

# GLOBAL DEVELOPER

2024 SUSTAINABILITY REPORT



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# INTRODUCTION

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# ABOUT THIS REPORT

## Overview

This is the second issue of DL Holdings' Sustainability Report, highlighting its activities and achievements in ESG (Environmental, Social, Governance). Through this report, we aim to transparently disclose the business performance of DL Holdings and its five subsidiaries, along with their key activities and achievements related to significant ESG issues. Additionally, we wish to share the future direction of DL Holdings as a holding company with our stakeholders.

## Principles

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards for sustainability reporting. Additionally, it incorporates elements of ISO 26000, the UN SDGs, and the SASB (Sustainability Accounting Standards Board).

## Scope

This report includes DL Holdings and its five subsidiaries: DL E&C, DL Chemical, DL Energy, DL Construction, and GLAD Hotels & Resorts. Any deviations from this reporting scope, as well as other data, are noted accordingly.





## Period and Cycle

This report covers the economic, social, and environmental performance and activities of DL Holdings from January 1, 2023, to December 31, 2023, and includes some information up to the first half of 2024. For quantitative performance, data from the past three years is disclosed to show annual trends. Starting with the first issue published in 2023, we plan to publish this sustainability report annually.

## Assurance

To ensure the reliability, fairness, and completeness of the report's preparation process and data, KPC, an independent assurance agency, performed third-party assurance. The AA1000 AS (Assurance Standards) was applied, and the results can be found in the third-party assurance statement within the report (page 115).

## Management Disclosures

-  [Company Website](#)
-  [Audit Report](#)
-  [2023 Annual Report](#)
-  [Corporate Governance Report](#)

## Contact Information

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## CEO MESSAGE



### Dear respected stakeholders,

I would like to extend my gratitude for your continued interest in and support of DL Holdings. Through this second issue of our sustainability report, we have strived to transparently disclose the efforts and activities that DL Holdings and its key subsidiaries have undertaken over the past year. Last year, we faced a series of challenges due to the global economic downturn and the deterioration of the petrochemical market. Despite these adversities, we maintained our commitment to research and development and portfolio improvement to overcome external difficulties and structural market crises, achieving meaningful results.

DL E&C experienced a decline in operating profit due to a sharp rise in building material prices following global inflation. However, by responding swiftly to the severe downturn in the housing market, the company has improved its order performance compared to the previous year and maintained greater financial stability than its peers.

DL Chemical achieved a remarkable performance rebound by shifting its product portfolio focus from general-purpose products to high-value-added products. DL Energy, along with Pocheon Power, achieved its highest-ever performance due to stable profits from overseas power assets. GLAD Hotels & Resorts generated solid profits during the industry recovery period, thanks to asset efficiency improvements and cost structure optimizations implemented during the COVID-19 pandemic.

### Expansion and Strengthening of Eco-Friendly New Businesses by Sector

In line with the global carbon neutrality trend, DL Group is actively promoting eco-friendly businesses in various sectors, including construction, petrochemicals, and energy, to enhance our competitive edge and achieve sustainable growth.

In the construction sector, we aim to develop our ongoing CCUS (Carbon Capture, Utilization, and Storage) and SMR (Small Modular Reactor) projects over the medium to long term, positioning ourselves as a market leader. In the petrochemical sector, we seek to accelerate our transformation into a specialty company by strengthening our high-value-added and eco-friendly business portfolios. Additionally, in the energy sector, we plan to expand our renewable energy portfolio, including offshore wind and solar power, to meet the growing demand for renewable energy generation.

By identifying future eco-friendly business opportunities and developing capabilities for DL's sustainable management, we aim to enhance shareholder value and lay the foundation for sustainable growth.

### Promotion of People-Centered Management and Organizational Culture

We believe that respecting the human rights of all our members, as well as fostering and managing talent in line with DL's founding philosophy and principles, are the driving forces behind the group's sustainable growth. Internally, we strive to provide fair opportunities and rewards to all employees, emphasizing trust building between labor and management. Externally, we support the sustainable growth of our suppliers through a collaborative supply chain management system.

As higher standards of safety and human rights are required in our core businesses of construction and petrochemicals, we will conduct regular risk assessments and implement preventive measures to protect the safety and human rights of our employees, suppliers, and all stakeholders.

### Enhancement of Stakeholder Trust Through Ethics & Compliance Management

DL Holdings aims to establish a sound governance structure by implementing a higher level of Ethics & Compliance management and building trust with stakeholders. Through our internal control systems, we will proactively manage risks and develop into a more reliable company with systematic compliance management. Additionally, we will ensure sound governance by actively communicating with shareholders and investors, and diligently implement various measures to protect shareholder value and rights. I ask for your continued interest and support for the sustainable growth of the DL Group. Thank you.

CEO Kim, Jong Hyun

# COMPANY OVERVIEW

## VISION

A Global Developer Creating a Better Future

## KEY VALUE

Lead the Future by Technology

**DL pioneers diverse business opportunities** through innovative technologies and strives to create a better tomorrow as a global leader.

Challenge for Innovation

**DL pushes its limit beyond the threshold** pioneers new markets, and move forward as a company that challenges itself to change for the better.

Create Value Based on Trust

**DL pursues co-operations and co-prosperity for everyone** discovers new values based on trust and strides to create prosperous society.

## DL IDENTITY

### DL Upholds Its Principles



The practicality of removing unnecessary factors and adding absolutely necessary core functions

Eco-friendliness contributing to a sustainable environment through elimination of unnecessary processes and resource waste and adding world-class technology

## “The More, The Less”

Adding for more valuable things    Removal for more valuable things

## OUR HISTORY

1939~1970

### THE BEGINNING OF DL HISTORY AND PIONEERING THE ERA OF ECONOMIC DEVELOPMENT

- Establishment of Burim Corporation (1939)
- First company to acquire foreign currency through overseas construction (Port construction project in Vietnam)
- Major achievements: Gyeongbu Expressway, Gyeongin Expressway, Daelim Arcade Apartment (Korea's first residential and commercial complex), etc.

1971~1990

### GROWTH AND BUSINESS EXPANSION

- First Korean company to enter the Middle Eastern and African markets (Saudi Arabia, Kuwait, Iran, South Africa, etc.)
- Merger with Honam Ethylene, starting of operation as the Daelim Petrochemical Division (1987)
- Major achievements: National Assembly building, Sejong Center for the Performance Arts, Jamsil Sports Complex Main Stadium

1991~2010

### SUSTAINABLE GROWTH THROUGH THE INDUSTRY'S BEST TECHNOLOGY AND BUSINESS EXPERTISE

- Establishment of the joint venture Yeochun NCC with Hanwha Group (1999)
- Launch of e-Pyeonhansesang, Korea's first apartment brand
- Korea's first commercial production of metallocene polyethylene (mPE)
- Korea's first development of HRPB (Highly reactive PB)
- Major achievements: Gwanghwamun Square, Samcheonpo Bridge (First cable stayed bridge designed with local technology), Seohae Bridge, Cheong-gyecheon restoration work, plant EPC (Thailand, Philippines, India, etc.), etc.

2011~PRESENT

### ASPIRING TO BECOME A GLOBAL DEVELOPER

- Establishment of DL Energy (2013)
- Acquisition of Cariflex (2020) and Kraton (2022)
- Transition to a holding company structure and launch of the DL Group (2021)
- Major achievement: Yi Sun-Sin Bridge (Korea's largest and the world's sixth-largest suspension bridge), Ma'aden Ammonia plant in Saudi Arabia (The world's largest ammonia plant), Pyeongchang Olympic Games Sliding Center, Çanakkale Bridge in Türkiye (The world's longest suspension bridge), etc.

# COMPANY OVERVIEW

Founded in 1939, DL Holdings owns subsidiaries across various sectors, including the global construction company DL E&C and the petrochemical company DL Chemical, as well as other companies in the power, energy, and manufacturing industries. On January 1, 2021, DL transitioned to a holding company structure and has operated primarily under DL Holdings. Through collaboration and mutual growth with various industries, DL aims to set new standards of life by connecting cities and people, and to lead a sustainable future as a global developer that enhances the quality of life.

## Business Portfolio



## Company Status

|                       |                                                                                     |
|-----------------------|-------------------------------------------------------------------------------------|
| Name                  | DL Holdings CO., LTD.                                                               |
| Date of Establishment | October 10th, 1939(*Transitioned to a holding company structure on January 1, 2021) |
| Address               | Donuimun D-Tower Bldg., 134 Tongil-ro, Jongno-gu, Seoul                             |
| No. of Consolidated   | Total of 60 companies, including 24 major companies                                 |
| No. of Employees      | 27 persons (Including temporary workers)                                            |

(based on DL Holdings)

## Sales

KRW **5** trillion

## Total Assets

KRW **12.1** trillion

2023 Evaluation by Korea Institute of Corporate Governance and Sustainability

**A** Grade

(based on the 2023 consolidated financial statements)

## Construction Sector

## SUSTAINABLE GLOBAL DEVELOPER

## DL E&amp;C, making history in Korean construction

With distinct technical expertise and extensive experience in sectors such as housing, civil engineering, and plants, we extend our offerings beyond Korea to various countries worldwide. As a global developer, we cover the entire process from project discovery, planning, investment, financial procurement, construction, to operation management, enhancing our industrial competitiveness.

## Date of Establishment

**January 4, 2021**

(based on the date of separate registration, through a spin-off of DL Holdings' Construction Business Division)

## Location of Head Office

**134 Tongil-ro (Pyeong-dong),  
Jongno-gu, Seoul**

## Total Assets

**KRW 9.3** trillion

(based on consolidated financial statements of 2023)

## Sales

**KRW 8.0** trillion

(based on consolidated financial statements of 2023)

## The longest-running construction company in Korea

Since **1939**

(founded as Burim Corporation in 1939)

## Selected as One of Korea's Top 100 Companies

**70** in a row

(consecutively selected since 1955  
as the only company of its kind)



Çanakkale Bridge, Türkiye



ACRO Seoul Forest



D-Tower Gwanghwamun



## Petrochemical Sector

## TECHNOLOGY-DRIVEN SPECIALTY COMPANY

## DL Chemical, leading the future of the petrochemical industry with advanced technology

DL Chemical has contributed to the development of the Korean petrochemical industry based on 49 years of petrochemical plant operation experience and proprietary technology. The company boasts a product portfolio that spans from polyolefins to elastomers and biochemicals, underpinned by its vertically integrated business structure. DL Chemical is rapidly transitioning its business structure towards high-value-added specialty areas through mergers and acquisitions to stand as a technology-driven global specialty petrochemical company.

## Date of Establishment

**1975 (Honam Ethylene established)**

(January 1, 2021, through a split-off of DL Holdings' Petrochemical Business Division)

## Location of Head Office

**134 Tongil-ro (Pyeong-dong),  
Jongno-gu, Seoul**

## Total Assets

**KRW 7.6** trillion

(based on consolidated financial statements of 2023)

## Sales

**KRW 4.3** trillion

(based on consolidated financial statements of 2023)

## PB Production Capacity

**World's NO.1**

(based on open market)

## IRL Market for Surgical Gloves

**World's NO.1**



Yeosu Plant



Kraton, USA



Daedeok R&D Center

## Energy Sector

## GLOBAL ENERGY DEVELOPER

DL Energy, possessing capabilities in all areas of power generation, from project development and financing to power plant operation and management

As a global energy developer, DL Energy continues to invest in major power plants in countries such as South Korea, the United States, Australia, and Chile. In alignment with global carbon neutrality efforts, DL Energy is diversifying its power generation portfolio to include renewable energy sources such as hydrogen, solar, and wind power, alongside thermal power. This strategic diversification positions DL Energy to emerge as a leading global energy company.

## Date of Establishment

December 31, 2013

## Location of Head Office

17, 2797beon-gil, Pocheon-ro,  
Changsu-myeon, Pocheon-si,  
Gyeonggi-do

## Total Assets

KRW **1.2** trillion

(based on consolidated financial statements of 2023)

## Operating Revenue

KRW **159.5** billion

(based on consolidated financial statements of 2023)

## Energy Investment Performance

**6.9** GW

Yeosu Hydrogen Fuel Cell Power Plant  
Commences Commercial Operation

Approx **300,000** REC / Year

(from December 1, 2023)



Pocheon CCPP, Korea



Fairview CCPP, USA



Hawa Wind, Pakistan

## Construction Sector

## A BETTER TOMORROW

## DL Construction, creating a better living environment

Based on the management philosophy of 'Creating the Future', 'Respecting Humanity', and 'Building Customer Trust', DL Construction aims to provide high-quality spaces, products, and services to customers and offer comfort and abundance to their lives. We pursue cooperation and mutual growth to uphold our basic principles and promote the development of all, become a leader in national economic and social development, and contribute in improving human welfare and housing stability in local communities.

## Date of Establishment

October 17, 1956

## Location of Head Office

14 Mirae-ro (Guwol-dong),  
Namdong-gu, Incheon

## Total Assets

KRW **2.0** trillion

(based on consolidated financial statements of 2023)

## Sales

KRW **2.4** trillion

(based on consolidated financial statements of 2023)

## Introduction of the first officetel in Korea

**NO.1**

## Construction of the world's largest automotive complex

**274,357** m<sup>2</sup>

(Deutsch Autoworld, Suwon-si, Gyeonggi-do)



e-Pyeonhansang Jije Station, Pyeongtaek-si, Gyeonggi-do



Amore Pacific's distribution center in Gimcheon



Saryangyeondogyo Bridge, Tongyeong-si, Gyeongsangnam-do

## Leisure Sector

## NO1. LIFE STYLE HOTEL BRAND

## GLAD Hotels&amp;Resorts with an expertise of more than 40 years in hotel management

GLAD Hotels & Resorts began with the opening of 'GLAD Yeouido' in 2014, emphasizing practicality and friendly services. Since then, it has expanded its brand lineup with 'GLAD Mapo', 'GLAD Gangnam COEX Center', and others. Additionally, after extensive renovation, the Jeju Grand Hotel was relaunched as 'Maison GLAD Jeju'. Under the slogan 'Every GLAD Moment!', we strive to provide customers with more enjoyable experiences through special moments in everyday life.

## Date of Establishment

June 24, 1977

## Location of Head Office

80 Noyeon-ro, Jeju-si, Jeju-do

## Total Assets

KRW **454.7** billion

(based on consolidated financial statements of 2023)

## Sales

KRW **104.7** billion

(based on consolidated financial statements of 2023)

## 2019~2023 Brand of the Year Award

**5** consecutive years

'Lifestyle Hotel' category (hosted by Customers Council)



GLAD Yeouido



GLAD Gangnam COEX Center



Maison GLAD Jeju

# ESG STRATEGY

# BUSINESS & SUSTAINABILITY

## DL Group's ESG VISION



### ESG Direction of the Holding Company



Globally, various ESG policies are being strengthened with a focus on information disclosure. From a business perspective, ESG management is now considered a core aspect of business sustainability, not just a passing trend.

In response, DL Group is making efforts in various ways to achieve sustainable growth, while DL Holdings strives to fulfill its role as a holding company to accomplish sustainable growth at the group level.

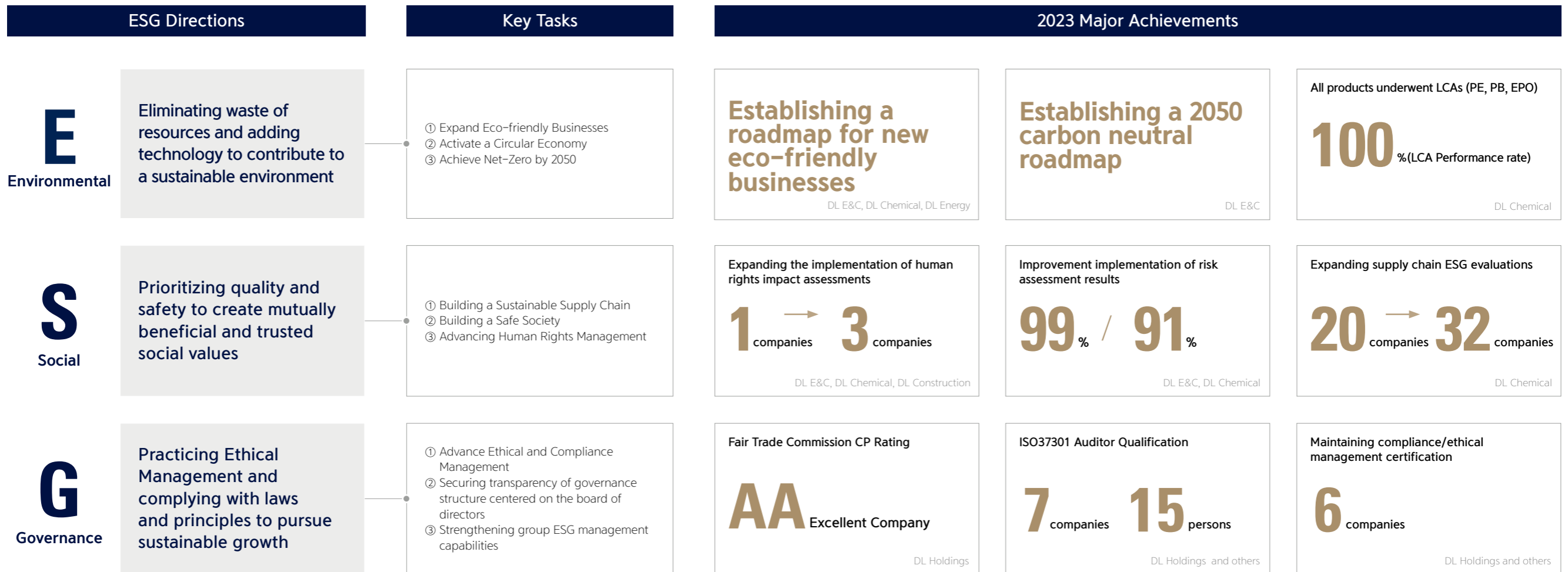
To jointly address major ESG issues such as carbon neutrality and human rights management, we are establishing a group cooperation system led by the holding company. Through this initiative, we aim to enhance the ESG management of our subsidiaries and solidify the foundation for sustainable growth at the group level.

Additionally, we will proactively prepare for consolidated ESG disclosures to actively communicate with stakeholders, including investors, and establish a system for transparent and valuable information disclosure.

# BUSINESS & SUSTAINABILITY

## DL Group's Sustainable Management Strategy

DL has set specific directions and key tasks for each field of Environment (E), Social (S), and Governance (G) to achieve the company's ESG vision of 'A Global Developer Creating a Better Future.' Through the publication of our sustainability report, we transparently disclose major achievements in each ESG field and engage in active communication with our stakeholders.



# OUR APPROACH TO ESG

## Double Materiality Assessment

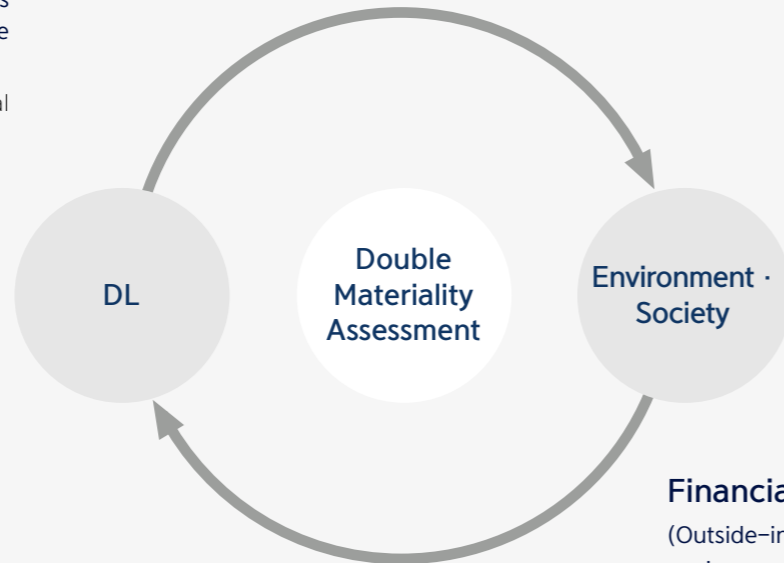
DL Holdings has established an ESG issue pool based on global disclosure requirements (GRI Standards, UN SDGs, SASB, etc.), media coverage, and industry awareness analysis to identify the key issues the company must focus on for sustainable management. We have implemented a double materiality assessment, considering both the impact of our business activities on the environment and society (inside-out perspective) and the impact of sustainability issues on the company's financial and business performance (outside-in perspective).

As the holding company of the DL Group, we have conducted a double materiality assessment across the entire group to comply with recent global disclosure standards, taking into account integrated impacts, risks, and opportunities. By communicating with key stakeholders of our subsidiaries, we have identified four major group-level issues that take priority for action to ensure DL's sustainable capabilities.

### Impact Materiality

(Inside-out) Positive and negative impacts of the company's business activities on the external environment and society

- Linkage with domestic and international ESG standards
  - Consideration of similarities with disclosure requirement indicators
- Stakeholder surveys
  - Internal and external stakeholders (positive/negative)



### Financial Materiality

(Outside-in) Positive and negative impacts of environmental and social factors on the company's financial conditions

- Survey of financial experts at DL Holdings and its subsidiaries
  - Internal stakeholders (positive/negative)
- Stakeholder surveys
  - Internal and external stakeholders (positive/negative)

## Key Points in Identifying Major Issues for the Holding Company

### Bottom-up Approach

Conducting materiality assessments at the subsidiary level and integrating the results



**Comprehensively considering the issues of subsidiaries to identify major issues for the holding company**

### Top-down Approach

Evaluating specific issues at the group level through participation and communication with subsidiaries



# OUR APPROACH TO ESG

## Double Materiality Assessment Results

### Step 1: Identify and Create a Pool of Issues

#### Creation of Issue Pool

- Analyze competitors and similar industries
- Analyze domestic and international laws/regulations
- Analyze domestic and international ESG evaluation indicators
- Analyze global disclosure standards (ESRS, ISSB, GRI, etc.)
- Analyze media coverage (major news outlets and social media, etc.)

Consolidate similar issues

Consider internal importance, urgency of response, etc.

Reflect stakeholder review and feedback

### Identification of Key Issues for DL Group

### Step 2. Conduct Double Materiality Assessment

- Comprehensively consider the impact of the company's business activities on the environment and society, as well as the potential impact of sustainability issues on the company's financial and business performance

### Step 3. Select and Report Key Issues

- As the holding company, select key issues for DL Group by considering the ESG progress and issues of major subsidiaries
- Report the results of issue identification and double materiality assessment to the Board of Directors

### Key Issues for DL Group in 2024

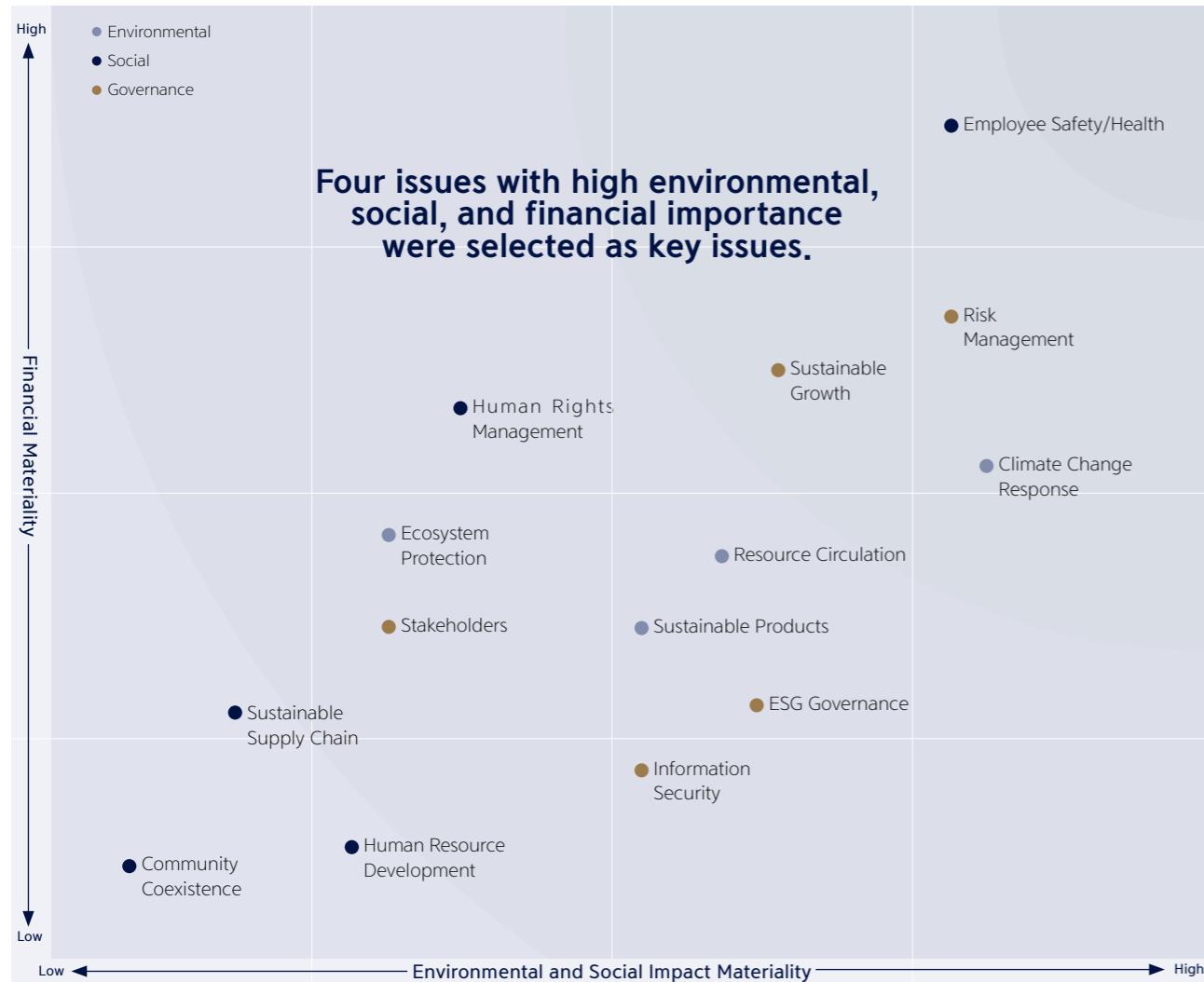
| Environment                |                                                            |
|----------------------------|------------------------------------------------------------|
| Main Categories            | Subcategories                                              |
| 1. Climate Change Response | ① Improving energy consumption efficiency                  |
|                            | ② Reducing greenhouse gas emissions                        |
|                            | ③ Responding to climate change risks & Net Zero strategies |
| 2. Resource Circulation    | ④ Establishing a circular economy system                   |
|                            | ⑤ Managing waste and recycling                             |
| 3. Ecosystem Protection    | ⑥ Minimizing environmental impacts                         |
|                            | ⑦ Managing chemicals                                       |
|                            | ⑧ Preserving and restoring biodiversity                    |
| 4. Sustainable Products    | ⑨ Developing eco-friendly technology                       |
|                            | ⑩ Developing sustainable products (eco-friendly products)  |
|                            | ⑪ Sourcing sustainable raw materials                       |
|                            | ⑫ Managing quality and responsibility                      |

| Social                        |                                                                           |
|-------------------------------|---------------------------------------------------------------------------|
| Main Categories               | Subcategories                                                             |
| 5. Sustainable Supply Chain   | ① Managing supply chain risks                                             |
|                               | ② Strengthening the ESG capabilities of suppliers                         |
| 6. Human Resource Development | ③ Enhancing employee capabilities                                         |
|                               | ④ Talent management and retention                                         |
|                               | ⑤ Promoting labor-management relations                                    |
|                               | ⑥ Enhancing employee satisfaction (welfare, performance evaluation, etc.) |
| 7. Human Rights Management    | ⑦ Prohibiting forced labor and child labor                                |
|                               | ⑧ Internalizing human rights management                                   |
|                               | ⑨ Establishing a human rights risk management system                      |
|                               | ⑩ Promoting diversity and inclusion                                       |
| 8. Employee Safety/Health     | ⑪ Providing industrial safety education and training                      |
|                               | ⑫ Enhancing the industrial safety management system                       |
|                               | ⑬ Conducting industrial safety risk assessment                            |
| 9. Community Coexistence      | ⑭ Investing in social infrastructure and providing support                |
|                               | ⑮ Promoting community engagement and communication                        |
|                               | ⑯ Pursuing socially responsible management                                |

| Governance               |                                                                               |
|--------------------------|-------------------------------------------------------------------------------|
| Main Categories          | Subcategories                                                                 |
| 10. ESG Governance       | ① Promoting ESG governance                                                    |
|                          | ② Enhancing diversity, independence, expertise, and transparency of the board |
| 11. Information Security | ③ Advancing the information protection management system                      |
| 12. Stakeholders         | ④ Encouraging stakeholder participation                                       |
|                          | ⑤ Protecting shareholder rights                                               |
| 13. Risk Management      | ⑥ Managing integrated risks (financial/non-financial)                         |
|                          | ⑦ Strengthening ethical and compliance management                             |
|                          | ⑧ Responding to environmental policies and regulations                        |
| 14. Sustainable Growth   | ⑨ Securing new growth engines                                                 |
|                          | ⑩ Promoting environmental management                                          |
|                          | ⑫ Enhancing the industrial safety management system                           |
|                          | ⑬ Conducting industrial safety risk assessments                               |

# OUR APPROACH TO ESG

## Double Materiality Assessment Results



| Classification | Key Issue                  | Impact Materiality |                 | Financial Materiality |             |
|----------------|----------------------------|--------------------|-----------------|-----------------------|-------------|
|                |                            | Negative Impact    | Positive Impact | Risk                  | Opportunity |
| Environmental  | Climate Change Response    | ■                  | ■               | ■                     | ■           |
|                | Resource Circulation       | ■                  | ■               | ■                     | ■           |
|                | Ecosystem Protection       | ■                  | ■               | ■                     | ■           |
| Social         | Sustainable Products       | ■                  | ■               | ■                     | ■           |
|                | Employee Safety/Health     | ■                  | ■               | ■                     | ■           |
|                | Human Rights Management    | ■                  | ■               | ■                     | ■           |
|                | Sustainable Supply Chain   | ■                  | ■               | ■                     | ■           |
|                | Human Resource Development | ■                  | ■               | ■                     | ■           |
| Governance     | Community Coexistence      | ■                  | ■               | ■                     | ■           |
|                | Risk Management            | ■                  | ■               | ■                     | ■           |
|                | Sustainable Growth         | ■                  | ■               | ■                     | ■           |
|                | ESG Governance             | ■                  | ■               | ■                     | ■           |
|                | Stakeholders               | ■                  | ■               | ■                     | ■           |
|                | Information Security       | ■                  | ■               | ■                     | ■           |

# OUR APPROACH TO ESG

## Materiality Issue Management

| Classification          | Issue Background                                                                                                                                                                                                                                                                                                                                                                                                                         | Opportunity                                                                                                                                                                                                                                                                                                                               | Risk                                                                                                                                                                                                                                                                                                                                            | Our Approach                                                         |                                                                              |                              |                                                      |                                      |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------|------------------------------------------------------|--------------------------------------|
|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                 | DL E&C                                                               | DL Chemical                                                                  | DL Energy                    | DL Construction                                      | GLAD<br>HOTELS & RESORTS             |
| Climate Change Response | <ul style="list-style-type: none"> <li>As the demand for climate change response grows both domestically and internationally, it is essential to address related policies and regulations.</li> <li>Proactive measures are necessary to minimize the risks posed by climate change.</li> <li>Strategies that enhance business competitiveness while considering climate change should be promoted.</li> </ul>                            | <ul style="list-style-type: none"> <li>Enhance the ability to respond to environmental changes by increasing cost efficiency in areas such as procurement and energy consumption.</li> <li>Secure business competitiveness by diversifying energy sources with consideration for climate change.</li> </ul>                               | <ul style="list-style-type: none"> <li>Stricter regulations on greenhouse gas emissions and higher carbon taxes in key business areas</li> <li>Financial losses due to inadequate responses to widespread natural disasters or extreme weather events</li> </ul>                                                                                | P.25<br>P.26<br>P.29<br>P.30<br>P.31<br>P.32<br>P.33<br>P.34         | P.25<br>P.26<br>P.31<br>P.30<br>P.32<br>P.42                                 | P.30<br>P.32                 | P.25<br>P.26<br>P.32<br>P.33                         | P.35                                 |
| Employee Safety/Health  | <ul style="list-style-type: none"> <li>The importance of a safety and health culture has been highlighted by the increasing corporate social responsibility for occupational safety and the introduction of the Serious Accidents Punishment Act.</li> <li>Investment is required to create a safe working environment and to strengthen safety and health management capabilities as key elements of sustainable management.</li> </ul> | <ul style="list-style-type: none"> <li>Promote the advancement of DL Group's industrial safety management system to respond to industrial accident risks.</li> <li>Strengthen the ability to respond to safety and health risks for the group and its suppliers by promoting and internalizing a safety-centered value system.</li> </ul> | <ul style="list-style-type: none"> <li>Expanded scope of response due to the strengthening of regulations on serious accidents</li> <li>Higher safety management costs due to investments in safety equipment and capacity building (training and professional personnel)</li> </ul>                                                            | P.60<br>P.61<br>P.65<br>P.67                                         | P.60<br>P.62<br>P.65<br>P.66                                                 | 1)                           | P.59<br>P.62<br>P.67                                 | P. 49<br>P.63<br>P.64                |
| Risk Management         | <ul style="list-style-type: none"> <li>The importance of an integrated risk management system for financial and non-financial risks has increased with the rise of ESG management.</li> <li>By proactively identifying and preventing potential threats that could negatively impact a company's sustainable growth, the volatility of corporate value can be minimized.</li> </ul>                                                      | <ul style="list-style-type: none"> <li>Establish an integrated management system for financial and non-financial risks to promote global-level ESG management.</li> <li>Enhance ESG standards across the group through strengthened Ethics &amp; Compliance management.</li> </ul>                                                        | <ul style="list-style-type: none"> <li>Growing attention to environmental risks in core businesses (construction and petrochemicals) due to increasing demands for socially responsible management</li> <li>Increased risk of greenwashing in corporate activities due to the expanded scope of mandatory ESG information disclosure</li> </ul> | P.25<br>P.26<br>P.27<br>P.47<br>P.60<br>P.61<br>P.65<br>P.67<br>P.72 | P.25<br>P.26<br>P.27<br>P.41<br>P.60<br>P.62<br>P.65<br>P.66<br>P.71<br>P.73 | P.86<br>P.87<br>P.91<br>P.92 | P.25<br>P.26<br>P.27<br>P.47<br>P.60<br>P.62<br>P.67 | P.63<br>P.64<br>P.87<br>P.91<br>P.92 |
| Sustainable Growth      | <ul style="list-style-type: none"> <li>The transition of the business portfolio is important in line with the 2050 carbon neutrality roadmap.</li> <li>To secure future growth drivers for the sustainable growth of the company, investments in R&amp;D and high value-added products are being promoted.</li> </ul>                                                                                                                    | <ul style="list-style-type: none"> <li>Create new added value and high profits through the development of eco-friendly products.</li> <li>Secure an upper hand in the market through technology development (strengthening R&amp;D capabilities) for sustainable growth.</li> </ul>                                                       | <ul style="list-style-type: none"> <li>Lower competitiveness and attractiveness of key products due to environmental unfriendliness and high carbon emissions</li> <li>Low global growth in core industries (construction and petrochemicals)</li> </ul>                                                                                        | P.30<br>P.33                                                         | P.30<br>P.32<br>P.31<br>P.42                                                 | P.30                         | P.33                                                 | P.35                                 |

1) DL에너지의 주요 관계사인 포천파워, 에코원에너지는 내부 기준에 따라 산업안전관리 추진

# OUR APPROACH TO ESG

## Stakeholder Engagement









DL Holdings identifies employees, shareholders/investors, government/associations, and local communities as key stakeholders who directly or indirectly influence its business activities. The company operates various communication channels to promote cooperation with these stakeholders and enhance trust. It is continuously striving to create sustainable value through responsible and Ethics & Compliance management.

| Classification                 | Employees                                                                                                                                                                                                                                                                                                                                             | Stakeholders/Investors                                                                                                                                                                                                                                                                                                                                                                                        | Government/Associations                                                                                                                                                                                                                                                                                                                                                                                                                                          | Local Communities                                                                                                                                                                            |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Communication Channels</b>  | <ul style="list-style-type: none"> <li>• Labor-Management Council</li> <li>• Grievance Handling System and Reporting System</li> <li>• Management Meetings</li> <li>• Groupware Bulletin Board</li> </ul>                                                                                                                                             | <ul style="list-style-type: none"> <li>• General Meeting of Shareholders</li> <li>• Investor Relation(IR)</li> <li>• Disclosures (Business Report, Corporate Governance Report, Fair Trade Commission Disclosure, etc.)</li> <li>• Information Disclosure on Website</li> </ul>                                                                                                                               | <ul style="list-style-type: none"> <li>• Government Agencies</li> <li>• Policy Meetings/Conferences</li> <li>• Economic Organizations and Associations</li> </ul>                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>• Social Contribution Activities</li> </ul>                                                                                                           |
| <b>Communication Purposes</b>  | <ul style="list-style-type: none"> <li>• Discussion on employee grievances handling and decisions</li> <li>• Prevention of workplace sexual harassment and bullying and response to relevant issues</li> <li>• Communication for improving management performance and organizational culture</li> <li>• Sharing of key company information</li> </ul> | <ul style="list-style-type: none"> <li>• Communication for protecting shareholder rights</li> <li>• Communication on company performance, growth strategy, and shareholder return policy</li> <li>• Disclosure of key management information</li> </ul>                                                                                                                                                       | <ul style="list-style-type: none"> <li>• Communication with information agencies and compliance management operations</li> <li>• Monitoring of policy formulation and revision</li> <li>• Discussion on government policies and monitoring of external environment</li> </ul>                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Fulfillment of corporate social responsibility</li> </ul>                                                                                           |
| <b>Operational Performance</b> | <ul style="list-style-type: none"> <li>• Held once per quarter</li> <li>• No employee grievances reported</li> <li>• Management meetings held as needed</li> </ul>                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Annual general meeting held once, extraordinary general meeting held once</li> <li>• Quarterly IR and NDR (Non-Deal Roadshow) conducted</li> <li>• Disclosures including quarterly reports, business reports, corporate governance reports, and large-scale management consultation, etc.</li> <li>• Website updated as needed for information disclosure</li> </ul> | <ul style="list-style-type: none"> <li>• Consultations with government agencies such as the Fair Trade Commission</li> <li>• Meetings on improving fair trade systems</li> <li>• Meetings on responsible investment by public pension funds</li> <li>• Attendance at major economic organization seminars and forums</li> <li>• Participation in major association activities (Korea Listed Companies Association, Korea Fair Competition Federation)</li> </ul> | <ul style="list-style-type: none"> <li>• Plogging campaigns and various activities</li> </ul>                                                                                                |
| <b>Key Areas of Interest</b>   | <ul style="list-style-type: none"> <li>• Employee welfare and capacity building</li> <li>• Corporate organizational culture and guidelines</li> <li>• Protection of human rights</li> <li>• Fair evaluation and compensation</li> </ul>                                                                                                               | <ul style="list-style-type: none"> <li>• Sharing of company news and disclosure information</li> <li>• Establishment of shareholder return policies to enhance shareholder value</li> <li>• Governance and business status</li> <li>• Sharing of board decisions</li> <li>• Sharing of financial information and financial stability</li> </ul>                                                               | <ul style="list-style-type: none"> <li>• Sharing of information on legal amendment issues</li> <li>• Sharing of information on ESG management, including safety and health, and compliance management</li> <li>• Sharing of economic and industrial issues</li> </ul>                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>• Fulfillment of responsibilities for local environmental improvement</li> <li>• Participation in community social contribution activities</li> </ul> |

# OUR APPROACH TO ESG

## UN SDGs

DL Holdings is committed to implementing the Sustainable Development Goals (SDGs), the major common goals of the international community.

| UN SDGs                                                                                                                                                                                                                              | Goal Targets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | SDGs in Action                                                             | UN SDGs                                                                                                                                                                                                                                                                                                       | Goal Targets                                                                                                                                                                                                             | SDGs in Action                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| <p><b>Goal 3.</b><br/>Ensure healthy lives and promote well-being for all at all ages</p>                                                           | <p>3.6. Halve the number of global deaths and injuries from road traffic accidents</p> <p>3.9. Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>P.37, P.38<br/>P.40, P.41<br/>P.62, P.63<br/>P.64, P.66<br/>P.67</p>    | <p><b>Goal 10.</b><br/>Reduce inequalities within and among countries</p>                                                                                                                                                  | <p>10.3. Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard</p> | <p>P.45<br/>P.46<br/>P.69<br/>P.70<br/>P.72<br/>P.73<br/>P.75</p> |
| <p><b>Goal 5.</b><br/>Achieve gender equality and empower all women and girls</p>                                                                   | <p>5.4. Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate</p>                                                                                                                                                                                                                                                                                                                                                                                                 | <p>P.45, P.46<br/>P.54, P.57<br/>P.47, P.48<br/>P.56, P.58</p>             | <p><b>Goal 11.</b><br/>Make cities and human settlements inclusive, safe, resilient and sustainable</p>                                                                                                                    | <p>11.6. Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</p>                                                 | <p>P.37<br/>P.38<br/>P.39<br/>P.40<br/>P.41</p>                   |
| <p><b>Goal 7.</b><br/>Ensure access to affordable, reliable, sustainable, and modern energy for all</p>                                            | <p>7.3. Double the global rate of improvement in energy efficiency</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>P.29<br/>P.30<br/>P.31<br/>P.32<br/>P.33<br/>P.34<br/>P.35</p>          | <p><b>Goal 12.</b><br/>Ensure sustainable consumption and production patterns</p>                                                                                                                                         | <p>12.2. Achieve the sustainable management and efficient use of natural resources</p> <p>12.5. Substantially reduce waste generation through prevention, reduction, recycling and reuse</p>                             | <p>P.39<br/>P.40</p>                                              |
| <p><b>Goal 8.</b><br/>Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all</p>  | <p>8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>8.4. Improve progressively global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation</p> <p>8.5. Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> | <p>P.42<br/>P.45<br/>P.46<br/>P.47<br/>P.69<br/>P.70<br/>P.74<br/>P.75</p> | <p><b>Goal 15.</b><br/>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>  | <p>15.4. Ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development</p>                         | <p>P.31<br/>P.37<br/>P.39<br/>P.58</p>                            |

# ESG PERFORMANCE

## ENVIRONMENTAL

- 24 Environmental Management
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- 36 Environmental Impact Management

## SOCIAL

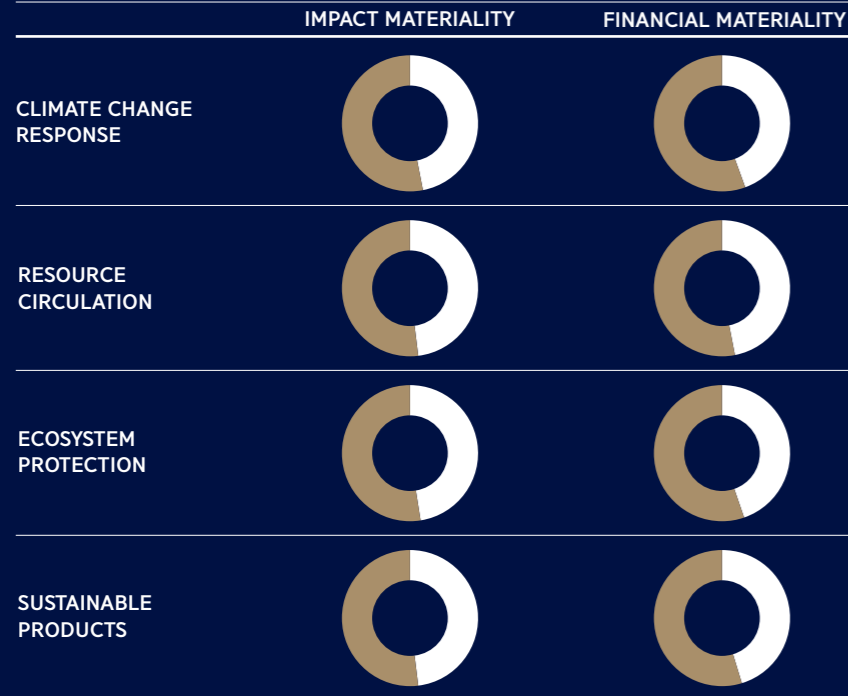
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# ENVIRONMENTAL

## TOPIC MATERIALITY



### IMPACT MATERIALITY

- NEGATIVE IMPACTS
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### FINANCIAL MATERIALITY

- RISKS
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Environmental Impact Management

# Environmental Management

**We prioritize achieving carbon neutrality by 2050 and contributing to environmental sustainability in all our business activities.**

Each DL subsidiary has developed an environmental management policy tailored to its specific business operations. These policies include setting clear targets for environmental protection, safety, and health. We continuously endeavor to meet these targets through close monitoring, efficient system operations, and proactive risk management.

## Key Achievements in 2023

### Environmental Management System

(ISO 14001 maintenance & renewal)

DL E&C, DL Chemical, DL Construction

### Eshment of Environmental Management KPI

DL E&C, DL Chemical, DL Construction

### Eco-friendly Investment

KRW 10.1 Billion

(30% increase compared to the previous year)

DL E&C, DL Chemical, DL Construction



### DL Group's Goals

DL's environmental management operates in accordance with global standards. Through regular inspections, internal audits, and key management indicators from its subsidiaries, DL continuously seeks to enhance the effectiveness and efficiency of its environmental management system.



# Environmental Management

## Environmental Management System

### Environmental Management Policy

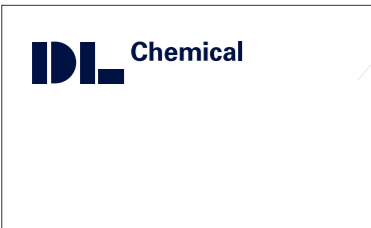
- DL is committed to contributing to a sustainable environment by pursuing carbon neutrality by 2050 and prioritizing environmental protection.
- The environmental management policy covers workplace management, product and service development, waste management, and climate change response, detailing the activities required to fulfill the company's social responsibility for environmental stewardship.

### Environmental Management Policies by Subsidiary



- DL E&C implements the following policy to achieve 'Sustainable Green Construction' guided by the corporate philosophy of 'Creating a better life and Planning boundless growth and development'

DLE&C Environmental Management Policy



- DL Chemical prioritizes the environment as a core value in its business activities, striving to establish and implement environmental protection policies across all operations. The company enhances ESG management by promoting the use of eco-friendly materials and technologies.

DL Chemical HSE & Q Management Policy



- Based on the corporate philosophy of 'Creating a better life and Planning boundless growth and development', DL Construction has established the "Sustainable Green Living Partner" initiative.

DL Construction Environmental Management Policy

### Environmental Management System

- DL strives to minimize negative environmental impacts and risks that may arise throughout its business activities and continuously strengthens its environmental management to systematically manage these environmental factors.
- To continuously renew and maintain ISO 14001 international standard certification, comprehensive monitoring and management are being implemented.

### DL Environmental Management System

| Certification | Main Subsidiaries |                       |                      |
|---------------|-------------------|-----------------------|----------------------|
|               | DL E&C            | DL Chemical           | DL Construction      |
| ISO 14001     | First Acquired    | 1997.11               | 1996.12              |
|               | Validity Period   | 2023.10.01.~2026.9.30 | 2024.5.14~2027.5.14  |
|               |                   |                       | 2022.03.19~2025.3.18 |



DL E&C certificate



DL Chemical certificate



DL Construction certificate

# Environmental Management

## Environmental Management Indicators and Targets

- In addition to promoting company-wide environmental safety and health management, DL has established and is pursuing performance indicators and targets that reflect the specific characteristics of each business site to achieve the 2050 Net-Zero goal.
- Considering the environmental impact of its core businesses in construction and petrochemicals, the company has set indicators related to energy, greenhouse gases, and waste, and annually assesses and monitors progress toward these targets.

### Environmental Management Indicators and Targets

| Classification                                          | Indicators                          | Unit                                                                                | 2022                | 2023      | 2030(Target)                             |                                                            |
|---------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------|---------------------|-----------|------------------------------------------|------------------------------------------------------------|
| DL E&C                                                  | Water usage                         | Ton / KRW 100 Million                                                               | 14.77               | 11.28     | 11                                       |                                                            |
|                                                         | Waste recycling rate                | %                                                                                   | 99.95               | 99.83     | over 99.9%                               |                                                            |
|                                                         | Energy consumption                  | TJ                                                                                  | 1,211               | 1,183     | -                                        |                                                            |
|                                                         | Greenhouse gas emissions            | Scope 1                                                                             | tCO <sub>2</sub> eq | 23,579    | 24,377                                   | Reducing more than 40% <sup>1)</sup><br>(compared to 2018) |
|                                                         |                                     | Scope 2                                                                             | tCO <sub>2</sub> eq | 40,949    | 38,614                                   |                                                            |
|                                                         |                                     | Scope 3                                                                             | tCO <sub>2</sub> eq | 4,088,257 | 4,117,769                                |                                                            |
| Environmental investment plan/performance <sup>2)</sup> | case                                | 0                                                                                   | 0                   | 0         |                                          |                                                            |
| DL Construction                                         | Environmental law violation details | Greenhouse gas emissions compared to 2020(tCO <sub>2</sub> eq) / Energy consumption | -                   | -         | 40% reduction(2040 target) <sup>3)</sup> |                                                            |
|                                                         | Waste recycling ratio               | %                                                                                   | 99.96               | 99.95     | over 99.9%                               |                                                            |
|                                                         | Waste recycling ratio               | %                                                                                   | 19.60               | 29.56     | over 30%                                 |                                                            |
| DL Chemical <sup>2)</sup>                               | Greenhouse gas intensity            | tCO <sub>2</sub> -eq/MT                                                             | 0.311               | 0.310     | 0.246                                    |                                                            |
|                                                         | Energy intensity                    | GJ/MT                                                                               | 6,080               | 5,975     | 4,811                                    |                                                            |
|                                                         | Waste intensity                     | KG/MT                                                                               | 16,212              | 9,565     | 12,827                                   |                                                            |

1) DL E&C has re-established its carbon neutrality target for 2024 based on 2023 data, resulting in a different baseline year (2023 target: based on 2018).

2) The relevant indicator for DL Chemical pertains to the unit performance at the Yeosu plant.

3) Transactions of \$10,000 USD or more (approximately 12 million KRW).

4) DL Construction has disclosed in its sustainability report a 15% reduction target for 2023 and a 40% reduction target for 2040.

## Environmental Investment Performance

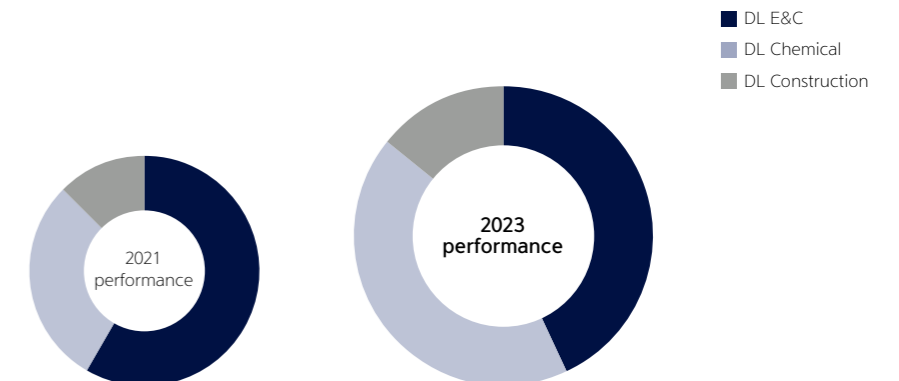
- DL has consistently invested in facility and technology upgrades to enhance workplace environments, minimize environmental impact, and ensure employee safety.
- By focusing on initiatives such as reducing pollutants and improving energy efficiency, DL aims to prevent environmental pollution and maintain a safe and pleasant workplace.

### Environmental Investment Performance

(unit : KRW Million)

| Classification                 | DL E&C |       |       | DL Chemical |       |       | DL Construction |      |       |
|--------------------------------|--------|-------|-------|-------------|-------|-------|-----------------|------|-------|
|                                | 2021   | 2022  | 2023  | 2021        | 2022  | 2023  | 2021            | 2022 | 2023  |
| R&D Costs <sup>4)</sup>        | 461    | 687   | 741   | 329         | 2,237 | 4,120 | -               | -    | 0     |
| Environmental Management Costs | 2,473  | 2,774 | 3,481 | 869         | 254   | 225   | 695             | 951  | 1,510 |

**KRW 10.1 billion (2023)**  
(an increase of KRW 5.3 billion compared to 2021)



4) DL E&C: calculated as research and development costs; DL Chemical: calculated as investment costs in pollution control facilities and discharge facilities

# Environmental Management

## Environmental Risk Management

- DL manages environmental risks across its entire business process by implementing and certifying an environmental management system.
- Each subsidiary analyzes evolving environmental and safety & health regulations to ensure the sustainable management of its core businesses. They also conduct periodic on-site inspections and take corrective actions based on risk assessments.

### On-site Environmental Risk Management

|                          | Classification                    | DL E&C               | DL Chemical           | DL Construction |
|--------------------------|-----------------------------------|----------------------|-----------------------|-----------------|
| Environmental Department | Internal Audits                   | At least once a year | Once a year           | Once a year     |
|                          | Regular Inspections               | At least once a week | At least once a month | Once a month    |
| External Consulting      | On-site Environmental Inspections | N/A                  | Once a year           | Once a quarter  |

### Risk Assessment Process



- Identify Environmental and Safety & Health Risk Factors

- Use Appropriate Risk Assessment Techniques
- Identify Risk Levels and Develop Reduction Measures

## Environmental Education for Employees and Suppliers

- We conduct regular monitoring to ensure strict compliance with environmental regulations and offer both online and offline education to prevent environmental accidents.
- The educational programs are organized into specific areas, including waste reduction and recycling, water resources conservation, greenhouse gases and energy reduction, and biodiversity protection.

### Status of Environmental Education at Headquarters and On-site

| Classification                                                  | Unit                                    | DL E&C |        | DL Chemical <sup>2)</sup> |       | DL Energy <sup>3)</sup> |      | GLAD H&R |        |
|-----------------------------------------------------------------|-----------------------------------------|--------|--------|---------------------------|-------|-------------------------|------|----------|--------|
|                                                                 |                                         | 2022   | 2023   | 2022                      | 2023  | 2022                    | 2023 | 2022     | 2023   |
| Headquarters <sup>1)</sup><br>(Environmental Education)         | Hours of education                      | 1,454  | 2,592  | -                         | 381   | -                       | -    | 2,040    | 2,088  |
|                                                                 | No. of participating employees          | 1,426  | 1,948  | -                         | 87    | -                       | -    | 85       | 87     |
|                                                                 | Hours of education per employee         | 1.0    | 1.3    | -                         | 4.4   | -                       | -    | 24.0     | 24.0   |
| On-site <sup>1)</sup><br>(Environmental Education and Training) | Hours of education and training         | 38,989 | 44,904 | -                         | 2,037 | 168                     | 272  | 24,320   | 26,592 |
|                                                                 | No. of participating employees          | 2,787  | 3,052  | -                         | 302   | 84                      | 90   | 305      | 283    |
|                                                                 | No. of participating supplier employees | 27,398 | 20,729 | -                         | 203   | 2                       | 6    | 712      | 840    |
|                                                                 | Hours of education per employee         | 1.3    | 1.9    | -                         | 4.0   | 2.0                     | 2.8  | 23.9     | 24.0   |

1)Includes education and training for safety management.  
 2)Starting in 2023, DL Chemical has been separately managing data related to environmental education.  
 3)The three-year data for Pocheon Power and the 2023 aggregated data for Eco-One Energy were calculated based on on-site data, including education and training for safety management.  
 \* DL Construction currently manages training hours and participating employees as cumulative figures and plans to disclose them after enhancing the data calculation system in the future.

# Climate Change Response

We will contribute to fulfilling our corporate social responsibility by promoting group-level initiatives to address the climate change.

DL aims to actively respond to the global climate crisis by pursuing Net Zero by 2050. We are working to minimize the environmental impact of each business through various initiatives, including energy transition and efficiency improvements, as well as shifting to a low-carbon business portfolio, to drive carbon reduction efforts across the company.

## Key Achievements in 2023

Establishment of Roadmap to Achieve Carbon Neutrality by 2050

DL E&C

Establishment of Roadmap for Eco-friendly New Businesses

DL E&C DL Chemical, DL Energy

Enhanced Energy Management System

DL E&C



### DL Group's Goal

DL aims to achieve global carbon neutrality and strengthen the company's sustainability capabilities by establishing mid- to long-term strategies for the 2050 Net Zero while identifying and responding to climate change risks and opportunities.

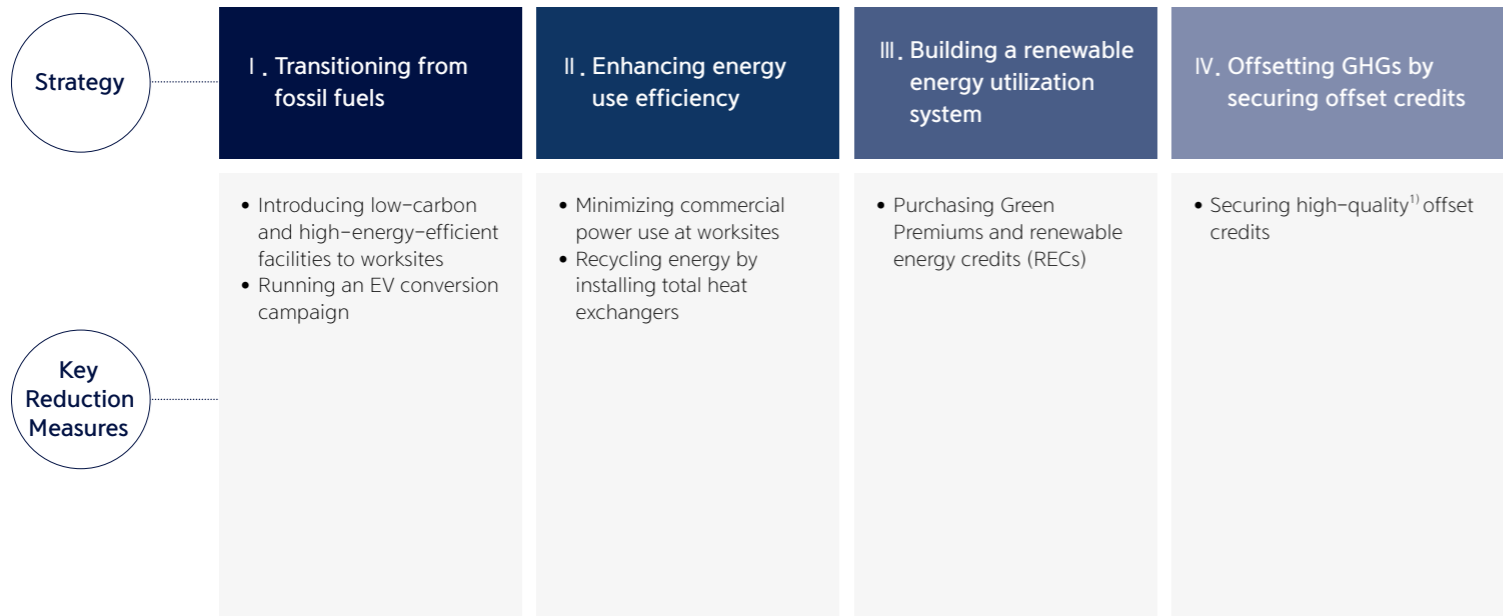
# Climate Change Response

## Carbon Neutrality

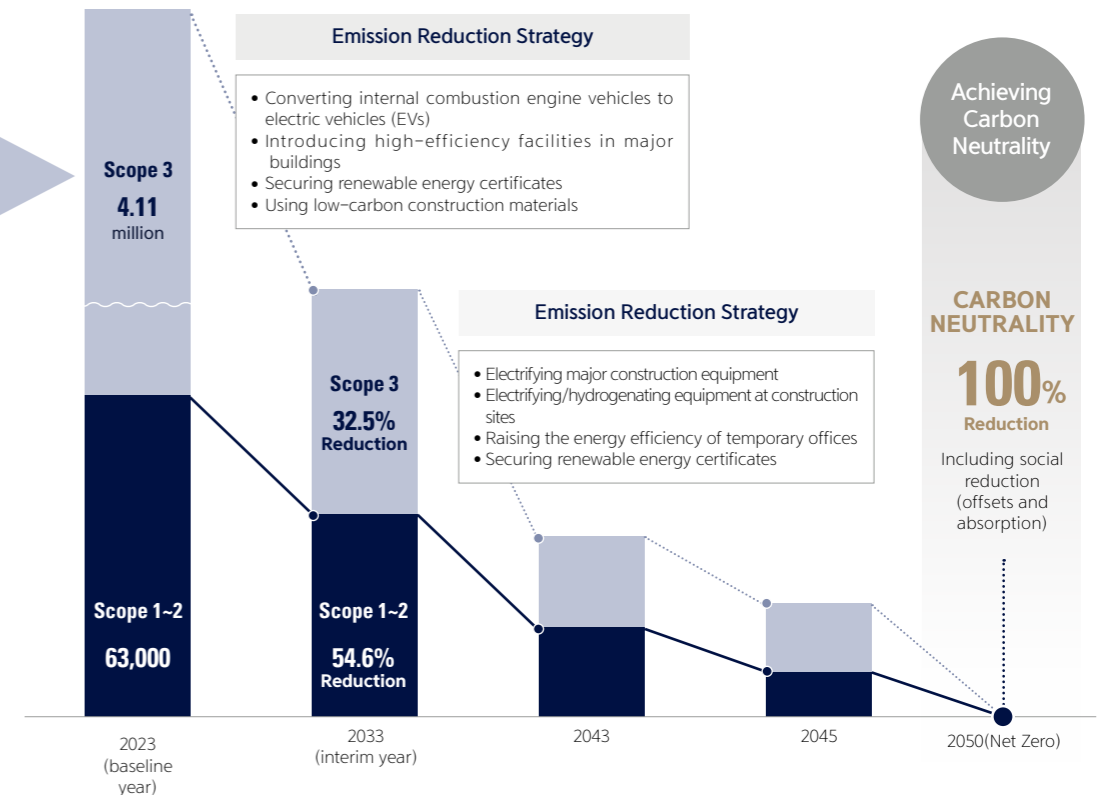
### Climate Change Response Strategy

- DL recognizes climate change as a critical issue that impacts all aspects of its business activities. To address this, DL has declared its commitment to achieving Net Zero by 2050.
- To achieve this goal in phases, DL has developed and is implementing climate change response strategies and action plans for each subsidiary. The company is also working to minimize the environmental impact of its core businesses, such as construction and petrochemicals, while transitioning its portfolio toward low-carbon new businesses.

### DL E&C | Roadmap to Achieve Carbon Neutrality



### Pathway to Achieve Net Zero Goals

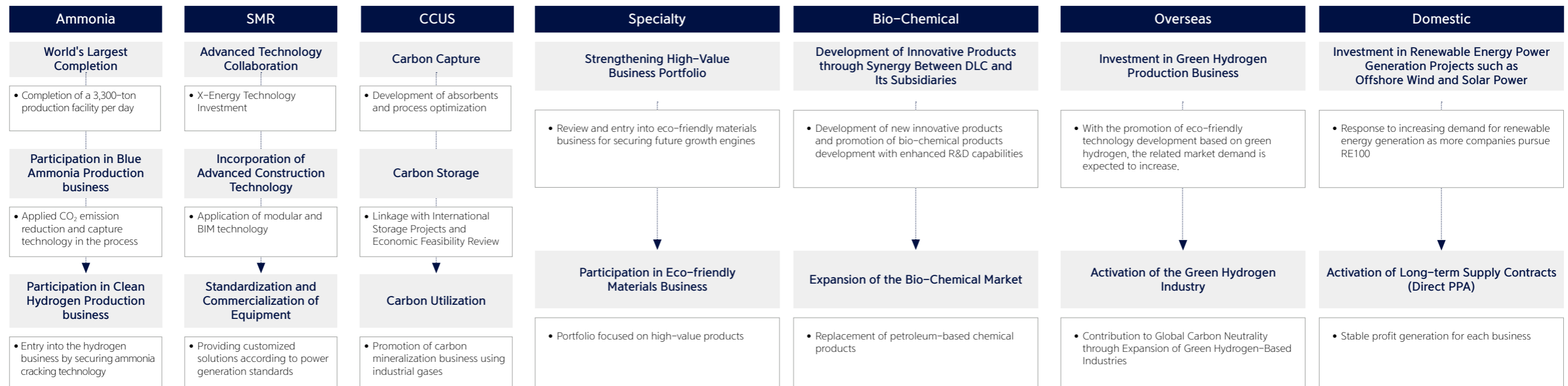


1) Offset credits that are recognized in global initiatives, such as afforestation and carbon capture, utilization, and storage (CCUS).

# Climate Change Response

## Carbon Neutrality

DL mid- to long-term new business portfolio



# Climate Change Response

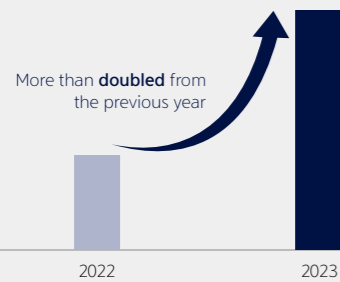
**SPECIAL CASE**

## DL Chemical

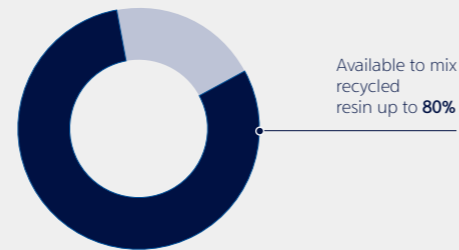
### R&D Promotion for Recycled Products

- We are implementing development of recycled plastic products and solutions to reduce environmental impact on raw material & end-of-life stage
- The developed recycled product acquired GRS (International Recycling Standard), a global eco-friendly certification in 2022 and has been continuously updated since then.
- We make various attempts to expand applications, such as upcycling wallets that mix artificial leather with recycled vinyl and cosmetic tube containers.

#### Sales of Recycled Products



#### Recycled resin mixing ratio



Applied to cosmetics packaging



Applied to purse upcycling

### GRS (Global Recycling Standard) Certificate



# Climate Change Response

## Plan to Achieve Net Zero by 2050

### Direct CO<sub>2</sub> reduction through energy efficiency improvements or the introduction of new technologies at facilities

- DL is committed to minimizing greenhouse gas emissions by improving energy efficiency, adopting carbon reduction technologies, and developing eco-friendly, low-carbon products.
- Construction<sup>1)</sup>** Minimizing greenhouse gases generated during construction by reducing the transportation distance of construction raw materials and lowering on-site energy use
- Petrochemical<sup>2)</sup>** At the Yeosu Plant, selecting greenhouse gas/energy intensity as key environmental management indicators, and implementing mid to long-term reduction plans in collaboration with dedicated teams at the headquarters and field offices

### Group-Wide Outcome: Introduction of Low-Emission Vehicles

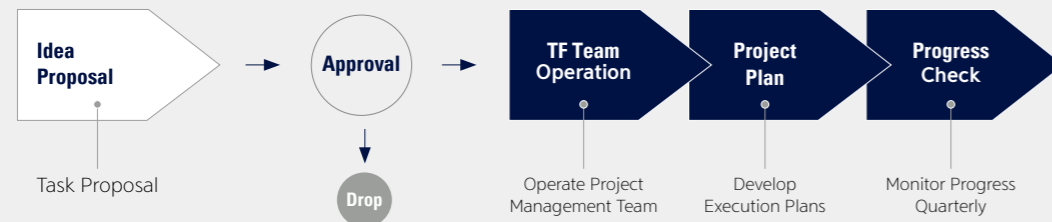
| Action Plan    | DL E&C                                                                       | DL Chemical                                                                                                                                                                                            | DL Construction                                                              | DL Energy                                                             |
|----------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Goal           | By 2030, achieve 100% conversion of corporate vehicles to electric vehicles. | By 2030, achieve 100% conversion of corporate vehicles to electric vehicles.                                                                                                                           | By 2030, achieve 100% conversion of corporate vehicles to electric vehicles. | Corporate vehicles with expired leases will be replaced sequentially. |
| Current Status | As of the end of 2023, 33 hybrid vehicles are in operation.                  | <ul style="list-style-type: none"> <li>As of the end of 2023, 6 hybrid vehicles are in operation (42 in total).</li> <li>As of May 2024, 12 hybrid vehicles are in operation (34 in total).</li> </ul> | As of the end of 2023, 7 low-emission vehicles are in operation.             | As of the first half of 2024, 75% of the goal has been achieved.      |

### SPECIAL CASE

#### DL Chemical

### Synergy Projects with Subsidiaries (Kraton, Cariflex)

- Expanding product portfolio and pursuing new business opportunities through the integration of technologies and products held by each company
- Quarterly meetings in 2023 to review tasks



### Indirect CO<sub>2</sub> reduction by switching to renewable energy sources and converting external resources to low-carbon alternatives

- In alignment with the 2050 Net Zero initiative, each subsidiary is developing a phased reduction strategy tailored to its specific business characteristics.
- Construction** Supporting and evaluating the ESG management of subsidiaries to reduce greenhouse gases generated in the supply chain
- Petrochemical** Exploring the possibility of producing renewable energy, such as solar power, independently.
- Investment<sup>3)</sup>** Promoting domestic offshore wind and solar energy projects, along with overseas green hydrogen development projects

### Encouragement of Supplier ESG Activities

| Action Plan         | DL Chemical                                                                 | DL Construction                                                                                                                                                                                                         |
|---------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Supplier Evaluation | Conduct an annual ESG assessment of the supply chain.                       | Conduct a sustainability assessment of suppliers (26 suppliers were evaluated in 2023).                                                                                                                                 |
| Direction           | Include 'Environmental and Chemical Management' in the evaluation criteria. | <ul style="list-style-type: none"> <li>Include 'Pollution Prevention and Resource Conservation' in the Supplier Code of Conduct.</li> <li>Begin evaluating 'Proactive Response to Climate Change' from 2023.</li> </ul> |

- 1) Construction : activities and achievements of DL E&C and DL Construction  
 2) Petrochemical: activities and achievements of DL Chemical  
 3) Investment: activities and achievements of DL Energy

### SPECIAL CASE

#### DL Energy

### Completion and Start of Commercial Operation of Yeosu Hydrogen Fuel Cell Power Plant in November 2023

- Expected to produce approx. 300,000 RECs annually (20-year operation period, approx. KRW 18 billion per year).
- Contract finalized with REC purchasers in March 2024 (for the entire 20-year operation period).





# Climate Change Response

## SPECIAL CASE

### DL E&C, DL Construction | Eco-friendly Architecture

#### Increasing Energy Efficiency in Building Operations (Zero-Energy Building)

##### Solar Energy Optimized Automated Design

- Maximize in solar power generation through software that automatically designs the arrangement and angles of solar power panels by analyzing external factors such as region, directions, and insulation

##### High-Efficiency Heat Exchange System

- Development of a high-efficiency heat exchange system to minimize energy consumption within the household
- A heat exchanger system that minimizes residents' energy costs by improving heat exchange efficiency by at least 15% and electric power consumption efficiency by at least 30% compared to conventional heat exchangers

##### Demand Compensational Control System

- Development of a demand compensational control system to minimize wasted energy through the optimal energy supply tailored to actual usage
- According to our test results, heating energy was reduced by approximately 18% compared to existing systems, and the process of obtaining Green Technology Certification is underway.

#### Green Construction Certification(LEED, Green Standard for Energy and Environmental Design, etc.)

- The Green Construction Certification System evaluates the entire life cycle of a building, including the materials, production, design, and construction required for the building's creation, as well as maintenance after completion and disposal at the end of its life.
- This system assesses and certifies the building's environmental friendliness across eight areas: land use and transportation, energy and environmental pollution, materials and resources, water cycle management, maintenance, ecological environment, indoor environment, and innovative design.
- **completion** Multiple projects, such as Gamil Eco & e-Pyunhansesang, Acro Seoul Forest, and Nokbeon Station e-Pyunhansesang, have achieved the highest grade (Green Grade 1) in Green construction Certification.
- **Under construction** Projects, such as e-Pyunhansesang Geomdan Well County, Dongtan Lake Park Nature & e-Pyunhansesang, and Goyang Seongsu Facilities Complex, have also obtained preliminary certification for the highest grade in Green Building Certification (final certification expected upon completion)

#### Energy Reduction

- DL has planned campaigns for voluntary greenhouse gases and energy reduction by each subsidiary to raise environmental awareness and encourage practices among all employees.
- The use of personal heating and cooling devices is discouraged, and daily energy saving practices are promoted, such as turning off lights in unused areas, maintaining appropriate office temperatures, and minimizing elevator use, to internalize environmental protection.

#### Zero Paper Cup Campaign

- Each subsidiary is running a campaign to reduce the use of disposable paper cups, restricting the purchase and use of paper cups within the company, and encouraging the use of personal tumblers.

#### Public Transportation Campaign

- As part of its efforts to address climate change, DL has been running a public transportation campaign since 2023 to raise environmental awareness among employees.
- The campaign is promoted three times a month to encourage employees to participate in eco-friendly initiatives in their daily lives.



Public Transportation Campaign



Tumbler Promotion Campaign

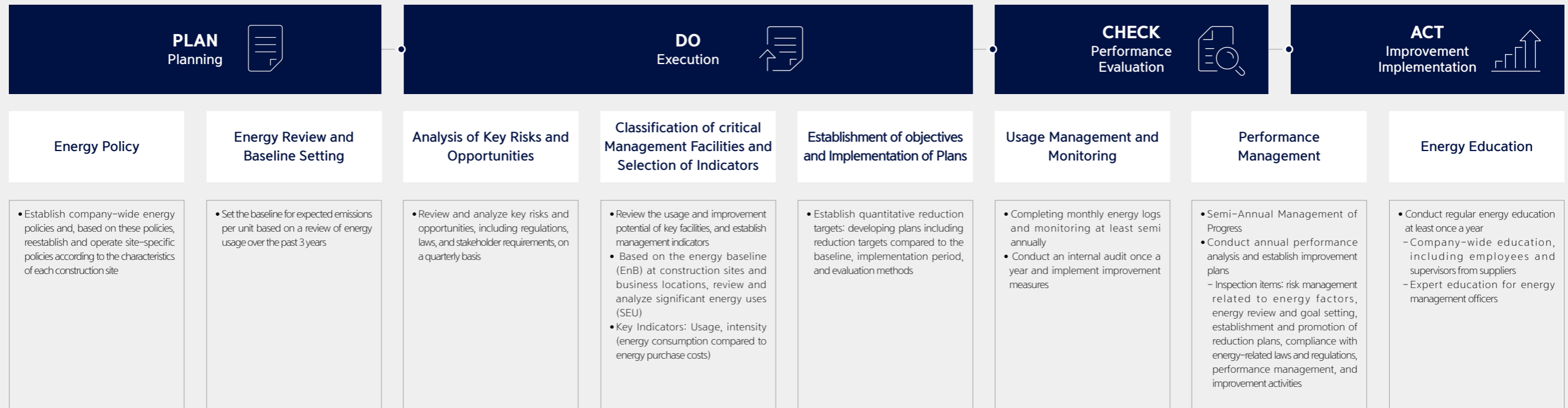
# Climate Change Response

## SPECIAL CASE

### DL E&C

- Targeted energy management and performance improvements have been pursued to achieve carbon neutrality.
- An energy management system based on ISO 5001 has been in operation since 2021, and the advancement of this system across all business activities has been promoted in accordance with the PDCA (Plan-Do-Check-Act) principle.
  - Energy-related matters in business operations are reviewed and executed through the energy management system, with the validity of these reviews confirmed through internal audits.

## Energy Management and Improvement Process



# Climate Change Response

## SPECIAL CASE

### GLAD H&R

- In GLAD Yeouido and GLAD Gangnam COEX Center the lighting in non-guestroom areas has been replaced with high-efficiency LEDs, and water-saving taps in bathroom sinks and micro-spray showerheads in shower rooms have been installed to reduce energy waste.
- We strive to maximize operational efficiency and minimize gas waste by periodically inspecting the GHP (Gas Engine Heat Pump), the main heat source facility in guest rooms at Glad Yeouido, and provide employee training to minimize heating and cooling energy in employee offices outside guest rooms.

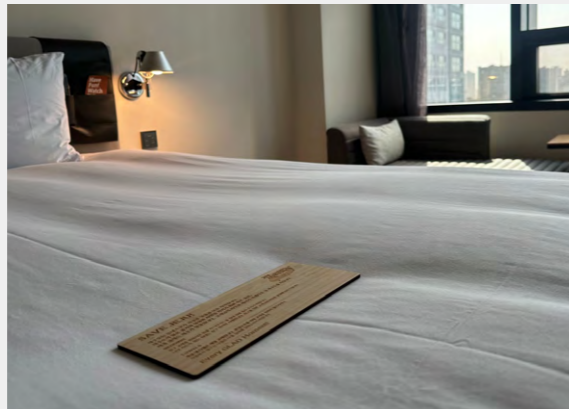
## Example of Customer Engagement Campaign to Reduce Energy Use

### Encouraging Water Conservation in Guestrooms

- To promote water conservation in guest rooms, a wooden card with the phrase 'SAVE EARTH' is placed on the bed linens. Guests are instructed to place the card on the bed or towels only when they wish to have them laundered.

### Less Disposable Products and More Eco-Friendly Products

- To help customers reduce the use of disposable products in guestrooms, basic amenities are not provided. Instead, customers are encouraged to purchase eco-friendly products, such as bamboo toothbrushes and solid toothpaste, as part of our 'Save Earth Save JEJU Campaign'.



Save Earth Save Jeju Campaign



Eco-friendly Amenities (such as bamboo toothbrush, solid toothpaste, etc.)

A wooden card with the 'SAVE EARTH' message and a cloth encouraging towel reuse

# Environmental Impact Management

DL's key objective for sustainable growth is to minimize its environmental impact.

To promote sustainable environmental management, we strive to minimize the impact on the environment, focusing on the management of air quality, noise, water resources, waste, and biodiversity. Each of DL's subsidiaries has established management targets and indicators for each sector and is making a systematic effort to achieve them.

## Key Achievements in 2023

Waste Recycling: 99.9%

(3-year average)

LCA implementation rate 100%

Life cycle assessment implementation  
(all PE and EPO products)

Investment in Pollutant Reduction and Recovery Facilities: KRW 4.1 Billion

(KRW 1.9 billion increased from the previous year)

DL E&C

DL Chemical

DL Chemical



### DL Group's Goal

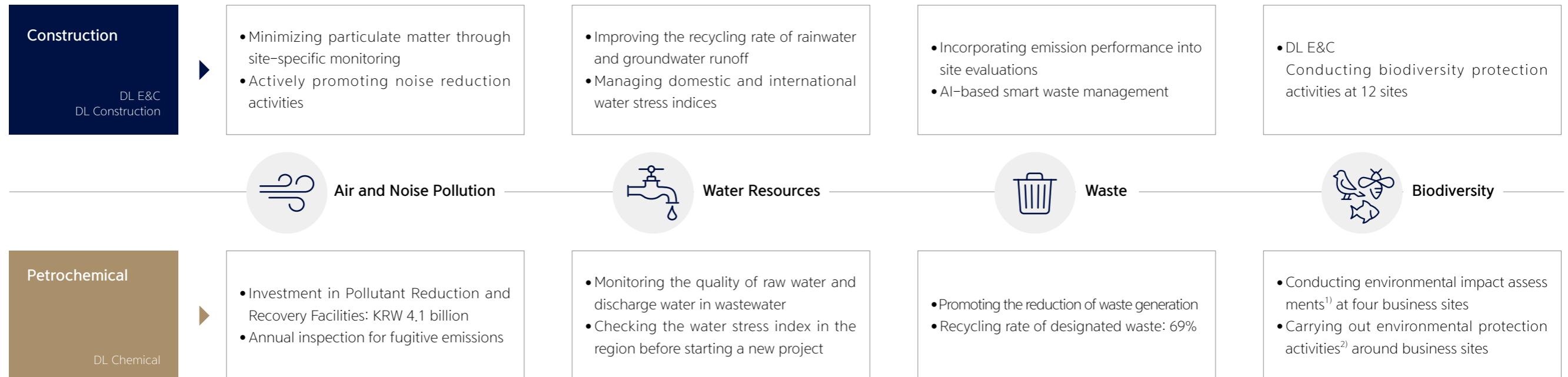
To ensure sustainable management and growth, we are continuously reducing the environmental impact of our core businesses. We comprehensively analyze and assess related environmental resources to fulfill our corporate social responsibility.

# Environmental Impact Management

## Minimization of Environmental Impact

- DL manages goals and indicators by sector to ensure the sustainability of its business and minimize its environmental impact.
- **Construction** Incorporating industry characteristics into the management guidelines and monitoring systems at each site to minimize negative environmental impacts
- **Petrochemical** Investing in pollutant reduction facilities, maintaining and repairing them, and managing risks through periodic monitoring to minimize environmental impact

## 2023 Major Environmental Activities by Area



1) Conducting an environmental impact assessment every three years according to the Environmental Impact Assessment Act

2) Promoting company-wide eco-plogging activities

# Environmental Impact Management

## Air and Noise Pollution

- To minimize the emission of air pollutants and noise pollution generated by its business activities, DL invests in reduction facilities and promotes the inspection and monitoring of key indicators.
- Internal management guidelines have been established and implemented to comply with environmental regulations and the requirements of stakeholders.

## Noise Management Process

### Preliminary Site Investigation



- Surroundings: Investigating the status of buildings around the site (e.g., commercial buildings, apartments), the number of floors, and the number of households

### On-site Noise Risk Assessment



- Conducting 3D simulations with CAD drawings using a noise simulation program by assigning equipment, noise values for each piece of equipment, and work locations according to the details of each work section
- Utilizing in-house developed noise risk assessment tools, such as NOISE MAP (analyzing regulation standards for surrounding noise), to identify and manage high-risk noise areas

### Noise Management Planning



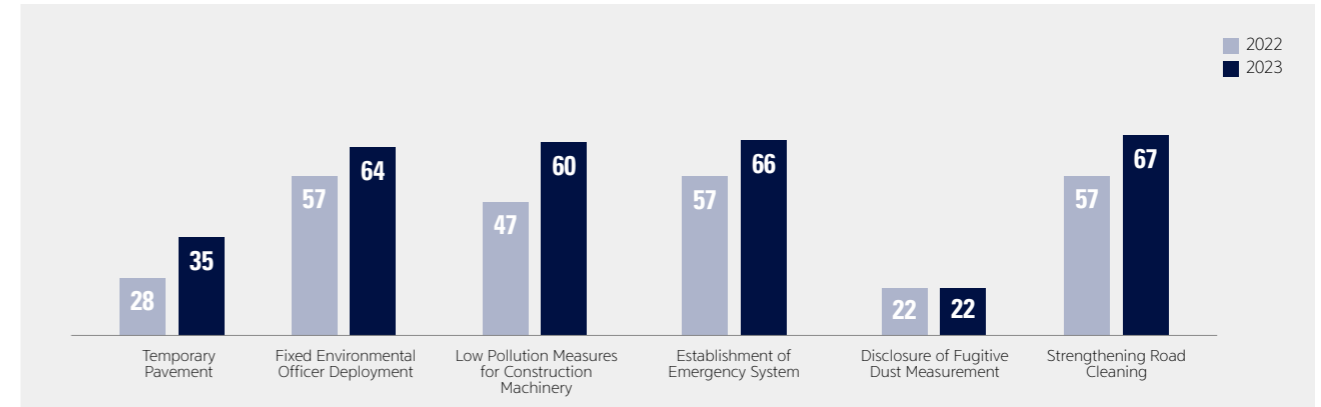
- Developing an on-site noise management plan, including the installation and operation of noise reduction equipment, the application of low-noise construction methods, and the implementation of noise monitoring measures

### Real-time Monitoring



- Periodically measuring noise using fixed and mobile noise meters
- Revising the noise management plan and adjusting construction activities if noise levels exceed the established standards

## DL E&C | Strengthening Implementation of the Voluntary Agreement for Fine Dust Reduction



## DL E&C | Efforts to Reduce Particulate Matter



Installing particulate matter and hazardous substance status boards



Operating wheel washing facilities



Utilizing dust collection equipment



Using high-pressure water spray equipment



Greening embankment slopes



Installing protective barriers

# Environmental Impact Management

## Water Resources

- DL has been promoting process optimization considering resource circulation, such as reducing water intake and wastewater discharge and increasing water recycling rates.
- Water pollutants generated at each business site are strictly managed to prevent any leakage.

### DL Chemical | Water Quality Management

- Effluent generated in the product manufacturing process is physically and chemically treated to prevent the external leakage of any water pollutants that exceed regulatory standards.
- The final treated water from the wastewater treatment plant (pH, TOC, SS) is measured daily to strictly comply with legal standards.
- A pH meter is installed at the final outlet, and non-point source pollution within the plant is managed to continuously monitor the quality of the discharged water.



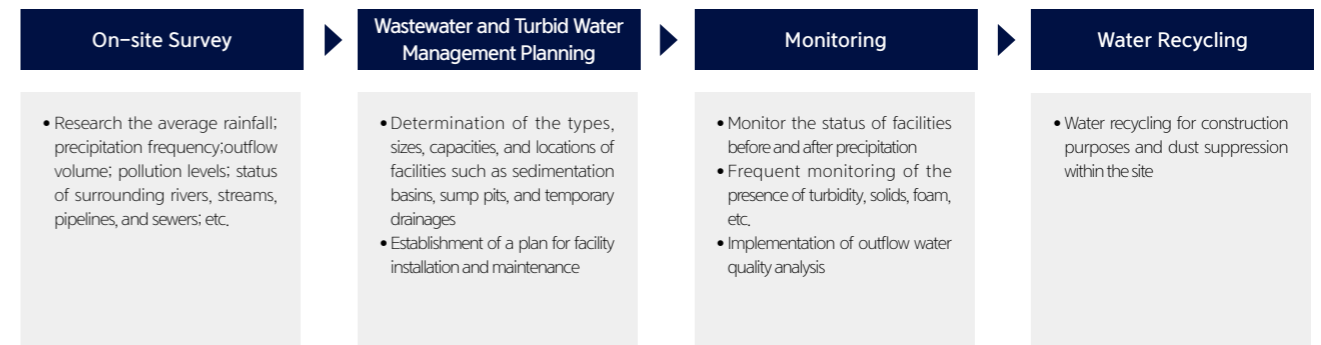
### Water Pollutant Discharges

| Classification           |                  | Unit | 2022  | 2023   |
|--------------------------|------------------|------|-------|--------|
| BOD                      | Concentration    | mg/L | 61    | 18     |
|                          | Discharge Amount | kg   | 7,365 | 4,451  |
| TOC<br>(COD before 2022) | Concentration    | mg/L | 57    | 62     |
|                          | Discharge Amount | kg   | 6,869 | 15,269 |
| SS                       | Concentration    | mg/L | 33    | 39     |
|                          | Discharge Amount | kg   | 3,920 | 9,507  |
| TN                       | Concentration    | mg/L | 40    | 37     |
|                          | Discharge Amount | kg   | 4,866 | 9,116  |
| TP                       | Concentration    | mg/L | 0.15  | 0.14   |
|                          | Discharge Amount | kg   | 18    | 34     |

### DL E&C | Reduction of Water Intake

- Water intake has been continuously reduced by utilizing rainwater and leaked groundwater within the site.
  - Once a certain level of quality is assured, the water is recycled for construction purposes and dust suppression.
  - The on-site operational standards for wastewater discharge facilities are more stringent than legal requirements.
- The water stress indices in countries where our construction projects are underway are carefully measured and managed.

### Water Management Process



### Water Stress Level of Major Construction Projects

| Country     | 2023 Sales Proportion | Water Stress Level <sup>1)</sup> |
|-------------|-----------------------|----------------------------------|
| South Korea | 77.25                 | Medium-High                      |
| Russia      | 10.29                 | Low-Medium                       |
| Singapore   | 4.29                  | Low                              |
| the US      | 3.14                  | Low                              |

1) Low(<10%), Low-Medium(10~20%) Medium-High(20~40%), High(40~80%), Extremely High(>80%)

# Environmental Impact Management

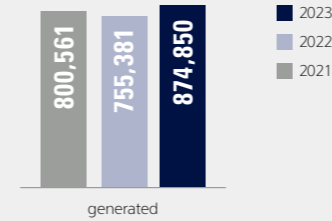
## Waste

- DL recognizes waste reduction as a key factor in promoting a resource circulation economy and thus encourages continuous reduction efforts.
- By efficiently utilizing raw materials, the company aims to establish a resource circulation economic system to secure sustainable growth momentum.
  - The goal is to minimize the negative environmental impacts arising from business activities through improved recycling rates and waste reduction.

## Resource Circulation Economic System



## Waste Management Status



Construction Sector  
Recycling rate over the past three years

average **99.93%**

Petrochemical Sector  
Recycling rate over the past three years

average **54.33%**

### Total Waste generated<sup>1)</sup>

| Classification   | Unit | 2021    | 2022    | 2023    |
|------------------|------|---------|---------|---------|
| General waste    | ton  | 799,895 | 754,607 | 874,034 |
| Designated Waste | ton  | 666     | 774     | 823     |
| Total            | ton  | 800,561 | 755,381 | 874,857 |

### (Construction Sector) Waste generated and Recycling Rates

| Classification   | Unit | DL E&C  |         |         | DL Construction |        |        |
|------------------|------|---------|---------|---------|-----------------|--------|--------|
|                  |      | 2021    | 2022    | 2023    | 2021            | 2022   | 2023   |
| General waste    | ton  | 650,835 | 648,548 | 768,296 | 142,736         | 94,088 | 98,492 |
| Designated Waste | ton  | 35      | 73      | 107     | 53              | 20     | 49     |
| Total            | ton  | 650,870 | 648,621 | 768,403 | 142,789         | 94,108 | 98,541 |
| Recycling Rates  | %    | 99.84   | 99.95   | 99.93   | 99.96           | 99.96  | 99.95  |

### (Petrochemical Sector) Waste generated and Recycling Rates

| Subcategories    | Unit | DL Chemical |                     |       |
|------------------|------|-------------|---------------------|-------|
|                  |      | 2021        | 2022                | 2023  |
| General waste    | ton  | 5,381       | 10,797              | 6,045 |
| Designated Waste | ton  | 578         | 663                 | 638   |
| Total            | ton  | 5,959       | 11,460              | 6,683 |
| Recycling Rates  | %    | 44.39       | 64.57 <sup>2)</sup> | 54.03 |

1) Total waste discharged by DL E&C, DL Chemical, DL Energy, DL Construction, and Glad H&R  
2) A significant increase in construction waste that is being recycled entirely due to construction work, etc.



# Environmental Impact Management

## SPECIAL CASE

### DL Chemical

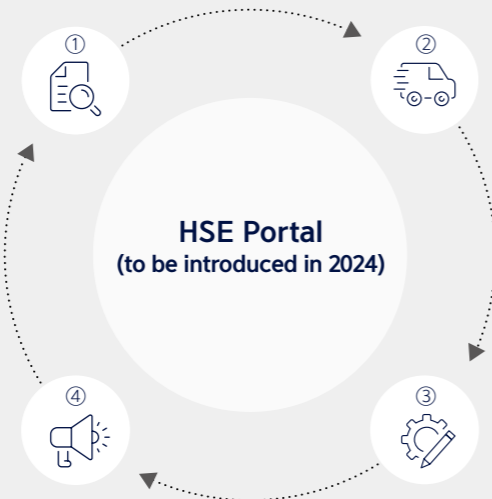
#### Strengthening Management of Hazardous Chemicals

- To manage and minimize the legal risks associated with the use of chemicals, the company complies with the Chemical Substances Control Act and the Act on Registration and Evaluation of Chemical Substances (K-REACH) and conducts regular monitoring.
- Hazardous chemicals handled at the workplace are reported to the Ministry of Environment and periodically notified to the local community for transparent disclosure. Regular HSE audits are conducted to enhance the management system.
- Potential accidents that may occur during the handling of hazardous chemicals are anticipated, and impact assessments are conducted for different scenarios. Regular training and education are carried out for prevention and response.
- The HSE Portal is operated to register and manage all chemicals, monitor legal regulations, manage changes, and apply a pre-purchase review process for thorough chemical management (to be introduced in 2024).

#### Chemical Management System

##### 1. Pre-assessment

- A purchase review is conducted to identify applicable legal regulations before introducing new chemicals.
- When introducing new chemicals, safety assessments are conducted through change management and the Change Management Committee.
- A chemical hazard assessment is conducted, and corrective actions are taken.



##### 4. Reporting/Notification

- Confirmation of chemical substance manufacturing and importation
- Registration of chemical substances
- Statistical survey of chemical substances
- Investigation of chemical substance emission and transfer
- Reporting of hazardous chemical performance

##### 2. Warehousing/transportation management

- Compliance with handling standards for unloading, receiving, and transporting (with the supervision of the hazardous chemicals manager or designated personnel)
- Establishment of LDAR (Leak Detection and Repair) and management of fugitive emissions
- Self-inspection and internal audit of hazardous chemical handling facilities
- Completion of mandatory education (e.g., safety training for hazardous chemicals managers/handling personnel/workers)
- Implementation of activities to reduce chemical emissions

##### 3. Delivery/disposal management

- Preparation of a daily hazardous chemicals handling logbook
- Routine inspection of transport vehicles and driver training
- Compliance with hazardous chemical handling standards and wearing of protective equipment
- Implementation and inspection of the chemical accident prevention plan

#### Chemical Substance Usage and Discharge

unit : ton

|                           |      |         |
|---------------------------|------|---------|
| Hazardous chemical use    | 2023 | 187,387 |
|                           | 2022 | 254,314 |
| Chemical discharge (PRTR) | 2023 | 57      |
|                           | 2022 | 61      |

#### Emergency Training and Education for Hazardous Chemical Leaks and Spills

- Establishment and operation of an emergency response system to prevent and effectively respond to environmental and chemical accidents
- Provision of mandatory employee education including safety training for workers, understanding of safe chemical handling methods and regulations, and instruction on evacuation procedures and the use of protective equipment
- Development and implementation of an emergency response training plan to enhance emergency response capabilities (once a year)



# Environmental Impact Management

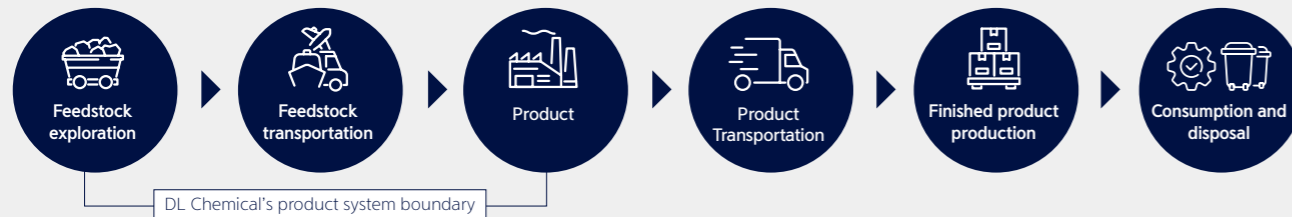
**SPECIAL CASE**

## DL Chemical

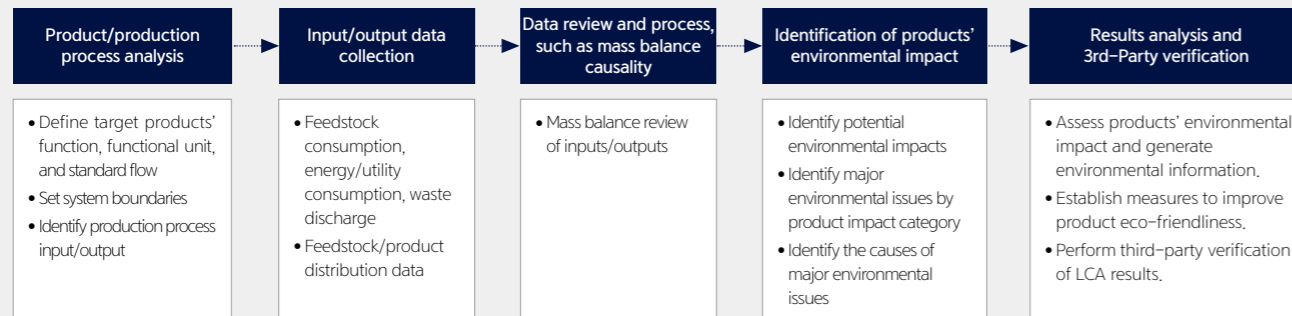
### Minimization of Products' Environmental Impact

- To reduce the environmental impact that may arise from the production and use of products, we conduct an environmental impact assessment, from feedstock exploration to the production phase, based on international standards (ISO 14040, 14044, 14067).
- DL Chemical measures products' environmental impact throughout the production process based on input, output, and transportation data related to the 10 major environmental impact categories.
- All PE and EPO products undergo a Life-Cycle Assessment (LCA) and third-party verification (PB products were assessed in 2022).
- We communicate transparently with stakeholders by providing product carbon emission information to customers pursuing carbon neutrality.
- LCA results are updated periodically (3-year cycle).
- To reduce the environmental burden of our products, we are expanding R&D into the use of bio feedstock and the production of low-energy, eco-friendly products.

### Life Cycle Assessment for Petrochemical Products



### LCA Process

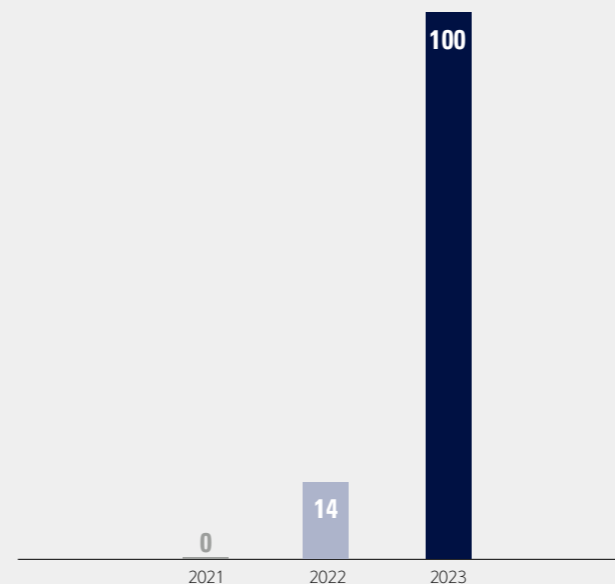


### LCA Performance

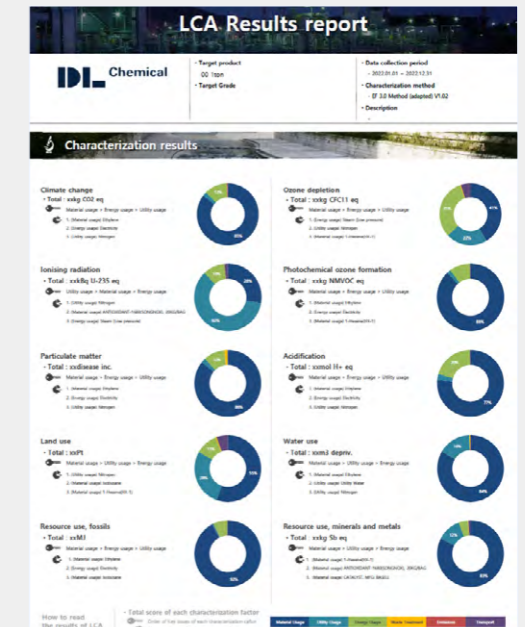
| Classification | Unit        | No. of Assessments and Verifications |
|----------------|-------------|--------------------------------------|
| PE             | HDPE        | 25                                   |
|                | LLDPE       | 54                                   |
| PB             | C-PB        | 9                                    |
|                | HRPB        | 5                                    |
| EPO            |             | 6                                    |
| <b>total</b>   | <b>case</b> | <b>99</b>                            |

### LCA Performance Rates

(Unit: %)

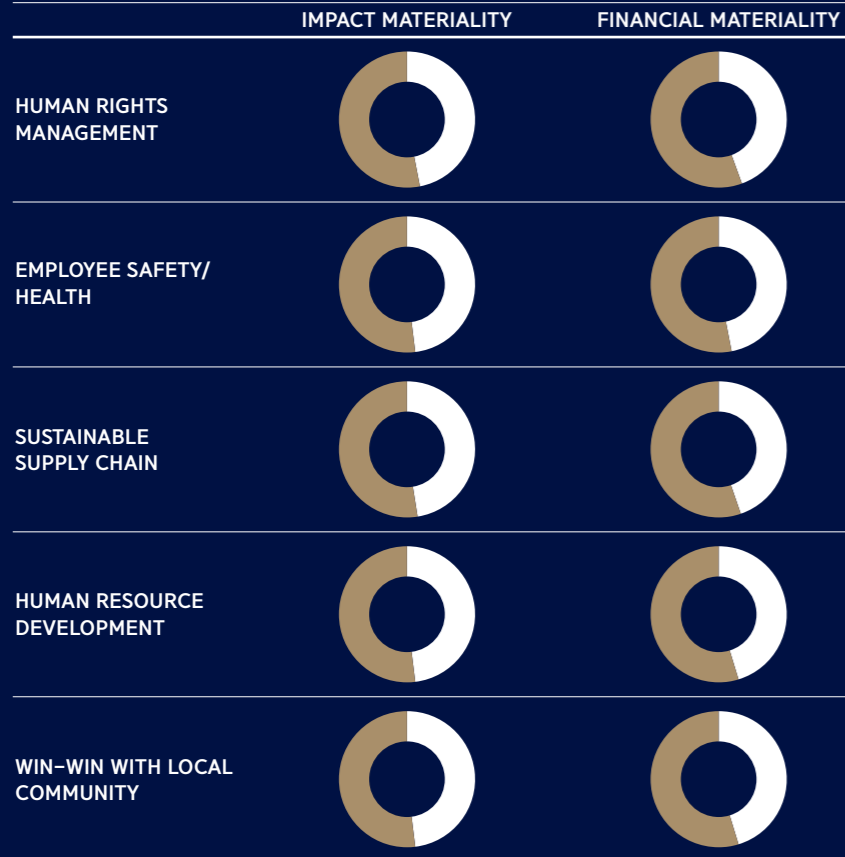


### An LCA Report



# SOCIAL

## TOPIC MATERIALITY



### IMPACT MATERIALITY

- NEGATIVE IMPACT
- POSITIVE IMPACT

### FINANCIAL MATERIALITY

- RISK FACTOR
- OPPORTUNITY FACTOR

44

Human Rights Management

50

Organizational Culture

59

Occupational Safety and Health Management

68

Supply Chain Management

# Human Rights Management

Through human rights management, DL prevents relevant risks and contributes to enhancing corporate trust and value.

Respecting the human rights of all our members, DL established a human rights management policy that reflects international standards and guidelines and encourages compliance with it. Human rights impact assessments are conducted annually at our business sites and suppliers, and we strive to prevent risks related to human rights through mitigation of all identified risks.

## Key Achievements in 2023

### Expansion of Human Rights Impact Assessment

(DL Chemical, DL Construction added, compared to previous year)

DL E&C, DL Construction, DL Chemical

### Increased Number of Workplaces Conducting Human Rights Inspection

(86% → 88%)

DL E&C



### DL Group's Goal

As human rights are fundamental rights given to all individuals, DL is committed to establishing policies and systems that ensure mutual respect and trust among all members of our workplaces and suppliers without any prejudice or discrimination.

# Human Rights Management

## Human Rights Management Policy

- DL has established and is operating a human rights management policy tailored to the industries of our subsidiaries to present appropriate behaviors and value judgments that all employees and suppliers must adhere to in their business activities.
- We support the international standards and guidelines related to human rights and labor, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Organization Constitution, and the OECD Due Diligence Guidance, and comply with the human rights laws and regulations of the countries in which our business sites are located.
- The scope of application of our human rights management policy includes our employees (executives, regular employees, and non-regular workers), domestic and international subsidiaries and branches, as well as the employees of our suppliers.

## Human Rights Management System

### 1. Enactment and Declaration of the Human Rights Charter

- Established behavior and value judgment standards that all employees must comply with and publicly disclosed details on company website

### 2. Establishment and implementation of the Human Rights Management System

- Established and implemented execution systems tailored to the business characteristics of each subsidiary

### 3. Human Rights Risk Inspection and Evaluation

- Conducted human rights impact assessments and due diligence for the headquarters and supply chain

### 4. Support for Human Rights Risk Improvement

- Established and implemented improvement measures for identified human rights risks
- Conducted periodic monitoring to prevent risks and avoid recurrence

### 5. Disclosure of Human Rights Management Implementation Status

- Disclosed status through each company's sustainability report, company website, etc.

## Operation of Anti-Discrimination and Harassment Policies

- DL implements an employment policy free from discrimination based on gender, age, nationality, marital status, health condition, or political orientation.
- To protect the human rights of our employees, DL has established policies to prevent sexual harassment and bullying in the workplace, along with activities to prevent any form of misconduct, forced labor, child labor, or rights violations within the work environment.
- Through periodic human rights status surveys and visits or inspections on sites showing signs of potential human rights issues, we strive to preemptively address workplace bullying problems.

## DL Construction | Human Rights Charter

### Chapter 1: Purpose of Establishing the Human Rights Charter

DL Construction, rooted in the spirit of ethical management, pursues principled and just management practices that aim for the sustainable growth and development of the company. At the same time, the company seeks to prevent and preemptively address any potential human rights violations that may arise in the course of business. In line with these commitments, this Human Rights Charter is established and declared.

DL Construction is committed to supporting human rights and labor-related standards and guidelines, such as the Constitution of the Republic of Korea, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labor Organization Constitution, and the OECD Due Diligence Guidance for Responsible Business Conduct, to ensure the implementation of human rights management.

### Chapter 2: Scope of Application of the Human Rights Charter

This Human Rights Charter applies to all employees of DL Construction, including executives, staff, and non-regular workers, as well as employees of domestic and international subsidiaries, branches, and partner companies. DL Construction employees are also encouraged to ensure that all stakeholders in business relationships respect this Human Rights Charter. However, if any provisions of this Charter conflict with local laws, the local laws shall take precedence. The Human Rights Charter may be revised to reflect the legal requirements and industry characteristics of each respective country, and if necessary, separate detailed policies may be established. Except where special provisions exist in the local laws, organizational bylaws, or internal regulations, all DL Construction employees shall carry out their duties in accordance with this Human Rights Charter.

### Chapter 3: Guidelines for Practicing Human Rights Management

#### Article 1 (Prohibition of Discrimination)

DL Construction does not tolerate discrimination against any employee in all business activities on the basis of gender, race, nationality, religion, age, physical condition, or social status without reasonable cause. The company is dedicated to fostering an organizational culture that respects and embraces diversity.

#### Article 2 (Compliance with Working Conditions)

DL Construction adheres to the legal working hours of each country in which it operates and ensures fair compensation for all employees, accompanied by a detailed payslip. Furthermore, the company provides ample educational opportunities and a work environment conducive to performing duties, aiming to enhance the capabilities and quality of life of all employees.

#### Article 3 (Humane Treatment)

DL Construction respects the privacy of all employees and rigorously protects personal information. The company does not tolerate any form of mental or physical coercion, abuse, or unfair treatment.

#### Article 4 (Freedom of Association and Collective Bargaining)

DL Construction respects the labor laws of the countries where this Human Rights Charter applies and ensures that all employees are provided with ample opportunities for communication.

#### Article 5 (Prohibition of Forced Labor and Child Labor)

DL Construction prohibits any form of forced labor, including acts of violence, confinement, threats, or human trafficking, against any employee. The company adheres to the minimum employment age standards as defined by the laws of the countries and regions where it operates, and only provides employment opportunities if such employment is not illegal under local laws. Additionally, DL Construction encourages that employment does not limit educational opportunities for those employed.

#### Article 6 (Guarantee of Industrial Safety)

DL Construction regularly inspects the facilities, equipment, and tools at its workplaces (including construction sites) to ensure that all employees can work in a safe environment. The company takes appropriate measures and provides support for preventing physical and mental risks and for managing incidents post-occurrence. Moreover, DL Construction promptly provides appropriate compensation or other remedies for accidents or illnesses occurring in the workplace.

#### Article 7 (Responsible Supply Chain Management)

DL Construction recommends that its key suppliers and partners adhere to obligations related to the protection of human rights. If necessary, the company takes appropriate measures to ensure the implementation of human rights management among suppliers and partners.

#### Article 8 (Protection of Customer Rights)

All activities of DL Construction employees must ensure that they do not pose a threat to the life, health, or property of customers. Marketing activities must not involve exaggeration or misleading customers. Additionally, DL Construction respects customer privacy to the fullest extent and takes all necessary measures to protect personal information collected and stored through business activities.

#### Article 9 (Protection of Local Community Rights)

All DL Construction employees must take care to ensure that the rights of local community members are not violated during business activities. The company particularly respects and protects the rights of local residents concerning life, safety and health, and freedom of residence.

# Human Rights Management

## Identification and Improvement of Human Rights Management Risk

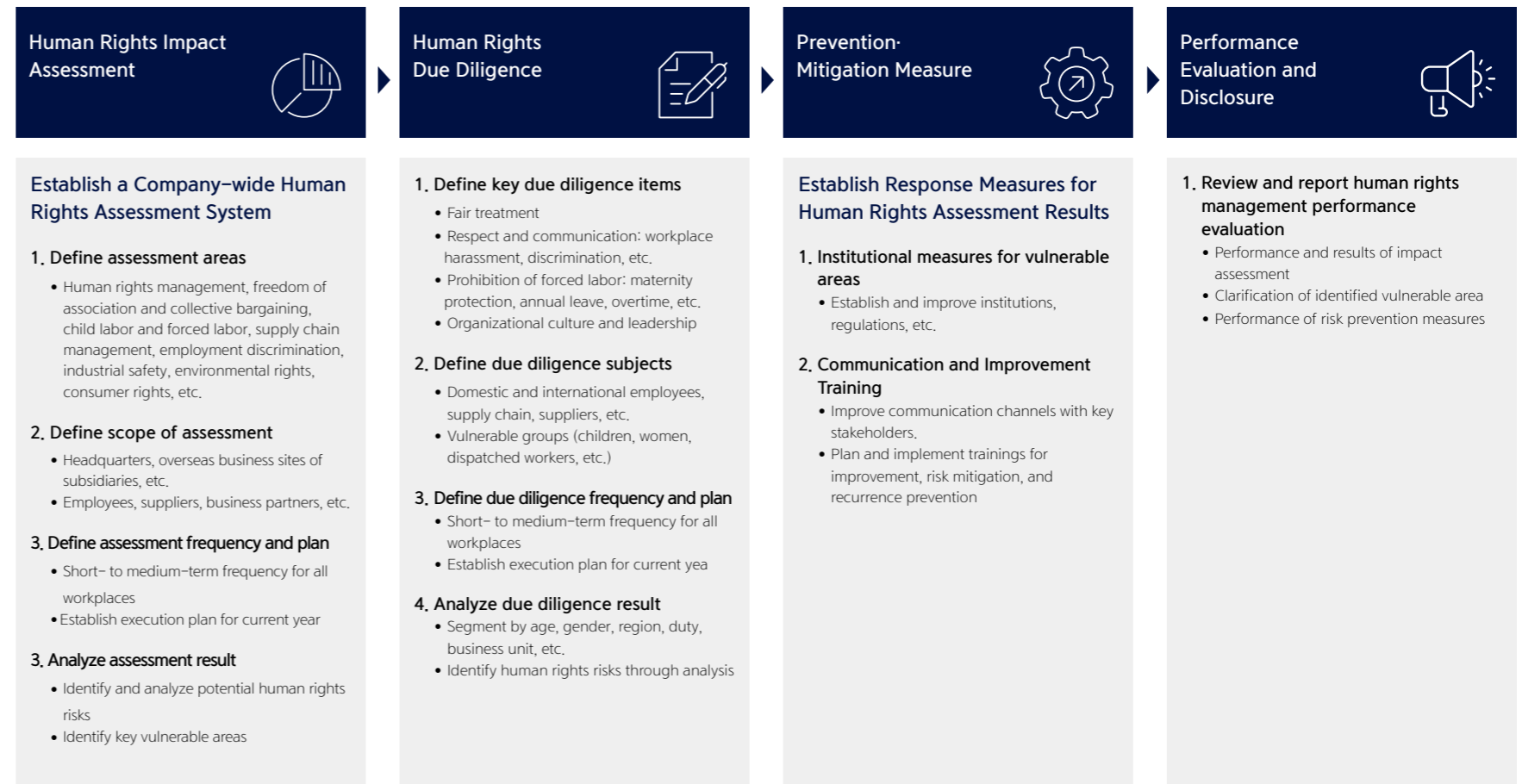
- DL ensures that all employees, subsidiaries and suppliers adhere to our Human Rights Charter. We identify human rights risks and carry out relevant improvement processes on a regular basis.
- For risks identified through the human rights impact assessment, improvement processes are immediately established and implemented, followed by continuous monitoring activities to confirm the improvement results.

### DL E&C | Human Rights Management Promotion System

- DL E&C has established a human rights management system to prevent human rights risks across all business sites including our headquarters, and established the human rights policy to ensure that human rights violations do not occur among employees, suppliers and other stakeholders.
- To realize comprehensive human rights management, human rights impact assessments are conducted to identify potential issues across all business locations. Improvement tasks and implementation results are reported to the ESG Committee and the Board of Directors to strengthen implementation capabilities and responsibility.



### Human Rights Management Risk Identification and Improvement Process



# Human Rights Management

## SPECIAL CASE

### Construction Sector. Human Rights Impact Assessment

#### Promoting Expansion of Human Rights Management

- Based on the Human Rights Charter, DL E&C and DL Construction have conducted human rights impact assessments on employees and the supply chain using specific inspection indicators for ten major risk areas including working environment, working conditions, and personnel management.
- Written inspections and human rights surveys were carried out to confirm potential risk factors with on-site inspections when necessary.
- Concrete improvement measures and action tasks were derived for each identified risk, followed by continuous monitoring of the implementation process.

#### Human Rights Risk Inspection Areas and Progress Status

##### 10 Major Areas for Risk Inspection



#### DL E&C | Human Rights Inspection Ratio<sup>1)</sup>

Unit: %



<sup>1)</sup> Human Rights Inspection Ratio: Number of inspected workplaces / Total number of workplaces subject to inspection

#### DL E&C | Human Rights Impact Assessment Results

Unit: Number of sites, %

| Classification                                                                 | Result  |
|--------------------------------------------------------------------------------|---------|
|                                                                                | 2023    |
| No. of worksites subject to assessment                                         | 277     |
| No. of worksites assessed                                                      | 242     |
| Assessment Ratio                                                               | 87.4    |
| No. of worksites where risks have been identified (ratio)                      | 3(1.23) |
| No. of worksites where mitigation plans have been established                  | 3       |
| No. of worksites where mitigation plans have been implemented                  | 3       |
| Mitigation/improvement ratio of the worksites where risks have been identified | 100     |

#### DL Construction | Human Rights Impact Assessment Results

Unit: Number of sites, %

| Area                                                          | Result          |                |                      |
|---------------------------------------------------------------|-----------------|----------------|----------------------|
|                                                               | Allocated Score | Achieved Score | Achievement Rate (%) |
| Human rights management system and remedy procedures          | 112             | 97             | 86.6                 |
| Prohibition of child labor and forced labor                   | 46              | 46             | 100                  |
| Guarantee of freedom of association and collective bargaining | 14              | 14             | 100                  |
| Humanitarian treatment (bullying, etc.)                       | 78              | 73             | 93.6                 |
| Responsible supply chain management                           | 26              | 26             | 100                  |
| Guarantee of occupational safety                              | 54              | 52             | 96.3                 |
| Guarantee of environmental rights                             | 50              | 47             | 94                   |
| Protecting the human rights of local communities              | 16              | 16             | 100                  |
| Protecting the human rights of customers                      | 40              | 40             | 100                  |

# Human Rights Management

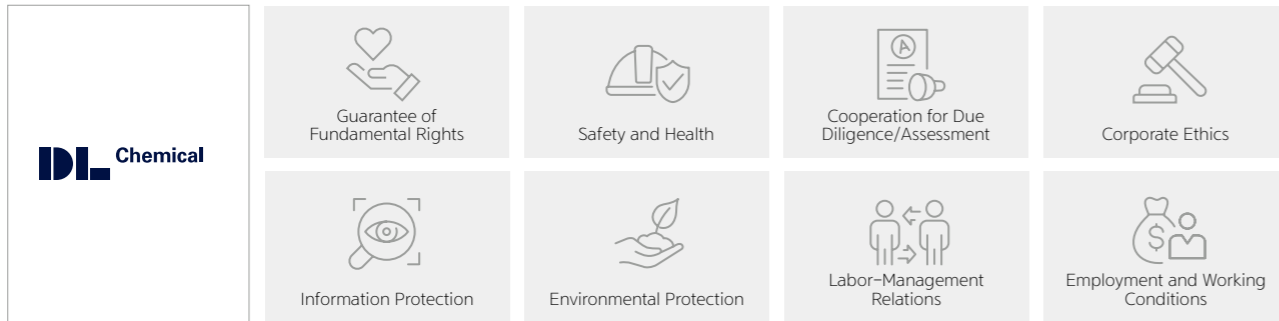
## Internalization of Human Rights Management

- DL has been facilitating the expansion of human rights management across all employees and suppliers
  - Each subsidiary implements human rights trainings to spread correct behavior and value judgment based on our human rights policy.
  - The Supplier Code of Conduct specifies standards for appropriate behavior and value judgments to protect human rights in the supply chain, including labor rights, health and safety, and ethical management.

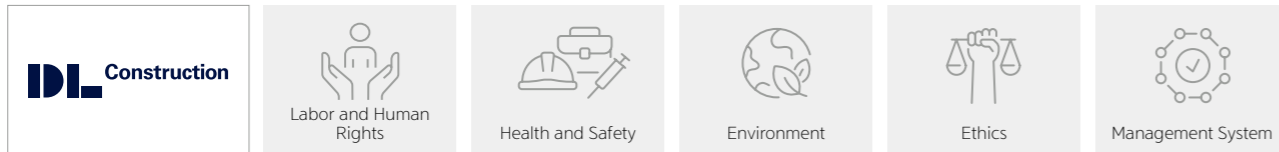
### DL E&C | Human Rights Practice Guidelines



### DL Chemical | Supplier Code of Conduct



### DL Construction | Supplier Code of Conduct



## Human Rights Training

- DL subsidiaries conduct human rights trainings for all employees and proactively responds to the evolving human rights issues through various trainings and campaigns.

### Human Rights Training Progress Status

| Classification                                | Unit  | 2021  | 2022  | 2023  |
|-----------------------------------------------|-------|-------|-------|-------|
| Ethics and CP Training                        | Hours | 1,459 | 1,576 | 3,161 |
| Sexual Harassment Prevention Training         | Hours | 3,208 | 3,273 | 3,382 |
| Training to Improve Awareness on the Disabled | Hours | 3,246 | 3,273 | 3,382 |

Unit: Hours

\* Total sum of four companies: DL Holdings, DL Chemical, DL Energy, GLAD H&R

## Grievance Handling Process

- At each workplace, DL designated a grievance handling officer for report reception and consultation, to effectively handle unethical and human rights-violating incidents such as grievances, discrimination, workplace bullying, and sexual harassment.
- Various reporting channels are operated including internal reporting channels and a cyber Sinmungo (whistleblowing hotline) on the website.
- For internal grievance cases, the goal is "immediate action upon incident occurrence," for which the HR department conducts prompt investigations and actions, handling each case according to relevant regulations.





# Human Rights Management

## Psychological Counseling Program

- DL provides professional psychological counseling services for our employees to support resolution of issues related to job stress, daily stress, and grievances.
- The psychological counseling services are provided by external professional psychological counselors, which raised the level of trust and satisfaction due to guarantee of anonymity and confidentiality. The counseling services are offered either in person or online (via video or phone), considering the convenience of the users.

### No. of Psychological Counseling Services Provided

| Classification     | Unit: sessions |      |      |
|--------------------|----------------|------|------|
|                    | 2021           | 2022 | 2023 |
| DL E&C             | 107            | 370  | 536  |
| DL Chemical        | 9              | 44   | 31   |
| Other Subsidiaries | 43             | 79   | 90   |
| Total              | 159            | 493  | 657  |

### Internal Stakeholder Interview

#### Q1. How satisfied are group employees with the psychological counseling program, and how do they evaluate it?

- Since the implementation of employee psychological counseling, satisfaction has remained at 94 points from 2022 through the first quarter of 2024, with 98.3% of employees rating their satisfaction level as (very) satisfied, indicating a very high level of user satisfaction.
- Many employees have provided positive feedback such as, "I enjoyed the process of understanding myself," and "It was good as it gave me an opportunity to learn more about myself and it helped bring our family together."

#### Q2. What are the main achievements of the psychological counseling program, and are there any activities being undertaken to enhance these outcomes?

- By introducing employee psychological counseling, we have helped individuals find personal stability and focus on their work by alleviating family difficulties, managing personal stress, and addressing work-related challenges. Additionally, the employee psychological counseling system allows us to directly manage high-risk groups (suicide, addiction). For example, we offer a 24-hour emergency response service for high-risk groups.
- To continuously enhance these benefits, we have implemented an "on-site psychological counseling service" to increase accessibility for field employees and provide them with information and experiences related to the program. Starting in 2024, we have expanded the scope of the psychological counseling program from employees only to their families (spouses, children), thus extending the benefits of the program to family members experiencing psychological difficulties.

**DL**  
DL그룹 임직원의 더 행복한 오늘을 위한  
**임직원 심리상담 서비스**

☞ 임직원 심리상담 서비스란?  
직무 또는 일상생활에서의 스트레스, 고충 등  
문제 해결을 지원하고  
연말가산금 등 서비스를 제공하여  
구성원의 삶의 질을 향상시키는 프로그램

※ 외부상담 기관 위탁/운영을 통한 익명성 및 비밀 보장 확보

☞ 이용안내  
이용대상 | DL그룹(직원본인 및 배우자 자녀) 가족관계증명서소  
- DL E&C, DL(A), DL 케미칼/디스플로머, INKEL, CARBONCO, 오트비  
- DL 에너지(직할 본인만)  
상담주제 | 대인관계, 직무스트레스, 가정문제, 정신문제 등 심리영역 전반  
상담방법 | 대면상담, 화상상담, 전화상담(희망방법에 따라 진행)  
이용한도 | 임직원 및(가족포함) 연간 8회(60분 기준)

☞ 신청·문의  
전용 사이트 | dl.happymint.kr  
신청 및 문의 | 1844-4474(월~일 AM 9:00 ~ PM 6:00)  
모바일 APP | 'DL MINT' APP 설치  
(소속회사명 입력/선택 후 진행)

Android iOS

본인 상담 및 내담자 비공개성 엄격히 지켜야 함에 유의하십시오. E21 wellness

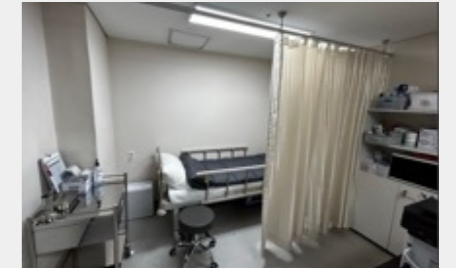
### SPECIAL CASE

## (GLAD H&R) Employee Health Support Activities (Jeju / Seoul)

### Major Health Support Program

#### Operation of Medical Rooms & Health Newsletters

- Medical rooms are operated at business sites with a large number of employees in order to provide immediate response to injuries or illnesses that occur during work.
- Each quarter, health newsletters are published on various health-related issues to deliver health information and guide employees on health management practices.



Medical Room at Maison GLAD Jeju

#### Musculoskeletal Risk Factor Survey and Employee Rest Facilities

- In Jeju and Seoul, we conducted musculoskeletal risk factor surveys to identify the risk factors that lead to musculoskeletal health issues among our employees and carried out improvement measures through grievance consultations.
- Employee rest facilities are provided so that employees may rest during work. These rooms are equipped with massage equipment and stretching tools to help employees



Employee Rest Facility at Maison GLAD Seoul

#### Comprehensive Health Check-ups & Flu Vaccination for Employees

- To identify and manage potential health risks in advance, we provide comprehensive health check-ups and health consultations for our employees and their spouses.
  - A total of 318 employees and their spouses received comprehensive health check-ups in 2023.
  - Flu vaccinations were also provided to prevent infectious diseases in the wintertime.

# Organizational Culture

DL strives to realize a proactive and positive organizational culture based on “Hansup Philosophy,” which is embraced and practiced by all members of our company.

In line with our founding philosophy “Hansup Philosophy,” DL continues to support all members so that they can fully utilize their expertise and capabilities while achieving continued growth. We enhance member satisfaction through objective and fair evaluations, reasonable compensations, and HR and welfare systems that support a healthy work-life balance.

## Key Achievements in 2023

Advancement of HR Development Roadmap

DL Chemical

46% Increase in Employee Training Hours

(Compared to previous year)

DL E&C

Pursuit of Organizational Culture Improvement Training

DL Chemical, GLAD H&R



### DL Group's Goal

DL aims to cultivate an inclusive organizational culture that considers the diverse experiences and capabilities of each individual and seeks to ensure stable acquisition of human resources essential for DL's sustainable growth, by establishing a systematic talent development framework.

# Organizational Culture

## Competency Development of Employees

### DL Group's HR Development Direction

- DL's HR development system is established according to DL's ideal talent profile that reflects the "Hansup Philosophy," which is our founding philosophy.
- Our principle is to evaluate each individual's capabilities in an objective manner and provide adequate positions and promotion opportunities accordingly.

### DL Group's Ideal Talent Profile



### Employee Development System

|                                            |                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Common Competency Development</b>       | <ul style="list-style-type: none"> <li>• For employees, essential competency development by hierarchical level</li> <li>• Training for experienced / new employees</li> </ul>                                                                                                                                                                       |
| <b>Leadership Competency Development</b>   | <ul style="list-style-type: none"> <li>• Inspiring change by understanding the basic principles of leadership</li> <li>• Acquiring leadership competencies that reflect environmental changes and organizational culture trends</li> <li>• Development course for executive candidates, promoted employees, and certain position holders</li> </ul> |
| <b>Job / Expert Competency Development</b> | <ul style="list-style-type: none"> <li>• Common, basic/advanced courses for strengthening job competencies</li> <li>• Specialized courses for developing experts in specific roles to support the organization's vision and strategic initiatives</li> </ul>                                                                                        |

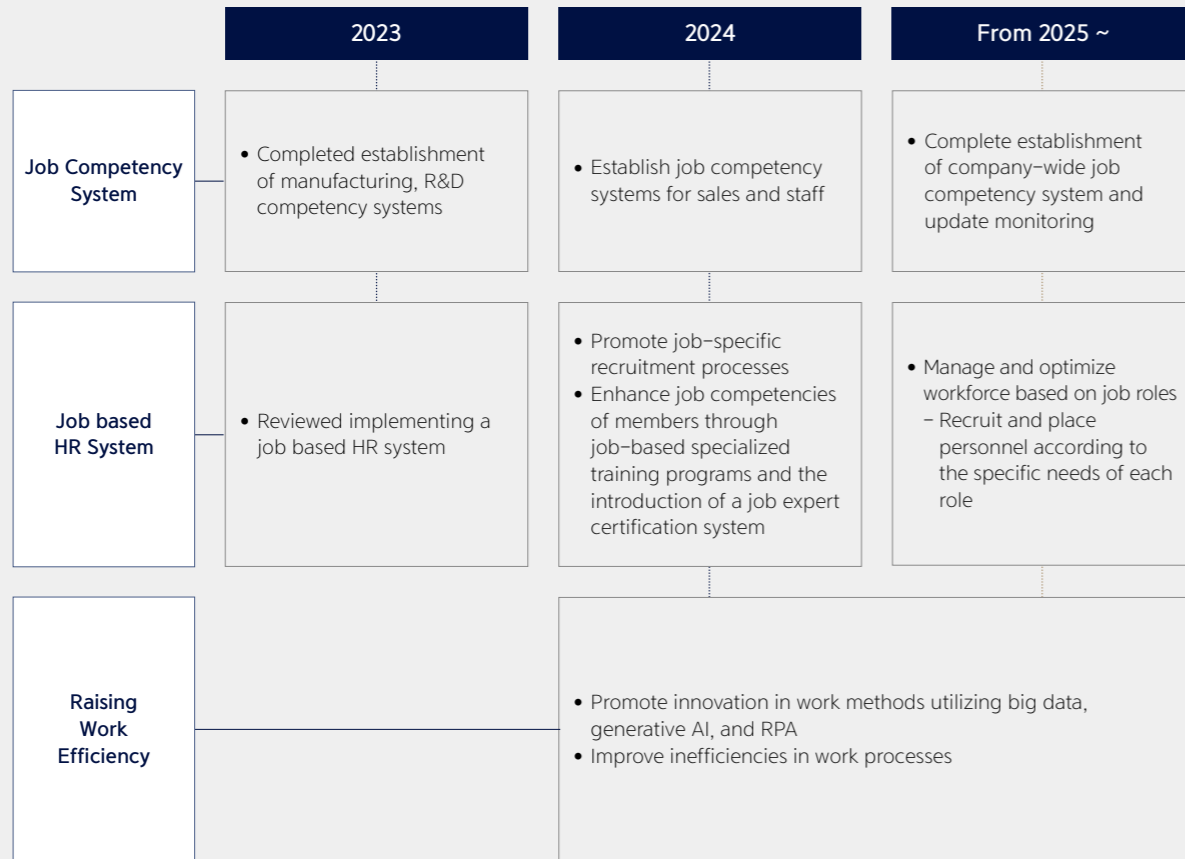
### Performance Evaluation System

|                               |                                                                                                                                                                                                                                                                                |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Performance Evaluation</b> | <ul style="list-style-type: none"> <li>• Operating a fair and rational evaluation system focused on abilities and performance</li> <li>• Setting individual annual work goals and evaluating performance and achievement of tasks and processes against these goals</li> </ul> |
| <b>Competency Evaluation</b>  | <ul style="list-style-type: none"> <li>• Used as a base indicator for overall HR management, including positioning, training, and compensation</li> <li>• Evaluating the level of common competencies by rank and specialized competencies by job</li> </ul>                   |

# Organizational Culture

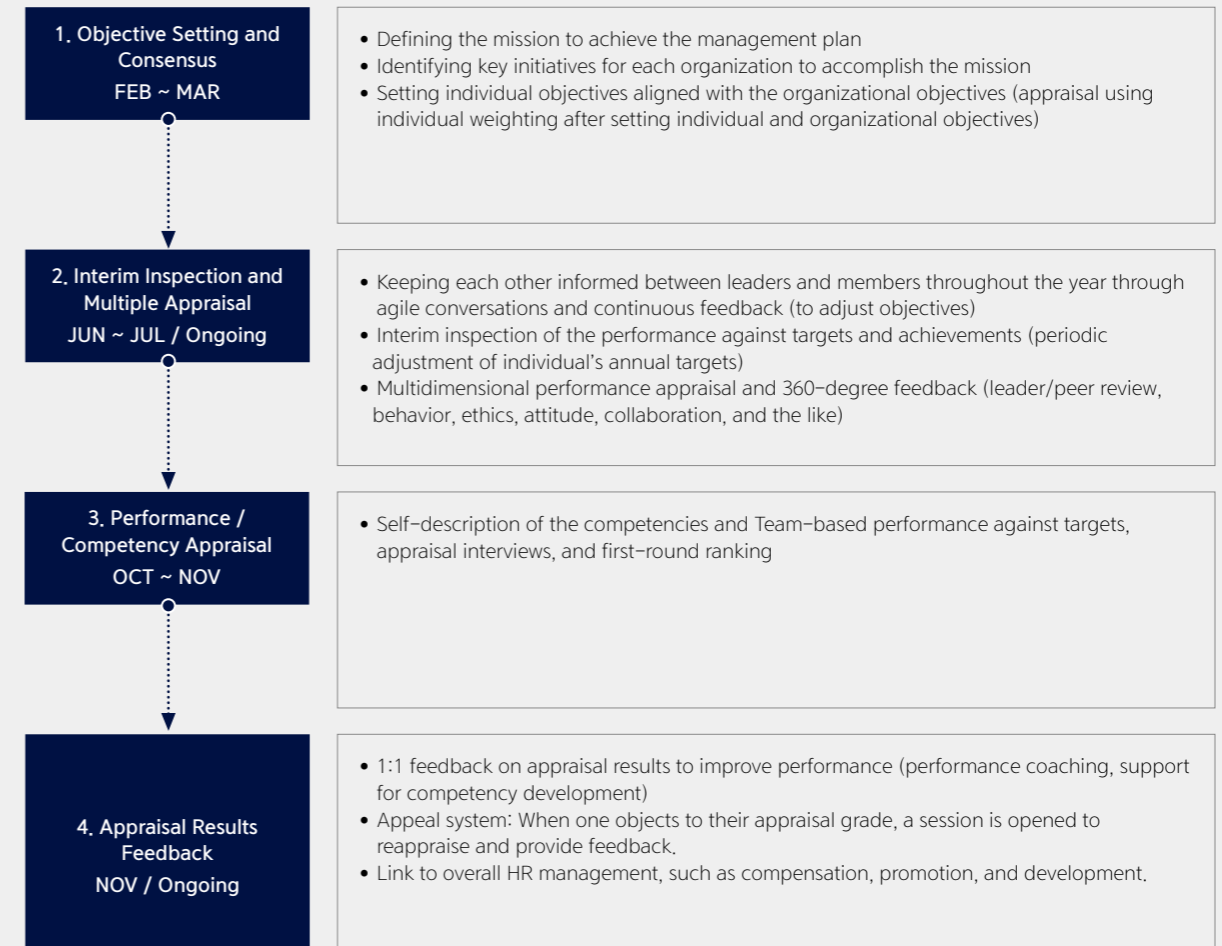
**SPECIAL CASE**

## DL Chemical | HR Development Roadmap



**SPECIAL CASE**

## DL E&C | Performance Evaluation Process



# Organizational Culture

## SPECIAL CASE

### GLAD H&R | Competency Development of Employees

- Post-COVID, the leadership / job / common competency enhancement training programs were normalized to enhance the competency of our members.
- Given the nature of frequent customer contact in the business, we provide various training opportunities for employees to expand experience (EX) and enhance expertise with diverse training cycles, methods, and composition.
- Training programs are periodically updated through internal monitoring, and programs to improve communication among different workplaces and generations are conducted alongside trainings.
- To prevent turnover of junior level employees, a new "G Series" for new hires has been established, offering a four-stage introductory training aligned with the onboarding timeline.

#### Training Program and Operation Status

| Classification        | Training Title                     | Training Completion Rate          | No. of Trainees | No. of Training Targets | Remarks                       |                                              |
|-----------------------|------------------------------------|-----------------------------------|-----------------|-------------------------|-------------------------------|----------------------------------------------|
| By Hierarchical Level | New Hire Training                  | G1 Welcoming Training (1 month)   | 100%            | 55                      | 55                            |                                              |
|                       |                                    | G4 Onboarding Training (4 months) | 100%            | 41                      | 41                            |                                              |
|                       |                                    | G12 Jump-up Training (12 months)  | 100%            | 95                      | 95                            |                                              |
|                       |                                    | G Plus Training (24 months)       |                 |                         | None                          | To be established in 2024                    |
|                       | Promotion Training                 | Promoted to Assistant Manager     | 100%            | 39                      | 39                            | Including deferred implementations from 2022 |
|                       |                                    | Promoted to Deputy Manager        | 100%            | 24                      | 24                            | Including deferred implementations from 2023 |
|                       |                                    | Promoted to Senior Manager        | 100%            | 15                      | 15                            |                                              |
|                       | Position Holder Training           | Leadership for Team Leader        | 100%            | 19                      | 19                            |                                              |
|                       |                                    | Leadership for Part Leader        | 100%            | 41                      | 41                            |                                              |
|                       | Candidate Training                 | General Manager Candidate         |                 |                         | None                          |                                              |
| Team Leader Candidate |                                    |                                   |                 | None                    |                               |                                              |
|                       | Part Leader / In-Charge Candidate  | 100%                              | 14              | 14                      | Replaced with senior training |                                              |
| Service               | Service Training                   | Basic Training                    | 98%             | 142                     | 145                           |                                              |
|                       |                                    | Advanced Training                 | 100%            | 71                      | 71                            |                                              |
|                       |                                    | Service Coaching                  | 100%            | 32                      | 32                            |                                              |
|                       |                                    | Internal Instructor Nurturing     |                 |                         | None                          |                                              |
|                       | Service Monitoring                 | Mystery Call                      | 100%            | 12                      | 12                            |                                              |
| Mystery Shopping      |                                    |                                   |                 | None                    |                               |                                              |
| Job                   | Insight Trip                       | Overseas Insight                  | 100%            | 16                      | 16                            |                                              |
|                       |                                    | Domestic Insight                  |                 |                         | None                          |                                              |
|                       | Job Competency Training (P Series) | 100%                              | 30              | 30                      | Including external training   |                                              |
|                       | Open Lecture                       |                                   |                 | None                    |                               |                                              |
|                       | Online Academy                     | 97%                               | 355             | 366                     |                               |                                              |

# Organizational Culture

## SPECIAL CASE

### DL E&C | Competency Development System

- DL E&C develops and operates various training programs by rank/job focused on education on Expertise, Skillsets, Toolsets, and related activities, to improve our employees' work competency levels.
- In addition to the existing job processes, we are also training our employees on common work competencies including negotiation and communication skills and improving accessibility through both online and off-line training programs.

## Employee Training Programs

### Company-wide Common Mindset / Competency (HR)

|                                              |                                                                                                                                                                                                                                          |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Management Innovation/<br/>Core Value</b> | <ul style="list-style-type: none"> <li>• Management innovation courses</li> <li>• Onboarding programs for experienced employees</li> <li>• Onboarding · advanced courses for new hires</li> <li>• Ethics · compliance courses</li> </ul> |
| <b>Leadership</b>                            | <ul style="list-style-type: none"> <li>• Pre-CEO courses</li> <li>• Intensive coaching courses for field leaders</li> <li>• Courses for supervisors and PM candidates</li> <li>• Middle manager leadership courses</li> </ul>            |

### Total Training Hours



### Job Expertise Specialized (Department)

|                                         |                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Job Training</b>                     | <ul style="list-style-type: none"> <li>• In-house job training</li> <li>• External job training (conference, etc.)</li> <li>• Statutory job training</li> <li>• Support for Learning FORET (e-learning) and acquiring licenses</li> <li>• Job training by each division for new hires</li> </ul>       |
| <b>On-site Competency Reinforcement</b> | <ul style="list-style-type: none"> <li>• Compliance courses (subcontracting, fair trade, etc.)</li> <li>• On-site safety, quality, and environment courses</li> <li>• Courses on practical competency reinforcement for on-site management</li> <li>• Core courses on costing and processes</li> </ul> |
| <b>Biz Skill</b>                        | <ul style="list-style-type: none"> <li>• Mentor development courses</li> <li>• Assessor development courses</li> <li>• DL Online classes (DT, finance, performance management, etc.)</li> <li>• PJT management courses</li> </ul>                                                                      |
| <b>Global Education</b>                 | <ul style="list-style-type: none"> <li>• Intensive language courses for overseas projects</li> <li>• Language test support</li> <li>• Language training support</li> </ul>                                                                                                                             |

### Employee Competency Development Program and Performance

| Classification          | Mentoring Program for New Hires                                                                                                     | Management Innovation Academy                                                                                                                                                   |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Description             | Operating 1:1 OJT and mentoring programs by division and department for early strategizing by improving new hires' job competencies | Providing division and job-specific training to eliminate risks (defects) that may occur in all business areas                                                                  |
| Operational Performance | 2023: 157 persons                                                                                                                   | 2022: 1,218 persons<br>2023: 1,252 persons                                                                                                                                      |
| Program Objective       | Quicker job assignment for new hires by improving their adaptability to their job; improving personal capabilities                  | Improving product/service quality by substantially eliminating risks (defects) that may occur in the overall business operation process                                         |
| Operational Achievement | Secured job competencies by developing basic job skills in an early stage and implementing improvement tasks                        | Improved work efficiency and productivity (building quality) by strengthening related cause analysis and resolution capabilities through internalizing risk (defect) prevention |

# Organizational Culture

## SPECIAL CASE

### DL Chemical | Organizational Culture Improvement Program

#### Reverse Mentoring

- Through reverse mentoring, where the MZ generation becomes the mentor and the older generation the mentee, employees can share the culture of the younger generation and enhance mutual understanding, followed by better communication at the workplace.

#### Reverse Mentoring Program

| Classification | 2021                                                                                        | Mission                                                                                                                                                                                                                                                                                                                                                                                                                   | No. of Participants (persons) |
|----------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| MAR            | Preparing for communication with MZ generation (warming-up)                                 | <ul style="list-style-type: none"> <li>• Understanding reverse mentoring</li> <li>• Mutual understanding of each other's personality through MBTI test results</li> <li>• Discussion on mentee's expectations and mentor's point of support</li> <li>• Establishment of reverse mentoring plan under lead of the mentor</li> </ul>                                                                                        | 16                            |
| APR            | Sharing values and lifestyles to narrow the gap between MZ generation and older generations | <ul style="list-style-type: none"> <li>• Trip to the vicinity to discuss the generation gap between the MZ generation and older generations</li> <li>• Sharing values and understanding differences through a Gallup Korea survey</li> <li>• Discussion on MZ generation's thoughts on an ideal leadership model</li> <li>• Introduction of the MZ generation lifestyle such as ways to utilize new cellphones</li> </ul> | 16                            |
| MAY            | Understanding the recreational style of the MZ generation                                   | <ul style="list-style-type: none"> <li>• Discussing generational preferences in restaurants by visiting a restaurant recommended by the mentee and comparing with restaurants favored by the mentor</li> <li>• (MZ generation games) Building stronger relationship by playing escape room, board games, etc.</li> <li>• Enhancing cultural understanding between the older generation and the MZ generation</li> </ul>   | 16                            |
| JUN            | Promoting health and well-being of MZ generation and older generations                      | <ul style="list-style-type: none"> <li>• (MZ Generation lifestyle) Discussing health and well-being perceived by the MZ generation and older generations</li> <li>• Taking a one-day class (yoga, cooking, etc.) and sharing ways to maintain health</li> </ul>                                                                                                                                                           | 16                            |
| JUL            | Sharing self-development methods of MZ generation                                           | <ul style="list-style-type: none"> <li>• Sharing the MZ generation and older generations' thoughts and values on self-development (foreign languages, OA, career development, financial management)</li> <li>• Mentor selecting one self-development activity popular among the MZ Generation, experiencing it with their mentee, and continuing self-development after end of reverse mentoring</li> </ul>               | 16                            |
| AUG            | Discussing impressions on reverse mentoring activities                                      | <ul style="list-style-type: none"> <li>• Holding a party to celebrate the end of reverse mentoring and sharing reflections</li> <li>• Discussing the future direction and areas for improvement in reverse mentoring</li> </ul>                                                                                                                                                                                           | 16                            |

#### Internal Stakeholder Interview

#### Q1. From the perspective of the MZ generation, what are the positive changes in organizational culture brought about by the reverse mentoring program?

Through various activities of the reverse mentoring program, opportunities have been created to break down generational barriers and foster genuine communication. Additionally, it provides the older generation (mentees) with opportunities to experience the behaviors and new perspectives of the MZ Generation, creating stimuli necessary for organizational innovation. By participating in the program and engaging in discussions on various topics, mutual understanding has increased, leading to efforts to positively influence each other.

#### Q2. For the older generations, do you think the reverse mentoring program provides a new avenue for communication with the MZ Generation?

The reverse mentoring program is designed to bridge the generational gap between the older generations (team leaders) and the MZ Generation (team members) and facilitate genuine communication. Through participation in the mentoring program, we are gaining a clear understanding of what team members expect and what team leaders can support. Additionally, by listening to and understanding the ideal leadership models envisioned by the MZ Generation, we have been able to establish new directions. Given the current emphasis on communication, the continued implementation of this program will also be greatly beneficial from a work perspective.



Reverse mentoring



# Organizational Culture

## SPECIAL CASE

### GLAD H&R | Organizational Culture Improvement Training

- GLAD Hotels & Resorts continuously conducts trainings on corporate culture improvement and workplace bullying prevention to build a healthy organizational culture.
- The training programs have been developed in-house based on laws, external cases, and internal monitoring results, and includes various types, reporting and handling processes, and preventive behavior guidelines.

| Classification                              | Unit  | 2021 | 2022 | 2023      |
|---------------------------------------------|-------|------|------|-----------|
| Organizational Culture Improvement Training | Hours | -    | -    | (new) 321 |
| Workplace Bullying Prevention Training      | Hours | 335  | -    | 691       |



Organizational culture training

## HR Policy for Work-Life Balance

### Various Welfare Programs

#### Health and Maternal Protection

| Item                              | Description                                                                                                                           |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Medical Expenses                  | • Support for medical expenses within limits for employees, their spouses, children, and parents (registered under health insurance). |
| Comprehensive Medical Examination | • Support for comprehensive medical examinations (including spouses).                                                                 |
| In-house Dispensary               | • Operates an in-house dispensary to provide medicines, emergency/trauma treatment                                                    |
| Group Accident Insurance          | • Operate an insurance system that covers employees' personal injuries.                                                               |
| Maternity and Parental Leave      | • Operate in accordance with legal system for maternity leave before and after childbirth and parental leave.                         |
| Spouse Paternity Leave            | • Encourage parental involvement when the spouse gives birth                                                                          |

#### Cultural Support

| Item                         | Description                                                                                                                     |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Hobby Club Support           | • Supports 16 hobby clubs with monthly subsidies                                                                                |
| Cultural Performance Support | • Supports employees' or families' exhibition, employees' families and children's art education programs                        |
| Summer Vacation and Resorts  | • Provision of summer vacation and vacation allowance separate from statutory annual leave, and operation of affiliated resorts |
| Partner Condos               | • Access to partner condos nationwide at discounted prices.                                                                     |



# Organizational Culture

## HR Policy for Work–Life Balance

### Various Welfare Programs

#### Economic Support

| Item                                         | Description                                                                                                                                                                       |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Advance                                      | • Advances to cover living, house purchasing/renting, house renting at a relocation site, wedding, and school fees                                                                |
| Children's School Fees                       | • Pays children's school fees (from kindergarten to university)                                                                                                                   |
| Congratulatory Money for School Admission    | • Gives money to congratulate school admission from kindergarten to high school                                                                                                   |
| Congratulatory Money for Multiple Childbirth | • Gives money to congratulate childbirth                                                                                                                                          |
| Welfare Point and Point Mall                 | • Pays 1 million points a year                                                                                                                                                    |
| Moving Expenses                              | • Moving expenses are subsidized for employees relocated with their entire family (including single-person households)                                                            |
| Group Term Life Insurance                    | • Support for group term life insurance (against illness, injuries, and death from overwork)                                                                                      |
| Echo of Love Fund                            | • Operate fund for employees and their spouses or family members who are facing financial difficulties due to intractable diseases, incurable diseases, rare diseases, or cancer. |
| Money to Victims of Disasters                | • Gives money to the victims of natural disasters (typhoons, heavy rain, lightning, and earthquakes)                                                                              |

### Flexible Work System

#### Work and Leave Policy

| Classification       | Item                                       | Description                                                                                                 |
|----------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Work Hours and Types | Flex-time System                           | • Commute time adjustable according to personal schedule                                                    |
|                      | Work-from-home System                      | • Employees can work in preferred working style                                                             |
|                      | Work Hour Management System                | • PC ON-OFF system operated when employees set and follow their work plan                                   |
| Leave Policy         | Part-time Working                          | • Shortened work hours allowed in situations such as pregnancy, childcare, or family care                   |
|                      | Compensatory Leave System                  | • Compensatory leave provided for overtime work, offering opportunities to rest and recharge                |
|                      | Congratulatory and Condolence Leave System | • Congratulatory or condolence leave and financial support provided to employees for major personal events. |

# Organizational Culture

## Social Contribution Direction

- As a member of the local community, DL supports efforts to address various social issues by leveraging our technology and know-how, assets, and collaboration with social institutions.
- Through regular communication with key stakeholders in the community, we actively identify and support areas in need that may otherwise be overlooked.

### Residential Condition Improvements

- Building residential facilities for the underprivileged utilizing the skills and knowledge of our construction business.
- Operating the 'House Repair for Hope-Sharing' activity in collaboration with the Seoul branch of Habitat for Humanity Korea

- House Repair for Hope-Sharing
- House repair for the underprivileged
- Welfare facility remodeling



Facility repair activity by Hansup volunteer group



Sharing Happiness: House Repair for Hope-Sharing

### Employee Volunteer Activities

- Providing necessary supplies and facilities to the underprivileged in the community.

- Employee volunteer activities
- Club talent donation
- Living support for the underprivileged



Today Walking Challenge: supporting children with walking disorder



Briquette donation volunteer activity for the underprivileged

### Cultural Support

- (Collaboration with Daelim Cultural Foundation) Operating and supporting various exhibitions and educational programs
- Expanding cultural experience opportunities for the low-income class and local children

- Cultural sponsorship programs
- Cultural experience opportunities support for the underprivileged
- Creative convergence education



Cultural experience support for the underprivileged



Jin chemistry class

### Environmental Protection

- Conducting environment protection campaigns and cleanup activities to preserve biodiversity and prevent global warming

- Saetgang ecosystem preservation
- Environmental cleanup activity



Otter habitat preservation activity



ECO Plogging challenge

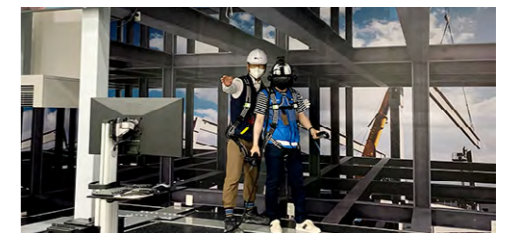
### Educational Support

- Sponsoring symposiums and exhibitions with universities and associations.

- Safety experience education support
- Symposium sponsorship



Safety experience education support



Safety Experience School Program

# Occupational Safety and Health Management

Among many corporate values, DL places top priority on safety and health and strives to establish a sustainable safety and health management system.

DL promotes OHS management with the highest priority on the safety of the community and our employees, making every effort to create a safe and healthy workplace. We also pursue internalization and monitoring for early identification and improvement of potential risks through systematic OHS activities.

## Key Achievements in 2023

### OHS Management System Certification

(Maintained and renewed ISO 45001 and KOSHA-MS)  
DL E&C, DL Chemical, DL Construction

### Implementation of improvement of risk assessment results

99% (DL E&C) / 91% (DL Chemical)

DL E&C, DL Chemical

### 2,643 Participants in Safety Experience School

(A cumulative total of 7,832 people)

DL E&C



### DL Group's Goal

In compliance with OHS management policies, DL establishes and implements a management system that prevents serious accidents. We aim to further strengthen safety and health with early risk identification and preemptive responses as core objectives.

# OHS Management

## Strengthening OHS Management System

- DL established an advanced management system to proactively respond to serious accidents that may occur in the business process.
- By applying the international standard ISO 45001 (OHS Management System) and KOSHA-MS, we have secured a global-level safety and health system.
- DL is operating an integrated OHS management system that includes system establishment, diagnosis and improvement, monitoring, etc. to ensure the healthy lives of employees and create a safe working environment.

## OHS Management System

### OHS Management Policy

- Establishment and disclosure of each DL subsidiary's OHS Management Policy on company website

- DL E&C OHS Management Policy
- DL Chemical Safety, Health, and Environment (HSE) Management
- DL Construction OHS Management

### OHS Management System Certification

- Maintain OHS Certification
  - [DL E&C] ISO 45001
  - [DL Chemical] ISO 45001
  - [DL Construction] KOSHA-MS

#### ISO 45001/ KOSHA-MS Certificates



DL E&C

DL Chemical

DL Construction

### OHS Activities

#### Management System Establishment

- Establish and operate a dedicated safety management organization
- Annual report and approval of OHS plan by the Board of Directors, and report to the Board of Directors at least once per quarter
- Implement OHS management policy at each worksite.

#### Risk Management

- Implement regular risk assessment at least once a year and execute improvement measures at all worksites
- Comply with legal obligations under the Occupational Safety and Health Act and the Serious Accidents Punishment Act
- Manage industrial accident management indicators and goals

#### Internalization

- Conduct safety and health campaigns
- Facilitate safety and health trainings
- Establish and operate response processes for serious accidents and safety incidents
- Implement emergency response training

#### Monitoring System

- Introduce and operate a monitoring system
- Operate a safety related grievance handling channel for employees and suppliers
- Implement daily inspection processes for high-risk locations and tasks

# OHS Management

## Safety and Health Activities

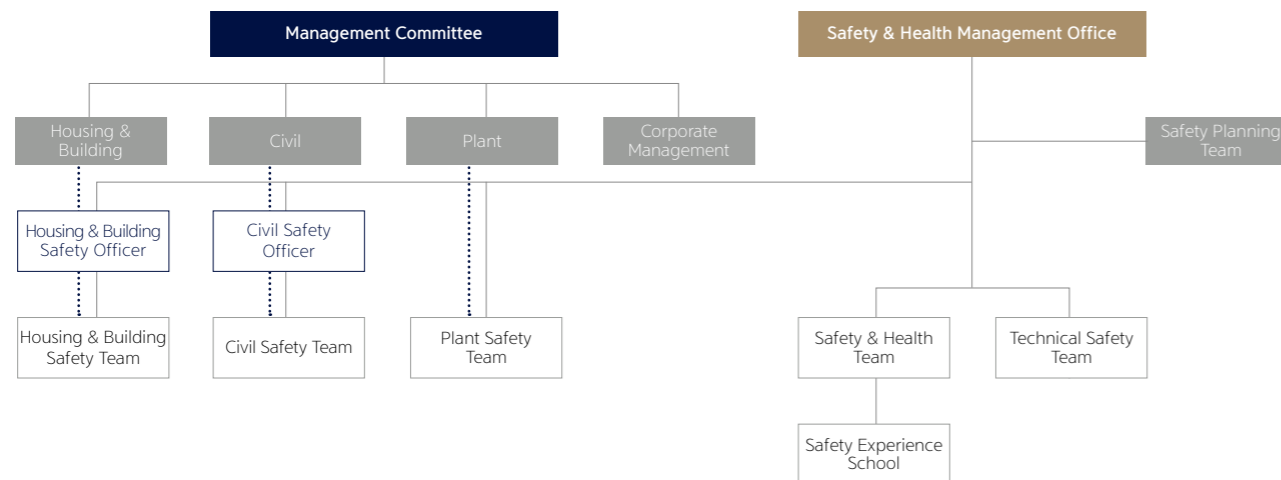
### Management System Establishment

- DL continues to implement the established safety and health policies and execution plans, and strengthen the organization dedicated to improving related issues.
- We have established and implemented a management system that considers the characteristics of each business and worksite to prevent serious accidents that involve our employees, suppliers, and citizens.
- We will advance the management process for all work procedures to achieve 'Zero Safety Incidents' on-site.

### DL E&C | OHS Management Activities

| Regular Report to BOD                                                                                                                                                                                                                                                                                                                                                                            | OHS Council                                                                                                                                                                                                                                                                                        | OHS Policies for Worksites                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Report and obtain approval for the OHS plan every year from the board of directors</li> <li>• Report implementation results to the board of directors at least once per quarter                             <ul style="list-style-type: none"> <li>• From Q2 2023, report safety indicator performance and improvement measures.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Hold the OHS Council every quarter and hold monthly meetings of the OHS Working Council/Safety &amp; Health Management Office</li> <li>• Conduct company-wide safety and health meetings every week, led by the Safety and Business divisions.</li> </ul> | <ul style="list-style-type: none"> <li>• Analyze the main cause of the safety accident and implement intensive OHS management policy to prevent recurrence</li> </ul> |

### DL E&C | OHS Management System



### DL E&C | Roles and Responsibilities of OHS Organizations

|                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CSO <sup>1)</sup>                     | <ul style="list-style-type: none"> <li>• Approves OHS policies and management plans</li> <li>• Verifies the implementation and maintenance of OHS management systems</li> <li>• Approves the HR and budget plans and execution necessary for the implementation and operation of OHS management systems</li> <li>• Approves the establishment and revision of OHS management manuals and management review reports</li> <li>• Supervises emergency response and establishes countermeasures</li> <li>• Supports continuous improvement of the OHS management system</li> </ul> |
| Business Divisions' OHS Executives    | <ul style="list-style-type: none"> <li>• Assists the CSO in OHS-related work and reviews and supports division-wide OHS-related work</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Safety & Health Planning Team         | <ul style="list-style-type: none"> <li>• Operates and manages OHS organizations and personnel</li> <li>• Establishes OHS budgets and manages their execution</li> <li>• Plans and oversees overall OHS activities</li> </ul>                                                                                                                                                                                                                                                                                                                                                   |
| Safety & Health Team                  | <ul style="list-style-type: none"> <li>• Manages OHS-related guidelines, laws, and regulations</li> <li>• Manages OHS-related indices and government relations (Ministry of Employment/ Ministry of Land, Infrastructure and Transport)</li> <li>• Establishes/implements OHS training plans and develops training content</li> <li>• Operates and manages the Safety Experience School</li> </ul>                                                                                                                                                                             |
| Technical Safety Team                 | <ul style="list-style-type: none"> <li>• Inspects and supports technical safety (structural, ground, electrical, and equipment issues)</li> <li>• Inspects hazard prevention plans and manages technical safety guidelines</li> <li>• Investigates accidents (death, disaster, and rescue) and supports the establishment of recurrence prevention measures</li> </ul>                                                                                                                                                                                                         |
| Safety Team of Each Business Division | <ul style="list-style-type: none"> <li>• Manages worksite OHS and inspects/assesses/diagnoses safety activities</li> <li>• Checks the implementation of onsite risk assessment and inspects the OHS management system</li> </ul>                                                                                                                                                                                                                                                                                                                                               |

1) CSO (Chief Safety Officer)

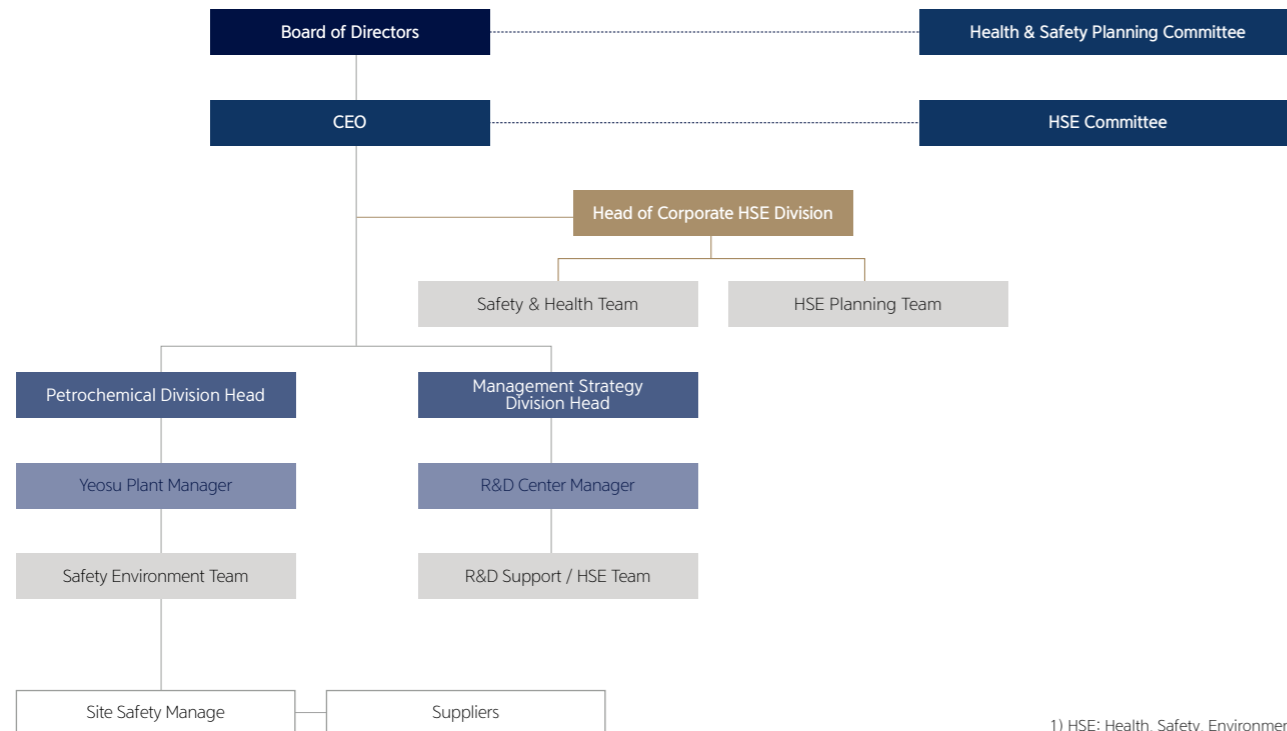
# OHS Management

## Safety and Health Activities

### DL Chemical | OHS Management System

- To establish the OHS management system, develop a company-wide safety culture, prevent accidents, and comply with domestic and international regulations, we have formed an HSE Committee chaired by the CEO.
- In accordance with the Occupational Safety and Health Act, we report our Safety and Health Plan to the Board of Directors on an annual basis, which includes details on safety and health related management policies, organization, budget, and major activity plans.
- To prevent accidents from suppliers, we evaluate the safety and health management levels of our suppliers prior to supplier registration and have also established a supplier safety management procedure to oversee our suppliers' compliance with safety and health regulations through regular inspections.

### OHS Management Governance



1) HSE: Health, Safety, Environment

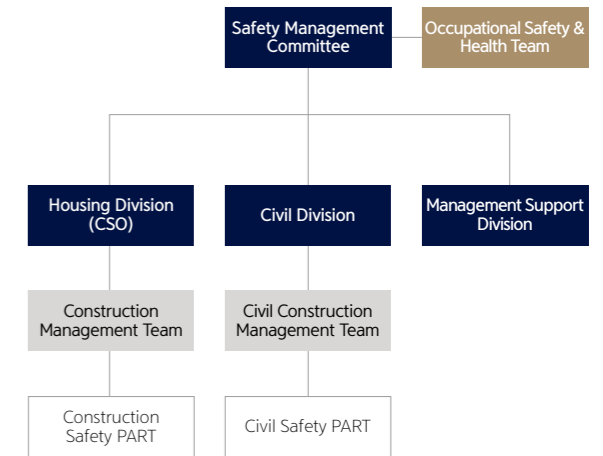
### DL Construction | OHS Management

- DL Construction applies a safety and health management policy that conveys the message "We do not work if it is not safe" to all employees working at DL and our suppliers.
- Our safety and health organization consists of a Safety Management Committee led by three Chief Strategy Officers (CSOs), a Safety and Health Support Team under that committee, and safety teams for each division.
- The Safety Management Committee is held every month to share feedback on the previous month's safety and health management activities, and review and approve activity plans. The approved safety and health management activities are then implemented and managed under collaboration with the CSOs, the Safety and Health Support Team, and the safety teams of each division.

### Direction of OHS Management Strategy



### Safety & Health Organization



# OHS Management

**SPECIAL CASE**

## GLAD H&R | Strengthening Workplace Safety Management

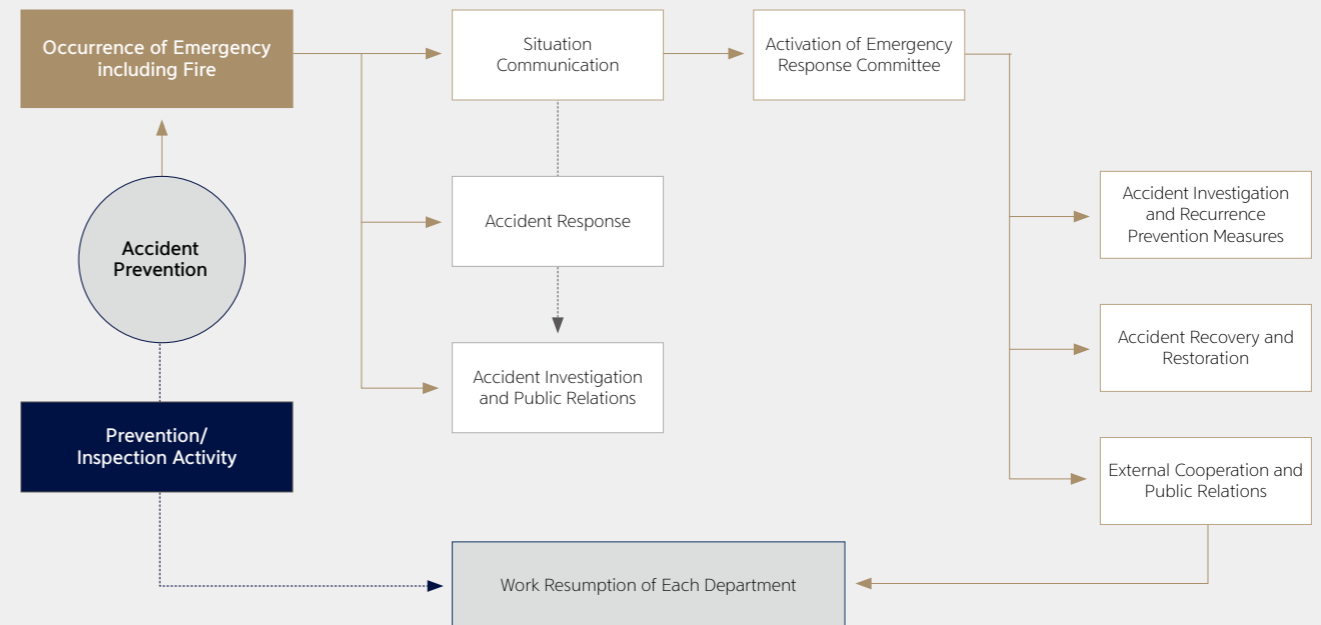
### OHS Management Policy

- GLAD Hotels & Resorts prioritizes the safety and health of our customers, employees, and suppliers. To systematically manage these aspects, we have established and implemented safety and health regulations, along with emergency management guidelines, based on the 'Roadmap for Compliance with the Serious Accidents Punishment Act and the Occupational Safety and Health Act.'

### Disaster & Accident Response Training

- We have established a 24-hour response team to swiftly address various emergencies, including industrial accidents, safety incidents, natural disasters, and civil emergencies.
- To enhance our emergency response capabilities, we train our emergency personnels with virtual fire drills in large-scale training facilities within our workplaces. Additionally, we develop and implement training plans based on scenarios such as power outages and terrorist attacks.

### Emergency Response Concept Diagram



**GLAD Safety and Health Management Policy**

GLAD places top priority on safety and health across all business activities, including those involving our customers, employees, and suppliers. We have established a safety and health management system that complies with legal and regulatory standards, and through continuous preventive activities we will put our best efforts to secure the safety and health of our members.

- GLAD employees shall aim to be a Ethics & Compliance company rather than a great company and strictly comply with relevant safety and health laws and regulations.
- We shall actively evaluate and identify harmful or risk factors within the hotel or work environment and do our best to establish a safe and clean environment.
- GLAD shall improve all identified risk factors and train all members to be aware of risk factors involved in their line of work.
- All employees of GLAD and our suppliers working on the premises shall place best efforts to comply with the Safety and Health Policy. Policy implementation shall be inspected on a regular basis, through which improvements shall be made.

GLAD Hotel & Resort Co., Ltd. CEO

**Health and Safety Regulations**

**Contents**

**Chapter 1: General Provisions**  
 -Article 1 (Purpose)  
 -Article 2 (Scope of Application)  
 -Article 3 (Definition of Terms)  
 -Article 4 (Responsibility for Accident Prevention)  
 -Article 5 (Safety and Health Management in Subcontracted Workplaces)  
 -Article 6 (Priority of Safety and Health Work)

**Chapter 2: Safety and Health Management Organization and Duties**

**Chapter 3: Safety and Health Education**

**Chapter 4: Workplace Safety Management**

**Chapter 5: Workplace Health Management**

**Chapter 6: Reporting and Handling of Safety Accidents**

**Chapter 7: Matters Concerning Risk Assessment**

**Chapter 8: Measures for Preventing Industrial Accidents in Contracted Projects**

# OHS Management

## SPECIAL CASE

### GLAD H&R | Strengthening Workplace Safety Management

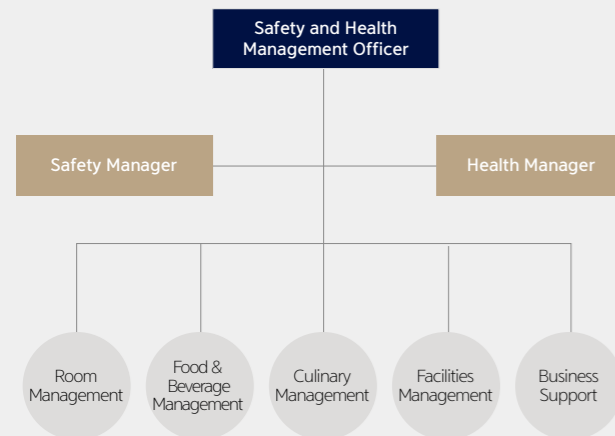
#### Safety and Health Activities

##### Management System Establishment

###### Operation of OHS Dedicated Organization

- Each worksite is operated with a designated Safety and Health Management Officer and team managers.
- We have established an internal and external risk management system through collaboration with an external safety management expert organization.

###### Safety and Health Organization Chart



##### Risk Management

###### Safety and Health Diagnosis System Establishment

- Safety and health expert diagnoses are conducted twice a month on a regular basis to identify potential risks, check compliance with laws and regulations, and inspect facility management sites.
- A serious disaster risk diagnosis system is established with the participation of external and internal expert organizations.
  - The system inspects the safety and health operation system and the standard management status of each workplace.
  - It constantly identified and improves risk factors on site.

###### Workplace Risk Assessment

- We conduct an annual risk assessment on a regular basis and ad-hoc assessments to identify and improve safety risk factors within the workplace in advance.
  - For the workplace risk assessments, the frequency /severity of the inherent risks for each factor are calculated and then classified into different levels according to priority.
  - The risk assessments are conducted based on the principle of full participation of all employees, aiming to strengthen the safety management capabilities of the employees

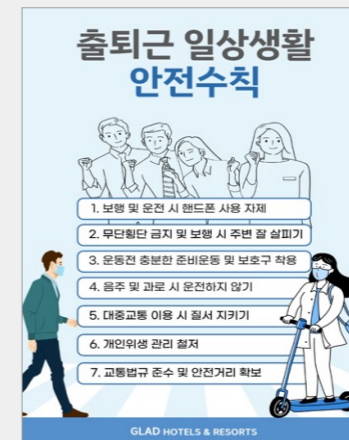
##### Internalization

###### Voluntary Safety Assessment by Employees

- To build a safe workplace and establish a voluntary safety culture, we promote the establishment of a safety and health culture among employees.
  - For this, open chat rooms, groupware safety suggestions, and mobile surveys are utilized.

###### Strengthening Safety Rules for Daily Commuting

- To prevent traffic accidents and improve traffic infrastructure within the workplace, we carry out activities to ensure pedestrian safety and improve traffic safety facilities and infrastructure.
- As part of our efforts to create a safe workplace, we implement the "7 Safety Rules" for pedestrians, cars, and bicycles and conduct campaigns that encourage employees to practice safety rules on their own.



##### Monitoring System

###### Participation and Dialogue in Safety and Health Management

- GLAD Hotels & Resorts business departments regularly participate and hold dialogues on safety and health management.

###### OHS Committee

- Decision making on major safety related activities
- Held once per quarter (with equal number of labor · management participation)
  - Target: workplaces with 100 or more regular employees

###### OHS Council

- Safety trainings and important information sharing
- Held once per month (with participation of subcontractors)

###### Workplace Inspection

- Safety trainings and important information sharing
- Safety inspection of workplace
- Conducted once per week (with participation of subcontractors)



# OHS Management

## Safety and Health Activities

### Risk Management

- DL regularly inspects and identifies all potential safety and health hazards that may arise from its business activities, and actively manages and improves the identified risks.
- Additionally, DL conducts risk severity assessments to prioritize improvement tasks based on the level of risk.
- DL implements safety and health procedures at all business sites to eliminate or minimize hazards in advance.

### DL E&C | Conducting and Supervising Risk Assessments

- ① The managers and supervisors of the relevant work type daily check the OHS of the key management items identified during the risk assessment.
- ② Risk factors other than key management items are managed by all employees through SPOT activities.
  - Timing: At all times (at least once a day)
  - Inspector: All on-site employees, including chief OHS, managers and supervisors, and OHS managers
- ③ Suppliers' managers check the key management items and the risk factors identified through the SPOT activities and take necessary action.
- ④ Every two months, general OHS managers, company managers and supervisors, and a manager and an employee of each supplier conduct joint inspections.
- ⑤ If the general OHS manager deems it necessary to inspect the site conditions or the like, he/she calls OHS managers, company managers and supervisors, and suppliers' managers to inspect OHS.

### 2023 Risk Assessment and Inspection Results

Unit: number, %

| Inspection Items                                                                       | Result   |                             |            | Implementation Rate |
|----------------------------------------------------------------------------------------|----------|-----------------------------|------------|---------------------|
|                                                                                        | Adequate | Disciplinary Recommendation | Inadequate |                     |
| 1. Implementation of initial, regular risk assessments                                 | 56       | 22                          | 3          | 96                  |
| 2. Implementation of constant risk assessments                                         | 64       | 17                          | –          | 100                 |
| 3. Reflection of workers' opinions in risk assessments                                 | 52       | 28                          | 2          | 99                  |
| 4. Non-routine work management (small-scale, short-term work)                          | 79       | 2                           | –          | 100                 |
| 5. Checking for other hazards and risk factors, implementation of improvement measures | 61       | 20                          | –          | 100                 |
| Overall Result                                                                         | 312      | 89                          | 4          | 99                  |

### DL Chemical | Risk Assessment

- Through risk assessment of processes, tasks, and hazardous chemicals, DL Chemical establishes and implements measures to eliminate and mitigate risks associated with workers' tasks and the working environment.
- By involving workers in the risk assessment process, we collect opinions in real-time, develop countermeasures, and share the assessment results with our employees and suppliers to monitor risks across the entire supply chain.

### OHS Risk Assessment Framework

| Classification           | Regular Assessment             |                   |                         | On-going Assessment                                                      |                                                  |           |                            |
|--------------------------|--------------------------------|-------------------|-------------------------|--------------------------------------------------------------------------|--------------------------------------------------|-----------|----------------------------|
|                          | Frequency                      | Target            | Method                  | Cycle                                                                    | Target                                           | Method    |                            |
| DL Chemical              | Process Risk Assessment        | Once/4 years      | Production              | HAZOP <sup>1)</sup>                                                      | On-going (Change management, etc.)               | All Depts | HAZO<br>K-PSR<br>Checklist |
|                          | Work Risk Assessment           | Once/1 year       | Production, Maintenance | JSA <sup>2)</sup>                                                        | During preparation of task plan                  |           | JSA                        |
|                          |                                |                   | Support Dept            | 4 M                                                                      | During establishment or revision of task process |           |                            |
| Chemical Risk Assessment |                                | All organizations | Charm                   | On the introduction of new material or substitution of existing material |                                                  | Charm     |                            |
| Supplier                 | Risk Assessment (Process/Task) | Once/1 year       | Supplier                | 4M, Check List                                                           | N/A                                              |           |                            |

### Risk Assessment Implementation Details

| Classification     | Detailed Target             | 2022        |                     | 2023        |                     |
|--------------------|-----------------------------|-------------|---------------------|-------------|---------------------|
|                    |                             | Risk Factor | Improvement Measure | Risk Factor | Improvement Measure |
| Yeosu Plant        | Production and Support Dept | 110 cases   | 108 cases           | 124 cases   | 115 cases           |
| Daedeok R&D Center | All Depts at R&D Center     | 48 cases    | 27 cases            | 46 cases    | 33 cases            |
| Supplier           | 9 Suppliers                 | 55 cases    | 54 cases            | 78 cases    | 78 cases            |

※For hazards that are not included in the improvement actions, completion is scheduled during regular maintenance in 2024 or 2027 due to reasons such as the need for investment

1) HAZOP (Hazard and Operability Study): A qualitative risk assessment technique used to analyze and evaluate the potential hazards when process operating conditions deviate, aiming to reduce risk factors.

2) JSA (Job Safety Analysis): A risk assessment technique that identifies harmful and hazardous elements and potential accidents by breaking down specific tasks into key steps. It aims to minimize and prevent risks by developing appropriate countermeasures for each stage.

# OHS Management

## Safety and Health Activities

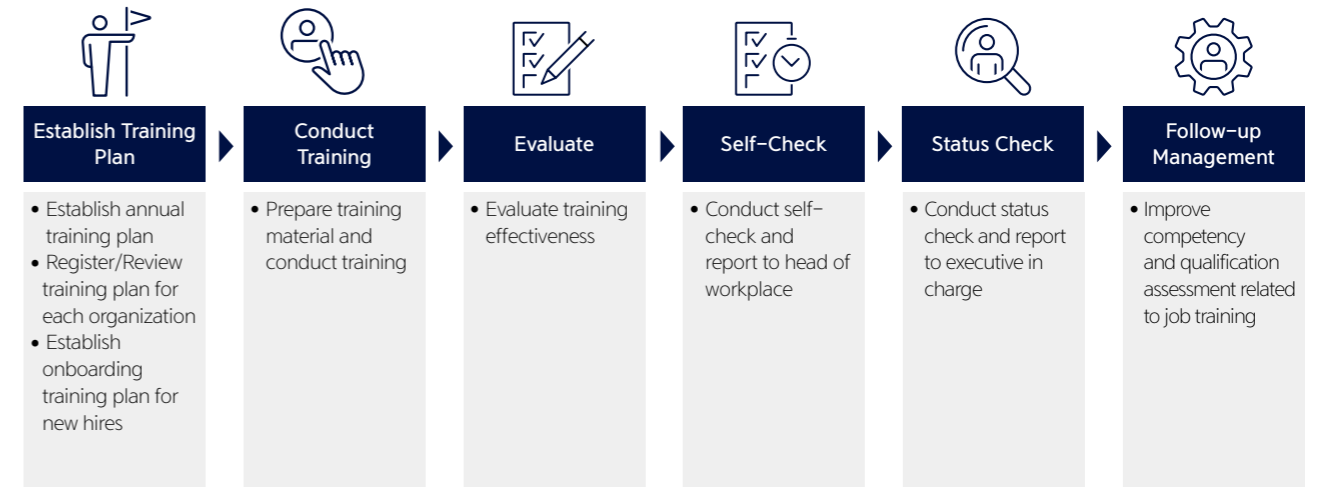
### Internalization

- DL continuously implements education and training activities to raise the safety awareness and capabilities of all our members and to establish a safety culture.
- At each workplace, we conduct regular and special trainings, emergency response drills, and safety & health campaigns tailored to each work environment to increase understanding on relevant laws and regulations and to promote the habitual practice of safety rules.

### DL Chemical | Safety & Health Activities

| Classification  | Type                                   | Activity                                                        | Target Completion Rate |
|-----------------|----------------------------------------|-----------------------------------------------------------------|------------------------|
| Risk Management | Regular Site Inspection                | HSE Audit                                                       | 100%                   |
|                 |                                        | External Audit on Chemical Substances by Expert Agency          | 100%                   |
|                 | Ad-hoc Site Inspection                 | Routine safety inspection                                       | 100%                   |
|                 |                                        | Surprise On-site Inspection during TA (Turn Around)             | 100%                   |
| Internalization | Company-wide Common Training           | Regular Training                                                | 100%                   |
|                 |                                        | Onboarding Training                                             | 100%                   |
|                 |                                        | Training for Change of Task                                     | 100%                   |
|                 | Specialized Training for each Worksite | Special Training                                                | 100%                   |
|                 |                                        | CPR Training by Headquarters                                    | 100%                   |
|                 |                                        | Special Safety Training by Yeosu Plant General Manager          | 100%                   |
|                 | Mock Training                          | Capability Building Training for Daedeok R&D Center Supervisors | 100%                   |
|                 | Emergency response drill               | 100%                                                            |                        |

### DL Chemical | OHS Training Process



(DL Chemical) On-site safety & health management

# OHS Management

## Safety and Health Activities

### Monitoring

- DL conducts monitoring to enhance the effectiveness of the OHS management system and to constantly improve risk factors.
- Internal inspections are conducted in various ways to check actual or potential risks and inspections by external expert agencies are promoted to secure expertise and objectivity.
- We also activated internal oversight on safety and health by operating a Sinmungo (whistleblowing hotline) for on-site workers.

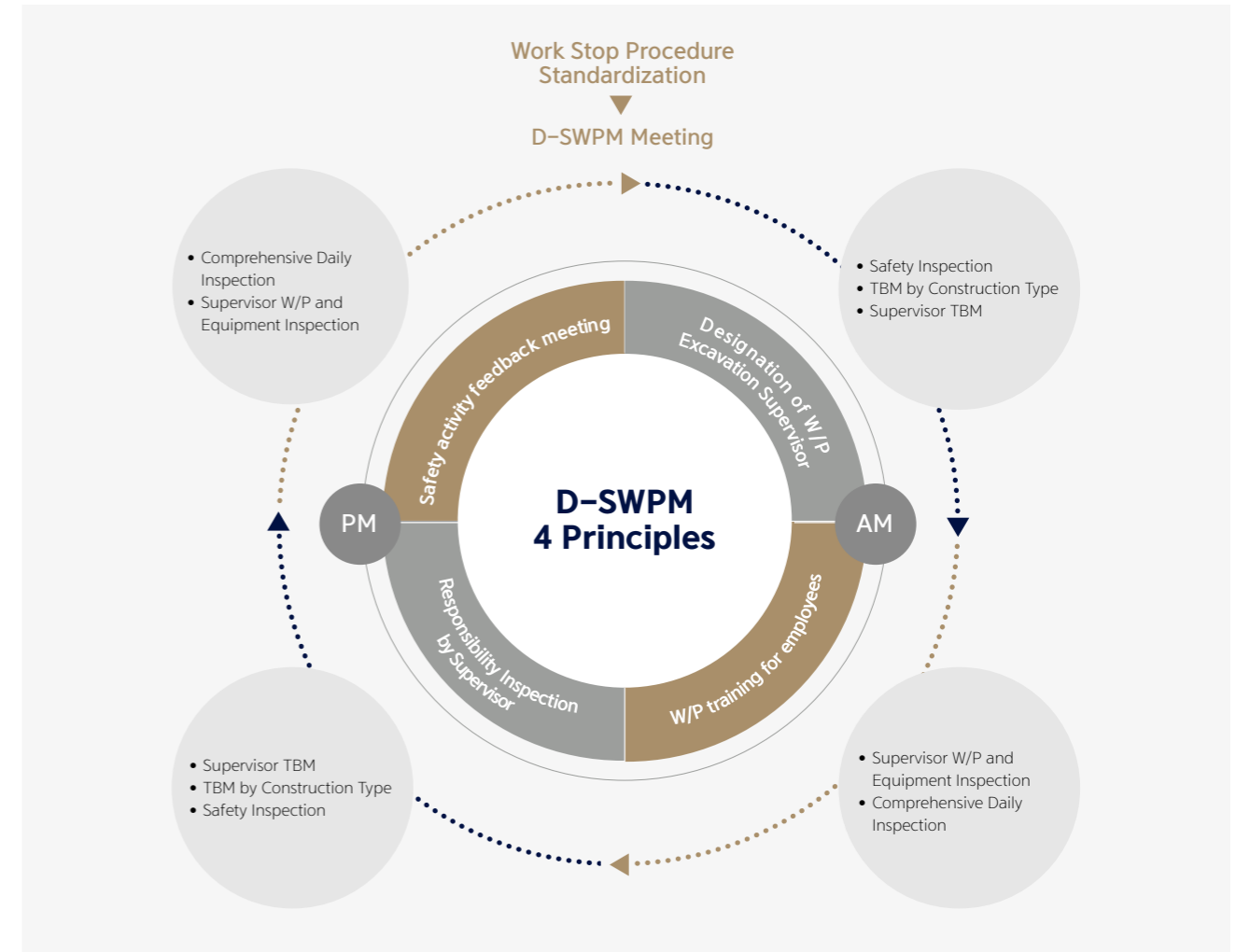
### DL E&C 2023 Internal/External Safety Inspection Performance

(Unit: number)

| Category                        | Classification                                     | Description                                                                                                                                                           | No. of Inspections |
|---------------------------------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Internal Inspection             | Safety inspection by the CSO                       | • Safety inspections led by management                                                                                                                                | 21                 |
|                                 | Safety inspection by executives and team leaders   | • Safety inspections led by responsible executives and team leaders at all worksites                                                                                  | 580                |
|                                 | Self-inspection                                    | • Close-supportive inspections by dedicated staff (PMs) at HQ for each site                                                                                           | 2,279              |
| Inspection by External Agencies | Technical safety inspections                       | • Safety reviews and verification checks by dedicated technical safety (equipment, electrical, structural, geotechnical) staff and specialized organizations          | 3,830              |
|                                 | Inspections by external safety inspection agencies | • Inspections by third-party inspection agencies to verify the worksites' compliance with OHS-related laws and regulations under the Serious Accidents Punishment Act | 163                |

Total no. of inspections conducted in Housing, Civil, and Plant businesses

### DL Construction | D-SWPM (Daily Safety Weak Point Management)



\* D-SWPM is DL Construction's daily on-site safety and health management system, focusing on closely managing weak points at construction sites to achieve zero serious accidents.

# Supply Chain Management

**DL actively support our partners in practicing ESG to promote shared growth and enhance long-term competitiveness.**

DL places great importance on building trust with our suppliers and implements supply chain management strategies to sustain growth together in this ever-changing environment. We pursue transparent, healthy communication and actively support our suppliers in resolving and improving the major issues and challenges they face.

## Key Achievements in 2023

Top company in the Shared Growth Index

DL E&C

'Excellent' grade in the Shared Growth Index

(For 3 consecutive years)

DL Construction

Expansion and Advancement of ESG Evaluations for Suppliers

(Increased from 20 → 30 supplier)

DL Chemical

### DL Group's Goal

DL places great importance on mutual growth with our suppliers and implements supply chain management strategies and supply chain risk management to achieve this goal. We support our suppliers in various aspects to ensure that our supply chain remains resilient and continues to grow, even in a rapidly changing business environment.



# Supply Chain Management

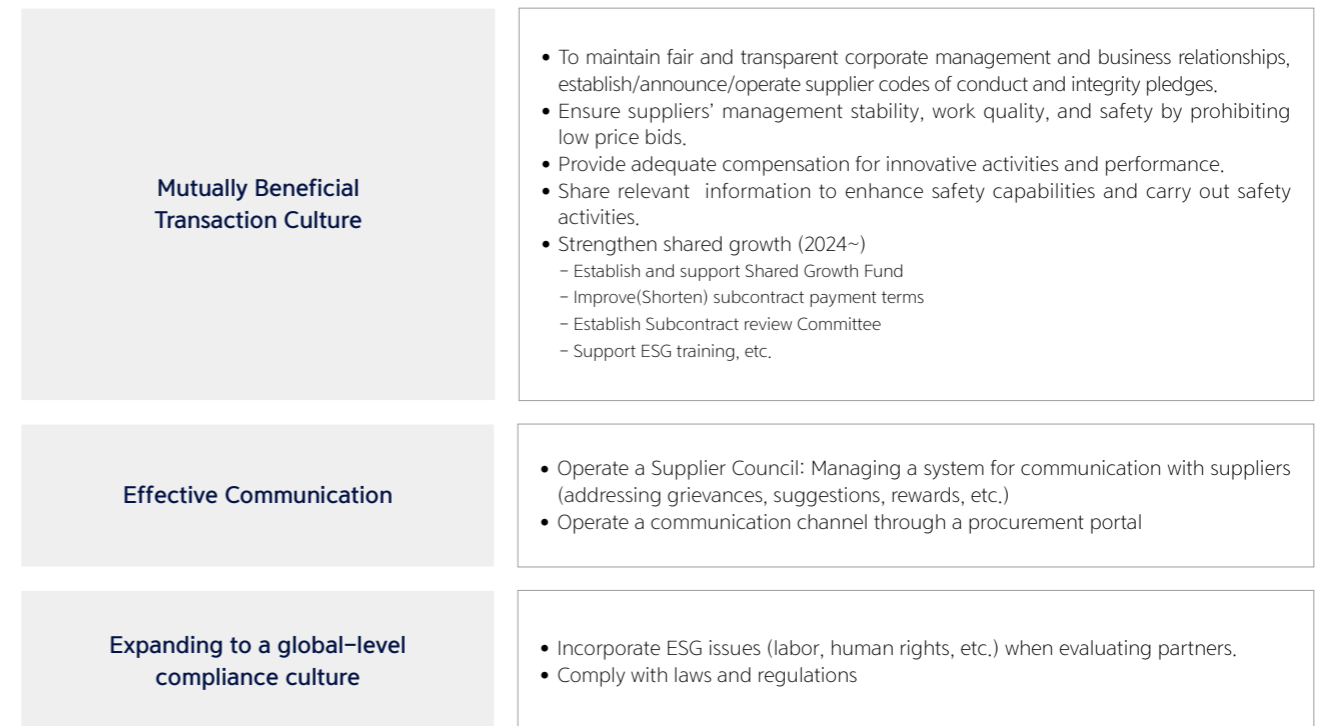
## Supply Chain Management Strategy

- In response to the changes in global ESG management and disclosure standards, it is necessary to build a sustainable and responsible supply chain.
- Each DL subsidiary has established and implemented a management system based on mutual efforts with suppliers to ensure sustainability of the supply chain.

### DL E&C | Supply Chain Management Strategy



### DL Chemical | Supply Chain Win-Win Strategy



# Supply Chain Management

## SPECIAL CASE

### DL Construction

#### Shared Growth Promotion Strategy

- DL Construction has established a shared growth strategy to solidify a win-win relationship with suppliers, focusing on fostering a culture of fair trade and implementing relevant systems and support programs across financial, management, and technical areas.
- Since 2021, we have introduced the Benefit Sharing on the Performance of Safety Management, which evaluates performance based on the safety activities of our suppliers and provides incentives based on performance ratings, thereby enhancing suppliers' sustainable management capabilities.
- DL Construction operates various communication channels and policies to realize shared growth and mutual exchange with our suppliers.
- In addition to hosting the regular 'DL Construction Partners Day' event, we operate the Win-Win Council that defends the rights of our suppliers, Cyber Sinmungo (whistleblowing hotline), and fair trade agreement system, all aimed at enhancing transparency and trust between DL Construction and our suppliers.

#### Communication with Suppliers and Fair-Trade Culture

|                                         |                                                                                                                                                                                                                                                                                      |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Partners Day                            | <ul style="list-style-type: none"> <li>Hosting a regular Partners Day event every year, inviting suppliers to gather feedback on various areas including safety, quality, and the environment, and to operate support programs that meet their needs.</li> </ul>                     |
| Cyber Sinmungo (whistleblowing hotline) | <ul style="list-style-type: none"> <li>Operating Cyber Sinmungo (whistleblowing hotline) on DL Construction's website, enabling report of any unfair demands, misconduct, or other grievances resulting from interactions or transactions with DL Construction employees.</li> </ul> |
| Supplier Portal                         | <ul style="list-style-type: none"> <li>Sharing information on contracts and bids, supplier support programs, and supplier details on "Partners Portal," a supplier portal website.</li> </ul>                                                                                        |
| Win-Win Council                         | <ul style="list-style-type: none"> <li>Holding Win-Win Council regularly to listen to suppliers' opinions on on-site difficulties and to minimize disputes with suppliers.</li> </ul>                                                                                                |
| Standard Subcontract Agreement          | <ul style="list-style-type: none"> <li>Introduced the Fair Trade Commission's standard subcontract agreement and will promptly incorporate any changes to the contract form to protect the rights and interests of our suppliers.</li> </ul>                                         |
| Fair trade agreements                   | <ul style="list-style-type: none"> <li>Signing a Fair Trade Agreement with suppliers every year to provide improved payment terms, financial support, and win-win initiatives to the companies covered by the agreement.</li> </ul>                                                  |

#### Shared Growth Program

##### Technical Support

###### 1. Procurement-Linked Technology Development

By introducing procurement-linked technology development, we establish a virtuous cycle where, when new technology is successfully developed in collaboration with a technically capable supplier, we grant implementation rights and enter into a private contract. This approach provides a growth platform for the supplier and secures technological competitiveness for DL Construction.

###### 2. Technical data leasing support

We support the technical data leasing system of the Korea Foundation for Cooperation of Large & Small Business, Rural Affairs (KOFCA) to protect our suppliers' trade secrets, intellectual property rights, and management information.

##### Financial Support

###### 1. Improvement in the payment terms for subcontractors

The subcontract payment due date has been set on the 10th of every month, a leading level in the construction industry since July 2021. Payment is 100% in cash and cash equivalents (B2B+, loan secured by credit sales without recourse).

###### 2. Direct fund support for shared growth

We have implemented an interest-free direct fund loan system worth KRW 1 billion since 2022 to relieve the financing burden of suppliers. (\*KRW 600 million loaned in 2023. Target: KRW 1 billion in 2024)

###### 3. Operation of the shared growth fund

To support suppliers facing financial difficulties, we operate a Win-Win Fund<sup>1)</sup> in partnership with Woori Bank the shared growth fund.

###### 4. Introduction of Payment System

To ensure that payments made to primary subcontractors are correctly disbursed to secondary and tertiary subcontractors, we mandate the use of the 'Nomubee.com,' a private win-win payment system at all sites. Additionally, we operate our own monitoring system to prevent payment delays by primary subcontractors.

###### 5. Support of contract incidental costs

To support the costs associated with supplier contracts, DL Construction has covered 70% of the stamp tax costs incurred during electronic contracting since 2019. We also provide support for contract guarantee fees for 'Best Partners'.

##### Management Support

###### 1. Operation of low-price review system

DL Construction operates a low-price review system to prevent losses brought by fierce competition between suppliers and their bankruptcy and insolvency

###### 2. Donation to the large/small business Win-win Cooperation Fund

DL Construction has implemented various shared growth policies by donating the win-win cooperation fund to the Korea Foundation for Cooperation of Large & Small Business, Rural Affairs (KOFCA) since 2019 to support business management, technical capabilities, human resources development, and productivity improvement of small- and medium-sized suppliers. (\* About KRW 160 million donated in 2023)

###### 3. Financial Consulting Support for Suppliers

For suppliers that need to improve their financial status, financial consulting services are provided through credit rating agencies.

###### 4. Training Support for Suppliers' Employees

Each year, management innovation, taxation, labor, quality, and safety training are provided for the employees of our suppliers. Since 2022, ESG (Environmental, Social, and Governance) training has also been provided to improve supply chain sustainability. (\*In 2023, capacity development training was provided to 258 companies, and ESG training to 26 companies.)

###### 5. Welfare Support for Suppliers' Employees

The win-win welfare platform, "Shared Growth Mall," operated by the Small & Medium Business Distribution Center, was introduced to support the market access of small and medium-sized enterprises listed on the platform. Partner company employees are also given points each year that can be used in the Shared Growth Mall.

1) The "Win-Win Fund" refers to a system where a portion of the interest generated from large companies' deposits in commercial banks is used to subsidize loan interest rates for suppliers. For instance, DL Construction has deposited KRW 10 billion in cash to support 1.5% of the loan interest rates for its suppliers. (\*Supported approximately KRW 7 billion loans in 2023)

# Supply Chain Management

## Supply Chain Risk Management

- DL operates a supplier registration and management system to systematically manage potential risks arising from the supply chain.
- We periodically review the transaction adequacy for registered suppliers and encourage stronger ESG (Environmental, Social, and Governance) performance through sustainability assessments on suppliers.

### DL Chemical | Supplier Registration and Management System

|                                                                 |                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Collect Supplier Information                                    | <ul style="list-style-type: none"> <li>• Collect supplier information based on various sources of data</li> </ul>                                                                                                                |
| Review Company Information                                      | <ul style="list-style-type: none"> <li>• Receive and review key information (delivery performance, company profile, etc.)</li> </ul>                                                                                             |
| Implement Test and Technical Review                             | <ul style="list-style-type: none"> <li>• Implement test and technical review to confirm compliance with our requirements</li> </ul>                                                                                              |
| Conduct Survey                                                  | <ul style="list-style-type: none"> <li>• Review checklist for supplier registration</li> <li>• Determine adequacy with DL Chemical standards</li> </ul>                                                                          |
| Register Supplier                                               | <ul style="list-style-type: none"> <li>• Register companies that meet the requirements</li> </ul>                                                                                                                                |
| Conduct Regular Inspection, Evaluation and Improvement Measures | <ul style="list-style-type: none"> <li>• Regularly inspect whether the supplier can consistently supply products that meet our requirements</li> <li>• Conduct evaluations and implement actions based on the results</li> </ul> |

### Supplier OHS Level Evaluation System

| Evaluation Method        | Evaluation Period          | Evaluation Frequency Selection |                    |                                        | Judgement Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------|----------------------------|--------------------------------|--------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          |                            | Frequency of Task              | Risk Level of Task | Risk Probability                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| On-site Evaluation       | 1 year                     | High                           | High               | H                                      | 1. Frequency of task<br>2. Risk level of task (human/material impact) <ul style="list-style-type: none"> <li>• High-risk tasks: tasks involving fire, confined spaces, electrics, high-pressure washing, excavation, radiation, working at heights, and operation of packaging/shipment facilities/equipment/machinery.</li> <li>• Task involving use of heavy equipment (cranes, lifts, etc.)</li> </ul> 3. Risk probability <ul style="list-style-type: none"> <li>• Task location (process/non-process area), number of workers, duration of stay (time period)</li> </ul> |
|                          | 2 years                    | Medium                         | Medium             | M                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                          | 3 years                    | Low                            | Low                | L                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Document Evaluation      | 3 years                    | Low                            | Low                | L                                      | Determine whether to evaluate and evaluation method at time of task occurrence.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| On-site/Document         | In case of task occurrence |                                |                    |                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Excluded from Evaluation |                            |                                |                    | Simple delivery, simple services, etc. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

- Each year, companies subject to safety and health level evaluation are selected based on the evaluation criteria (frequency, judgment standards, etc.) above, and evaluations are conducted accordingly.
- Ineligibility for registration: Up to 3 years if there was an occurrence of an industrial accident within the last one year or a serious accident (as defined by the Occupational Safety and Health Act & the Serious Accident Punishment Act).

### Supplier Safety and Health Performance Indicators

| Evaluation Item           | Evaluation Item                                       |
|---------------------------|-------------------------------------------------------|
| OHS Management System     | 1. General Principles                                 |
|                           | 2. Plan                                               |
|                           | 3. Roles & Responsibilities                           |
| Implementation Level      | 4. Risk Assessment                                    |
|                           | 5. Safety Inspection                                  |
|                           | 6. Implementation Verification                        |
|                           | 7. Training & Recording                               |
|                           | 8. Safety Task Permit                                 |
| Operation Management      | 9. Management of OHS Expenses Usage                   |
|                           | 10. Signal and Communication System                   |
|                           | 11. Hazardous materials and equipment                 |
|                           | 12. Emergency Measure                                 |
| Incident Occurrence Level | 13. Industrial Accident Status                        |
| Bonus Points              | System Certification <sup>1)</sup> Acquisition Status |

1) Safety/Environmental certification systems (e.g., ISO 14001/45001, KOSHA certification, KGS certification, etc.)

# Supply Chain Management

## Supply Chain Risk Management

### Supplier ESG Evaluation

- Each subsidiary developed and implemented supplier ESG evaluation indicators based on global initiatives such as ISO 26000, RBA (Responsible Business Alliance), and SMETA.
- An assessment is conducted once a year for suppliers, to monitor their adherence to the code of conduct and identify potential risks.
- To establish a sustainable supply chain system, we advanced the ESG evaluation framework and pursued a policy that gives preference to suppliers who demonstrate excellent ESG performances and assessment outcomes.

### DL E&C | Supplier ESG Evaluation Items

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OHS                  | <ul style="list-style-type: none"> <li>• Establishment of regulations and manuals</li> <li>• Safety-designated organizations</li> <li>• Standard operating manuals</li> <li>• Evacuation drills</li> </ul>                                                                                                                                                                                                                                                                                                                                     |
| Environment          | <ul style="list-style-type: none"> <li>• Environmental policies in place</li> <li>• Organizations designated for environmental issues</li> <li>• Violation of environmental laws</li> </ul>                                                                                                                                                                                                                                                                                                                                                    |
| Labor · Human Rights | <ul style="list-style-type: none"> <li>• Compliance with the Labor Standards Act and the issuance of written employment agreements</li> <li>• Compliance with working hours</li> <li>• Compliance with the minimum wage</li> <li>• Keeping the Human Rights Charter at hand</li> <li>• Regulations prohibiting child and forced labor</li> <li>• Regulations prohibiting discrimination</li> <li>• Regulations prohibiting sexual harassment and related training</li> <li>• Operation of a labor union or labor-management council</li> </ul> |
| Ethics               | <ul style="list-style-type: none"> <li>• Ethical charter or ethical guidelines</li> <li>• Ethical training</li> <li>• Corruption and conflict of interest reporting channels</li> </ul>                                                                                                                                                                                                                                                                                                                                                        |

### DL E&C | Supplier ESG Evaluation Process



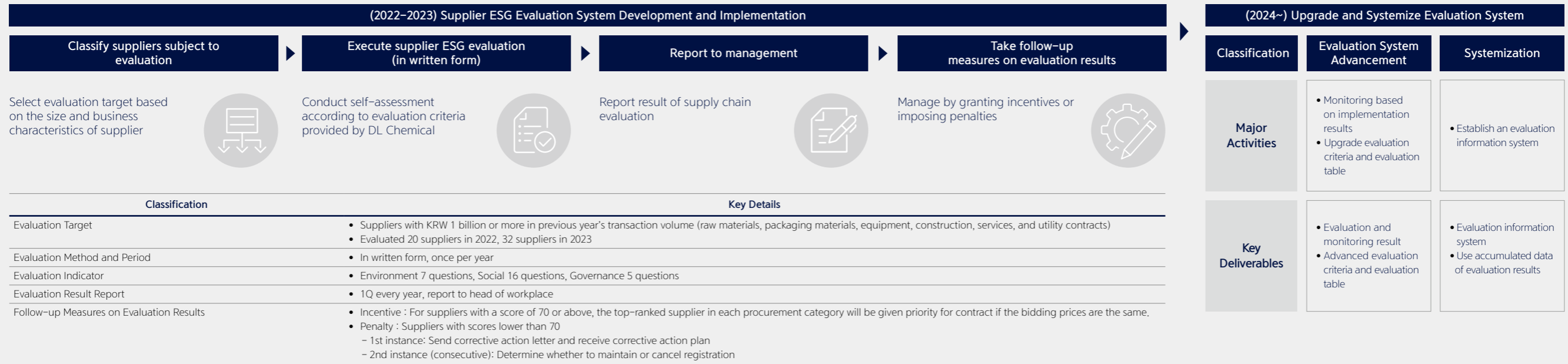


# Supply Chain Management

**SPECIAL CASE**

## DL Chemical | Supply Chain ESG Evaluation Roadmap

- DL Chemical conducts ESG evaluations to raise suppliers' awareness on ESG and enhance sustainability of the supply chain.
- To minimize the burden on suppliers, we designed an evaluation framework that reflects the size of the suppliers and the characteristics of their purchasing transactions. In the future, we plan to further advance and systemize the evaluation system to improve the effectiveness of the system.



# Supply Chain Management

## Supply Chain Risk Management

### DL Chemical | Strengthening Supply Chain Communication

- DL aims to establish a positive relationship and build trust with our suppliers through active communication. By utilizing various communication channels, DL shares status updates on major issues and promotes discussions on areas in need of improvement.
- Through transparent and healthy communication, we strive to resolve suppliers' complaints, prevent safety and health risks in advance, and foster win-win growth and development.

| Name of Council                                                                                        | Objective                                                                                                                                   | Target Selection Criteria                                                                            | Activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Annual Frequency                                                                       |
|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| HSE Seminars for Supplier Representatives                                                              | Achieving zero-accident workplace through cooperation with major suppliers on safe operations and listening to their concerns and proposals | Suppliers performing high-frequency and high-risk tasks within our workplace                         | <ul style="list-style-type: none"> <li>• Listen to proposals</li> <li>• Provide guidance on our safety management standards</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1 time (with plant manager participation)<br># Working level : 12 times (1 time/month) |
| Supplier Risk Assessment Support (Formerly known as the Safety and Health Win-Win Cooperation Program) | Improving risk factors by supporting suppliers' risk assessment activities                                                                  | On-site logistics companies and constructions companies that perform high-frequency, high-risk tasks | <ul style="list-style-type: none"> <li>• Provide coaching <ul style="list-style-type: none"> <li>– Review risk assessment result</li> <li>– Review improvement measures based on risk assessment results</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                | 1 time                                                                                 |
| Supplier Safety/Health Audit                                                                           | Strengthening suppliers' self-safety management capabilities                                                                                | On-site logistics companies and constructions companies that perform high-frequency, high-risk tasks | <ul style="list-style-type: none"> <li>• Conduct inspection using checklist and identify improvement areas</li> <li>• Audit items <ul style="list-style-type: none"> <li>– HSE organization, leadership</li> <li>– System, risk assessment</li> <li>– Work procedures, training</li> <li>– Equipment/tools, safety protective gear</li> <li>– Rewards, safety management cost</li> </ul> </li> </ul>                                                                                                                                                                                                                                           | 2 times (1 time per half year)                                                         |
| Safety Conference for Logistics Suppliers                                                              | Preventing safety accidents for on-site suppliers and establishing an organic cooperation system                                            | Suppliers performing high-frequency and high-risk tasks within our workplace                         | <ul style="list-style-type: none"> <li>• Share safety related status <ul style="list-style-type: none"> <li>– Share the status of safety</li> <li>– related investment projects and progress of W/O</li> <li>– Share near-miss accidents</li> </ul> </li> <li>• Share customer complaint details and key tasks of the month <ul style="list-style-type: none"> <li>– Discuss causes of customer complaints and improvement measures</li> </ul> </li> </ul>                                                                                                                                                                                     | 12 times (1 time/month)                                                                |
| Safety Seminar for Transportation Suppliers                                                            | Preventing safety accidents for transportation suppliers and establishing an organic cooperation system                                     | Suppliers performing logistics operations for us and PMC                                             | <ul style="list-style-type: none"> <li>• Share changes on our logistics policy</li> <li>• Discuss and share safety-related guidelines</li> <li>• Discuss proposals and concerns</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 4 times (1 time/quarter)                                                               |
| Construction Supplier Council                                                                          | Strengthening SHE management through technical support and listening to opinions of major suppliers                                         | Construction/Unit price companies performing high-frequency, high-risk tasks                         | <ul style="list-style-type: none"> <li>• Provide technical/safety management support and review <ul style="list-style-type: none"> <li>– Provide guidance on our safety management standards</li> <li>– Share the content of our OEMS procedures</li> <li>– Share changes in laws and regulations</li> <li>– Review work management status and provide technical support</li> <li>– Review tool management status</li> <li>– Review emergency response and emergency contact procedures in case of an accident</li> </ul> </li> <li>• Listen to concerns during construction/unit price operations and discuss improvement measures</li> </ul> | 2 times (1 time per half year)                                                         |

# Supply Chain Management

## SPECIAL CASE

### DL E&C | Shared Growth Index

- DL E&C actively supports sustainable growth with our suppliers by operating shared growth programs in five areas, collaborating with various suppliers across the overall process from purchasing construction materials to on-site construction.
- We are utilizing various communication channels to build trust with our suppliers based on communication and cooperation.

| Classification                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Support Provided in 2023                  |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Support for ESG Management         | <ul style="list-style-type: none"> <li>• Supports ESG management programs for major suppliers to establish a sustainable ESG management environment throughout the supply chain</li> <li>• Conducts ESG training and diagnosis (evaluation) of nonfinancial factors, such as human rights, safety, and environment, through credit rating agencies</li> <li>• Supports in-depth consulting to mitigate supplier-specific vulnerabilities based on ESG diagnosis and evaluation results</li> </ul>                                                                                                                                                              | 78 suppliers<br>(with 3 consulting firms) |
|                                    | <ul style="list-style-type: none"> <li>• Safety management consulting (an Innovative Partnership Support program): Support for safety management consulting through external expert agencies to improve suppliers' industrial disaster prevention competencies (diagnosis of suppliers' safety organizations and operation system, analysis of diagnosis results, establishment of improvement tasks, performance evaluation)</li> </ul>                                                                                                                                                                                                                       | 19 suppliers                              |
| Support for Technology Development | <ul style="list-style-type: none"> <li>• Benefit-Sharing System: Operates a benefit-sharing system for technologies developed jointly with suppliers to support suppliers' technological advancement and secure corporate competitiveness. For success in new products/technology development, we support the suppliers' sales increase by applying the developed products/technologies to our design standardization.</li> <li>• Technology escrow program: Secures technological competitiveness and reliability by temporarily placing supplier-developed technologies in custody to prevent leakage</li> </ul>                                             | 39 cases<br>1 case                        |
| Support for ESG Training           | <ul style="list-style-type: none"> <li>• Construction CEO Program for Shared Growth: Enhances suppliers' competitiveness by providing specialized higher education at a graduate school to significant suppliers (Fair-trade system, construction and legal system, construction ESG trends and strategies)</li> <li>• Job training for supplier employees: Supporting supplier training and strengthening the job capabilities of supplier employees through external expert agencies (the Framework Act on the Construction Industry, the Fair Transactions in Subcontracting Act, labor management, safety management, and understanding of ESG)</li> </ul> | 20 suppliers<br>240 persons               |

### Supplier Communication Channels

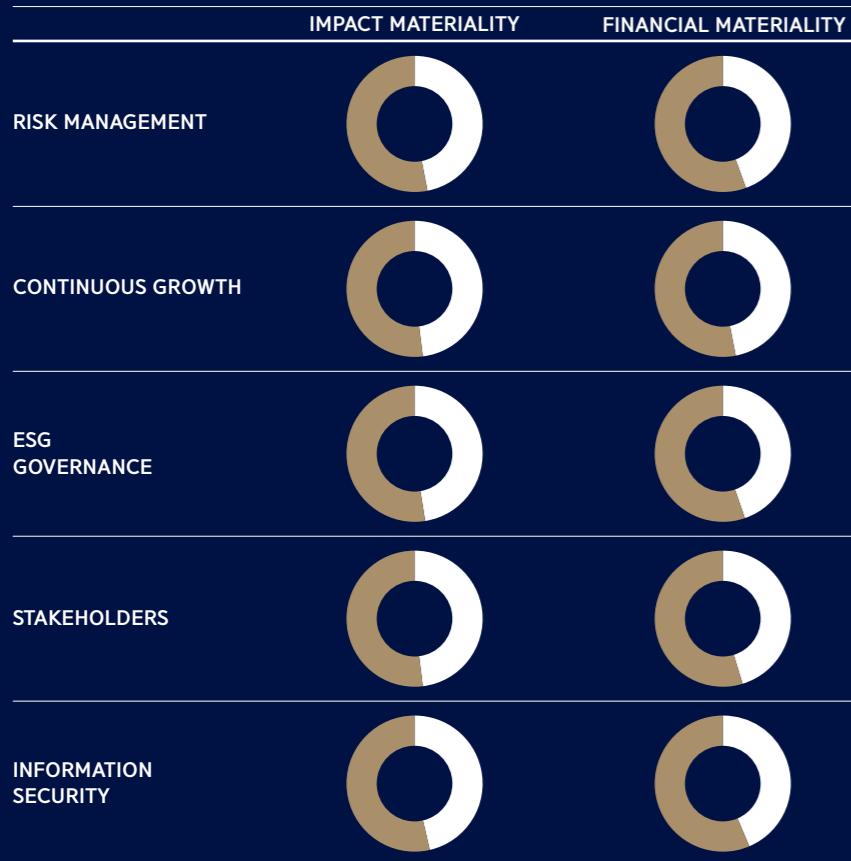
|                                            |                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Hansup Partners' Day                       | <ul style="list-style-type: none"> <li>• An annual invitation event to select and reward outstanding suppliers (sharing major management status, listening to suppliers' opinions)</li> <li>• In 2023, it took place off-line with all outstanding suppliers, to share suppliers' best practices and DL E&amp;C's safety management plans.</li> </ul> |
| Cyber Sinmungo<br>(whistleblowing hotline) | <ul style="list-style-type: none"> <li>• Damage arising from our employees' unfair demands or actions, suggestions concerning ethical management, opinions, and supplier grievances are received through our website at all times.</li> </ul>                                                                                                         |
| Supplier Portal, 'Partnership'             | <ul style="list-style-type: none"> <li>• Various support programs and information are shared through the supplier portal.</li> <li>• The 'TalkTalk bulletin board' is operated for two-way communication and a notification system is used to notify the received inquiry to the responsible personnel.</li> </ul>                                    |
| Win-Win Council                            | <ul style="list-style-type: none"> <li>• The Win-Win Council, a communication channel with suppliers on-site is operated on a regular basis.</li> <li>• The Council minimizes subcontracting-related disputes by listening to the suppliers' opinions and forming a consensus on shared growth</li> </ul>                                             |
| Quarterly Supplier Meeting                 | <ul style="list-style-type: none"> <li>• Quarterly online meetings are held with suppliers to provide a space for two-way communication.</li> <li>• Through the meeting, we share our major issues and policies and listens to suppliers' opinions.</li> </ul>                                                                                        |



Hansup Partners' Day

# GOVERNANCE

## TOPIC MATERIALITY



### IMPACT MATERIALITY

- NEGATIVE IMPACT
- POSITIVE IMPACT

### FINANCIAL MATERIALITY

- RISK FACTOR
- OPPORTUNITY FACTOR

77

Governance

84

Ethics & Compliance Management

88

Risk Management

93

Information Security

# Governance

DL prioritizes the needs of our shareholders and stakeholders above all else, while striving to ensure the highest level of transparency and efficiency in our management practices.

DL Holdings is committed to maximizing transparency and efficiency in management based on our Corporate Governance Charter. We place the highest value on protecting the rights and interests of our shareholders and stakeholders, supporting sustainable management through the operation of the Board of Directors and its subcommittees based on strong expertise.

## Key Achievements in 2023

Appointment of Women and Various Experts

Disclosure of Mid- to Long-term Dividend Policy  
(2024-2026)

Board of Directors Average Attendance Rate (2023)  
100%



### DL Group's Goal

In preparation for mandatory ESG disclosure, DL aims to gradually establish a group-wide ESG data management system, while enhancing the capabilities of our Board of Directors by implementing systematic ESG trainings for independent directors.

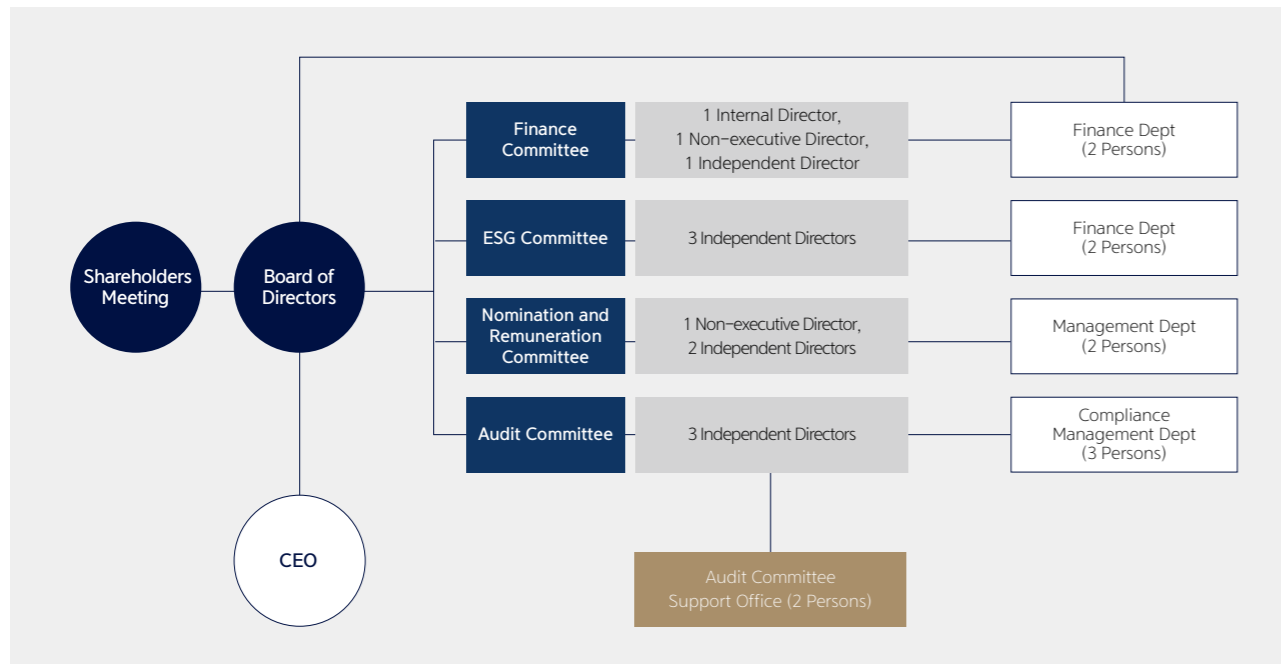
# Governance

## Sound Corporate Governance

### Composition and Function of the Board of Directors

- As of end-May 2024, DL Holdings Board of Directors consists of a total of five members: one internal director, one non-executive director, and three independent directors (with independent directors taking up 60% of the Board).
- The Chairman of the Board is internal director Kim Jong Hyun, who concurrently serves as the CEO. He was appointed as Chairman in recognition of his expertise in corporate management.
- The Board of Directors is our highest decision-making body, responsible for determining the management objectives and strategies of DL Holdings and overseeing management to protect the interests of the company and our shareholders.
  - Matters subject to the Board's deliberation and resolution include the company's annual management plan and the appointment or dismissal of the CEO.
  - The Board plays a crucial role in reflecting the opinions of shareholders and investors in management activities, as well as overseeing and making decisions on current management issues.
  - Through regular and extraordinary meetings, the Board effectively addresses various issues facing our company and supports sustainable growth.

### Board of Directors Organization Chart



### Diversity, Independence, and Transparency of the Board of Directors

- Through our Corporate Governance Charter, DL Holdings has established an implementation system that ensures the independence, transparency, and diversity of the Board of Directors.
- In accordance with Article 5 of the Corporate Governance Charter, which outlines the expertise of directors, DL Holdings' Board is composed of internal directors with specialized knowledge and experience in management, and independent directors with expertise in various fields including accounting, finance, and branding.
- We have further strengthened the independence of our oversight functions by composing the Audit Committee and ESG Committee entirely of independent directors, who are tasked with overseeing and checking the management.

### DL Holdings Principle on Independence and Transparency of the Board of Directors

#### Independence

- The number of independent directors shall be at least three and must constitute a majority of the total number of directors.
- Independent directors cannot have any significant relationship with the company and must be capable of making independent decisions, free from influence by the management and owners of the group.
- The Board of Directors shall select the Chairman of the Board from the directors through a formal resolution.
- Directors that have a special interest in certain board resolutions are not permitted to exercise voting rights on the concerned matters.

#### Transparency

- Directors are appointed at the General Shareholders Meeting.
- To ensure fair nomination of director candidates, the Nomination and Remuneration Committee must be in operation.
- The committee should be structured to ensure fairness and independence of the director candidate selection process.
- The following committees have been established and are currently operating within the Board of Directors:
  - Audit Committee: Composed entirely of independent directors
  - ESG Committee: Composed entirely of independent directors
  - Nomination and Remuneration Committee: Composed of 2 independent directors and 1 non-executive director
  - Finance Committee: Composed 1 independent director, 1 internal director and 1 non-executive director

# Governance

## Sound Corporate Governance

### Board of Directors Appointment Procedure

- At DL Holdings, the internal directors to be appointed at the general shareholders' meeting are recommended by the Board of Directors, while the Nomination and Remuneration Committee selects independent director candidates.
- The Nomination and Remuneration Committee consists of three members including one non-executive director and two independent directors, with Independent directors constituting the majority (67%).
- The Nomination and Remuneration Committee conducts in-depth discussions regarding the pool of independent director candidates and finalizes the candidates to be recommended to the shareholders' meeting.
- Candidates are selected based on evaluation criteria that includes expertise, diligence, independence, integrity, and diversity of the Board's composition, ensuring they can make substantial contributions to corporate management.

### Remuneration for Executives

- At DL Holdings, executive remuneration is determined and paid based on the executive remuneration regulations set by the Board of Directors. Performance bonuses are awarded after a comprehensive assessment of management performance, including goal achievement rate, profit growth rate, economic value added (EVA), and the accomplishment of strategic tasks.
- Remuneration for independent directors are paid in fixed amounts within the limit of director remuneration approved by the general shareholders' meeting. No individual differentiation in paid amount or separate stock options are offered to independent directors.

### Board of Directors Appointments and Changes

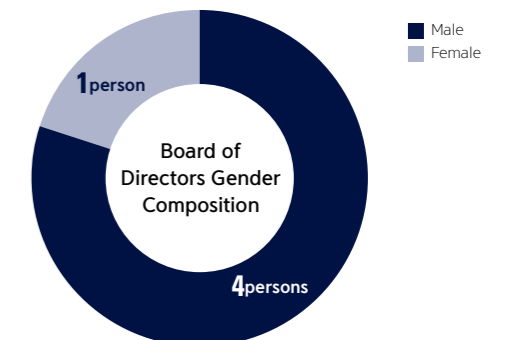
Time Period: 2023.01.01~2024.05.31

| Classification         | Name            | Date of Initial Appointment | Scheduled End Date of Term | Date of Change | Cause of Change | Current Employment Status |
|------------------------|-----------------|-----------------------------|----------------------------|----------------|-----------------|---------------------------|
| Independent Director   | Lee Han Sang    | 2018.3.22                   | 2024.1.4                   | 2023.3.24      | Resignation     | Retired                   |
| Independent Director   | Choi Woo Seok   | 2023.3.24                   | 2026.3.24                  | 2023.3.24      | Appointment     | Employed                  |
| Independent Director   | Lee Young Myung | 2021.1.4                    | 2024.1.4                   | 2024.3.22      | Expiration      | Retired                   |
| non-executive Director | Shin Hyun Sik   | 2021.1.4                    | 2027.3.22                  | 2024.3.22      | Reappointment   | Employed                  |
| Independent Director   | Lee Yoon Jung   | 2021.1.4                    | 2027.3.22                  | 2024.3.22      | Reappointment   | Employed                  |
| Independent Director   | Kim Yong Rae    | 2024.3.22                   | 2027.3.22                  | 2024.3.22      | Appointment     | Employed                  |

### Results of the Board of Directors' Competency Assessment based on BSM (Board Skill Matrix)



### Board of Directors Gender Diversity



# Governance

## Sound Corporate Governance

### Current Composition of the Board of Directors

● Chairperson ○ Member (As of 2024.05.31)

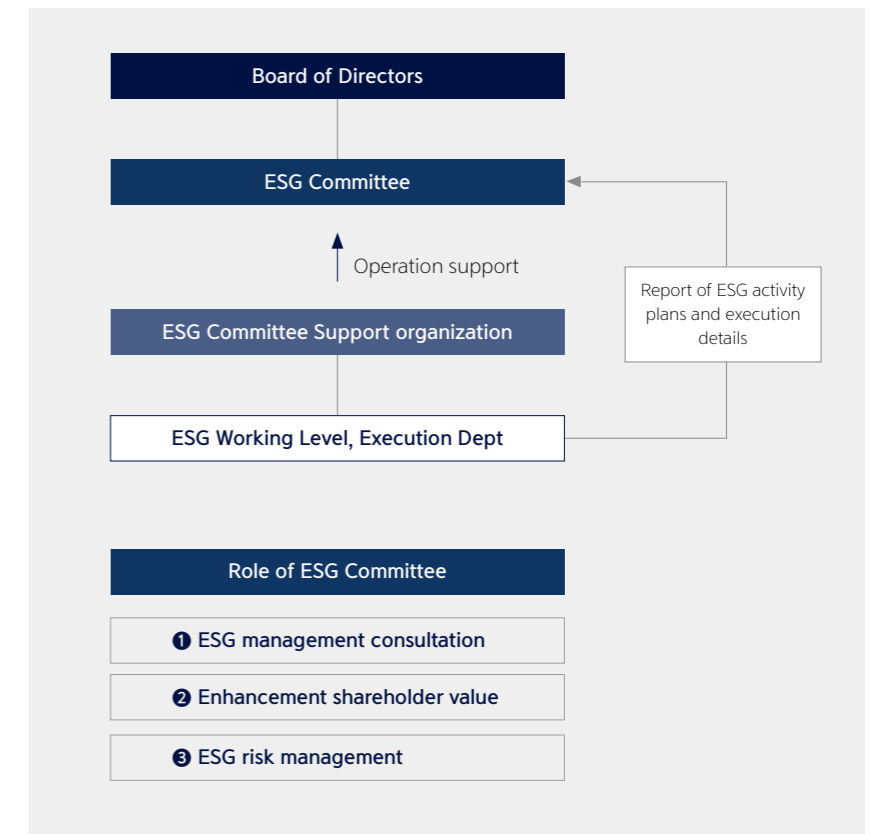
| Classification         | Name                                | Position                                                                                                                                                                   | Career Highlights                                                                                                                                                                                                                                                 | Field of Expertise  | Service Period <sup>1)</sup>                              | Board of Directors Committees |                                       |               |                 |
|------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------|-------------------------------|---------------------------------------|---------------|-----------------|
|                        |                                     |                                                                                                                                                                            |                                                                                                                                                                                                                                                                   |                     |                                                           | Finance Committee             | Nomination and Remuneration Committee | ESG Committee | Audit Committee |
| Internal Director      | Kim Jong Hyun<br>(Male, Oct 1959)   | <ul style="list-style-type: none"> <li>CEO</li> <li>Member of Finance Committee</li> </ul>                                                                                 | <ul style="list-style-type: none"> <li>(Current) CEO of DL Chemical</li> <li>(Former) CEO of LG Energy Solution, Ltd</li> </ul>                                                                                                                                   | Business Management | 2022.10~2025.12.1                                         | ○                             |                                       |               |                 |
| Non-Executive Director | Shin Hyun Sik<br>(Male, Feb 1971)   | <ul style="list-style-type: none"> <li>Chairperson of Nomination and Remuneration Committee</li> <li>Member of Finance Committee</li> </ul>                                | <ul style="list-style-type: none"> <li>(Current) Head of Legal Division, DL Chemical</li> <li>(Former) Attorney at Shin &amp; Kim LLC</li> </ul>                                                                                                                  | Law                 | 2021.01.04~End of General Meeting of Shareholders in 2027 | ○                             | ●                                     |               |                 |
| Independent Director   | Lee Yoon Jung<br>(Female, Dec 1969) | <ul style="list-style-type: none"> <li>Chairperson of ESG Committee</li> <li>Member of Audit Committee</li> <li>Member of Nomination and Remuneration Committee</li> </ul> | <ul style="list-style-type: none"> <li>(Current) Brand Consultant</li> <li>(Former) Director and Editor-in-Chief at Noblesse Media International Co., Ltd.</li> </ul>                                                                                             | Brand               | 2021.01.04~End of General Meeting of Shareholders in 2027 |                               | ○                                     | ●             | ○               |
| Independent Director   | Choi Woo Seok<br>(Male, Jun 1970)   | <ul style="list-style-type: none"> <li>Chairperson of Audit Committee</li> <li>Member of ESG Committee</li> <li>Member of Finance Committee</li> </ul>                     | <ul style="list-style-type: none"> <li>(Current) Professor at Korea University Business School</li> <li>(Former) Assistant Professor at California State University, USA</li> </ul>                                                                               | Accounting/ Finance | 2023.03.24~End of General Meeting of Shareholders in 2026 | ○                             |                                       | ○             | ●               |
| Independent Director   | Kim Yong Rae<br>(Male, Jan 1968)    | <ul style="list-style-type: none"> <li>Member of ESG Committee</li> <li>Member of Nomination and Remuneration Committee</li> <li>Member of Audit Committee</li> </ul>      | <ul style="list-style-type: none"> <li>(Current) Research Professor at Kyung Hee University</li> <li>(Former) Commissioner of the Korean Intellectual Property Office</li> <li>(Former) Director-General for Industrial Innovation Growth at the MOTIE</li> </ul> | Industrial Policy   | 2024.03.22~End of General Meeting of Shareholders in 2027 |                               | ○                                     | ○             | ○               |

1) Service period includes reappointments

### ESG Management System

- The ESG Committee of DL Holdings is composed entirely of independent directors to ensure independence and is responsible for providing advice on ESG matters and conducting risk management.
- To effectively support the work of the ESG Committee, a support organization operates under its supervision.

### ESG Management Organization





# Governance

## Sound Corporate Governance

### Strengthening the Roles and Capabilities of the Four Committees

- To enhance the functionality of the Board of Directors, DL Holdings established four committees under the Board and strengthened their expertise.
- To further strengthen the functions of these committees, dedicated support organizations are assigned to each committee, and regular board evaluations and trainings are conducted.

#### Implementation Status of the Four Committees

| Composition              | Audit Committee                                                                                                                                                                                                                                                                                                                                                                                                   | Nomination and Remuneration Committee                                                                                                                                                                                                                  | ESG Committee                                                                                                                                                                                                                                                                                                       | Finance Committee                                                                                                                                                                                |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Major Function           | <ul style="list-style-type: none"> <li>• Independent audit task implementation</li> <li>• Approval of appointment, change, and dismissal of external auditors</li> <li>• Evaluation of the internal control system</li> </ul>                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>• Recommendation of independent director candidates</li> <li>• Determination of executive compensation system and levels</li> <li>• Review of company performance evaluation and compensation system</li> </ul> | <ul style="list-style-type: none"> <li>• Review and deliberation on adequacy of internal transaction</li> <li>• Deliberation on shareholder value and rights</li> <li>• Provision of advice and deliberation on ESG management matters</li> </ul>                                                                   | <ul style="list-style-type: none"> <li>• Deliberation and resolution of financial matters including stock acquisition, borrowing, and domestic and international investment decisions</li> </ul> |
| Supporting Organization  | Compliance Management Department, Audit Committee Support Office                                                                                                                                                                                                                                                                                                                                                  | Management Department                                                                                                                                                                                                                                  | Finance Department                                                                                                                                                                                                                                                                                                  | Finance Department                                                                                                                                                                               |
| No. of meetings in 2023  | 8 meetings                                                                                                                                                                                                                                                                                                                                                                                                        | 2 meetings                                                                                                                                                                                                                                             | 6 meetings                                                                                                                                                                                                                                                                                                          | -                                                                                                                                                                                                |
| Key Performances/ Agenda | <ul style="list-style-type: none"> <li>• Financial performance review</li> <li>• Internal audit plan approval and performance review</li> <li>• Evaluation of ICFR (Internal Control over Financial Reporting) System</li> <li>• Review of compliance management system operation results</li> <li>• Evaluate audit results of external auditor</li> <li>• Regular communication with external auditor</li> </ul> | <ul style="list-style-type: none"> <li>• Independent director candidate recommendation</li> <li>• Approval of compensation limit for directors</li> <li>• Deliberation on performance incentive payments</li> </ul>                                    | <ul style="list-style-type: none"> <li>• Deliberation on dividend proposals</li> <li>• ESG Implementation plan review</li> <li>• Deliberation on large-scale internal transactions</li> <li>• Review of ESG materiality assessment results</li> <li>• Deliberation on the next shareholder return policy</li> </ul> | -                                                                                                                                                                                                |

#### Audit Committee's Training Roadmap and Implementation Status

| Classification                                    |                                                                                                                                                                                                                                                         | Implemented in 2021- 1H 2024 |                                                                |                           |                     |                               |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------------------------------|---------------------------|---------------------|-------------------------------|
|                                                   |                                                                                                                                                                                                                                                         | Audit Committee R&R          | ESG Trends and Insights from the Audit Committee's Perspective | ICFR System               | Key Audit System    | Oversight of Accounting Fraud |
|                                                   |                                                                                                                                                                                                                                                         | Implemented in 2021, 2023    | Implemented in 2021                                            | Implemented in 2022, 2024 | Implemented in 2022 | Implemented in 2023           |
| 1. Financial Report Supervision                   | <ul style="list-style-type: none"> <li>• Financial statement audit and obligation to submit an audit report</li> <li>• Oversight of ICFR system</li> <li>• Obligation to investigate and report accounting fraud</li> </ul>                             | ●                            |                                                                | ●                         | ●                   | ●                             |
| 2. Appointment and oversight of external auditors | <ul style="list-style-type: none"> <li>• Appointment of external auditors and determination of compensation and schedule</li> <li>• Pre-consultation on detailed audit plan with external auditors</li> <li>• Evaluation of external auditor</li> </ul> | ●                            |                                                                |                           | ●                   |                               |
| 3. External Communication                         | <ul style="list-style-type: none"> <li>• Review proposals and documents submitted to the general shareholders' meeting for oversight of any violations of the law or Articles of Incorporation and unfair practices</li> </ul>                          | ●                            |                                                                |                           | ●                   |                               |
| 4. Oversight of internal audits                   | <ul style="list-style-type: none"> <li>• Oversee the adequacy of internal audit plans and activities</li> </ul>                                                                                                                                         | ●                            |                                                                |                           |                     | ●                             |
| 5. Oversight of Risk                              | <ul style="list-style-type: none"> <li>• Audit of directors' performance of duties</li> <li>• Review of the company's operations and property status</li> </ul>                                                                                         | ●                            | ●                                                              | ●                         |                     | ●                             |

### Evaluation on the Board of Directors Operation

- DL Holdings conducts an annual evaluation of the Board of Directors' operations and publishes the results on our website.
- The Board of Directors' operation evaluation is conducted through a self-evaluation survey of all directors. This includes not only evaluation by items, but also suggestions for improving the BOD and committee operations and opinions regarding support requests to the company, which is reviewed for reflection.

#### Board of Directors Evaluation Item and Results

Max. 5 points per item

| Sector           | Item                                                                                                     | Score |
|------------------|----------------------------------------------------------------------------------------------------------|-------|
| BOD Composition  | Appropriate board size for effectively carrying out executive and oversight functions                    | 3.8   |
|                  | Diversity and expertise of directors                                                                     | 4.3   |
|                  | Suitability of BOD committee composition for performing independent and specialized functions            | 4.3   |
| BOD Independence | Suitability of BOD composition for ensuring independence                                                 | 4.0   |
|                  | Communication with external auditors excluding management, to ensure independence of the Audit Committee | 4.5   |
|                  | Provision of fair and ample opportunities to raise opinions in the BOD or Committee                      | 4.5   |
| BOD Operation    | Pre-distribution and report of meeting materials for agenda review                                       | 4.8   |
|                  | Appropriateness of the frequency of BOD and committee meetings                                           | 3.8   |
|                  | Training and reporting on key management matters to enhance efficiency of directors' roles               | 4.3   |

# Governance

## Shareholder-Friendly Management

### Convocation Notice of Shareholders' Meeting

- DL Holdings provides notice of the date, venue, and agenda of the shareholders' meeting at least two weeks prior to the meeting date, in accordance with the Commercial Act and our company's Articles of Incorporation, to allow shareholders sufficient time to review and exercise their voting rights on the agenda.
- Detailed procedures for submitting shareholder proposals are available on our website, ensuring that shareholders can efficiently and effectively propose agenda items for consideration at the shareholders' meeting.

### Shareholder Voting System

- From 2021, DL Holdings introduced an electronic voting system to enhance the convenience of shareholders who are unable to attend the shareholders' meeting in person.
- To facilitate easy exercise of voting rights, we are also encouraging proxy voting among all shareholders listed in the shareholders' register as of the end of the fiscal year.

### Status of Voting Rights Exercised at the Annual General Meeting of Shareholders

| Proposal number | Classification                                     | Necessary Condition: Number of shares in favor must exceed half of the shares present<br>(for special resolutions: two-thirds or more) |                        |                                    |                |                        | Sufficient Condition: Shares in favor must represent at least one-fourth of the total issued shares<br>(for special resolutions: at least one-third) |                                 |                                |               |                                       |
|-----------------|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------|----------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|---------------|---------------------------------------|
|                 |                                                    | No. of Shares Present                                                                                                                  | No. of Shares in Favor | No. of Shares Opposed or Abstained | Approval Ratio | Outcome                | No. of Shares Issued                                                                                                                                 | Required No. of Shares in Favor | Secured No. of Shares in Favor | Secured Ratio | Outcome                               |
| Agenda Item 1   | Financial Statements (Dividends)                   | 14,430,568                                                                                                                             | 14,225,077             | 205,491                            | 98.6%          | Approved (Exceeds 50%) | 20,930,727                                                                                                                                           | 5,232,682                       | 14,225,077                     | 68.0%         | Approved (25% or More)                |
| Agenda Item 2-1 | Election of Director (Shin Hyun Sik)               | 14,430,568                                                                                                                             | 14,164,150             | 266,418                            | 98.2%          | Approved (Exceeds 50%) | 20,930,727                                                                                                                                           | 5,232,682                       | 14,164,150                     | 67.7%         | Approved (25% or More)                |
| Agenda Item 2-2 | Election of Director (Lee Yoon Jung)               | 14,430,568                                                                                                                             | 14,037,560             | 393,008                            | 97.3%          | Approved (Exceeds 50%) | 20,930,727                                                                                                                                           | 5,232,682                       | 14,037,560                     | 67.1%         | Approved (25% or More)                |
| Agenda Item 2-3 | Election of Director (Kim Yong Rae)                | 14,430,568                                                                                                                             | 14,400,901             | 29,667                             | 99.8%          | Approved (Exceeds 50%) | 20,930,727                                                                                                                                           | 5,232,682                       | 14,400,901                     | 68.8%         | Approved (25% or More)                |
| Agenda Item 3-1 | Election of Audit Committee Member (Lee Yoon Jung) | 3,148,658                                                                                                                              | 2,762,186              | 386,472                            | 87.7%          | Approved (Exceeds 50%) | 9,648,817                                                                                                                                            | 2,412,204                       | 2,762,186                      | 28.6%         | Approved(Relaxed regulations applied) |
| Agenda Item 3-2 | Election of Audit Committee Member (Kim Yong Rae)  | 3,148,658                                                                                                                              | 3,118,991              | 29,667                             | 99.1%          | Approved (Exceeds 50%) | 9,648,817                                                                                                                                            | 2,412,204                       | 3,118,991                      | 32.3%         | Approved(Relaxed regulations applied) |
| Agenda Item 4   | Director Compensation Limit                        | 14,430,568                                                                                                                             | 11,898,998             | 2,531,570                          | 82.5%          | Approved (Exceeds 50%) | 20,930,727                                                                                                                                           | 5,232,682                       | 11,898,998                     | 56.8%         | Approved (25% or More)                |

# Governance

## Shareholder-Friendly Management

### Shareholder Value Enhancement Activities

- DL Holdings discloses our dividend policy on a three-year cycle to enhance the value and predictability for our shareholders and investors.
- Accordingly, from 2021 to 2023, dividends were paid at approximately 10% of the net income attributable to controlling shareholders, excluding non-recurring profits.
  - Despite a net loss in consolidated net income attributable to controlling shareholders for the 2023 fiscal year, a cash dividend of KRW 1,000 per share was paid, which was the same as the previous year, to enhance shareholder value.

### Disclosure of Medium-Term Dividend Policy

- DL aims to protect shareholder value by maintaining a stable mid-term shareholder return policy.
- For the years 2024 to 2026, we will provide cash dividends at approximately 40% of the annual separate net income (excluding one-time non-recurring profits and losses.)
- For 2024, even if the dividend calculated under this policy falls below KRW 1,000 per share, a minimum of KRW 1,000 per share will be paid.

### Status of Shareholder Return

| Year | Type of Share   | Stock Dividend | Cash Dividend            |                        |                    |                                                |
|------|-----------------|----------------|--------------------------|------------------------|--------------------|------------------------------------------------|
|      |                 |                | Dividend per Share (KRW) | Total Dividends (100M) | Dividend Yield (%) | Dividend Payout Ratio (%) (Consolidated Basis) |
| 2023 | Common share    | -              | 1,000                    | 227                    | 1.9                | -                                              |
|      | Preferred share | -              | 1,050                    |                        | 4.2                |                                                |
| 2022 | Common share    | -              | 1,000                    | 227                    | 1.6                | 32.6                                           |
|      | Preferred share | -              | 1,050                    |                        | 2.9                |                                                |
| 2021 | Common share    | -              | 1,900                    | 431                    | 3.0                | 6.0                                            |
|      | Preferred share | -              | 1,950                    |                        | 5.1                |                                                |

### 2023 IR Activity Details

| Date        | Target                                                | Method                           |
|-------------|-------------------------------------------------------|----------------------------------|
| 23.02.03    | Domestic institutional investors, Securities analysts | Earnings release conference call |
| 23.02.07~09 | Domestic institutional investors                      | NDR                              |
| 23.05.03    | Domestic institutional investors, Securities analysts | Earnings release conference call |
| 23.05.10~12 | Domestic institutional investors                      | NDR                              |
| 23.07.28    | Domestic institutional investors, Securities analysts | Earnings release conference call |
| 23.08.02~04 | Domestic institutional investors                      | NDR                              |
| 23.11.02    | Domestic institutional investors, Securities analysts | Earnings release conference call |
| 23.11.07~09 | Domestic institutional investors                      | NDR                              |
| 23.11.14~15 | Domestic institutional investors, Securities analysts | CEO Conference                   |

# Ethics & Compliance Management

At DL, we uphold “fundamentals” which is our core value, and practice Ethics & Compliance Management based on strict principles.

Based on the founding philosophy of honesty and trust, DL Holdings. pursues a corporate culture that actively practices the principles of Ethics & Compliance Management, including the Code of Ethics, Compliance Management Policies, and Fair Trade Practice Guidelines. As a holding company, DL is promoting the dissemination of policies to practice Ethics & Compliance Management across its subsidiaries and is advancing the compliance management system to global standards.

## Key Achievements in 2023

### ISO37301 Auditor Qualification

15 persons (DL Holdings and others)

### Maintenance of ISO 37301 Certification

DL Holdings and 3 other companies



### DL Group's Goal

To practice Ethics & Compliance Management, DL is continuously operating and enhancing the group-level compliance management system and compliance program. Additionally, through the establishment of human rights policies, DL aims to build a sustainable management framework.

# Ethics & Compliance Management

## Ethics & Compliance Management Principles: Core Value of DL Group

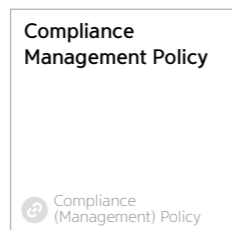
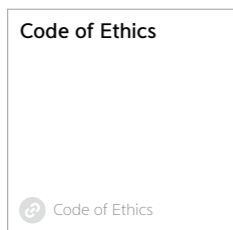
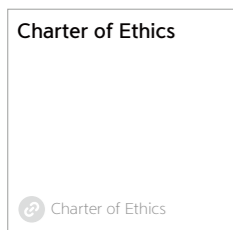
- DL Holdings is promoting “Ethics & Compliance Management” to create a corporate culture of integrity and trust and grow into a company trusted by our stakeholders.
- We value ethics, compliance, and human rights, and clarify and communicate them on an ongoing basis so that they are understood and practiced by all employees.



## Ethics & Compliance Management Implementation System



## Ethics & Compliance Management Regulations



## Ethical Management

- Based on our founding philosophy of honesty and trust, we have established an ethical management system by establishing the Charter of Ethics and Code of Ethics.
- The Code of Ethics Practical Guide is continuously updated and distributed to include specific action protocols and examples.

### Charter of Ethics

With full awareness that Ethics & Compliance Management is the driving force of corporate competitiveness, we, the employees of DL, are determined to enact and practice the DL Charter of Ethics as the standard of value assessment and code of conduct to build a corporate culture of integrity and trust.

- First** • Based on integrity and trust, we dutifully observe the internal rules of ethics and applicable laws and take the initiative in building an honorable and principled corporate culture.
- First** • We respect our customers and value their confidence. In addition, we achieve customer satisfaction and gain their trust by providing services which can create customer values.
- First** • We practice fair competition in all business activities and pursue mutual benefit and prosperity by building mutual trust and cooperative relationship through open and transparent transactions.
- First** • We respect our employees, make our best efforts to provide opportunities to nurture creativity and conduct impartial evaluation.
- First** • We protect shareholders' profits, create a comfortable and prosperous life for customers and contribute to community development by evolving into a dependable company through rational business activities.

### Practical Guide to the Code of Ethics

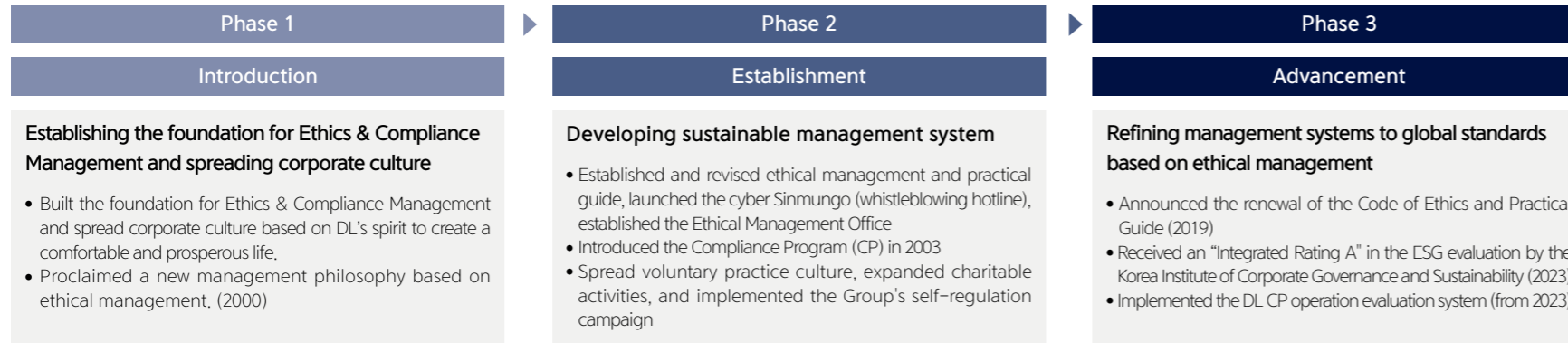
| Classification                                   | Items                                                                                 |
|--------------------------------------------------|---------------------------------------------------------------------------------------|
| Responsibility and accountability to the company | • Corporate asset protection • Information security • Conflict of interest            |
| Ethics among employees                           | • Mutual respect • Prohibition of gifts and bribery                                   |
| Work attitude                                    | • Organizational culture • Task performance • Safety • Quality                        |
| Relationship with stakeholders                   | • Basic principle • Shareholders • Customers • Suppliers • Competitors • Subsidiaries |
| Social responsibility                            | • Environmental protection • Political neutrality                                     |

\*Includes specific action guidelines, examples, and FAQs.

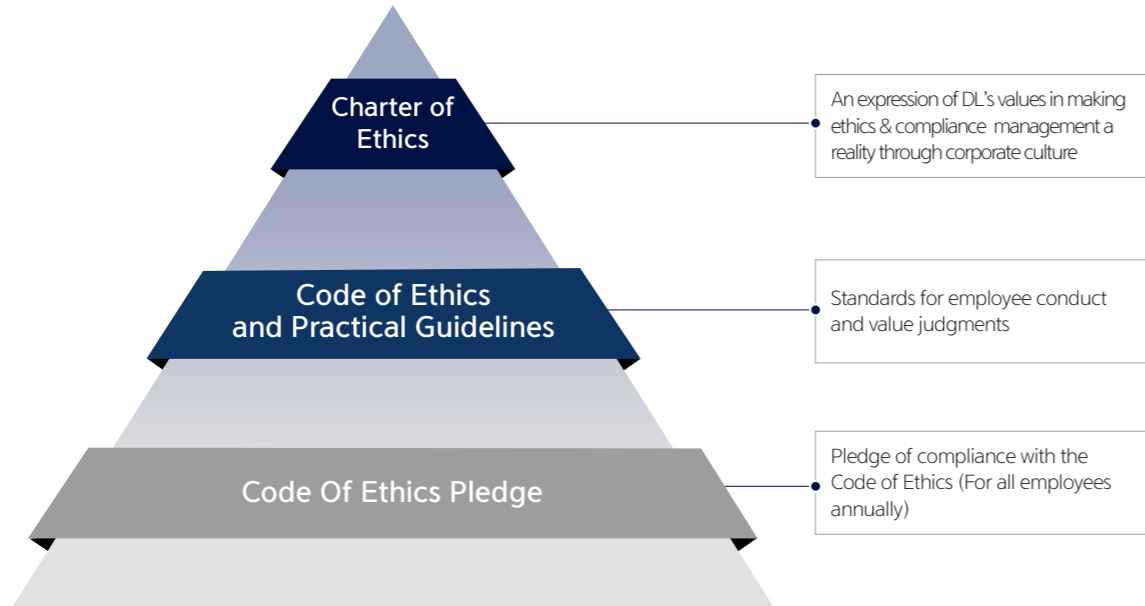
# Ethics & Compliance Management

## Ethical Management

### Ethical Management Implementation Status



### Ethical Management System



### Internalization of Ethical Management within DL Group

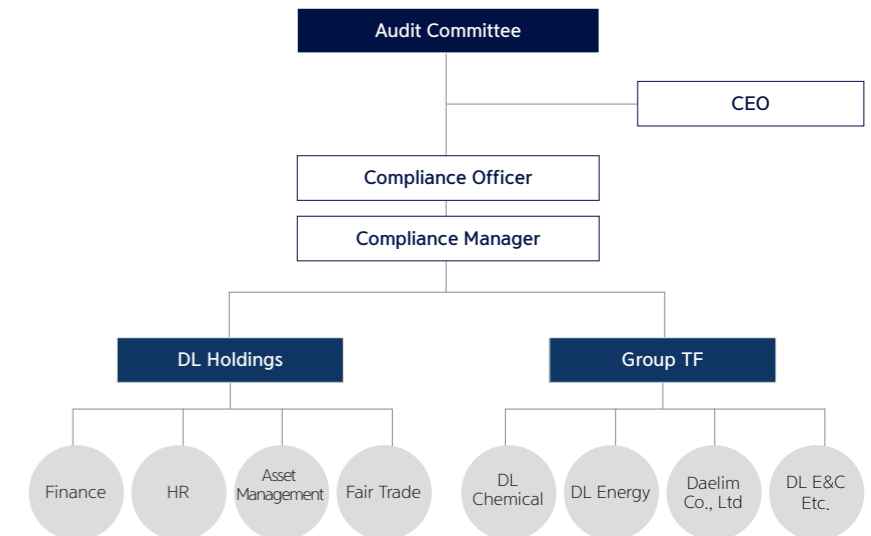


## Compliance Management

### Compliance Management Direction

- DL Holdings established and disclosed a responsible compliance management policy to ensure the practice of compliance management.
- The policy outlines the obligations and responsibilities that the company and employees must adhere to, and governing bodies including the Board of Directors, Audit Committee, and ESG Committee are in charge of deliberating, managing, and overseeing compliance management.
- To establish a compliance management policy and risk response system that meets global standards, the four subsidiaries of the DL Group jointly obtained the certification for the international standard for compliance management systems (ISO 37301) in 2022.
- Through constant advancement of the compliance management system, we will sustain efforts to create a high-level compliance culture in our organization.

### Compliance Management Organization Chart



# Ethics & Compliance Management

## Compliance Management

### Compliance Management System Operation Process

| Classification                       | Details                                                                                                                                                                                                                                                      | Person in Charge                                                                                                       | Time Period       |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------|
| Update Risk Assessment               | <ul style="list-style-type: none"> <li>Review legal amendments and impact</li> <li>Review R&amp;R of organization</li> <li>Identify obligations and review risk assessment update</li> </ul>                                                                 | <ul style="list-style-type: none"> <li>Head of Department</li> <li>Compliance Officer</li> </ul>                       | Beginning of Year |
| Review Revision of Manual /Guideline | <ul style="list-style-type: none"> <li>Conduct annual review of revision including changes in R&amp;R and work process</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>Compliance Officer</li> </ul>                                                   | 1Q                |
| Internal Assessment                  | <ul style="list-style-type: none"> <li>Conduct training and evaluate qualifications of internal assessors (department managers)</li> <li>Check whether assessment is implemented effectively according to the compliance management system manual</li> </ul> | <ul style="list-style-type: none"> <li>Compliance Officer</li> <li>Internal Assessor and Compliance Officer</li> </ul> | 2Q                |
| Report Management Review             | <ul style="list-style-type: none"> <li>Report to CEO</li> <li>– Management Review Report, Internal Assessment Results, Compliance Performance Indicator Status</li> <li>Report to Audit Committee</li> </ul>                                                 | <ul style="list-style-type: none"> <li>CEO Report</li> <li>Audit Committee Report</li> </ul>                           | 2Q                |
| Monitoring                           | <ul style="list-style-type: none"> <li>Conduct year-round monitoring according to the monitoring methods defined in the department-specific risk assessment table</li> </ul>                                                                                 | <ul style="list-style-type: none"> <li>Head of Department</li> </ul>                                                   | On-going          |
| Operation Evaluation                 | <ul style="list-style-type: none"> <li>Check goal achievement and monitoring status</li> <li>Conduct annual operation evaluation and effectiveness evaluation</li> </ul>                                                                                     | <ul style="list-style-type: none"> <li>HHead of Department</li> <li>Compliance Officer</li> </ul>                      | End of Year       |

### Enhancement of Group Compliance Management : Operation of Group Compliance Management TF

- The Group Compliance Management TF is operated in collaboration with subsidiaries that have introduced the Compliance Management System (ISO 37301).
  - The TF operation is spreading the compliance culture across the DL group and advancing the compliance management system to meet global standards.

### TF Key Activities

#### Fostering Experts in Group Compliance Management



- Through specialized training for compliance management personnels in the seven companies, obtain certification as assessors for the Compliance Management System (ISO 37301).

#### Advancing Compliance Management System



- Hold regular TF meetings to derive activity cases and improvement directions, and develop assessment guide and operation manual
- With the TF members at the core, conduct internal assessments for subsidiaries to elevate and standardize the compliance management system, establish standardized operational processes, and provide training for department managers.

#### Conducting integrated training for department managers of subsidiaries



- Conduct integrated training for the four companies (DL Holdings / DL Chemical / DL Energy / Daelim Co., Ltd)
- March 2024 (1st session): 50 participants
- March 2024 (2nd session): 56 participants
  - \*Employees working in regional offices can participate online.

# Risk Management

**DL Holdings strives to prevent and proactively address both financial and non-financial risks across the organization to ensure sustainable development.**

To effectively respond to changes in the internal and external business environment, DL Holdings established a company-wide risk management framework and operates an internal control system. The Audit Committee and the ESG Committee regularly review and manage control activities related to company-wide risks, thereby supporting sustainable management.

## Key Achievements in 2023

### AA Rating (Excellent Company)

Result of CP rating evaluation by the Fair Trade Commission



### DL Group's Goal

DL Holdings prioritizes systematic prevention and response to potential risks while making key management decisions through the Board of Directors. By preparing for and systematically responding to financial and non-financial risks through policies and system operations segmented by risk, we aim to ensure sustainable growth capabilities.



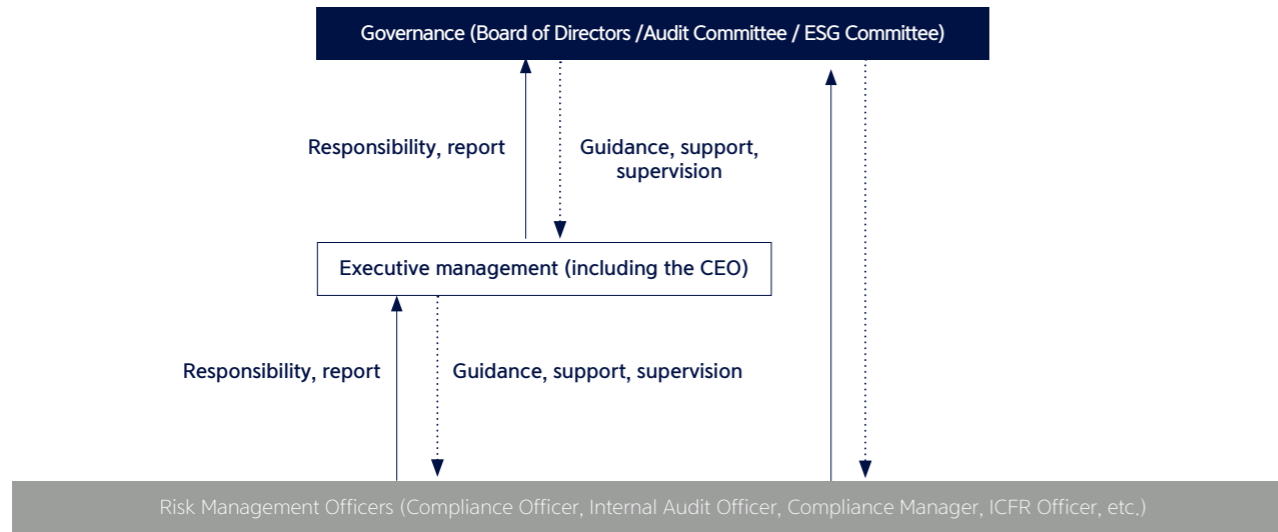
# Risk Management

## Risk Management System

### Compliance Program (CP)

- DL Holdings established and implemented a governance and system framework to enable integrated management and proactive response to risks arising from corporate business activities.
- We aim to manage key financial and non-financial risks through close collaboration with the executive management, governing body, and risk management officers.

### Risk Management Governance



### DL Risk Management Area

| Social Risk                                                                                                                                       | Governance Risk                                                                                                    | Financial Risk                                                                                                                                     | Business Risk                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Quality management, Ethical Management, information security, safety and health, human rights</li> </ul> | <ul style="list-style-type: none"> <li>• Fair trade, compliance management, ESG risk, shareholder value</li> </ul> | <ul style="list-style-type: none"> <li>• Market economy, price fluctuations, liquidity changes, credit rating changes, financial losses</li> </ul> | <ul style="list-style-type: none"> <li>• Business strategy establishment, competitors, investors</li> </ul> |

### Risk Management System and Control Activities

|                             | Social Risk(Ethical)                                                                                             | Governance Risk(Compliance)                                                                                                                           | Governance Risk(fair trade)                                                                                                                    | Financial Risk                                                                                                         |
|-----------------------------|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| Management System Operation | Audit Committee                                                                                                  | Compliance Officer System<br>ESG Committee                                                                                                            | Corporate group regulatory policy management<br>Holding company legal compliance<br>CP Program                                                 | ICFR (Internal Control over Financial Reporting) System                                                                |
| Control Activities          | Ethical Management Control<br><br>• Tip handling process<br>• Pledge of compliance / training / inspection, etc. | Compliance Management Control<br><br>• Compliance control establishment/ training/ inspection<br>• Legal advice / guide, etc<br>• ESG Risk Management | Compliance with Competition Law<br><br>• Competition law training / guide / inspection<br>• Holding company / corporate group management, etc. | Reliability of Financial Reporting<br><br>• Establishment / Evaluation of ICFR<br>• Establishment of consolidated ICFR |

# Risk Management

## Advancement of Internal Control

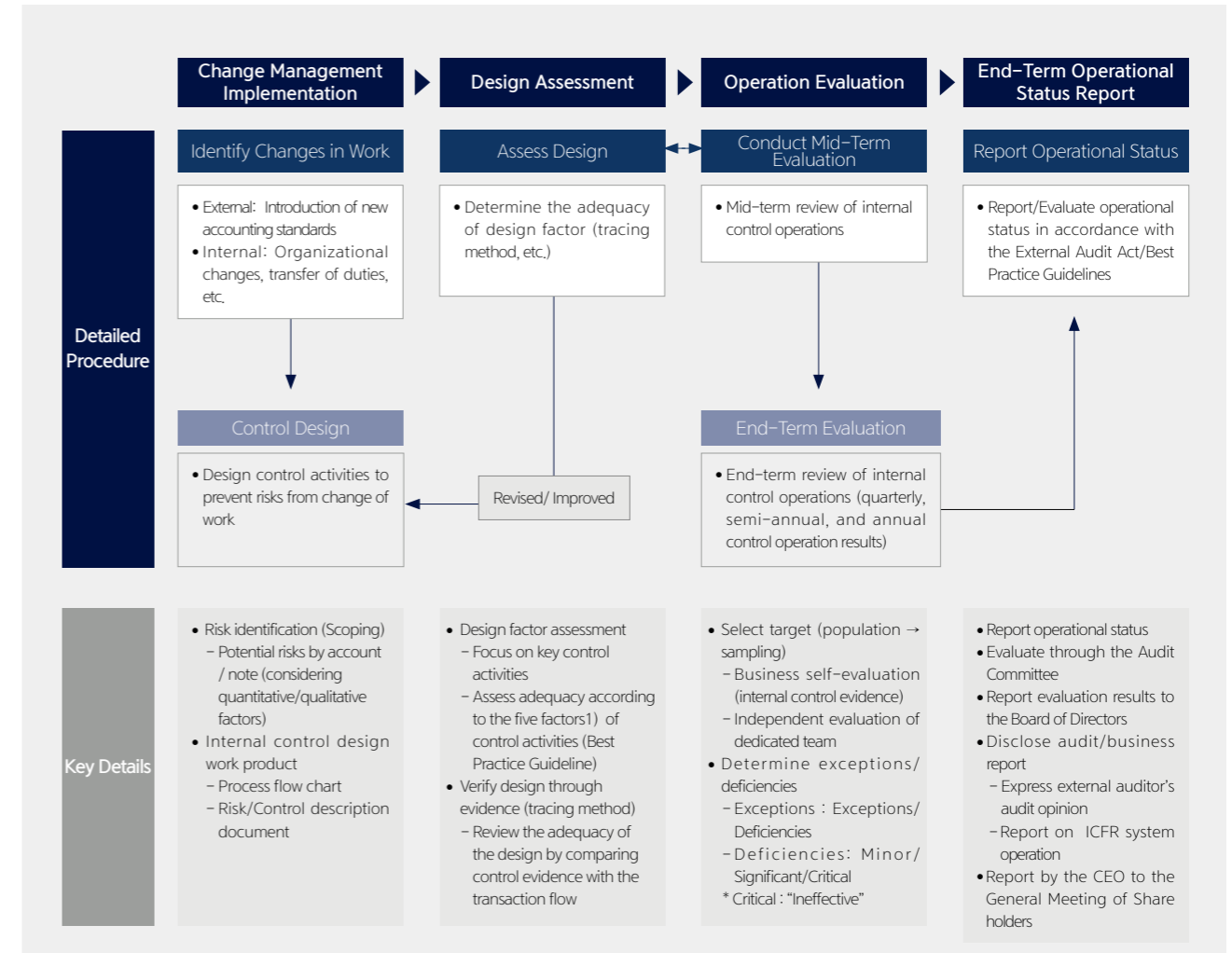
### Management / Operation of ICFR (Internal Control over Financial Reporting) System

- DL Holdings manages and operates the ICFR (Internal Control over Financial Reporting) system by establishing internal accounting management regulations and the necessary organizational structure in accordance with the Act on External Audit of Stock Companies (External Audit Act).
- To establish a practical design, operation, evaluation, and reporting process for the ICFR system, we applied the ICFR Best Practice Guideline established by ICFR Steering Committee.

### Key Management / Operation Status of ICFR System

| Classification                                     | Key Status                                                                                                                                                                                                                                                                                                                                                                                                                 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ICFR System Establishment / Change Management      | <ul style="list-style-type: none"> <li>Established regulations and a company-wide organizational structure for management and operation of the ICFR system               <ul style="list-style-type: none"> <li>Established / Revised internal accounting management regulations</li> <li>Implemented organizational restructuring and established regulations for organization and work assignment</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>Revision of internal accounting management regulations               <ul style="list-style-type: none"> <li>Approved by Audit Committee (2019.02.27)</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                        |
| Establishment of Dedicated Team                    | <ul style="list-style-type: none"> <li>Finance team</li> </ul>                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>Major tasks of the dedicated team               <ul style="list-style-type: none"> <li>Review and improve internal control</li> <li>Respond to external audit</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                               |
| Designation of Internal Accounting Manager         | <ul style="list-style-type: none"> <li>Appointed the head of the dedicated team as the internal accounting manager</li> </ul>                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>Executive Officer (In compliance with laws and regulations)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| System Management / Operation                      | <ul style="list-style-type: none"> <li>Managed / operated as follows in accordance with the Best Practice Guidelines:               <ul style="list-style-type: none"> <li>Design / Operation → Design assessment → Mid-term evaluation of operation → End-term evaluation of operation after improving deficiencies</li> </ul> </li> </ul>                                                                                | <ul style="list-style-type: none"> <li>Business team: Design/Operation, self-evaluation of business</li> <li>Dedicated team: Company-wide management/operation, evaluation/report</li> <li>Disclosure of Audit Report (1 week before shareholders' meeting)               <ul style="list-style-type: none"> <li>Audit opinion expressed by external auditor</li> </ul> </li> <li>Attachment and disclosure of business report (1 week before shareholders' meeting)               <ul style="list-style-type: none"> <li>Report operational status of ICFR system</li> </ul> </li> </ul> |
| End-Term Report / Evaluation of Operational Status | <ul style="list-style-type: none"> <li>Reported / evaluated the end-term operational status as follows:               <ul style="list-style-type: none"> <li>Operational status report of company → Audit Committee evaluation → Report to Board of Directors → Report to General Shareholders' Meeting</li> </ul> </li> </ul>                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

### ICFR (Internal Control over Financial Reporting) System Operation Process



1) Five Factors: ① Ability of control activities to mitigate risk ② Competence and authority of the individuals performing control activities ③ Adequacy of control frequency and duration ④ Adequacy of aggregation and forecasting ⑤ Timely response measures

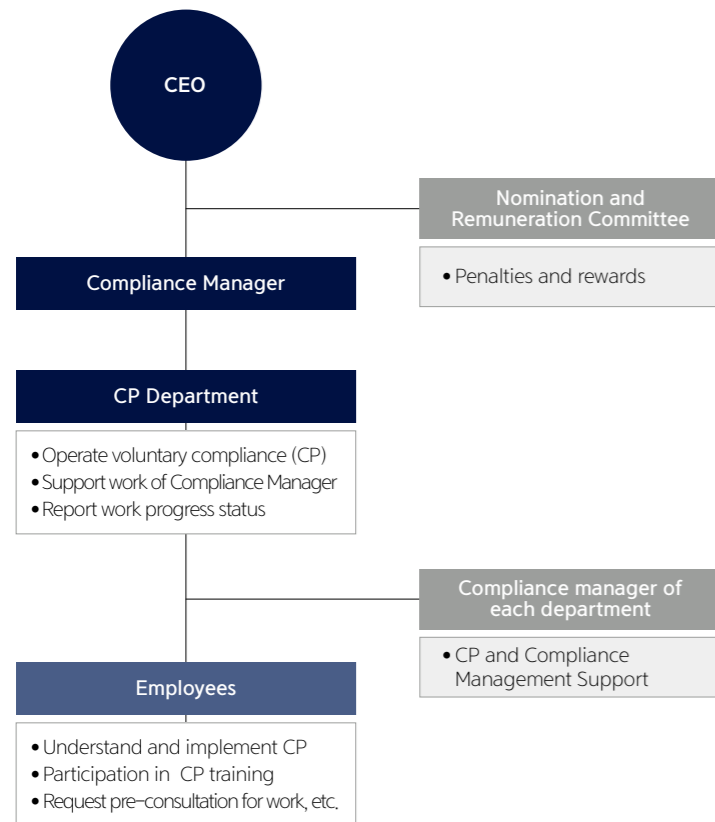
# Risk Management

## Advancement of Internal Control

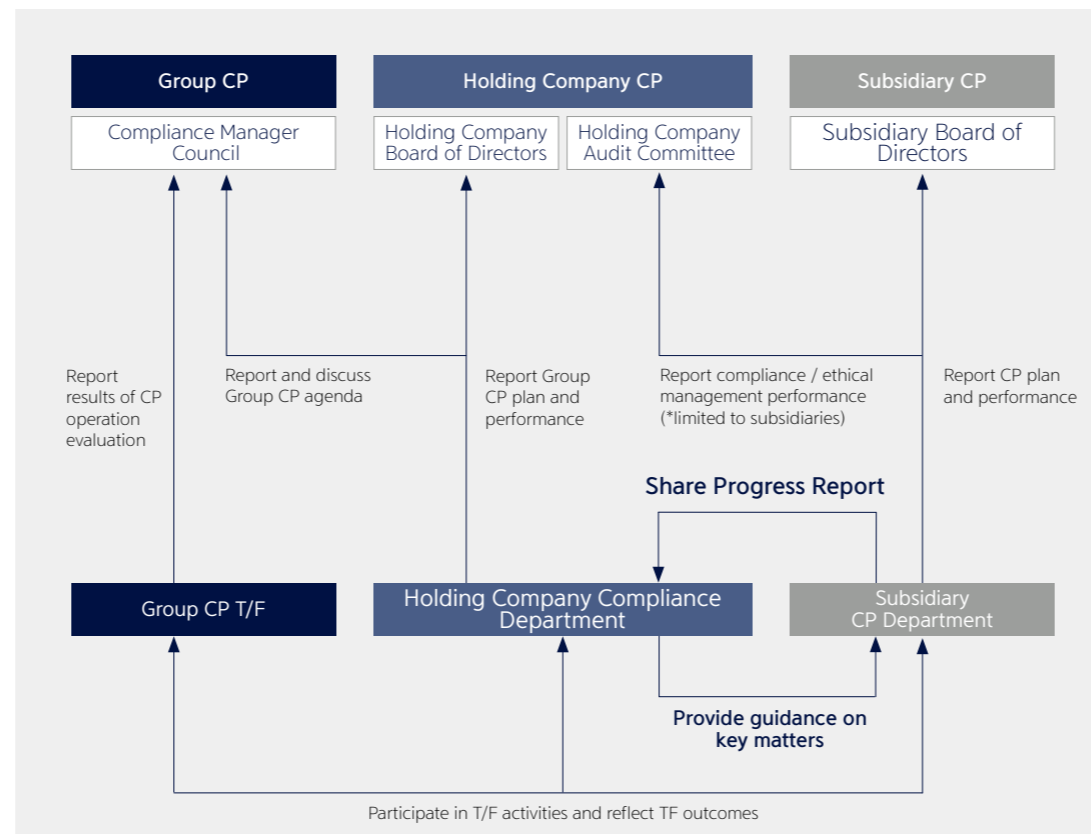
### Operation of Compliance Program (CP)

- DL Holdings operates a Compliance Program (CP) in order to elevate the level of Ethics & Compliance Management and to voluntarily carry on transparent corporate activities.
- Since the launch of the holding company in 2021, DL has established and operated unique CP operation systems including the Group CP Operation Evaluation System and the Group CP Expert T/F to maintain and enhance CP operations across the entire group.

### Compliance Program Operation Organization



### Group CP Operation System



### Compliance Program (CP) Components

#### 1 CONSTRUCTION

**Construction of CP**

- Establishment and implementation of CP standards and procedures
- Determination and support of the CEO for Compliance Program
- Appointment of a Compliance Program in charge of CP operation

#### 2 DIFFUSION

**Diffusion and Propagation of CP Culture**

- Production and use of self-compliance handbook
- Continuous and systematic Compliance Program training

#### 3 OPERATION

**Operation of CP**

- Establishment of an internal monitoring system
- Sanctions against employees violating fair trade laws and regulations

#### 4 EVALUATION

**Evaluation and Feedback**

- Effectiveness evaluation and improvement measures

# Risk Management

## Advancement of Internal Control

### Operation of Compliance Program (CP)

#### CP Activities for All Subsidiaries of DL

##### Holding Company Legal Compliance Process



- Maintaining Eligibility Requirements: Total assets of KRW 3.6 trillion (requirement: KRW 500 billion), debt ratio of 17% (requirement: 200% or less), subsidiary stock ratio of 82% (requirement: 50% or more)
- Prior Consultation on Compliance with Conduct Restrictions: 22 cases of equity investment, 37 cases of changes in executive officers, 6 cases of changes in treasury stock.

##### Corporate Group Regulatory Policy Management Process



- Group CP Task Force Operation (ongoing): Creation of a CP Manual (common), publication of a Fair Trade Newsletter.
- Updating the corporate group regulatory policy work guide and training for responsible personnels (Aug 2023).

##### Disclosure Leading Company System



- Operational Overview: Continuous operation by dividing 45 member companies into 9 groups (as of May 31, 2024).
- Inspection of operational status for each leading company and holding meetings with leading company representatives (Dec 2023).
- Developing a Program for Management of Disclosure Grey Zone: Disclosure mentoring program, customized disclosure checklist

##### Internal Transaction Adequacy Review System



- Preliminary Adequacy Review of Internal Transactions (ongoing): Implemented 15 times in 2023.
- Reporting Internal Transaction Status to the ESG Committee (Quarterly): Performance versus plan, changes in related regulations, etc.
- Self-Inspection on Internal Transactions (Aug 2023/Apr 2024): Review of compliance with internal processes and transaction conditions.

#### CP Activities for Major Subsidiaries of DL

##### DL Group CP Operation Evaluation System

- As the DL Group's policy of regularly self-evaluating CP operation performance, the level of CP operation as a whole is maintained through open evaluation

##### CP Operation Evaluation System Implementation and Participation

1. DL Group CP Operation Evaluation System (Twice a Year): Through internal evaluation of the CP operation status of subsidiaries and identification of areas for improvement, we aim to standardize and elevate the CP operation level
2. Participation in FTC's CP Rating Evaluation:
  - Two companies participated in 2023: DL Holdings, Daelim Co., Ltd
  - Both companies received 'AA' ratings and were awarded the Excellent Company Commendation



##### CP Operation

1. Prior Consultation Process: To comply with FTC's policy on restraining economic concentration, prior consultation is conducted (as needed) for equity investments, changes in registered executives, and internal transactions by the holding company and its subsidiaries.
2. Fair Trade Commission Disclosure Management: Disclosure groups are formed based on equity structure and industrial sectors and leading companies are selected to manage the disclosure system, including providing disclosure advice to subsidiaries, training, and inspections (as needed).
3. Voluntary Inspection: As a self-purification activity to ensure voluntary compliance with fair trade, voluntary inspections are conducted (twice a year) on compliance with holding company regulations and CP program operation.

##### DL CP Expert Task Force (T/F) System

- The activity of creating DL's unique Best Practice by establishing standardized guidelines and efficiently handling overlapping CP tasks through collaboration instead of individual operation.

##### Key Performances

- Evaluating DL Group's CP operation
- Creating a common CP Manual, training materials, and a Fair Trade Newsletter.
- Reflecting policy revisions and legal amendments, etc.

##### Operation of Group CP Council

Objective: Operation of a joint council to promote CP culture across the group and to achieve the highest level of CP (Compliance Program) operation.

1. Compliance Manager Council
  - A semi-annual council is held with the participation of compliance managers from all group companies.
  - Council meeting held in Oct 2023, Mar 2024 / Sep 2024 (planned)
  - Agenda: Sharing the progress of group CP key management tasks, reviewing common major CP issues, sharing the results of CP operation evaluations for each company, etc.
2. Group CP T/F
  - A Group T/F is operated to enhance the efficiency and advancement of group CP operations.
  - Key Achievements (2023, 17 meetings): Group CP operation evaluation, creation of common manuals and training materials, publication of a fair trade newsletter, sharing and reviewing the impact of fair trade policies and amendments.

# Information Security

DL Holdings establishes and manages a thorough information security system to protect our information assets as well as the rights and interests of our stakeholders.

To proactively respond to the continuously increasing cyber threats, DL Holdings has established a secure information security management system to protect internal information assets and customer data. We also promote regular activities aimed at raising information security awareness among all employees, thereby emphasizing the importance of information security and spreading a culture of information protection.

## Key Achievements in 2023

Maintenance of ISMS(Information Security Management System) Certification

100% Pledge of Compliance with Information Security



### DL Group's Goal

information assets against threats such as misuse, damage, alteration, and leakage by complying with laws related to information security, including intellectual property rights and personal information protection, as well as other contractual requirements. We also seek to continuously improve information security vulnerabilities through regular updates and revisions of security policies, simulations, and training.

# Information Security

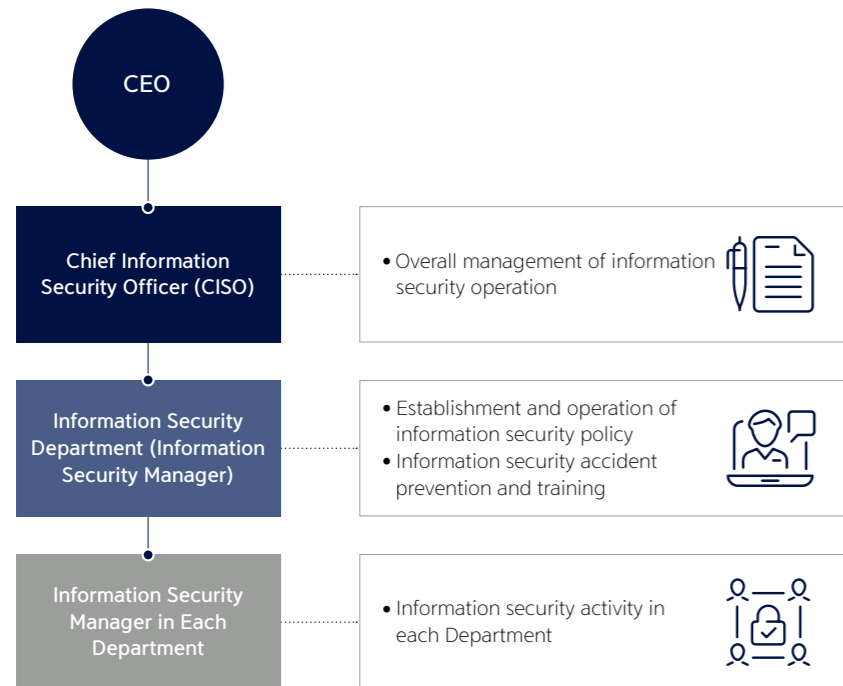
## Information Security Management System

- DL Holdings responds to information security-related laws and regulations including intellectual property rights and personal information protection as well as other contractual requirements, and also protects and manages our information assets through our information security regulations and personal information management regulations.
- The information security policy is periodically revised and updated to reflect external laws and trends. In 2023, we strengthened security procedures by revising related regulations, including the Information Security Management Regulations and Application System Security Guidelines.
- Under the information security regulations, DL Holdings has established sector-specific information security rules, including the Personnel Security Procedure and Security Inspection Procedure, outlining the principles to be followed in business operations. Manuals and guidelines are provided under these rules to offer detailed behavioral standards.

## Information Security Operation System

- DL Holdings has appointed a Chief Information Security Officer (CISO) directly under the CEO, who oversees systematic information security activities centered around the Information Security department.
- Moreover, the DL Holdings information system, managed through a specialized IT subsidiary's Internet Data Center (IDC), undergo regular diagnostics, inspections, and audits to verify compliance with information security policies and the proper operation of security measures. We are also advancing our security management system in managerial, physical, and technical aspects.


## Information Security Management Organization Chart



## Information System Management

### IT System (Software and Hardware Management)

- A managerial, physical, and technical security management system is established to respond to continuous cybersecurity risks.
- A secure information security system is maintained through annual renewal of Daelim IDC's Information Security Management System (ISMS) certification assessment.



### Security Management Sector

| Managerial Security                                                                                                                                                                                                                                                        | Physical Security                                                                                                                                                                                    | Technical Security                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Information security organization</li> <li>• Information security policy</li> <li>• Information asset management</li> <li>• Personal security (internal/external)</li> <li>• Raising awareness on information security</li> </ul> | <ul style="list-style-type: none"> <li>• Access control</li> <li>• Security management of facility and office</li> <li>• Business continuity management</li> <li>• Alternative management</li> </ul> | <ul style="list-style-type: none"> <li>• Access Control / Authority management</li> <li>• Encryption</li> <li>• Development security</li> <li>• Log management and security monitoring</li> </ul> |

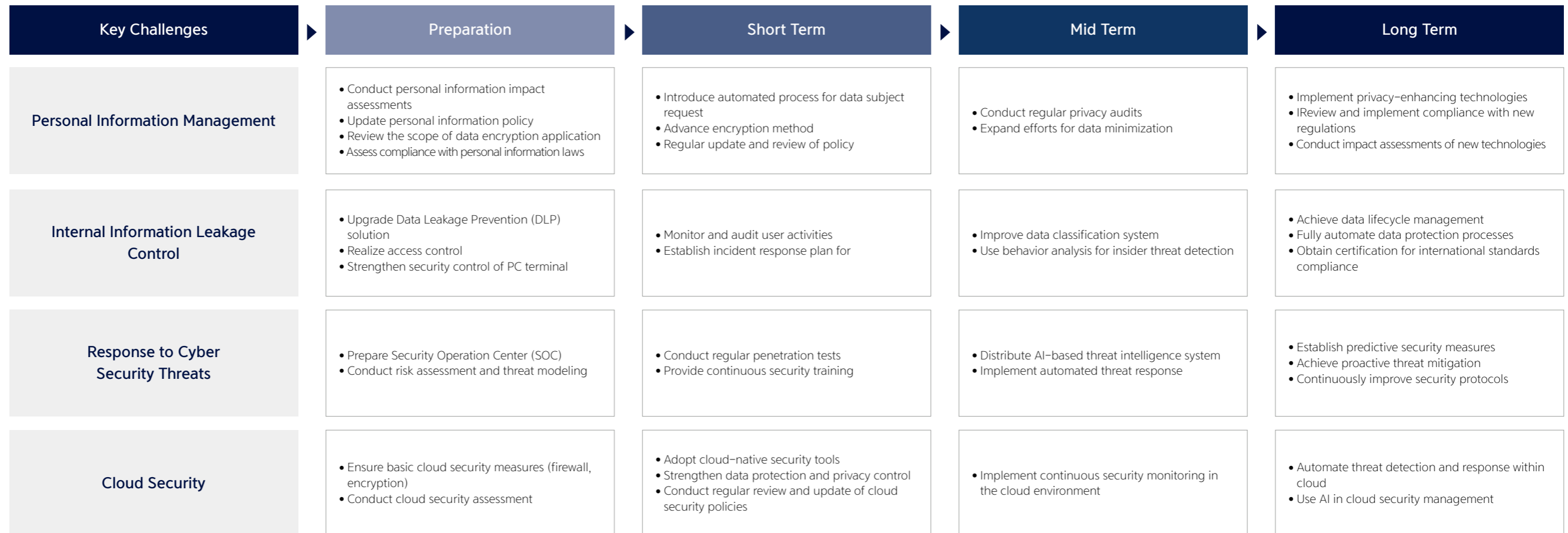
# Information Security

## Information Security Management System

### Information Security Roadmap

- DL Holdings operates and continuously improves our information security system with the goal of achieving zero incidents of information leakage and violations. For this, under collaboration with Daelim IDC, we have established and pursued a mid- to long-term roadmap, focusing on key management areas such as personal information management, internal information leakage control, response to cyber security threats, and cloud security.

### Information Security Roadmap



# Information Security

## Information Security Simulation Training

- DL Holdings conducts regular information security training to strengthen our cybersecurity system and prepare against potential threats.
- Through continuous simulation training, we aim to foster a culture that prioritizes security, validate crisis management and recovery plans, protect assets from potential security threats, and ensure business continuity.

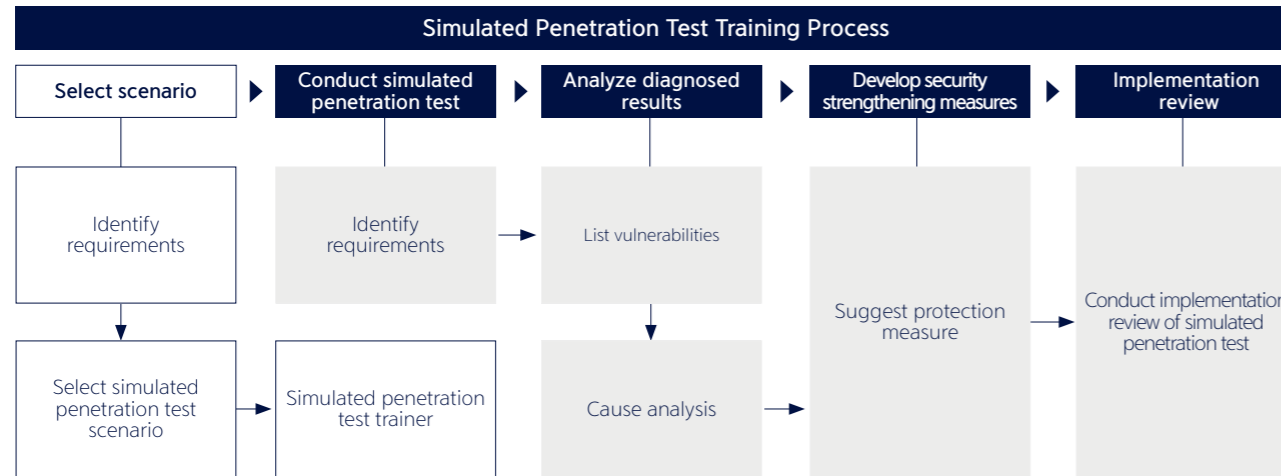
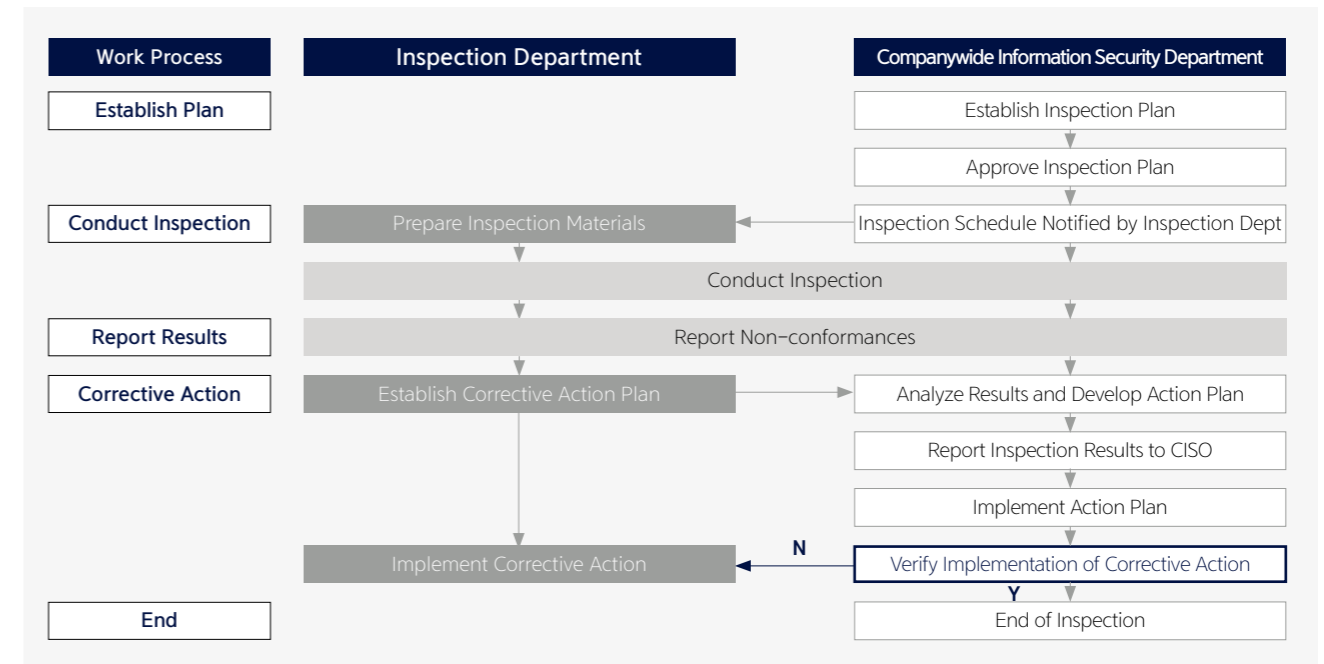
### Types of Information Security Simulation Training

| Classification                                   | 2022년      | 2023년      | 2024 (planned) | Training Description                                                                                                                                                  |
|--------------------------------------------------|------------|------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Spam Email Training                              | 2 sessions | 2 sessions | 2 sessions     | Emails containing simulated malware are sent to trainees to ensure and reinforce employees' security integrity.                                                       |
| Simulation Training for Hacking / Ddos Responses | 2 sessions | 2 sessions | 2 sessions     | After a large-scale simulation attack through KISA, situation reporting and attack blocking measures are implemented to ensure the continuity of business operations. |
| Disaster Recovery Training                       | 2 sessions | 2 sessions | 4 sessions     | An actual outage scenario is simulated to conduct training on system recovery and service restoration.                                                                |

### System Security Index



### Security Inspection Workflow Diagram





# Information Security

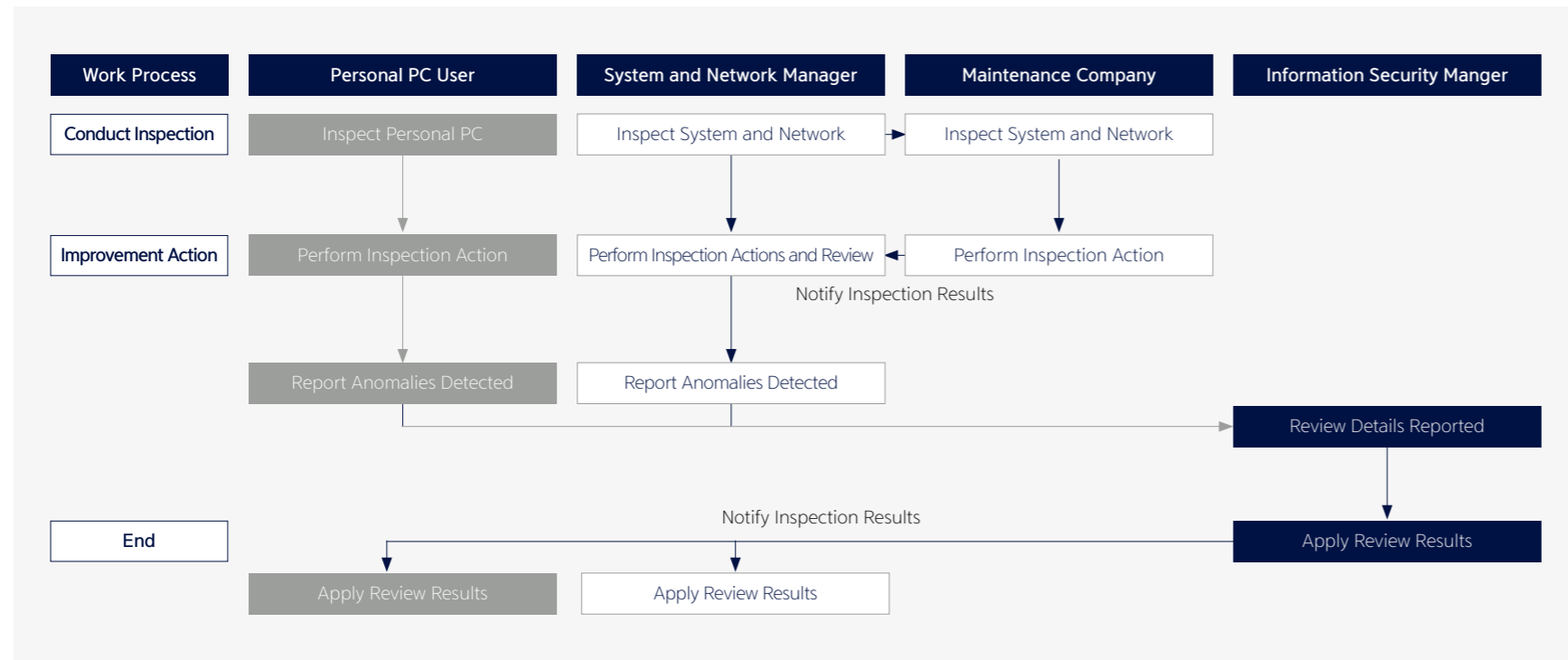
## Information Security Management System

### Raising Awareness on Information Security

- DL Holdings implements training programs to enhance employees' awareness of information security and strengthen their security capabilities.

| Training Title                                                    | Training Description                                                                                                                                                                                                                   | 2023년               |                  |                        |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------|------------------------|
|                                                                   |                                                                                                                                                                                                                                        | No. of Participants | Completion Ratio | No. of Target Trainees |
| Information Security and Personal Information Protection Training | <ul style="list-style-type: none"> <li>PC Security, IT security, information security policy and management system</li> <li>Personal information life-cycle management, personal information protection compliance training</li> </ul> | 32 persons          | 100%             | 32 persons             |

### Security Inspection Procedure: Self-Inspection Workflow Diagram



### Information Security Campaign

- DL Holdings continuously promotes information security campaigns through the groupware system to enhance employees' understanding of information security and to provide guidance on responding to new security risks as they arise.

### Security Pledge Completion

- DL Holdings encourages employees to regularly complete information security pledges to enhance their awareness of information security and to instill a sense of accountability for any violations.
- The security pledge is completed upon hiring, during employment (annually), and upon retirement, clearly outlining employees' responsibilities and commitment to maintaining security.

| Classification    | 단위                     | 2021       | 2022       | 2023       |
|-------------------|------------------------|------------|------------|------------|
| Upon Hiring       | No. of Signatories     | 18 persons | 12 persons | 8 persons  |
|                   | Pledge Completion Rate | 100%       | 100%       | 100%       |
| During Employment | No. of Signatories     | 46 persons | 46 persons | 32 persons |
|                   | Pledge Completion Rate | 100%       | 100%       | 100%       |
| Upon Retirement   | No. of Signatories     | 15 persons | 10 persons | 20 persons |
|                   | Pledge Completion Rate | 100%       | 100%       | 100%       |

# APPENDIX

- 99** ESG DATA
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- 115** Third-Party Assurance Statement
- 117** Awards and Memberships



# ESG DATA

## Economic Performance (2023 Business Report, Consolidated)

### Consolidated Income Statements

(Unit: KRW million)

| Category                                                                             | 2021      | 2022      | 2023      |
|--------------------------------------------------------------------------------------|-----------|-----------|-----------|
| Sales                                                                                | 2,358,775 | 5,173,707 | 5,017,816 |
| Cost of sales                                                                        | 1,937,319 | 4,167,604 | 4,091,724 |
| Gross profit                                                                         | 421,456   | 1,006,103 | 926,091   |
| Selling and administrative expenses                                                  | 228,294   | 721,632   | 775,395   |
| Operating income(loss)                                                               | 193,162   | 284,471   | 150,696   |
| Other income                                                                         | 384,457   | 266,736   | 303,669   |
| Other expense                                                                        | 28,549    | 157,802   | 242,242   |
| Financial income                                                                     | 20,936    | 69,726    | 118,312   |
| Financial expense                                                                    | 75,646    | 296,776   | 400,011   |
| Share of profits of associates and joint ventures                                    | 223,492   | (44,660)  | (102,954) |
| Profit (loss) before tax                                                             | 717,852   | 121,694   | (172,530) |
| Tax expense (income)                                                                 | 102,495   | 23,541    | (51,552)  |
| Profit (loss) from continuing operations                                             | 615,357   | 98,153    | (120,978) |
| Profit (loss) from discontinued operations                                           | 113,262   | 0         | 0         |
| Profit (loss)                                                                        | 728,619   | 98,153    | (120,978) |
| Profit (loss), attributable to                                                       | -         | -         | -         |
| Profit (loss), attributable to owners of parent                                      | 720,377   | 69,709    | (133,445) |
| Income from continuing operations attributable to owners of parent                   | 607,116   | 69,709    | (133,445) |
| Income from discontinued operations attributable to owners of parent                 | 113,262   | 0         | 0         |
| Profit (loss), attributable to non-controlling interests                             | 8,241     | 28,444    | 12,467    |
| Profit (loss) from continuing operations attributable to non-controlling interests   | 8,241     | 28,444    | 12,467    |
| Profit (loss) from discontinued operations attributable to non-controlling interests | -         | -         | -         |

# ESG DATA

## Environmental Performance (Consolidated)

### GHG<sup>1)</sup>

| Category                         | Unit                 | DL E&C |        |        | DL Chemical |         |         | DL Energy <sup>2)</sup> |           |           | DL Construction    |        |        | GLAD H&R |       |       | Total     |           |           |
|----------------------------------|----------------------|--------|--------|--------|-------------|---------|---------|-------------------------|-----------|-----------|--------------------|--------|--------|----------|-------|-------|-----------|-----------|-----------|
|                                  |                      | 2021   | 2022   | 2023   | 2021        | 2022    | 2023    | 2021                    | 2022      | 2023      | 2021 <sup>3)</sup> | 2022   | 2023   | 2021     | 2022  | 2023  | 2021      | 2022      | 2023      |
| Total GHG Emissions (Scope 1, 2) |                      | 49,945 | 57,001 | 55,088 | 249,734     | 222,822 | 216,120 | 1,655,844               | 2,088,982 | 1,829,843 | –                  | 16,965 | 22,835 | 7,390    | 8,233 | 8,497 | 1,975,540 | 2,394,003 | 2,132,383 |
| By type                          | tCO <sub>2</sub> -eq |        |        |        |             |         |         |                         |           |           |                    |        |        |          |       |       |           |           |           |
| Direct GHG(Scope 1)              |                      | 17,013 | 17,520 | 17,473 | 2,160       | 2,166   | 2,267   | 1,645,525               | 2,079,879 | 1,818,295 | –                  | 4,465  | 7,983  | 2,440    | 2,439 | 2,694 | 1,671,232 | 2,106,469 | 1,848,712 |
| Indirect GHG(Scope 2)            |                      | 32,932 | 39,481 | 37,615 | 247,574     | 220,656 | 213,853 | 10,319                  | 9,103     | 11,548    | –                  | 12,500 | 14,852 | 4,950    | 5,794 | 5,804 | 304,308   | 287,534   | 283,672   |

1) Starting in 2023, the group has standardized ESG data and adjusted the disclosure scope to focus on domestic reporting, with calculations based on each company's criteria.

2) Three-year data from Pocheon Power and the 2023 aggregate from Eco-One Energy are included.

3) Due to changes in the greenhouse gas emissions calculation criteria, data for 2021 is not disclosed

### Energy & Water<sup>1)</sup>

| Category                         | Unit              | DL E&C            |           |         | DL Chemical |           |           | DL Energy |           |                 | DL Construction <sup>2)</sup> |         |         | GLAD H&R |        |        | Total     |           |           |
|----------------------------------|-------------------|-------------------|-----------|---------|-------------|-----------|-----------|-----------|-----------|-----------------|-------------------------------|---------|---------|----------|--------|--------|-----------|-----------|-----------|
|                                  |                   | 2021              | 2022      | 2023    | 2021        | 2022      | 2023      | 2021      | 2022      | 2023            | 2021                          | 2022    | 2023    | 2021     | 2022   | 2023   | 2021      | 2022      | 2023      |
| Total                            |                   | 951               | 1,092     | 1,061   | 4,899       | 4,344     | 4,193     | 32,669    | 41,287    | 36,358          | 240                           | 318     | 422     | 152      | 166    | 170    | 38,911    | 47,207    | 42,205    |
| Sub Total                        |                   | 946               | 1,087     | 1,051   | 4,899       | 4,344     | 4,193     | 32,669    | 41,287    | 36,356          | 240                           | 318     | 422     | 152      | 166    | 170    | 38,906    | 47,202    | 42,192    |
| Non-renewable energy consumption | Fue <sup>3)</sup> | 262 <sup>4)</sup> | 269       | 268     | 39          | 38        | 31        | 32,453    | 41,103    | 36,115          | –                             | –       | –       | 48       | 48     | 53     | 32,802    | 41,459    | 36,467    |
| Electric power                   | TJ                | 668               | 789       | 771     | 3,940       | 3,466     | 3,334     | 216       | 184       | 241             | –                             | –       | –       | 103      | 117    | 117    | 4,928     | 4,556     | 4,463     |
| Steam                            |                   | 16                | 29        | 12      | 920         | 840       | 828       | 0         | 0         | 0               | –                             | –       | –       | 0        | 0      | 0      | 936       | 869       | 840       |
| Others                           |                   | 0                 | 0         | 0       | 0           | 0         | 0         | 0         | 0         | 0               | –                             | –       | –       | 0        | 0      | 0      | 240       | 318       | 422       |
| Renewable energy consumption     | Sub Total         | 5                 | 5         | 10      | 0           | 0         | 0         | 0         | 0         | 2 <sup>5)</sup> | 0                             | 0       | 0       | 0        | 0      | 0      | 5         | 5         | 13        |
| Sub Total                        |                   | 1,006,130         | 1,107,451 | 901,615 | 1,434,772   | 1,536,969 | 1,223,223 | 3,864,116 | 4,547,825 | 4,383,285       | 150,558                       | 159,290 | 181,719 | 41,405   | 52,357 | 96,266 | 6,496,981 | 7,403,892 | 6,786,108 |
| Water intake volume              | Water supply      | 361,241           | 539,300   | 378,455 | 14,890      | 16,247    | 16,433    | 3,383,133 | 0         | 0               | 73,314                        | 82,046  | 136,541 | 41,405   | 52,357 | 96,266 | 3,873,983 | 689,950   | 627,695   |
| Groundwater                      |                   | 36,935            | 30,646    | 98,594  | 0           | 0         | 0         | 0         | 0         | 0               | 55,881                        | 55,881  | 44,054  | 0        | 0      | 0      | 92,816    | 86,527    | 142,648   |
| Others <sup>6)</sup>             |                   | 607,954           | 537,505   | 424,567 | 1,419,882   | 1,520,722 | 1,206,790 | 480,983   | 4,547,825 | 4,383,285       | 21,363                        | 21,363  | 1,124   | 0        | 0      | 0      | 2,530,182 | 6,627,415 | 6,015,766 |

1) 1) Since 2023, the group has shifted its ESG data disclosure scope to focus on domestic reporting, with calculations based on each company's own standards.

2) DL Construction manages the consumption of non-renewable energy in an integrated manner. 3) Gasoline, diesel, LNG, etc. 4) Correction of data errors. 5) Energy consumption based on by-product hydrogen.

6) Includes all industrial water supplied by third parties; however, intake volumes exclude discharged and recycled water.

## ESG DATA

## Environmental Performance (Consolidated)

## Waste

| Category                           | Unit                               | DL E&C        |         |         | DL Chemical |        |        | DL Energy |        |       | DL Construction |         |        | GLAD H&R |      |       | Total   |         |         |         |
|------------------------------------|------------------------------------|---------------|---------|---------|-------------|--------|--------|-----------|--------|-------|-----------------|---------|--------|----------|------|-------|---------|---------|---------|---------|
|                                    |                                    | 2021          | 2022    | 2023    | 2021        | 2022   | 2023   | 2021      | 2022   | 2023  | 2021            | 2022    | 2023   | 2021     | 2022 | 2023  | 2021    | 2022    | 2023    |         |
| Waste generated                    | Total                              | 650,870       | 648,621 | 768,403 | 5,959       | 11,460 | 6,683  | 289       | 245    | 223   | 142,789         | 94,108  | 98,541 | 654      | 947  | 1,007 | 800,561 | 755,381 | 874,857 |         |
|                                    | By type                            | General waste | 650,835 | 648,548 | 768,296     | 5,381  | 10,797 | 6,045     | 289    | 227   | 194             | 142,736 | 94,088 | 98,492   | 654  | 947   | 1,007   | 799,895 | 754,607 | 874,034 |
|                                    | Designated waste                   | 35            | 73      | 107     | 578         | 663    | 638    | 0         | 18     | 29    | 53              | 20      | 49     | 0        | 0    | 0     | 666     | 774     | 823     |         |
| Waste recycled/reused              | Total                              | 649,811       | 648,287 | 767,841 | 2,645       | 7,400  | 3,611  | 289       | 239    | 212   | 142,737         | 94,070  | 98,493 | 6        | 6    | 32    | 795,488 | 750,002 | 870,190 |         |
|                                    | By type                            | General waste | 649,805 | 648,287 | 767,839     | 2,188  | 6,848  | 3,168     | 289    | 227   | 186             | 142,691 | 94,066 | 98,481   | 6    | 6     | 32      | 794,979 | 749,435 | 869,707 |
|                                    | Designated waste                   | 6             | 0       | 2       | 457         | 552    | 443    | 0         | 12     | 26    | 46              | 4       | 12     | 0        | 0    | 0     | 509     | 567     | 483     |         |
|                                    | Waste recycling rate               | %             | 99.84   | 99.95   | 99.93       | 44.39  | 64.57  | 54.03     | 100.00 | 97.51 | 95.14           | 99.96   | 99.96  | 99.95    | 0.92 | 0.63  | 3.18    | -       | -       | -       |
| Waste disposal                     | Total general waste                | 1,030         | 261     | 457     | 3,193       | 3,949  | 2,877  | 0         | 0      | 8     | 45              | 22      | 11     | 648      | 941  | 975   | 4,916   | 5,173   | 4,328   |         |
|                                    | Landfill                           | 333           | 175     | 396     | 3,090       | 3,850  | 2,768  | 0         | 0      | 0     | 43              | 22      | -      | 0        | 0    | 0     | 3,466   | 4,047   | 3,164   |         |
|                                    | Incineration (energy recovery)     | 0             | 0       | 0       | 103         | 99     | 109    | 0         | 0      | 0     | 2               | -       | 11     | 0        | 0    | 0     | 105     | 99      | 120     |         |
|                                    | Incineration (energy not recovery) | 697           | 86      | 61      | 0           | 0      | 0      | 0         | 0      | 0     | -               | -       | -      | 465      | 643  | 622   | 1,162   | 729     | 683     |         |
|                                    | Other                              | 0             | 0       | 0       | 0           | 0      | 0      | 0         | 0      | 8     | -               | -       | -      | 183      | 298  | 353   | 183     | 298     | 361     |         |
|                                    | Total designated waste             | 29            | 73      | 105     | 121         | 111    | 195    | 0         | 6      | 3     | 6               | 16      | 36     | 0        | 0    | 0     | 156     | 207     | 340     |         |
|                                    | Landfill                           | 1             | 0       | 0       | 6           | 3      | 4      | 0         | 0      | 0     | 1               | 0       | 0      | 0        | 0    | 0     | 8       | 3       | 4       |         |
| Incineration (energy recovery)     | 0                                  | 0             | 0       | 115     | 108         | 191    | 0      | 0         | 0      | 5     | 16              | 36      | 0      | 0        | 0    | 120   | 124     | 227     |         |         |
| Incineration (energy not recovery) | 28                                 | 73            | 105     | 0       | 0           | 0      | 0      | 2         | 0      | -     | -               | -       | 0      | 0        | 0    | 28    | 75      | 105     |         |         |
| Other                              | 0                                  | 0             | 0       | 0       | 0           | 0      | 0      | 4         | 3      | -     | -               | -       | 0      | 0        | 0    | 0     | 5       | 3       |         |         |

## Eco-friendly Investment

| Category                                     | Unit        | DL E&C |       |       | DL Chemical |       |       | DL Energy |      |       | DL Construction |      |       | GLAD H&R |      |      | Total |       |       |
|----------------------------------------------|-------------|--------|-------|-------|-------------|-------|-------|-----------|------|-------|-----------------|------|-------|----------|------|------|-------|-------|-------|
|                                              |             | 2021   | 2022  | 2023  | 2021        | 2022  | 2023  | 2021      | 2022 | 2023  | 2021            | 2022 | 2023  | 2021     | 2022 | 2023 | 2021  | 2022  | 2023  |
| Research and Development (R&D) <sup>1)</sup> | KRW million | 461    | 687   | 741   | 329         | 2,237 | 4,120 | 0         | 0    | 0     | 0               | 0    | 0     | 0        | 0    | 0    | 790   | 2,924 | 4,861 |
| Environmental management costs               |             | 2,473  | 2,774 | 3,481 | 869         | 254   | 225   | 0         | 0    | 3,251 | 695             | 951  | 1,510 | 0        | 0    | 0    | 4,037 | 3,979 | 8,467 |

1) DL E&amp;C: Calculated based on research and R&amp;D expenses; DL Chemical: Calculated based on investment in pollution prevention and emission facilities

## ESG DATA

## Environmental Performance (Consolidated)

## Environmental Laws

| Category                         | Unit           | DL E&C      |      |      | DL Chemical |      |      | DL Energy |      |      | DL Construction |      |      | GLAD H&R |      |      | Total |      |      |
|----------------------------------|----------------|-------------|------|------|-------------|------|------|-----------|------|------|-----------------|------|------|----------|------|------|-------|------|------|
|                                  |                | 2021        | 2022 | 2023 | 2021        | 2022 | 2023 | 2021      | 2022 | 2023 | 2021            | 2022 | 2023 | 2021     | 2022 | 2023 | 2021  | 2022 | 2023 |
| Environmental Laws <sup>1)</sup> | Lawsuits filed | Case        | 0    | 0    | 0           | 0    | 0    | 0         | 0    | 0    | 0               | 0    | 0    | 0        | 0    | 0    | 0     | 0    | 0    |
|                                  | Total fine     | KRW million | 0    | 0    | 0           | 0    | 0    | 0         | 0    | 0    | 0               | 0    | 0    | 0        | 0    | 0    | 0     | 0    | 0    |

1) Transactions above \$10,000 USD (approximately 12 million KRW)

## Water Pollution

| Category              | Unit              | DL E&C    |      |      | DL Chemical |      |        | DL Energy <sup>2)</sup> |        |      | DL Construction |      |      | GLAD H&R |      |      | Total |      |        |       |        |
|-----------------------|-------------------|-----------|------|------|-------------|------|--------|-------------------------|--------|------|-----------------|------|------|----------|------|------|-------|------|--------|-------|--------|
|                       |                   | 2021      | 2022 | 2023 | 2021        | 2022 | 2023   | 2021                    | 2022   | 2023 | 2021            | 2022 | 2023 | 2021     | 2022 | 2023 | 2021  | 2022 | 2023   |       |        |
| Water pollution index | BOD               | Emissions | kg   | 10   | 14          | 11   | 2,214  | 7,365                   | 4,451  | 0    | 0               | 36   | -    | -        | -    | -    | -     | -    | 2,224  | 7,379 | 4,498  |
|                       | TOC <sup>1)</sup> |           |      | 0    | 21          | 17   | 12,860 | 6,869                   | 15,269 | 978  | 979             | 134  | -    | -        | -    | -    | -     | -    | 13,838 | 7,869 | 15,420 |
|                       | SS                |           |      | 7    | 44          | 38   | 6,799  | 3,920                   | 9,507  | 0    | 0               | 2    | -    | -        | -    | -    | -     | -    | 6,806  | 3,964 | 9,547  |

1) Data prior to 2022: COD

2) Three-year data from Pocheon Power and the 2023 aggregate from Eco-One Energy

## Environmental Education

| Category                                                | Unit                                       | DL E&C       |        |        | DL Chemical <sup>2)</sup> |      |      | DL Energy <sup>3)</sup> |      |      | DL Construction <sup>4)</sup> |      |      | GLAD H&R |        |        | Total  |        |        |        |
|---------------------------------------------------------|--------------------------------------------|--------------|--------|--------|---------------------------|------|------|-------------------------|------|------|-------------------------------|------|------|----------|--------|--------|--------|--------|--------|--------|
|                                                         |                                            | 2021         | 2022   | 2023   | 2021                      | 2022 | 2023 | 2021                    | 2022 | 2023 | 2021                          | 2022 | 2023 | 2021     | 2022   | 2023   | 2021   | 2022   | 2023   |        |
| head office (environmental education) <sup>1)</sup>     | Education hours                            | Hours        | 2,067  | 1,454  | 2,592                     | -    | -    | 381                     | -    | -    | -                             | -    | -    | -        | 2,208  | 2,040  | 2,088  | 4,275  | 3,494  | 5,061  |
|                                                         | Number of participating employees          | Person       | 1,884  | 1,426  | 1,948                     | -    | -    | 87                      | -    | -    | -                             | -    | -    | -        | 92     | 85     | 87     | 1,976  | 1,511  | 2,122  |
|                                                         | Training hours per person                  | Hours/Person | 1.1    | 1.0    | 1.3                       | -    | -    | 4.4                     | -    | -    | -                             | -    | -    | -        | 24.0   | 24.0   | 24.0   | 2.2    | 2.3    | 2.4    |
| Site (environmental education & training) <sup>1)</sup> | Education & training hours                 | Hours        | 52,198 | 38,989 | 44,904                    | -    | -    | 2,037                   | 166  | 168  | 272                           | -    | -    | -        | 21,752 | 24,320 | 26,952 | 74,116 | 63,477 | 74,165 |
|                                                         | Number of participating employees          | Person       | 2,720  | 2,787  | 3,052                     | -    | -    | 302                     | 83   | 84   | 90                            | -    | -    | -        | 254    | 305    | 283    | 3,057  | 3,176  | 3,727  |
|                                                         | Number of participating supplier employees |              | Person | 27,398 | 20,729                    | -    | -    | 203                     | 2    | 2    | 6                             | -    | -    | -        | 656    | 712    | 840    | 18,568 | 28,112 | 21,778 |
|                                                         | Training hours per person                  | Hours/Person | 2.5    | 1.3    | 1.9                       | -    | -    | 4.0                     | 2.0  | 2.0  | 2.8                           | -    | -    | -        | 23.9   | 23.9   | 24.0   | 3.4    | 2.0    | 2.9    |

1) Includes education and training for safety management.

2) DL Chemical has categorized and managed environmental education-related data starting from 2023

3) Three-year data from Pocheon Power and the 2023 aggregate from Eco-One Energy were calculated as on-site data, including education and training for safety management

4) DL Construction manages the number of training hours and participating employees as cumulative figures and plans to disclose them after enhancing the calculation system in the future

# ESG DATA

## Social Performance (Consolidated)

### Employees Status

| Category                        | Unit                                   | DL Holings         |        |      |        |      |        | DL E&C |        |       |        |       |        | DL Chemical |        |      |        |      |        | DL Energy |        |      |        |      |        | DL Construction |        |       |        |       |        | GLAD H&R |        |      |        |      |        | Total |       |       |       |       |       |      |
|---------------------------------|----------------------------------------|--------------------|--------|------|--------|------|--------|--------|--------|-------|--------|-------|--------|-------------|--------|------|--------|------|--------|-----------|--------|------|--------|------|--------|-----------------|--------|-------|--------|-------|--------|----------|--------|------|--------|------|--------|-------|-------|-------|-------|-------|-------|------|
|                                 |                                        | 2021 <sup>1)</sup> |        | 2022 |        | 2023 |        | 2021   |        | 2022  |        | 2023  |        | 2021        |        | 2022 |        | 2023 |        | 2021      |        | 2022 |        | 2023 |        | 2021            |        | 2022  |        | 2023  |        | 2021     |        | 2022 |        | 2023 |        |       |       |       |       |       |       |      |
|                                 |                                        | Male               | Female | Male | Female | Male | Female | Male   | Female | Male  | Female | Male  | Female | Male        | Female | Male | Female | Male | Female | Male      | Female | Male | Female | Male | Female | Male            | Female | Male  | Female | Male  | Female | Male     | Female | Male | Female | Male | Female |       |       |       |       |       |       |      |
| Total                           |                                        | 35                 | 11     | 36   | 10     | 25   | 7      | 4,684  | 785    | 4,779 | 812    | 4,853 | 853    | 607         | 114    | 602  | 109    | 653  | 116    | 54        | 9      | 58   | 8      | 50   | 8      | 1,528           | 208    | 1,669 | 236    | 1,670 | 220    | 208      | 122    | 242  | 142    | 227  | 145    | 7,116 | 1249  | 7,386 | 1317  | 7,478 | 1,349 |      |
| By type                         | Domestic                               | 35                 | 11     | 36   | 10     | 25   | 7      | 4,479  | 783    | 4,586 | 811    | 4,686 | 850    | 599         | 105    | 592  | 100    | 642  | 108    | 54        | 9      | 58   | 8      | 50   | 8      | 1,528           | 208    | 1,669 | 236    | 1,670 | 220    | 208      | 122    | 242  | 142    | 227  | 145    | 6,903 | 1238  | 7,183 | 1307  | 7,300 | 1,338 |      |
|                                 | Overseas                               | 0                  | 0      | 0    | 0      | 0    | 0      | 205    | 2      | 193   | 1      | 167   | 3      | 8           | 9      | 10   | 9      | 11   | 8      | 0         | 0      | 0    | 0      | 0    | 0      | 0               | 0      | 0     | 0      | 0     | 0      | 0        | 0      | 0    | 0      | 0    | 0      | 0     | 213   | 11    | 203   | 10    | 178   | 11   |
| Female ratio                    | %                                      | 23.9               |        | 21.7 |        | 21.  |        | 14.4   |        | 14.5  |        | 14.9  |        | 15.8        |        | 15.3 |        | 15.1 |        | 14.3      |        | 12.1 |        | 13.8 |        | 12.0            |        | 12.4  |        | 11.6  |        | 37.0     |        | 37.0 |        | 39.0 |        | 14.9  |       | 15.1  |       | 15.3  |       |      |
| By Employment type              | Total                                  | 35                 | 11     | 36   | 10     | 25   | 7      | 4,684  | 785    | 4,779 | 812    | 4,853 | 853    | 607         | 114    | 602  | 109    | 653  | 116    | 54        | 9      | 58   | 8      | 50   | 8      | 1,528           | 208    | 1,669 | 236    | 1,670 | 220    | 208      | 122    | 242  | 142    | 227  | 145    | 7,116 | 1249  | 7,386 | 1317  | 7,478 | 1,349 |      |
|                                 | Executives                             | 9                  | 2      | 11   | 2      | 8    | 2      | 71     | 3      | 72    | 2      | 61    | 3      | 28          | 0      | 25   | 0      | 22   | 0      | 4         | 0      | 4    | 0      | 2    | 0      | 25              | 27     | 25    | 2      | 1     | 2      | 1        | 1      | 1    | 139    | 6    | 141    | 5     | 119   | 5     |       |       |       |      |
|                                 | Full-time employee                     | 23                 | 6      | 24   | 6      | 17   | 3      | 3,034  | 209    | 3,126 | 238    | 3,175 | 289    | 544         | 57     | 540  | 57     | 586  | 66     | 48        | 6      | 51   | 6      | 47   | 6      | 867             | 32     | 958   | 35     | 973   | 33     | 186      | 99     | 218  | 128    | 218  | 137    | 4702  | 409   | 4917  | 470   | 5,016 | 534   |      |
|                                 | Full-time employee ratio <sup>2)</sup> | %                  | 65.7   | 54.5 | 66.7   | 60.0 | 68.0   | 42.9   | 64.8   | 26.6  | 65.4   | 29.3  | 65.4   | 33.9        | 89.6   | 50.0 | 89.7   | 52.3 | 89.7   | 56.9      | 88.9   | 66.7 | 87.9   | 75.0 | 94.0   | 75.0            | 56.7   | 15.4  | 57.4   | 14.8  | 58.3   | 15.0     | 89.4   | 81.1 | 90.1   | 90.1 | 96.0   | 94.5  | 66.1  | 32.7  | 66.6  | 35.7  | 67.1  | 39.6 |
|                                 | Contract employee <sup>3)</sup>        | Person             | 3      | 1    | 1      | 2    |        | 2      | 1,579  | 573   | 1,581  | 572   | 1,617  | 561         | 0      | 0    | 0      | 0    | 0      | 0         | 2      | 0    | 3      | 0    | 1      | 2               | 812    | 885   | 672    | 187   | 20     | 22       | 22     | 13   | 8      | 8    | -      | -     | -     | -     | 2298  | 760   |       |      |
| Others <sup>4)</sup>            | Person                                 | 0                  | 2      | 0    | 0      | 0    | 0      | 0      | 0      | 0     | 0      | 0     | 0      | 35          | 57     | 37   | 52     | 45   | 50     | 0         | 3      | 0    | 2      | 0    | 0      | 0               | 0      | 0     | 0      | 0     | 0      | 0        | 0      | 0    | 0      | 0    | 0      | 0     | 35    | 62    | 37    | 54    | 45    | 50   |
| By Age                          | Total                                  | 35                 | 11     | 36   | 10     | 25   | 7      | 4,684  | 785    | 4,779 | 812    | 4,853 | 853    | 607         | 114    | 602  | 109    | 653  | 116    | 54        | 9      | 58   | 8      | 50   | 8      | 1,528           | 208    | 1,669 | 236    | 1,670 | 220    | 208      | 122    | 242  | 142    | 227  | 145    | 7,116 | 1,249 | 7,386 | 1,317 | 7,478 | 1,349 |      |
|                                 | Under 30                               | 1                  | 1      |      | 2      |      | 1      | 274    | 124    | 314   | 134    | 359   | 191    | 79          | 55     | 86   | 46     | 111  | 51     | 1         | 4      | 1    | 2      | 0    | 2      | 165             | 60     | 149   | 52     | 192   | 53     | 51       | 62     | 64   | 76     | 61   | 77     | 571   | 306   | 614   | 312   | 723   | 375   |      |
|                                 | 30 to 50                               | 29                 | 9      | 27   | 7      | 18   | 5      | 3,095  | 432    | 3,047 | 442    | 3,026 | 434    | 342         | 59     | 317  | 63     | 329  | 65     | 39        | 5      | 46   | 6      | 41   | 6      | 942             | 115    | 964   | 136    | 973   | 126    | 123      | 60     | 143  | 61     | 131  | 62     | 4570  | 680   | 4,544 | 715   | 4,518 | 698   |      |
| Over 50                         | 5                                      | 1                  | 9      | 1    | 7      | 1    | 1,315  | 229    | 1,418  | 236   | 1,468  | 228   | 186    | 0           | 199    | 0    | 213    |      | 14     | 0         | 11     | 0    | 9      | 0    | 421    | 33              | 556    | 48    | 505    | 41    | 34     | 0        | 35     | 5    | 35     | 6    | 1,975  | 263   | 2,228 | 290   | 2,237 | 276   |       |      |
| By Position                     | Total                                  | 35                 | 11     | 36   | 10     | 25   | 7      | 4,684  | 785    | 4,779 | 812    | 4,853 | 853    | 607         | 114    | 602  | 109    | 653  | 116    | 54        | 9      | 58   | 8      | 50   | 8      | 1,528           | 208    | 1,669 | 236    | 1,670 | 220    | 208      | 122    | 242  | 142    | 227  | 145    | 7,116 | 1,249 | 7,386 | 1,317 | 7,478 | 1,349 |      |
|                                 | Executives                             | 9                  | 2      | 11   | 2      | 8    | 2      | 71     | 3      | 72    | 2      | 61    | 3      | 28          | 0      | 25   | 0      | 22   | 0      | 4         | 0      | 4    | 0      | 2    | 0      | 25              | 0      | 27    | 0      | 25    | 0      | 2        | 1      | 2    | 1      | 1    | 0      | 139   | 6     | 141   | 5     | 119   | 5     |      |
|                                 | Senior manager                         | 2                  |        | 3    |        | 2    |        | 318    | 5      | 300   | 14     | 274   | 10     | 47          | 1      | 49   | 3      | 56   | 3      | 9         | 0      | 8    |        | 8    | 0      | 98              | 0      | 102   | 0      | 96    | 0      | 17       | 4      | 20   | 2      | 18   | 6      | 491   | 10    | 482   | 19    | 454   | 19    |      |
|                                 | Junior manager                         | 19                 | 6      | 18   | 6      | 13   | 3      | 2,221  | 120    | 2,326 | 125    | 2,412 | 145    | 151         | 22     | 143  | 24     | 148  | 26     | 38        | 5      | 41   | 5      | 34   | 5      | 931             | 32     | 913   | 16     | 934   | 15     | 45       | 6      | 49   | 12     | 52   | 13     | 3,405 | 191   | 3,490 | 188   | 3,593 | 207   |      |
| Staff                           | 5                                      | 3                  | 4      | 2    | 2      | 2    | 2,074  | 657    | 2,081  | 671   | 2,106  | 695   | 381    | 91          | 385    | 82   | 427    | 87   | 3      | 4         | 5      | 3    | 6      | 3    | 474    | 176             | 627    | 220   | 615    | 205   | 144    | 111      | 171    | 127  | 156    | 126  | 3,081  | 1,042 | 3,273 | 1,105 | 3,312 | 1,118 |       |      |
| Veterans and Disabled Employees | Veterans employees                     | 0                  |        | 0    |        | 0    |        | 94     |        | 86    |        | 86    |        | 16          |        | 16   |        | 14   |        | 0         |        | 0    |        | 0    |        | 15              |        | 16    |        | 13    |        | 0        |        | 0    |        | 0    |        | 125   |       | 118   |       | 113   |       |      |
|                                 | Veterans employees ratio               | %                  | 0      |      | 0      |      | 1.7    |        | 1.5    |       | 1.5    |       | 2.2    |             | 2.3    |      | 1.8    |      | 0      |           | 0      |      | 0      |      | 0.9    |                 | 0.8    |       | 0.7    |       | 0      |          | 0      |      | 0      |      | 1.5    |       | 1.4   |       | 1.3   |       |       |      |
|                                 | Disabled employees                     | 0                  |        | 0    |        | 0    |        | 47     |        | 51    |        | 66    |        | 6           |        | 4    |        | 4    |        | 0         |        | 0    |        | 0    |        | 19              |        | 17    |        | 17    |        | 0        |        | 0    |        | 0    |        | 72    |       | 72    |       | 87    |       |      |
|                                 | Disabled employees ratio               | %                  | 0      |      | 0      |      | 0.9    |        | 0.9    |       | 1.2    |       | 0.9    |             | 0.6    |      | 0.6    |      | 0      |           | 0      |      | 0      |      | 1.1    |                 | 0.9    |       | 0.9    |       | 0      |          | 0      |      | 0      |      | 0.6    |       | 0.4   |       | 0.4   |       |       |      |

1) The total number of employees has changed due to the restructuring of the calculation criteria 2) The ratio of full-time employees within the total number of employees may differ from the standards disclosed by each affiliate

3) Contract employees, including those with a fixed-term contract, are included 4) This includes dispatched workers, short-term contract employees, research consultants, project-based contractors, and locally hired staff



## ESG DATA

## Social Performance (Consolidated)

## New Hired

| Category    | Unit   | DL Holings         |        |                    |        |      |        | DL E&C |        |                   |        |                   |        | DL Chemical |        |      |        |      |        | DL Energy |        |      |        |      |        | DL Construction |        |      |        |      |        | GLAD H&R |        |      |        |      |        | Total |     |     |     |     |     |     |
|-------------|--------|--------------------|--------|--------------------|--------|------|--------|--------|--------|-------------------|--------|-------------------|--------|-------------|--------|------|--------|------|--------|-----------|--------|------|--------|------|--------|-----------------|--------|------|--------|------|--------|----------|--------|------|--------|------|--------|-------|-----|-----|-----|-----|-----|-----|
|             |        | 2021 <sup>1)</sup> |        | 2022 <sup>1)</sup> |        | 2023 |        | 2021   |        | 2022              |        | 2023              |        | 2021        |        | 2022 |        | 2023 |        | 2021      |        | 2022 |        | 2023 |        | 2021            |        | 2022 |        | 2023 |        | 2021     |        | 2022 |        | 2023 |        |       |     |     |     |     |     |     |
|             |        | Male               | Female | Male               | Female | Male | Female | Male   | Female | Male              | Female | Male              | Female | Male        | Female | Male | Female | Male | Female | Male      | Female | Male | Female | Male | Female | Male            | Female | Male | Female | Male | Female | Male     | Female | Male | Female | Male | Female |       |     |     |     |     |     |     |
| Total       |        | 12                 | 6      | 9                  | 3      | 7    | 1      | 103    | 10     | 344 <sup>1)</sup> | 52     | 170 <sup>1)</sup> | 58     | 148         | 70     | 148  | 35     | 251  | 40     | 4         | 4      | 14   | 5      | 4    | 0      | 134             | 5      | 204  | 7      | 84   | 1      | 62       | 65     | 109  | 68     | 60   | 63     | 463   | 160 | 828 | 170 | 576 | 163 |     |
| By Age      | Person | Under 30           | 0      | 1                  | 0      | 2    | 0      | 27     | 4      | 74                | 28     | 107               | 53     | 36          | 37     | 35   | 24     | 53   | 33     | 0         | 2      | 0    | 0      | 0    | 0      | 31              | 3      | 168  | 3      | 42   | 0      | 40       | 44     | 73   | 54     | 48   | 47     | 134   | 91  | 350 | 111 | 250 | 133 |     |
|             |        | 30 to 50           | 9      | 4                  | 7      | 1    | 5      | 1      | 69     | 6                 | 254    | 22                | 52     | 5           | 81     | 33   | 17     | 11   | 40     | 7         | 4      | 2    | 11     | 5    | 4      | 0               | 101    | 2    | 34     | 4    | 41     | 1        | 22     | 20   | 34     | 12   | 12     | 14    | 286 | 67  | 357 | 55  | 154 | 28  |
|             |        | Over 50            | 3      | 1                  | 2      | 0    | 2      | 0      | 7      | 0                 | 16     | 2                 | 11     | 0           | 31     | 0    | 96     | 0    | 158    | 0         | 0      | 0    | 3      | 0    | 0      | 0               | 2      | 0    | 2      | 0    | 1      | 0        | 0      | 1    | 2      | 2    | 0      | 2     | 43  | 2   | 121 | 4   | 172 | 2   |
| By Position | Person | Total              | 12     | 6                  | 9      | 3    | 7      | 1      | 103    | 10                | 344    | 52                | 170    | 58          | 148    | 70   | 148    | 35   | 251    | 40        | 4      | 4    | 14     | 5    | 4      | 0               | 134    | 5    | 204    | 7    | 84     | 1        | 62     | 65   | 109    | 68   | 60     | 63    | 463 | 160 | 828 | 170 | 576 | 163 |
|             |        | Executives         | 4      | 1                  | 3      | 0    | 2      | 0      | 4      | 0                 | 3      | 1                 | 5      | 0           | 13     | 0    | 7      | 0    | 3      | 0         | 0      | 0    | 2      | 0    | 1      | 0               | 0      | 0    | 0      | 0    | 3      | 0        | 0      | 0    | 1      | 0    | 0      | 0     | 21  | 1   | 16  | 1   | 14  | 0   |
|             |        | Senior manager     | 0      | 0                  | 0      | 0    | 1      | 0      | 1      | 0                 | 0      | 0                 | 4      | 0           | 7      | 0    | 1      | 0    | 2      | 1         | 0      | 0    | 0      | 0    | 0      | 0               | 0      | 0    | 0      | 0    | 0      | 0        | 2      | 0    | 3      | 0    | 0      | 2     | 10  | 0   | 4   | 0   | 7   | 3   |
|             |        | Junior manager     | 3      | 0                  | 5      | 1    | 4      | 1      | 59     | 4                 | 164    | 10                | 40     | 3           | 44     | 8    | 10     | 5    | 18     | 3         | 4      | 1    | 10     | 3    | 3      | 0               | 80     | 2    | 79     | 3    | 25     | 0        | 6      | 4    | 5      | 2    | 4      | 2     | 196 | 19  | 273 | 24  | 94  | 9   |
|             |        | Staff              | 5      | 5                  | 1      | 2    | 0      | 0      | 39     | 6                 | 177    | 41                | 121    | 55          | 84     | 62   | 130    | 30   | 228    | 36        | 0      | 3    | 2      | 2    | 0      | 0               | 54     | 3    | 125    | 4    | 56     | 1        | 54     | 61   | 100    | 66   | 56     | 59    | 236 | 140 | 535 | 145 | 461 | 151 |

1) The data has been modified due to the restructuring of the calculation criteria

2) DL E&amp;C manages data related to new hires by combining both Domestic and Overseas figures. As for Overseas new hires, there were 2 male hires in 2022 and 1 male hire in 2023

# ESG DATA

## Social Performance (Consolidated)

### Turnover and Resignations

| Category                            | Unit        | DL Holings         |                    |      | DL E&C |      |      | DL Chemical |      |      | DL Energy |      |      | DL Construction |      |      | GLAD H&R |      |      | Total |       |       |       |
|-------------------------------------|-------------|--------------------|--------------------|------|--------|------|------|-------------|------|------|-----------|------|------|-----------------|------|------|----------|------|------|-------|-------|-------|-------|
|                                     |             | 2021 <sup>1)</sup> | 2022 <sup>1)</sup> | 2023 | 2021   | 2022 | 2023 | 2021        | 2022 | 2023 | 2021      | 2022 | 2023 | 2021            | 2022 | 2023 | 2021     | 2022 | 2023 | 2021  | 2022  | 2023  |       |
| Turnover and Resignations           | Total       | 15                 | 10                 | 20   | 733    | 881  | 722  | 75          | 179  | 227  | 10        | 17   | 12   | 67              | 111  | 72   | 79       | 30   | 40   | 979   | 1,228 | 1,093 |       |
|                                     | By Age      | Under 30           | 1                  | 1    | 0      | 81   | 115  | 101         | 20   | 37   | 34        | 0    | 1    | 0               | 10   | 27   | 13       | 42   | 25   | 27    | 154   | 206   | 175   |
|                                     |             | 30 to 50           | 12                 | 6    | 16     | 377  | 443  | 296         | 27   | 37   | 30        | 6    | 7    | 7               | 36   | 61   | 34       | 33   | 4    | 8     | 491   | 558   | 391   |
|                                     |             | Over 50            | 2                  | 3    | 4      | 275  | 323  | 325         | 28   | 105  | 163       | 4    | 9    | 5               | 21   | 23   | 25       | 4    | 1    | 5     | 334   | 464   | 527   |
|                                     |             | Total              | 15                 | 10   | 20     | 733  | 881  | 722         | 75   | 179  | 227       | 10   | 17   | 12              | 67   | 111  | 72       | 79   | 30   | 40    | 979   | 1,228 | 1,093 |
|                                     | By Position | Executives         | 3                  | 3    | 4      | 11   | 8    | 8           | 4    | 5    | 2         | 1    | 2    | 3               | 0    | 0    | 0        | 0    | 1    | 2     | 19    | 19    | 19    |
|                                     |             | Senior manager     | 1                  | 0    | 2      | 7    | 9    | 9           | 3    | 3    | 3         | 3    | 0    | 0               | 0    | 0    | 0        | 0    | 1    | 0     | 14    | 13    | 14    |
|                                     |             | Junior manager     | 5                  | 5    | 12     | 87   | 178  | 178         | 16   | 21   | 13        | 3    | 11   | 9               | 45   | 59   | 47       | 4    | 1    | 2     | 160   | 275   | 261   |
|                                     |             | Staff              | 6                  | 2    | 2      | 628  | 686  | 527         | 52   | 150  | 209       | 3    | 4    | 0               | 22   | 52   | 25       | 75   | 27   | 36    | 786   | 921   | 799   |
|                                     |             | Total              | 3                  | 2    | 1      | 352  | 467  | 362         | 0    | 0    | 0         | 8    | 10   | 5               | 33   | 92   | 58       | 83   | 93   | 95    | 479   | 664   | 521   |
| Voluntary Turnover and Resignations | By Age      | Under 30           | 3                  | 0    | 0      | 52   | 71   | 62          | 0    | 0    | 0         | 0    | 1    | 0               | 10   | 21   | 13       | 38   | 57   | 50    | 103   | 150   | 125   |
|                                     |             | 30 to 50           | 0                  | 2    | 1      | 224  | 293  | 185         | 0    | 0    | 0         | 5    | 5    | 4               | 21   | 67   | 34       | 44   | 32   | 43    | 294   | 399   | 267   |
|                                     |             | Over 50            | 0                  | 0    | 0      | 76   | 103  | 115         | 0    | 0    | 0         | 3    | 4    | 1               | 2    | 4    | 11       | 1    | 4    | 2     | 82    | 115   | 129   |
|                                     |             | Total              | 3                  | 2    | 1      | 352  | 467  | 362         | 0    | 0    | 0         | 8    | 10   | 5               | 33   | 92   | 58       | 83   | 93   | 95    | 479   | 664   | 521   |
|                                     | By Position | Executives         | 0                  | 0    | 0      | 0    | 1    | 1           | 0    | 0    | 0         | 0    | 0    | 0               | 0    | 0    | 0        | 0    | 0    | 0     | 0     | 1     | 1     |
| Senior manager                      |             | 0                  | 0                  | 0    | 1      | 2    | 3    | 0           | 0    | 0    | 3         | 0    | 0    | 0               | 0    | 0    | 2        | 2    | 2    | 6     | 4     | 5     |       |
| Junior manager                      |             | 0                  | 0                  | 1    | 33     | 97   | 65   | 0           | 0    | 0    | 3         | 8    | 5    | 11              | 41   | 33   | 4        | 7    | 11   | 51    | 153   | 115   |       |
| Staff                               |             | 3                  | 2                  | 0    | 318    | 367  | 293  | 0           | 0    | 0    | 2         | 2    | 0    | 22              | 51   | 25   | 77       | 84   | 82   | 422   | 506   | 400   |       |
| Average years of service            | Gender      | Male               | 8                  | 7    | 7      | 14   | 13   | 13          | 14   | 14   | 13        | 5    | 5    | 6               | 9    | 11   | 11       | 10   | 8    | 9     | 10    | 10    | 10    |
|                                     |             | Female             | 9                  | 9    | 2      | 11   | 10   | 9           | 5    | 6    | 6         | 3    | 3    | 4               | 6    | 8    | 9        | 4    | 4    | 4     | 6     | 6     | 6     |

1) The data has been modified due to the restructuring of the calculation criteria



## ESG DATA

## Social Performance (Consolidated)

## Employee Training

| Category                 | Unit                                  | DL Holings   |      |       | DL E&C <sup>1)</sup> |         |         | DL Chemical |        |        | DL Energy |       |       | DL Construction <sup>2)</sup> |        |        | GLAD H&R |       |       | Total <sup>3)</sup> |         |         |       |
|--------------------------|---------------------------------------|--------------|------|-------|----------------------|---------|---------|-------------|--------|--------|-----------|-------|-------|-------------------------------|--------|--------|----------|-------|-------|---------------------|---------|---------|-------|
|                          |                                       | 2021         | 2022 | 2023  | 2021                 | 2022    | 2023    | 2021        | 2022   | 2023   | 2021      | 2022  | 2023  | 2021                          | 2022   | 2023   | 2021     | 2022  | 2023  | 2021                | 2022    | 2023    |       |
| Total hours of education | Hours                                 | 449          | 762  | 1,016 | 172,147              | 187,174 | 273,648 | 17,674      | 18,933 | 21,077 | 1,537     | 1,824 | 1,350 | 36,808                        | 43,425 | 69,116 | 1,510    | 3,791 | 9,805 | 230,125             | 255,909 | 376,012 |       |
| Total cost of education  | KRW million                           | 8            | 38   | 38    | 1,442                | 1,594   | 1,743   | 194         | 195    | 209    | 26        | 19    | 34    | 362                           | 590    | 733    | 5        | 66    | 190   | 2,037               | 2,502   | 2,947   |       |
| By Item                  | Number of participating employees     | Person       | 45   | 46    | 41                   | 4,273   | 4,405   | 4,744       | 922    | 891    | 997       | 54    | 57    | 53                            | 1,843  | 1,891  | 1,916    | 325   | 381   | 374                 | 7,462   | 7,671   | 8,125 |
|                          | Training hours per person             | Hours/Person | 10   | 17    | 25                   | 40      | 42      | 58          | 19     | 21     | 21        | 28    | 32    | 25                            | 20     | 23     | 36       | 5     | 10    | 26                  | 31      | 33      | 46    |
|                          | Training costs per person             | KRW million  | 0.2  | 0.8   | 0.9                  | 0.3     | 0.4     | 0.4         | 0.2    | 0.2    | 0.2       | 0.5   | 0.3   | 0.6                           | 0.2    | 0.3    | 0.4      | 0.0   | 0.2   | 0.5                 | 0.3     | 0.3     | 0.4   |
| By Program               | Sexual Harassment Prevention Training | Hours        | 45   | 46    | 41                   | 5,420   | 5,412   | 5,632       | 922    | 891    | 997       | 63    | 66    | 58                            | 1,843  | 1,891  | 1,916    | 335   | 379   | 370                 | 3,208   | 3,273   | 3,382 |
|                          | Ethics/CP Education                   |              | 120  | 307   | 173                  | 2,431   | 4,325   | 3,249       | 922    | 891    | 997       | 63    | 66    | 58                            | 354    | 312    | 1,933    | 0     | 0     | 0                   | 1,459   | 1,576   | 3,161 |
|                          | Information Security Training         |              | 45   | 46    | 46                   | 10,046  | 9,175   | 5,184       | 922    | 891    | 997       | 63    | 66    | 58                            | 845    | 2,740  | 2,761    | 335   | 379   | 0                   | 2,210   | 4,122   | 3,862 |
|                          | Disability Awareness Education        |              | 90   | 46    | 41                   | 5,420   | 5,344   | 5,278       | 922    | 891    | 997       | 63    | 66    | 58                            | 1,834  | 1,891  | 1,916    | 337   | 379   | 370                 | 3,246   | 3,273   | 3,382 |

1) DL E&C manages training performance by the number of employees per program, while other companies manage it by hours

2) The training performance for DL Construction includes dispatched employees, resulting in the number of employees participating in training exceeding the total number of employees

3) The total by program refers to the combined total training hours for the four companies: DL Holdings, DL Chemical, DL Energy, and DL Construction, as well as GLAD H&R

## Performance appraisal

| Category                                                                | Unit   | DL Holings |      |      | DL E&C |       |       | DL Chemical |      |      | DL Energy |      |      | DL Construction |      |      | GLAD H&R |      |      | Total |       |       |     |    |     |     |     |     |       |       |       |
|-------------------------------------------------------------------------|--------|------------|------|------|--------|-------|-------|-------------|------|------|-----------|------|------|-----------------|------|------|----------|------|------|-------|-------|-------|-----|----|-----|-----|-----|-----|-------|-------|-------|
|                                                                         |        | 2021       | 2022 | 2023 | 2021   | 2022  | 2023  | 2021        | 2022 | 2023 | 2021      | 2022 | 2023 | 2021            | 2022 | 2023 | 2021     | 2022 | 2023 | 2021  | 2022  | 2023  |     |    |     |     |     |     |       |       |       |
| Subjects for official performance appraisal                             | Person | 28         | 29   | 19   | 4,213  | 4,338 | 4,470 | 525         | 55   | 538  | 57        | 586  | 66   | 48              | 6    | 51   | 6        | 47   | 6    | 1,142 | 1,274 | 1,335 | 183 | 83 | 198 | 106 | 213 | 126 | 6,283 | 6,597 | 6,868 |
| Ratio of people subject to official performance appraisal <sup>1)</sup> | %      | 60.9       | 63.0 | 59.4 | 77     | 77.6  | 78.3  | 80.4        | 83.7 | 84.8 | 85.7      | 86.4 | 91.4 | 65.8            | 66.9 | 70.6 | 80.6     | 79.2 | 91.1 | -     | -     | -     | -   | -  | -   | -   | -   | -   | -     | -     |       |

1) The proportion of employees subject to performance evaluation within the total number of employees may differ from the disclosure standards of each affiliate.

## Labor Relations

| Category                                    | Unit | DL Holings |      |      | DL E&C |      |      | DL Chemical |      |      | DL Energy |      |      | DL Construction |      |      | GLAD H&R |      |      | Total |      |      |
|---------------------------------------------|------|------------|------|------|--------|------|------|-------------|------|------|-----------|------|------|-----------------|------|------|----------|------|------|-------|------|------|
|                                             |      | 2021       | 2022 | 2023 | 2021   | 2022 | 2023 | 2021        | 2022 | 2023 | 2021      | 2022 | 2023 | 2021            | 2022 | 2023 | 2021     | 2022 | 2023 | 2021  | 2022 | 2023 |
| Number of Labor-Management Council Meetings | Time | 4          | 4    | 4    | 13     | 8    | 11   | 11          | 12   | 12   | 4         | 4    | 4    | 4               | 4    | 4    | 4        | 4    | 4    | 40    | 36   | 39   |

# ESG DATA

## Social Performance (Consolidated)

### Safety and health

| Category                         | Unit                    | DL Holings                                       |                            |      | DL E&C |      |       | DL Chemical |       |      | DL Energy |      |      | DL Construction |      |      | GLAD H&R |      |      | Total <sup>1)</sup> |      |      |     |     |
|----------------------------------|-------------------------|--------------------------------------------------|----------------------------|------|--------|------|-------|-------------|-------|------|-----------|------|------|-----------------|------|------|----------|------|------|---------------------|------|------|-----|-----|
|                                  |                         | 2021                                             | 2022                       | 2023 | 2021   | 2022 | 2023  | 2021        | 2022  | 2023 | 2021      | 2022 | 2023 | 2021            | 2022 | 2023 | 2021     | 2022 | 2023 | 2021                | 2022 | 2023 |     |     |
| Disasters and Mortality          | Total deaths            | 0                                                | 0                          | 0    | 1      | 5    | 3     | 0           | 0     | 0    | 0         | 0    | 0    | 2               | 2    | 0    | 0        | 0    | 0    | 3                   | 7    | 3    |     |     |
|                                  | Employee deaths         | 0                                                | 0                          | 0    | 0      | 0    | 0     | 0           | 0     | 0    | 0         | 0    | 0    | 0               | 0    | 0    | 0        | 0    | 0    | 0                   | 0    | 0    |     |     |
|                                  | Supplier deaths         | 0                                                | 0                          | 0    | 1      | 5    | 3     | 0           | 0     | 0    | 0         | 0    | 0    | 2               | 2    | 0    | 0        | 0    | 0    | 3                   | 7    | 3    |     |     |
|                                  | By Item                 | Deaths per 10,000                                | %                          | 0    | 0      | 0    | 0     | 0           | 0     | 0    | 0         | 0    | 0    | 0               | 0    | 0    | 0        | 0    | 0    | -                   | -    | -    |     |     |
|                                  |                         | LTIFR(Lost-Time Injury Frequency Rate)(Employee) | Case/200,000 Working Hours | 0    | 0      | 0    | 0     | 0           | 0     | 0    | 0         | 0.15 | 0    | 0               | 0    | 0.08 | 0.09     | 0.01 | 0.71 | 1.06                | 0.93 | -    | -   | -   |
|                                  |                         | LTIFR(Lost-Time Injury Frequency Rate)(Supplier) | Case/200,000 Working Hours | 0    | 0      | 0    | 0.203 | 0.297       | 0.372 | 0.28 | 0.26      | 0.24 | 0    | 0               | 0    | 0.77 | 0.72     | 0.93 | 0    | 0                   | 0    | -    | -   | -   |
|                                  |                         | Total number of injured workers                  | Person                     | 0    | 0      | 0    | 107   | 134         | 151   | 1    | 2         | 3    | 0    | 0               | 0    | 76   | 70       | 109  | 1    | 1                   | 3    | 185  | 207 | 266 |
| By affiliation                   | Injured employees       | Person                                           | 0                          | 0    | 0      | 0    | 0     | 0           | 0     | 0    | 1         | 0    | 0    | 0               | 9    | 10   | 1        | 1    | 1    | 3                   | 10   | 11   | 5   |     |
|                                  | Injured supplier        | Person                                           | 0                          | 0    | 0      | 107  | 134   | 151         | 1     | 2    | 2         | 0    | 0    | 0               | 67   | 60   | 108      | 0    | 0    | 0                   | 175  | 196  | 261 |     |
| Occupational disease (illnesses) | Total number of victims | Person                                           | 0                          | 0    | 0      | 45   | 43    | 38          | 0     | 0    | 0         | 0    | 0    | 0               | 26   | 29   | 30       | 1    | 1    | 3                   | 72   | 73   | 71  |     |
|                                  | By affiliation          | employee victims                                 | Person                     | 0    | 0      | 0    | 0     | 0           | 0     | 0    | 0         | 0    | 0    | 0               | 1    | 1    | 0        | 1    | 1    | 3                   | 2    | 2    | 3   |     |
|                                  |                         | Supplier victims                                 | Person                     | 0    | 0      | 0    | 45    | 43          | 38    | 0    | 0         | 0    | 0    | 0               | 25   | 28   | 30       | 0    | 0    | 0                   | 70   | 71   | 68  |     |

1) The Fatal Accident Rate and Lost Time Injury Frequency Rate (for employees and contractors) data are calculated based on individual companies.

# ESG DATA

## Governance – DL Holdings

### Board of Directors

|                                                         | Category                       | Unit                                                     | 2021        | 2022 | 2023 |     |
|---------------------------------------------------------|--------------------------------|----------------------------------------------------------|-------------|------|------|-----|
| Composition of the board of directors                   | Total                          |                                                          | 5           | 5    | 5    |     |
|                                                         | By type                        | Internal Director                                        |             | 1    | 1    | 1   |
|                                                         |                                | Independent Director                                     |             | 3    | 3    | 3   |
|                                                         |                                | Non-Executive Director                                   |             | 1    | 1    | 1   |
|                                                         | Gender                         | Male                                                     | Person      | 4    | 4    | 4   |
|                                                         |                                | Female                                                   |             | 1    | 1    | 1   |
|                                                         | By age                         | The age of members on the board of directors(under 30)   |             | 0    | 0    | 0   |
|                                                         |                                | The age of members on the board of directors(30-50)      |             | 3    | 1    | 1   |
|                                                         |                                | The age of members on the board of directors(over 50)    |             | 2    | 4    | 4   |
|                                                         |                                | The ratio of members on the board of directors(under 30) |             | 0    | 0    | 0   |
| The ratio of members on the board of directors(30-50)   |                                | %                                                        | 0.6         | 0.2  | 0.2  |     |
| The ratio of members on the board of directors(over 50) |                                |                                                          | 0.4         | 0.8  | 0.8  |     |
| Board of directors convened                             | Number of meetings convened    | Time                                                     | 13          | 10   | 8    |     |
|                                                         | Reports and agenda resolutions | Case                                                     | 37          | 39   | 24   |     |
|                                                         | Participation ratio            | %                                                        | 100         | 100  | 100  |     |
| Board of Directors Effectiveness                        | Board of directors term        | Average tenure <sup>1)</sup><br>Year                     | 0.8         | 1.7  | 1.8  |     |
|                                                         | Board of directors expertise   | Industry experts                                         | Person      | 4    | 4    | 4   |
|                                                         |                                | Financial experts                                        |             | 1    | 1    | 1   |
| Operation of Board of Directors                         | NR Committee                   | Number of meetings convened                              | Time        | 2    | 2    | 2   |
|                                                         |                                | Participation rate                                       | %           | 100  | 100  | 100 |
|                                                         | Audit Committee                | Number of meetings convened                              | Time        | 6    | 7    | 8   |
|                                                         |                                | Participation rate                                       | %           | 100  | 95   | 96  |
|                                                         | Finance Committee              | Number of meetings convened                              | Time        | 0    | 0    | 0   |
|                                                         |                                | Participation rate                                       | %           | -    | -    | -   |
|                                                         | ESG Committee                  | Number of meetings convened                              | Time        | 7    | 7    | 6   |
|                                                         |                                | Participation rate                                       | %           | 100  | 100  | 94  |
|                                                         | External Auditor Fees          | Audit fees paid to external auditor                      | KRW million | 380  | 405  | 680 |
|                                                         |                                | Non-Audit fees paid to external auditor                  |             | 167  | 32   | 147 |

1) Based on employees as of the end of December of the relevant year

### Stakeholders

|                    | Category                           | Unit             | 2021       | 2022       | 2023       |            |
|--------------------|------------------------------------|------------------|------------|------------|------------|------------|
| Shareholder Rights | Total number of issued shares      |                  | 22,641,999 | 22,641,999 | 22,641,999 |            |
|                    | By type                            | Common Shares    |            | 20,955,884 | 20,955,884 | 20,955,884 |
|                    |                                    | Preferred Shares |            | 1,686,115  | 1,686,115  | 1,686,115  |
|                    | Total number of treasury shares    | Case             | 27,195     | 27,195     | 21,196     |            |
|                    | By type                            | Common Shares    |            | 25,156     | 25,156     | 25,157     |
|                    |                                    | Preferred Shares |            | 2,039      | 2,039      | 2,039      |
|                    | Total number of shares outstanding |                  | 22,614,804 | 22,614,804 | 22,614,803 |            |
|                    | By type                            | Common Shares    |            | 20,930,728 | 20,930,726 | 20,930,727 |
|                    |                                    | Preferred Shares |            | 1,684,076  | 1,684,076  | 1,684,076  |

### Ethics & Compliance Management

|                                       | Category | Unit                            | 2021 | 2022 | 2023 |    |
|---------------------------------------|----------|---------------------------------|------|------|------|----|
| Compliance inspection status          | Total    |                                 | 12   | 11   | 11   |    |
|                                       | By type  | Autonomous inspection           | Case | 12   | 11   | 11 |
|                                       |          | Spot inspection                 |      | 0    | 0    | 0  |
|                                       |          | Internal violation report cases |      | 0    | 0    | 0  |
| Unethical activity cases and measures | Total    |                                 | 0    | 0    | 0    |    |
|                                       | By type  | Dismissal from office           | Case | 0    | 0    | 0  |
|                                       |          | Suspension                      |      | 0    | 0    | 0  |
|                                       |          | Salary reduction                |      | 0    | 0    | 0  |
|                                       |          | Discipline                      |      | 0    | 0    | 0  |
|                                       |          | Written apology                 |      | 0    | 0    | 0  |

### Information Security

|                              | Category                                                     | Unit | 2021 | 2022 | 2023 |
|------------------------------|--------------------------------------------------------------|------|------|------|------|
| Violation of data protection | Number of information protection violations                  | Case | 0    | 0    | 0    |
|                              | Number of occurrences of personal data protection violations |      | 0    | 0    | 0    |
|                              | Total amount of fines due to data protection violations      | Won  | 0    | 0    | 0    |

# GRI CONTENT INDEX

|                                |                                                                                                                                                                                                                   |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Standard Used                  | DL Holdings reports its annual sustainability management activities from January 1, 2023 to December 31, 2023, using the GRI Standard. Some of the information is reported to include activities up to June 2024. |
| Used GRI Standard              | GRI 1: Foundation 2021                                                                                                                                                                                            |
| Applicable GRI Sector Standard | As of the publication date of the Sustainability Management Report (August 2023), the GRI Sector Standard applicable to DL Holdings, has not been published and is therefore not applicable.                      |

## General Standard Disclosure(GRI 2: General Disclosure 2021)

| Section                                      | NO.                               | Disclosure Name                                                             | Page                                         | Remarks                                |
|----------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------|----------------------------------------------|----------------------------------------|
| The organization and its reporting practices | 2-1                               | Organizational details                                                      | 7                                            |                                        |
|                                              | 2-2                               | Entities included in the organization's sustainability reporting            | 5, 99~110                                    |                                        |
|                                              | 2-3                               | Reporting period, frequency and contact point                               | 4                                            |                                        |
|                                              | 2-4                               | Restatements of information                                                 | -                                            | Comment on the Location of Corrections |
|                                              | 2-5                               | External assurance                                                          | 115~116                                      |                                        |
| Activities and Workers                       | 2-6                               | Activities, value chain and other business relationships                    | 7~12                                         |                                        |
|                                              | 2-7                               | Employees                                                                   | 104                                          |                                        |
|                                              | 2-8                               | Workers who are not employees                                               | 104                                          |                                        |
| Governance                                   | 2-9                               | Governance structure and composition                                        | 78~80                                        |                                        |
|                                              | 2-10                              | Nomination and selection of the highest governance body                     | 78~81                                        |                                        |
|                                              | 2-11                              | Chair of the highest governance body                                        | 78                                           |                                        |
|                                              | 2-12                              | Role of the highest governance body in overseeing the management of impacts | 78,80,81                                     |                                        |
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## Environmental Performance

| Section                                  | NO.                             | Disclosure Name                                                                                               | Page                                            | Remarks |
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| GRI 405: Diversity and Equal Opportunity | 405-1                           | Diversity of governance bodies and employees                                                                  | 60, 104                                         |         |
| GRI 413: Local Communities               | 413-1                           | Operations with local community engagement, impact assessments, and development programs                      | 58                                              |         |
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# SASB INDEX

## Engineering & Construction Service

| Topic                                           | Code         | Metric                                                                                                                                                                 | Category                | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 |              |                                                                                                                                                                        |                         | DL E&C                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | DL Construction                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Environmental Impacts of Project Development    | IF-EN-160a.1 | Number of incidents of non-compliance with environmental permits, standards and regulations                                                                            | Quantitative            | <ul style="list-style-type: none"> <li>No incidents</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>No incidents</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                                 | IF-EN-160a.2 | Discussion of processes to assess and manage environmental risks associated with project design, siting and construction                                               | Discussion and Analysis | <ul style="list-style-type: none"> <li>Environmental impact assessments are conducted to evaluate the environmental impact of projects, ensuring environmentally considerate design and construction.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Obtained ISO 14001 Environmental Management System certification and conducts monthly regular inspections and compliance evaluations according to environmental policies.</li> <li>DL Construction also performs an annual internal audit and corrective actions based on the Internal Audit Procedure and Environmental Management Procedure.</li> </ul>                                                                                            |
| Structural Integrity & Safety                   | IF-EN-250a.1 | Amount of defect- and safety-related rework costs                                                                                                                      | Quantitative            | <ul style="list-style-type: none"> <li>The 2023 defect repair costs are approximately KRW 41.9 billion, applying the separate financial statement standards in the business reports (defect repair provisions).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Unpublished</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                 | IF-EN-250a.2 | Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents                                                  |                         | <ul style="list-style-type: none"> <li>The fines for defects and safety-related accidents in 2023 amount to KRW 24 million, applying the separate financial statement standards in the business report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Workforce Health & Safety                       | IF-EN-320a.1 | (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees                                                    | Quantitative            | <ul style="list-style-type: none"> <li>DL E&amp;C manages using LTIR instead of TRIR.</li> <li>As of 2023, the rate is 0.2573, and the mortality rate for regular and contract employees is 1.41.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>DL Construction manages safety using LTIR (Lost Time Incident Rate) instead of TRIR (Total Recordable Incident Rate)</li> <li>As of 2023, the LTIR for directly employed workers is 0.01, while for indirectly employed workers it is 0.93.</li> <li>The fatal accident rate for 2023 is recorded as zero.</li> </ul>                                                                                                                                |
| Lifecycle Impacts of Buildings & Infrastructure | IF-EN-410a.1 | Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification              | Quantitative            | <ul style="list-style-type: none"> <li>Four certifications for green building and building energy efficiency rating (2023).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>Three Green Building and Building Energy Efficiency Certifications (2023).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                |
|                                                 | IF-EN-410a.2 | Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design                                     | Discussion and Analysis | <ul style="list-style-type: none"> <li>To improve energy efficiency, we implement an energy management program based on ISO 50001. Key initiatives include the smart commissioning solution, Green Mobility transition, and Smart Construction to reduce energy use. On-site, we introduce ESS (Energy Storage System) made from recycled batteries and develop and apply heating power control system technology.</li> <li>For water saving and efficient use, we conduct surveys and analyses of hydraulic conditions around the project site, considering early stormwater treatment facilities and rainwater infiltration blocks in the design. We review changes occurring during construction to preemptively address potential future risks. We have also developed optimized operation technology for the sewage reuse membrane filtration pre-treatment process, securing maintenance and operation technology in PPP/environmental projects.</li> </ul> | <ul style="list-style-type: none"> <li>Development of Energy Reduction Technologies (High Insulation and High Soundproofing PVC Turning Door) and Introduction of Measures to Reduce Energy Usage at Construction Sites (Smart Commissioning Solutions).</li> <li>Set a goal of 30% for the use of recycled water and achieved 29.6% in 2023</li> <li>Water savings through the establishment of the smart eco-spray system, Easymesh</li> </ul>                                            |
| Climate Impacts of Business Mix                 | IF-EN-410b.1 | Amount of backlog <sup>1)</sup> for (1) hydrocarbon- related projects and (2) renewable energy projects                                                                | Quantitative            | <ul style="list-style-type: none"> <li>The backlog of hydrocarbon-related projects and renewable energy projects amounts to KRW 4.27 trillion.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>N/A</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                 | IF-EN-410b.2 | Amount of backlog cancellations associated with hydrocarbon-related projects <sup>1)</sup>                                                                             |                         | <ul style="list-style-type: none"> <li>There are no backlog cancellations related to hydrocarbon projects.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                                 | IF-EN-410b.3 | Amount of backlog for non-energy projects associated with climate change mitigation                                                                                    |                         | <ul style="list-style-type: none"> <li>None</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Business Ethics                                 | IF-EN-510a.1 | (1) Number of active projects and (2) backlog in countries <sup>2)</sup> that have the 20 lowest rankings in Transparency International's Corruption Perception Index  | Quantitative            | <ul style="list-style-type: none"> <li>There are no projects or backlogs in the bottom 20 countries of the Corruption Perceptions Index.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>N/A</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                 | IF-EN-510a.2 | Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices <sup>3)</sup> |                         | <ul style="list-style-type: none"> <li>(1) None. (2) A fine of KRW 690 million was imposed for anti-competitive lawsuits (August 21, 2023, DART disclosure, delays/non-issuance of written documents, and delays in payments in violation of the Subcontracting Act).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>(1) 2 cases</li> <li>(2) KWW 0</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                                 | IF-EN-510a.3 | Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behaviour in the project bidding processes                | Discussion and Analysis | <ul style="list-style-type: none"> <li>We operate an ethics management organization, establish and share the Ethics Charter and Code of Ethics and Practice Guidelines, and all employees sign a pledge to practice the Code of Ethics to internalize ethical management.</li> <li>We operate the ESG Committee under the Board of Directors, implementing the Fair Trade Compliance Program and conducting fair trade education.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>We have established and shared an ethical charter, code of ethics, and practice guidelines. All employees have signed the code of ethics practice pledge to internalize ethical management.</li> <li>We conduct a voluntary fair trade compliance program and provide fair trade education.</li> <li>We promote self-regulation activities such as "No Gift" campaigns, operate a cyber whistleblower system, and observe Compliance Day.</li> </ul> |
| Activity Metrics                                | IF-EN-000.A  | Number of active projects <sup>4)</sup>                                                                                                                                | Quantitative            | <ul style="list-style-type: none"> <li>Domestic projects: 93, Overseas projects: 16 (based on the lead manager).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>68 projects</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                 | IF-EN-000.B  | Number of commissioned projects                                                                                                                                        |                         | <ul style="list-style-type: none"> <li>Completed projects: Domestic 28, Overseas 4 (based on the lead manager).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>20 projects</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                 | IF-EN-000.C  | Total backlog <sup>5)</sup>                                                                                                                                            |                         | <ul style="list-style-type: none"> <li>KRW 21.5 trillion.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>KRW 7 trillion 388.2 billion</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                              |

1) Backlog is defined as the value of unfinished business as of the end of the reporting period (i.e., revenue expected in the future under contracts but not yet recognized) or as defined by the company in a manner consistent with its prior backlog disclosures. Backlog can also be referred to as revenue backlog or unsatisfied performance obligations. The scope of disclosure is limited to building and infrastructure projects where the company provides engineering, construction, architecture, design, installation, planning, consulting, repair, and other similar services.

2) Somalia, Venezuela, Syria, South Sudan, Yemen, Democratic People's Republic of Korea, Nicaragua, Haiti, Equatorial Guinea, Turkmenistan, Libya, Tajikistan, Sudan, Myanmar, DR Congo, Chad, Burundi, Afghanistan, Eritrea, Guinea-Bissau

3) The nature, circumstances, and remedial actions taken as a result of the monetary loss should be briefly described.

4) Active projects are defined as building and infrastructure projects under development where the company is actively providing services as of the end of the reporting period, including but not limited to design and construction phases. Active projects do not include projects commissioned during the reporting period.

5) Backlog (number or amount of projects not completed during the reporting period)

## SASB INDEX

## Chemicals

| Topic                                                 | Code            | Metric                                                                                                                                                                              | Category                | Remarks                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Greenhouse Gas Emissions                              | RT-CH-110a.1(1) | (1) Gross global Scope 1 emissions                                                                                                                                                  | Quantitative            | • Domestic emissions, 2,267 tCO <sub>2</sub> -eq                                                                                                                                                                                                                                                                                                       |
|                                                       | RT-CH-110a.1(2) | (2) percentage covered under emissions-limiting regulations                                                                                                                         | Discussion and Analysis | • 100%                                                                                                                                                                                                                                                                                                                                                 |
|                                                       | RT-CH-110a.2    | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets                  | Quantitative            | • DL Chemical has established an ESG vision and strategy for continuous emission reduction and is currently implementing strategic initiatives in key focus areas.<br>• Through energy diagnostics and efficiency improvement measures, the company achieved a reduction of 1,755 tCO <sub>2</sub> -eq/yr in greenhouse gas emissions in 2023.         |
| Air Quality                                           | RT-CH-120a.1(1) | Air emissions of (1) NOx (excluding N <sub>2</sub> O)                                                                                                                               | Quantitative            | • 2,070 ton                                                                                                                                                                                                                                                                                                                                            |
|                                                       | RT-CH-120a.1(2) | Air emissions of (2) SOx                                                                                                                                                            |                         | • 0,190 ton                                                                                                                                                                                                                                                                                                                                            |
|                                                       | RT-CH-120a.1(3) | Air emissions of (3) volatile organic compounds (VOCs)                                                                                                                              |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-120a.1(4) | Air emissions of (4) hazardous air pollutants (HAPs)                                                                                                                                |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
| Energy Management                                     | RT-CH-130a.1(1) | (1) Total energy consumed                                                                                                                                                           | Quantitative            | • 4,193                                                                                                                                                                                                                                                                                                                                                |
|                                                       | RT-CH-130a.1(2) | (2) percentage grid electricity                                                                                                                                                     |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-130a.1(3) | (3) percentage renewable                                                                                                                                                            |                         | • 0%                                                                                                                                                                                                                                                                                                                                                   |
|                                                       | RT-CH-130a.1(4) | (4) total self-generated energy                                                                                                                                                     |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
| Water Management                                      | RT-CH-140a.1(1) | (1) Total water withdrawn                                                                                                                                                           | Quantitative            | • 1,223,223 ton                                                                                                                                                                                                                                                                                                                                        |
|                                                       | RT-CH-140a.1(1) | (1) percentage of each in regions with High or Extremely High Baseline Water Stress                                                                                                 |                         | • 0%                                                                                                                                                                                                                                                                                                                                                   |
|                                                       | RT-CH-140a.1(2) | (2) Total water consumed                                                                                                                                                            |                         | • 1,223,223 ton                                                                                                                                                                                                                                                                                                                                        |
|                                                       | RT-CH-140a.1(2) | (2) percentage of each in regions with High or Extremely High Baseline Water Stress                                                                                                 |                         | • 0%                                                                                                                                                                                                                                                                                                                                                   |
|                                                       | RT-CH-140a.2    | Number of incidents of non-compliance associated with water quality permits, standards and regulations                                                                              |                         | • -                                                                                                                                                                                                                                                                                                                                                    |
|                                                       | RT-CH-140a.3    | Description of water management risks and discussion of strategies and practices to mitigate those risks                                                                            | Discussion and Analysis | • To prevent the external release of water pollutants, DL Chemical manages wastewater piping and directs the wastewater to public treatment facilities.<br>• DL Chemical continuously monitors the final treated water from the wastewater treatment plant and the final runoff from non-point pollution sources within the facility on a daily basis. |
| Hazardous Waste Management                            | RT-CH-150a.1    | Amount of hazardous waste generated                                                                                                                                                 | Quantitative            | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-150a.1    | Percentage of hazardous waste recycled                                                                                                                                              |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
| Community Relations                                   | RT-CH-210a.1    | Discussion of engagement processes to manage risks and opportunities associated with community interests                                                                            | Discussion and Analysis | • Join the ESG Initiative (UNGC)<br>• DL Chemical promotes company-wide ESG activities and local community volunteer efforts to fulfill its corporate social responsibility.                                                                                                                                                                           |
| Workforce Health & Safety                             | RT-CH-320a.1(1) | (1) Direct Employee Total Recorded Injury Rate (TRIR)                                                                                                                               | Quantitative            | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-320a.1(2) | (2) Direct Employment Employee Mortality Rate                                                                                                                                       |                         | • 0person                                                                                                                                                                                                                                                                                                                                              |
|                                                       | RT-CH-320a.1(3) | (3) Indirect Employee Total Recorded Injury Rate (TRIR)                                                                                                                             |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-320a.1(4) | (4) Indirect Employment Employee Mortality Rate                                                                                                                                     |                         | • 0person                                                                                                                                                                                                                                                                                                                                              |
|                                                       | RT-CH-320a.2    | Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks                                                | Discussion and Analysis | • DL Chemical prevents safety and health risks through regular and irregular site inspections, company-wide common training, site-specific specialized training, and simulation drills. Additionally, the company implements periodic health management programs and services for employees.                                                           |
| Product Design for Use-phase Efficiency               | RT-CH-410a.1    | Revenue from products designed for use-phase resource efficiency                                                                                                                    | Quantitative            | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
| Safety & Environmental Stewardship of Chemicals       | RT-CH-410b.1(1) | (1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substance | Quantitative            | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-410b.1(2) | (2) percentage of such products that have undergone a hazard assessment                                                                                                             |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-410b.2(1) | (1) manage chemicals of concern                                                                                                                                                     |                         | Discussion and Analysis                                                                                                                                                                                                                                                                                                                                |
|                                                       | RT-CH-410b.2(2) | (2) develop alternatives with reduced human and/or environmental impact                                                                                                             | Discussion and Analysis | • DL Chemical is building a sustainable business portfolio that includes eco-friendly materials, resource-circulation materials, and bio-based raw materials.<br>• To minimize environmental impact, the company has established goals for 1) waste management and reduction and 2) efforts to minimize the environmental impact of its products.      |
| Genetically Modified Organisms                        | RT-CH-410c.1    | Percentage of products by revenue that contain genetically modified organisms (GMOs)                                                                                                | Quantitative            | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
| Management of the Legal & Regulatory Environment      | RT-CH-530a.1    | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry                    | Discussion and Analysis | • DL Chemical complies with government regulations, laws, and policies required in the chemical industry. The company is committed to identifying and preventing potential risks related to environmental and social aspects by implementing appropriate policies and strategies.                                                                      |
| Operational Safety, Emergency Preparedness & Response | RT-CH-540a.1(1) | (1) Process Safety Incidents Count (PSIC)                                                                                                                                           | Quantitative            | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-540a.1(2) | (2) Process Safety Total Incident Rate (PSTIR)                                                                                                                                      |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-540a.1(3) | (3) Process Safety Incident Severity Rate (PSISR)                                                                                                                                   |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |
|                                                       | RT-CH-540a.2    | Number of transport incidents                                                                                                                                                       |                         | • Undisclosed                                                                                                                                                                                                                                                                                                                                          |

# Third-party Assurance Statement

Dear Management and Stakeholders of DL Holdings

## Assurance Outline

The Korea Productivity Center Quality Assurance (KPCQA) was requested by DL Holdings to conduct verification of the 2024 Sustainability Management Report (hereinafter referred to as the "Report"). After completing the verification, KPCQA issues this third-party verification statement as follows.

Since DL Holdings has collected and prepared the relevant information, the responsibility for the contents of the Report lies with DL Holdings. The responsibility of KPCQA is to provide an independent verification opinion on the Report based on the specified verification standards and scope.

## Scope

The Report outlines DL Holdings' efforts and achievements related to sustainability management. The verification scope covers the period from January 1, 2023, to December 31, 2023, and also includes some activities from 2024. The verification focused on the reasonableness of the reporting process, the appropriateness of information collection and analysis, and the content related to sustainability management policies, strategies, goals, initiatives, and performance.

## Criteria

The verification of this Report was conducted based on the following criteria.

- AA1000AS v3
- KPCQA ESG Assurance Protocol

## Levels

The verification of this Report was conducted in accordance with the Type 1 (compliance with the four AA1000 principles) assurance standard of AA1000AS v3. The verification level was moderate, and the materiality criteria were based on professional judgment. It was confirmed that the Report was prepared in accordance with the GRI Standards. Based on the materials and information provided by DL Holdings, it was verified that the content related to the GRI Standards' reporting principles, Universal Standards, and Topic Standards complies with the relevant requirements.

### Universal Standards

|                                        |          |                                          |           |
|----------------------------------------|----------|------------------------------------------|-----------|
| • Organization and Reporting Practices | 2-1~2-5  | • Strategy, Policies, and Implementation | 2-22~2-28 |
| • Activities and Employees             | 2-6~2-8  | • Stakeholder Engagement                 | 2-29~2-30 |
| • Governance                           | 2-9~2-21 | • Materiality Topics                     | 3-1~3-3   |

### Topic Standards

|                                     |                                                                       |
|-------------------------------------|-----------------------------------------------------------------------|
| • Economic Performance              | 201-1, 201-2, 201-3                                                   |
| • Indirect Economic Impacts         | 203-1, 203-2                                                          |
| • Anti-Corruption                   | 205-1, 205-2, 205-3                                                   |
| • Energy                            | 302-1                                                                 |
| • Water                             | 303-2, 303-3                                                          |
| • Emissions                         | 305-1, 305-2                                                          |
| • Waste                             | 306-1, 306-2, 306-3, 306-4, 306-5                                     |
| • Supplier Environmental Assessment | 308-1, 308-2                                                          |
| • Employment                        | 401-1, 401-3                                                          |
| • Occupational Health and Safety    | 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10 |

### Training and Education

|                                   |       |                                     |              |
|-----------------------------------|-------|-------------------------------------|--------------|
| • Diversity and Equal Opportunity | 405-1 | • Community                         | 413-1        |
| • Anti-Discrimination             | 406-1 | • Supplier Social Impact Assessment | 414-1, 414-2 |

# Third-party Assurance Statement

## Methodology

- Review of the Sustainability Management Performance System and Performance
- Review of the Data Reporting Process and Document Management System
- Review of the Materiality Assessment Methodology, Results, and Internal Analysis Procedures
- Review of Media Documents Related to Sustainability Management
- Interviews with Employees Involved in Material Issues and Report Preparation
- Overall Review of the Report Content

## Limitations

This verification involved a comparative review of the data provided by DL Holdings and was conducted within a limited scope with restricted verification. The nature and calculation methods of the data presented in the Report entail inherent limitations.

## Conclusions

The Korea Productivity Center Quality Assurance (KPCQA) reviewed the content of the draft report based on the examination of documents and materials, site inspections, and employee interviews. Feedback was provided, and necessary revisions were made before finalizing the report.

As a result of the verification, no significant errors or inadequately described content were found. The verification opinion is as follows:

### Inclusivity : Stakeholder Engagement

DL Holdings operates stakeholder communication channels and collects feedback from various stakeholders to identify key issues. It has been confirmed that these issues are incorporated into decision-making processes.

### Materiality : Identification and Reporting of Key Issues

It has been confirmed that DL Holdings has included all significant issues related to sustainability without omission. Additionally, no problematic content that could affect the decision-making process was found in the important issues presented in the Report.

### Responsiveness : Organization's Response to Issues

DL Holdings has established an ESG management framework and is making efforts to address the needs and concerns of both internal and external stakeholders. It has been confirmed that the management processes for key issues identified through the materiality assessment have been implemented.

### Impact : Monitoring and Measurement of Corporate Activities

It has been confirmed that DL Holdings identifies and monitors the impacts of its business activities on stakeholders. No evidence was found suggesting that the measurement of impacts related to key issues was inadequate.

## Competencies and Independence of Assurance

The Korea Productivity Center Quality Assurance (KPCQA) is a third-party conformity assessment body compliant with ISO/IEC 17021:2015. It operates with documented policies, assessment processes, and a quality assurance system, and its verification team is composed of experts with specialized knowledge in the ESG field.

KPCQA has not engaged in any profit-driven activities related to DL Holdings and has maintained independence throughout this verification process, ensuring that it has not been influenced by any external factors.



September 2024  
President of the Korea Productivity Center Quality Assurance **Jang-Jin Kang**

강진경

# AWARDS & MEMBERSHIPS

## MAJOR AWARDS

| Category                | Award Details                                                                               | Hosts/Organizers                                                    |
|-------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| DL E&C                  | 2023 Overseas Construction Awards (Grand Prize in Power Generation Sector)                  | Money Today                                                         |
|                         | 2023 Korea Housing Service Awards (Best Award in Design Category)                           | Money Today                                                         |
|                         | 2023 Wellbeing Apartment Award (Space Innovation Award)                                     | Hankyung Business                                                   |
|                         | 2023 Urban Development Housing Brand Awards (Special Award in Quality Category)             | Newsway                                                             |
|                         | 2023 First Half Hankyung Housing Culture Award (Customer Satisfaction Award)                | Korean economy                                                      |
|                         | 27th Best Apartment to Live In Competition (Grand Prize)                                    | Maeil Kyungjae                                                      |
|                         | 2023 Korea Luxury Housing Awards (Grand Prize)                                              | Money Today                                                         |
|                         | 2023 Korea Representative Apartment Award (Green Home Division CEO Award)                   | Korea Economic TV                                                   |
|                         | 2023 Asia Construction Grand Prize (Quality Innovation Grand Prize)                         | Asia Economy                                                        |
|                         | 2023 Aju Economy Construction Award (Housing Innovation Award)                              | Very Economic                                                       |
|                         | 2023 Green Construction Award (Housing Innovation Award)                                    | Asia Today                                                          |
|                         | 2023 Smart Construction Award (Housing Innovation Award)                                    | Etoday                                                              |
|                         | 2023 Eco-friendly Construction Industry Award (Wellbeing Apartment Award)                   | The Economist                                                       |
|                         | 2023 Green Housing Award (Premium Housing Award)                                            | The Korea Times                                                     |
|                         | 2023 THE ESG (Public Disclosure Sector Award)                                               | Chosun Biz                                                          |
|                         | 2023 Second Half Hankyung Housing Culture Award (Customer Satisfaction Award)               | Korean economy                                                      |
|                         | The 14th Korea Green Construction Award (Eco-Friendly Award)                                | Seoul Shinmun                                                       |
|                         | House to Live in 2023 (Smart Innovation Award)                                              | Herald Economy                                                      |
|                         | 2023 Civil Engineering and Construction Technology Awards (Civil Engineering Sector Awards) | Maeil Kyungjae                                                      |
|                         | 2023 Metro Apartment Landscaping Award Hu&Hu (Theme Landscaping Award)                      | Metro Newspaper                                                     |
| DL Construction         | Safety King 2022                                                                            | SH Seoul Housing & Urban Corporation                                |
|                         | Seoul-type eco-friendly construction site certificate of appreciation                       | Mayor of Seoul                                                      |
|                         | Industrial Accident Prevention Award                                                        | Central Regional Employment and Labor Office, Goyang Branch Manager |
|                         | National Railroad Corporation Gangwon Branch Manager Partner Award (Construction)           | Director of Gangwon Branch, National Railroad Corporation           |
|                         | Anyang City Construction Industry Activation Award                                          | Anyang Market                                                       |
| GLAD H&R                | Daejeon Industrial Accident Prevention Award                                                | Daejeon Regional Employment and Labor Office Director               |
|                         | Gyeonggi-do Regional Economic Activation and Road Network Construction Contribution Award   | Gyeonggi Province Governor                                          |
| Brand of the Year Award | Korea Consumer Forum                                                                        |                                                                     |

## Memberships

| Category        | Association                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DL Holings      | Korea Listed Companies Association, Korea Fair Competition Association                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| DL E&C          | Korea Construction Association, Overseas Construction Association, Korea Nuclear Industry Association, Korea Railroad Association, Korea Remodeling Association, Korea Iron & Steel Association, Korea Structural Diagnosis & Maintenance Engineering Society, Korea Construction Management Association, Korea Specialty Contractors Association, Korea Plant Industries Association, Korean Society of Steel Construction, Korea Housing Association, Korea Electrical Association, Korean Society of Civil Engineers, Korean Rock Mechanics Society, Korea Electrical Contractors Association, Korean Society of Water Resources, UN Global Compact, Korean Nuclear Society, Korea Nuclear Export Industry Association, Korea Port Association, Korea Construction Technicians Association, Korean Society of Mechanical Engineers, Korea Listed Companies Association, Korea Desalination Plant Association, Korea Road Association, Korea Electrical Engineers Association. |
| DL Chemical     | Korea Petrochemical Industry Association, Korea Chemical Industry Council, American Chamber of Commerce in Korea (AMCHAM), Korea International Trade Association, The Korean Institute of Chemical Engineers, UN Global Compact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| DL Energy       | Energy Alliance, Korea Wind Energy Industry Association                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| DL Construction | Korean Institute of Architects and Engineers, Korea PropTech Association, Korea Construction Association, Construction Experts Association, Construction Technicians Association, Korea Emergency Planning Association, Architectural Institute of Korea, Korea Listed Companies Association, Structural Engineering Society, Korean Society of Landscape, Architects, Korea Housing Association, The Institute of Electrical Engineers of Korea, Korea Construction Environment Council, Korean Society of Electrical Installations, Korea Construction Quality Research Society, The Korean Society of Mechanical Engineers, Overseas Construction Association, Korean Society of Green Building & Environmental Equipment, Construction Legal Professionals Association, Korea Comprehensive Construction Machinery Equipment Association, Bar Association.                                                                                                                   |
| GLAD H&R        | Jeju Tourism Association, Jeju Employers' Association                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

# GLOBAL DEVELOPER

2024 SUSTAINABILITY REPORT

# DL



The 2024 DL Holdings Sustainability Report was printed on paper certified by FSC® (Forest Stewardship Council®) using soybean oil-based ink.