

Global Packaging Leader Creating New Value

2024 Dongwon Systems Sustainability Report



ABOUT THIS REPORT



COVER STORY

Dongwon Systems fosters co-prosperity with the planet and our customers, powered by future growth engines. Embracing sustainability beyond the vast oceans, we drive a virtuous cycle of challenge and innovation.

• Overview

Dongwon Systems sustainability report is published on an annual basis to promote transparent communication of our economic, social, environmental values and performances. This report marks our fourth sustainability report, sharing details on Dongwon Systems' efforts for sustainable management, key performances, and future strategies.

• Principles

This report was written in compliance with the Global Reporting Initiatives (GRI) Standards 2021. It also reflects the industry specific reporting standards established by the Sustainability Accounting Standards Board (SASB), and the ten principles of UNGC. The financial information in this report was prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS).

• Period

The scope of this report covers all Dongwon Systems’ domestic operations, including its headquarters. For certain topics, the report also includes information from both domestic and overseas business sites. Where scope or boundary considerations are relevant, separate notes are provided for the convenience of readers.

This report primarily covers performance and activities from January to December 2024. However, data from the first half of 2025 are also included for selected key indicators. To provide time-series insights, quantitative performance data from 2022 to 2024 are presented.

• Assurance

The financial information included in this report, extracted from the financial statements, has been independently audited by Samil PwC. The ESG data presented in this report has undergone an assurance process conducted by an independent third-party verification firm, Shinhan Accounting Corporation, to ensure objectivity and reliability. This assurance was performed in accordance with the “Attestation Standards Other Than Audits or Reviews of Historical Financial Information” established by the Korean Institute of Certified Public Accountants (KICPA). Detailed assurance opinions are included in the Appendix.

• Notification

This report has been published in both Korean and English and can be viewed or downloaded from the Dongwon Systems website (www.dongwonsystems.com).

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Interactive Report Use Guide

The 2024 Dongwon Systems Sustainability Report is published as an Interactive PDF for reader convenience, enabling navigation to relevant pages of the report.

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CEO Message

Dear Stakeholders,

As we enter the new year of 2025, we anticipate that the global economy will continue to face uncertainties and intensified competition, creating a challenging business environment. However, Dongwon Systems possesses a DNA that strengthens in times of crisis. Just as we have done in the past, we will not be deterred by any obstacles; instead, we will leverage the currents of change to transform challenges into opportunities for growth. Dongwon Systems aims to evolve beyond a comprehensive packaging company to become an innovative leader in the secondary battery materials sector, while also establishing ourselves as a total packaging solutions provider on a global scale.

To achieve this, we are committed to implementing the following three core strategies in 2025.

First, we will strengthen our foundation for sustainable growth through a harmonious balance of "robust growth and bold challenges."

We will maximize profitability in our existing packaging business, which is the cornerstone of stable revenue generation, by pioneering new Silk Road initiatives utilizing 'K-Packaging' and expanding into export markets, thereby solidifying our position in the domestic market and becoming a globally growing enterprise. At the same time, we will concentrate all our efforts on the secondary battery materials business, which is our future growth engine. The cylindrical battery can plant, which was expanded last year at our Asan facility, is accelerating its production with the goal of mass-producing 46mm battery cans that will lead the next-generation battery market in the first half of this year. Additionally, we will further enhance the research and development speed of the cell pouch pilot line to establish a mass production system as soon as possible, positioning it as a core pillar of our secondary battery materials business. Through these efforts, Dongwon Systems will firmly establish itself as a 'Total Packaging Solution Provider' and a 'Leading Secondary Battery Materials Company.'

Second, we will build unwavering trust with the market and our customers through "continuous innovation and quality management."

To proactively respond to the rapidly changing market environment and diverse customer demands, we will implement 'Total Quality Innovation' across our products, work processes, and systems. Based on our quality-first management philosophy, we will provide the highest quality products and services to maximize customer satisfaction and ultimately establish steadfast trust with the market and our customers. Furthermore, through innovation that transforms crises into opportunities, we will position ourselves as a pioneering company that continues to grow despite any challenges.

Third, we will lead "ESG management" to create a better and more sustainable future.

We will further strengthen our ESG management to fulfill our corporate social responsibilities and achieve sustainable growth. By establishing a waste PET recycling system, we will secure high-quality recycled raw materials reliably and actively utilize them in the production of food containers, thereby taking the lead in building a circular economy. Additionally, we will establish our status as a leading ESG management company in the global market through the export of recycled PET containers to the United States and Europe. We will set ambitious plans to achieve our '2050 Carbon Neutral' goal and strive to become a 'Responsible Corporate Citizen' actively participating in the construction of a sustainable future society.

All employees of Dongwon Systems will move forward vigorously as One Team, One Goal towards our common objective of "maximizing shareholder value." We will continue to engage in honest communication with our stakeholders and drive continuous innovation to enhance the value of our company.



Dongwon Systems CEO **Jum Kun Cho, Bum Won Suh, Yong Wook Jeong**

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Sustainability Management Committee Chairman Message

“Creating Unprecedented Change, Dongwon Systems Leads the Way.”

Dear Valued Stakeholders,

We are currently navigating an era of rapid change and uncertainty like never before. Dongwon Systems is proactively advancing towards becoming a global standard in eco-friendly packaging and secondary battery materials, grounded in the harmony of "robust growth and bold challenges."

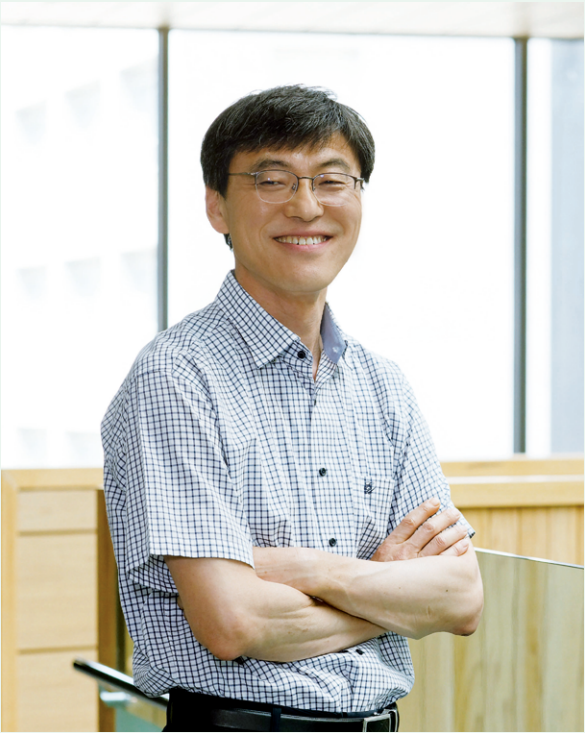
We are expanding the technological capabilities and eco-friendly values of 'K-Packaging' to the world and boldly investing in future growth engines such as secondary battery materials. Simultaneously, we are dedicated to greenhouse gas reduction, resource circularity, elimination of major hazards through safety innovations across all our operations and fostering co-growth with local communities.

The true strength of Dongwon Systems lies in our people. All employees are united as One Team, integrating ESG practices into our daily lives and promoting a culture of safety and mutual growth with our partners. Through transparent management led by our Board of Directors and the Sustainability Management Committee, regular information disclosure, and open communication with shareholders, local communities, and customers, we aim to establish ourselves as a trusted enterprise.

Moving forward, Dongwon Systems will advance towards becoming a "Global Top-Tier Eco-Friendly Packaging and Materials Company." We will embrace technological innovation, digital transformation, and the internalization of global standards such as RE100, while also committing to social contributions both domestically and internationally, as a more responsible corporate citizen.

Vision is realized through execution. Dongwon Systems promises specific goals, transparent implementation, and verifiable changes through data. Together with all employees and stakeholders, we will undoubtedly create a better tomorrow.

Thank you.



Chair of the Sustainability Management Committee
Kyeong Min Jeong

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Introduction to Dongwon Systems

Company Introduction

Founded in 1980, Dongwon Systems has embraced change and continued to take on challenges without hesitation. With a commitment to valuing our customers, we have focused on providing high-functionality and high-convenience products. To achieve this, we have developed and concentrated our organizational capabilities. In addition, we have boldly ventured into the secondary battery materials business to secure future growth engines. We are currently mass-producing cathode foil and cylindrical battery cans, while also accelerating the development of cell pouches. Through these efforts, we aim to secure another future source of revenue. Building on our stable performance in the packaging business, Dongwon Systems will nurture the secondary battery materials business as a key driver of future growth. We will continue to evolve into a company that embodies stability, growth, and profitability, meeting the expectations of all our stakeholders.

Overview

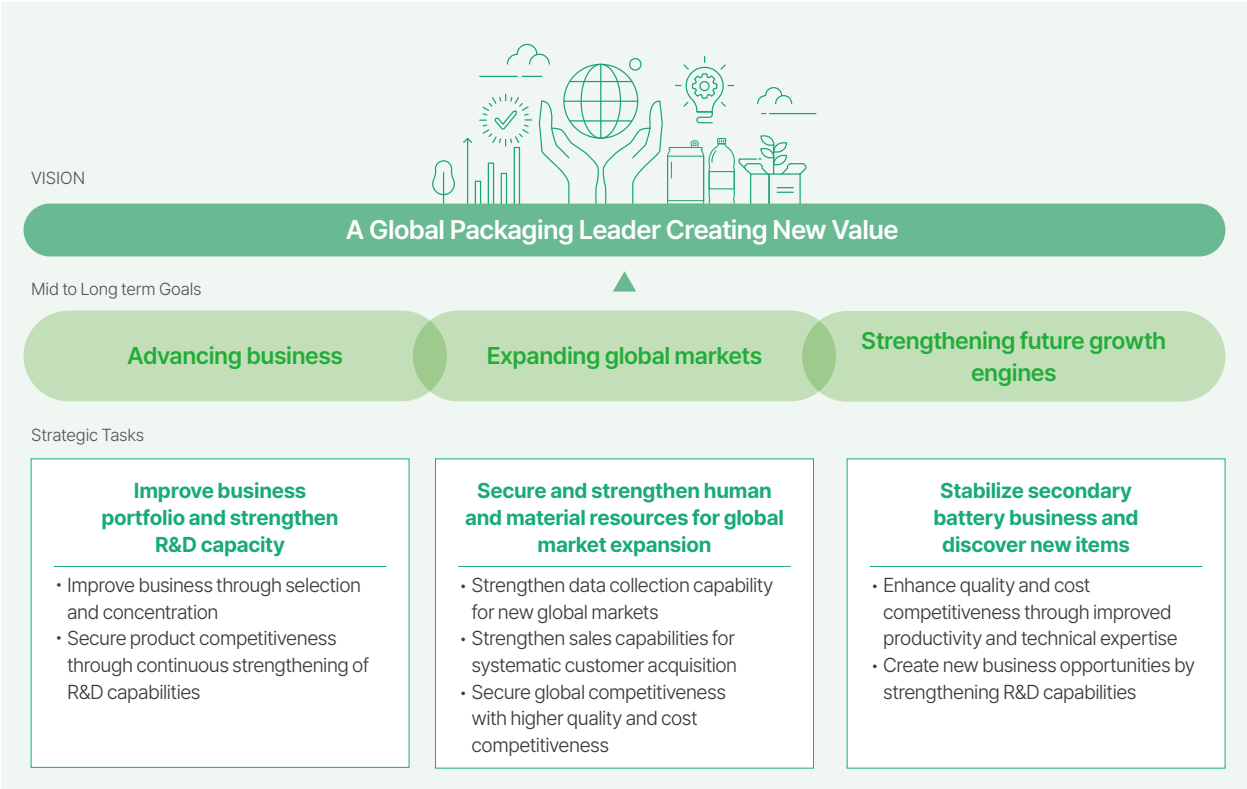
Company	DONGWON SYSTEMS CORPORATION
Founded	May 10, 1980
Listed	March 29, 1994
Head Office	100, Asanvalleydong-ro, Dunpo-myeon, Asan-si, Chungcheongnam-do, Republic of Korea
Website	http://www.dongwonsystems.com
CEO	Jum Kun Cho, Bum Won Suh, Yong Wook Jeong
Employees	1,709
Credit Rating	A+(Korea Investors Service, Korea Ratings, NICE Information Service)

2024 Key Financial Performance* (Unit: KRW million)

Total Assets	1,552,612	Sales	1,334,257
Operating Income	91,905	Net Income	72,515

*Based on the consolidated financial statements in the 2024 Annual Report

Mid- to Long term Goals



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Company History

Dongwon Systems does not fear change. We operate with a spirit of challenge and a commitment to valuing our customers. We have focused on enhancing and concentrating our organizational capabilities to supply high-functionality and high-convenience products. Additionally, we are dedicated to bold investments in research and development and the creation of differentiated new items. We are also actively pursuing overseas business opportunities while making efforts to consider the environment. Based on this foundation, Dongwon Systems is growing as a comprehensive packaging specialist that encompasses everything from materials to finished products.



BEYOND 40 YEARS
40 Years for Customers Worldwide

1977~2007 Challenge and Innovation	2013~2014 Business Diversification	2014~ Globalization & New Leap Forward
<div>1980</div> <div>• Founded (Orion Optics)</div> <div>1993</div> <div>• Entered the packaging material industry (Flexible packaging material/plastic containers)</div> <div>1999</div> <div>• Entered the steel can manufacturing business (Haman) • Completion of flexible packaging plant (Jincheon)</div> <div>2007</div> <div>• Expansion of flexible packaging plant (Cheonan)</div>	<div>2013</div> <div>• Entered the Aluminum business(Acquired Daihan Eunpakgy)</div> <div>2014</div> <div>• Dongwon Group acquired Techpack Solutions • Entered printing box and film business (Acquired Hanjin P&C) • Transformation into a total packaging material company (Acquired Techpack Solution) • Entered global market (Acquired Talofa Systems, American Samoa)</div>	<div>2015</div> <div>• Building a global supply chain (Acquired TTP/ MVP, Vietnam)</div> <div>2017</div> <div>• Entered the B2C beauty market with sheet mask (Cinq de Beaute)</div> <div>2019</div> <div>• Entered the Aseptic filling business</div> <div>2021</div> <div>• Developed and produced secondary battery cathode foil • Entered the secondary battery cylindrical can business (Acquired MKC) • Dongwon systems merged with Techpack solutions</div> <div>2022</div> <div>• Establishment of cell pouch line (Gongju) • Expansion of secondary battery plant (Asan)</div> <div>2023</div> <div>• Expansion of cathode foil line (Asan)</div> <div>2024</div> <div>• Expansion of aseptic business • Establishment of the second plant (Hoengseong)</div>

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Main Products

1 Flexible Packaging

- Retort pouch
- Refill bag
- Zip lock bag

2 Glass Bottle

- Flint
- Amber
- Emerald Green
- Georgia Green

3 PET Bottle

- Pressure Resistance (PR)
- Heat Resistance (HR)
- Heat Pressure Resistance (HPR)
- Non-Pressure Resistance (NR)

4 Aluminium Can

- Aluminum Can
- Bottle Can (BTC)

5 Battery Can

- Primary Battery Can
- Secondary Battery Can
- Deep Drawing Can

6 Steel Can

- CAN BODY
- EASY OPEN END Can

7 Paper Box

- Gift Set Box
- Bag Type Case

8 Hygienic Films Industrial Films

- TFT-LCD FILM
- One-Touch Film

9 Aluminum

- Secondary Battery Cathode Foil
- Aluminum Foil
- AL Paste

Dongwon Systems

The largest packaging materials company in Korea

1 Flexible Packaging

2 Glass Bottle

3 PET Bottle

4 Aluminium Can

5 Battery Can

6 Steel Can

7 Paper Box

8 Hygienic Films Industrial Films

9 Aluminum

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Material Business Division

Dongwon Systems is a comprehensive packaging materials specialist that produces flexible packaging, cans, industrial films, and aluminum foil. We are equipped with thorough expertise and advanced systems, maintaining long-standing partnerships with both domestic and global companies. Moving forward, we will not only provide high-quality functional packaging that enhances customer value but also develop eco-friendly packaging and materials for electronic components. We aim to incorporate various functions used in daily life and grow into an advanced global materials company.



Flexible Packaging	Steel Can	Printed Paper Box	Resin Films
<p>We operate flexible packaging plants in Jincheon, Cheonan, and Asan, equipped with advanced production facilities and a perfect inspection system, supplying approximately 3,000 types of flexible packaging materials both domestically and internationally.</p> <p>We have obtained various certifications in the packaging sector, including ISO 9001, ISO 14001, ISO 22000, KOSHA 18001, and FDA/IMS. Our specialized personnel at the packaging research institute are developing various next-generation packaging materials, supplying them to major domestic companies such as Nestlé and Mars.</p>	<p>We are leading the steel can industry with a strict on-site management system equipped with the latest high-speed press facilities.</p> <p>As the first in Korea, we have introduced a method that allows printing on surfaces of various shapes, contributing to the quality assurance of food products. Additionally, by producing Easy Open End (EOE) cans domestically, which were previously entirely imported, we have reduced costs and enhanced delivery competitiveness, receiving consistent praise in overseas markets.</p>	<p>We, with its accumulated printing technology and expertise, aim for excellence in cardboard boxes and commercial printing.</p> <p>Our printing business is committed to fully meeting the quality, delivery, and service expectations of our customers. We are equipped with the latest facilities capable of supplying over 1.5 million cartons* daily, handling everything from the development of various case structures to pre-press, offset printing, coating, die-cutting, processing, and delivery.</p> <p>We supply packaging for various sectors, including food, confectionery, pharmaceuticals, and cosmetics in Korea.</p>	<p>Dongwon Systems, through its film business that produces hygiene films, food packaging films, and industrial films, is committed to prioritizing customer joy and satisfaction by continuously striving for research and development and quality improvement.</p>

* Carton: Shipping boxes made of general or corrugated cardboard.

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Packaging Business Division

Dongwon Systems has successfully localized the aluminum bottle can, a new concept in metal packaging that was previously reliant on imports. Through bold investments such as the expansion of can lines and glass bottle melting facilities, we have solidified our position as a leading company in the industry. We supply 30% of domestic demand and have established long-term partnerships with global companies such as AB InBev and Coca-Cola, as well as major domestic corporations like Lotte, Hite, Woongjin, Dong-A Otsuka, and Ottogi.



<h3>Glass Bottle</h3> <p>As a leader in the industry supplying 40% of domestic glass bottle demand, we contribute to the growth of our clients by offering a wide range of capacities and colors based on our superior technology and quality. We have established long-term partnerships with prominent global companies and major domestic corporations.</p>	<h3>Aluminum Can</h3> <p>We are leading the transformation and expansion of the can market in Korea through challenging technological development and investment, including the production of the first two-piece cans and the introduction of bottle can facilities. By ensuring customer satisfaction with global companies and major domestic corporations, we supply 25% of the domestic demand for cans.</p>
<h3>PET Bottle</h3> <p>We were the first to introduce PET bottles to Coca-Cola Korea and have launched one-piece carbonated bottles through technological development. We are also leading the eco-friendly movement in the domestic packaging industry by commercializing preforms and PET bottles made from recycled PET materials.</p>	<h3>Aseptic Drinks</h3> <p>Aseptic filling beverages mean the process of filling and sealing sterilized contents into containers that maintain an aseptic environment, resulting in safe products. Aseptic filling consists of equipment that completely sterilizes microorganisms present in food at ultra-high temperatures and packages it in an aseptic state.</p>

Secondary Battery Business Division

Dongwon Systems is a specialized company that produces aluminum cathode foil and battery cans for secondary batteries. In the future, we will diversify our portfolio as a secondary battery materials and components company by entering the cell pouch manufacturing sector. We aim to become a company that provides the best products and services based on customer trust.

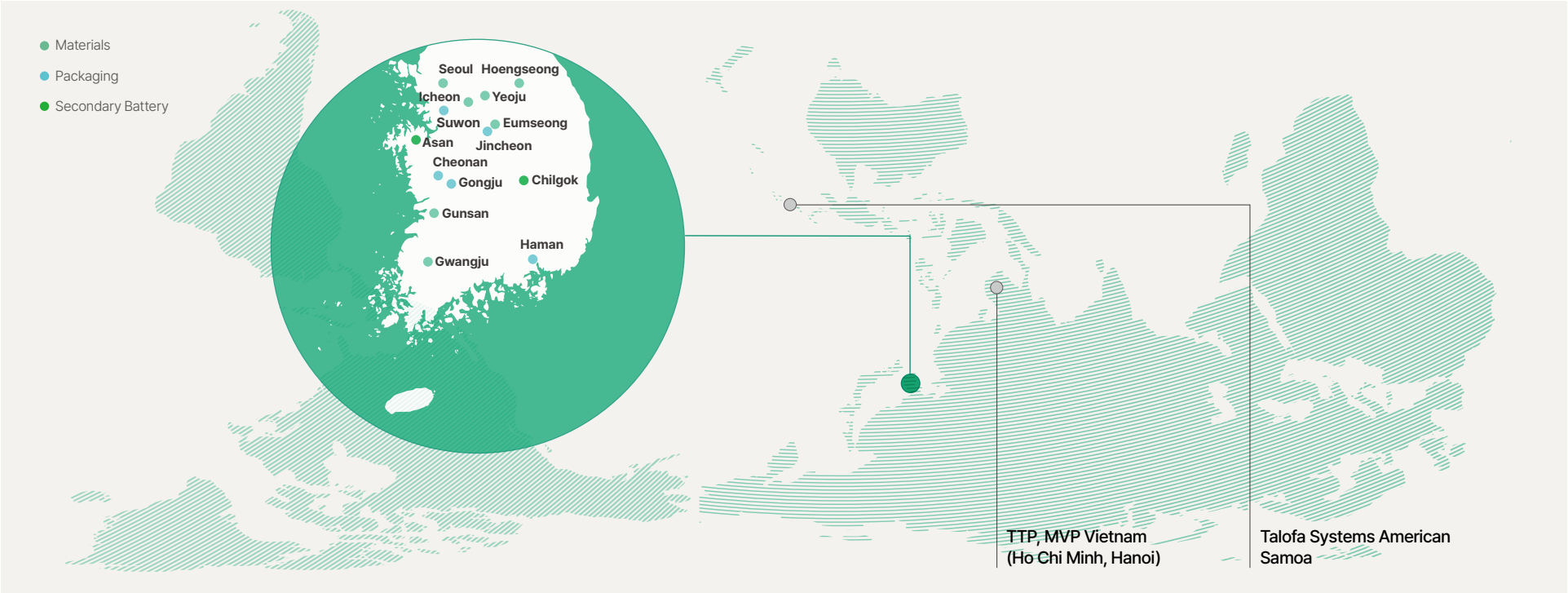


<p>The aluminum business provides the best products and services, achieving customer satisfaction through state-of-the-art facilities and over 40 years of accumulated know-how. We offer comprehensive solutions across various industries, including materials for flexible packaging, fins for heat exchangers used in air conditioning and automobiles, components for secondary batteries and electronics, as well as materials for industrial and construction applications, and for wires and optical cables.</p>
<h3>Battery Cathode Current Collector</h3> <p>In 2020, we expanded the production line for aluminum cathode foil for secondary batteries at Asan plant and launched our secondary battery materials and components business with the commencement of mass production. The cathode foil currently in mass production and sale is used in various products, including cell phones, laptops, power tools, energy storage systems, and electric vehicle batteries.</p>
<h3>Battery Cylindrical Can</h3> <p>In 2021, we acquired MKC, a company that has been supplying cans to domestic battery manufacturers, marking our leap toward becoming a specialized company in materials and components centered around secondary batteries. In 2022, we established a production system and began sales by applying technology to enhance the corrosion resistance of 21700 standard cylindrical battery cans, making us the first in the industry to do so. We are also securing differentiated technology for the 4680 standard battery cans, which are considered next-generation cylindrical batteries, and have introduced related production facilities to establish a mass production system.</p>
<h3>Battery Cell Pouch</h3> <p>Pouch-type batteries are a type of secondary battery that encase electrodes in a "jelly roll" shape, where materials like the anode, cathode, and separator are rolled together, or in a stacked form, all wrapped in a cell pouch. In 2021, we entered the cell pouch business to enhance our product competitiveness. We established an R&D organization and recruited key personnel to develop unique technologies and improve product performance. Our goal is to produce highly competitive products by integrating the manufacturing process from aluminum film production to cell pouch assembly.</p>

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Domestic and Global Business Network Status



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SUSTAINABILITY STRATEGY

In our Sustainability Strategy, we strive to become a "socially responsible company that creates new value." Our commitment includes taking responsibility for society, the environment, and corporate governance.



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Strategic Tasks

Strategic Tasks by E/S/G

Vision	Environment	Social	Governance
Mid to Long term Goals	Establishment of an Environmental Management System	Sustainable Sourcing of Raw Materials	Strengthening of Compliance and Ethical Management
	Integrated Environmental Management System	Expanding Green Purchasing	Establishment of ESG Risk Management System
	Setting of Pollution Management Indicators*	Support for ESG Capability Enhancement of Partners	Internalization of Compliance Awareness
	Reduction of Water Withdrawal through Increased Recycling Water	Partnership Co-Growth Program Establishment	
		Strengthening of Occupational Health and Safety Management	
		Advancement of Safety and Health Management System	
		Enhancement of Safety and Health Capabilities of Partners	
		Establishment of Hazardous Chemical Reduction Plans	
	Development of Products Contributing to Solving Environmental and Social Issues	Human Rights Management	Enhancement of Board and Committee Functions
	Developing Environmentally Friendly Materials Products	Establishment of Human Rights Due Diligence System	Expansion of Board Diversity
	Development of Cylindrical Battery Can Products for the Shift Towards Sustainable Mobility	Expansion of Employment Diversity for Employees	Strengthening of Independent Director Expertise
		Establishment of Human Rights Impact Assessment System	Conducting Evaluations of the Board and Independent Directors
		Expansion of Social Contribution Activities	
		Increase in Employee Volunteer Participation	
		Expansion of Community Participation Activities	
		Advancement of Information Security System	
		Increase in ESG Performance Disclosure and Communication	

* Air and water pollutants to be maintained at ≤90% of legal limits through proactive environmental management

Sustainable Management Road Map



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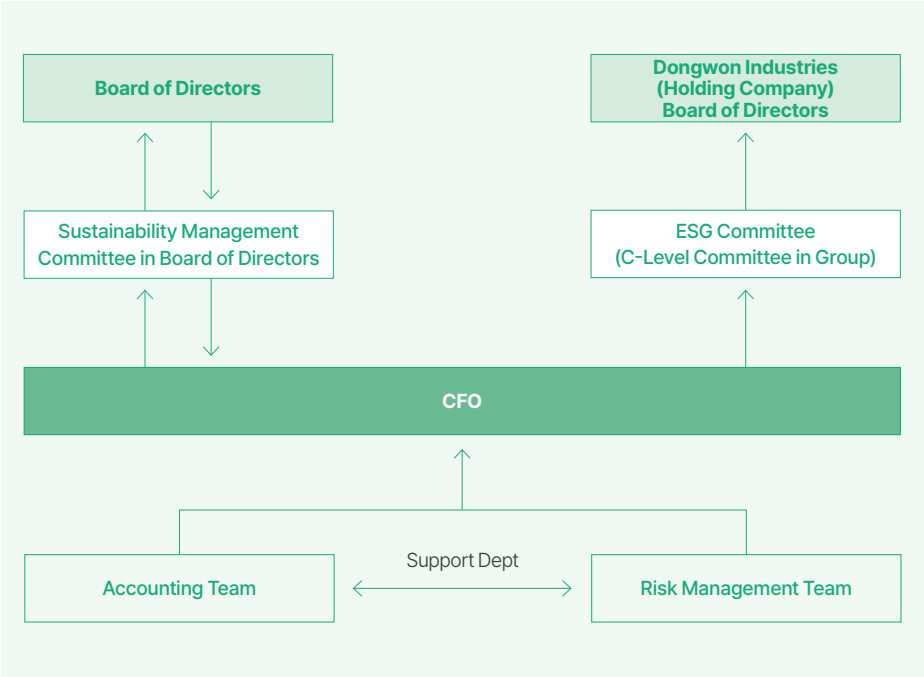
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Organization Chart

Dongwon Systems Sustainability Management Committee Organization Chart



ESG Reporting within the Boardroom

ESG Agenda Items in the Boardroom

Year	Agenda Content	Category
2024	• Report on safety and health in 2023 and approval of safety and health plan in 2024	Safety and Health
	• Enactment of the Corporate Governance Charter	Ethical Management
	• Report on the results of the 2023 ESG materiality assessment	Materiality Assessment
	• Report on 2023 risk management activities and 2024 risk management activity plan	Integrated Risk Management
	• Establishment of evaluation management standards in accordance with the implementation of the 2023 ESG Supplier Code of Conduct	Supply Chain Management
	• Enforcement of anti-corruption regulations	Ethical Management
	• Establishing a code of ethics for independent director	
	• Approval of 2023 Performance and 2024 Plan on ESG (Environmental Management)	ESG Investment
	• Approval of 2024 risk management performance	Integrated Risk Management
	• Report on the results of the 2024 ESG double materiality assessment	Materiality Assessment
2025	• Report on the results of the 2024 community risk assessment	Community Engagement
	• Report on safety and health in 2024 and approval of safety and health plan in 2025	Safety and Health
	• Establishment of 2025 ESG KPIs	Environmental Performance
	• Establishment of 2025 Environmental Management Guidelines	Environmental Performance
	• Report on 2024 Board Evaluation Results	Board Evaluation
	• Approval of 2025 ESG-related Investment Plan	ESG Investment
	• Implementation of 2025 Anti-corruption Plan	Ethical Management

ESG Reporting Performance in the Boardroom

Safety and Health	Ethical Management	Materiality Assessment	Integrated Risk Management	Supply Chain Management	ESG Investment	Community Engagement	Environmental Performance	Board Evaluation
2 Cases	3 Cases	2 Cases	2 Cases	1 Case	2 Cases	1 Case	2 Cases	1 Case

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Implementation Status of Strategic Tasks

Detailed Indicators of Strategic Tasks by Area (2025)

Definitions of E/S/G Indicators

Classification	Classification	Definition	Unit
<div>Environment</div> 	Reduction of Scope 1+2 GHG Emissions	Reduced greenhouse gas emissions by 2%	tCO ₂ -eq
	Reduction of Air Pollutant Emissions	Reducing NOx, SOx, and dust emissions	ton
	Reduction of Water Pollutant Emissions	Reducing BOD, COD, and TOC emissions	ton
	Eco-friendly Packaging Sales	Increase in sales of packaging materials with reduced use of hazardous chemicals	KRW 100 million
<div>Social</div> 	Serious Accident Prevention	Zero serious industrial accidents reported	Case
		Annual sharing of critical incident response guidance	Case
	Prevention and Reduction of Industrial Accidents	46% reduction in industrial accidents compared to previous year	Case
		Advancement of safety and health processes	Completion
	Safety Accident Prevention Activities	Near-miss reporting activities to prevent incidents proactively	Case
		20% reduction in minor injury accidents compared to previous year	Case
	Establishment of a Human Rights Management System	Human rights impact assessment conducted	Completion
<div>Governance</div> 	Management of Partner Companies Such as Supply Chains	ESG Supplier Code of Conduct implemented	Completion
	Establishment of Jeong-Do Management System	ISO 37001 (Anti-Bribery Management System) certification obtained	Acquisition
		Stakeholder due diligence assessments conducted	Case
		Anti-corruption pledges signed by employees and partner companies	Completion
		Number of Fair-Trade Act violations	Case

Sustainability Performance in 2024

Key Performances by E/S/G

<div>Environment</div> 	Introduction of Product Life Cycle Assessment	Establishment of a Biodiversity Monitoring System for Local Plant
	Expansion of Solar Power Facility Construction	Establishment of a Harmful Chemicals Reduction Plan
<div>Social</div> 	Conducting Regular ESG Evaluations of Partner Companies	Expansion of Financial/Non-financial Support Programs for Partner Companies
	Conducting Human Rights Risk Assessments for Employees and Partner Companies	Conducting Community Risk Assessments
<div>Governance</div> 	Acquisition of Directors and Officers (D&O) Liability Insurance	Establishment of the Value-up Highlight Plan
	Establishment of a Fair-Trade Policy	Conducting Unfair Trade and Competition Risk Assessment

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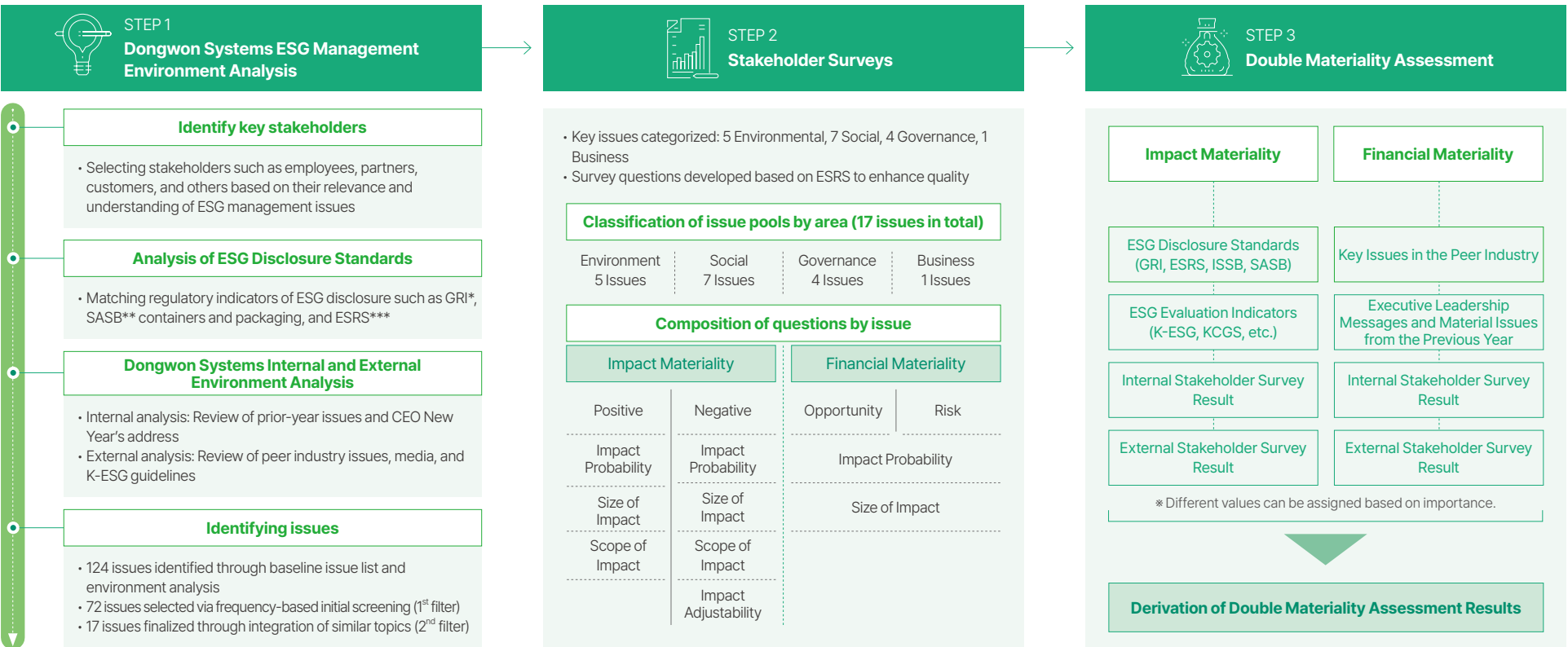
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Materiality Assessment

Double Materiality Assessment

Process

- Double Materiality Assessment is an evaluation method that considers the Inside-Out impact of a company's business activities on the society and the environment and the impact of the society and environment on the company's financial status (Outside-In).
- Through this, the company identifies the major concerns of internal and external stakeholders and reflects them in corporate management activities to improve business performance and actively reflect social and environmental values.
- Dongwon Systems formed the final 17 issue pools through analysis of the ESG management environment and selected major issues through stakeholder surveys and double materiality assessments.

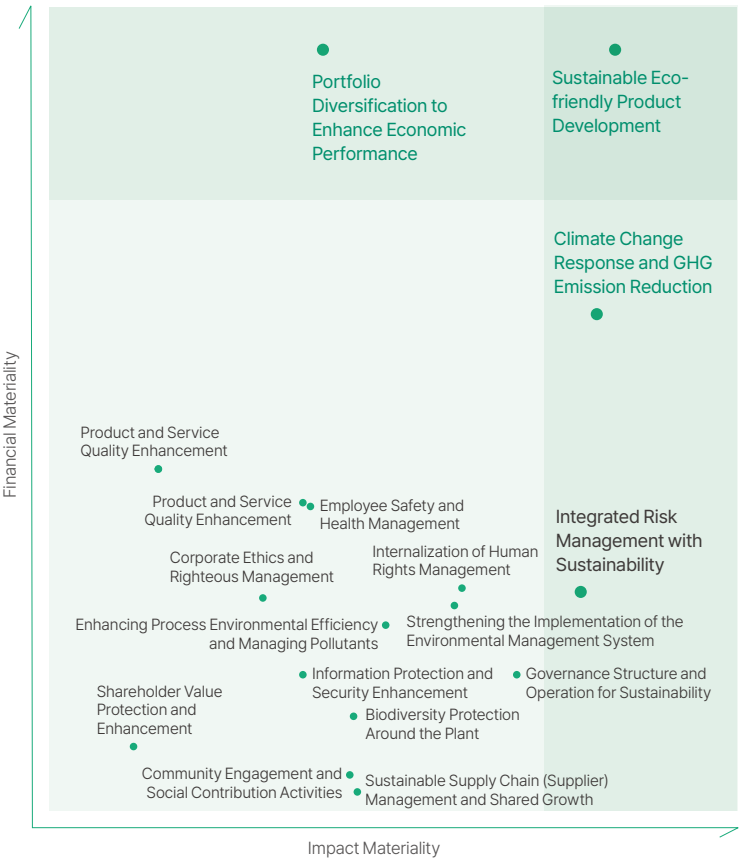


Materiality Assessment

Double Materiality Assessment

Results of the Double Materiality Assessment (Key Changes Compared to the Previous Year)

- Issues with high social and environmental impact were identified as Sustainable Eco-friendly Product Development, Climate Change Response and GHG Emission Reduction, and Integrated Risk Management with Sustainability.
- Issues with high financial impact were identified as Portfolio Diversification to Enhance Economic Performance and Sustainable Eco-friendly Product Development.
- Compared to the previous year, Integrated Risk Management with Sustainability was identified as a newly recognized issue.



Issue	Impact Materiality		Financial Materiality		Page in Report
	Positive	Negative	Opportunity	Risk	
Sustainable Eco-friendly Product Development	██████████	██████████	██████████	██████████	p20-p24
Portfolio Diversification to Enhance Economic Performance	██████████	██████████	██████████	██████████	p25-p31
Climate Change Response and GHG Emission Reduction	██████████	██████████	██████████	██████████	p32-p39
Integrated Risk Management with Sustainability(New Issues)	██████████	██████████	██████████	██████████	p40-p43
Internalization of Human Rights Management	██████████	██████████	██████████	██████████	p69-p75
Strengthening the Implementation of the Environmental Management System	██████████	██████████	██████████	██████████	p45-p47
Governance Structure and Operation for Sustainability	██████████	██████████	██████████	██████████	p100-p105
Employee Safety and Health Management	██████████	██████████	██████████	██████████	p76-p80
Product and Service Quality Enhancement	██████████	██████████	██████████	██████████	p81-p84
Enhancing Process Environmental Efficiency and Managing Pollutants	██████████	██████████	██████████	██████████	p48-p51
Human Resources and Working Environment Management	██████████	██████████	██████████	██████████	p60-p68
Corporate Ethics and Righteous Management	██████████	██████████	██████████	██████████	p106-p109
Biodiversity Protection Around the Plant	██████████	██████████	██████████	██████████	p52-p58
Information Protection and Security Enhancement	██████████	██████████	██████████	██████████	p96-p98
Community Engagement and Social Contribution Activities	██████████	██████████	██████████	██████████	p91-p95
Sustainable Supply Chain (Supplier) Management and Shared Growth	██████████	██████████	██████████	██████████	p85-p90
Shareholder Value Protection and Enhancement	██████████	██████████	██████████	██████████	p110-p111

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Stakeholder Engagement

Stakeholder Status, Major Activities and Communication Channels

Communication Channels by Stakeholder

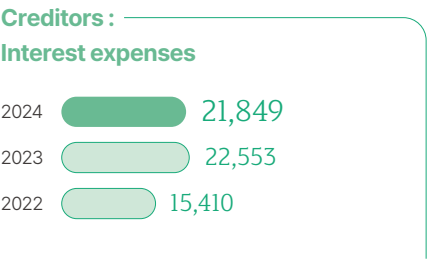
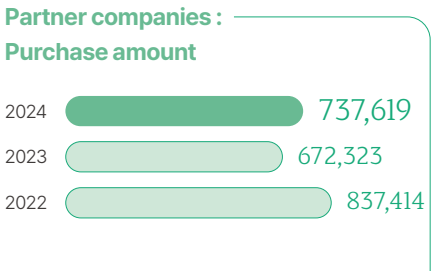
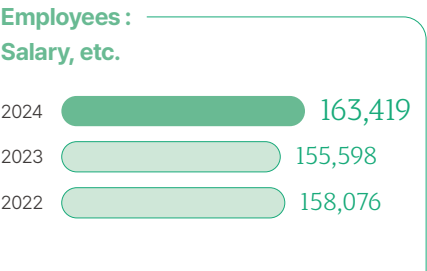
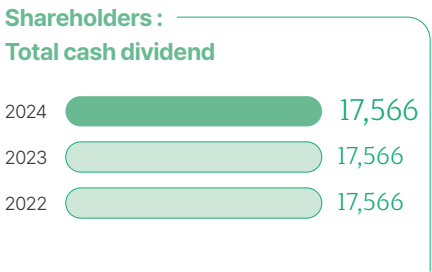
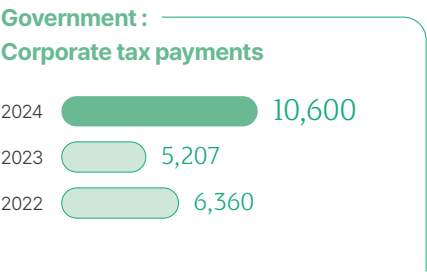
- Dongwon Systems is operating various communication channels to build trust with our stakeholders.
- Our key stakeholders are customers, shareholders and investors, partner companies, local communities and governments.
- Based on active communication, we will continue to pursue transparent and sustainable management with our stakeholders.

Communication Channels by Stakeholder Group

Key Stakeholder	Concerns	Communication channel	Major activities
Customers	<ul style="list-style-type: none">• Safe and competitive service• Producing sustainable, green products	<ul style="list-style-type: none">• Website (Year-round)• Media report (Year-round)• Various interviews (Year-round)	<ul style="list-style-type: none">• Product and Service Quality Enhancement• Sustainable Eco-friendly Product Development
Shareholders and investors	<ul style="list-style-type: none">• Raising corporate value• Risk management• Facilitating shareholder-friendly management	<ul style="list-style-type: none">• General Meeting of Shareholders (Once a year)• Extraordinary General Meeting of Shareholders (As needed)• Conference call (Year-round)• Various reports (Year-round)	<ul style="list-style-type: none">• Shareholder Value Protection and Enhancement
Employees	<ul style="list-style-type: none">• Work-life balance• Fair performance evaluation• Win-win labor relations	<ul style="list-style-type: none">• Employee satisfaction survey (Year-round)• Grievance Handling Center (Year-round)	<ul style="list-style-type: none">• Human Resources and Working Environment Management
Partner companies	<ul style="list-style-type: none">• Expanding win-win management• Building a fair partnership• Fair trade	<ul style="list-style-type: none">• Partner company meeting (Once a year)• Training for partner companies(Year-round)	<ul style="list-style-type: none">• Sustainable Supply Chain (Supplier) Management and Shared Growth
Local community	<ul style="list-style-type: none">• Contributing to local community development through social contribution activities• Create social value	<ul style="list-style-type: none">• Social contribution project (Year-round)• Sponsorship of Dongwon Education Foundation(Year-round)• Cooperation with NGO activities (Year-round)	<ul style="list-style-type: none">• Community Engagement and Social Contribution Activities
Government	<ul style="list-style-type: none">• Legal & regulatory compliance• Strengthening public private partnerships	<ul style="list-style-type: none">• Joining relevant international associations• Obtaining international certifications	<ul style="list-style-type: none">• Corporate Ethics and Righteous Management• Integrated Risk Management with Sustainability

Stakeholder Economic Value Allocation Status (Consolidated basis)

(Unit: KRW million)



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Dongwon Systems is leading the Dongwon Group’s sustainability management, maintaining its commitment to being a company valued by society.

The Dongwon Group shares the founding philosophy of “realizing social justice.” The concept of social justice that companies are expected to respect continues to evolve. In response, Dongwon listens to the voices of its stakeholders and reflects their expectations in its business activities.

- 20 Sustainable Eco-friendly Product Development
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1 ESG HIGHLIGHTS

Major Issue 1 Sustainable Eco-friendly Product Development

Why it is important

Consumers' criteria for selecting products and services are expanding beyond performance, quality, and satisfaction to include how those products and services are developed, produced, delivered, and their broader impact on society. As a leading packaging company, Dongwon Systems is accelerating the development of sustainable packaging solutions to align with this trend, aiming to deliver products that are beneficial to both the planet and society.

Our Approach



- 1. Development of packaging materials based on 3R strategy
- 2. Development of process to reduce the use of hazardous chemicals
- 3. Strengthened joint research and collaboration

2024 Key Performance



Development of harmful reduction packaging materials using natural resins
(Date of acquisition: 2024.09)



Development of micro-foaming film packaging materials that reduce plastic consumption



56 cases of patents and technological developments
(Base year: 2024)

Sustainable Eco-friendly Product Development

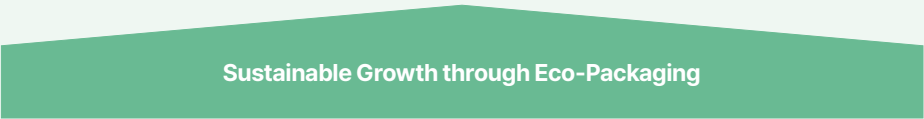
Eco-friendly Product Development Strategy and Implementation System

Product Development Strategy

- As a packaging company, it promotes eco-friendly product development strategies to minimize environmental impact and contribute to resource circulation.
- Expand the development of single-material products that are easy to recycle (e.g., single PE, single PP), and develop products using recycled plastic raw materials and lightweight packaging products that reduce the use of plastics.
- By introducing a reduction process to reduce the use of harmful chemicals at the process stage, the impact on the human body and the environment is minimized.

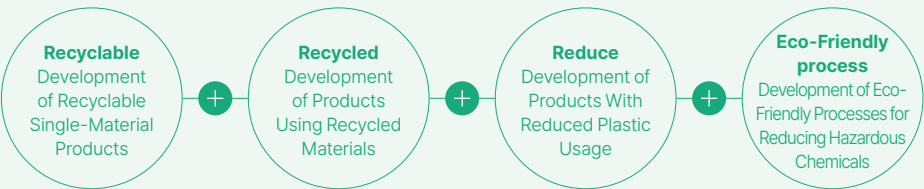
Vision and Strategy

Vision



Strategy

Eco-friendly Product Development Strategy

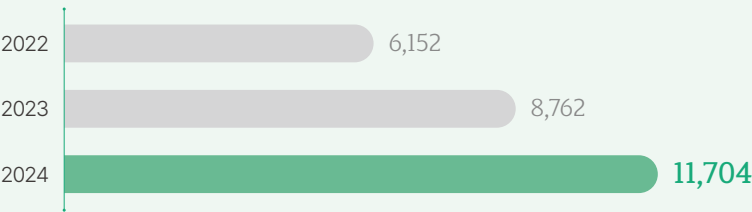


Product Expansion Plan

Development of products consisting of a single polyethylene or polypropylene	Developing products that contain physically or chemically recycled renewable raw materials	Development of products with less plastic than conventional packaging materials	Development of products that do not use solvents harmful to the human body and the environment or apply eco-friendly inks and solvent-free adhesives
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R&D Investment Cost for the Last 3 Years*

(Unit: KRW million)

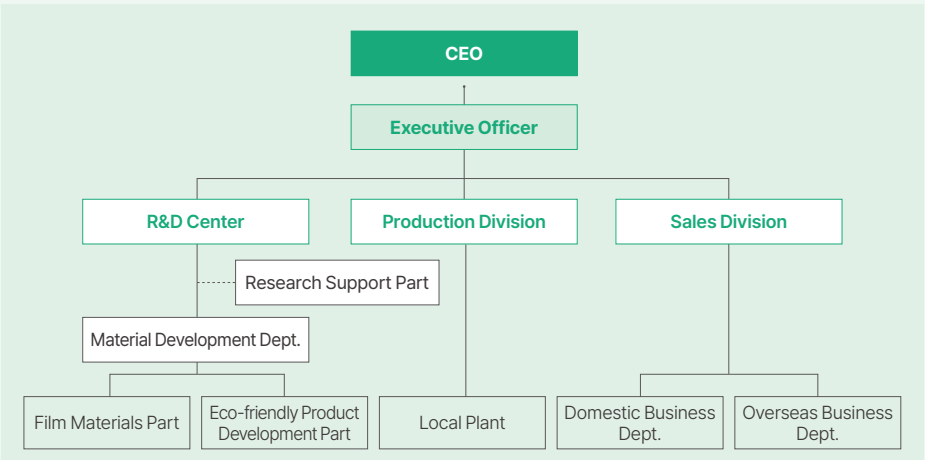


*Total R&D expenses including government subsidies, as disclosed in the annual report

Organization Chart

- Dongwon Systems established a R&D center to drive the development of eco-friendly products, operating a Materials Development Department under it.
- The Materials Development Department consists of the Film Materials Part and the Eco-friendly Product Development Part, collaboratively working towards sustainable product innovation.
- Developed products are commercialized through close cooperation with the Production and Sales Division.

Materials Development and Production Organization Chart



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Sustainable Eco-friendly Product Development

Eco-friendly Packaging Materials Development

Packaging Materials

Goal of Expanding Product Development by Packaging Material Research Field

Category	Research Fields	Number of Products in 2024	2025 Implementation Target
Development of Recyclable Single-Material Products	PE Single-material Packaging	24 Cases	30 Cases
	PP Single-material Packaging	1 Case	1 Case
Development of Eco-Friendly Processes for Reducing Hazardous Chemicals	Packaging Printed With Ethanol-Based Ink	-	20 Cases

Materials and packaging eco-friendly certifications

Eco-friendly Certification Status

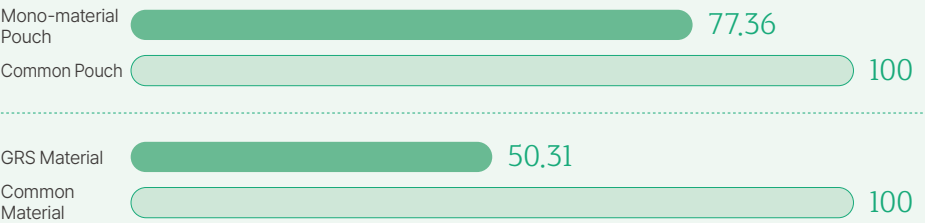
<div>USDA Biobased Product Label</div> <div></div> <div><ul style="list-style-type: none">• Manufacture packaging materials using bio-based materials• Validity: Permanent</div>	<div>Forest Stewardship Council</div> <div></div> <div><ul style="list-style-type: none">• Use of paper certified for sustainable forest management system• Validity period: ~April 2026 (Jincheon), ~September 2027 (Asan)</div>	<div>Green Technology</div> <div></div> <div><ul style="list-style-type: none">• Ethanol ink harmful reduction packaging manufacturing technology using natural resin• Validity: ~September 2027</div>	<div>Green Technology Products</div> <div></div> <div><ul style="list-style-type: none">• Development of harmful reduction packaging materials using ethanol ink• Validity: ~ September 2027</div>	<div>Global Recycled Standard</div> <div></div> <div><ul style="list-style-type: none">• Verify recycled material content and management systems throughout the supply chain• Validity: ~ March 2025</div>	<div>Recycled Claim Standard</div> <div></div> <div><ul style="list-style-type: none">• Verify that more than 5% of the products produced contain recycled materials• Validity: ~ March 2025</div>
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Environmental Impact Reduction Process

Product Life Cycle Assessment

- Life cycle evaluation for products using mono-material pouches and GRS materials produced by the company (2024)
- Mono-material pouches reduce carbon dioxide emissions by 22.64% compared to common pouches.
- GRS materials reduce carbon dioxide emissions by 49.69% compared to common materials.

Carbon Dioxide Emissions Analysis Results From Life Cycle Assessment (Unit: %)



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Sustainable Eco-friendly Product Development

Eco-friendly Packaging Material Development

Eco-friendly Packaging Material Development

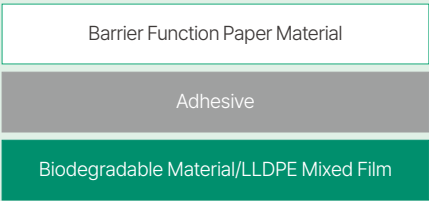
Pouches using Biodegradable Materials and Paper Materials

- Development of pouch consisting of paper material with external barrier function, biodegradable material, and film mixed with LLDPE.
- Obtained Bio-based Certification from the United States Department of Agriculture (USDA).

Ecosobre Commercialized products



Ecosobre Pouch Structure



Polyethylene(PE) Mono-material Packaging

- Development of PE mono-material that improves recyclability by unifying product materials



Paper-based Packaging Materials for Cryogenics

- Development of paper-based plastic-reducing packaging materials that can be used at cryogenic temperatures and achieve a 50% reduction in plastic volume compared to existing packaging materials

Plastic-Reduced Packaging for Seaweed Packaging

- By removing plastic containers from seaweed packaging, the use of packaging materials is reduced to one-third compared to regular seasoned seaweed



Waste Plastic Applied Packaging

- Completed the development of razor packaging materials made from recycled plastics



Plastic-reduced Packaging for Dim sum Packaging

- The material is made by spraying nitrogen into the plastic film to form uniform microbubbles, reducing the weight of the plastic material by more than 10% on average



Ethanol ink reduction packaging material (Green Technology Certification)

- Applied to coffee sticks and health supplement stick products



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Sustainable Eco-friendly Product Development

Joint Research Cooperation

Received the Minister of Trade, Industry and Energy Award

- Dongwon Systems achieved the first export of single-material flexible packaging materials in Korea and received the Minister of Industry and Trade Award for the development of bio-based and recycled packaging technologies.
- We are developing eco-friendly packaging materials that are easy to recycle in response to international environmental regulations, thereby contributing to improving export competitiveness.



Commemorative photo of the 2024 Korea Circular Economy Festival

Dongwon Systems and H2 Collaboration to Promote Use of Recycled PET Bottles

- We signed a business agreement with H2, a recycling company, to promote the use of recycled PET bottles (rPET).
- We secured a stable supply of high-quality recycled raw materials (rPETchips) extracted from waste PET bottles from HTO.



H2 Joint Collaboration MOU Signing Ceremony

Domestic and International Intellectual Property Rights

Current Status of Domestic and International Intellectual Property Rights

Registration	46 domestic patents	10 overseas patents	11 domestic design rights	27 domestic trademarks
Pending	50 domestic patents	4 overseas patents	0 domestic design rights	0 domestic trademarks
Total	96 domestic patents	14 overseas patents	11 domestic design rights	27 domestic trademarks

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2 ESG HIGHLIGHTS


Major Issue 02

Portfolio Diversification to Enhance Economic Performance


Why it is important


Secondary batteries, a key power source for electric vehicles, are attracting attention as a new growth engine, and Dongwon Systems is strengthening its competitiveness in the secondary battery field through continuous R&D. Through this, we aim to secure future growth potential and achieve sustainable growth. We will continue to innovate by discovering and developing new growth engines and further enhance our competitiveness in the global market.


Our Approach

- 
 - 1. Development of secondary battery material technology
 - 2. Improvement of major environmental impact factors through life cycle assessment
 - 3. Strengthening Joint Research Cooperation

2024 Key Performance

- 

Secondary battery 5 materials development progress
- 

Secondary battery AL-FOIL life cycle assessment Implementation
- 

Interbattery 2025 participation

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Portfolio Diversification to Enhance Economic Performance

Secondary Battery Promotion Strategy and Implementation System

Portfolio Diversification Strategy

Strategic Direction for Portfolio Diversification

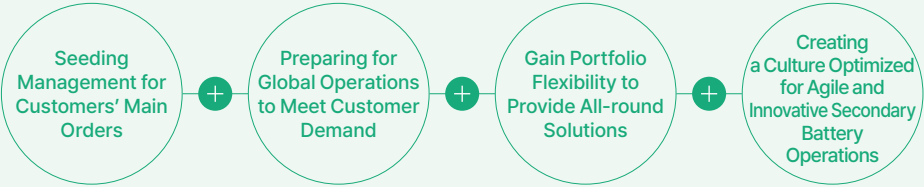
Category	Aluminum Foil	Can	Pouch
Existing Business	<ul style="list-style-type: none">AL-Foil for FoodAL-Foil for IndustrialAL-PASTE	<ul style="list-style-type: none">Steel CanAluminum CanBottle Can	<ul style="list-style-type: none">RetroCereal PackFrozen foods, etc.
Category	Aluminum Cathode Foil	Cylindrical Can	Cell Pouch
New business	<ul style="list-style-type: none">Cathode Foil for Secondary BatteryCoated Foil for Carbon/ LFP	<ul style="list-style-type: none">Cylindrical Can for Electric VehiclesCan for Wireless Earphones	<ul style="list-style-type: none">Cell Pouch for Secondary Battery

Vision and Strategy

Vision



Strategy



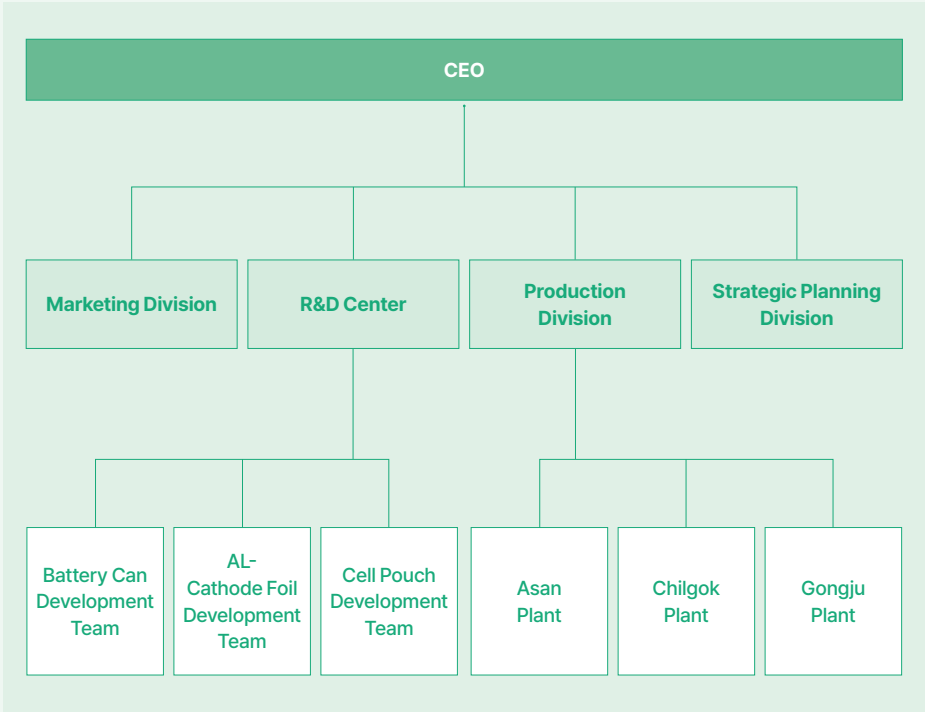
Detailed Direction

<ul style="list-style-type: none">Strengthen Customer TouchpointsPortfolio ImprovementPromote Product Development	<ul style="list-style-type: none">Establishing a Global Raw Material Supply ChainAdvancing Localization of Overseas Production Sites	<ul style="list-style-type: none">Expanding into New Form FactorsScaling Up Pouch ProductionAgile Management of Aluminum Production	<ul style="list-style-type: none">Fostering a Performance-Oriented CultureEnhancing Quality and Manufacturing CompetitivenessBuilding a Profitable and Sustainable Business
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Organization Chart

- Dongwon Systems reorganized three R&D units under its R&D Center to strengthen secondary battery material development.
- We established a structured development system comprising the Battery Can Development Team, Aluminum Cathode Foil Development Team, and Cell Pouch Development Team.
- The developed materials are commercialized through close collaboration with Strategic Planning, Production and Marketing divisions, paving the way for Dongwon Systems to become a leading company in secondary battery materials and components.

Secondary Battery Development and Production Organization Chart



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Portfolio Diversification to Enhance Economic Performance

Secondary Battery Research and Development

Development of Secondary Battery Material Technology

- Dongwon Systems is actively engaging in research and development to meet the growing demand for secondary batteries.
- We are focused on developing high-strength, high-elasticity materials and cell pouch materials to enhance the safety and performance of these batteries.
- We are advancing the development of battery cans for electric vehicles, laptops, and cell phones, positioning ourselves for new technological leadership and business expansion.

R&D Performance in Secondary Battery Sector

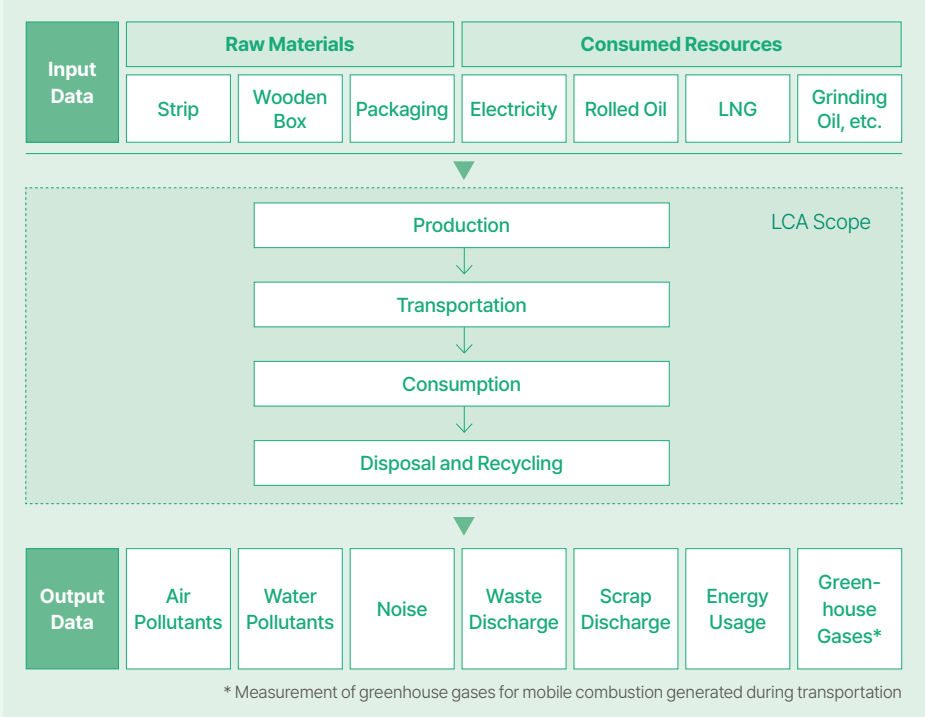
Catergoy	Research Area	Expected Result
Aluminum Surface Treatment Technology	• Developed surface treatment solution and technology to improve electrical resistance and active material adhesion	• Stable product production and diversification of demand through product diversification
	• Developed product that enhances battery safety	
AL Cathode Foil for Secondary Battery	• Development on-going for second-generation high-strength and high-elongation	• Contributing to sales growth through commercialization new products • Preparing for demand due to accelerated electric vehicle production
Cell Pouch for Secondary Battery	• Development on-going for secondary battery cell pouch material	• Contributing to increasing sales through commercialization when developing new products • Expansion of secondary battery parts business
	• Establishment of cell pouch production line	
Battery Can	• Can development for cell phones, laptops, electric machines, energy storage devices, and electric vehicle batteries	• Preemption of new technologies and contribution to new sales • Strengthening battery competitiveness by contributing to the development of large-capacity prototypes
	• Development of battery top cap production automation process and materials for electric vehicles	

Environmental Impact Reduction Process

Life Cycle Assessment

- Dongwon Systems conducted a Life Cycle Assessment (LCA) to evaluate the environmental impact of its manufactured products across their entire life cycle.
- The LCA scope covered the stages from production to disposal and recycling.
- In 2024, we assessed the impact of aluminum foil across seven environmental aspects, including air, water, and noise.
- We plan to expand the scope of LCA to cover all manufactured products in the future.

Life Cycle Assessment Schematic



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Portfolio Diversification to Enhance Economic Performance

Secondary Battery Proudcts

Main Products

- As a major product related to secondary batteries, it is mainly produced in cell pouches, cathode foils, and cylindrical cans.
- Cell pouches can be customized for design and performance.
- Cathode foil improves battery capacity, safety, and productivity, and is applied to electric vehicles, energy storage devices, and power tools.
- Cylindrical cans protect cells from the external environment.

Secondary Battery Main Products

Catergoy	Cell Pouch	Cathode Foil	Cylindrical Can
Product			
Characteristic	<ul style="list-style-type: none">• High Chemical Resistance• High Formability• High Insulation, and Heat Resistance	<ul style="list-style-type: none">• Ultra-high Strength Control• Advanced Surface Treatment Application	<ul style="list-style-type: none">• Battery Case of Nickel-plated Steel• Advanced Deep Drawing Technology
Advantages	<ul style="list-style-type: none">• Battery Stability, Customized Design, and Customer-Required Performance Implementation	<ul style="list-style-type: none">• Improvement of Battery Capacity, Reliability, and Productivity	<ul style="list-style-type: none">• Reducing the External Environmental Impact of Finished Battery Cells
Applications	<ul style="list-style-type: none">• Electric Vehicles• Energy Storage System	<ul style="list-style-type: none">• Electric Vehicles• Energy Storage System• Power Tools• Cell phone	<ul style="list-style-type: none">• Electric Vehicles• Energy Storage System• Power Tools• Cell Phone

Cell Pouch

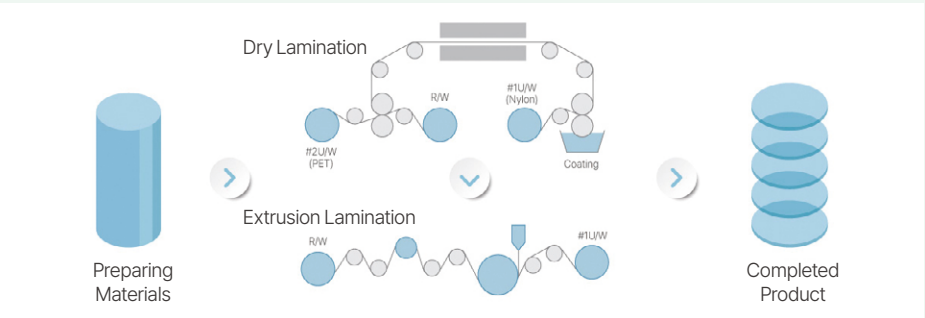
Cell Pouch Structure

Cell Pouch Layered Structure



Manufacturing Process

Cell pouch manufacturing process



Main Products

Main product features and uses

Product	Feature	Application
DW-153A	• Extrusion Coating Technology Development and Applying	xEV, ESS
DW-173A	• High Insulation and High Heat Resistance Cell Pouch Securing	
DW-183A	• Aluminum Internalization Technology	
	• Ensuring Safety by Securing	

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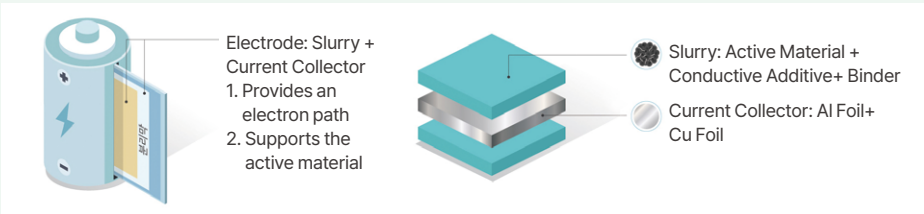
Portfolio Diversification to Enhance Economic Performance

Cathode Foil

Applications

- The cathode foil supports the cathode active material and serves as a channel for electrons to move, and mainly produces cathode foil for secondary battery.
- Production of cathode foil with enhanced mechanical properties to improve battery capacity and workability, and high-performance coating technology to ensure safety.

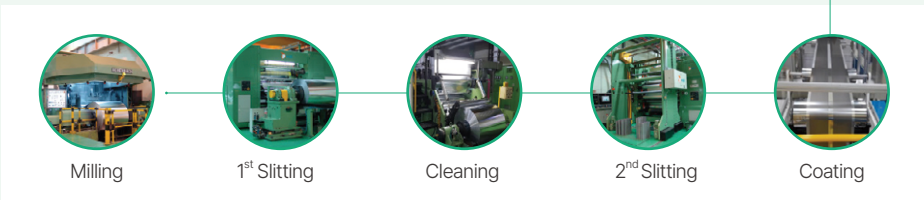
Secondary battery main products



Bare Foil Manufacturing Process



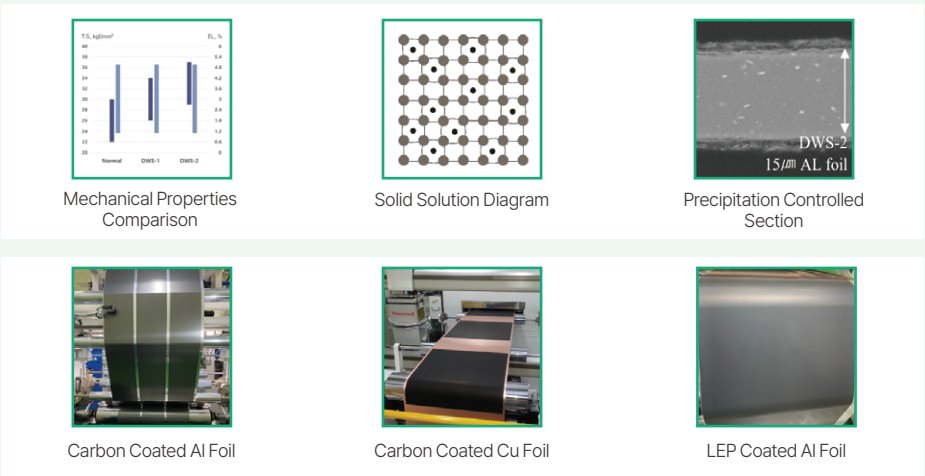
Coated Aluminum Foil Manufacturing Process



* Process of longitudinal cutting to fit the size of the battery cell

Leading Technology

Product Application Technology



Main Products

Main Product Features and Uses

	Product	Feature	Application
Bare Foil	Standard AL Foil	10~30μm/26Kg/mm ²	
	1st Generation High Strength	12~20μm/30Kg/mm ²	xEV**, ESS, PT, IT
	2nd Generation High Strength	12~20μm/33Kg/mm ²	
Coated Foil*	Coated AL Foil	9~15μm	xEV, ESS, PT, IT
	Coated Cu Foil	6~10μm	xEV, PT***, IT
	Coated LFP Foil	9~15μm	IT

* Products with surface treatment and coating technology to increase the battery performance and life of the current collector

** Power-based vehicles, including hybrids, plug-in hybrids, electric and fuel cell vehicles

*** Types of batteries that can be charged and discharged

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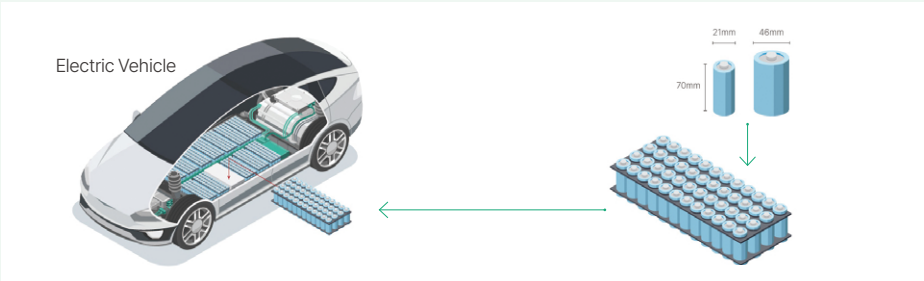
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Portfolio Diversification to Enhance Economic Performance

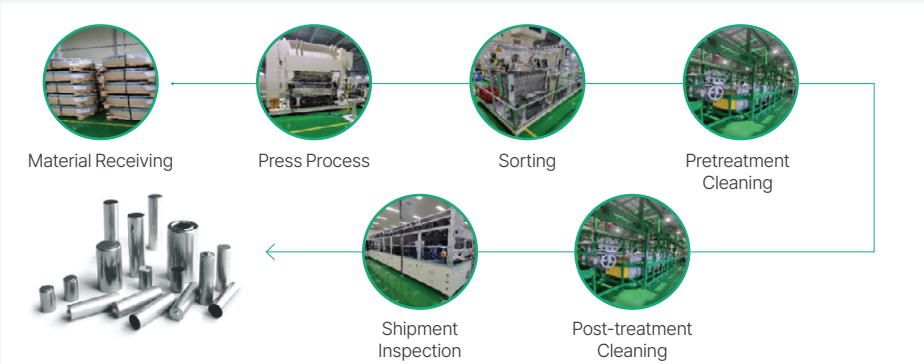
Cylindrical Can

Application for Electric Vehicles

Cylindrical Cans Use Case



Cylindrical Can Manufacturing Process for Electric Vehicles



Main Products

Main Product Features and Uses

Product	Feature	Application
46XX Can	D 46mm X H XX*mm	xEV
21700 Can	D 21mm X H 70mm	xEV, PT

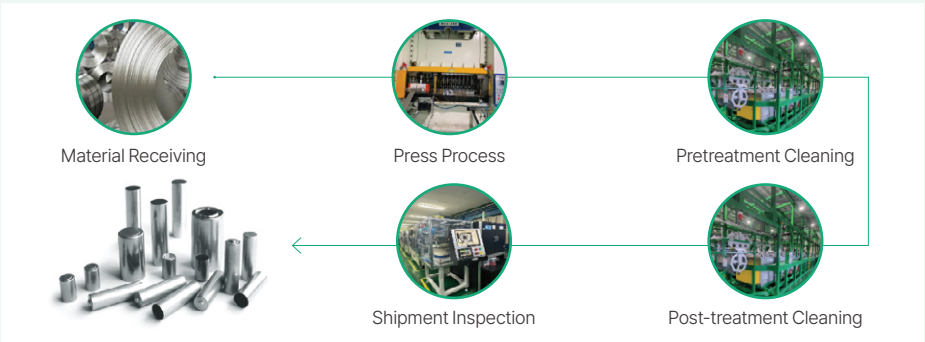
* Product height can be changed according to the customer's request, so it is listed as XXmm.

Application for Wireless Earphones

Cylindrical Cans Use Case



Cylindrical Can Manufacturing Process for Wireless Earphones



Main Products

Main Product Features and Uses

Product	Feature	Application
1154 Can	D11mm X H5.4mm	Air-Pod
1254 Can	D12mm X H5.4mm	Buzz

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Portfolio Diversification to Enhance Economic Performance

Secondary Battery Business Promotion Activities

Participation in “Inter Battery 2025”, the Largest Battery Exhibition in Korea

- Dongwon Systems promoted its secondary battery business and differentiated technology through the exhibition.
- We showed our customers our proprietary technology and R&D capabilities related to battery materials, including cathode foil, cylindrical cans, and cell pouches.
- We aim to further expand our future growth engines by leading the development of eco-friendly battery technology.



Inter battery on-site photo

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3 ESG HIGHLIGHTS


Major Issue 3

Climate Change Response and GHG Emission Reduction


Why it is important

Dongwon Systems sees climate change not just as a duty, but as a chance to grow sustainably. Our E.H.S. Committee leads company-wide efforts to reduce greenhouse gas emissions by setting strategies and putting them into action. We also invest in R&D to develop new technologies that help us respond to climate change and create future growth opportunities.


- Our Approach**
- 
 - 1. Company-wide GHG Reduction Strategy Led by the E.H.S. Committee
 - 2. Expansion of Solar Power and Facility Upgrades
 - 3. Strengthened External Collaboration on Climate Response

- 2024 Key Performance**
- 

Completed installation of solar power systems at the Asan plant, with plans to expand to four additional sites by 2025



Upgraded aging air compressor systems and replaced conventional lighting with high-efficiency LED systems



Joined the CoREi initiative to reinforce collaboration on climate change mitigation

Climate Change Response and GHG Emission Reduction

Management System

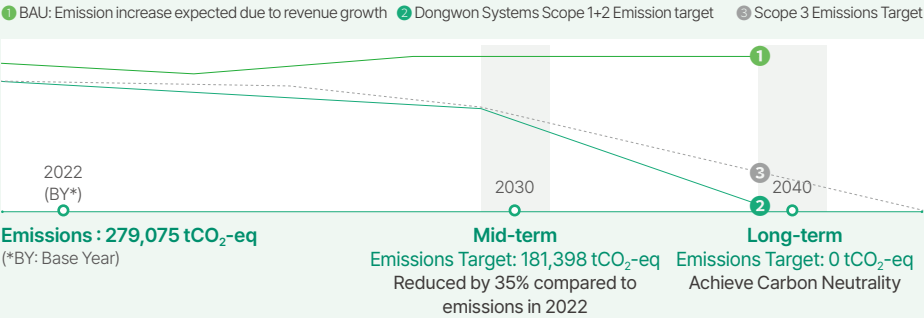
Establishment of Greenhouse Gas Reduction Targets

- To achieve carbon neutrality for Scope 1 & 2 emissions, we are promoting the transition to renewable energy across all business sites by 2040.
- The carbon neutrality roadmap is realized through power purchase contracts, solar power facilities, and energy facility investments.
- By 2050, we aim to expand this effort to our supply chain, achieving carbon neutrality throughout us entire value chain.

Goals by year

2024	2030	2040	2050
Asan Plant Power Facility Construction	Set Scope 3 inventory	Achieve 100% Renewable Energy Transition across All Business Sites (Scope 1 & 2)	Achieve Carbon Neutrality for Entire Value Chain including Supply Chains

Dongwon Systems 2040 Carbon Neutrality Roadmap (Scope 1, 2)



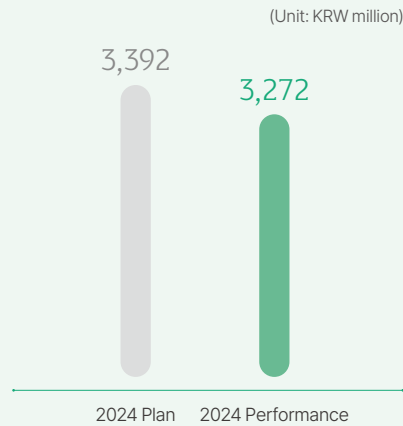
Scope 1&2 GHG Reduction Plan by 2040

Target	Unit	2024	2025	2026	2027	2028	2029	2030	2035	2040
Target Reduction Ratio	%	7.8	11.5	16.8	20.2	29.7	32.6	35.3	74.9	100
Power Purchase Agreement	%	-	-	10	10	35	55	66	69	65
Solar Power Facility	(Investment Ratio)	5	10	10	28	2	1	1	1	10
Energy Facility Investment		95	90	80	62	63	44	23	30	25

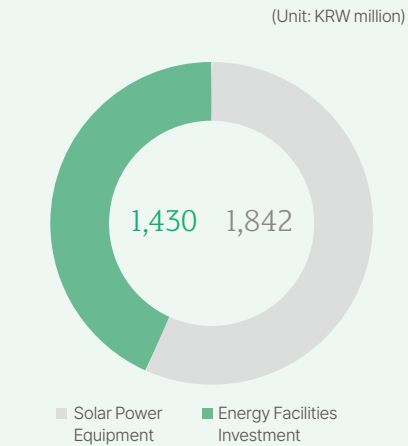
Greenhouse Gas Reduction Investment Performance

- We are expanding investments in greenhouse gas (GHG) reduction facilities across all business sites to promote GHG reduction activities.
- A total of KRW 3,272 million has been invested in solar power self-generation systems and energy facilities.
- Specifically, approximately KRW 1,842 million was invested in new solar power equipment in 2024.
- Additionally, about KRW 1,430 million was invested in energy facilities in 2024, including cooling tower replacements, low-capacity air compressor upgrades, and the introduction of oxygen furnace soaking pit equipment.

GHG Reduction Investment Performance and Plan (2024)



Detailed Investment Plan for GHG Reduction(2024)



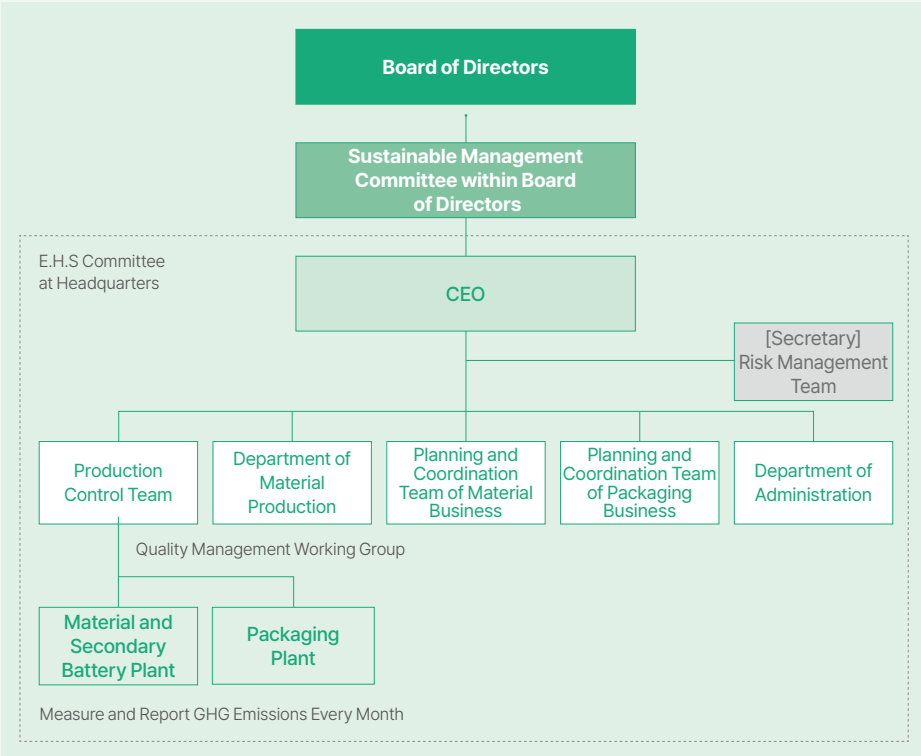
Climate Change Response and GHG Emission Reduction

Management System

Organization Chart

- Dongwon Systems develops company-wide GHG reduction plans and drives climate action, led by the E.H.S. Committee.
- We report progress regularly to the Board’s Sustainability Management Committee.
- A working-level team was formed to manage GHG emissions at each site.
- All sites calculate and report monthly emissions to the Production Control Team.

GHG Reduction Response Organization



Climate Risk Analysis

Analytics Strategy

- We conducted climate scenario analysis based on 1.5°C, 2.0°C, and 4.0°C scenarios to understand the impact of climate change on business sites and analyze potential financial impacts accordingly.
- Physical risk applies the Shared Socioeconomic Pathways* (SSP) scenario to consider socioeconomic changes such as demographics, economic development, welfare, and technological development.
- Transition risk is analyzed using NZE, APS, and STEP scenarios that reflect the policy direction of each country and the applicability of technology.

Analysis Model for Each Climate Scenario

Category		1.5°C Scenario	2.0°C Scenario	4.0°C Scenario
Overview		The world will immediately transition to a carbon-neutral economy and reduce the increase in the average global temperature.	Policy measures are currently in place to achieve declared national emission reduction targets, but the global average temperature rises by more than 2.0°C without further strengthening	A scenario in which a limited level of policy implementation is reflected, considering only the effectiveness of currently implemented policies and measures, resulting in a global average temperature increase of more than 4.0°C.
Temperature Increase by 2100 from Pre-industrial Levels		1.5°C ↑	2.0°C ↑	4.0°C ↑
Physical Risk	Scenario	SSP 2.6	SSP 4.5	SSP 8.5
	Detailed Information	The development of renewable energy technology minimizes the use of fossil fuels and assumes eco-friendly and sustainable economic growth.	Assuming that climate change mitigation and socio-economic development are intermediate	Focusing on the rapid development of industrial technology, the use of fossil fuels is high, and the indiscriminate expansion of urban-centered development is assumed.
Transition Risk**	Scenario	NZE (NetZero Emissions)	APS (Announced Pledges Scenario)	STEPS (Stated Policies Scenario)

* The IPCC 6th Assessment Report (2021) develops scenarios that consider changes in the future socio-economic structure according to the level of greenhouse gas reduction.

** For scenario definitions by transition risk, refer to the transition risk analysis results page.

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Climate Change Response and GHG Emission Reduction

Climate Risk Analysis

Physical Risk Exposure

- We conducted physical risk exposure assessment for all business sites.
- The Gunsan plant was identified as a "very high" typhoon/flood type and the Yeosu plant was identified as a "high" risk type for flood and heat waves in the SSP 8.5 scenario.
- The Asan plant is characterized by heat wave and drought, and the Jincheon plant is confirmed to have a "high" type of heat in the SSP 8.5 scenario wave.

Evaluation of Physical Risk Exposure by Major Business Sites

Plant	Risk Type	SSP2.6	SSP 4.5	SSP8.5
Gunsan	Sea Level Rise	Middle	Middle-High	High
	Typhoon/Flood	Middle	High	Very High
	Heatwaves	Low	Middle	High
Yeosu	Flood	Middle	Middle-High	High
	Heatwaves	Low	Middle	High
	Drought	Low	Middle	Middle-High
Asan	Typhoon/Flood	Low	Middle	Middle-High
	Heatwaves	Low	Middle	High
	Drought	Middle	Middle-High	High
Jincheon	Typhoon/Flood	Low	Low-Middle	Middle
	Heatwaves	Middle	Middle-High	High
	Drought	Low	Middle	Middle-High

Low

Physical Risk Exposure

Very High

Response Strategies for Physical Risk

- We assessed the potential range of asset damage under different scenarios for both 2030 and 2040, focusing on chronic risks such as sea level rise, as well as acute risks including typhoons, floods, heatwaves, and droughts.
- Under the SSP2.6 scenario, damages are estimated at KRW 2 to 5 billion by 2030, while under the SSP8.5 scenario, damages could reach approximately KRW 35 to 50 billion by 2040.
- Company-wide and site-specific response strategies have been established for each type of risk.

Financial Impact of Physical Risks

(Unit: KRW Billion)

Type	Risk Factors	Definition	Asset Damage Impact						Company-wide Response Strategy	Detailed Response Strategy for Each Plant
			SSP 2.6		SSP4.5		SSP8.5			
			2030	2040	2030	2040	2030	2040		
chronicity	Sea level rise	• Due to the gradual rise in sea level, there are risks affecting businesses near the coast, such as the risk of flooding and damage to infrastructure.							• Establishment of climate risk assessment and monitoring system for each plant site • Establishment of a response system for emergency situations	• Strengthening reinforcement facilities for flooding at the Gunsan plant
	Typhoon/ Flood	• Risk of natural disasters such as flooding of factories, damage to production facilities, and power cuts due to local strong winds and heavy rain								
Acute	Heatwave	• Abnormal high temperature phenomenon increases electricity demand, overloads of cooling facilities, and decreases in facility efficiency.	2~5	7~10	5~10	15~25	9~18	35~50	• Climate change scenario trend analysis and monitoring • Review domestic and international greenhouse gas emission trends and monitor climate policies • Monitoring of extreme weather patterns in Korea	• Basic reinforcement of cooling systems to prepare for heatwaves across all plants.
	Drought	• The risk of insufficient precipitation affecting manufacturing operations due to limited industrial water supply, poor water quality, and difficulty obtaining cooling water.								

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Climate Change Response and GHG Emission Reduction

Climate Risk Analysis

Response Strategies for Transition Risk

- Dongwon Systems has assessed the financial impact and annual revenue changes under the NZE, APS, and STEPS scenarios, and established detailed response strategies across five key areas.
- We quantified the financial impact of transition risks on sales and operating profit for each scenario.
- Response strategies have been fully developed for each scenario across the areas of investment, products, supply chain, finance, and market.

Financial Impact of Transition Risks

(Unit: KRW Billion)

Transition Risk	Scenario	Classification	Financial Impact						Response Strategy				
			Sales			Operating Profit			Investment	Product	Supply Chain	Financial	Market
			2030	2035	2040	2030	2035	2040					
Policies & Laws	NZE	• Limiting global warming to 1.5°C and achieving net-zero emissions by 2050	1360.8	1837.3	2203.9	43.1	128.6	176.3	• Full-Scale Investment	• Development of Eco-friendly Packaging	• Proactive Supplier Carbon Neutrality Achievement	• Actively Use Green Finance	• Expansion of Aggressive Marketing Strategy in the Eco-Friendly Market
	APS	• Fully meet all energy and climate targets set by governments, including net-zero targets	1391.0	1697.4	2047.3	62.8	110.3	163.8	• Phased Investment	• Establishment of A diverse Portfolio of Existing Products and Eco-Friendly Products		• Flexible Capital Structure and Selective use of Green Finance	• Targeting Key Eco-Friendly Markets and Expanding Market Share
	STEPS	• In addition to the policies already being pursued by each country, the forecast considering the reduction targets announced so far	1357.6	1532.6	1584.1	18.6	10.7	(-26.4)	• Integrated Investment Strategy Considering Reduction and Adaptation	• Demand-Based Selective Development of Eco-Friendly Products	• Achieving Carbon Neutrality for Suppliers with Resilience	• Conservative Capital Structure and Liquidity	• Gain cost Leadership and Gain a Competitive Advantage by Targeting Niche Green Markets

Response Strategies for Opportunity

Classification	Definition	Financial Impact			
		Financial Impact Examples			
			Short Term	Mid-Term	Long-Term
Resource Efficiency	• Enhanced Efficiency of Water Resources • Advancement of Recycling and Waste Management Systems	• Higher Resource Efficiency and Reduced Costs through Circular Economy, Including Water Resources and Waste Management	✓	✓	✓
Energy Resources	• Extended Use of Green Energy Sources (Low carbon and Renewable)	• Reduced Carbon Costs by Switching to Clean, Renewable Energy across All Plant Sites	✓	✓	✓
Product	• Eco-Friendly Packaging Material Development	• Expanded Revenue Streams through the Development of New Products and Market Leadership		✓	✓
Service	• Development of Low-Carbon Products	• Expanded Revenue Streams through the Development of New Products and Market Leadership • Recognition of GHG Reduction Effects of Recycle-PET (Creating Environmental Value)		✓	✓
Market	• Increased Demand for Eco-Friendly Packaging Materials Boosts Sales • New Business Opportunities by Entering the Eco-Friendly Materials Market	• Increased Sales through Corporate Image as a Leader in Eco-Friendly • Packaging and Entry into the Green Materials Market		✓	✓

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Climate Change Response and GHG Emission Reduction

GHG Management Activities

Asan Plant Solar Power Facility Construction

- Dongwon Systems installed 2,604 solar modules at its Asan plant, generating approximately 1,987 MWh of electricity annually.
- In addition, four plant sites in Gwangju, Hoengseong, Gunsan, and Eumseong are planning to introduce additional solar power facilities, securing 3,639MWh of power generation capacity.

Asan Plant Solar Power Facility Introduction Status and Power Generation Capacity



Solar Module Quantity	2,604	Annual Power Generation*	1,987MWh
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Facilities Scheduled to Be Introduced in 2025

Facilities scheduled to be introduced in 2025 and annual power generation**	Gwangju Plant 531MWh	Hoengseong Plant 1,848MWh	Gunsan Plant 1,041MWh	Eumseong Plant 219MWh
---	-------------------------	------------------------------	--------------------------	--------------------------

* Calculated assuming 3.4 hours (average daily power generation time) for 1.601kW (installed capacity)
** 428kW (Gwangju Plant), 1,530kW (Hoengseong Plant), 839kW (Gunsan Plant), and 177kW (Eumseong Plant)
Calculated assuming 3.4 hours (average daily power generation time)

Biomass-Based Facility Construction at Hoengseong Plant

- Biomass, such as wood pellets, will be used as an alternative energy source for the new facilities at the Hoengseong Plant.
- The plant aims to gradually reduce reliance on LNG and maintain biomass usage above a certain threshold, thereby contributing to the reduction of greenhouse gas emissions.

Plan to use wood pellet

Target Year	Unit	LNG	Wood Pellets
2024		58.4	41.6
2025		55.7	44.3
2026		60.1	39.9
2027	%	63.7	36.3
2028		63.7	36.3
2029		63.7	36.3
2030		63.7	36.3

Climate Change Response and GHG Emission Reduction

GHG Management Activities

Introduction of High-Efficiency Equipment for Melting Furnace in Gunsan Plant

- The operating temperature inside the oxygen melting furnace is at least 50°C higher than that of conventional melting furnaces, which caused partial damage to the refractory materials inside the furnace.
- The rise in temperature generates a foam layer within the melting furnace, resulting in inefficient heat dispersion and higher energy consumption.
- By improving the operating conditions of the melting furnace, the internal foam layer is removed, and input energy is reduced.
- Upon introduction, it is expected to reduce refined oil consumption by approximately 6%, save KRW 4.49million, which will in turn contribute to GHG reduction.

Principle of Foam Killer



Estimated Reduction of Refined Oil

Refined Oil Reduction 581,397L	Refined Oil Unit Price KRW 773/L	Amount of Savings KRW 4.49 million
-----------------------------------	-------------------------------------	---------------------------------------

* Refined oil: Reduced by 6%, 9,689,948L
** Refined oil unit price: KRW 773/L applied

Air Compressor Aging Facility Improvement Activities

- Due to the aging of high/low pressure air compressors, compression efficiency decreases and power usage increases.
- In the event of a low-pressure air compressor failure, the high-pressure air compressor responds by lowering the pressure, resulting in excessive power use.
- Therefore, reducing unnecessary electricity consumption by improving aging facilities.

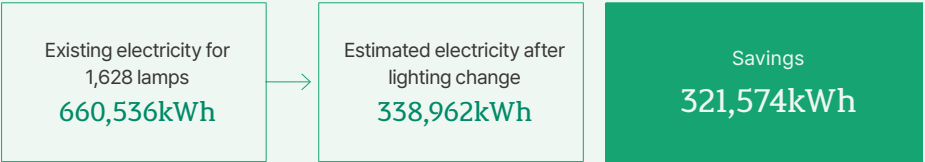
Air Compressor Improvements by Plant to Reduce Electricity Costs

Improvement Status of Aging Air Compressors by Plant	Gunsan Plant	Icheon Plant	Eumseong Plant
	2,573,000KW	958,320KW	423,000KW

High Efficiency LED Replacement

- All 1,628 lights at the Gunsan plant were replaced with high-efficiency, low-power LEDs to reduce electricity costs.
- This replacement is expected to save approximately 321,574 kWh of electricity.
- The project aims not only to reduce energy consumption and carbon emissions, but also to improve the working environment and help prevent safety accidents.

Expected Power Savings due to High-efficiency LED



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Climate Change Response and GHG Emission Reduction

GHG Management Activities

Five-point Code of Practice for Energy Conservation at Dongwon Industrial Building

- Dongwon Systems prepared five Codes of Practice to encourage employees to save energy.
- The company promotes activities such as maintaining appropriate indoor temperatures during summer and winter and refraining from electricity use outside of working hours.
- Employees are encouraged to practice energy conservation by adhering to the Codes of Practice.

Five-point Code of Practice for Energy Conservation

Five-point Code of Practice	Implementation Example
Maintain adequate heating or cooling temperatures in office	• Maintain 22°C for winter heating, and 26°C for summer cooling
Dress in attire that helps energy conservation	• Wear thermal innerwear and cardigans in winter, and cool fabric clothing in summer
Stop use of electricity outside of working hours	• Turn off lights during lunchtimes, turn off computers and monitors when leaving office at end of day
Restrict use of personal heaters	• Ban use of personal electric heaters
Use stairs for lower floors	• Use stairs for up to 3 rd floor

External Collaboration on Climate Change

Join the CoREi Initiative

- Dongwon Systems joined the CoREi initiative in December 2024 to support voluntary renewable energy transition, Led by the Korea Sustainability Investing Forum, UN Global Compact Korea, and WWF Korea, the initiative includes 48 participating companies as of March 2025.
- As part of this effort, Dongwon Systems installed a solar energy facility at its Asan plant in 2024 and participated in the 2025 CoREi member meeting to discuss renewable energy policies and expansion strategies.

CoREi Initiative Activities

Category	Activities
Pursuing Sustainable Development through Renewable Energy Transition	• Publication of guidelines for working-level staff • Seminar and study group operation
Creating a Policy Environment to Expand Renewable Energy Procurement	• (Non)Formal meetings between actual stakeholders • Providing a forum for discussion on improving renewable energy procurement policies • Policy proposal activities and related surveys
Promote Participation of Companies and Related Organizations in Initiatives	• Expanding renewable energy through initiative growth • Strengthening the influence of policy environment creation
Corporate Renewable Energy Expansion Plan and Case Sharing	• Calling for companies to officially declare RE100 • Share Fulfillment Practices

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4 ESG HIGHLIGHTS

Major Issue 4 Integrated Risk Management with Sustainability

Why it is important

Integrated risk management is essential to ensure the stability and reliability of a company by preemptively responding to risk factors across E, S, and G. In particular, in the face of rapidly changing global regulations and climate change risks, establishing an integrated management system is a key factor in determining corporate competitiveness and sustainable growth. We will systematically identify potential risks through integrated risk management that considers sustainability and preemptively respond to them.

Our Approach



- 1. Establishment of preemptive risk identification system for financial and non-financial risks
- 2. Regular board reporting on identified risks

2024 Key Performance



Establishment of response readiness by risk type



Preemptive identification and effectiveness assessment of non-financial compliance risks

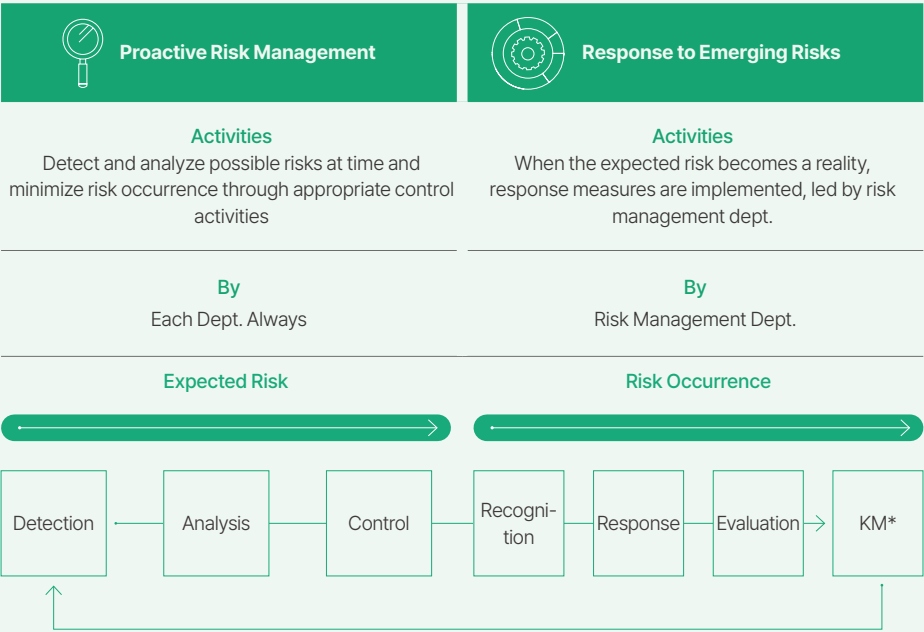
Integrated Risk Management with Sustainability

Integrated Risk Management System

Risk Management Process

- We detect and analyze potential risks at all time and minimize risk occurrence through appropriate control activities.
- When the expected risk becomes a reality, response measures are implemented, with the leadership of the risk management department.
- We monitored the entire risk response process and implemented follow-up procedures to prevent recurrence of similar cases.

Risk Management Process

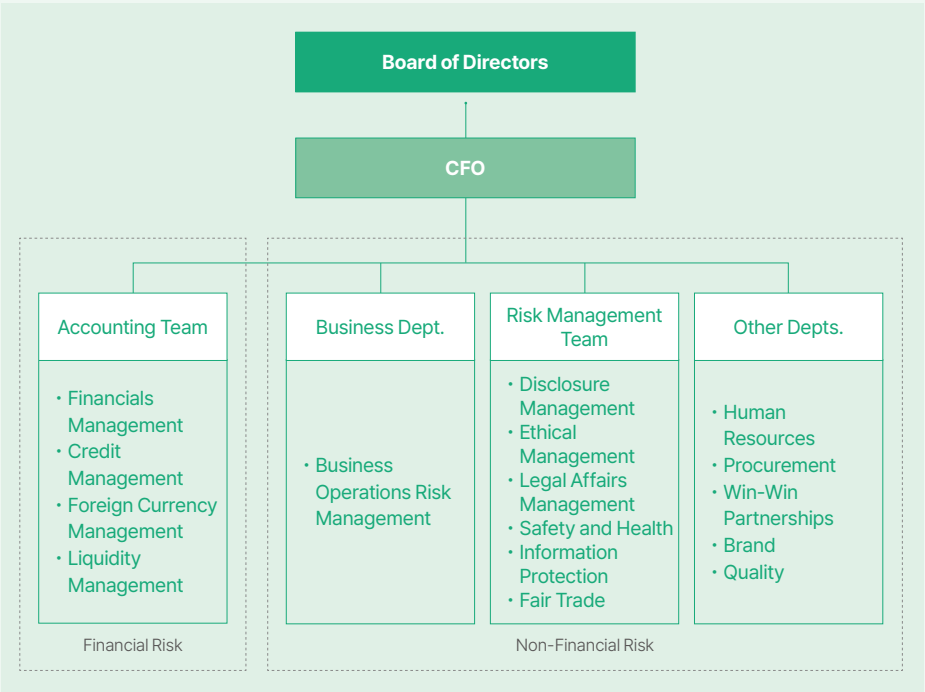


* KM(Knowledge Management): Manage and respond to risks by converting information produced throughout the entire process of risk recognition and response into a knowledge database

Organization Chart

- We established a risk management structure to proactively identify both financial and non-financial risks and report them to the Board of Directors.
- Our Chief Financial Officer (CFO) also acts as the company-wide Chief Risk Officer (CRO).
- We categorize risks into areas such as business operations, finance, disclosure, compliance, and health & safety, and manage them systematically.

Integrated Risk Management Organization Chart



Integrated Risk Management with Sustainability

Risk Management by Type

Risk Response Status by Risk Type

Category	Risk Type	Definition	Response Status
 Financial Risk	Credit Risk	The risk that the counterparty to a financial instrument will not fulfill its obligations under the contract, resulting in financial loss.	<ul style="list-style-type: none">• Strengthening the credit rating system• Regular inspection of credit ratings of partners• Decentralized trading and securing collateral• Establish a rapid response process in case of loss
	Liquidity Risk	The liquidity risk that an entity will have difficulty meeting its obligations related to financial liabilities that are settled by delivering financial assets such as cash.	<ul style="list-style-type: none">• Weekly/monthly monitoring of funds• Securing a loan limit in advance• Emergency Liquidity Support Plan• Strengthen cooperation with bank
	Exchange Rate Risk	Risk of exchange rate in the US, Japan, Europe, Canada, and Vietnam for export and raw material import transactions.	<ul style="list-style-type: none">• Forward Exchange Contracts* or Swap Contracts**• Regular analysis of exchange rate forecasts• Diversification of trading currencies• Exchange rate volatility response scenario operation
	Interest Rate Risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.	<ul style="list-style-type: none">• Fixed/Floating Rate Portfolio Balance• Sensitivity analysis by scenario• Establishment of financial cost reduction plan
 Tax Risk	Tax Risk	Risks such as tax investigations, additional tax collections, penalties, legal disputes, and reputational damage that may occur due to rapidly changing tax environments globally.	<ul style="list-style-type: none">• Monitoring changes in tax legislation and reviewing their impact on business
 Non-financial Risk	Ethical Management	Risks of sanctions, reputational harm, and loss of trust caused by unethical behavior such as bribery, improper solicitation, or conflicts of interest.	<ul style="list-style-type: none">• Regular training on ethical management and fair trade for employees• After the training, a separate test is conducted to check the understanding of fair trade.• Evaluate the effectiveness of education based on the test results and induce the internalization of fair-trade principles
	Compliance Management	Risks of legal sanctions, business suspension, compensation, and loss of trust resulting from violations of laws, regulations, or weak compliance controls.	<ul style="list-style-type: none">• Strengthening compliance management through the implementation of anti-corruption regulations and the Code of Ethics for Independent Directors• Conduct risk assessments for unfair trade and unfair competition and prepare mitigation measures
	Safety and Health	Risks that may result in human casualties, production disruptions, legal liability, and damage to the corporate image due to industrial accidents, worker health problems, and lack of safety management in the workplace.	<ul style="list-style-type: none">• According to the mid- to long-term plan for safety and health, the introduction of the safety and health management system and the advancement of the manual are promoted

* A contract to buy and sell a certain amount of foreign currency at a fixed exchange rate on a specific date in the future at the time of the current contract.
** Contracts to exchange different currencies for a period of time

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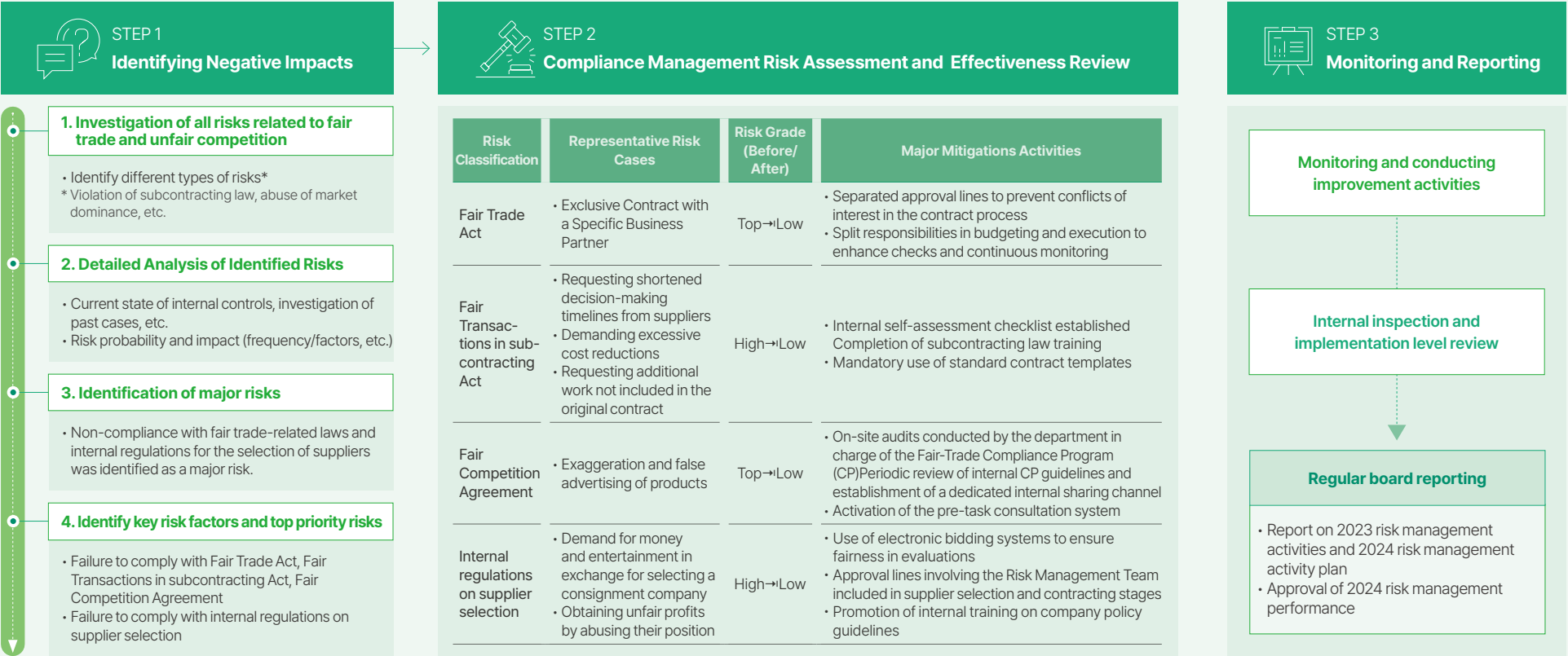
Integrated Risk Management with Sustainability

CASE | Non-financial Risk(Compliance)

Unfair Trade and Unfair Competition Risk Management

- We conducted a risk assessment and effectiveness review on compliance-related non-financial risks.
- We identified key risks of non-compliance with laws and internal regulations related to fair trade and anti-competitive risks.
- We established mitigation measures for identified risks and monitored changes in risk ratings before and after improvements.
- The Chief Risk Officer reported the improvement status and monitoring results to the Board of Directors and obtained final approval.

Unfair Trade and Unfair Competition Risk Management(2024)



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SUSTAINABILITY STRATEGY

SUSTAINABILITY HIGHLIGHTS

- Major Issue 1. Sustainable Eco-friendly Product Development
- Major Issue 2. Portfolio Diversification to Enhance Economic Performance
- Major Issue 3. Climate Change Response and GHG Emission Reduction

Major Issue 4. Integrated Risk Management with Sustainability

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Strengthening the Implementation of the Environmental Management System

Environmental Management System

Environmental Management Policy

- Dongwon Systems establishes an environmental management policy to achieve a carbon-neutral society and fulfill social responsibilities.
- We practice responsible environmental management through improvements aimed at expanding eco-friendly products and achieving carbon neutrality.
- We strengthen sustainable management through employee training and transparent information disclosure.

Environmental Management Policy

Link ▶

Dongwon Systems makes every effort to fulfill its social responsibilities and roles entrusted to it to achieve a carbon-neutral society and the health of the planet, thereby realizing sustainable management.

- We strive to expand eco-friendly products through continuous improvements in all processes from production, distribution, usage, to disposal, for the sake of environmental conservation.
- By establishing a strict quality control system and a systematic production process, we minimize the use of harmful chemicals and the discharge of various environmental pollutants during the research, development, and manufacturing of eco-friendly products.
- We are committed to promoting carbon neutrality across the entire value chain, from raw material sourcing to waste management, making every effort to achieve '2050 Carbon Neutrality' with a target of zero carbon emissions by 2050.
- We comply with international environmental agreements, regulations, and environmental standards required by our customers, continuously improving our compliance levels.
- To raise awareness of the importance of environmental management among all employees, we conduct regular training sessions and publicly disclose our environmental policies to practice transparent environmental management.

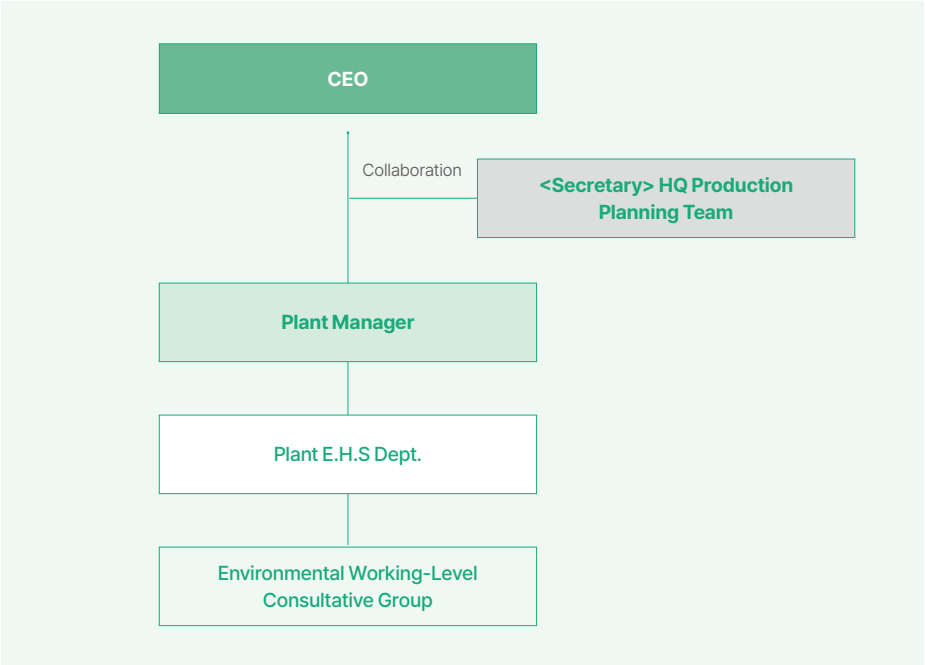
All employees are required to thoroughly understand and comply with the above policies, and we will actively promote participation among stakeholders to make every effort to practice 'sustainable management.'

CEO of Dongwon Systems

Organizational Chart

- The Plant Environment Management Committee, centered around local factory managers, sets the basic directions for factory environment management, discusses and makes decisions on major environmental issues such as mid- and longer-term plans, facility investment, etc.
- The production planning team at the HQ establishes mid- to long-term plans for company-wide environmental management, conducts environmental diagnosis and analyzes environmental cost reduction activities.
- Local plant managers report on-site environmental issues to the CEO on a regular basis.

Plant Environment Management Committee



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Strengthening the Implementation of the Environmental Management System

Environmental Management System

Establishment and Monitoring of Environmental Management KPIs

- Dongwon Systems sets environmental management indicators within the CEO KPI, which represent about 10% of the total KPI.
- We report improvement activities to the Dongwon Systems Board and the Dongwon Industries ESG Committee to check goal achievement rates.
- The environmental management KPIs focus on reducing greenhouse gas emissions, air pollutants, and water pollutants, as well as increasing sales of eco-friendly packaging.

Environmental Management Indicators in the CEO KPI

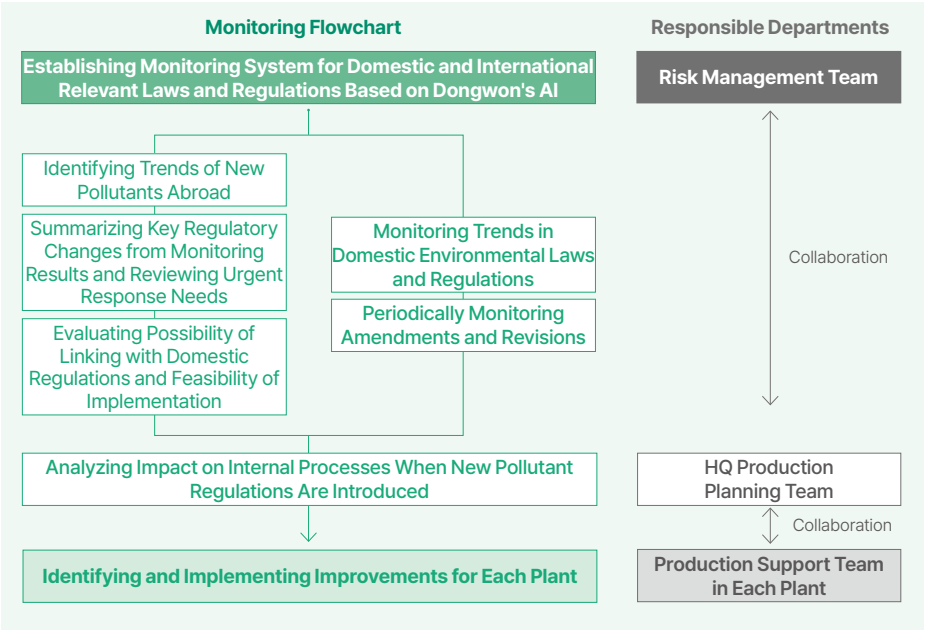
Category	Indicator	Definition
 Greenhouse Gas	Reduction of Greenhouse Gas Emissions	2% Reduction Compared to 2024 Greenhouse Gas Emission Intensity
 Pollutant	Reduction of Air Pollutants Emissions*	2% Reduction Compared to 2024 Air Pollution Emissions
	Reduction of Water Pollutants Emissions**	2% Reduction Compared to 2024 Water Pollution Emissions
 Eco-friendly Packaging/Low-carbon Business	Expansion of Eco-Friendly Packaging Sales	20% Increase in Sales of Packaging Materials Reducing Harmful Substances Compared to 2024

* Total Emissions of NOx, SOx, and Dust
** Total Emissions of BOD, COD, SS

Monitoring System for Environmental Laws and Regulations

- Dongwon Systems integrates and manages domestic and international environmental laws and regulations using our AI-based system.
- We track and manage amendments and changes to laws and regulations periodically based on AI analysis results.
- For new regulations, we conduct preliminary reviews and impact analyses, then share the information with the Production Support Team.
- Based on this, our production headquarters develop and implement response strategies through collaboration at each plant.

Monitoring Diagram for Domestic and International Environmental Laws and Regulations



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Environmental Management System

Green Procurement Policy

- Dongwon Systems establishes a green procurement policy to promote purchasing activities that preserve the Earth's environment and create a pleasant living space.
- We define green products as those that reduce environmental pollution throughout their entire lifecycle, maintain high quality, are less harmful to humans, and benefit nature.
- We actively propose the promotion of green purchasing when developing business plans and monitor the implementation of the policy.

Green Procurement Policy

Link ▶

1. Definition of Green Procurement

- Purchasing activities that are less harmful to human and beneficial to nature in addition to basic aspects such as price and quality of products for the prosperity of the humanity

2. Definition of Green 'Products'

- Products that are carbon neutral in response to the climate crisis, products in accordance with the Framework Act on Low Carbon, Green Growth (Article 66, Phase 4), products that reduce environmental pollution or maintain high quality standards and minimize the use of harmful substances during production, consumption, and disposal compared to other products of the same use.

3. Scope of Green Procurement

- Eco-labeled Products (Environmental Tech and Industry Support Act)
- Good Recycled Products (Act on The Promotion of Saving and Recycling of Resources)
- Low-carbon Products (Act on The Promotion of Purchase of Green Products)
- FSC Products (International Forest Stewardship Council-related Certification)
- ASI Products (Aluminum Stewardship Initiative)
- BioPreferred or Bio-based Products (USDA)
- ISCC Plus Products (International Sustainability and Carbon Certification)
- GRS Products (Textile exchange association)
- Products that are certified as food-contact recycled materials (European Commission's General Directorate for Health and Food Safety)
- Other renewable raw materials that can contribute to reducing environmental impact and building a circular economy

4. Green Procurement Policy

- Actively encourage and practice green purchasing to reduce pollution, save resources and realize sustainable growth
- Actively suggest proactive green procurement in setting business plans
- Consider eco-friendliness in shipping, unloading and receiving of procurement
- Continuously monitor realization of green procurement policy and produce improvement measures

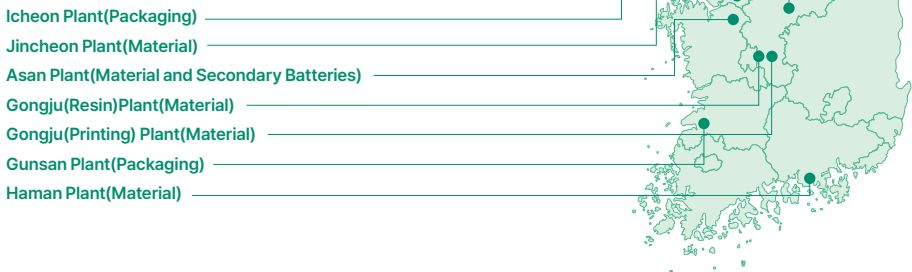
Green Purchase Amount

(Unit: KRW million)



ISO14001 Certified Plants

- An environmental management system is introduced and operated for systematic environmental management, and certified workplaces include Jincheon, Asan, Icheon, Gongju(resin/printing), Gunsan, and Haman



Environmental Management Expansion Education

Environmental Education Status (2024)

Program Title	Persons	Training Hours	Total Training Hours
Hazardous Chemical Safety Education (Manager)	80	16	1,280
Hazardous Chemical Safety Education (Workers)	896	2	1,792
Professional Air Environment Technician	4	28	112
Professional Water Environment Technician	5	28	140
Atmospheric Environment Technician-1	2	14	28
Atmospheric Environment Technician-2	1	6	6
Water Environment Technician	1	4	4
Noise and Vibration Environment Technician	1	6	6
Waste Disposer Education	3	4	12
Waste Treatment, Recycling, Collection and Transportation Education	1	6	6

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Enhancing Process Environmental Efficiency and Managing Pollutants

Environmental Pollutant Management and Resource Efficiency Management System

Mid-to Long-term Goals

- Dongwon Systems established a mid- to long-term plan to reduce water and air pollutants at local plants.
- We set a goal to reduce total water withdrawal and increase water recycling.

Pollutant Emission Status and Mid-to Long-term Plan

Classification	2024	2025 ~ 2026	2030*
 Pollutants Management	<ul style="list-style-type: none">• Total Emissions of Water Pollutants (BOD, COD, TOC) 143 tons• Total emissions of air pollutants (NOx, SOx, dust) 350 tons	<ul style="list-style-type: none">• Reduced water pollutants emissions by 3 tons compared to 2024• Reduced air pollutants emissions by 7 tons compared to 2024 years	<ul style="list-style-type: none">• Reduced water pollutants emissions by 7 tons compared to 2024• Reduced air pollutants emissions by 21 tons compared to 2024
 Reduction of total water withdrawal by expanding recycled water	<ul style="list-style-type: none">• Compared to 2023 years**1% reduction in total water withdrawal	<ul style="list-style-type: none">• 2% reduction in total water withdrawal compared to 2023	<ul style="list-style-type: none">• 3% reduction in total water withdrawal compared to 2023

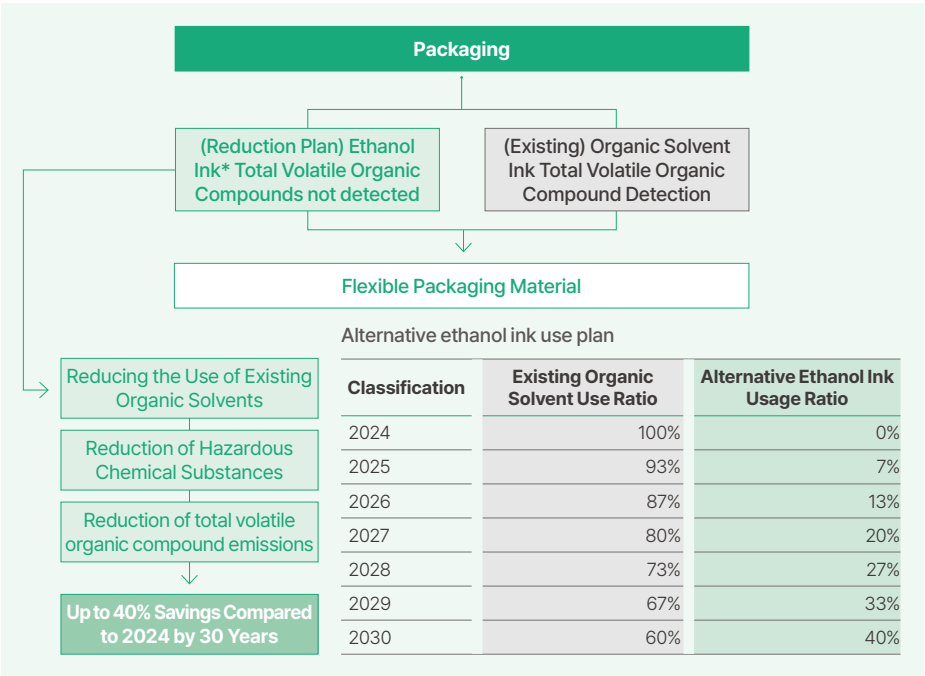
* The target for emission intensity has been changed
** Total water withdrawal in 2023 is 1,084,097 tons

Hazardous Chemical Management System

Hazardous Chemical Reduction Plan

- Dongwon Systems introduced eco-friendly ethanol ink to improve the flexible packaging printing process.
- Existing organic solvents emit VOCs and pose risks to the respiratory and central nervous systems.
- We aim to replace organic solvents with ethanol ink and set a target to reduce the use of harmful chemicals by 40% by 2030.
- We are reducing hazardous chemical use to achieve zero chemical-related accidents and strengthen worker health and environmental protection.

Flexible Packaging Material Production Schematic and Hazardous Chemical Reduction Plan



* We acquired 2024 green certification for eco-friendly packaging technology using ethanol ink and natural resins.

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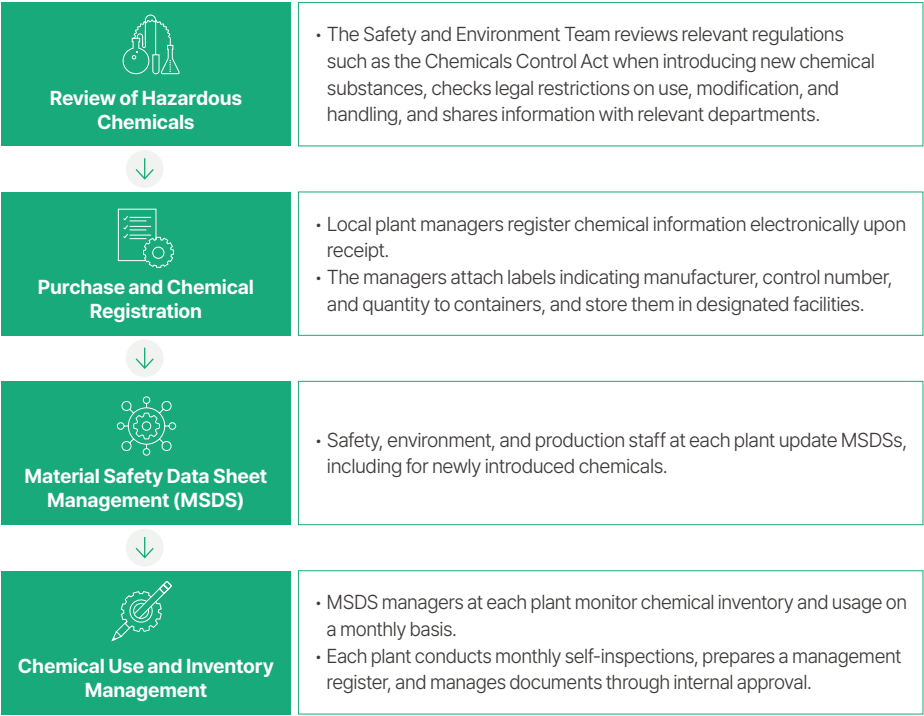
Enhancing Process Environmental Efficiency and Managing Pollutants

Hazardous Chemical Management System

Hazardous Chemical Management Process

- Dongwon Systems established a hazardous chemical management process and operates an integrated system covering the entire lifecycle of chemical use, management, and disposal.
- We review legal restrictions before introducing any new chemical substances, and the Safety and Environment Team shares the information with relevant departments.
- We register all incoming chemicals electronically, check inventory and usage monthly, and ensure systematic management.
- We conduct monthly self-inspections, create a management register, and maintain official records through internal approvals and documentation.

Hazardous Chemical Management Process

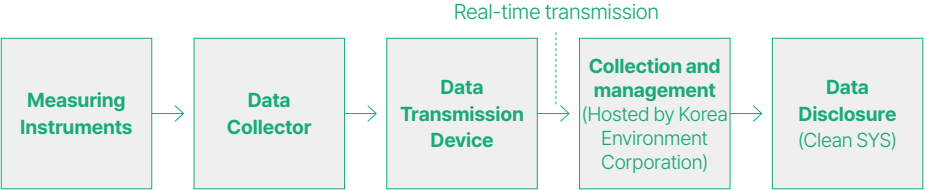


Air Pollutant Management Activities

Air TMS(Tele Monitoring System) Installed at Gunsan Plant

- Dongwon Systems installed TMS that monitors in real time to monitor air pollutants emissions.
- We measure total airborne dusts, sulfur oxide, nitrogen oxide for monitoring.
- We disclose measurement values in connection with the Clean SYS website (Korea Environment Corporation Chimney TMS Measurement Disclosure) in real time.

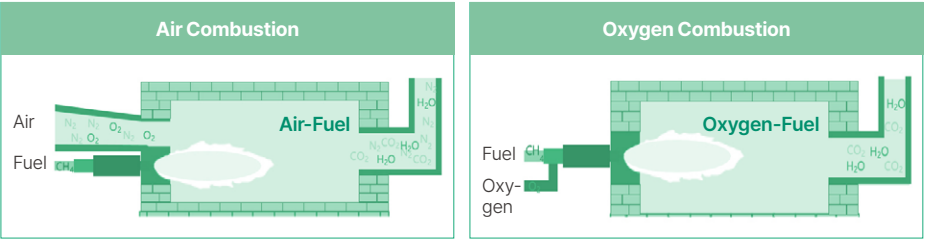
Air TMS Principles



Nitrogen Oxides Removed through Oxygen Combustion at Gunsan Plant

- Nitrogen oxides is removed through oxygen combustion methods which was changed from the previous air combustion methods at Gunsan Plant.
- In a general melting furnace, nitrogen oxide is created in the melting process through air combustion method, but nitrogen is removed in the oxygen combustion method, while with the method, nitrogen oxide generated decreases.
- Nitrogen oxide is effectively removed with the introduction of oxygen combustion with various positive effects expected such as environmental preservation and work environment improvement.

Oxygen Combustion Principles at Gunsan Plant



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Air Pollutant Management Activities

Selective Non-Catalytic Reduction Method at Gunsan Plant

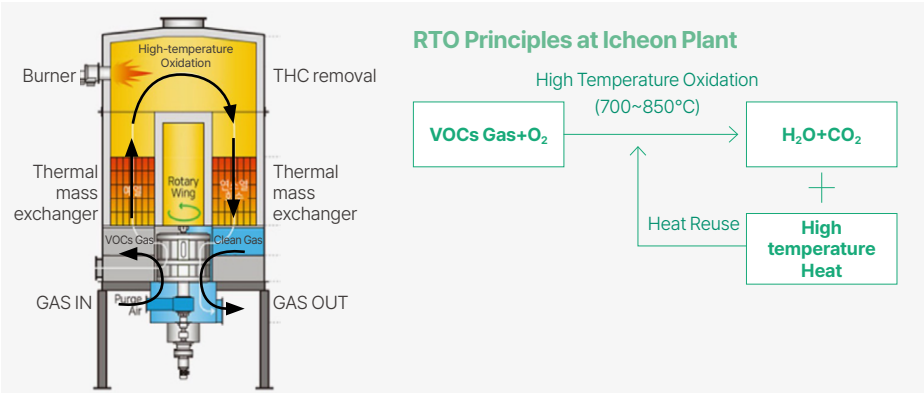
- Dongwon Systems has introduced and installed the Selective Non-Catalytic Reduction (SNCR) method to reduce nitrogen oxides in the melting furnace.
- We remove nitrogen oxides generated in the melting furnace with urea, and we also install stabilizers and electrostatic precipitators to remove sulfur oxides and dust.
- We manage pollutants to maintain levels approximately 13% to 50% below the regulatory standards.

SNCR Principles at Gunsan Plant



Installation of a Regenerative Thermal Oxidizer at the Icheon Plant

- Dongwon Systems installed a regenerative thermal oxidizer (RTO) at the Icheon Plant to remove volatile organic compounds (VOCs) and other air pollutants.
- We oxidize VOCs at high temperatures to convert them into carbon dioxide and water, thereby reducing harmful substances in the air.
- We manage total hydrocarbons*at approximately 26% below the regulatory limit.



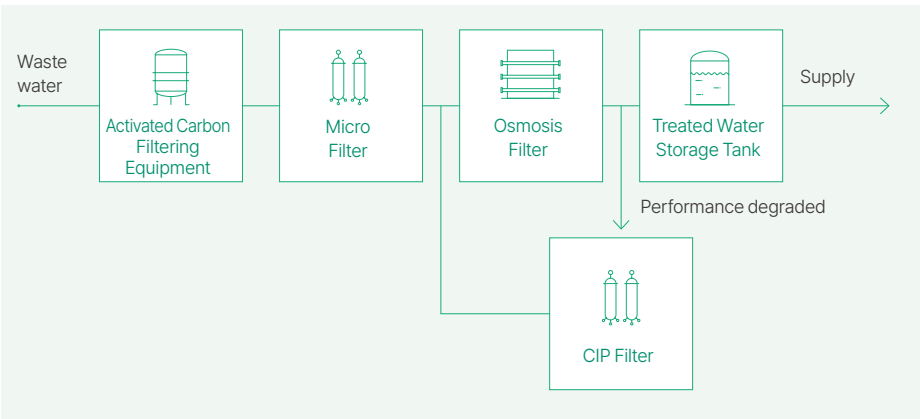
* Total hydrocarbons is the collective term for hydrocarbon compounds such as petroleum, benzene, naphthalene, and volatile organic compounds.

Water Pollutant Management Activities

Wastewater Low Discharge System Introduced at Icheon Plant

- Wastewater low discharge system was introduced at Icheon Plant where wastewater is recycled and reused in the plant.
- The generated wastewater is treated through filtration systems to reduce pollutant concentration and is reused in the production process.

Wastewater Low Discharge System Principles



Installation of a Water Quality Remote Monitoring System at the Icheon Plant

- Dongwon Systems installed a real-time remote monitoring system at the Icheon Plant to manage water pollutant discharge.
- We monitor key water quality indicators such as total nitrogen, total phosphorus, total organic carbon (TOC), pH, and suspended solids (SS).
- We link the real-time monitoring data to the SOOSIRO (Water Quality Remote Monitoring System) platform and disclose the results online.

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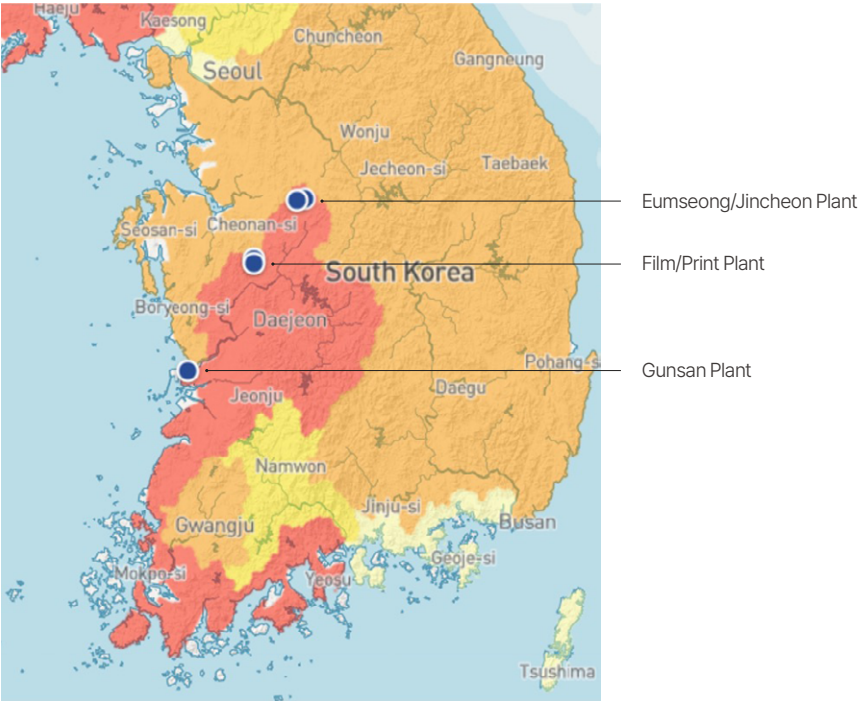
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Water Pollutant Management Activities

Water Stress Index Analysis

- Water stress level of production sites was identified as importance of water resource management emerges in the modern society.
- Among 15 plants, Eumseong, Jincheon, Film, Print and Gunsan Plants are identified high in water stress index.
- The Gunsan Plant has established a water recycling system to reduce water use.
- Water intake risk assessment and management methods will be reviewed at other plants.

Plants Identified as High in Water Stress Index

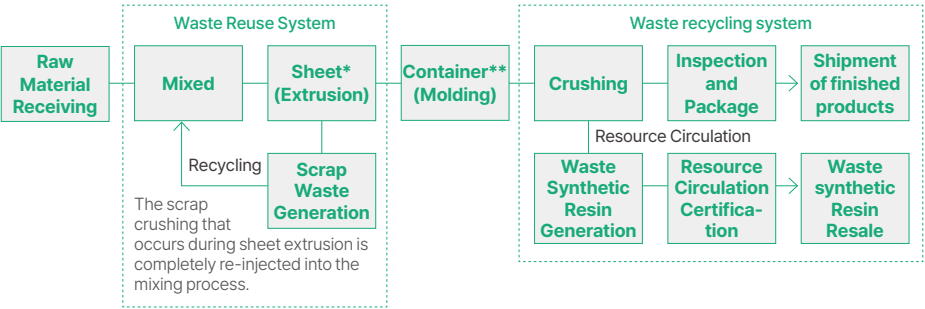


Waste Management Activities

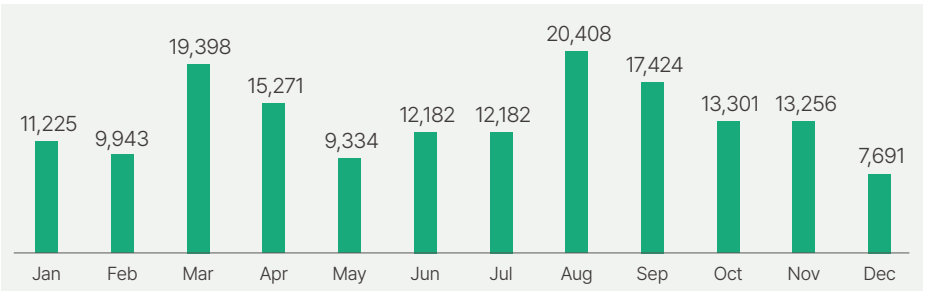
Gwangju Plant 2 Scrap Recycling

- Gwangju Plant 2 generates waste such as scrap during the sheet extrusion process for porridge packaging.
- The scrap is fully (100%) re-injected into the mixing process, establishing a waste resource circulation system. Approximately 7,691–20,408 kg of scrap is recycled as raw materials, improving resource efficiency and reducing costs.
- Waste synthetic resin, after crushing, is certified by the Ministry of Environment as a recyclable resource, helping expand the circular economy beyond the plant.

Production Process



Monthly Scrap Input



* Melting raw pellets in an extruder to produce a roll-shaped sheet
** Heating the sheet, placing it into a mold, and forming the desired shape using vacuum suction

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Biodiversity Management System

Biodiversity Policy

- Dongwon Systems established a biodiversity protection policy in 2024 to conserve ecosystems and manage natural capital.
- The policy supports environmental impact assessments, biodiversity loss prevention, sustainable raw material sourcing, and education for employees and stakeholders at its plants.

Biodiversity Major Policy Contents

Link ▶

Biodiversity Principles

- Dongwon Systems evaluates and monitors environmental impacts when implementing projects and policies to protect biodiversity.
- All plants located in biodiversity-protected areas follow local and international legal requirements.
- Environmental impact assessments consider the social and regional context.
- We apply a Sustainable Raw Material Procurement Policy to ensure transparency and traceability, especially in forestry, agriculture, and fisheries.
- Employees and stakeholders are educated to raise awareness of biodiversity issues.
- We aim to prevent biodiversity loss (No Net Loss, NNL) and pursue positive impacts (Net Positive Impact, NPI) at key habitats near our plants.

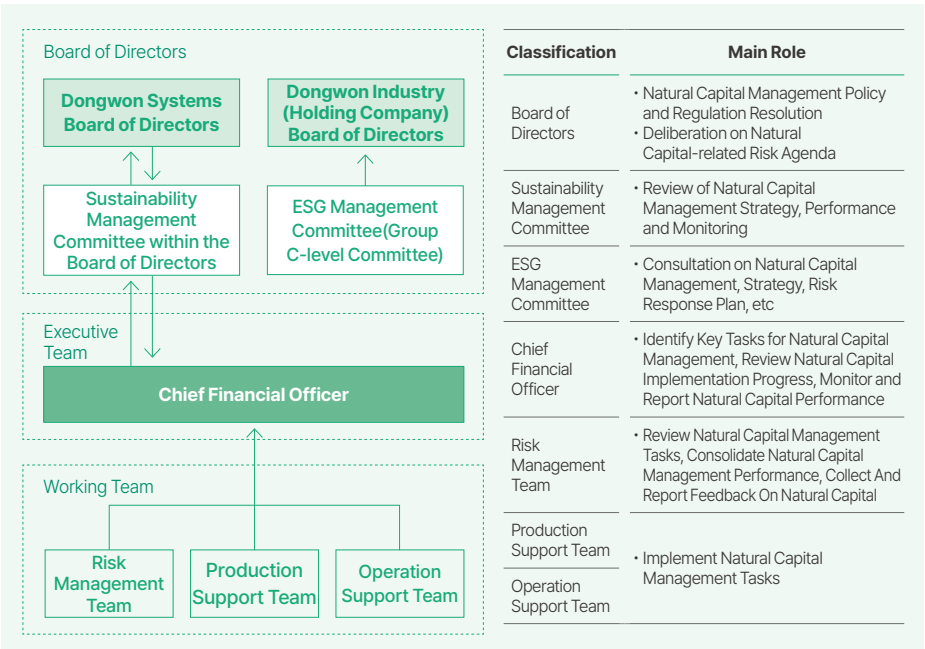
Deforestation Principles

- We prohibit deforestation and minimize forest damage when developing new sites.
 - We restore green spaces, including forests, when closing or relocating sites.
 - We support net zero deforestation through reforestation and sustainable land use.
 - We comply with forest-related laws and collaborate with suppliers to manage deforestation risks.
- Dongwon Systems regularly reviews performance to ensure the continued protection of ecosystems around its plants.

Organization Chart

- Dongwon Systems divide the roles and responsibilities of the board of directors, management, and executives for natural capital management.
- The board of directors reviews and approves natural capital policies and regulations.
- The Sustainability Management Committee monitors related strategies and performance.
- The Chief Financial Officer (CFO) reports implementation status and results to the Board and group holding companies.
- The Risk Management, Production Support, and Operation Support teams carry out practical tasks related to natural capital.

Organization Chart of Natural Capital Management



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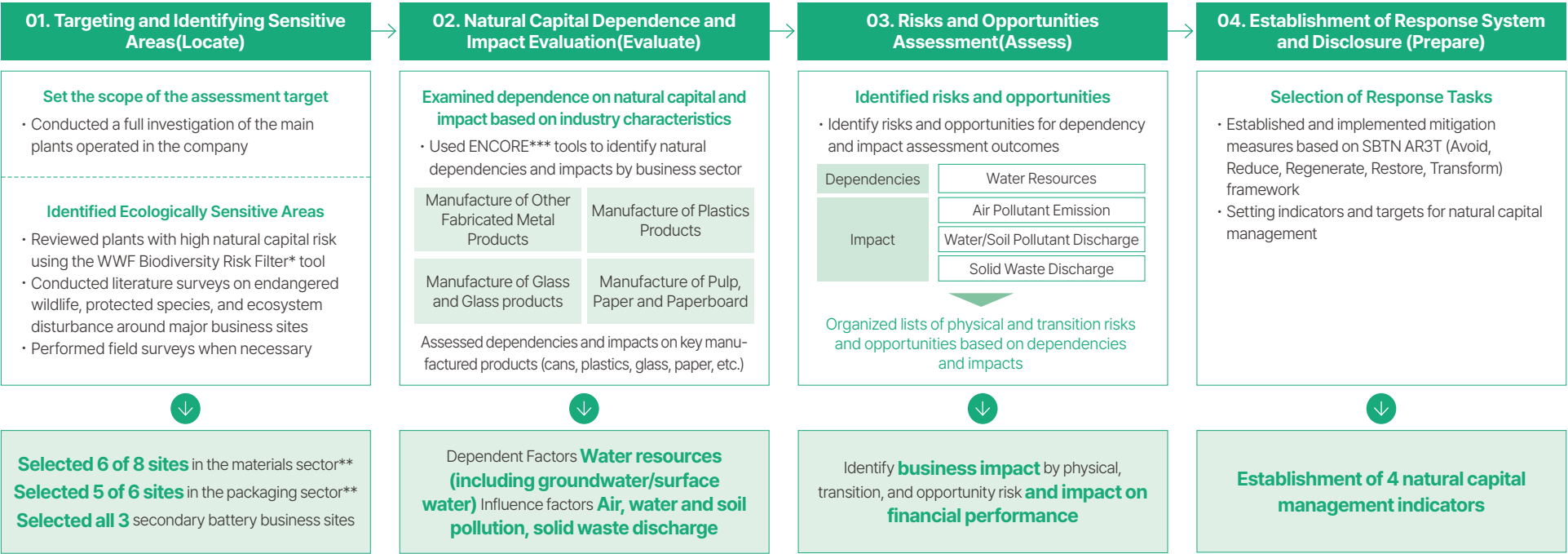
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Natural Capital Assessment Process

The LEAP Approach

- Dongwon Systems conducted a preliminary assessment of all business sites using the TNFD's LEAP framework to identify natural capital risks and opportunities.
- We selected main operating sites and identified ecologically sensitive areas in the Locate stage.
- We analyzed the company's dependence on natural capital and its impact on nature, considering industry specifics, in the Evaluate stage.
- We identified risks and opportunities based on key dependencies and influencing factors in the Assess stage.
- We developed mitigation measures, set key performance indicators, and established goals to enhance natural capital management in the Prepare stage.

Natural Capital Assessment Process and Results



* An online tool by WWF to help businesses and financial institutions identify and address biodiversity-related risks across operations, value chains, and investments.
** Unselected plants are excluded from the LEAP evaluation as they are not directly owned or operated by the company (e.g., implant facilities).
*** A tool for diagnosing natural capital dependence and impact developed by the Natural Capital Finance Alliance.

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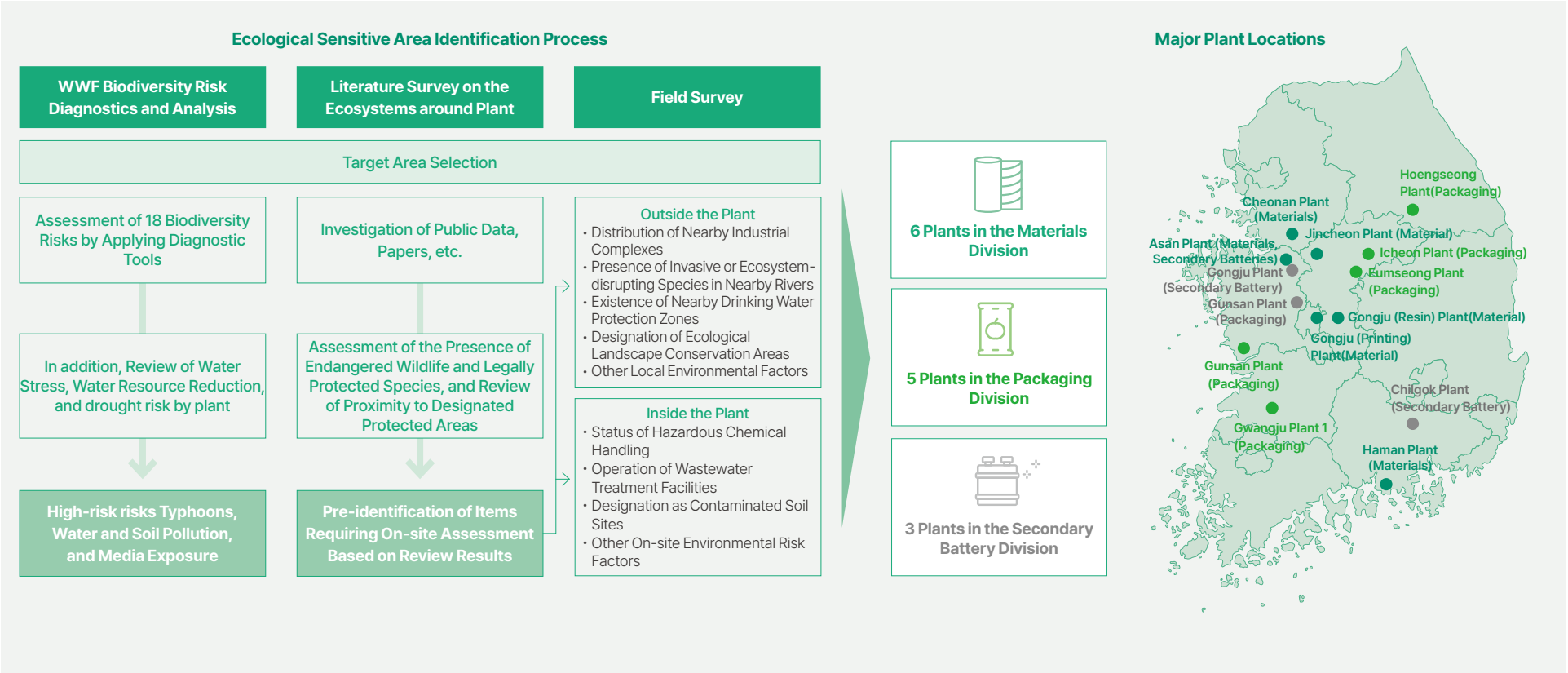
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Natural Capital Assessment Process

Targeting and identifying sensitive areas(Locate)

- Dongwon Systems reviewed plant activities across the value chain—including upstream, direct operations, and downstream—and identified ecologically sensitive areas for major sites.
- We used the WWF Biodiversity Risk Tool, conducted a literature review on ecosystem status, and carried out field surveys.

Targeting and Identifying Sensitive Areas(Locate)



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Natural Capital Assessment Process

Natural Capital Dependence and Impact Evaluation

- Dongwon Systems assessed natural capital dependencies and impact levels using ENCORE tools recommended in the 'Evaluate' phase of the TNFD framework to analyze the relationship between our business and the natural ecosystem.
- As a result of the dependency assessment, we confirmed a high dependence on water supply, mainly due to the large amount of water used in the manufacturing process.
- In the impact assessment, we identified key environmental impact factors, including air pollutants from the printing and drying processes, solid waste from manufacturing defects and scrap, and risks of water and soil pollution from wastewater discharge and improper management of hazardous chemicals.

Ecosystem Service Impact Factors and Importance Level

Classification	Dependence	Impact		
	Dongwon Systems	Dongwon Systems		
	▲	▼		
Ecosystem Service	Water Supply	Air Pollutant emissions	Solid Waste Discharge	Water and Soil Pollutant Discharge
Importance level	Medium	High	High	Very High

ENCORE Analysis Results of Dependence on Ecosystem Services*

No Data Very Low Low Medium High Very High

Classification	Water Supply	Precipitation	Soil	Biological Environment Purification	Water Quality	Maintaining Water Flow	Protection from Flood/Storm	Atmosphere and Dilution among Ecosystems
Material	Medium	No Data	Low	Medium	Medium	Medium	Medium	Low
Packaging (Cans)	Medium	No Data	Low	Medium	Medium	Medium	Medium	Low
Packaging (Plastic)	Low	Low	Low	Low	Medium	Medium	Medium	Low
Packaging (Glass Bottle)	Medium	Medium	Medium	Medium	Medium	Medium	Medium	No Data
Packaging (Box)	Medium	Medium	Medium	Medium	No Data	Medium	Medium	Low
Secondary Battery	Medium	No Data	Low	Medium	Medium	Medium	Medium	Low

ENCORE Analysis Results of Impact on ecosystem services**

Classification	Noise, Light Pollution, etc.	Greenhouse Gas Emissions	Air Pollutant Emissions	Solid Waste Discharge	Land Use	Water and Soil Pollutant Discharge	Water Use
Material	Medium	Low	Low	Low	Low	High	Medium
Packaging (Cans)	Medium	Low	Low	Low	Low	High	Medium
Packaging (Plastic)	Medium	Medium	Medium	Medium	Low	High	Low
Packaging (Glass Bottle)	Medium	Medium	Medium	Medium	Low	No Data	Medium
Packaging (Box)	Medium	Medium	High	High	Low	Medium	Medium
Secondary Battery	Medium	Low	Low	Low	Low	High	Medium

* ENCORE dependence analysis identified four factors—water supply, water quality, maintaining water flow, and flood/storm protection—but due to the business's high reliance on water, water supply was selected as the final dependent ecosystem service

** Selection criteria are selected for cases where the impact level includes at least 1 'High'

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Natural Capital Assessment Process

Risks and Opportunities Assessment

Risk and Opportunity Assessment Results*

Classification	Type	Key Risks	Time horizon			Scope of impact	
			Short-term	Medium-term	Long-term	Business and Supply Chain	Financial Performance
Physical Risks	Acute	River Pollution from Wastewater Runoff	✓			• Water pollution damages aquatic ecosystems and causes water shortages that disrupt production.	
		Long-term Water Quality Degradational Leaks	✓			• Leakage accidents lead to temporary site closures, facility inspections, and restoration efforts, suspending operations.	• Companies face claims from local residents, incur water remediation costs, and suffer sales losses due to reputational damage.
	Chronic	Long-term Water Quality Degradation	✓	✓	✓	• Long-term water quality decline risks ecosystem collapse and ongoing production disruption due to water scarcity.	
		Increased Drought Severity	✓	✓	✓	• Lack of water resources causes production interruptions.	• Sales decrease as production is reduced.
Transition Risks	Policies & Laws	Tightening of Environmental Regulations	✓	✓		• Risk of administrative penalties such as improvement orders, fines, and business suspension. • Designation of a dedicated team and establishment of monitoring systems are needed to strengthen legal compliance response.	• The risk of fines, penalties, and business suspension increases with environmental regulation violations. • Additional investments in environmental improvements and higher operating costs reduce short-term cash flow and profitability.
	Resiliency	Minimization of Wildlife Impact near Plant	✓	✓	✓	• Neglecting wildlife conservation can cause habitat degradation, loss of community trust, operational disruptions, and legal risks.	• Negative media coverage and consumer boycotts cause sales declines.
Opportunities	Resource Efficiency	Optimization of Manufacturing and Distribution to Reduce Material Use and Waste	✓	✓	✓	• Optimizing production processes reduces resource loss and waste, improving operational efficiency.	• Cost reductions help companies mitigate financial risks from commodity and natural capital price volatility.
		Reduction of Water Withdrawal through Efficiency Improvements	✓			• Improving water use efficiency and recycling reduces water dependency and ensures stable supply for sustainable operations.	• Reducing water usage lowers operating costs and financial risks related to water supply uncertainty.
	Products & Services	Development of Eco-friendly Packaging Using Recycled Materials	✓	✓	✓	• Increasing recycled raw material use lowers fossil fuel reliance, reducing habitat destruction and greenhouse gas emissions.	• Using recycled materials and complying with environmental regulations reduce costs, build brand trust, and strengthen long-term business resilience.

* This report addresses only selected risk and opportunity factors, with the complete list available in the TNFD report published on our website.

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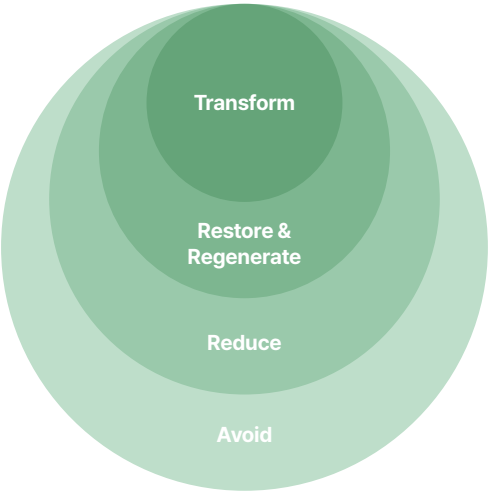
Biodiversity Protection Around the Plant

Natural Capital Assessment Process

Establishment of Response System and Disclosure

• Dongwon Systems implemented natural capital improvement activities based on the SBTN AR3T framework.

Direction for Improvement Activities



Classification		Raw Material Procurement and Supply	Direct Operation	Product Distribution and Customer Delivery
Transform	Direction	• Seeking a management direction that can reduce dependence on natural capital and minimize the impact • When considering the location of a new business site, include items related to natural capital management in investment decision-making.		
	Main activities	• Build a business model that minimizes environmental impact throughout the supply chain		
Restore & Regenerate	Direction	• N/A	• Proactive remediation of soil contamination • Periodic Soil Pollution Inspections per the Soil Environment Conservation Act	• N/A
	Main activities	• N/A	• Soil contaminated with TPH was found near the outdoor tank at the Gunsanplant, and remediation was carried out in 2023.	• N/A
Reduce & Avoid	Direction	• Expanding Renewable Raw materials and FSC Certified Materials	• Energy Efficiency • Efficient Water Use and Expansion of Recycled Water • Waste Minimization and Recycling • Minimizing Soil Pollution	• Natural capital-related education and Campaigns
	Main activities	• Use of renewable raw materials	• Nitrogen Oxide Removal through Oxygen Combustion Method at Gunsan plant • Wastewater Low Discharge System Introduction at Icheon Plant • Waste Glass Bottle Collection at Gunsan Plant • Waste Circular Economy System Introduction at Gwangju 2 Plant	• N/A

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Biodiversity Protection Around the Plant

Ecological Environment Management Activities

Jincheon Plant Green Space Cleanup Acitivity

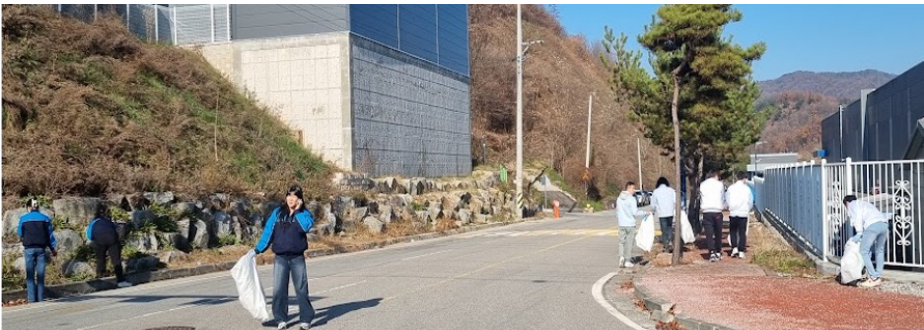
- Dongwon Systems removed ecosystem-disturbing plants (prickly gourd, round ginseng vine, maple leaf ragweed) around the plant.
- We conducted cleanup activities quarterly with participation from all employees.



On-site Photo of Jincheon Plant Green Space Cleanup Acitivity

Hoengseong Clean-up Day

- Dongwon Systems conducted cleanup of outer roads around the plants.
- These activities were held twice a year.



On-site Photo of Hoengseong Clean-up Day Acitivity

Natural Capital Indicators and Targets

Natural Capital Management Indicators

- As a natural capital management indicator, it is designated as monitoring of animal and plant ecosystems, improving water quality, reducing greenhouse gas emissions, and the number of hazardous chemical spills.
- Establish and manage quantitative goals for each indicator.

Natural Capital Management Indicators and Targets

Classification	2024 Targets	2024 Achievements	2030 Mid-to-Long Term Targets
Flora and Fauna Distribution & Ecosystem Monitoring	• Ecosystem Status Monitoring (Literature) for Directly Operated Plants	• Completion of Literature Survey for All Plants • On-site Surveys Completed for 4 Plants*	• Ongoing Literature Survey for All Plants
Water Quality Improvement	• Water Pollutant Management • TN 6 tons • TP 1 ton	• TN 4 tons • TP 1 ton	• TN 4 tons • TP 1 ton
Greenhouse Gas Emission Reduction	• 250,895tCO ₂ eq	• 264,278tCO ₂ eq	• 35.3% GHG Reduction Compared to 2022 BAU Scenario
Zero Cases of Hazardous Chemical Incidents	• 0 Cases	• 0 Cases	• 0 Cases

* Gongju (printing/resin) plant, Asan plant, Cheonan plant

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Talent Recruitment System

Ideal Talent

Dongwon Group Ideal Talent



People who think and act right

When making decisions, we make sound judgments based on facts considering various perspectives. We abide by principles and try to implement the institutions and norms of society and organizations. We take responsibility for our work from start to finish and do our best to deliver the result. We strictly separate work from personal matters and act consistently with objectives and reasonable standards.



People who enjoy their work

We actively work to gain experience and acquire basic knowledge and skills needed for the work we want to do. We plan thoroughly and take the lead to keep things running smoothly as scheduled. We adapt quickly to new situations and actively utilizes newly learned knowledge and information. We keep own emotions stable and not being frustrated by negative or difficult situations or failures.



People who want new things

We are interested in looking at things from a new perspective and create new and various ideas. We are not complacent with habitual actions and methods, but always try new things. We have interests in various fields, strive to acquire knowledge and become an interdisciplinary thinker. When facing a problem, we identify the essence of the problems accurately and find an effective solution.



People who are engaged and aligned with goals

We have a “can-do” attitude and are committed and immersed to achieve our plans. We constantly study and learn to produce valuable results. We strive to achieve positive results with the mindset and attitude of working with others. We listen to others, communicate in a way that we build empathy and express opinions persuasively.

Recruitment System

- Dongwon Systems upholds diversity, dignity, and equal employment opportunities as core values, and ensures transparent and fair recruitment practices.
- To hire individuals with diverse talents, the company operates internship programs, part-time positions, and a post-retirement reemployment system.
- Inclusive hiring policies are applied, including additional screening points for persons with disabilities, veterans, and senior candidates.
- Internal job postings allow qualified affiliate and department employees to apply for Dongwon Systems roles.

Recruitment System Classification

System	Description
Recruitment-linked Internship	• A System for converting interns into full-time entry-level employees
Global Internship	• A hiring system targeting international students residing in Korea to recruit talented individuals of diverse nationalities
Retirement Re-engagement System	• A reemployment system for high-performing employees approaching retirement
Internal Job Posting	• A system offering job transfer opportunities to high-performing employees from affiliates or other departments

Recruitment Process

Classification	Document Screening	Personality Test	Written Screening	Interview (Working Group)	Interview Internship	Interview (Management)	Negotiation on Employment Contract	Physical Examination	Final Approval
Recruitment-linked Internship	✓	✓		✓	✓	✓		✓	
New Hires	✓	✓	✓	✓		✓		✓	
Experienced Hires	✓	✓		✓		✓	✓	✓	

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Recruitment activities

MOU with Soon Chun Hyang University

- Dongwon Systems implemented a customized talent development program with Soon Chun Hyang University to strengthen the secondary battery materials business.
- We supported field-oriented education and tuition assistance for human resource development.
- Dongwon Systems completed the hiring of 14 new employees from Soon Chun Hyang University in 2024.



Photo of the MOU with Soon Chun Hyang University

MOU with Iri Technical High School

- We signed an MOU with Iri Technical High School in 2024 to develop skilled talent for the secondary battery industry.
- In the future, the two companies will offer tailored training, develop and operate specialized courses, and hire outstanding graduates.



Photo of the MOU with Iri Technical High School

Recruitment of Local Talent Near Regional Plants

- Dongwon Systems helps prevent population outflow and regional decline by hiring outstanding talent in regional areas.
- In 2024, we hired 39 graduates from universities in Gwangju, Chungnam, Chungbuk, Gyeongnam, Jeonbuk, and Gangwon.

Recruitment of Local talents (2024) (Unit: Headcount)					
Gwangju	Chungcheongnam-do	Chungcheongbuk-do	Gyeong-sangnam-do	Jeollabuk-do	Gangwon Province
5	19	3	5	6	1

Support Activities for Retirees

- Dongwon Systems operates a retirement support program for employees who have contributed to the company's growth.
- The program includes reemployment of high-performing retirees or reemployment assistance training services.
- As of 2024, 18 out of 40 retirees have been rehired.

Reemployment Status of Retirees Over the Past Three Years (2022-2024) (Unit: Headcount)			
Classification	2022	2023	2024
Retirees	40	26	40
Reemployment	19	13	18

Establishment of Worker Diversity Goals

- Dongwon systems established goals to secure worker diversity, including women, the disabled and public service honorees eligible for benefits.

Worker Diversity Goals (Unit: Headcount)			
Classification	2024	2025 ~ 2026	2030
Female Management Position	3	4	5
Disabled	37	37	40
Public Service Honorees Eligible for Benefits	8	9	11

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Performance Appraisals and Reward

Evaluation Types

- In order to evaluate individual performance, we operate a growth-orientedevaluation, a performance-based compensation, and a fair promotion system.

Performance Appraisals Type



1. Growth-Oriented Evaluation System

Conducting performance-based evaluations focused on job results and achievements, grounded in core qualities including Dongwon's spirit and values.



2. Performance-Based Compensation System

Based on organizational goals, operating a thorough performance-based compensation and differential incentive system centered on individual performance and competence.



3. Fair Promotion System

Excluding seniority and prioritizing excellent performers, promotion to nurture excellent talents.

Growth-Oriented Evaluation System

- Dongwon Systems operates a performance evaluation system that identifies individual performance and competency levels to support talent development through strengths and areas for improvement.
- The evaluation consists of performance and competency assessments, with a mid-year review and a final evaluation at year-end.

Growth-Oriented Evaluation System

Performance Management

Start of Year → Mid Year → End of Year

Goal Setting <ul style="list-style-type: none">• Sharing Team KPI and Goals through Meetings• Personal Goal Setting	Interim Checks <p>Team Members</p> <ul style="list-style-type: none">• Goal Progress Status/Performance Registration- Progress Status, Support Items, etc. <p>Team Leader</p> <ul style="list-style-type: none">• Mid-term Evaluation<ul style="list-style-type: none">- Check Progress Status and Performance- Coaching for Work Performance Improvement• Goal reset if necessary- Goal Revision Through Year-Round Consultation	Final Evaluation <ul style="list-style-type: none">• Final Evaluation based on Final Performance and Interim Check Results
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Evaluation Plan

Achievement Evaluation					
Evaluation Factors	Evaluation Based on Management by Objectives				
	Team Leader <ul style="list-style-type: none">• Team KPI• Improvement/Innovation• HR Index		Team Member <ul style="list-style-type: none">• Team KPI• Personal KPI		
Evaluation Methods	Limited Absolute Evaluation				
	S	A	B	C	D
	10%	Absolute Evaluation Scope			5%
Capability Assessment					
Evaluator	Way of Work (All Employees)				
Items	Leadership Level (Team Leader, Manager, Deputy Manager)			Leadership Risk Type (Team Leaders, Executive)	

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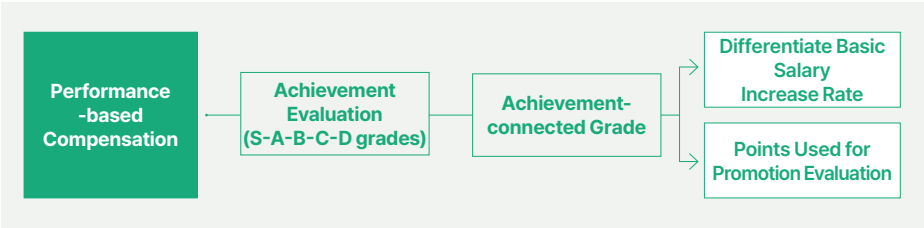
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Performance Appraisals and Rewards

Performance-Based Compensation System

- Dongwon Systems operates performance-based compensation system to effectively motivate employees and fairly compensate them for their performances.

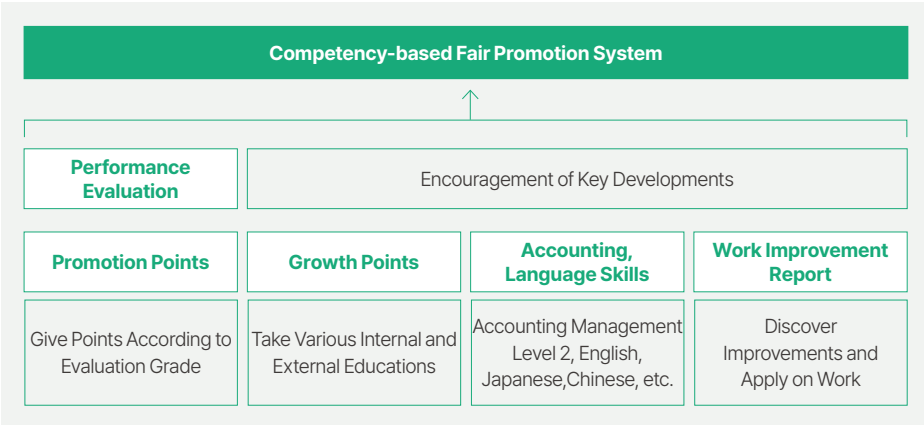
Performance-Based Compensation System Flowchart



Fair Promotion System

- We operate a promotion system that nurtures talents by eliminating seniority and prioritizing performance.

Fair Promotion System Flowchart



Working Conditions Management and Improvement System

Welfare System

- Through various welfare benefit programs, Dongwon Systems strives to create a work environment and atmosphere where employees continue work by improving their quality of life, encouraging job immersion and increasing job satisfaction.

Details of Welfare Benefits

Support System	Details
Refresh Leave	• Refresh leave (up to 4 business days) and points (up to KRW 500,000/year) for rest and recharge
Employee Welfare Points	• Welfare points (up to KRW 300,000/year)
Long Service Award	• Compensation for long-term service - 10 years: KRW 300,000 - 20 years: KRW 1.3 million - 25 years: KRW 2.2 million - 30 years: KRW 3.5 million
Year-end commendation	• Each year, outstanding employees in each year are selected and awarded with cash prizes (up to KRW 2million/year), promotion points and recognition
Childbirth Support	• First Child: KRW 200,000 • Second Child: KRW 1 million • Third Child: KRW 10 million (per child)
Health Check-up	• Health check-up (up to KRW 1 million/year)
Congratulations and Condolences Expenses	• Funeral services up to KRW 800,000 • Supporting items mourning leave, funeral supplies, wreaths, etc.
School Expenses	• Child Education Expenses (up to KRW 3,000,000 per semester)
Vacation Condo Booking	• Family Recreation Support*
Employee Loan	• Employee loans - Housing: up to KRW 50 million - Living expenses: up to KRW 10 million

* Available once a month, up to 24 nights per year

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Human Resources Fostering System

Strategy and Mission

- The purpose of talent development is to nurture entrepreneurial talents with expertise and strengthen organizational skills, and to this end, build missions at the individual, organizational, and cultural levels.
- At the individual level, we nurture and secure talents linked to expertise, diversity, and business strategy.
- At the organizational level, strengthen capabilities as a performance-oriented organization, and spread the culture of working system.
- At the cultural level, we promote continuous change and innovation by building an organizational culture with the right values and achieving organizational goals.

Talent Development Strategy

Strategy



Mission

Individuals

Fostering Specialized and Diverse Entrepreneur Human Resources

- Fostering Next-generation Leaders
- Fostering Key Professionals
- Fostering Global Human Resources

Recruiting Talent Aligned with Business Strategy

- Persistence and Proactive Support
- Fostering Dongwon People

Organization

Capacity Building into a High-performance Organization

- Development of Organizational Capacity at the Team Level
- Establishment of a System for Collective Intelligence

Spreading a Working Culture and System

- Understanding the work
- Optimizing the whole

Culture

Establishment of the Right Organizational Culture Based on Core Values

- Spreading Vision and Management Policy
- Building Work Smart Culture
- Realizing GWP

One-way Alignment of an Organization

- Setting and Achieving Goals
- Continuous Change and Innovation

Human Resource Development Program

- Dongwon Systems supports employee growth based on core values through a structured and diverse talent development system.
- The program consists of three stages: Junior Course (1–4 years), Professional Course (working-level), and Leadership Course (leader level).

Human Resource Development Program Details

Junior Training	On-Boarding Program			
	Hired	Joining	3 months	1 st year
	Pre-learning	Introductory Training	OJT	Training for Growth Into a Professional Employee
Professional Training	In-house Job Specialty Course			
	• Fostering job experts by operating in-house training programs to cultivate job-specific expertise			
	External Job Specialty Course			
	• Support external job expertise courses to develop job-specific expertise and quickly respond to changing trends			
Leader Training	CEO Course and Management Education			
	• Nurture core managers by learning new management techniques and management theories along with best practices			
	Leadership Training			
	• Periodic education and training to nurture a leader who creates an organization with achievements such as setting team goals, identifying and nurturing team member competencies and creating an excellent organizational culture			
Common				
Dongwon D.N.A Education		Thursday Seminar		Others
• Dongwonism: Group Spirit and Code of Conduct		• Realizing Universal Management Theory		• In-house/External Training
• Newspapers: Newspaper-Based Thinking and Judgement		• Employee Competency development		• Cyber/Mobile/Foreign Language
• Accounting: Cultivating Financial Accounting Knowledge		• Organizational Cooperation and Alignment		• Book Support
		• Invited Lectures, Issue-specific Seminars, Team Seminars, etc		• Mandatory Training

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Human Resource Development Program

- Dongwon Systems provides training programs for employees, covering four basic competencies, five common competencies, two job-specific competencies, as well as cyber and phone-based language courses.
- In 2024, approximately 2,295 employees participated, with KRW 326 million invested.
- We measure training satisfaction using the NPS* after each program.
- Additional evaluations include pre-/post-assessments, feedback surveys, job performance analysis, and peer reviews.
- The results are used to improve course quality and develop new training programs.

Human Resource Development Program Status (2024)

	Classification	Number of people (Unit: Headcount)	Cost (Unit: KRW)	Time	NPS*
Basic Competencies	On boarding Training	8	1,455,300	64	41.23
	New Employee Training	16	61,609,900	1,600	77.87
	New Employees Follow Up Training	28	14,260,400	434	60.50
	Team Leader Training	14	8,516,200	180	75.30
	Subtotal	66	85,841,800	2,278	-
Common Competencies	New Executive Training	2	4,604,600	21	81.82
	Executive Education	16	8,905,600	168	58.06
	Executive SERI CEO	10	12,100,000	500	-
	Executive Academy	16	1,742,400	118	70.01
	Promotion Training	28	14,414,400	437	69.07
	Subtotal	72	41,767,000	1,244	-
Job competencies	Outsourcing	88	25,805,500	1,532	-
	In-house training	328	2,712,408	1,965	-
	Subtotal	416	28,517,908	3,497	-
Collective subtotal		554	156,126,708	7,019	66.73
Remote	Cyber	1,565	160,399,422	8,615	-
	Telephone Foreign Language via Phone	176	10,422,658	234	-
Total		2,295	326,948,788	15,868	-

* NPS average: Percentage of responses with the highest level of satisfaction – Percentage of responses with below average satisfaction

AI-Related Certification Program Effectiveness Indicator Management

- As the importance of using AI increases, we operate a program for employees to acquire AI certification, and support lecture fees, teaching materials, and certification costs.
- To measure the effectiveness of the training program compared to the resources invested in the program, the certification acquisition rate before and after participation in the program is tracked and observed.
- In 2024, the AI certification acquisition* rate achieved 10.16% (6 out of 59 participants) was achieved, and the certification acquisition rate was continuously reviewed and used for the development of certification curriculum.

*Big Data Analyst, Data Analysis Associate Expert, Artificial Intelligence Literacy Test (AICE), Prompt Designer (AIPD)

AI Lecture Details (2024)

Course Name	Number of Participants	Total Training Time
Data Analysis Associate Expert	23	404
AICE Basic	33	330
Big Data Analysis Engineer	3	24

Details of support for AI qualification acquisition (2024)

Number of people (Unit: Headcount)		Support (Unit: KRW)				
Take a course	Qualification	Total	Lecture	Teaching Materials	Incentives	Certification Fee
59	6	4,372,400	3,494,400	78,000	500,000	300,000

Dongwon GPT Contest

- Dongwon Systems held a contest in 2024 to encourage employees to apply AI in their work and solve problems creatively.
- We shared and promoted GPT-based work innovation cases and employee achievements across the group.



Dongwon GPT Contest Photo

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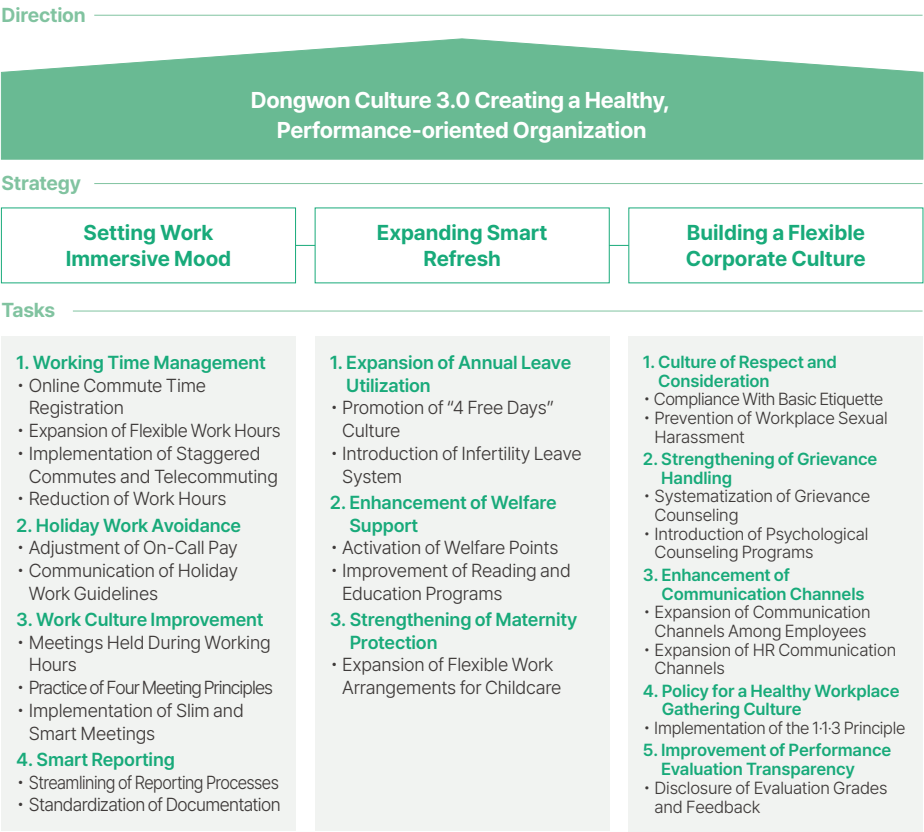
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Employee Communication System

Direction and Strategy

- Dongwon Systems promotes the Dongwon Culture 3.0 to improve corporate culture, focusing on creating healthy and performance-oriented organization.
- We establish immersive work mood, expanding smart refreshment and building flexible culture.

Employee Communication Implement Tasks



Organization Culture Improvement Activities

Efficient Use of Meeting Time

- Dongwon Systems shares inappropriate meeting cases and spread correct meeting methods.
- We create an efficient meeting environment culture through self-diagnosis of incorrect meeting types.

Self-Diagnosis Questions for Incorrect Meeting Types

Self-diagnosis Questions	Applicable
• Not accurately recognizing purpose and goals of the meeting.	
• Not knowing what the issue is.	
• Not clear about the time concept of the meeting (exceeds scheduled time)	
• Only one person dominantly talks.	
• Not clear whether it is training or meeting.	
• Rampant criticism and personal attacks on work	

Reporting/Documents Streamlining

- Dongwon Systems minimizes face-to-face reporting and improves unnecessary procedures through electronic approval and reporting.
- We improve work efficiency by unifying reporting forms according to departments such as human resources, general affairs and planning.

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Organization Culture Improvement Activities

Operation of Focus Work Hours

- Dongwon Systems operates focus work hours to improve the work concentration of executives and employees and ensure efficient work performance.
- The focus hours is from 08:30 to 10:30 (2 hours) every morning.

Focus Work Hours System

Time Setting	 Who Headquarters Employees	 Hours of Operation 08:30~10:30 (2 hours)
	 Smoking, NO! Time to kill two birds with one stone: health and concentration. Time to purify smoking room with clean air.	 Chatter, NO! My friendly words may be noise to my colleagues. Send a message first for work.
Method	 Out of Office, NO! Remain in the office except for an urgent matter.	 Private Contact, NO! Working hours are for company. Please use lunch hours for personal calls, SNS, and the internet use.

Employee Satisfaction Survey

- Dongwon Systems analyzes job satisfaction factors and the factors that hinders satisfaction through employee satisfaction survey.
- The survey result is used in many ways including identifying the characteristics and trends of the organization and proactively responding to any inconveniences.
- The survey result is submitted as an anonymous report to organization heads and CEO to be used for effective organizational management.

Employee Satisfaction Survey Status

Subjects	Period	Methods	Contents
All employees	Year-end Personnel Evaluation	Online (Confidential)	<ul style="list-style-type: none">• Behavioral competency of Dongwon People• Leadership• Team-related Matters• Organizational Culture• Etc.

Evaluation Items		
Behavioral Competency	Leadership	Team-related
<ul style="list-style-type: none">• Spirit of Challenge• Righteousness• Leadership• Communication• Innovation-oriented• Performance creation	<ul style="list-style-type: none">• Work Implement/Goal Achievement• Problem-solving• Professionalism• Nurturing Juniors• Organization Activation• Performance Creation• Business Manners• Client-oriented• Ethics Awareness	<ul style="list-style-type: none">• Purpose Execution• Problem-solving• Decision Making• Leadership• Human Relationships• Communication• Cohesiveness• Cooperation• Efficacy• Team Performance
Organizational Culture	<ul style="list-style-type: none">• Organizational Positivity/Negativity• Organizational Development Factors• Job Satisfaction• Providing Growth Opportunities• Learning Support• Intention to Turnover• Work Engagement	

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Labor-Management Cooperation

Direction and Strategy

- Dongwon Systems discusses and shares major changes and internal issues with labor and management through regular dialogue (once/quarter).
- The labor-management council discusses employee suggestions and grievances and cooperates to ensure that the matters discussed are implemented.

Main Activities of Labor-Management Cooperation

Features	Maintenance/Improvement of Working Conditions and Improvement of Other Worker's Economic and Social Status
Main Activities	Discussion and Consultation on Worker Suggestions and Grievances (conducted 4 times a year for each workplace)

Dongwon Systems Labor Union Membership Status

Classification	Total Employees*	No. of Members	Sign up Rate
Labor unions	1,676	1,130	67

* Total eligible employees: Calculated based on union fee deduction details (as of the end of the year).



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Internalization of Human Rights Management

Human Rights Management System

Objectives

- Dongwon Systems implements human rights management based on the following philosophy: management that brings joy to customers, a company that society needs and creates new values, and management that respects people.
- We ensure that the human rights of various stakeholders, including executives and employees as well as customers, partners and local communities are respected in all management activities.

Human Rights Management Goals and Management Philosophy



Declaration of Human Rights Management

Link

- Dongwon Systems established the Declaration of Human Rights Management in 2024 to promote and protect the rights of all stakeholders, including employees, customers, partners, local communities, shareholders, and investors.
- The declaration outlines potential human rights risks for each stakeholder group and provides directions for improvement.
- Reporting channels such as email, website, and phone are disclosed to ensure whistleblowers can report human rights violations through accessible means.

Human Rights Management Policy

Link

- The policy outlines the basic direction, goals, promotion tasks, implementation strategies, and a plan for conducting human rights impact assessments.
- Dongwon Systems established a Human Rights Management Committee to oversee implementation, inspection, and follow-up of human rights management.
- We formalized the due diligence process for human rights risks, including mitigation measures, responsible departments, and procedures for receiving and handling grievances.

Mid/Long-term Plan

Human Rights Management System

Goals	"Respect for people. Driving change for all."		
Growth Stage and Direction	Stable Period(2024)	Growth period(2025)	Maturity Period(2026)
	Establishment and Stabilization of Human Rights Management System	Spreading a Culture of Respect for Human Rights	Positioning as a Leading Company in Human Rights Management
Human Rights Risk Management Due Diligence Process	<ul style="list-style-type: none">• Establishment of a Human Rights Risk Due Diligence System- Implementation of a Stakeholder Participation Process such as Headquarter, Local Plants, Suppliers, and Local Communities	<ul style="list-style-type: none">• Implementation of human rights impact assessment- Target: Headquarter, All workplaces, Suppliers• Stakeholder Engagement Policy Implementation	<ul style="list-style-type: none">• Expansion of Scope of Human Rights Risk Assessment- TTP, MVP in Vietnam, Talofa systems in Samoa
Main Tasks	<ul style="list-style-type: none">• Establishment of Human Rights Management Policy• Enactment of the Declaration of Human Rights Management• Establishment of Human Rights Management Committee• Establishment of a Human Rights Management Organization	<ul style="list-style-type: none">• Establishment of a Human Rights Management System for Suppliers• Raising the Level of Human Rights Management Awareness among Members of the Organization- Spreading a Culture of Respect for Human Beings	<ul style="list-style-type: none">• Advancement of Human Rights Risk Assessment System• Creating a Supportive Environment for Local Communities and Partners to Participate in Human Rights Management• Human Rights Management Best Practice Company Selection
Monitoring/Feedback	Issue identification	Analysis/Diagnosis	Feedback
	<ul style="list-style-type: none">• Establishment of Human Rights Impact Assessment Checklist	<ul style="list-style-type: none">• Human Rights Management Index Results and Human Rights Issues Analysis• Analysis of Business-related Laws, Systems, and Other Environments and Derivation of Implications	<ul style="list-style-type: none">• Advancement of the Regulatory System• Strengthening Human Rights Education• Global Expansion of Human Rights Management

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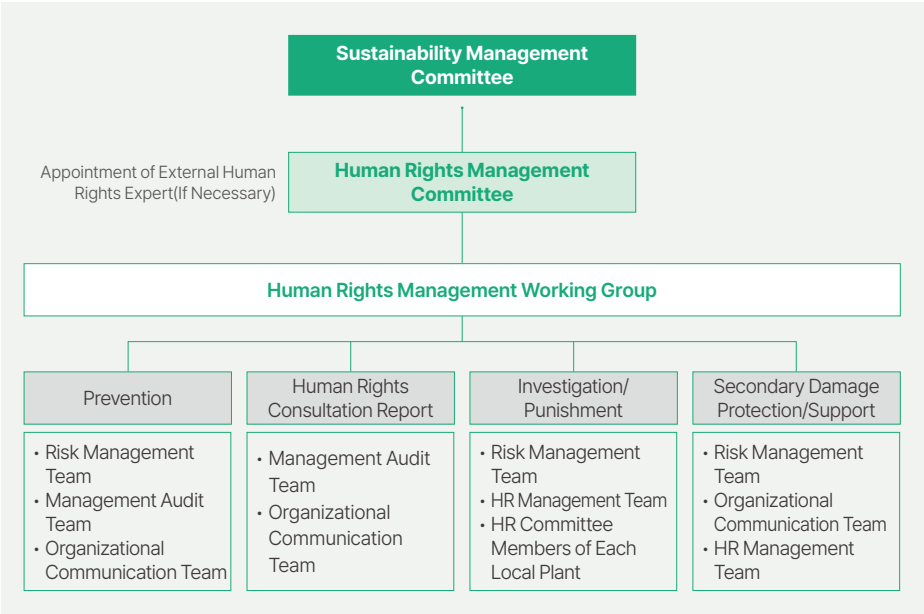
Internalization of Human Rights Management

Human Rights Management System

Organization Chart

- The Human Rights Management Organization Chart consists of the Human Rights Management Committee,, and the Human Rights Management Working Council, centered on the Sustainability Management Committee.
- The Human Rights Management Committee is chaired by the CEO and consists of the head of the management support office, the head of the organizational communication department, and the head of the HR support department.
- The human rights management organization is divided into the Human Rights Management Committee, which sets the strategic direction under the leadership of the CEO, and the working-level consultative body to secure execution.

Human Rights Management Organization Chart



Roles and responsibilities

- The Sustainability Management Committee is the final decision-making body for human rights management and plays a role in deliberation and approval of human rights-related issues.
- The Human Rights Management Committee conducts preliminary deliberations on human rights management issues and supports the decision-making of the Sustainability Management Committee.
- The Human Rights Management Working Group carries out specific practical tasks such as human rights education, risk assessment and due diligence, and receipt of reports of human rights violations.

Roles and Responsibilities of Departments

Classification		Roles and responsibilities
Sustainability Management Committee		• Human Rights Management Deliberation and Final Decision-making
Human Rights Management Committee		• Human Rights Management Preliminary Deliberation and Decision-making
Human Rights Management Working Group	HR Management Team	• Company-Wide Human Rights Management Training Implementation and Result Report • Promotion of Human Rights Respect Policies/Systems
	Organizational Communication Team	
	Risk Management Team	• Establishment of Human Rights Management System • Establishment and Public Announcement of the Declaration of Human Rights Management • Human Rights Risk Assessment/Due Diligence • Advancement of Human Rights Due Diligence System • Disclosure of Human Rights Management Implementation Status
	Each Business Department	• Completion of Human Rights Management Education and Awareness Improvement
	Management Audit Team	• Receive/Process Reports of Human Rights Violations • Monitoring and Protective Measures for Human Rights Violations • Implementation of Human Rights remedies
	Organizational Communication Team	
HR Management Team		

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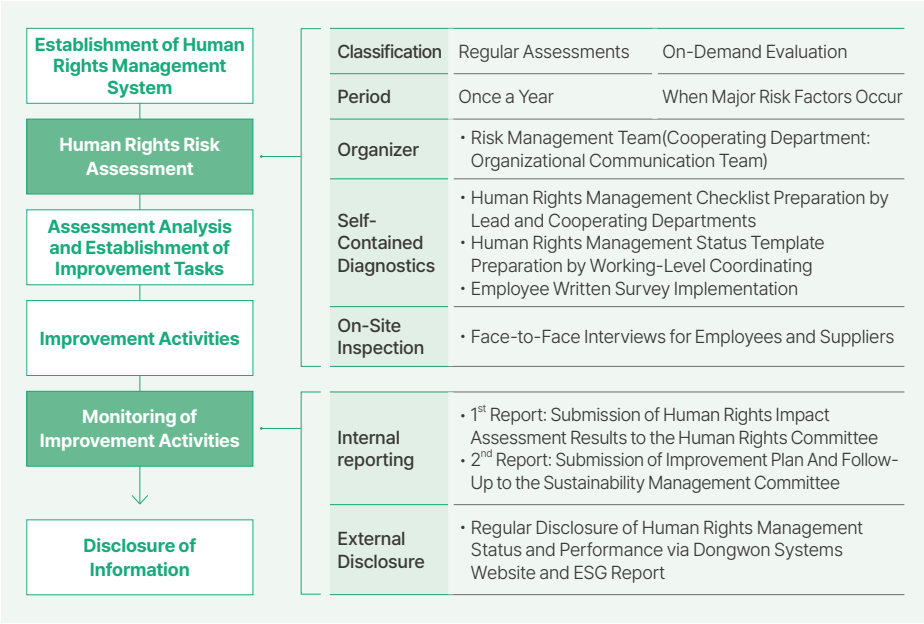
Internalization of Human Rights Management

Human Rights Due Diligence Process

Due Diligence Process

- Human rights risk assessments are conducted regularly once a year, and if major risk factors occur, they are evaluated from time to time.
- The evaluation is based on a self-diagnosis checklist (survey), and if necessary, additional verification is conducted through on-site inspections and interviews.
- Establish an improvement plan for the human rights risks derived from the evaluation results.
- The results of implementation and monitoring are reported to the Sustainability Management Committee, and the relevant contents are disclosed externally through the website and ESG report.

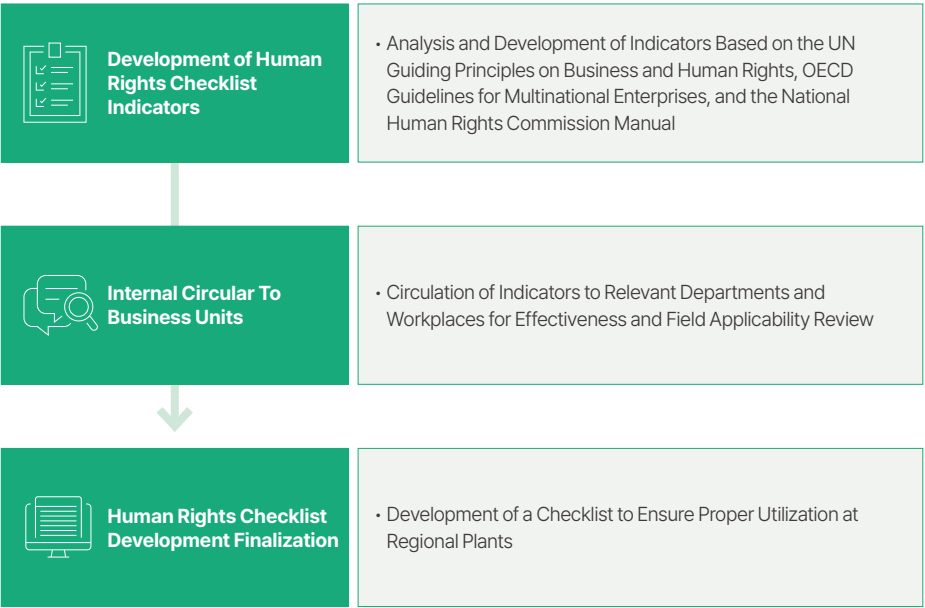
Human Rights Due Diligence Process



Human Rights Risk Checklist Development

- Dongwon Systems collected and analyzed human rights due diligence indicators from international and domestic standards, including the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, Corporate Human Rights Benchmark, and the National Human Rights Commission of Korea manual.
- Based on this analysis, we developed customized indicators to Dongwon Systems.
- The draft indicators were shared with relevant departments and local plants, and the final list was confirmed after incorporating their feedback.

Human Rights Risk Checklist Indicators



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Human Rights Due Diligence Process

Human Rights Risk Checklist

- The Human Rights Management Checklist consists of a total of 123 detailed questions, and diagnoses 12 areas such as establishment of a human rights management system, guarantee of association and collective bargaining, forced labor, child labor, and protection of customer’s human rights, etc.
- Evaluation is conducted by focusing on highly relevant items according to key stakeholder types such as supply chains, communities, and customers.
- The diagnosis results of each item are quantitatively analyzed to derive priority improvement tasks for high-risk areas.

Human Right Management Checklist

(Unit: EA)

Tier 1	Tier 2	Number of questions	Tier 1	Tier 2	Number of questions	Tier 1	Tier 2	Number of questions
Establishment of Human Rights Management System	Declaration of Policy on Respect for Human Rights	6	Ensuring Industrial Safety	Workplace Safety	5	Protecting Employees Human Rights	Violence Prediction	3
	Human Rights Impact Assessment	7		Protecting Pregnant Women and Persons with Disabilities	4		Sexual Violence Prevention and Remedies	2
	Human Rights Management System	4		Provision of Essential Equipment and Training	6		Work-Family Balance	1
	Stakeholder Communication and Disclosure	2		Support for Workers Affected by Industrial Accidents	2		Right to Rest	3
	Establishment of Relief Procedures	6	Protection of Human Rights of Local Residents	Respect and Protection of Human Rights of Local Residents	7	Supply Chain Management	Prevention of Human Rights Violations	3
Human Rights Education	-	3		Protection of Local Resident’s Intellectual Property Rights	3		Conduct Monitoring	2
Minimum wage/ Living Wage Guarantee	Guaranteed wages	4	Guarantee of Environmental Rights	Establishment and Maintenance of Environmental Management System	5		Follow-up	2
Guarantee of Association and Collective Bargaining	Freedom of Association and Collective Bargaining	3		Disclosure of Environmental Information	2	Protection of Customers’ Human Rights	Compliance with Laws and Regulations for Customer Protection	3
	Prohibition of Disadvantageous Treatment for Labor Union Activities	2	Prohibition of Discriminatory Treatment	Discriminatory Treatment of women, Non-permanent Workers, and People with Disabilities	12		Protection of Customer Privacy	1
	Guarantee of Collective Bargaining and Faithful Implementation	5						
	Alternative Measures in the Absence of a Labor Union	1						
Prohibition of Forced Labor and Child Labor	-	8						
	Prevention of Forced Labor by Suppliers	3						
	Ban minors and Actions against Violations	3						
Subtotal		57	Subtotal		46	Subtotal		20

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Internalization of Human Rights Management

Human Rights Due Diligence Results

Human Rights Impact Assessment Results (2024/2025)

- Dongwon Systems conducted a human rights impact assessment to enhance stakeholder awareness and strengthen the human rights management system.
- We surveyed 150 out of 1,705 employees over approximately 12 days using a questionnaire format.
- Survey results showed high satisfaction in areas such as minimum wage and living rights guarantee, and protection of customer human rights.
- Areas with lower satisfaction (90% or below) included the establishment of a human rights management system, human rights education, industrial safety, protection of residents’ rights, environmental rights, and supply chain management.

Overview of Human Rights Impact Assessment

Classification	Details
Purpose	<div>• Stakeholder Perception Survey on Human Rights at Dongwon Systems</div> <div>• Human Rights Impact Assessment to Enhance the Human Rights Management System</div>
Target	<div>• Dongwon Systems Employees, Suppliers</div>
Total Survey Samples	<div>• 150</div>
Date	<div>• April 25 – May 7, 2025</div>
Methodology	<div>• Administered Survey</div>

Human Rights Impact Assessment Results

(Unit: %)

Category	Field	Answer Results*					Indicator Satisfaction**
		Yes	Needs Improvement	No	Not ApplicableAvailable	Not Applicable	
1	Establishment of Human Rights Management System	69.44	30.56	0.00	0.00	-	87.8
2	Human Rights Education	83.33	8.33	0.00	8.33	-	88.3
3	Minimum wage/Living Wage Guarantee	100.00	0.00	0.00	0.00	-	100.0
4	Guarantee of Association and Collective Bargaining	93.98	6.02	0.00	0.00	-	97.6
5	Prohibition of Forced Labor	94.05	5.95	0.00	0.00	-	97.6
6	Prohibition of Child Labor	96.39	3.61	0.00	0.00	-	98.6
7	Ensuring industrial Safety	72.29	26.51	0.00	1.20	-	88.4
8	Protection of Human Rights of Local Residents	65.06	34.94	0.00	0.00	-	86.0
9	Guarantee of Environmental Rights	65.22	31.88	0.00	2.90	-	84.9
10	Prohibition of Discriminatory Treatment	78.31	20.48	1.20	0.00	-	90.6
11	Protecting Employees' Human Rights	92.31	7.69	0.00	0.00	-	96.9
12	Supply Chain Management	66.67	20.00	0.00	13.33	-	81.3
13	Protection of customers' human rights	100.00	0.00	0.00	0.00	-	100.0

As a result, the best indicators are “Minimum Wage/Living Wage Guarantee” and “Protection of Customers’ Human Rights”, and the areas that showed low satisfaction included “the Establishment of a Human Rights Management System, Human Rights Education, Ensuring Industrial Safety, Protection of Human Rights of Local Residents, Guarantee of Environmental Rights, and Supply Chain Management”.

* Not applicable items were excluded from the scoring, and the result reflects a percentile calculated only from the answered items.
** Indicator Satisfaction: The average of all indicator response scores converted into a percentile (e.g., Yes: 5, Needs Improvement: 3, No: 0, Not Applicable Available: 1).
** Percentile calculation formula: $\sum (\text{individual indicator scores}) / (5 \times \text{applicable indicators}) \times 100$.

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Human Rights Due Diligence Results

Implementation plan for each improvement task

Establishment of Human Rights Management System

Classification	Status	Stakeholder Types	Improvement Tasks	Target Schedule
Supplementation of Human Rights Policy	• CEO Declaration of Support Released	• Employees • Customers • Suppliers • Community	• CEO's Human Rights Management Message Production and Announcement • Writing a CEO Message in the Human Rights Report	2025
Expansion of Human Rights Policy	• Announcement of the Human Rights Management Charter	• Employees • Customers	• Publication of Human Rights Report • Supplementation of the Human Rights Management Charter on Sustainable Raw Material Procurement (Protection of Indigenous peoples and Migrant Workers, Supply Chain Management, etc.) • Collecting customer feedback	2026
Expansion of Human Rights Impact Assessment and Improvement of Effectiveness	• Implementation of Human Rights Due Diligence	• Employees	• Implementation of Human Rights Due Diligence on Supply Chains • Establishment of a Human Rights Risk Assessment Feedback System	2025
			• Application of Human Rights Management System to Overseas Workplaces	2026
Stakeholder Communication and Disclosure	• Regular Disclosure of Human Rights Management Performance	• Employees	• Disclosure of Assessment on Mitigation Measures for Negative Impacts	2025
Remedies	• Operating a Stakeholder Grievance Process	• Employees • Suppliers • Community	• Improvement of Procedures by Reflecting the Opinions of Users	2025

Human Rights Education

Classification	Status	Stakeholder Types	Improvement Tasks	Target Schedule
Human Rights Education Monitoring	• Provision of Legal, Human Rights Policy, and Human Rights Management Training	• Employees • Customers • Suppliers • Community	• Establishment of procedures to Monitor the Effectiveness of Training	2025

Ensuring industrial Safety

Classification	Status	Stakeholder Types	Improvement Tasks	Target Schedule
Occupational Health and Safety Guarantee	• Implementation of Essential Measures for Safety, Health and Hygien	• Employees • Suppliers	• Reflecting Expert Opinions on the Establishment of Industrial Accident Prevention Policies	2025

Protection of Human Rights of Local Residents

Classification	Status	Stakeholder Types	Improvement Tasks	Target Schedule
Protection of Human Rights of Local Residents	• Operation of Limited Communication Channels such as Community Meetings	• Community	• Strengthening Win-Win Activities in Local Communities • Plans to Expand Communication Channels on Biodiversity through Community Ecological Conservation Activities	2025

Supply Chain Management

Classification	Status	Stakeholder Types	Improvement Tasks	Target Schedule
Prevention of Human Rights Violations	• Supply chain ESG Evaluation for 46 Suppliers	• Suppliers	• Expansion of Supply Chain ESG Evaluation Based on Transaction Continuity, Purchase Volume, and Criticality • Written Request for Human Rights Protection Obligations in Contracts • Supplier Selection and Incentives Based on ESG Evaluation Results	2026

* 2024~2025: Human rights impact assessments focused on on-site subcontractors → Expanded to the supply chain from 2026.

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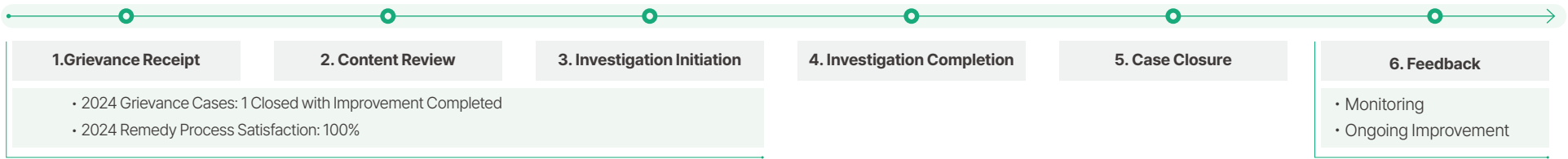
Internalization of Human Rights Management

Stakeholder Grievance Channels





Grievance Monitoring System and Results

- Dongwon Systems operates a grievance channel to allow employees and stakeholders to report human rights-related concerns or violations.
- We track and manage the type, processing status, and results of grievances, and review compliance with response deadlines by channel to ensure timely handling.
- In 2024, we received one grievance, which was fully resolved along with the completion of related improvement measures.
- We conduct employee satisfaction surveys on the grievance handling process and improve the system based on the results.

Grievance Procedure



Key Stakeholder Communication Information

<div><div>Unions</div></div> <div><ul style="list-style-type: none">• Righteous Management Reporting Center• Labor-Management Council• CEO Meeting</div>	<div><div>Customers</div></div> <div><ul style="list-style-type: none">• Righteous Management Reporting Center• Customer Support Center• Dongwon Group affiliate website, etc.</div>	<div><div>Community</div></div> <div><ul style="list-style-type: none">• Righteous Management Reporting Center• Meetings with local groups• Community Residents' Committee</div>	<div><div>Supplier</div></div> <div><ul style="list-style-type: none">• Righteous Management Reporting Center• Regular Consultation Meeting with Suppliers• Supplier CEO Roundtable</div>
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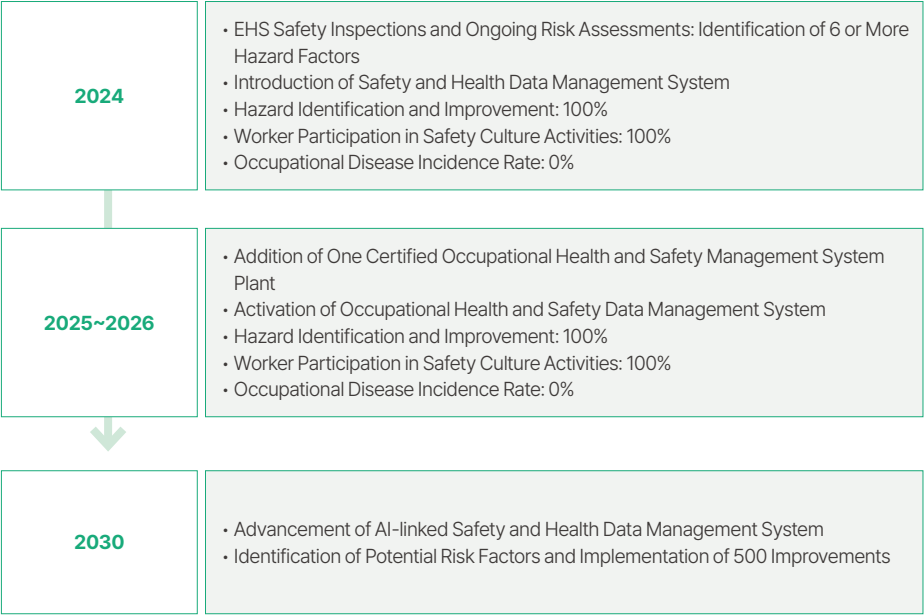
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Employee Safety and Health Management

Safety and Health Management System

Mid- to Long-Term Goals

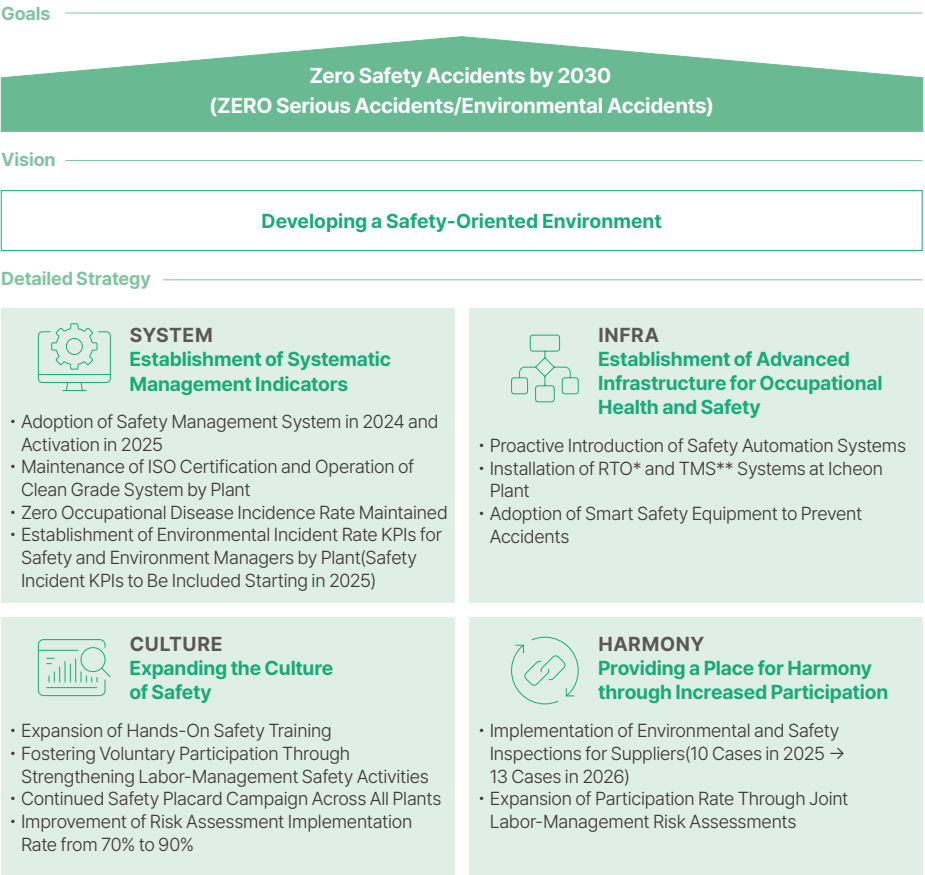
Mid-to Long-Term Plans



Full Text of the Safety and Health Management Policy

Key Implementation Plan

Core Action Plant (2025~2027)



* Regenerative Thermal Oxidizer: Facility for removing volatile organic compounds (VOCs) through combustion.
** Tele-Monitoring System: Real-time monitoring of air pollutants emitted from facility stacks.

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Safety and Health Budget Execution Plan

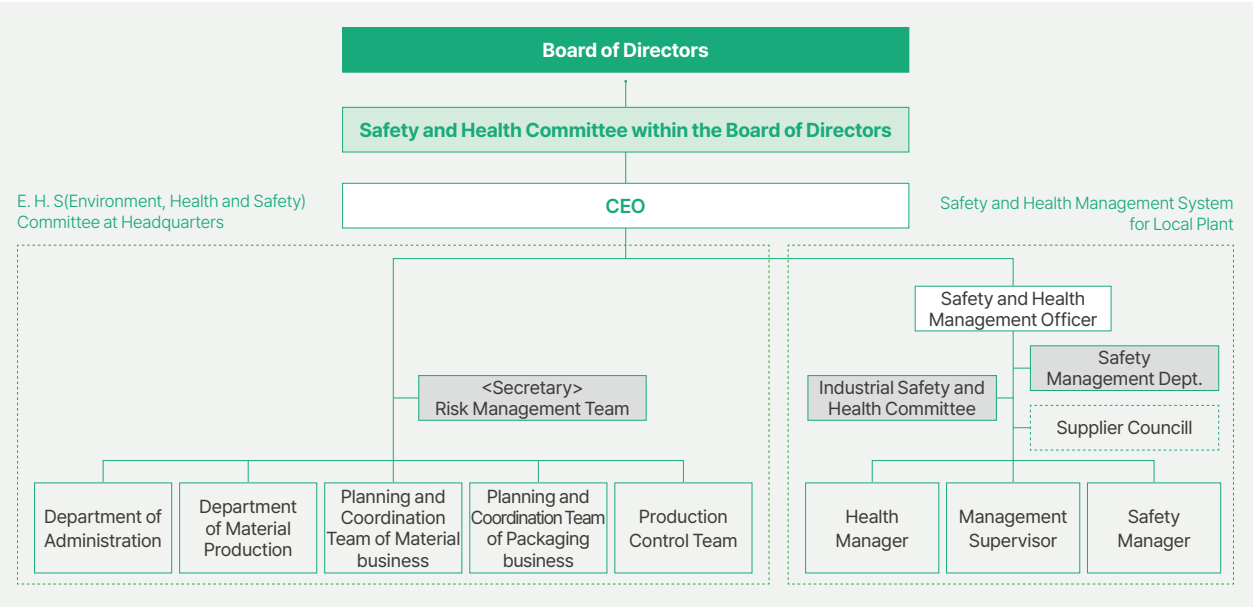
Performance and Action Plan by Subcategory (Unit: KRW million)

Safety and Health Regular Inspection	
2024 Actual	2025 Plan
607	744
+	
Safety and Health Management System Establishment	
2024 Actual	2025 Plan
2,031	1,709
+	
Strengthening Safety and Health Mindset	
2024 Actual	2025 Plan
182	168

Organization Chart

- Dongwon Systems reports safety and health performance and plans to the board of directors according to Article 14 of the Occupational Safety and Health Act.
- Each local plant strives to provide a safe working environment and foster a safety-first culture through safety and health management, training, supplier safety oversight, and work environment assessments.
- The E.H.S Committee at headquarters oversees company-wide environmental, health, and safety plans, inspects safety status, and reviews related expenses and support.
- The committee holds regular meetings at least twice a year and convenes extraordinary meetings as necessary by the chairman's decision.

Safety and Health Management Organization Chart



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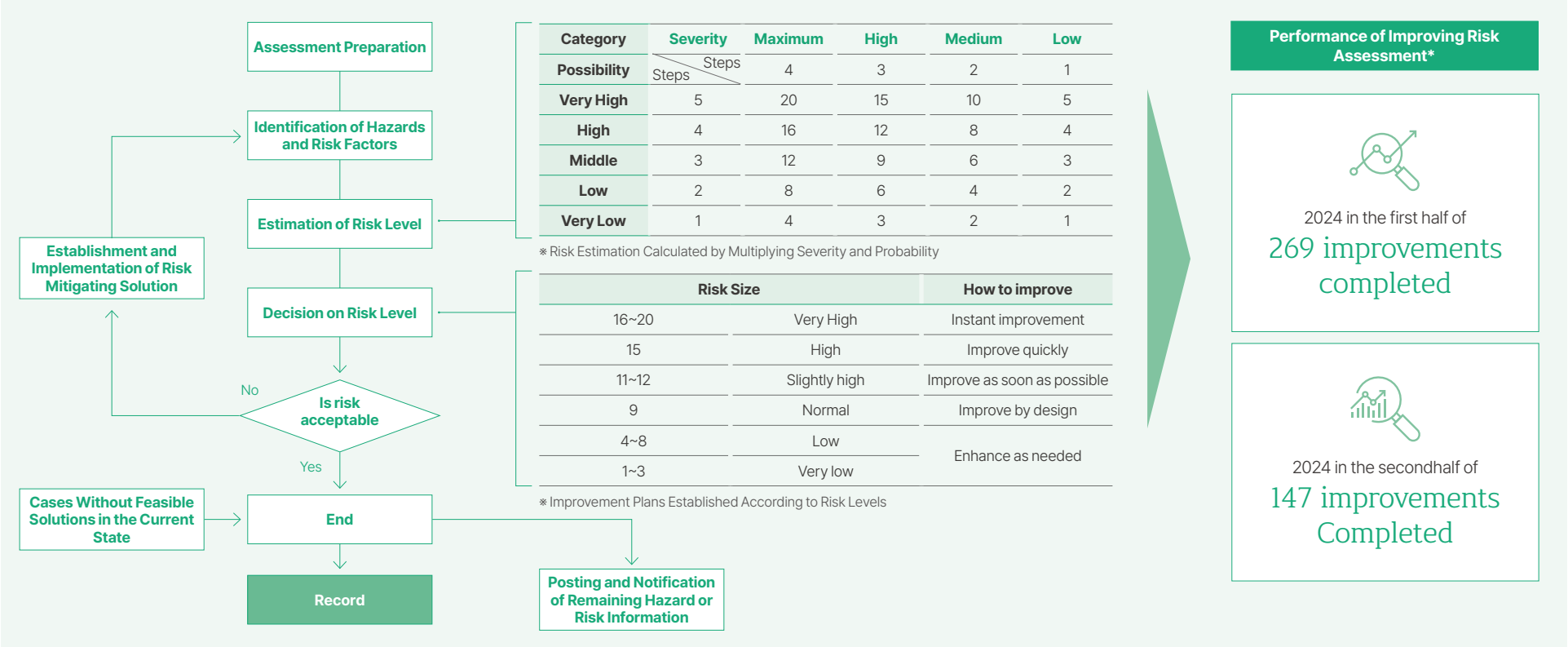
Employee Safety and Health Management

Safety Risk Due Diligence Process

Due Diligence Process

- Dongwon Systems conducts risk assessments at plants twice a year to ensure employee safety from various accidents.
- We identify risk factors through regular assessments and establish improvement plans based on risk levels.
- In the first half of 2024, we completed 269 improvements, and 147 more in the second half.
- We review the effectiveness of improvements by comparing risk levels before and after improvement.

Risk Assessment Due Diligence Process



* Completed review of improvement effectiveness by comparing and analysing risk level changes before and after implementation.

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Employee Safety and Health Management

Safety Risk Due Diligence Process

Safety and Health Level Assessment for Suppliers

- Safety and Health Level Assessments are conducted on our suppliers to enhance their safety and health measures and to prevent serious accidents(Twice per year).
- The assessment was conducted for 35 suppliers across all workplaces.
- The average score for our suppliers in 2024 was 87.8 (1H), which slightly increased to 89.8 (2H).
- Based on the average score, all suppliers were confirmed to have the basic capabilities to perform safe work.

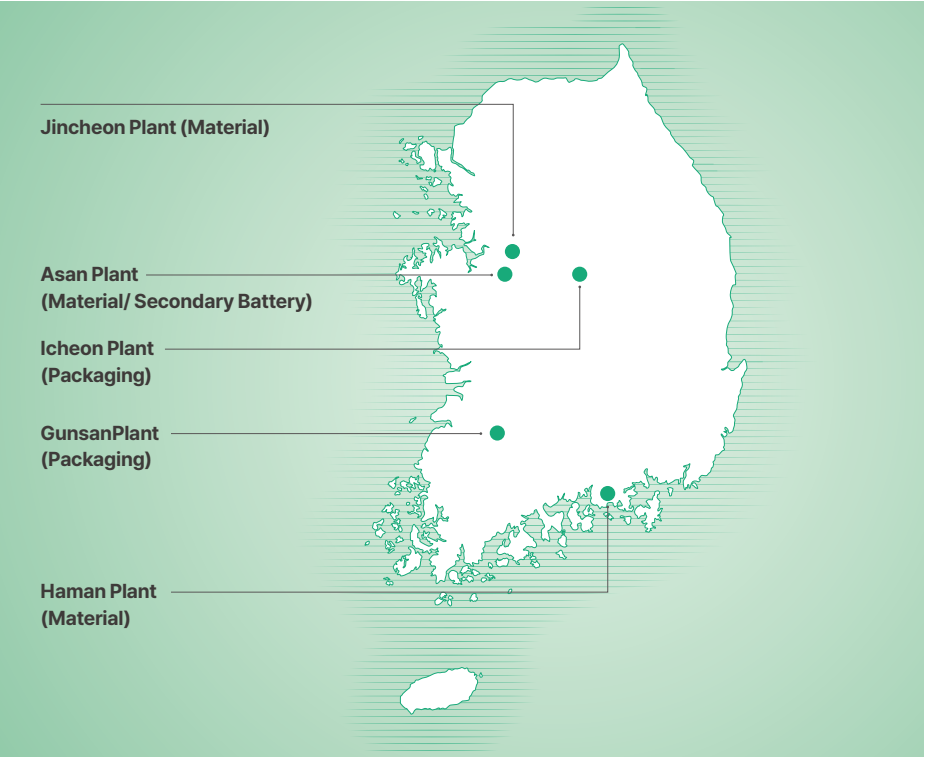
Safety and Health Level Assessment Items for Suppliers

Assessment Item	
 Safety and Health Management System	General Principles
	Plan Establishment
	Roles and Responsibilities
 Implementation Level	Risk Assessment
	Safety Inspection
	Implementation Confirmation
	Training and Record
	Safety Work Approval
 Operation Management	Signals and Contact System
	Hazardous Material & Facilities
	Contingency Measure
 Accident Occurrence Level	Industrial Accident Status

ISO 45001 Certified Plants

- OH&S Management System (ISO 45001) certified plants: Gunsan, Jincheon, Asan, Haman, Icheon plant.

Health and Safety Certified Plant Status



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Employee Safety and Health Management

Safety and Health Prevention Activities

Safety and Health Training at Plant

- Dongwon Systems conducts regular safety and health training focused on local plants to strengthen the company-wide safety management system.
- We provide role-specific training tailored for plant managers, supervisors, and new employees to improve training effectiveness.
- We ensure individual worker safety capabilities through job-specific training such as construction machinery operation, MSDS, and fire prevention education.

Safety and Health Training List

Classi- fication	Name	Target	Contents
1	Leader Training on Safety Mindset	Plant Manager	Training to Strengthen Leaders' Safety Awareness and Communication Capabilities
2	Safety Awareness Innovation Education	Supervisor	Safety Culture Improvement Training to Raise Safety Awareness
3	Introductory Safety Awareness Training	New Employees	Training on Basic Safety Rules and Hazard Recognition and Response
4	Construction Machinery Training	Applicant	Training on the safe use, Maintenance and Operation Procedures of Construction Machinery
5	Safety and Health Training for Hazardous and Dangerous Work		Training on Workplace Hazards and Safety and Health Measures
6	MSDS Training		Understanding Material Safety Data Sheet
7	Fire Prevention Education		Training on Fire Prevention and Initial Response
8	Supplier Safety Awareness Training	Supplier	Safety Awareness Raising and Joint Safety Management Training for Suppliers

Safety and Health Inspection Activities

On-Site Accident Prevention Activities

Safety and Health Prevention List

Clas- sifica- tion	Prevention Activity	Key Details	Target(Number of sessions, places, etc.)	Achieve- ment Rate
1	Executive Leadership	• Inspection of Safety and Health Management in the Plant	Plant Visit	100%
2	E.H.S. Committee	• Serious Accident Punishment Act, PSM Manual Establishment • Qualified Contractor Evaluation Manual Establishment	Plant Distribution	100%
3	Fire Response	• Fire Evacuation and Fire Drill	Twice a year	100%
4	Prevention of Accidents	• Training on Individual Response to Accidents	Once a year	100%
5	Prevention of Safety Education	• Monthly Safety Inspection	1 Time per Month	100%
6	Safety and Health Committee Regular Inspection	• Quarterly safety and health inspections (excluding Gwangju 2, Cheonan, Suwon, and Yeosu)	1 Quarter	100%
7	Regular Risk Assessment	• Conducting Risk Assessments Twice a Year	1 Semi-annual	100%
8	etc.	• Focused Management of High-Risk Areas by Time • Stronger Safety Checks Before Starting Work	Occasional operation	100%

On-Site Safety Facility Inspections Activities

Safety Facility Checklist

Clas- sifica- tion	Prevention Activity	Key Details	Target(Number of sessions, places, etc.)	Achieve- ment Rate
1	Facility Safety Inspection	Inspection of Buildings, Electrical Systems, Machinery, and Firefighting Equipment	1 Time per Month	100%
2	Weekly inspection of Chemical Handling Facilities	Chemical Handling Facility Inspection	1 Time per Week	100%
3	Health Consultation and Hygiene Inspection	Worker Health Consultation and Hygiene Inspection	1 Time per Month	100%
4	Work Environment Assessment	Inspection of Risks in Work Environment	Once a Year	100%
5	Air Quality Self-assessment	Self-Assessment of Air Quality at Mandatory Plants	1 Semi-Annual	100%

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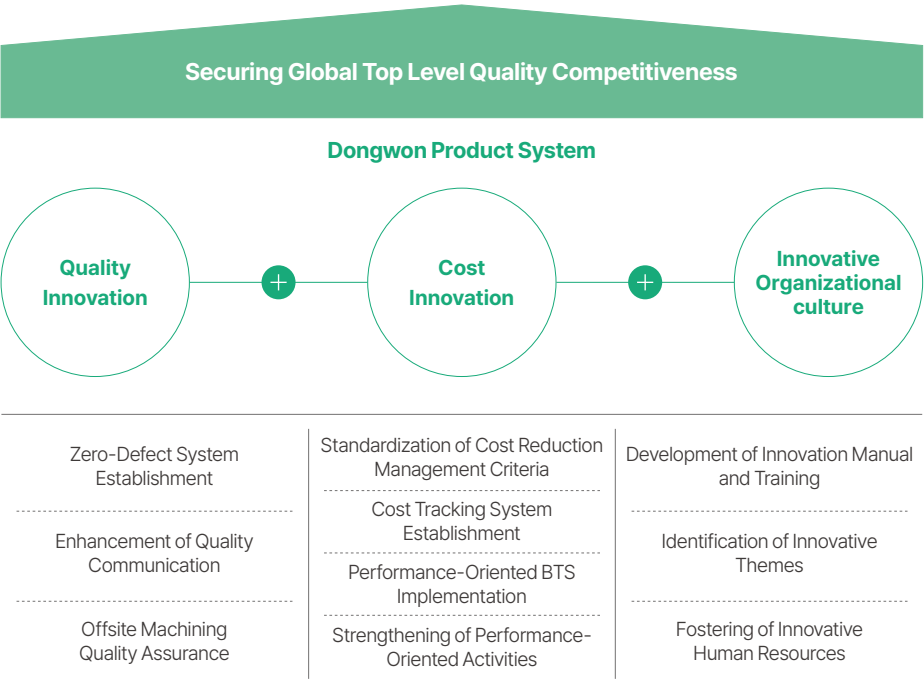
Product and Service Quality Enhancement

Product Quality Management System

Objectives

- Dongwon Systems secured quality competitiveness by leading quality innovation, cost innovation, and the establishment of an innovation-driven organizational culture.
- We ensure high quality of products and services through multiple inspection processes up to the final product in accordance with the quality management system.
- After product shipment, Dongwon Systems collects customer feedback and complaints and shares them with relevant departments in the plant to improve product quality.

Product and Service Quality Enhancement Goals



Quality Policy

- Dongwon Systems implemented a plant-based Quality Management System (ISO 9001) and established a quality management policy.
- We appointed the head of plant as the quality management representative, delegating full authority and responsibility.
- At regional plants, Dongwon Systems formed operational teams centered on the Production Support Team and Quality Assurance Team to manage product quality.

Quality Policy Major Contents

Quality Policy (Packaging)

Dongwon Systems is Korea’s leading packaging company, recognized for top-tier technology and quality. Now, we must strategically address two key missions: securing cost leadership and laying the foundation for new growth. Achieving this requires the active participation and cooperation of all employees. In this context, we establish the following quality policy:

- **First, foster a culture of mutual trust and cooperation between labor and management.**
Dongwon Systems operates with extensive facilities and a large workforce. This demands a strong foundation of trust not only between individuals but also across departments and business units. All employees should build a healthy organizational culture based on mutual trust, encouragement, and support.
- **Second, deliver quality that satisfies our customers.**
While we have acquired ISO certification for quality management, we continue to receive customer requests for improved quality. To maximize customer satisfaction in both quality and cost, we must continuously strive for cost reduction and quality enhancement.
- **Third, work together to achieve our strategic missions.**
Securing cost leadership and identifying new growth engines are not tasks for specific teams alone. All employees must engage in ongoing efforts to improve technology and streamline processes. We must also benchmark global leaders and monitor industry trends to secure suitable business opportunities. Our mid- to long-term management strategy aims for sustainable growth and development, which is only possible when every employee finds meaning in their work, demonstrates creativity, and contributes as one team.

We trust that by working together, we can shape a brighter future for our company. We ask that each team incorporate this policy into their goals and take active steps toward implementation.

CEO, Dongwon Systems Co., Ltd.

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Product and Service Quality Enhancement

Quality Enhancement Internal Process

Internal Audit Based on Quality Management System

- Dongwon Systems established an internal auditor training program and internal audit system to strengthen quality assurance for ISO 9001 and ISO/FSSC 22000 certifications.
- Annual audits are conducted by the Quality Assurance Team and Operation Support Team at the head office.
- As a result of internal audits, corrective actions were completed for 9 cases in the packaging businesses and 23 cases in the materials businesses.
- The Secondary Battery Business conducted integrated internal audits against IATF 16949*, ISO 9001, 14001, and 45001 and completed corrective actions for 33 non-conformities identified (2024).

Number of Nonconformities Identified Through Internal Audits in Packaging and Materials (2024)

Business Div	Category	ISO 9001	ISO/FSSC 22000	ISO14001	ISO45001
Packaging	Minor Nonconformance	4	5	N/A	N/A
Material		23**			

Number of Nonconformities Identified Through Internal Audits in Secondary Battery Division (2024)

Business Div	Category	System Nonconformities	Process Audit Nonconformities	Product Audit Nonconformities
Secondary Battery	Minor Nonconformance	25	6	2

Regular Validation on HACCP Effectiveness

- Dongwon Systems conducts validation on HACCP systems in internal audit (once/year).
- We confirmed "good" in the regular effectiveness validation on packaging (2024).

* International Automotive Task Force: International Standard for Quality Management Systems in the Automotive Industry.
** Integrated internal audit results for ISO9001, ISO/FSSC22000, ISO14001, and ISO45001.

Product Claim Monitoring

- Dongwon Systems monitors annual quality claims such as product damage, label defects, and sealing defects.
- The number of claims in the Materials Business decreased from 12 cases in 2023 to 4 cases in 2024.
- In the Secondary Battery Business, claims decreased from 46 cases in 2023 to 42 cases in 2024.

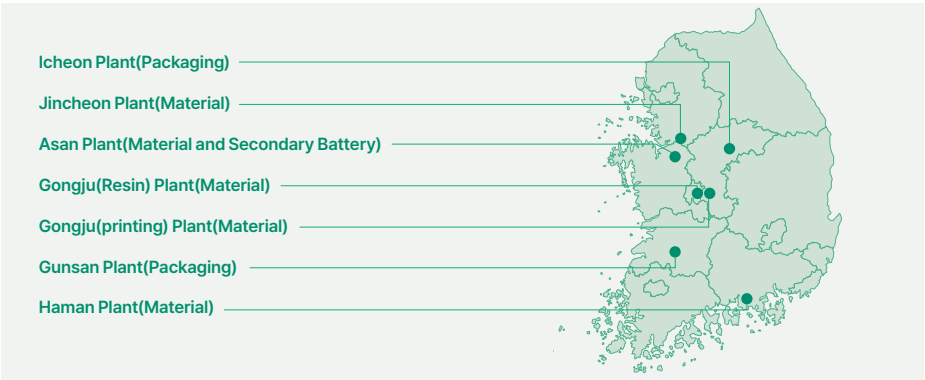
Product Claim Monitoring (2024)

Business Div	2022*	2023*	2024
Packaging	104	86	78
Material	12	12	4
Secondary Battery	28	46	42

* Revision Due to Misstatement in the 2023 Sustainability Report

Quality Management Certification System

- ISO 9001 certificate has been acquired at Asan , Jincheon, Gunsan, Icheon, Haman, resin and printing plants
- IATF 16949 certificate has been acquired at the Asan plant



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Product and Service Quality Enhancement

Quality Enhancement Internal Process

Quality Improvement Q-cost and Improvement Case Reduction Plan

- Dongwon Systems set targets to reduce Q-Cost (Quality cost) and the number of quality improvement plans through quality management efforts.
- The Packaging Business aims to reduce the number of improvement plans from 67 cases in 2024 to 34 in 2025, the Materials Business to zero cases, and the Secondary Battery Business to two cases in 2025.
- We also plan to reduce Q-Cost from KRW 84 million to as much as KRW 602 million compared to the previous year.

Quality Improvement Performance and Reduction Plan (2024)

Business Div	Category	2024 Performance	2025 Plan	Change
Packaging	Q-Cost (Unit: KRW million)	1,204	602	602
	Improvement (Unit: Cases)	67	34	33
Material	Q-Cost (Unit: KRW million)	727	207	520
	Improvement (Unit: Cases)	3	0	3
Secondary Battery	Q-Cost (Unit: KRW million)	178	94	84
	Improvement (Unit: Cases)	4	2	2

Quality Improvement Education Program

- Dongwon Systems conducts training related to production quality management and improvement.
- We provide education on food safety, hygiene, and quality management, and completed halal practitioner training to prepare for the Islamic market.

Quality Improvement Education Programs by Business Sector (2024) (Unit: Headcount, Hour)

Business Div	Program	Participants Completed	Completed Training Hours
Packaging	FSSC22000 Ver. 6.0 Changes and Internal Auditor Training	1	7
	FSSC22000 Basic Education	11	6
	Basics of Manufacturing Data Analysis using Excel	1	14
	Strengthening the Competencies of New Employees in Quality Management	1	21
	U.S. Food Safety Modernization Act Qualification Course (BPCS, Heat Treatment Process Supervisor)	1	40
	U.S. Food Safety Modernization Act Certification Course (PCQI, Food Safety Manager)	2	20
	U.S. Food Safety Modernization Act Certification Course (FDQI, Food Defense Manager)	1	14
	Halal Practitioner Training	1	4
	FSSC 22000 Revision System Conversion Practice	1	8
	Zero Facility Trouble and Standardization Education	89	16
Material	Food Safety Culture Awareness for All Employees and Executives	1	8
	Food Hygiene Education	3	3
	Basic Course Training for Practitioners for Training Halal Professionals	1	4
	AIAG-VDA FMEA* and Control Plan Practitioner Training	16	2
Secondary Battery	VDA 6.3 Practitioner Training	12	16
	VDA 6.3 Core tool for auditors	1	14
	Understanding and utilization of MSA&SPC** essential for quality management activities in the automotive industry	1	16
	Automotive Industry Development Management Needs APOP&PPAP	1	16

* Automobile Association of North America's Automotive Quality Risk Analysis Methodology.
** Training to help understand and use quality planning and parts approval in the automotive industry.

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Product and Service Quality Enhancement

2025 Quality Management Direction

Management Direction by Business Div.

Dongwon Systems

Category	<div><div></div><div>Packaging Business Div.</div></div>	<div><div></div><div>Material Business Div.</div></div>	<div><div></div><div>Secondary Battery Div.</div></div>
Detailed Strategy Direction	<div>Upstream Process Stabilization</div> <div><ul style="list-style-type: none">• Early issue detection & Process improvement through Enhanced Quality Collaboration with Key Customers• Comparative Quality Evaluation of Competitor Products• Enhancement of Incoming Quality Control for Raw and Subsidiary Materials</div>	<div>Revision of Quality Indicator Standards</div> <div><ul style="list-style-type: none">• Minimization of Q-Cost through Five-Year Defect Rate Management</div>	<div>Reduction of Pre-Delivery Defects through Strengthened Incoming Inspection</div> <div><ul style="list-style-type: none">• Reduction in Defect Quantity and Rate for Incoming Inspection Items</div>
	<div>Worst 3 Improvement Activities</div> <div><ul style="list-style-type: none">• Identification and Verification of Key Quality Improvements by Product</div>	<div>5M Volatility Management</div> <div><ul style="list-style-type: none">• Analysis of Defect Types by Site Based on 5M (Method, Material, Man, Machine, Measurement)• Identification of Root Causes by Type and Implementation of Recurrence Prevention Measures</div>	<div>Reinforcement of Major Product Approval for Production</div> <div><ul style="list-style-type: none">• Compliance with Prototype Production and Delivery Schedule• Customer Participation in Prototype Testing• Formation of Response Team for Overseas Quality Audits</div>
	<div>Reinforcement of Quality Ownership Mindset* in In-Process stages</div> <div><ul style="list-style-type: none">• Securing Quality Superiority in Key Items Through Comparison of Products• Expansion of Customer Quality Collaboration Meetings</div>	<div>Reinforcement of Self-Process Quality Assurance</div> <div><ul style="list-style-type: none">• Posting and Sharing of Process Nonconformities on Quality Bulletin Board• Implementation of Operator Name Tagging for Semi-Finished (by Process) and Finished Products (by Item)• Focused Management of High-Risk Processes to Strengthen Process Capability</div> <div>Defect Leakage Prevention System through Internal 4M** Management</div> <div><ul style="list-style-type: none">• Priority Ordering for High-Quality Suppliers• Implementation of Internal Quality Simulation Training (Semi-Annual)• Digitalization of Manual Work Processes• Improvement of Inspection Equipment</div>	<div>In-House Process Quality Control Enhancement</div> <div><ul style="list-style-type: none">• Systematic Database Management of Product Changes Due to Equipment Maintenance and Real-Time Process Data Integration• Enhancement of Quality Verification by Process Stage and Improvement of Quality Training System• Implementation of Rationalization Activities for Customer Quality Standards</div>

* Each worker is directly responsible for the quality in own process.
** Refers to Man, Machine, Material, and Method.

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Sustainable Supply Chain (Supplier) Management and Shared Growth

Supplier Sustainability Management System

Strategic Tasks and Mid- and Long-Term Plans

- Dongwon Systems established three strategic tasks and a mid- to long-term plan to manage sustainability across the supply chain and promote shared growth with suppliers.
- We are expanding the proportion of eco-friendly and ethically certified raw materials to establish and implement a responsible sourcing policy from a long-term perspective.
- To strengthen suppliers' sustainability capabilities and build a collaborative partnership system, we support ESG capacity-building activities and operate shared growth programs.

Mid- to Long-term Goals for Supplier Sustainability

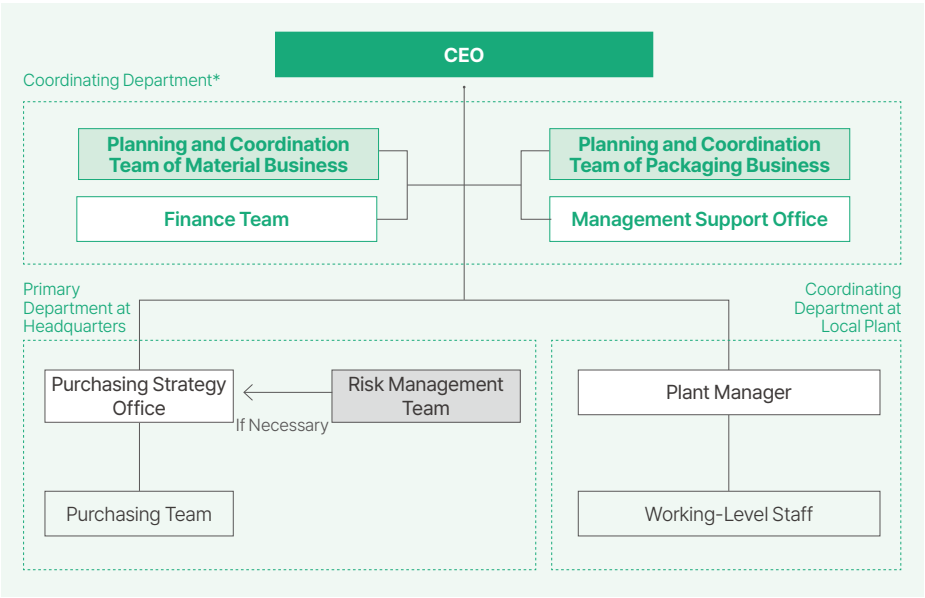
	2024	2025 ~ 2026	2030
Expansion of Sustainable Raw Material Procurement	<ul style="list-style-type: none">• Increase in ASI*-Certified Raw Material Procurement Ratio to 67%• Increase in FSC**-Certified Raw Material Procurement Ratio to 46%	<ul style="list-style-type: none">• Increase in ASI-Certified Raw Material Procurement Ratio to 68%• Increase in FSC-Certified Raw Material Procurement Ratio to 60%	<ul style="list-style-type: none">• Increase in ASI-Certified Raw Material Procurement Ratio to 69%• Increase in FSC-Certified Raw Material Procurement Ratio to 70%
Expansion of Supplier ESG Capacity-Building Activities	<ul style="list-style-type: none">• Implementation of ESG Training for Suppliers	<ul style="list-style-type: none">• Development and Distribution of Carbon Management Program for Suppliers	<ul style="list-style-type: none">• Establishment of Supplier Scope 3 Management Framework
Establishment of Win-Win Growth Program for Suppliers	<ul style="list-style-type: none">• Provision of ESG Consulting for Suppliers• Implementation of Corporate Credit Rating Training for Suppliers	<ul style="list-style-type: none">• Implementation of Over 10 Win-Win Growth Programs (e.g., Technical Support, ESG Training)	<ul style="list-style-type: none">• Implementation of Over 10 Win-Win Growth Programs

* An initiative aimed at promoting sustainability across the entire aluminum value chain.
** An initiative that helps consumers identify products made from responsibly managed forest resources.

Organizational Chart

- Dongwon Systems' Purchasing Team, Risk Management Team, and relevant departments at regional plants lead the implementation of sustainable supply chain management and supplier co-prosperity initiatives.
- We coordinate with the Finance Team and key business support teams to allocate budgets and review the feasibility of tasks by business segment.
- Major implementation plans and progress are reviewed in advance by relevant teams and reported regularly to the CEO.

Supplier (Supply Chain) Organization Chart



* Depending on the agenda, the Coordinating department will be converted to the approval department.

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Sustainable Supply Chain (Supplier) Management and Shared Growth

Supplier Sustainability Management System

Supply Chain ESG Management Policy

- Dongwon Systems revised the Supply chain ESG management policy to clearly define implementation bodies, supplier code of conduct compliance, and risk identification systems.
- Dongwon Systems classifies suppliers as high-risk or low-risk based on ESG evaluation results, establishing grounds to restrict or reduce transactions with high-risk suppliers and to support low-risk suppliers through ESG evaluation exemptions and shortened payment terms (30 days).
- To enhance suppliers' ESG capabilities and improve performance, we established implementation measures such as expanding ESG training and support programs and providing performance-based incentives.
- To promptly address supplier grievances, we disclosed a grievance channel and clearly defined the procedures for handling complaints and reports in the policy.

Key Highlights for Supply Chain ESG Management Policy

[Link](#)

Dongwon Systems has established a supply chain ESG management policy to build a sustainable supply chain based on transparency and fair trade. Based on this policy, we commit to proactively identifying potential risks across the supply chain, developing response plans, and achieving sustainable procurement by adhering to fundamental principles with a responsible attitude toward society and the company, together with our suppliers, to drive sustainable growth.

Chapter 1 Supply Chain Sustainability Management System

- **The CEO is ultimately responsible for the promotion** of supply chain sustainability and the management and supervision of performance according to activities.
- **The responsible departments are the Risk Management Team, the Purchasing Strategy Office, and the Purchasing Team 1 and 2.**
- However, supplier support activities in the environmental, social, and governance areas can be promoted through collaboration with relevant departments.

Chapter 4 Supply Chain ESG Evaluation

- **The supply chain ESG evaluation program** consists of indicators based on domestic and foreign legal systems and guidelines from the **Korea ESG Standards Institute**, and continuously advances the details and evaluation method.
- **According to the level of risk, it is classified as high risk (90 points or more), medium risk (70 points or more ~ 90 points), and low risk (less than 70 points), and if the rejection of evaluation without high risk or special reasons is more than 3 consecutive years, sanctions such as transaction restrictions or transaction size reductions are imposed, and low-risk partners are exempted from the evaluation for the next year.**
- If a supplier is diagnosed as high-risk, they must establish and submit an improvement plan. Failure to meet the criteria by the deadline may result in restrictions or exclusion from project participation.
- **Considering strategic importance, transaction size, and risk level, some high-risk suppliers are selected for an on-site improvement coaching program supervised by the Risk Management Team.**

Chapter 2 Implementation of Supply Chain Sustainability

- **When signing a contract with a new supplier, the Dongwon Systems Supplier Code of Conduct is required to confirm this policy and sign** that they will comply with it.
- Periodically, we review and provide support programs to help suppliers fulfill their social responsibilities and have a positive impact on the environment.
- In order to procure raw materials responsibly, **we will review the priority purchase of eco-friendly products** in accordance with the green purchasing policy.
- **We actively promote the establishment and ordering of purchase plans to expand the purchase of eco-friendly products,** and manage performance.

Chapter 5 Support Programs

- As a result of the evaluation, Dongwon Systems strengthens financial support **by selecting two outstanding suppliers each year and shortening their payment terms to 30 days.**
- We also enhance ESG awareness and understanding by conducting supply chain ESG education programs, such as **supplier ESG seminars, and providing individual coaching after ESG evaluations.**
- We plan to **implement a competency enhancement program** to help suppliers improve their ESG performance through capacity building.

Chapter 3 Supply Chain Risk Identification and Response

- To jointly run a sustainable business that contributes to solving social and environmental issues with suppliers, we operate management procedures to prevent ESG risks in the supply chain.
- All suppliers must submit a the Dongwon Systems Supplier Code of Conduct at the time of initial registration, and **ESG evaluation is conducted by selecting key management partners with high importance.**

Chapter 6 Grievance Handling Mechanisms

- To proactively identify risks related to environment, labor practices, unfair trade, and unfair competition among suppliers' executives and employees, **Dongwon Systems operates a supplier complaint reporting system, serving as a channel for stakeholders to report such risk factors.**

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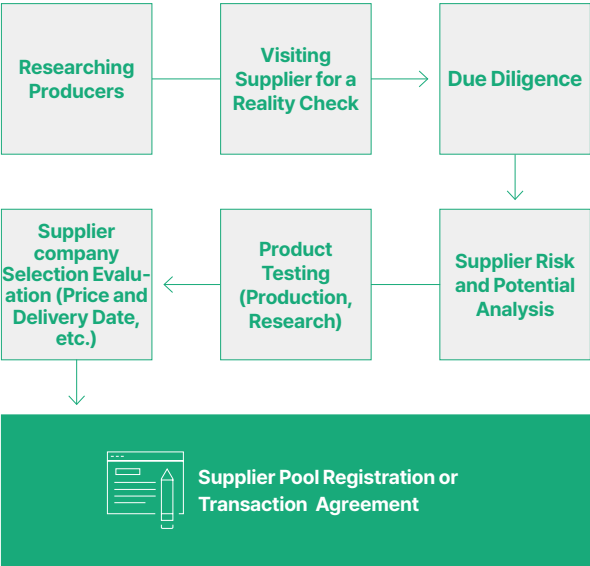
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Supplier Sustainability Management System

Selection of New Supplier Companies

- Dongwon Systems screen asset health and compliance issues and evaluate the six due diligence areas which are management, finance, technology, security, quality system and process evaluation, when selecting and evaluating partner companies.
- We decide on registration of new partner companies based on 4 levels: Best - Excellent - Good - Poor.

New Supplier Selection Process



Establishment of Dongwon Systems Supplier Code of Conduct (Including New suppliers)

- Dongwon Systems established a Supplier Code of Conduct to ensure ethical and legal compliance across all suppliers.
- The Code clearly defines standards and compliance principles across key areas, including human rights and labor, health and safety, environment, anti-corruption, intellectual property protection, fair trade, personal data protection, consumer protection, and management systems.
- We made it mandatory for suppliers to submit a "Code of Conduct Compliance Agreement" when signing a contract.

Key Highlights for the of Dongwon Systems Supplier Code of Conduct

Link ▶

Dongwon Systems Co., Ltd. (the "Company") created this Supplier Code of Conduct (the "Code") to build a sustainable supply chain. The Code sets clear rules and expectations for all suppliers to follow ethical standards and obey laws in key areas such as human rights and labor, health and safety, the environment, business ethics, and management systems.

The Company, or an approved third party, may visit suppliers to check if they are following the Code. If problems are found, the supplier must fix them. If serious issues are not corrected in time, the Company may stop doing business with the supplier or cancel the contract.

All suppliers must follow this Code and all related laws and run their business in a responsible and ethical way.

Human Rights/Labor <ul style="list-style-type: none">• Prohibition of Discrimination• Compliance with Working Hours• Fair Compensation and Employee Benefits• Respect for Human Rights• Protection of Underage Workers• Legal Compliance and Assurance of Lawful Employment	Management System <ul style="list-style-type: none">• Top Management Commitment to Compliance• Identification and Management of Risks• Operation of Goal Management, Evaluation, and Corrective Action Process	Environment <ul style="list-style-type: none">• Compliance• Pollution Prevention and Reduction of Resource/Energy Use• Chemical Management• Waste Management• Water Resources Management• Air Pollution Management
Safety/Health <ul style="list-style-type: none">• Compliance• Risk Identification and Assessment Education• Keeping the Workplace Safe• Prevention of Industrial Accidents and Diseases• Hazard Management• Management of Employee Work and Protection of Vulnerable Workers• Safety Management of Dangerous Machines, Appliances and Facilities	Corruption, Information Disclosure, Intellectual Property, Fair Trade, Personal Information, Consumer Protection <ul style="list-style-type: none">• Integrity and Prohibition of Improper Benefits• Disclosure of Information• Intellectual Property Protection• Fair Trade• Privacy• Consumer Protection	

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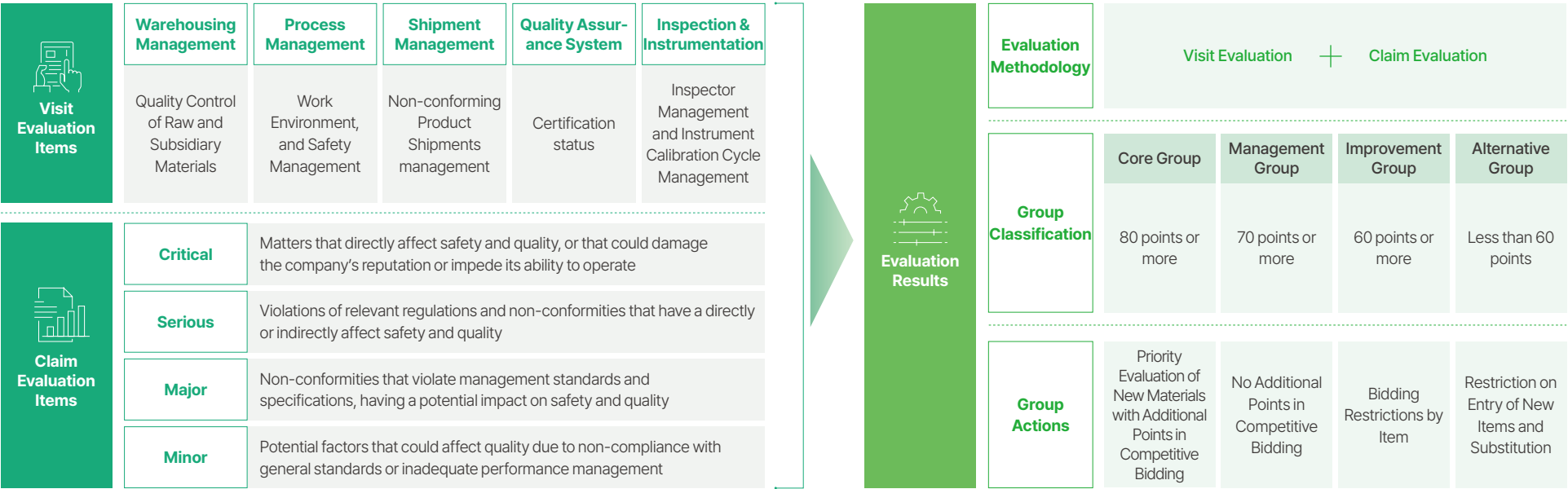
Supplier Sustainability Management System

Regular Evaluation of Supplier Companies

- Based on the ISO 9001 company evaluation procedure, Dongwon Systems conducts evaluations in the categories of management ability, production capacity, quality control, cooperation, environment and safety.
- The evaluation is conducted on-site, and the score is calculated by adding up visit evaluation and claim evaluation.
- Partner companies are divided into four groups: core, management, improvement and replacement group depending on regular evaluation score and differentiated management system is established for each group.

- As a result of the regular evaluation, transactions will be suspended with partners who score less than 60 points, and transaction items will be expanded for partners with a score of 80 or more.
- Financial and welfare incentives are provided to the best or excellent-evaluated partners and meetings and consulting are conducted with low-rated partners.

Regular Evaluation Process



Evaluation Results

Evaluation Methodology

Visit Evaluation + Claim Evaluation

Group Classification

Core Group	Management Group	Improvement Group	Alternative Group
80 points or more	70 points or more	60 points or more	Less than 60 points

Group Actions

Priority Evaluation of New Materials with Additional Points in Competitive Bidding	No Additional Points in Competitive Bidding	Bidding Restrictions by Item	Restriction on Entry of New Items and Substitution
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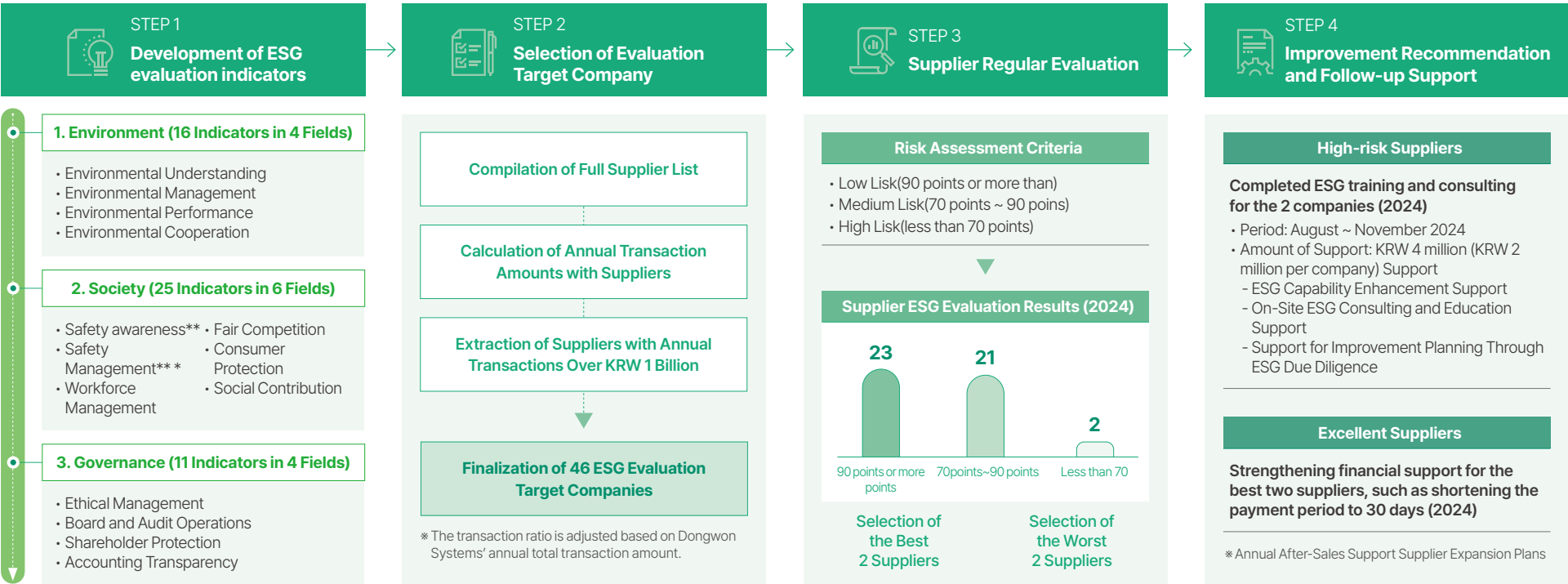
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Supplier Sustainability Management System

ESG Evaluation of Suppliers

- Dongwon Systems conducts an annual ESG evaluation to build sustainable win-win relationships with suppliers.
- We conducted an ESG survey for 46 major trading partners in April 2024. The survey has 52 items covering overall environmental, social, and governance aspects, focusing mainly on suppliers' safety and health management, environmental strategy and its implementation, and governance independence.
- As a result, 23 suppliers scored 90 points or above, 21 scored between 70 and 90 points, and 2 scored below 70 points.
- We provide training to high-risk suppliers to improve ESG capabilities and conduct on-site due diligence consulting in environmental and safety areas to identify improvement directions.

Supplier ESG Evaluation Results



** Assessment of suppliers' recognition of the importance of health and safety by management, implementation of safety training, presence of safety-related departments and managers, and establishment of a health and safety condition
*** Assessment of suppliers' health and safety systems and certifications, existence of safety regulations and manuals, product safety management certifications, accident prevention and response plans, and level of industrial accidents

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Supplier Shared Growth Support Activities

ESG Procurement Survey for Suppliers

- We conducted surveys in the first and second halves of each year to assess whether our employees engaged in unfair practices toward partner companies, such as demanding gifts or using one-sided communication.
- We also identified other complaints and areas for improvement raised by suppliers.
- Dongwon Systems completed evaluations of 45 major partner companies in both the first and second halves of 2024.

Supplier Survey Evaluation Overview

Implementation Period	Target	Reply Supplier	Suppliers' main opinions
First and Second Half of 2024	45 companies	45 companies	<ul style="list-style-type: none">• No Cases of Unfair Demands for Money or Goods• No Case of Delay in Purchase Payment Date• Need for Ongoing Advice and Feedback for Mutual Development

Financial and Non-Financial Support Programs for Suppliers

- Dongwon Systems filed two joint patents based on collaborative R&D outcomes with suppliers.
- We covered the full cost of the patent applications to promote mutual growth.
- We maintained an equal ownership ratio (50:50) to protect the suppliers' intellectual property and establish a stable foundation for collaboration.

Supplier Support Programs Overview

Classification	Invention Name	Right ratio		Support Fee (Unit: KRW Won)
		Dongwon Systems	Supplier	
Joint Patent Application	Eco-friendly ink composition and gravure printing method	50%	50%	112,000
	Eco-friendly packaging and single-use containers			1,701,600

Implementation of a Linked Unit Price of the Subcontracting Payment

- To realize the value of mutual growth, we implement and operate 'Four Key Practices to Ensure Compliance with Subcontracting Regulations,' and establish a linked payment system for subcontracting delivery prices.

Fair Trade Practices of Suppliers

- Dongwon Systems requires all suppliers to sign an ethics agreement, ensuring their operational staff manage fair trade procedures responsibly.
- We send a letter on ethical management practices to all suppliers to promote an environment that encourages fair-trade awareness normalization.

Ethics Statement for Supplier

Article 1 (Purpose)

We agree to uphold Dongwon's ethical code for an honest corporate culture and promises to adhere to it in all future transactions, including contracts.

Article 2 (Effect of Agreement)

- ① The agreement takes effect upon conclusion and remains unaffected by individual contract terminations or temporary business suspensions.
- ② It applies to all transactions with Dongwon, from initiation (bids, contracts) to continuation (performance) and termination (confidentiality after contract end).

Article 3 (Code of Ethics to be Followed)

We adhere to Dongwon's code of ethics and do not engage in the following behaviors:

- ① Providing money, gifts, or entertainment to employees of Dongwon for fraudulent purposes related to the acts mentioned in the preceding paragraph, including the initiation of transactions
- ② Knowing Dongwon's business processing procedures, consulting with unauthorized Dongwon employees to process business differently (such as non-contractual mutual calculations, payment of transactions not through a transaction account, etc.), or agreeing on transaction terms
- ③ Causing or supporting violations of Dongwon employees' code of ethics (such as inducing the disclosure of business secrets)
- ④ Pursuing commercial activities such as establishing a company jointly with Dongwon employees
- ⑤ Providing gifts or entertainment to Dongwon employees in excess of what is considered acceptable by social norms, in addition to item 1.
- ⑥ Divulging Dongwon's business secrets

Article 4 (Authorization of Penalties for Violations of the Code of Ethics)

We accept Dongwon's penalties for violating this code of conduct.

Article 5 (Modification of Terms)

We authorize Dongwon to change this agreement upon request when modifications are necessary, such as due to changes to Dongwon's code of ethics.

Sending Righteousness Management Letter

To Supplier Companies

Subject: Request for assistance with the 'Practice of Righteousness Management'

- ① We wish your company all the best.
- ② Dongwon Systems is dedicated to fostering a healthy business environment and establishing fair trading practices to support mutual growth with partner companies. Additionally, all employees at Dongwon Systems are committed to implementing righteousness management through transparent and equitable operations. As we celebrate the upcoming holiday season, we would like to reiterate Dongwon's commitment to these values and kindly ask for you're understanding and cooperation.

Below

- ① We will not accept any gifts or favors from partner companies. All employees of Dongwon Systems commit to refusing any monetary benefits, entertainment, or preferential treatment, in line with the "Dongwon Group Code of Ethics and Implementation Rules," even if such practices are considered socially acceptable.
- ② Offering gifts can lead to disadvantages in business transactions. Employees who accept gifts, as well as the partner companies that provide them, could be viewed as engaging in unfair trading and may face repercussions in their dealings. We ask for your understanding and cooperation in this matter.
- ③ We are committed to eliminating coercion in gift set purchases. Dongwon Systems strictly prohibits employees from leveraging their superior position to pressure partner companies into buying gift sets and is dedicated to ensuring that partner companies do not experience any disadvantages.
- ④ We aim to establish fair trading practices with partner companies. By supporting and nurturing fair selection and evaluation processes, we seek to develop mutually beneficial relationships that promote shared growth.

We invite all partner company employees to actively engage in Dongwon System's commitment to righteousness management practices, contributing to our goal of becoming a more transparent organization. If you observe any unfair actions by Dongwon Systems employees, please reach out, and we will ensure that reasonable corrective measures are taken without any repercussions for those who report. Thank you.

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Community Engagement and Social Contribution Activities

Management System

Policy and Direction

Domestic and International Social Contribution Strategy

Vision

Fulfilling Corporate Social Responsibility Through Diverse Social Contribution Activities Aligned With the Company's Vision of 'Living Together'

Division

Domestic Social Contribution
Customer-Centered Activities Aligned With Dongwon Systems' Vision

International Social Contribution
Coexistence Activities With Local Communities Near International Plants Under the Vision of 'Living Together'

Beneficiary

- Children and Youth for the Future of the Next Generation
- People-Centered Approach for the Well-being of Vulnerable Groups

- Regional Environmental Conditions of Countries With Overseas Subsidiaries
- Local Communities and Residents Near Overseas Subsidiaries

Support Direction

- Donations and Supplies Support
- Non-Face-to-Face Remote Talent Donation
- Environmental/Safety Protection Activities

- Talent and Local Economic Support Utilizing Overseas Business Capabilities
- Support for Improving Living Conditions and Public Health of Local Residents
- Support for Environmental Restoration and Conservation

Mid-and Long-term Goals

	2024	2025~2026	2030
Employee Volunteer Activities	Employee Volunteer Participation: 440 Hours Logged	Annual 10% Increase in Employee Volunteer Participation Rate	
Social Contribution Activities for Local Communities	Forest Conservation Activities Near Business Sites Expansion of Local Hiring in Gwangju, Icheon, and Jincheon	Expansion of Community Engagement Activities	Establishment of Social Value Measurement System by Program

Social Contribution Activities of Dongwon Education Foundation

Vision and Management Direction

- We are implementing scholarship programs, talent cultivation projects, and initiatives to support educational advancement, aimed at developing and nurturing talent.
- Dongwon Systems regularly provides donations to the Dongwon Education Foundation.

Domestic and International Social Contribution Strategy

Vision

Fostering True Talent to Shape the Future of Korea

Mission

Fostering Genuine Talent as a Driving Force for Future Industries and Society, and Establishing a Foundation for National Development Through Academia-Industry Collaboration and Research Activities of Skilled Professionals

Program Details

Scholarships*	Research Funding	Activities and Support for Human Resource Development	Support for Cultural and Artistic Activities	Awards and Support for Educational Development
---------------	------------------	---	--	--

* A fixed amount is entrusted to a university or institution, and scholarships are paid only from the investment returns.

Servant Leader

- Dongwon Systems operates a scholarship program to develop basic competencies for future key leaders and to nurture next-generation youth leaders.
- A total of 85 students received scholarships from four universities: Pukyong National University, Chonnam National University, Namdo Dormitory, and Hankuk University of Foreign Studies.

Overview and Status of Servant Leadership

Conditions for a Servant Leader	Trust (Commitment, Collaboration)	Communication (Persuasion, Listening, and Empathy)	Vision (Self-Awareness and Foresight)
Scholarship Recipient Capabilities	Attitude of Servanthood (Character of Service, Mental and Physical Strength, Serving Mindset)	Future-Oriented Skills (Communication, Teamwork)	Creative Knowledge (Vision and Goals for Professional, Cultural, and General Knowledge)
2024 Scholarship Status	Pukyong National University 18 students	Chonnam National University 10 students	Namdo Dormitory 48 students Hankuk University of Foreign Studies 9 students

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Community Engagement and Social Contribution Activities

Social Contribution Activities of Dongwon Education Foundation

Cho Deok-hee Servant Leadership Scholarship

- Dongwon Educational Foundation selects students who aspire to become leaders in politics, economy, finance, academia, and media to foster talents with a spirit of service and exemplary leadership.
- We awarded scholarships of KRW 10 million each to 15 first-year university students residing in the Namdo Dormitory in 2024.



Cho Deok-hee Servant Leadership Scholarship Photo

Chonnam National University Servant Leadership 20th Anniversary Homecoming

- Dongwon Educational Foundation selected 5 students from Chonnam National University in the first half and another 5 in the second half of 2024.
- We awarded a total of KRW 30 million in scholarships.



Homecoming Day photos from the 20th Anniversary of Servant Leadership at Jeonnam University

Life Academy

- Dongwon Educational Foundation operates the Life Academy program to cultivate not only knowledge but also character through reading discussions, special lectures, volunteer activities, and university-specific programs, aiming to nurture well-rounded talents in virtue, intellect, and body.
- We successfully completed a 440-hour annual education program in 2024, with 294 students graduating from 10 universities.

Vision and Mission

Vision

Empowerment of Individuals to Become Well-Rounded Talents Through Cultivation of Virtue, Intelligence, and Physical Wellbeing Aligned with Character and Holistic Education Goals

Mission

Through Holistic Education, Become a New Spark Offering Alternatives to Traditional Education

Activity Classification

Reading Discussion	Special Lectures	Volunteering	University-Specific Programs
--------------------	------------------	--------------	------------------------------

Number of Graduates by Participating Universities in 2024

Pukyong University 28 Studnets	Hankuk University of Foreign Studies 34 Studnets	Seoul National University of Education 35 Studnets	Korea University 30 Studnets	Inha University 30 Studnets
Cheongju University 16 Studnets	Yeungnam University 34 Studnets	Seoul National University 28 Studnets	Korea Advanced Institute of Science and Technology 10 Studnets	Chonnam National University 49 Studnets

Operational Status of the Life Academy(2024)

(Unit: Hours)

Classification	Spring Semester				Summer Semester	the First Half of the year
	Reading Discussion	Special Lectures	Volunteering	University-Specific Programs 1	University-Specific Programs 2	
First Half (A)	78	35	18	62	23	216
Classification	Fall Semester				Winter Semester	The Second Half of the year
	Reading Discussion	Special Lectures	Volunteering	University-Specific Programs 1	University-Specific Programs 2	
Second Half (B)	76	23	9	89	27	224
Annual (A+B)	154	58	27	151	50	440

Community Engagement and Social Contribution Activities

Social Contribution Activities of Dongwon Education Foundation

KAIST AI Talent Training

- Dongwon Educational Foundation committed to donating KRW 50 billion over 10 years for KAIST AI talent development at the donation agreement ceremony in 2020.
- Kim Jae-cheol pledged an additional KRW 4.4 billion at the AI Advancement Fund Steering Committee in 2024.

KAIST AI Talent Training Donation Status (2024) (Unit: KRW Billion)

Classification	Scholarships (2021~2023)	Establishment of Seongnam AI Education and Research Facility (2024~2027)	Total
Pledged Donation Amount	6.065	48.3	54.365
Cumulative Donation Amount	6.065	4.935	11
Future Donation Amount	-	43.365	43.365

Kim Jaechul AI Graduate School Freshman Workshop

- Dongwon Educational Foundation hosted a workshop for KAIST Kim Jae-cheol AI Graduate School freshmen at Dongwon Leaders Academy in 2024.
- We organized special lectures on industry AI trends, networking sessions with seniors, and meetings with student representatives and professors.



Photo of the workshop for freshman AI students at KAIST's Kim Jae-chul Graduate School of AI

HUFS Special Lecture

- Dongwon Educational Foundation offers liberal arts and entrepreneurship lectures not only for university students but also for local residents.
- We regularly run specialized lectures at Hankuk University of Foreign Studies, combining humanities, diplomacy, and international trade with topics such as the Fourth Industrial Revolution, artificial intelligence, and big data.
- We held 7 lectures in 2024, with a total of 708 participants, including both local residents and university students.

HUFS Special Lecture Overview(2024)

Date	Speaker Type	Special Lecturer	Number of Attendees
March 22	Human Computer Interaction(UX Research)	Lee Ji-so, Senior Vice President of Samsung Electronics	140
June 3	How will innovative technologies such as AI affect us?	Heo Wook, Excutive Vice President of Meta	133
October 10	Understanding the SME market and employment status	Lim Jung-wook, Head of the Ministry of SMEs and Startups	93
October 17	A conversation with a financial CEO	Hong Jung-pyo, Excutive Vice President of Hanwha Life Insurance	70
November 6	Inclusive AI for All, EXAONE - Future AI Prospects and Response Plans	Bae Jung-hoon, Head of LG AI Research Institute	113
December 2	Industrial Paradigm Shift and the Importance of the Content Industry	Kim Hyun-woo, CEO of Seoul Business Agency	78
December 3	Own Your Destiny to Empowerment	Jiyoung Lee, CEO of P&G	81
Total number of Attendees(Unit: Headcount)			708

Korea National University of Arts Cultural and Arts Talent Development

- Dongwon Educational Foundation donated KRW 1 billion to Korea National University of Arts in 2023 to continuously foster talents for the future of Korean culture and arts.
- The donation is used for various scholarship and educational programs to discover and nurture outstanding art talents.
- In 2024, scholarships of KRW 10 million each were awarded to three students majoring in clarinet, cello, and piano, and two students majoring in film and directing.

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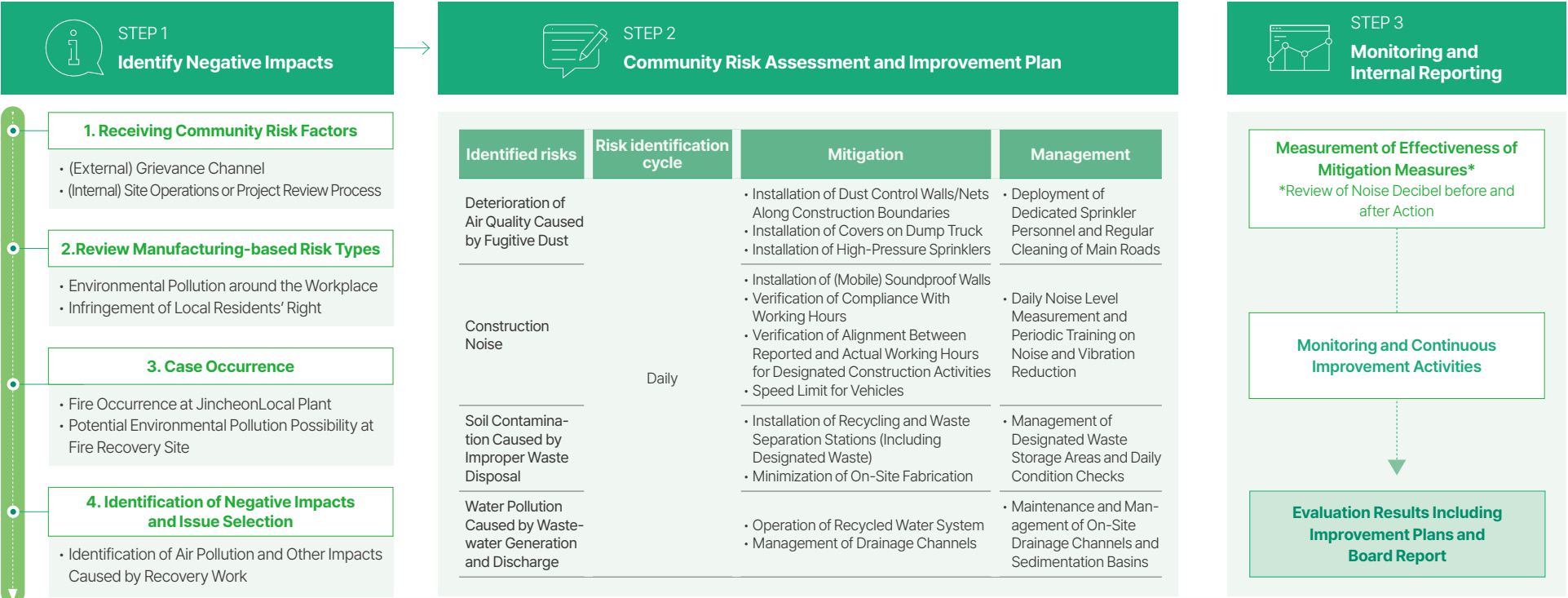
Community Engagement and Social Contribution Activities

Community Risk Assessment

Negative Community Impact Mitigation Process

- Dongwon Systems established a process consisting of negative impact identification, community risk assessment, improvement plan development, monitoring, and internal reporting.
- We identified environmental pollution around the sites as the main risk type in manufacturing, with potential noise and dust pollution from fire recovery work at the Jincheon site.
- The identified risks included air quality deterioration from scattered dust, construction noise, soil contamination from waste dumping, and wastewater generation.
- We developed mitigation measures, conducted regular supervision, and carried out monitoring and continuous improvement activities.
- We reported this to the board of directors in 2024.

Community Risk Assessment Process and Results(2024)



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Community Engagement and Social Contribution Activities

Dongwon Systems Social Contribution Activities

Hoengseong Love Sharing Campaign (2024)

- Dongwon Systems participated in the donation campaign.
- We donated a total of 240 tuna and ham gift sets to Hoengseong County Office, contributing to practical support for local vulnerable groups.



Sponsorship of 3·15 Marathon (2025)

- Dongwon Systems has continued to sponsor the 3·15 Marathon with an annual contribution of KRW 5 million in partnership with 'Good Day' as part of its community contribution efforts in 2024.
- This support promotes public health and helps spread the spirit of the 3·15 democratization movement.
- The donation is used for event operations, improving participant convenience, and providing souvenirs, thereby enhancing community satisfaction.
- Through this support, Dongwon Systems strengthens its corporate image and local engagement by revitalizing community-based sports events.



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Information Security Operating System

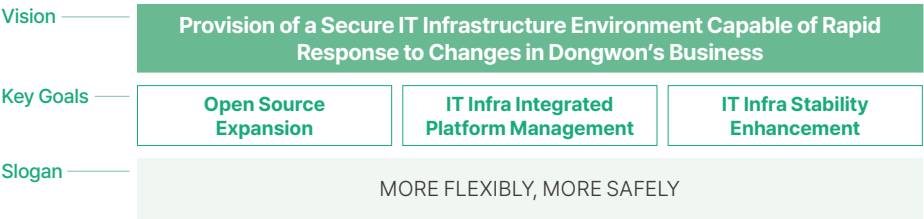
Vision & Goals

- Dongwon Systems establishes a Hybrid Cloud infrastructure environment* to quickly respond to trends such as generative AI and to stabilize corporate operations and protect corporate data.
- We strengthen security system by applying the concept of Zero Trust** in the existing system.

* Optimizing IT infrastructure using both private and public clouds

** Strengthening the information security system based on de-vigilance and minimum authority based on the principle that 'all interactions cannot be trusted' (Ministry of Science and ICT, Zero Trust Guideline 1.0)

Vision and Key Goals



Policies and Guidelines

- Dongwon Systems operates information protection policy of the group and each company's information protection policy and guidelines to protect all information assets of the group.
- The information protection policy applies to all external personnel and visitors in a contractual relationship, including executives and employees.

Information Protection Policy Highlights

Administrative Security	Physical Security	Technical Security
<ul style="list-style-type: none">• Business Risk and Continuity Management• Response to Security Incidents• Information Protection Check and Compliance• Customer Information Protection• Information Protection Training and Awareness Enhancement, etc	<ul style="list-style-type: none">• Protected Areas Designation and Control• Import/Export Control• Computer Facility Protection, etc	<ul style="list-style-type: none">• System Authentication and Permission Management• Internet Network• User PC Security, etc.

Information Protection and Security Strategy Roadmap

		2024	2025	2026
Open Source Expansion	Cost Saving of Open-Source DBMS*	Completion of Transition to Third-Party Maintenance	Transition and Expansion of Open-Source DBMS	
	Transition of Commercial Software to Open-Source			
	Establishment of Open-Source Software Introduction Criteria	Establishment and Implementation of Open-Source DBMS Introduction Standards		
IT Infra Integrated Platform Management	Establishment of Hybrid Infra Integrated Control System	Establishment of Integrated Cloud Control System		
	Establishment of CSPM ** Management System	Cloud Security System Analysis and Maintenance	Establishment of an Open Source Integrated Control System	
		Identify Threat Exposure	Establishment of CSPM Management System	
IT Infra Stability Enhancement	End-Point Security Integration Management	Upload/Self-Release Control Enhancement	CTEM * * * Security Solution Review/Introduction	
			Review/Introduction of Integrated Terminal Management Solution	

* Data Base Management Operation Software
** Cloud Security Posture Management
*** Continuous Threat Exposure Management

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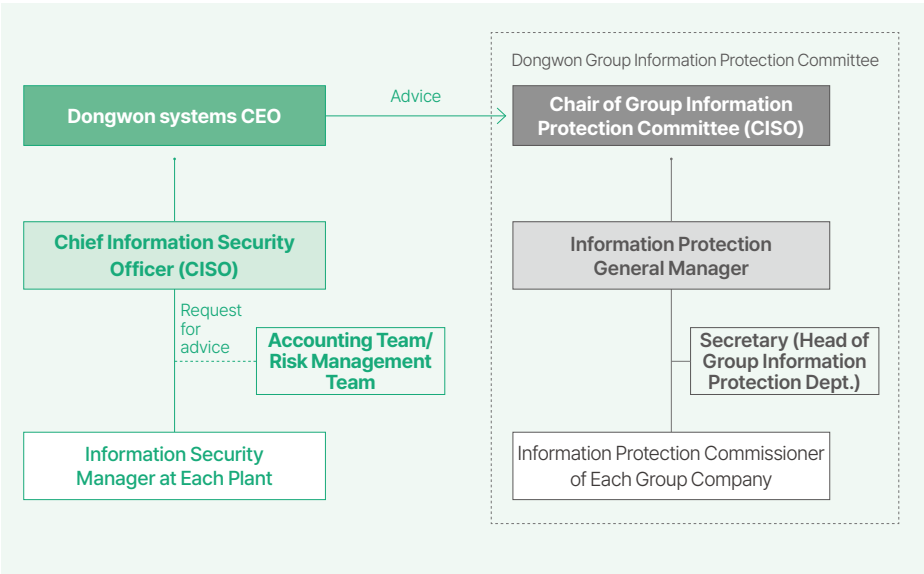
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Information Security Operating System

Organizational Chart

- Dongwon Systems appoints Chief Information Security Officer (CISO) who oversees information security management and security incident prevention.
- We promote efficient information protection to strengthen security system in the working department of each plant under the management and supervision of CISO.
- We improve level of information protection of group affiliates by organizing and operating information protection committee at the group level.
- We identify various security threats and leakage risks and prevent security incidents based on information security operation personnel and external control services.

Information Protection Organizational Chart

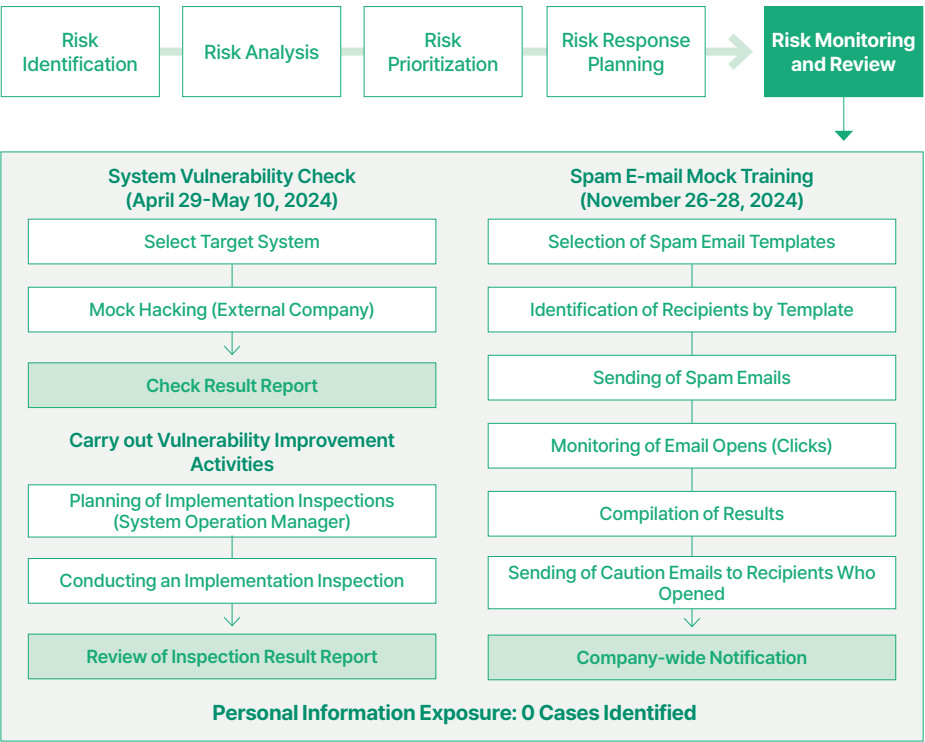


Information Security Risk Management

Risk Management Process

- Dongwon Systems conducts simulated hacking tests on key business systems twice a year to ensure effective and prompt responses to cyber threats, followed by remediation and improvement of identified vulnerabilities.
- We take tiered actions based on the severity level when detecting attempted data breaches or responding to security incidents.

Process



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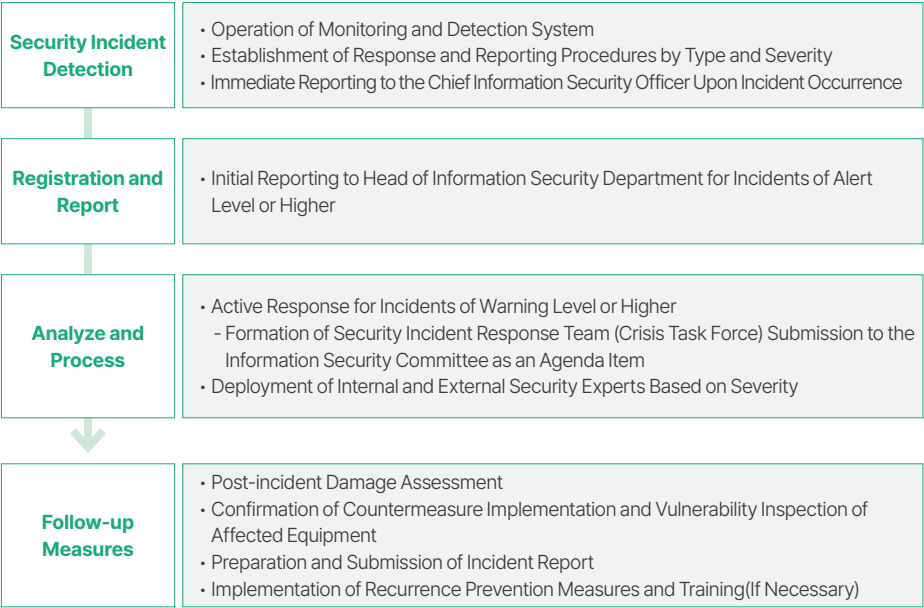
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Information Security Risk Management

Security and Infringement Incident Response Process



Investment Rate in Information Protection

Information Security Investment Ratio Over the Past Three Years* (Unit: %)



* Investment Budget for Information Protection/Total IT Budget

Information Security Strengthening Activities

Information Security Capability Enhancement

- Dongwon Systems specifies provisions for conducting information security training in relevant policies.
 - For executives, information protection team, consigned companies, etc.
- We establish information security system and train operation.
- Technology education includes hacking prevention and technology leak prevention.
- We attend external conferences.

Basic Security System Strengthening

- Dongwon Systems operates big data security control system based on trust security (Security gen 3.5).
- We install security enhancement system for employees' PCs.
- We monitor and control potential malicious behaviors in employees' EDR*-based PCs.
- Additional authentication with one-time password (OTP) is needed when accessing VPN.
- We conduct security competency strengthening activities based on information security roadmap.

* Endpoint Detection and Response

Personal Data Protection Enhancement

- Dongwon Systems periodically reviews and revises privacy policy.
- We use the network security equipment and external security-related services throughout the year.
- We apply data encryption to personal information holding system.
- We conducts individual monitoring and response to all employees' PCs.

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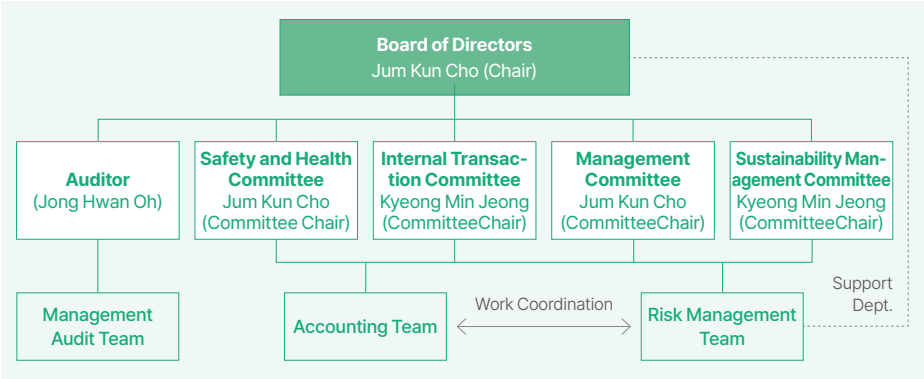
Governance Structure and Operation for Sustainability

Board Composition

Current Composition

- Dongwon Systems' board of directors serves as the highest decision-making body, making key management decisions and overseeing the performance of directors.
- As of March 2025, the board consists of four members: three internal directors and one independent director.
- We operate four board committees to support rational and efficient decision-making across overall management.
- We designated the Risk Management Team and Finance Team as support departments for the board committees to ensure an effective review process by board members.

Board Composition (March 2025)



Safety and Health Committee

- The Safety and Health Committee conducts preliminary review and resolution on safety and health performance and plans.
- The committee is composed of CEO Jum Kun Cho (Committee Chair), CEO Bum Won Suh (Member), and CEO Yong Wook Jeong (Member).
- Reports on safety and health activities, including plans and performance, were regularly presented, with a total of five sessions completed.

Safety and Health Committee Activities (March 2025)

Meeting Date	Agenda	Approval Result
February 14, 2024	• Report on Safety and Health in 2023 and Approval of Safety and Health Plan in 2024	Approval
July 18, 2024	• Report on Safety and Health Performance for the First Half of 2024	Report
October 18, 2024	• Report on Safety and Health Performance for the Third Quarter of 2024	Report
January 16, 2025	• Report on Safety and Health Performance for the Fourth Quarter of 2024	Report
February 11, 2025	• Report on Safety and Health in 2024 and Approval of Safety and Health Plan in 2025	Approval



Jum Kun Cho, CEO
(Appointed in March 2025)

- Currently CEO, Materials Division, Dongwon Systems Co., Ltd.
- Former CEO, Techpack Solution
- Former CEO, Hanjin P&C
- Bachelor's Degree in Financial Information Studies, Juseong College



Bum Won Suh, CEO
(Appointed in March 2025)

- Current CEO, Packaging Division, Dongwon Systems Co., Ltd.
- Former CEO, TechPack Solution
- Former Executive Director, Doosan TechPack Solution BG
- Bachelor's Degree in Business Administration, Dongguk University



Yong Wook Jeong, CEO
(Appointed in March 2025)

- Current CEO, Secondary Battery Division, Dongwon Systems Co., Ltd.
- Former Head of LG Energy Solution Poland Branch
- MBA in Marketing, Michigan State University
- Master's Degree in Chemical Engineering, New York University Manhattan College



Kyeong Min Jeong, Independent director
(Appointed in March 2025)

- Professor, School of Energy Chemical Engineering, Ulsan National Institute of Science and Technology (UNIST)
- Current Director, Secondary Battery Research Center, UNIST
- Currently Director, Advanced Battery Technology Demonstration Research Center
- Master's and Ph.D. in Battery and Electrochemical Engineering, Seoul National University

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Governance Structure and Operation for Sustainability

Board Composition

Internal Transactions Committee

- To enhance management transparency and internalize the fair-trade compliance system, the Internal Transactions Committee conducted a preliminary review and status check of inter-affiliate transactions once.
- The Internal Transactions Committee is composed of Independent Director Jeong Kyung-min (Committee Chair) and CEO Jum Kun Cho (Member).

Internal Transactions Committee Activities (March 2025)

Meeting Date	Agenda	Approval Result
December 30, 2024	• Report on the Estimated Amount of Goods and Service Transactions with Dongwon F&B Co., Ltd. and Dongwon LOEX Co., Ltd. in 2025	Report

Management Committee

- The Management Committee deliberates and resolves key business matters, including corporate strategy, major management issues, budget, investments, and organizational operations, with a total of two sessions completed.
- The committee is composed of CEO Jum Kun Cho (Committee Chair), CEO Bum Won Suh (Member), and CEO Yong Wook Jeong (Member).

Management Committee Activities (March 2025)

Meeting Date	Agenda	Approval Result
March 7, 2024	• Approval of the Extension of Import Letter of Credit (L/C) and NH B2B Loan Agreements with Nong Hyup Bank	Approval
August 19, 2024	• Report on the New Integrated Credit Line Agreement (Import L/C) with Nong Hyup Bank	Approval

Sustainability Management Committee

- Dongwon Systems established the highest supervisory body for sustainable management strategy and ESG-related matters in 2024.
- The committee has been composed of Independent Director Jeong Kyung-min (Committee Chair), CEO Bum Won Suh (Member), and CEO Yong Wook Jeong (Member).
- Dongwon Systems conducted double materiality assessment to monitor corporate sustainability and the external environment.
- Dongwon Systems has completed a total of four reports, including ESG-related plans, investment performance, and the setting of ESG KPI.

Sustainability Management Committee (March 2025)

Meeting Date	Agenda	Approval Result
March 28, 2024	• Approval of 2023 Performance and 2024 Plan on ESG (Environmental Management)	Report
June 28, 2024	• Report on the Publication of the Sustainable Management Report	Report
December 30, 2024	• Report on the Results of ESG-Related Investment Performance in 2024 • Report on the results of the 2024 ESG double materiality assessment	Report
February 7, 2025	• Establishment of 2025 ESG KPIs	Report
March 7, 2025	• Approval of 2025 ESG-related Investment Plan	Report

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Governance Structure and Operation for Sustainability

Board Operation

Operation Status

- The board of directors is held regularly in accordance with the operating regulations to deliberate and resolve major issues for corporate management.
- In addition to the regular quarterly board meetings, the efficiency of operations has been enhanced by holding interim meetings when major issues arise.

Board Meeting (Based on the Year-End the Annual Reports for Each Year)

Classification		Unit	2022	2023	2024
Number of Board Meetings			21	18	20
Agenda Items Submitted to the Board	Total	Case	35	30	39
	Approval		24	20	24
	Report		11	10	15
Board Meeting Attendance	Internal Directors	%	98.50	100.00	96.00*
	Independent Directors	%	100.00	100.00	100.00

*Average Attendance Rate of Inside Directors Jum Kun Cho, Bum Won Suh, and Seung Geol Lee in 2024

Limitation of Directors' Liability

- Dongwon Systems has subscribed to Directors' and Officers' (D&O) Liability Insurance in 2024 to support responsible decision-making by board members.
- We have strengthened a preemptive risk management system for executives to enhance trust from external stakeholders.

Establishment of the Corporate Governance Charter

- Dongwon Systems established the Corporate Governance Charter to pursue sustainable growth based on honest and transparent management, social responsibility, and balanced development with stakeholders.
- The Charter declares enhancement of shareholder value and strengthening of ESG-centered management based on a board-centered governance structure.
- It includes provisions related to shareholders, the board of directors, audit organizations, other stakeholders, and ensures accuracy, reliability, and fairness in disclosures.

Establishment of Governance-Related Guidelines

- Dongwon Systems established the Board of Directors' Operating Regulations, outlining the board's roles and agenda items beyond the Articles of Incorporation, and disclosed them on the company website and electronic disclosure system (DART).
- The Operating Regulations define the agenda items for each board committee, clarifying their respective roles.



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Governance Structure and Operation for Sustainability

Director Appointment Procedures and Criteria

Board Composition Considering Expertise and Transparency

- Directors meet the qualification requirements stipulated in relevant laws, including Articles 382 (Appointment of Directors, Relationship with Company and Outside Directors) and 542-8 (Appointment of Outside Directors) of the Commercial Act.
- The Board of Directors comprehensively reviews candidates’ qualifications, including expertise, fairness in duties, and ethical responsibility, before nominating eligible candidates as agenda items for the shareholders’ meeting and proceeding with the appointment process.
 - Considering the company’s industrial characteristics, with key business divisions in materials, packaging, and secondary battery production, expertise in these fields is reflected as a major evaluation criterion.

Board Skill Matrix

Classification	Internal Director			Independent Director
	Jum Kun Cho (Materials)	Bum Won Suh (Packaging)	Yong Wook Jeong (Secondary Battery)	Kyeong Min Jeong
Gender	Male	Male	Male	Male
Birthyear	1959	1959	1963	1967
Expertise	Accounting/Finance		●	
	Marketing/		●	●
	Communication	●	●	
	Legal/Risks	●		●
	Government/Policy	●		●
	ESG	●	●	
Leadership* <small>* One person serving as a CEO, or as the head of an institution or committee equivalent to a government ministry</small>				

Independent Director Education

- Dongwon Systems conducted a total of three training sessions to support independent directors in performing their duties effectively.
- To enhance their understanding of the business, we organized site visits and held an annual meeting with independent directors.
- We also assigned the Risk Management Team as a dedicated department to support their information requests and ensure timely responses.

Independent Director Training Programs (March 2025)

Training Date	Key Training Topics	Attending Independent Directors*
March 13, 2024	• Ethical Duties and Responsibilities of Independent Directors	Woo Seung Kim
November 1, 2024	• Introduction to Secondary Battery Business Strategy	Woo Seung Kim
February 11, 2025	• Overseas Export Strategy for K-Packaging	Woo Seung Kim

* Independent Director Kyeong Min Jeong was appointed in April 2025, and training is scheduled to begin thereafter.

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Governance Structure and Operation for Sustainability

Board and Independent Director Evaluation

Board Evaluation

- Dongwon Systems conducts a board of directors' evaluation annually to enhance overall board efficiency.
- The evaluation consists of 29 questions across four categories and is conducted through a self-administered survey led by the board chair.
- The evaluation results are reported within the board to improve the efficiency and soundness of board operations.
- Detailed results for each evaluation item are disclosed on the company website.

Type and Results of Board Evaluation (March 2025)

Evaluation Type	Number of Questions	Evaluation Results	Remarks
Roles and Responsibilities of the Board (Roles, Responsibilities, Obligations)	9	4.93/5.00	• Need for Regular Review and Evaluation of Management Goals
Board Structure (Composition, Independence, Leadership)	7	4.95/5.00	• Need for Board Diversity Enhancement
Board Operation (Procedures, Agenda, Information Gathering)	9	4.93/5.00	• Need to Promote Disclosure of Board and Individual Directors' Activities
Board Evaluation (Evaluation, Improvement)	4	5.00/5.00	• N/A

Report on Board Evaluation Results (March 2025)

Meeting Date	Agenda	Approval Result
March 11, 2025	• Report on 2024 Board Evaluation Results	Report

Independent Director Evaluation

- Dongwon Systems conducts an annual evaluation of Independent Director to strengthen their expertise and responsibility.
- Led by the board chair, the evaluation systematically assesses Independent Directors' competencies and activities through 14 questions in three categories.
- The evaluation results are reported to the board and used as reference materials for reappointment decisions.
- Detailed results for each evaluation item are disclosed on the company website.

Type and Results of Independent Director Evaluation (March 2025)

Evaluation Type	Number of Questions	Evaluation Results	Remarks
Roles and Responsibilities of the Independent Director (Roles, Responsibilities, Obligations)	7	4.86/5.00	• Need to Enhance Understanding and Expertise on Internal Control Systems and Execution Processes
Participation in the Board of Directors	5	4.60/5.00	• Need for Sufficient Time Allocation and Review of Board Agenda Materials
Communication with Stakeholders	2	5.00/5.00	• N/A

Director Compensation

Director Compensation Standards

- Dongwon Systems determines final compensation for directors by linking individual performance results to remuneration.
- Incentives are awarded based on a combination of quantitative(40%) and qualitative evaluations (60%).
- The quantitative evaluation consists of revenue (10%), operating profit (10%), performance profit (10%), and ROIC (10%), while the qualitative evaluation (60%) assesses activities across ESG, investment, and business domains.

Compensation Calculation Criteria

Types of Compensation		Standards and Methods for Calculation	
Labor Income	Salary	• Payment of Remuneration Approved by the General Meeting of Shareholders in 12 Monthly Installments	
	Incentive	Quantitative (40%)	• Revenue(10%) • Operating Profit(10%)
		Qualitative (60%)	• Performance Profit(10%) • Return on Invested Capital(10%)
	Others	• ESG,Investment, and Business	
Retirement Income		• Stock Options and Other Employment Income	
		• Severance Payment Based on Executive Retirement Policy	

Compensation of Board of Directors

- Dongwon Systems determines director compensation through resolutions at the general shareholders' meeting within the approved remuneration limit.
- Registered (executive) directors received an average of approximately KRW 362 million, while independent director received approximately KRW 48 million.
- The approved remuneration limit and actual payments are transparently disclosed in the annual report.

Status of Director Remuneration by Type (December 2024)

(Unit: KRW)

Classification	No. of persons	Total Compensation	Average Compensation per Person
Internal Directors	2	725,400,000	362,700,000
Independent Director	1	48,500,000	48,500,000

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Governance Structure and Operation for Sustainability

Operation of Audit

Roles and Activities of Audit

- Dongwon Systems does not operate a separate audit committee; instead, one full-time auditor is responsible for audit duties.
- The auditor attends board meetings and independently supervises directors’ activities, with the authority to request relevant books and documents related to the company’s operations.
- The auditor may request business reports from the company when necessary and can access management information through appropriate channels.
- The Management Audit Team is designated as a support group, assisting the full-time auditor in their independent audit tasks.

Personal Data of Auditor

Name	Career	Remarks
Jong-Hwan Oh	<ul style="list-style-type: none">• Dongwon Systems audit• Former Team Leader of Netmarble'sExecutive Team• Former Dongwon Enterprise Full-time Audit• Bachelor's Degree in Department of Accounting, Busan University of Foreign Studies	Full-Time Audit

Audit Support Group

Dept. Name	No. of Members	Position (Years of Service)	Major Supports
Management Audit Team	2	Manager (8 Years) Assistant Manager (5 Years)	Supporting Audit Duties Related to Financial Statements, Board of Directors, and Overall Management

Audit Activities

Classification	Activity Details	Unit	Remarks
Board Attendance	22*	Case	• Matters Submitted to the Full Board of Directors
Audit Activities	43	Case	• Conducting Independent Audit Activities

*Includes activities up to March 2025

Auditor Training

- We regularly conducted training on key audit issues to establish audit expertise.
- A total of 10 sessions were held in 2024, covering not only financial audits such as internal accounting but also non-financial topics, enhancing the standing auditor’s capability to manage risks from multiple perspectives.

Auditor Training Status

Date	Major Contents	By
January 16, 2024	• Seminar on Internal Accounting Control System Through Case Studies	
February 20, 2024	• Effective Interview Skills and Utilization for Internal Audits	
March 19, 2024	• Practical Training on Auditing Overseas Subsidiaries	
Aprill 24, 2024	• Execution of Financial Audits and Prevention of Accounting Fraud	
May 3, 2024	• Job Training for Auditors and Audit Committee Members	
July 9, 2024	• Understanding and Application of Data Analytics-Based Audit Techniques	Korea Listed Companies Association
August 26, 2024	• Core Management Diagnosis and Decision-Making for Independent Directors and Executives	
September 30, 2024	• Review of ESG Policy Trends and Practical Response Measures	
November 11, 2024	• Advanced Training on Internal Accounting Control System	
December 29, 2024	• Video Training for Disclosure Preparation on Fraudulent Fund Control	

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Corporate Ethics and Righteous Management

Ethical·Righteous Management System

Management Policy

- Dongwon Systems provides a Code of Ethics Guide centered on the Ethics Management Regulations, the Code of Ethics, and the Charter of Ethics.
- To ensure management transparency and demonstrate a company-wide commitment to ethical management, we established the Dongwon Charter of Ethics.
- We enacted the Code of Conduct and disclosed it on our website to help employees implement the principles of the Dongwon Charter of Ethics.

Dongwon Systems Ethical Management Practice Guidelines



Dongwon Charter of Ethics

Dongwon Charter of Ethics aims to establish an honest corporate culture for the ethical mindset of our employees and responsible corporate activities.

- Dongwon contributes to the national economy and development of society by continuously creating jobs and honestly paying taxes.
- Dongwon thinks and acts on behalf of its customers and always creates customer value for the happiness of its customers.
- Dongwon strives to provide shareholder value through reasonable and transparent management activities.
- Dongwon works for shared prosperity with its partners based on mutual trust, fair opportunities, and transparent trade.
- Dongwon creates a work environment where employees can work in an autonomous and creative manner, and establishes a mature, clean corporate culture based on mutual trust and respect.
- Dongwon pursues both the growth of individuals and the development of the company by continuously supporting professional development of its employees.

Dongwon Code of Ethics

Dongwon Code of Ethics provides employees with value judgement criteria and procedure for efficient operation of the Dongwon Charter of Ethics.

1. Responsibilities to Customers <ul style="list-style-type: none">• Prioritizing Customer Satisfaction• Respecting Customer Opinion/Customer-Centric Management• Customer information protection 	2. Responsibilities to Employees <ul style="list-style-type: none">• Respecting Individual Creativity and Creative Management• Respecting Diversity and Providing Fair Compensation• Strengthening Talent Development 	3. Responsibilities to Society and Country <ul style="list-style-type: none">• Job Creation and Co-Prosperity• Compliance with International Agreements and Accounting Standards• Eradication of Political Activities Including Lobbying 
4. Responsibilities to Shareholders and Investors <ul style="list-style-type: none">• Transparent Decision-Making and Efficient Management• Continuous Growth and Development• Reliable and Useful Communication 	5. Fair Competition and Trade <ul style="list-style-type: none">• Respecting the Order of Market Economy• Compliance with Fair Trade Regulations• Developing Mutually Cooperative Relationships 	6. Responsibilities to Employees <ul style="list-style-type: none">• Compliance with Code of Ethics• Building Mutual Trust and a Healthy Organizational Culture• Unfair Profit Eradication and Information Security 

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Ethical·Righteous Management System

Enactment of the Fair-Trade Policy

- Dongwon Systems established compliance guidelines in 2024 to help employees comply with fair trade laws.
- We prevent unfair practices such as collusion, abuse of market dominance or bargaining position, and unfair internal transactions.
- The Risk Management Team regularly inspects employee transactions and reports the results to the Board of Directors annually.
- We operate a separate reporting channel to receive reports of any fair-trade violations.

Major Contents for the Fair-Trade Policy

Link ▶

Chapter 1. Purpose and Scope

This Fair-Trade Policy aims to ensure that all members of the Company strictly comply with applicable laws and conduct all business and commercial activities with transparency and fairness, thereby contributing to the sound development of the industry. This Policy applies to the Company and all its officers and employees.

Chapter 4. Compliance With Laws and Regulations

Employees shall respect the business practices and customs of the countries and regions in which the Company operates, and voluntarily comply with all applicable laws and regulations, including the Monopoly Regulation and Fair-Trade Act (Fair Trade Act).

Employees must not instruct, approve, or condone any acts that violate fair trade-related laws or internal Company regulations. If any action is suspected to be in violation of such regulations, employees must immediately report it to the Risk Management Team or through the internal whistleblowing system.

Chapter 6. Responsibility and Implementation

The Company endeavors to establish and implement a culture of fair trade with the active support of top management. The Fair-Trade Policy is continuously monitored to prevent legal violations in advance. The Risk Management Team reports the internal inspection status and operational results of the Fair-Trade Policy to the Board of Directors on an annual basis.

To ensure compliance in fair trade-related operations, a pre-consultation process is in place. In addition, departments conduct voluntary compliance checks using internal checklists and perform both regular and ad-hoc on-site inspections by business unit.

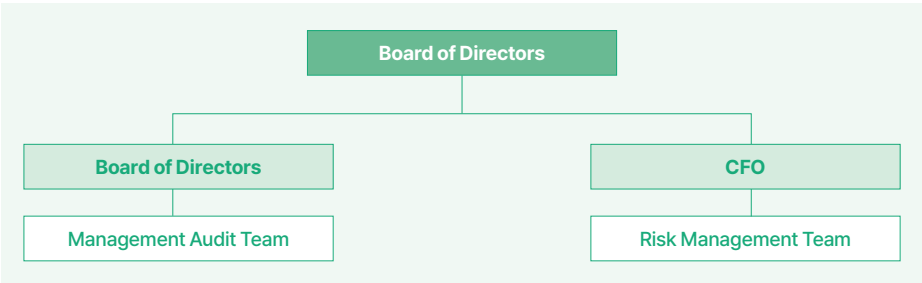
Chapter 7. Management Channel

The Company operates a communication channel to receive inquiries related to fair trade with competitors from employees, external organizations, and individuals that may arise in the course of business operations.

Organizational Chart

- Reporting responsibilities are divided between the Management Diagnosis Office under the Standing Auditor (directly under the Board) and the Risk Management Team under the CFO.
- Each body independently identifies and inspects ethical management risks and reports directly to the Board.

Ethical and Integrity Management Reporting System



Board Reporting Activities

- We regularly carry out ethical management activities and have reported to the Board four times in total.
- In addition to implementing the Governance Charter and Anti-Corruption Policy, we conducted risk management for unfair trade and unfair competition in 2024.
- In 2025, we will implement a company-wide anti-corruption plan to strengthen our transparent management system.

Reported Ethical and Integrity Management Activities Within the Board (March 2025)

Meeting Date	Agenda	Approval Result
March 6, 2024	• Enactment of the Corporate Governance Charter	Approval
March 13, 2024	• Implementation of the Anti-Corruption Regulations and the Code of Ethics for Independent Directors	Approval
December 30, 2024	• Approval of 2024 Risk Management Performance (Approval of the Risk Management Process for Unfair Trade and Unfair Competition)	Approval
March 11, 2025	• Promotion of the 2025 Anti-Corruption Plan	Approval

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Ethical·Righteous Management System

Dongwon Group Righteous Management Reporting Center

- Dongwon Systems operates a Group-wide Ethical Management Reporting Center to foster a culture of integrity.
- Reports can be filed on seven types of misconduct, including bribery, kickbacks, gratuities, embezzlement of public funds, and self-serving activities.
- The center is accessible to all stakeholders, including employees, customers, and partners, with multiple reporting channels such as website, phone, email, and mail.
- In 2024, one case was reported and resolved.

Righteous Management Reporting Channels

Reportable Types of Irregularities	<div><div>Bribery/Kickbacks/Gratuities</div><div>Embezzlement of Public Funds and Self-Serving Interests</div><div>Work-Related Sexual Harassment and Demeaning Behavior among Employees</div></div> <div><div>Leakage of Company Information and Human Resources</div><div>Unfair Joint Behavior (Collusion, etc.)</div><div>Human Rights Management Issues</div><div>Other Irregularities</div></div>
Report Method	<div><div>Internet: Online report</div><div>Tel: 02-589-3742 (Management Diagnosis Division, Dongwon Group)</div><div>E-mail: ethics@dongwon.com</div><div>Postal: Management Diagnosis Division 19th Floor, Dongwon Industries Building, 68 Mabang-ro (Yangjae-dong), Seocho-gu, Seoul, Korea</div></div>

Report Center Operational Status (Recent 3 years) (Unit: Case, %)

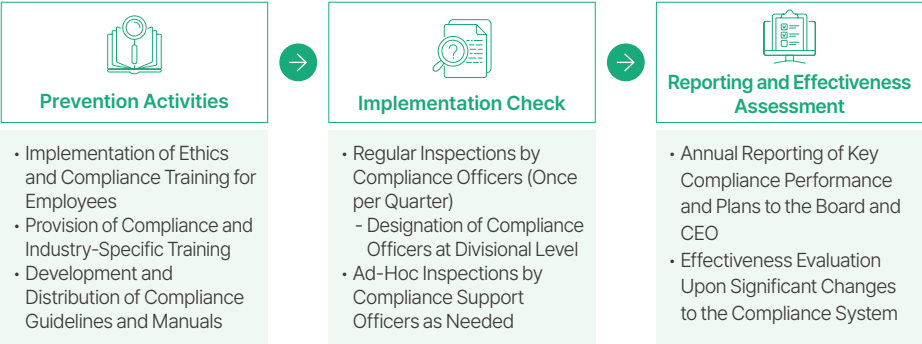
Number of Reported Cases	2022	2023	2024**
Number of Processed Cases	4	2*	1
Processing rate (%)	4	2	1
Classification	100	100	100

* One of the two cases was processed by collecting and addressing feedback and concerns from a suppliers
** No supplier feedback or grievances were received in 2024.

Compliance Management

- Organizational compliance activities are managed through the process of prevention-implementation checks-reporting and effectiveness assessments.
- We support our employees ethical·compliance activities across various domains including personal data protection, employee rights, and anti-corruption.
- Compliance implementation status is checked both by periodic inspections and ad-hoc checks.

Compliance Management Process

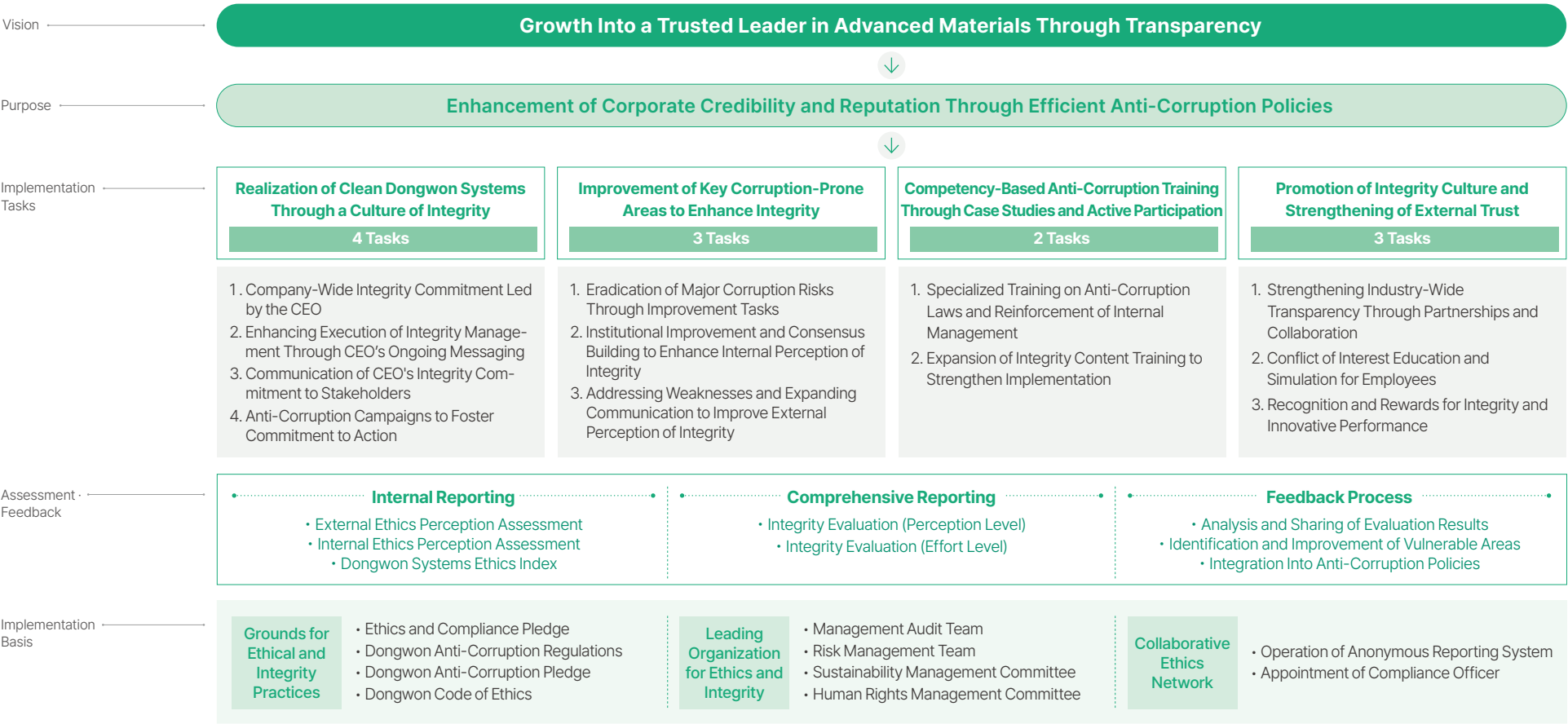


Corporate Ethics and Righteous Management

2025 Anti-Corruption Implementation Plan

Company-Wide Response System for Corruption-Prone Areas

- Dongwon Systems established a company-wide system to address corruption-prone areas.
- We defined four implementation directions and outlined twelve specific implementation tasks.



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Shareholder Return Policy

Plan to Enhance Corporate Value

- Dongwon Systems established a mid- to long-term plan to enhance corporate value for continuous profitability improvement and expanded shareholder returns (2025).
- We aim to increase the return on equity (ROE) by more than 15% compared to 2024 and target a dividend payout ratio exceeding 30%.
- By strengthening profitability and expanding shareholder returns, we seek to improve the price-to-book ratio (PBR).

Mid-to Long-Term Plan for Corporate Value Enhancement

Vision	Enhancing Corporate Value through Continuous Profitability Improvement and Expanded Shareholder Returns		
Mid to Long term Goals	Return on Equity(ROE) 15%+ α	Dividend Payout Ratio 30%+ α	Price to Book Ratio (P/B Ratio) 2.0%+ α
2024 (Consolidated Basis)	8.7%	24.3%	1.4%

Plan to Achieve Return on Equity (ROE) Targets

- Dongwon Systems pursued cost reduction for existing core packaging and materials products while targeting global markets with high potential.
- We promoted the diversification of key secondary battery products and business customers to expand new growth engines.
- Dongwon Systems strengthened the development of next-generation battery materials and eco-friendly products aligned with customer demand to secure global competitiveness.

Detailed Plan to Achieve Return on Equity (ROE) Targets

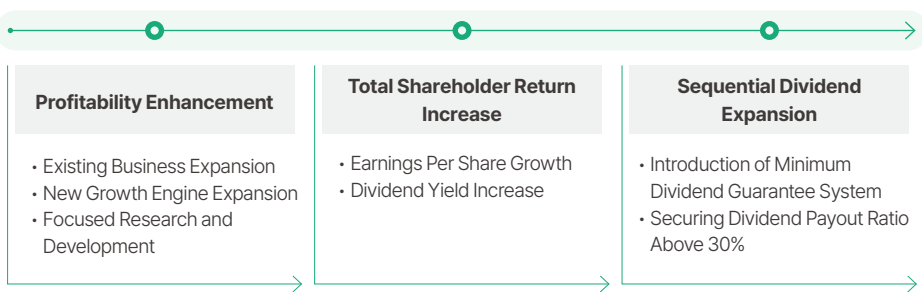
 Expansion of Existing Businesses <ul style="list-style-type: none">• Securing Global-Level Competitiveness for Core Products• Enhancing Profitability through Strengthened Cost Competitiveness• Targeting Overseas Markets with High Growth Potential	 Expansion of New Growth Engines <ul style="list-style-type: none">• Expansion of Core Secondary Battery Product Portfolio• Promoting Customer Diversification in the Secondary Battery Business• Continuous Discovery of New Growth Engines and M&A Activities	 Focus on Research and Development <ul style="list-style-type: none">• Strengthening Development of Next-Generation Battery Materials• Development of Eco-Friendly Products Aligned with Customer Demand (e.g., Lightweight Packaging)
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Achieving Profitability Improvement Targets through Expansion of Existing Businesses, Growth Engine Expansion, and Focused R&D

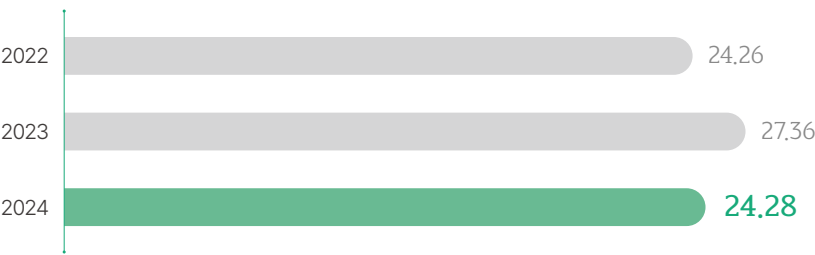
Dividend Payout Ratio Expansion Plan

- To provide predictable dividends in 2025, Dongwon Systems introduced a minimum dividend system (KRW 600 per common share / KRW 650 per preferred share).
- We aim to increase the dividend payout ratio to at least 30% over the mid-to-long term for our shareholders.
- Over the past three years, we have maintained a stable dividend payout ratio of over 20% annually (consolidated basis).

Dividend Payout Ratio 30% Expansion Plan



Recent Three-Year Consolidated Cash Dividend Payout Ratio (Unit: %)



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Enhancement of Shareholder Rights Protection

- To enhance shareholder participation in management, Dongwon Systems introduced and implemented an electronic voting system starting from the 43rd Annual General Meeting of Shareholders (2023).
- For shareholders unable to attend the meeting, we ensure their voting rights can be exercised by submitting a written proxy (power of attorney) before the meeting, as stipulated in the Articles of Incorporation.

Enhancement of Shareholders Communication

- Dongwon Systems discloses corporate information through various channels to guarantee shareholders' and investors' right to know and to promote active communication.
- In 2024, we completed a total of 36 sessions, including 17 face-to-face meetings, 14 IR meetings, 4 NDRs, and 1 corporate briefing.
- We regularly disclose not only general management activities but also the status and performance of ESG management through the Sustainability Report and Corporate Governance Report.

Major Communication Channel and Activity Records (Unit: Times)

Classification	Records
Face to Face Meeting	17
IR	14
NDR*	4
Company Presentation**	1

* Corporate investor briefing activities without transactions
** Events organized by securities firms or the Korea Exchange to explain the company's vision, strategy, and business status to investors

Stock and Shareholder Status

Stock Status

- The total number of shares available for issuance under Dongwon Systems' Articles of Incorporation is 200,000,000, with a par value of 5,000 won per share (common stock: 180,000,000, preferred stock: 20,000,000).
- The types of stock consist of common stock and preferred stock, with the preferred stock being non-voting, dividend-preferred, convertible shares.

Types of Share and Voting Rights (December 2024) (Unit: Stock)

Types of Share	Total Number of Shares Issued	No. of Shares Excluded from Voting	No. of Shares Available to Exercise Voting Rights
Common Stock	28,991,282	-	28,991,282
Preferred Stock	264,111	264,111	0
Total	29,255,393	264,111	28,991,282

Shareholder Status* (February 2025) (Unit: Stock)

Shareholders	Total		Common Stock		Preferred Stock	
	No. of Shares	Ownership Rate	No. of Shares	Ownership Rate	No. of Shares	Ownership Rate
Dongwon Industries	20,675,705	70.67%	20,594,057	71.04%	81,648	30.91%
STARKIST CO.	3,569,900	12.20%	3,569,900	12.31%	-	0.00%
Jum Kun Cho	5,771	0.02%	5,771	0.02%	-	0.00%
Bum Won Suh	1,348	0.01%	1,348	0.01%	-	0.00%
Ho-Rang Kim	5,428	0.02%	-	0.00%	5,428	2.06%
Do-Han Kim	10,829	0.04%	-	0.00%	10,829	4.10%
National Pension Service	1,548,542	5.29%	1,548,542	5.34%	-	0.00%
Others	3,437,870	11.75%	3,271,664	11.28%	166,206	62.93%
Total	29,255,393	100.00%	28,991,282	100.00%	264,111	100.00%

* Based on Shareholders' List (December 31, 2024)

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Finance

Summarized Consolidated Balance Sheet

Category	Unit	2022	2023	2024
Total assets	KRW million	1,451,670	1,535,858	1,552,612
Current assets	KRW million	550,243	557,765	593,875
Non-current assets	KRW million	901,427	978,093	958,737
Total liabilities	KRW million	722,040	761,807	716,178
Current liabilities	KRW million	420,866	558,913	452,442
Non-current liabilities	KRW million	301,174	202,894	263,736
Total equity	KRW million	729,630	774,051	836,435
Total equity attributable to owners of parent	KRW million	728,055	772,369	835,098
Non-controlling interests	KRW million	1,575	1,682	1,337

Summarized Consolidated Income Statement

Category	Unit	2022	2023	2024
Sales	KRW million	1,436,999	1,276,651	1,334,257
Operating profit	KRW million	91,839	80,851	91,905
Net profit	KRW million	72,335	64,350	72,515
Profit (loss), attributable to owners of parent	KRW million	72,337	64,201	72,414
Profit (loss), attributable to non-controlling interests	KRW million	(2)	149	101
Number of companies included on a consolidated basis	ea	6	6	6
Earnings per share	KRW	2,472	2,194	2,475

Sales by Business Unit (Consolidated)

Category		Unit	2022	2023	2024
Packaging	Net sales	KRW million	1,436,999	1,276,651	1,334,257
		%	100.00	100.00	100.00
	Operating profit	KRW million	91,839	80,851	91,905
		%	100.00	100.00	100.00

Direct Economic Value Generation & Distribution

Category		Unit	2022	2023	2024
Direct economic value generated	Sales (consolidated)	KRW million	1,436,999	1,276,651	1,334,257
Economic value distributed	Income tax expenses	KRW million	(6,360)	(5,207)	(10,600)
	Total cash dividends	KRW million	17,566	17,566	17,566
	Salary	KRW million	158,076	155,598	163,419
	Donations	KRW million	(21)	(18)	(21)
	Total supplier purchase amount	KRW million	837,414	672,323	737,619
	Interest cost	KRW million	15,410	22,553	21,849



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Financial Assistance Received from Government

Category		Unit	2022	2023	2024
Total monetary value of government financial assistance received in reporting period	Tax relief and tax credits	KRW million	(1,159)	(4,513)	(897)
	Subsidies	KRW million	0	6,020	744
	Grants for investment or research and development	KRW million	1,033	382	233
	All financial benefits received from or receivable from the government	KRW million	32	39	47

Business Site

Category		Unit	2022	2023	2024
Business site	Head office	ea	1	1	1
	Research institute	ea	2	2	2
	Overseas corporation	ea	5	5	5
	Plant	ea	15	15	15

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Effective Governance Composition and Operation

Board Composition and Operation

Category			Unit	2022	2023	2024
Independence	Total number of directors		person	4	3	3
	Internal director		person	3	2	2
	Independent director		person	1	1	1
	- Ratio		%	25.00	33.33	33.33
Diversity	Gender	Male	person	4	3	3
		Female	person	0	0	0
		Female ratio	%	0.00	0.00	0.00
	Age	Under 30 years old	person	0	0	0
		30-50 years old	person	0	0	0
		Over 50 years old	person	4	3	3
Guaranteed term	Executive director		month	24	24	24
	Non-executive director		month	24	24	24
Board prior convening notice period			day	3	3	3
Board operation	Meetings held		meeting	21	18	20
	Total agendas submitted	-	case	35	30	39
		- Approval agendas	case	24	20	25
		- Reporting agendas	case	11	10	14
	Attendance rate	Average attendance rate	%	98.80	100.00	100.00
		- Internal director	%	98.50	100.00	100.00
		- Independent director	%	100.00	100.00	100.00



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Effective Governance Composition and Operation

Board Committee

Category		Unit	2022	2023	2024
Management committee	Personnel	person	3	2	2
	Meetings held	meeting/year	3	2	2
	Attendance rate	%	100.00	100.00	100.00
	Approval agendas	case	3	2	2
	Reporting agendas	case	0	0	0
	Independent director	%	0.00	0.00	0.00
Internal transaction committee	Personnel	person	2	2	2
	Meetings held	meeting/year	3	3	1
	Attendance rate	%	100.00	100.00	100.00
	Approval agendas	case	0	3	0
	Reporting agendas	case	4	0	1
	Independent director	%	50.00	50.00	50.00
Safety and health committee	Personnel	person	2	2	2
	Meetings held	meeting/year	1	3	3
	Attendance rate	%	100.00	100.00	100.00
	Approval agendas	case	1	3	1
	Reporting agendas	case	0	0	2
	Independent director	%	0.00	0.00	0.00
Sustainability management committee	Personnel	person	N/A	N/A	2
	Meetings held	meeting/year	N/A	N/A	3
	Attendance rate	%	N/A	N/A	83.33
	Approval agendas	case	N/A	N/A	0
	Reporting agendas	case	N/A	N/A	4
	Independent director	%	N/A	N/A	50.00

1) [Board Committees]: Activities of all committees under the Board are based on those confirmed as of December 31, 2024.
2) [Sustainability management committee]: Activities commenced in 2024.

Director Compensation

Category		Unit	2022	2023	2024
Internal director	Personnel	person	3	2	2
	Total compensation	KRW million	1,137	1,016	725
	Average compensation per person	KRW million	379	508	363
Independent director	Personnel	person	1	1	1
	Total compensation	KRW million	36	46	49
	Average compensation per person	KRW million	36	46	49
Auditor	Personnel	person	1	1	1
	Total compensation	KRW million	102	97	106
	Average compensation per person	KRW million	102	97	106

Shareholder Composition

Category	Unit	2022	2023	2024
Controlling shareholders and their relatives	%	0.37	0.06	0.06
Registered internal director	%	0.03	0.03	0.03
Affiliated companies	%	70.67	82.60	82.88
Foreigner	%	12.70	13.09	5.29
Treasury stock	%	0.00	0.00	0.00
Other and personal	%	16.23	4.23	11.75



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Corporate Ethics and Compliance

Internal Accounting Controls

Category		Unit	2022	2023	2024
Audit	Audit fees paid to external auditors	KRW million	420	420	435
	Non audit fees paid to external auditors	KRW million	18	18	18
	Ratio of non-audit fees to audit fees paid to external auditors	%	4.29	4.29	4.14
Internal transaction	Ratio of investment in affiliates to equity	%	0.00	0.00	0.00
	Ratio of credit facilities to affiliates to equity	%	0.00	0.00	0.00

Compliance

Category		Unit	2022	2023	2024
Total number of compliance violations	Administrative monetary penalty	case	3	9	6
	Administrative non-monetary penalty	case	0	1	3
	Total fines	KRW million	4	9	29
Environment	Judicial punishment, fines, or restrictions on participation in national or local government bidding	case	0	0	0
	Administrative monetary penalty	case	3	7	3
	Administrative non-monetary penalty	case	0	1	3
	Total fines	KRW million	4	6	9
	Environmental debt	KRW million	0	0	0
Society	Judicial punishment, fines, or restrictions on participation in national or local government bidding	case	0	0	0
	Administrative monetary penalty	case	0	2	3
	Administrative non-monetary penalty	case	0	0	0
	Total fines	KRW million	0	3	20

Compliance

Category		Unit	2022	2023	2024
Privacy	Judicial punishment, fines, or restrictions on participation in national or local government bidding	case	0	0	0
	Administrative monetary penalty	case	0	0	0
	Administrative non-monetary penalty	case	0	0	0
Governance	Judicial punishment, fines, or restrictions on participation in national or local government bidding	case	0	0	0
	Administrative monetary penalty	case	0	0	0
	Administrative non-monetary penalty	case	0	0	0
Ethics/Anti-Corruption	Punishment equivalent to administrative fine, penalty fine, imprisonment, penitentiary imprisonment, detention	case	0	0	0
	Punishment equivalent to penalty charge, monetary penalty, compulsory fine	case	0	0	0
	Sanctions such as corrective orders and business suspension without financial punishment	case	0	0	0

1) [Compliance]: Rewritten based on a review of 2022 and 2023 data.

Employee Ethical Awareness Enhancement

Category		Unit	2022	2023	2024
Workplace harassment prevention	Number of employees participating in training	person	1,601	1,669	1,705
	Training hours per person	hour/person	1	1	1
Sexual harassment prevention training	Number of employees participating in training	person	1,601	1,669	1,705
	Training hours per person	hour/person	1	1	1
Disability awareness training	Number of employees participating in training	person	1,601	1,669	1,705
	Training hours per person	hour/person	1	1	1

1) [Employee ethical awareness enhancement]: The number of employees is calculated based on the annual business report.

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Corporate Ethics and Compliance

Communication and Training regarding Anti-corruption Policies and Procedures

Category		Unit	2022	2023	2024
Communication on anti-corruption policies and procedures	Business partner ratio	%	100.00	100.00	100.00
Anti-corruption training	Total training hours	hour	3,202	1,146	1,487

1) [Business Partners]: Dongwon Systems sends a "Letter on Ethical Management" to all suppliers to inform them of Dongwon Industries' anti-corruption policies and procedures.

Identified Corruption Cases and Measures Taken

Category		Unit	2022	2023	2024
Identified corruption cases	-	case	0	0	0
	Dismissal or disciplinary employee	case	0	0	0
	End of partnership due to corruption	case	0	0	0
Total number of employee	-	person	0	0	0

Grievance Handling

Category		Unit	2022	2023	2024
Hot-line operation status	Total cases	case	4	2	1
	Number of cases processed	case	4	2	1
	Processing ratio	%	100.00	100.00	100.00

1) The grievance reporting center also covers complaints filed by suppliers.

Shareholders Value Protection and Enhancement

Approach to Shareholder Engagement

Category		Unit	2022	2023	2024
Shareholder/ investor protection	Number of investor relations (IR) meetings	meeting	20	17	36
	Date of advance notice regarding venue, agenda, and other matters for the annual general meeting (AGM)	day	23	19	15
	Number of annual dividend payments	meeting/year	1	1	1
	Annual dividend per share	KRW	600	600	600
	Total cash dividends	KRW million	17,566	17,566	17,566
	Net income for the period	KRW million	72,335	64,350	72,515
	Cash dividend payout ratio	%	24.28	27.36	24.26

Stocks and Voting Rights

Category		Unit	2022	2023	2024
Status of issued stocks	Number of shares issued	share	29,255,393	29,255,393	29,255,393
	Number of shares outstanding	share	29,255,393	29,255,393	29,255,393
Non-voting stocks	Number of shares	share	264,111	264,111	264,111
	Ratio	%	0.90	0.90	0.90
Stocks that can exercise voting rights	Number of shares	share	28,991,282	28,991,282	28,991,282
	Ratio	%	99.10	99.10	99.10
Voting rights status	Share ratio of registered executives	%	0.02	0.02	0.02
	- CEO	share	6,469	7,119	7,119
	- Registered executives excluding CEO	share	200	385	385

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Human Resources and Work Environment Management

Employees by Type

Category		Unit	2022	2023	2024
Total employees		person	1,606	1,673	1,709
By gender	Male	person	1,476	1,541	1,578
	Female	person	130	132	131
By region	Domestic	person	1,600	1,667	1,703
	Overseas	person	6	6	6
By age	Under 30 years old	person	272	236	247
	30-50 years old	person	866	962	974
	Over 50 years old	person	468	475	488
By position	Staff	person	1,424	1,489	1,516
	Manager	person	162	167	174
	Executives	person	20	17	19

1) [Total employees]: Sum of employees and registered executives as disclosed in the annual business report for each year.

Capacity Building

Category		Unit	2022	2023	2024
Capacity training for office workers	Total training hours	hour	15,975	16,893	17,760
	Total training costs	KRW million	388	421	358

1) [Capacity training for office workers]: Rewritten based on a review of 2022 and 2023 data.

Employees by Employment Type

Category		Unit	2022	2023	2024
Full time		person	1,576	1,620	1,601
By highest level of education	Number of high school graduates	person	784	765	748
	Ratio of high school graduates	%	49.75	47.22	46.72
By gender	Male	person	1,450	1,491	1,472
	Female	person	126	129	129
By region	Domestic	person	1,570	1,614	1,595
	Overseas	person	6	6	6
Temporary		person	30	53	108
By gender	Male	person	26	50	106
	Female	person	4	3	2
By region	Domestic	person	24	47	102
	Overseas	person	6	6	6

1) [Employees by employment type in 2022 and 2023]: Rewritten based on a review of 2022 and 2023 data.

Job Turnover and Resign

Category	Unit	2022	2023	2024
Number of people	person	240	222	235



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Human Resources and Work Environment Management

Recruitment

Category		Unit	2022	2023	2024
Total numbers of newly hired		person	183	198	231
Total numbers of newly hired	Male	person	155	173	202
	Female	person	28	25	29
	- Female ratio	%	15.30	12.63	12.55
By age	Under 30 years old	person	101	99	131
	30-50 years old	person	63	89	93
	Over 50 years old	person	19	10	7
By region	Domestic	person	183	198	231
	Overseas	person	0	0	0
By employment type	Full time	person	99	97	139
	Experienced full time	person	58	90	71
	Temporary	person	26	11	21

Voluntary Turnover

Category		Unit	2022	2023	2024
Number of people	-	person	183	148	188
Ratio	-	%	11.39	8.85	11.00
By gender	Female	person	23	22	21
	Male	person	160	126	167
By age	Under 30 years old	person	89	58	93
	30-50 years old	person	86	78	88
	Over 50 years old	person	8	12	7

1) [Voluntary turnover ratio]: (Number of voluntary leavers during the year) / (Total number of employees) × 100

Welfare Benefits

Category		Unit	2022	2023	2024
Defined benefit pension(DB)	Participants	person	1070	1091	1041
	Assets under management (separate)	KRW 100 million	603	585	676
Defined contribution pension(DC)	Participants	person	363	378	422
	Assets under management (separate)	KRW 100 million	198	196	233

Parental Leave

Category		Unit	2022	2023	2024
Number of employees who took parental leave	Male	person	-	3	3
	Female	person	1	4	2
Number of employees who returned to work after parental leave and were still employed 12 months later	Male	person	3	7	9
	Female	person	5	7	7
Parental leave utilization rate	Male	%	0.00	6.52	11.11
	Female	%	25.00	80.00	40.00

1) [Parental leave utilization rate]: (Number of employees who used or were on parental leave as of year-end) / (Total number of employees who became parents during the reporting year)



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Safety and Health Management

Safety and Health Management System

Category		Unit	2022	2023	2024
Occupational safety and health management certification scope	Number of certified plants	ea	5	5	5
	Number of employees working at certified plants	person	939	922	915
	Number of non employees working at certified plants	person	637	698	686
	Total number of plants	ea	19	16	16
Worker health improvement	Number of people conducting regular health checkups	person	1,601	1,669	1,705
	Health check-up attendance rate	%	100.00	100.00	100.00
Industrial safety training	Total cumulative training hours	hour	699	607	593
	Cumulative number of training participants	person	16,629	14,984	13,855

1) [Health check-up participants]: Based on the number of employees as of year-end in the business report. May differ from the actual number tested due to legal standards for health screenings.
2) [Industrial safety training]: Rewritten based on a review of 2022 and 2023 data.

Industrial Accident

Category		Unit	2022	2023	2024
Employee	Fatality due to industrial accident	case	0	0	0
	Serious accident	case	0	0	0
	Industrial accident	case	5	6	13
	Industrial accident rate	%	0.31	0.36	0.76
Non employee	Fatality due to industrial accident	case	0	0	0
	Serious accident	case	0	0	0
	Industrial accident	case	0	0	0
	Industrial accident rate	%	0.00	0.00	0.00

1) Industrial accidents and serious accidents are based on the standards of the Korea Occupational Safety and Health Agency.
2) [Industrial accident]: Excludes fatalities and serious accidents from the total number of industrial accidents.
3) [Industrial accident rate]: (Number of injured workers / Number of workers covered by industrial accident insurance) × 100.
4) [Employee Industrial accident rate]: Rewritten based on a review of 2022 and 2023 data.

Embedding Human Rights Management

Employee Diversity

Category		Unit	2022	2023	2024
Manager	Male	person	90	96	99
	Female	person	3	2	3
Junior manager	Male	person	1,369	1,428	1,460
	Female	person	127	130	128
Executive	Male	person	17	17	19
	Female	person	0	0	0
Disabled		person	34	33	37
Veteran		person	8	8	8

1) [Employee diversity in 2022 and 2023]: Rewritten based on a review of 2022 and 2023 data.
2) [Manager]: Managers above the assistant manager level but below executive level.
3) [Junior manager]: Managers below the assistant manager level.
4) [Executive]: Levels of Vice President, Director, and Head of Headquarters.
5) [Disabled]: Based on reported handicapped employment levy.

Human Rights Impact Management

Category		Unit	2022	2023	2024
Corruption and human rights	Received via internal whistleblower system	case	1	2	1
	Received whistleblower protection claims	case	4	1	0
	Received workplace discrimination	case	0	0	0
	Detected child labor	case	0	0	0
	Detected forced labor	case	0	0	0

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Sustainable Supply Chain Management

Supplier Transaction Status

Category		Unit	2022	2023	2024
Purchase scale	Total purchase amount of suppliers	KRW million	653,225	512,155	565,589
	Total purchase from small businesses	KRW million	287,419	358,509	395,912
	Total purchases from major suppliers	KRW million	365,806	153,647	169,677
Supplier status	Total suppliers	case	3,313	3,313	3,328
	New suppliers	case	180	0	15
	Number of suppliers under regular evaluation	case	78	253	253

Client and Consumer Rights Protection

Product Safety

Category		Unit	2022	2023	2024
Recall	Recall occurred	case	0	0	0
Total safety and health regulation violations for products/services during reporting period	Imposing fines or penalties for non-compliance	case	0	0	0
	Warning for violation of regulations	case	0	0	0
	Violation of voluntary norms	case	0	0	0
Consumer satisfaction	Number of customer dissatisfaction cases received	case	144	144	124
	Number of customer dissatisfaction cases resolved	case	144	144	122
	Customer dissatisfaction resolution rate	case	100.00	100.00	98.39

1) [Consumer satisfaction]: Rewritten based on a review of 2022 and 2023 data.
2) Two unresolved cases from 2024 are under internal review and are scheduled to be addressed by 2025.

Strategic Participation and Contribution to Local Community

Social Contribution Performance

Category		Unit	2022	2023	2024
Social contribution performance	Total participation time	hour	221	408	440
	Average participation time per person	hour/person	2	2	1
	Total participants	person	147	272	440

Information Protection and Security Enhancement

Category		Unit	2022	2023	2024
Information protection training	Total participants	person	1,601	1,669	336
	Average participation time per person	hour/person	1	1	1
Investment rate in information protection		%	4.8	3.1	2.9

1) [Investment rate in information protection]: (Investment budget for information protection/total IT budget)



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Environmental Management

Category			Unit	2022	2023	2024
Resource allocation for environmental management	Green purchasing	-	KRW million	242,838	182,980	271,609
		Total amount of purchases	KRW million	653,225	512,155	565,589
		Ratio of green purchasing amount to total purchasing amount	%	37.18	35.73	48.02
Resource allocation for environmental management	Investment	Amount of ESG bond issuance	KRW million	0	40,000	0
Environmental certification and verification	Sales revenue from environmentally friendly products and services	-	KRW million	4,948	5,085	7,119
		Total sales	KRW million	1,436,992	1,276,651	1,334,257
		Ratio of environmentally friendly products and services amount to total sales	%	0.34	0.40	0.53

1)[Sales revenue from environmentally friendly products and services]: Sales figures based on Dongwon Systems' criteria for eco-friendly products.

Direct/Indirect Efforts to Reduce GHG Emission

Scope 1+2 Emissions

Category		Unit	2022	2023	2024
Direct/Indirect GHG Emission (Scope 1 & 2)	Total GHG emissions	tCO ₂ -eq	279,075.78	261,349.00	264,278.15
	Scope1(Direct GHG emissions)	tCO ₂ -eq	127,008.00	121,094.00	116,172.15
	Scope2(Indirect GHG emissions)	tCO ₂ -eq	152,067.78	140,255.00	148,106.00
GHG intensity	-	tCO ₂ -eq / KRW billion	214.52	225.38	214.84
	Total sales of the business (separate)	KRW billion	1,300.95	1,159.58	1,230.14
GHG emissions target	GHG emissions target	tCO ₂ -eq	266,992.32	265,322.67	250,895.04
	Achievement rate against target	%	104.53	98.50	105.33

Direct/Indirect Efforts to Reduce GHG Emission

Energy Consumption

Category		Unit	2022	2023	2024
Total energy consumption(Renewable & Non renewable energy)		TJ	4,917	4,573	4,458
Renewable energy consumption	Total energy consumption	TJ	0	0	80.3
	Solar	TJ	0	0	0.3
	Other (biomass, etc.)	TJ	0	0	80.1
Non renewable energy consumption	Total energy consumption	TJ	4,917	4,573	4,378
	Fuel	TJ	1,775	1,679	1,315
	Electricity	TJ	3,112	2,862	3,038
	Steam	TJ	30	32	25
Energy intensity	-	TJ/KRW billion	3.7795	3.9437	3.6242
	Total sales of the business (separate)	KRW billion	1,300.95	1,159.58	1,230.14
Energy consumption target	Energy consumption target	TJ	4,692	4,668	4,390
	Achievement rate against target	%	104.81	97.97	101.55

Electricity Consumption

Category		Unit	2022	2023	2024
By business division	Seoul Office	kWh	605,063	726,153	712,816
	Packaging	kWh	237,568,340	226,090,155	240,999,550
	Material and secondary battery	kWh	86,865,140	71,392,135	75,090,294

1) [Electricity consumption]: Rewritten based on a review of 2022 and 2023 data.



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Process Environmental Efficiency Improvement

Air/Water Pollutants

Category		Unit	2022	2023	2024
Air pollutants	NOx	ton	185.46	158.45	187.65
	SOx	ton	193.75	191.21	152.21
	Dust	ton	9.75	10.07	9.85
	HAPs	ton	1.87	0.98	1.41
Water pollutants	BOD	ton	100.64	94.82	73.51
	COD	ton	17.01	4.01	1.16
	TOC	ton	77.27	68.76	68.23
	SS	ton	56.02	46.55	46.10
	TN	ton	5.38	4.30	3.78
	N-H	ton	0.02	0.07	0.01
	T-P	ton	1.11	1.01	0.80
Air/water pollutants intensity	NOx	ton/KRW billion	0.1426	0.1366	0.1525
	SOx	ton/KRW billion	0.1489	0.1649	0.1237
	Dust	ton/KRW billion	0.0075	0.0087	0.0080
	TOC	ton/KRW billion	0.0594	0.0593	0.0555
	BOD	ton/KRW billion	0.0774	0.0818	0.0598
	SS	ton/KRW billion	0.0431	0.0401	0.0375
	Total sales of the business (separate)	KRW billion	1,301	1,160	1,230

1) [Air/water Pollutants]: Rewritten based on a review of 2022 and 2023 data.

Chemicals

Category	Unit	2022	2023	2024
Chemical emissions	ton	1,600	1,040	908
Hazardous chemical consumption	ton	5,942	5,021	5,504
Number of hazardous chemical leaks	case	0	0	0

1) [Chemicals]: Rewritten based on a review of 2022 and 2023 data.

Water and Waste Management Considering Resource Circulation

Water

Category			Unit	2022	2023	2024
All sites	Total water withdrawal	-	ton	1,099,596	1,084,097	1,248,956
		Water supply	ton	769,242	790,165	964,248
		Ground water	ton	211,060	203,942	219,054
		Industrial water	ton	119,293	89,991	65,654
		Recycled water	ton	379,104	344,527	360,598
	Total water withdrawal target		ton	928,836	1,099,596	1,084,097
	Achievement rate against target		%	118.38	98.59	115.21
	Water discharge		ton	586,086	566,143	518,919
	Water consumption		ton	513,509	517,954	730,037
	Water consumption intensity		ton/KRW billion	394.72	446.67	593.46
Head office and packaging sites	Recycled water ratio		%	73.83	66.52	49.39
	Total water withdrawal	-	ton	997,821	996,606	1,158,831
		Water supply	ton	717,271	746,683	931,271
		Ground water	ton	167,176	164,025	162,638
		Industrial water	ton	113,373	85,899	64,922
		Recycled water	ton	379,104	344,527	360,598
	Water discharge		ton	536,234	554,577	508,136
	Water consumption		ton	461,587	442,029	650,694



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Water and Waste Management Considering Resource Circulation

Water

Category			Unit	2022	2023	2024
Material and secondary battery sites	Total water withdrawal	-	ton	101,775	87,491	90,125
		Water supply	ton	51,971	43,482	32,977
		Ground water	ton	43,884	39,917	56,416
		Industrial water	ton	5,920	4,092	732
		Recycled water	ton	0	0	0
	Water discharge		ton	49,853	11,566	10,782
	Water consumption		ton	51,922	75,925	79,343
Business sites located in areas with 'high' or higher water stress	Total water withdrawal	-	ton	229,793	211,848	193,450
		Water supply	ton	54,871	59,641	64,061
		Ground water	ton	60,308	65,168	64,467
		Industrial water	ton	114,614	87,039	64,922
		Recycled water	ton	331,323	291,975	301,912
	Water discharge		ton	5,002	10,909	6,646
	Water consumption		ton	224,791	200,938	186,804

1) Calculated based on monthly utility bills. Water usage at the head office was derived by applying Dongwon Systems' occupancy ratio to Dongwon Industries' total building usage.
2) [Business sites located in areas with 'high' or higher water stress]: Eumseong, Jincheon, Suji, Printing, and Gunsan plants.
3) [Water]: Rewritten based on a review of 2022 and 2023 data.

Waste

Category			Unit	2022	2023	2024
Waste generated	Total waste generated		metric ton	11,164	12,550	12,527
	Total waste intensity		metric ton/ KRW billion	9	11	10
General waste	Total		metric ton	9,102	10,215	10,069
	Recycling		metric ton	5,885	6,702	7,443
	Landfill		metric ton	1,660	1,433	1,297
	Incineration		metric ton	1,547	2,067	1,319
	Other		metric ton	10	13	10
Designated waste	Total		metric ton	2,062	2,335	2,459
	Recycling		metric ton	1,377	1,800	1,805
	Landfill		metric ton	221	192	176
	Incineration		metric ton	310	340	475
	Other		metric ton	155	3	2
Waste recycling performance	-		%	65.05	67.74	73.82
	Total waste recycled		metric ton	7,262	8,502	9,248
Waste discharge target	Total waste targets		metric ton	9,622	12,070	11,628
	Waste reduction performance		%	86.18	96.18	92.82

1) [Waste]: Rewritten based on a review of 2022 and 2023 data.



GRI Standards Index

Statement of use	Dongwon Systems has reported its sustainability performance for the period from Jan. 1, 2024 to Dec. 31, 2024, in the '2024 Dongwon Systems Sustainability Report' in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	-

GRI STANDARD		Disclosure		Location	Omission	
					Reason	Explanation
Universal Standards						
GRI 2: General Disclosures 2021	The organization and its reporting practices	2-1	Organizational details	Introduction - Introduction to Dongwon Systems		
		2-2	Entities included in the organization’s sustainability reporting	About this Report		
		2-3	Reporting period, frequency and contact point	About this Report		
		2-4	Restatements of information	Information re-described due to changes in the company's operations, data calculation criteria, methods, or scope is indicated with a footnote on the page where the information is presented.		
		2-5	External assurance	Appendix - Independent Assurance Report		
	Activities and workers	2-6	Activities, value chain and other business relationships	Sustainability Strategy -Stakeholder Engagement - Stakeholder Status, Major Activities and Communication Channels		
		2-7	Employees	Appendix - ESG Data - Employees by Employment Type		
		2-8	Workers who are not employees	Appendix - ESG Data - Employees by Employment Type		
	Governance	2-9	Governance structure and composition	Governance - Governance Structure and Operation for Sustainability - Board Composition		
		2-10	Nomination and selection of the highest governance body	Governance - Governance Structure and Operation for Sustainability - Director Appointment Procedures and Criteria		
		2-11	Chair of the highest governance body	Governance - Governance Structure and Operation for Sustainability - Board Composition		
		2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Strategy - Sustainability Management - Sustainability Management System		
		2-13	Delegation of responsibility for managing impacts	Sustainability Strategy - Sustainability Management - Sustainability Management System		
		2-14	Role of the highest governance body in sustainability reporting	Sustainability Strategy - Sustainability Management - Sustainability Management System		
		2-15	Conflicts of interest	Governance - Shareholder Value Protection and Enhancement - Stock and Shareholder Status		
		2-16	Communication of critical concerns	Governance - Governance Structure and Operation for Sustainability - Board Operation		
		2-17	Collective knowledge of the highest governance body	Governance - Governance Structure and Operation for Sustainability - Director Appointment Procedures and Criteria		
		2-18	Evaluation of the performance of the highest governance body	Governance - Governance Structure and Operation for Sustainability - Board and Independent Director Evaluation		
		2-19	Remuneration policies	Governance - Governance Structure and Operation for Sustainability - Director Compensation		
		2-20	Process to determine remuneration	Governance - Governance Structure and Operation for Sustainability - Director Compensation		
		2-21	Annual total compensation ratio	Governance - Governance Structure and Operation for Sustainability - Director Compensation		

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GRI STANDARD		Disclosure		Location		Omission	
						Reason	Explanation
Universal Standards							
GRI 2: General Disclosures 2021	Strategy, policies and practices	2-22	Statement on sustainable development strategy	Introduction - CEO Message			
		2-23	Policy commitments	Environment - Strengthening the Implementation of the Environmental Management System - Environmental Management System - Environmental Management Policy Environment - Biodiversity Protection Around the Plant - Biodiversity Management System - Biodiversity Policy Social - Internalization of Human Rights Management - Human Rights Management System - Human Rights Management Policy Social - Employee Safety and Health Management - Safety and Health Management System - Safety and Health Management Policy Social - Sustainable Supply Chain (Supplier) Management and Shared Growth - Supplier Sustainability Management System - Supply Chain ESG Management Policy Governance - Corporate Ethics and Righteous Management - Ethical - Righteous Management System - Enactment of the Fair - Trade Policy			
				Social - Sustainable Supply Chain (Supplier) Management and Shared Growth - Supplier Sustainability Management System - Supply Chain ESG Management Policy Governance - Corporate Ethics and Righteous Management - Ethical - Righteous Management System - Enactment of the Fair - Trade Policy			
		2-24	Embedding policy commitments	Social-Internalization of Human Rights Management-Human Rights Management System			
		2-25	Processes to remediate negative impacts	Governance - Corporate Ethics and Righteous Management- Ethical - Righteous Management Process			
	2-26	Mechanisms for seeking advice and raising concerns	Governance - Corporate Ethics and Righteous Management- Ethical - Righteous Management Process				
	Stakeholder engagement	2-27	Compliance with laws and regulations	Appendix - ESG Data - Corporate Ethics and Compliance			
		2-29	Approach to stakeholder engagement	Sustainability Strategy -Stakeholder Engagement - Stakeholder Status, Major Activities and Communication Channels			
2-30		Collective bargaining agreements	Social - Human Resources and Working Environment Management-Labor-Management Cooperation				
Material Topics							
GRI 3: Material Topics 2021	Disclosures on material topics	3-1	Process to determine material topics	Sustainability Management- Materiality Assessment - Double Materiality Assessment			
		3-2	List of material topics	Sustainability Management- Materiality Assessment - Double Materiality Assessment- Results of the Double Materiality Assessment			
		3-3	Management of material topics	Sustainability Management- Materiality Assessment - Double Materiality Assessment- Results of the Double Materiality Assessment			
Sustainable Eco-friendly Product Development							
GRI 3: Material Topics 2021	Disclosures on material topics	3-3	Management of material topics	Sustainability Highlights - Sustainable Eco-friendly Product Development			
Corporate Management Indicators	Green purchasing	-	-	Appendix - ESG Data - Environmental Management			
Corporate Management Indicators	Sales revenue from environmentally friendly products and services	-	-	Appendix - ESG Data - Environmental Management			
Portfolio Diversification to Enhance Economic Performance							
GRI 3: Material Topics 2021	Disclosures on material topics	3-3	Management of material topics	Sustainability Highlights - Portfolio Diversification to Enhance Economic Performance			
Corporate Management Indicators	Secondary battery research and development	-	-	Sustainability Highlights - Portfolio Diversification to Enhance Economic Performance- Secondary battery research and development			

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GRI STANDARD		Disclosure		Location	Omission	
					Reason	Explanation
Climate Change Response and GHG Emission Reduction						
GRI 3: Material Topics 2021	Disclosures on material topics	3-3	Management of material topics	Sustainability Highlights - Climate Change Response and GHG Emission Reduction		
GRI 305: Emissions 2016	GHG Emissions	305-1	Direct (Scope 1) GHG emissions	Appendix - ESG Data - Scope 1+2 Emissions		
		305-2	Energy indirect (Scope 2) GHG emissions	Appendix - ESG Data - Scope 1+2 Emissions		
		305-3	Other indirect (Scope 3) GHG emissions	N/A		
		305-4	GHG emissions intensity	Appendix - ESG Data - Scope 1+2 Emissions		
		305-5	Reduction of GHG emissions	Sustainability Highlights - Climate Change Response and GHG Emission Reduction-Scope 1&2 GHG Reduction Plan by 2040		
		305-6	Emissions of ozone-depleting substances (ODS)	N/A		
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix - ESG Data - Air/Water Pollutants		
Integrated Risk Management with Sustainability						
GRI 3: Material Topics 2021	Disclosures on material topics	3-3	Management of material topics	Sustainability Highlights - Integrated Risk Management with Sustainability		
GRI 207: Tax 2019	Tax	207-1	Approach to tax	Sustainability Highlights - Integrated Risk Management with Sustainability - Risk Management by Type		
		207-2	Tax governance, control, and risk management	Sustainability Strategy -Sustainability Highlights - Integrated Risk Management with Sustainability - Integrated Risk Management System		
		207-3	Stakeholder engagement and management of concerns related to tax	Sustainiability Strategy -Stakeholder Engagement - Stakeholder Status, Major Activities and Communication Channels		
Topic Specific Standards-Economic Performance (GRI 200)						
GRI 201: Economic Performance 2016	Economic Performance	201-1	Direct economic value generated and distributed	Sustainiability Strategy -Stakeholder Engagement - Stakeholder Status, Major Activities and Communication Channels- Stakeholder Economic Value Allocation Status (Consolidated basis)		
		201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Highlights - Climate Change Response and GHG Emission Reduction - Climate Risk Analysis		
		201-3	Defined benefit plan obligations and other retirement plans	Appendix - ESG Data - Welfare Benefits		

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					Reason	Explanation
Topic Specific Standards-Economic Performance (GRI 200)						
GRI 203: Indirect Economic Impacts 2016	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Social - Community Engagement and Social Contribution Activities - Social Contribution Activities of Dongwon Education Foundation		
GRI 205: Anti-corruption 2016	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Appendix - ESG Data - Communication and Training regarding Anti-corruption Policies and Procedures		
		205-3	Confirmed incidents of corruption and actions taken	Appendix - ESG Data - Identified Corruption Cases and Measures Taken		
GRI 206: Anti-competitive Behavior 2016	Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Appendix - ESG Data - Corporate Ethics and Compliance		
Topic Specific Standards-Environmental Performance (GRI 300)						
GRI 302: Energy 2016	Energy	302-1	Energy consumption within the organization	Appendix - ESG Data - Energy Consumption		
		302-3	Energy intensity	Appendix - ESG Data - Energy Consumption		
		302-4	Reduction of energy consumption	Sustainability Highlights - Climate Change Response and GHG Emission Reduction - GHG Management Activities		
		302-5	Reductions in energy requirements of products and services	Sustainability Highlights - Sustainable Eco-friendly Product Development - Environmental Impact Reduction Process		
GRI 303: Water and Effluents 2018	Water	303-1	Interactions with water as a shared resource	Environment - Enhancing Process Environmental Efficiency and Managing Pollutants - Water Pollutant Management Activities - Water Stress Index Analysis		
		303-2	Management of water discharge-related impacts	Environment - Enhancing Process Environmental Efficiency and Managing Pollutants - Water Pollutant Management Activities - Installation of a Water Quality Remote Monitoring System at the Icheon Plant		
		303-3	Water withdrawal	Appendix - ESG Data - Water		
		303-4	Water discharge	Appendix - ESG Data - Water		
		303-5	Water consumption	Appendix - ESG Data - Water		
GRI 304: Biodiversity 2016	Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment - Biodiversity Protection Around the Plant - Natural Capital Assessment Process		
		304-2	Significant impacts of activities, products and services on biodiversity	Environment - Biodiversity Protection Around the Plant - Natural Capital Assessment Process		
GRI 306: Waste 2020	Waste	306-1	Waste generation and significant waste-related impacts	Environment - Enhancing Process Environmental Efficiency and Managing Pollutants - Waste Management Activities		
		306-2	Management of significant waste-related impacts	Appendix - ESG Data - Waste		
		306-3	Waste generated	Appendix - ESG Data - Waste		
		306-4	Waste diverted from disposal	Appendix - ESG Data - Waste		
		306-5	Waste directed to disposal	Appendix - ESG Data - Waste		

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GRI STANDARD		Disclosure		Location	Omission	
					Reason	Explanation
Topic Specific Standards-Social Performance (GRI 400)						
GRI 401: Employment 2016	Employment	401-1	New employee hires and employee turnover	Appendix - ESG Data - Recruitment Appendix - ESG Data - Job Turnover and Resign		
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social - Human Resources and Working Environment Management - Working Conditions Management and Improvement System - Welfare System		
		401-3	Parental leave	Appendix - ESG Data - Parental Leave		
GRI 403: Occupational Health and Safety 2018	Occupational Health and Safety	403-1	Occupational health and safety management system	Social - Employee Safety and Health Management		
		403-2	Hazard identification, risk assessment, and incident investigation	Social - Employee Safety and Health Management - Safety Risk Due Diligence Process		
		403-3	Occupational health services	Appendix - ESG Data - Safety and Health Management System		
		403-4	Worker participation, consultation, and communication on occupational health and safety	Social - Employee Safety and Health Management - Safety and Health Management System		
		403-5	Worker training on occupational health and safety	Social - Employee Safety and Health Management - Safety and Health Inspection Activities		
		403-6	Promotion of worker health	Appendix - ESG Data - Safety and Health Management System		
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social - Employee Safety and Health Management - Safety Risk Due Diligence Process		
		403-8	Workers covered by an occupational health and safety management system	Appendix - ESG Data - Safety and Health Management System		
		403-9	Work-related injuries	Appendix - ESG Data - Industrial Accident		
		403-10	Work-related ill health	Appendix - ESG Data - Industrial Accident		
GRI 404: Training and Education 2016	Training and Education	404-1	Average hours of training per year per employee	Appendix - ESG Data - Capacity Building		
		404-2	Programs for upgrading employee skills and transition assistance programs	Social - Human Resources and Working Environment Management - Human Resources Fostering System - Human Resource Development Program		
GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Appendix - ESG Data - Board Composition and Operation		
GRI 407: Freedom of Association and Collective Bargaining 2016	Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social - Human Resources and Working Environment Management - Labor Management Cooperation		
GRI 414: Supplier Social Assessment 2016	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Social - Sustainable Supply Chain (Supplier) Management and Shared Growth - Supplier Sustainability Management System - Selection of New Supplier Companies		
		414-2	Negative social impacts in the supply chain and actions taken	Social - Sustainable Supply Chain (Supplier) Management and Shared Growth - Supplier Sustainability Management System - Regular Evaluation of Supplier Companies		
GRI 416: Customer Health and Safety 2016	Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	Social - Enhancement of Product and Service Quality - Quality Enhancement Internal Process - Regular Validation on HACCP Effectiveness		
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Appendix - ESG Data - Client and Consumer Rights Protection		

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SASB

Dongwon Systems has disclosed in its report the indicators for the Containers & Packaging business area according to the SASB Industry criteria.

Topic	SASB code	Accounting metric	Location
Greenhouse gas emissions	RT-CP-110a.1	Gross global Scope 1 emissions, percentage covered under a regulatory program	Appendix - ESG Data - Scope 1+2 Emissions
	RT-CP-110a.2	Description 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	Sustainability Highlights - Climate Change Response and GHG Emission Reduction- Scope 1&2 GHG Reduction Plan by 2040
Air quality	RT-CP-120a.1	NOx (excluding N ₂ O)	Appendix - ESG Data - Air/Water Pollutants
		SOx	Appendix - ESG Data - Air/Water Pollutants
		VOCs	Appendix - ESG Data - Air/Water Pollutants
		PM(Particulate matter)	Appendix - ESG Data - Air/Water Pollutants
Energy management	RT-CP-130a.1	Total energy consumed	Appendix - ESG Data - Energy Consumption
		Percentage grid electricity	Appendix - ESG Data - Energy Consumption
		Percentage of renewable	Appendix - ESG Data - Energy Consumption
		Total self-generated energy	Appendix - ESG Data - Energy Consumption
Water management	RT-CP-140a.1	Total water withdrawn	Appendix - ESG Data - Water
		Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Appendix - ESG Data - Water
	RT-CP-140a.2	Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Environment - Enhancing Process Environmental Efficiency and Managing Pollutants - Water Stress Index Analysis
Waste management	RT-CP-150a.1	Amount of hazardous waste generated, percentage recycled	Appendix - ESG Data - Waste
Product safety	RT-CP-250a.2	Discussion of process to identify and manage emerging materials and chemicals of concern	Environment - Enhancing Process Environmental Efficiency and Managing Pollutants - Hazardous Chemical Management System
Product lifecycle management	RT-CP-410a.1	Percentage of raw materials from recycled content	Sustainability Highlights-Sustainable Eco-friendly Product Development
		Percentage of raw materials from renewable content	Sustainability Highlights-Sustainable Eco-friendly Product Development
		Percentage of raw materials from renewable and recycled content	Sustainability Highlights-Sustainable Eco-friendly Product Development
	RT-CP-410a.3	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Sustainability Highlights-Sustainable Eco-friendly Product Development-Environmental Impact Reduction Process
Materials sourcing	RT-CP-430a.1	Total wood fiber purchased, percentage from certified sources	Social - Sustainable Supply Chain (Supplier) Management and Shared Growth-Supplier Sustainability Management System
	RT-CP-430a.2	Total aluminum purchased, percentage from certified sources	Social - Sustainable Supply Chain (Supplier) Management and Shared Growth-Supplier Sustainability Management System

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UN SDGs

Dongwon Systems supports the United Nations Sustainable Development Goals (UN SDGs), a set of specific goals and indicators adopted to promote global sustainability. We actively align our sustainability initiatives with the SDGs and carry out a wide range of related activities. Moving forward, we remain committed to contributing to the sustainable development of the international community while pursuing economic growth.

UN SDGs		Related Section
Goal No. 1		End poverty in all its forms everywhere • Community Engagement and Social Contribution Activities
Goal No. 2		End hunger, achieve food security and improved nutrition and promote sustainable agriculture • Community Engagement and Social Contribution Activities
Goal No. 3		Ensure healthy lives and promote well-being for all at all ages • Human Resources and Working Environment Management
Goal No. 4		Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all • Human Resources and Working Environment Management
Goal No. 5		Achieve gender equality and empower all women and girls • Human Resources and Working Environment Management
Goal No. 6		Ensure availability and sustainable management of water and sanitation for all • Enhancing Process Environmental Efficiency and Managing Pollutants
Goal No. 7		Ensure access to affordable, reliable, sustainable and modern energy for all • Strengthening the Implementation of the Environmental Management System
Goal No. 8		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all • Human Resources and Working Environment Management
Goal No. 9		Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation • Strengthening the Implementation of the Environmental Management System • Community Engagement and Social Contribution Activities

UN SDGs		Related Section
Goal No. 10		Reduce inequality within and among countries • Corporate Ethics and Righteous Management • Human Resources and Working Environment Management
Goal No. 11		Make cities and human settlements inclusive, safe, resilient and sustainable • Enhancing Process Environmental Efficiency and Managing Pollutants
Goal No. 12		Ensure sustainable consumption and production patterns • Strengthening the Implementation of the Environmental Management System • Enhancing Process Environmental Efficiency and Managing Pollutants
Goal No. 13		Take urgent action to combat climate change and its impacts • Climate Change Response and GHG Emission Reduction
Goal No. 14		Conserve and sustainably use the oceans, seas and marine resources for sustainable development • Strengthening the Implementation of the Environmental Management System • Enhancing Process Environmental Efficiency and Managing Pollutants
Goal No. 15		Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss • Strengthening the Implementation of the Environmental Management System • Enhancing Process Environmental Efficiency and Managing Pollutants
Goal No. 16		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels • Corporate Ethics and Righteous Management • Human Resources and Working Environment Management
Goal No. 17		Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development • Community Engagement and Social Contribution Activities

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UNGC

Dongwon Systems supports the 10 principles of the global initiative UN Global Compact (UNGC) in the four areas of human rights, labor, environment, and anti-corruption and strives to comply with them. As a global corporate citizen, we will continue to consider business and social values simultaneously and strive to create various social values.

Category	Principles	Related Section
Human Rights	Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none">• Human Resources and Working Environment Management• Corporate Ethics and Righteous Management• Sustainable Supply Chain (Supplier) Management and Shared Growth• Internalization of Human Rights Management
	Principle 2. Businesses should make sure that they are not complicit in human rights abuses.	
Labour	Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none">• Human Resources and Working Environment Management• Corporate Ethics and Righteous Management• Sustainable Supply Chain (Supplier) Management and Shared Growth• Internalization of Human Rights Management
	Principle 4. Businesses should uphold the elimination of all forms of forced and compulsory labour.	
	Principle 5. Businesses should uphold the effective abolition of child labour.	
	Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	
Environment	Principle 7. Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none">• Strengthening the Implementation of the Environmental Management System• Enhancing Process Environmental Efficiency and Managing Pollutants• Climate Change Response and GHG Emission Reduction• Biodiversity Protection Around the Plant
	Principle 8. Businesses should undertake initiatives to promote greater environmental responsibility.	
	Principle 9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	
Anti-corruption	Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none">• Corporate Ethics and Righteous Management• Sustainable Supply Chain (Supplier) Management and Shared Growth• Integrated Risk Management with Sustainability



Independent Assurance Report

To the management of Dongwon Systems Corporation

We have performed a limited assurance engagement on the following sustainability information of Sustainability Report 2024 of Dongwon Systems Corporation (the “Company”) for the year ended December 31, 2024 (the “Report”).

Scope and Subject Matter Information

For the year ended December 31, 2024, we have provided a limited assurance on the following:

- The ESG information (the “Subject Matter Information”), stated on ‘ESG Data’ of the Report Appendix, is prepared in accordance with the Company’s ‘Reporting Framework’ described on the ‘ABOUT THIS REPORT’.

We have read the other information included in the Report and considered whether it is consistent with the Subject Matter Information. We have also considered the implications for our report in the case that we became aware of any apparent misstatements or material inconsistencies with the Subject Matter Information. Our responsibilities do not extend to any other information.

Criteria (the “Criteria”)

The Company has prepared the Subject Matter Information in accordance with Global Reporting Initiative (GRI) Standards 2021 and Task Force on Climate-related Financial Disclosures (TCFD). The report contains indicators set by the Sustainability Accounting Standards Board (SASB) and The Ten Principles of the UNGC (United Nations Global Compact).

Inherent limitations

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments. In particular:

- We did not attend any stakeholder engagement activities. Therefore, our conclusion is based on our discussions with the management and the staff members of the Company, and our review of selected documents provided to us by the Company.
- The scope of our work was restricted to performance for the year ended December 31, 2024, only, as set out in the scope and subject matter section above. Information for the year ended December 31, 2023, and earlier periods have not been subject to assurance by us.

Responsibility of the management of the Company

The management of the Company is responsible for selecting and establishing suitable criteria for preparing the Subject Matter Information and the preparation of the Subject Matter Information in accordance with the Criteria.

Our responsibilities

Our responsibilities are as follows:

- Determining and performing the procedures to provide a limited assurance whether a material matter has come to our attention to cause us to believe the Subject Matter Information is materially misstated.
- Independently expressing a conclusion in accordance with the evidence provided by the Company.

Because we have engaged to form an independent conclusion on the Subject Matter Information prepared by the Company, our involvement may compromise our independence and is therefore not permitted.

This report, including the conclusion, has been prepared for the Company’s management as a body, to assist the management in reporting on the Company’s sustainability performance and activities. We do not accept nor assume responsibility to anyone other than the Company’s management as a body and the Company for our work or this report save where terms are explicitly agreed and with our prior consent in writing.

Our independence and quality control

We have complied with the independence and other ethical requirements of the code of ethics issued by the Ethics Standards Board of the Korean Institute of Certified Public Accountants. We have applied International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding the compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The standard of assurance engagement

We have performed a limited assurance engagement in accordance with Assurance Engagement other than Audits and Reviews of Historical Financial Information issued by the Korean Institute of Certified Public Accountants (International Standard on Assurance Engagement 3000 (Revised) as adopted by the Republic of Korea).

Summary of the assurance work we performed

Our work includes the following activities:

1. Interviews with the Company’s personnel responsible for internal reporting and data collection
2. Review of the samples of the Company’s internal documents related to output from the risk assessment process, sustainability-related policies and standards, the sustainability materiality assessment matrix, and other documents from stakeholder-engaged activities.
3. Understanding the Company’s design and implementation of key processes and controls for managing and reporting the Subject Matter Information
4. Limited testing, through inquiry and analytical review procedures, of the preparation and collation of the Company’s Subject Matter Information

A limited assurance engagement is less in scope than a reasonable assurance engagement. Consequently, the nature, timing, and extent of procedures for gathering sufficient, appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Conclusion

Based on the procedures we performed as described under the “Summary of the assurance work we performed” and the evidence by the Company, nothing has come to our attention that causes us to believe that the Company’s Subject Matter Information in the Report for the year ended December 31, 2024, is not prepared, in all material respects, in accordance with the Company’s reporting Criteria.



June 27, 2025
Shinhan Accounting Corporation Seoul, Korea
Jong-Man Choi Chairman, Board of directors

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UNGC (UN Global Compact)
Independent Assurance Report
GHG Verification Statement

GHG Verification Statement

Dongwon Systems

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Greenhouse Gas Emissions (hereinafter 'GHG Inventory') of Dongwon System 1) (hereinafter 'Company') for 2024.
1) Address (based on headquarters) : 100, Asanvalleydong-ro, Dunpo-myeon, Asan-si, Chungcheongnam-do, Republic of Korea

Verification Purpose

The purpose is to ensure the reliability of the company's GHG Report in relation to the operation of the Emissions Trading Scheme.

Verification Scope

KFQ's verification covered on all facilities and emission sources under the operational control and organizational boundary of the Company during 2024.

Verification Criteria

The verification process was based on [Rule for emission reporting and certification of GHG emission trading Scheme0] [Rules for verification of operating the GHG emission trading scheme3I] and [ISO14064-3] for every applicable part.
2) Notification No. 2025-28 of Ministry of Environment
3) Notification No. 2024-169 of Ministry of Environment

Level of Assurance

The Verification has been planned and conducted as the 'Rules for verification of operating the greenhouse gas emission trading scheme', and the level of assurance for verification shall be satisfied as reasonable level of assurance. And it was confirmed through an internal review whether the process before the verification was conducted effectively.

Verification Limitation

The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Verification Opinions

Regarding to the data of the Greenhouse Gas Emission Consumption from the report through the verification, KFQ provides our verification opinions as below;

1) GHG emissions have been appropriately calculated according to the "Rule for emission reporting and certification of GHG emission trading Scheme" and "ISO14064-1:2018" methodologies.

2) The company's GHG emissions are less than 5,00,000 tCO₂eq, complying with the materiality threshold of below 5% of total emissions.

3) Thus, KFQ concludes that GHG Emissions of Company in 2024 is correctly calculated and reported in accordance with "Rule for emission reporting and certification of GHG emission trading Scheme".

(Unit : tCO₂eq)

Scope 1	Scope 2	Total
116,174.834	148,109.989	264,278

* The totals in this verification statement do not match the totals in emission trading scheme because the total emissions of each facility are calculated by truncating to integer units

May 27th, 2025



Ji Young Song
CEO Ji-Young Song
Korean Foundation for Quality


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2024 Dongwon Systems Sustainability Report

