0	
	Established improvement plans	0	0	
	Suspended transactions	0	0	

2-19. Mutual cooperation

Category	Unit	2022	2023	Notes
Total amount of mutual purchasing	100 million KRW	0	3.41	
Number of ESG support projects	Cases	0	2	
Number of ESG training supports	Cases	0	1	

2-20. External Suppliers Grievance Process

Category	Unit	2022	2023	Notes
External Suppliers Grievance Process	Number of grievances received	0	0	
	Number of grievances processed	0	0	

2-21. Social Contribution

Category	Unit	2022	2023	Notes
Social contribution amount	Total amount	0	0	
	Cash donations	0	0	
	In-kind donations	0	0	
	Operating expenses	0	0	
Political contributions	100 million KRW	0	0	
Major association fees and contributions	100 million KRW	0	0	
Volunteer work	Total hours	0	0	
	Volunteer hours per employee	0	0	

2-22. Information Security Status

Category	Unit	2022	2023	Notes
information security incident occurred	Total	0	0	
	Personal information protection violations	0	0	
	Information security violations related to customer information	0	0	

2-23. Information Security Training

Category	Unit	2022	2023	Notes
Total training hours	Hours	0	199	
Number of participants	Persons	0	199	

3-1. Ethics Training

Category	Unit	2022	2023	Notes
Total training hours	Hours	155	172	
Number of participants	Persons	155	172	

3-2. Compliance Training

Category	Unit	2022	2023	Notes
Total training hours	Hours	1,271	1,063	
Number of participants	Persons	878	937	

3-3. Code of Ethics

Category	Unit	2022	2023	Notes
Number of employees who signed the code of ethics	Persons(%)	-	67(33.7)	
Signature Rate of External Supplier Code of Conduct	%	-	100	

DRB Automotive was divided during the year, so there are no figures for 2022 (Code of Ethics signatures were conducted at the beginning of the year)

3-4. Ethics Management Reports & Actions

Category	Unit	2022	2023	Notes
Code of ethics violations / reports	Cases	1	1	
Number of Actions Taken for Code of Ethics Violations	Cases	1	1	

3-5. Compliance

Category	Unit	2022	2023	Notes
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	
Violation of product/service information and labeling regulations	Cases	0	0	
Violation of internal transaction regulations	Cases	0	0	
Violation of subcontracting regulations	Cases	0	0	
Lawsuits related to legal and regulatory violations	Cases	0	0	

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1-1. Greenhouse Gas (Scope 1&2) Emissions

Category		Unit	2021	2022	2023	Notes
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	23,558	23,782	25,928	
	Scope 1	tCO ₂ -eq	5,437	5,349	5,494	
	Scope 2	tCO ₂ -eq	18,121	18,433	20,433	
Greenhouse gas emissions intensity (FY2023 Separate Revenue by Legal Entity)		tCO ₂ -eq/onebillionKRW	237	180.9	190.5	

1-2. Energy Consumption

Category			Unit	2021	2022	2023	Notes
Total energy consumption			GJ	321,707	325,697	361,659	
Total non-renewable energy consumption	Total		GJ	321,707	323,852	350,468	
	Direct Energy	Total	GJ	105,504	103,923	106,668	
		LNG	GJ	103,277	101,858	104,888	
		LPG	GJ	0	0	0	
		Gasoline	GJ	836	767	1,174	
		Diesel	GJ	1,391	1,298	606	
		Kerosene	GJ	0	0	0	
		Wood	GJ	0	0	0	
	Indirect energy	Total	GJ	216,203	219,929	243,800	
		Electricity	GJ	216,203	219,929	243,800	
		Other	GJ	0	0	0	
Energy consumption intency (FY2023 Separate Revenue by Legal Entity)			GJ/one billion KRW	3,236.3	2,477.5	2,657.2	
Total renewable energy consumption	Total emissions		GJ	0	1,845	11,191	
	Solar		GJ	0	477	3,991	
	REC		GJ	0	1,368	7,200	
Renewable energy usage ratio			%	0	0.57	3.09	

1-3. Raw Material Consumption

Category	Unit	2021	2022	2023	Notes
Total raw material consumption (purchased)	ton	15,002	17,308	19,095	
Renewable raw material consumption (purchased)	ton	842	663	707	
Renewable raw material usage ratio (purchased)	%	5.6	3.8	3.7	

* We have supplemented missing data in the raw material usage and purchase quantities. (Figures differ from those in the previous year's report.)

1-4. Hazardous Chemical Management

Category	Unit	2022	2023	Notes	Notes
Total hazardous chemical usage	ton	223	213	246	
Hazardous chemical usage intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	22.4	16.2	18.1	
Major hazardous chemical spill incidents	cases	0	0	0	

* We have supplemented missing data in the hazardous chemical usage. (Figures differ from those in the previous year's report.)

1-5. Waste Management

Category		Unit	2021	2022	2023	Notes
Total waste generation (general + designated)	Total	ton	1,654	1,534	1,789	
	Recycled	ton	1,463	1,360	1,623	
	Recycling rate	%	88.5	88.7	90.7	
	Processed	Total	ton	191	174	166
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	154	125	127
		Landfilled	ton	0	0	0
		Other methods	ton	37	49	39
	Waste generation intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	16.6	11.7	13.1
General waste	Total	ton	1,617	1,485	1,750	
	Recycled	ton	1,463	1,360	1,623	
	Recycling rate	%	90.5	91.6	92.7	
	Processed	Total	ton	154	125	127
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	154	125	127
		Landfilled	ton	0	0	0
		Other methods	ton	0	0	0
	Designated waste		ton	37	49	39
Designated waste	Recycled	ton	0	0	0	
	Recycling rate	%	0	0	0	
	Processed	Total	ton	37	49	39
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	37	49	39
		Other methods	ton	0	0	0

* Reporting Standards for Business Site Waste Generation and Disposal Performance

* Recycling data for 2021 has been supplemented due to a reclassification of incineration recycling. (Figures differ from those in the previous year's report, based on the criterion of 75% energy recovery efficiency to distinguish between recycling and incineration)

1-6. Water Intake and Usage

Category		Unit	2021	2022	2023	Notes
Total water usage		ton	130,271	105,169	142,688	
Water intake	Total	ton	119,071	93,969	133,855	
	Surface water	ton	82,245	91,908	133,855	
	Groundwater	ton	36,826	2,061	0	
Water usage intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	1,310.5	800	1,048.4	
Total water recycled		ton	11,200	11,200	8,833	
Water recycling rate		%	8.6	10.6	6.2	

* Water usage data has been supplemented due to changes in the calculation criteria for water consumption. (Figures differ from those in the previous year's report)

* In the case of the Qingdao plant, groundwater was used until the well was closed in March 2022.

1-7. Wastewater Discharge

Category	Unit	2021	2022	2023	Notes
Wastewater discharge	ton	-	35,460	35,064	
Wastewater discharge intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	-	269.7	257.6	

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1-8. Water Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total water pollutants emissions	kg	2,383	1,804	4,273	
COD	kg	1,070	980	2,180	
BOD	kg	360	230	460	
SS	kg	420	330	820	
T-N	kg	525	241	780	
T-P	kg	4	13	9	
N-H	kg	4	10	22	
Other water pollutants	kg	0	0	2	
Water pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	24	13.7	31.4	

1-9. Air Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total air pollutants emissions	kg	10,069	7,534	7,593	
NOx	kg	1,240	1,560	1,250	
SOx	kg	0	0	0	
VOCs	kg	1,350	1,960	1,670	
PM	kg	7,430	3,960	4,530	
Other air pollutants	kg	49	54	143	
Air pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	101.3	57.3	55.8	

1-10. Environmental Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	802	864	816	
Number of participants	Persons	401	432	408	

1-11. Environmental Regulation Violations

Category	Unit	2021	2022	2023	Notes
Number of environmental regulation violations	cases	0	0	0	
Fines and penalties	One million KRW	0	0	0	

1-12. Environmental Management System

Category	Unit	2021	2022	2023	Notes
ISO 14001 certification rate	%	100	100	100	

1-13. Environmental Investment & Costs

Category	Unit	2021	2022	2023	Notes
Environmental investment amount	100 million KRW	0	4.86	0	
Environmental equipment operating costs	100 million KRW	0.27	0.27	1.81	

2-1. Employees

Category		Unit	2021	2022	2023	Notes
Total		persons	487	497	508	
Employment type	Regular	persons(%)	474(97.3)	482(97)	492(96.9)	
	Non-regular	persons(%)	13(2.7)	15(3)	16(3.1)	
External employees		persons	32	26	17	
Social insurance coverage rate		%	97.3	97	96.7	
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)	
	18 to under 30 years old	persons(%)	47(9.7)	38(7.7)	39(7.7)	
	30 to under 50 years old	persons(%)	433(88.9)	447(89.9)	446(87.8)	
	50 years old and over	persons(%)	7(0.4)	12(2.4)	23(4.5)	

2-2. New employees

Category		Unit	2021	2022	2023	Notes
Total		persons	132	63	45	
Employment type	Regular	persons	125	56	36	
	Non-regular	persons	7	7	9	
Gender	Male	persons	89	45	39	
	Female	persons	43	18	6	

2-3. Turnover

Category		Unit	2021	2022	2023	Notes
Total		persons(%)	122(25.1)	45(9.1)	34(6.7)	
Turnover type	Voluntary	persons(%)	122(25.1)	44(8.9)	32(6.3)	
	Involuntary	persons(%)	0(0)	1(0.2)	2(0.4)	

2-4. Tenure

Category		Unit	2021	2022	2023	Notes
Average tenure		Years	6.5	5.3	6.6	
Gender diversity	Male	Years	6.3	5.3	6.4	
	Female	Years	6.7	5.3	6.9	

2-5. Diversity

Category		Unit	2021	2022	2023	Notes
Total number of female employees		persons(%)	114(23.4)	135(27.2)	120(23.6)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)	0(0)
		Senior management	persons(%)	0(0)	0(0)	0(0)
		Junior management	persons(%)	1(7.1)	2(15.4)	1(7.1)
		STEM departments	persons(%)	4(8.7)	5(10)	4(7)
		Revenue-generating departments	persons(%)	2(50)	2(50)	2(50)
Other	Disabled employees	persons(%)	6(1.2)	6(1.2)	6(1.2)	
	Veteran employees	persons(%)	0(0)	0(0)	0(0)	

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2-6. Wage

Category		Unit	2021	2022	2023	Notes
Average wage		One million KRW	16.6	15.7	16.7	
Ratio of actual wage to average wage	Male	%	120.7	109.7	106.8	
	Female	%	87.9	88.8	93.2	
Ratio of hourly base wage to minimum wage		%	100	104.2	103.6	
Equal pay	Ratio of average base wage between male and female	%	72.8	80.9	87.3	
	CEO-to-employee wage gap (median)	%	510.4	634.8	717.2	

Data on the ratio of basic salaries between men and women has been supplemented. (Figures differ from those in the previous year's report)

2-7. Parental Leave

Category		Unit	2021	2022	2023	Notes
Employees on parental leave	Total	persons	5	7	7	
	Male	persons	3	3	4	
	Female	persons	2	4	3	
Employees returning after parental leave	Total	persons(%)	4(80)	6(85.7)	7(100)	
	Male	persons(%)	3(100)	3(100)	4(100)	
	Female	persons(%)	1(50)	3(75)	3(100)	
Employees who worked for 12 months or more after parental leave	Total	persons(%)	4(80)	6(85.7)	7(100)	
	Male	persons(%)	3(100)	3(100)	4(100)	
	Female	persons(%)	1(50)	3(75)	3(100)	

2-8. Training

Category		Unit	2021	2022	2023	Notes
Total hours		Hours	7,513	5,659	7,735	
Total costs		1,000 KRW	36,809	22,213	66,373	
Training hours per employee		Hours	15.4	11.4	15.2	
Training costs per employee		1,000 KRW	76	45	131	

2-9. Employee Satisfaction

Category		Unit	2021	2022	2023	Notes
Average employee satisfaction	Total	Score	82.6	84.8	83.3	
	Male	Score	81.7	84.4	82.4	
	Female	Score	83.6	84.9	84.2	

2-10. Grievance

Category		Unit	2021	2022	2023	Notes
Grievance	Received(report)	cases	1	5	0	
	Processed	cases	1	5	0	
	Processing rate	%	100	100	0	

2-11. Human Rights

Category		Unit	2021	2022	2023	Notes
Human rights violation (DRB)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	

2-12. Human Rights Training

Category		Unit	2021	2022	2023	Notes
Total training hours		Hours	0	12	0	
Number of participants		persons	0	12	0	

2-13. Occupational Accident Rate

Category		Unit	2021	2022	2023	Notes
Employees	Total working hours	Hours	970,104	990,024	1,011,936	
	Number of employees	persons	474	482	508	
	Lost time injury cases (LTI)	cases	5	6	5	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	5.15	6.06	4.94	
	Number of Injured Persons	persons	5	6	5	
	Occupational injury rate	%	1.05	1.24	0.98	
	Severity rate	Cases per Thousand Work Hours	0.74	0.73	0.71	
	Absenteeism rate	%	0.15	0.12	0.14	
	Number of occupational diseases	cases	0	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0	
Contractor	Number of work-related fatalities	persons	0	0	0	
	Number of Process Safety Incidents	cases	3	5	3	
	Total working hours	Hours	559,200	604,680	582,620	
	Number of employees	persons	165	171	161	
	Number of Work-Related Fatalities	persons	0	0	0	
	Lost time injury cases (LTI)	cases	0	3	2	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	0	4.96	3.43	
	Number of violations of occupational health and safety laws	cases	0	0	0	

* Data has been supplemented due to changes in the criteria for process safety incidents. (Figures differ from those in the previous year's report)

* Number of Process Safety Incidents: Based on the Occupational Health and safety Law of China (Shandong Province), referring to fracture criteria for injured workers.

2-14. Occupational Health and Safety Management System

Category		Unit	2021	2022	2023	Notes
ISO 45001 implementation rate		%	100	100	100	

2-15. Occupational Health and Safety Training

Category		Unit	2021	2022	2023	Notes
Total training hours		Hours	1,896	1,495	2,018	
Number of participants		persons	839	547	532	

* Data has been supplemented due to changes in the management criteria for occupational health and safety training. (Figures differ from those in the previous year's report)

2-16. Employees Health Check-Ups

Category		Unit	2021	2022	2023	Notes
Employee health examinations participants	General health check-up	persons	140	49	133	
	Special health check-up	persons	246	260	259	

2-17. Union

Category		Unit	2021	2022	2023	Notes
Number of union employees		persons	382	396	400	
Union employeeeship rate		%	78.4	79.7	78.7	
Collective bargaining agreement coverage rate		%	100	100	100	
Number of labor-management committee meetings		cases	1	1	1	

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2-18. External Suppliers Status

Category	Unit	2021	2022	2023	Notes
Total number of external suppliers	Numbers	377	383	383	
Number of new external suppliers	Numbers	14	6	0	

* Data has been revised due to changes in the management criteria for external suppliers. (Figures differ from those in the previous year's report)

2-19. Social Contribution

Category	Unit	2021	2022	2023	Notes
Social contribution amount	Total amount	100 million KRW	0.04	0.04	0.07
	Cash donations	100 million KRW	0.04	0.04	0.07
	In-kind donations	100 million KRW	0	0	0

2-20. Information Security Status

Category	Unit	2021	2022	2023	Notes
information security incident occurred	Total	Cases	0	0	0
	Personal information protection violations	Cases	0	0	0
	Information security violations related to customer information	Cases	0	0	0

2-21. Information Security Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	90	93	49	
Number of participants	Persons	90	93	82	

3-1. Ethics Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	45	47	48	
Number of participants	Persons	90	93	96	

3-3. Code of Ethics

Category	Unit	2021	2022	2023	Notes
Number of employees who signed the code of ethics	Persons(%)	90(18.5)	93(18.7)	90(17.7)	

3-4. Ethics Management Reports & Actions

Category	Unit	2021	2022	2023	Notes
Code of ethics violations / reports	Cases	0	0	0	
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0	

3-5. Compliance

Category	Unit	2021	2022	2023	Notes
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0	
Violation of product/service information and labeling regulations	Cases	0	0	0	
Violation of internal transaction regulations	Cases	0	0	0	
Violation of subcontracting regulations	Cases	0	0	0	
Lawsuits related to legal and regulatory violations	Cases	0	0	0	

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1-1. Greenhouse Gas (Scope 1&2) Emissions

Category		Unit	2021	2022	2023	Notes
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	3,271	2,722	2,759	
	Scope 1	tCO ₂ -eq	680	626	652	
	Scope 2	tCO ₂ -eq	2,591	2,096	2,107	
Greenhouse gas emissions intensity (FY2023 Separate Revenue by Legal Entity)		tCO ₂ -eq/onebillionKRW	44.7	41.2	35.7	

1-2. Energy Consumption

Category			Unit	2021	2022	2023	Notes
Total energy consumption			GJ	124,725	101,977	100,273	
Total non-renewable energy consumption	Total		GJ	124,725	101,977	100,273	
	Direct Energy	Total	GJ	12,897	11,754	12,260	
		LNG	GJ	11,736	10,321	10,838	
		LPG	GJ	0	6	7	
		Gasoline	GJ	592	858	970	
		Diesel	GJ	569	569	445	
		Kerosene	GJ	0	0	0	
		Wood	GJ	0	0	0	
	Indirect energy	Total	GJ	111,828	90,223	88,013	
		Electricity	GJ	111,828	90,223	88,013	
		Other	GJ	0	0	0	
Energy consumption intency (FY2023 Separate Revenue by Legal Entity)			GJ/one billion KRW	1,702.5	1,543.2	1,298.1	
Total renewable energy consumption	Total emissions		GJ	0	0	0	
	Solar		GJ	0	0	0	
	REC		GJ	0	0	0	
Renewable energy usage ratio			%	0	0	0	

1-3. Raw Material Consumption

Category	Unit	2021	2022	2023	Notes
Total raw material consumption (purchased)	ton	6,920	6,018	6,243	

1-4. Hazardous Chemical Management

Category	Unit	2021	2022	2023	Notes
Total hazardous chemical usage	ton	227	191	146	
Hazardous chemical usage intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	3.1	2.89	1.89	
Major hazardous chemical spill incidents	cases	0	0	0	

1-5. Waste Management

Category		Unit	2021	2022	2023	Notes
Total waste generation (general + designated)	Total	ton	1,530	1,211	1,183	
	Recycled	ton	1,226	914	993	
	Recycling rate	%	80.1	75.5	83.9	
	Processed	Total	ton	304	297	190
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	304	297	190
		Other methods	ton	0	0	0
	Waste generation intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	20.9	18.3	15.3
General waste	Total	ton	1,303	1,020	1,037	
	Recycled	ton	1,226	914	993	
	Recycling rate	%	94.0	90.0	96.0	
	Processed	Total	ton	77	106	44
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	77	106	44
		Other methods	ton	0	0	0
	Designated waste		ton	227	191	146
Designated waste	Total	ton	227	191	146	
	Recycled	ton	0	0	0	
	Recycling rate	%	0	0	0	
	Processed	Total	ton	227	191	146
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	227	191	146
		Other methods	ton	0	0	0
			ton	0	0	0

* Reporting Standards for Business Site Waste Generation and Disposal Performance

* Recycling data for 2021 has been supplemented due to a reclassification of incineration recycling. (Figures differ from those in the previous year's report, based on the criterion of 75% energy recovery efficiency to distinguish between recycling and incineration)

1-6. Water Intake and Usage

Category		Unit	2021	2022	2023	Notes
Total water usage		ton	113,757	70,927	81,843	
Water intake	Total	ton	113,757	70,927	81,843	
	Surface water	ton	113,757	70,927	81,843	
	Groundwater	ton	0	0	0	
Water usage intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	1,552.7	1,073.3	1,059.5	

1-7. Environmental Regulation Violations

Category	Unit	2021	2022	2023	Notes
Number of environmental regulation violations	cases	0	0	0	
Fines and penalties	One million KRW	0	0	0	

1-8. Environmental Management System

Category	Unit	2021	2022	2023	Notes
ISO 14001 certification rate	%	100	100	100	

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2-1. Employees

Category		Unit	2021	2022	2023	Notes
Total		persons	591	534	510	
Employment type	Regular	persons(%)	512(86.5)	493(92.3)	448(87.8)	
	Non-regular	persons(%)	80(13.5)	41(7.7)	62(12.2)	
External employees		persons	26	20	56	
Social insurance coverage rate		%	100	100	100	
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)	
	18 to under 30 years old	persons(%)	81(13.7)	71(13.3)	66(12.9)	
	30 to under 50 years old	persons(%)	335(56.6)	297(55.6)	268(52.6)	
	50 years old and over	persons(%)	176(29.7)	166(31.1)	176(34.5)	

2-2. New employees

Category		Unit	2021	2022	2023	Notes
Total		persons	37	21	49	
Employment type	Regular	persons	1	1	2	
	Non-regular	persons	36	20	47	
Gender	Male	persons	25	11	27	
	Female	persons	12	10	22	

2-3. Turnover

Category		Unit	2021	2022	2023	Notes
Total		persons(%)	86(14.5)	88(16.5)	85(16.7)	
Turnover type	Voluntary	persons(%)	85(14.4)	84(15.7)	80(15.7)	
	Involuntary	persons(%)	1(0.2)	4(0.7)	5(1)	

2-4. Tenure

Category		Unit	2021	2022	2023	Notes
Average tenure		Years	4.5	6.3	7.8	
Gender diversity	Male	Years	3.7	4.5	4.8	
	Female	Years	5.4	8.1	10.3	

* Data has been supplemented due to changes in the calculation criteria for years of service. (Figures differ from those in the previous year's report)

2-5. Diversity

Category		Unit	2021	2022	2023	Notes
Total number of female employees		persons(%)	363(61.3)	334(62.6)	314(61.6)	
Other	Disabled employees	persons(%)	33(5.6)	29(5.4)	31(6.1)	
	Veteran employees	persons(%)	0(0)	0(0)	0(0)	

2-6. Wage

Category		Unit	2021	2022	2023	Notes
Ratio of hourly base wage to minimum wage		%	106.4	110.4	190.9	
Equal pay	Ratio of average base wage between male and female	%	83.1	78.4	85	
	CEO-to-employee wage gap (median)	%	499.3	483.4	711	

* Data has been supplemented due to changes in the calculation criteria for the ratio of minimum basic salary. (Figures differ from those in the previous year's report)

2-7. Parental Leave

Category		Unit	2021	2022	2023	Notes
Employees on parental leave	Total	persons	15	7	13	
	Male	persons	4	1	2	
	Female	persons	11	6	11	
Employees returning after parental leave	Total	persons(%)	15(100)	7(100)	9(69.2)	
	Male	persons(%)	4(100)	1(100)	2(100)	
	Female	persons(%)	11(100)	6(100)	7(63.6)	
Employees who worked for 12 months or more after parental leave	Total	persons(%)	13(86.7)	5(71.4)	6(85.7)	
	Male	persons(%)	3(75)	1(100)	0(0)	
	Female	persons(%)	10(90.9)	4(66.7)	6(100)	

2-8. Training

Category		Unit	2021	2022	2023	Notes
Total hours		Hours	509	720	1,018	
Total costs		1,000 KRW	4,787	5,180	6,681	
Training hours per employee		Hours	1	1.5	1.9	
Training costs per employee		1,000 KRW	8	10	13	

2-9. Grievance

Category		Unit	2021	2022	2023	Notes
Grievance	Received(report)	cases	0	0	0	
	Processed	cases	0	0	0	
	Processing rate	%	0	0	0	

2-10. Human Rights

Category		Unit	2021	2022	2023	Notes
Human rights violation (DRB)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	

2-11. Human Rights Training

Category		Unit	2021	2022	2023	Notes
Total training hours		Hours	0	0	210	
Number of participants		persons	0	0	420	

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2-12. Occupational Accident Rate

	Category	Unit	2021	2022	2023	Notes
Employees	Total working hours	Hours	966,273	883,533	848,836	
	Number of employees	persons	592	534	510	
	Lost time injury cases (LTI)	cases	7	2	9	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	7.24	2.26	11	
	Number of Injured Persons	persons	7	2	9	
	Occupational injury rate	%	1.18	0.37	1.76	
	Severity rate	Cases per Thousand Work Hours	0.46	0.05	0.7	
	Absenteeism rate	%	17.65	16.80	17.20	
	Number of occupational diseases	cases	0	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0	
	Number of work-related fatalities	persons	0	0	0	
Number of violations of occupational health and safety laws			0	0	0	

2-13. Occupational Health and Safety Management System

Category	Unit	2021	2022	2023	Notes
ISO 45001 implementation rate	%	100	100	100	

2-14. Occupational Health and Safety Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	-	-	1,025	
Number of participants	persons	-	-	636	

2-15. Employees Health Check-Ups

	Category	Unit	2021	2022	2023	Notes
Employee health examinations participants	General health check-up	persons	354	400	400	
	Special health check-up	persons	95	77	100	

2-16. Union

Category	Unit	2022	2023	Notes	Notes
Union employeeship rate	%	100	100	100	
Number of labor-management committee meetings	cases	4	4	4	

* Identifying the number of union employees is restricted under Slovak law. Therefore, only labor-management committee meetings are held through representatives.

2-17. External Suppliers Status

Category	Unit	2021	2022	2023	Notes
Total number of external suppliers	Numbers	70	70	72	
Number of new external suppliers	Numbers	0	0	2	

2-18. Social Contribution

	Category	Unit	2021	2022	2023	Notes
Social contribution amount	Total amount	100 million KRW	0.12	0.04	0.05	
	Cash donations	100 million KRW	0.12	0.04	0.05	
	In-kind donations	100 million KRW	0	0	0	
Political contributions		100 million KRW	0	0	0	
Major association fees and contributions		100 million KRW	0	0	0	
Volunteer work	Total hours	hours	0	136	0	
	Volunteer hours per employee	hours	0	0.25	0	

2-19. Information Security Status

	Category	Unit	2021	2022	2023	Notes
information security incident occurred	Total	Cases	0	0	0	
	Personal information protection violations	Cases	0	0	0	
	Information security violations related to customer information	Cases	0	0	0	

3-1. Ethics Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	0	0	210	
Number of participants	Persons	0	0	420	

3-2. Compliance Training

Category	Unit	2021	2022	2023	Notes
Total training hours	Hours	0	0	210	
Number of participants	Persons	0	0	420	

3-3. Code of Ethics

Category	Unit	2021	2022	2023	Notes
Number of employees who signed the code of ethics	Persons(%)	592	534	510	
Signature Rate of External Supplier Code of Conduct	%	100	100	100	

3-4. Ethics Management Reports & Actions

Category	Unit	2021	2022	2023	Notes
Code of ethics violations / reports	Cases	0	0	0	
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0	

3-5. Compliance

Category	Unit	2021	2022	2023	Notes
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0	
Violation of product/service information and labeling regulations	Cases	0	0	0	
Violation of internal transaction regulations	Cases	0	0	0	
Violation of subcontracting regulations	Cases	0	0	0	
Lawsuits related to legal and regulatory violations	Cases	0	0	0	

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1-1. Greenhouse Gas (Scope 1&2) Emissions

Category		Unit	2021	2022	2023	Notes
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	18,437	23,586	20,315	
	Scope 1	tCO ₂ -eq	450	675	622	
	Scope 2	tCO ₂ -eq	17,987	22,910	19,693	
Greenhouse gas emissions intensity (FY2023 Separate Revenue by Legal Entity)		tCO ₂ -eq/onebillionKRW	154.3	125.3	130.7	

1-2. Energy Consumption

Category			Unit	2021	2022	2023	Notes
Total energy consumption			GJ	359,931	496,115	435,806	
Total non-renewable energy consumption	Total		GJ	359,931	496,115	435,806	
	Direct Energy	Total	GJ	170,802	255,220	228,739	
		LNG	GJ	0	0	0	
		LPG	GJ	0	0	0	
		Gasoline	GJ	1,087	638	720	
		Diesel	GJ	986	2,493	2,304	
		Kerosene	GJ	0	0	0	
		Wood	GJ	168,729	252,119	225,715	
	Indirect energy	Total	GJ	189,129	240,896	207,067	
		Electricity	GJ	189,129	240,896	207,067	
		Other	GJ	0	0	0	
Energy consumption intency (FY2023 Separate Revenue by Legal Entity)			GJ/one billion KRW	3,012.5	2,634.9	2,803.8	
Renewable energy usage ratio			%	0	0	0	

1-3. Raw Material Consumption

Category	Unit	2021	2022	2023	Notes
Total raw material consumption (purchased)	ton	42,123	53,140	43,909	
Renewable raw material consumption (purchased)	ton	5,242	7,841	6,622	
Renewable raw material usage ratio (purchased)	%	12.4	14.8	15.1	

1-4. Hazardous Chemical Management

Category	Unit	2021	2022	2023	Notes
Total hazardous chemical usage	ton	2,277	3,007	2,251	
Hazardous chemical usage intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	19.1	16	14.5	
Major hazardous chemical spill incidents	cases	0	0	0	

1-5. Waste Management

Category		Unit	2021	2022	2023	Notes
Total waste generation (general)	Total	ton	941	1,233	1,558	
	Recycled	ton	0	0	0	
	Recycling rate	%	0	0	0	
	Processed	Total	ton	941	1,233	1,558
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	941	1,233	1,558
		Landfilled	ton	0	0	0
		Other methods	ton	0	0	0
	Waste generation intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	7.9	6.5	10

* Reporting Standards for Business Site Waste Generation and Disposal Performance

* Recycling data for 2021 has been supplemented due to a reclassification of incineration recycling. (Figures differ from those in the previous year's report, based on the criterion of 75% energy recovery efficiency to distinguish between recycling and incineration

1-6. Water Intake and Usage

Category		Unit	2021	2022	2023	Notes
Total water usage		ton	139,123	158,243	86,497	
Water intake	Total	ton	139,123	158,243	86,497	
	Surface water	ton	139,123	158,243	86,497	
	Groundwater	ton	0	0	0	
Water usage intensity (FY2023 Separate Revenue by Legal Entity)		ton/one billion KRW	1,164.4	840.4	556.5	

* Water usage data has been supplemented due to changes in the calculation criteria for water consumption. (Figures differ from those in the previous year's report)

1-7. Wastewater Discharge

Category	Unit	2021	2022	2023	Notes
Wastewater discharge	ton	139,123	158,243	86,497	
Wastewater discharge intensity (FY2023 Separate Revenue by Legal Entity)	ton/one billion KRW	1,164.4	840.4	556.5	

* Wastewater discharge data has been supplemented due to changes in the calculation criteria for wastewater discharge volumes. (Figures differ from those in the previous year's report)

1-8. Water Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total water pollutants emissions	kg	20,136	19,955	17,515	
COD	kg	114	6	66	
BOD	kg	5.4	3	0	
SS	kg	6.5	5.7	29	
T-N	kg	18,130	15,900	13,350	
T-P	kg	1,880	4,040	4,070	
N-H	kg	0	0	0	
Other water pollutants	kg	0	0	0	
Water pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	168.5	106	112.7	

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1-9. Air Pollutants Emissions

Category	Unit	2021	2022	2023	Notes
Total air pollutants emissions	kg	459,190	956,080	359,080	
NOx	kg	146,200	262,590	132,160	
SOx	kg	0	0	0	
VOCs	kg	27,420	30,390	58,040	
PM	kg	285,570	663,100	168,880	
Other air pollutants	kg	0	0	0	
Air pollutants emissions intensity (FY2023 Separate Revenue by Legal Entity)	kg/one billion KRW	3,843.2	5,077.5	2,310.1	

1-10. Environmental Regulation Violations

Category	Unit	2021	2022	2023	Notes
Number of environmental regulation violations	cases	0	0	0	
Fines and penalties	One million KRW	0	0	0	

1-11. Environmental Management System

Category	Unit	2021	2022	2023	Notes
ISO 14001 certification rate	%	100	100	100	

1-13. Environmental Investment & Costs

Category	Unit	2021	2022	2023	Notes
Environmental investment amount	100 million KRW	2.8	4.2	0	

2-1. Employees

Category	Unit	2021	2022	2023	Notes
Total	persons	564	615	581	
Employment type	Regular	persons(%)	564(100)	615(100)	581(100)
	Non-regular	persons(%)	0(0)	0(0)	0(0)
External employees	persons	19	19	23	
Social insurance coverage rate	%	94.2	98.7	98.1	
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)
	18 to under 30 years old	persons(%)	278(49.3)	304(49.4)	247(42.5)
	30 to under 50 years old	persons(%)	283(50.2)	308(50.1)	330(56.8)
	50 years old and over	persons(%)	3(0.5)	3(0.5)	4(0.7)

2-2. New employees

Category	Unit	2021	2022	2023	Notes
Total	persons	312	306	107	
Employment type	Regular	persons	312	306	107
	Non-regular	persons	0	0	0
Gender	Male	persons	312	301	106
	Female	persons	0	5	1

2-3. Turnover

Category	Unit	2021	2022	2023	Notes
Total	persons(%)	227(40.3)	255(41.5)	142(24.4)	
Turnover type	Voluntary	persons(%)	227(40.3)	255(41.5)	142(24.4)
	Involuntary	persons(%)	0(0)	0(0)	0(0)

2-4. Tenure

Category	Unit	2021	2022	2023	Notes
Average tenure	Years	4.1	4.3	5.2	
Gender diversity	Male	Years	3.9	4.2	5.1
	Female	Years	7.9	7.8	8.7

2-5. Diversity

Category	Unit	2021	2022	2023	Notes
Total number of female employees	persons(%)	24(4.3)	27(4.4)	27(4.6)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)
		Senior management	persons(%)	0(0)	0(0)
		Junior management	persons(%)	5(20.8)	5(18.5)
		STEM departments	persons(%)	3(11.5)	3(9.7)
		Revenue-generating departments	persons(%)	1(25)	1(20)

2-6. Wage

Category	Unit	2021	2022	2023	Notes
Average wage	One million KRW	12.3	13.1	14.2	
Ratio of actual wage to average wage	Male	%	97.5	98.4	98.4
	Female	%	155.7	135.4	137
Ratio of hourly base wage to minimum wage	%	117.6	121.2	121.2	
Equal pay	Ratio of average base wage between male and female	%	159.6	137.7	139.3
	CEO-to-employee wage gap (median)	%	209.9	210.9	214

2-7. Parental Leave

Category	Unit	2021	2022	2023	Notes
Employees on parental leave	Total	persons	21	25	45
	Male	persons	20	25	44
	Female	persons	1	0	1
Employees returning after parental leave	Total	persons(%)	21(100)	25(100)	45(100)
	Male	persons(%)	20(100)	25(100)	44(100)
	Female	persons(%)	1(100)	0(0)	1(100)
Employees who worked for 12 months or more after parental leave	Total	persons(%)	21(100)	25(100)	45(100)
	Male	persons(%)	20(100)	25(100)	44(100)
	Female	persons(%)	1(100)	0(0)	1(100)

2-8. Training

Category	Unit	2021	2022	2023	Notes
Total hours	Hours	2,548	7,824	5,788	
Total costs	1,000 KRW	8,122	24,416	7,263	
Training hours per employee	Hours	4.5	12.7	10	
Training costs per employee	1,000 KRW	14	40	13	

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2-11. Human Rights

	Category	Unit	2021	2022	2023	Notes
Human rights violation (DRB)	Reported	cases	0	0	0	
	Occurred	cases	0	0	0	
	Processed	cases	0	0	0	
	Law violation	cases	0	0	0	

2-12. Occupational Accident Rate

	Category	Unit	2021	2022	2023	Notes
Employees	Total working hours	Hours	1,502,589	1,880,871	1,669,557	
	Number of employees	persons	564	615	581	
	Lost time injury cases (LTI)	cases	48	70	32	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	31.94	37.22	19.16	
	Occupational injury rate	%	8.51	11.38	5.51	
	Severity rate	Cases per Thousand Work Hours	0.22	0.17	0.03	
	Absenteeism rate	%	0.18	0.13	0.03	
	Number of occupational diseases	cases	0	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0	
	Number of work-related fatalities	persons	0	0	0	
	Number of Process Safety Incidents	cases	0	0	0	
Number of violations of occupational health and safety laws			0	0	0	

* Data has been supplemented due to changes in the criteria for process safety incidents. (Figures differ from those in the previous year's report)

2-13. Occupational Health and Safety Management System

	Category	Unit	2021	2022	2023	Notes
ISO 45001 implementation rate		%	0	0	100	

2-14. Occupational Health and Safety Training

	Category	Unit	2021	2022	2023	Notes
Total training hours		Hours	4,512	4,920	3,755	
Number of participants		persons	564	615	363	

2-15. Employees Health Check-Ups

	Category	Unit	2021	2022	2023	Notes
Employee health examinations participants		persons	528	577	580	

2-16. Union

	Category	Unit	2021	2022	2023	Notes
Number of union employees		persons	516	609	570	
Union employeeship rate		%	91.5	99	98.9	
Collective bargaining agreement coverage rate		%	100	100	100	
Number of labor-management committee meetings		cases	3	1	3	

2-18. External Suppliers Status

	Category	Unit	2021	2022	2023	Notes
Total number of external suppliers		Numbers	191	219	261	
Number of new external suppliers		Numbers	40	31	50	

* Data has been revised due to changes in the management criteria for external suppliers. (Figures differ from those in the previous year's report)

2-19. Supply Chain ESG Assessment

	Category	Unit	2021	2022	2023	Notes
ESG risk assessment conducted	document	Cases	-	1	4	
	on-site	Cases	-	1	4	

2-20. Social Contribution

	Category	Unit	2021	2022	2023	Notes
Social contribution amount	Total amount	100 million KRW	0	0	0.07	
	Cash donations	100 million KRW	0	0	0.07	
	In-kind donations	100 million KRW	0	0	0	
Major association fees and contributions		100 million KRW	0	0	0.23	

2-21. Information Security Status

	Category	Unit	2021	2022	2023	Notes
information security incident occurred	Total	Cases	0	0	0	
	Personal information protection violations	Cases	0	0	0	
	Information security violations related to customer information	Cases	0	0	0	

3-1. Code of Ethics

	Category	Unit	2021	2022	2023	Notes
Number of employees who signed the code of ethics		Persons(%)	564(100)	615(100)	581(100)	
Signature Rate of External Supplier Code of Conduct		%	100	100	100	

3-2. Ethics Management Reports & Actions

	Category	Unit	2021	2022	2023	Notes
Code of ethics violations / reports		Cases	0	0	0	
Number of Actions Taken for Code of Ethics Violations		Cases	0	0	0	

3-3. Compliance

	Category	Unit	2021	2022	2023	Notes
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices		Cases	0	0	0	
Violation of product/service information and labeling regulations		Cases	0	0	0	
Violation of internal transaction regulations		Cases	0	0	0	
Violation of subcontracting regulations		Cases	0	0	0	
Lawsuits related to legal and regulatory violations		Cases	0	0	0	

GRI CONTENT INDEX

Statement of use DRB has prepared the "DRB Sustainability Report" in accordance with the GRI Standards, covering ESG performance from January 1, 2023, to December 31, 2023. The report also includes some achievements prior to 2023 and during the first half of 2024.

GRI 1 used GRI 1: Foundation 2021

Applicable GRI sector standard(s) As of the publication date of the report in October 2024, no applicable GRI Sector Standards are available for DRB.

Universal Standards			
GRI 2 General Disclosures 2021			
The organization and its reporting practices	2-1	Organizational details	6,10~13
	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	"The relevant details are addressed in separate annotations."
	2-5	External assurance	
Activities and workers	2-6	Activities, value chain and other business relationships	9,15
	2-7	Employees	102,106,111,115,119,122
	2-8	Workers who are not employees	102,106,111,115,119,122
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	2-10	Nomination and selection of the highest governance body	94
	2-11	Chair of the highest governance body	94
	2-12	Role of the highest governance body in overseeing the management of impacts	17,18
	2-13	Delegation of responsibility for managing impacts	17,18
	2-14	Role of the highest governance body in sustainability reporting	17,18
	2-15	Conflicts of interest	95
	2-16	Communication of critical concerns	96
	2-17	Collective knowledge of the highest governance body	95
	2-18	Evaluation of the performance of the highest governance body	"Report omission / Information unavailable (not applicable to performance evaluation)"
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	2-20	Process to determine remuneration	Annual Report 243 page
	2-21	Annual total compensation ratio	102,107,112,116,119,122
Strategy, policies and practices	2-22	Statement on sustainable development strategy	3
	2-23	Policy commitments	46
	2-24	Embedding policy commitments	46~48,68,69
	2-25	Processes to remediate negative impacts	97,98
	2-26	Mechanisms for seeking advice and raising concerns	49,59,89
	2-27	Compliance with laws and regulations	91~93,104,108,113,117,120,123
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	2-30	Collective bargaining agreements	58,103,107,112,116,120,123
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	3-2	List of material topics	22

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GRI 3	3-3	Management of material topics	23,30~37
GRI 201	201-2	Financial implications and other risks and opportunities due to climate change	32
GRI 302	302-1	Energy consumption within the organization	33,35
	302-3	Energy intensity	35
	302-4	Reduction of energy consumption	35,36
GRI 305	305-1	Direct (Scope 1) GHG emissions	101,105,110,114,118,121
	305-2	Energy indirect (Scope 2) GHG emissions	101,105,110,114,118,121
	305-4	GHG emissions intensity	101,105,110,114,118,121
	305-5	Reduction of GHG emissions	34
Material Topic: Customer satisfaction and quality			
GRI 3	3-3	Management of material topics	23,40,75~78
Non GRI		Product Safety and Quality	75~78
Material Topic: Ethical and compliance management			
GRI 3	3-3	Management of material topics	23, 88~93
GRI 205	205-1	Operations assessed for risks related to corruption	88~90
	205-2	Communication and training about anti-corruption policies and procedures	89
	205-3	Confirmed incidents of corruption and actions taken	90
GRI 206	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	93

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Topic Standards			
Material Topic: Occupational health and safety			
GRI 3	3-3	Management of material topics	24,60~67
GRI 403	403-1	Occupational health and safety management system	60
	403-2	Hazard identification, risk assessment, and incident investigation	62~63
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	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	64
	403-8	Workers covered by an occupational health and safety management system	60
	403-9	Work-related injuries	63
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Material Topic: Human rights and organizational culture			
GRI 3	3-3	Management of material topics	24,46~56
Non GRI		Human Rights Impact Assessment	50~51
GRI 405	405-1	Diversity of governance bodies and employees	46,47,102,106,111,115,119,122
	405-2	Ratio of basic salary and remuneration of women to men	102,107,112,116,119,122
GRI 406	406-1	Incidents of discrimination and corrective actions taken	103,107,112,116,119,122
GRI 407	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	58
GRI 408	408-1	Operations and suppliers at significant risk for incidents of child labor	72,73
GRI 409	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	72,73
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Material Topic: Supply chain ESG management and mutual growth			
GRI 3	3-3	Management of material topics	24,64~78
GRI 308	308-1	New suppliers that were screened using environmental criteria	69,103,108
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일반 이슈			
GRI 201 : Economic Performance			
	201-1	Direct economic value generated and distributed	15,100
GRI 202 : Market Presence			
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	102,107,112,116,119,122
GRI 203 : Indirect Economic Impacts			
	203-1	Infrastructure investments and services supported	85.86
GRI 301 : Materials			
	301-1	Materials used by weight or volume	43
GRI 303 : Water and Effluents			
	303-2	Management of water dischargereLATED impacts	39,42~43
	303-3	Water withdrawal	42,43
	303-4	Water discharge	42,43
	303-5	Water consumption	42,43
GRI 305 : Emissions			
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	38
GRI 306 : Waste			
	306-2	Management of significant wasterelated impacts	44
	306-3	Waste generated	44
	306-5	Waste directed to disposal	44
GRI 401 : Employment			
	401-1	New employee hires and employee turnover	52,102,106,111,115,119,122
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	59
	401-3	Parental leave	59,102,107,112,116,119,122
GRI 404 : Training and Education			
	404-1	Average hours of training per year per employee	53,102,107,112,116,119,122
	404-2	Programs for upgrading employee skills and transition assistance programs	53,54
GRI 418 : Customer Privacy			
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	103,108,113,117,120,123

TCFD INDEX

The International Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. This TCFD review provides an overview of DRB’s corporate reporting practices in accordance with the TCFD guidelines.

Category	TCFD recommendation	Page	Contents	CDP Reference
Governance	a. Describe the board of directors’ oversight of climate-related risks and opportunities.	17~18 26, 30	· Establishment of the ESG Committee under the Board of Directors · Quarterly ESG Management Committee meetings	CDP_C1.1b
	b. Describe management’s role in assessing and managing risks and opportunities.	17~18 26, 30	· Review of ESG-related agendas and performance	CDP_C1.2, C1.2a
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	27, 32	· Accelerating the transition to a carbon-neutral society · Carbon-neutral declarations by global clients · Increased interest in eco-friendly products	CDP_C2.1, C2.2b, C2.3, C2.3a, C2.4, C2.4a
	b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	28, 32	· Risks, opportunities, and response activities related to climate change · Increased facility investment costs for carbon neutrality	CDP_C2.5, C2.6, C3.1, C3.1c
	c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	31, 37	· Management strategies incorporating climate change scenarios · Integration of climate-related risks and opportunities within the ESG management system · Scenario-based impact analysis considering changes in heatwave days and rainfall intensity	CDP_C3.1a, C3.1d
Risk management	a. Describe the organization’s processes for identifying and assessing climate-related risks.	21~24 30, 32 97~98	· ESG management system · Risk identification and management processes	CDP_C2.2b, C2.2c
	b. Describe the organization’s processes for managing climate-related risks.	21~24 30, 32 97~98	· ESG management system · Risk identification and management processes	CDP_C2.2c, C2.2d
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	21~24 30, 32 97~98	· ESG Management Committee's identification and management of critical risks · Development of actionable tasks through five Working Groups	CDP_C2.2
Metrics and targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	19, 31 33~37 97~98	· Disclosure of energy usage and greenhouse gas emissions from all DRB operations	CDP_C4.2
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	33~34	· Disclosure of Scope 1 and 2 emissions	CDP_C6.1, C6.3, C6.5
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	31	· Declaration of Net-Zero by 2045 (Automotive Rubber Parts Division) · Declaration of Net-Zero by 2050 (Industrial Rubber Products Division and others) · Development of a carbon-neutral roadmap	CDP_C4.1, C4.1a, C4.1b

SASB INDEX

The Sustainability Accounting Standards Board (SASB) is a non-profit organization that establishes standards for non-financial reporting. SASB identifies industry-specific sustainability topics that are most relevant and encourages companies to report on these topics consistently to facilitate communication with investors and other stakeholders. Accordingly, key information has been reported based on the standards for the **Chemicals** and **Industrial Machinery & Goods** industries.

Chemicals – Sustainability Accounting Standard

Topic	Code	Accounting Metric	Unit	Page	Information & Comment
GHG Emissions	RT-CH-110a.1	(1) Gross global scope 1 emissions	tCO ₂ eq	33	15,106.05
		percentage covered under emissions-limiting regulation	%		0
	RT-CH-110a.2	(2) Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	31~36	
Air Quality	RT-CH-120a.1	(1) Total nitrogen oxides (NO _x ; excluding N ₂ O)	ton	38	
		(2) Total sulfur oxides (SO _x)	ton	38	
		(3) Volatile organic compounds (VOCs)	ton	38	
		(4) Hazardous air pollutants (HAPs)	ton		This report has been prepared based on the government-reported data for the "Chemical Substance Emissions Survey" in accordance with the Chemical Substances Control Act. Emissions of HAPs (Hazardous Air Pollutants) that do not meet the reporting criteria are not included in the totals.
Energy Management	RT-CH-130a.1	(1) Total energy consumed	GJ	35	1,336,083
		(2) Percentage grid electricity	%	35	62.36
		(3) Percentage renewable	%	35	0.84
		(4) Total self-generated energy	GJ		Not Managed
Water & Wastewater Management	RT-CH-140a.1	(1) Total water withdrawn, percentage of each in regions with high or extremely high baseline water stress	m ³ , %	42	The combined water withdrawal of DRB Qingdao and DRB Vietnam, located in areas with high water stress, amounts to 220,352. This represents approximately 51% of the total global water withdrawal by DRB.
		(2) Total water consumed, percentage of each in regions with high or extremely high baseline water stress	m ³ , %	42	The combined water consumption of DRB Qingdao and DRB Vietnam, located in areas with high water stress, amounts to 229,185. This represents approximately 34% of DRB's total global water consumption.
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	numbers	28	As of 2023, the number of violations related to water quality permits, standards, and regulations is zero.
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	-	42	DRB utilizes the Aqueduct Water Risk Atlas provided by the World Resources Institute (WRI) to identify water-related risks at its operations in South Korea, China, Vietnam, and Slovakia. Additionally, DRB is committed to water conservation by making efforts to reuse and recycle water across all its facilities.
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated	ton	44	
		percentage of hazardous waste recycled	%	44	

SASB INDEX

Topic	Code	Accounting Metric	Unit	Page	Information & Comment
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	-	20,29 83~86	DRB recognizes corporate social responsibility as a fundamental aspect of business management and strives to fulfill its role as a corporate citizen. In particular, DRB continues to engage in diverse interactions with the public through its social contribution platform, Campus D.
Workforce Health & Safety	RT-CH-320a.1	(a-1) Total recordable incident rate (TRIR) for direct employees	%	63	
		(a-2) Fatality rate for direct employees	%	63	
		(b-1) Total recordable incident rate (TRIR) for contract employees	%	63	
		(b-2) Fatality rate for contract employees	%	63	
	RT-CH-320a.2	Efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	-	66~67	DRB is making various efforts to minimize risk exposure during work processes. For detailed data related to this item, please refer to pages 66-67 of the main text.
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	1 million KRW		Not Managed
Environmental Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances	%		Not Managed
		(2) Percentage of such products that have undergone a hazard assessment	%		Not Managed
	RT-CH-410b.2	(1) Discussion of strategy to manage chemicals of concern	-	65	
		(2) Discussion of strategy to develop alternatives with reduced human and/or environmental impact	-	9,15,19,27 32,36,43	DRB is conducting research and process improvements to transition to sustainable raw materials, aiming to conserve natural resources and reduce environmental impact.
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	%		Not Applicable
Management of Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	-	28,41,62 64,82	DRB consistently monitors major domestic and international policies and regulations. Policies and regulations that impact its business and products are promptly identified and applied.
Critical Incident Risk Management: Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	(1) Process Safety Incidents Count (PSIC)	numbers	63	Process Safety Incidents Count (PSIC): 0 DRB has no recorded Tier 1 process safety incidents, such as fires, explosions, or leaks, as defined by SASB.
		(2) Process Safety Total Incident Rate (PSTIR)	%	63	0
		(3) Process Safety Incident Severity Rate (PSISR)	%	63	0
	RT-CH-540a.2	Number of transport incidents	numbers		0

SASB INDEX

Industrial Machinery & Goods – Sustainability Accounting Standard





Topic	Code	Accounting Metric	Unit	Page	Information & Comment
Energy Management	RT-IG-130a.1.	(1) Total Energy Consumed	GJ	35	1,336,083
		(2) Percentage grid electricity	%	35	62.36
		(3) Percentage renewable	%	35	0.84
Employee Health and Safety	RT-IG-320a.1.	(1) Total recordable incident rate (TRIR)	%	63	
		(2) Fatality rate	%	63	
		(3) Near miss frequency rate (NMFR)	%		
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1.	Sales-weighted fleet fuel efficiency for medium and heavyduty vehicles	Gallons/1,000 ton-miles		Not Managed (Not Applicable)
	RT-IG-410a.2.	Sales-weighted fleet fuel efficiency for stationary generators	Gallons/Hour		Not Managed (Not Applicable)
	RT-IG-410a.3.	Sales-weighted fuel efficiency for stationary generators	Watts/Gallon		Not Managed (Not Applicable)
	RT-IG-410a.4.	(1) Sales-weighted emissions of: nitrogen oxides (NOx) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, (d) other non-road diesel engines	Grams/Kilowatt hour		Not Managed (Not Applicable))
		(2) Sales-weighted emissions of: particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, (d) other non-road diesel engines	Grams/Kilowatt hour		Not Managed (Not Applicable)
Materials Sourcing	RT-IG-440a.1.	Description of the management of risks associated with the use of critical materials	-	43	DRB has established a quality management infrastructure to minimize risks throughout the use of raw materials and the product manufacturing process. It operates an integrated management system that registers, improves, and shares issues arising across all stages, from development to production, sales, and after-sales service (A/S).
Remanufacturing Design & Service	RT-IG-440b.1.	Revenue from remanufactured products and remanufacturing services	KRW		DRB does not generate separate revenue from remanufactured products and services.

ISSB INDEX

S1	Contents	Page
Governance	The processes, controls, and procedures of governance through which a company oversees and manages sustainability-related risks and opportunities.	17,18
Strategy	The company’s strategy for managing sustainability-related risks and opportunities.	19~24
Risk Management	The process through which a company identifies, assesses, prioritizes, and monitors sustainability-related risks and opportunities, as well as evaluates these processes in the context of the company’s overall risk management framework.	23,24,97,98
Metrics and Targets	The company’s performance in relation to sustainability-related risks and opportunities, including progress toward targets set by the company or those required by laws and regulations.	27,31,62,84
S2	Contents	Page
Governance	Decision-Making Body: The decision-making body or individual responsible for overseeing climate-related risks and opportunities.	17,30
	Management Role: The role of management within the governance processes, controls, and procedures used to monitor, manage, and oversee climate-related risks and opportunities.	30
Strategy	Risks and Opportunities: Climate-related risks and opportunities that are reasonably expected to affect the company’s outlook.	32
	Business Model and Value Chain: The current and anticipated impacts of climate-related risks and opportunities on the company’s business model and value chain.	32
	Strategy and Decision-Making: The impacts of climate-related risks and opportunities, including climate-related transition plans, on the company’s strategy and decision-making.	31,32
	Current and Anticipated Financial Impacts: The impacts of climate-related risks and opportunities on the company’s financial position, financial performance, and cash flows (financial statements) over the reporting period and in the short, medium, and long term.	32
	Climate Resilience: The climate resilience of the company’s strategy and business model in response to climate-related changes, developments, and uncertainties.	
Risk Management	Risk Processes and Policies: The processes and policies used to identify, assess, prioritize, and monitor climate-related risks.	32
	Opportunity Processes: The processes used to identify, assess, prioritize, and monitor climate-related opportunities.	
	Integration into Overall Risk Management: The extent and manner in which the processes for identifying, assessing, prioritizing, and overseeing climate-related risks and opportunities are integrated into and influence the company’s overall risk management processes.	97,98
Metrics and Targets	Cross-Industry Metrics: Disclosure of the following seven metrics, irrespective of the industry to which the company belongs.	
	(1) GHG Emissions: Reported in carbon dioxide equivalent (CO ₂ eq) and separated into Scope 1, Scope 2, and Scope 3 emissions.	101,105,110,114,118,121
	(2) Transition Risk: The proportion of assets or business activities by monetary value that are vulnerable to climate-related transition risks.	
	(3) Physical Risk: The monetary value and proportion of assets or business activities that are vulnerable to climate-related physical risks.	
	(4) Opportunities: The monetary value and proportion of assets or business activities aligned with climate-related opportunities.	
	(5) Capital Deployment: Capital expenditures, financing, and investments related to climate-related risks and opportunities.	
	(6) Internal Carbon Price: Whether and how the company uses carbon pricing in decision-making, along with the price per ton of GHG emissions used by the company to assess the cost of GHG emissions.	
	(7) Remuneration: Whether and how climate-related matters are incorporated into executive remuneration, along with the proportion of current executive remuneration linked to climate-related matters.	
	Industry-Based Metrics: Disclosure of metrics that may vary depending on the industry to which the company belongs.	
	Refer to the disclosure topics and related industry-based metrics within the industry-based guidance for IFRS S2 implementation when determining disclosure metrics.	
	Climate-Related Targets: Disclose the company’s climate-related targets and the review process for those targets.	
	(1) Targets: Quantitative and qualitative targets set by the company, including those required to meet legal or regulatory obligations, along with the applicable time frame and sectors.	31,37
	(2) Review of Targets: The approach for setting and reviewing targets, whether the targets are externally validated by third parties, how progress toward achieving the targets is monitored, and the metrics used for monitoring.	
(3) GHG Emissions Targets: The types of greenhouse gases covered, total emissions targets, and, in the case of net emissions targets, the planned use of carbon credits.		

UN Global Compact

DRB joined the United Nations Global Compact (UNGC) in April 2021 and has been continuously strengthening its voluntary compliance efforts with the 10 Principles in the four key areas of human rights, labor, environment, and anti-corruption. In 2022 and 2023, DRB was recognized as a LEAD Group member by the UNGC Korea Network for two consecutive years.

	The 10 Principles of UN Global Compact	DRB Policies and Systems	Activities	Page
<div><div>HUMAN RIGHTS</div></div> <div>Human Right</div>	<div>Businesses should support and respect the protection of internationally proclaimed human rights.</div> <div>Businesses should make sure that they are not complicit in human rights abuses.</div>	<div>· DRB Human Rights Management Principles (Article 1: Respect for Human Rights)</div> <div>· DRB Sustainability Management Policy</div> <div>· DRB Code of Ethics (Chapter 1, Article 2: Reporting and Action on Violations of the Code of Ethics)</div> <div>· DRB Mutual Cooperation Policy</div>	<div>Adherence to UN SDGs and UNGC 10 Principles</div> <div>- DRB Holdings and DRB Industrial became members of the UN Global Compact on April 15, 2021.</div> <div>Compliance with International Labor Laws and Standards</div> <div>- DRB complies with labor-related regulations established by organizations such as the ILO and OECD.</div>	3, 17, 46
<div><div>LABOUR</div></div> <div>Labour</div>	<div>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</div> <div>Businesses should uphold the elimination of all forms of forced and compulsory labour.</div> <div>Businesses should uphold the effective abolition of child labour.</div> <div>Businesses should uphold the elimination of discrimination in respect of employment and occupation.</div>	<div>· DRB Human Rights Management Principles (2. Respect for Diversity and Prohibition of Discrimination, 3. Prohibition of Forced Labor, 4.Prohibition of Child Labor, 5. Guarantee of Freedom of Association)</div> <div>· DRB Code of Conduct (2. Human Rights, 3. Working Conditions, 4.Health and Safety)</div> <div>· DRB Suppliers Code of Conduct (5. Labor/Human Rights, 6. Safety/Health, 10. Supply Chain Management)</div> <div>· DRB Declaration of Responsible Mineral Sourcing</div>	<div>DRB Commitment to Human Rights and Ethical Labor Practices</div> <div>Guarantee of Freedom of Association and Collective Bargaining</div> <div>- DRB's Human Rights Management Principles ensure the freedom of association and the right to collective bargaining for all employees.</div> <div>Prohibition of Unjust Labor Practices</div> <div>- Provisions in the Human Rights Management Principles, DRB Code of Conduct, and Supplier Code of Conduct strictly prohibit unjust labor practices, ensuring fair treatment for all workers.</div> <div>Eradication of Child Labor and Protection of Children's Rights</div> <div>- DRB adheres to UNICEF's Child Rights and Business Principles to eliminate child labor and actively protect children's rights.</div> <div>Prohibition of Discrimination and Respect for Diversity</div> <div>- DRB's Human Rights Management Principles and Employment Regulations include non-discrimination clauses. These prohibit discrimination in employment and workplace practices based on race, religion, disability, gender, educational background, age, physical condition, nationality, region of origin, or political opinion, while promoting respect for diversity.</div>	46~59 60~67
<div><div>ENVIRONMENT</div></div> <div>Environment</div>	<div>Businesses should support a precautionary approach to environmental challenges.</div> <div>Businesses should undertake initiatives to promote greater environmental responsibility.</div> <div>Businesses should encourage the development and diffusion of environmentally friendly technologies.</div>	<div>· DRB Green Management Policy (Article 5: Management/Commitment, Article 6: Mutual Cooperation/Transparency)</div> <div>· DRB Green Procurement Policy</div> <div>· DRB Code of Ethics (Chapter 4, Article 1: Environmental Protection)</div> <div>· DRB Code of Conduct (7. Climate Change Response, 8. Green Management, 14. Supply Chain Management)</div> <div>· DRB Suppliers Code of Conduct (3. Environment, 4. Climate Change Response, 10. Supply Chain Management)</div> <div>· DRB Social Contribution Charter</div>	<div>DRB Environmental Management Practices</div> <div>Prevention and Mitigation of Environmental Risks</div> <div>- DRB conducts training programs to enhance the capacity of employees responsible for managing air, water, waste, chemicals, soil, energy reduction, and climate action.</div> <div>Supplier Education and Promotion</div> <div>- Educational and promotional activities are provided for external suppliers on waste management, chemical handling, energy reduction, and climate action to encourage sustainable practices throughout the supply chain.</div> <div>Stakeholder Issue Reporting and Improvement Plans</div> <div>- Environmental issues and factors with significant impacts are reported to the company's highest decision-makers.</div> <div>Improvement plans are developed and implemented to address concerns raised by internal and external stakeholders.</div> <div>Development of Eco-Friendly Products and Technologies</div> <div>- DRB promotes environmental management by actively developing sustainable products and technologies.</div>	26~44 70, 83
<div><div>ANTI-CORRUPTION</div></div> <div>Anti-Corruption</div>	<div>Businesses should work against corruption in all its forms, including extortion and bribery.</div>	<div>· DRB Code of Ethics (Chapter 2: Ethics for Executives and Employees)</div> <div>· DRB Code of Conduct (11. Fair Competition, 12. Anti-Corruption, 13. Prevention of Conflicts of Interest)</div> <div>· DRB Suppliers Code of Conduct (1. Ethics, 9. Management Systems, 10. Supply Chain Management)</div> <div>· Fair Trade Compliance Manual</div>	<div>DRB Anti-Corruption and Accountability Practices</div> <div>Processes for Raising Concerns</div> <div>- DRB has established processes for stakeholders to report concerns related to anti-corruption and human rights violations through regulations on legal compliance, internal accounting management, and the operation of the Cyber Audit Office.</div> <div>Grievance Handling System</div> <div>- DRB operates a grievance handling system for employees and a Cyber Audit Office to address and resolve issues effectively.</div> <div>Participation in the Business Integrity Society (BIS)</div> <div>- Since 2022, DRB has participated in the Business Integrity Society hosted by the UNGC Korea Network and the Korea Sustainability Investing Forum.</div> <div>* DRB has committed to pledges aimed at enhancing ESG capabilities and fostering an anti-corruption corporate culture.</div>	88~93

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UN SDGs CONTRIBUTION

SDGs	Targets	DRB's Contributions	Page
<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div> <div>Ensure healthy lives and promote well-being for all at all ages</div>	<div>3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</div> <div>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</div> <div>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</div>	<div>- Regular health check-ups for employees and support for health management programs.</div> <div>- Certified as a health-friendly company (DRB Holding, DRB Industrial) and a leisure-friendly company (DRB Holding).</div> <div>- Programs to prevent musculoskeletal disorders, address obesity, and promote smoking cessation.</div> <div>- Job stress assessments, including mental health evaluations.</div> <div>- Continuous reduction in the use of hazardous chemicals by applying alternative solvents for toluene.</div>	<div>40, 59,</div> <div>66, 67</div>
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div> <div>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</div>	<div>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</div> <div>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</div> <div>4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development</div> <div>4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries</div>	<div>- Operates a global awareness expansion program through expert lectures at the DRB Forum.</div> <div>- Strengthens professional competencies through technical training utilizing internal and external experts.</div> <div>- Provides various educational programs in culture and arts for children in local communities (DRB Holding, DRB Industrial, DRB Automotive).</div> <div>- Offers scholarships to intellectually disabled youth and underprivileged or marginalized adolescents abroad (DRB Vietnam, DRB Slovakia, DRB Qingdao).</div>	<div>48, 54,</div> <div>57, 85</div>
<div><div>5</div><div>GENDER EQUALITY</div><div></div></div> <div>Achieve gender equality and empower all women and girls</div>	<div>5.1 End all forms of discrimination against all women and girls everywhere</div> <div>5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate</div> <div>5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels</div>	<div>- Ensures maternity protection and gender equality through internal regulations and welfare systems.</div> <div>- Explicitly prohibits discrimination in the DRB Code of Conduct and the Supplier Code of Conduct.</div>	<div>47, 59,</div> <div>73</div>
<div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div> <div>Ensure availability and sustainable management of water and sanitation for all</div>	<div>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</div> <div>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</div>	<div>- Conducts semi-annual water quality management through external agencies, establishes an internal monitoring system, and continuously measures all water pollutants in accordance with the Water Environment Conservation Act.</div> <div>- Expands the use of recycled water, such as washing water, cleaning water, and firefighting water, by improving recycling facilities and processes.</div>	<div>39, 42</div>
<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div> <div>Ensure access to affordable, reliable, sustainable and modern energy for all</div>	<div>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</div> <div>7.3 By 2030, double the global rate of improvement in energy efficiency</div> <div>7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology</div>	<div>- Aims to transition 100% of electricity usage to renewable energy by 2050 (Solar On-Site PPA established at DRB Qingdao in 2022 and planned for DRB Automotive in 2024).</div> <div>- Implements smart factory systems and upgrades or replaces facilities.</div> <div>- Developed the "Energy-Saving Conveyor Belt" with reduced rolling resistance and energy loss using high-performance rubber materials, earning Green Technology Certification.</div> <div>- Participates in global initiatives: *TCFD disclosure (DRB Holding) *CDP_SC report (DRB Automotive) *SBTi commitment (DRB Industrial) *Participation in CoRei (DRB Holding, DRB Industrial, DRB Automotive)</div>	<div>27,</div> <div>34~37</div>
<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div> <div>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for al</div>	<div>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</div> <div>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead</div> <div>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</div> <div>8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</div> <div>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</div>	<div>- Developed rubber compounds using recycled carbon and recycled rubber.</div> <div>- Explicitly prohibits forced labor and child labor through codes of conduct.</div> <div>- Improved systems to create a working environment for employees with severe disabilities, including the introduction of remote work (DRB Industrial, DRB Automotive).</div> <div>- Reduced negative environmental impacts by expanding waste recycling.</div> <div>- Conducts safety management activities through risk assessments, provides training to raise safety awareness and minimize risks, and performs detailed autonomous safety inspections annually.</div>	<div>43, 44,</div> <div>46, 47,</div> <div>51,</div> <div>62~65</div>

UN SDGs CONTRIBUTION

SDGs	Targets	DRB's Contributions	Page
<div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div></div> <div>Ensure sustainable consumption and production patterns</div>	<div>12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</div> <div>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</div> <div>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</div> <div>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities</div> <div>12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</div>	<div>- Implements the DRB Green Procurement Policy .</div> <div>- Establishes and executes goals to reduce environmental pollutant emissions while continuously increasing recycling and reuse rates.</div> <div>- Expands information sharing through diversified communication channels.</div> <div>- Adds and upgrades facilities to reduce air pollutant emissions.</div> <div>- Publishes the 2023~2024 DRB Sustainability Report.</div> <div>- Operates the DRB Sustainable Procurement Policy.</div>	<div>19, 27,</div> <div>38, 39,</div> <div>44, 55,</div> <div>68, 70</div>
<div><div><div>13</div><div>CLIMATE ACTION</div><div></div></div></div> <div>Take urgent action to combat climate change and its impacts</div>	<div>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</div> <div>13.2 Integrate climate change measures into national policies, strategies and planning</div> <div>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</div>	<div>- Identifies risks and opportunities related to climate change.</div> <div>- Conducts water risk (water stress) analysis for major production entities in each country.</div> <div>- Establishes phased carbon neutrality goals by business segment: *Automotive Parts Division by 2045 *Industrial Rubber Products and other divisions by 2050</div> <div>- Prepares capacity-building training for climate change response and plans for improving energy management.</div>	<div>31, 32,</div> <div>42,</div> <div>35~37</div>
<div><div><div>15</div><div>LIFE ON LAND</div><div></div></div></div> <div>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</div>	<div>15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally</div> <div>15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species</div>	<div>- Plans to establish a supply chain management process to prevent deforestation and degradation in the sourcing of natural rubber.</div> <div>- Conducts activities to remove invasive plant species in the Samrak Ecological Park in collaboration with the Nakdong River Management Office in Busan.</div>	<div>41</div>
<div><div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div></div></div></div> <div>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</div>	<div>16.5 Substantially reduce corruption and bribery in all their forms</div> <div>16.6 Develop effective, accountable and transparent institutions at all levels</div> <div>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels</div>	<div>- Established an ESG Committee to discuss key decisions related to sustainable management.</div> <div>- Conducts annual ethical management surveys for external suppliers and employees to gather feedback on anti-corruption and other issues.</div> <div>- Ensures the accessibility of the Compliance Declaration, Code of Ethics and Implementation Guidelines, and DRB Code of Conduct, while fostering ethical awareness through regular training.</div> <div>- Strengthens preventive policies by establishing compliance control standards and fair trade operation regulations.</div> <div>- Implements a Compliance Letter system to regularly share updates on compliance issues.</div>	<div>17, 18,</div> <div>88, 89,</div> <div>92</div>
<div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div></div> <div>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</div>	<div>17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries</div> <div>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships&nbsp;</div>	<div>- Selected as a member of the LEAD Group by the UNGC Korea Network (DRB Holding).</div> <div>- Joined the UNGC Forward Faster initiative to accelerate the achievement of SDGs (DRB Industrial).</div> <div>- Participates in the Business Integrity Society initiative.</div> <div>- Signed the Call-to-Action pledge under the United Nations Convention Against Corruption (UNCAC).</div> <div>- Develops and implements joint programs through social contribution partnerships.</div>	<div>17, 37,</div> <div>48, 84,</div> <div>93</div>

CRBP

ALL BUSINESS SHOULD	Children's Rights Assessment	Indicators	Page
Meet their responsibility to respect children’s rights and commit to supporting the human rights of children	GOVERNANCE AND COMMITMENT Company has a policy that commits to respecting children’s rights across its operations and activities. Company Board has oversight of policy to respect children’s rights.	1.1 Commitment to respect	
		1.2 Board oversight	17
Contribute to the elimination of child labour , including in all business activities and business relationships	MANAGING IMPACTS ON CHILDREN’S RIGHTS Company integrates children’s rights considerations into its risk and impact assessments. Company identifies children as a stakeholder group and engages with children and/or representative stakeholders on children’s rights topics. Company has an operational-level grievance mechanism that is focused on children’s rights and designed to be accessible by children and/or their representatives. All of company’s personnel and business partners receive training on children’s rights.	2.1 Due diligence	50,51
		2.2 Stakeholder consultation	51
		2.3 Grievance mechanism	49
Provide decent work for young workers, parents and caregivers		2.4 Training	48
	REPORTING AND DISCLOSURE Company includes children’s rights topics in its materiality assessment. Company communicates externally on its children’s rights impacts and how they are being addressed and/or remediated.	3.1 Materiality assessment	46,50,51
Ensure the protection and safety of children in all business activities and facilities		3.2 Transparency and reporting	50,51
	COLLABORATION AND PARTNERSHIPS Company integrates SDGs that support children’s rights into its sustainability/ CSR strategy. Company participates in initiatives and partnerships to support the realisation of children’s rights or a relevant SDG.	4.1 Support for the SDGs	132,133
Ensure that products and services are safe, and seek to support children’s rights through them		4.2 Initiatives and partnerships	48,132~134
Use marketing and advertising that respect and support children’s rights	CHILDREN’S RIGHTS IN BUSINESS RELATIONSHIPS Company requires suppliers and/or contractors to respect children’s rights, and the commitment is a part of the company’s contract with its suppliers/ contractors. Company conducts ongoing compliance monitoring/ auditing of suppliers and contractors on respect for children’s rights and familyfriendly policies.	5.1 Supplier commitment	69
		5.2 Supplier assessment	73
Respect and support children’s rights in relation to the environment and to land acquisition and use	CHILD LABOUR AND DECENT WORK FOR YOUNG WORKERS Company commits not to use child labour and to respect the minimum age of employment in line with ILO conventions and national standards (whichever is higher), and discloses actions taken to ensure it does not contribute to child labour. Company has a child labour prevention and remediation policy or plan that is led by best interests of the child and ensures that children are enrolled in a remediation / education programme rather than dismissed from employment; if young workers are found to be in hazardous work, they are removed immediately and given age-appropriate work. Company has special health and safety protections in place for young workers to protect them from hazardous work and excessive hours in all operations. Company has a defined approach to employing young workers that ensures they have access to skills development and vocational training (e.g. apprenticeships/ internships).	6.1 Child labour commitment	47
respect and support children’s rights in security arrangements		6.2 Child labour remediation	47
	DECENT WORK FOR PARENTS AND CAREGIVERS Company commits to equal opportunities and non-discrimination on the basis of gender, pregnancy, maternity/paternity and family responsibilities. Company provides at least 6 months of paid maternity leave, and/or at least six months of paid parental leave, across all its operations. More than 75% of parents return to work after taking maternity, paternity or parental leave. Company has clear and effective occupational health and safety policies and procedures, conducts special health and safety risk assessments for pregnant and breastfeeding employees, and puts in place protections where required. Company supports breastfeeding employees by providing paid breastfeeding breaks during working hours and dedicated nursing facilities in the workplace. Company has a flexible working policy that covers all operations. Company supports workers’ children to access good quality childcare and early childhood education across all operations. Company commits to paying all employees living wages across all operations.	6.3 Working conditions for young workers	47
Help protect children affected by emergencies		6.4 Skills development and training	
	CHILD PROTECTION AND SAFETY Company has a child safeguarding / protection policy that covers all operations and activities. Company has comprehensive measures in place to protect children using digital services. Company has comprehensive standards on privacy and collection of personal data from children. Company has a policy to ensure that products are safe for children and all protects are labelled with safe information for children. Company has a policy in place on the procurement of security services that incorporates respect for children’s rights.	7.1 Equal opportunities	46,47,52
Reinforce community and government efforts to protect and fulfil children’s rights		7.2 Parental leave	47,59
	MARKETING TO CHILDREN Company has a responsible marketing policy that is specific to marketing to children. Company has a responsible marketing policy that comprehensively restricts all forms of marketing of unhealthy foods to children under 18 and uses independent nutritional criteria. Company has a responsible digital marketing policy affording special consideration and comprehensive protections to all users under the age of 18.	7.3 Job security	
		7.4 Health and safety	60~67
		7.5 Breastfeeding support at work	47
		7.6 Flexible working	59
		7.7 Childcare support	59
		7.8 Living wages	
		8.1 Child safeguarding / protection	47
		8.2 Child Online Protection	
		8.3 Data privacy	79~82
		8.4 Product safety	75,76
		8.5 Security arrangements	80,81
		9.1 Responsible marketing commitment	
		9.2 Unhealthy foods	
		9.3 Digital marketing	
	ENVIRONMENT AND LAND USE Company has a policy on land acquisition and resettlement that considers children’s unique vulnerabilities. Company has a process for assessing, identifying and monitoring special environmental risks to pregnant women and children	10.1 Land acquisition and use	
		10.2 Environmental assessments	26~44

DRB has reinforced a partnership with domestic and foreign associations to address major issues in environmental and social areas in industrial rubber products, comprehensive rubber products, automation and healthcare businesses.

Awards

The Rubber Society of Korea	UN Global Compact(UNGC)	UNGC Network Korea 2023 LEAD Group
Busan Chamber of Commerce & Industry	Corporate Renewable Energy Initiative(CoREi)	Child Rights Management Practice Award National Center for the Rights of the Child (NCRC)
Architectural Institute of Korea	Business Integrity Society	National Quality Circle Contest Silver Medal, Bronze Medal
Korea Industrial Technology Association(KOITA)	Korean Standards Association	Busan Quality Circle Contest the Best Award
East Gyeongnam Health and safety Committee	Korean Nursing Association	
Korea Specialty Contractors Association Busan Metropolitan Branch	Korea Mech. Const. Contractors Association	
Korea Certification & Testing Institute	Southeastern PSM Consultation Association	
Korea Construction Engineers Association	Volvo Construction Equipment Suppliers Association	
Korean Structural Engineers Association	East Busan Safety Committee	
Korea Industrial Technology Association	Korea Environment Conservation Institute Busan Branch	
Korea Fire Safety Institute	Korea Electric Engineers Association	
Korea Fire Safety Institute Gyeongsangnamdo Branch		
Korea Automobile & Mobility Association		
The Korean Society of Railway		
Hyundai Kia Automotive Suppliers Association		
Korea Specialty Contractors Association		
East Gyeongnam Environmental Engineers Association		
Geumjeong Association		
Korea Industrial Safety Association		
Social Responsibility & Management Quality Institute		
Korea Testing & Research Institute		
KEF Busan Employees Federation		
Korea Environment Conservation Institute		

GHG Emissions Verification Statement

Verification Subject

Korea Quality Assurance Co., Ltd. (KQA) conducted verification of DRB Holding Co., Ltd. "2023 Greenhouse Gas Emissions."

Verification Responsibility and Authority

This statement serves as a third-party verification opinion regarding the greenhouse gas (GHG) emissions inventory report of DRB Holding Co.,Ltd. for the period from January 1, 2023, to December 31, 2023, based on the following emission activities:

- **Scope 1:** Stationary combustion, Mobile combustion (road), waste treatment, and other GHG emissions.
- **Scope 2:** Use of external electricity and heat.

DRB Holding Co.,Ltd. is responsible for preparing and fairly presenting the GHG emissions inventory report in accordance with the contracted GHG reporting regulations. KQA expresses its opinion on the site-specific GHG emissions inventory report based on verification standards, with the verification performed in accordance with KS A ISO 14064-3.

Verification Scope




The GHG emissions covered in this verification include only direct (Scope 1) and indirect (Scope 2) emissions from facilities.

- **Reporting Scope:** Scope 1 and Scope 2 (domestic and overseas facilities' direct or indirect emissions related to electricity).

Verification Standards and Procedures

This verification was conducted to obtain limited assurance that the GHG emissions inventory was appropriately calculated in compliance with the principles and standards of GHG quantification, reporting, and verification.

- **KS A ISO 14064-1:** Specifications and guidance for organizational-level quantification and reporting of GHG emissions and removals.
- **KS A ISO 14064-3:** Guidelines for the validation and verification of GHG statements.
- **Other applicable standards:** Guidelines on reporting and certification of GHG emissions under the Emissions Trading Scheme.



Verification Statement

Verification No : KQA-T2408
Company : DRB Holding Co., Ltd.
Representative : Ryu, Yeong Sik
Business Registration No : 621-81-01635
Address : 28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan 46329, Republic of Korea

KQA confirms that the verification result of Greenhouse Gas emissions reports of DRB Holding Co., Ltd. is proper.


Verification Standard :
- Korean Act On The Allocation And Trading of Greenhouse-Gas Emission Permits
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
Scope : Direct emission sources (Scope1), Indirect emission sources (Scope2)
Assurance level : Limited assurance




※ GHG emissions

Year	Company	GHG Emission (tCO ₂ e)		
		Scope1	Scope2	Total
2023	DRB Holding Co., Ltd.	7,842	82,321	90
	DRB Automotive Co., Ltd.	1,256,073	7,325,545	8,582
	DRB International	12,819	87,922	101
	Qingdao Dongil Rubber Belt Co., Ltd.	5,494,069	20,433,477	25,927
	Dongil Rubber Belt Slovakia, s.r.o.	651,631	2,107,473	2,759
	DRB Bus LLC	451,809	108,833	558
	Dongil Rubber Belt Vietnam Co., Ltd.	621,715	19,692,954	20,315

※Remark : The sum of each cell may differ from the total because each cell is rounded.

Date of issue : 29 Apr 2024

Korea Quality Assurance



Verification Statement

Verification No : KQA-T2405
Company : DRB Industrial Co.,Ltd.
Representative : Lee Yun Hwan
Business Registration No : 621-81-97752
Address : 28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan 46329, Republic of Korea

KQA confirms that the verification result of GHG emissions and energy consumption reports of above company is proper.


Verification Standard : Guidelines on the verification for the operation of emission trading scheme
Verification Scope : 2023 GHG emissions and energy consumption reports
Assurance level : Reasonable assurance

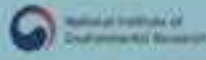


※ GHG emissions

Year	Company	GHG Emission (tCO ₂ e)		
		Scope1	Scope2	Total
2023	DRB Industrial Co.,Ltd.	6,297,213	5,577,594	12,094,807
	DRB Healthcare Co., Ltd.	6,878	64,195	71,073
	DRB Healthcare Co., Ltd.	3,145	427,628	430,773

※Remark : The sum of each cell may differ from the total because each cell is rounded.

Verification Term : 26 Feb 2024 ~ 10 Apr 2024
Date of issue : 12 Apr 2024

Korea Quality Assurance



Verification Statement

Verification No : KQA-T2406
Company : DRB International Co., Ltd
Representative : Cho Hyun Min
Business Registration No : 621-81-97747
Address : 28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan 46329, Republic of Korea

KQA confirms that the verification result of GHG emissions and energy consumption reports of above company is proper.


Verification Standard : Guidelines on the verification for the operation of emission trading scheme
Verification Scope : 2023 GHG emissions and energy consumption reports
Assurance level : Reasonable assurance

※ GHG emissions

Year	Company	GHG Emission (tCO ₂ e)		
		Scope1	Scope2	Total
2023	Dongil Rubber Belt America, Inc.	51,348	42,554	93,901
	PT. Dongil Rubber Belt Indonesia	7,261	10,226	17,489
	Shanghai Dongil Rubber Belt Co., Ltd.	4,433	9,923	14,356
	Dongil Rubber Belt Japan Co., Ltd.	0,416	6,131	6,549

※Remark : The sum of each cell may differ from the total because each cell is rounded.

Verification Term : 26 Feb 2024 ~ 10 Apr 2024
Date of issue : 12 Apr 2024

Korea Quality Assurance

Independent Assurance Opinion Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

To: The Stakeholders of DRB Holding Co., Ltd.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the Sustainability Report 2023~2024 (hereinafter referred to as the "Report"). The Assurer is independent of the DRB Holding and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the DRB Holding report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the DRB Holding and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

DRB Holding is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to DRB Holding only.

The Assurer is responsible for providing DRB Holding management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of DRB Holding. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than DRB Holding in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

- The scope of engagement agreed upon with DRB Holding includes the following:
- Reporting contents during the period from January 1st to December 31st 2023 included in the report, some data included the first half of 2024.
 - Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
 - Appropriateness and consistency of processes and systems for data collection, analysis and review.
 - In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

- The following contents were not included in the scope of assurance.
- Financial information in Appendix.
 - Index items related to other international standards and initiatives other than the GRI.
 - Other related additional information such as the website, business annual report.

Assurance Level and Type

- The assurance levels and types are as follows;
- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)



Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by DRB Holding.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1~2, 202-1, 203-1, 205-1~3, 206-1, 301-1~2, 302-1, 302-3~4, 303-2~5, 305-1~2, 305-4~5, 305-7, 306-2~5, 308-1~2, 401-1~3, 403-1~10, 404-1~2, 405-1~2, 406-1, 407-1, 408-1, 409-1, 414-1~2, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization’s approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the DRB Holding Busan H/Q to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related there to.

Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with DRB Holding. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have indepth understanding of the BSI Group's assurance standard methodology.

Independent Assurance Opinion Statement



Opinion Statement

The assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that DRB Holding’s description of their approach to AA1000 Assurance Standard and their selfdeclaration of compliance with the GRI standards were fairly stated.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

DRB Holding defined customers, external suppliers, shareholders and investors, employees, local communities and government/related orgarnizations as a Key Stakeholder Groups. In order to collect opinions by each stakeholder groups in the context of sustainability, operated the stakeholder engagement process. DRB Holding conducted a review of the stakeholder engagement process to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. DRB Holding disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

DRB Holding implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality evaluation, DRB Holding conducted the analysis of global sustainability reporting or assessment standards, and conducted the analysis to derive the impact and financial materiality. DRB Holding derived 3 key reporting issues and 4 important reporting issues through the relevant process, and disclosed GRI topic standards disclosures related to material issues in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

DRB Holding operated a management process for material issues in the context of sustainability derived from the materiality assessment. DRB Holding established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. DRB Holding disclosed the process including policy, indicator, activity and response performance on material issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

DRB Holding identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. DRB Holding established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclourse were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions



found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic standards: 201-2, 205-1~3, 206-1, 301-2, 302-1, 302-3~4, 305-1~2, 305-4~5, 306-3~5, 308-1~2, 403-1~10, 405-1~2, 406-1, 407-1, 408-1, 409-1, 414-1~2

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

- It may be helpful to advance the sustainability management system by establishing the management system for major sustainability issues such as climate change response and supply chain due diligence, and transparently disclosing mid to long-term strategies and annual implementation performance for each sustainability matters.
- It may be helpful to advance the sustainability management system by establishing the management system for environmental and social performance indicators of overseas subsidiaries subject to consolidation criteria and securing the reliability of the performance indicators through internal control process.

GRI-reporting

DRB Holding provided us with their self declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by DRB Holding. The sector standard was not applied.

Issue Date: 10/10/2024
For and on behalf of BSI (British Standards Institution):
BSI representative



Jungwoo Lee, Lead Assurer, ACSAP

Seonghwan Lim, Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea
Hold Statement Number: SRA 788318



Sustainable Management Policy Book

Sustainable Management Policy

DRB pursues sustainable corporate growth by developing economic and environmental soundness and fulfilling social responsibilities.

CLICK HERE

Green Management Policy

DRB is working to improve products and services to minimize environmental damage caused by corporate management and activities and to transform itself into an eco-friendly and low-carbon company.

CLICK HERE

Green Procurement Policy

DRB prevents waste of resources and environmental pollution and contributes to reducing greenhouse gases by promoting the purchase of green products.

CLICK HERE

Human Rights Management Principles

DRB complies with global human rights conventions, which encompass the expansion of diversity, prohibition of discrimination, and protection of children’s rights, and aims to protect the human rights of its employees, customers, and all stakeholders.

CLICK HERE

Health and Safety Management Policy

DRB is seeking to create a health-friendly society and spread a safe workplace culture.

CLICK HERE

Declaration of Responsible Mineral Sourcing

DRB strictly prohibits the use of minerals from conflict areas in all supply chains, not only by the company but also by its external suppliers.

CLICK HERE

Mutual Growth Policy

DRB is constructing a sustainable supply chain through mutual growth with external suppliers.

CLICK HERE

Ethics Charter and Code of Ethics

DRB recognizes that not only the performance of economic and legal responsibilities but also the performance of ethical responsibilities constitute its basic corporate duties, and it adheres to corporate ethics by taking a proactive stance, avoiding anti-corruption and unfair transactions, and implementing management that follows the right paths.

CLICK HERE

Social contribution charter

DRB is actively engaging in social contribution activities to fulfill its role as a corporate citizen, including regional revitalization, talent development, environmental protection, support for the vulnerable group, and support for culture and the arts.

CLICK HERE

DRB Code of Conduct

All employees shall recognize the company’s values and reputation hinge on each individual. Adherence to ethical conduct based on company core values and compliance with the law is imperative. The Code of Conduct supports employees in making sound judgments and appropriate actions.

CLICK HERE

Supplier Code of Conduct

DRB has established this External Supplier Code of Conduct to ensure ethical and sustainable supply chains. We are committed to strict compliance with laws applicable to our business activities, including but not limited to laws related to corruption, economic sanctions, forced labor, safety/health, and fair trade. In addition, we require the highest standards of operational practices in ethics, environment, labor/human rights, safety/health, and management systems.

CLICK HERE

DRB