



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



About this Report

This is the third sustainability report from DRB Holding Co., Ltd. (hereinafter referred to as ‘DRB’). This report is published annually to disclose the company’s direction of sustainability management and economic, environmental, and social performance to all stakeholders in a transparent way. In the publication process, a double materiality assessment was conducted to gather stakeholders’ opinions, faithfully detailing sustainability-focused efforts and achievements centered on the selected material issues and other general issues. In the future, DRB will continue to manage and disclose its medium- to long-term strategies, goals, and management status transparently through sustainability reports.

Reporting Period

This report contains DRB’s financial and non-financial performance related to key ESG-related activities from January 1 to December 31, 2024, and includes data from the first half of 2025 for some areas. In terms of qualitative performance, the report includes performance over the most recent three years, from January 1, 2022, to December 31, 2024, to show changes in trends. The reporting period for this report is one year, and the previous report was published in October 2024.

Reporting Scope

This report covers both DRB and consolidated subsidiaries (sub-subsidiaries) in consideration of DRB’s degree of effective control and influence on the occurrence of major issues. The financial performance data has been prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS). The ESG performance covers the consolidated subsidiaries (sub-subsidiaries), namely DRB Industrial, DRB Automotive, DRB Qingdao, DRB Slovakia, and DRB Vietnam. For information disclosed on a separate basis, the data has been calculated for a total of five corporations, and separate notes are provided where the reporting scope is different or where there have been changes in the reported data compared to the previous year.

* Subsidiaries covered

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

Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, an international sustainability reporting guideline. Additionally, the report references the standards set by the International Sustainability Standards Board (ISSB), the Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), and the European Sustainability Reporting Standards (ESRS). Among the sustainability information, financial information complies with the K-IFRS. Both quantitative financial information and non-financial information have been prepared based on the fiscal year.

Reliability of Report

To ensure the fairness and reliability of the contents and data presented in this report, the report has undergone third-party assurance conducted by an external, independent assurance body, the British Standards Institution (BSI) Group Korea. Assurance information and opinions are presented in the ‘Third-Party Assurance Statement’ page.

Additional Information

To provide transparent information to investors and stakeholders, DRB periodically publishes materials related to its business status and management performance on the websites of DRB and its subsidiaries. Additional information related to this report can be found on the company website, in business reports, in audit reports, and on the Financial Supervisory Service’s disclosure website.

Caution about the Reported Content

This report contains information that is both important and impactful to our stakeholders. It has been prepared by referencing information disclosure practices that are suitable for the information users’ (stakeholders’) purposes while ensuring comparability and reliability. The report may include forward-looking statements based on estimates or assumptions related to the future business environment, in addition to present or past information. These forward-looking statements, including events, situations, and plans based on estimates or assumptions, are subject to change due to changes in the business environment, such as domestic and international regulations, market conditions, and industrial structures. Many of these factors are beyond our control or cannot be estimated accurately. Additionally, some of the quantitative data in this report are estimates derived using proxy indicators and methodologies currently available in the market and may differ from figures that information users might arrive at using different methodologies.

DRB publishes sustainability reports annually to share the progress and performance of its ESG management transparently with stakeholders. DRB will continue to strengthen communication with its stakeholders and further advance its ESG management.

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Sustainability Areas

Environment

- E1. Eco-friendly Management
- E2. Climate Change
- E3. Environmental Impact
- E4. Resource Circulation

Social

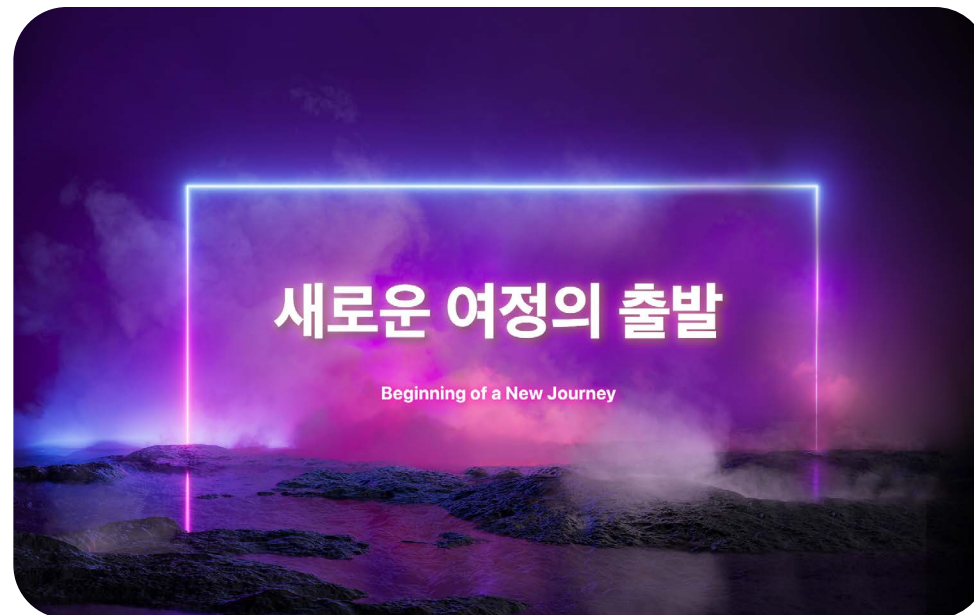
- S1. Human Rights
- S2. Employees
- S3. Health and Safety
- S4. Supply Chain
- S5. Product Safety and Quality
- S6. Information Security
- S7. Social Contribution

Governance

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2025 DRB Management Slogan

InterActive PDF

This report has been published as an interactive PDF that includes functions such as navigation links to relevant pages within the report and direct links to related webpages.

INTRODUCTION



DRB is forging a new path that no one has taken before.

- CEO Message
- Business Overview
- Global Network
- Subsidiaries
- Business Portfolio
- Value Creation

CEO Message

“DRB will continue its journey toward a sustainable tomorrow.”

Dear Esteemed Stakeholders,

In 2024, DRB set an important milestone toward a sustainable future. We took yet another step forward by establishing a foundation for sustainability management, focusing on the key tasks of responding to climate change, realizing a circular economy, strengthening social responsibility, and establishing transparent governance. DRB’s sustainability management has moved beyond a simple corporate objective to become a fundamental value for all our business activities directed at bringing about tangible changes in our society and environment.

In 2025, we will strive to create a better tomorrow by adding an innovative vision to this foundation.

First, Sustainable Innovation for the Environment

Over the past year, DRB has set a new milestone for achieving its carbon neutrality goals and has started preparations to realize it. Starting with applicable corporate bodies, we reduced greenhouse gas emissions by introducing renewable energy and managing energy consumption efficiently. Additionally, we have laid the foundation for realizing a circular economy through optimized waste management and resource use. In 2025, we aim to execute more advanced plans that go beyond these achievements. DRB will prioritize sustainability at every stage of production processes and further strengthen its sustainability management capabilities through the expansion of eco-friendly products and the enhancement of the resource circulation system. Our responsibility for the environment is not just a matter of corporate survival but a promise to future generations. Accordingly, we intend to undertake the following specific efforts.

● Accelerating the Transition to Net Zero

As an intermediate goal toward achieving Net Zero by 2050 (2045 for the Automotive Parts Division), DRB aims to reduce its greenhouse gas emissions (Scope 1+2) by 34% by 2030, compared to the baseline year (2021). We are establishing reduction roadmaps tailored to each business division and corporation. Based on these reduction roadmaps, we will manage the greenhouse gas reduction activities of all corporations systematically and build a system for calculating Scope 3 emissions. We will create a sustainable future by establishing a cooperative framework to introduce low-carbon production processes throughout our supply chain.

● Optimizing Circular Economy and Resource Use

As part of its efforts to build a virtuous resource circulation system, DRB plans to set a waste recycling rate target of 85% or higher for 2025. In addition, we will continue expanding the proportion of renewable raw materials and recycled materials used in our product development and production processes, thereby creating a sustainable business model through the efficient use of natural resources. We will minimize the environmental impact across the supply chain to ensure the procurement of sustainable raw materials and promote activities for the protection of the ecosystem in close cooperation with our suppliers and local communities

● Developing and Innovating Eco-Friendly Products

DRB will continue expanding its range of eco-friendly products to provide its clients with sustainable choices. We will introduce product designs that minimize environmental impacts across the product lifecycle and create sustainable market values. We will also leverage our R&D capabilities to enhance our competitiveness in the global market by providing innovative products and solutions that reduce energy consumption and greenhouse gas emissions.

Second, Mutual Growth with People and Society

Sustainability must encompass the development of people and society beyond environmental factors. DRB has established the following plans to ensure the growth and welfare of all its members, suppliers, and local communities.

● Realizing a Human-Centric Management Philosophy

DRB will promote diversity and inclusion within the organization and provide better welfare and educational opportunities for its members.

● Creating a Safe and Healthy Work Environment

To foster a safe and healthy work environment, DRB will continue to strengthen its autonomous safety management system, which identifies risk factors in advance and responds proactively. Additionally, we will actively operate various health programs to enhance the physical and mental health of our employees.

● Strengthening Social Responsibility through Cooperation with the Supply Chain and Local Communities

DRB will conduct regular inspections and education to ensure that all suppliers within the value chain abide by principles of respect for human rights and comply with fair labor practices. We will further advance our ESG-based supply chain management system for mutual growth with suppliers. In cooperation with the local communities where each corporation is located, we will support social contribution programs in areas such as education and environmental conservation, ensuring that local residents receive direct benefits.

Third, Transparent and Responsible Management

DRB will advance its management system to strengthen transparent and trusted governance, making continuous efforts to reinforce its ethical business practices.

● Management Based on Transparency and Trust

DRB will strengthen communication with stakeholders and increase trust in its sustainability management activities through transparent disclosure of information. We will further improve the quality of our sustainability reports and strengthen the trust of global stakeholders by providing data that complies with international standards.

● Improving the Risk Management System

DRB will prepare an integrated management system to identify and respond early to environmental and social risks that may arise in its business operations. To establish an ethical and compliance management system that accords with international standards, we will raise compliance awareness by conducting regular education for all members and external suppliers.

Sustainable Promise for the Future

DRB strives not only to solve current issues but to create a better world for future generations. By converging digital innovation and sustainability management, we will strengthen our position as a company that achieves both sustainability and innovation simultaneously. Sustainability is embedded in all daily operations of DRB, and we are creating an environment where all members can share and practice this vision.

Through ceaseless innovation and responsible management, DRB will continue to meet the expectations of its stakeholders and set an exemplary model for sustainable growth. We ask you to join us on our journey to create a sustainable future. Your trust and support are the driving force that guides DRB toward a better tomorrow.

Sincerely

CEO of DRB Holding



Y. S. Ryu

Business Overview

Since its founding as ‘Dongil Chemical Works’ on September 30, 1945, DRB has successfully pioneered the domestic production of rubber belts, becoming a leader in Korea’s industrial rubber sector. The company went public on May 21, 1976, under the name ‘Dongil Industrial Co., Ltd.’ On October 1, 2012, the corporation was split into DRB Holding Co., Ltd., DRB Industrial Co., Ltd., and DRB International Co., Ltd. The company name was changed to ‘DRB Holding Co., Ltd.’ at the general meeting of shareholders on March 22, 2013, and the company transitioned into a pure holding company after the corporate split-off into DRB Holding Co., Ltd. and DRB Automotive Co., Ltd. on May 3, 2022. Through ongoing innovation, DRB has expanded from the rubber industry into future-oriented advanced sectors and continually developed products that meet evolving market needs, , thereby contributing to global industrial development and the enhancement of the quality of human life.

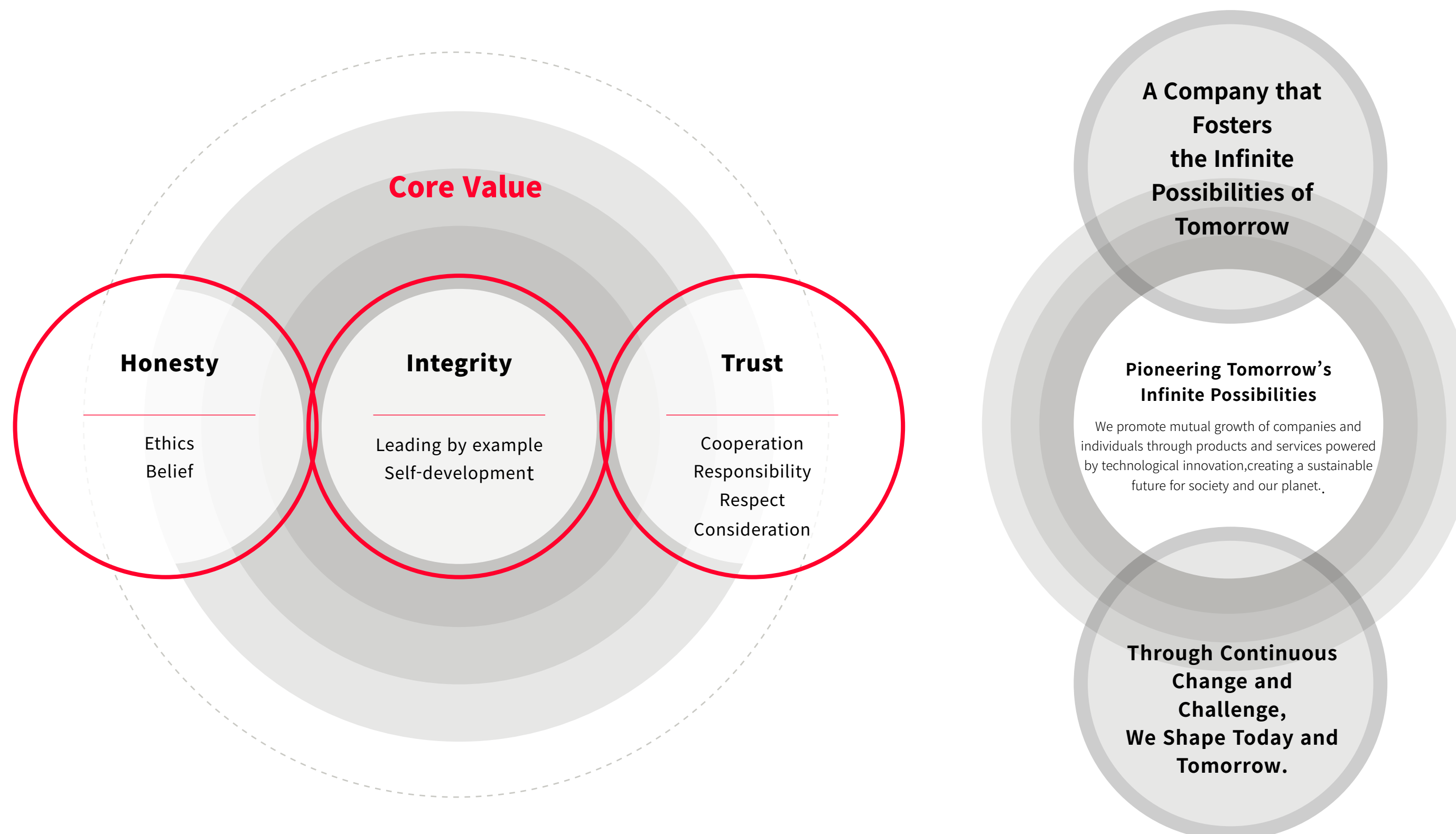
General Information ¹⁾

Company name	DRB Holding Co., Ltd (DRB Holding)
Established date	September 30, 1945
Listed date	May 21, 1976
CEO	Ryu, Yeong Sik
Head office address	28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan, Korea
Employees	92 employees (2,668 employees globally on a consolidated basis)
Revenues	KRW 752.7 billion
Operating profits	KRW 21.9 billion
Total assets	KRW 982.4 billion
Total liabilities	KRW 461.8 billion
Total equity	KRW 520.6 billion
ESG rating	Overall grade: B+ (Korea Institute of Corporate Governance and Sustainability)
Credit rating	BB+ (Nice Information Service)

¹⁾ As of December 31, 2024

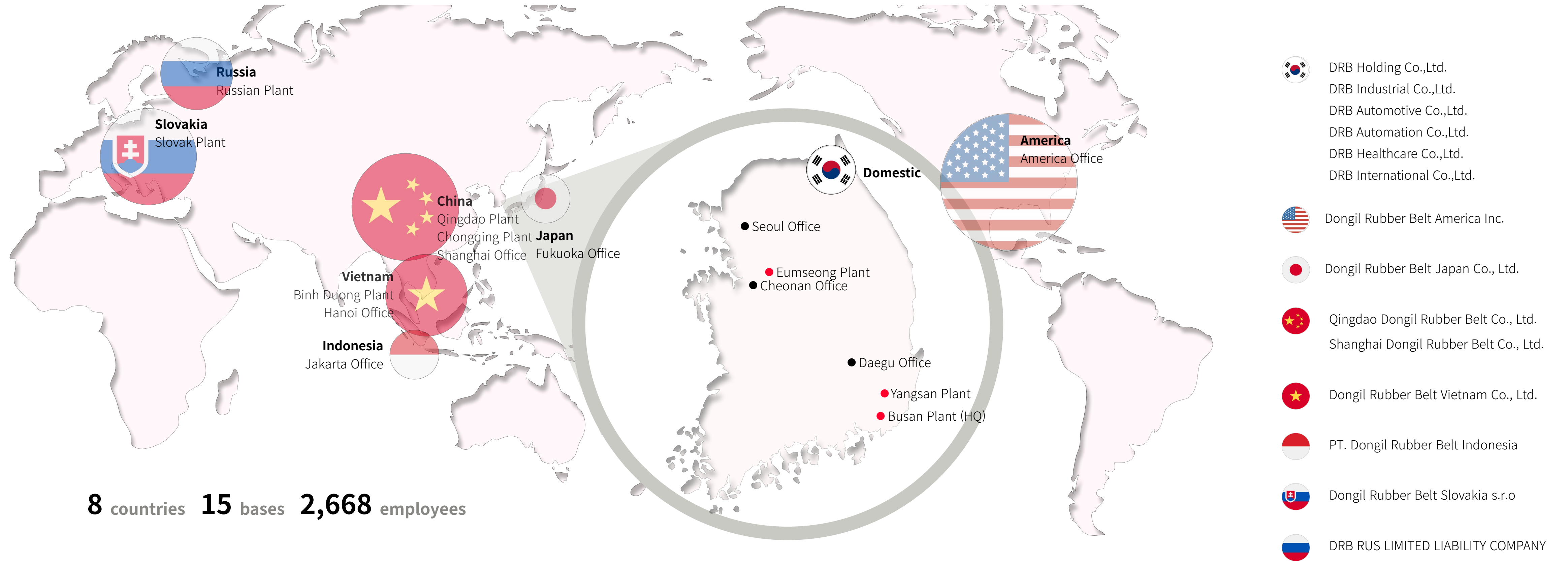
Core Value

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



Global Network

Since the 2000s, DRB has steadily expanded its overseas manufacturing and sales bases, evolving into a truly global player. We have established a global production system centered on our manufacturing corporations in Korea, China, Slovakia, Vietnam, and Russia. We will continue to strengthen our competitive edge in the global market through effective localization strategies, such as establishing overseas sales offices in key locations.

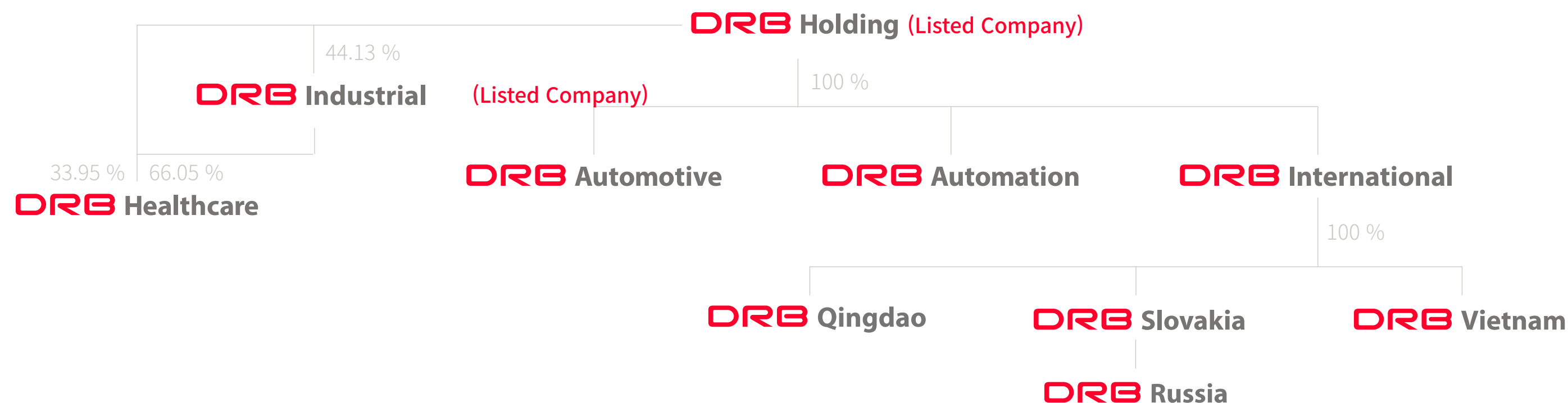


2024 Regional Sales Status (Unit: KRW Billion)

Domestic	341.3	Asia	169.9	Europe	99.9	America, etc.	141.5
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Subsidiaries

DRB Holding oversees a total of 17 consolidated subsidiaries. In May 2022, DRB transitioned into a pure holding company through a corporate split-off. This structural transformation is designed to improve the efficiency of developing and implementing the company's management strategies. DRB Holding is tasked with formulating plans for future growth businesses, expanding investments in R&D, and supporting the reinforcement of core competencies across its subsidiaries, while simultaneously optimizing the business portfolio. Moreover, DRB Holding serves as a central driver of sustainable management initiatives, contributing to DRB's long-term growth and value creation.



DRB Industrial

General Information

Company name	DRB Industrial Co.,Ltd.
Location	28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan, Korea
Establishment	Oct. 1, 2012 (Relisted on the Korea Exchange on Oct. 19, 2012)
CEO	Taniyama Ken (inaugurated in March 2025)
Employees	554 employees (As of December 31, 2024)
Business area	Rubber belts, other rubber products, etc.



DRB Industrial Co., Ltd. has been awarded the Platinum Medal by EcoVadis, which is conferred upon the top 1% of all evaluated companies. This award reflects the excellence of the company's sustainability management system and demonstrates its commitment to enhancing transparency throughout its value chain.



In an ESG evaluation conducted by Sustainvest for group of companies with total assets under KRW 500 billion, DRB Industrial Co., Ltd. received the highest possible rating of 'AA' grade. This showcases an excellent example of embedding sustainability into the core business strategy, based on unwavering commitment from the leadership and strong execution of ESG management.

- Health-friendly company
- Business sites with excellent worker healthcare activities
- Best family-friendly management



DRB Automotive

General Information

Company name	DRB Automotive Co.,Ltd
Location	28, Gongdandong-ro 55beon-gil, Geumjeong-gu, Busan, Korea
Establishment	May 1, 2022 (split-off from DRB Holding Co., Ltd.)
CEO	Taniyama Ken (inaugurated in March 2025)
Employees	208 employees (As of December 31, 2024)
Business area	Manufacturing of industrial and other non-cured rubber products



DRB Automotive Co., Ltd. has been awarded the Gold Medal by EcoVadis, which is conferred upon the top 5% of all evaluated companies. This medal reflects the excellence of the company's sustainability management system and demonstrates its commitment to enhancing transparency throughout the value chain.

Subsidiaries



DRB Automation

General Information

Company name	DRB Automation Co., Ltd.
Location	130, Geumsa-ro, Geumjeong-gu, Busan
Establishment	July 20, 1989
CEO	Kook, Bin Yong
Employees	104 employees
Business area	Other machinery and equipment manufacturing



DRB Healthcare

General Information

Company name	DRB Healthcare Co., Ltd.
Location	77-35, Daegeum-ro, Daeso-myeon, Eumseong-gun, Chungcheongbuk-do
Establishment	October 1, 2021 (acquisition through new investment)
CEO	Shim, Jung Sun
Employees	17 employees
Business area	Other medical device manufacturing



DRB Qingdao

General Information

Company name	Qingdao Dongil Rubber Belt Co.,Ltd.
Location	No.10 Xianghui Road,Lancun, Jimo, Qingdao city, Shandong Province
Establishment	December 2001
CEO	An, Il Hong
Employees	533 employees
Business area	Industrial rubber products and general rubber parts



DRB Slovakia

General Information

Company name	Dongil Rubber Belt Slovakia, s.r.o
Location	Robotnicka 2198, 017 01 Povazska Bystrica
Establishment	December 2004
CEO	Jang, Man Un
Employees	493 employees
Business area	General rubber parts



DRB Vietnam

General Information

Company name	Dongil Rubber Belt Vietnam Co.,Ltd.
Location	F-1-CN & F-7-CN, My Phuoc 2 Industrial Park, Ben Cat District, Binh Duong Province
Establishment	May 2006
CEO	Park, Jung Ho
Employees	605 employees
Business area	Industrial rubber products



DRB Russia

General Information

Company name	DRB Rus LCC
Location	Office1, 15A, micro-district Sverdlova- 1, Vsevolzhskiy district, Leningradskaya region, Russia, 188682
Establishment	April 2019
CEO	Kim, Yeong Sang
Employees	21 employees
Business area	General rubber parts

Business Portfolio

We operate businesses in various areas: industrial rubber products, including crawlers and shoe pads for construction and agricultural machinery, transmission belts widely used for power transmission, and conveyor belts that maximize the efficiency of transport lines; automotive rubber parts (vehicle sealing) that offer high sensory quality by minimizing noise and vibration in vehicles; general rubber parts such as civil engineering and construction materials and seismic and vibration control systems; automation systems that provide various solutions tailored to industrial characteristics; and healthcare products (by the healthcare business) such as eco-friendly intravenous (IV) infusion sets for preventing drug adsorption.

2024 Revenue and Sales Ratio by Business Area (Unit: KRW)

Industrial rubber products

/Crawlers/Transmission belts/Conveyor belts, etc.

47 %



355.6 Billion



General rubber parts

/Automotive rubber parts/Civil engineering and construction materials, etc.

36 %



268.7 Billion



Other areas

/Automation business/Medical devices, etc.

17 %



128.4 Billion

Portfolio

Rubber belts (transmission belts, conveyor belts)



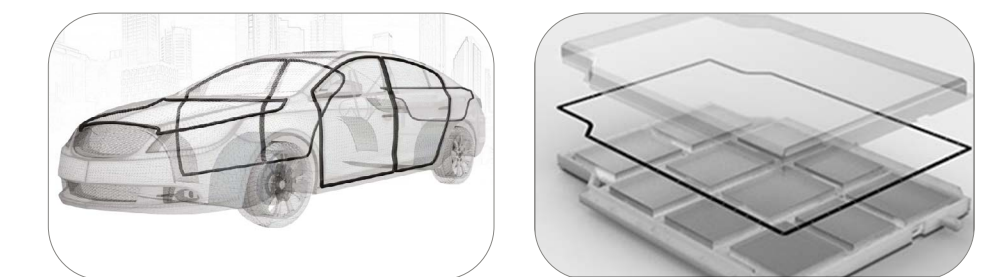
We produce transmission belts, which are widely used in industrial sites, automobiles, agricultural machinery, and home appliances that require power transfer. We also produce conveyor belts used for improving material and logistics flow processes and rationalizing the transport environment.

Tracks (crawlers & shoe pads)

Our crawlers (rubber track) ensure optimal driving stability in any ground condition and are widely used in construction and agricultural machinery. Additionally, our shoe pads (rubber pads), which can be easily attached to steel-type caterpillars, leverage the advantages of crawlers to satisfy both functionality and economic feasibility.



Automotive parts (vehicle sealing, battery gaskets)



These are sealing parts designed to provide quietness and comfort by blocking the inflow of external water, dust, and noise into vehicles. We have secured the technology and quality for key functions such as reducing friction when opening and closing doors and minimizing vibration and noise during high-speed driving. We achieve airtightness of these parts by assembling them on the contact surface between the housing and cover of the battery pack. They prevent the inflow of external water and dust into the battery pack by determining the flame-retardancy and cleanliness specifications and satisfying conditions required for the safety of the assembled parts.

Engineering



Based on our accumulated rubber application technology in the civil engineering and construction areas, including marine, railway, roads, and bridges, the engineering business is responsible for the entire process from product development to management of the construction and post-construction processes, allowing more people to lead safe and pleasant lives.

Automation

The automation industry, the essence of the Industry 4.0 era, is a convergence industry that demands a complex combination of technologies from various fields such as IT, electronics, mechanics, information, and engineering. It has industrial characteristics that fuse core foundational technologies from each field. Based on long experience and technical expertise in the automation area, DRB Automation provides automation solutions needed at industrial sites.



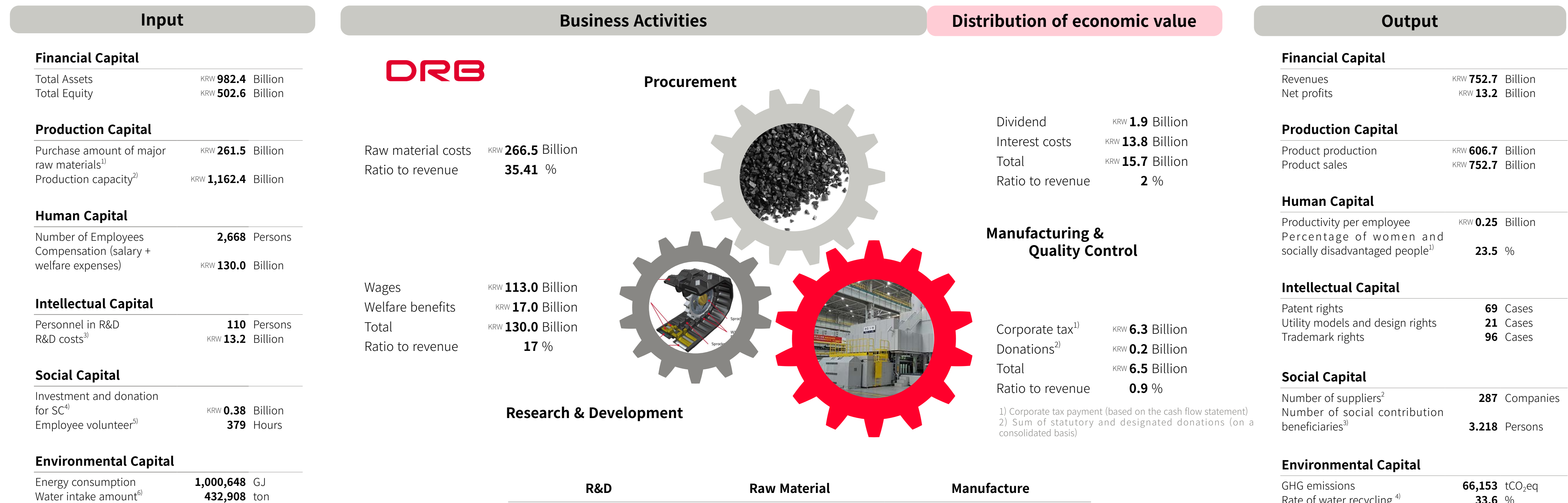
Others (elevator flat belts, infusion sets)



We reduce energy costs by using smaller pulley diameters achieved through high flexibility and improved traction, thereby guaranteeing a long lifespan and ease of maintenance and replacement. Our products improve user satisfaction through low vibration, elongation, and noise. The purpose and composition are the same as the general infusion set (A79030.01), but this product has been classified as a separate item in recognition of its functional aspect of preventing the partial adsorption of medication. This infusion set enhances patient health by ensuring the appropriate dosage of medication and ensures the convenience and safety of medical staff by utilizing various components.

Value Creation

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



1) based on the average unit price for each type of raw material
 2) Calculation criteria: Production capacity = Production performance / Actual operation days * Total operation days
 3) R&D expenses, excluding government subsidies: KRW 11.8 billion
 4) Based on corporations in Korea (including operating costs for the social contribution platform and related programs)
 5) Based on the volunteering hours by employees of corporations in Korea
 6) Based on the corporations covered by the reporting scope

1) Corporate tax payment (based on the cash flow statement)
 2) Sum of statutory and designated donations (on a consolidated basis)

R&D
 DRB is committed to research and development aimed at creating eco-friendly products and expanding our portfolio of sustainable products, thereby reducing the environmental impact of our operations. In response to increasingly stringent environmental regulations, we closely monitor and continuously improve the share of eco-friendly products in our offerings to meet greenhouse gas reduction targets and minimize the emission of fine dust.

Raw Material
 DRB is actively exploring the integration of recycled and renewable raw materials to increase the proportion of sustainable resources in our production processes. Additionally, we are conducting extensive research to develop products made from materials that are environmentally friendly

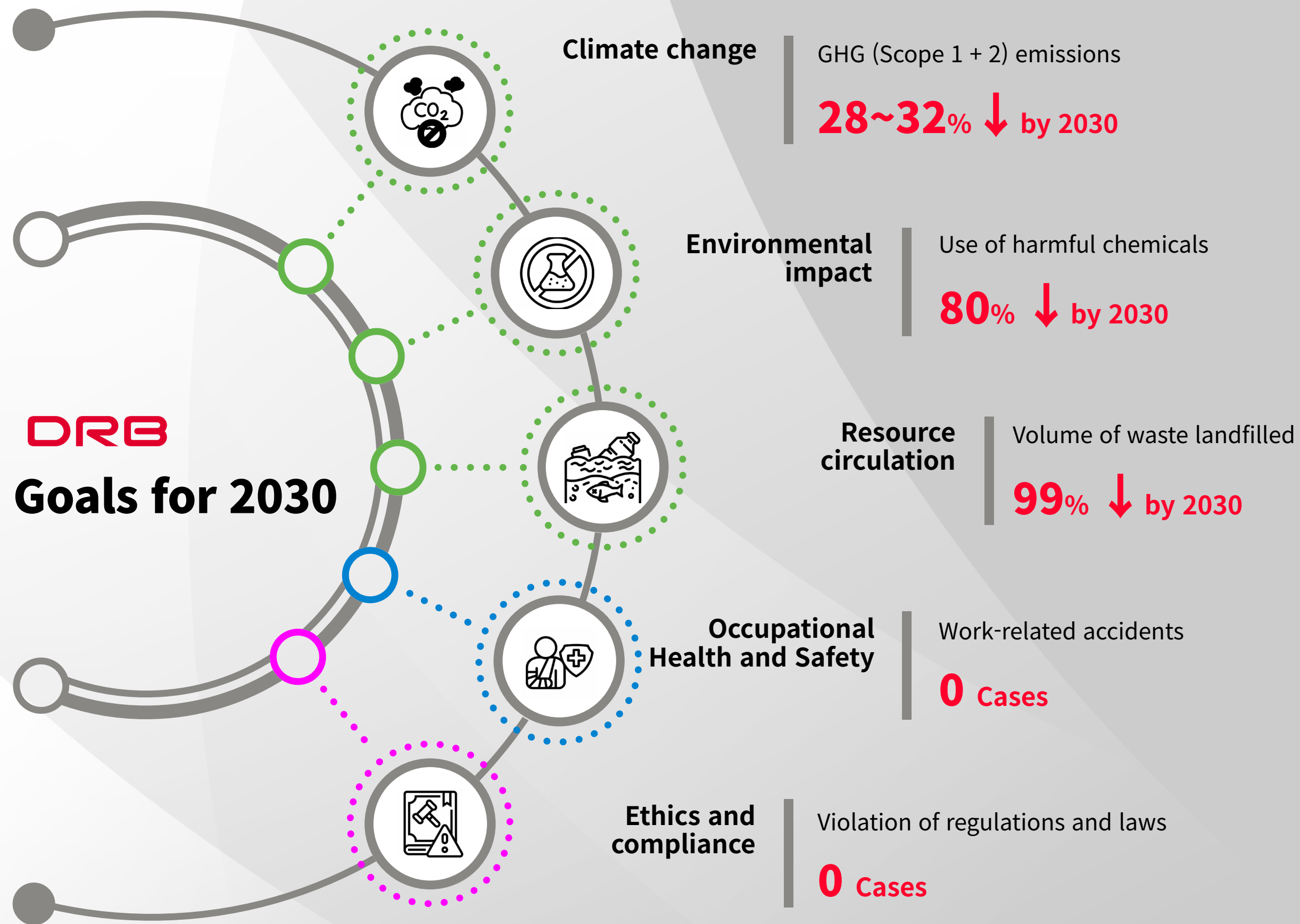
Manufacture
 All of DRB's domestic and international plants have obtained ISO 14001 certification, as part of our efforts toward establishing a comprehensive company-wide environmental management system. Looking ahead, we aim to minimize environmental risks through systematic identification and assessment of risks and improvement initiatives. Furthermore, we are pursuing various investments to reduce the environmental impact across processes, including greenhouse gas emissions, waste generation, water usage, and energy consumption.

1) Percentage of employees within the six corporations covered by the reporting scope
 2) Based on the raw material suppliers with whom the company had transactions in 2024
 3) Cumulative number of beneficiaries through the operation of the social contribution platform
 4) Based on the corporations covered by the reporting scope

SUSTAINABLE MANAGEMENT

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

Practicing eco-friendly transition for future generations
Pursuing the development of both our members and society
Implementing responsible, transparent, and trusted management



- ESG Committee Statements
- ESG Highlights
- ESG Governance
- Double Materiality Assessment
- Stakeholder Communication

ESG Committee Statements

Chairman of the ESG Committee, DRB Holding Son, Dong Wun

In the rapidly changing global business environment, securing corporate sustainability is no longer an option but a necessity. Factors such as rising trade protectionism, reorganization of the supply chain, and response to climate change influence all aspects of corporate strategy, further emphasizing the importance of ESG management. Amid these changes, the ESG Committee of DRB is committed to laying the foundation for sustainable growth by fulfilling its role of overseeing and supporting the company's ESG management from an independent perspective.

Domestic and international ESG-related regulations are changing rapidly, and corporate responsibilities and obligations are also expanding gradually. Strengthened global regulations such as the Corporate Sustainability Reporting Directive (CSRD), the EU Taxonomy, and laws governing supply chain due diligence require companies to establish a system for identifying and responding to ESG risks proactively. The ESG Committee ensures that DRB responds proactively to these changes through continuous monitoring of global regulatory trends and reinforcement of its governance system to minimize risks. In particular, the committee performs its independent supervisory function to ensure corporate sustainability reporting becomes more transparent and reliable by advancing our ESG data management capabilities. We will continue active discussions and reviews to ensure that the company's ESG strategy goes beyond mere regulatory compliance and leads to a tangible enhancement of competitiveness and the creation of sustainable value.

Building a sustainable supply chain is a key factor for DRB to maintain trust in the global market. Assessing and improving our partners' ESG risks must go beyond simple evaluation and be linked to long-term strategies for mutual growth. The ESG Committee leads DRB's efforts to expand its cooperative programs for mutual growth with its suppliers and promote the use of eco-friendly raw materials and the reduction of carbon emissions within the supply chain. Additionally, we will monitor the effective implementation of practical measures for responsible supply chain management, such as providing incentives for suppliers that meet ESG standards, formulating a sustainable raw material procurement strategy, and strengthening the protection of human and labor rights. Through these initiatives, we will spare no effort in our oversight and support so that DRB maintains compliance with global ESG standards and achieve sustainable business operations at the same time.

A company's sustainable growth is determined not by short-term financial performance, but by its internal values and culture. The ESG Committee strives to foster an inclusive environment that respects the diversity of DRB's employees and supports the continuous development of their capabilities. We will constantly emphasize the importance of talent cultivation and ethical management so that employees can grow freely and practice sustainable values with the company. Furthermore, to fulfill corporate social responsibility, we will strengthen cooperation with local communities and continue to provide advice and oversight from an objective standpoint so that DRB can develop innovative business models that contribute to solving environmental and social issues.

As a partner for the company's sustainable future, the ESG Committee of DRB will perform its role independently to ensure the company moves in the right direction. We will continue to provide active support and oversight to help DRB internalize ESG management and establish a sustainable growth strategy. We ask for your keen interest and cooperation so that DRB's efforts toward a sustainable future can come to fruition.

Chairman of the ESG Committee, DRB Industrial Heo, Tae Wook

Dear Respected Employees and Stakeholders,

Globally, ESG management has transcended from a mere declarative slogan to a core factor that determines a company's competitiveness. DRB Industrial must design a sustainable future through tangible execution and systematic strategies. As an independent governance body, the ESG Committee will review DRB Industrial's operations meticulously to ensure they align with global standards and will fulfill its role in facilitating balanced decision-making.

Responding to climate change has emerged as one of the most significant challenges faced by corporations, requiring strategic execution to achieve Net Zero goals. In the short term, we must reduce emissions by enhancing energy efficiency and introducing low-carbon processes. In the long term, we must expand the transition to eco-friendly raw materials and the use of renewable energy. To this end, we need to improve the accuracy of our emissions data, set clear reduction targets, and create tangible carbon reduction effects through cooperation across the supply chain. The ESG Committee will provide both oversight and advice to assist DRB Industrial in going beyond simple regulatory compliance and building a sustainable industrial ecosystem.

The global ESG regulatory environment is changing rapidly, and companies have increasing legal and ethical responsibilities. The EU's Supply Chain Due Diligence Directive and the European Sustainability Reporting Standards (ESRS) demand stricter management of environmental and social risks within the supply chain. The disclosure standards set by the International Sustainability Standards Board (ISSB) are raising the level of corporate information disclosure. The ESG Committee will support DRB Industrial in not just meeting legal requirements, but in formulating strategic responses to leverage these changes as opportunities for securing corporate sustainability. In particular, efforts are needed to minimize risk by strengthening systems for ESG risk analysis and response within the supply chain and by building joint ESG management capabilities with suppliers.

We at DRB Industrial recognize that sustainable management is built on trust with stakeholders, and ethical management and a transparent corporate culture must be its core elements. The ESG Committee will continue its independent oversight and advisory role to ensure DRB Industrial makes fairer and more responsible decisions. Corporate performance should not rely solely on short-term financial indicators but must also consider the creation of environmental and social values and long-term sustainability. Accordingly, our committee will continue to check that ESG factors are embedded in the company's decision-making processes and are linked to tangible outcomes.

The ESG Committee will provide support and oversight from an independent position to ensure DRB Industrial internalizes ESG management and fulfills its responsibilities as a global corporation, building a sustainable future together with our stakeholders. We ask for your continued interest and cooperation.

Thank you.

2024 ESG Highlights



Expanding the Use of Renewable Energy

Established an energy supply contract and installed solar power generation facilities at the business sites of DRB Automotive in 2024.

Sequentially expanded the installation and contracting of renewable energy generation facilities based on priority.



Conducting and Expanding LCA

Conducted initial LCA for electric vehicle products

Formulated a plan for the sequential expansion of LCA to all manufactured products



Revising and Distributing the Supplier Code of Conduct

Established and distributed new detailed clauses for the Supplier Code of Conduct

Expanded the implementation of ESG education and due diligence for suppliers



Strengthening Ethics and Compliance Management

Revised the DRB Charter of Ethics and Code of Ethics

Built a company-wide compliance and ethics management system through the creation of the DRB Compliance and Ethics Management Manual



Setting Reduction Targets Based on SBTi

Achieving 34% reduction by 2030 and Net Zero by 2050

Introduced a solution and conducted a PoC for calculating Scope 3 emissions and securing verified data.



2024 Local Community Contribution Recognition Program

First company to be recognized in 2024 for contributions to vitalizing local communities
(Awarded by the Ministry of Health and Welfare and the Korea National Council on Social Welfare)



Health, Family, and Leisure-Friendly Company Certifications

Maintaining health, family, and leisure-friendly company certifications tailored to the circumstances of each corporation



EcoVadis Platinum Grade

Received a Platinum Grade in the supply chain sustainability assessment (DRB Industrial)
(Top 1% within the same industry and company size category)

Governance for Sustainable Management



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

1. Sustainable Management Framework

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

DRB Sustainable Management Governance



ESG Committee (Committee under the BoD)

Composition: CEO, 2 outside directors

Authority

The ESG Committee is responsible for delivering and making decisions on the following matters:

1. Setting goals for ESG activities and medium- to long-term policies
2. Identifying major non-financial environmental/social issues and their countermeasures
3. Conducting regular reviews of non-financial risk factors and their results
4. Supervising matters related to stakeholder communication, such as ESG evaluation results
5. Providing support required for ESG capacity building and the internalization of ESG practices
6. Reviewing other ESG-related issues as submitted by the Chairperson

Operation: The ESG Committee convenes and holds meetings at least semiannually.

Date of establishment: May 2022

1-1. Board of Directors and ESG Committee

The Board of Directors of DRB is responsible for a range of activities, including the formation of sub-committees within the Board, the review of the internal accounting management system, the establishment of compliance control standards, approval of the Compliance Program, and amendments to the Operating Regulations for the Board of Directors. The ESG Committee reviews and performs deliberations on ESG activity goals, medium- to long-term policies, major non-financial issues, and response strategies, and makes decisions accordingly. In 2024, the Committee reviewed the sustainability management report and provided strategic direction following deliberations on risks and major tasks.

1-2. ESG Working Committee

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

1-3. Dedicated Organization

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

Governance for Sustainable Management

2. Sustainability Management Policy

DRB Sustainability Management Policy



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

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

DRB Code of Conduct

All employees shall recognize the company's values and reputation hinge on each individual. Adherence to ethical conduct based on company core values and compliance with the law is imperative. The Code of Conduct supports employees in making sound judgments and appropriate actions.

Ethics Charter and Code of Ethics

DRB recognizes that not only the performance of economic and legal responsibilities but also the performance of ethical responsibilities constitute its basic corporate duties, and it adheres to corporate ethics by taking a proactive stance, avoiding anti-corruption and unfair transactions, and implementing management that follows the right paths.

Green Management Policy

DRB is working to improve products and services to minimize environmental damage caused by corporate management and activities and to transform itself into an eco-friendly and low-carbon company.

Human Rights Management Principles

DRB complies with global human rights conventions, which encompass the expansion of diversity, prohibition of discrimination, and protection of children's rights, and aims to protect the human rights of its employees, customers, and all stakeholders.

Declaration of Responsible Mineral Sourcing

DRB strictly prohibits the use of minerals from conflict areas in all supply chains, not only by the company but also by its external suppliers.

Health and Safety Management Policy

DRB is seeking to create a health-friendly society and spread a safe workplace culture.

Mutual Growth Policy

DRB is constructing a sustainable supply chain through mutual growth with external suppliers.

Green Procurement Policy

DRB prevents waste of resources and environmental pollution and contributes to reducing greenhouse gases by promoting the purchase of green products.

Supplier Code of Conduct

DRB has established this External Supplier Code of Conduct to ensure ethical and sustainable supply chains. We are committed to strict compliance with laws applicable to our business activities, including but not limited to laws related to corruption, economic sanctions, forced labor, safety/health, and fair trade. In addition, we require the highest standards of operational practices in ethics, environment, labor/human rights, safety/health, and management systems.

Social contribution charter

DRB is actively engaging in social contribution activities to fulfill its role as a corporate citizen, including regional revitalization, talent development, environmental protection, support for the vulnerable group, and support for culture and the arts.

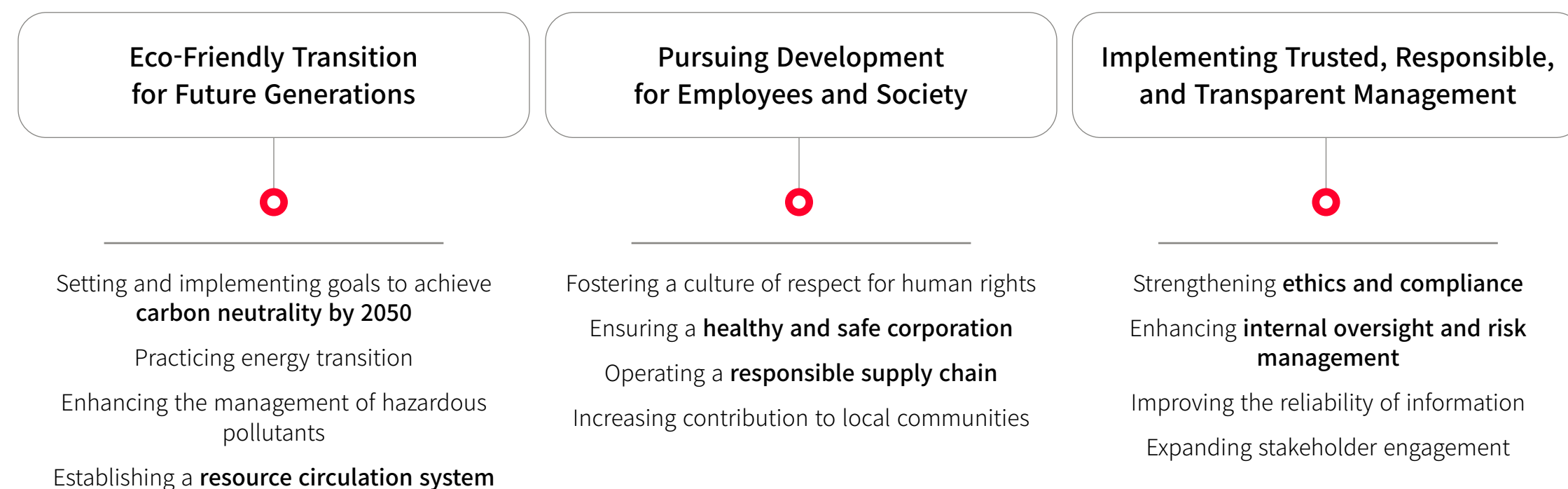
Governance for Sustainable Management

3. Vision, Strategic Direction, and Action Tasks

A sustainable future is a goal we must pursue as our duty toward the next generation, a fundamental right that all members of our global society should enjoy, and the desirable future everyone dreams of. Accordingly, DRB clearly presents its direction for change through three core medium- to long-term directions: eco-friendly transition, development for all, and trusted management, along with 16 specific management areas.

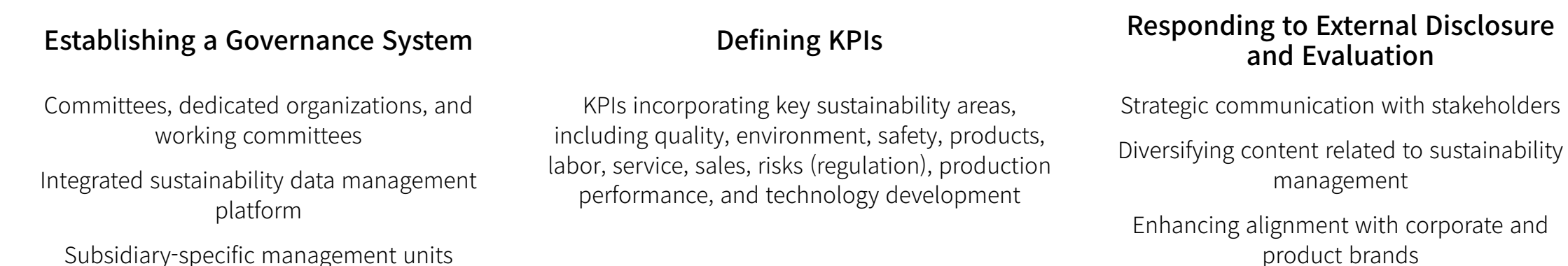
Vision Daily Life of DRB Contributes to the Sustainable Growth in the Future

3-1. Strategic Direction and Action Tasks



3-2. Management and Response System

DRB will strive to maximize the overall value by enhancing the sustainability management capabilities of all subsidiary corporations, thereby increasing the corporate value of each entity. As a holding company, we will secure our stakeholders' trust by establishing a transparent and efficient management system, and will do our utmost to contribute to the sustainable growth of all by strengthening business effectiveness and positive social impact.



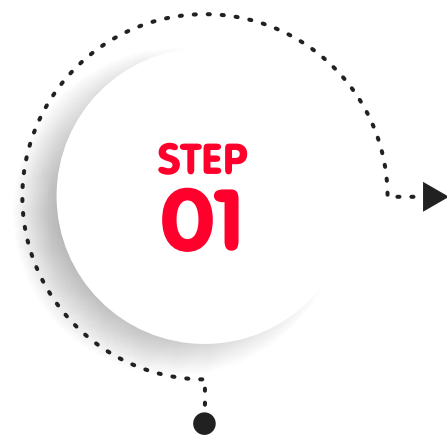
[Table 1-3] Implementation Status of Strategic Tasks

Strategic tasks	Achievements in 2024	Implementation goals for 2030
Eco-Friendly Transition for Future Generations		
Setting and implementing carbon neutrality by 2050	<ol style="list-style-type: none"> Set carbon neutrality goals by business sector Automotive parts (by 2045) general rubber products (by 2050) Introduced a solution for the management of GHG 	<ul style="list-style-type: none"> Calculating Scope 3 emissions and setting reduction targets Reducing carbon emissions by 34% by 2030 compared to 2021 Expanding LCA product lines and building tracking systems
Practicing energy transition	<ol style="list-style-type: none"> Internal site utilization and gradual application of PPA Completed installing solar power generation facilities (DRB Automotive) Compiled a list of facilities to be replaced for improvement of energy efficiency 	<ul style="list-style-type: none"> Setting and implementing energy transition priorities across business sectors Expanding PPAs and REC purchases (establishing the procedures for assessing financial impact) Converting fossil fuel-based facilities within the organization
Enhancing hazardous pollutants management	<ol style="list-style-type: none"> Gradually replaced toluene solvent (with a target of zero usage by 2026) Enhanced facilities to prevent incidents involving hazardous chemicals 	<ul style="list-style-type: none"> Reducing usage of hazardous chemicals by 80% (compared to 2021) Maintaining zero violations of environmental regulations across corporations
Establishing a resource circulation system	<ol style="list-style-type: none"> Increased recovery and recycling of used packaging materials Avoided landfilling of wastewater sludge and utilized it through outsourced recycling Expanded the use of recycled materials 	<ul style="list-style-type: none"> Expanding the use of recycled raw materials (15%) Improving water recycling rates at all corporations Promoting recycling within corporations
Pursuing Development for employees and Society		
Fostering of human rights respect culture	<ol style="list-style-type: none"> Operated a human rights grievance handling channel (0 consultation cases and 0 settled cases in 2024) Implemented training to improve human rights awareness 	<ul style="list-style-type: none"> Conducting regular (annual) human rights impact assessment Establishing a risk management system for human rights across the supply chain and overseas corporations
Ensuring a healthy and safe workplace	<ol style="list-style-type: none"> Convened meetings of the Occupational Health and Safety Committee Established the position in charge of managing serious accidents 	<ul style="list-style-type: none"> Maintaining zero (0) cases of major accidents Maintaining zero (0) cases involving violation of safety regulations
Operating a responsible supply chain	<ol style="list-style-type: none"> Revised the Supplier Code of Conduct Conducted on-site ESG inspections 	<ul style="list-style-type: none"> Conducting regular evaluations and providing training support for external suppliers Expanding green purchasing processes
Increasing local community contribution	<ol style="list-style-type: none"> Obtained recognition by the Corporate Social Responsibility program Received the Second Place Award for Giving at the Busan Social Contribution Awards 	<ul style="list-style-type: none"> Supporting disaster relief and cultural exchange projects Overseas: Carrying out region-focused contribution initiatives in communities neighboring our corporations
Implementing Trusted, Responsible, and Transparent Management		
Strengthening ethics and compliance	<ol style="list-style-type: none"> Created and distributed the Ethics and Compliance Management Manual Operating status of the autonomous fair trade compliance program (announced and notified) Revised and distributed the Charter of Ethics and Code of Ethics 	<ul style="list-style-type: none"> Establishing a compliance management system aligned to global standards
Enhancing internal oversight and risk management	<ol style="list-style-type: none"> Improved efficiency within the internal accounting management system 	<ul style="list-style-type: none"> Enhancing the internal control system Consolidating a comprehensive management system for non-financial risks
Improving information reliability	<ol style="list-style-type: none"> Initiated the development of an ESG data management system Established a data management system for each corporation 	<ul style="list-style-type: none"> Advancing data systems Establishing standards and processes for the management of non-financial data
Expanding stakeholder engagement	<ol style="list-style-type: none"> Reorganized corporate websites (regular disclosure of sustainability information) Published an integrated sustainability management report 	<ul style="list-style-type: none"> Expanding communication channels for information disclosure Enhancing the operation of company websites and information channels

Double Materiality Assessment

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

1. Assessment Process



Composition of the Key Issue Pool

Analysis of global standards and external assessment criteria

UN SDGs, UNGC, ESRS, GRI Standards 2021, SASB, TCFD, MSCI, KCGS, EcoVadis etc.

Benchmarking of leading peer companies and competitors

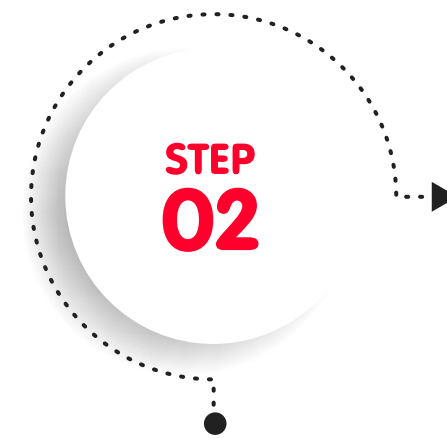
Conducting an analysis of sustainability management status of leading Korean and international companies

Analysis of internal company data and industry issues

- Material issues applicable to DRB selected in 2023
- Reviewing disclosure data, including business reports and internal corporate documents

Media research

Conducting an analysis of relevant media coverage from January 2023 to December 2024



Stakeholder Survey and Materiality Assessment

Analysis of environmental and social impacts

- Reviewing global ESG-related standards and evaluating the impacts of assessment items
- Media research
- Surveying stakeholder groups on environmental and social impacts
- Surveying peer companies in the industry on their sustainability management practices

Analysis of financial impacts

- Examining internal perspectives on key issues, such as CEO's messages and DRB's strategic tasks
- Conducting a Financial Impact Survey targeting relevant stakeholder groups



Identification of Material Issues

Determination of priorities

Analyzing environmental, social, and financial impacts across key sustainability issues to set priorities

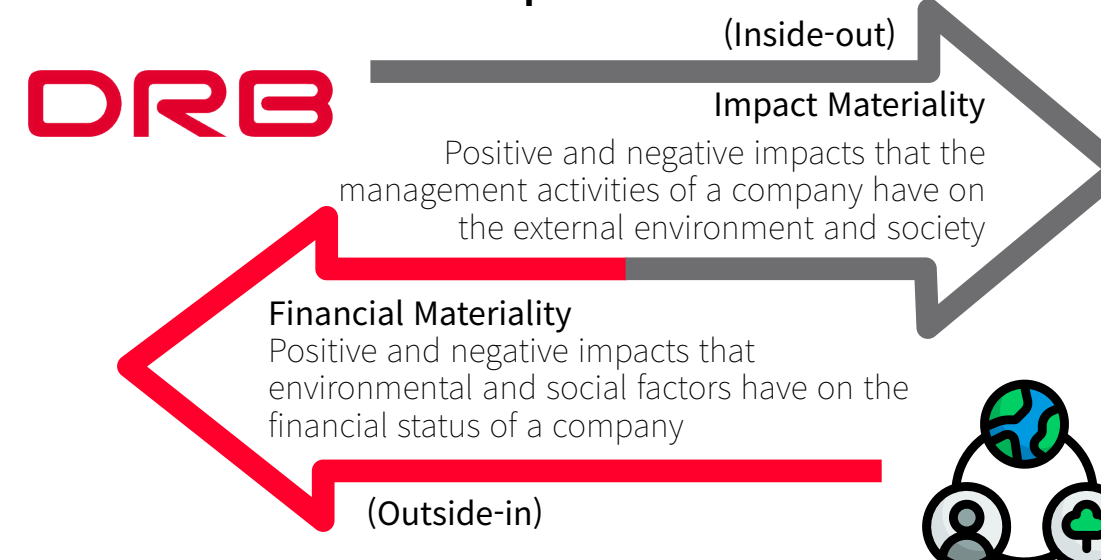
Review of material issues

Reporting to the management and the Board of Directors, supervised by the Working Committee

Selection of material issues

Internal review and consultation with experts

• Measurement of Issue Impact



1-1. Process for Selecting Material Issues

Assessment of Impact Materiality

1. Conducting expert interviews, media research, etc. on the scope, severity, and likelihood of impacts (reflecting on the materiality of each issue based on a five-point scale)

Industry Benchmarking

1. Research on the material issues applicable to clients and peer groups within the industry

Stakeholder Survey

1. Conducting Survey
 - Period: March 12, 2025 – March 28, 2025 (for 15 days)
 - Method: Online survey via URL
 - Target: 281 internal and external stakeholders of DRB (including overseas corporations)

2. Survey Details

Assessment of the impact (environmental, social, financial) of the issue pool

3. Analysis of Survey Results

Importance of each issue based on the survey responses of stakeholders
Distribution of weight according to the importance of impacts on stakeholders

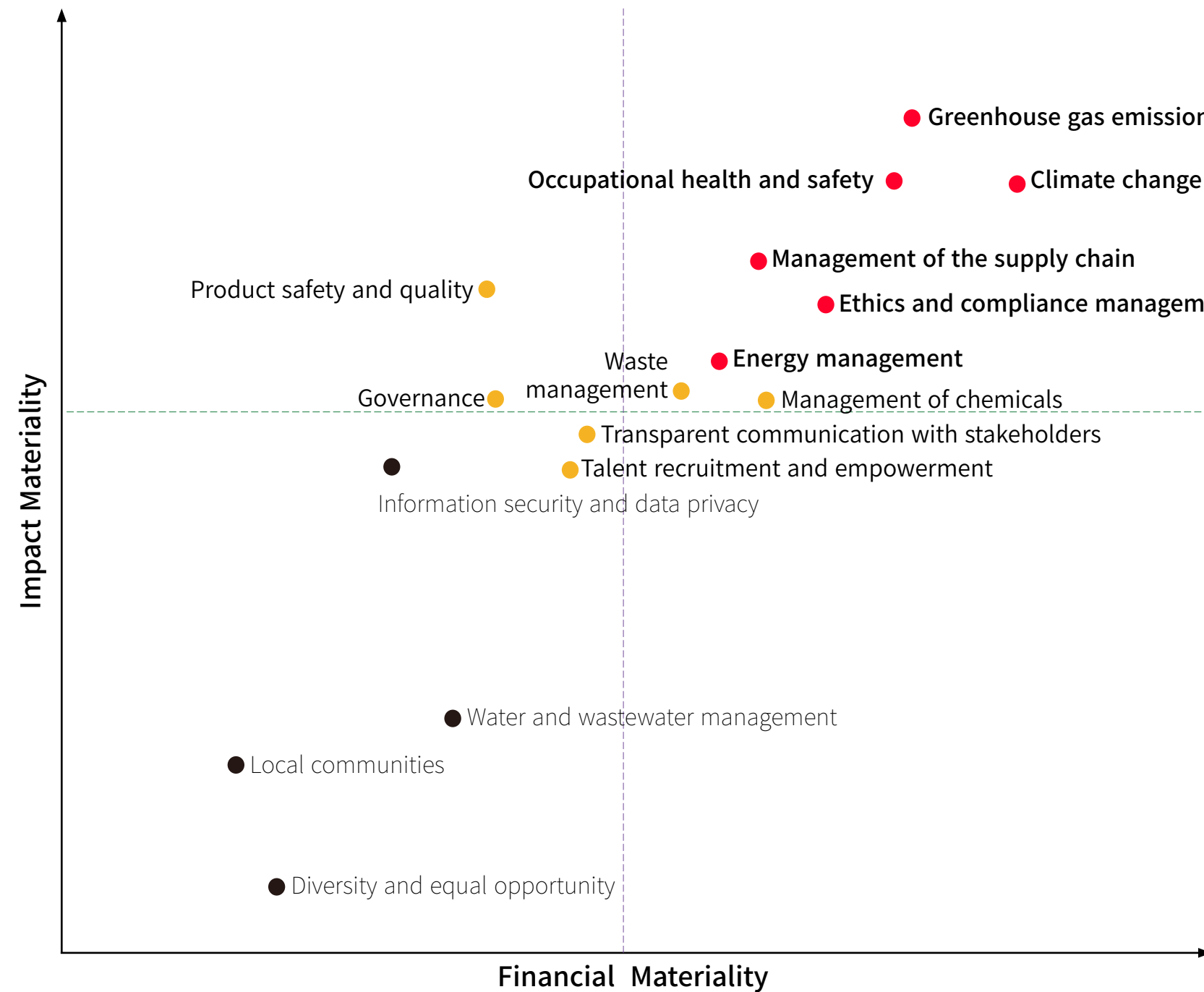
Deliberation and Resolution by the ESG Committee

1. Deliberation on the determined priorities and final resolution by the ESG Committee under the Board of Directors

Double Materiality Assessment

2. Results of Double Materiality Assessment

Double Materiality Matrix



We conducted an in-depth review of the issues derived from the double materiality assessment by reporting the findings to the ESG Committee within the Board of Directors. The final material issues were selected by considering their financial impact as well as their environmental and social impacts. The importance of each issue was identified based on its impact on revenue, costs, risks, and opportunities from a financial perspective, and on impacts within the value chain from an environmental and social perspective. The impact on stakeholder groups was also considered.

Material Issue

General Issue

Sustainability Issue	Environmental and Social Impact	Impact Level	Financial Impact	Impact Level	Compared to Previous Year
Climate change response	Increasing impact of Scope 3 emissions and clients' demand for decarbonization, though the rubber parts industry is not a high-carbon area Potential for expanded regulatory scope, such as the EU CBAM and Korea's Framework Act on Carbon Neutrality	●●●●○	Indirect impacts greater than the carbon tax burden, such as stricter client delivery standards and bidding restrictions Costs for measuring carbon emissions, obtaining external certifications, and establishing a response strategy	●●●●	-
GHG emissions	Generation of Scope 1 and 2 emissions due to concentrated usage of fuel and electricity Need for continuous management of energy consumption in the manufacturing process	●●●●	Need for strategies to calculate and reduce emissions to meet customer demands, and existence of energy cost burden Future costs associated with possible inclusion in the Emissions Trading Scheme	●●●●○	-
Energy management	Intensive consumption of electricity and thermal energy and increasing customer requirement for transition to renewable energy Varying levels of access to renewable energy among global corporations	●●●●	Possible cost savings through increased efficiency, with investment risks due to demands for renewable energy Potential for increased production costs due to rising industrial electricity rates in each region	●●●●○	-
Occupational health and safety	Existence of workplaces with hazardous substances and high temperatures, requiring continuous management to prevent safety accidents Gap in the maturity of safety management systems among local corporations	●●●●	Possible losses due to worker compensation, production stoppage, and increased insurance premiums in the event of an accident Possibility of fines if the safety and health management system is inadequate	●●●●	▲
Ethics and compliance management	Increasing importance of governance transparency and internal control under a holding company structure	●●●●	Non-compliance leading to legal sanctions and declined customer trust, to be addressed by implementing a new system Legal sanctions and damage to the corporate image caused by bribery or corruption	●●●●	-
Management of supply chain	Need to respond to major clients' demand for ESG evaluation of the supply chain Need to identify environmental, human rights, and ethical issues of suppliers	●●●●	Risk of reduced business transactions due to decline in evaluation scores, with business continuity affected by lower capabilities for evaluation response Increased costs for supporting due diligence and sustainability of the supply chain	●●●●	▲
Management of chemicals	Use of hazardous chemicals during rubber manufacturing processes, requiring response to regulations such as REACH	●●●●	Risk of legal sanctions and factory shutdown in the event of an environmental accident Need to respond to the demand for eco-friendly certifications	●●●●○	New
Waste management	Generation of rubber byproducts and non-recyclable waste in processing, with environmental impacts caused by incineration and landfilling Improvements needed from a resource circulation perspective	●●●●○	Rising costs associated with increased disposal fees and stricter regulations	●●●●○	▼
Product safety and quality	Quality of parts that are directly linked to customer safety, with concerns of significant loss of trust in the event of defects	●●●●○	Occurrence of losses and decline in reputation when recalls and claims occur	●●●●	▼
Transparent communication with stakeholders	Need for transparent disclosure of information tailored to stakeholders, following the expansion of ESG communication	●●●●○	Possible investment restrictions and decline in customer trust if disclosure is insufficient	●●●●○	-
Governance	Need to strengthen the ESG operating system centered on the Board of Directors	●●●●○	Need to respond to investors' evaluations of governance and stricter disclosure standards Increased importance of responsibility and transparency in decision-making	●●●●○	▲
Talent recruitment and empowerment	Need to secure and educate technical personnel in Korea and overseas Need for a talent development system for overseas corporations	●●●●○	Failure to secure personnel leading to disruptions in production and increased education costs Intensification of competition in recruitment and increased burden of labor costs	●●●●○	▼
Information security and data privacy	Increased operational risk for information systems, such as the ERP and MES	●●●●○	Risk of legal liability and contract termination in the event of a security incident	●●●●○	-
Water and wastewater management	Sensitivity regarding water usage at some overseas corporations Different standards of water discharge quality among regions	●●●●○	Potential for cost increase due to water usage fees and discharge regulations Increasing demand for investment in water reuse facilities	●●●●	▼
Local communities	Need to strengthen social responsibility, including local-based employment, donations, and response to complaints Potential for conflicts with communities near plants	●●●●	Production delays caused by complaints and conflicts, need to be prevented through CSR activities	●●●●	-
Diversity and equal opportunity	Low diversity due to the nature of the manufacturing industry, but client demands for diversity increasing gradually	●●●●	Inadequate policies and programs Possible impact on scores if the diversity criterion is included in supply chain evaluations	●●●○	New

Double Materiality Assessment

3. Management of Material Issues

Material Issue	Risks and Opportunities	Response Strategy/Action Tasks	KPI	Performance in 2024	Goals for 2025	Goals for 2030
Climate change response (greenhouse gas + energy) 29 page	<ul style="list-style-type: none"> Increased need for management of carbon emissions in the supply chain due to rising reduction demands from global clients (including Scope 3) Potential for indirect carbon costs due to the expansion of the EU CBAM and Korean ETS Intensifying burden on costs due to the continuous rise in energy rates such as electricity and fuel Growing need to improve the efficiency of energy-intensive manufacturing processes (mixing, extrusion, etc.) Energy savings and transition to renewable energy leading to long-term cost reduction and enhancement of brand image 	<ul style="list-style-type: none"> Advancing GHG inventory management: Establishing a system to quantify emissions for domestic and overseas corporations and including Scope 3 (including raw materials and logistics) emissions in the evaluation Setting reduction targets and establishing reduction roadmaps for each corporation: Formulating facility improvement plans based on reduction potential Expanding investment in high-efficiency facilities: Improving efficiency by replacing aged boilers, motors, and compressors Expanding the use of renewable energy: Introducing solar power generation (self-consumption type) Advancing the energy monitoring system: Establishing a system for real-time tracking of energy usage by process and for the management of peak load 	<ul style="list-style-type: none"> GHG emissions (tCO2eq/year) Energy consumption (MWh) Percentage of renewable energy (%) 	<ul style="list-style-type: none"> GHG emissions (for all DRB companies) <ul style="list-style-type: none"> - Region-based: 66,153 tCO2eq - Market-based: 61,725 tCO2eq Energy consumption: 1,003 TJ Percentage of renewable energy: 3.0% 	<ul style="list-style-type: none"> GHG emissions: 62,845 tCO2eq or lower (region-based) Energy consumption: 953 TJ or lower Percentage of renewable energy: 3.3% or higher 	<ul style="list-style-type: none"> Reducing GHG emissions by 28-34% (compared to 2021) Establishing a system for reduction of Scope 3 emissions Increasing the percentage of renewable energy to 30% or higher
Occupational Health and safety 72 page	<ul style="list-style-type: none"> High-risk work environments, such as high-temperature or high-pressure processes and the use of chemical substances Increased exposure to industrial accidents due to aging workforce and variations in skills Need for effective, site-oriented safety management in addition to statutory safety education Strengthened responsibility of the CEO and management in line with the Serious Accidents Punishment Act Gaps in the level of safety infrastructure within overseas corporations, including those in China, Vietnam, and Slovakia Increasing demand for quantitative information on occupational safety and health items during ESG evaluations 	<ul style="list-style-type: none"> Creating a list of high-risk processes and implementing improvements prioritized by risk level Establishing a smart safety management system: Expanding the adoption of equipment sensors, CCTV, and AI-based alarm systems Conducting on-site scenario-based training in addition to regular safety education Promoting improvement activities focused on areas within the workplace where accidents occur frequently Assigning dedicated safety managers to each corporation and formalizing the internal joint inspection system Strengthening the management's interest and execution capabilities by internalizing occupational safety KPIs 	<ul style="list-style-type: none"> Lost Time Injury Frequency Rate (LTIFR) Number of process safety accidents 	<ul style="list-style-type: none"> Lost Time Injury Frequency Rate (LTIFR): 6.33 Number of process safety accidents: 0 cases 	<ul style="list-style-type: none"> LTIFR 6.0 or lower Maintaining zero process safety accidents 	<ul style="list-style-type: none"> Maintaining zero serious accidents Expanding coverage of the smart safety management system Maintaining zero process safety accidents
Ethics and compliance management 115 page	<ul style="list-style-type: none"> Continuous increase in global clients' demands regarding supply chain ethics and prevention of internal corruption Blockage of global transactions and decline in credibility due to corruption and collusion Inadequate internal control at overseas corporations leading to expansion of company-wide reputational risk ESG evaluation scores directly affected by the presence or absence of ethical management policies and systems Competitiveness in winning contracts affected by international compliance standards such as ISO 37301 and ISO 37001 Concern for inconsistencies in internal behavioral standards due to gaps in ethical awareness among employees 	<ul style="list-style-type: none"> Expanding the implementation of the Code of Ethics Practice Pledge to all employees Pursuing ISO 37301 (compliance management system), ISO 37001 (anti-bribery) certifications and establishing a response system for external audits Formalizing anti-corruption education to be conducted at least once a year and reflecting the rate of completion in KPIs Advancing the anonymous internal reporting system and strengthening the system for responding to reports Mandating a written confirmation of ethical management compliance from all business partners Establishing an ongoing inspection process based on an internal control risk matrix 	<ul style="list-style-type: none"> Number of Code of Ethics violations (cases) Number of compliance risks (cases) 	<ul style="list-style-type: none"> Violations of the Code of Ethics: 2 cases Compliance risks: 1 cases 	<ul style="list-style-type: none"> Zero Code of Ethics violations Zero compliance risks 	<ul style="list-style-type: none"> ISO 37301 (compliance management system) certification Satisfaction of global compliance standards
Management of the supply chain 84 page	<ul style="list-style-type: none"> Risk of delivery delays and contract termination due to failure in identifying supply chain risks in advance Increased possibility of supplier ESG risks being revealed during audits on the parent company or due diligence by clients Growing trend of expanding accountability for labor and human rights issues in high-risk countries Need for a corporate-wide response system due to rising costs of ESG due diligence and increasing sophistication of evaluation criteria 	<ul style="list-style-type: none"> Advancing the diagnostic criteria for ESG risks pertaining to the supply chain and creating a digital database Preparing ESG rating criteria for each supplier and upgrading them continuously Identifying high-risk suppliers, establishing improvement plans, and tracking performance Mandating education to ensure the expertise of bodies conducting supply chain due diligence and evaluations Expanding the inclusion of ESG-related clauses in contracts and reflecting them as a condition for contract renewal 	<ul style="list-style-type: none"> ESG evaluation implementation rate of suppliers (%) 	<ul style="list-style-type: none"> Rate of ESG self-diagnosis: 100% (corporations in Korea) On-site due diligence on suppliers: 20 cases Percentage of suppliers that signed a statement of compliance with the Supplier Code of Conduct: 100% (corporations in Korea) 	<ul style="list-style-type: none"> Percentage of suppliers applying ESG evaluations: 50% (including overseas corporations) On-site due diligence on suppliers: 25 cases Percentage of suppliers that signed a statement of compliance with the Supplier Code of Conduct: 100% (including overseas corporations) 	<ul style="list-style-type: none"> Percentage of suppliers applying ESG evaluations: 100% (including overseas corporations) On-site due diligence conducted by all suppliers (three-year cycle)

Stakeholder Communication

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

1. Communication Channel

1-1. Spreading Stakeholder Engagement and Optimizing Channels

DRB has established and operates various channels to vitalize the participation of stakeholders and gather their opinions. Among the opinions received through each channel, current issues that are relevant to our medium- to long-term business strategy and management activities, or issues with high social and environmental impacts, are reported to the ESG Committee (under the Board of Directors). Based on the results of internal review and deliberation, we will address important issues in our business operations and promote improvement activities.

	Customers	Employees	External suppliers	Local communities	Government and related organizations	Shareholders and investors
Definition	Customers are stakeholders who purchase and experience the products and services of DRB. We strive tirelessly to optimize customers' purchasing and experience routes and provide the highest level of products and services.	Employees are members of DRB who are involved in product development, production, sales, and support activities. We recognize that our employees' capabilities are synonymous with the capabilities of our company. They are not only internal stakeholders but also agents who fulfill our social responsibility towards external stakeholders.	Suppliers are stakeholders who supply the raw materials and resources that enable our company to produce excellent products. Their quality, technological capabilities, and sustainability have a significant impact on our sustainable growth.	Local communities refer to residents, civic groups, and local governments near our corporations. We strive sincerely for their sustainable development.	Government and related organizations are stakeholders who can influence our business activities by enacting industry-related laws and regulations or determining the level of regulation for corporate operations.	Shareholders and investors are stakeholders who provide financial capital to DRB, enabling us to pursue diverse future business strategies, operate our business, and maintain sustainable growth engines.
Channels	Customer satisfaction surveys Supply chain sustainability assessment on customers Social media channels	Labor union and labor-management council meetings Employee satisfaction surveys Reporting and grievance handling channels DRB forums/social media channels (YouTube, etc.)	PSM (purchasing system) Operating education programs Regular assessments and due diligence Reporting channels	DRB social contribution platform NGOs and local community organizations Partnerships with youth and social enterprises Surveys on the welfare needs of local communities	Policy meetings Participating in global initiatives (UNGC, etc.)	Board of Directors and general meetings of shareholders Corporate disclosures Website Sustainability report
Issues	- Development of eco-friendly products and product quality - External certifications on global standards, compliance with requirements - Climate change response - Human rights and labor practices	- Fair HR appraisals and performance compensation - Wholesome corporate work environment and employee health - Operating talent development programs - Work-life balance	- Building win-win cooperative relationships - Compliance with fair trade laws - ESG management of the supply chain - Sustainable supply chain	- Contributing to development of local communities - Social contribution and volunteer activities - Revitalizing local economy	- Legal and regulatory compliance - Participating in policy development - Transparent disclosure of information	- Enhancing corporate value and creating business performance - Sound governance - Ethical and compliance management - Transparent disclosure of information
Activities in 2024	- Researched materials and technologies for development of eco-friendly products - Proactively responded to various requirements based on stricter global regulations - Maintained a sustainable supply chain	- Gathered diverse opinions through regular meetings of the labor-management council and improved the corporate environment - Operated self-driven evaluations and CFR activities for fair HR appraisal and performance management - Operated employee empowerment education programs in preparation for digital transition - Operated policies to enhance health and work-life balance (obtained leisure-friendly, family-friendly, health-friendly company certifications)	- Shared policies and gathered opinions from suppliers through the PSM (purchasing system) for shared growth - Provided routine educational support to maintain a sustainable supply chain - Conducted an annual written evaluation to evaluate sustainability of the supply chain - Conducted on-site due diligence on high-risk groups (supported inspections and consulting on improvements)	- Utilized Campus D, DRB's social contribution platform (conducted culture and art activities for different generations) - Provided office space for the growth of youth and social enterprises - Conducted cooperative projects with various NGOs (operated helpful programs for residents)	- Introduced measures to maintain compliance with laws and regulations according to policy changes - Participated in meetings for policy establishment - Participated in various government-supported programs (advanced the system for sustainable management)	- Provided reliable information - Promoted a culture of compliance (prevented the occurrence of ethical and legal problems)

“Efficient ESG management can be achieved through ESG education for employees, on-site management, and accumulation of data.”

“Although ESG cannot be measured easily by performance, it is an extremely important factor that can practically determine the company's survival. Therefore, it is important to strengthen employee education and other actions that bring about a change in perception.”

“It is necessary to proactively establish a response system in view of growing social interest in the environment and the increasing possibility of environmental issues being used as trade barriers against developing countries.”

SUSTAINABILITY AREAS

- Environmental
- Social
- Governance



Environmental

- E1 Eco-friendly Management
- E2 Climate Change
- E3 Environmental Impact
- E4 Resource Circulation

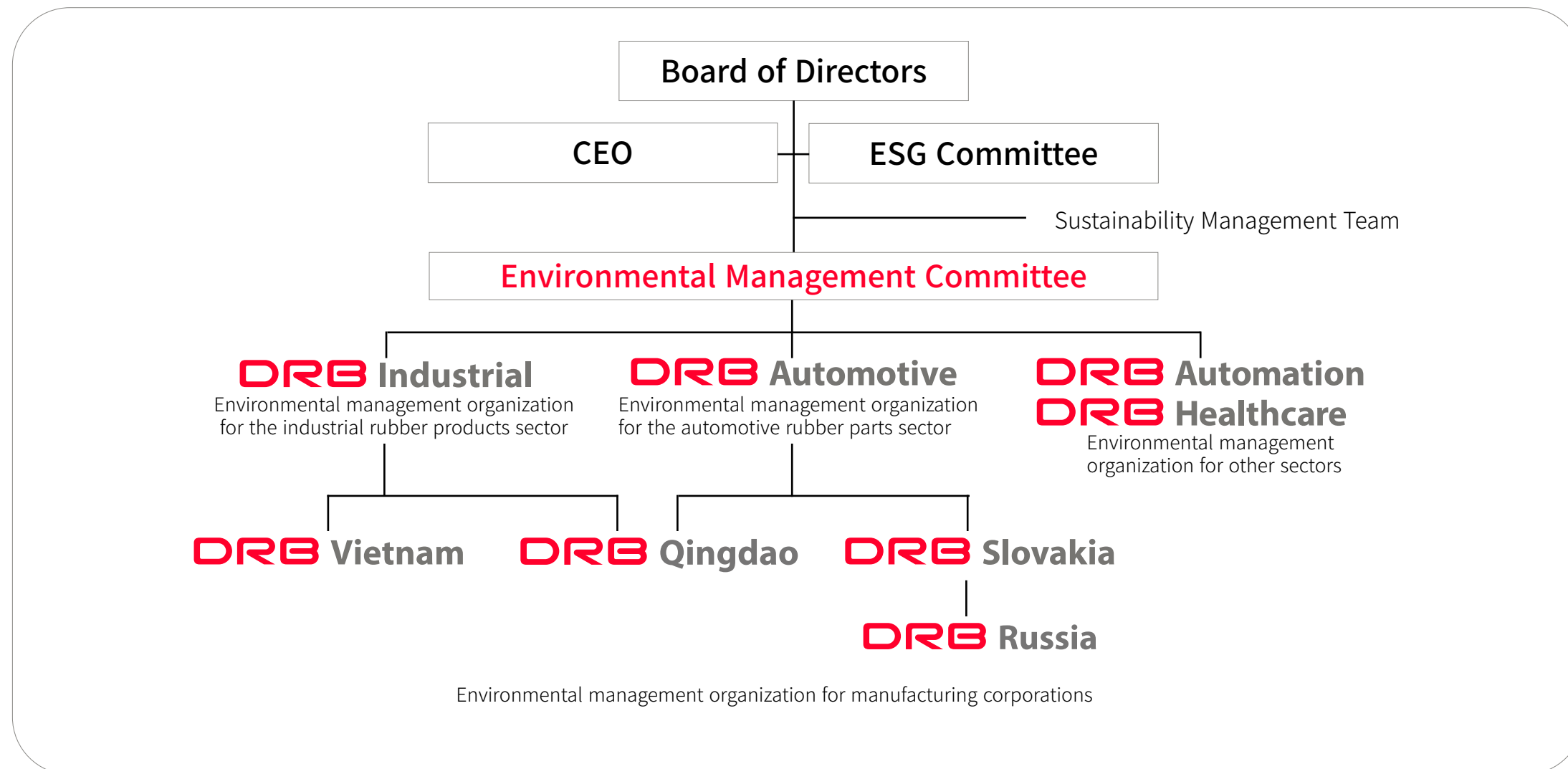


E1. Eco-friendly Management

1. Environmental Management Governance

DRB identifies environmental impacts that can occur across its business activities and conducts improvement activities continuously to minimize such impacts. Further, DRB has formulated medium- to long-term investment plans for reducing greenhouse gas emissions, aiming to meet its corporate environmental and social responsibilities.

[E1-1] DRB Environmental Management Organization Chart



1-1. Board of Directors (ESG Committee)

The ESG Committee within the Board of Directors is the highest decision-making body for environmental management. It performs deliberations and resolves important environmental management agenda, including the establishment and revision of the environmental management policy, climate change response strategy, carbon neutrality targets, medium- to long-term environmental investment plans, and environmental management risks, once a quarter.

1-2. Environmental Management Committee

DRB operates a quarterly Environmental Management Committee composed of managers from key environment-related departments. The Environmental Management Committee selects environmental management-centric tasks, shares performance, checks and updates information on the implementation of strategic tasks, discusses current issues, and makes decisions.

1-3. Dedicated Units by Corporation

The Environmental Management Department of DRB oversees the implementation of environmental management, such as establishing and operating an environmental management system, making the necessary preparations to obtain permits for the installation and operation of environmental facilities, protecting and restoring environmental capital, managing pollutant emissions generated during business operations, identifying and improving environmental risks, sharing and disseminating environmental management knowhow, accepting and processing environment-related grievances, and other external cooperation activities.

E1. Eco-friendly Management

2. Environmental Management Strategy and Target

With the goals of achieving Net Zero by 2050 and reducing environmental pollutants, DRB has selected ‘response to climate change,’ ‘developing a circular economy,’ and ‘leading eco-friendly materials,’ and ‘water protection’ as its core areas for action. We have established and are implementing detailed plans to accomplish these objectives. Additionally, we manage environmental indicators of high importance, including emissions of greenhouse gases and air pollutants; waste discharge and recycling rate; and water usage. We are continuing our efforts to achieve our environmental targets by setting specific goals and monitoring the implementation status at each subsidiary corporation.

[E1-2] DRB Environmental Management Vision, Mission, and Targets

VISION	Realize a sustainable, low-carbon, green growth economy
MISSION	Contribute to improving the quality of life for humanity and preserving the global environment by responding to climate change and protecting the earth’s environment
GOAL	To pursue continuous reduction of environmental pollutants and attain Net-Zero by 2050

[E1-3] DRB Environmental Management Sub-Targets



3. Environmental Management Policy

DRB has established a green management policy that stipulates its commitment to environmental management. If our policy conflicts with local laws in countries where DRB affiliates are located or major countries of transaction, we apply the more stringent standards between the two. In addition, in order to respond to the rapidly changing business environment and satisfy the diverse requirements for environmental management of various stakeholders, including major customers, we review and revise our environmental management policies and decisions continuously and report significant changes to the ESG Committee under the Board of Directors.

[E1-4] DRB Green Management Policy

DRB Green Management Policy

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

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

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

E1. Eco-friendly Management

4. Environmental Risk Management

DRB recognizes and works hard to reduce any environmental effects of its production processes, from procurement of raw material to product completion. In addition, DRB investigates the demands and challenges presented by internal and external stakeholders, such as employees, civil society, and customers, as well as significant environmental factors; makes corrective plans for improvement; and implements the plans to strengthen environmental management.

[E1-5] DRB Environmental Risk Management Process

Identification and analysis of risks and opportunities	Review of risk response measures	Implementation of risk response activities	Monitoring of promotion status	Establishment of mid-to-long-term management direction
<ul style="list-style-type: none"> Identifying and defining highly relevant risks and opportunities domestically and internationally Analyzing the cycle and likelihood of risks Reviewing the financial impacts and timeline of risks 	<ul style="list-style-type: none"> Establishing the direction of response based on the identified risks and opportunities Connecting the response direction to the management plan and company-wide strategy 	<ul style="list-style-type: none"> Establishing company-wide action tasks and objectives for risk response 	<ul style="list-style-type: none"> Managing the implementation performance of each task Evaluating the progress compared to the goal and analyzing the results 	<ul style="list-style-type: none"> Reviewing the management status and issues at the ESG Committee Reviewing the company-wide, mid-to-long-term direction for ESG strategy

4-1. Environmental Risk Prevention

DRB is implementing various measures to mitigate environmental management risks. First, we strive to improve our production processes by introducing eco-friendly technologies that minimize environmental impact by enhancing energy efficiency, minimizing waste, and using renewable resources. Additionally, to ensure the sustainability of our supply chain, we share and evaluate ESG standards with our suppliers, thereby preempting environmental risks in advance. This includes managing carbon emissions across the supply chain and strengthening cooperation with eco-certified companies. Furthermore, we are building a monitoring system based on environmental data to identify and prepare countermeasures for risks arising from climate change. In addition, DRB is strengthening the capabilities of its environmental management organization by enhancing communication with stakeholders and providing environmental education to employees. We set environmental goals, establish implementation plans, evaluate performance, and manage improvement measures systematically. We also strive to spread environmental management awareness through internal education and employee participation programs.

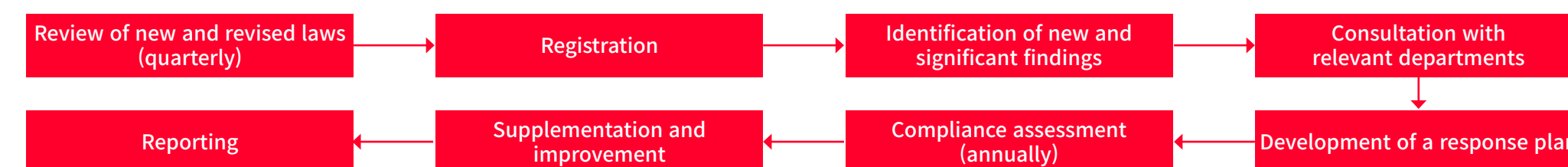
[E1-6] DRB Employees Environmental Management Competency Training

Site	Education name	Target	Training period (hours)
DRB Industrial	Training for air environmental technicians	Employees in charge of environmental management	2024.12.02-12.15 (28 Hours)
	Safety education for workers related to hazardous chemicals Education for persons handling hazardous chemicals	Workers related to harmful chemicals Persons handling specific hazardous chemicals	2024.11.27-12.13(2 Hours) 2024.04.16-12.06(16 Hours)
DRB Automotive	Education for persons handling hazardous chemicals	Persons handling specific hazardous chemicals	2024.04~12 (off 8 Hours, on 8 Hours)
	Education for workers related to hazardous chemicals Training for hazardous chemical managers	Workers related to hazardous chemicals Hazardous chemical managers	2024.07 (2 Hours) 2024.11.12~11.15 (34 Hours)
DRB Qingdao	Education on preparation of the annual waste report	EHS manager in Chongqing Plant	2024.01.15 (8 Hours)
	Safety education for the handling of dangerous waste	Managers and field staff in Qingdao Plant	2025.01.08-01.09 (16 Hours)
DRB Slovakia	Environmental protection education	Employees in charge of environmental management	2024.10.9~10 /10.16~17 (30 Hours)
	Education on the company's environmental management system Education on protection of the internal environment	Employees in charge of environmental management New employees	2024.11.13~15 (20 Hours) 2024.08.19
DRB Vietnam	Education on environmental protection laws	Employees in charge of environmental management	2024.06.18 (4 Hours)

4-2. Environmental Regulation Management

To ensure strict compliance with environmental laws, DRB has established a systematic internal legal management process, and reviews revised regulations to evaluate compliance periodically. When new regulations are introduced, we cooperate with relevant departments to establish a proactive response plan and take timely corrective and improvement measures for any inadequacies. Additionally, in the event of a legal violation, we analyze the cause thoroughly and implement specific measures swiftly to prevent recurrence.

[E1-7] DRB Environmental Regulatory Risk Management Process



[E1-8] DRB Environmental Regulatory Compliance Status

Category		Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Number of violations of environmental laws	Number of violations	Case	0	0	2	0	0	0
	Penalty	KRW 1,000	0	0	960	0	0	0

1) The above violations pertain to two cases of corrective actions issued to corporations in Korea in 2024. In these cases, DRB Automotive received fines for non-compliance with the Emission Facility Installation Permit and Reporting requirements. In response, DRB conducted training for relevant teams on protocols for information sharing when modifying emission facilities to prevent recurrence.

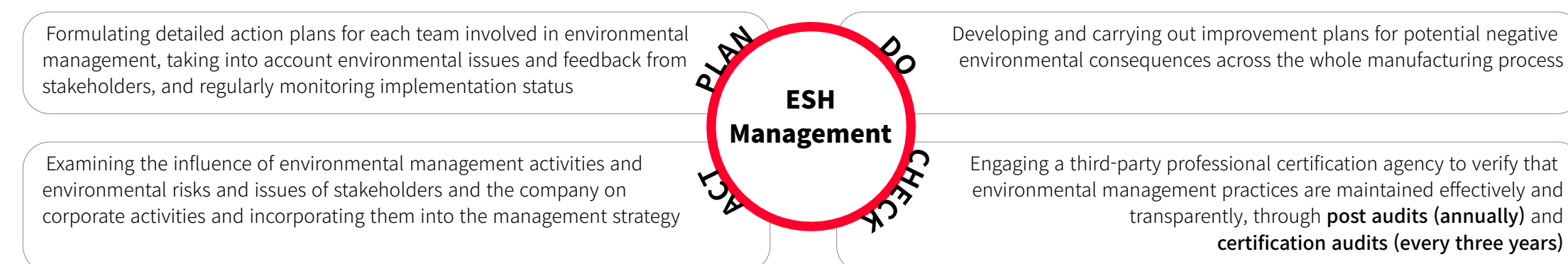
E1. Eco-friendly Management

5. Environmental Management System and Certification

5-1. Environmental Management System

Based on the Plan-Do-Check-Action (PDCA) framework, DRB systematically manages its environmental impact in sectors such as climate change, energy, waste, and water, and uses this framework as a basis for establishing specific environmental goals and action plans. For the established goals, we conduct semi-annual performance reviews to check the implementation status. If we identify any non-conformity, we analyze the cause, take necessary action, and prepare recurrence prevention measures to drive the continuous improvement of our environmental management process.

[E1-9] PDCA Cycle



[E1-10] DRB Investment in Environmental Facilities

Site	Business(Equipment)	Function	Investment Cost
DRB Industrial	Installation of a local exhaust ventilation system and wastewater storage tank for Spider Wrap	Establishing a Spider Wrap environmental system	KRW 9,400,000
	Installation of a local exhaust ventilation system for Rotocure Installation of air pollution control facilities to improve the exhaust system at the environmental and aging test lab	Improving the exhaust system for the Rotocure process Removing air pollutants in the lab	KRW 10,610,000 KRW 55,000,000
DRB Automotive	Installing air pollution prevention facilities following the installation of forming facilities for the joint process	Removing air pollutants	KRW 67,000,000
DRB Qingdao	Remodeling of the extrusion exhaust engine	Reducing the dispersion of exhaust	¥ 23,000
	Remodeling of the extrusion coating room	Reducing exposure to the coating solution	¥ 22,990
DRB Slovakia	Maintenance of exhaust towers	Reducing pollutant emissions through regular maintenance conducted four times a year	€ 25,121.34
	Replacement of coating filters	Replacing emission filters and preventing pollutant emissions	€ 2,289.60
	Exhaust system improvement project (replacement and maintenance of exhaust pipes)	Systematically managing the leakage of pollutants	€ 42,223.60
DRB Vietnam	Improvement of the dust collection system for short blast machines (installation of a cyclone)	Reducing air pollutants	KRW 13,504,000

5-2. Environmental Management Certification

To establish an environmental management system that complies with international standards, DRB has acquired the ISO 14001 (Environmental Management System) certification and is realizing systematic environmental management based on ISO 14001 specifications. We promote the continuous improvement of our environmental management system to maintain the validity of the certification, and conduct annual follow-up audits that include internal audits, management reviews, corrective actions for non-conformities, performance improvements, and verification of changes. Furthermore, we verify the suitability and effectiveness of the system regularly through a renewal audit every three years.

[E1-11] ISO 14001(Environmental Management System) Certification Status

Site	Business site	Certification validity period	Certification scope
DRB Industrial Co., Ltd.	Busan Plant	2024.12.11. ~ 2027.12.10	Transmission belts, conveyor belts, plants, rubber tracks, industrial rubber products, civil construction rubber products, and design, development, and production of rubber products for railroad vehicles
DRB Automotive Co., Ltd.	Yangsan Plant	2022.05.12. ~ 2025.05.11	Design, development, Manufacture, and additional services of automotive rubber products (weather strips)
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao Plant	2022.12.02. ~ 2025.12.03	Design and production of automobile weather strips, power belts (wrapped belts), crawler production, and related management activities.
	Chongqing Plant	2024.02.21. ~ 2027.02.10	Environmental management activities for automobile weather strip production
Dongil Rubber Belt Slovakia, s.r.o.	Slovak Plant	2024.01.20. ~ 2027.01.19	Manufacture of automotive rubber products (weather strips)
Dongil Rubber Belt Vietnam Co.,Ltd.	Vietnam Plant	2022.03.26. ~ 2025.03.25	Manufacture and sale of industrial machinery rubber conveyor belts and crawlers

E1. Eco-friendly Management

6. Stakeholder Communication

6-1. Employees

DRB operates systematic communication channels to communicate effectively with employees about environmental management. First, we raise environmental awareness by internalizing our environmental policy and the Code of Conduct for employees. We also encourage our employees to understand and participate actively in environmental management by conducting DRB forums, volunteer activities, and specialized education for employees in charge of environmental affairs. For our grievance handling procedure, we collect and respond swiftly to employees' opinions and environmental grievances through the DRB Cyber Audit Department, the persons in charge of the environmental department at each corporation, and the Environmental Management Committee. Furthermore, to ensure transparency and responsibility for environmental management performance, we disclose relevant information regularly through our sustainability reports, CDP reports, official website, and groupware.

[E1-12] DRB Employee Environmental Communication Channel

Improving awareness	Handling grievances	Disclosing performance
Environmental policy, Code of Conduct, DRB forums, Volunteer activities, education for persons in charge of environmental affairs	DRB Cyber Audit Department, Environmental Management Committee Persons in charge of the environmental department at each corporation	Sustainability reports, CDP reports Website, groupware

6-2. Customers

DRB complies with the Supplier Code of Conduct and supply chain policies of major domestic and international customers regarding environmental and climate change responses, and actively participates in supply chain ESG evaluations of its environmental management performance. DRB Industrial shares its energy-saving performance and plans with its customers, and DRB Automotive conducts Life Cycle Assessments (LCA) to measure the total carbon emissions of manufactured products. Additionally, DRB Automotive participates in the climate change response section of the Carbon Disclosure Project (CDP) and shares the results regularly with customers. In line with the carbon neutrality plans of major customers, DRB Qingdao has established and is implementing a mid-to-long-term plan for the use of renewable energy.

6-3. External Suppliers

DRB communicates the Supplier Code of Conduct and Green Purchasing Policy to guide its suppliers on key environmental management guidelines, and also conducts regular environmental education for suppliers' employees. Additionally, DRB utilizes the PSM (DRB's collaboration portal) to provide advance notice of significant disaster information related to climate change and the environment and to prevent accidents. Lastly, we operate a Cyber Audit Department to receive anonymous environment-related grievances and reports from the employees of our suppliers.

6-4. Government and Local Communities

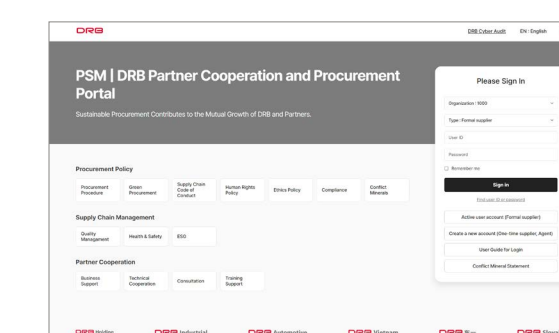
DRB faithfully fulfills its reporting obligations related to the implementation of environmental regulations in the countries and regions where it operates. We actively handle environment-related civil complaints received from the relevant authorities and report and share improvement results promptly. In addition, in cooperation with local residents and civil society near subsidiary corporations, DRB contributes to preserving the environment in local communities and vitalizing sustainable business.

[E1-13] Environmental Grievance Process Channel (Submission and Resolution Status)

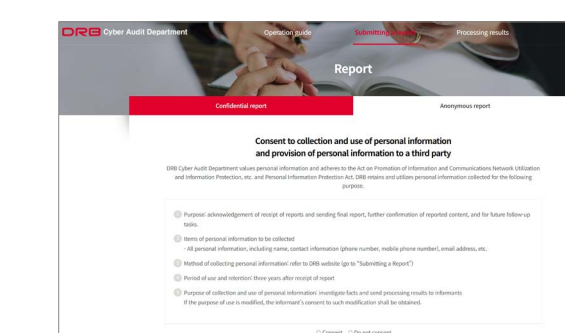
Category	Unit	DRB Industrial			DRB Automotive			DRB Qingdao			DRB Slovakia			DRB Vietnam			
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	
Employees	Acceptance (report)	case	16	14	20	1	0	0	-	-	0	-	-	0	-	-	0
	Handling	case	16	14	20	1	0	0	-	-	0	-	-	0	-	-	0
	Handling rate	%	100	100	100	100	-	-	-	-	-	-	-	-	-	-	-
External stakeholder	Acceptance (report)	case	3	6	1	0	2	10	-	-	0	-	-	0	-	-	0
	Handling	case	3	6	1	0	2	10	-	-	0	-	-	0	-	-	0
	Handling rate	%	100	100	100	-	100	100	-	-	-	-	-	-	-	-	-

1) External stakeholders: Customers, suppliers, government, local communities, etc.

Collaboration platform(DRB PSM)



DRB Cyber Audit Department



DRB operates channels to receive environment-related grievances from various stakeholders, including employees. We manage the received grievances and notify results according to established procedures and standards. Environment-related grievances can be submitted to the dedicated environmental organization at each corporation, the supplier collaboration platform (DRB PSM), or the main grievance handling channel (DRB Cyber Audit Department).

E2. Climate Change Response

1. Climate Change Response Governance

DRB recognizes climate change as a core issue demanding management at the corporate level and has taken it as a strategic foundation for sustainable growth. We have established a company-wide governance framework for climate change response. After comprehensively analyzing climate risks and opportunities centered around the Environmental Management Committee and the ESG Working Council, we formulate implementation strategies based on the findings. We establish clear goals and action plans for reducing greenhouse gas emissions, and monitor their implementation status periodically. Key achievements and areas requiring improvement are reported regularly to the CEO of each corporation and the ESG Committee under the Board of Directors. Based on these reports, the ESG Committee makes strategic decisions, including reduction activities for each subsidiary corporation and the formulation of mid-to-long-term strategies. Through this systematic management and implementation process, DRB promotes the realization of company-wide carbon neutrality while simultaneously strengthening trust with stakeholders. In the future, DRB will continue to advance its responsible climate change response capabilities and faithfully fulfill its role as a corporation contributing to the transition to a low-carbon society.

[E2-1] DRB Climate Change Response Organization Chart



1-1. Roles and Responsibilities of the Highest Decision-Making Body (ESG Committee)

To systematically manage and strategically respond to climate-related risks and opportunities, DRB operates the ESG Committee under the Board of Directors as the highest decision-making body. The ESG Committee holds the authority to perform deliberations and decide on overall ESG policies, including environmental management, implementation plans, and major activities, thereby leading the company-wide ESG governance. The committee holds regular quarterly meetings to discuss strategic directions for core issues and establish mid-to-long-term implementation plans, focusing on key tasks such as climate change response, carbon emission reduction, product Life Cycle Assessment (LCA), expansion of eco-friendly product groups, and supply chain ESG management. Additionally, the committee focuses on strengthening DRB's sustainable management capabilities and enhancing stakeholder trust by monitoring the progress of these plans and identifying areas requiring improvement.

1-2. Roles and Responsibilities of Executives (Environmental Management Committee)

The Environmental Management Committee plays a key role in systematically managing potential risks in ESG areas, including carbon neutrality, and in overseeing activities to improve performance. The committee regularly reviews various risk factors and specifically identifies urgent risk factors or issues that need to be reflected in the mid-to-long-term business strategy for performance improvement based on this review. Additionally, when necessary, the committee reports relevant matters to the highest decision-making body, the ESG Committee, to facilitate deliberations and receive approval for the corresponding measures.

1-3. Roles of Environmental Departments and Councils (Subsidiary Environmental Teams)

To strengthen its climate change response capabilities and accelerate the realization of company-wide carbon neutrality, DRB is promoting its carbon neutrality projects centered around the environmental and safety organizations of each subsidiary corporation in Korea and overseas. We establish organic collaboration systems among related organizations based on the unique characteristics and operating environments of each corporation, and we formulate and execute practical implementation strategies across various domains such as production processes, business site operations, and the supply chain. In particular, as a systematic foundation for achieving our mid-to-long-term carbon neutrality goals, we have formed a 'carbon neutral consultative body' within the Environmental Management Committee, with participation from key functional organizations such as production, purchasing, and research departments. This consultative body carries out concrete actions focused on core tasks for each subsidiary corporation, including improving energy efficiency, expanding the use of renewable energy, and creating eco-friendly work environments. DRB aims to enhance the effectiveness of its climate change response and pursue the creation of sustainable future value through this collaboration-based carbon neutrality promotion system.

E2. Climate Change Response

2. Climate Change Response Strategy

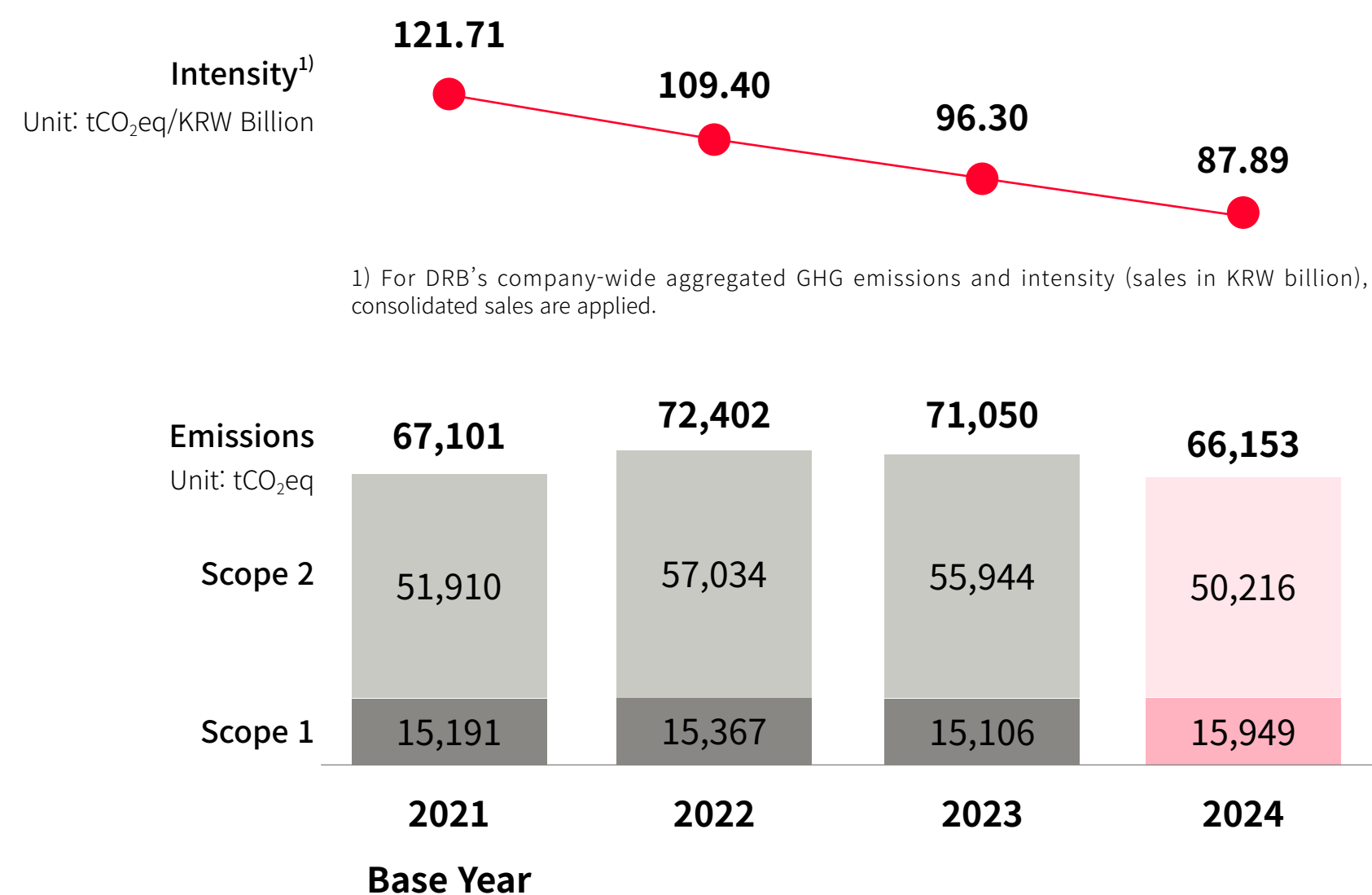
DRB has established a clear goal and corresponding milestones to achieve Net-Zero by 2050 across all domestic and international corporations, and has transparently disclosed this goal to all stakeholders, including our domestic and international employees, customers, and external suppliers. This goal is one of the core mid-to-long-term strategies symbolizing DRB's commitment to climate change response, and various activities are being conducted to produce tangible reduction outcomes.

For Scope 1 (direct emissions), we analyze major sources of greenhouse gas emissions and review possibilities for reduction from multiple angles to derive customized reduction opportunities. Key activities include improving thermal energy efficiency through measures such as optimizing the operating conditions of steam generation facilities, minimizing energy loss in boilers through air ratio adjustment and control of combustion efficiency, recovering waste heat from exhaust gas and thermal oil boilers, and reusing energy through cooling water circulation. We will also gradually expand the introduction of high-efficiency equipment. This approach is part of a practical and sustainable reduction strategy that reflects the characteristics of our production sites.

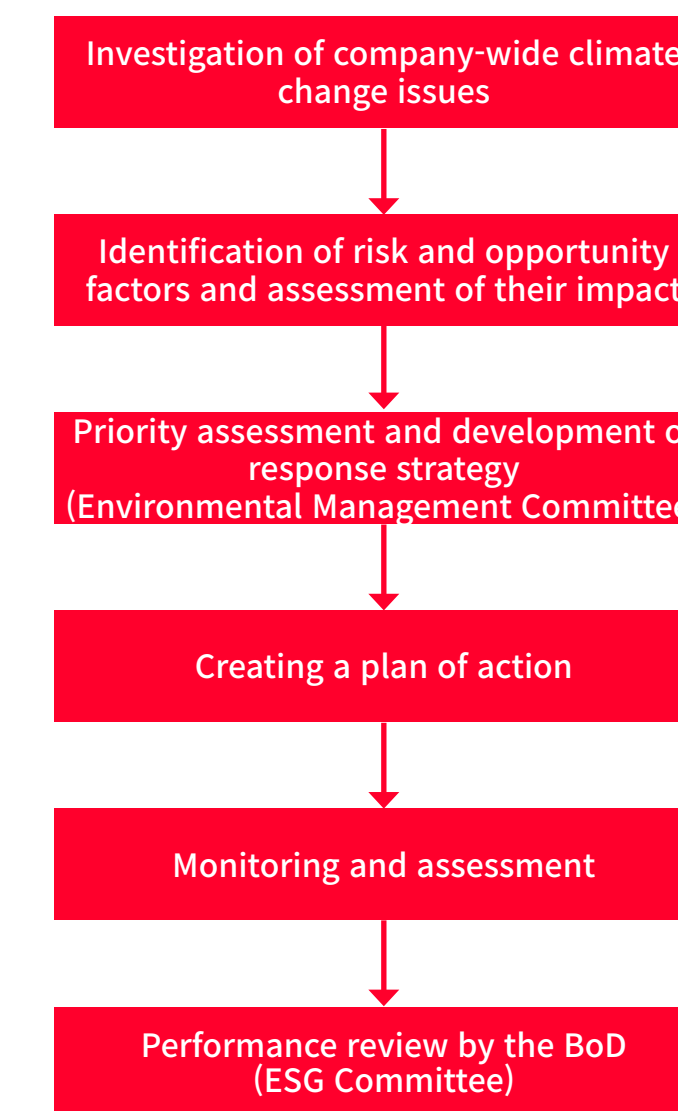
To reduce Scope 2 (indirect emissions), we focus on efficiency enhancement and reduction of electricity use, promoting the replacement of major consumption equipment like lighting and air conditioning systems with high-efficiency equipment and optimizing their operation. Additionally, to accelerate the transition to renewable energy, we are leasing unused company land and plant roofs to solar power operators to enter into long-term Power Purchase Agreements (PPA). We are gradually expanding this strategy to all domestic and international corporations. With the goal of achieving 100% renewable electricity use across all global corporations by 2050, DRB plans to review and execute various measures comprehensively, including expanding long-term PPAs and purchasing external renewable energy.

Furthermore, for Scope 3 (other indirect emissions), we are laying the groundwork to secure reliable emissions data before setting reduction targets. We are currently establishing a company-wide data management system for the systematic collection and analysis of emissions information from our supply chain and logistics. Related information will undergo a verification process and will be disclosed starting in 2026. Going forward, DRB will continue to strengthen its step-by-step implementation capabilities based on strategic approaches tailored to the characteristics of each emission source and will consistently practice climate leadership that aligns with the Science-Based Targets (SBT) and global standards.

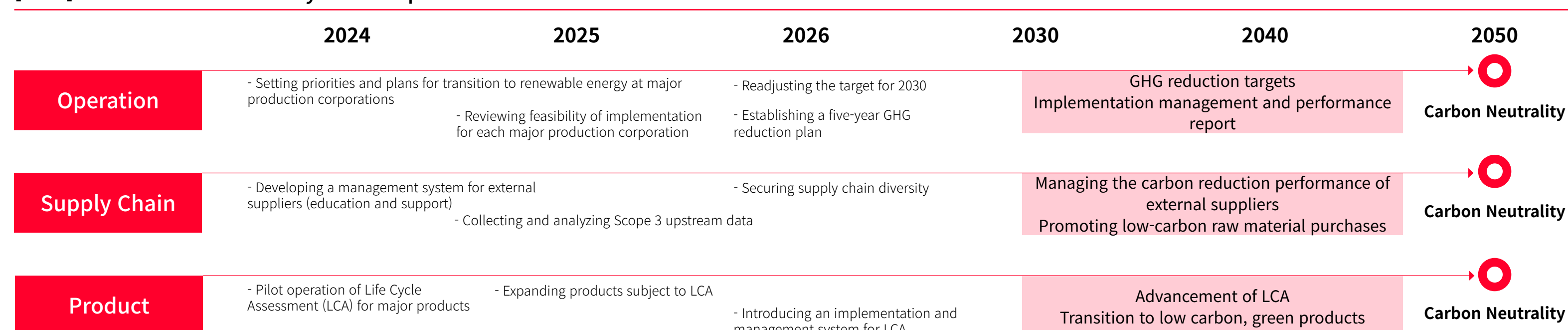
[E2-2] DRB GHG (Scope 1+2) Emissions and Intensity¹⁾



[E2-3] DRB Climate Change Response Strategy Development Process



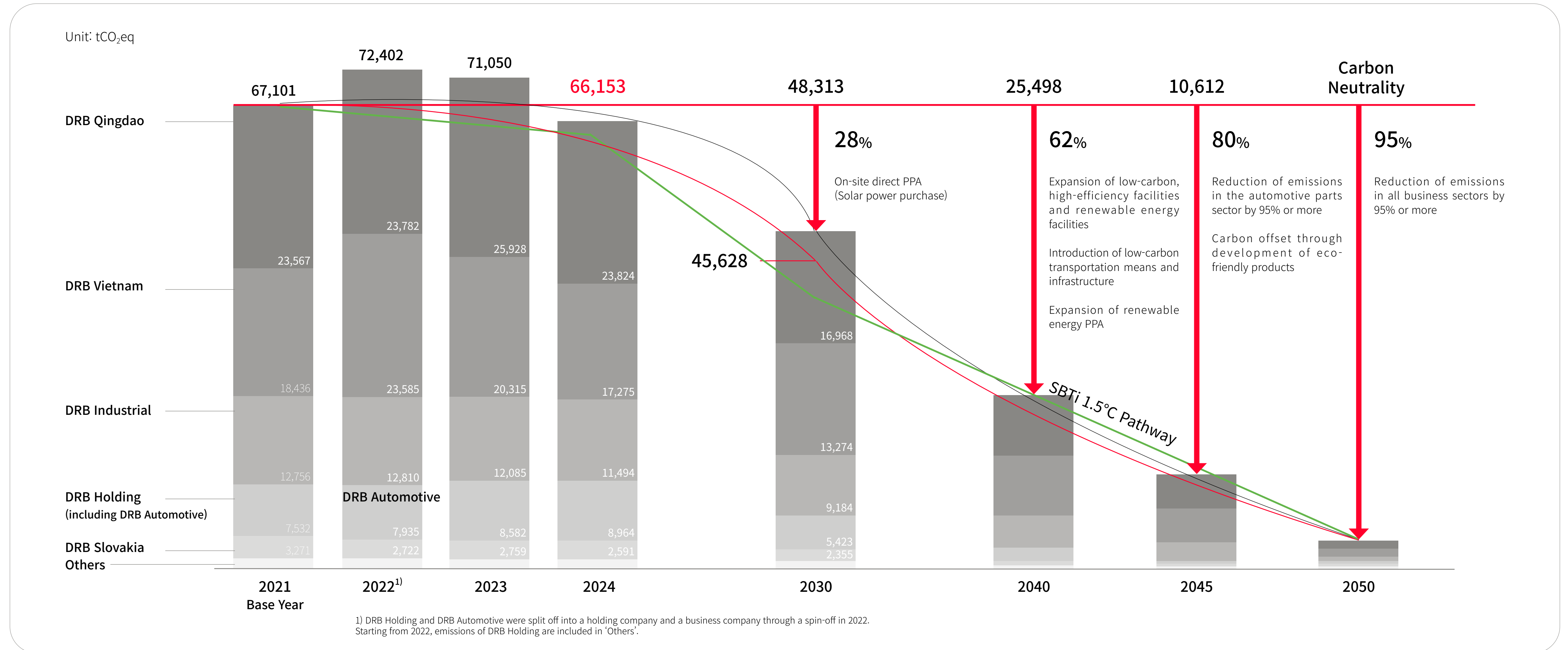
[E2-4] DRB Carbon Neutrality Roadmap



E2. Climate Change Response

[E2-5] DRB Carbon Emissions Reduction Plan

DRB is preparing to establish carbon neutrality roadmaps for each corporation, focusing on key subsidiary corporations with high carbon emissions. As the initial step in this direction, we are providing guidance by setting up a company-wide emission (Scope 1 + 2) reduction plan. With 2021 as the baseline year, we plan to achieve approximately 30% reduction by 2030, 60% reduction by 2040, carbon neutrality in the automotive parts sector by 2045, and company-wide carbon neutrality by 2050.



E2. Climate Change Response

2-1. DRB Climate Change Response Strategy

DRB has set a goal to reduce greenhouse gas emissions across all its domestic and overseas subsidiary corporations by 28-34% by 2030 compared to 2021. Each corporation is planning its optimal reduction strategy, reflecting business characteristics and national energy policies. To attain the goal, we are reviewing implementation measures centered on energy efficiency, process optimization, and raw material improvements. Additionally, each corporation analyzes the feasibility of transitioning to renewable energy and establishes plans to apply the transition in stages.

DRB Industrial has set a goal to reduce its greenhouse gas emissions by 28% by 2030 compared to 2021. It pursues a reduction strategy focused on increasing energy efficiency and cutting unnecessary energy consumption. To this end, DRB Industrial has established implementation measures centered on optimization of production processes and energy savings. It strives to minimize power consumption by analyzing energy usage of each process to reduce unnecessary operations and by introducing high-efficiency motors and inverters. Additionally, further reduction effects are anticipated from converting plant lighting to high-efficiency LEDs and optimizing heating, cooling, and ventilation systems. Considering the feasibility of renewable energy transition within Korea, DRB Industrial is considering the introduction of external renewable energy purchases (PPA) and exploring ways to increase the proportion of renewable energy use in the medium to long term.

DRB Automotive has set a goal to achieve a 20% reduction by 2030 compared to 2021 through energy savings and efficient operations in manufacturing processes. To attain this goal, DRB Automotive is considering plans to minimize unnecessary energy use through automation and operational optimization, and to maximize energy efficiency by establishing a real-time monitoring system. In addition, to achieve reductions at the raw material stage, the use of recycled rubber and low-carbon materials is gradually expanding. DRB Automotive also plans to increase the application of sustainable raw materials to meet the eco-friendly requirements of OEM automotive customers. In 2024, by leasing out its business site, DRB Automotive constructed a solar power generation facility and signed a 20-year usage contract, covering 15-20% of the existing electricity consumption with renewable energy. In the future, considering Korea's renewable energy transition environment, DRB Automotive plans to expand the use of renewable energy by purchasing Renewable Energy Certificates (REC) for RE100 response and by concluding additional PPA contracts.

DRB Qingdao has established a strategy to maximize the efficiency of its high-carbon emission processes and enhance reduction outcomes through raw material improvements. To achieve a 30% reduction by 2030 compared to 2021, it is pursuing emissions reduction through energy savings and enhancements of raw material. DRB Qingdao is exploring plans to reduce energy consumption through process improvements and optimization of facility operations, and to prevent unnecessary power waste in the production process by expanding automation. Additionally, it is considering ways to increase the proportion of recycled rubber among its raw material and to strengthen collaboration with suppliers to reduce carbon emissions in the raw material supply chain. In 2023, it signed a long-term Power Purchase Agreement with an on-site solar power generator at its business sites and plans to expand the use of renewable energy in line with the carbon neutrality policies of the Chinese government. Additionally, where possible, DRB Qingdao plans to pursue measures to secure renewable energy through further cooperation with local renewable energy generation facilities.

DRB Slovakia plans to respond to the strengthening of environmental regulations within Europe by increasing the efficiency of its plant operations and expanding the use of eco-friendly raw materials. With the goal of achieving a 28% reduction by 2030 compared to 2021, the corporation will simultaneously pursue energy savings within the facility and improvements in raw materials and the supply chain. To this end, it is reviewing measures to reduce energy consumption by optimizing the operation of its air conditioning system and replacing all lighting within the facility with high-efficiency LEDs. It is also developing strategies to minimize unnecessary power waste during non-operational hours by adjusting production schedules and equipment operation methods. In addition, to comply with European carbon regulations, DRB Slovakia plans to expand the application of low-carbon raw materials and increase the proportion of recycled rubber used. In 2025, it plans to install a solar power generation facility on the roof of its second plant (direct PPA), which will produce 613,227 kWh of electricity annually. This eco-friendly energy strategy is a key element in expanding the use of renewable energy within the corporation. Along with signing external Power Purchase Agreements (PPA), DRB Slovakia is actively promoting the use of eco-friendly electricity in collaboration with local renewable energy projects. Considering that companies in Europe are actively pursuing RE100 goals, DRB Slovakia aims to reduce carbon emissions and expand sustainable electricity use based on these plans.

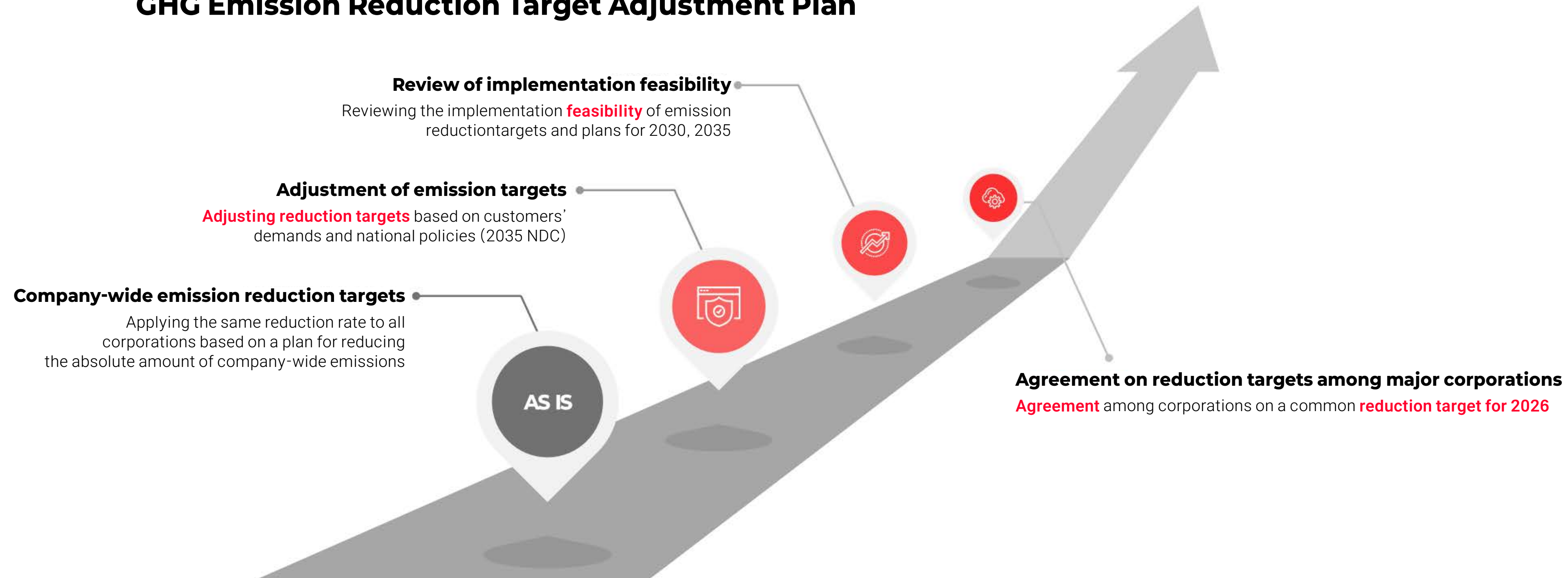
DRB Vietnam completed its second plant in 2024 and is considering measures to maximize the reduction effects by optimizing the plant's operations and production processes. Aiming for a 34% reduction by 2030 compared to 2021, it pursues a reduction strategy that combines process improvements with the introduction of renewable energy. To optimize processes, it is reviewing ways to reduce unnecessary operations and achieve energy savings by introducing a smart energy management system. In terms of raw material use, it is also considering measures to reduce carbon emissions at the production stage by expanding the proportion of recycled rubber. As part of its transition to eco-friendly energy, DRB Vietnam is actively expanding the use of biomass fuel. Currently, renewable biomass resources such as rice husk pellets and sawdust firewood are used as the main fuel for plant operations, which helps reduce the use of fossil fuels and contributes to carbon neutrality. Utilization of biomass-based energy also creates positive effects for the cyclical use of resources and the vitalization of local resources, serving as a practical implementation case that aligns with DRB's eco-friendly management strategy. Reflecting the regional characteristics of Vietnam, where solar and wind power generation is active, DRB Vietnam promotes the introduction of solar power generation facilities using idle land within the plant. To this end, it plans to install solar panels based on a Power Purchase Agreement (PPA) with a power generation company and will further strengthen its energy independence by linking with an Energy Storage System (ESS) if necessary. It is anticipated that these measures will reduce dependence on the external power grid while also contributing to the realization of DRB's sustainable management goals for climate change response and greenhouse gas reduction by gradually expanding the proportion of renewable energy used in plant operations.

E2. Climate Change Response

2-2. Climate Change Strategy Adjustment Plan

DRB has set a goal to reduce its greenhouse gas emissions by 34% by 2030 and by over 95% by 2050, compared to 2021 (67,101 tCO₂eq). However, considering that this reduction target, established in accordance with global standards like the SBTi, may not accord perfectly with the actual conditions of each corporation, we have established a plan to re-evaluate the goal and thereby enhance practicality and effectiveness. To this end, by 2025, DRB will analyze the greenhouse gas emission trends and reduction activity performance of its global subsidiary corporations over the last five years and will also review the carbon neutrality implementation scenarios of major customers. Additionally, DRB will closely examine the environmental policies and regulatory trends prevalent in the countries and regions where each corporation is located. Based on these efforts, we will assess the validity of our current strategy and reset our targets to reflect practical reduction measures. Through this process, DRB will transition to a feasible and sustainable strategy that aligns with the conditions of each corporation while maintaining the principle of science-based reductions.

GHG Emission Reduction Target Adjustment Plan



E2. Climate Change Response

3. Climate Change Risk Management

3-1. Climate Change Scenario Analysis

DRB operates major subsidiary corporations in Korea, Vietnam, China, and Slovakia, and is establishing response strategies based on an analysis of the climate change risks and opportunities applicable to each country. DRB analyzes key climate change-related indicators for each country, such as temperature rise, CO2 emissions, and sea level rise, based on the IPCC's 6th Assessment Report (AR6), reports from the International Energy Agency (IEA), the United Nations Framework Convention on Climate Change (UNFCCC), and various national government policy reports. Through this effort, we focus on evaluating risks and establishing appropriate climate change response strategies for each region. These strategies guide DRB's company-wide climate risk management and play a crucial role in the achievement of its carbon neutrality goals.

[E2-6] Climate Change Risk Identification by Scenario

Category	Outlook	Temperature Rise	Sea Level Rise	Risks	Opportunities	Response Strategies
SSP 1-1.9 Successful transition to low carbon (maintaining 1.5 °C)	<ul style="list-style-type: none"> - Implementing powerful global carbon neutrality policies - Rapid growth of markets for renewable energy and eco-friendly technology - Strengthening ESG regulations and evaluation standards 	1.5 °C or below	0.3~0.6 m	<ul style="list-style-type: none"> - Increased cost burden for eco-friendly transition - Need for technology innovation and investment - Need for change of existing business models 	<ul style="list-style-type: none"> - Potential for dominance of the eco-friendly market - Becoming an outstanding ESG company - Utilizing government support and green finance 	<ul style="list-style-type: none"> - Transitioning to 100% renewable energy (expanding PPA, investing in solar and wind power) - Strengthening Scope 3 GHG management (evaluating ESG performance of suppliers) - Developing eco-friendly products (EV parts technology) - Revitalizing carbon credit trading (participating in the international carbon market)
SSP 1-2.6 Partial reduction (maintaining the 2 °C target)	<ul style="list-style-type: none"> - Applying progressive GHG reduction policies - Possible increase in carbon emission costs - Applying differential reduction goals for each industry 	1.8-2.0 °C or below	0.4~0.7 m	<ul style="list-style-type: none"> - Increased costs due to step-wise adoption of carbon taxes - Changes in investors' trust due to ESG evaluations - Decline in competitiveness due to delays in low-carbon transition 	<ul style="list-style-type: none"> - Opportunity for transition to low-carbon technology - Reduced financial burden through gradual transition - Increased demand for eco-friendly products 	<ul style="list-style-type: none"> - Introducing GHG reduction technology (improving energy efficiency, transitioning to low-carbon fuel) - Building a carbon emission reporting system (managing Scope 1, 2 data) - Expanding eco-friendly investments (R&D, etc.)
SSP 3-7.0 Reduction failure (3 °C or more)	<ul style="list-style-type: none"> - Weakened climate change conventions - Inadequate implementation of carbon neutrality measures by some markets - Rising instability of the supply chain due to increasing climate disasters 	3.5~4.5 °C or below	0.8~1.2 m	<ul style="list-style-type: none"> - Increased disruptions to production and logistics - Increased physical climate risks (floods, heat waves, typhoons, etc.) - Reduced investor interest in ESG 	<ul style="list-style-type: none"> - Maintenance of the existing industrial structure - Reduced burden associated with environmental regulations - Possible business expansion for climate risk response 	<ul style="list-style-type: none"> - Climate risk adaptation strategies (plans for responding to natural disasters, insurance systems) - Diversifying the supply chain (considering relocation of production bases in regions with high climate risks) - Cost reduction strategies in preparation for environmental regulations (simulation on carbon taxes and environmental regulations) - Strengthening social responsibility (supporting climate change response in local communities)

[E2-7] Climate Change Risk Identification by Country of Operation

Country	Major Climate Risks	Major Transition Risks	Major Opportunities	Response Strategies
Korea	<ul style="list-style-type: none"> - Increased frequency and intensity of heat waves and heavy rains due to rise in average temperature (IPCC AR6) - Risk of damage to coastal cities and industrial facilities due to rising sea level - Increased concentrations of particulate matter and air pollution (Ministry of Environment Report, 2023) 	<ul style="list-style-type: none"> - Introduction and reinforcement of carbon taxes (IEA, 2023) - Increased burden for industrial restructuring in line with the government's carbon neutrality target - Strengthening of the emissions trading scheme and increasing burden on companies 	<ul style="list-style-type: none"> - Development of renewable energy technology and industries (IEA Renewable Energy Market Update, 2023) - Innovation of carbon-reducing technology and increased opportunities for export - Expansion of eco-friendly automobile and battery markets 	<ul style="list-style-type: none"> - Establishing carbon reduction roadmaps and setting GHG reduction targets - Transitioning to renewable energy (expanding the adoption of solar and wind power) - Developing carbon-reducing technologies and eco-friendly processes - Strengthening ESG disclosure and responding to corporate sustainability evaluations
Vietnam	<ul style="list-style-type: none"> - Increased possibility of flooding of major coastal cities due to rising sea level (IPCC AR6) - Risk of damage to infrastructure due to increased frequency of typhoons and floods - Decline in labor productivity and increase in energy consumption due to rising average temperature 	<ul style="list-style-type: none"> - Increased trade barriers due to the strengthening of ESG standards for the global supply chain - Introduction of regulations that require expanded use of renewable energy - Possible introduction of carbon taxes and emissions trading scheme 	<ul style="list-style-type: none"> - Possible participation in the international emissions trading market - Increased opportunities for investments in renewable energy (solar, wind power) - Possible development of eco-friendly agriculture and sustainable tourism industry 	<ul style="list-style-type: none"> - Constructing climate change response facilities (strengthening waterproof and cooling systems) - Introducing eco-friendly processes and energy-saving technology - Developing and practicing carbon neutrality policies in cooperation with the government - Investing in infrastructure to expand the use of renewable energy
China	<ul style="list-style-type: none"> - Serious air pollution and increase in GHG emissions - Decline in labor productivity due to increased frequency of floods and droughts - Increase in industrial power consumption due to rising temperature 	<ul style="list-style-type: none"> - Strengthened regulations to attain the national carbon neutrality target (2060) - Increasing burden on plants and manufacturers for transitioning to low-carbon technology - Increased demand for investment in renewable energy and battery technology 	<ul style="list-style-type: none"> - Increased opportunities for investment in eco-friendly technology and carbon-reducing solutions - Accelerated growth of EV and battery industries - Possible use of global eco-friendly financial support 	<ul style="list-style-type: none"> - Introducing eco-friendly processes and carbon-reducing technology - Expanding the use of renewable energy (solar, wind power) - Creating a sustainable supply chain and responding to ESG evaluations - Participating in government-funded eco-friendly projects
Slovakia	<ul style="list-style-type: none"> - Strengthened carbon reduction targets and environmental regulations of the EU - Increased variability in energy production due to changes in rainfall patterns - Decline in agricultural productivity and food supply problems 	<ul style="list-style-type: none"> - Increased trading costs due to the implementation of the EU CBAM - Greater obligation to use renewable energy and setting reduction targets for each industry - Increased burden on companies due to rising carbon credit prices 	<ul style="list-style-type: none"> - Investment opportunities for sustainable energy industry and technology - Expansion of the emissions trading market and increased corporate participation - Possibility to avail eco-friendly finance and research support from the EU 	<ul style="list-style-type: none"> - Participating in the emissions trading market and building low-carbon production systems - Developing eco-friendly products and processes that meet European standards - Promoting energy efficiency and optimized power consumption - Utilizing eco-friendly funding and assistance programs of the EU

E2. Climate Change Response

3-2. Climate Risk Management Process

DRB manages climate change risk systematically in four stages, from risk analysis to response and improvement. Key climate-related risks are identified through regular risk analysis. The results of this analysis are then reflected in our management strategy, and specific risk management activities are promoted accordingly. Next, we prepare and execute response measures to carry out improvement activities. In the final stage, we review the performance of the implemented response activities and, based on the results, derive additional improvement measures to enhance the risk management process continually. Through this four-stage management process, DRB is actively responding to climate change risks, contributing to sustainable corporate growth and the achievement of carbon neutrality goals.

[E2-8] DRB Climate Change Risk Management Process

1	Analysis of Climate Change Risks	2	Review of Response Measures	3	Risk Management and Response Activities	4	Monitoring and Improvement of Risk Response Performance
	Defining highly relevant risks Analyzing risks (cycle of risk occurrence, likelihood, financial-geographical-timely scope of the risks' impact, etc.)		Reducing GHG emissions Establishing and operating corporations Products and services Technology R&D Costs for climate change response		Improving corporate energy efficiency Expanding the use of renewable energy Promoting GHG reduction projects Participating in climate change initiatives Supporting reduction projects for suppliers		Monitoring performance Evaluating the outcomes of activities Reflecting and improving evaluation results Formulating annual activity plan for the following year

[E2-9] DRB Climate Change-related Risks and Opportunities

Risk/Opportunity		Impact	Financial Impact		Likelihood	Response Measures
Physical risks	Acute	· Increased risk of abnormal weather conditions (floods, typhoons, forest fires) in areas with key production facilities	· Increased loss of assets and recovery expenses due to damage to manufacturing plants and logistics facilities	High	Short-term	· Conducting periodic inspection of manufacturing plants and logistics facilities · Developing emergency countermeasure manuals and conducting response training and education · Forming specialized crisis response organizations in various areas, including firefighting, gas, and electricity
	Chronic	· Problems in raw material supply due to climate change · Decline in labor productivity due to heat waves	· Increased purchasing costs and problems in supply due to abnormal weather conditions in the areas that supply raw material (natural rubber, etc.) · Revenue loss due to decline in labor productivity	High	Medium/long-term	· Managing the natural rubber supply chain and participating in efforts to implement natural rubber sustainability · Establishing plans for heat wave preparation facilities and employee health management
Transition risks	Policy/Law	· Rise in carbon credit prices due to the strengthening of climate-related regulations · Acceleration of binding laws and regulations, such as carbon neutrality laws and the EU Regulation on Deforestation-free Products (EUDR)	· Increased costs for regulatory compliance due to the purchase of carbon credit and investments in relevant facilities · Increased regulatory compliance costs, with increased costs arising from fines imposed on account of regulatory non-compliance	High Mid	Medium-term Short/medium-term	· Executing GHG reduction activities and expanding the adoption of renewable energy · Understanding regulations and implementing various improvement activities · Sharing information on new laws and regulations with relevant departments and establishing response measures
	Technology	· Expansion of transition to low-carbon products · Need for expansion of infrastructure and human resources for technology development	· Reduced profits due to leading companies' dominance of the low-carbon product market and increase in R&D costs · Financial losses due to failure in developing new technology and increased labor costs due to increased use of human resources	High High	Short/medium-term Medium/long-term	· Expanding the use of sustainable raw materials and the development of products with reduced environmental burden · Expanding investments in technology development and securing human resources
	Market	· Increase in power and fuel prices · Expansion of the low-carbon and eco-friendly parts market in line with the expansion of the EV market	· Increase in direct costs due to rising prices of electricity and fossil fuel (LNG, diesel, gasoline, etc.) · Increase in costs for establishing new production equipment and processes	High High	Short/medium-term Medium/long-term	· Expanding the adoption of renewable energy and pursuing fuel transition · Expanding the sale of eco-friendly parts for EVs and leading the market through research
	Reputation	· Increase in customers and investors' demand for climate change response	· Decline in corporate value and revenues due to limited sourcing when the demand is not satisfied	High	Medium-term	· Implementing improvements determined by sustainability assessment
Opportunities	Market	· Increase in stakeholders' expectations according to improvement in sustainability performance · Creation of new markets through the expansion of the EV market · Reduced impact of climate change through business diversification	· Expansion of investments and increase in revenue · Increase in profits through the production and sale of eco-friendly parts for EVs · Increase in revenue through business diversification	Mid High Mid	Medium-term Short-term Medium/long-term	· Conducting activities to improve sustainability assessment outcomes · Increasing the sale of eco-friendly parts for EVs and expanding the development of low-carbon products through R&D · Reviewing and pursuing new businesses
	Technology	· Reduction in resource input through technology development	· Improvement of yield and expansion of resource circulation (efforts to reduce waste and retrieve discarded products, etc.)	High	Medium/long-term	· Efforts to save resources and use them efficiently

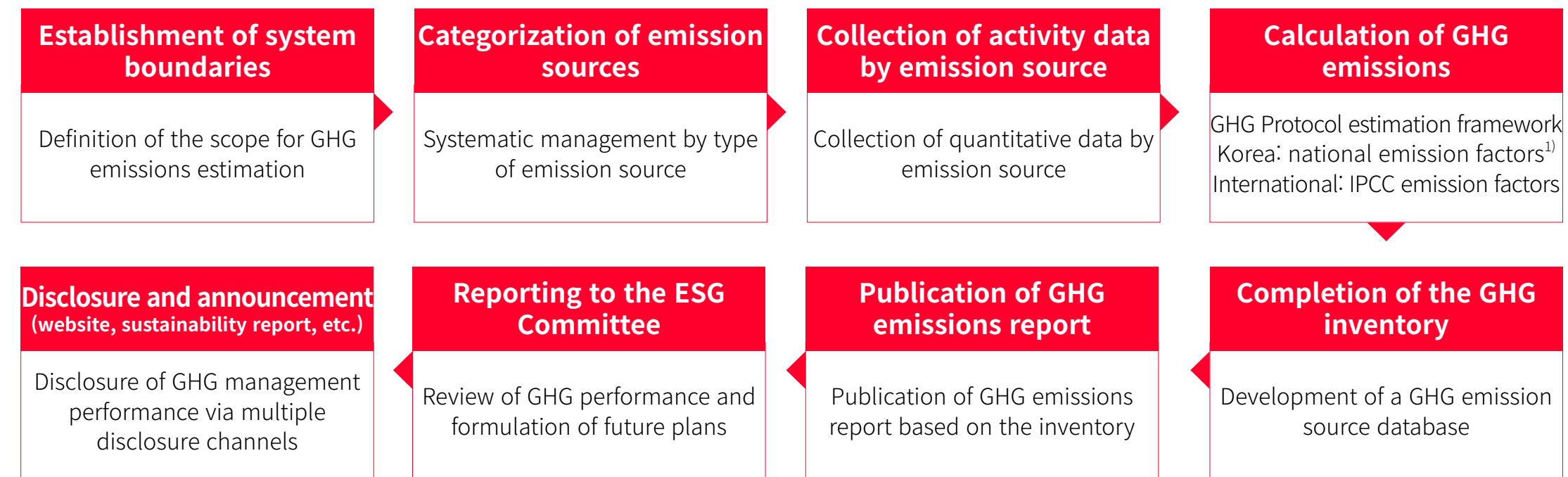
E2. Climate Change Response

4. Greenhouse Gas Management

4-1. Greenhouse Gas Emissions Management

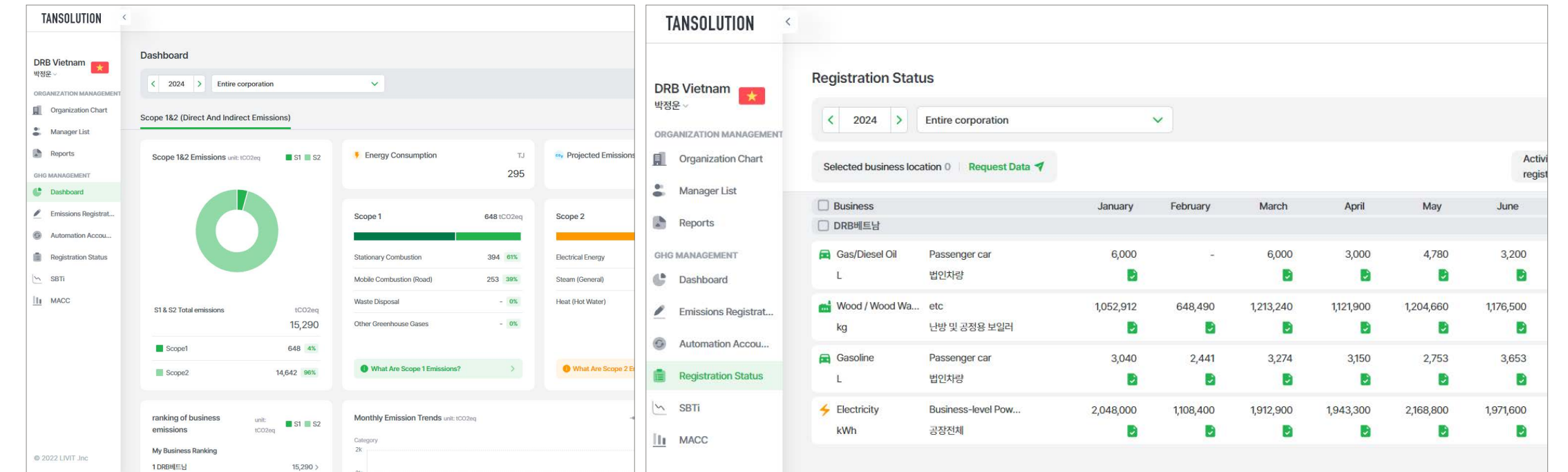
To manage the greenhouse gas emissions of all subsidiary corporations more systematically, DRB has appointed a person in charge of managing GHG for each company and has clearly defined the roles and responsibilities of key related organizations. Through this, we have strengthened the efficiency of our GHG management and laid the foundation for understanding the emissions status of each corporation accurately. Additionally, based on international standards such as the IPCC guidelines and Korea's GHG emissions calculation guidelines, DRB has established the [DRB Greenhouse Gas Inventory] to collect and manage GHG data systematically by emission source. In addition to this, we have built and are operating the [DRB Greenhouse Gas Management System] to automate the collection of data on monthly usage and emissions, analyze the current status, and digitalize monitoring and performance management. Through these efforts, DRB pursues the accurate management and transparent reporting of its greenhouse gas emissions and has established a core foundation for sustainable management.

[E2-10] DRB Greenhouse Gas Inventory Development Process



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

[E2-11] DRB Greenhouse Gas Management System



4-2. Greenhouse Gas Emissions Third-Party Verification

To enhance the transparency and reliability of its sustainability management, DRB conducts regular third-party verification of its greenhouse gas emissions by external expert organizations. The verification is performed in accordance with internationally recognized standards such as ISO 14064-1 and ISO 14064-3, and we are gradually expanding the scope of verification to include Scope 1, Scope 2, and also Scope 3 emissions at our major business sites. Through this, we aim to ensure the accuracy and consistency of our greenhouse gas inventory and strengthen execution capabilities based on our climate change response strategy. The verification results are disclosed transparently through our sustainability report and various disclosure data, practicing responsible climate leadership built on the trust of our stakeholders.

[E2-12] DRB Greenhouse Gas Emissions Third-Party Verification Status

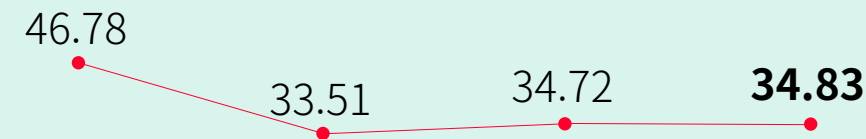
Site	Scope	Coverages at business sites	period	Basis for emission calculation	Level	Agency
DRB Industrial	Scope 1 + 2	100% (Busan Plant, Dongrae Plant, field test sites, Seoul Sales Office, Siheung Logistics Center, and Daegu Sales Office)	2024.01.01 ~2024.12.31	Guidelines for Reporting and Certification of GHG Emissions Trading Scheme	Limited	Korea Management Registrar
DRB Automotive	Scope 1 + 2	100% (Yangsan Plant 1 & 2)	2024.01.01 ~2024.12.31	Guidelines for Reporting and Certification of GHG Emissions Trading Scheme	Limited	
DRB Qingdao	Scope 1 + 2	100% (Chongqing Plant and Qingdao Plant)	2024.01.01 ~2024.12.31	2006 IPCC Guidelines, CaDi National Emission Factors	Limited	
DRB Slovakia	Scope 1 + 2	100% (Slovak Plant)	2024.01.01 ~2024.12.31	2006 IPCC Guidelines, CaDi National Emission Factors	Limited	
DRB Vietnam	Scope 1 + 2	100% (Vietnam Plant)	2024.01.01 ~2024.12.31	2006 IPCC Guidelines, CaDi National Emission Factors	Limited	

E2. Climate Change Response

[E2-13] DRB Greenhouse Gas (Scope 1+2) Emissions Status

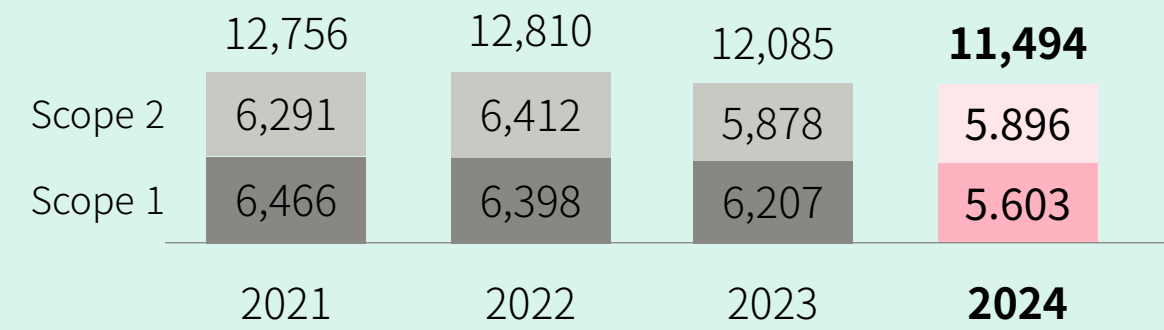
DRB Industrial

Emission intensity¹⁾
Unit: tCO₂eq/KRW Billion



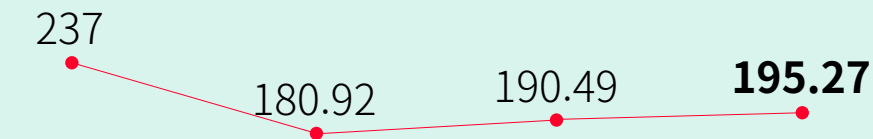
1) For calculation of emission intensity (sales in KRW billions), the sales from consolidated financial statements were applied.

Emissions
Unit: tCO₂eq



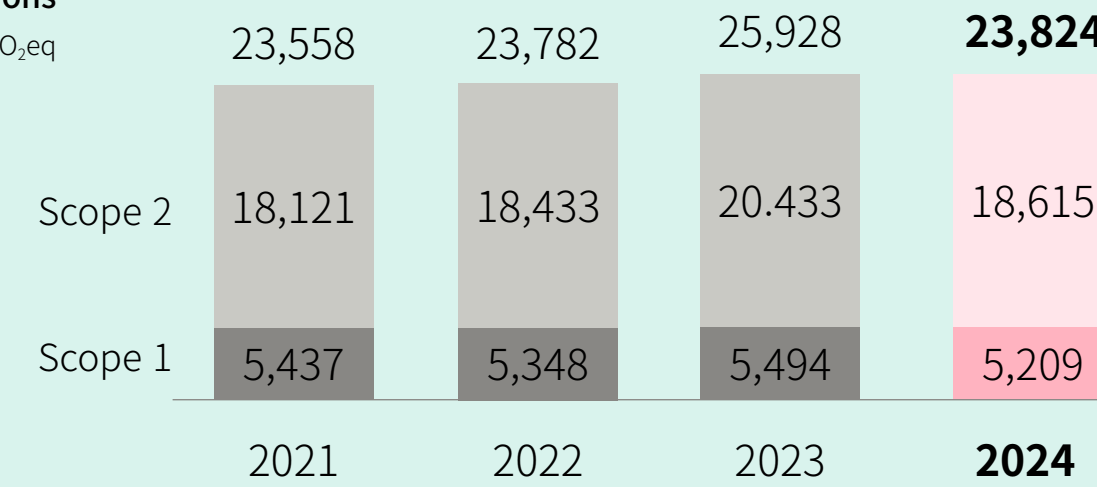
DRB Qingdao

Emission intensity¹⁾
Unit: tCO₂eq/KRW Billion



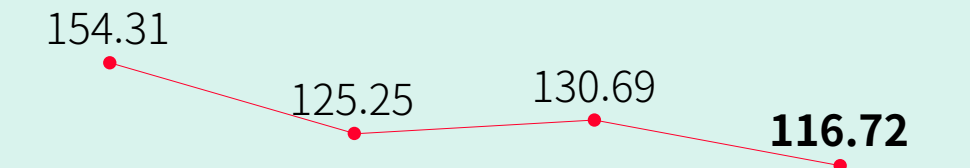
1) For calculation of emission intensity (sales in KRW billions), the sales from non-consolidated financial statements were applied.

Emissions
Unit: tCO₂eq



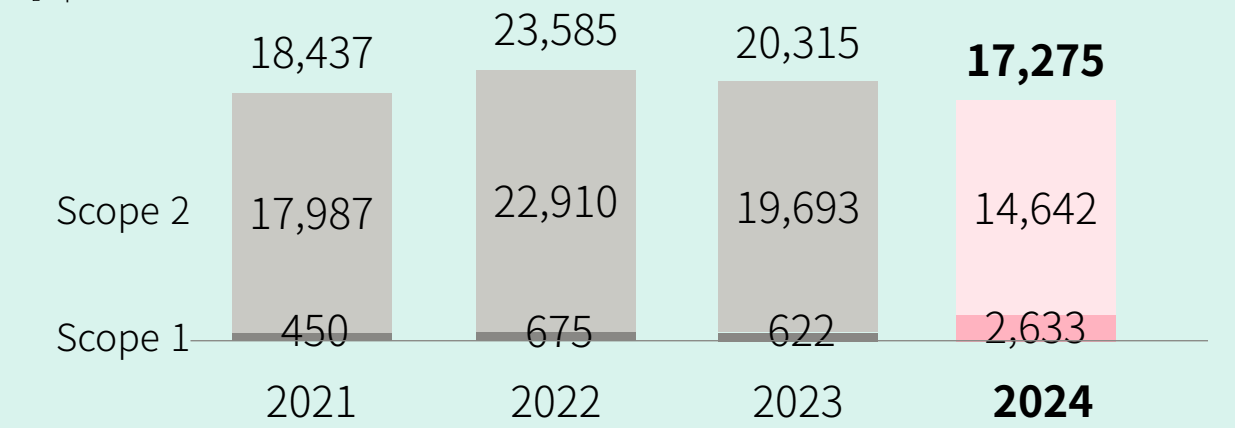
DRB Vietnam

Emission intensity¹⁾
Unit: tCO₂eq/KRW Billion



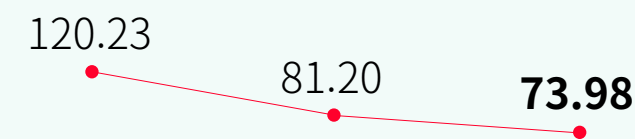
1) For calculation of emission intensity (sales in KRW billions), the sales from non-consolidated financial statements were applied.

Emissions
Unit: tCO₂eq



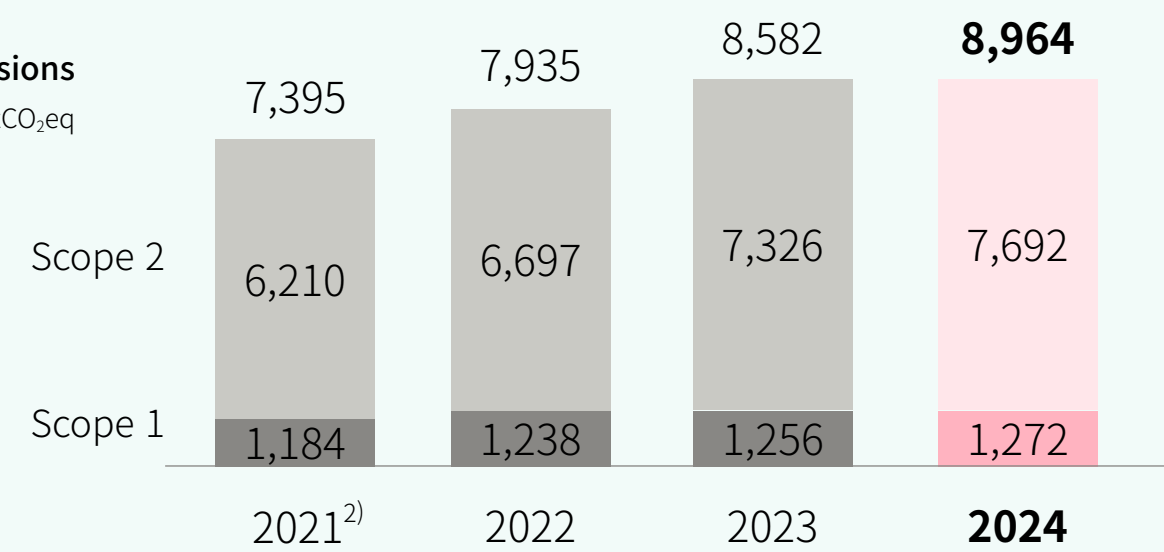
DRB Automotive

Emission intensity¹⁾
Unit: tCO₂eq/KRW Billion



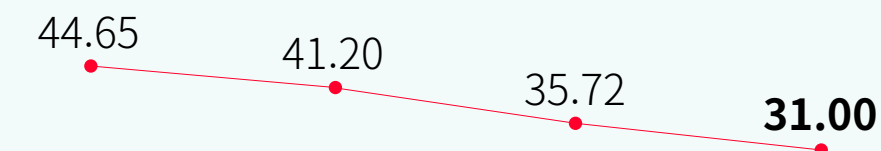
1) For calculation of emission intensity (sales in KRW billions), the sales from non-consolidated financial statements were applied.

Emissions
Unit: tCO₂eq



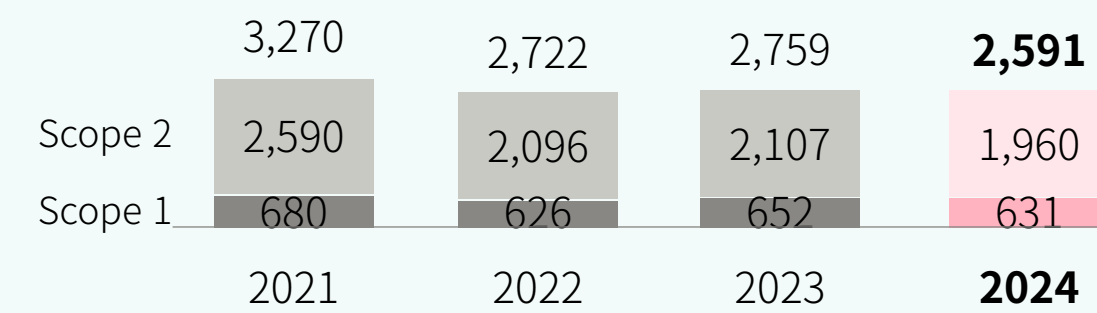
DRB Slovakia

Emission intensity¹⁾
Unit: tCO₂eq/KRW Billion



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

Emissions
Unit: tCO₂eq



2) The 2021 emissions are derived from the total emissions of DRB Holding prior to the corporate spin-off, and reclassified according to the organizational boundary of DRB Automotive.

E2. Climate Change Response

4-3. Scope 3 Emissions Management

Based on the Scope 3 calculation standards and guidelines set by the GHG Protocol, DRB is developing a Scope 3 calculation methodology that is tailored to industrial characteristics. From the 15 Scope 3 categories, we have selected the relevant categories considering characteristics of the value chain and greenhouse gas emission activities of the chemical and rubber industries. We plan to calculate Scope 3 data by utilizing internal data and external proxy indicators that align with the calculation methodology for each category. Additionally, based on data that will be collected for the first time starting from 2025, we plan to review the characteristics and detailed figures of the data used in the calculation process, the calculation methodology and procedures (including formulas), and estimated values to ensure that no significant errors or omissions occur. Through this process, DRB will calculate greenhouse gas emissions data more accurately and transparently and establish a foundation for sustainable management.

[E2-14] DRB Scope 3 Emissions Measurement Plan

Items	Details
Calculation methodology	- Developing an industry-specific calculation methodology according to the Scope 3 calculation standards and guidelines of the GHG Protocol
Selected categories	- Selecting categories that are relevant to industrial characteristics from among 15 Scope 3 categories (considering the value chain of the chemical and rubber industries)
Calculation procedure	- Calculating GHG emissions under each category by utilizing internal data and external proxy indicators
Data collection plan	- Collecting initial data starting from 2025 and checking calculation results and errors based on the collected data
Accuracy verification	- Verifying the accuracy of data collected each year and checking for any significant errors and omissions
Transparency of calculation methodology	- Disclosing the formula and estimation procedure transparently and ensuring reliability through verification of all data
Mid-to-long-term goals	- Establishing strategies to minimize Scope 3 emissions and continuing improvement efforts to attain carbon neutrality goals

Category

1. Purchased goods and services

① Setting data collection priorities

Establishing criteria to set priorities and conducting more precise collection of data for high-priority categories

2. Capital goods

② Data selection

Selecting the list of activity data and emission factors to be collected, considering the characteristics of the items to be calculated and the company's situation

4. Upstream transportation and distribution

③ Data collection and supplementation

Collecting the necessary data, and in cases where data is difficult to obtain, supplementing it with alternative data

5. Waste generated in operations

6. Business travel

7. Employee commuting

④ Improving data quality

Reviewing the quality of data and improving data that is of relatively lower quality over time

4-4. Life Cycle Assessment(LCA)

DRB implements LCA systematically to reduce environmental impact throughout the entire life cycle of its products. In particular, to comply with global regulations on greenhouse gas life cycle assessment, including those recommended by the UN and European countries, we are prioritizing the execution of greenhouse gas emission life cycle assessments for the automotive parts we produce. Through this, DRB comprehensively evaluates the greenhouse gas emissions generated during the manufacturing, distribution, use, and disposal stages of our products, and continuously introduces strategic improvement measures for efficient reduction of emissions.

[E2-15] Life Cycle Assessment (LCA) Process for Automotive Parts

Title	Details	Example of Sealing (Weather Strip) Parts Application
Goal and Scope Definition	<ul style="list-style-type: none"> - Setting the objectives and targets of LCA - Setting the function and functional unit (FU) - Setting the system boundary - Setting the allocation method and factors 	<ul style="list-style-type: none"> - Objective: To conduct an environmental impact assessment and analysis of the major raw materials used in weather strips - Functional unit: Production weight (kg) or quantity (ea.) of weather strips - System boundary: Raw materials → processing → extrusion → joint → delivery (Cradle to Gate) - Allocation method and factors: Setting allocation factors by utilizing physicochemical properties (weight, volume, surface area, etc.)
Life Cycle Inventory, LCI	<ul style="list-style-type: none"> - Quantifying energy flow - Investigating inputs and outputs for each process stage and collecting data 	<ul style="list-style-type: none"> - Raw materials: Investigating raw materials used in weather strips (verifying substances through MDS, BOM) - Manufacturing process: Power consumption of extrusion molding machines and thermal energy consumption in the rubber curing process - Transportation: Collecting data on raw material and product transportation distances and fuel usage (excluding product use and disposal stages)
Life Cycle Impact Assessment, LCIA	<ul style="list-style-type: none"> - Selecting the environmental impact category and method of assessment - Categorizing and characterizing the inventory - Possibly applying normalization and weight 	<ul style="list-style-type: none"> - Impact category: Resource footprint, carbon footprint, acidification - TPE is superior in the resource footprint impact category due to its high recyclability - EPDM has a larger carbon footprint impact due to higher energy consumption during the manufacturing process
Interpretation	<ul style="list-style-type: none"> - Analyzing the results of LCI or LCIA - Determining areas requiring improvement and recommendations - Analyzing sensitivity 	<ul style="list-style-type: none"> - The impact of carbon footprint is larger when using EPDM. → Improvements in production process are needed to enhance energy efficiency - TPE has excellent recyclability, but there are limitations due to mechanical properties - Improvement measures: Optimization of rubber molding temperature and expanding the proportion of recycled raw materials - Conclusion: TPE-based products may be more advantageous in the overall environmental impact category

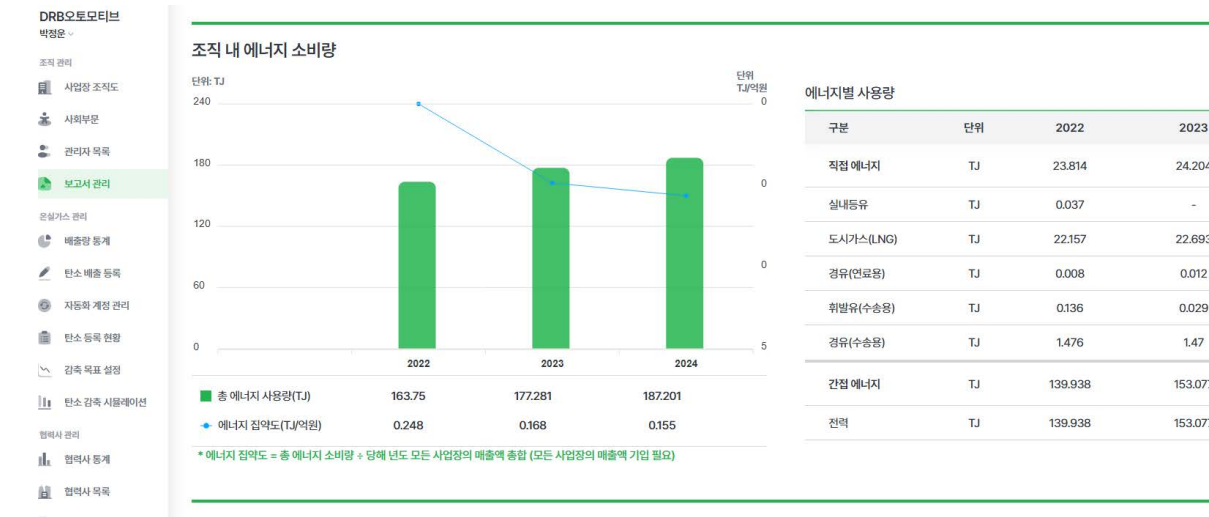
E2. Climate Change Response

5. Energy Management

5-1. Energy Consumption Management

DRB systematically monitors the monthly energy consumption of all its domestic and international subsidiary corporations for each energy source. Based on the energy consumption data collected through this process, we derive more efficient methods of energy utilization and continuously promote improvement activities for reduction by sharing key energy-related issues. Additionally, to strengthen our management of energy efficiency, DRB is preparing to establish an Energy Management System (EnMS) based on ISO 50001. We are also closely monitoring renewable energy support policies and trends in each country and region and are actively reflecting this information in the energy transition plans of each subsidiary corporation.

[E2-16] DRB Energy Consumption Management Solution



[E2-17] DRB Energy Consumption Status

Category		Unit	DRB Industrial			DRB Automotive			DRB Qingdao ²⁾			DRB Slovakia ³⁾			DRB Vietnam ³⁾		
			2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total energy consumption		GJ	258,651	232,437	228,161	163,760	163,908	188,571	178,520	193,419	206,559	49,481	50,220	52,682	345,720	306,537	294,639
General energy	Total	GJ	258,651	232,437	228,161	163,760	163,908	185,816	178,043	189,428	202,770	49,481	50,220	52,682	345,720	306,537	294,639
	Direct energy	GJ	124,659	109,617	104,961	23,820	24,204	25,071	95,569	98,003	101,355	10,899	11,350	11,968	255,384	228,887	214,676
	Indirect energy	GJ	133,992	122,820	123,200	139,940	139,704	160,745	82,474	91,425	101,415	38,582	38,870	40,714	90,336	77,650	79,963
Energy usage intensity ¹⁾		GJ/KRW billion	676.5	667.7	692.1	2,481.2	1,551.0	1,565.9	1,358.0	1,421.1	1,693.9	748.8	650.1	630.3	1,836.0	1,972.1	1,995.4
Renewable energy	Total	GJ	0	0	0	0	0	2,755	1,845	11,191	27,909	0	0	0	0	0	0
	Solar power (PPA)	GJ	0	0	0	0	0	2,755	477	3,991	3,789	0	0	0	0	0	0
	REC	GJ	0	0	0	0	0	0	1,368	7,200	24,120	0	0	0	0	0	0
Renewable energy consumption ratio		%	0	0	0	0	0	1.5	1.03	5.79	13.5	0	0	0	0	0	0

1) For the energy intensity (unit consumption per revenue of KRW 1 billion) of each individual manufacturing subsidiary, the revenue figures from the separate financial statements were applied.

2) The energy consumption figures for 2022 and 2023 have been revised. Previously, overseas subsidiaries were calculated based on the national default calorific values specified in Appendix 19 of the Enforcement Rules of the Energy Act (No. 2012-211, operating guidelines, related to Article 46-2). However, the calculation standard has now been changed to the calorific values provided under the IPCC Guidelines.

3) For direct energy consumption, the emission factors from the GHG Protocol's Emission Factors for Cross-Sector Tools were used to calculate emission density and derive the final energy consumption. This has resulted in some differences compared with the previous year's report. Indirect energy (electricity) calorific values were calculated based on 3.6 MJ/kWh as prescribed by the GHG Protocol Guidance, leading to some discrepancies compared with the results calculated in the previous year's report, where the national default calorific value of 9.6 MJ/kWh was applied.

E2. Climate Change Response

[E2-18] DRB Energy Reduction Activities

DRB has been conducting various activities to reduce energy consumption.

[E2-18] DRB Energy Reduction Activities

Site	Activity	Energy	Reduction amount or costs	Anticipated effect	Investment cost
DRB Industrial	Replacement of air dryers to reduce electricity costs (Before) Refrigeration type → (after) phase change type	Electricity	KRW 512,000	Reduction in electricity usage	KRW 8,300,000
DRB Automotive	Energy transition through the introduction of renewable energy (solar power)	Electricity	10% or higher ratio of renewable energy use	Reduction in indirect (Scope 2) emissions	Approximately KRW 6.8 billion in the next 20 years
DRB Qingdao	Remodeling the permanent magnet used in electric motors	Electricity	12% reduction in electricity use	Reduction in electricity usage	¥ 95,000
	Automation of time management for the VS extrusion and vulcanization process	Electricity, LNG	¥10.6 saved per hour by reducing idling	Reduction in electricity and LNG usage	¥ 2,800
	Improvement of VS gas leakage detector	LNG	Cannot be collected as of now	Reduction in LNG usage	¥ 5,221.24
DRB Slovakia	Transition to LED	Electricity	250 for press, 220 for hole, etc.	Reduction in electricity usage	€ 6,377.00
	Air dryers for clipping machines	Electricity		Reduction in electricity consumption	€ 5,642.83
	Replacement of cooling pipes (HDPE)	Electricity		Limiting heat loss	€ 5,871.48
DRB Vietnam ¹⁾	Comprehensive energy audits (details indicated in the notes below)				

1) DRB Vietnam Energy Reduction Activities

As a strategic measure to improve energy efficiency and reduce costs, DRB Vietnam conducted a comprehensive energy audit. The audit results confirmed a potential to save 8-10% of the total annual energy consumption. Based on these results, specific implementation plans were derived for facility improvement and optimization of operations. Based on the results of the energy audit, DRB Vietnam selected inspections for leaks in the compressed air system and the optimization of facility operating times as core implementation tasks and promoted related improvement activities. By precisely inspecting the compressed air system for leaks and by comparing and analyzing the actual and necessary operating times for each piece of equipment, energy wastage was minimized. Through these efforts, DRB Vietnam accomplished an annual energy cost reduction of approximately VND 116 million, while also achieving the additional benefits of improved operational efficiency and an extended lifespan for equipment.

5-3. Renewable Energy Transition Plan

To meet customer requirements for low-carbon products and to attain its 2050 carbon neutrality goal, DRB seeks measures to secure a stable supply of carbon-free energy, including renewable energy. In the short term, we will reduce indirect emissions by purchasing RECs and by signing solar PPAs through the leasing of lands held by our subsidiary corporations. In the medium to long term, we plan to minimize direct emissions by sequentially replacing fossil fuel-based processes and facilities. Additionally, we will thoroughly prepare for the energy transition by monitoring and establishing investment plans for new technologies, such as high-efficiency equipment and energy storage technology that can offset any temporary increases in electricity consumption.

E2. Climate Change Response

6. Global Initiatives



6-1. Carbon Disclosure Project (CDP)

In response to requests from key stakeholders, DRB Automotive has been participating in the Climate Change part of the Carbon Disclosure Project (CDP) since 2023. Through this participation, we are assessing the impact of our overall production and management activities on climate change and are establishing and reporting our action plans for climate change response. We obtained a B grade in the 2024 evaluation, which indicates that we have attained a level of performance above the basic standard in climate change response. DRB recognizes climate change risks and formulates and implements response strategies accordingly. We plan to pursue continuous improvement and development for even better performance in the future.



6-2. Corporate Renewable Energy Initiative (CoREi)

In 2022, DRB Holding, DRB Industrial, and DRB Automotive joined the Corporate Renewable Energy initiative (CoREi). This initiative is jointly led by the UN Global Compact Network Korea, the World Wide Fund for Nature (WWF), the Korea Sustainability Investing Forum, and the Korean Society for New and Renewable Energy. It was designed with the goals of emphasizing the importance of transitioning to renewable energy and facilitating tangible change for the environment. Through this initiative, DRB is actively supporting the transition to sustainable energy.



6-3. Science Based Targets initiative (SBTi)

To set its Science-Based Targets (SBT), DRB is monitoring and investigating the energy consumption of all subsidiary corporations, the energy mix of each country where they are located, the renewable energy infrastructure, and trends in the REC purchasing prices. Additionally, we are establishing a process to calculate and verify Scope 3 emissions and preparing to establish efficient reduction targets by securing verified data by 2025. Through these efforts, DRB plans to formulate and execute a systematic strategy for carbon reduction.



6-4. Task Force on Climate-related Financial Disclosures (TCFD)

DRB is promoting its climate change response activities based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to identify and manage financial risks arising from climate change effectively. In line with the four key recommendations, namely Governance, Strategy, Risk Management, and Metrics and Targets, we are striving to provide necessary information to investors and stakeholders by transparently disclosing our climate-related risks. Through this, DRB is strengthening the transparency and reliability of our climate risk management.



6-5. Forward Faster (SBTi-linked Global Acceleration Initiative)

In April 2024, DRB Industrial joined the Climate Action section of ‘Forward Faster,’ an initiative promoted by the UNGC Network Korea to accelerate the achievement of the Sustainable Development Goals (SDGs). ‘Forward Faster’ concentrates on five areas: Climate Action, Gender Equality, Living Wage, Water Resilience, and Finance & Investment. Participating companies establish and promote action plans according to the Forward Faster Action Guide to achieve the goals in each respective area. Through this initiative, DRB Industrial pursues tangible change toward climate change response and sustainable development.

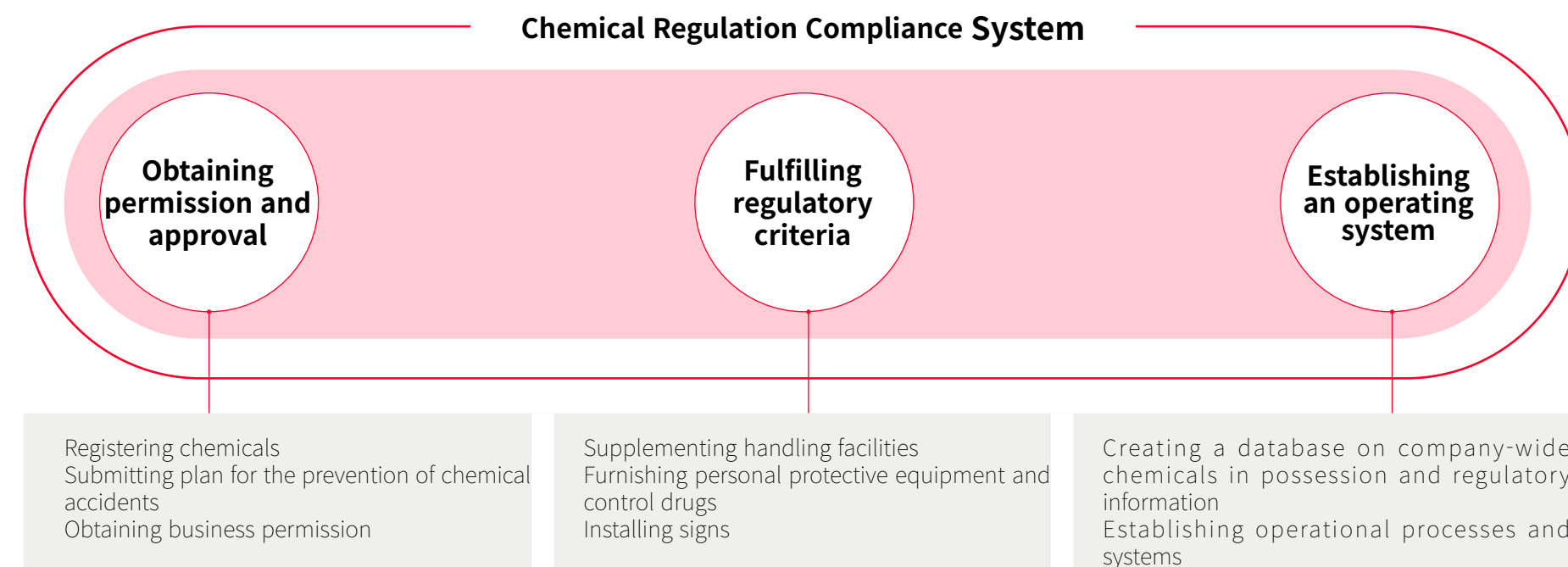
E3. Environmental Impact Management

1. Chemical Management

1-1. Chemical Management System

DRB strictly complies with the Chemical Substances Control Act and the Industrial Safety and Health Act of the countries and regions where its subsidiary corporations are located. We also support international regulations and initiatives such as the EU End-of-Life Vehicles (ELV) Directive and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). To block the use of high-risk chemical substances preemptively, DRB introduces use-restriction measures ahead of related regulations. For substances of concern due to potential harm to human health and the environment, we are closely analyzing domestic and international regulatory trends and actively pursuing the development and application of alternative materials. All subsidiary corporations have established Hazardous Chemical Management Regulations to manage environmental risks systematically throughout the entire process, including handling, storage, and transportation. Hazardous chemicals are stored safely in designated dedicated warehouses and storage facilities, and upon disposal, they are treated appropriately in accordance with relevant laws and internal guidelines. In addition, we ensure the safety of our handling facilities through regular inspections, provide chemical management guidance to suppliers, and enhance their management capabilities through technical support and training. DRB continues to conduct proactive monitoring and improvement activities to block and minimize the environmental release of hazardous chemicals, striving to attain the safety of workers and the environmental protection of local communities simultaneously.

[E3-1] DRB Chemical Regulation Compliance System



[E3-2] DRB Chemical Safety Management Policy

Recognizing the impact of chemical substances on human health and the environment throughout their entire lifecycle, including use, manufacturing, and transportation, as well as on product and company competitiveness, DRB has established the following safety management policies.

- ① To prevent or minimize harm to public health and the environment, we reduce the use of chemical substances that have hazardous or harmful properties.
- ② We take innovative approaches, such as developing substances or new products that can replace high-risk chemicals.
- ③ We faithfully implement the necessary measures for the safe use of chemical substances, including facility management that exceeds legal requirements, employee training, technology development, and dissemination of information.

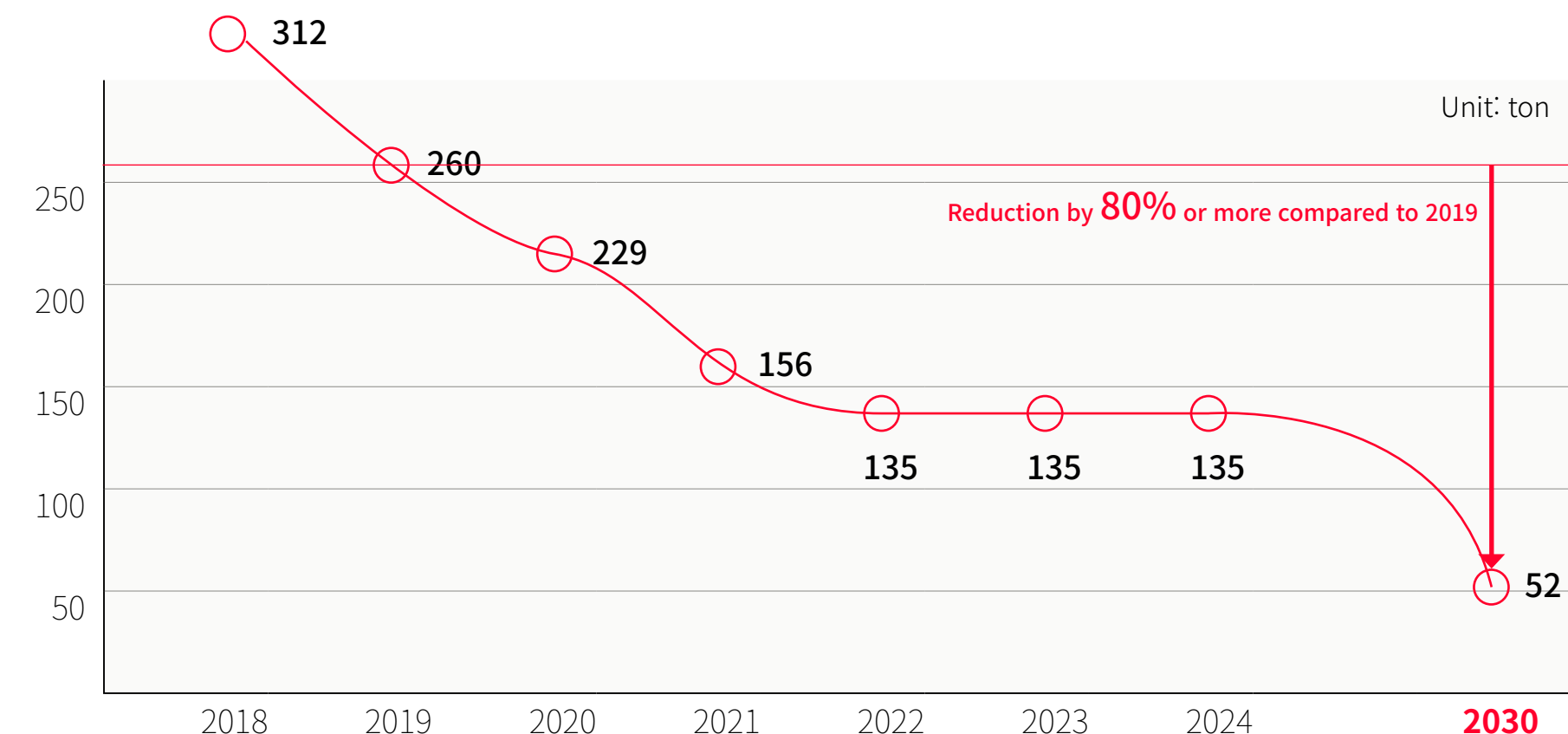
[E3-3] DRB Chemical Management Components

Management Items
• Providing material safety data sheets (MSDS) mandatorily for chemicals and preparations containing chemicals when purchasing chemicals
• Conducting monthly regular self-inspection activities for facilities storing hazardous chemical substances, in addition to the regular legal inspections required by the country where each business site is located
• Reporting risks and problems that may arise in the process of purchasing, storing, handling, and using hazardous chemicals through off-site impact assessment and risk management plans
• Maintaining compliance with the hazardous chemical handling standards of the Chemical Substances Management Act and managing a hazardous chemical handling facility that fulfills these criteria
• Conducting annual emergency response training to enhance emergency response capabilities
• Regularly performing chemical-related training, including training for hazardous chemical substance managers training on chemical safety for employees, at least once a year

1-2. Hazardous Chemical Reduction Targets

To minimize the environmental and health impacts from the use of hazardous chemicals, DRB has established a reduction and transition plan for toluene, which is classified as a high-risk hazardous chemical. Through this, we are strengthening proactive measures to protect our workers from direct and indirect exposure to hazardous substances and to prevent environmental pollution at the same time. In the future, DRB plans to advance its chemical management standards by monitoring high-risk chemicals continuously and expanding the application of alternative materials.

[E3-4] Hazardous Chemical (Toluene) Reduction Target¹⁾



¹⁾ The reduction target is currently only applied to corporations in Korea, and we plan to apply the target to overseas corporations progressively.

E3. Environmental Impact Management

2. Air Quality Management

2-1. Air Quality Management System

For the protection of the air environment and the reduction of greenhouse gases, DRB continuously introduces improvements to its air pollution control facilities and promotes the transition to clean fuels. We have also established and operate internal management standards that are stricter than the relevant laws in the countries where each subsidiary corporation is located. At each subsidiary corporation, we appoint a dedicated manager to inspect emission and control facilities at least once a day, and emission gas concentrations are measured at least once a month through an external expert body. In addition, we conduct self-measurements of all control facilities semiannually to check for compliance with legal standards, and take immediate corrective action if any problems arise. Inspection items include damage to hood and duct, abnormal noise, condition of the fan belt, and abnormal internal pressure in control facilities. We also maintain stable facility operations through the regular replacement of key consumables such as activated carbon, bag filters, and demister filters. Additionally, DRB implements an annual facility maintenance plan to reduce air pollutants. In accordance with this plan, we systematically carry out regular maintenance activities like head cleaning and bearing lubrication, thereby minimizing emissions and contributing to the improvement of air quality.

2-2. Air Pollutant Reduction Target

DRB strictly manages the air pollutant emissions of each subsidiary corporation to maintain them within the legal standards of the countries and regions where they are located, and implements systematic monitoring and preventative measures to this end. In addition, as part of its mid-to-long-term reduction strategy for improving the air environment, DRB has established a goal to reduce air pollutant emissions by 5% compared to the previous year, which is the baseline year. This goal is being achieved through facility improvements at each subsidiary corporation, the expansion of clean fuel use, and the strengthening of regular inspections and maintenance. Through these efforts, DRB continuously contributes to improving air quality within its business sites and protecting the environment surrounding the local community.

2-3. Air Pollutant Management Activities and Performance

DRB improves the efficiency of pollutant treatment by replacing aging air pollution control facilities at its domestic and international subsidiary corporations step by step. In particular, at business sites where expansion of the production line is necessary, we conduct a preliminary environmental impact assessment, calculate the amount of air pollutant generation, and install additional, appropriate control facilities to minimize the environmental impact.

[E3-7] DRB Air Pollutant Assessment Status

Site	Cycle	Inspection Body	Latest Inspection	Inspection Results
DRB Industrial	Twice a month	GH Environment Co., Ltd	2024.12	Appropriate (below the emission standard)
DRB Automotive	Semiannually	GH Environment Co., Ltd.	2024.12	Measurement conducted for 28 locations, emissions determined to be below the Korean legal emission standard
DRB Slovakia	6 years	MM Team s.r.o.	1) 2025.04.12 2) 2024.02.24~27	1) 6 extrusion lines (below the emission standard) 2) 2 extrusion lines, painting process, primers (close to the V7 standard, needs to be managed)

[E3-8] DRB Air Pollution Prevention Facilities



DRB Industrial

DRB Industrial has upgraded its waste gas incineration facility (RTO) in response to emission standards and established internal standards that exceed legal emission requirements, switching from oil-based to water-based solvents in its manufacturing processes to reduce the emission of air pollutants. It has also expanded odor reduction and air pollution prevention facilities.

DRB Automotive

DRB Automotive has improved the efficiency of treating particulate matter by replacing dust collector equipment in the mixing process. It is also reducing air pollutant emissions by developing and applying water-based solvents that are free from volatile organic compounds.

DRB Qingdao

In accordance with local Chinese laws, the status of air pollutant emissions is self-inspected twice a year or inspected by a third-party institution. The inspection results are reported and registered with the local government and relevant organizations.

DRB Vietnam

DRB Vietnam has installed a cyclone system to improve the performance of short ball dust collection.

2-4. Noise and Odor Management

DRB recognizes that noise and odor issues are significant environmental issues that can affect the health and quality of life of local communities and workers near its business sites. We promote systematic management and reduction activities for these issues across all our subsidiary corporations. All subsidiary corporations monitor noise and odor impacts through regular environmental assessments (based on a three-year cycle) and non-regular assessments. Non-regular assessments are conducted promptly when change factors arise, such as process changes, addition of new facilities or expansion of existing ones, changes in raw or subsidiary materials, revisions to related laws, or stakeholder requests. Based on the results, we prepare appropriate countermeasures. To suppress noise generation, we install protective covers on equipment that generate severe noise and construct soundproof walls at the boundaries of our business sites to minimize the external diffusion of noise. In particular, we identify points of high impact in surrounding areas and conduct periodic noise measurements each year at these locations. The measurement results are used not only for internal management but also as basic data for communication with the local community. For odor reduction, DRB has placed deodorizing products and collection containers and carries out prompt disposal and treatment of odor-causing substances. Additionally, by installing and operating air pollution control facilities for each process, we are integrally managing complex environmental impacts, including odor, airborne hazardous substances, smoke, and dust. In cooperation with Yangsan City, DRB Automotive has installed and is operating a fixed odor measuring device within its plant, thereby contributing to odor improvement not only within the business site but throughout the local community. DRB also provides appropriate personal protective equipment (earplugs and dust masks) to protect workers from health damage caused by noise and odor. Follow-up surveys are conducted in parallel to related illnesses. DRB will continue to strengthen its noise and odor management capabilities to improve the work environment and the environmental quality of local communities, faithfully serving its role as a corporate citizen that fulfills environmental responsibilities.



DRB Automotive Odor Real-Time Monitoring

E3. Environmental Impact Management

3. Water Quality Management

DRB strictly complies with the water pollutant-related laws and regulations of the countries and regions where its subsidiary corporations are located, and lawfully secures all necessary permits for business operations. Based on this, DRB establishes specific goals and implementation plans for improvement of water quality and continues its efforts to reduce pollutants by introducing chemical and physical purification technologies and by strengthening its infrastructure.

At each subsidiary corporation, a dedicated water quality manager is appointed to conduct regular monitoring of wastewater. In the event of abnormal water quality, a rapid response system is activated through cause analysis and risk assessment to prevent environmental risks.

DRB Qingdao has established an online water quality monitoring system in cooperation with the local environmental agency in China, enabling real-time management of water quality data and transparent sharing of information. Additionally, it actively participates in joint efforts with the local community to improve the water environment.

To proactively respond to the strengthened wastewater regulations (QCVN 0:2025/BTNMT), scheduled to come into effect on September 1, 2025, DRB Vietnam is promoting a complete renovation of the wastewater treatment facility in its first plant. The existing facility presented difficulties in treating incoming wastewater stably due to aging and technical limitations, which raised concerns about potential environmental risks.

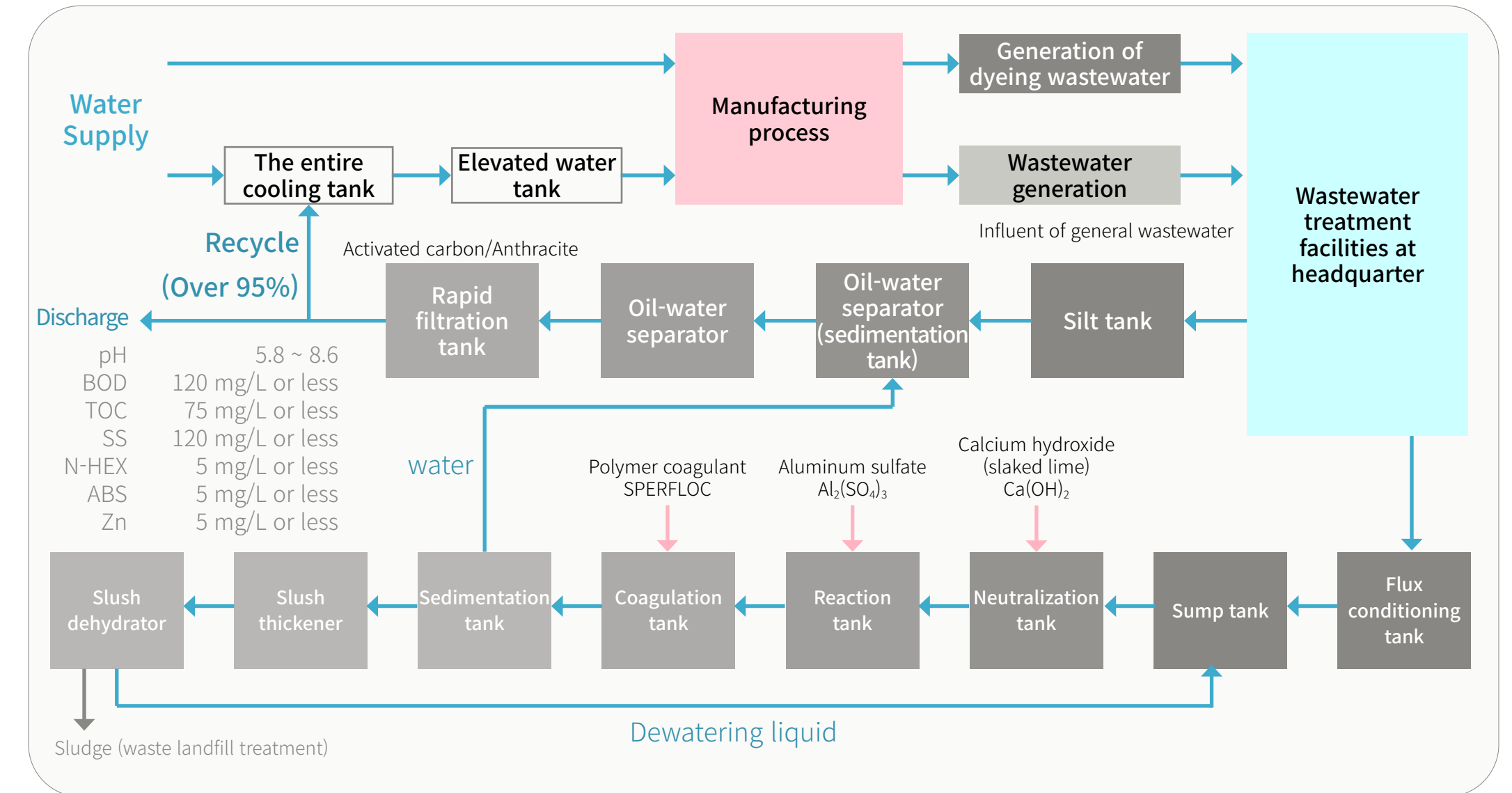
In addition, with the recent increase in production volume, the amount of wastewater generated has also increased, which increased the possibility of exceeding the treatment capacity of the existing facility. Accordingly, DRB Vietnam aims to block environmental burdens in advance and strengthen its infrastructure for sustainable production activities through the renovation of its wastewater treatment facility.

Going forward, DRB will continue to advance its standards for water pollution prevention management across all subsidiary corporations and will practice responsible corporate activities that contribute to the conservation of local communities and ecosystems.

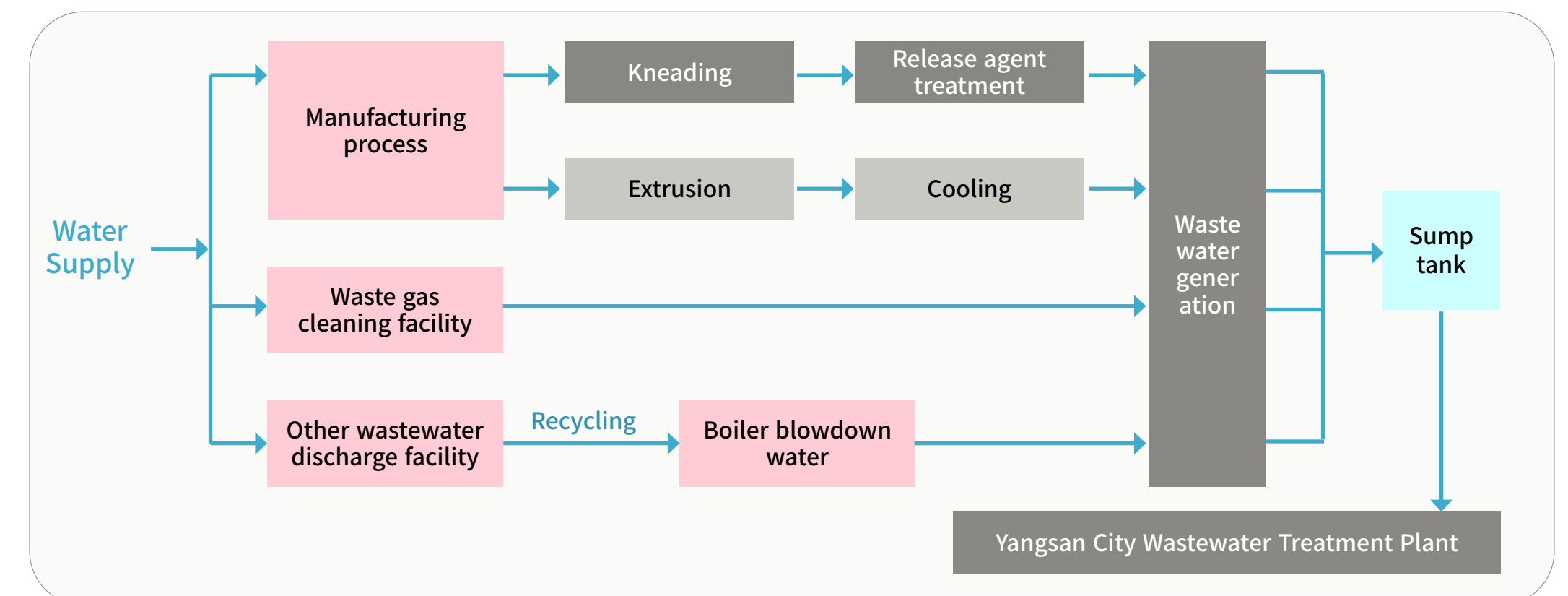
[E3-9] DRB Wastewater Assessment Status

Site	Cycle	Inspection Body	Latest Inspection	Inspection Results
DRB Industrial	Twice a year	Korea Testing & Research Institute, Ulsan Branch	Second half of 2024	Exceedance of emission standards: No abnormality, no new emission substance detected
DRB Automotive	Twice a year	Korea Testing & Research Institute, Yangsan Branch	Second half of 2024	Exceedance of emission standards: No abnormality, no new emission substance detected
DRB Qingdao	Twice a year	Qingdao ECH Testing Co., Ltd.	Second half of 2024	Managed according to legal requirements
DRB Slovakia	Not applicable	GGE distribúcia, s.r.o.(관리기관)	None	Only managing emissions

[E3-10] DRB Industrial Wastewater Treatment Flow Diagram



[E3-11] DRB Automotive Wastewater Treatment Flow Diagram



E3. Environmental Impact Management

4. Soil Management

DRB carries out systematic management activities to prevent soil pollution at the sites of all subsidiary corporations and maintain the soundness of the soil environment. In particular, we continuously monitor the possibility of soil pollution from leaks and residues of hazardous materials that may occur during the manufacturing process, and operate management systems that reflect the regional and process-specific characteristics of each subsidiary corporation.

DRB Industrial and DRB Automotive conduct frequent self-inspections for leaks of waste lubricating oil and various chemicals. Alongside this, they pursue preventive measures through regular diagnosis of other risk factors that could cause soil pollution.

DRB Qingdao has implemented leak prevention measures at its storage facilities for dangerous substances and hazardous chemicals, fundamentally blocking potential soil pollution during storage and transport. It is also continuously advancing its standards for facility safety management.

To prevent pollutants from entering the soil, DRB Vietnam operates a leak control system focused on petroleum storage areas and chemical storage tanks, and also conducts regular emergency response drills for swift response to accidents. In addition, it has constructed preventive ditches to block runoff into the soil and follows stringent procedures for proper storage and disposal of waste oil and chemicals.

In the future, DRB plans to continue strengthening its integrated soil environment management system for all subsidiary corporations and will practice prevention-focused environmental management that blocks damage to the ecosystem from pollutants in advance.

[E3-12] DRB Soil Contamination Assessment Status

Site	Cycle	Inspection Body	Latest Inspection	Inspection Results
DRB Industrial	Two-year cycle	Dong-Eui Analysis Center	2024.4.17	Appropriate
DRB Automotive	Two-year cycle	Dong-Eui Analysis Center	2024.2.7	Appropriate

E3. Environmental Impact Management

5. Biodiversity Management

5-1. Biodiversity Management System

DRB recognizes the potential impact of its manufacturing and management activities on biodiversity and deploys systematic efforts to prevent and minimize potential damage to the ecosystem. In particular, we support the biodiversity conservation goals within the UN Sustainable Development Goals (SDGs) and promote business activities that align with global standards and principles such as the Convention on Biological Diversity (CBD) and the guidelines provided by the International Union for Conservation of Nature (IUCN) for applying protected area management categories.

To ensure the practical implementation of biodiversity protection, DRB has established an environmental policy that includes related provisions, and guides its employees with a Code of Conduct that contains practical tasks for biodiversity conservation. Additionally, we operate a Supplier Code of Conduct and a Green Purchasing Policy for our suppliers to strengthen supply chain responsibility, promoting the internalization of obligations for biodiversity conservation. Furthermore, we conduct periodic assessments of our dependency and impact on significant natural capital across all business activities, and we reflect related risks and opportunities in our strategic decision-making by reporting them to the ESG Committee under the Board of Directors. DRB pursues thorough compliance with the relevant laws and regulations of the international community and the countries where it operates, practicing responsible management for the sustainable use and conservation of natural capital.

[E3-13] Biodiversity Impact Assessment Indicators

Category	Natural Resource	Ecosystem
LOW	Use of small amounts of depletable/non-depletable resources	Cases where the impact on the ecosystem/workers is negligible
	Cases where significant amounts of non-depletable resources are consumed	Cases where there is an impact on the ecosystem/workers but recovery is possible within a short period Cases where long-term contact/inhalation has a slight impact on workers' health and safety
HIGH	Cases where significant amounts of depletable resources are used	Cases that bring about destruction of the ecosystem or where natural recovery is difficult Cases where contact/inhalation by workers is prohibited or immediate action is required upon contact/inhalation Cases where long-term contact/inhalation has a huge impact on workers' health and safety

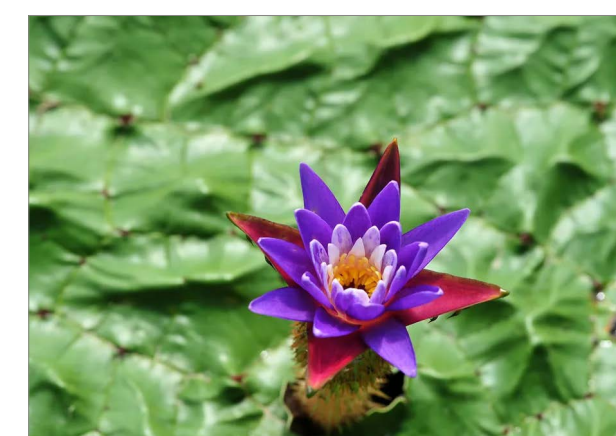
5-2. Biodiversity Risk Mitigation Measures

(1) Natural Capital and Biodiversity Management

Recognizing biodiversity as an essential element of corporate sustainability management, DRB plans to establish a biodiversity management process starting from 2025 to manage the associated risks systematically. This process will be based on the Locate, Evaluate, Assess, Prepare (LEAP) approach presented in the Taskforce on Nature-related Financial Disclosures (TNFD) framework. In addition, we plan to identify business activities that have a significant dependency and impact on natural capital and to prepare corresponding response strategies by utilizing the industry-specific natural capital dependency and impact analysis tools provided by Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE).

(2) Ecosystem Conservation Activities

DRB periodically checks its impact on the ecosystems surrounding the local communities where subsidiary corporations are located and carries out purification activities continuously to conserve local biodiversity. In 2024, DRB Holding, DRB Industrial, and DRB Automotive cooperated with the Nakdonggang River Management Headquarters of Busan Metropolitan City to conduct an activity to remove tall goldenrod, a species that causes disturbance to the ecosystem, at Samnak Ecological Park, which is a habitat for Class II endangered plant species such as the prickly water lily, water shield, and Asian lizard's tail. This activity was aimed at contributing to the protection of native species and the maintenance of ecological balance.



Endangered species, prickly water lily



Ecosystem-disturbing species, tall goldenrod



Volunteer activity to remove tall goldenrod, a species that causes disturbance to the ecosystem

Additionally, DRB Slovakia, DRB Vietnam, and DRB Qingdao conducted plogging activities to protect the environment in the local communities near subsidiary corporations. In particular, DRB Qingdao is contributing to the expansion of greenhouse gas sinks and the securing of biodiversity through ongoing tree planting activities.

(3) Training and Capacity Building

DRB includes courses that provide an understanding of biodiversity and natural capital in its regular ESG and compliance training for all subsidiary corporations. We operate systematic training on international conventions, country-specific regulations, and responsible corporate response measures. In addition, through our ESG capacity-building training programs for suppliers, we provide guidance on export and import regulations related to biodiversity, industry-specific requirements, and the strategic direction of major customers. In addition, we promote mutual understanding and practices to build a sustainable value chain with our suppliers.

E3. Environmental Impact Management

5-3. EUDR Response Plan

DRB contributes to biodiversity conservation by establishing a supply chain management process that helps prevent deforestation and forest degradation in the sourcing of natural rubber. To this end, DRB manages all stages of its supply chain transparently in compliance with the European Union Deforestation Regulation (EUDR), accurately traces the origin of its natural rubber raw materials, and systematically assesses the environmental impact at each stage. In addition, we have introduced a data management system to support this and are cooperating with our suppliers in pursuit of continuous improvement.

DRB adopts sustainable agriculture and forestry practices and gives priority to selecting natural rubber certified by the Forest Stewardship Council (FSC) and Program for the Endorsement of Forest Certification (PEFC). Through these efforts, we aim to achieve environmental protection and regulatory compliance simultaneously. In March 2025, we visited a natural rubber production site in Vietnam to conduct on-site due diligence. For risk factors identified during the due diligence process, we have established a mitigation plan and are conducting follow-up monitoring.

Additionally, DRB educates its sales and purchasing employees on the importance of the EUDR and communicates specific methods to maintain compliance. Through this, we ensure that the importance of legal compliance and sustainable supply chain management is recognized and practiced company-wide.

DRB conducts regular assessments of its natural rubber supply chain to check for regulatory compliance within the chain and maintains transparency by submitting relevant reports to the government of the country of material origin, local governments, and customers as necessary.

[E3-14] EUDR Response Process



[E3-15] EUDR Due Diligence Checklist

Category	Inspection Items (6 Clauses)	Checklist (17 Clauses)	
Document assessment	Inspection of the production site to confirm suitability (common)	Confirmation of ownership status at each production site	- Whether there is proof of ownership of the production site
		Confirmation of the land clearing date of plantations	- Whether verification data for the land clearing date of regulated products has been prepared for each production site - Whether there are production sites where the land was cleared on or after December 30, 2020
		Confirmation of unreported production sites	- Whether the receiving history is managed separately by production site in the raw material ledger - Whether the total incoming quantity recorded in the raw material ledger matches the sum of shipment quantities from each production site - If there are any production sites that have been cleared on or after December 30, 2020, whether the quantity of raw materials from those production sites is managed separately
On-site due diligence	Inspection of supply chain suitability (common)	Confirmation of storage management at each production site	- Whether the shipment volume of natural rubber produced at the production site is being managed properly - Whether the shipment volume information from the production site matches the incoming quantity recorded in the material ledger of the head office - Inspection of the transfer process from the production site to the storage warehouse - Whether other raw materials can be mixed with the shipment during transfer from the production site to the storage warehouse - Whether raw materials received from each production site are distinguishable at the storage location
		Confirmation of separate management by production site during product manufacturing	- Whether the raw materials used in production can be distinguished by production site - Whether raw materials from different production sites can be mixed during storage before they are put into production - Whether the receiving and input quantities of raw materials are being managed properly at the product manufacturing site - Whether the actual quantities match the quantities identified in the material ledger of the head office - Whether other raw materials can be used and mixed with finished products during storage
		Inspection of consistency with the supply chain data submitted during document inspection	- Whether the finished products are transported to the delivery/shipping location through the reported supplier

Due Diligence Case

An individual assessment was conducted for two farms in Vietnam, Phu Rieng and Loc Ninh, to determine their compliance with the EU Deforestation Regulation (EUDR). This assessment was carried out as an independent and specific review procedure to confirm whether the two farms met the standards required by the EUDR. First, we verified whether the products produced at the two farms were certified appropriately through a forest certification program that complies with the EUDR. We also checked whether the certification assessment was performed and if its results were appropriate. Additionally, to evaluate whether it could be proven that the products did not originate from deforested or degraded areas, we reviewed the suitability of the production sites in accordance with Article 9, Paragraphs 5 and 6 of the EUDR, with a focus on the land clearing date of the plantations. To clarify the location information of the production sites and to ensure reliability of data, we utilized maps in GeoJSON format, satellite images, and Geographic Information System (GIS) data. Furthermore, we conducted a comprehensive review of the overall regulatory compliance status of the two farms by also checking for any violations of laws related to tax, corruption, trade, and customs.

E4. Resource Circulation

1. Water Resource Management

1-1. Water Resource Risk Analysis and Mid-to-Long-Term Strategy

As a global corporation, DRB deeply recognizes that the world's water resources are threatened by excessive water consumption and pollution, overuse of resources, and climate change, and that management of water resources is a key agenda for sustainable business. Accordingly, DRB annually reviews the water stress and water resource risk status of the regions where each of its subsidiary corporations is located, and establishes corresponding response strategies by segmenting the risk factors. In particular, using the Aqueduct Water Risk Atlas of the World Resources Institute (WRI), we systematically identify water stress and risk areas for each subsidiary corporation and, based on this, strengthen our water resource risk response system at the business site level. Additionally, to establish successful principles for management of local water resources, DRB investigates high-priority water resource issues in the regions where each subsidiary corporation is located and actively participates in solving urgent problems in cooperation with the respective local governments and civil society. In conjunction with this, DRB implements its mid-to-long-term water resource strategy systematically by referencing the Net Positive Water Impact Technical Guidance and Step-in-Practice in accordance with the water management principles of the UNGC's CEO Water Mandate. We continue our efforts to realize the Net Positive Water Impact.

DRB Holding, DRB Industrial (Busan Region)¹⁾

The Busan region is an area with high flood risk, and damage caused by urban flooding has been increasing continuously due to a recent rise in rainfall and intensifying urbanization. In particular, due to the capacity limits of the drainage system, the need for additional flood prevention measures is emerging, particularly in low-lying areas. In addition, some water pollution issues are occurring due to wastewater discharge from industrial areas, requiring the advancement of purification systems and the strengthening of continuous monitoring frameworks. As a coastal city, Busan is assessed as a region where a stable water supply can be secured by utilizing seawater desalination technology to respond to water scarcity risks associated with climate change. (Source: Korea Environment Institute [KEI] 2023, K-Water 2024 Water Resources Report, WRI Aqueduct 2024)

2040 Strategy: DRB aims to reduce urban flooding risks by improving the drainage system in the regions where its production facilities are located. To supplement the limitations of the existing drainage infrastructure, we are laying the foundation to minimize damage even during torrential rain and extreme rainfall events by preparing structural measures such as expanding retention basins. In addition, as part of our strategy to secure stable water supply, we plan to actively introduce seawater desalination technology. Through this effort, we will create a sustainable production environment resilient to climate change by enabling the independent securing of necessary water resources for industrial activities and daily life, free from external risks. Furthermore, we are modernizing our wastewater treatment system in response to water pollution issues. By introducing advanced purification technology and strengthening our management standards, we are preemptively complying with environmental regulations while simultaneously establishing an eco-friendly production system based on resource circulation.

[E4-1] DRB Business Site Water Risk (source: WRI, Aqueduct Water Risk Atlas)

Region	Busan	Kyeongnam	Shandong	Chongqing	Trenčiansky	Binh Dương
	Site	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Overall Water Risk	2.44	1.55	4.34	1.96	1.70	3.38
Physical Risks Quantity	3.45	2.95	4.49	1.09	3.07	3.36
Water Stress	2.23	2.45	5.00	0.00	1.79	1.70
Water Depletion	1.15	1.12	5.00	0.05	1.17	1.14
Interannual Variability	0.74	1.08	2.97	2.57	1.53	1.07
Seasonal Variability	0.87	0.87	1.90	1.37	1.27	2.33
Groundwater Table Decline	Insignificant Trend	Insignificant Trend	2.67	Insignificant Trend	Insignificant Trend	Insignificant Trend
Riverine flood risk	4.00	1.09	1.01	2.04	2.08	3.80
Coastal flood risk	1.73	0.00	0.61	0.00	0.00	3.03
Drought Risk	2.54	2.06	3.52	2.80	3.06	2.17
Physical Risks Quality	1.57	1.87	3.58	3.41	2.30	4.13
Untreated Connected Wastewater	1.09	1.09	3.28	3.28	1.80	5.00
Coastal Eutrophication Potential	3.45	4.12	3.76	3.31	3.64	1.94
Regulatory and Reputational Risk	2.06	0.55	3.01	3.05	0.47	2.82
Unimproved/No Drinking Water	0.00	0.00	1.21	1.15	0.00	1.75
Unimproved/No Sanitation	2.96	0.00	4.65	4.81	0.00	3.33
Peak RepRisk Country ESG Risk Index	1.48	1.48	1.92	1.92	1.28	2.60

Low

Low - Medium

Medium - High

High

Extremely High

¹⁾ We reviewed [E4-2] DRB Industrial Water Risk Response Strategy by categorizing risks into physical risks and regulatory and reputational risks.

E4. Resource Circulation

[E4-2] DRB Industrial Water Risk Response Strategy

Category	Risk	Current Status	DRB 2040 Response Strategy	Indicator Data
Physical risks	Droughts	The water source for Geumjeong-gu, Busan, where DRB Industrial is located, is the Hoedong Dam. The drought level is normal, and there are no issues with the use of industrial and domestic water. (Source: Ministry of Environment National Drought Portal, https://www.drought.go.kr/menu/m50/m54.do#)	DRB will secure stable supply of industrial and domestic water by actively introducing seawater desalination technology. (Recommendation) Installation of water storage tanks and water reuse facilities capable of servicing production facilities at business sites for an average of one day	Water consumption Water recycling volume
	Flood	The Busan region, where DRB Industrial is located, is an area with high flood risk. In recent years, damage caused by flooding within the city has been increasing due to rising rainfall. The drainage system is reaching its limit, and additional flood prevention measures are required in low-lying areas. (Source: Korea Environment Institute (KEI) 2023 Report, K-Water 2024 Water Resources Report, WRI Aqueduct 2024 data)	DRB will prevent flood damage by improving the drainage system in the region where its production facilities are located and by expanding retention basins. (Recommendation) Creation of wetlands and installation of levees to prepare for flooding of rivers near business sites, annual renewal of disaster compensation insurance, and regular inspection of flood prevention equipment Establishing an emergency response system and conducting regular drills	Not applicable
	Water quality degradation	Additionally, some water pollution issues are occurring due to the discharge of wastewater from industrial areas, requiring the strengthening of purification systems. As a coastal city, Busan has high potential to actively utilize seawater desalination technology. (Source: Korea Environment Institute [KEI] 2023 Report, K-Water 2024 Water Resources Report, WRI Aqueduct 2024 data)	DRB will modernize its wastewater management system to ensure compliance with environmental regulations and maintain a sustainable production process. (Recommendation) Increasing the frequency of self-conducted water quality analyses and improving the efficiency of water treatment facilities	Wastewater volume
	Ecosystem recovery resilience	According to the biomonitoring network results for the riverside of the Suyeong River in Geumjeong-gu, Busan, where DRB Industrial is located, the ratings were as follows: D-grade (poor) for habitat and waterfront environment, E-grade (extremely poor) for waterfront vegetation, and D-grade (poor) for fish. (Source: Ministry of Environment Water Environment Information System https://water.nier.go.kr/web)	(Recommendation) Promotion of regular purification activities and expansion of efforts to reduce environmental load in cooperation with local governments	Not applicable
Regulatory and reputational risks	Policies and laws	DRB Industrial is subject to the [Water Environment Conservation Act], [Framework Act on Water Management], [Water Supply and Waterworks Installation Act], and [Sewerage Act].	(Recommendation) Continuous monitoring and compliance with local environmental policies and regulations (Recommendation) Management with standards stricter than the national legal emission standards	Number of legal violations
	Infrastructure and investments	DRB Industrial possesses a rainwater storage facility for water conservation and a wastewater purification facility capable of chemical/physical treatment. Over 95% of the purified water is being recycled and reused.	(Recommendation) Treatment of sewage and wastewater on-site and treatment at the final treatment facility within the industrial complex (Recommendation) Measure and manage the quality of water discharged at business sites and expand facility investment continuously to secure clean water resources	Environmental investment costs
	Policies and governance	DRB Industrial annually reports and resolves key environmental agendas, including water risk, through the ESG Committee, Environmental Management Committee, and ESG Working Group within the Board of Directors. It also informs all stakeholders of the obligations regarding water resource protection through the Environmental Management Policy, Employee Code of Conduct, and Supplier Code of Conduct.	(Recommendation) Active communication with the local government and local communities (Recommendation) Implementation of environmental protection activities	Not applicable

DRB Automotive (Gyeongsangnam-do Region)

Gyeongsangnam-do is classified as a region with a high possibility of groundwater depletion and drought occurrence, and a continuous decline in groundwater levels has been observed in recent years. In particular, given the high dependency on water resources in the agricultural and industrial sectors, efficiency of water use is emerging as a key management issue. Cases of water supply restrictions due to water scarcity have occurred in some areas, and securing a stable water supply and establishing a supply system are recognized as urgent tasks. (Source: K-Water National Water Resources Status 2023, Ministry of Environment Water Resources Policy Report 2024, WRI Aqueduct 2024 data)

2040 Strategy: To establish a sustainable production system, DRB plans to advance its groundwater management policies and introduce an integrated management system for increasing the efficiency of industrial water use. To respond proactively to drought and water scarcity risks due to climate change, we will apply reservoirs and rainwater storage systems throughout our plant operations and will prepare measures to secure alternative water resources for emergencies. In addition, we plan to establish a water reuse system within our processes to strengthen a circular resource use structure and to minimize environmental impact by reducing long-term water consumption.

DRB Qingdao – Qingdao Plant (Shandong Region)

The Shandong region faces extreme water scarcity and the risk of groundwater depletion. The situation is serious because of insufficient annual rainfall and significant issues of water pollution caused by industrial activities. Accordingly, government-level water quality management regulations are being strengthened, and it is time for DRB to formulate a systematic water resource management strategy to respond to these challenges. (Source: China Ministry of Ecology and Environment (MEE) 2024 Report, WRI Aqueduct 2024 data)

2040 Strategy: To solve the issue of extreme water scarcity, DRB will promote the expansion of seawater desalination and wastewater reuse technologies. Through this effort, we will establish a stable water supply chain and practice the efficient management and protection of resources by implementing stringent water conservation policies. In addition, we will mandate wastewater reuse to improve water quality and maximize resource recycling at the same time. We plan to modernize the water purification systems at our production facilities to optimize the efficiency of water resource use and to respond actively to government regulations through sustainable operations. Through such efforts, DRB will implement future-oriented water resource management measures while simultaneously having a positive impact on the local community and the environment.

E4. Resource Circulation

DRB Qingdao – Chongqing Plant (Chongqing Region)

The Chongqing region is an area that faces both flood and drought risks, with high variability in annual rainfall and difficulties in water resource management due to torrential rains. Due to urban expansion, the drainage facilities are in an overloaded state, and watershed management and improvements to the drainage system are necessary to ensure the operational stability of production facilities. (Source: China Ministry of Water Resources 2023 Report, WRI Aqueduct 2024 data)

2040 Strategy: DRB will secure the operational stability of production facilities by actively strengthening its flood-preparedness infrastructure and reorganizing the drainage system. In preparation for the occurrence of droughts, we will expand water storage facilities and practice eco-friendly management in cooperation with the local community by strengthening our wastewater treatment system. We will also establish a watershed management system to achieve a stable supply of water resources.

DRB Slovakia (Trenčiansky Region)

The Trenčiansky region has a medium-level risk of water resource depletion, but it is possible to secure a relatively stable water supply due to low annual and seasonal variability. However, as the demand for industrial and domestic water continues to increase, there is a possibility that the current reservoir capacity may become insufficient to meet future demand. (Source: WRI Aqueduct 2024 data)

2040 Strategy: DRB will ensure a stable water supply by expanding rainwater storage facilities and reservoirs. We will introduce technologies to maximize the efficiency of water use and implement long-term water resource management policies to respond to climate change. To this end, we will establish a sustainable water supply system in cooperation with the local government and water resource management agencies.

DRB Vietnam (Binh Dương Region)

The Binh Dương region is an area with high risks of water scarcity, water pollution, and flooding. River and groundwater pollution are emerging as serious issues due to rapid urbanization. Flood damage due to high rainfall occurs frequently, and a strategic approach is required in the long term to secure a stable supply of industrial and domestic water. (Source: Vietnam Ministry of Natural Resources and Environment 2024 Report, WRI Aqueduct 2024 data)

2040 Strategy: To maximize the efficiency of water use, DRB will expand its wastewater reuse and rainwater storage systems. To minimize flood damage, DRB will implement improvements to the urban drainage system and build disaster prevention infrastructure. We will prevent river and groundwater pollution by thoroughly managing the discharge of industrial wastewater and expanding our purification systems. Furthermore, we will implement sustainable water resource management policies in cooperation with the government and local communities

1-2. Water Reuse

Through sustainable process improvements, DRB ceaselessly strives to reduce the discharge of wastewater and expand process water reuse at all its subsidiary corporations. Each subsidiary corporation operates efficient water resource management and wastewater treatment systems that are compliant with local environmental regulations. This serves as an important strategy for minimizing environmental impact and facilitating circular resource utilization. DRB Industrial recycles more than 95% of the wastewater generated from the production process after physically or chemically treating it through a wastewater treatment plant installed at the headquarters. Through this, DRB Industrial strives to maximize the rate of wastewater reuse, prevent resource waste, and minimize negative environmental impacts. DRB Qingdao operates a system that recycles wastewater generated from its production processes and supplies the treated water to its boilers and spray towers. Through this, DRB Qingdao has been able to reduce water consumption and practice efficient water resource management. This method contributes to reducing water consumption and maintaining a sustainable production process.

Through these continuous efforts, DRB minimizes wastewater discharge and promotes the efficient reuse of water resources to simultaneously pursue environmental protection and sustainable corporate growth.

[E4-3] DRB Water Usage and Wastewater Discharge Status

Category	Unit	DRB Industrial			DRB Automotive			DRB Qingdao			DRB Slovakia			DRB Vietnam		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Usage	ton	348,872	320,803	307,376	32,101	36,338	35,038	105,169	142,688	142,054	33,383	33,073	50,317	158,243	86,497	117,239
Intensity	ton/KRW billion	242.3	263.5	294.0	486.4	343.9	289.2	714.8	1,195.9	1,094.0	505.2	428.2	602.0	840.4	556.5	792.3
Recycled amount	ton	256,240	229,078	210,462	0	0	0	11,200	8,833	8,654	0	0	0	0	0	0
Recycling rate	%	73.5	71.4	68.5	0	0	0	10.6	6.2	6.1	0	0	0	0	0	0
Discharge	ton	20	87	1,112	10,110	10,782	9,861	35,460	35,064	36,242	33,073	48,339	66,772	110,770	60,548	79,042
Intensity	ton/KRW billion	0.1	0.2	3.4	153.2	102.0	81.4	269.7	313.3	297.2	500.5	625.8	798.9	588.3	389.5	534.1

E4. Resource Circulation

2. Raw and Auxiliary Material Management

DRB minimizes resource waste by continuously monitoring the inventory and usage of raw and auxiliary materials and optimizing purchase quantities based on this data. Additionally, through continuous technology research and process development, we strive to reduce losses during the production process and increase resource efficiency.

DRB manages the inventory of raw and auxiliary materials systematically and monitors usage data in real-time to optimize purchase quantities, thereby preventing unnecessary waste of material and saving costs. In addition, to minimize losses in the production process, we promote continuous technology research and process development, which in turn increase production efficiency and contribute to the conservation of resources. Highly durable and high-strength materials are being introduced for product storage to increase the number of reuses and reduce material purchases, thereby promoting circular resource utilization. Through such efficient resource management and optimization, DRB not only saves costs but also builds a sustainable production process and minimizes its environmental impact.

2-1. Eco-friendly Raw Materials Transition

DRB has successfully developed technology to replace toluene used in certain rubber molding processes and rubber bonding fluid manufacturing processes with eco-friendly materials. We plan to expand this initiative to all processes at all domestic and international subsidiary corporations in the future. This will help reduce the use of toluene, minimize environmental impact, and build a more sustainable production process.

In addition, DRB conducts research to replace existing petrochemical-based raw materials with plant-based raw materials, which will contribute to minimizing environmental impact and increasing resource circularity. These efforts will enable DRB to establish sustainable manufacturing and production systems and will contribute to environmental protection and resource conservation in the long term.

2-2. Recycled Material Usage Expansion

DRB is pursuing research and process restructuring to accelerate the transition to sustainable raw materials. We have developed technology to recycle waste synthetic rubber dust (rubber abrasive powder) generated during the polishing process, repurposing it as a filler in certain rubber formulations, and have scaled this innovation to mass production. In addition, we are dedicated to replacing conventional petrochemical-based raw materials with recycled, renewable alternatives. Through joint research with other companies and industry-university research, we are systematizing the research and development of recycled raw and auxiliary materials and promoting their localization. Through these efforts, we aim to lead the eco-friendly transition of the global rubber industry, expand the supply chain for sustainable raw material, and practice carbon neutrality.

[E4-4] DRB Raw Material and Recycled Material Usage Status

Category	Unit	DRB Industrial			DRB Automotive ²⁾			DRB Qingdao			DRB Slovakia			DRB Vietnam ³⁾		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total consumption of raw material (purchased)	ton	4,521	3,727	4,510	7,993	8,782	9,221	17,308	19,095	20,690	6,018	6,243	6,817	54,677	46,538	43,289
Consumption of renewable raw material (purchased) ¹⁾	ton	763	593	789	0	0	0	663	707	710	0	0	0	7,891	6,773	5,958
Renewable raw material usage ratio (purchased)	%	16.9	15.9	17.5	0	0	0	3.8	3.7	3.4	0	0	0	14.4	14.6	13.8

1) The term 'renewable raw materials' has been used as a concept that includes both natural materials (raw materials directly extracted and processed from nature) and recycled materials (materials regenerated after use or reused from industrial processes).

2) The data was recalculated by excluding some duplicated raw material quantities and therefore differs from the previous year's report.

3) The data was redrafted to include previously omitted raw materials and therefore differs from the previous year's report.

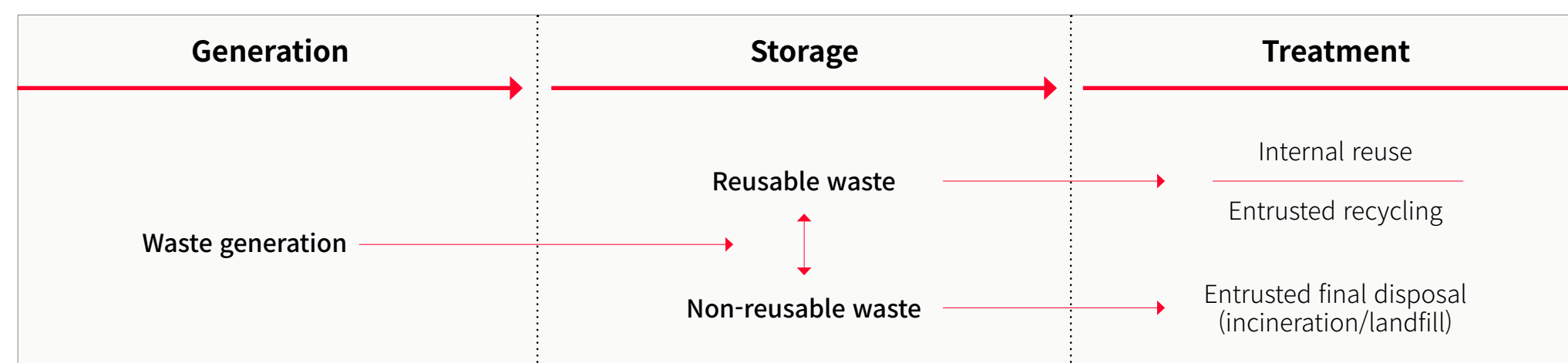
E4. Resource Circulation

3. Waste Management

3-1. Waste Management System

DRB strives continuously to minimize waste that can be generated throughout the product lifecycle from product design to raw material selection, production, transportation, packaging, use, and disposal. To this end, each subsidiary corporation categorizes waste accurately based on its characteristics and form (waste generated at business sites, general waste, construction waste, designated waste, etc.) for proper separation, storage, and disposal, and strictly complies with the legal regulations of relevant countries and international waste management standards. In addition, to minimize environmental impact during the waste treatment process and to promote the recycling of resources, DRB contracts with legally permitted waste disposal companies, thereby practicing safe and efficient waste management. These efforts are an important part of DRB's sustainable management policy and enable us to actively promote environmental protection and resource circulation.

[E4-5] DRB Waste Treatment Process



[E4-6] DRB Waste Reduction and Recycling Program

Sites	Activities	
DRB Industrial	Recycling of waste synthetic rubber	Commissioning the recycling of waste synthetic rubber (such as defective RT products, repaired rubber, etc.) that was previously disposed of by incineration through a recycling company
	Recycling of packaging material	Recovering and recycling used packaging materials
	Reuse of rubber powder	Reusing rubber powder generated from the grinding process in certain mixing process
DRB Automotive	Crushing and reuse of TPV extruded product scraps	Crushing and reusing scrap generated during the production of TPV-based semi-finished products as material for further production of TPV-based semi-finished products
	Recovery and reuse of flocking file	Recovery of flocking files in the flocking process collected by a filter dust collector for reuse in the same process
DRB Slovakia	Crushing and reuse of TPV extruded product scraps	Crushing and reusing scrap generated during the production of TPV-based semi-finished products as material for further production of TPV-based semi-finished products
DRB Vietnam	Filtering and reuse of hydraulic oil	Collecting hydraulic oil for filtering and reuse (18,550 liters of hydraulic oil saved annually)

E4. Resource Circulation

3-2. Waste Management Activities

(1) Waste Management Permits

At all DRB's subsidiary corporations, the waste management department monitors the details of waste generation (type, volume, frequency, generation route, etc.) regularly. When new types of waste are generated or when there are changes to existing waste, the necessary permits are promptly obtained in accordance with the laws of the respective country. Additionally, to maintain these permits, we prepare waste management reports and submit them to the respective national and local governments.

(2) Waste Generation, Collection, and Transportation at Worksites

DRB establishes a monthly waste treatment plan and analyzes the source of waste generated in each production process to separate and collect the waste using methods appropriate for its characteristics and form. In addition, when transporting waste, we use vehicles equipped with necessary facilities (covers, waterproofing, fire extinguishers, etc.) to prevent leakage into the air, water systems, or soil and to prevent accidents like fires. Furthermore, we strive to minimize the generation of packaging waste and reduce the use of new packaging materials by recovering and reusing the packaging materials used for product shipments.

(3) Waste Storage

DRB separates all waste by type and stores it in designated storage areas. To minimize environmental damage from waste leakage, we have established facilities suitable for the waste characteristics. Through this, we ensure safe storage and management.

(4) Waste Treatment

DRB treats waste in three ways: incineration, landfill, and recycling. Waste with high hazardous properties is handled safely by contracting with legally permitted waste disposal companies. We conduct annual on-site due diligence of waste disposal companies to check for lawful treatment of waste. Additionally, recyclable waste is treated in cooperation with specialized recycling companies. We avoid landfilling and incineration of waste as much as possible.

(5) Waste Incidents and Emergency Response

DRB is strengthening preliminary measures to prevent environmental emergencies caused by waste (such as leakage of waste, carbonization from chemical reactions, heat generation, etc.). We have also established an emergency response manual for swift and appropriate action in the event of an emergency and remain prepared for emergency situations through regular emergency drills.

(6) Waste R&D and Training

DRB continuously invests in research for the development of sustainable resource circulation technology, eco-friendly raw material and methods for optimal reuse of waste. Additionally, we conduct training for our waste managers and employees in charge to enhance their capabilities and ensure legal compliance, thereby enhancing efficiency of waste management and legal compliance levels.

[E4-7] DRB General and Designated Waste Management Status

Category	Unit	DRB Industrial			DRB Automotive			DRB Qingdao			DRB Slovakia			DRB Vietnam		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Generated	ton	1,485	1,405	1,435	1,922	2,280	2,677	1,534	1,789	1,688	1,209	1,182	1,280	920	715	827
Recycled	ton	1,272	1,212	1,277	1,871	2,208	2,605	1,360	1,623	1,546	1,017	1,064	1,189	-	-	-
Rate	%	85.6	86.3	88.9	97.3	96.8	97.3	88.7	90.7	91.6	84.1	90.0	92.9	-	-	-
disposed	ton	213	193	158	51	72	72	174	166	142	192	118	91	920	715	827
Incineration ¹⁾	ton	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-
Incineration ²⁾	ton	201	177	151	39	52	54	125	127	97	-	-	-	920	715	827
Landfill	ton	12	16	7	12	20	18	49	39	45	0	0	0.04	-	-	-
Others	ton	0	0	0	0	0	0	0	0	0	192	118	91	-	-	-
Intensity	ton/KRW Billion	3.9	4.0	4.4	29.1	21.6	22.1	11.7	13.1	13.8	18.3	15.3	15.3	4.9	4.6	5.6

1) Incineration after energy recovery: Energy recovery rate of 75% or higher, Energy recovery rate lower than 75%, maintaining energy recovery efficiency certification

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



Social

- S1. Human Rights
- S2. Employees
- S3. Health and Safety
- S4. Supply Chain
- S5. Product Safety and Quality
- S6. Information Security
- S7. Social Contribution

S1. Human Rights

1. Human Rights Management System

1-1. Human Rights Management Policy

Based on its core values of honesty, integrity, and trust, DRB, as a socially responsible corporation, regards the respect for human rights and human dignity as a fundamental principle of its management activities. To this end, DRB established a Human Rights Management Policy and Human Rights Management Principles applicable to all business sites in 2023, thereby creating a culture that respects and protects human rights. Through these policies, DRB guarantees workers' basic rights and freedoms, fosters a fair and non-discriminatory environment, and reflects them in all management activities to prevent violations of human rights.

[S1-1] DRB Human Rights Management Policy

DRB Statement on Human Rights Management

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

We support the principles of the Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights (UNGPR), and intend to internalize the Ten Principles of the UNGlobal Compact through the company's human rights management policy.

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

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

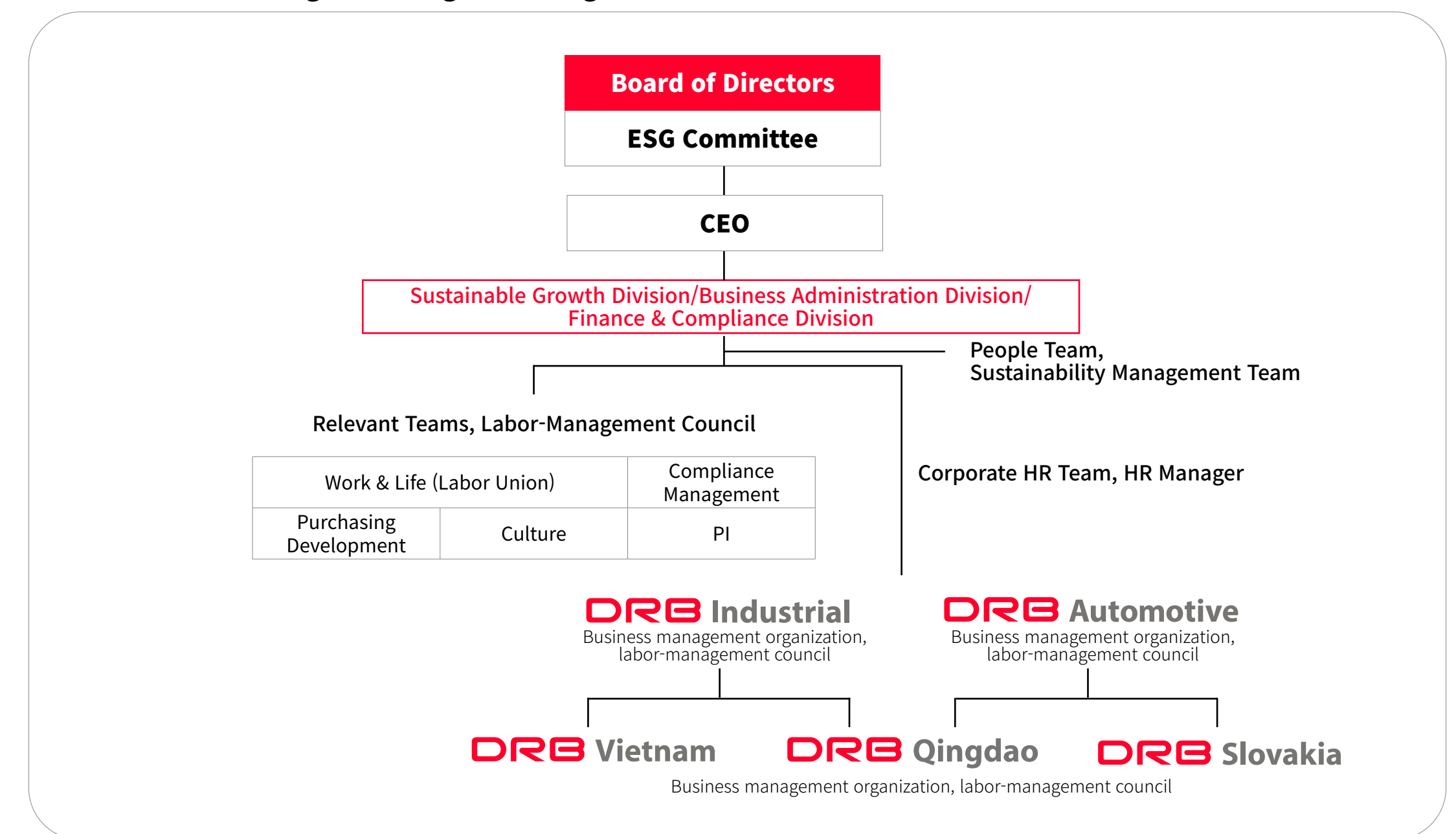
[S1-2] DRB Human Rights Principles

- | | | | |
|--|--|---------------------------------------|-------------------------------|
| 1. Respect for human rights | 2. Respect for diversity and prohibition of discrimination | 3. Prohibition of forced labor | 4. Prohibition of child labor |
| 5. Guaranteeing freedom of association | 6. Health and safety | 7. Wages | 8. Working hours |
| 9. Protecting residents' human rights | 10. Protection of customers' human rights | 11. Guaranteeing environmental rights | |

1-2. Human Rights Governance

DRB sets the policy direction and priorities for labor and human rights and makes decisions on material human rights issues through the ESG Committee under the Board of Directors. Based on this, DRB continuously practices management that considers human rights first and emphasizes the importance of human rights management at all business sites. Additionally, DRB operates a labor-management council at its domestic and international subsidiary corporations, composed of labor and management representatives. This council closely monitors the work environment and human rights-related issues and facilitates continuous dialogue for consultation and problem-solving between labor and management. The human rights management performance and status are monitored systematically through each corporation's organizational culture and HR-related departments. Through this effort, we strive to ensure that all our corporations continue maintaining an environment that respects human rights.

[S1-3] DRB Human Rights Management Organization Chart



S1. Human Rights

2. Human Rights Management Strategy

DRB has established a mid-to-long-term roadmap to set and systematically build the direction for human rights management, operating through a process of stabilization and advancement. Through this, DRB upholds respect for human rights as a core value of its corporate culture and progressively strengthens its human rights management. Additionally, DRB regularly maps its key human rights policies and principles with stakeholders and closely monitors stakeholders' requirements to introduce revisions when necessary. Through these procedures, DRB strives consistently to enhance the effectiveness of human rights management and to fulfill its social responsibilities.

[S1-4] DRB Human Rights Roadmap



Analyzing Human Rights Impact and Risk **Stabilization**

- Implementing human rights impact assessments regularly
- Human rights impact assessment on all corporations - Conducting due diligence on all domestic and global corporations

- Reviewing human rights risks and expanding reduction activities
- Inspecting the human rights management system of each corporation
- Reducing human rights risks of domestic and global corporations
- Formulating plans and monitoring implementation

Human Rights Management System **Advancement**

- Substantially improving human rights risks
- Monitoring the implementation of improvement measures
- Evaluating the effectiveness of relief measures

- Expanding management scope to the entire value chain
- Expanding human rights impact assessments to all subsidiary corporations and inspecting and improving risks

[S1-5] DRB Major Human Rights Principles and Stakeholder Mapping

Scope of Application	Stakeholders				Key Items	DRB Policies
	Employee	Supply chain	Customers	Communities		
Anti-Discrimination	●	●	●	●	1. Non-discrimination in employment (gender, religion, age, ethnic group, disability, etc.) 2. Fair remuneration in terms such as gender-equal wages	Human Rights Management Policy/Collective Bargaining Agreement/Ethics Charter and Code of Ethics/DRB Code of Conduct/Supplier Code of Conduct
Humane Treatment	●	●	●	●	1. Supporting work-life balance and protecting maternity	Sustainability Management Policy/Human Rights Management Policy/Collective Bargaining Agreement/Ethics Charter and Code of Ethics/DRB Code of Conduct/Supplier Code of Conduct
Compliance with Working Conditions	●	●			1. Managing employee health and supporting employees in their efforts to maintain sound health	Human Rights Management Policy/Collective Bargaining Agreement/Ethics Charter and Code of Ethics/DRB Code of Conduct/Supplier Code of Conduct
Prohibition of Workplace Harassment	●	●			1. Preventing bullying and sexual harassment at the workplace 2. Mobilizing a response system in case of occurrence	Human Rights Management Policy/Collective Bargaining Agreement/Ethics Charter and Code of Ethics/DRB Code of Conduct/Supplier Code of Conduct
Freedom of Association	●	●			1. Guaranteeing freedom of association and collective bargaining rights	Human Rights Management Policy/Collective Bargaining Agreement/DRB Code of Conduct/Supplier Code of Conduct
Prohibition of Forced Labor and Child Labor	●	●		●	1. Building and implementing a monitoring system 2. Preventing human rights violations by subsidiaries and suppliers	Human Rights Management Policy/DRB Code of Conduct/Supplier Code of Conduct/Declaration of Responsible Mineral Purchase
Guaranteeing Workplace Safety	●	●	●	●	1. Creating a safe and sanitary work environment 2. Supporting victims of occupational accidents	Sustainability Management Policy/Health and Safety Management Policy/Health Management Policy/DRB Code of Conduct/Supplier Code of Conduct
Protection of Personal Information	●	●	●	●	1. Protecting the personal information of employees and customers	Privacy Policy/DRB Code of Conduct/Supplier Code of Conduct
Safeguarding Human Rights in Local Communities	●	●		●	1. Respecting residents' property rights 2. Protecting environmental rights	Sustainability Management Policy/Social Contribution Charter/DRB Code of Conduct/Supplier Code of Conduct

S1. Human Rights

3. Human Rights Impact Assessment

DRB implements systematic activities to preemptively identify and improve human rights risks that could have a negative impact on its employees and stakeholders. To this end, we conducted a human rights impact assessment for our domestic corporations in 2024. Starting from 2025, we are reviewing plans to expand the assessment targets to our overseas corporations, with DRB Qingdao as the priority target.

Additionally, we strive to understand the human rights risks of all stakeholders comprehensively by expanding the scope of assessment beyond internal stakeholders like employees and labor unions to include external stakeholders such as suppliers, residents, and customers. This human rights impact assessment is an important step toward strengthening human rights protection within the organization. Accordingly, we will enhance the capabilities of assessment personnel by providing them with regular training on improving assessment indicators and advancing operations. Through these efforts, DRB will strengthen its sustainable human rights management system and provide a better environment for all stakeholders.

[S1-6] Human Rights Impact Assessment Process

01 Initial diagnosis	- Based on internal regulations and disclosed information
02 Written interview	- Sharing the results of the initial diagnosis - Collecting feedback on the results of the initial diagnosis and data from the second diagnosis
03 Second diagnosis	- Analyzing data from the second diagnosis - Supplementing the primary diagnosis
04 On-site interview	- Conducting practical training on human rights impact assessment - Carrying out on-site interviews with the management department and relevant departments
05 Analysis of assessment results	- Analyzing and evaluating the negative human rights impacts
06 Identification of tasks requiring improvement	- Preventing negative human rights impacts and developing mitigation measures - Reviewing the company's human rights management with management/related departments

[S1-7] Human Rights Impact Assessment Indicators

No	Sector	DRB Item	Indicator
01	Establishment of a human rights management system	Governance and human rights policies	24
		Institutionalization of measures to implement the human rights policy	
		Identification and evaluation of the negative human rights impacts	
		Improvement and reporting	
		Grievance handling mechanisms and remedies	
02	Anti-discrimination in employment	Human rights due diligence for supply chains	4
		Anti-discrimination	
03	Guarantee of freedom of association and collective bargaining	Active measures to ensure equality	6
		Prohibition of discriminatory treatment related to labor union activities	
04	Prohibition of forced labor	Guarantee of collective bargaining rights and faithful adherence to agreements	4
05	Prohibition of child labor	Prohibition of all forms of forced labor	2
06	Guarantee of occupational safety	Effective abolition of child labor	23
		Workplace health and safety	
		Protection of pregnant workers and people with disabilities	
07	Guarantee of environmental rights	Support programs for workers affected by occupational accidents	8
		Protection from violence and harassment	
08	Protection of consumer rights	Establishment and maintenance of an environmental management system	14
		Disclosure of environmental information	
		Compliance with laws and regulations for customer protection	
Total	8	Actions to be taken in the event that product defects are detected	85
		Protection of customer information	
		22	

S1. Human Rights

4. Human Rights Management Activities

4-1. Human Rights Training

To raise human rights awareness among employees, DRB provides regular training at least once a year on key human rights issues such as child labor, forced labor, prevention of bullying and sexual harassment at the workplace, enhanced awareness of people with disabilities, and diversity and inclusion. This training is conducted through seminars and special lectures by invited experts, such as lawyers, and by utilizing online content from professional training institutions. The training helps our employees to gain a deep understanding and practice human rights.

Additionally, DRB provides regular human rights education at least once a year for the employees of domestic and international suppliers (external suppliers). The educational content includes the basic labor/human rights regulations of each country and local government, on topics such as gender equality in employment, support for work-family balance, working conditions, and consumer protection, as well as regulations on global supply chain human rights and response measures. These include conflict minerals, the US Uyghur Forced Labor Prevention Act, the EU regulation to ban all products made with forced labor, and the EU Corporate Sustainability Due Diligence Directive (CSDDD). Through this education, DRB supports its suppliers in strengthening their capabilities to manage human rights risks effectively and respond actively to global supply chain regulations.

4-2. Human Rights Initiatives

DRB actively supports the human rights principles of the ‘Universal Declaration of Human Rights’ and the ‘UN Guiding Principles on Business and Human Rights (UNGP).’ Based on these, we strive to remain compliant with the ‘UN Global Compact Ten Principles.’ Additionally, in April 2022, DRB Holding and DRB Industrial joined the United Nations Global Compact (UNGC), voluntarily complying with the ten principles in the four major areas of human rights, labor, environment, and anti-corruption, thereby fulfilling our corporate social responsibility.

Furthermore, in cooperation with UNICEF, DRB implements systematic human rights management by enacting core policies that align with the Children’s Rights and Business Principles (*CRBP). These efforts contribute to DRB’s role as a global corporation in upholding and protecting human rights and realizing sustainable management.

*Children’s Rights and Business Principles (CRBP): In 2012, UNICEF announced the CRBP together with Save the Children and the UN Global Compact. These guidelines provide a comprehensive framework for understanding and considering the impact of corporate activities on children’s rights and their quality of life.

4-3. Discrimination and Harassment Prevention

DRB respects the diverse backgrounds and values of its employees and strives to provide fair opportunities. Accordingly, DRB does not engage in discrimination for reasons unrelated to work, such as gender, race, ethnicity, nationality, religion, age, marital status, sexual orientation, gender identity, social status, disability, pregnancy, military service status, genetic information, or political affiliation, and does not discriminate against any employee without reasonable cause. In addition, DRB complies with international agreements such as ILO Conventions 100 and 111, and continuously strives to provide fair treatment.

Furthermore, DRB implements strong policies to protect its employees from bullying taking advantage of status or relationships within the organization. Bullying includes verbal or physical behavior that causes discomfort, such as sexual harassment, sexual abuse, violence, and abusive language, and DRB thoroughly prevents such acts from occurring. We have also been operating a systematic management framework for preventing and handling workplace harassment since 2019 and are continuously managing the status of any related cases. Through this, DRB strives to provide a safe work environment where the dignity and rights of all employees are respected.

[S1-8] DRB Anti-Discrimination Policy Status

Category	Policy	Key Clauses
Employee	Human Rights Management Policy	Article 1 (Respect for Human Rights), Article 2 (Respect for Diversity and Prohibition of Discrimination)
	Collective Bargaining Agreement	Chapter 3 Article 17 (Personnel Management)
	Employment Rules	Chapter 1 Article 4 (Anti-Discrimination), Chapter 4 Article 24 (Assignment, Transfer, and Promotion), Chapter 10 Article 81 (Education and Training), Chapter 13 (Prevention of Workplace Bullying)
	Employee Code of Conduct	Chapter 2 Human Rights (a. Equality and Diversity), Chapter 2 Human Rights (b. Prohibition of Discrimination and Prevention of Bullying)
Suppliers	Supplier Code of Conduct	Chapter 5 Labor Human Rights (c. Prohibition of Discrimination and Bullying)



UNGC CoP

DRB Holding

DRB Industrial



UNGC Membership Certificate

DRB Holding

DRB Industrial



S1. Human Rights

4-4. Diversity, Equity, and Inclusion

DRB practices diversity and inclusiveness to support employees from various backgrounds in recognizing, respecting, and cooperating with each other's values. In our talent recruitment process, we provide additional points to socially vulnerable groups, such as persons with disabilities and individuals of national merit, to foster a socially responsible employment environment.

In particular, DRB Industrial and DRB Automotive have made efforts to improve the employment rate of persons with disabilities by cooperating with a recruitment consulting firm specializing in disabilities and by hiring persons with severe disabilities. Additionally, to improve the work environment for employees with severe disabilities, we have introduced a work-from-home system that supports efficient collaboration through the use of online collaboration tools.

[S1-9] DRB Employee Diversity Status (as of Dec. 2024)

Category		Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam	
Total number of employees		Person	92	554	208	537	502	606	
Total number of female employees		Person(%)	27(29.3)	53(9.5)	11(5.2)	126(23.5)	304(60.6)	30(5.0)	
Gender	Female	Executive	Person(%)	0(0)	0(0)	0(0)	0(0)	0(0)	
		Senior management	Person(%)	0(0)	0(0)	0(0)	0(0)	0(0)	
		Junior management	Person(%)	2(20)	1(8.3)	0(0)	1(7.1)	2(25)	5(16.5)
		STEM department	Person(%)	3(18.7)	10(12.9)	3(13.6)	4(6.6)	8(30.8)	0(0)
		Sales generating department	Person(%)	0(0)	20(32.7)	4(19.0)	1(25.0)	1(50)	1(20)
Others	People with disabilities ¹⁾	Person(%)	0(0)	9(1.6)	6(2.8)	6(1.1)	0(0)	0(0)	
	National veterans	Person(%)	0(0)	11(1.9)	5(2.4)	0(0)	0(0)	0(0)	

1) There are differences from the percentages reported under disability employment status because the degree of disability (mild, moderate) is not categorized here.

To ensure diversity in the supply chain, DRB identifies companies run by persons with disabilities, women-owned companies, and outstanding local companies, and systematically manages its annual purchase performance with these companies. Through this, we enhance our cooperation with companies with diverse backgrounds and provide fair opportunities.

Furthermore, DRB operates various programs to provide educational opportunities and support the career development of socially vulnerable groups within the local community, such as women, persons with disabilities, and ethnic minorities. Through these efforts, DRB strives to build an inclusive and sustainable social environment.

4-5. Maternity Protection and Work-Life Balance

DRB ensures rigorous compliance with the laws regarding maternity protection and work-family balance support in the countries and regions where it operates. We run related programs through the Human Rights Management Policy (Article 2 Respect for Diversity and Prohibition of Discrimination) and the Employment Rules (Chapter 5 Section 3 Maternity Protection Program). Through this, DRB supports employees in maintaining work-family balance and strives to ensure that all employees are provided with equal opportunities without discrimination. In addition, DRB operates various institutional supports for maternity protection so that its female employees can stably continue their career.

[S1-10] DRB Maternity Protection Programs

	Pre- and Post-Pregnancy Support	Pre- and Post-Childbirth Support	The Child-rearing Period Support
Details of Support	<ul style="list-style-type: none"> - Limited work during night hours and holidays - Encouragement of flexible working hours - Infertility treatment leave - Shortened working hours during pregnancy 	<ul style="list-style-type: none"> - Paid leaves before and after childbirth - Childbirth leaves for spouses - Miscarriage and stillbirth leave - Provision of paid nursing hours for female employees during lactation period - Installation of lounge areas and nursing and lactating spaces for women 	<ul style="list-style-type: none"> - Shortened working hours during child-rearing period - Parental leave system - Congratulatory allowance for employees' children entering preschool - Support for childcare expenses (daycare centers) and children's school expenses

* The support system above corresponds to subsidiary corporations in Korea. For overseas subsidiary corporations, the system is operated somewhat differently depending on the laws in the respective country.

S1. Human Rights

4-6. Child Labor Prohibition

DRB strictly complies with regulations on child labor and the work of young persons. To this end, we adhere to the legal requirements set forth by the countries and local governments where we operate, and abide by the UN Convention on the Rights of the Child, the Children’s Rights and Business Principles (CRBP), and international conventions (ILO Conventions No. 138 and No. 182, etc.). DRB has clearly stipulated provisions that prohibit the labor of children under the age of 15 (or 14, where permissible by local law) in the Human Rights Management Policy and DRB Code of Conduct. During recruitment, we verify the age of all candidates through legal documents such as ID cards or birth certificates. Additionally, to guarantee a safe and healthy work environment for young workers under the age of 18, we do not assign them to hazardous or night work. Furthermore, we support their professional growth by providing educational opportunities.

DRB prohibits child labor within its supply chain and, to this end, specifies relevant regulations in the Mutual Cooperation Policy and Supplier Code of Conduct. We also conduct annual sustainability assessments of our external suppliers to prevent human rights violations. Moreover, through the Declaration of Responsible Mineral Sourcing, DRB is making efforts to address issues such as child labor, human rights violations, environmental destruction, and the inflow of funds to conflict groups that can arise in areas such as conflict regions in Africa, Asia, and the Middle East. DRB carries out continuous monitoring and improvement activities across the global supply chain to fulfill this social responsibility.

* UN Convention on the Rights of the Child: The UNCRC is an international human rights treaty created in 1989. It describes the rights that all children should enjoy, ensuring that all children can benefit from the same rights.

* Children’s Rights and Business Principles (CRBP): In 2012, Save the Children announced the Children’s Rights and Business Principles together with UNICEF and the UN Global Compact. They provide a comprehensive framework for understanding and considering the impact of corporate activities on children’s rights and their quality of life.

* ILO Convention No. 182: Convention concerning the prohibition and immediate action for the elimination of severe forms of child labor

* ILO Convention No. 138: Multilateral labor rights convention regarding the elimination of child labor, including the convention concerning minimum age for employment

4-7. Forced Labor Prohibition and Working Conditions Compliance

DRB strictly complies with the California Transparency in Supply Chains Act, the US Uyghur Forced Labor Prevention Act, the UK Modern Slavery Act, the EU regulation banning products made with forced labor, and international conventions on forced labor (such as ILO Convention No. 29). To ensure rigorous compliance, DRB prohibits all forms of mental and physical coercion, including slavery, human trafficking, and bonded labor, and ensures that no individual is forced to engage in labor against his or her free will.

To this end, DRB prohibits forced labor through the Human Rights Management Policy (Article 3 Prohibition of Forced Labor) and the DRB Code of Conduct (2. Human Rights, d. Forced Labor clause). Additionally, all workers sign employment contracts in accordance with local laws, and the contract details are provided in the worker’s native language for full comprehension. DRB guarantees the workers’ freedom of movement and continues to strengthen management and oversight to prevent forced labor. In addition, to prohibit forced labor within the supply chain, DRB has established relevant regulations in the Mutual Cooperation Policy (1. Advocacy for Human Rights) and the Supplier Code of Conduct (5. Labor and Human Rights, b. Prohibition of Forced Labor). We manage the prevention of forced labor and human rights risks through an annual sustainability assessment of our external suppliers. Through these efforts, DRB continuously strives to prevent human rights violations like forced labor within the global supply chain and to maintain a sustainable supply chain.

* California Transparency in Supply Chains Act (CATSCA): This act took effect on January 1, 2012. It requires manufacturers (with turnover over USD 100 million) doing business in the state of California to disclose their efforts to prevent forced labor and human trafficking in their product supply chains.

* US Uyghur Forced Labor Prevention Act (UFLPA): This act took effect on June 22, 2022. In principle, it prohibits the import into the United States of all goods (cotton, polysilicon, etc.) produced with forced labor in the Xinjiang Uyghur region of China.

* UK Modern Slavery Act: This act was enacted by the UK Parliament on March 26, 2015, covering criminal offenses related to human trafficking and slavery.

* EU regulation banning products made with forced labor: This regulation took effect in the EU on December 13, 2024. It prohibits the import into, domestic sale within, or export from the EU of all products associated with forced labor in their production process or supply chain, regardless of the company, origin, or industry (to be implemented in 2027 after a three-year grace period).

* ILO Convention No. 29: This convention concerning forced or compulsory labor was adopted in 1930 to prohibit all forms of forced labor.

S1. Human Rights

5. Human Rights Grievance Handling

5-1. Human Rights Grievance Channel

DRB actively responds to human rights risk factors in the workplace, such as psychological difficulties faced by employees, sexual harassment, and bullying. To address these issues, DRB operates the DRB Healthy Workplace Culture Center (counselling@drbworld.com) and DRB HappyMint (https://drb.happymint.kr/), where employees can freely submit reports and grievances. These two platforms accept requests for grievance counseling and reports, either named or anonymous, through various channels including telephone, email, mobile app, and a dedicated website. Received grievances are categorized systematically according to their source, type, and content, and incidents are handled swiftly and transparently. For all cases, we analyze the cause and establish measures for preventing recurrence to foster a human rights-friendly work environment. Additionally, in the case of serious human rights incidents, we coordinate with specialized external organizations to take necessary legal action in addition to internal investigation and disciplinary action. Through these efforts, DRB guarantees the human rights and safety of employees as top priorities..

5-2. Grievance Channel for External Stakeholders

DRB operates channels for handling human rights grievances reported by external stakeholders such as suppliers, customers, and civil society to ensure a swift response for the protection of their rights and the resolution of their grievances. For grievances related to our suppliers, we operate the DRB Mutual Cooperation Purchasing Portal (https://psm.drbworld.com). For human rights-related grievances from customers and the general public, we provide the DRB Cyber Audit Office (http://old.drbworld.com/audit). In addition, to help external stakeholders utilize these grievance channels more easily, we support foreign language services (Chinese, English, Vietnamese, etc.) and operate capacity-building programs to enhance stakeholders' ability to participate. Through these efforts, DRB allows external stakeholders to raise human rights-related issues more smoothly and enhances both accessibility of information and efficiency of problem-solving.

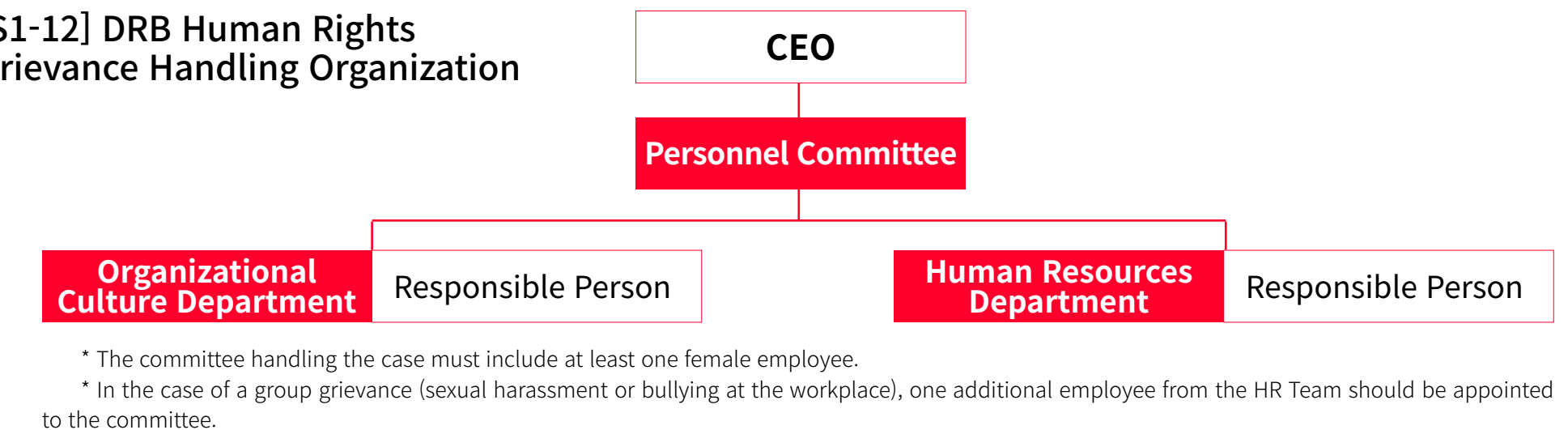
5-3. Whistleblower Protection and Remediation Procedure

DRB thoroughly prepares measures for protecting the victim and providing remedy in the event that internal employees or external stakeholders suffer human rights violations. During the grievance handling process, we implement necessary measures promptly to ensure that the whistleblower does not suffer any additional harm. For example, we prioritize whistleblower protection through actions such as changing their work location or granting leave. Additionally, the whistleblower's identity is strictly protected, and we guarantee that their identity will not be disclosed without their consent. We ensure that the whistleblowers do not suffer any personal disadvantages or discrimination for making a report, and we monitor the case continuously for any retaliation or collective harassment by third parties. If a whistleblower is also found to be at fault in relation to their report, DRB handles the matter fairly by, for example, alleviating disciplinary action after full consideration of the circumstances. Through these efforts, DRB maintains a safe and fair work environment and prevents and swiftly responds to human rights violations.

[S1-11] External Counseling Service for Employee Grievances

DRB HappyMint

[S1-12] DRB Human Rights Grievance Handling Organization



[S1-13] DRB Grievance Handling Process



[S1-14] Grievance Submission and Resolution Status¹⁾

Category	Unit	2022	2023	2024	
Employee	Acceptance (report)	Case	5	0	0
	Handling	Case	5	0	0
	Rate	%	100	100	100
External Stakeholders	Acceptance (report)	Case	-	-	-
	Handling	Case	-	-	-
	Rate	%	-	-	-

1. Grievance handling refers to the procedure of receiving, investigating, and resolving all grievances arising from the deterioration of the work environment and damage to organizational culture due to issues like sexual harassment and bullying at the workplace, as well as those stemming from the unreasonable or unfair operation of systems related to working conditions and welfare benefits. (Excluding personal grievances)

[S1-15] Human Rights Violation Reporting and Breach Cases

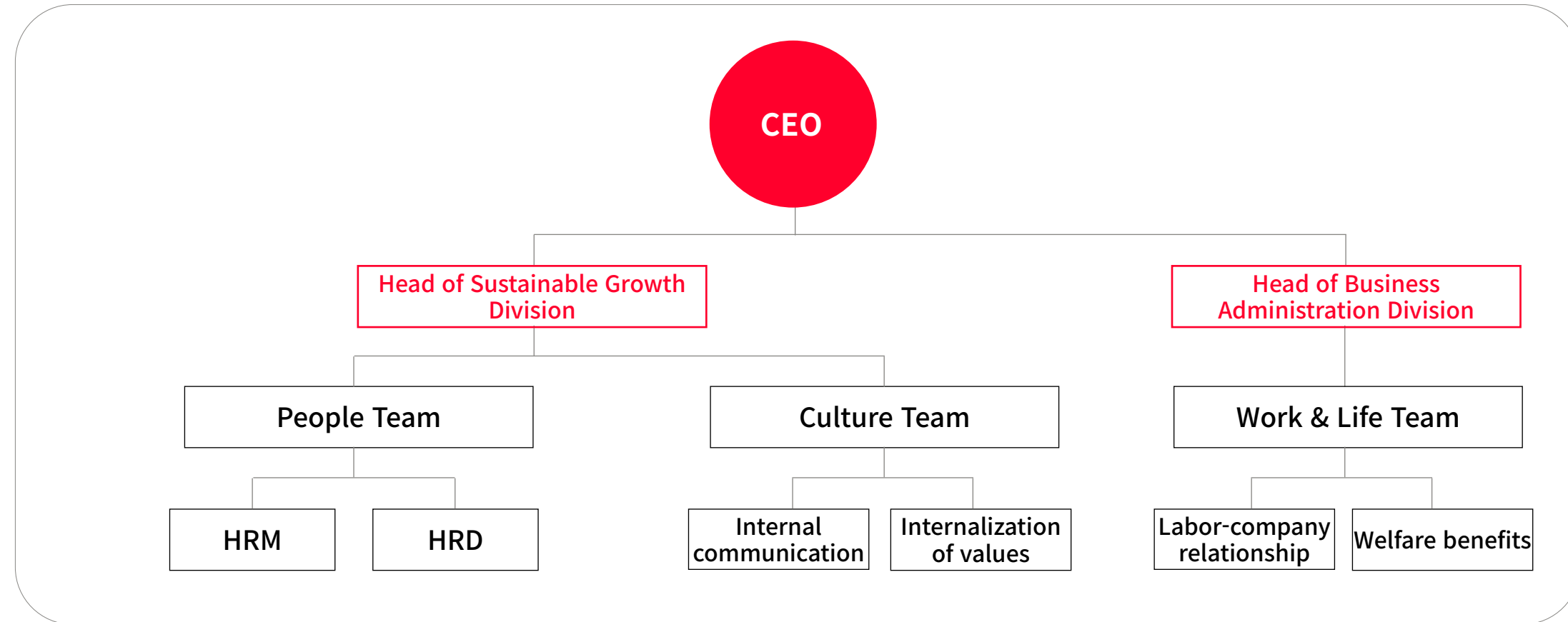
Category	Unit	2022	2023	2024	
Internal	Report	Case	0	0	0
	Occurrence	Case	0	0	0
	Handling	Case	0	0	0
	Legal violation	Case	0	0	0
External suppliers	Report	Case	0	0	0
	Occurrence	Case	0	0	0
	Handling	Case	0	0	0
	Legal violation	Case	0	0	0

S2. Employees

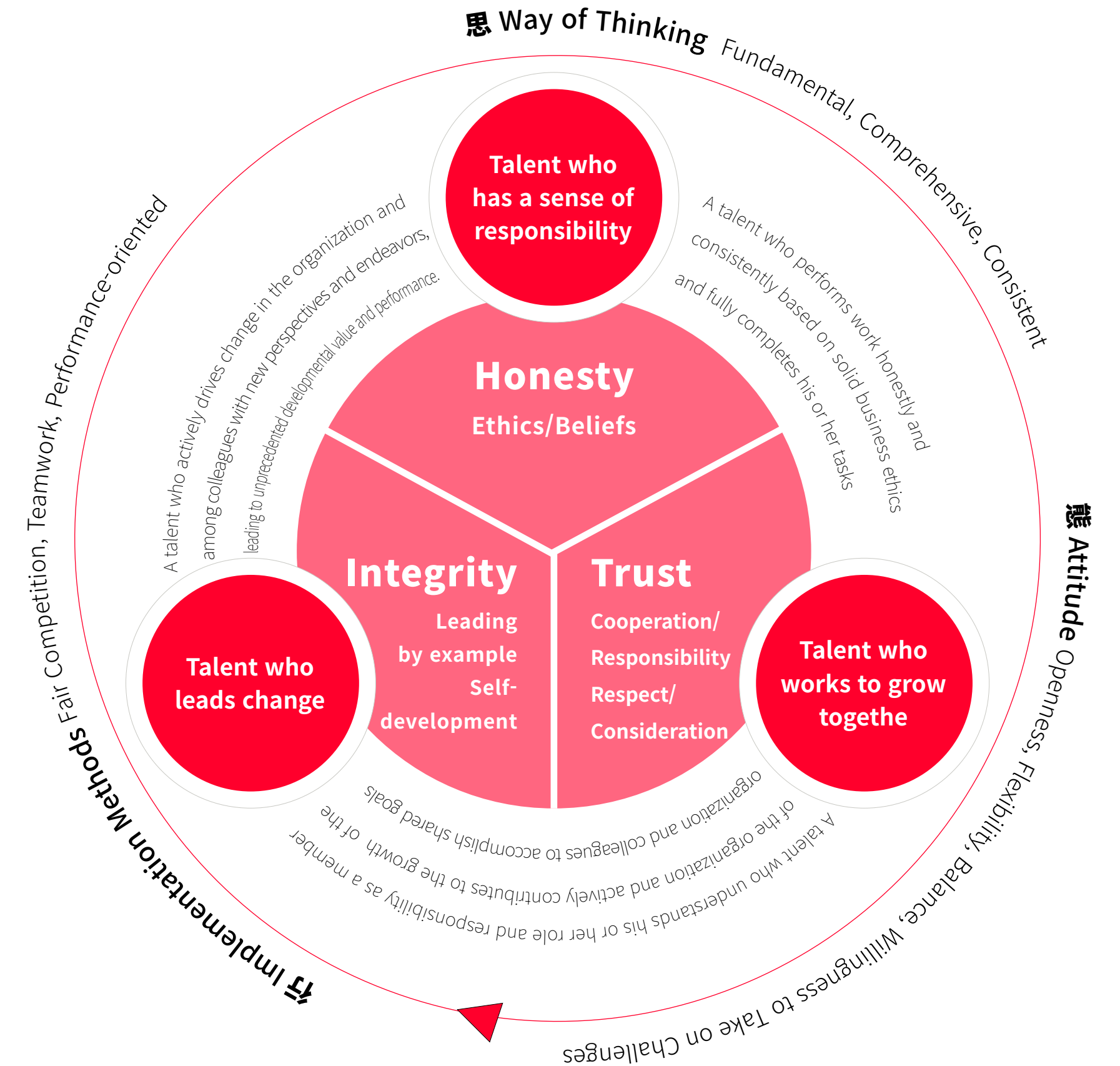
1. Governance

DRB pursues mutual growth with employees and, to realize its core values of ‘honesty’, ‘integrity’, and ‘trust’, highlights ‘driving change’, ‘growing together’, and ‘sense of responsibility’ as essential capabilities and qualifications we seek in ideal talents. In addition, DRB prohibits discrimination based on personal characteristics such as gender, age, religion, social status, region of origin, school, marriage, pregnancy, childbirth, or military service status throughout the entire personnel management process, including hiring, promotion, and job assignment. We respect the diversity of talent and strive to create an inclusive organizational culture on this foundation.

[S2-1] DRB Human Resources Management Organization Chart



[S2-2] DRB Talent Profile



S2. Employees

2. Recruitment

2-1. Ethical Recruitment

DRB selects talent based on fair recruitment processes and reasonable criteria in accordance with the laws and regulations of the countries and regions where it is located. To this end, we have established an inclusive and diverse recruitment process, guarantee fairness in our job advertisements and descriptions, and conduct interviews and evaluations in an ethical manner. In addition, we utilize tools such as AI competency tests to prevent prejudice in the candidate evaluation process and to ensure transparency in decision-making and feedback. DRB strives continuously to minimize unconscious bias in hiring and to ensure fairer and more balanced selection of talent.

[S2-3] Recruitment Process

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

2-2. Talent Acquisition

DRB establishes personnel plans for each job group and duty based on its mid-to-long-term business strategy for business diversification and securing new growth engines. We define the necessary competency levels to recruit and assign suitable personnel. To this end, we conduct an annual workforce demand survey that reflects the structure and characteristics of each business. The survey results are incorporated into the personnel plans for the subsequent period and are actively applied to our recruitment, development, and compensation strategies. Through this process, DRB secures the key talent necessary for organizational growth and sustainable development.

[S2-4] DRB New Hire Status

Category	Unit	2022		2023		2024	
		Total	Female	Total	Female	Total	Female
New hires ¹⁾	Total	283	30	203	47	322	60
	- New	119	11	43	3	115	14
	- Experienced	139	9	100	18	133	18
Age	under 18 years	0	0	0	0	0	0
	between 18 and 30 years	167	18	95	24	150	26
	between 30 and 50 years	110	11	98	18	155	31
	50 years and above	6	1	10	5	17	3
Employment type	Full-time	57	11	41	14	65	14
	Contract	222	20	155	33	257	46
	Dispatched, third-party contract	28	13	43	19	27	14
	Daily	0	0	0	0	0	0
	Foreign workers	39	3	62	13	77	14

1) Recruitment status of the corporation within the reporting scope

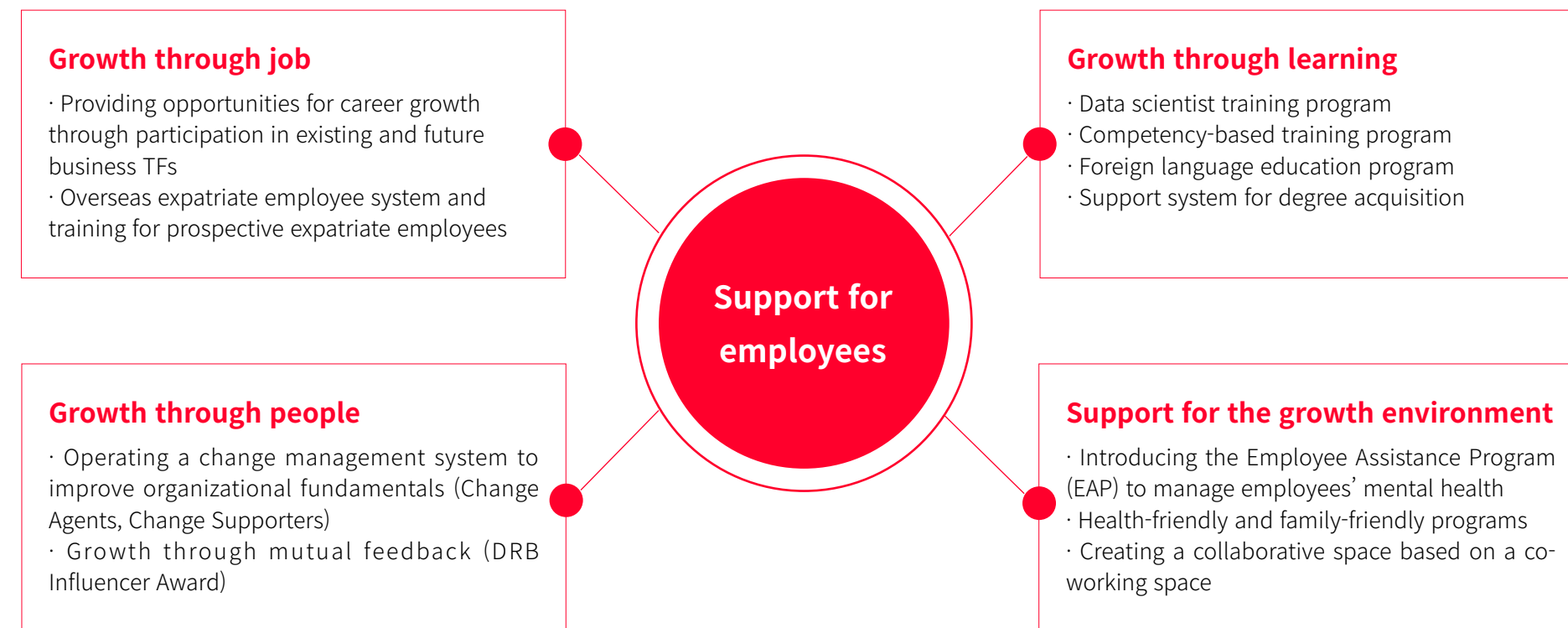
2) For DRB Slovakia, new and experienced hires are not distinguished upon recruitment.

S2. Employees

3. Talent Development

Guided by the conviction that the growth of employees is integral to the organization's sustainable competitiveness, DRB strategically operates a company-wide talent development system from the perspectives of 'Work, People, Learning, and Environment'. We provide opportunities for employees to grow through their work, enhance their job expertise through competency-based educational courses, and strive to increase the continuity of learning and employee engagement by creating an environment that supports employee immersion. Additionally, we are building an autonomous growth ecosystem by nurturing Change Agents and establishing a feedback-based growth culture.

[S2-5] DRB Talent Development Strategy



DRB aims to provide the necessary training at each stage, tailored to the career lifecycle of employees. From the moment they join the company until retirement, our employees receive the education and training they need, which helps strengthen their expertise and capabilities continuously. Initially, we provide onboarding education to help new employees adapt to the company and cultivate the basic capabilities required for their jobs. Upon promotion, we conduct education to strengthen leadership and management capabilities. We also offer job-specialized education according to each employee's duties and career path and help expand their insights through various forums and seminars. Employees can find and take courses that suit their individual needs, and furthermore they are encouraged to create an educational culture of joint growth by sharing and disseminating the knowledge they gained.

[S2-6] DRB Talent Development Program Status

Category	Program	Education Contents	Nature	participants ¹⁾
Common	New Employee Onboarding (New/Experienced)	This onboarding program is designed to systematically help new employees adapt to the organization. It guides new hires to understand and internalize DRB's vision, core values, and ideal talent traits. The course strengthens strategic understanding of each business value chain, by sharing information about the company's businesses and products. It fosters organizational commitment by building a sense of belonging through networking sessions among employees.	Compulsory	110
	DRB FLEX	This is an ongoing learning platform structured to facilitate self-directed study, offering approximately 3,900 online content items in areas such as general topics, job-specific topics, and leadership skills. Employees can selectively apply for and learn the content they need to develop their competency. The platform was established with a view to building a self-directed learning culture and an ongoing learning system, thereby creating a sustainable, company-wide learning environment.	Optional	106
Job	Job Basic/Advanced Courses	We operate phased courses, including a basic course to strengthen the basic capabilities commonly required across all jobs, such as planning, data analysis, financial accounting, and cost management, and an advanced course designed to deepen job-specific expertise. These courses help build an organized and sustainable talent development system by strengthening the job competencies of employees.	Optional	158
	External Education Support Program	With the purpose of supporting our employees' self-directed learning and enhancing their job expertise, we operate an external education support program that allows employees to voluntarily take outside educational courses that help strengthen their job capabilities. Through this program, we support employees to develop customized capabilities.	Optional	240
	Degree Support Program	We support degree programs linked to job areas to enhance job expertise and strengthen practical learning. We are continuously pursuing strategic talent development by training experts in diverse domains.	Optional	2
	Digital Competency Enhancement Course	We have established a DX competency enhancement system to accelerate DRB's digital transformation and to respond to an automated, AI-based work environment. We operate phased, job-specific education courses with the goal of improving data analysis skills and work productivity.	Compulsory/Optional	78
Leadership	Promotion Course	This is an education course for newly promoted employees to enable them systematically internalize the expected roles and necessary capabilities required for their new position. It aims to create a corporate culture that recognizes and encourages employees' growth by reminding them of the meaning of promotion through congratulatory gifts and a ceremony for the promoted.	Compulsory	14
	New Team Leader Onboarding	We operate a systematic leader onboarding program to support new team leaders in fulfilling their roles. It helps them understand the roles expected of them and establish organizational management plans through a Leadership Onboarding Kit. The program also supports the early and effective settlement of new team leaders by easing psychological burdens through one-on-one mentoring with existing leaders.	Compulsory	8
	Team Leader Leadership Course	This ongoing program is operated with the goal of strengthening the leadership skills of team leaders to enhance the organization's strategic execution capabilities. It provides integrated learning on the key roles required of a leader, such as performance management, feedback, relationship management, and communication. This course is designed to support a team leader's transition into a new role in a changing organizational environment and to drive both performance creation and a collaborative culture simultaneously through the internalization of practical leadership skills.	Compulsory	59
	Executive Leadership Course	We operate a customized leadership education program to enhance strategic decision-making capabilities and global business sensibilities. It supports executives in responding sensitively to changes in the business environment by providing diverse content based on the latest business environment, including global trends, business insights, and technological innovation.	Compulsory	16
Global	Courses for Prospective Expatriate Employees	We operate a pre-departure education program that supports prospective expatriate employees to adapt successfully to the new overseas environment and perform well in their role. Based on one-on-one interviews with each expatriate, we provide customized, core education related to their roles, job capabilities, language skills, cross-cultural adaptation, and local life.	Compulsory	6
	Language Courses/E-Learning	To enable our employees develop global competencies, we offer unlimited, autonomous access to online courses on English, Chinese, Japanese, and other foreign languages (Russian, Vietnamese, Spanish, Indonesian).	Optional	159
	Language Courses/Telephone English	We operate a one-on-one, personalized telephone English program to strengthen language skills. We support our employees in enhancing their global communication capabilities by providing an AI-based, conversation-focused learning environment that is not restricted by time or place.	Optional	111

1) Cumulative number of participants from Korean corporations in 2024 (corporations: DRB Holding, DRB Industrial, DRB Automotive, DRB Automation, DRB International, DRB Healthcare)

S2. Employees

3-1. Employee Development Program

With the belief that employees' growth drives the growth of the organization, DRB strives continuously to build an ecosystem that facilitates mutual growth of its employees and the organization.

DRB Onboarding Program

DRB operates a step-by-step onboarding program to help new employees adapt quickly to the organization and perform their work effectively. On the first day, we provide a welcome kit (Twinkle Box) and offer training to help them understand the company as a whole, including DRB's business areas, organizational culture, and core values. Subsequently, through On-the-Job Training (OJT) in their respective departments, we support them in adapting rapidly to practical work and creating performance. Additionally, through our regular introductory training course, we help new hires internalize DRB's value chain and vision, increasing early engagement by fostering a sense of belonging among employees through team-building activities.



Leadership Competency Development Program

DRB operates a systematic leadership education program to help executives and organizational leaders respond effectively to the changing business environment. In particular, to prepare the organization and employees for the Volatility, Uncertainty, Complexity, Ambiguity (VUCA) era, we are offering ongoing training courses that reflect trends in diverse fields such as technology, systems, and human resources. Through this, we empower our leaders to respond proactively to change and drive sustainable performance amidst uncertain environments. Furthermore, through our monthly Leadership Day, we provide an opportunity for leaders from each organization to gather in one place to communicate and network freely. Through this occasion, we aim to increase mutual understanding across business divisions, corporations, and departments, and to maximize organizational synergy by strengthening the collaborative framework among leaders.



Digital Skills Development Program

DRB recognizes digital transformation as a core organizational task and operates a step-by-step educational curriculum for our employees to internalize digital competencies systematically. We continue to strengthen the digital execution capabilities of our employees through practical, data-utilization training focused on data crawling and analysis. Keeping pace with technological change, we also promote generative AI-based education to help employees acquire the latest digital capabilities. Following the implementation of basic training in generative AI for all employees, we are also running a hands-on practice course for creating custom AIs, focused on job-specific use cases to enable practical application.



S2. Employees

4. Performance Evaluation, Promotion, and Compensation

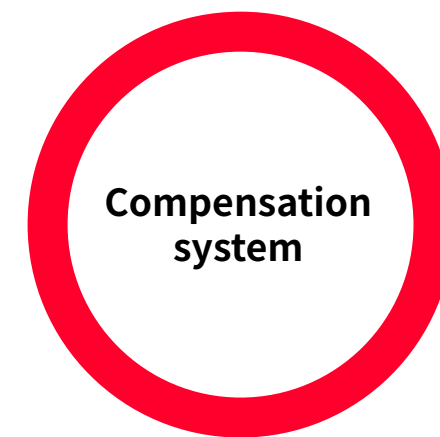
DRB's HR system pursues the mutual growth of individuals and the organization and encourages employees to chart their career path based on self-motivation. Our processes are operated transparently and fairly demonstrating respect for our employees, and facilitate seamless communication and collaboration.



Evaluation centered on contribution to organizational performance and role performance



Operating a self-directed promotion system as part of career development



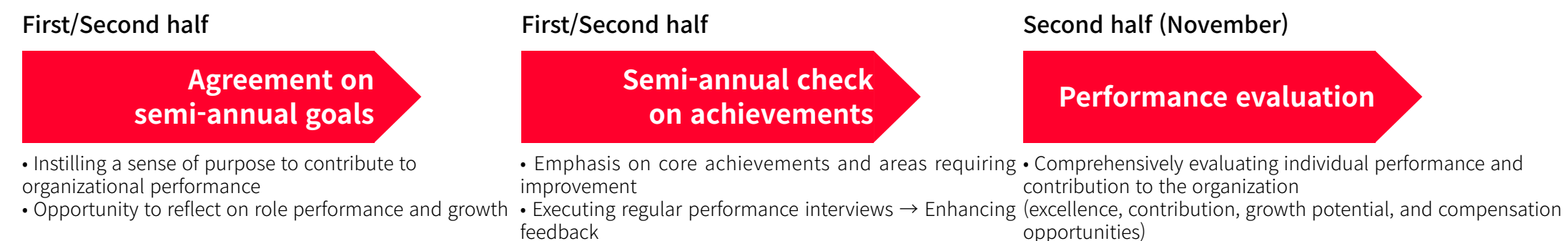
Strengthening incentives to achieve common goals
Enhancing fairness and competitiveness

4-1. Performance Evaluation

DRB's evaluation system does not stop at simply 'evaluating' an employee's performance, but focuses on supporting mutual growth through positive and constructive feedback. The evaluation process is divided into performance evaluation and competency evaluation. The performance evaluation is conducted through semi-annual goal agreements and performance checks, whereas the competency evaluation assesses an employee's common and job competencies once a year. Based on these two evaluations, a comprehensive year-end evaluation is conducted to foster the growth of individual employees and the organization.

DRB's performance evaluation is centered on semi-annual team meets in which leaders and team members review performance for the current period and set goals for the next period by mutual agreement. Each stage involves coaching and feedback through interviews. DRB's leaders and team members communicate about the expected level and methods for achieving mutual goals, and leaders faithfully fulfill their role as facilitators to guide and support their team members in achieving the goals.

[S2-7] Performance Evaluation Process



DRB's employee competency evaluation is divided into core competencies required of all employees, leadership competencies required of organization heads, and job competencies based on job characteristics. Organization heads deliver competency feedback to develop the common and job competencies of our employees. We support 'achievements through competency enhancement' for the sustainable growth of individuals and the organization by conducting competency evaluation and performance evaluation at different time points.

4-2. Job Level and Promotion

DRB operates a three-level job grade system based on role performance to ensure all employees can communicate horizontally and to support the growth of excellent talent. Regardless of their job level, all DRB employees use the honorific title 'Nim' (Mr. or Mrs.) internally and the 'Manager' title externally. The promotion process encourages employees to take a sense of responsibility for their self-development and clearly identify the competencies required of higher job levels.

4-3. Compensation

DRB complies with the Labor Standards Act of the countries and regions where it is located and provides compensation above the minimum wages to all workers. We operate our salary system based on equal pay for equal work¹⁾ principle. We transparently provide information on the calculation methods and payment standards for severance pay and special leave allowances through pay slips written in the local language. Additionally, to ensure fairness and competitiveness, DRB reflects the results of an employee's competency evaluation and work performance in bonuses, incentives, and pay rises.

¹⁾ Equal pay for equal work: The principles that for workers engaged in the same duties, the same wage level should be applied regardless of employment type, gender, race, religion, nationality, etc., and that wages should be paid according to the amount of labor

S2. Employees

5. Employee Welfare

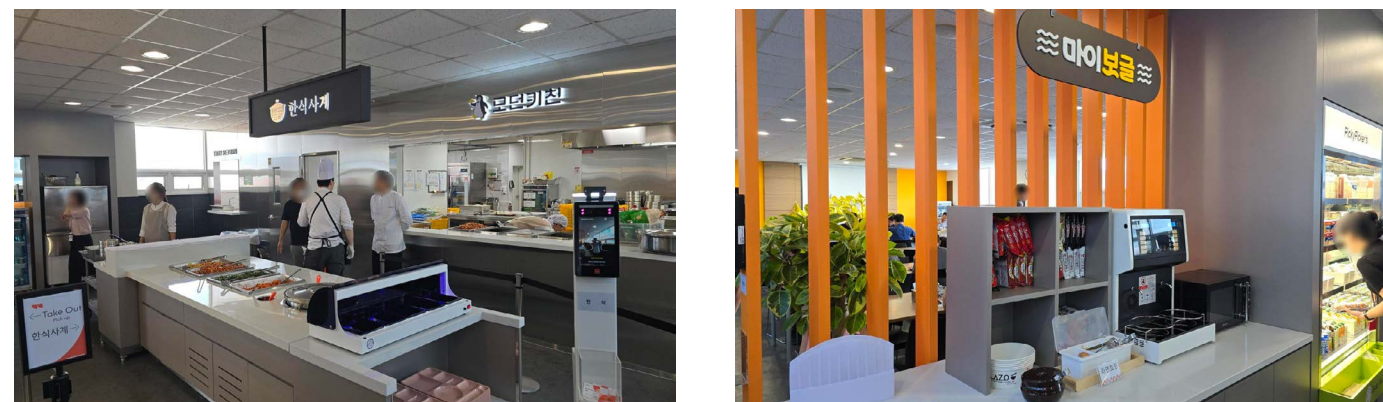
DRB operates various welfare systems to improve the standard of living for its employees and their families, while also enhancing job satisfaction and providing a stable work environment.

[S2-8] DRB Employee Welfare System

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

In-House Cafeteria Renovation

DRB has renovated its in-house cafeteria to provide a pleasant environment for its employees. In addition, we strive to provide menus that meet our employees' needs by collecting their diverse opinions.



DRB Life Transition Planning Program

As part of the employee welfare program, DRB supports a Life Planning Education Course to express appreciation and gratitude for the hard work of employees approaching retirement who have dedicated their careers to the company. Through education on topics such as health, finance, and leisure, the course addresses the changes that occur after retirement, aiming to partially alleviate their anxieties about retirement. We strive to assist our employees in building happy lives through a new start after retirement. In 2025, we plan to provide this education for 23 employees born in 1965 and 20 employees born in 1966.

Family-Friendly Initiatives

DRB has consistently implemented various online family-friendly programs in which employees' families can participate together. These programs include exhibiting and subscribing to works by young artists, the Stepping Seed Support Project for Children in Care, creating children's songs, children's educational musicals, role-play to raise dementia awareness, and the DRB Environmental Guardian Contest. In recognition of its efforts to foster an organizational culture that supports work-life balance, DRB Holding and DRB Industrial were recertified as family-friendly companies (for 2022-2025) by the Ministry of Gender Equality and Family in 2022. DRB Industrial will continue to achieve happiness for both its employees' families and the organization by striking a balance between work and family.



Leisure-Friendly Initiatives

DRB plans and implements a variety of initiatives to assist employees in participating actively in leisure activities. In 2024, DRB organized various one-day classes, such as a wood burning class and a peanut cookie-making class, as well as an outreach opera concert. Furthermore, DRB encourages a variety of hobby activities through which employees can engage in healthy leisure activities and socialize with one another. DRB operates in-house clubs in a variety of areas, including literature, fishing, soccer, and even screen scuba diving, and provides subsidies for both regular club events and special events. As a result of these efforts, DRB Holding was recertified as a leisure-friendly company (for 2022-2024) in 2022.



S2. Employees

6. Labor-Management Relations

6-1. Labor-Management Culture

DRB guarantees employees' freedom of association and collective bargaining in compliance with the ILO Conventions No. 87 and No. 98 and the regulations of the countries and regions where it operates. Based on this, the freedom of association and the employees' right to have their interests represented by their elected representatives are explicitly stated in the Code of Conduct and Collective Bargaining Agreement. In addition, we conduct collective bargaining every year to guarantee workers' basic rights such as the right to organize, the right to collective bargaining, and the right to collective action, thereby improving wages and working conditions for technical workers.

* ILO Convention No. 87: Freedom of Association and Protection of the Right to Organize Convention (1948)

* ILO Convention No. 98: Right to Organize and Collective Bargaining Convention (1949)

6-2. Labor-Management Council

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

[S2-9] DRB Labor-Management Relations Status

Category	Unit	DRB Industrial			DRB Automotive			DRB Qingdao			DRB Slovakia ¹⁾			DRB Vietnam		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Number of union members	Persons	393	340	355	115	119	125	396	400	421	-	-	-	609	570	592
Rate of union membership	%	68.4	62.4	64.1	59.3	59.8	60.1	79.7	78.7	78.4	-	-	-	99.0	98.9	97.7
Rate of applying the collective agreement	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Labor-management council	Case	4	4	4	4	4	4	1	1	1	4	4	4	1	3	4

1) Under Slovakian law, the identification of union members is prohibited.

Union Representative Leadership Competency Development

[To foster a corporate culture of mutual growth, DRB provides a leadership development program and a platform for labor-management communication for union representatives in production site. The one-night, two-day training course offers opportunities to recognize the importance of communication through teamwork activities, to understand changing trends, and to explore conflict management methods for fostering harmony among employees. Through this program, we support our union representatives so that upon returning to their jobs, they can effectively exercise leadership on-site and lead positive changes in the organization based on communication and cooperation.



26 labor union representatives (2024)
Satisfaction score: 4.82/5 points

Intergenerational Communication Competency Development

At DRB's production sites, employees from diverse age groups, from their 20s to their 60s, work together. We are providing a new training course to minimize intergenerational conflict and to create a culture that respects diversity within the organization. Through various team-building activities, participants learn that communication is an essential element in building collaboration, understanding, and trust within DRB. In 2024, DRB operated this participatory training course for the first time, enabling different generations to respect each other's differences and work together to achieve common goals. Approximately 420 production workers from across the company participated in the course over 12 sessions, and we are receiving feedback that the course helps to improve the working atmosphere at the production sites and to enhance teamwork in each process.



DRB Industrial: 328 employees
DRB Automotive: 93 employees (2024)
Satisfaction score: 4.55/5 points

S2. Employees

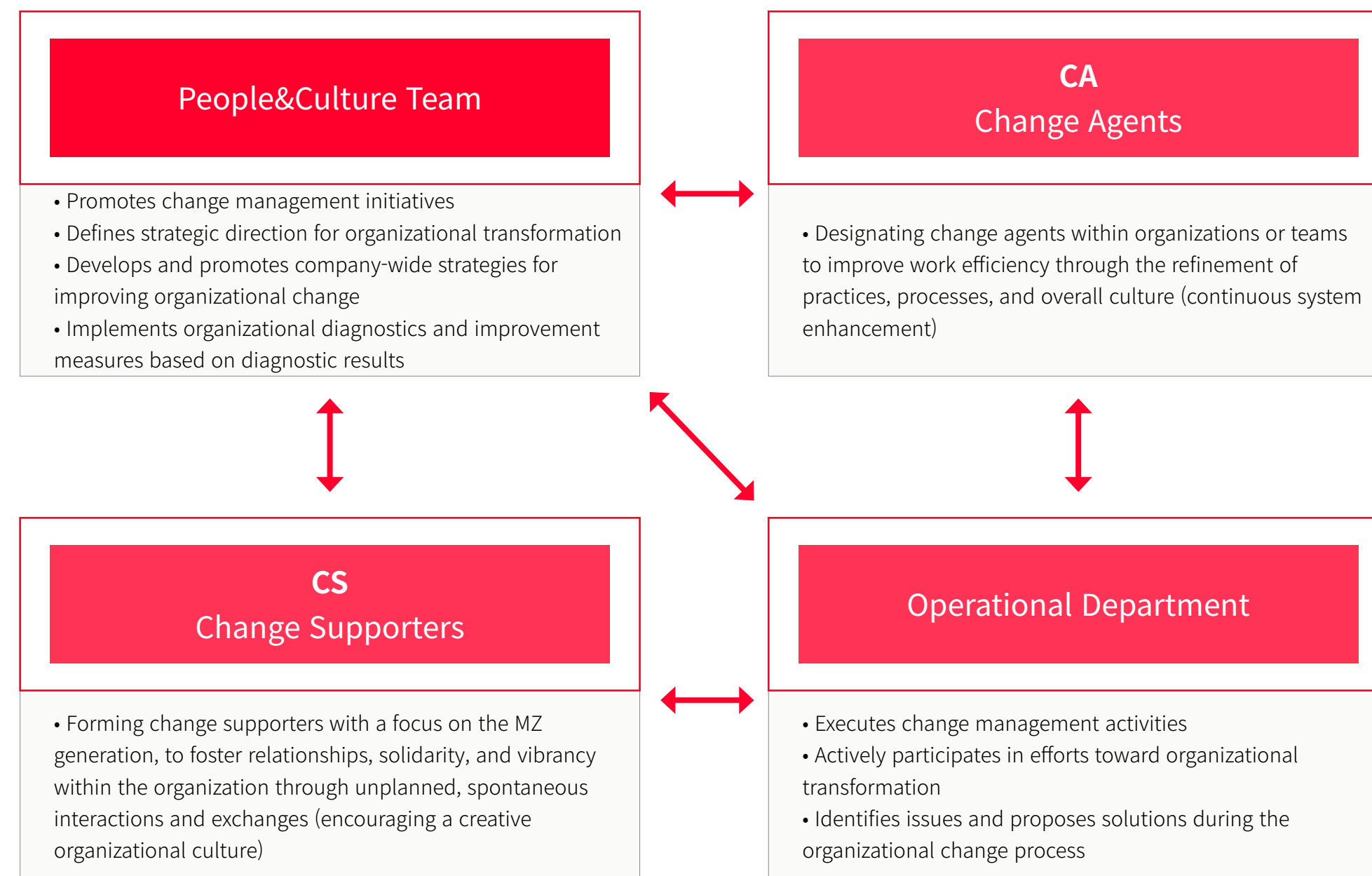
7. Organizational Culture

7-1. Organizational Culture Direction

DRB respects and embraces the integrity of each employee based on its healthy organizational culture and hopes that the organization and its employees will grow together and achieve their dreams. In line with this vision, DRB aspires to establish a horizontal and flexible environment where seamless communication and collaboration thrive.

7-2. Organizational Culture Management System

DRB operates a change management system to create an innovative culture. The department in charge of corporate culture sets the direction for organizational change and establishes and disseminates a company-wide strategy for driving organizational change smoothly. Through this, we continuously promote organizational diagnosis and improvement activities. Change Agents (CAs) act as change managers within their organizations and teams. They enhance work efficiency and promote continuous refinement of the system by improving work practices, processes, and culture. On the one hand, Change Supporters (CSs) enhance relationships and fellowship within the organization through serendipitous encounters and interactions among employees. They also plan and operate programs proactively to stimulate a creative culture.



7-3. Organizational Culture Activities

One DRB Daily Innovation Inspiring the World

Leadership for One DRB

DRB operates various communication channels to share its values and direction with employees, enabling them to share a legitimate sense of purpose and meaning.



DRB Forum



DRB Leadership Day



Value Internalization



Brand Story

Daily Innovation System

DRB is holistically changing the way employees work by creating various systems and an environment that allows them to work creatively and proactively with autonomy and authority.



Change Agents



Change Supporters



Smart Work

People Inspiring the World

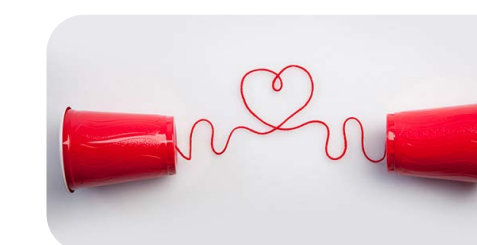
DRB expands flexibility and autonomy at the workplace to cultivate a sense of freedom and responsibility among employees and makes efforts to manage overall health and life-related grievances for better engagement in work.



Enhance flexibility



Family-friendly



Healthy Workplace



DRB Happy Mint

S2. Employees

7-4. Organizational Culture Program Assessment

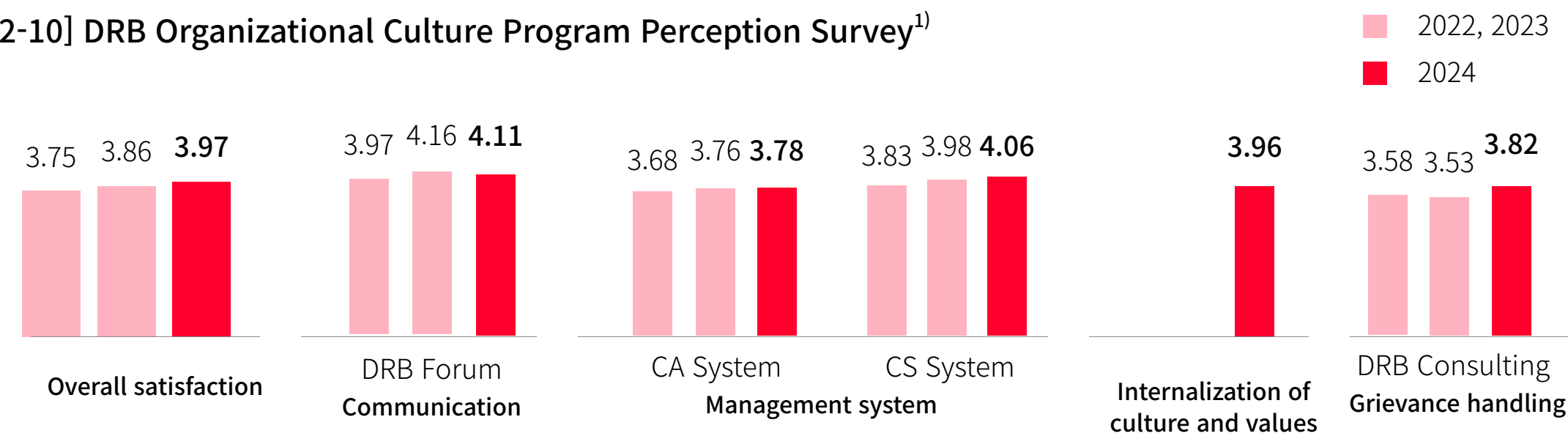
DRB conducts an annual survey to reflect the perceptions and opinions of employees regarding its corporate culture programs. According to the results of the 2024 survey, 87% of respondents stated that the DRB Forum was an effective platform for sharing internal company information in addition to business status. Furthermore, 79% of respondents found the special lectures at the DRB Forum effective for recognizing changes in the business environment.

For the Change Agent (CA) activities, 66% of respondents found them effective for improving behaviors that supported organizational and individual development and for increasing recognition and encouragement among employees. Regarding the Change Supporters (CS) activities, 79% of respondents stated they were effective for expanding interaction among employees and creating an enjoyable workplace.

Additionally, 61% of respondents were of the view that the HappyMint counseling/coaching program was effective, and 66% found the 'Mind Travel Workshop' event to be effective. Overall, the 2024 survey results indicated a higher level of satisfaction compared to the previous year. The new programs introduced in 2024 for internalization of the organizational culture and values, 'Business Trip! Team Building' and 'DRB Culture Camp', received positive evaluations of 75% and 72%, respectively.

The diverse feedback collected from our employees will be reflected in the improvement tasks for next year's corporate culture programs. Through this, we constantly strive to provide even better organizational culture programs.

[S2-10] DRB Organizational Culture Program Perception Survey¹⁾



1) Target corporations are corporations in Korea, including DRB Holding, DRB Industrial, and DRB Automotive.

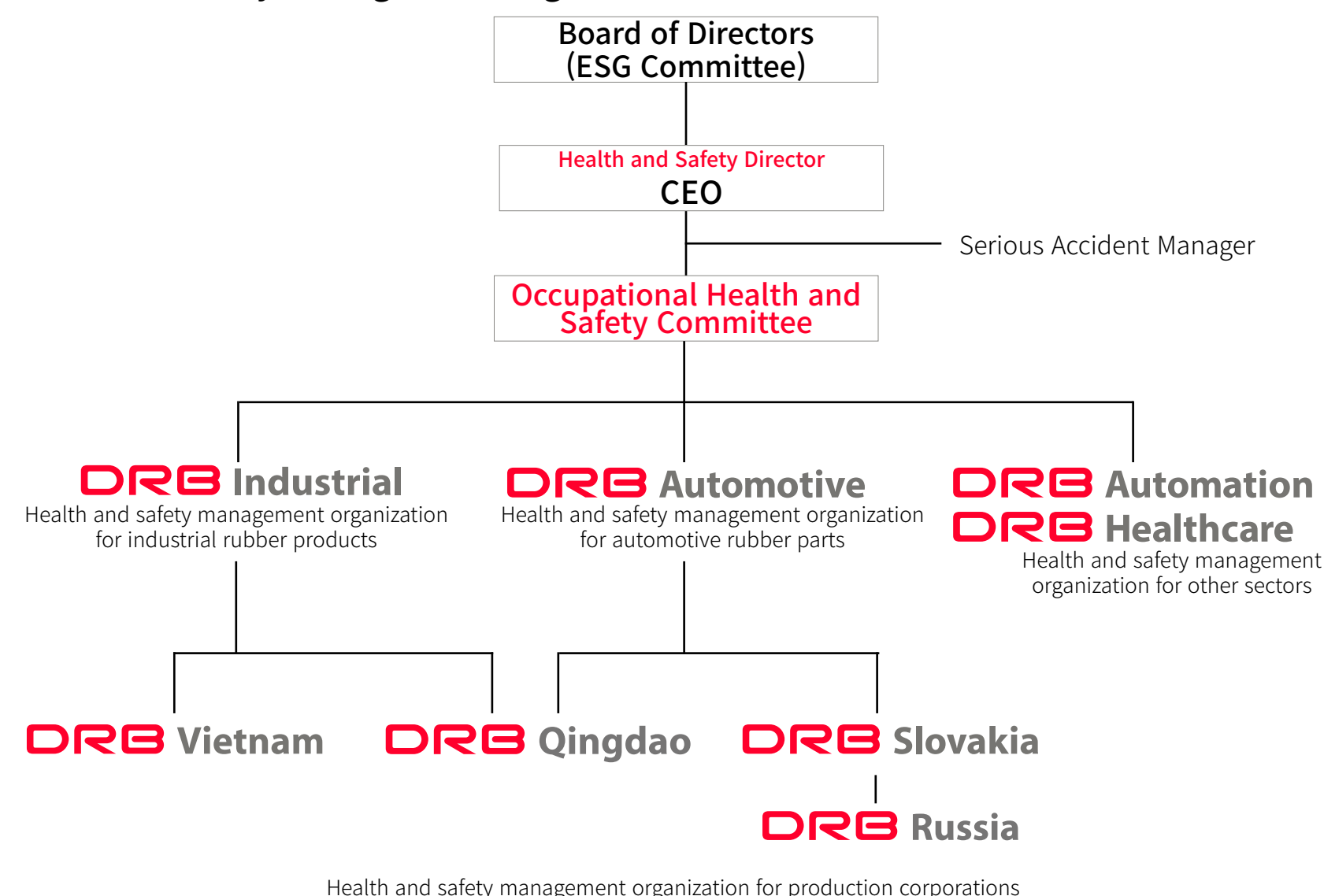
S3. Occupational Health and Safety

1. Governance

1-1. Health and Safety Management Organization

All of DRB's subsidiary corporations have secured dedicated departments and personnel to establish a safety and health management system, through which they carry out systematic safety and health management activities. The dedicated departments comprehensively perform tasks across all areas of safety and health, including: identifying and improving safety and health risks; inspecting the safety and health management system; installing, permitting, and operating safety equipment; preventing industrial accidents and managing accidents; implementing regular training and campaigns; handling safety and health-related grievances; and reporting and filing with relevant authorities. We strive continuously to ensure the safety of our employees and maintain compliance with legal requirements at the same time.

[S3-1] Health and Safety Management Organization Chart



* All of DRB's domestic and international corporations have established dedicated health and safety management organizations. The CEO (or Corporate Head) serves as a supervising manager and conducts periodic inspections to assess the status of health and safety management.

Serious Accident Manager

The serious accident manager is in charge of building and operating the health and safety management system for all DRB corporations in relation to *the Serious Accidents Punishment Act*.

Occupational Health and Safety Committee

DRB Holding, DRB Industrial, and DRB Automotive operate an Occupational Health and Safety Committee on a quarterly basis, with the CEO (Health and Safety Director) acting as the chairperson. Through the joint participation of labor and management, this committee regularly gathers feedback, communicates, and shares improvements regarding the health and safety requirements of our employees. Key agenda items collected by the committee are submitted to the ESG Committee within the Board of Directors for final decision-making. These decisions are then effectively communicated and implemented at each business site through the dedicated health and safety management organizations established within our domestic and international affiliates and subsidiary corporations. Necessary items are managed systematically to ensure they lead to additional actions or improvement activities. Through this effort, DRB systematically manages health and safety issues across the entire organization and develops a management system that prioritizes the health and safety of employees.

[S3-2] Occupational Health and Safety Committee Deliberations and Resolutions

Matters concerning the establishment of industrial accident prevention plans	Matters concerning the investigation of causes and the establishment of measures to prevent recurrence of industrial accidents, specifically regarding serious accidents	Matters concerning health and safety management as proposed by health and safety officials and workers
Matters concerning the creation and revision of health and safety management regulations	Matters concerning the recording of data and maintenance of statistics on industrial accidents	Matters concerning the maintenance and repair of machinery, instruments, equipment, and facilities
Matters concerning health and safety education for workers	Matters concerning new health and safety measures adopted upon the introduction of hazardous or dangerous machinery, instruments, and other equipment	Matters concerning the establishment and revision of various health and safety regulations, procedures, guidelines, standards, and rules
Matters concerning the inspection and improvement of the work environment, including measurement of the work environment	Matters concerning the establishment of health and safety improvement plans	Matters concerning the budgeting and execution of health and safety management funds
Matters concerning health management, such as health check-ups for workers	Matters concerning key health and safety management projects and achievement of goals	Other important matters concerning health and safety

[S3-3] Occupational Health and Safety Committee Meeting Status

1Q 2024.03.27

1. Requested continuous implementation of health and safety education to improve awareness of wearing safety helmets
2. Requested health and safety education regarding the risk of falling objects during crane/hoist operations
3. Requested the inspection of road damage and subsidence and improvement
4. Prohibited mobile phone use while walking
5. Reviewed measures for the prevention of heat-related illnesses

2Q 2024.06.26

1. Revised the health and safety management regulations
2. Request to share the inspection results of the cool air blowers
3. Request to conduct emergency (fire) drills and education with the participation of workers engaged in fire-vulnerable processes
4. Took measures to prevent heat-related illnesses

3Q 2024.09.26

1. Reviewed the replacement of wireless remote controllers for cranes/hoists

4Q 2024.12.11

1. Installed AI safety devices on forklifts
2. Obtained certification as an excellent corporation for promotion of worker health
3. Conducted emergency rescue drills for confined spaces

Health and Safety Management Department

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

S3. Occupational Health and Safety

1-2. Health and Safety Management Policy

DRB operates under the belief that employees' health is the single most important factor that determines the company's competitiveness and places the highest value on employee safety. Based on our management philosophy of respecting human dignity, we have established a Health and Safety Management Policy and publicly announced it internally and externally, thereby building a systematic health and safety management framework. In addition, through the Code of Conduct Chapter 4 (Health and Safety), Collective Bargaining Agreement Chapter 7 (Health, Safety, and Accident Compensation), and Rules of Employment Chapter 12 (Health and Safety), we clearly guarantee our employees' right to work in a safe and hygienic environment. Based on these policies and systems, DRB protects the lives and health of its employees and further establishes a foundation for sustainable management.

[S3-4] Health and Safety Management Policy

DRB Health and Safety Management Policy

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

Establishment and Implementation of the Health and Safety Management System

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

Compliance with Health and Safety Regulations

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

Health and Safety Inspections and Preparedness

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

Health and Safety Training and Awareness Enhancement

DRB continuously conducts training for effective health and safety management and enhances employee awareness on health and safety.

Implementation of Health Management

DRB prioritizes the health of all stakeholders, including customers, employees, and partners, and practices health management through a corporate culture of human respect.

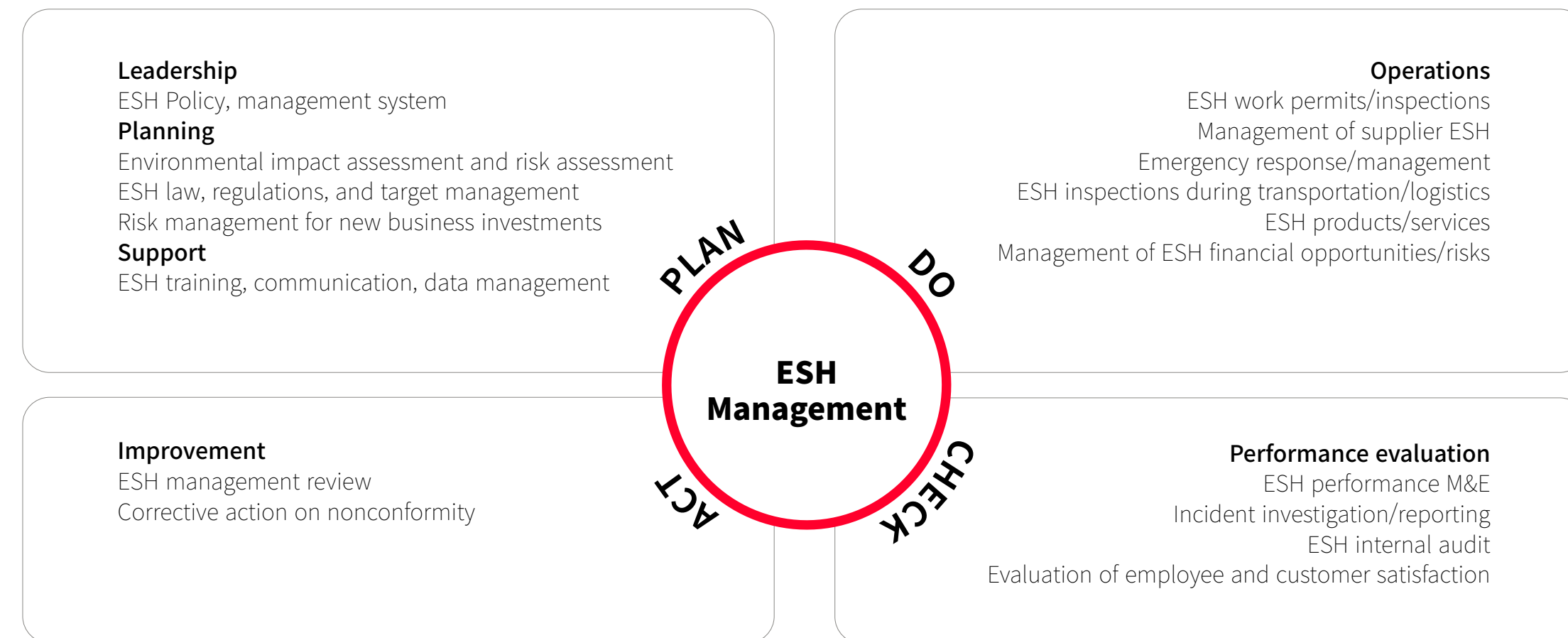
For the concrete implementation of the health and safety management policy, we will encourage active participation from our employees and employee representatives, identify issues from both internal and external stakeholders, and continuously strive for improvements with a sense of responsibility in our work.

S3. Occupational Health and Safety

2. Health and Safety Management System

2-1. Health and Safety Management System

DRB manages health and safety affairs according to the health and safety management system and systematizes its management standards by establishing and revising them as company regulations.



2-2. Health and Safety Management System (ISO 45001)

To establish an organized health and safety management system that complies with international standards, DRB has obtained the ISO 45001 (Occupational Health and Safety Management System) certification. This certification is based on an international standard that stipulates measures for systematically managing an organization's health and safety risks and for protecting the health and safety of workers. DRB conducts a regular audit each year through a professional certification body. Through this audit, we diagnose and improve any vulnerability in system operation and create a sustainable health and safety culture. In the future, DRB will continue to maintain a management system that prioritizes employee safety and aims to become an even more trusted corporation through continuous improvement activities.

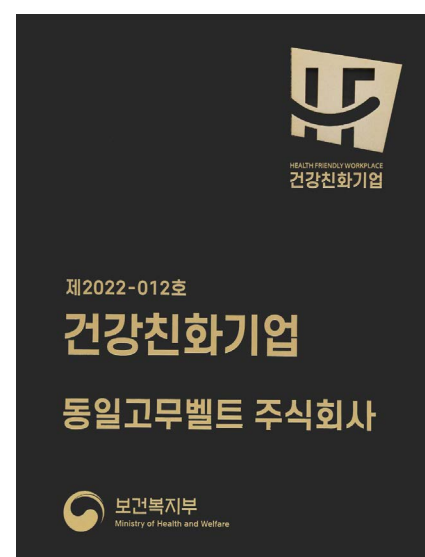
[S3-5] ISO 45001 Certification Status (Health and Safety Management System)

Company name	Site	Validity period	Scope
DRB Industrial Co.,Ltd.	Busan plant	2024.12.11. ~ 2027.12.10	Design, development and production of power transmission belts, conveyor belts, plant, rubber tracks, industrial rubber products, rubber products for civil engineering & construction and rubber products for rolling stock
DRB Automotive Co., Ltd.	Yangsan Plant	2022.11.03. ~ 2025.11.02	Design, development, production of rubber products(weather strips) for automobile
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao Plant	2022.12.02. ~ 2025.12.03	Design and manufacture of Weather Strips; manufacture and related management activities of belts(raw edge belts, V-ribbed belts, power transmission wrapped belt) and rubber track
	Chongqing Plant	2024.02.21. ~ 2027.02.10	Occupational health and safety management activities involved in the manufacturing of rubber sealing strips
Dongil Rubber Belt Slovakia, s.r.o.	Slovakia Plant	2022.12.10. ~ 2025.12.09	Manufacturing of rubber sealing products for automotive industry
Dongil Rubber Belt Vietnam Co.,Ltd.	Vietnam Plant	2023.10.20. ~ 2026.10.19	Manufacture and sales of rubber conveyer belts and crawlers for industrial machines

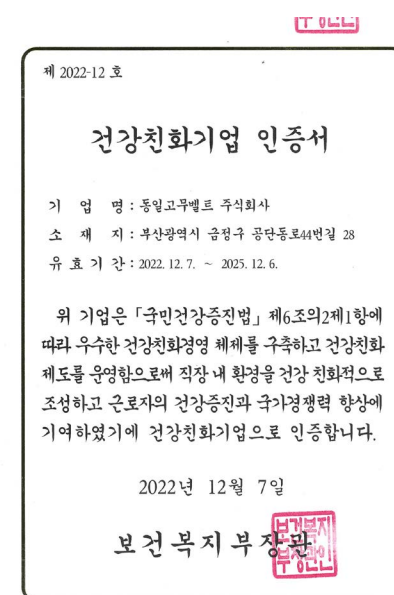
S3. Occupational Health and Safety

2-3. Health-Friendly Workplace Certification

In recognition of our efforts to build a more organized health-friendly management system, DRB obtained the Health-Friendly Company Certification from the Ministry of Health and Welfare (Korea) for the first time in 2021. The Health-Friendly Company Certification is a system that grants accreditation to companies that have achieved excellent performance in health-friendly management, health-friendly culture, and health-friendly activities, with a renewal audit conducted every three years. Here, the term health-friendly management refers to the management's efforts to create a health-friendly culture and environment within



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



the company, their recognition of the importance of workers' health, the formation of an organization dedicated to health-friendly systems, and the building of a health-friendly work environment.

The term health-friendly culture encompasses activities such as reflecting employee opinions and needs when operating health-friendly systems and implementing health equity programs for vulnerable groups within the company. For health-friendly activities, the actual efforts a company makes to promote health, such as assessing employee health status, analyzing risk factors, and planning and promoting health promotion programs tailored to the company's characteristics, are evaluated.

In recognition of efforts in such diverse health management activities, DRB was honored with the Award from the President of the Korea Health Promotion Institute (2021) at the Health-Friendly Company Certification Performance Contest. We also had the honor of receiving the Minister of Health and Welfare's Commendation (DRB Industrial, 2021/2022). These achievements show that DRB's continuous efforts to provide a health-friendly work environment have been recognized.

2-4. Outstanding Health Promotion Workplace Certification

DRB Industrial has operated various health management programs to protect and promote employee health. As a result of these continuous efforts, the company obtained the 'Certification of Excellent Workplace for Worker Health Promotion Activities' (initial certification) from the Korea Occupational Safety and Health Agency under the Ministry of Employment and Labor (Korea) in 2024. This certification is granted to worksites that achieve outstanding performance in various areas, including the establishment of an in-house health management system, efforts to improve health risk factors, and health promotion activities for workers. Through this certification, DRB Industrial has elevated its status as a company that leads the way in creating a substantial health-friendly culture.

DRB plans to continue expanding its customized health management programs and institutional support to create a healthy work environment and improve the quality of life for employees.



S3. Occupational Health and Safety

3. Health and Safety Management Goals

3-1. Safety Management Goals

DRB has set ‘Harmonizing DRB business and safety and strengthening the ability to execute safety management’ as its vision and aims to create a safe workplace by upholding employees’ lives and health as the highest priority. To this end, DRB has established and is implementing the following four goals and the corresponding strategies.

To achieve zero serious accidents, we are preparing a systematic and preemptive accident prevention framework based on a safety management system. Through this, we aim to block the possibility of accidents in advance and effectively manage safety risks.

To raise safety awareness, we pursue a strategy to internalize safety management. We continue with activities to improve education and organizational culture so that each employee naturally engages in safe behaviors in their daily lives.

To realize zero violations of safety regulations, we have set a strategy of strengthening safety management communication. Through continuous communication with our employees, we are raising their awareness regarding the importance of legal compliance and encouraging voluntary participation.

With the goal of establishing a preemptive prevention system, we pursue a strategy of implementing continuous innovations to the safety management business. We improve hazardous and risk factors in our processes and equipment, and strengthen preemptive safety management by introducing new technologies and methods.

Based on this concrete goal-strategy framework, DRB ceaselessly strives to create an environment where all employees feel secure at work and to establish a foundation for sustainable management.

[S3-6] DRB Safety Management Goals and Strategy

Harmonizing DRB business and safety and strengthening the ability to execute safety management				
Goal	‘Zero’ serious accident	Enhancing safety awareness	‘Zero’ violation of safety regulation	Developing preventive systems
Strategy	Developing a safety management system	Internalizing safety management	Improving safety management communication	Transforming the safety management business
	<p>Serious accidents</p> <p>0 Case</p>	<p>Occupational illnesses</p> <p>0 Case</p>	<p>Fines imposed</p> <p>0 Case</p>	

3-2. Health Management Goals

Under the vision of ‘Together, DRB becomes healthier’, DRB promotes employee health as a key element of sustainable management. Based on the belief that promoting the health of each employee is the foundation for improving corporate productivity and achieving sustainable growth, we have established the following goals and are pursuing systematic strategies to achieve them. One of DRB’s primary goals is to secure sustainable management by preventing disease among our employees. To achieve this goal, our strategy is to establish a health management system that internalizes health management as an essential element of corporate operations, protects employees’ health, and prepares the institutional foundation to prevent the occurrence of diseases. Moreover, we aim to establish a culture of voluntary health management among our employees by expanding customized services. To this end, we are implementing a strategy to strengthen personalized health management that takes into account the individual health status and needs of each employee. This contributes to promoting greater participation and enhancing the effectiveness of health management activities. Furthermore, DRB seeks to secure systematic health solutions by introducing smart health management. In this regard, we strive to secure a smart health management system that enables efficient and scientific health care by utilizing the latest information and communication technologies. Our objective is to provide employees with timely and highly accessible health management support.

Through this clear vision, goal setting, and supporting strategies, DRB aims to create an environment where all employees can work healthily and safely, ultimately contributing to the company’s sustainable development and the fulfillment of social responsibilities.

[S3-7] DRB Health Management Goals and Strategy

Together, DRB becomes healthier			
Goal	Through disease prevention for all employees, DRB secures sustainable management.	By expanding customized services, DRB creates voluntary health managing culture.	Through smart health management, DRB establishes a systematic health solution.
	Establishing a health management system	Enhancing customized health management	Securing smart health management
Strategy	Establishing a management philosophy (vision, mission, goal, mid-to-long-term plan) Building the necessary infrastructure (system, organization, expertise, budget, etc.) for health management	Responding to regulations and reducing industrial risks Securing diversity and increasing voluntary participation Utilizing external networks and enhancing the efficiency of resources	Developing a digital healthcare system Creating health management DB and managing performance Supporting employees with self-care

S3. Occupational Health and Safety

4. Risk Management

4-1. Risk Assessment

To create an environment where all employees can work safely and healthily, DRB implements regular and non-regular risk assessments systematically as part of its employee health and safety management activities.

Regular risk assessments are conducted to continuously improve the safety of currently operating equipment and facilities and to fundamentally eliminate potential risk factors. In principle, regular safety diagnoses and risk assessments are each conducted once a year. The risk assessment procedure consists of: reviewing data from process analysis, conducting employee surveys, identifying and organizing hazardous and risk factors, calculating the risk level, and establishing improvement measures based on the calculation. The risk level is classified into a five-level scale according to objective evaluation criteria based on likelihood and severity. Items assessed as high-risk are registered and managed as significant risks. For items classified as significant risks, we implement immediate improvement measures or establish and execute a specific response plan according to risk priority. We monitor the implementation of these improvement measures periodically, and the results are shared company-wide to be utilized in future safety management activities.

Non-regular risk assessments are conducted in addition to the regular assessment cycle when specific situations arise. Such specific situations include the introduction of new equipment and facilities, the establishment or revision of health and safety-related laws, changes in risk assessment criteria, the need for inspection under laws like the Serious Accidents Punishment Act, personnel changes of employees eligible for maternity protection, and the management's judgment. We promptly implement these non-regular assessments to immediately identify and manage risks that may arise whenever there is a change in the work environment.

Through these regular and non-regular risk assessment activities, DRB continuously identifies and improves upon hazardous and risk factors in the workplace and makes every effort to provide a safe and healthy work environment for employees.

[S3-8] Risk Determination Criteria

Severity (Intensity) Likelihood (Frequency)	Maximum (5)	Large (4)	Medium (3)	Small (2)	Minimum (1)
Highest (5)	25	20	15	10	5
High (4)	20	16	12	8	4
Medium (3)	15	12	9	6	3
Low (2)	10	8	6	4	2
Lowest (1)	5	4	3	2	1

Risk Level	Management Criteria	Note
16~25 Unacceptable risk	This is a risk requiring immediate improvement. If the risk is not reduced after improvement, it requires investment to change the scale of improvement measures.	Dangerous work is not permitted under any circumstance.
13~15 Significant risk	This is a risk where work can proceed after taking temporary safety measures, but facility improvement measures must be implemented within the planned period.	Conditional risk acceptance (Work to be implemented after establishing improvement measures)
9~12 Substantial risk	This is a risk that requires improvement action within a planned period by establishing administrative or facility-related improvement measures.	
4~8 Minor risk	This is a risk that requires training, such as work instructions, work procedures, and safe work practices.	Acceptable risk
1~3 Acceptable risk	The current health and safety measures are maintained.	

4-2. Occupational Accident Management

To protect employees from hazardous factors such as chemicals and noise within business sites, DRB periodically measures exposure levels twice a year with assistance from a specialized institution. If a new measurement target arises due to the introduction of new equipment or process changes, a preliminary survey is conducted to investigate hazardous factors within 30 days of occurrence. The measurement results are shared transparently with all employees via workplace bulletin boards and regular health and safety training.

DRB also makes efforts to prevent fire accidents and ensure the stable operation of electrical facilities. DRB Industrial has completed the replacement of its old high-voltage panel boards with the latest equipment. It has also established a web-based power monitoring system to computerize power data and manage facility operations more systematically according to power demand. At DRB Automotive, a CO2 automatic fire extinguishing system has been installed in the extrusion vulcanization process, and CO2 manual fire extinguishing equipment has been installed in the coating process for a swift and effective initial fire response. By securing such equipment, we prevent the possibility of serious accidents, such as burns or suffocation from toxic gas due to large-scale fires. Through these measures toward systematic management of hazardous factors, fire prevention, and equipment safety, DRB strives to minimize the occurrence of industrial accidents and to create a safe work environment where all employees can feel secure.

[S3-9] Zero Serious Accidents Sub-Targets

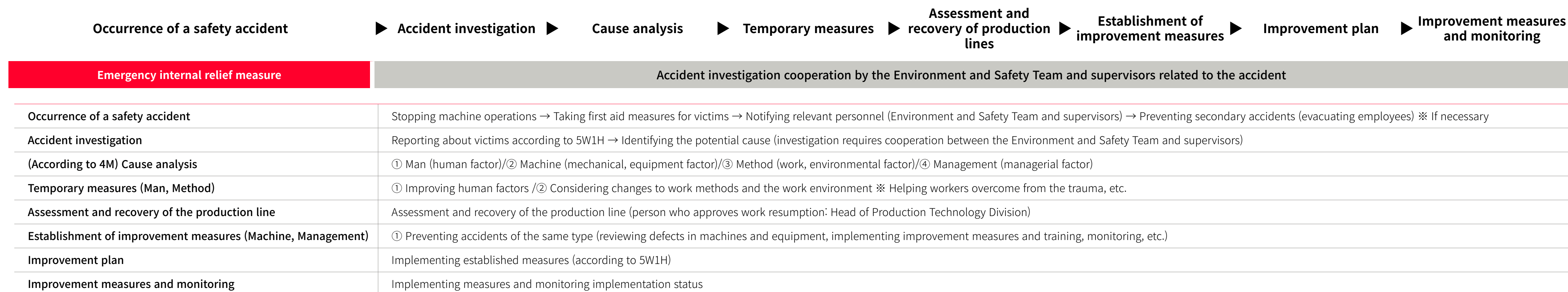
	Unit	DRB Industrial				DRB Automotive			
		Result	Target			Result	Target		
		2024	2025	2026	2027	2024	2025	2026	2027
Rate of training completion under the health and safety-related laws and regulations	%	100	100	100	100	100	100	100	100
Rate of employee health checkups		100	100	100	100	100	100	100	100
Rate of participation in health consulting related to medical conditions		100	100	100	100	100	100	100	100
Implementation rate of improvement recommendations from administrative agencies		100	100	100	100	100	100	100	100
Implementation rate of improvements after risk assessment		100	100	100	100	100	100	100	100
Implementation rate of improvements after safety diagnosis		100	100	100	100	100	100	100	100
Rate of employees' participation in health-friendly management programs		50	55	55	55	44	45	45	45

S3. Occupational Health and Safety

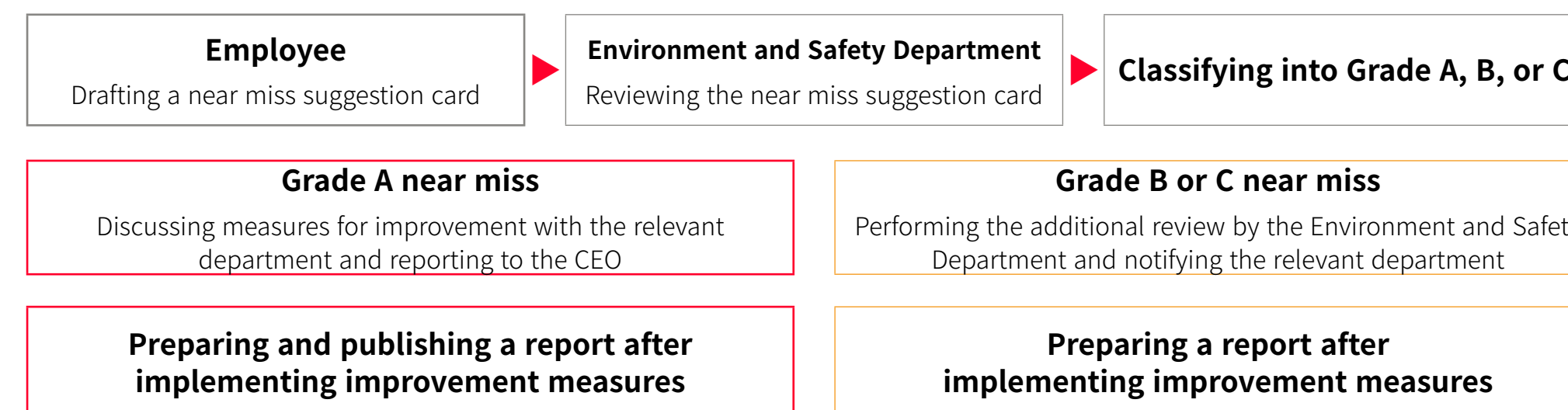
4-3. Incident Management Process and Emergency Response

DRB has thoroughly established and operates an emergency action plan and accident response system to effectively prepare for and swiftly respond to various potential emergencies, including human accidents, fires, and leaks of hazardous substances. To ensure the safety of employees as a top priority and to minimize damage in an emergency, we conduct regular emergency response drills at least once a year, and all drill results are documented and managed. Additionally, we conduct regular safety inspections and training for employees to support them in cultivating the ability to preemptively recognize and respond appropriately to potential risks that may arise during daily work. In the event of an actual emergency, we actively utilize various communication means, such as voice notifications, wired or wireless phone calls, in-house broadcasting, and CCTVs, to broadcast information about the situation and engage in the initial response. In addition, we maintain a close cooperative system with key stakeholders and related agencies to remain fully prepared for a more effective emergency response. As part of accident prevention activities, DRB operates a 'Near Miss' reporting system. Near misses are categorized and managed by their level of occurrence. By providing rewards to employees who suggest or report near misses, we encourage voluntary participation in discovering and improving potential risk factors in the workplace. This safety management system has been evaluated positively by external organizations. At the 'Greater Safety Contest' joint fire drill hosted by the Geumjeong Fire Station, DRB Industrial demonstrated its excellent safety response capabilities by winning the Head of Busan Disaster Headquarters Award, the Head of Geumjeong Fire Station Award in the CPR category, and the Busan Mayor's Award for contributions to fire safety management. By establishing and operating such an organized emergency preparedness and response system, DRB strives to ensure that all employees can work in a safe environment.

[S3-10] Safety Incident Response Process



[S3-11] Near-Miss Incident Response Process



1) Grading near misses

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

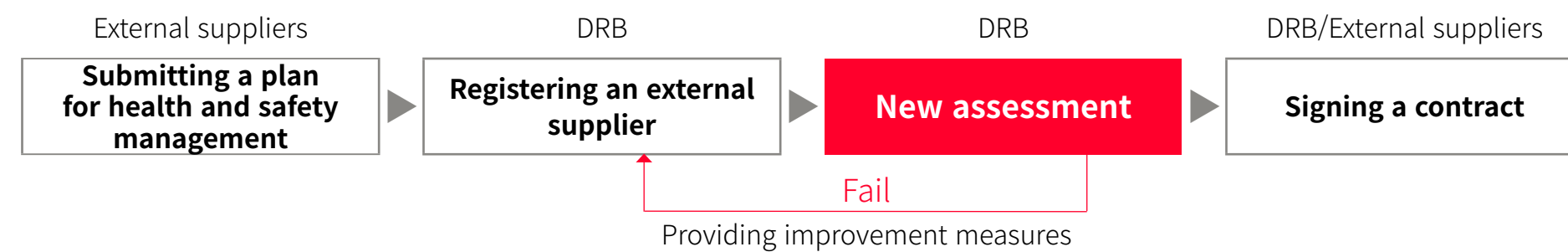
S3. Occupational Health and Safety

4-4. External Supplier Health and Safety Management

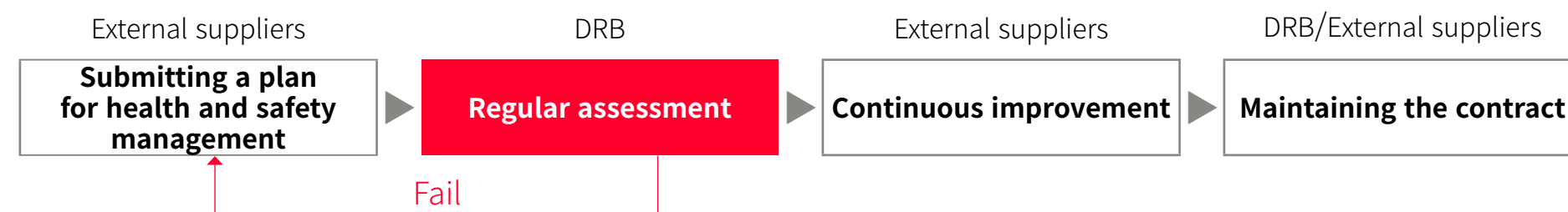
DRB communicates closely with external suppliers by forming a health and safety council. When the employees of an external supplier work in hazardous or dangerous locations, we ensure that the necessary health and safety measures are strictly implemented according to our standards. When selecting an external supplier, we go through a procedure to closely verify whether the prospective company has sufficient capabilities for prevention of industrial accidents. Additionally, we support training to strengthen the health and safety capabilities of their employees. We also make common efforts to create a safe work environment by conducting joint regular and non-regular workplace inspections with external suppliers to identify and improve potential risk factors together. Through these health and safety management activities for external suppliers, DRB enhances the health and safety standards of suppliers and promotes mutual cooperation and growth based on safety.

[S3-12] Health and Safety Capacity Assessment for External Suppliers

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



Regular Assessment: Regular evaluation of health and safety management capabilities for existing external suppliers prior to renewal of contracts and provision of improvement plans (once per year)



4-5. Health and Safety Regulatory Compliance

DRB seeks to establish a workplace where all employees may work safely and in good health, striving to foster accident-free business sites and ensuring legal compliance

[S3-13] 2024 DRB Occupational Health and Safety Regulations Compliance Status

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

4-6. Health and Safety Complaint Process

DRB considers it extremely important to listen to and actively resolve the health and safety concerns and complaints of all stakeholders, including employees. We operate a systematic health and safety complaint handling process to maintain the safety of the work environment and to protect the health rights of employees. Employees can freely raise any complaint or concern related to health and safety, including hazardous or risk factors in the work environment, inadequacies in safety management, or health-related problems. We have various communication channels in place for this purpose, and all complaints are immediately delivered to the relevant department. We conduct a swift and fair investigation and review for all received complaints. For any issues identified through the investigation, we analyze the cause to prevent recurrence and establish and implement necessary improvement actions or corrective actions. The entire handling process and results are documented and managed according to relevant regulations, and we ensure transparency by providing clear feedback on the results and improvements to the employees who filed the complaint.

Through the operation of this complaint handling process, DRB strives to listen to the voices of employees and other stakeholders, and to create a healthier and safer workplace by responsibly handling the health and safety issues that are raised.

[S3-14] DRB Health and Safety Grievance Handling Process



[S3-15] DRB Occupational Health and Safety Grievance Submission and Resolution Status

Category	Unit	DRB Industrial			DRB Automotive			
		2022	2023	2024	2022	2023	2024	
Employees	Acceptance (report)	case(s)	9	10	18	2	2	0
	Handling	case(s)	9	10	18	2	2	0
	Handling rate	%	100	100	100	100	100	-
External stakeholders	Acceptance (report)	case(s)	2	2	4	1	4	2
	Handling	case(s)	2	2	4	1	4	2
	Handling rate	%	100	100	100	100	100	100

S3. Occupational Health and Safety

5. Safety Management Activities

5-1. Safety Training

In accordance with the Health and Safety Policy, DRB systematically conducts customized health and safety training that considers the characteristics of different jobs and hierarchical levels to strengthen the safety capabilities of all employees and to internalize a culture of safety. In particular, to effectively prepare for various types of emergencies such as fires, natural disasters, and accidents that can occur due to the nature of our products and manufacturing processes, we conduct regular scenario-based emergency drills at least once a year at all business sites. Through these drills, we strengthen our employees' capabilities to respond swiftly and appropriately in the event of an emergency. For departments and personnel who handle chemical substances, we provide specialized training on the Material Safety Data Sheet (MSDS), which contains detailed information on the hazards and risks associated with those chemicals. This ensures safety in handling chemicals and minimizes the risk of related accidents. Furthermore, all domestic and international business sites of DRB conduct the legally required safety training thoroughly as mandated by their respective national and local governments. This training focuses on raising the basic safety knowledge and awareness of employees and cultivating their ability to recognize and respond to potential safety risks.

[S3-16] 2024 DRB Employee Occupational Health and Safety Training Status

Category	Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Total training hours	hour(s)	1,519	13,308	5,262	2,328	185	4,056
Participants ¹⁾	person(s)	905	6689	2,281	582	123	507

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

5-2. Safety Awareness Enhancement

DRB conducts various activities to promote a safety culture by constantly raising the safety awareness of employees and heightening their alertness to potential risks. To encourage voluntary participation and increase interest in safety, DRB regularly holds a Serious Accident Prevention Slogan and Fire Prevention Slogan Contest. This contest conveys safety messages effectively and encourages employees to reflect on the importance of safety. Appropriate incentives are provided to award winners. The selected slogans are adopted as DRB's official safety activity slogans and posted in highly visible locations, such as the main entrances of each business site, to share the safety message at all times. In addition, DRB strives to help employees naturally embed safety awareness in their daily lives. We continuously screen videos related to the prevention of industrial accidents in common spaces such as cafeterias and lounges at each business site. We also post safety rules, educational materials, and various safety notices to help our employees routinely view safety information and practice safety rules as a habit.

[S3-17] DRB Employee Occupational Health and Safety Training

Company	Education	Target	Training period(hours)
DRB Industrial	Safety training on hazardous chemicals	Hazardous chemical handlers	2024.4.16~12.6 (16 Hours/2 Years)
	Emergency (fire) response training	Production workers	2024.11. 12 ~ 14 (3 Hours) 11.18, 11.25 (1 Hours)
	External training for supervising managers	Supervising managers	2024.3.4 ~ 12.17 (16 Hours)
	Training for risk assessment personnel	Supervising managers	2024.4.17 ~ 11.7 (16 Hours)
	Regular health and safety training	All employees	2024. 1 ~ 12 (office 6 Hours/semi-annual, production 12 Hours/semi-annual)
DRB Automotive	Training for hazardous chemical handlers	Hazardous chemical handlers	2024.07 (2 Hours)
	Emergency response training in case of accidents	Supervising managers, office/production workers	2024. 6. 28, 10.7, 10.14 (2 Hours)
	Emergency (fire) response training	Supervising managers, office/production workers, in-house suppliers	2024. 6. 28 (1.5 Hours) 2024. 9. 23, 10.2 (2 Hours) 2024. 12. 26 (0.5 Hours)
	External training for supervising managers	Supervising managers	2024.1.2~2024.12.19 (16 Hours)
	Regular health and safety training	All employees	2024.1~2024.12 (12 Hours/semi-annual)
DRB Qingdao	Safety training on work resumption	All employees	2024.2.3-2.9
	Safety training on hazardous work	All employees	2024.5.30
	Emergency training and safety training for the Safe Production Month	All employees	2024.6.3
	Training on fire emergency position	All employees	2024.6.25
	Firefighting safety training	All employees	2024.12.20
DRB Slovakia	1st and 2nd training on working at heights	Work operators	2024.02.27 2024.03..27
	First aid training	First aid staff	2024.03.12
	Training on safe forklift operations within business sites	Related employees	2024.04.22
	1st and 2nd training on handling chemicals	All employees	2024.06.18 2024.06.25

S3. Occupational Health and Safety

5-3. Chemical Management

To minimize the potential impact of chemical substances on the environment and employee health and to secure a safe work environment, DRB operates a strict management system covering the entire lifecycle of chemicals from purchase to handling, storage, and disposal. In the chemical purchasing stage, we conduct a preliminary assessment of environmental impact and risk to prioritize the selection of less hazardous substances. Purchased chemicals are immediately registered in a complete enumeration list of chemicals. Based on this registered information, we closely review compliance with major domestic and international legal regulations, such as the Chemical Substances Control Act of the respective country, Korea's Act on Registration and Evaluation of Chemical Substances, and the EU REACH and RoHS. For chemicals that have passed this review process, we implement necessary follow-up measures meticulously so that employees can handle them safely. Such measures include placing the Material Safety Data Sheet (MSDS) in the workplace and attaching hazard and risk warning labels. During the storage stage, we continuously check the status of attached hazard and risk warning labels and manage the chemicals to ensure they are stored safely in designated locations appropriate for their type and characteristics. To ensure safety during the transport and storage of chemicals, we inspect containers regularly for damage. We also track and manage the receiving, releasing, and inventory status of chemicals periodically by preparing the management ledger specified in the Chemical Substances Control Act. Chemical waste generated after use is safely consigned for treatment through specialized hazardous chemical treatment companies that have obtained permits in accordance with relevant laws to prevent environmental pollution and safety accidents. Additionally, we clearly distinguish between the hazardous factors handled in each process and the factors subject to measurement of the work environment. By sharing this information with specialized external measurement and health check-up institutions, we constantly raise the management level for employees' exposure to hazardous factors.

5-4. Work Environment Management

DRB makes continuous and multifaceted efforts to improve hazardous work environments and maintain workplace cleanliness and thereby create an environment where all employees can work safely and healthily. In particular, for work environments where hazardous substances are handled, we manage them in strict compliance with relevant regulations. In these workplaces, we enhance information accessibility by posting safety-related information in clearly visible locations where employees can easily check and access it. This information includes the names of the hazardous substances handled, their effects on the human body, precautions for handling, required personal protective equipment, and emergency first aid procedures. For processes involving frequent noise generation, we have installed noise prevention facilities to protect our employees' health and manage noise levels by conducting periodic noise measurements. This is to prevent occupational diseases caused by noise and to create a pleasant work environment. We have installed and are operating appropriate ventilation facilities in confined work environments to prevent suffocation accidents from oxygen deficiency or toxic gases that can occur when working in confined spaces, thereby ensuring the safety of work in confined spaces. Additionally, we provide our employees with the necessary personal protective equipment (safety helmets, dust/gas masks, earplugs, safety visors, safety goggles, heat-resistant gloves, etc.) according to their work conditions and characteristics. We emphasize the importance of wearing this equipment and encourage compliance by clearly designating areas where protective equipment must be worn and installing separate informational signs.

5-5. Safety Inspection Operations

DRB conducts systematic inspection activities to ensure the safety of all employees. Through systematic inspection and management activities, DRB guarantees the safety of its employees as a top priority and strives continuously to improve the healthy and safe work environment.

[S3-18] Major Safety Inspection Management Components

(1) Safety inspections and diagnoses

DRB conducts joint labor-management health and safety inspections every quarter and carries out a detailed self-conducted safety diagnosis once a year. Based on the results of these inspections and diagnoses, each department establishes an improvement plan and monitors its implementation continuously. The improvements are reported to the Chief Safety and Health Officer and the CEO through the Occupational Health and Safety Committee.

(2) Health and safety management capability assessment

To provide a healthy and safe work environment for employees, DRB checks its health and safety management capabilities through internal assessments and conducts ongoing activities for improvement. Through this, we aim to strengthen the health and safety management system and minimize risk factors in the work environment.

(3) Fire prevention and firefighting facility management

To prevent fire accidents and protect human lives, DRB conducts regular inspections of its firefighting facilities and maintains them in optimal condition.

(4) Hazardous factor management

We measure the exposure level of hazardous factors that can arise from work processes and disclose the results transparently to our employees. We manage these hazardous factors rigorously to ensure they do not exceed standard limits and continuously improve the safety of the work environment.

(5) Musculoskeletal disease prevention

For work processes with a high risk of musculoskeletal disorders, we improve the processes through regular investigations to identify hazardous factors. Through this, we support our workers so they can work in a safe and healthy environment.

(6) Safety inspection of hazardous and dangerous machinery

We also conduct periodic safety inspections on hazardous and dangerous machinery and instruments used in the work environment, such as industrial robots, pressure vessels, cranes, rollers, and lifts, to ensure that our workers can work in a safe environment.

(7) New facility and process safety management

When establishing new facilities or processes, we create and implement a thorough hazard and risk prevention plan to ensure worker safety. Through this, we prevent potential risks that could occur in the work environment and provide a safe work environment.

S3. Occupational Health and Safety

6. Health Management Activities

6-1. Medical Checkups

DRB conducts annual general health check-ups for all employees. For any employee found to have symptoms suggestive of an occupational disease based on the results, we take necessary measures such as job rotation or a change of workplace. These measures are aimed at protecting the employee's health and providing a suitable work environment. In addition, we conduct periodic, special health check-ups for employees engaged in hazardous or dangerous work, in accordance with relevant laws. If a worker eligible for a special health check-up shows symptoms or has medical findings that suggest a health issue like occupational asthma or dermatitis, we conduct a temporary or occasional health check-up promptly to monitor their health status closely. Based on the results of these health check-ups, and when necessary to protect an employee's health, we implement appropriate measures such as changing the workplace, job rotation, shortening working hours, conducting measurements of the work environment, installing or improving facilities or equipment, and other actions based on medical opinions. This is to support our employees so they can continue their work while maintaining good health. Additionally, before assigning an employee from a general workplace to a job that requires special health check-ups, we conduct a pre-placement health check-up to assess their health suitability for that specific role in advance.

Through the operation of this comprehensive and organized health check-up system, DRB continues to identify and manage the health status of its employees and make every effort to create a healthy and safe work environment.

[S3-20] DRB Health Checkup Status

Category	Unit	DRB Holding			DRB Industrial			DRB Automotive			DRB Qingdao			DRB Slovakia			DRB Vietnam		
		2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
General	person(s)	92	86	77	542	517	508	114	117	131	49	133	143	577	360	448	577	580	584
Comprehensive	person(s)	43	37	37	276	249	277	96	85	99	-	-	-	-	-	-	-	-	-
Special	person(s)	-	-	-	356	347	308	80	78	76	260	259	229	-	109	71	-	-	-

S3. Occupational Health and Safety

6-2. Employee Health Management

To meet the diverse health management needs of our employees, DRB provides health support programs covering a wide range of topics, including customized exercise training, body composition management, hearing conservation, walking, sleep health, smoking cessation, and management of job stress. To encourage participation in these programs and health management practices, we grant various incentives to outstanding participants. We also share success stories from our health programs to inspire other employees to participate and to boost their motivation for health management. Additionally, DRB is equipped with the necessary facilities that allow employees to manage their health and to use a hygienic environment conveniently. We operate gym facilities for various exercise activities such as yoga and weight training, as well as health and hygiene facilities like bathhouses and infirmaries, to support the maintenance and management of employees' physical health. By operating these systematic health support programs and providing related facilities, DRB continuously strives to create an optimal environment where all employees can lead healthy lives and fully engage in their work.

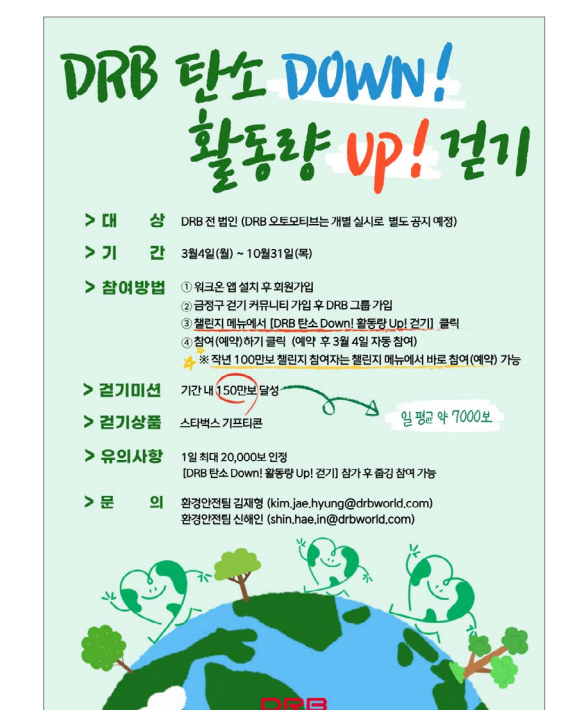
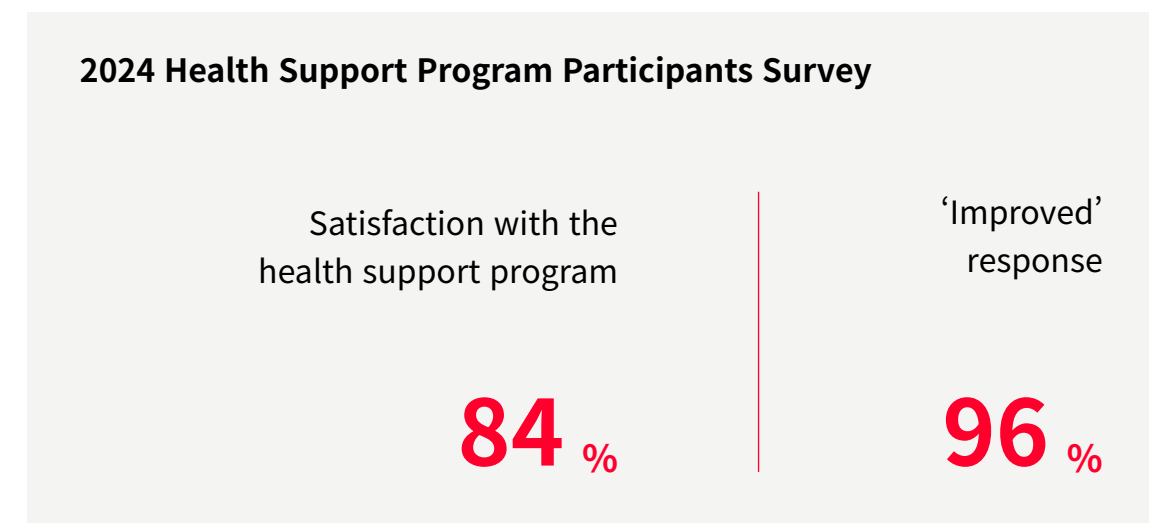
[S3-21] Employee Health Management Activities

Health check-up	<ul style="list-style-type: none"> - Offering general and special health checkups every year and a comprehensive health checkup every two years - Evaluating and improving the work environment through semiannual measurement of the work environment for field workers. - Conducting periodic special health checkups tailored to the characteristics of each hazardous factor handled
Health management	<ul style="list-style-type: none"> - Implementing a proprietary health support program and conducting a preference survey - Offering health support programs for customized exercise education, body composition management, oral health, walking, sleep health, and smoking cessation while operating a health management office - Maintaining a health management database to monitor employee performance and offering personalized support for health management, including assistance with self-care
Sleep health promotion program	<ul style="list-style-type: none"> - Running a program to improve sleep health using neurofeedback training
Customized exercise education program	<ul style="list-style-type: none"> - Implementing individual assessments, diagnoses, and consultations, followed by personalized management that combines exercise therapy provided by a certified exercise therapist and manual therapy administered by a physical therapist - Collaborating with Spo1 Physical Fitness Center and Geumjeong-gu Health Center for physical condition assessments and customized exercise prescriptions by an exercise therapist - Offering education on eating habits for prevention of obesity using the 'Walk On' app (healthy diet and exercise certification)
Anti-smoking program	<ul style="list-style-type: none"> - Operating a smoking cessation program to prevent cerebrovascular disease and promote worker health - Strengthening stress coping skills for individuals attempting to quit smoking and awarding incentives to those who successfully quit
Mental health promotion program	<ul style="list-style-type: none"> - Running the 'HappyMint' program, a professional counseling service, to prevent issues caused by depression and job stress
ICT-based mobile healthcare	<ul style="list-style-type: none"> - Leveraging smart devices to prevent chronic diseases, collect real-time health data, provide customized feedback on health, and manage various health indicators such as BMI, body fat, neutral fat, cholesterol, and fasting blood sugar

6-3. Health Management Evaluation

DRB strives to provide health management programs that could achieve tangible effects based on employee participation. To this end, during the planning stage of all health management programs, we conduct a preference survey among all employees to identify their actual health management needs and interests precisely. Based on the results of this survey, we select and operate programs that are most suitable and in the highest demand. After running a program, we go through a process of collecting satisfaction evaluations and detailed feedback from the participants. These evaluation results and feedback are utilized as important data to verify the program's effectiveness and identify areas requiring improvement. DRB uses this systematic evaluation and feedback process to provide ongoing higher-quality health management programs for employees and to contribute tangibly to their health promotion.

[S3-22] Health Management Program Satisfaction Survey Results



S4. Supply Chain Management

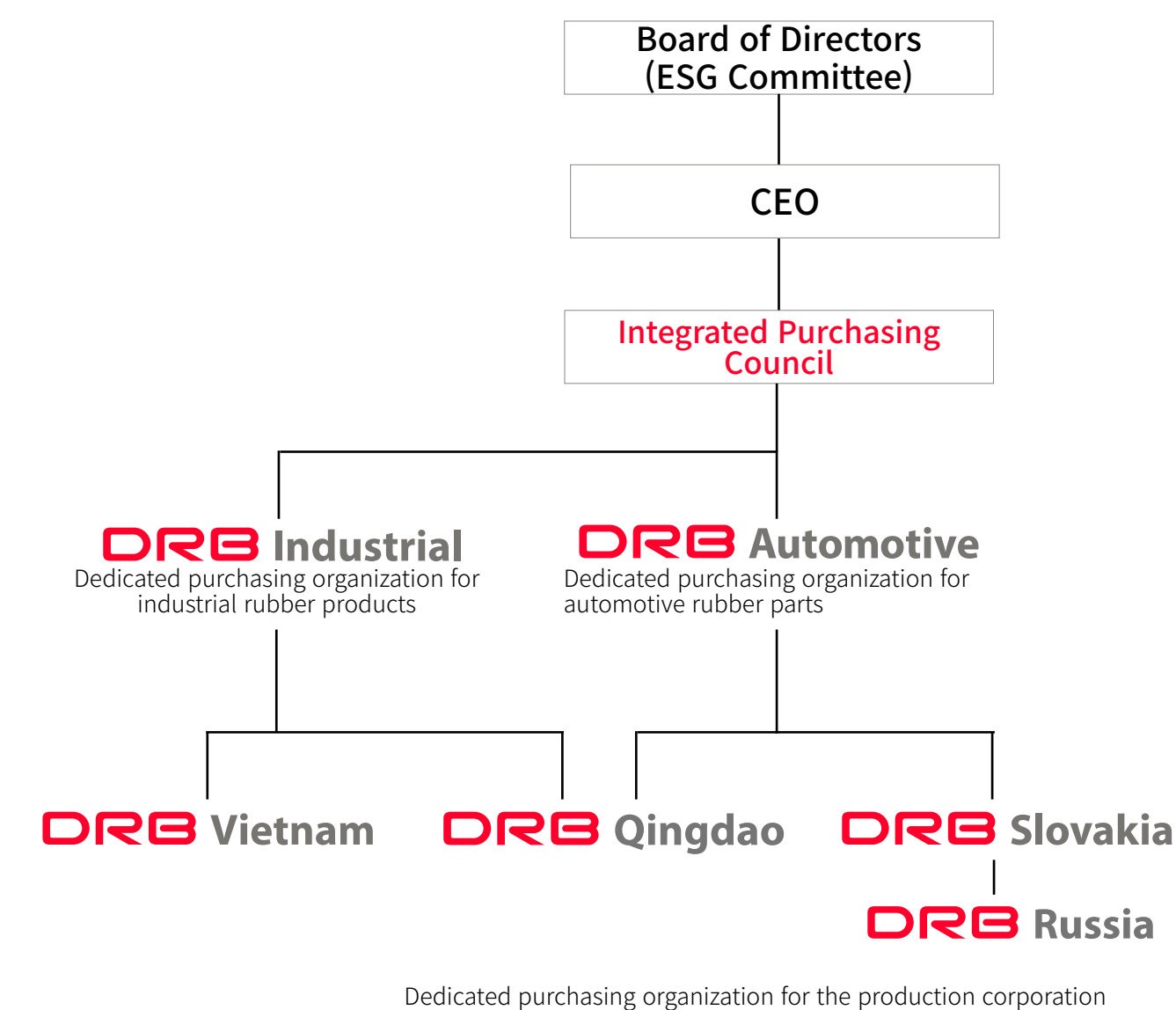
1. Governance

DRB operates a governance system for effective management of the supply chain, recognizing that building a sustainable supply chain is both a corporate responsibility and an essential element for strengthening competitiveness. This governance encompasses policymaking, the division of responsibilities, and operational procedures to manage environmental, social, and ethical risks across the supply chain and to enhance the sustainability capabilities of our suppliers.

As the highest decision-making body for the management of supply chain sustainability, the Board of Directors or the ESG Committee sets and approves major policies and strategic directions related to supply chain management. It receives regular reports on supply chain management activities, reviews performance, and supervises overall supply chain risk management and the improvement of sustainability levels. This ensures that DRB's sustainable management objectives and supply chain management are closely linked. The Integrated Purchasing Council holds consultations and makes decisions regarding key issues related to supply chain management, particularly those concerning efficient and strategic integrated purchasing activities. This council is composed of the purchasing-related departments of each subsidiary corporation. It decides on core parts of the supply chain strategy and is responsible for inter-corporate coordination, including responding to global trade regulations, establishing integrated purchasing strategies, reviewing major purchasing policies, and discussing measures for increasing the efficiency of the purchasing process. Decisions made here are passed to the general management/operations department to be linked to specific action plans.

The purchasing/procurement department of each subsidiary corporation is the key department responsible for implementation of the DRB supply chain management system. Based on the policies and strategies established by the highest decision-making body and the Integrated Purchasing Council, this department plans, executes, and oversees all supply chain management activities. Its responsibilities include operating the supplier selection process, conducting sustainability assessments (document-based diagnosis, planning on-site due diligence, etc.), identifying and managing risks, establishing and monitoring improvement plans, and managing direct communication and relationships with suppliers. It also coordinates with relevant internal departments (Quality, EHS, etc.) to ensure integrated supply chain management is achieved.

[S4-1] DRB Supply Chain Management Organization Chart



S4. Supply Chain Management

2. Supply Chain Management System

DRB is building a sustainable and responsible supply chain based on a thorough review from an Environmental, Social, Governance (ESG) perspective, starting from the initial stages of transactions with external suppliers. From the supplier status survey stage, we conduct an analysis on ESG-related items, including compliance with environmental laws, the status of using eco-friendly and renewable raw materials, non-discrimination (based on gender, religion, disability, age, place of origin, etc.), and the use of conflict minerals. Additionally, ESG criteria are applied as mandatory items in the evaluation process for the initial registration of raw and auxiliary material suppliers. We assess the capabilities of external suppliers comprehensively based on a total of 12 evaluation items across three domains: human rights, labor, and ethical management; health, safety, environment, and greenhouse gas; and sustainable procurement, emergency response, and supplier management.

In addition, even after a supplier is registered, DRB focuses on enhancing the supplier's ESG management level by conducting regular follow-up assessments in various ESG areas, including environment, health and safety, labor and human rights, ethical management, information security, and sustainable procurement. In particular, suppliers that receive the highest rating (Grade 1) in the ESG assessment are granted an exemption from the regular assessment in the following year, along with preferential negotiation rights when developing new or alternative raw materials. Moreover, DRB also conducts training and consulting programs to strengthen the ESG competitiveness of external suppliers. Through these efforts, we improve the sustainability and potential risk response capabilities of the entire supply chain.

[S4-2] DRB Supplier Registration Process



[S4-3] DRB Supplier Qualification Assessment (ESG Parts)

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

S4. Supply Chain Management

3. Supply Chain Management Policy

3-1. Supplier Code of Conduct

DRB requires compliance with the ‘Supplier Code of Conduct’ to ensure that external suppliers can maintain fair and transparent business relationships when providing contracted goods and services. All external suppliers are required to thoroughly comply with the laws of the countries and regions where they operate and must implement DRB’s guidelines in the fields of ethics, environment, human rights, safety, supply chain management, and technology.

DRB’s Supplier Code of Conduct was established based on the Responsible Business Alliance (RBA) Code of Conduct and the practical guidelines for sustainability from Drive Sustainability. It also actively reflects global-level human rights, environmental, and ethical regulations such as the EU Corporate Sustainability Due Diligence Directive (CSDDD). This Code of Conduct applies to all external suppliers that have a contractual relationship with DRB and their employees, and compliance is also recommended to all stakeholders within the entire supply chain, including sub-suppliers. DRB conducts regular checks on the implementation status of the Supplier Code of Conduct and recommends improvements in cases of non-compliance. These improvement measures are promoted through consultation with the supplier, and if a risk is identified in the supply chain, immediate responsive action is required. In the future, DRB will further strengthen its cooperative framework with external suppliers to realize responsible supply chain management and sustainable business practices that align with global standards.

[S4-4] DRB Supplier Code of Conduct



3-2. Green Procurement Policy

To strengthen its supply chain management from an Environmental, Social, Governance (ESG) perspective, DRB has established a Green Purchasing Policy and actively promotes the priority purchasing of environmentally certified products. Through various green purchasing activities, such as giving priority to purchasing auxiliary materials that have received the environmental mark certification, we are contributing to environmental protection and the conservation of natural resources, thereby fulfilling our corporate social responsibility.

DRB practices the purchasing of green products considering their eco-friendliness throughout all processes, including production, transport, and unloading. When developing new products, we consider the feasibility of purchasing eco-friendly materials as a top priority. In the future, DRB will gradually expand the scope and scale of green purchasing. At the same time, we will strengthen our foundation for sustainable growth through collaboration with external suppliers that possess eco-friendly technology and expertise.

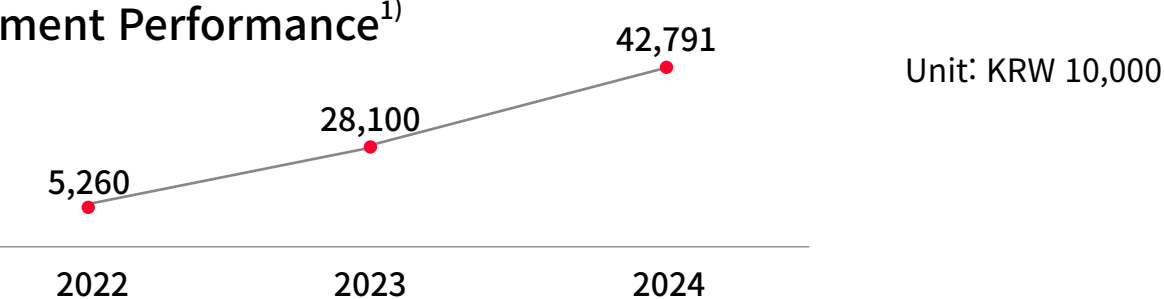
[S4-5] DRB Green Procurement Policy

DRB Green Procurement Policy

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

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

[S4-6] Green Procurement Performance¹⁾



1) Based on corporations covered by the reporting scope

S4. Supply Chain Management

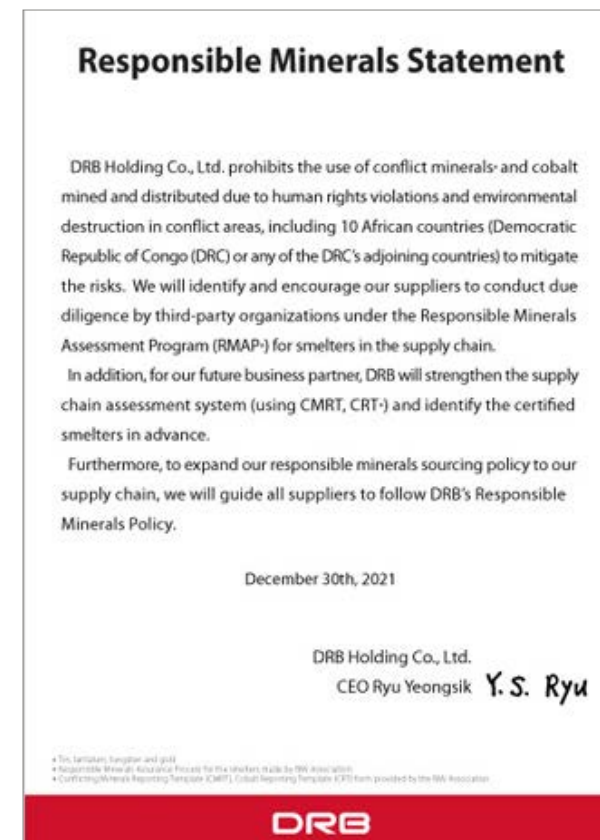
3-3. Responsible Minerals Management

DRB actively responds to global responsible mineral issues and prohibits the use of conflict minerals to eradicate human rights violations and environmental destruction. In particular, we strictly block the use of minerals such as tin, tantalum, tungsten, gold, and cobalt mined in conflict regions. We have established a Conflict Minerals Management Policy based on relevant regulations and international guidelines such as the RMI and the OECD Due Diligence Guidance to practice responsible management.

DRB investigates the conflict minerals status of its external suppliers and assesses risks. We check whether external suppliers are using conflict minerals through data such as the CMRT, EMRT, and AMRT. We require our external suppliers to respond proactively to the conflict minerals management process and encourage all investigated external suppliers to submit the relevant data. Based on the submitted CMRT, EMRT, and AMRT data, DRB checks whether external suppliers are transacting with RMAP-certified smelters. For suppliers that do not transact with certified smelters, we implement a socially responsible Mineral Purchasing Policy and request that they switch to certified smelters. Additionally, for suppliers who source conflict minerals from uncertified smelters, we require a mid-to-long-term improvement plan to guide them toward thorough management of conflict minerals throughout the supply chain.

Along with these efforts, DRB conducts training for its major domestic and international external suppliers. This training covers the importance of conflict minerals management, related regulatory trends, and our Conflict Minerals Management Policy. We support all stakeholders within the supply chain in raising their awareness of responsible minerals management.

- * RMI(Responsible Mineral Initiative)
- * CMRT(Conflict Minerals Reporting Template)
- * EMRT(Extended Mineral Reporting Template)
- * RMAP(Responsible Minerals Assurance Process)

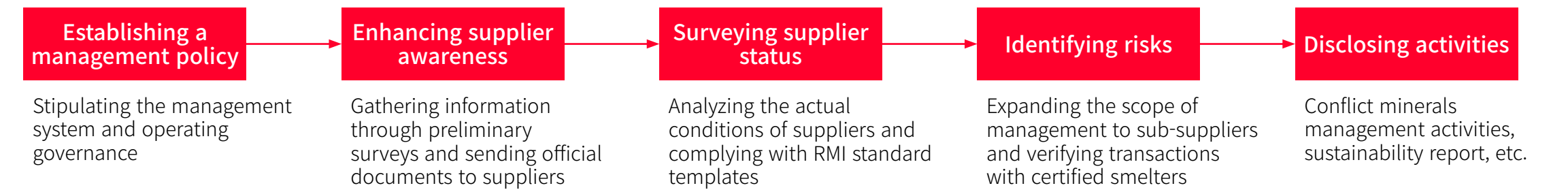


[S4-7] Declaration of Responsible Minerals Sourcing

[S4-8] DRB Responsible Minerals List

Category	List of Minerals	Managing Corporation
CMRT ver. 6.5	Tantalum, Tin, Gold, Tungsten	All domestic and international subsidiary corporations
EMRT ver. 2.0	Cobalt, Copper, Graphite, Lithium, Mica, Nickel	DRB Automotive, DRB Qingdao, DRB Slovakia DRB Industrial(Cobalt)
AMRT ver. 1.2	Platinum, Palladium, Rhodium, Iron Ore, Aluminum, Zinc, Manganese, Chromium, Titanium, Ruthenium, Osmium, Iridium	DRB Automotive, DRB Qingdao, DRB Slovakia

[S4-9] DRB Conflict Minerals Management Process



3-4. Supplier Fair Trade Principles

Based on the three core values of 'fairness, openness, and mutual growth', DRB strictly complies with fair subcontracting trade regulations. Through this, DRB guarantees fairness in subcontracting transactions and strives to establish a transparent trading culture. Additionally, DRB continuously distributes fair trade guidance letters to suppliers through the Purchasing & Supply Management (PSM) system and conducts regular fair trade education for purchasing-related employees. This supports our employees in carrying out transactions based on the principles of fair trade. DRB is preparing for the introduction and application of the four major practices for fair trade and mutual growth. Through this, we plan to thoroughly implement fair subcontracting practices and ensure DRB legal compliance. Based on these efforts, DRB will establish a fair and reasonable trading culture and build sustainable business relationships.

3-5. Supply Chain Emergency Response

After the outbreak of COVID-19, DRB experienced difficulties in procuring raw materials due to national lockdowns and a shortage of shipping capacity. In response, DRB promptly established an emergency response process to secure the stability of the raw material supply chain and to resolve these issues effectively. In the future, DRB will strengthen its sustainable raw material procurement system to prepare for similar situations.

[S4-10] Emergency Response Process



S4. Supply Chain Management

[S4-10] Emergency Response Process

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

3-6. Mutual Growth Initiatives

To foster mutual cooperation, DRB prioritizes the selection of exceptional local companies, women-owned businesses, and enterprises led by individuals with disabilities when choosing external suppliers. In addition, we provide various support programs, such as leadership training for executives and health and safety education, to enhance the capabilities of our suppliers' employees.

Moving forward, DRB will develop and implement supplier support programs to build a sustainable supply chain and foster successful partnerships.

[S4-12] DRB External Supplier Support Program

Category	Contents
Executive leadership training	We provide customized training to help the executives of our suppliers strengthen their management strategies and leadership capabilities. Through this program, we support them in gaining the skills to respond flexibly to internal and external organizational changes.
Health and safety education	We conduct health and safety training regularly so that the employees of our suppliers can prioritize safety in the work environment. This plays an important role in preventing accidents that can occur at the worksite and in creating a safe work environment.
Technical and quality control training	We contribute to improving product and service quality by providing training to strengthen the quality management systems and technical capabilities of suppliers.
ESG and sustainability training	To strengthen corporate activities from an ESG perspective, we conduct ESG-related training to support suppliers in developing sustainable management capabilities.
Strengthening joint R&D cooperation	We plan to promote product innovation and new technology development through joint R&D with suppliers. Through this effort, we will simultaneously enhance the competitiveness of both parties and secure a competitive advantage in the market.
Expanding customized support programs for suppliers	We plan to further develop customized support programs that reflect each supplier's requirements to strengthen practical support tailored to the characteristics and needs of each supplier.

[S4-13] DRB Mutual Growth Policy

DRB Mutual Cooperation Policy

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

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

[S4-14] 2024 DRB External Supplier Sustainability Training Status

Corporation	Suppliers	Method	Details
DRB Industrial	85	Online	Climate change and ESG disclosure, carbon neutrality, biodiversity and ESG management, grievance handling mechanism, Serious Accidents Punishment Act, SMEs, compliance management, ESG due diligence for the supply chain, DRB Supplier Code of Conduct
DRB Automotive	31		
DRB Qingdao	24		
DRB Slovakia	8		
DRB Vietnam	17		

S4. Supply Chain Management

4. Supply Chain Sustainability Assessment

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

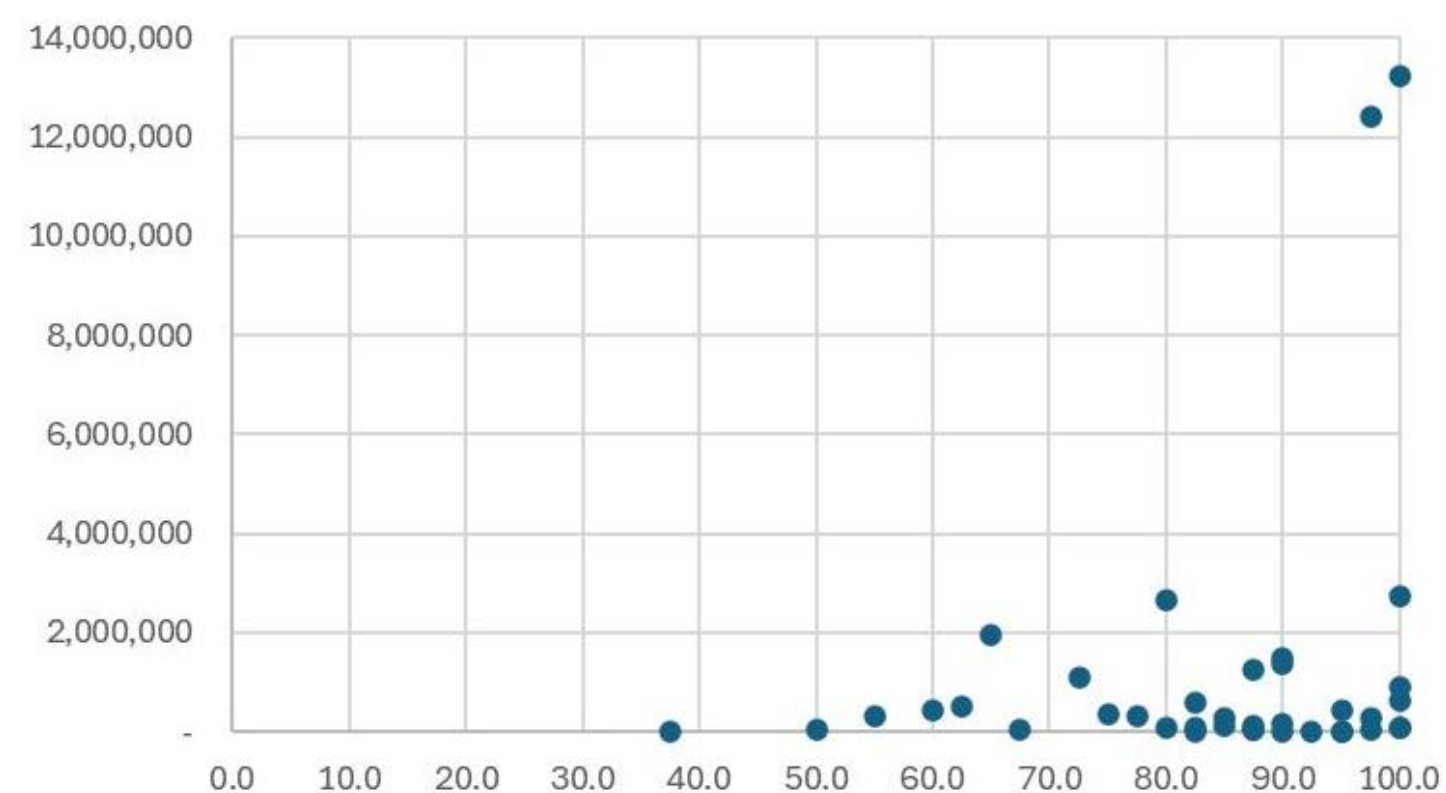
[S4-15] Supply Chain Sustainability Assessment Process

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

4-1. Supply Chain Risk Analysis

DRB analyzes potential and existing risks within the supply chain prior to performing due diligence to diagnose supply chain sustainability risks.

[S4-16] Risk Group Identification by Transaction Volume and Prior-Year Assessment (Unit: KRW 1,000)



* Based on external suppliers in Korea in 2024

4-2. Document-Based Assessment

DRB conducts an annual document-based assessment to analyze the sustainability risks of external suppliers. The assessment consists of 20 questions necessary for analyzing the external supplier's sustainability risks in areas such as the environment, health and safety, and labor and human rights. The results of the document-based diagnosis are used as basic data for identifying sustainability risks, selecting companies for on-site due diligence, and classifying high-risk external suppliers.

[S4-17] External Supplier ESG Document-Based Assessment Components

Environment	<ul style="list-style-type: none"> Whether the company has an environmental policy (regulation) to follow during procurement, design and manufacturing, and distribution and sales Whether the company is certified to an international environmental management system standard, such as ISO 14001, or its equivalent Whether the company measures and manages energy consumption, greenhouse gas emissions, etc. Whether the company measures and manages air pollutant emissions Whether the company measures and manages general or designated waste emissions Whether the company manages information on chemicals received, used, or released into the workplace (e.g., response to the Act on Registration and Evaluation of Chemical Substances and the Chemical Substances Control Act) Whether the company tracks and manages the presence of hazardous substances in raw and subsidiary materials, intermediate materials, products, etc. (REACH management)
Health and safety	<ul style="list-style-type: none"> Whether the company has established health and safety management regulations or has prepared and maintained related manuals Whether the company has obtained international or national health and safety management standards and certifications, such as ISO 45001 Whether the company has designated a health and safety director or manager to manage the health and safety system Whether the company has established and implemented a plan for periodic inspections of the work environment and safety equipment Whether the company has and regularly renews permits, reports, qualifications, etc. for facility operations required by laws and regulations Whether the company has provided health and safety training to its employees in the last year
Labor and human rights	<ul style="list-style-type: none"> Whether the company has employment rules in accordance with the Labor Standards Act or a human rights charter that aims to promote the human rights of employees and remedy human rights violations Whether the company includes prohibitions against discrimination in its employment rules or human rights charter (such as gender, race and nationality, disability, age, pregnancy, and childbirth) Whether the company pays its employees at least the legal minimum wage Whether the company complies with legal working hours in each country Whether the company operates a human rights or labor-related grievance system (system, channel, etc.)
Ethical management	<ul style="list-style-type: none"> Whether the company has policies (regulations) prohibiting all forms of unethical behavior such as bribery and graft, unfair internal transactions, etc. Whether the company has reporting channels for corruption, conflict of interest behavior, etc.
Information protection	<ul style="list-style-type: none"> Whether the company has policies (regulations) on the security of trade secrets, protection of nonpublic information, and protection of personal information
Sustainable procurement	<ul style="list-style-type: none"> Whether the company has an environmentally and socially responsible procurement policy (regulation) Whether the company tracks and manages the inclusion of conflict minerals in its raw and subsidiary materials, intermediates, products, etc. Whether the company has established criteria for selecting and evaluating external suppliers and whether the criteria include items for sustainable procurement Whether the company evaluates its external suppliers according to the selection and evaluation criteria and asks for improvements Whether the company has prepared emergency response scenarios and whether training and education are planned and implemented

S4. Supply Chain Management

[S4-18] External Supplier ESG Document-Based Assessment Results

Corporation	Assessment Target	1st Grade (70-100 Points)	2nd Grade (51-70 Points)	3rd Grade (0-50 Points)
DRB Industrial	27(30)	25(18)	2(10)	0(2)
DRB Automotive	21(18)	15(11)	4(6)	2(1)
DRB Qingdao	-	-	-	-
DRB Slovakia	-	-	-	-
DRB Vietnam	-	-	-	-

* The numbers in () indicate results for the 2023 assessment.

4-3. On-Site Audit

DRB conducts on-site audits for external suppliers whose responses to the document-based diagnosis are insufficient or for whom potential or actual sustainability risks have been identified. We perform the on-site audit through close collaboration between our sustainability management and purchasing-related organizations. During the on-site audit process, we conduct interviews with the external supplier's representatives; on-site inspections; and document verification to inspect violations of ethical norms, proper legal treatment of waste and pollutants, the management of working hours and payment of wages based on labor laws, and the establishment of risk assessments and emergency response plans. We also identify significant risks, by verifying consistency with the previously submitted documentary diagnosis responses. After the on-site audit, if necessary, we perform an in-depth analysis by collecting additional data or conducting interviews via phone and email. The audit results are integrally analyzed with the document-based diagnosis results and are then shared with the external supplier and internal stakeholders. Through this process, DRB will strengthen its sustainable supply chain management and continue to maintain transparent communication with all stakeholders.

4-4. Capacity Building Support

To strengthen the knowhow and capabilities of personnel in charge of supply chain sustainability, DRB has conducted training on global supply chain regulations (EUDR, EU CSDDD, etc.) and on the sustainability assessment of external suppliers. Through this training, we deepen their understanding of the latest regulatory trends and assessment criteria in supply chain management. Additionally, DRB provides ESG management capacity-building training for external suppliers to strengthen their management capabilities from an ESG perspective. Along with this, we actively introduce our external suppliers to various support programs run by their respective national and local governments and encourage their participation.

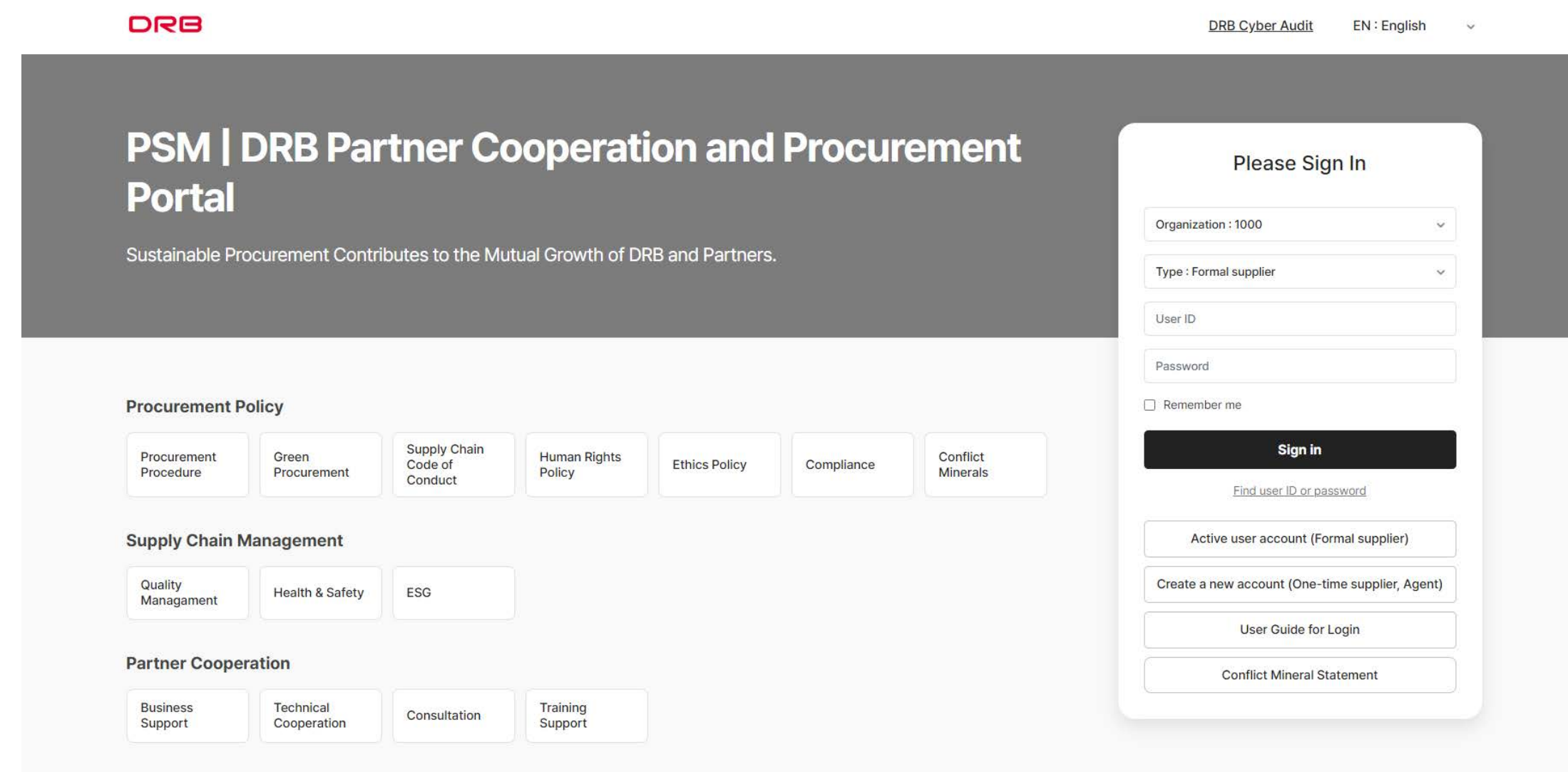
In the future, DRB will continue to strengthen training and support to build a sustainable supply chain and provide ongoing assistance to suppliers in building their capacity to comply with global regulations and ESG standards.

S4. Supply Chain Management

5. Supplier Communication Enhancement

DRB operates a Purchasing & Supply Management (PSM) portal system for smooth collaboration and transparent communication with external suppliers. This system provides key information in real-time, on topics including bidding, purchase order inquiries, inventory status, and purchasing specifications. It also serves as an emergency notification and communication channel in the event of a disaster or a distribution-related emergency. Additionally, the PSM portal includes functions for receiving grievances from external suppliers and for preventing and monitoring unfair trade practices. Suppliers can freely submit opinions or suggestions through the ‘Communication (Grievance Handling)’ channel within the system. Submitted issues are discussed with the relevant departments, and the results are communicated within seven days.

[S4-20] PSM Portal System



[S4-21] Communication and Grievance Handling Status in PSM

Category	2022	2023	2024
Number of grievances accepted	0	3	0
Number of grievances settled	0	3	0

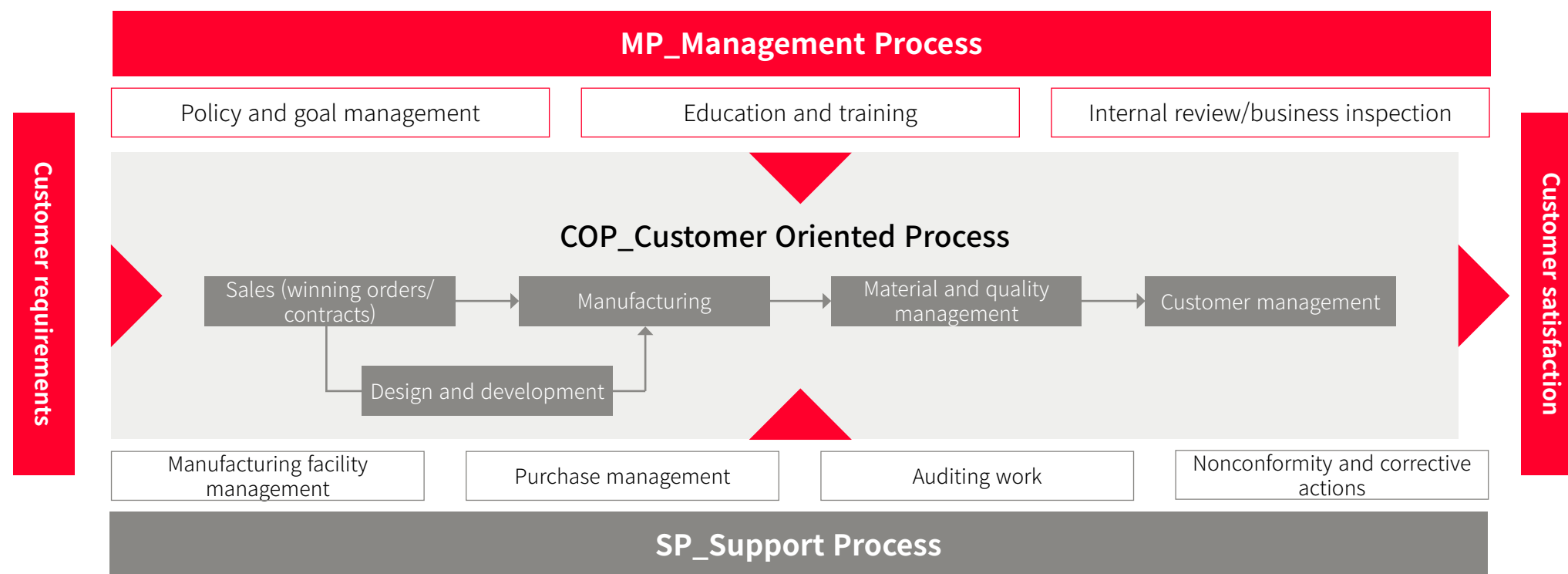
S5. Customer Management(Products Safety and Quality)

1. Governance

1-1. Quality Management

Based on the core values of ‘honesty, integrity, and trust’, DRB practices quality management that aims to secure the world's best quality, through which we pursue sustainable growth and strengthen our global competitiveness. To establish a leading position in the industrial rubber products and automotive parts sectors, we have established and operate DRB’s unique and optimized quality management system. We are continuing with improvements and innovations to strengthen our company-wide quality capabilities. In addition, DRB emphasizes mutual growth with suppliers and enhances the quality level of the entire supply chain by advancing the quality management evaluation system for external suppliers. Through this, DRB strives to share quality-centric values with suppliers and to move forward toward common growth objectives.

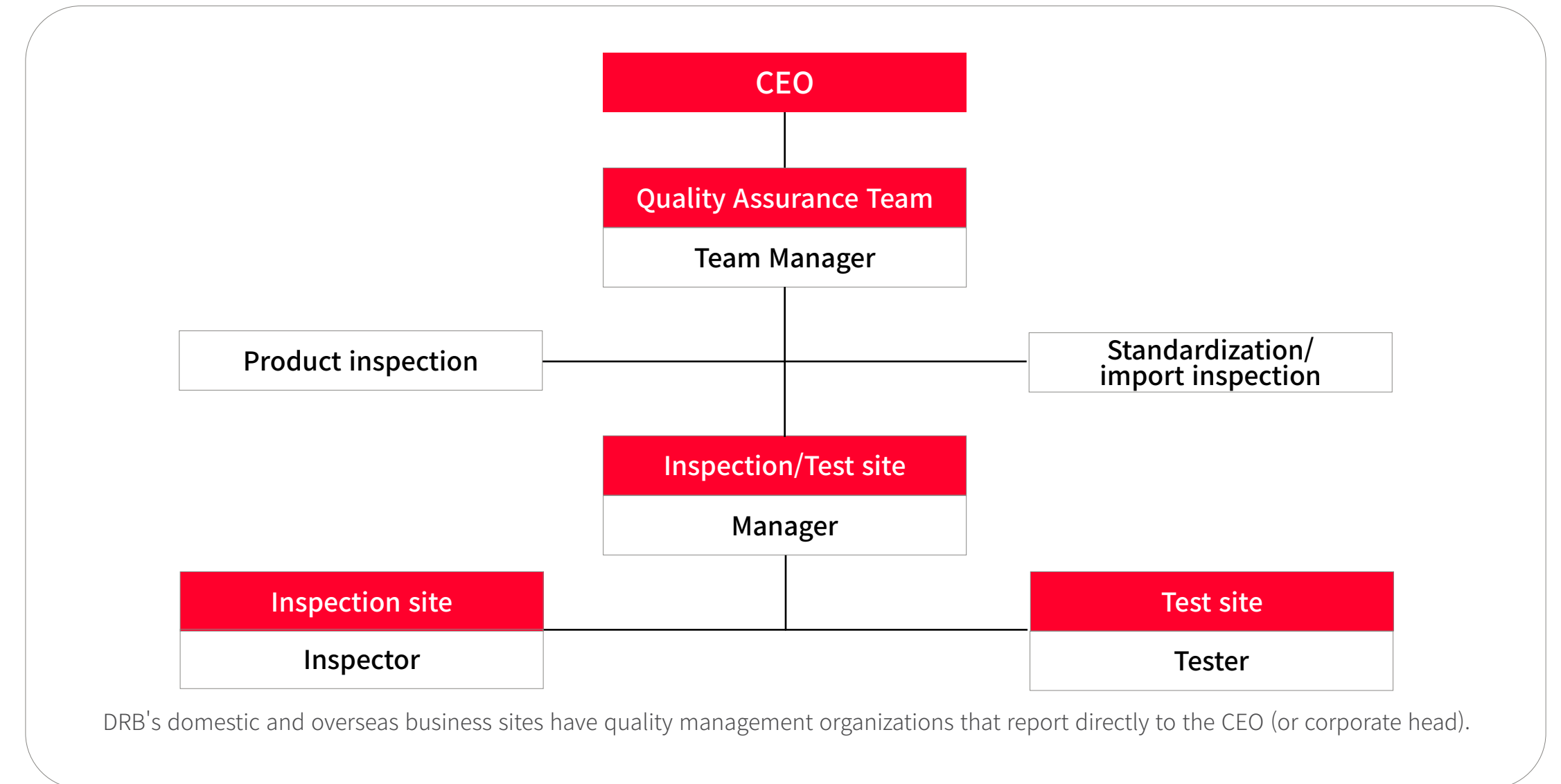
[S5-1] Quality Management Process



1-2. Quality Management Organization

Recognizing the strategic importance of quality management, DRB operates its quality management organization directly under the CEO of each corporation. The quality management organization sets quality objectives for each corporation, establishes and executes strategic quality plans to achieve them, and leads systematic quality management and improvement activities continuously. Furthermore, it systematically collects and analyzes quality-related data and, based on this, contributes to decision-making support and the improvement of quality performance. By responding to internal audits, external audits, and customer evaluations, the organization verifies its quality level and reports the results to the management, thereby maintaining and strengthening the effectiveness and suitability of its quality management system.

[S5-2] Quality Management Organization Chart



[S5-3] DRB Quality Management Dedicated Personnel Status

Category	Unit	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Toital	person(s)	35	24	35	47	70
Manager	person(s)	6	11	15	7	8
Inspector	person(s)	22	7	10	36	47
Tester	person(s)	7	6	10	4	15

S5. Customer Management(Products Safety and Quality)

1-3. Quality Certifications

DRB has established and operates an inspection and testing management system covering all aspects of raw materials, products, merchandise, and subcontracted processing to stably supply products that meet the quality levels required by our customers. Based on the ISO 9001 (Quality Management System) international standard, our company conducts systematic quality management across all processes, including inspection of incoming material, in-process inspection, inspection of final products, and reliability testing. Furthermore, to meet the global quality requirements of the automotive industry, DRB has acquired and maintains the IATF 16949 certification. Through this, we are strengthening our performance in key areas such as satisfying customer requirements, documenting and managing records of the quality management system, process-oriented operation and risk-based thinking, managing quality across the entire supply chain, and continuous improvement activities.

By implementing these global quality standards diligently, DRB enhances its company-wide quality capabilities and continuously improves customer trust and supply chain stability.

[S5-4] ISO 9001 Certification Status (Quality Management System)

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

[S5-5] IATF 16949 Certification Status (Automotive Quality Management System)

Company	Plant	Validity period	Scope
DRB Industrial Co., Ltd.	Busan	2024.08.09. ~ 2027.08.08	Design and manufacture of power belts (raw edge belts, V belts, timing belts)
DRB Automotive Co., Ltd.	Yangsan	2024.05.29. ~ 2027.05.28	Design and manufacture of weather strips
Qingdao Dongil Rubber Belt Co.,Ltd.	Qingdao	2022.10.21. ~ 2025.10.20	Design and manufacture of weather strips
	Chongqing	2024.07.23. ~ 2027.07.22	Design and manufacture of EPDM sealing and TPV sealing parts
Dongil Rubber Belt Slovakia, s.r.o.	Slovakia	2024.10.17. ~ 2027.10.16	Manufacture of automotive rubber products (weather strips)

S5. Customer Management(Products Safety and Quality)

2. Quality Control Activities

DRB has established and operates a company-wide quality management process based on global quality management system certification. We operate an organized quality system that produces the best quality products consistently and promotes customer satisfaction by employing management and support processes based on customer requirements. Our quality management activities are largely classified into five categories: quality planning, quality management, quality education for suppliers, infrastructure building, and customer satisfaction surveys. Through this effort, we integrally conduct proactive quality assurance and follow-up quality management.

[S5-6] Quality Planning

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

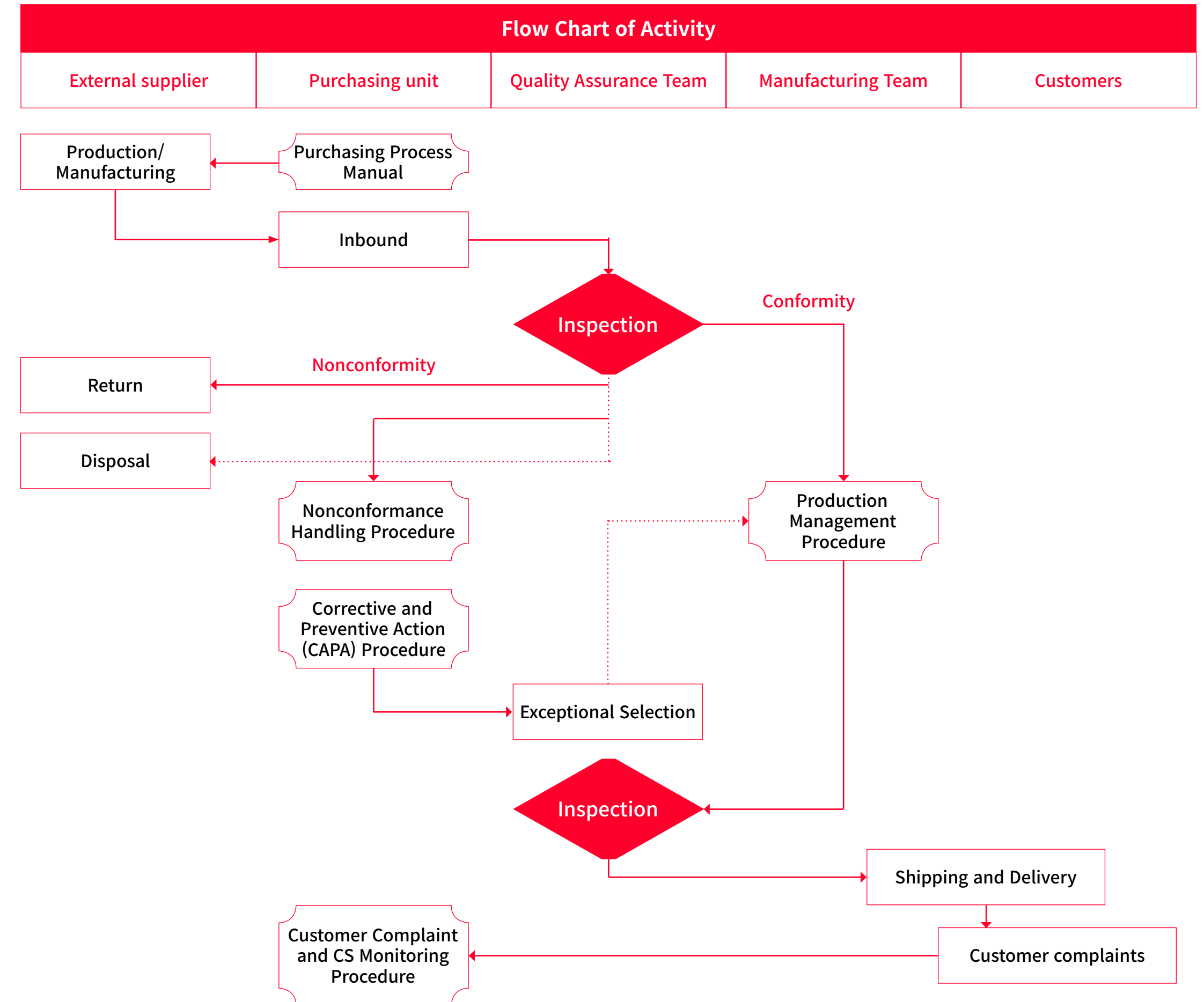
[S5-7] Quality Control

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

2-1. Quality Inspection

All products manufactured by DRB must undergo step-by-step inspections, including inspection of incoming material, in-process inspection, and final inspection. The conformity of a product is strictly judged based on the inspection results at each stage. For products that are judged to be nonconforming, the dedicated quality assurance department analyzes the cause and level of the issue. The department carries out corrective and preventive actions promptly to prevent the recurrence of the quality issue. In cases where a product is judged to be usable after repair or reprocessing, or usable without any treatment, the final disposition is determined in a manner that complies with customer requirements by consulting with the customer.

[S5-8] Quality Inspection and Defect Assessment Process



S5. Customer Management(Products Safety and Quality)

2-2. Quality Management Council

DRB operates a Quality Management Task Force (TF) for swift and systematic response to quality issues and reviews key quality indicators and the current status through regular quality report meetings. Through this, we are strengthening our company-wide quality monitoring system. At the same time, when a problem occurs, we apply a problem-solving process that includes cause analysis and the establishment of measures to prevent recurrence to promote continuous improvement activities.

2-3. GQMS(Global Quality Management System)

DRB has established and operates a Global Quality Management System (GQMS) to respond in real-time to quality issues that may arise at all business stages, including development, production, sales, and after-sales service. Through the GQMS, we promptly register and manage quality problems. An integrated management system enables the real-time sharing of related information with relevant departments, thereby enabling swift and efficient problem response and quality improvement at a company-wide level.

2-4. Quality Management Training

To promote quality culture and strengthen employees' competencies, the HR team conducts quality engineer job training and internal auditor cultivation training on a regular basis. We operate various educational programs utilizing both in-house specialized instructors and external experts. Additionally, we encourage all employees to participate in quality improvement through a suggestion system and small group activities. To strengthen expertise in each production process, we systematically nurture quality specialists through a support system for acquiring professional certifications, such as ISO 9001-certified auditors.

[S5-9] Quality Training

Quality Training for Partners

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

Quality education and infrastructure development

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

[S5-10] 2024 DRB Automotive External Supplier Quality Seminar

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

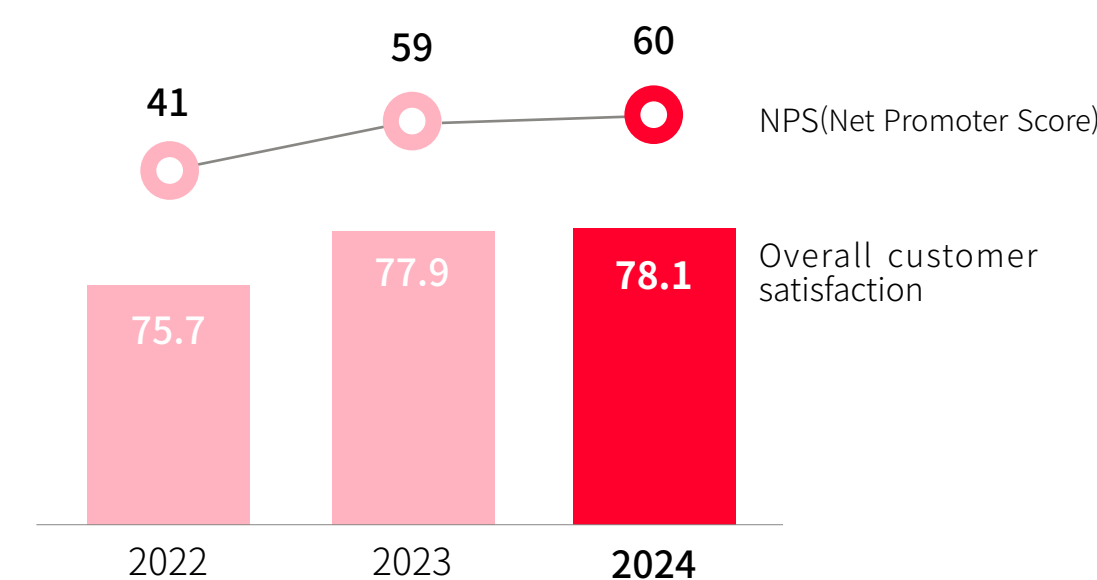
2-5. Customer Satisfaction Survey

DRB conducts regular customer satisfaction surveys to systematically identify customer opinions and improvement requests regarding our products and services. These surveys target our major customers and are used to collect customer evaluations on a variety of items, including product quality, technical capability, delivery time, price, packaging conditions, and corporate image. According to the survey results, DRB received high evaluations in the areas of customer trust and customer response services, and the analysis showed that we have strengths in product quality and customer support. On the other hand, rate of compliance with delivery time and price competitiveness were identified as areas requiring improvement. These items were assessed as being influenced by external factors such as the continuous rise in raw material prices and risks in logistics and transportation. Accordingly, DRB is actively reflecting customer feedback to strengthen its advantages in quality and service further, while also promoting strategic improvement activities continuously to supplement weaknesses in price and delivery time. Through these efforts, we continue to enhance customer satisfaction and secure customer trust.

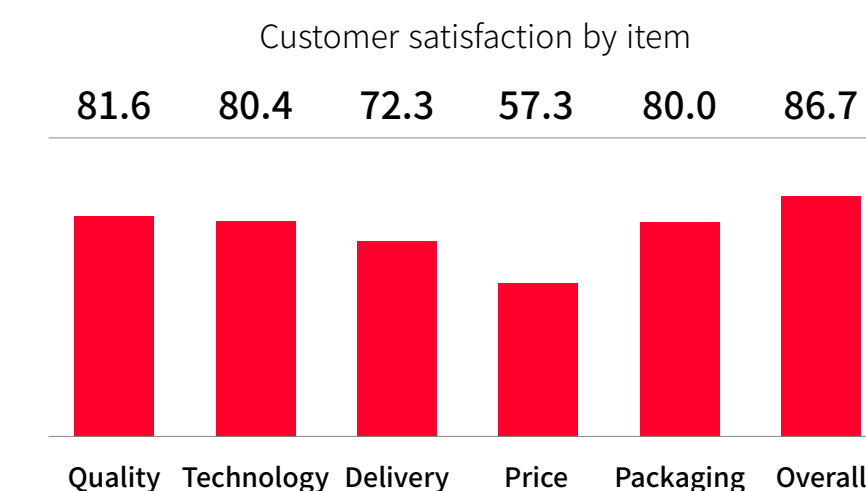
[S5-11] Customer Satisfaction Survey

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

[S5-12] Customer Satisfaction Survey Results ¹⁾



1) Survey of customers in the industrial rubber products division

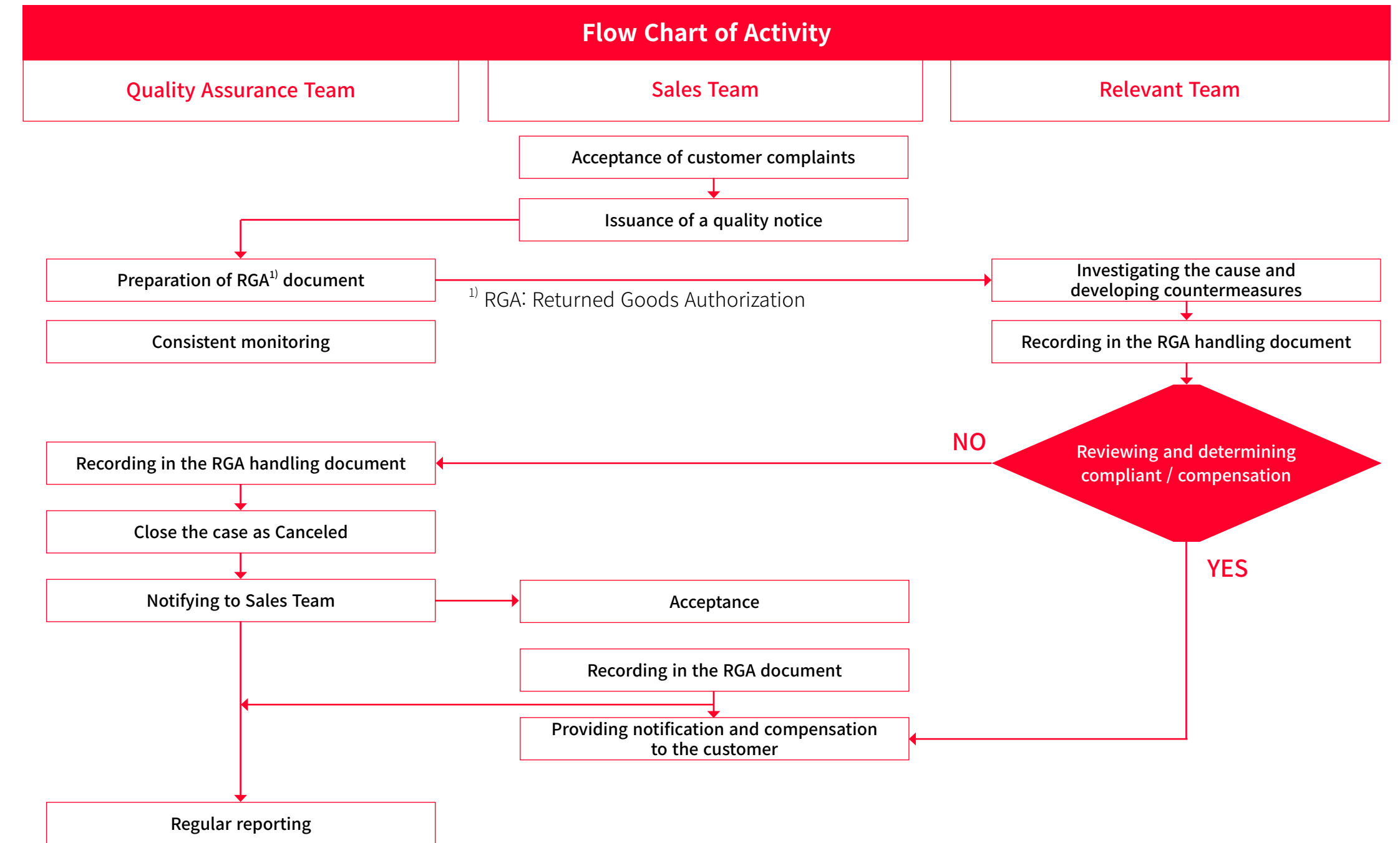


S5. Customer Management(Products Safety and Quality)

3. Grievance Handling Process

DRB operates a customer complaint receiving and resolution process to systematically handle customer complaints and opinions regarding products and services, and to prevent the recurrence of the same problems. Through this process, relevant departments such as Sales, R&D, Quality Assurance, and Production promptly handle the complaints and opinions received from customers, and the departments cooperate to resolve the issue. The process is conducted by receiving the customer complaint promptly and then analyzing the cause thoroughly to prepare measures for prevention of recurrence. DRB maintains customer trust and pursues sustainable improvement activities through resolving quality issues by this preemptive approach.

[S5-13] Customer Complaint Submission and Resolution Process



[S5-14] Customer Complaint Submission and Handling Status ¹⁾

Category	2022	2023	2024
VOC complaints accepted	44	67	65
VOC complaints handled	43	60	50

1) Management status of customer requests in the industrial rubber products division

S6. Information Security

1. Governance

1-1. Personal Information Protection Policy

DRB discloses its Personal Information Protection Policy so that all stakeholders, including customers, can clearly understand its approach to personal information protection. Through this policy, we provide specific guidance on the purpose of collection, method of use, and procedures for destruction of personal information once the purpose is achieved. Additionally, we constantly monitor the enactment and revision of relevant laws, including the Personal Information Protection Act, and review and improve our internal policies periodically to ensure compliance with laws. DRB advances its internal management system continuously to strengthen the level of personal information protection and does its utmost in terms of responsible management to ensure that the personal information of its stakeholders is processed securely.

[S6-1] Personal Information Protection Policy

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

1-2. Information Security Guidelines

DRB has established and distributed the Information Protection Practice Rules, which must be practiced in the course of daily work, to raise employee awareness of information protection and to strengthen their practical skills. These practice rules include behavioral rules related to basic information security such as password management, email security, data backup, and shutting off power. It serves as a minimal security guideline for preventing information leakage and cyber threats, and we emphasize its company-wide practice. DRB also conducts parallel education and guidance activities so that employees can actively respond to security threats, thereby creating a secure information protection environment.

[S6-2] DRB Information Security Guidelines

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

S6. Information Security

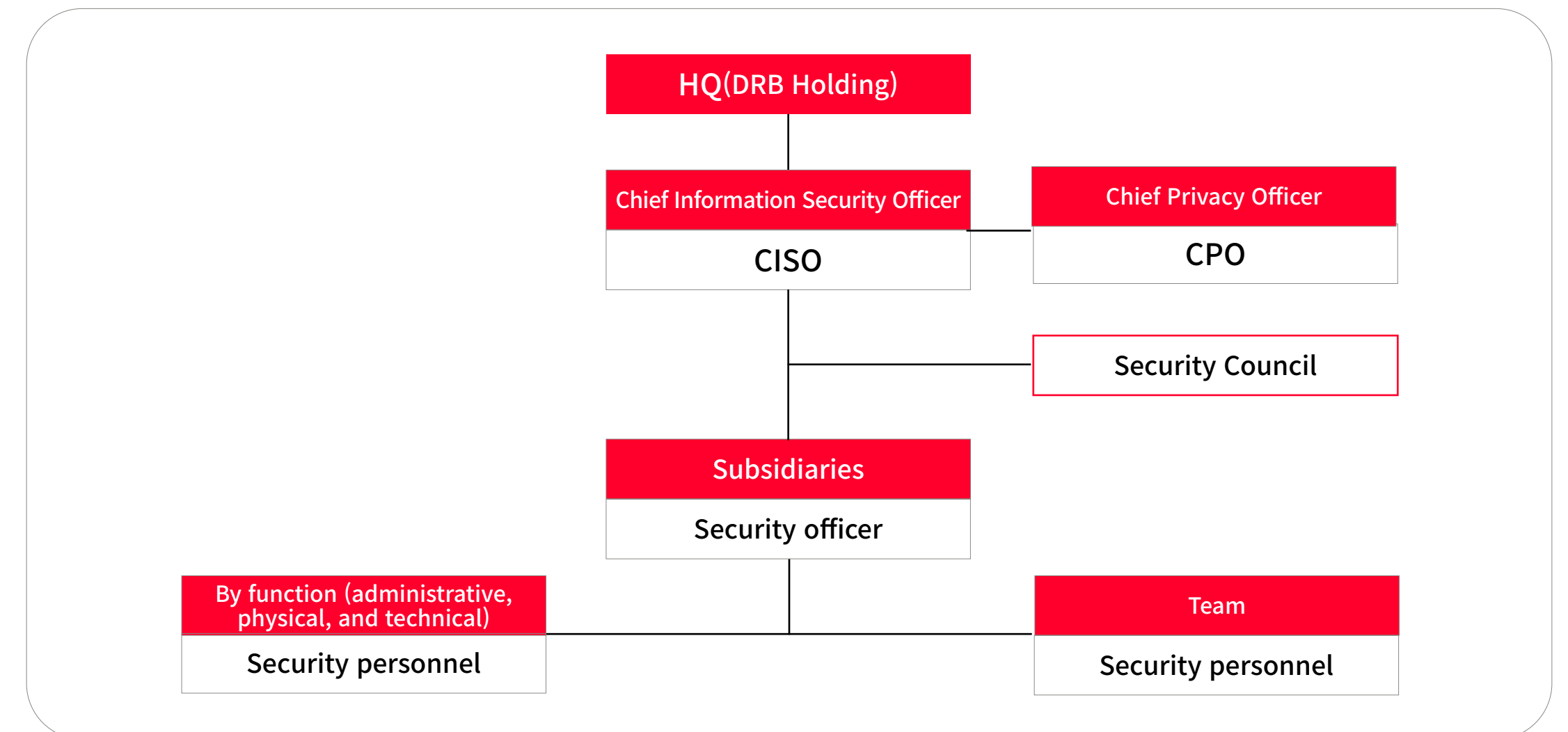
1-3. Information Security Organization

DRB has established and operates an organized security management system to protect important information and information assets. The scope of information protection includes employees, suppliers, and visitors, as well as all systems and data utilized by the company. We maintain rigorous compliance with all relevant laws and customer requirements.

The company has established internal regulations such as the Security Management Regulations and work guidelines, and carries out information protection activities based on these. In accordance with the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc. and the Personal Information Protection Act, we have appointed a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) to perform duties such as operating the information security system, preventing information leakage, and protecting personal information. For the effective operation of the information protection system, DRB operates a Security Council composed of managers from relevant departments. The Head of the Business Management Division chairs this council, with participation from heads of major departments such as production, facility technology, research, and management support. The council performs deliberative and decision-making functions on key security issues, including establishing security policies, reviewing security ratings for external visitors, and designating and revoking protected areas. The decisions of the council are reflected in relevant meeting minutes and procedural documents to ensure their implementation.

The security organization is composed of personnel in charge of administrative security, physical security, and technical security, as well as team security personnel for each department, with the Head of the Business Management Division as the Chief Officer. The Chief Officer decides on security policies and directs and supervises security tasks under the authority delegated by the CEO. The personnel in charge of administrative security perform tasks such as establishing security policies, responding to legislation, and developing security education and audit plans. The physical security personnel are responsible for setting up protected areas, access control, and visitor management. The technical security personnel oversee the security management of information systems, improvement of security vulnerabilities, and incident response. The team security personnel manage document security and the implementation of training at the department level, contributing to the enhancement of company-wide information protection.

[S6-3] DRB Information Security Organization Chart



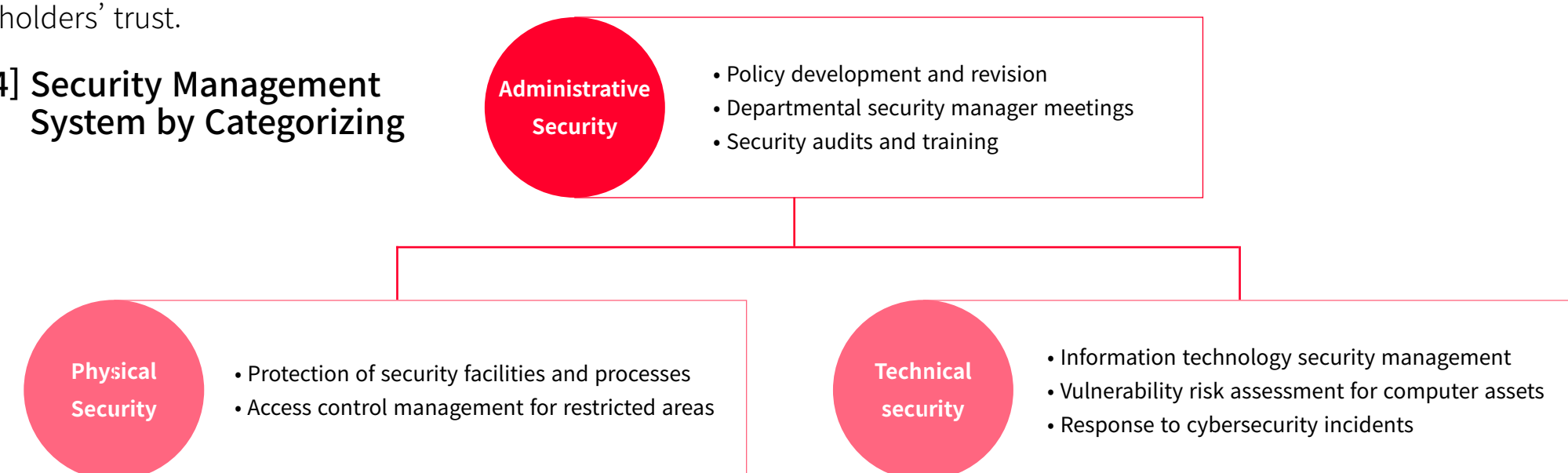
S6. Information Security

2. Information Security System

2-1. Integrated Security Management System

DRB has established and operates an integrated security system that encompasses administrative, physical, and technical security to strengthen the level of information protection. Administrative security refers to the systematic coordination of the organization's security standards through establishment and revision of security policies, the classification of security levels, and the operation of an internal Security Council, and strengthens the management foundations of information protection. Physical security includes measures to restrict physical access and ensure the safety of our assets, such as setting up protected areas, controlling access, and managing confidential documents. We minimize security risks by implementing identity verification and stringent visiting procedures for any external visitors. Technical security involves responding effectively to cyber threats by applying technical measures, such as prevention of information leakage, detection and response to malicious code, and system access control to our IT assets, such as email, the internet, and mobile devices. Through this integrated security system, DRB enhances its information protection level company-wide and continuously strengthens its security capabilities to secure stakeholders' trust.

[S6-4] Security Management System by Categorizing



Activities to Enhance Security Systems

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

2-2. Information Asset Management System

DRB has established and operates a systematic information asset management framework for the secure use of business software and IT devices. All software programs are used in strict compliance with intellectual property rights, meaning that we only use genuine software. The installation and use of illegal software is strictly prohibited company-wide. The installation of unauthorized software is restricted in principle, and we ensure that security programs and antivirus software are maintained to the latest security standards through automatic update settings and regular checks.

Bringing in and using personal computing equipment (e.g., laptops, external storage devices, etc.) is restricted to enhance information security. It is permitted only in exceptional cases for business needs after conducting an approval process. Additionally, when disposing of IT devices, we prevent information leakage in advance by performing secure deletion to completely erase all data, following designated methods such as 'Low Level Format'.

S6. Information Security

3. Information Security Risk Management

3-1. Information Security Maturity Assessment

DRB measures and assesses the service level of its IT systems once a month for the efficient operation of its information systems and the stable provision of services. The service level is calculated as the sum of converted scores, which are derived by applying a weight to the assessment score for each management indicator. Each management indicator is assessed quantitatively by assigning a differential weight according to the item's importance.

This assessment system is utilized as a foundation to support swift and accurate decision-making by the management, in addition to the efficient use of IT resources. Through this effort, DRB manages the quality of its IT services systematically and continuously.

[S6-5] DRB Information Protection System and Security Service Assessment Indicators

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

3-2. Data Breach Response System

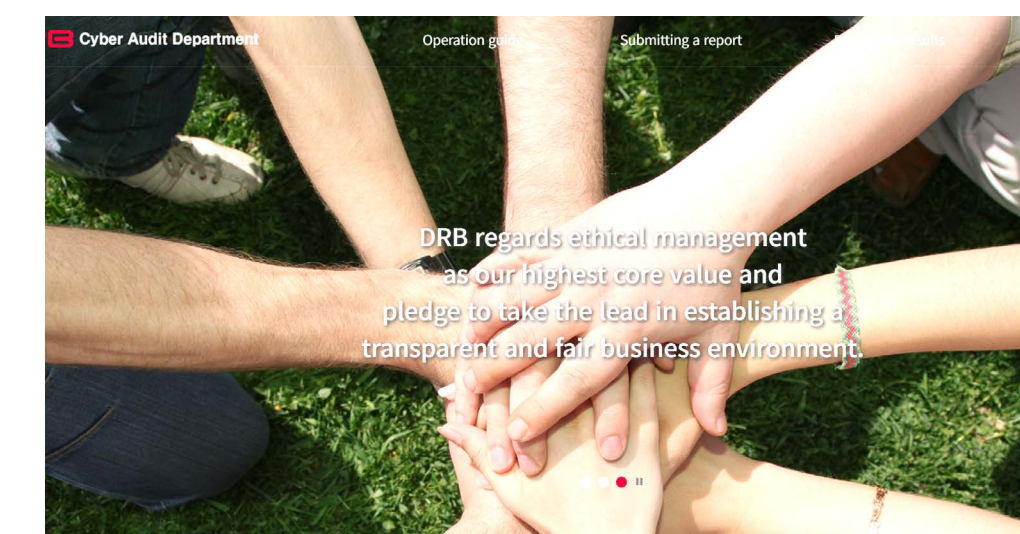
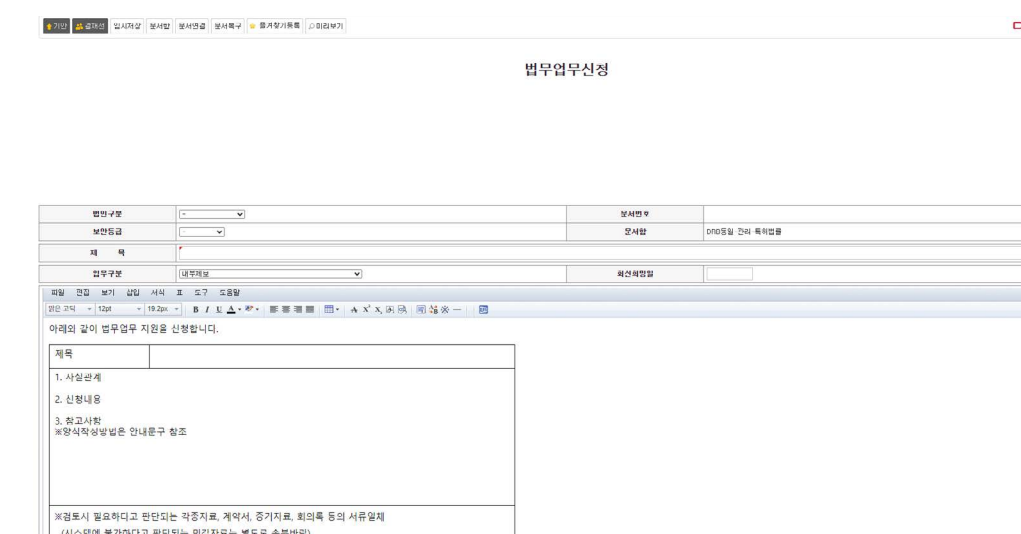
To strengthen the level of information protection, DRB has established an integrated log storage to efficiently collect, process, and store security logs generated from numerous servers, communication equipment, and firewalls. This storage serves as a foundation for responding proactively to the increase in log generation due to service and server expansion and for enhancing the stability and reliability of the information security environment. In addition to continuous investment to improve the storage capacity and processing speed, we strive to increase the effectiveness of security management by ensuring the accuracy and integrity of log data. Additionally, we operate a 24-hour security monitoring system to prevent security incidents and have prepared a response system that enables swift detection and action in the event of any abnormal signs. DRB is strengthening the security framework across the entire network system and has established and operates systematic security procedures for all stages, from introduction to configuration, operation, and disposal. We conduct regular checks and implement supplementary measures for core security items such as account management, access control, encryption, and password policies. We also operate other detailed policies in parallel, including blocking harmful sites, controlling wireless communications, and internet phone (VoIP) security.

Furthermore, we operate an internal channel for reporting abnormal signs and suspicious cases to respond proactively to potential security threats, thereby allowing employees to participate actively in monitoring security risks.

[S6-6] Information Leakage and Security Violation Management Status

Category		2022	2023	2024
Information leaks and security breaches	Total number of information leaks	0	0	0
	Total number of information security violations	0	0	0
	Personally identifiable information leaks	0	0	0
	Number of legal violations related to customer information protection	0	0	0
	Amount of fine for information protection violation	0	0	0

[S6-7] Information Leakage Reporting Channel (Compliance Helpdesk, Cyber Audit)



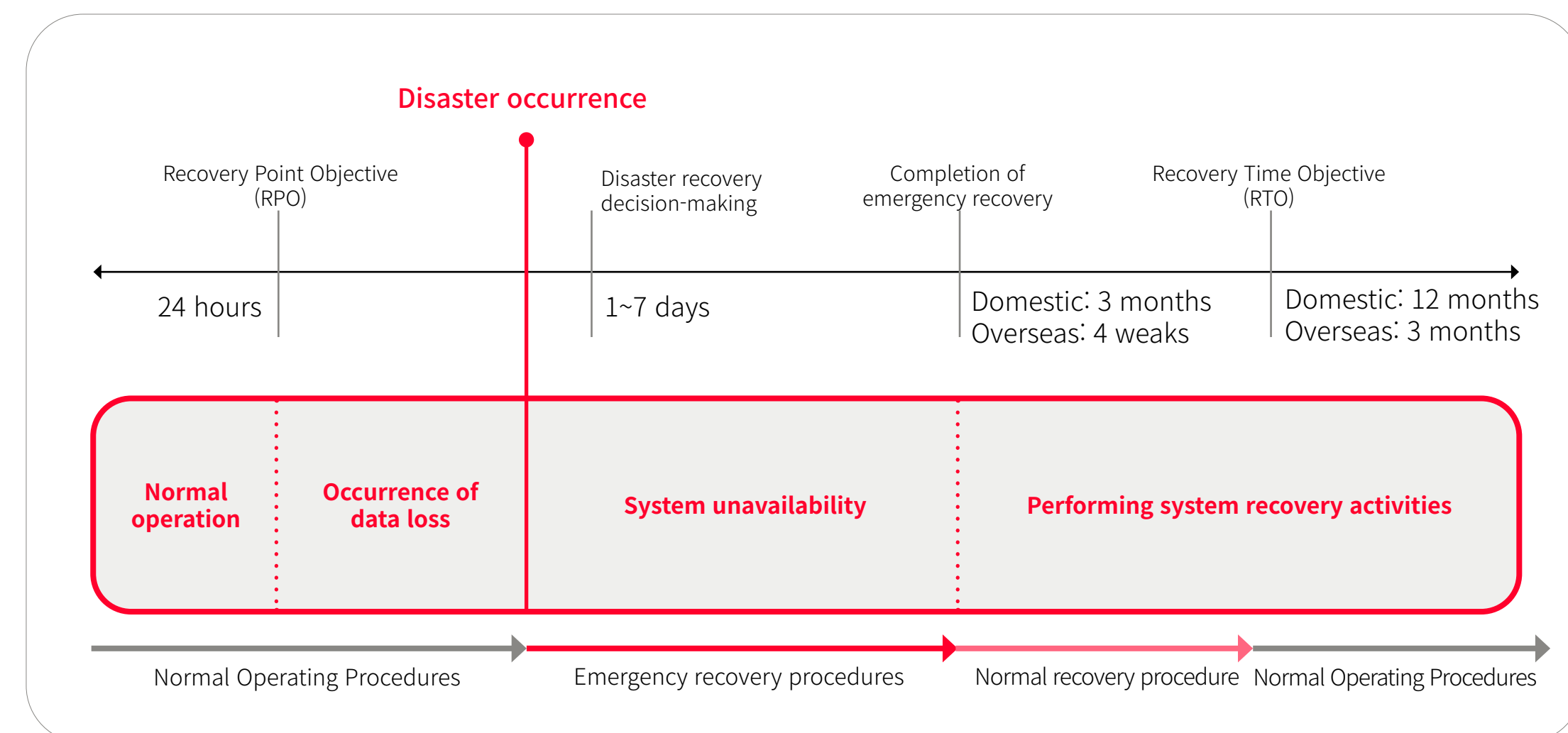
S6. Information Security

3-3. Disaster Recovery Management

DRB has established and operates a Disaster Recovery (DR) Policy and procedures to safely protect our information assets and data and to respond effectively to emergency situations such as natural disasters or system failures. This policy focuses on maintaining business continuity and preparing response strategies by comprehensively analyzing and evaluating quantitative and qualitative damage from business interruptions that cause financial losses, productivity declines, and damage to customer and stakeholder trust. Information system disasters are classified from Grade 1 (serious or alert) to Grade 4 (interest) based on their impact and urgency. We have made it mandatory by regulation to report any incident to the Chief Information Security Officer (CISO) immediately or within 10 minutes of occurrence. Subsequently, swift system and business recovery is pursued according to pre-defined procedures for emergency recovery and normalization.

DRB has formed a dedicated disaster recovery organization, operating a functional response system centered around an Emergency Response Team. The system is subdivided into System Recovery Team, Network Recovery Team, Business Recovery Team, and Support Department. By pre-analyzing the recovery priorities and Recovery Time Objective (RTO) of our major information systems, we have clearly defined the recovery procedures and responsibilities for each stage. Based on this, we remain prepared to take systematic and swift action in the event of an actual emergency. Additionally, in response to the global operating environment, we utilize our HQ data center as the disaster recovery hub in the event of a disaster at one of our overseas manufacturing corporations. We ensure global business continuity through the dualization and remote recovery of major data.

[S6-8] DRB Information System Disaster (Risk) Recovery Process



[S6-9] DRB Disaster Recovery Organization Structure and Roles

Category		Activity details	Responsibility
Management organization	Emergency response team	<ul style="list-style-type: none"> - The highest consultative body on emergency measures - Identifying disaster status - Making a decision to initiate disaster recovery systems - Verifying service restart/data center recovery 	Team Manager
	System recovery team	<ul style="list-style-type: none"> - Identifying the cause of the disaster and the expected recovery time - Preparing and implementing the conversion of the disaster recovery system - Identifying damage to the data center and developing a recovery plan - Monitoring the system after the conversion 	ICT Support Team
Technical organization	Network recovery team	<ul style="list-style-type: none"> - Converting and monitoring the communication network - Identifying damage to the data center and developing a recovery plan 	ICT Support Team
	Business recovery team	<ul style="list-style-type: none"> - Checking whether the disaster recovery system is functioning normally - Identifying and reporting possible or impossible tasks - Checking lost data and application operations - Responding to exceptional circumstances 	ICT Support Team Related Team
	Support department	<ul style="list-style-type: none"> - Performing the systematic public announcements and promotional activities - Procuring and approving emergency supplies and necessary resources - Securing necessary personnel related to recovery and assigning personnel 	Business Administration Division
Support organization	External supplier	<ul style="list-style-type: none"> - Providing resources and technical support necessary for system maintenance and recovery 	External supplier

S6. Information Security

4. Information Security Activities

4-1. Security Training

To strengthen the information protection capabilities of employees, DRB establishes an annual training plan and conducts systematic information protection training for new and existing employees. The training is divided into regular training and non-regular training. Regular training is conducted at least once a year for all office employees. Non-regular training is implemented as needed for specific groups such as new hires, dispatched workers, and promoted executives. Depending on the characteristics of the training targets, the programs are operated through group training, online training, or self-study formats. Course completion is verified through attendance lists and course records, and the related data is managed integrally by the information security management department. Along with this, we conduct an information protection campaign once a month via email and in-house bulletin boards to promote company-wide security awareness. All trainees are guided to sign an Information Protection Pledge and a Security Incident Negligence Liability Pledge to instill a sense of responsibility for information protection. We also conduct personal information protection training in parallel. By providing guidance to ensure all employees understand and practice the Personal Information Protection Policy, we are strengthening compliance with personal information protection laws.

[S6-10] 2024 Information Security Training Status

Category	Unit	DRB Holding	DRB Industrial	DRB Automotive	DRB Qingdao	DRB Slovakia	DRB Vietnam
Number of participants	person(s)	35	77	30	-	90	-
Total education hours	hour(s)	79	176	69	-	45	-
Education hours per employee	hour(s)	0.5	0.5	0.5	-	2	-

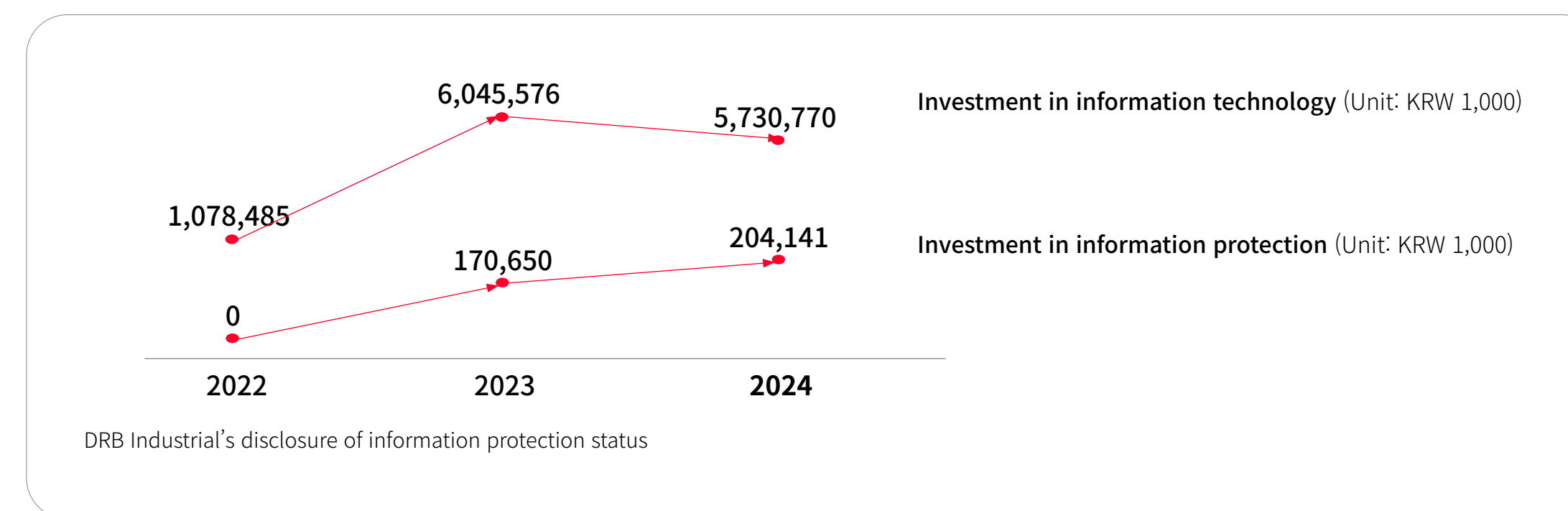
4-2. Security Day Event

DRB designates a 'Security Day' four times a year to conduct company-wide security checks and campaigns, aiming to raise employees' awareness regarding information protection and minimize security risks. On Security Day, department-level self-inspection activities are carried out in parallel, such as distributing materials guiding security practices, viewing promotional videos to raise security awareness, checking the management status of confidential documents, and confirming security equipment. Through this, we have established a system for preemptively identifying and improving security risk factors within the work environment. Additionally, all employees work toward the internalization of security consciousness through everyday security practices, such as organizing their personal desks and drawers, deleting unnecessary documents and computer files, and checking the classification and storage status of confidential materials. In the future, DRB plans to expand the voluntary security participation of employees and will continue to strengthen its training and inspection activities to build a company-wide security culture.

4-3. Information Security Disclosure

In accordance with the mandatory information security disclosure system enforced in 2022, DRB Industrial annually discloses details on activities for protection of internet users, corporate information security investment and personnel status, and certifications, assessments, and audits through KISA's Comprehensive Portal for Information Security Disclosure. In particular, we conduct a pre-inspection of the disclosed content through a third-party expert agency to guarantee the accuracy and reliability of the information presented. Through this, we are meeting legal requirements and further strengthening the transparency of our information protection management.

[S6-11] DRB Industrial Information Security Investment



S7. Social Contribution

1. Governance

1-1. Social Contribution Policy

Guided by the vision of ‘Better Together, Better Tomorrow’, DRB constantly strives to fulfill its corporate social responsibility and to realize mutual growth with stakeholders around the world. DRB recognizes that its key responsibility as a corporate citizen is to contribute to realizing a sustainable society by preserving the global environment, promoting coexistence and mutual growth with local communities, nurturing global talent, and pursuing the happiness of future generations. As part of such value realization, we are also actively participating in the global efforts to achieve the UN Sustainable Development Goals (UN SDGs).

DRB is moving beyond simple donations or one-time charitable events and is aiming for sustainable social contribution activities that can provide substantial value to local communities and the international community. We contribute to improving the local residents’ quality of life through customized social contribution programs that consider regional characteristics. Based on our social contribution platform, Campus D, and our diverse stakeholder network, we are expanding beneficiary-centered social value creation activities.

[S7-1] DRB Social Contribution Core Values and Strategy

Mutual growth with communities	Protection of global environment	Talent development	Human right protection and health promotion	Expansion of communication
Enhancing locally customized support activities	Realizing Zero-carbon society and conserving ecological environment	Talent development	Solving social problems	Expanding voluntary sharing culture
Tasks				
<ul style="list-style-type: none"> Support for economic activation Support for cultural and art activities Support for emergency disaster relief 	<ul style="list-style-type: none"> Ocean and river ecosystem conservation activities Recycling campaign support Support for climate change response activity 	<ul style="list-style-type: none"> Support for creative talent development Support for science talents development Support for technology talents development Support for global talents development 	<ul style="list-style-type: none"> (Human rights) Support for the socially vulnerable (Health) Support for health education campaigns and health check-up programs (Safety) Response to seismic disasters (Education) Support for youth education projects 	<ul style="list-style-type: none"> DRB employees’ voluntary works Support for voluntary work networking activation Support for enhancement of volunteer competency Support for voluntary activity space

DRB Social Contribution Charter

DRB Social Contribution Charter

DRB recognizes that the realization of a sustainable society through eco-friendliness, coexistence and mutual growth with local communities, global talent development, and the pursuit of happiness for future generations is an important role for corporate citizens. We aim to create a sustainable society by joining the global effort to achieve the UN SDGs (Sustainable Development Goals).

1. Active social contributions	DRB recognizes social contribution (corporate citizenship) activities as the basic role of corporate management and strives to fulfill our social responsibilities as a corporate citizen.
2. Global environmental protection	DRB strives for sustainable safety of local community and global environmental protection.
3. Community Contribution	DRB contributes to the quality-of-life improvement of local community by performing CSR activities (corporate social responsibility) demonstrating our professional capabilities.
4. Cultivation of Human Resources	DRB contributes to building an enriched and healthy society by providing learning opportunities without discrimination and making efforts for future generations.
5. Need-Based Contribution	DRB takes the lead in CSR activities which are customized based on community needs using our CSR platform (Campus D) and network.
6. Continued Effort Promise	DRB will devote our attention to the sustainable CSR activities in a continuous and good way rather than a temporal social contribution activity.

S7. Social Contribution

1-2. Social Contribution Organization

DRB has established a dedicated social contribution department for the systematic and effective operation of social contribution projects. This department is responsible for establishing and implementing strategies, and managing performance. The dedicated organization plans projects in line with DRB's social contribution philosophy and direction, creating tangible social value by collaborating with relevant internal departments and external partners. Additionally, DRB develops sustainable and participatory social contribution activities through collaboration with diverse members of civil society. We are strengthening our connectivity with local communities and expanding beneficiary-centered programs that can contribute to resolving social problems.

[S7-3] DRB Social Contribution Council

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

1-3. Social Contribution System

To ensure the systematic operation and reliability of social contribution activities, DRB conducts due diligence and manages its social contribution system in accordance with the standards of the 'Community Contribution Recognition Program'. This recognition program is jointly hosted by the Ministry of Health and Welfare and the Korea National Council on Social Welfare to evaluate the community contribution activities of companies objectively and recognize excellent cases. In 2024, DRB Holding was selected as a company recognized by this program.

DRB conducts regular checks and improvements on the entire social contribution process to align with these standards, including establishment of strategy, implementation systems, performance management, and partnership building. Through this, we are enhancing the effectiveness of our social value creation. Moving forward, DRB will continue to advance the social contribution system based on credible external standards and develop a sustainable social contribution model that realizes mutual growth with the local community.

[S7-3] Corporate Social Responsibility in the Community



Corporate Social Responsibility in the Community is a system in which local communities recognize the contributions of companies and institutions that have consistently carried out social contribution activities in partnership with non-profit organizations. Based in the local community, this system contributes to the establishment of a social contribution ecosystem by having residents, non-profit organizations, local governments, and the central government cooperate to promote social values and resolve social problems.

S7. Social Contribution

2. Social Contribution Goal

Based on Social Impact Partnership, DRB builds a cooperative system with local communities and aims to contribute to local community development by resolving local issues associated with sustainability. To this end, we are expanding the base of our employees' volunteer activities and strengthening cooperation with local councils to carry out region-oriented social contribution activities.

[S7-5] DRB Social Contribution Goals

<p>01</p> <p>Creating Social Impact Partnership to address community issues</p> <p>Forming a community with diverse stakeholders, setting common goals for existent local issues, devising actionable plans to address issues in local communities, followed by breaking the plans down into detailed, step-by-step solutions to resolve problems</p>	<p>02</p> <p>Participating in ESG management activities</p> <p>DRB is carrying out various carbon reduction activities such as energy conservation, waste reduction, recycling campaigns, and biodiversity conservation programs to combat the climate crisis, while also contributing to the company's ESG management practice by constantly engaging in activities to preserve the global environment and improve the health and work-life balance of our employees.</p>	<p>03</p> <p>CSR education and Employee Volunteer Group</p> <p>DRB is providing education to enhance employees' understanding of CSR activities and volunteer work, as well as encouraging employees to engage in volunteer activities through partnerships with related organizations, thereby helping to resolve community problems, and exploring an acceptable remuneration scheme (reward system, etc.) for employees' volunteer work.</p>
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[S7-6] DRB Social Contribution Roadmap

<p>01 Introduction</p> <p>Organization of social contribution</p> <p>1. Establishment of a social contribution system</p> <ul style="list-style-type: none"> - Establishing a dedicated organization for social contribution - Forming and operating a social contribution committee (forging an operational system and forming internal and external bodies) - Developing social contribution indicators and systems <p>2. Advancement of the social contribution platform</p> <ul style="list-style-type: none"> - Improving and expanding the website for social contribution - Expanding the operation of the social contribution platform (expanding partnerships, etc.) - Discovering and operating cooperative programs 	<p>02 Development</p> <p>Advancement of strategic social contribution</p> <p>1. Development of strategic projects for social contribution</p> <ul style="list-style-type: none"> - Supporting the operation of strategic social contribution activities for environment, human rights, mutual growth with local communities, global talent nurturing, etc. <p>2. Advancement of social contribution operations</p> <ul style="list-style-type: none"> - Constructing a company-wide social contribution management system - Providing and managing company-wide social contribution training (at least once a year) <p>3. Advancement of the system for employees' volunteer activities</p> <ul style="list-style-type: none"> - Introducing and operating a volunteer service incentive system (more than 80% of members participate at least once a year) 	<p>03 Settlement</p> <p>Global social contribution</p> <p>1. Creation of a global social contribution system</p> <ul style="list-style-type: none"> - Organizing a social contribution committee for overseas corporations - Setting up and running a management system <p>2. Educating global experts</p> <ul style="list-style-type: none"> - Training and hiring professional personnel - Building a global specialized education system <p>3. Development of DRB's specialized initiatives</p> <ul style="list-style-type: none"> - Constructing a social contribution platform for overseas corporations - Entering into local partnerships
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S7. Social Contribution

3. Social Contribution Activities

3-1. Major Social Contribution Programs

DRB has established coexistence with the local community, protection of the global environment, talent nurturing, protection of human rights, health-friendly activities, and the expansion of communication and participation as its focus areas for social contribution, and is actively promoting sustainable activities to realize them. To fulfill our responsibilities as a corporate citizen, we carry out systematic and proactive social contribution activities centered around our Social Contribution Council, and we aim for mutual growth with the local community and future generations. DRB operates various participatory environmental education programs such as Our Village Tour Group, EM Mud Ball Throwing, and Making Our Eco-Friendly Neighborhood to strengthen its ties with the local community and to raise environmental awareness. To enhance awareness of safety in daily life, we have also planned and produced a safety education musical for citizens, increasing the effectiveness of education. Additionally, we also contribute to improving residents' quality of life by conducting community-friendly cultural activities like the Local Culture Sharing Festival and the Moti Shelter Festival. In terms of supporting future generations, we are supporting children's growth by operating the Dream Designer Program and the Stepping Seed Account project in cooperation with World Vision and Save the Children. Since 2022, we have been taking the lead in promoting children's rights and protecting their human rights by operating and supporting the Child Rights Advocacy (CRA) course in collaboration with the International Child Rights Center.

DRB creates tangible social value based on a sustainable social contribution strategy that goes beyond occasional or random events. In the future, we will continue to participate in the global efforts to achieve the UN Sustainable Development Goals (UN SDGs) and will consistently fulfill our social responsibilities as a responsible corporate citizen.

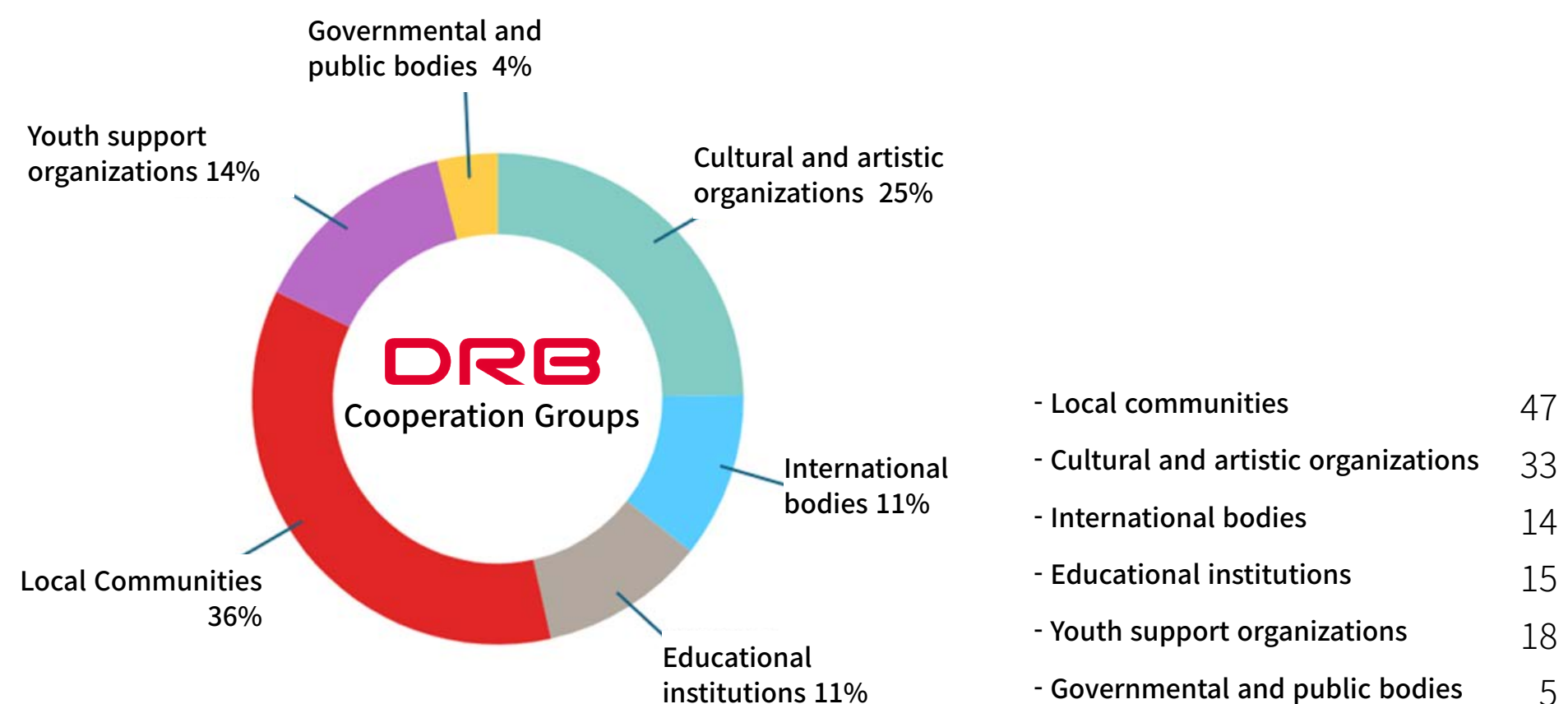
[S7-7] DRB International Subsidiary Social Contribution Activities

Company	Activities	Period	Highlights	Beneficiaries	Expense
DRB Qingdao	Calligraphy and painting activities at a cultural center	2024.6.29	Teaching calligraphy, painting creation, and work creation	Local residents	\$ 5,007
	Square dancing contest	2024.07.20	Enhancing the health consciousness of local residents	Local residents	\$ 580
	Reading discussion and lecture conference	2024.11.02	Engaging students in the local community to promote a reading culture	Local students	\$ 1,250
DRB Slovakia	Renovation of daycare facilities	June 2024	Repair of fences at daycare centers within the region	Local children	-
	Provision of goods and financial support for the Red Cross, etc.	-	Financial support for the Red Cross and support centers	Local residents	€ 400
	Rainbow in Mind Program	-	Support for children and adults with mental and physical disabilities	Local residents	€ 450
DRB Vietnam	Support for daily necessities for underprivileged families in Binh Duong	January 2024	Donation of daily necessities (rice, basic seasonings, etc.)	Local residents	\$ 6,000
	'Kkanbu' Program	July 2024	Cultural exchange between Korean and Vietnamese students	Students at Thu Dau Mot University	\$ 20,500
	Support for victims of Typhoon Yagi	September 2024	Support for recovery of the region that suffered extensive damage from the typhoon	Local residents	\$ 2,000
	KOCHAM scholarship	November 2024	Scholarship support	Students at Thu Dau Mot University	\$ 2,000

3-2. Social Contribution Network

DRB continuously strengthens its cooperative network with various external organizations to maximize the performance and improve the operational efficiency of its social contribution projects. To this end, we work to build cooperative working relationships with government and public institutions, NGOs, international organizations, and social enterprises. Through organic linkage and collaboration with each partner, we are contributing to resolving social issues. This cooperative foundation is a crucial base that allows DRB's social contribution activities to make real change and exert long-term influence beyond one-time support. In the future, DRB will continue to expand its cooperation with diverse stakeholders to create a sustainable social contribution ecosystem and will faithfully fulfill its responsibilities as a corporate citizen.

[S7-8] DRB Social Contribution Network



S7. Social Contribution

3-3. Social Contribution Platform Campus D

Campus D was first established in 1995 as a welfare center to support the education of our employees and local residents and promote their well-being, commemorating the 50th anniversary of DRB's predecessor, Dongil Rubber Belt. It was transformed into DRB's representative social contribution platform in 2017 to celebrate the 100th birth anniversary of our late founder, Chairman Gochon Kim Do-Geun. Currently, Campus D is active in two regions, Seoul and Busan, contributing to local community development and improving the quality of life for residents.

Campus D serves as an educational and cultural space that supports the growth of future generations, including children, adolescents, and young adults. It has opened various common spaces, such as a performance hall, a forum hall, and practice rooms, to the public to actively support creative and educational activities. Campus D fosters community-based creation of social value and the establishment of a sustainable ecosystem through social contribution relationships with young entrepreneurs, social businesses, NGOs, and culture and arts groups by allowing them to move into or live in the area or by fostering their growth through cooperation. Based on these activities, DRB practices social responsibility and continuously strengthens its role as a social contribution platform model that grows together with the region.

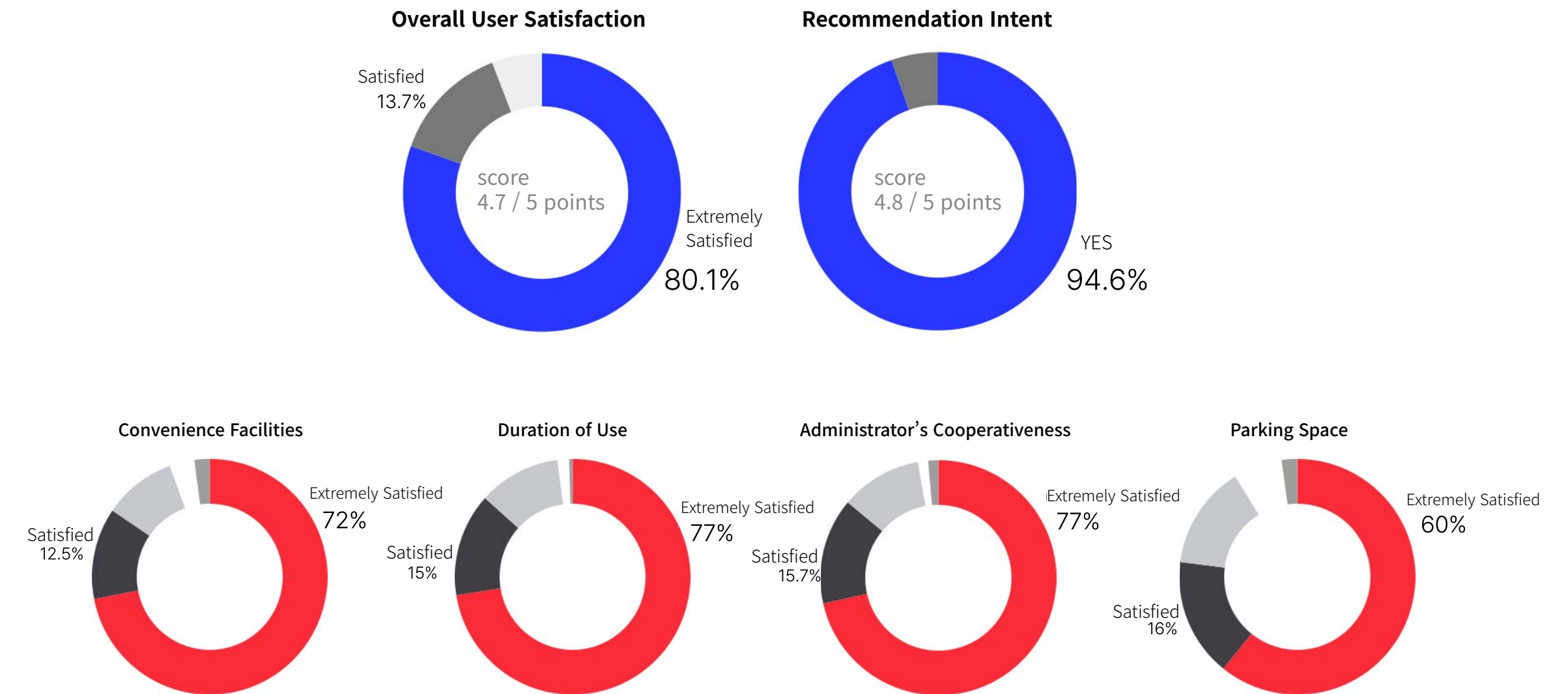
[S7-8] Campus D – Seoul and Busan

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



[S7-10] User Satisfaction of Social Contribution Platform Campus D

According to the 2024 user satisfaction survey for DRB's social contribution platform, Campus D Busan, overall user satisfaction was found to be very high, with 81% of all users marking Extremely Satisfied and 14% marking Satisfied in their responses. Regarding cooperation and support, 98% provided a positive evaluation, indicating that the platform has earned a high level of trust in its overall operations. Additionally, 95% of respondents answered that they would recommend Campus D Busan to others. This shows that its role and value as a social contribution platform are being evaluated positively by citizens and partner organizations, and that its ripple effect is also proving to be significant.



S7. Social Contribution

4. Social Contribution Performance

4-1. Social Contribution Performance Management System

For the efficient operation and maximized performance of social contribution projects, DRB conducts systematic evaluation of the project budget, the scale of beneficiaries, and the overall project area. Through this, we continuously check the effectiveness of our social contribution projects and identify directions for improvement. In addition, to enhance the quality of our social contribution programs and to make beneficiary-centered improvements, we conduct satisfaction surveys with participants. Based on the respondents' opinions, we are constantly strengthening the completeness and differentiation of our programs. In the future, we plan to further develop DRB's unique social contribution model by expanding the number of survey participants and by advancing the system for collecting qualitative feedback.

4-2. Social Contribution Operational Performance

In 2024, DRB operated a total of 31 community contribution programs, supporting 3,218 persons in various areas, including education, culture, leisure, partnership support, and overseas exchange projects. This represents an increase of about 77% (1,404 persons) compared to the previous year, showing that we are expanding the scope and influence of our social contribution activities. The satisfaction score for the programs was 4.8/5 points. DRB continues to develop sustainable, customized social contribution activities that encompass the entire human life cycle, from children to seniors.

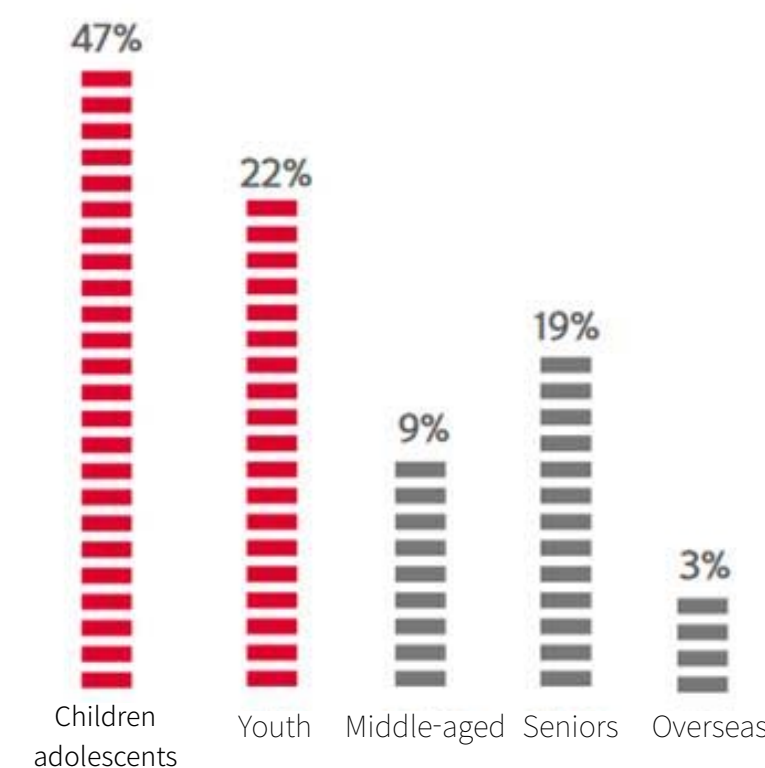
[S7-10] Social Contribution Performance Status



4-3. Social Contribution Partnership Performance

DRB strives to enhance mutual cooperation by building diverse working relationships with public bodies, non-profit organizations, international bodies, and social enterprises to realize the social value of our social contribution programs and to expand their impact.

In recognition of these contributions to sustainable development of the local community, DRB was awarded the 16th Busan Social Contribution Award (September 2024). This award is the result of external recognition for the performance of our various social contribution activities, such as environmental protection, talent nurturing, cultural dissemination, and support for vulnerable groups, which we have promoted for a long time in pursuit of mutual growth with the local community. Not only the domestic companies, but our overseas subsidiary corporations are also creating social value through local community connections and are being recognized for their achievements. DRB Qingdao was selected as an Outstanding Contribution Corporation (2024) by the local government of Lancun, Jimo Qu, in recognition of its contribution to local development through the continuous increase of industrial production value. DRB Vietnam received an appreciation plaque (2024) from the Binh Duong People's Committee for its activities supporting underprivileged families in Ben Cat.



DRB Holding selected for CSR in the Community



DRB Holding awarded the Social Contribution Award (Sharing the Runner-Up Prize)



DRB Qingdao selected as an Outstanding Contribution Corporation



DRB Vietnam received an appreciation plaque for its social contribution efforts

Governance

G1. Board of Directors

G2. Risk Management

G3. Ethics

G4. Compliance



G1. Board of Directors

1. Board Composition

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

The Board of Directors and management exercise their delegated authorities reliably in decision-making and business execution through a well-balanced system of checks and balances. In accordance with the Commercial Act and the Articles of Incorporation, we are dedicated to establishing a governance structure that addresses matters related to the general shareholders' meeting, management, finance, and directors, while ensuring sound balance between the Board and management through mutual checks and balances. To secure the effectiveness of the Board of Directors in overseeing the management, the Board is granted the authority to appoint and dismiss the CEO in accordance with relevant laws and regulations. In order to prevent the Board's oversight function from being compromised by collusion with the management, the majority of the Board is comprised of independent directors with proven independence (1 executive director, 4 independent directors), and it has been stipulated that the Chairperson of the Board cannot serve concurrently as the CEO. By appointing external experts from various fields such as management, law/policy, and finance/accounting as independent directors, we are enhancing the efficiency of the Board while also operating a check-and-balance function over the management. In addition, we appointed our first female independent director at the 56th regular shareholders' meeting, striving to secure diversity of the Board.

To enhance the organizational soundness and transparency of the governance structure and to lay a foundation for sustainable management, we proactively established an audit committee during our transition to a pure holding company at the 56th regular shareholders' meeting held on March 24, 2022. The Audit Committee is composed of experts with extensive experience in management, law/policy, finance/accounting, etc., and participates in policy development and decision-making from a transparent and objective standpoint. This strengthens the efficiency of the Board of Directors while enabling it to fulfill its role in monitoring and restraining management. Simultaneously, to ensure fairness and independence in the appointment of independent directors and committee operations, the Independent Director Candidate Recommendation Committee is composed of external experts (3 independent directors). This committee strictly reviews the suitability of candidates to perform their duties as directors, and the independent directors are subsequently appointed at the general shareholders' meeting. Additionally, the ESG Committee reviews and performs deliberations on key strategic directions related to environmental, social, and governance matters, ensuring a systematic response to major ESG issues across DRB.

[G1-1] Board Composition Status (as of March 2025)

Type	Name	Position	Gender (Age)	Expiration (Tenure)	Area of Expertise	Key Experience
Executive director	Ryu Yeong-sik	· CEO · Member of C ³⁾	male (59)	2026.03.22 (62 months)	· Management/Leadership · Risk management · ESG	· Production Support/Production team leader, at DRB Industrial · President Director of DRB Vietnam
Non-executive director (Chairperson)	Park Jin-su	· Chairman of B ²⁾ · Member of A ¹⁾	male (60)	2026.03.22 (62 months)	· Management/Leadership · Risk management	· Member of IT Integration Promotion Committee, Korea Exchange (KRX) · Chairman of the Korea Association of Information System · AI research professor at the Graduate School of Data Science, Business School of Seoul National University (current)
Non-executive director	Park In-suk	· Chairman of A · Member of C	female (77)	2028.03.20 (38 months)	· Law/Policy · ESG	· Member of the 19th and 20th National Assembly (Health and Welfare Committee; Education, Culture, Physical Education and Tourism Committee; Gender Equality and Family Committee; Safety Administration Committee) · Honorary director of Woori Idle Hospital (current) · Honorary professor at the Department of Pediatric Cardiology of the Seoul Asan Medical Center, University of Ulsan College of Medicine (current)
Non-executive director	Son Dong-wun	· Chairman of C · Member of B	male (64)	2026.03.22 (62 months)	· Law/Policy · ESG	· General manager and executive director of the Federation of Busan Science and Technology · Head of Exhibition Research, Busan National Science Museum · Industry-Academy Cooperation Professor, Pukyong National University
non-executive director	Yoo Hee-chan	· Member of A · Member of B	male (64)	2028.03.20 (38 months)	· Finance/Accounting/Investment · Risk management	· Worked at Samil PWC Accountings · Worked at PWC Consulting · Regular auditor of Cheil Co., Ltd. · Auditor of KISCO Holdings (current)

1) A: Audit Committee

2) B: Non-executive Director Candidate Recommendation & Compensation Committee

3) C: ESG Committee

- Directors are elected by a resolution of shareholders at the general shareholders' meeting. Candidates for the position of executive directors are selected through recommendations by the Board of Directors, and candidates for the position of independent directors are recommended by the Independent Director Candidate Recommendation Committee.

- Directors are appointed for a tenure of three years and can be re-appointed at a general shareholders' meeting after the expiration of their current tenure as director.

- DRB seeks to ensure that the composition of the Board of Directors reflects diversity, in terms of gender, race, region of origin, nationality, etc.

G1. Board of Directors

1-1. Board Independence

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

Principles for Enhancing the Independence of Directors

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

1-2. Board Diversity and Expertise

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

[G1-2] Board Skills Matrix

Type	Name	Gender (Age)	Area of Expertise				
			Management/Leadership	Finance/Accounting/Investment	Law/Policy	Risk management	ESG
Executive director	Ryu Yeong-sik	male (59)	●			●	●
Independent director	Park Jin-su	male (60)	●			●	
Independent director	Park In-suk	female (77)			●		●
Independent director	Son Dong-wun	male (64)			●		●
Independent director	Yoo Hee-chan	male (64)		●		●	
		female 20%	40%	20%	40%	60%	60%

[G1-3] Independent Director Training Status

Date	Provider	Attending directors	Key contents
2024. 06. 30	Audit committee support unit	Park Jin-su, Son Dong-wun, Park In-suk	Latest trends and implications of governance-related laws

G1. Board of Directors

2. Board Operations

2-1. Board Committees

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

Committee	Key Roles
Audit Committee	<ol style="list-style-type: none"> Overseeing the duties of directors and the management Approving and supervising the selection of the external auditor Other matters related to audit duties as determined by the Articles of Incorporation or the Audit Committee Regulation
ESG Committee	<ol style="list-style-type: none"> Establishing ESG activity goals and mid-to-long-term policies Major non-financial issues related to the environment and society, and the relevant countermeasures Regular review of non-financial risk factors and their results
Independent Director Candidate Recommendation and Compensation Committee	<ol style="list-style-type: none"> Verifying and recommending candidates for the position of independent directors based on their independence, diversity, and capabilities Securing objectivity and transparency in the process of determining directors' compensation

[G1-4] Board Organization Chart (as of March 2025)



2-2. Board and ESG Committee Activities

In 2024, the Board of Directors conducted activities such as organizing board committees, inspecting the operation of the internal accounting management system, approving compliance performance and plans, and selecting material issues based on the results of the double materiality assessment. The ESG Committee reviewed, performed deliberations, and resolved matters such as ESG activity goals and mid-to-long-term policies, major non-financial issues, and response strategies.

[G1-5] Major ESG-Related Board Agendas

Session	Agenda	Status	Reg/Ext	Held	Notified	Att/Tot	
1st, 2024	Approval	Revision of the internal accounting management regulations	Approved	Regular	2024.02.05	2024.01.29	5/5
	Approval	Revision of the audit committee operational regulations	Approved				
	Report	Report on the operational status of the internal accounting management system	Reported				
2nd, 2024	Report	Evaluation report on the operational status of the internal accounting management system	Reported	Regular	2024.02.21	2024.02.13	5/5
3rd, 2024	Report	Plan for disclosure of the 2024 Corporate Governance Report	Reported	Regular	2024.05.08	2024.04.30	5/5
4th, 2024	Approval	Double materiality assessment results and selection of material issues for 2024	Approved	Regular	2024.08.07	2024.07.30	4/5
	Approval	Approval of compliance performance and plans	Approved				
	Approval	Liability insurance subscription for executives	Approved				
5th, 2024	Report	Report on DRB's fair trade compliance self-check results and activity plans	Reported	Regular	2024.11.05	2024.10.28	5/5
	Report	Report on the results of DRB's serious accident prevention inspection and activity plans	Reported				
	Report	Report on the corporate value-up disclosure	Reported				
1st, 2025	Report	Report on the operational status of the internal accounting management system for 2024	Reported	Regular	2025.02.04	2025.01.27	5/5
2nd, 2025	Approval	Installation of lifelong educational institutions	Approved	Regular	2025.02.18	2025.02.10	5/5
	Report	Evaluation report on the operational status of the internal accounting management system for 2024	Reported				
3rd, 2025	Approval	Appointment of board committee members	Approved	Extraordinary	2025.03.21	2025.03.12	5/5

[G1-6] ESG Committee Meeting Status

Date	Att/Tot	Agenda	Report to BoD
2024.05.08	3/3	Approval	Approval (draft) of sustainability management activity plans (goals) for 2024
		Report	Domestic and overseas legal and regulatory trends and issues related to DRB's sustainability 2024 KPI analysis
			Other reports – sustainability report publication plan – ESG evaluation prospects
2024.08.07	2/3	Approval	Selection of material issues (topics)
		Report	Report on the results of the double materiality assessment
2024.11.05	3/3	Report	Report on completion of the Sustainability Report
2025.05.07	3/3	Approval	Selection of priority issues for the double materiality assessment
			Approval of sustainability management activity plans (goals) for 2025
		Report	Report on the sustainability management risks identified
			Report on customer and global trends in 2025
			Report on the plan for reduction of greenhouse gas emissions

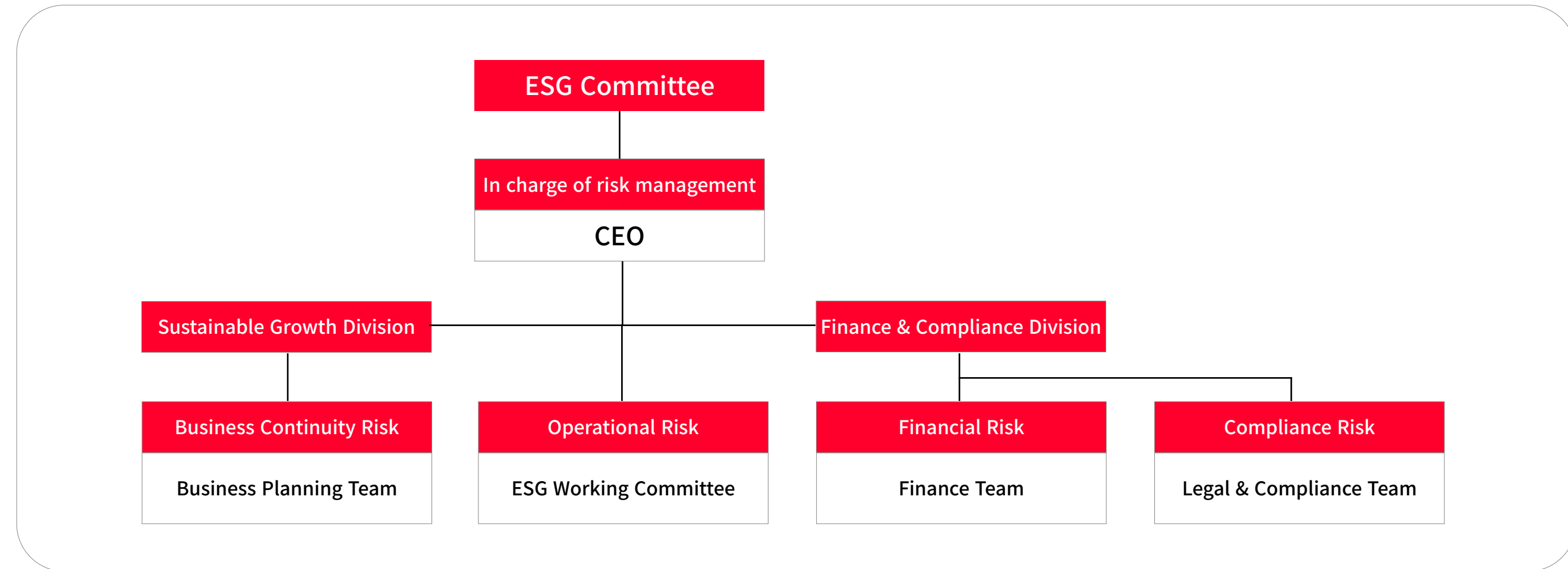
G2. Risk Management

1. Governance

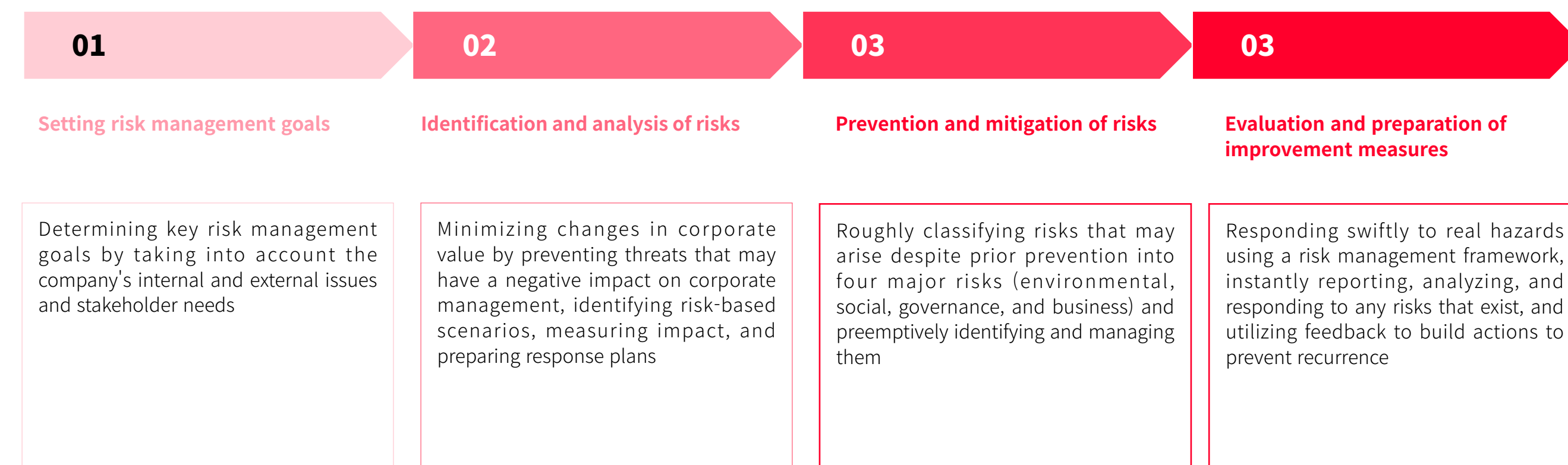
DRB recognizes risk management as a core element of corporate governance and strives relentlessly to create a company-wide risk management culture. Furthermore, we are strengthening our systematic risk management process to ensure the soundness and stability of our management.

The company's major risks are managed centrally by the ESG Committee under the Board of Directors, and this committee regularly discusses the identification, evaluation, and response measures for the major risks identified. Additionally, the CEO has been designated as the person in charge of company-wide risk management. In cooperation with the heads of relevant departments, including legal compliance, finance, management support, production technology, and research, we operate a systematic management framework for not only financial risks but also non-financial risks.

[G2-1] DRB Risk Management Governance



[G2-2] DRB Risk Management System



G2. Risk Management

Management by Major Risk Types

DRB clearly distinguishes and defines both financial and non-financial risks, such as risks related to business continuity and operations, and establishes systematic response strategies. Based on this, we aim to enhance corporate sustainability and stability by identifying and managing integrated, company-wide risks effectively.

Financial Risk

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

1) 미국, 유럽, 일본 통화에 대한 환율변동위험 관리

Non-financial Risk_Business Continuity

Risks	Management activities
Supply chain Delay in product delivery due to failure to secure raw material supply and production continuity	<ul style="list-style-type: none"> Establishing and training a response system for each supply continuity emergency scenario Regularly evaluating the quality and environment of external raw and subsidiary material suppliers based on IATF 16949, ISO 9001, and ISO 14001 Establishing a procurement emergency response manual Providing consultation and regularly evaluating to strengthen external suppliers' ESG management capabilities Managing unfair trade risks in the supply chain and addressing external supplier grievances through PSM Reviewing orders
Disaster and safety Disasters such as earthquakes, fires, etc. or safety accidents in the workplace	<ul style="list-style-type: none"> A special organization for company-wide safety risk management Setting up an emergency response organization for disasters and safety accidents, preparing manuals for each scenario, and defining recovery targets Conducting regular public-private joint training based on accident scenarios (fires, explosions, etc.) in the workplace.
Environmental Imposition of legal sanctions and fines according to environmental regulations	<ul style="list-style-type: none"> Operating a dedicated environmental risk management organization Regularly diagnosing and preventing potential risks through environmental impact assessment Renewing and self-checking ISO 14001 certification Conducting regular response training for each environmental accident scenario, such as chemical and wastewater spills

Non-financial risk_operation, Compliance

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

G3. Ethics

1. Governance

1-1. Ethical Management Policy

DRB recognizes ethical management as an essential element for sustainable development with all stakeholders and makes continuous efforts to internalize ethical values. In 2016, we established and declared the Code of Ethics that serves as a standard for desirable decision-making and behavior for all employees. Since 2020, we have made it mandatory for our employees to sign a Code of Ethics Practice Pledge annually to strengthen their voluntary participation in ethical practices. Furthermore, in 2023, we newly established an Ethics Charter and an Employee Code of Conduct to further strengthen our principles and commitment to ethical management.

[G3-1] DRB Ethics Charter

DRB Ethics Charter

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

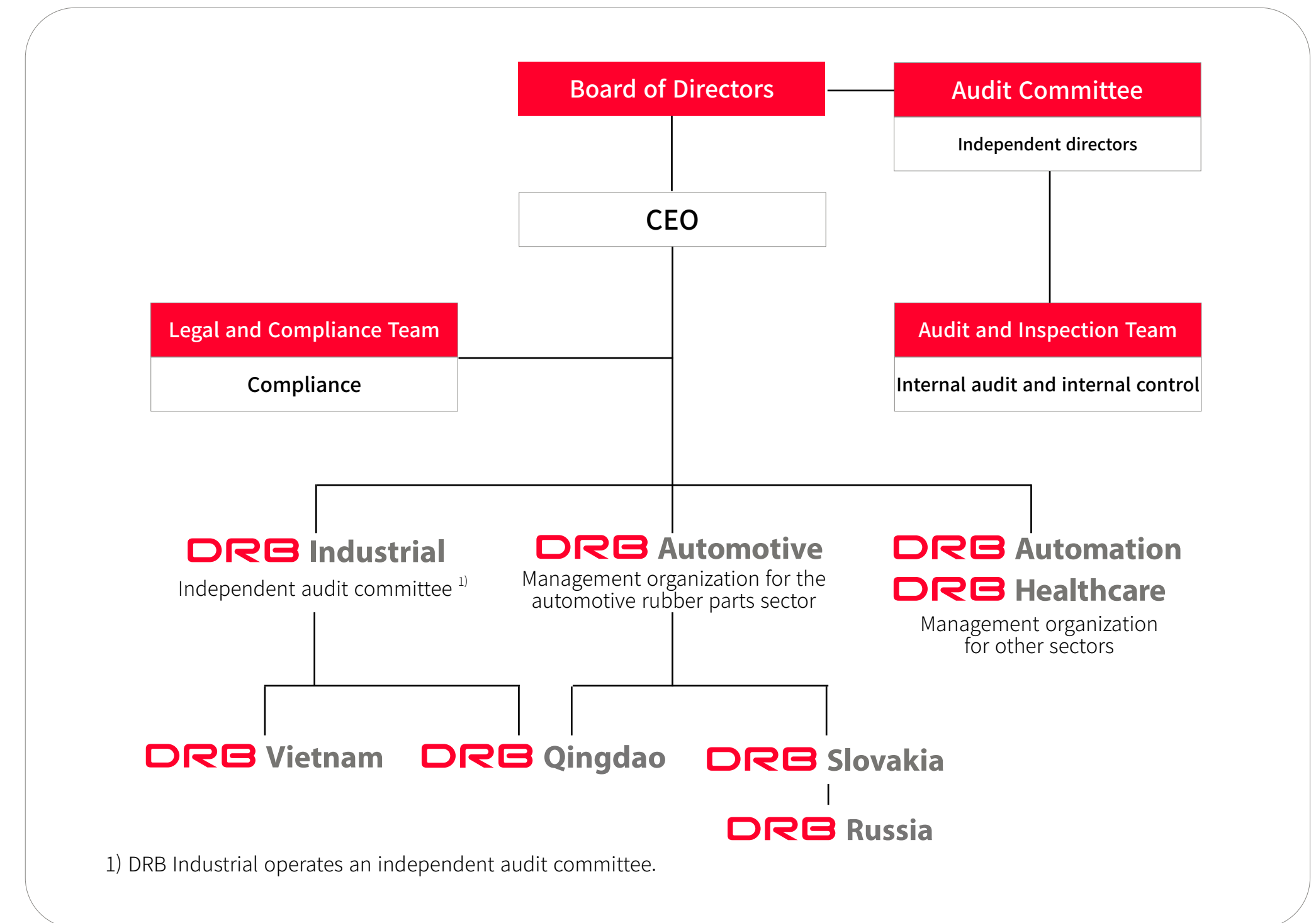


See DRB Code of Ethics

1-2. Ethical Management Organization

DRB has formed an Audit and Inspection Team to support the Audit Committee and a Legal and Compliance Team reporting directly to the CEO to implement ethical management effectively. These organizations manage and oversee issues related to ethics and corruption, and we enhance the transparency and accountability of these organizations by continuously monitoring internal risks.

[G3-2] DRB Ethics Management Governance



G3. Ethics

2. Ethical Management Operational System

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



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

2-1. Prevention: Avoiding problems ahead of time

At the beginning of each year, DRB announces the Ethics Charter, Code of Ethics, and Practice Guidelines to ensure that all employees are thoroughly familiar with the company’s approach to ethical matters. Accordingly, employees affirm their commitment to ethical management by electronically signing a pledge to uphold the Code of Ethics. Furthermore, DRB proactively mitigates potential issues in practicing ethical management by requesting external suppliers to submit a pledge confirming their adherence to the Supplier Code of Conduct.

[G3-3] Status of Signing the Code of Ethics and External Supplier Code of Conduct

Category		Unit	2022	2023	2024
Pledge status	Pledge to comply with the internal code of ethics ¹⁾	persons (%)	1,399(56.1)	1,404(57.8)	1,086(43.5)
	Pledge to Comply with the Supplier Code of Conduct	%	100	100	100

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

Each year, DRB conducts ethical education for all employees, emphasizing the significance of ethical management to deepen their understanding and raise awareness regarding ethical management. Through this, we strive to internalize ethical principles and continuously embed an ethical culture within the organization.

[G3-4] Ethics Training Status

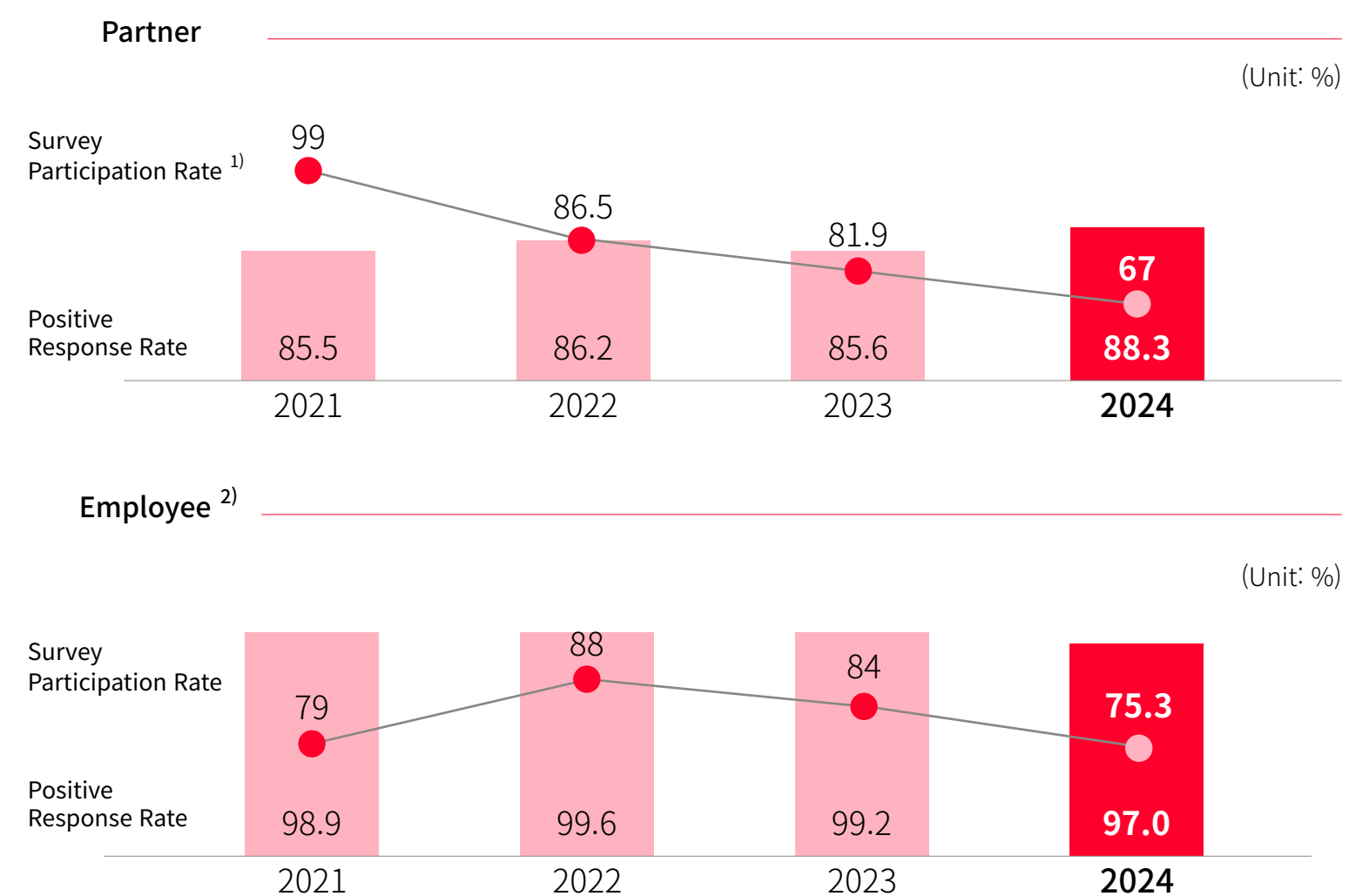
Category		Unit	2022	2023	2024
Ethical education	Total education hours	hours	789	990	1,084
	Number of participants	person(s)	835	1,233	1,348

G3. Ethics

2-2. Detection: Monitoring and identifying

Since 2016, DRB has conducted surveys on ethical awareness among its suppliers to swiftly identify potential ethical risks associated with corporate activities and prevent their recurrence. These surveys play a pivotal role in introducing DRB's ethical management principles to suppliers, addressing complaints related to business relationships and unfair trade practices, and reaffirming mutual dedication to ethical business conduct. Since 2021, DRB has extended the scope of these surveys to include office workers in our Korean corporations and expatriate employees in overseas corporations. We check employees' awareness of inappropriate behaviors such as bribery, acceptance of gifts, information leaks, sexual harassment, and abuse of authority. Through these surveys, we strive to raise voluntary ethical awareness and strengthen ethical management within the organization. We lowered the transaction value threshold in 2022 and included consumables suppliers as survey participants, leading to a slight decline in the overall participation rate but a significant increase in the number of suppliers involved in the survey.

[G3-5] 2024 DRB Ethics Management Survey

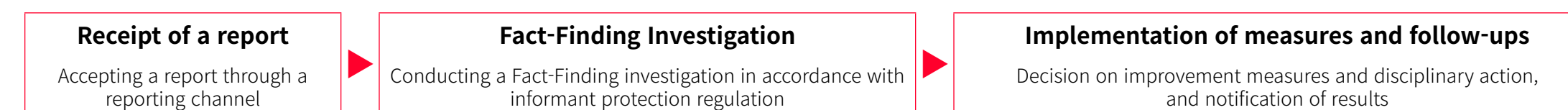


1) Expanded target companies in surveys since 2022

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

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

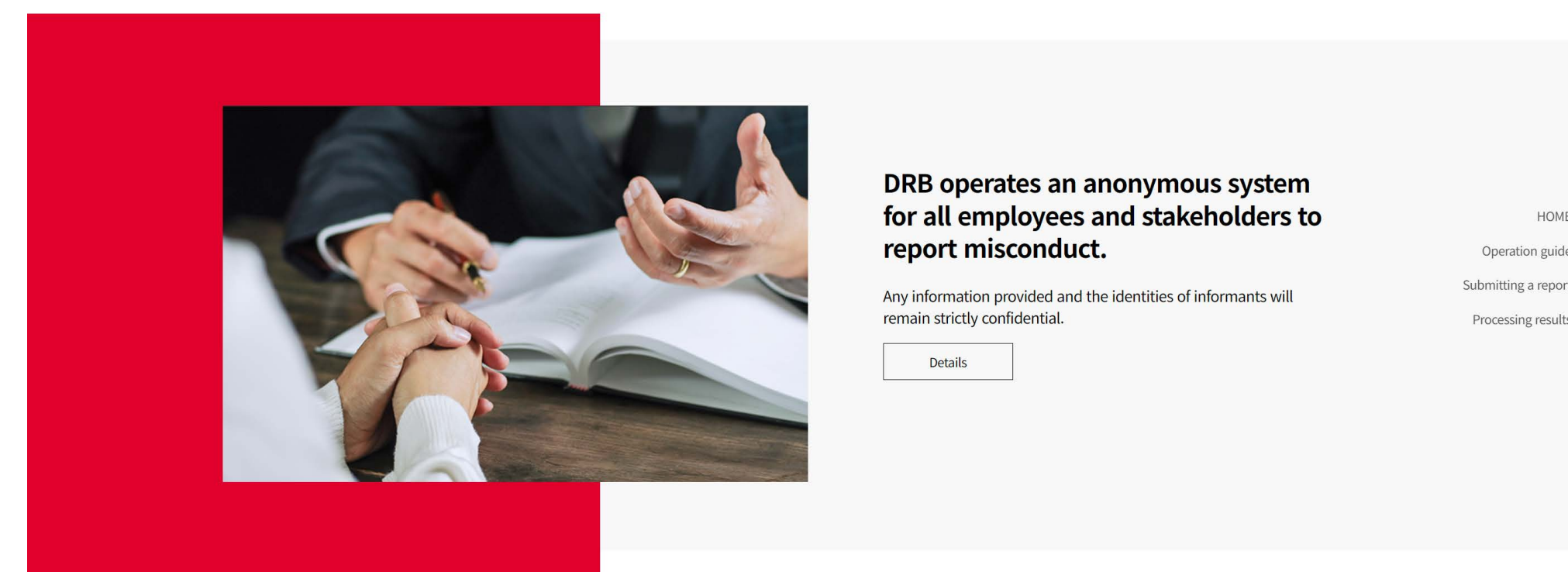
[G3-6] Whistleblowing Channels and Process



DRB Cyber Audit Department

Click the screen below to access the Cyber Audit website.

Submitting a report



Reporting channel

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

G3. Ethics

2-3. Investigation: Auditing and diagnosing

Internal Audits

DRB conducts regular audits on overall business activities at all corporations and subsidiaries. Compliance with regulations, adequacy and efficiency of work processing, unethical practices, etc. are subject to audits, and the audit results are reported to the CEO and Audit Committee.

Internal Control

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

[G3-7] DRB Control System

Work process	Control item
Control Environment	<ul style="list-style-type: none"> - Responsibility for morality and ethical values - Responsibility for supervising the internal accounting management system (bolstering expertise, independence, the responsibility for supervising, etc. of the board of directors and audit committee) - Defining the organizational structure, authorities, and responsibilities - Maintaining qualifications (making policies and practical procedures, and selecting, training, and maintaining personnel) - Increasing internal control responsibilities (making performance evaluation and compensation policies)
Risk assessment	<ul style="list-style-type: none"> - Setting specific objectives (complying with accounting standards and substantially incorporating them into corporate activities) - Identifying and analyzing risks - Assessing the risk of malpractice - Identifying and analyzing significant changes
Control activities	<ul style="list-style-type: none"> - Selecting and developing control activities - Selecting and developing general information technology control mechanisms - Implementing control activities through policies and procedures (making the operational regulations for the internal accounting management system)
Information and communication	<ul style="list-style-type: none"> - Utilizing relevant information (identifying and assessing information needs) - Internal and external communication
Monitoring	<ul style="list-style-type: none"> - Continuous monitoring and independent evaluation - Evaluating vulnerability and improvement activities

2-4. Response: Measures for improvement

Inappropriate acts identified during internal audits and internal control are either corrected immediately or reviewed rigorously for improvement on a regular basis in accordance with the corrective action plan established to prevent the recurrence of similar risks. Additionally, in the event of detecting serious misconduct that requires disciplinary action, we convene the Personnel Committee to adopt strict disciplinary action and impose appropriate sanctions in accordance with the 'Zero Tolerance' principle.

[G3-8] Ethics Violation and Resolution

	Category	Unit	2022	2023	2024
Handling of violations	Report / Whistleblowing	case(s)	2	3	2
	Violations	case(s)	2	3	2
	Handling ¹⁾	%	100	100	50

1) This is the proportion of cases received that were resolved through fact-finding investigations and the implementation of related measures. One violation of the Code of Ethics from the second half of 2024 was carried over and handled during the first half of 2025.

2) Numbers have increased compared to the previous year due to the expansion of corporations covered by the reporting scope.

3. Ethical Management Advancement

DRB has created an institutional foundation for ethical management and internal audit activities by proclaiming the Code of Ethics in 2016, enacting the Audit Work Regulations in 2017, and introducing the Ethics Charter and Code of Conduct in 2023. Since the first half of 2025, we have been publishing regular ethical management newsletters and conducting substantial activities to raise ethical awareness among employees. In the future, we plan to further reinforce ethical management by introducing audit quality assessments through external specialized agencies and other measures.

G4. Compliance

1. Governance

As part of its responsible corporate operations for a sustainable future, DRB has established a compliance management system and is internalizing a compliance culture through company-wide compliance activities. Based on the management's strong will, DRB operates a compliance management system composed of prevention, inspection and monitoring, and post-management in an organized manner.

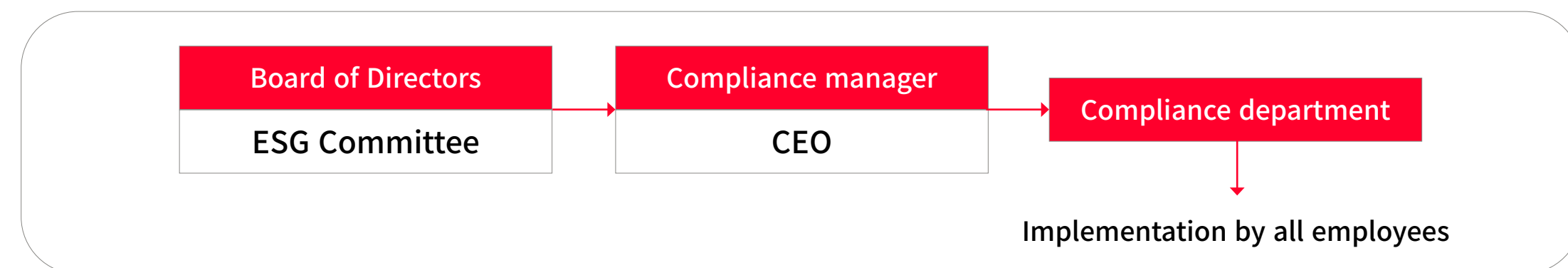
In particular, to ensure voluntary compliance with fair trade-related laws, we have established a Fair Trade Compliance Program, which we have disclosed publicly and continue to improve. Furthermore, we are enhancing the compliance practice capabilities of our employees by establishing and implementing practical policies. We conduct various educational and internalization activities so that DRB's unique compliance culture can take roots throughout the organization.

1-1. Compliance Framework

Based on a firm commitment to compliance management, DRB is building a rigorous and structured compliance system by systematically analyzing the gap between external requirements and the company's current status. We assessed our current status through compliance due diligence and employee awareness surveys and improved our governance by reflecting the opinions of external experts. Accordingly, we established a Compliance Management Team in 2022. Through a council composed of the management and related departments, we developed a Compliance Management Policy that all subsidiary corporations could commonly practice. Furthermore, we introduced a Fair Trade Compliance Program in 2023 to enhance the policy's effectiveness. We have also built an organizational execution framework by designating a Compliance Officer and a dedicated department for each corporation. Through this, we prepared a structure to ensure that policies established by the holding company's specialized department could be organically implemented by each corporation's execution organization. In 2024, we continued to make improvements for the practical operation of the compliance system, such as establishing and distributing a Compliance and Ethics Management Manual to guarantee implementation concretely and conducting segmented compliance training, including for our overseas corporations.

DRB is internalizing this system throughout its overall business processes. By strengthening compliance training, inspection, and monitoring activities continuously, we practice tangible compliance management and forge ahead with systematic improvements.

[G4-1] DRB Compliance Organization Structure



1-2. Compliance Operations

Aiming to establish a tangible compliance culture, DRB makes systematic efforts to create an organizational framework where we practice ethical and compliance management naturally within the daily work processes of employees. To this end, we have introduced self-inspection activities and a prior consultation system for external transactions. We are creating a risk prevention environment by strengthening customized individual training, announcing an autonomous compliance manual and revising it continuously, and maintaining a regular system for sharing compliance issues.

Additionally, we have established a robust monitoring framework, which includes: on-site inspections focused on key risks related to the Fair Transactions in Subcontracting Act, the Fair Agency Transactions Act, and the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises; legal advisory and consulting on individual issues; and reporting channels that enable ongoing response to issues. Based on this framework, we adopt strict disciplinary procedures for violations and, conversely, encourage tangible compliance practice through an incentive system for exemplary cases. Furthermore, based on these monitoring results, DRB is continuously revising its manual, supplementing educational content, and establishing measures to prevent recurrence. DRB also conducts parallel activities such as strengthening self-inspections, securing external advisory services, and raising employee awareness to ensure that its ethical and compliance management meets global laws and regulations and corporate ethics standards.

[G4-2] DRB Compliance Operations



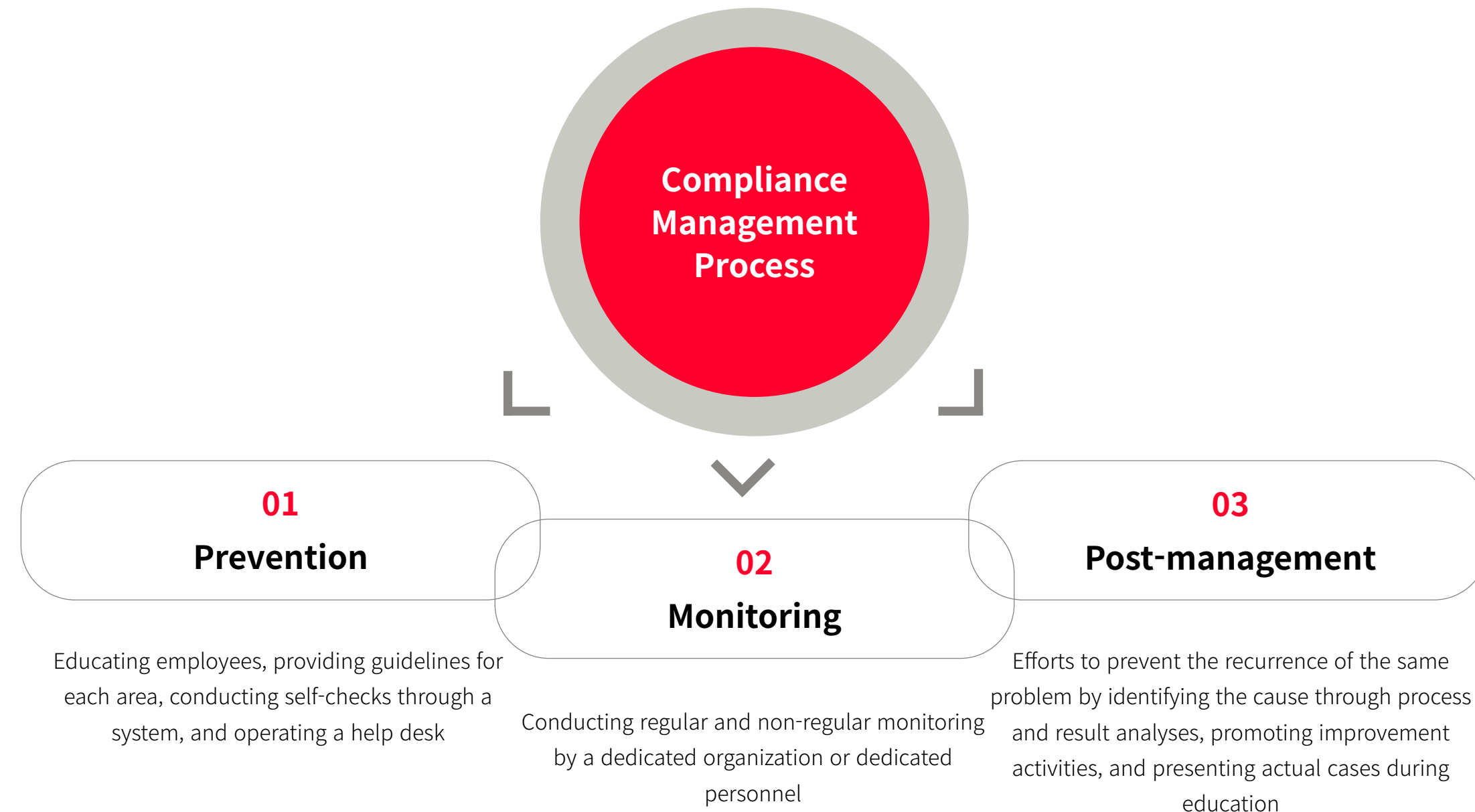
G4. Compliance

2. Compliance Activities

2-1. Compliance Management System

DRB implements systematic compliance management to ensure it complies, without omission, with all domestic and international laws and regulations related to anti-corruption, fair trade, and business operations. We identify and prevent risk factors through company-wide mapping of compliance risks. We have also established and are practicing a meticulous management process that includes: establishing and improving internal control processes based on the compliance management manual and autonomous compliance manual; due diligence, inspections, and monitoring; and education and training programs.

[G4-3] DRB Compliance Management System



[G4-4] 2024 DRB Compliance Report

DRB
Compliance Report
2024

2-2. Compliance Education

DRB conducts basic compliance competency education and job-tailored compliance education systematically to raise employees' compliance awareness. Through this, we aim to establish a company-wide compliance culture and strengthen capabilities so that legal adherence and ethical judgment occur naturally in the course of daily work.

Additionally, to strengthen compliance cooperation with external suppliers, DRB shares regulation trends and related policies with them, building a cooperative relationship to foster a fair trade culture. In addition, we publish a Compliance Letter regularly to increase our employees' understanding and form consensus on major issues. The newsletter raises awareness of compliance management issues and helps to spread a culture that can be practiced.

[G4-5] 2024 DRB Compliance Training

Category	Title	Target (Persons)	Details	
Basic	Basic education on compliance management	All employees	975	Compliance, ethical management education
	Statutory education	All employees	2,902	Prevention of sexual harassment and bullying, disability awareness, and personal information protection
In-depth	Practical course on the principles of fair trade (Fair Transactions in Subcontracting Act, Fair Agency Transactions Act)	Related Dept.	121	Practical education on the Fair Transactions in Subcontracting Act, the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises, and the Fair Agency Transactions Act
	ESG expert course	Related Dept.	29	Practical education on human rights, supply chain, governance, and ESG evaluation
	Job and statutory training on environment, health, and safety	Related Dept.	711	Statutory job competency training for related departments
Special	Education for executives and leaders	Management	57	Education for leaders to enhance their compliance awareness
	Special education for new hires and managers	New hires	35	Special compliance education for new hires and managers
	Risk management education on intellectual property rights	R&D Dept.	12	Education to be prepared for risks related to intellectual property rights (WIPS ON education)
	Management system compliance education	Related Dept.	24	Auditor education on the entire management system, including ISO quality, environment, compliance, and audit
	Education for high-risk departments	Applicants for each session	11	Education for departments that present high risks in relation to legal and regulatory changes

[G4-6] Compliance Training Status

Category		Unit	2022	2023	2024
Compliance education	Total hours	hours	5,943	4,773	25,174
	participants	person(s)	3,835	4,277	7,499
	per employee	hours	1.55	1.12	3.36

G4. Compliance

2-3. Standard Subcontracting Agreement

To establish a fair and transparent trade order, DRB applies the standard subcontract agreement publicly notified by the Fair Trade Commission to its contracts and strictly complies with the Fair Transactions in Subcontracting Act and the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises. In particular, to protect the physical and intellectual property rights of external suppliers, we have incorporated clauses into our agreements regarding the prohibition of forcing the provision of technical data, the leasing of technical data, and the implementation and guarantee of intellectual property rights. We also promptly reflect on newly implemented systems, such as the subcontracting price linkage system, to realize the purpose of such systems in tangible terms.

Furthermore, DRB promotes mutual growth with suppliers by introducing a mutually beneficial agreement that adheres to the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises and the Fair Agency Transactions Act. By preparing standard compliance agreement forms for each business type and utilizing them in practical contract work, we are preventing legal risks in all contracting processes and are building trust-based business relationships for a sustainable supply chain.

2-4. Compliance Checklist, Pre-Consultation System, and Whistleblowing Channel

To build a fair and responsible supply chain, DRB operates a compliance checklist, a prior consultation system, and an internal reporting system during transactions with external suppliers. Through these, we systematically prevent illegal acts and unfair trade practices and execute post-transaction monitoring. Before a transaction, we use a checklist and a prior consultation procedure to thoroughly review: whether a written contract has been issued; whether the subcontracting price has been determined in an unfair manner; whether there are any acts of coercion, such as forcing the purchase of goods; and whether there are any unfair economic demands or the imposition of unfair transaction terms. In addition, after a transaction is completed, the overall legal compliance is constantly monitored through an internal reporting system. Targets of monitoring are potential legal violations such as delays in payment, unfair reduction of subcontracting payments, and unfair demands for technical data.

Through this rigorous framework, DRB achieves the tangible effect of preventing risks from unfair trade by blocking the possibility of illegal acts preemptively and by enabling the early recognition and improvement of potential legal violations. DRB will continue to build a sustainable trade culture by strengthening the transparency and fairness of its entire supply chain.

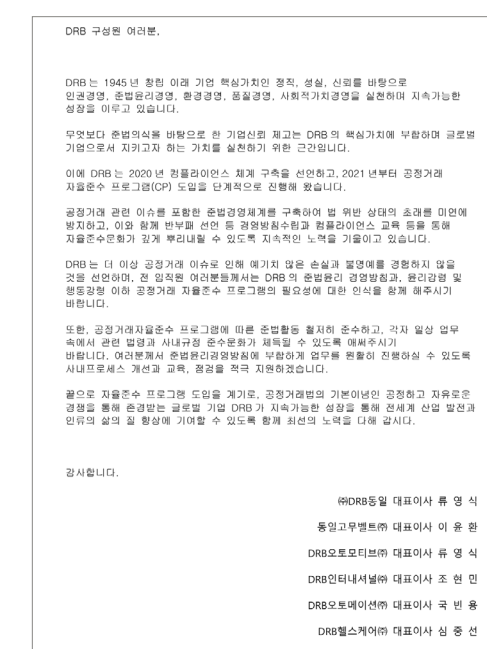
2-5. Fair Trade Compliance Program (CP)

As part of its compliance management system, DRB has established and operates a Fair Trade Compliance Program. Through this program, we practice the voluntary observance of fair trade-related laws and prevent illegal acts. Based on our internal compliance system, we present clear standards of conduct to our employees for observing the fair trade order, such as preventing collusion. Through this effort, we aim to lower the possibility of risk occurrence and establish a system that can respond swiftly to any issues that arise. In the future, DRB will continue to promote an ethical and fair trade culture by effectively operating its autonomous compliance program and by strengthening employee education.

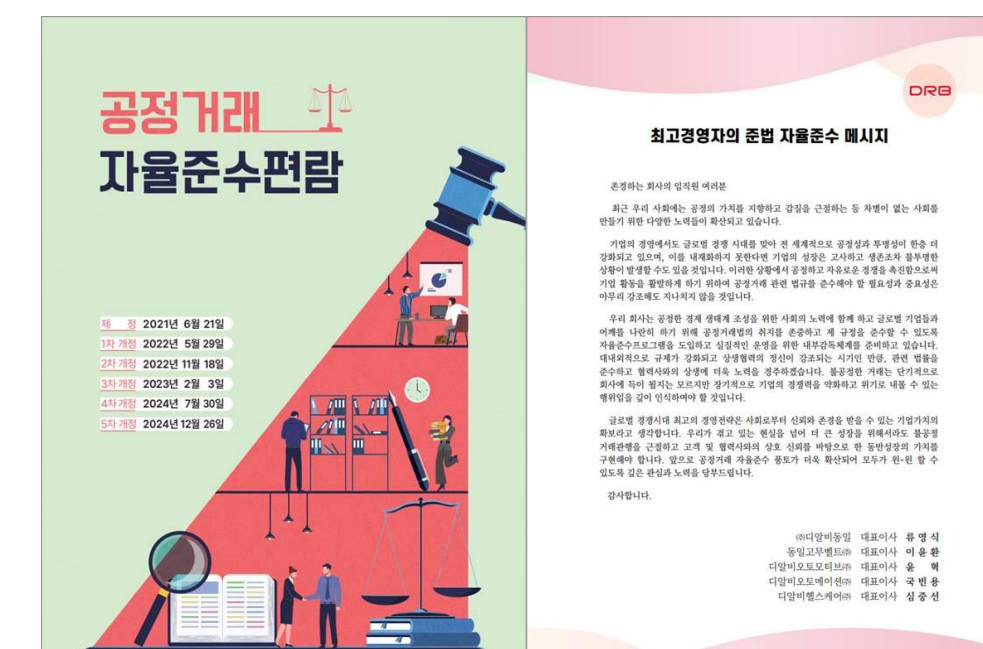
[G4-7] DRB Fair Trade Compliance Program Introduction Procedure

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

[G4-8] Fair Trade Compliance Declaration



[G4-9] Fair Trade Compliance Manual Revision



G4. Compliance

2-6. Internal Monitoring and Audit Activities

DRB recognizes ethics and compliance as core elements of business management and operates a system to prevent and improve related risks and supplement relevant measures through constant internal monitoring and regular inspection activities. Specifically, based on our self-inspection system for fair trade-related laws such as the Fair Transactions in Subcontracting Act and the Fair Agency Transactions Act, we are lowering the possibility of violations by conducting checklist-based self-inspections, on-site due diligence, and external consulting. Additionally, we have established an internal whistleblower protection system to encourage both internal and external reporting. For any compliance violations identified through audit activities conducted according to internal audit regulations, a dedicated department establishes and manages process improvements and measures to prevent recurrence. DRB enhances the effectiveness of this protection system by operating a disciplinary system for offenders and an incentive system for public interest whistleblowers. In the future, we will continue to strengthen our post-management system to establish a culture of ethical and compliance management.

[G4-10] Compliance Inspection Activities

Period	Details
2024. 1Q	Inspection and evaluation of compliance with the Fair Agency Transactions Act and the agreement for fair trade (under the same Act)
2024. 2Q	Inspection of compliance with the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises and the Fair Transactions in Subcontracting Act
2024. 3Q	Inspection of the autonomous compliance management system operations
2024. 4Q	Due diligence inspection on all corporations regarding compliance with the Fair Transactions in Subcontracting Act

[G4-11] Regulatory Violation Management

Category		Unit	2022	2023	2024
Legal violation ¹⁾	Unfair trade acts such as anti-competitive practices, monopolies, etc.	case(s)	0	0	0
	Violation concerning product and service information and labeling	case(s)	0	0	0
	Violation concerning internal transactions	case(s)	0	0	0
	Violation concerning subcontracting transactions	case(s)	0	0	0
	Litigations due to the violation of laws or regulations	case(s)	0	0	1

1) Based on the corporations covered by the reporting scope

2-7. External Cooperation on Compliance

DRB actively participates in global initiatives to enhance corporate ethics and integrity. Since 2022, DRB has been participating in the Business Integrity Society (BIS) co-hosted by the UNGC Network Korea and the Korea Sustainability Investing Forum. Through this participation, we have been working to promote an anti-corruption culture and have continued cooperative activities to practice responsible corporate management.

In particular, DRB participated in the UNCAC Call-to-Action pledge in December 2023, officially declaring to the international community its decision to join the efforts to eradicate corruption that affects the global economy and society. This is a practical activity that demonstrates DRBs commitment to realizing global-level ethical and compliance management and contributing to the creation of a sustainable business environment.

[G4-12] Participation in BIS Anti-Corruption Pledge



[G4-13] Participation in UNCAC Call-to-Action Pledge



Appendix

Financial Data

ESG Fact Sheets

GRI Contents Index

ESRS Index

TCFD Index

UNGC

UN SDGs

CRBP

Associations & Organizations

GHG Emissions Verification

Independent Assurance

Financial Achievement

Condensed consolidated balance sheet

(Unit: 1,000 KRW)

	2022	2023	2024
[Current Assets]	475,692,074	508,096,734	478,727,560
Cash and Cash Equivalents	143,643,614	152,563,890	130,671,547
Short-term Financial Instruments	14,773,361	37,870,614	19,129,435
Trade Receivables	146,658,474	162,349,978	144,847,211
Other Receivables	9,803,358	17,945,546	27,025,208
Inventories	142,723,633	123,096,765	140,677,454
Financial Assets Measured at Fair Value Through Profit or Loss	-	516,508	-
Other Current Assets	18,089,633	13,753,433	16,376,705
[Non-current Assets]	469,546,421	455,554,858	503,686,624
Long-term Financial Instruments	136,630	7,481	7,690
Investment Assets	17,994,055	16,114,709	15,662,518
Other Receivables	13,023,258	10,653,120	10,371,913
Property, Plant, and Equipment (PPE)	397,591,091	403,744,029	455,281,029
Intangible Assets	4,690,957	1,857,277	2,840,818
Investment Properties	15,975,851	15,854,129	14,973,480
Other Non-current Assets	12,358,812	2,141,950	2,068,267
Defined Benefit Assets	7,775,767	5,182,163	2,480,909
[Total Assets]	945,238,495	963,651,592	982,414,184
[Current Liabilities]	400,359,407	396,123,601	408,506,837
[Non-current Liabilities]	65,110,403	69,418,137	53,270,382
[Total Liabilities]	465,469,810	465,541,738	461,777,219
Capital Stock	9,965,000	9,965,000	9,965,000
Capital Surplus	35,234,324	35,238,137	35,657,606
Other Capital	-96,390,340	-96,390,340	-96,390,340
Accumulated Other Comprehensive Income	-3,157,412	-3,345,717	11,766,704
Retained Earnings	419,962,651	433,508,043	439,417,847
Non-controlling Interests	114,154,462	119,134,731	120,220,148
[Total Equity]	479,768,685	498,109,854	520,636,965
[Total Equity and Liabilities]	945,238,495	982,414,185	982,414,185

Condensed consolidated income statement

(Unit: 1,000 KRW))

	2022	2023	2024
Revenue	661,814,016	737,777,768	752,688,128
Operating Profit	12,110,321	35,845,945	21,870,058
Net Profit	3,536,815	21,854,908	13,209,672
Total Comprehensive Income for the Period	3,536,815	21,854,908	13,209,672
Equity Attributable to Owners of the Parent	1,534,701	15,372,362	9,469,647
Non-controlling Interests	2,002,114	6,482,546	3,740,025
Other Comprehensive Income	1,837,456	-1,814,705	11,990,149
Total Comprehensive Income	5,374,271	20,040,203	25,199,821
Earnings Per Share (EPS)			
Basic and Diluted Earnings Per Share	80	798	491
Number of Subsidiaries Included in Consolidation	18	17	17

General information of subsidiaries

(Unit: 1,000 KRW))

Name of Company	Assets	Liabilities	Equity	Revenue	Profit(Loss)
DRB Industrial Co.,Ltd.	345,505,659	117,983,367	227,522,292	329,650,516	12,400,854
DRB International Co.,Ltd.	101,443,965	6,230,699	95,213,267	714,614	2,921,529
DRB Automation Co.,Ltd.	83,500,163	54,184,033	29,316,130	117,854,398	5,073,215
Saeil Enterprise Co.,Ltd.	15,786,656	8,723,833	7,062,823	3,776,377	-1,592,127
DRB Union Beltinno Co., Ltd.	5,599,094	759,086	4,840,008	3,759,537	-20,188
Wired Corporate Financial Stability Private Equity Fund(PEF)	12,406,607	95,825	12,310,782	-	-95,877
Wired Corporate Financial Stability Private Company (SPC)	12,389,802	1,113	12,388,689	-	-1,105
DRB Healthcare Co.,Ltd.	21,008,747	8,627,702	12,381,045	4,119,379	-2,829,272
DRB Automotive Co.,Ltd.	107,310,111	50,581,797	56,728,314	121,160,285	3,982,663
Qingdao Dongil Rubber Belt Co., Ltd.	141,306,686	61,749,320	79,557,366	121,940,623	715,581
Dongil Rubber Belt Slovakia s.r.o	67,166,478	43,782,481	23,383,996	83,580,076	-952,722
Dongil Rubber Belt Vietnam Co., Ltd	169,187,768	108,823,662	60,364,106	147,979,412	1,021,503
Dongil Rubber Belt America Inc.	73,510,472	64,198,411	9,312,061	127,494,626	-1,353,508
Dongil Rubber Belt Japan Co., Ltd	18,027,232	14,831,725	3,195,507	44,575,504	1,211,339
Shanghai Dongil Rubber Belt Co., Ltd.	5,615,509	1,685,220	3,930,289	9,021,463	385,729
PT. Dongil Rubber Belt Indonesia	1,506,038	1,502,811	3,226	3,846,279	141,244
DRB RUS LIMITED LIABILITY COMPANY	8,490,437	10,404,414	-1,913,976	2,959,229	-960,646

ESG Fact Sheets **DRB Holding**

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

Category		Unit	2022	2023	2024
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	111	90	95
	Scope 1	tCO ₂ -eq	7	8	11
	Scope 2	tCO ₂ -eq	104	82	84
Greenhouse gas emissions intensity (FY2024 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	2.8	5.3	5.9

1-2. Energy Consumption

Category		Unit	2022	2023	2024	
Total energy consumption		GJ	2,320	1,875	1,943	
Total non-renewable energy consumption	Total	GJ	2,320	1,875	1,943	
	Direct Energy	Total	GJ	140	155	175
		LNG	GJ	140	155	36
		LPG	GJ	0	0	0
		Gasoline	GJ	0	0	139
		Diesel	GJ	0	0	0
		Kerosene	GJ	0	0	0
	Indirect energy	Total	GJ	2,180	1,720	1,768
		Electricity	GJ	2,180	1,720	1,768
		Other	GJ	0	0	0
Energy consumption intensity (FY2024 Separate Revenue by Legal Entity)		GJ/one billion KRW	111.9	109.2	120.6	

1-3. Environmental Regulation Violations

Category		Unit	2022	2023	2024
Number of environmental regulation violations		cases	0	0	0
Fines and penalties		One million KRW	0	0	0

* As of the date when the environmental law violation disposition became final and conclusive.

2-1. Employees

Category		Unit	2022	2023	2024
Total		persons	81	86	92
Employment type	Regular	persons(%)	79(97.5)	80(93)	90(97.8)
	Non-regular	persons(%)	2(2.5)	6(7)	2(2.2)
External employees		persons	0	0	1
Social insurance coverage rate		%	90.1	91.9	94.6
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)
	18 to under 30 years old	persons(%)	9(11.1)	6(7)	13(14.1)
	30 to under 50 years old	persons(%)	59(72.8)	61(70.9)	61(66.3)
	50 years old and over	persons(%)	13(16.1)	19(22.1)	18(19.6)

* Prepared based on the total number of employees, excluding registered directors, as of December 31 of the respective year.

2-2. New employees

Category		Unit	2022	2023	2024
Total		persons	13	12	12
Employment type	Regular	persons	10	6	12
	Non-regular	persons	3	6	0
Gender	Male	persons	8	6	7
	Female	persons	5	6	5

2-3. Turnover

Category		Unit	2022	2023	2024
Total		persons(%)	5(6.1)	3(3.5)	9(9.8)
Turnover type	Voluntary	persons(%)	3(3.7)	2(2.3)	4(4.3)
	Involuntary	persons(%)	2(2.5)	1(1.2)	5(5.4)

2-4. Tenure

Category		Unit	2022	2023	2024
Average tenure		Years	10.6	10.4	10.7
Gender diversity	Male	Years	11	11.6	11.8
	Female	Years	8.7	7.3	8.0

2-5. Diversity

Category		Unit	2022	2023	2024	
Total number of female employees		persons(%)	20(24.7)	25(29.1)	27(29.3)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)	0(0)
		Senior management	persons(%)	1(10)	1(12.5)	0(0)
		Junior management	persons(%)	2(20)	2(16.7)	2(20)
		STEM departments	persons(%)	2(12.5)	3(15.8)	3(18.7)
		Revenue-generating departments	persons(%)	0(0)	0(0)	0(0)
Other	Disabled employees	persons(%)	0(0)	0(0)	0(0)	
	Veteran employees	persons(%)	0(0)	0(0)	0(0)	

2-6. Wage

Category		Unit	2022	2023	2024
Ratio of actual wage to average wage	Male	%	106.5	110.0	112.1
	Female	%	75.0	73.1	70.9
Ratio of hourly base wage to minimum wage		%	158.0	104.6	107.2
Equal pay	Ratio of average base wage between male and female	%	70.4	65.8	63.3
	CEO-to-employee wage gap (median)	%	353.2	371.3	379.5

* Figures have been adjusted due to a change in the calculation basis for employee compensation. Consequently, they may differ from the figures disclosed in the previous year's report.

ESG Fact Sheets

DRB Holding

2-7. Parental Leave

	Category	Unit	2022	2023	2024
Employees on parental leave	Total	persons	1	1	1
	Male	persons	0	0	0
	Female	persons	1	1	1
Employees scheduled to return from parental leave	Total	persons	0	1	0
	Male	persons	0	0	0
	Female	persons	0	1	0
Employees returning after parental leave	Total	persons(%)	0(0)	1(100)	0(0)
	Male	persons(%)	0(0)	0(0)	0(0)
	Female	persons(%)	0(0)	1(100)	0(0)
Employees who worked for 12 months or more after parental leave	Total	persons(%)	0(0)	0(0)	0(0)
	Male	persons(%)	0(0)	0(0)	0(0)
	Female	persons(%)	0(0)	0(0)	0(0)

* Figures have been adjusted due to a change in the calculation method for employees on parental leave. Accordingly, they may differ from those disclosed in the previous year's report.

2-8. Training

	Category	Unit	2022	2023	2024
Total hours		Hours	4,473	4,069	4,529
Total costs		1,000 KRW	154,820	158,106	269,018
Training hours per employee		Hours	55.9	45.2	46.7
Training costs per employee		1,000 KRW	1,935	1,757	2,773

* Figures have been adjusted due to a change in the method of calculating training expenses. As a result, the figures may differ from those reported in the previous year's report.

* Training hours per employee = Total training hours in the reporting year / Total number of employees as of December 31 of the same year

* Training expenses per employee = Total training expenses in the reporting year / Total number of employees as of December 31 of the same year

2-9. Grievance

	Category	Unit	2022	2023	2024
Grievance	Received(report)	cases	0	0	0
	Processed	cases	0	0	0
	Processing rate	%	0	0	0

2-10. Human Rights

	Category	Unit	2022	2023	2024
Human rights violation (DRB)	Reported	cases	0	0	0
	Processed	cases	0	0	0
	Law violation	cases	0	0	0

2-11. Human Rights Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	226	313	327
Number of participants		persons	226	231	327

2-12. Occupational Accident Rate

	Category	Unit	2022	2023	2024
Employees	Total working hours	Hours	158,163	181,120	179,457
	Number of employees	persons	81	86	92
	Lost time injury cases (LTI)	cases	0	0	0
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	0	0	0
	Number of Injured Persons	persons	0	0	0
	Occupational injury rate	%	0	0	0
	Severity rate	Cases per Thousand Work Hours	0	0	0
	Number of occupational diseases	cases	0	0	0
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0
	Number of work-related fatalities	persons	0	0	0
	Number of Process Safety Incidents	cases	0	0	0
	Number of violations of occupational health and safety laws	cases	0	0	0

* Process safety incidents are defined as accidents involving fire, explosion, or the release of toxic substances, as well as similar incidents that have the potential to escalate into such events.

2-13. Occupational Health and Safety Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	1,399	1,456	1,519
Number of participants		persons	781	869	905

2-14. Employees Health Check-Ups

	Category	Unit	2022	2023	2024
Employee health examinations participants	General health check-up	persons	92	86	77
	Comprehensive health check-up	persons	43	37	37
	Special health check-up	persons	0	0	0

2-15. Mutual cooperation

	Category	Unit	2022	2023	2024
Total amount of mutual purchasing		100 million KRW	0	7.39	11.9
Number of ESG support projects		Cases	0	4	2

2-16. Social Contribution

	Category	Unit	2022	2023	2024
Social contribution amount	Total amount	100 million KRW	1.08	3.64	1.23
	Cash donations	100 million KRW	0.80	0.84	0.73
	In-kind donations	100 million KRW	0.33	0.33	0.00
	Operating expenses	100 million KRW	0.49	2.97	0.50
Political contributions		100 million KRW	0	0	0
Major association fees and contributions		100 million KRW	0.21	0.01	0.14
Volunteer work	Total hours	hours	158	84	104
	Volunteer hours per employee	hours	1.95	0.90	1.13

* Figures have been adjusted due to a change in the calculation method for social contribution expenditures. As a result, the figures differ from those reported in the previous year's report.

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DRB Holding

2-17. Information Security Status

Category	Unit	2022	2023	2024
information security incident occurred	Total	0	0	0
	Personal information protection violations	0	0	0
	Information security violations related to customer information	0	0	0

2-18. Information Security Training

Category	Unit	2022	2023	2024
Total training hours	Hours	10	86	35
Number of participants	Persons	10	86	79

3-1. Ethics Training

Category	Unit	2022	2023	2024
Total training hours	Hours	66	67	99
Number of participants	Persons	66	67	90

3-2. Compliance Training

Category	Unit	2022	2023	2024
Total training hours	Hours	713	838	1,119
Number of participants	Persons	461	583	369

3-3. Ethics Management Reports & Actions

Category	Unit	2022	2023	2024
Number of employees who signed the code of ethics	Persons(%)	161(58.5)	68(79.1)	82(89.1)
Code of ethics violations / reports	Cases	0	0	0
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0

3-4. Compliance

Category	Unit	2022	2023	2024
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0
Violation of product/service information and labeling regulations	Cases	0	0	0
Violation of internal transaction regulations	Cases	0	0	0
Violation of subcontracting regulations	Cases	0	0	0
Lawsuits related to legal and regulatory violations	Cases	0	0	1

3-5. Board Independence

Category	Unit	2022	2023	2024
Ratio of non-executive directors	%	67	60	60
Limit on the number of additional positions held by executives	Numbers	1	1	1

3-6. Board Diversity

Category	Unit	2022	2023	2024
Female executives	Persons(%)	1(20)	1(20)	1(20)

3-8. Board Operation

Category	Unit	2022	2023	2024
Average tenure of non-executives	Year	2.1	3.1	4.1
Number of board meetings	Numbers	6	6	5
Board meeting attendance rate	%	100	97	96
Board Agenda Items	Total	25	21	30
	Report	6	6	14
	Resolution	19	15	16
Opinions on agenda items	Total	19	15	16
	In favor	19	15	16
	Against	0	0	0
Amendments	Cases	0	0	0
Abstentions	Cases	0	0	0
Training for non-operating directors	Cases	3	4	1
Participation of non-executive directors in internal training	Y/N	Y	Y	Y
Training for non-executive directors	Cases	3	2	1

ESG Fact Sheets **DRB Industrial**

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

Category		Unit	2022	2023	2024
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	12,810	12,085	11,494
	Scope 1	tCO ₂ -eq	6,398	6,207	5,303
	Scope 2	tCO ₂ -eq	6,412	5,878	5,896
Greenhouse gas emissions intensity (FY2024 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	33.5	34.7	34.9

1-2. Energy Consumption

Category		Unit	2022	2023	2024	
Total energy consumption		GJ	258,651	232,437	228,161	
Total non-renewable energy consumption	Total	GJ	258,651	232,437	228,161	
	Direct Energy	Total	GJ	124,659	109,617	104,961
		LNG	GJ	121,311	31,382	71,503
		LPG	GJ	976	75,206	31,786
		Gasoline	GJ	67	226	370
		Diesel	GJ	2,186	2,693	1,281
		Kerosene	GJ	119	110	21
	Indirect energy	Total	GJ	133,992	122,820	123,200
		Electricity	GJ	133,992	122,820	123,200
Other		GJ	0	0	0	
Energy consumption intensity (FY2024 Separate Revenue by Legal Entity)		GJ/one billion KRW	676.5	667.7	692.1	

1-3. Raw Material Consumption

Category		Unit	2022	2023	2024
Total raw material consumption (purchased)		ton	4,521	3,727	4,510
Renewable raw material consumption (purchased)		ton	763	593	789
Renewable raw material usage ratio (purchased)		%	16.9	15.9	17.5

1-4. Hazardous Chemical Management

Category		Unit	2022	2023	2024
Total hazardous chemical usage		ton	204	162	161
Hazardous chemical usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	0.5	0.5	0.5
Major hazardous chemical spill incidents		cases	0	0	0

1-5. Waste Management

Category		Unit	2022	2023	2024	
Total waste generation (general + designated)	Total	ton	1,485	1,405	1,435	
	Recycled	ton	1,272	1,212	1,277	
	Recycling rate	%	85.6	86.3	88.9	
	Processed	Total	ton	213	193	158
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	201	177	151
		Landfilled	ton	12	16	7
Other methods	ton	0	0	0		
Waste generation intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	3.9	4.0	4.4	
General waste	Total	ton	1,463	1,359	1,405	
	Recycled	ton	1,250	1,176	1,248	
	Recycling rate	%	85.4	86.6	88.8	
	Processed	Total	ton	213	183	157
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	201	177	150
		Landfilled	ton	12	6	7
	Other methods	ton	0	0	0	
	Designated waste	Total	ton	22	46	30
Recycled		ton	22	36	29	
Recycling rate		%	99.5	77.9	96.7	
Processed		Total	ton	0	10	1
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	1
		Landfilled	ton	0	10	0
Other methods	ton	0	0	0		

* Basis for Reporting on Corporate Waste Generation and Treatment Performance

* Criteria for Distinguishing Incineration and Recycling: Recycling and incineration are classified based on an energy recovery efficiency threshold of 75%.

1-6. Water Intake and Usage

Category		Unit	2022	2023	2024
Total water usage		ton	348,872	320,803	307,376
Water intake	Total	ton	92,632	91,725	96,914
	Surface water	ton	92,632	91,725	96,914
	Groundwater	ton	0	0	0
Water usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	242.3	263.5	294.0
Total water recycled		ton	256,240	229,078	210,462
Water recycling rate		%	73.5	71.4	68.5

1-7. Wastewater Discharge

Category		Unit	2022	2023	2024
Wastewater discharge		ton	20	87	1,112
Wastewater discharge intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	0.1	0.2	3.4

* Due to a change in the calculation standard (including outsourced emissions), the 2022~2023 data have been revised.



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1-8. Water Pollutants Emissions

Category	Unit	2022	2023	2024
Total water pollutants emissions	kg	0	0	86
COD	kg	0	0	7
BOD	kg	0	0	2
SS	kg	0	0	5
TOC	kg	0	0	8
T-N	kg	0	0	31
T-P	kg	0	0	0
N-H	kg	0	0	0
Other water pollutants	kg	0	0	60
Water pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)	kg/one billion KRW	0	0	0.3

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

1-9. Air Pollutants Emissions

Category	Unit	2022	2023	2024
Total air pollutants emissions	kg	3,698	3,552	3,086
NOx	kg	2,839	2,413	2,222
SOx	kg	0	0	0
POP	kg	0	0	0
VOCs	kg	26	24	83
PM	kg	623	757	626
Other air pollutants	kg	210	358	155
Air pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)	kg/one billion KRW	9.7	10.2	9.4

1-10. Environmental Training

Category	Unit	2022	2023	2024
Total training hours	Hours	1,310	1,372	1,332
Number of participants	Persons	548	531	534

1-11. Environmental Regulation Violations

Category	Unit	2022	2023	2024
Number of environmental regulation violations	cases	0	1	0
Fines and penalties	One million KRW	0	0.48	0

*Environmental law violations are recorded based on the final confirmation date of the administrative disposition.

1-12. Environmental Management System

Category	Unit	2022	2023	2024
ISO 14001 certification rate	%	100	100	100

1-13. Eco-friendly Products

Category	Unit	2022	2023	2024
Revenue from eco-friendly products	100 million KRW	13.5	0	39.6

2-1. Employees

Category	Unit	2022	2023	2024	
Total	persons	574	545	554	
Employment type	Regular	550(95.8)	536(98.3)	534(96.4)	
	Non-regular	24(4.2)	9(1.7)	20(3.6)	
External employees	persons	34	34	32	
Social insurance coverage rate	%	86.9	85.0	88.1	
Age	Under 18 years old	persons(%)	0(0)	0(0)	0(0)
	18 to under 30 years old	persons(%)	30(5.2)	17(3.1)	38(6.9)
	30 to under 50 years old	persons(%)	301(52.4)	272(49.9)	310(56.0)
	50 years old and over	persons(%)	243(42.3)	256(47)	206(37.2)

* Prepared based on the total number of employees, excluding registered directors, as of December 31 of the respective year.

2-2. New employees

Category	Unit	2022	2023	2024
Total	persons	40	22	60
Employment type	Regular	14	20	25
	Non-regular	26	2	35
Gender	Male	31	14	52
	Female	9	8	8

2-3. Turnover

Category	Unit	2022	2023	2024
Total	persons(%)	46(8)	37(6.8)	67(12.1)
Turnover type	Voluntary	14(2.4)	13(2.4)	23(4.2)
	Involuntary	32(5.6)	24(4.4)	44(7.9)

2-4. Tenure

Category	Unit	2022	2023	2024
Average tenure	Years	18.6	18.7	17.5
Gender diversity	Male	19	19.3	18.0
	Female	14.2	13.5	12.4

2-5. Diversity

Category	Unit	2022	2023	2024		
Total number of female employees	persons(%)	51(8.9)	55(10.1)	53(9.5)		
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)	
		Senior management	persons(%)	0(0)	0(0)	
		Junior management	persons(%)	0(0)	1(10)	1(8.3)
		STEM departments	persons(%)	8(15.1)	9(24.3)	10(12.9)
		Revenue-generating departments	persons(%)	15(23.1)	13(39.4)	20(32.7)
Other	Disabled employees	persons(%)	13(2.3)	12(2.2)	9(1.6)	
	Veteran employees	persons(%)	12(2.1)	12(2.2)	11(1.9)	

* Figures have been adjusted due to a change in the definition of senior management. As a result, the figures differ from those reported in the previous year's report.

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2-6. Wage

Category	Unit	2022	2023	2024
Ratio of actual wage to average wage	Male	102.3	102.9	102.5
	Female	76.6	73.5	76.6
Ratio of hourly base wage to minimum wage	%	115.4	102.8	102.1
Equal pay	Ratio of average base wage between male and female	74.8	71.4	74.7
	CEO-to-employee wage gap (median)	364.9	399.3	391.0

* Figures have been adjusted due to a change in the calculation method for employee compensation. As a result, the figures differ from those reported in the previous year's report.

2-7. Parental Leave

Category	Unit	2022	2023	2024
Employees on parental leave	Total	5	8	13
	Male	3	6	9
	Female	2	2	4
Employees scheduled to return from parental leave	Total	5	5	7
	Male	3	4	6
	Female	2	1	1
Employees returning after parental leave	Total	4(100)	5(90)	7(78)
	Male	3(100)	4(80)	6(100)
	Female	1(100)	1(100)	1(50)
Employees who worked for 12 months or more after parental leave	Total	0(0)	4(100)	4(80)
	Male	0(0)	3(100)	3(75)
	Female	0(0)	1(100)	1(100)

* Figures have been adjusted due to a change in the calculation method for employees on parental leave. Accordingly, they may differ from those disclosed in the previous year's report.

2-8. Training

Category	Unit	2022	2023	2024
Total hours	Hours	11,986	12,182	22,537
Total costs	1,000 KRW	75,588	120,176	77,556
Training hours per employee	Hours	20.9	22.1	40.3
Training costs per employee	1,000 KRW	132	219	139

* Figures have been adjusted due to a change in the method of calculating training expenses. As a result, the figures may differ from those reported in the previous year's report.

* Training hours per employee = Total training hours in the reporting year / Total number of employees as of December 31 of the same year

* Training expenses per employee = Total training expenses in the reporting year / Total number of employees as of December 31 of the same year

2-9. Grievance

Category	Unit	2022	2023	2024
Grievance	Received(report)	0	0	0
	Processed	0	0	0
	Processing rate	%	0	0

2-10. Human Rights

Category	Unit	2022	2023	2024
Human rights violation (DRB)	Reported	0	0	0
	Processed	0	0	0
	Law violation	0	0	0
Human rights violation (External supplier)	Reported	0	0	0
	Processed	0	0	0
	Law violation	0	0	0
	Child labor	0	0	0
	Forced labor	0	0	0

* External suppliers refer to original raw material manufacturers (makers), and intermediate sales agencies have been excluded from the calculation.

2-11. Human Rights Training

Category	Unit	2022	2023	2024
Total training hours	Hours	1,284	1,403	1,288
Number of participants	persons	1,284	1,403	1,288

2-12. Occupational Accident Rate

Category	Unit	2022	2023	2024		
Employees	Total working hours	Hours	1,298,583	1,233,727	1,416,110	
	Number of employees	persons	574	545	554	
	Lost time injury cases (LTI)	cases	3	1	2	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	2.31	0.81	1.41	
	Number of Injured Persons	persons	3	1	2	
	Occupational injury rate	%	0.54	0.18	0.36	
	Severity rate	Cases per Thousand Work Hours	0.40	0.07	0.06	
	Number of occupational diseases	cases	2	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	1.54	0	0	
	Number of work-related fatalities	persons	0	0	0	
	Number of Process Safety Incidents	cases	0	0	0	
	Contractor	Total working hours	Hours	80,162	81,642	76,236
		Number of employees	persons	34	34	34
Number of Work-Related Fatalities		persons	0	0	0	
Lost time injury cases (LTI)		cases	0	0	0	
Lost time injury frequency rate (LTIFR)		Cases per Million Work Hours	0	0	0	
Number of violations of occupational health and safety laws	cases	0	0	0		

* Process Safety Incidents: Incidents such as fires, explosions, and toxic substance releases, as well as similar events that could potentially escalate into such incidents.

* Contractor: Refers to on-site external companies contracted to perform specific tasks or services—such as operations, cafeteria services, and security—through direct contracts. Companies under dispatch contracts are excluded.

2-13. Occupational Health and Safety Management System

Category	Unit	2022	2023	2024
ISO 45001 implementation rate	%	100	100	100

2-14. Occupational Health and Safety Training

Category	Unit	2022	2023	2024
Total training hours	Hours	13,236	12,540	13,308
Number of participants	persons	6,888	6,540	6,669

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2-15. Employees Health Check-Ups

	Category	Unit	2022	2023	2024
Employee health examinations participants	General health check-up	persons	542	517	508
	Comprehensive health check-up	persons	276	249	277
	Special health check-up	persons	356	347	308

2-16. Union

	Category	Unit	2022	2023	2024
Number of union employees		persons	393	340	355
Union employeeship rate		%	68.4	62.4	64.1
Collective bargaining agreement coverage rate		%	100	100	100
Number of labor-management committee meetings		cases	4	4	4

2-17. External Suppliers Status

	Category	Unit	2022	2023	2024
Total number of external suppliers		Numbers	95	96	82
Number of new external suppliers		Numbers	0	1	1

* Figures have been adjusted due to a change in the definition of external suppliers. As a result, the figures differ from those reported in the previous year's report.

2-18. Supply Chain ESG Assessment

	Category	Unit	2022	2023	2024
ESG risk assessment conducted	document	Cases	34	33	27
	on-site	Cases	5	9	5
ESG risk assessment result	Identified risks	Numbers	0	0	0
	Established improvement plans	Numbers	0	0	0
	Suspended transactions	Numbers	0	0	0
Signature Rate of External Supplier Code of Conduct		%	100	100	100

2-19. Mutual cooperation

	Category	Unit	2022	2023	2024
Total amount of mutual purchasing		100 million KRW	0	3.98	9.65
Number of ESG support projects		Cases	0	2	1

2-20. External Suppliers Grievance Process

	Category	Unit	2022	2023	2024
External Suppliers Grievance Process	Number of grievances received	Cases	0	0	0
	Number of grievances processed	Cases	0	0	0

2-21. Social Contribution

	Category	Unit	2022	2023	2024
Social contribution amount	Total amount	100 million KRW	1.51	2.42	1.22
	Cash donations	100 million KRW	1.12	0.66	0.52
	In-kind donations	100 million KRW	0.06	0.06	0.06
	Operating expenses	100 million KRW	0.33	1.70	0.64
Political contributions		100 million KRW	0	0	0
Major association fees and contributions		100 million KRW	0.46	0.50	0.55
Volunteer work	Total hours	hours	188	122	214
	Volunteer hours per employee	hours	0.32	0.22	0.39

2-22. Information Security Status

	Category	Unit	2022	2023	2024
information security incident occurred	Total	Cases	0	0	0
	Personal information protection violations	Cases	0	0	0
	Information security violations related to customer information	Cases	0	0	0

2-23. Information Security Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	15	545	77
Number of participants		Persons	15	545	176



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3-1. Ethics Training

Category	Unit	2022	2023	2024
Total training hours	Hours	521	492	538
Number of participants	Persons	521	492	523

3-2. Compliance Training

Category	Unit	2022	2023	2024
Total training hours	Hours	3,959	2,662	17,872
Number of participants	Persons	2,496	2,337	4,877

3-3. Ethics Management Reports & Actions

Category	Unit	2022	2023	2024
Number of employees who signed the code of ethics	Persons(%)	157(27.4)	156(28.6)	177(31.9)
Code of ethics violations / reports	Cases	0	0	0
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0

3-4. Compliance

Category	Unit	2022	2023	2024
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0
Violation of product/service information and labeling regulations	Cases	0	0	0
Violation of internal transaction regulations	Cases	0	0	0
Violation of subcontracting regulations	Cases	0	0	0
Lawsuits related to legal and regulatory violations	Cases	0	0	0

3-5. Board Independence

Category	Unit	2022	2023	2024
Ratio of non-executive directors	%	60	60	60
Limit on the number of additional positions held by executives	Numbers	1	1	1

3-6. Board Diversity

Category	Unit	2022	2023	2024
Female executives	Persons(%)	1(20)	1(20)	1(20)

3-7. Board Operation

Category	Unit	2022	2023	2024
Average tenure of non-executives	Year	1.1	2.1	1.6
Number of board meetings	Numbers	6	5	5
Board meeting attendance rate	%	100	92	97
Board Agenda Items	Total	22	17	30
	Report	5	6	14
	Resolution	17	11	16
Opinions on agenda items	Total	17	11	16
	In favor	17	11	16
	Against	0	0	0
	Amendments	0	0	0
	Abstentions	0	0	0
Training for non-operating directors	Cases	0	0	1
Participation of non-executive directors in internal training	Y/N	Y	Y	Y
Training for non-executive directors	Cases	3	5	4

ESG Fact Sheets **DRB Automotive**

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

Category		Unit	2022	2023	2024
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	7,935	8,582	8,964
	Scope 1	tCO ₂ -eq	1,239	1,256	1,273
	Scope 2	tCO ₂ -eq	6,697	7,326	7,693
Greenhouse gas emissions intensity (FY2024 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	120.2	81.2	74.0

1-2. Energy Consumption

Category		Unit	2022	2023	2024	
Total energy consumption		GJ	163,760	163,908	188,571	
Total non-renewable energy consumption	Total	GJ	163,760	163,908	185,816	
	Direct Energy	Total	GJ	23,820	24,204	25,071
		LNG	GJ	22,160	22,693	24,959
		LPG	GJ	0	0	0
		Gasoline	GJ	140	29	43
		Diesel	GJ	1,480	1,482	69
	Kerosene	GJ	40	0	0	
	Indirect energy	Total	GJ	139,940	139,704	160,745
Electricity		GJ	139,940	139,704	160,745	
	Other	GJ	0	0	0	
Energy consumption intensity (FY2024 Separate Revenue by Legal Entity)		GJ/one billion KRW	2,481.2	1,551.0	1,565.9	
Total renewable energy consumption	Total emissions	GJ	0	0	2,755	
	Solar	GJ	0	0	2,755	
	REC	GJ	0	0	0	
Renewable energy usage ratio		%	0	0	1.5	

1-3. Raw Material Consumption

Category		Unit	2022	2023	2024
Total raw material consumption (purchased)		ton	7,993	8,782	9,221
Renewable raw material consumption (purchased)		ton	0	0	0
Renewable raw material usage ratio (purchased)		%	0	0	0

1-4. Hazardous Chemical Management

Category		Unit	2022	2023	2024
Total hazardous chemical usage		ton	118	118	189
Hazardous chemical usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	1.8	1.1	1.6
Major hazardous chemical spill incidents		cases	0	0	0

1-5. Waste Management

Category		Unit	2022	2023	2024	
Total waste generation (general + designated)	Total	ton	1,922	2,280	2,677	
	Recycled	ton	1,871	2,208	2,605	
	Recycling rate	%	97.3	96.8	97.3	
	Processed	Total	ton	51	72	72
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	39	52	54
		Landfilled	ton	12	20	18
Other methods	ton	0	0	0		
Waste generation intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	29.1	21.6	22.1	
General waste	Total	ton	1,818	2,145	2,541	
	Recycled	ton	1,806	2,125	2,523	
	Recycling rate	%	99.3	99.1	99.3	
	Processed	Total	ton	12	20	18
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	12	20	18
Other methods	ton	0	0	0		
Designated waste	Total	ton	104	135	137	
	Recycled	ton	65	82	82	
	Recycling rate	%	62.5	60.7	60.2	
	Processed	Total	ton	39	52	54
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	39	52	54
		Landfilled	ton	0	0	0
Other methods	ton	0	0	0		

* Basis for Reporting on Corporate Waste Generation and Treatment Performance

* Criteria for Distinguishing Incineration and Recycling: Recycling and incineration are classified based on an energy recovery efficiency threshold of 75%.

1-6. Water Intake and Usage

Category		Unit	2022	2023	2024
Total water usage		ton	32,101	36,338	35,038
Water intake	Total	ton	32,101	36,338	35,038
	Surface water	ton	32,101	36,338	35,038
	Groundwater	ton	0	0	0
Water usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	486.4	343.9	289.2
Total water recycled		ton	0	0	0
Water recycling rate		%	0	0	0

1-7. Wastewater Discharge

Category		Unit	2022	2023	2024
Wastewater discharge		ton	10,110	10,782	9,861
Wastewater discharge intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	153.2	102.0	81.4



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1-8. Water Pollutants Emissions

Category	Unit	2022	2023	2024
Total water pollutants emissions	kg	4,014	3,444	3,463
COD	kg	590	640	523
BOD	kg	610	480	529
SS	kg	20	1	20
TOC	kg	586	474	523
T-N	kg	220	151	166
T-P	kg	11	5	2
N-H	kg	0	0	0
Other water pollutants	kg	1,977	1,693	1,701
Water pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)	kg/one billion KRW	60.8	32.6	28.6

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

1-9. Air Pollutants Emissions

Category	Unit	2022	2023	2024
Total air pollutants emissions	kg	1,193	2,040	693
NOx	kg	0	0	0
SOx	kg	570	260	148
POP	kg	0	0	0
VOCs	kg	0	0	0
PM	kg	620	1,780	544
Other air pollutants	kg	0	0	0
Air pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)	kg/one billion KRW	18.1	19.3	5.7

1-10. Environmental Training

Category	Unit	2022	2023	2024
Total training hours	Hours	648	684	817
Number of participants	Persons	162	171	211

1-11. Environmental Regulation Violations

Category	Unit	2022	2023	2024
Number of environmental regulation violations	cases	0	0	2
Fines and penalties	One million KRW	0	0	0.96

*Environmental law violations are recorded based on the final confirmation date of the administrative disposition.

1-12. Environmental Management System

Category	Unit	2022	2023	2024
ISO 14001 certification rate	%	100	100	100

2-1. Employees

Category	Unit	2022	2023	2024
Total	persons	194	199	208
Employment type	Regular	188(96.9)	197(99)	198(95.2)
	Non-regular	6(3.1)	2(1)	10(4.8)
External employees	persons	16	16	15
Social insurance coverage rate	%	93.2	92.0	92.3
Age	Under 18 years old	0(0)	0(0)	0(0)
	18 to under 30 years old	5(2.6)	2(1)	16(7.7)
	30 to under 50 years old	124(63.9)	121(60.8)	131(63.0)
	50 years old and over	65(33.5)	76(38.2)	61(29.3)

* Prepared based on the total number of employees, excluding registered directors, as of December 31 of the respective year.

2-2. New employees

Category	Unit	2022	2023	2024
Total	persons	9	11	28
Employment type	Regular	2	6	12
	Non-regular	7	5	16
Gender	Male	8	11	26
	Female	1	0	2

2-3. Turnover

Category	Unit	2022	2023	2024
Total	persons(%)	4(2.1)	10(5.0)	16(7.7)
Turnover type	Voluntary	2(1)	5(2.5)	9(4.3)
	Involuntary	2(1)	5(2.5)	7(3.4)

2-4. Tenure

Category	Unit	2022	2023	2024
Average tenure	Years	16.8	16.4	15.6
Gender diversity	Male	17	16.7	16.0
	Female	8.9	9.9	9.1

2-5. Diversity

Category	Unit	2022	2023	2024	
Total number of female employees	persons(%)	9(4.6)	9(4.5)	11(5.2)	
Gender diversity	Female	Top management	0(0)	0(0)	0(0)
		Senior management	0(0)	0(0)	0(0)
		Junior management	0(0)	0(0)	0(0)
		STEM departments	1(6.3)	1(5.6)	3(13.6)
		Revenue-generating departments	4(22.2)	4(23.5)	4(19.0)
Other	Disabled employees	6(3.1)	6(3)	6(2.8)	
	Veteran employees	6(3.1)	6(3)	5(2.4)	

* Figures have been adjusted due to a change in the definition of senior management. As a result, the figures differ from those reported in the previous year's report.

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2-6. Wage

Category	Unit	2022	2023	2024
Ratio of actual wage to average wage	Male	101.6	101.5	101.6
	Female	65.9	66.9	71.2
Ratio of hourly base wage to minimum wage	%	122.2	105.6	109.6
Equal pay	Ratio of average base wage between male and female	64.8	65.9	70.0
	CEO-to-employee wage gap (median)	356.6	418.8	424.7

* Figures have been adjusted due to a change in the calculation method for employee compensation. As a result, the figures differ from those reported in the previous year's report.

2-7. Parental Leave

Category	Unit	2022	2023	2024
Employees on parental leave	Total	6	5	4
	Male	5	4	4
	Female	1	1	0
Employees scheduled to return from parental leave	Total	5	5	0
	Male	5	4	0
	Female	0	1	0
Employees returning after parental leave	Total	1(100)	5(83)	0(0)
	Male	2(200)	4(80)	0(0)
	Female	0(0)	1(100)	0(0)
Employees who worked for 12 months or more after parental leave	Total	0(0)	2(100)	4(80)
	Male	0(0)	2(100)	3(75)
	Female	0(0)	0(0)	1(100)

* Figures have been adjusted due to a change in the calculation method for employees on parental leave. Accordingly, they may differ from those disclosed in the previous year's report.

2-8. Training

Category	Unit	2022	2023	2024
Total hours	Hours	4,233	3,928	5,242
Total costs	1,000 KRW	5,455	9,689	11,354
Training hours per employee	Hours	21.8	19.7	25.2
Training costs per employee	1,000 KRW	28	49	55

* Training hours per employee = Total training hours in the reporting year / Total number of employees as of December 31 of the same year

* Training expenses per employee = Total training expenses in the reporting year / Total number of employees as of December 31 of the same year

2-9. Grievance

Category	Unit	2022	2023	2024
Grievance	Received(report)	0	0	0
	Processed	0	0	0
	Processing rate	%	0	0

2-10. Human Rights

Category	Unit	2022	2023	2024
Human rights violation (DRB)	Reported	0	0	0
	Processed	0	0	0
	Law violation	0	0	0
Human rights violation (External supplier)	Reported	0	0	0
	Processed	0	0	0
	Law violation	0	0	0
	Child labor	0	0	0
	Forced labor	0	0	0

* External suppliers refer to original raw material manufacturers (makers), and intermediate sales agencies have been excluded from the calculation.

2-11. Human Rights Training

Category	Unit	2022	2023	2024
Total training hours	Hours	449	542	482
Number of participants	persons	449	542	482

2-12. Occupational Accident Rate

Category	Unit	2022	2023	2024		
Employees	Total working hours	Hours	411,540	439,643	500,371	
	Number of employees	persons	194	199	208	
	Lost time injury cases (LTI)	cases	1	0	0	
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	2.42	0	0	
	Number of Injured Persons	persons	1	0	0	
	Occupational injury rate	%	0.51	0	0	
	Severity rate	Cases per Thousand Work Hours	0	0	0	
	Number of occupational diseases	cases	0	0	0	
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0	
	Number of work-related fatalities	persons	0	0	0	
	Number of Process Safety Incidents	cases	0	0	0	
	Contractor	Total working hours	Hours	257,164	241,552	659,784
		Number of employees	persons	111	154	229
Number of Work-Related Fatalities		persons	0	0	0	
Lost time injury cases (LTI)		cases	0	0	0	
Lost time injury frequency rate (LTIFR)		Cases per Million Work Hours	0	0	0	
Number of violations of occupational health and safety laws	cases	0	0	0		

* Process Safety Incidents: Incidents such as fires, explosions, and toxic substance releases, as well as similar events that could potentially escalate into such incidents.

* Contractor: Refers to on-site external companies contracted to perform specific tasks or services—such as operations, cafeteria services, and security—through direct contracts. Companies under dispatch contracts are excluded.

2-13. Occupational Health and Safety Management System

Category	Unit	2022	2023	2024
ISO 45001 implementation rate	%	100	100	100

2-14. Occupational Health and Safety Training

Category	Unit	2022	2023	2024
Total training hours	Hours	4,292	5,112	5,262
Number of participants	persons	1,939	2,229	2,281

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2-15. Employees Health Check-Ups

	Category	Unit	2022	2023	2024
Employee health examinations participants	General health check-up	persons	114	117	131
	Comprehensive health check-up	persons	96	85	99
	Special health check-up	persons	80	78	76

2-16. Union

	Category	Unit	2022	2023	2024
Number of union employees		persons	115	119	125
Union employeeship rate		%	59.3	59.8	60.1
Collective bargaining agreement coverage rate		%	100	100	100
Number of labor-management committee meetings		cases	4	4	4

2-17. External Suppliers Status

	Category	Unit	2022	2023	2024
Total number of external suppliers		Numbers	50	52	55
Number of new external suppliers		Numbers	0	5	0

* Figures have been adjusted due to a change in the definition of external suppliers. As a result, the figures differ from those reported in the previous year's report.

2-18. Supply Chain ESG Assessment

	Category	Unit	2022	2023	2024
ESG risk assessment conducted	document	Cases	20	22	21
	on-site	Cases	5	3	7
ESG risk assessment result	Identified risks	Numbers	0	0	0
	Established improvement plans	Numbers	0	0	0
	Suspended transactions	Numbers	0	0	0
Signature Rate of External Supplier Code of Conduct		%	100	100	100

2-19. Mutual cooperation

	Category	Unit	2022	2023	2024
Total amount of mutual purchasing		100 million KRW	0	3.41	2.25
Number of ESG support projects		Cases	0	2	1

2-20. External Suppliers Grievance Process

	Category	Unit	2022	2023	2024
External Suppliers Grievance Process	Number of grievances received	Cases	0	0	0
	Number of grievances processed	Cases	0	0	0

2-21. Social Contribution

	Category	Unit	2022	2023	2024
Social contribution amount	Total amount	100 million KRW	0	0	0
	Cash donations	100 million KRW	0	0	0
	In-kind donations	100 million KRW	0	0	0
	Operating expenses	100 million KRW	0	0	0
	Political contributions	100 million KRW	0	0	0
Major association fees and contributions		100 million KRW	0	0	0.11
Volunteer work	Total hours	hours	0	0	53
	Volunteer hours per employee	hours	0	0	0.25

2-22. Information Security Status

	Category	Unit	2022	2023	2024
information security incident occurred	Total	Cases	0	0	0
	Personal information protection violations	Cases	0	0	0
	Information security violations related to customer information	Cases	0	0	0

2-23. Information Security Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	0	199	30
Number of participants		Persons	0	199	69

3-1. Ethics Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	521	492	538
Number of participants		Persons	521	492	523

3-2. Compliance Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	3,959	2,662	17,872
Number of participants		Persons	2,496	2,337	4,877

3-3. Ethics Management Reports & Actions

	Category	Unit	2022	2023	2024
Number of employees who signed the code of ethics		Persons(%)	157(27.4)	156(28.6)	177(31.9)
Code of ethics violations / reports		Cases	0	0	0
Number of Actions Taken for Code of Ethics Violations		Cases	0	0	0

* The number and percentage of employees who signed the Code of Ethics in 2022 were not recorded, as a new legal entity was established through a corporate split from DRB Dongil in that year.

* Of the Code of Ethics violation cases reported in 2024, one case was carried over and processed in the first half of 2025.

3-4. Compliance

	Category	Unit	2022	2023	2024
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices		Cases	0	0	0
Violation of product/service information and labeling regulations		Cases	0	0	0
Violation of internal transaction regulations		Cases	0	0	0
Violation of subcontracting regulations		Cases	0	0	0
Lawsuits related to legal and regulatory violations		Cases	0	0	0

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

Category		Unit	2022	2023	2024
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	23,782	25,928	23,824
	Scope 1	tCO ₂ -eq	5,349	5,494	5,209
	Scope 2	tCO ₂ -eq	18,433	20,433	18,615
Greenhouse gas emissions intensity (FY2024 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	180.9	190.5	195.4

* The weight conversion and density calculation for petroleum fuels (gasoline and diesel) were based on international quality standards provided by the Korea Petroleum Quality & Distribution Authority (KPQDA) until 2023. From 2024 onward, the calculation has been based on the GHG Protocol's Emission Factors for Cross-Sector Tools.

* The weight conversion and density calculation for natural gas (LNG) were based on data from California Gas Transmission and air density references until 2023. From 2024, the GHG Protocol's Emission Factors for Cross-Sector Tools have been applied.

* Electricity emission factors were calculated using the GHG Protocol's GHG Emissions Calculation Tool until 2023. Starting in 2024, emission factors from the Carbon Database Initiative (Generation category) have been applied.

1-2. Energy Consumption

Category		Unit	2022	2023	2024	
Total energy consumption		GJ	178,520	193,419	206,559	
Total non-renewable energy consumption	Total	GJ	178,043	189,428	202,770	
	Direct Energy	Total	GJ	95,569	98,003	101,355
		LNG	GJ	93,455	96,235	99,714
		Gasoline	GJ	735	1,124	909
		Diesel	GJ	1,379	644	732
	Indirect energy	Total	GJ	82,474	91,425	101,415
Electricity		GJ	82,474	91,425	101,415	
	Other	GJ	0	0	0	
Energy consumption intensity (FY2024 Separate Revenue by Legal Entity)		GJ/one billion KRW	1,358.0	1,421.1	1,693.9	
Total renewable energy consumption	Total emissions	GJ	1,845.0	11,191.0	27,909.0	
	Solar	GJ	477	3,991	3,789	
	REC	GJ	1,368	7,200	24,120	
Renewable energy usage ratio		%	1.03	5.79	13.5	

* The calculation of direct energy consumption was based on emission densities derived from the GHG Protocol's Emission Factors for Cross-Sector Tools, and the resulting energy use figures may differ slightly from those reported in the previous year.

* The calorific value for indirect energy (electricity) was calculated using the GHG Protocol guidance value of 3.6 MJ/kWh. As a result, there may be differences compared to the previous year's calculation, which was based on the domestic gross calorific value of 9.6 MJ/kWh.

1-3. Raw Material Consumption

Category		Unit	2022	2023	2024
Total raw material consumption (purchased)		ton	17,308	19,095	20,690
Renewable raw material consumption (purchased)		ton	663	707	710
Renewable raw material usage ratio (purchased)		%	3.8	3.7	3.4

1-4. Hazardous Chemical Management

Category		Unit	2022	2023	2024
Total hazardous chemical usage		ton	213	246	234
Hazardous chemical usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	1.6	1.8	1.9
Major hazardous chemical spill incidents		cases	0	0	0

1-5. Waste Management

Category		Unit	2022	2023	2024	
Total waste generation (general + designated)	Total	ton	1,534	1,789	1,688	
	Recycled	ton	1,360	1,623	1,546	
	Recycling rate	%	88.7	90.7	91.6	
	Processed	Total	ton	174	166	142
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	125	127	97
		Landfilled	ton	49	39	45
Other methods	ton	11.7	13.1	13.8		
Waste generation intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	1,485	1,750	1,643	
General waste	Total	ton	1,360	1,623	1,546	
	Recycled	ton	91.6	92.7	94.1	
	Recycling rate	%	125	127	97	
	Processed	Total	ton	0	0	0
		Incinerated with energy recovery	ton	125	127	97
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	0	0	0
Other methods	ton	49	39	45		
Designated waste	Total	ton	49	39	45	
	Recycled	ton	0	0	0	
	Recycling rate	%	0	0	0	
	Processed	Total	ton	49	39	45
		Incinerated with energy recovery	ton	0	0	0
		Incinerated without energy recovery	ton	0	0	0
		Landfilled	ton	49	39	45
Other methods	ton	0	0	0		

* Basis for Reporting on Corporate Waste Generation and Treatment Performance

* Criteria for Distinguishing Incineration and Recycling: Recycling and incineration are classified based on an energy recovery efficiency threshold of 75%.

1-6. Water Intake and Usage

Category		Unit	2022	2023	2024
Total water usage		ton	105,169	142,688	142,054
Water intake	Total	ton	93,969	133,855	133,400
	Surface water	ton	91,908	133,855	133,400
	Groundwater	ton	2,061	0	0
Water usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	714.8	1,195.9	1,094.0
Total water recycled		ton	11,200	8,833	8,654
Water recycling rate		%	10.6	6.2	6.1

1-7. Wastewater Discharge

Category		Unit	2022	2023	2024
Wastewater discharge		ton	35,460	35,064	36,242
Wastewater discharge intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	269.7	313.3	297.2

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1-8. Water Pollutants Emissions

Category	Unit	2022	2023	2024
Total water pollutants emissions	kg	1,804	4,273	2,652
COD	kg	980	2,180	803
BOD	kg	230	460	188
SS	kg	330	820	740
TOC	kg	241	780	665
T-N	kg	13	9	8
T-P	kg	10	22	248
N-H	kg	0	2	0
Other water pollutants	kg	13.7	38.2	21.7
Water pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)	kg/one billion KRW	60.8	32.6	28.6

1-9. Air Pollutants Emissions

Category	Unit	2022	2023	2024
Total air pollutants emissions	kg	17,677	15,028	15,400
NOx	kg	1,125	1,127	1,165
SOx	kg	0	0	0
POP	kg	13,823	8,405	8,646
VOCs	kg	2,729	5,496	5,589
PM	kg	0	0	0
Other air pollutants	kg	134.5	134.3	126.3
Air pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)	kg/one billion KRW	18.1	19.3	5.7

* Air pollutant emissions have been revised in this report due to a change in the calculation methodology.

1-10. Environmental Training

Category	Unit	2022	2023	2024
Total training hours	Hours	648	816	840
Number of participants	Persons	162	408	420

1-11. Environmental Regulation Violations

Category	Unit	2022	2023	2024
Number of environmental regulation violations	cases	0	0	0
Fines and penalties	One million KRW	0	0	0

* Environmental law violations are recorded based on the final confirmation date of the administrative disposition.

1-12. Environmental Management System

Category	Unit	2022	2023	2024
ISO 14001 certification rate	%	100	100	100

2-1. Employees

Category	Unit	2022	2023	2024
Total	persons	497	508	537
Employment type	Regular	482(97.0)	492(96.9)	514(95.7)
	Non-regular	15(3.0)	16(3.1)	23(4.3)
External employees	persons	26	17	20
Social insurance coverage rate	%	97.0	96.9	95.7
Age	Under 18 years old	0(0)	0(0)	0(0)
	18 to under 30 years old	38(7.7)	39(7.7)	51(9.4)
	30 to under 50 years old	447(89.9)	446(87.8)	463(86.2)
	50 years old and over	12(2.4)	23(4.5)	23(4.3)

* Prepared based on the total number of employees, excluding registered directors, as of December 31 of the respective year.

* Due to a change in the calculation criteria for the social insurance coverage rate, the related data have been revised starting from this report.

2-2. New employees

Category	Unit	2022	2023	2024
Total	persons	63	45	66
Employment type	Regular	56	36	57
	Non-regular	7	9	9
Gender	Male	45	39	52
	Female	18	6	14

2-3. Turnover

Category	Unit	2022	2023	2024
Total	persons(%)	45(9.1)	34(6.7)	37(6.9)
Turnover type	Voluntary	44(8.9)	32(6.3)	33(6.1)
	Involuntary	1(0.2)	2(0.4)	4(0.7)

2-4. Tenure

Category	Unit	2022	2023	2024
Average tenure	Years	5.3	6.6	7.3
Gender diversity	Male	5.3	6.4	7.5
	Female	5.3	6.9	7.2

2-5. Diversity

Category	Unit	2022	2023	2024		
Total number of female employees	persons(%)	135(27.2)	120(23.6)	126(23.5)		
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)	0(0)
		Senior management	persons(%)	0(0)	0(0)	0(0)
		Junior management	persons(%)	2(15.4)	1(7.1)	1(7.1)
		STEM departments	persons(%)	5(10.0)	4(6.6)	4(6.6)
		Revenue-generating departments	persons(%)	2(50.0)	2(50.0)	1(25.0)
Other	Disabled employees	persons(%)	6(1.2)	6(1.2)	6(1.1)	
	Veteran employees	persons(%)	6(3.1)	6(3)	5(2.4)	

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2-6. Wage

	Category	Unit	2022	2023	2024
Ratio of actual wage to average wage	Male	%	109.7	106.8	111.2
	Female	%	88.8	93.2	92.5
Ratio of hourly base wage to minimum wage		%	104.2	103.6	113.2
Equal pay	Ratio of average base wage between male and female	%	80.9	87.3	83.2
	CEO-to-employee wage gap (median)	%	634.8	717.2	753.9

* Figures have been adjusted due to a change in the calculation method for employee compensation. As a result, the figures differ from those reported in the previous year's report.

2-7. Parental Leave

	Category	Unit	2022	2023	2024
Employees on parental leave	Total	persons	7	7	6
	Male	persons	3	4	4
	Female	persons	4	3	2
Employees scheduled to return from parental leave	Total	persons	7	7	6
	Male	persons	3	4	4
	Female	persons	4	3	2
Employees returning after parental leave	Total	persons(%)	7(100)	7(100)	6(100)
	Male	persons(%)	3(100)	4(100)	4(100)
	Female	persons(%)	4(100)	3(100)	2(100)
Employees who worked for 12 months or more after parental leave	Total	persons(%)	4(100)	6(85.7)	7(100)
	Male	persons(%)	3(100)	3(100)	4(100)
	Female	persons(%)	1(100)	3(75.0)	3(100)

* Figures have been adjusted due to a change in the calculation method for employees on parental leave. Accordingly, they may differ from those disclosed in the previous year's report.

* In the case of DRB Qingdao, a parental leave system is not in place; therefore, the data have been compiled based on maternity leave and paternity leave.

2-8. Training

	Category	Unit	2022	2023	2024
Total hours		Hours	5,659	7,735	7,998
Total costs		1,000 KRW	22,213	66,373	109,055
Training hours per employee		Hours	11.4	15.2	14.9
Training costs per employee		1,000 KRW	45	131	203

2-9. Grievance

	Category	Unit	2022	2023	2024
Grievance	Received(report)	cases	5	0	0
	Processed	cases	5	0	0
	Processing rate	%	100	0	0

2-10. Human Rights

	Category	Unit	2022	2023	2024
Human rights violation (DRB)	Reported	cases	0	0	0
	Processed	cases	0	0	0
	Law violation	cases	0	0	0

2-11. Human Rights Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	12	0	211
Number of participants		persons	12	0	503

2-12. Occupational Accident Rate

	Category	Unit	2022	2023	2024
Employees	Total working hours	Hours	990,024	1,011,936	1,078,296
	Number of employees	persons	482	508	537
	Lost time injury cases (LTI)	cases	6	5	5
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	6.06	4.94	4.64
	Number of Injured Persons	persons	6	5	5
	Occupational injury rate	%	1.24	0.98	0.93
	Severity rate	Cases per Thousand Work Hours	0.73	0.71	0.27
	Number of occupational diseases	cases	0	0	0
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0
	Number of work-related fatalities	persons	0	0	0
Contractor	Number of Process Safety Incidents	cases	0	0	0
	Total working hours	Hours	604,680	582,620	746,968
	Number of employees	persons	171	161	222
	Number of Work-Related Fatalities	persons	0	0	0
	Lost time injury cases (LTI)	cases	3	2	2
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	4.96	3.43	2.41
Number of violations of occupational health and safety laws	cases	0	0	0	

* Process Safety Incidents: Incidents such as fires, explosions, and toxic substance releases, as well as similar events that could potentially escalate into such incidents.

* Figures have been adjusted due to a change in the definition of process safety incidents. As a result, the figures differ from those reported in the previous year's report.

* Contractor: Refers to on-site external companies contracted to perform specific tasks or services—such as operations, cafeteria services, and security—through direct contracts. Companies under dispatch contracts are excluded.

2-13. Occupational Health and Safety Management System

	Category	Unit	2022	2023	2024
ISO 45001 implementation rate		%	100	100	100

2-14. Occupational Health and Safety Training

	Category	Unit	2022	2023	2024
Total training hours		Hours	1,495	2,018	2,328
Number of participants		persons	547	532	582

ESG Fact Sheets **DRB Qingdao**

2-15. Employees Health Check-Ups

Category		Unit	2022	2023	2024
Employee health examinations participants	General health check-up	persons	49	133	143
	Special health check-up	persons	260	259	229

2-16. Union

Category		Unit	2022	2023	2024
Number of union employees		persons	396	400	421
Union employeeship rate		%	79.7	78.7	78.4
Collective bargaining agreement coverage rate		%	100	100	100
Number of labor-management committee meetings		cases	1	1	1

2-17. External Suppliers Status

Category		Unit	2022	2023	2024
Total number of external suppliers		Numbers	383	383	467
Number of new external suppliers		Numbers	6	0	56

* Figures have been adjusted due to a change in the definition of external suppliers. As a result, the figures differ from those reported in the previous year's report.

2-18. Social Contribution

Category		Unit	2022	2023	2024
Social contribution amount	Total amount	100 million KRW	0	0	0
	Cash donations	100 million KRW	0	0	0
	In-kind donations	100 million KRW	0	0	0
	Operating expenses	100 million KRW	0	0	0
Political contributions		100 million KRW	0	0	0
Major association fees and contributions		100 million KRW	0	0	0.11
Volunteer work	Total hours	hours	0	0	53
	Volunteer hours per employee	hours	0	0	0.25

2-19. Information Security Status

Category		Unit	2022	2023	2024
information security incident occurred	Total	Cases	0	0	0
	Personal information protection violations	Cases	0	0	0
	Information security violations related to customer information	Cases	0	0	0

2-20. Information Security Training

Category		Unit	2022	2023	2024
Total training hours		Hours	0	199	30
Number of participants		Persons	0	199	69

2-21. Employee Satisfaction

Category		Unit	2022	2023	2024
Employee Satisfaction (Average)	Overall Employee Satisfaction (Average)	%	84.8	83.3	89.0
	Male Employees (Average)	%	84.4	82.4	88.5
	Female Employees (Average)	%	84.9	84.2	89.5

3-1. Ethics Training

Category		Unit	2022	2023	2024
Total training hours		Hours	47	48	211
Number of participants		Persons	93	96	503

3-2. Compliance Training

Category		Unit	2022	2023	2024
Total training hours		Hours	3,959	2,662	5,377
Number of participants		Persons	2,496	2,337	1,849

3-3. Ethics Management Reports & Actions

Category		Unit	2022	2023	2024
Number of employees who signed the code of ethics		Persons(%)	93(18.7)	90(17.7)	96(17.8)
Code of ethics violations / reports		Cases	0	0	0
Number of Actions Taken for Code of Ethics Violations		Cases	0	0	0

3-4. Compliance

Category		Unit	2022	2023	2024
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices		Cases	0	0	0
Violation of product/service information and labeling regulations		Cases	0	0	0
Violation of internal transaction regulations		Cases	0	0	0
Violation of subcontracting regulations		Cases	0	0	0
Lawsuits related to legal and regulatory violations		Cases	0	0	0

ESG Fact Sheets **DRB Slovakia**

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

Category		Unit	2022	2023	2024
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	2,722	2,759	2,591
	Scope 1	tCO ₂ -eq	626	652	631
	Scope 2	tCO ₂ -eq	2,096	2,107	1,960
Greenhouse gas emissions intensity (FY2024 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	41.2	35.7	12.2

* The weight conversion and density calculation for petroleum fuels (gasoline and diesel) were based on international quality standards provided by the Korea Petroleum Quality & Distribution Authority (KPQDA) until 2023. From 2024 onward, the calculation has been based on the GHG Protocol's Emission Factors for Cross-Sector Tools.

* The weight conversion and density calculation for natural gas (LNG) were based on data from California Gas Transmission and air density references until 2023. From 2024, the GHG Protocol's Emission Factors for Cross-Sector Tools have been applied.

* Electricity emission factors were calculated using the GHG Protocol's GHG Emissions Calculation Tool until 2023. Starting in 2024, emission factors from the Carbon Database Initiative (Generation category) have been applied.

* Greenhouse gas emissions from steam consumption were calculated using the LNG emission factor from the IPCC 2006 Guidelines until 2023. Starting in 2024, the calculation has been based on the steam emission factor specified in the 'Guidelines for Reporting and Verification of Greenhouse Gas Emissions' (Notification by the Ministry of Environment, Republic of Korea).

1-2. Energy Consumption

Category		Unit	2022	2023	2024	
Total energy consumption		GJ	49,481	50,220	52,683	
Total non-renewable energy consumption	Total	GJ	49,481	50,220	52,683	
	Direct Energy	Total	GJ	10,899	11,350	11,970
		LNG	GJ	9,469	9,944	10,846
		LPG	GJ	3	4	9
		Gasoline	GJ	822	929	774
		Diesel	GJ	605	473	341
	Indirect energy	Total	GJ	38,582	38,870	40,714
		Electricity	GJ	30,985	33,005	34,911
Other		GJ	7,597	5,865	5,803	
Energy consumption intensity (FY2024 Separate Revenue by Legal Entity)		GJ/one billion KRW	748.8	650.1	630.3	

* The calculation of direct energy consumption was based on emission densities derived from the GHG Protocol's Emission Factors for Cross-Sector Tools, and the resulting energy use figures may differ slightly from those reported in the previous year.

* The calorific value for indirect energy (electricity) was calculated using the GHG Protocol guidance value of 3.6 MJ/kWh. As a result, there may be differences compared to the previous year's calculation, which was based on the domestic gross calorific value of 9.6 MJ/kWh.

1-3. Raw Material Consumption

Category		Unit	2022	2023	2024
Total raw material consumption (purchased)		ton	6,018	6,243	6,817
Renewable raw material consumption (purchased)		ton	0	0	0
Renewable raw material usage ratio (purchased)		%	0	0	0

1-4. Hazardous Chemical Management

Category		Unit	2022	2023	2024
Total hazardous chemical usage		ton	191	146	90
Hazardous chemical usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	2.9	1.9	1.1
Major hazardous chemical spill incidents		cases	0	0	0

1-5. Waste Management

Category		Unit	2022	2023	2024
Total waste generation (general + designated)	Total	ton	1,209	1,182	1,280
	Recycled	ton	1,017	1,064	1,189
	Recycling rate	%	84.1	90.0	92.9
	Processed Total	ton	192	118	91
Waste generation intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	18.3	15.3	15.3
General waste	Total	ton	851	1,046	1,149
	Recycled	ton	851	1,046	1,149
	Recycling rate	%	100	100	100
	Processed Total	ton	0	0	0
Designated waste	Total	ton	358	136	131
	Recycled	ton	166	18	40
	Recycling rate	%	46.4	13.4	30.3
	Processed Total	ton	192	118	91

* Basis for Reporting on Corporate Waste Generation and Treatment Performance

* Criteria for Distinguishing Incineration and Recycling: Recycling and incineration are classified based on an energy recovery efficiency threshold of 75%.

* Waste figures have been adjusted due to changes in the data collection method for waste performance. As a result, the figures differ from those reported in the previous year's report

1-6. Water Intake and Usage

Category		Unit	2022	2023	2024
Total water usage		ton	33,383	33,073	50,317
Water intake	Total	ton	33,383	33,073	50,317
	Surface water	ton	33,383	33,073	50,317
	Groundwater	ton	0	0	0
Water usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	505.2	428.2	602.0

* Due to a change in the calculation criteria for water withdrawal, the related data have been revised starting from this report.

1-7. Wastewater Discharge

Category		Unit	2022	2023	2024
Wastewater discharge		ton	33,073	48,339	66,772
Wastewater discharge intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	500.5	625.8	798.9

* Due to a change in the calculation criteria for wastewater discharge, the related data have been revised starting from this report.

1-8. Air Pollutants Emissions

Category		Unit	2022	2023	2024
Total air pollutants emissions		kg	3,874	4,181	4,604
TOC(Total Organic Carbon)		kg	2,396	2,478	2,628
TZL(Total Dust)		kg	1,478	1,703	1,976
Air pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)		kg/one billion KRW	58.6	54.1	55.1

* Air pollutant emissions have been revised in this report due to a change in the calculation methodology.

1-9. Environmental Regulation Violations

Category		Unit	2022	2023	2024
Number of environmental regulation violations		cases	0	0	0
Fines and penalties		One million KRW	0	0	0

* Environmental law violations are recorded based on the final confirmation date of the administrative disposition.

ESG Fact Sheets **DRB Slovakia**

1-10. Environmental Management System

Category	Unit	2022	2023	2024
ISO 14001 certification rate	%	100	100	100

2-1. Employees

Category	Unit	2022	2023	2024
Total	persons	534	510	502
Employment type	Regular	493(92.3)	448(87.8)	430(85.7)
	Non-regular	41(7.7)	62(12.2)	72(14.3)
External employees	persons	20	56	81
Social insurance coverage rate	%	100	100	100
Age	Under 18 years old	0(0)	0(0)	0(0)
	18 to under 30 years old	71(13.3)	66(12.9)	70(13.9)
	30 to under 50 years old	297(55.6)	268(52.6)	263(52.4)
	50 years old and over	166(31.1)	176(34.5)	169(33.7)

* Prepared based on the total number of employees, excluding registered directors, as of December 31 of the respective year.

2-2. New employees

Category	Unit	2022	2023	2024
Total	persons	21	49	43
Employment type	Regular	1	2	1
	Non-regular	20	47	42
Gender	Male	11	27	23
	Female	10	22	20

2-3. Turnover

Category	Unit	2022	2023	2024
Total	persons(%)	88(16.5)	85(16.7)	83(16.6)
Turnover type	Voluntary	84(15.7)	80(15.7)	79(15.2)
	Involuntary	4(0.7)	5(1.0)	4(4.8)

2-4. Tenure

Category	Unit	2022	2023	2024
Average tenure	Years	6.1	7.8	8.7
Gender diversity	Male	4.5	4.8	6.6
	Female	4.3	10.3	10.1

* Due to an error in the previously reported length of service, the relevant data have been corrected and updated starting from this report.

2-5. Diversity

Category	Unit	2022	2023	2024
Total number of female employees	persons(%)	334(62.6)	314(61.6)	304(60.6)
Gender diversity	Female			
	Top management	persons(%)	0(0)	0(0)
	Senior management	persons(%)	0(0)	0(0)
	Junior management	persons(%)	0(0)	1(25.0)
	STEM departments	persons(%)	0(0)	6(25.0)
	Revenue-generating departments	persons(%)	1(50.0)	1(50.0)
Other	Disabled employees	persons(%)	0(0)	0(0)
	Veteran employees	persons(%)	0(0)	0(0)

* Figures have been adjusted due to a change in the calculation method for workforce diversity. As a result, the figures differ from those reported in the previous year's report.

2-6. Wage

Category	단위	2022	2023	2024
Ratio of actual wage to average wage	Male	116.7	112.2	114.1
	Female	90.0	92.4	90.8
Ratio of hourly base wage to minimum wage	%	110.4	190.9	111.3
Equal pay	Ratio of average base wage between male and female	77.1	82.3	79.6
	CEO-to-employee wage gap (median)	364.9	399.3	435

* Figures have been adjusted due to a change in the calculation basis for employee compensation. As a result, the figures differ from those reported in the previous year's report.

2-7. Parental Leave

Category	Unit	2022	2023	2024
Employees on parental leave	Total	7	13	6
	Male	1	2	2
	Female	6	11	4
Employees scheduled to return from parental leave	Total	18	9	10
	Male	3	2	2
	Female	15	7	8
Employees returning after parental leave	Total	18(100)	9(100)	10(100)
	Male	3(100)	2(100)	2(100)
	Female	15(100)	7(100)	8(100)
Employees who worked for 12 months or more after parental leave	Total	5(71.4)	7(38.9)	1(11.1)
	Male	1(100)	1(33.3)	1(50.0)
	Female	4(66.7)	6(40.0)	0(0)

* Figures have been adjusted due to a change in the calculation method for employees on parental leave. As a result, the figures differ from those reported in the previous year's report.

2-8. Training

Category	Unit	2022	2023	2024
Total hours	Hours	720	1,018	2,755
Total costs	1,000 KRW	5,180	6,681	29,843
Training hours per employee	Hours	1.5	1.9	5.5
Training costs per employee	1,000 KRW	10	13	59

ESG Fact Sheets **DRB Slovakia**

2-9. Grievance

Category	Unit	2022	2023	2024
Grievance	Received(report)	0	0	0
	Processed	0	0	0
	Processing rate	0	0	0

2-10. Human Rights

Category	Unit	2022	2023	2024
Human rights violation (DRB)	Reported	0	0	0
	Processed	0	0	0
	Law violation	0	0	0

2-11. Human Rights Training

Category	Unit	2022	2023	2024
Total training hours	Hours	0	210	0
Number of participants	persons	0	420	0

2-12. Occupational Accident Rate

Category	Unit	2022	2023	2024
Employees	Total working hours	883,533	848,836	824,491
	Number of employees	534	510	502
	Lost time injury cases (LTI)	2	9	4
	Lost time injury frequency rate (LTIFR)	2.26	11.0	4.85
	Number of Injured Persons	2	9	4
	Occupational injury rate	0.37	1.76	0.80
	Severity rate	0.05	0.70	0.17
	Number of occupational diseases	0	0	0
	Occupational disease frequency rate (OIFR)	0	0	0
	Number of work-related fatalities	0	0	0
	Number of Process Safety Incidents	0	0	0
	Number of violations of occupational health and safety laws	0	0	0

* Process Safety Incidents: Incidents such as fires, explosions, and toxic substance releases, as well as similar events that could potentially escalate into such incidents.

2-13. Occupational Health and Safety Management System

Category	Unit	2022	2023	2024
ISO 45001 implementation rate	%	100	100	100

2-14. Occupational Health and Safety Training

Category	Unit	2022	2023	2024
Total training hours	Hours	4,920	3,755	185
Number of participants	persons	615	363	123

* Figures have been adjusted due to a change in the calculation basis for occupational safety and health training. As a result, the figures differ from those reported in the previous year's report.

2-15. Employees Health Check-Ups

Category	Unit	2022	2023	2024
Employee health examinations participants	General health check-up	577	360	448
	Special health check-up	-	109	71

* Figures have been adjusted due to a change in the calculation method for the number of employees undergoing health check-ups. As a result, the figures differ from those reported in the previous year's report.

2-16. Union

Category	Unit	2022	2023	2024
Number of union employees	persons	-	-	-
Union employeeship rate	%	-	-	-
Collective bargaining agreement coverage rate	%	100	100	100
Number of labor-management committee meetings	cases	4	4	4

* In Slovakia, labor unions are structured at the industrial level, and verifying individual union membership is prohibited by law. Nevertheless, employee representatives are appointed to safeguard workers' rights.

2-17. External Suppliers Status

Category	Unit	2022	2023	2024
Total number of external suppliers	Numbers	260	266	336
Number of new external suppliers	Numbers	70	92	136

* Figures have been adjusted due to a change in the definition of external suppliers. As a result, the figures differ from those reported in the previous year's report.

2-18. Social Contribution

Category	Unit	2022	2023	2024
Social contribution amount	Total amount	0.04	0.01	0.02
	Cash donations	0.04	0.05	0.02
	In-kind donations	0	0	0
	Operating expenses	0	0	0
Volunteer work	Total hours	0	0	53
	Volunteer hours per employee	0	0	0.11

* Social contribution expenditures have been recalculated based on revised criteria, resulting in differences from the figures disclosed in the previous year's report.

2-19. Information Security Status

Category	Unit	2022	2023	2024
information security incident occurred	Total	0	0	0
	Personal information protection violations	0	0	0
	Information security violations related to customer information	0	0	0



ESG Fact Sheets **DRB Slovakia**

3-1. Ethics Training

Category	Unit	2022	2023	2024
Total training hours	Hours	0	210	51
Number of participants	Persons	0	420	51

3-2. Compliance Training

Category	Unit	2022	2023	2024
Total training hours	Hours	0	210	51
Number of participants	Persons	0	420	51

3-3. Ethics Management Reports & Actions

Category	Unit	2022	2023	2024
Number of employees who signed the code of ethics	Persons(%)	52(9.7)	420(82.4)	51(10.2)
Code of ethics violations / reports	Cases	0	0	0
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0

3-4. Compliance

Category	Unit	2022	2023	2024
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0
Violation of product/service information and labeling regulations	Cases	0	0	0
Violation of internal transaction regulations	Cases	0	0	0
Violation of subcontracting regulations	Cases	0	0	0
Lawsuits related to legal and regulatory violations	Cases	0	0	0

ESG Fact Sheets **DRB Vietnam**

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

Category		Unit	2022	2023	2024
Greenhouse Gas (Scope 1&2) Emissions	Total emissions	tCO ₂ -eq	23,586	20,315	17,275
	Scope 1	tCO ₂ -eq	675	622	2,633
	Scope 2	tCO ₂ -eq	22,910	19,693	14,642
Greenhouse gas emissions intensity (FY2024 Separate Revenue by Legal Entity)		tCO ₂ -eq/one billion KRW	125.3	130.7	116.7

* The 2024 emissions were calculated based on relevant Vietnamese government regulations and emission factors.

* For 2022~2023, the weight conversion and density calculation for petroleum products were based on international quality standards provided by the Korea Petroleum Quality & Distribution Authority.

* For 2022~2023, electricity emission factors were calculated using the GHG Emissions Calculation Tool published by the GHG Protocol.

1-2. Energy Consumption

Category		Unit	2022	2023	2024	
Total energy consumption		GJ	345,720	306,537	294,639	
Total non-renewable energy consumption	Total	GJ	345,720	306,537	294,639	
	Direct Energy	Total	GJ	255,384	228,887	214,676
		Gasoline	GJ	611	690	1,441
		Diesel	GJ	2,616	2,447	2,219
		Woods	GJ	252,157	225,750	211,016
	Indirect energy	Total	GJ	90,336	77,650	79,963
		Electricity	GJ	90,336	77,650	79,963
Other		GJ	0	0	0	
Energy consumption intensity (FY2024 Separate Revenue by Legal Entity)		GJ/one billion KRW	1,836.0	1,972.1	1,995.4	

* Direct energy consumption was calculated using emission densities derived from the GHG Protocol's Emission Factors for Cross-Sector Tools, resulting in some differences compared to the figures in the previous year's report.

* The calorific value for indirect energy (electricity) was calculated based on the GHG Protocol guidance value of 3.6 MJ/kWh, leading to some differences from the previous year's results, which were calculated using the domestic gross calorific value of 9.6 MJ/kWh.

1-3. Raw Material Consumption

Category		Unit	2022	2023	2024
Total raw material consumption (purchased)		ton	54,677	46,538	43,289
Renewable raw material consumption (purchased)		ton	7,891	6,773	5,958
Renewable raw material usage ratio (purchased)		%	14.4	14.6	13.8

* Supplementary data have been added for previously omitted raw material purchase volumes, resulting in differences from the figures reported in the previous year's report.

1-4. Hazardous Chemical Management

Category		Unit	2022	2023	2024
Total hazardous chemical usage		ton	3,007	2,251	2,440
Hazardous chemical usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	16.0	14.5	16.5
Major hazardous chemical spill incidents		cases	0	0	0

1-5. Waste Management

Category		Unit	2022	2023	2024
Total waste generation (general + designated)	Total	ton	920	715	827
	Processed(Incineration)	ton	920	715	827
Waste generation intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	4.9	4.6	5.6
General waste	Total	ton	12	94	269
	Processed(Incineration)	ton	12	94	269
Designated(Hazardous) waste	Total	ton	908	621	558
	Processed(Incineration)	ton	908	621	558

* Basis for Reporting on Corporate Waste Generation and Treatment Performance

* Criteria for Distinguishing Incineration and Recycling: Recycling and incineration are classified based on an energy recovery efficiency threshold of 75%.

* Hazardous waste has been additionally included in the recalculation in accordance with Vietnamese regulations, leading to adjustments in the reported waste figures. Accordingly, discrepancies may exist compared to the figures disclosed in the previous year's report.

1-6. Water Intake and Usage

Category		Unit	2022	2023	2024
Total water usage		ton	158,243	86,497	117,239
Water intake	Total	ton	158,243	86,497	117,239
	Surface water	ton	158,243	86,497	117,239
	Groundwater	ton	0	0	0
Water usage intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	840.4	556.5	792.3

1-7. Wastewater Discharge

Category		Unit	2022	2023	2024
Wastewater discharge		ton	110,770	60,548	79,042
Wastewater discharge intensity (FY2024 Separate Revenue by Legal Entity)		ton/one billion KRW	588.3	389.5	534.1

* Due to changes in the calculation methodology, wastewater discharge—previously unreported under the former standard—has been calculated and included starting with this report.

1-8. Water Pollutants Emissions

Category		Unit	2022	2023	2024
Total water pollutants emissions		kg	19,955	17,515	28,746
COD		kg	6	66	4
BOD		kg	3	0	2
SS		kg	6	29	4
T-N		kg	15,900	13,350	27,130
T-P		kg	4,040	4,070	1,607
Water pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)		kg/one billion KRW	106.0	112.7	194.3

1-8. Air Pollutants Emissions

Category		Unit	2022	2023	2024
Total air pollutants emissions		kg	130,861	87,779	152,740
NOx		kg	23,029	13,014	34,003
SOx		kg	0	0	0
VOCs		kg	11,474	9,436	2,553
PM		kg	23,544	21,063	27,970
Other air pollutants		kg	72,815	44,265	88,214
Air pollutants emissions intensity (FY2024 Separate Revenue by Legal Entity)		kg/one billion KRW	695.0	564.7	1,032.2

* Due to a revision in the calculation methodology, air pollutant emissions have been recalculated and updated starting from this report.

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1-9. Environmental Regulation Violations

Category	Unit	2022	2023	2024
Number of environmental regulation violations	cases	0	0	0
Fines and penalties	One million KRW	0	0	0

* Environmental law violations are recorded based on the final confirmation date of the administrative disposition.

1-10. Environmental Management System

Category	Unit	2022	2023	2024
ISO 14001 certification rate	%	100	100	100

2-1. Employees

Category	Unit	2022	2023	2024
Total	persons	615	581	606
Employment type	Regular	615(100)	581(100)	605(100)
	Non-regular	0(0)	0(0)	0(0)
External employees	persons	6	10	13
Social insurance coverage rate	%	98.7	98.1	98.6
Age	Under 18 years old	0(0)	0(0)	0(0)
	18 to under 30 years old	304(49.4)	247(42.5)	233(38.4)
	30 to under 50 years old	308(50.1)	330(56.8)	369(60.9)
	50 years old and over	3(0.5)	4(0.7)	4(0.7)

* Prepared based on the total number of employees, excluding registered directors, as of December 31 of the respective year.

* The calculation standard for non-affiliated workers has been revised, and the corresponding data have been updated accordingly in this report.

2-2. New employees

Category	Unit	2022	2023	2024
Total	persons	306	107	236
Employment type	Regular	306	107	236
	Non-regular	0	0	0
Gender	Male	301	106	227
	Female	5	1	9

2-3. Turnover

Category	Unit	2022	2023	2024
Total	persons(%)	255(41.5)	142(24.4)	210(34.7)
Turnover type	Voluntary	255(41.5)	142(24.4)	210(34.7)
	Involuntary	0(0)	0(0)	0(0)

2-4. Tenure

Category	Unit	2022	2023	2024
Average tenure	Years	4.3	5.2	5.5
Gender diversity	Male	4.2	5.1	5.4
	Female	7.8	8.7	8.0

2-5. Diversity

Category	Unit	2022	2023	2024	
Total number of female employees	persons(%)	27(4.4)	27(4.6)	30(5.0)	
Gender diversity	Female	Top management	persons(%)	0(0)	0(0)
		Senior management	persons(%)	0(0)	0(0)
		Junior management	persons(%)	5(18.5)	5(18.5)
		STEM departments	persons(%)	0(0)	0(0)
		Revenue-generating departments	persons(%)	1(25)	1(20)

2-6. Wage

Category	Unit	2022	2023	2024
Ratio of actual wage to average wage	Male	%	98.4	98.4
	Female	%	135.4	137.0
Ratio of hourly base wage to minimum wage	%	121.2	121.2	152.1
Equal pay	Ratio of average base wage between male and female	%	220.1	188.2
	CEO-to-employee wage gap (median)	%	210.9	214.0

2-7. Parental Leave

Category	Unit	2022	2023	2024
Employees on parental leave	Total	persons	25	45
	Male	persons	25	44
	Female	persons	0	1
Employees scheduled to return from parental leave	Total	persons	25	45
	Male	persons	25	44
	Female	persons	0	1
Employees returning after parental leave	Total	persons(%)	25(100)	45(100)
	Male	persons(%)	25(100)	44(100)
	Female	persons(%)	0(0)	1(100)
Employees who worked for 12 months or more after parental leave	Total	persons(%)	25(100)	45(100)
	Male	persons(%)	25(100)	44(100)
	Female	persons(%)	0(0)	1(100)

* In the case of DRB Vietnam, a parental leave system is not in place; therefore, the data have been compiled based on maternity leave and paternity leave.

* In accordance with local laws in Vietnam, female employees are entitled to six months of paid maternity leave, while male employees are granted up to 14 days of paternity leave.

2-8. Training

Category	Unit	2022	2023	2024
Total hours	Hours	7,824	5,788	4,305
Total costs	1,000 KRW	24,416	7,263	16,328
Training hours per employee	Hours	12.7	10.0	7.1
Training costs per employee	1,000 KRW	40	13	27

2-9. Grievance

Category	Unit	2022	2023	2024
Grievance	Received(report)	cases	0	0
	Processed	cases	0	0
	Processing rate	%	0	0

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2-12. Occupational Accident Rate

Category	Unit	2022	2023	2024	
Employees	Total working hours	Hours	1,880,871	1,669,557	1,708,561
	Number of employees	persons	615	581	606
	Lost time injury cases (LTI)	cases	70	32	24
	Lost time injury frequency rate (LTIFR)	Cases per Million Work Hours	37.22	19.16	1.76
	Number of Injured Persons	persons	70	32	24
	Occupational injury rate	%	11.38	5.51	3.96
	Severity rate	Cases per Thousand Work Hours	0.17	0.03	0.02
	Number of occupational diseases	cases	0	0	0
	Occupational disease frequency rate (OIFR)	Cases per Million Work Hours	0	0	0
	Number of work-related fatalities	persons	0	0	0
Number of Process Safety Incidents	cases	0	0	0	
Number of violations of occupational health and safety laws		cases	0	0	0

* Process Safety Incidents: Incidents such as fires, explosions, and toxic substance releases, as well as similar events that could potentially escalate into such incidents.

2-13. Occupational Health and Safety Management System

Category	Unit	2022	2023	2024
ISO 45001 implementation rate	%	100	100	100

2-14. Occupational Health and Safety Training

Category	Unit	2022	2023	2024
Total training hours	Hours	4,920	3,755	4,056
Number of participants	persons	615	363	507

2-15. Employees Health Check-Ups

Category	Unit	2022	2023	2024
Employee health examinations participants	명	577	580	584

2-16. Union

Category	Unit	2022	2023	2024
Number of union employees	persons	609	570	592
Union employeeship rate	%	99.0	98.9	97.7
Collective bargaining agreement coverage rate	%	100	100	100
Number of labor-management committee meetings	cases	1	3	4

2-17. External Suppliers Status

Category	Unit	2022	2023	2024
Total number of external suppliers	Numbers	219	261	293
Number of new external suppliers	Numbers	31	50	73

* Figures have been adjusted due to a change in the definition of external suppliers. As a result, the figures differ from those reported in the previous year's report.

2-18. Supply Chain ESG Assessment

Category	Unit	2022	2023	2024	
ESG risk assessment conducted	document	Cases	1	8	8
	on-site	Cases	1	8	8
Signature Rate of External Supplier Code of Conduct	%	100	100	100	

2-19. Social Contribution

Category	Unit	2022	2023	2024	
Social contribution amount	Total amount	100 million KRW	0	0.07	0.35
	Cash donations	100 million KRW	0	0.07	0.35
	In-kind donations	100 million KRW	0	0.00	0
	Operating expenses	100 million KRW	0	0.23	0
Major association fees and contributions	100 million KRW	0	0.06	0.06	

* The calculation methodology for major association fees and contributions has been revised, resulting in changes to the reported figures compared to the previous year's report.

2-20. Information Security Status

Category	Unit	2022	2023	2024	
information security incident occurred	Total	Cases	0	0	0
	Personal information protection violations	Cases	0	0	0
	Information security violations related to customer information	Cases	0	0	0

3-1. Ethics Management Reports & Actions

Category	Unit	2022	2023	2024
Number of employees who signed the code of ethics	Persons(%)	615(100)	581(100)	606(100)
Code of ethics violations / reports	Cases	0	0	0
Number of Actions Taken for Code of Ethics Violations	Cases	0	0	0

3-2. Compliance

Category	Unit	2022	2023	2024
Violation of anti-competitive practices, monopolistic behavior, and unfair trade practices	Cases	0	0	0
Violation of product/service information and labeling regulations	Cases	0	0	0
Violation of internal transaction regulations	Cases	0	0	0
Violation of subcontracting regulations	Cases	0	0	0
Lawsuits related to legal and regulatory violations	Cases	0	0	0



GRI CONTENTS INDEX

Statement of use

DRB has prepared the "DRB Sustainability Report" in accordance with the GRI Standards, covering ESG performance from January 1, 2024, to December 31, 2024. The report also includes some achievements prior to 2024 and during the first half of 2025.

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI sector standard(s)

As of the publication date of the report in July 2025, no applicable GRI Sector Standards are available for DRB.

Universal Standards			
GRI 2 General Disclosures			
The organization and its reporting practices	2-1	Organizational details	6~9
	2-2	Entities included in the organization's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	"The relevant details are addressed in separate annotations."
	2-5	External assurance	161 ~162
Activities and workers	2-6	Activities, value chain and other business relationships	10~11
	2-7	Employees	125, 129,134,138,142,146
	2-8	Workers who are not employees	125, 129,134,138,142,146
Governance	2-9	Governance structure and composition	110,111
	2-10	Nomination and selection of the highest governance body	110
	2-11	Chair of the highest governance body	110
	2-12	Role of the highest governance body in overseeing the management of impacts	15, 112
	2-13	Delegation of responsibility for managing impacts	15, 112
	2-14	Role of the highest governance body in sustainability reporting	15, 112
	2-15	Conflicts of interest	111
	2-16	Communication of critical concerns	112
	2-17	Collective knowledge of the highest governance body	111
	2-18	Evaluation of the performance of the highest governance body	"Report omission / Information unavailable (not applicable to performance evaluation)"
	2-19	Remuneration policies	Annual Report 243~244 page
	2-20	Process to determine remuneration	Annual Report 231~232 page
	2-21	Annual total compensation ratio	125, 130,135,139,142,146
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5
	2-23	Policy commitments	56
	2-24	Embedding policy commitments	56~61, 85~88
	2-25	Processes to remediate negative impacts	113,114
	2-26	Mechanisms for seeking advice and raising concerns	28, 62, 91, 96
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	2-28	Employee associations	157
Stakeholder engagement	2-29	Approach to stakeholder engagement	21
	2-30	Collective bargaining agreements	69, 131, 136, 140, 143, 147
GRI 3 Material Topics			
Disclosures on material topics	3-1	Process to determine material topics	18, 19
	3-2	List of material topics	19

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GRI 302	302-1	Energy consumption within the organization	39
	302-3	Energy intensity	39
	302-4	Reduction of energy consumption	40
GRI 305	305-1	Direct (Scope 1) GHG emissions	37, 125, 128, 133, 137, 141, 145
	305-2	Energy indirect (Scope 2) GHG emissions	37, 125, 128, 133, 137, 141, 145
	305-4	GHG emissions intensity	37, 125, 128, 133, 137, 141, 145
	305-5	Reduction of GHG emissions	32, 40
Material Topic: Occupational health and safety			
GRI 3	3-3	Management of material topics	20, 72~83
GRI 403	403-1	Occupational health and safety management system	74
	403-2	Hazard identification, risk assessment, and incident investigation	77, 78
	403-3	Occupational health services	83, 126, 131, 136, 139, 143, 147
	403-4	Worker participation, consultation, and communication on occupational health and safety	78, 79
	403-5	Worker training on occupational health and safety	80
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	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79
	403-8	Workers covered by an occupational health and safety management system	74
	403-9	Work-related injuries	126, 130, 135, 139, 143, 147
	403-10	Work-related ill health	126, 130, 135, 139, 143, 147
Material Topic: Ethical and compliance management			
GRI 3	3-3	Management of material topics	20, 115~122
GRI 205	205-2	Communication and training about anti-corruption policies and procedures	116
	205-3	Confirmed incidents of corruption and actions taken	118
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	308-2	Negative environmental impacts in the supply chain and actions taken	89, 90
GRI 414	414-1	New suppliers that were screened using social criteria	85
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	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	125, 130, 135, 139, 142, 146
GRI 203 : Indirect Economic Impacts			
	203-1	Infrastructure investments and services supported	103~108
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	303-5	Water consumption	128, 133, 137, 141, 145
GRI 305 : Emissions			
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	129, 134, 138, 141, 145
GRI 306 : Waste			
	306-2	Management of significant wasterelated impacts	53, 54
	306-3	Waste generated	128, 133, 137, 141, 145
	306-4	Waste Recycling	128, 133, 137, 141, 145
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	404-2	Programs for upgrading employee skills and transition assistance programs	65, 66
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	405-2	Ratio of basic salary and remuneration of women to men	125, 130, 135, 139, 142, 146
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TCFD

The international Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. This TCFD review provides an overview of DRB's corporate reporting practices in accordance with the TCFD guidelines.

Category	TCFD recommendation	Page	Contents	CDP Reference
Governance	a. Describe the board of directors' oversight of climate-related risks and opportunities.	15, 24, 29	<ul style="list-style-type: none"> ESG Committee under the Board of Directors Decision-making on environmental management and climate change response Review of energy-saving and renewable energy (e.g., solar power) usage plans 	CDP_C1.1b
	b. Describe management's role in assessing and managing risks and opportunities.	15, 24, 29	<ul style="list-style-type: none"> ESG Committee under the Board of Directors Discussion of directions and action plans for climate change response Monitoring of implementation progress and performance 	CDP_C1.2, C1.2a
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	20	<ul style="list-style-type: none"> Increasing demand from global customers (including Scope 3) for emissions reduction, highlighting the need for carbon management across the supply chain Potential for indirect carbon costs due to regulations such as the EU CBAM and expansion of the Korean ETS Rising energy prices (electricity, fuel, etc.) increasing cost burdens Need for improved energy efficiency in energy-intensive manufacturing processes (e.g., mixing, extrusion) Energy saving and transition to renewable energy can contribute to long-term cost savings and enhancement of brand image 	CDP_C2.1, C2.2b, C2.3, C2.3a, C2.4, C2.4a
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	19	<ul style="list-style-type: none"> Indirect impacts (e.g., stricter customer requirements, bidding restrictions) outweigh the direct burden of carbon taxes Costs associated with carbon emissions measurement, third-party verification, and strategy development Emissions accounting and reduction strategies required in response to customer demands; energy cost burden also present Potential future costs from inclusion in emissions trading schemes Efficiency improvements can reduce operating costs Investment risks associated with customer-driven renewable energy demands Regional increases in industrial energy tariffs may raise production costs 	CDP_C2.5, C2.6, C3.1, C3.1c
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	34	<ul style="list-style-type: none"> Introduction of GHG reduction technologies (e.g., energy efficiency improvements, transition to low-carbon fuels) Establishment of carbon emissions reporting system (Scope 1 & Scope 2 data management) Expansion of eco-friendly investments (e.g., R&D) 	CDP_C3.1a, C3.1d
Risk management	a. Describe the organization's processes for identifying and assessing climate-related risks.	19, 20, 29, 34, 35, 113, 114	<ul style="list-style-type: none"> Double materiality assessment covering climate change response, GHG emissions, and energy management The ESG Committee identifies and reviews key climate-related risks and opportunities Scenario-based risk identification (1.5°C, 2°C, 3°C scenarios) Risk identification by country of operation (Korea, Vietnam, China, Slovakia) Identification of climate-related risks (physical and transition risks) and opportunities Environmental (non-financial) risks 	CDP_C2.2b, C2.2c
	b. Describe the organization's processes for managing climate-related risks.	30, 31, 34, 39	<ul style="list-style-type: none"> Reporting of key risk response strategies and plans to the ESG Committee and executive management Risk management led by the environmental and related departments 	CDP_C2.2c, C2.2d
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	24, 26, 29, 113, 114	<ul style="list-style-type: none"> Climate-related non-financial, operational, and financial risks are integrated into business decision-making through the ESG Committee and risk management governance 	CDP_C2.2
Metrics and targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	30, 31, 34, 39	<ul style="list-style-type: none"> GHG emissions (Scope 1: direct emissions, Scope 2: indirect emissions from electricity) by domestic and overseas entities emissions intensity, energy consumption (conventional and renewable), energy intensity, renewable energy usage ratio 	CDP_C4.2
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	30, 35	<ul style="list-style-type: none"> 2024 GHG Emissions: 66,153 tCO₂eq - Scope 1 15,949 tCO₂eq - Scope 2 50,216 tCO₂eq Climate-Related Risks : Policy / Legal: Stricter climate regulations, rising carbon credit prices, Carbon Neutrality Act, EU Deforestation Regulation, and accelerating binding legislation, Technology: Growing demand for low-carbon products; need to enhance infrastructure and workforce for technology development Market: Rising fuel and electricity prices; expanding market for low-carbon / eco-friendly parts due to growth of EV market Reputation: Increased expectations from customers and investors for climate action 	CDP_C6.1, C6.3, C6.5
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	30, 31, 33	<ul style="list-style-type: none"> DRB's Carbon Neutrality Roadmap DRB GHG Reduction Targets: <ul style="list-style-type: none"> ~30% reduction by 2030 ~60% reduction by 2040 Carbon neutrality in the automotive parts division by 2045 Company-wide carbon neutrality by 2050(Base year: 2021) Climate Change Response Strategy Adjustment Plan 	CDP_C4.1, C4.1a, C4.1b

UN Global Compact

DRB joined the United Nations Global Compact (UNGC) in April 2021 and has been continuously strengthening its voluntary compliance efforts with the 10 Principles in the four key areas of human rights, labor, environment, and anti-corruption. In 2022 and 2023, DRB was recognized as a LEAD Group member by the UNGC Korea Network for two consecutive years.

	The 10 Principles of UN Global Compact	DRB Policies and Systems	Activities	Page
 HUMAN RIGHTS	Human Right Businesses should support and respect the protection of internationally proclaimed human rights. Businesses should make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> DRB Human Rights Management Principles (Article 1: Respect for Human Rights) DRB Sustainability Management Policy DRB Code of Ethics (Chapter 1, Article 2: Reporting and Action on Violations of the Code of Ethics) DRB Win-Win Cooperation Policy 	Adherence to UN SDGs and UNGC 10 Principles - DRB Holdings and DRB Industrial became members of the UN Global Compact on April 15, 2021. Compliance with International Labor Laws and Standards - DRB complies with labor-related regulations established by organizations such as the ILO and OECD.	5, 16, ,56
 LABOUR	Labour Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. Businesses should uphold the elimination of all forms of forced and compulsory labour. Businesses should uphold the effective abolition of child labour. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> DRB Human Rights Management Principles (2. Respect for Diversity and Prohibition of Discrimination, 3. Prohibition of Forced Labor, 4. Prohibition of Child Labor, 5. Guarantee of Freedom of Association) DRB Code of Conduct (2. Human Rights, 3. Working Conditions, 4. Health and Safety) DRB Code of Conduct for External Suppliers (5. Labor/Human Rights, 6. Safety/Health, 10. Supply Chain Management) DRB Responsible Mineral Sourcing Declaration 	DRB Commitment to Human Rights and Ethical Labor Practices Guarantee of Freedom of Association and Collective Bargaining - DRB's Human Rights Management Principles ensure the freedom of association and the right to collective bargaining for all employees. Prohibition of Unjust Labor Practices - Provisions in the Human Rights Management Principles, DRB Code of Conduct, and Supplier Code of Conduct strictly prohibit unjust labor practices, ensuring fair treatment for all workers. Eradication of Child Labor and Protection of Children's Rights - DRB adheres to UNICEF's Child Rights and Business Principles to eliminate child labor and actively protect children's rights. Prohibition of Discrimination and Respect for Diversity - DRB's Human Rights Management Principles and Employment Regulations include non-discrimination clauses. These prohibit discrimination in employment and workplace practices based on race, religion, disability, gender, educational background, age, physical condition, nationality, region of origin, or political opinion, while promoting respect for diversity.	56 ~ 91
 ENVIRONMENT	Environment Businesses should support a precautionary approach to environmental challenges. Businesses should undertake initiatives to promote greater environmental responsibility. Businesses should encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> DRB Green Management Policy (Article 5: Management/Commitment, Article 6: Win-Win Cooperation/Transparency) DRB Green Purchasing Policy DRB Code of Ethics (Chapter 4, Article 1: Environmental Protection) DRB Code of Conduct (7. Climate Change Response, 8. Green Management, 14. Supply Chain Management) DRB Code of Conduct for External Suppliers (3. Environment, 4. Climate Change Response, 10. Supply Chain Management) DRB Social Contribution Charter 	DRB Environmental Management Practices Prevention and Mitigation of Environmental Risks - DRB conducts training programs to enhance the capacity of employees responsible for managing air, water, waste, chemicals, soil, energy reduction, and climate action. Supplier Education and Promotion - Educational and promotional activities are provided for external suppliers on waste management, chemical handling, energy reduction, and climate action to encourage sustainable practices throughout the supply chain. Stakeholder Issue Reporting and Improvement Plans - Environmental issues and factors with significant impacts are reported to the company's highest decision-makers. Improvement plans are developed and implemented to address concerns raised by internal and external stakeholders. Development of Eco-Friendly Products and Technologies - DRB promotes environmental management by actively developing sustainable products and technologies.	24 ~ 56 86, 103
 ANTI-CORRUPTION	Anti-Corruption Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> DRB Code of Ethics (Chapter 2: Ethics for Executives and Employees) DRB Code of Conduct (11. Fair Competition, 12. Anti-Corruption, 13. Prevention of Conflicts of Interest) DRB Code of Conduct for External Suppliers (1. Ethics, 9. Management Systems, 10. Supply Chain Management) Fair Trade Compliance Manual 	DRB Anti-Corruption and Accountability Practices Processes for Raising Concerns - DRB has established processes for stakeholders to report concerns related to anti-corruption and human rights violations through regulations on legal compliance, internal accounting management, and the operation of the Cyber Audit Office. Grievance Handling System - DRB operates a grievance handling system for employees and a Cyber Audit Office to address and resolve issues effectively. Participation in the Business Integrity Society (BIS) - Since 2022, DRB has participated in the Business Integrity Society hosted by the UNGC Korea Network and the Korea Sustainability Investing Forum. * DRB has committed to pledges aimed at enhancing ESG capabilities and fostering an anti-corruption corporate culture.	115 ~ 122

WE SUPPORT



UNGC CoP

DRB Holding



DRB Industrial



UNGC Membership Certificate

DRB Holding








DRB Industrial



UN SDGs CONTRIBUTION

SDGs	Targets	DRB's Contributions	Page
<p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<p>3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</p> <p>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p> <p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>	<ul style="list-style-type: none"> - Regular health check-ups for employees and support for health management programs. - Certified as a health-friendly company (DRB Holding, DRB Industrial) and a leisure-friendly company (DRB Holding) Family-Friendly Company Certification (DRB Industrial), Excellent Workplace for Employee Health Promotion (DRB Industrial). - Programs to prevent musculoskeletal disorders, address obesity, and promote smoking cessation. - Job stress assessments, including mental health evaluations. - Continuous reduction in the use of hazardous chemicals by applying alternative solvents for toluene. 	42, 68, 75, 82-83
<p>4 QUALITY EDUCATION</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</p> <p>4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development</p> <p>4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries</p>	<ul style="list-style-type: none"> - Operates a global awareness expansion program through expert lectures at the DRB Forum. - Strengthens professional competencies through technical training utilizing internal and external experts. - Provides various educational programs in culture and arts for children in local communities (DRB Holding, DRB Industrial, DRB Automotive). - Offers scholarships to intellectually disabled youth and underprivileged or marginalized adolescents abroad (DRB Vietnam, DRB Slovakia, DRB Qingdao). 	59, 65, 66, 69, 106
<p>5 GENDER EQUALITY</p> <p>Achieve gender equality and empower all women and girls</p>	<p>5.1 End all forms of discrimination against all women and girls everywhere</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>5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels</p>	<ul style="list-style-type: none"> - Ensures maternity protection and gender equality through internal regulations and welfare systems. - Explicitly prohibits discrimination in the DRB Code of Conduct and the Supplier Code of Conduct. 	57, 59-60, 89
<p>6 CLEAN WATER AND SANITATION</p> <p>Ensure availability and sustainable management of water and sanitation for all</p>	<p>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p>	<ul style="list-style-type: none"> - Conducts semi-annual water quality management through external agencies, establishes an internal monitoring system, and continuously measures all water pollutants in accordance with the Water Environment Conservation Act. - Expands the use of recycled water, such as washing water, cleaning water, and firefighting water, by improving recycling facilities and processes. 	45, 51
<p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>7.3 By 2030, double the global rate of improvement in energy efficiency</p> <p>7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology</p>	<ul style="list-style-type: none"> - Aims to transition 100% of electricity usage to renewable energy by 2050 (Solar On-Site PPA established at DRB Qingdao in 2022 and planned for DRB Automotive in 2024). - Implements smart factory systems and upgrades or replaces facilities. - Developed the "Energy-Saving Conveyor Belt" with reduced rolling resistance and energy loss using high-performance rubber materials, earning Green Technology Certification. - Participates in global initiatives: <ul style="list-style-type: none"> *TCFD disclosure (DRB Holding) *CDP report (DRB Automotive) *Participation in CoREi (DRB Holding, DRB Industrial) *SBTi commitment (DRB Industrial) 	25, 30, 32, 37, 39, 40-41
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p> <p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead</p> <p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>	<ul style="list-style-type: none"> - Developed rubber compounds using recycled carbon and recycled rubber. - Explicitly prohibits forced labor and child labor through codes of conduct. - Improved systems to create a working environment for employees with severe disabilities, including the introduction of remote work (DRB Industrial, DRB Automotive). - Reduced negative environmental impacts by expanding waste recycling. - Conducts safety management activities through risk assessments, provides training to raise safety awareness and minimize risks, and performs detailed autonomous safety inspections annually. 	52, 54, 60-61, 77, 78, 80

UN SDGs CONTRIBUTION

SDGs	Targets	DRB's Contributions	Page
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensure sustainable consumption and production patterns</p>	<p>12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> <p>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities</p> <p>12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</p>	<ul style="list-style-type: none"> - Implements the DRB Green Purchasing Policy. - Establishes and executes goals to reduce environmental pollutant emissions while continuously increasing recycling and reuse rates. - Expands information sharing through diversified communication channels. - Adds and upgrades facilities to reduce air pollutant emissions. - Publishes the 2023~2024 DRB Sustainability Report. - Operates the DRB Sustainable Procurement Policy. 	17, 25, 44-46, 53-54, 86-87
 <p>13 CLIMATE ACTION</p> <p>Take urgent action to combat climate change and its impacts</p>	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2 Integrate climate change measures into national policies, strategies and planning</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<ul style="list-style-type: none"> - Identifies risks and opportunities related to climate change. - Conducts water risk (water stress) analysis for major production entities in each country. - Establishes phased carbon neutrality goals by business segment: <ul style="list-style-type: none"> *Automotive Parts Division by 2045 *Industrial Rubber Products and other divisions by 2050 - Prepares capacity-building training for climate change response and plans for improving energy management. 	30-41, 49-51
 <p>15 LIFE ON LAND</p> <p>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>15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally</p> <p>15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species</p>	<ul style="list-style-type: none"> - Plans to establish a supply chain management process to prevent deforestation and degradation in the sourcing of natural rubber. - Conducts activities to remove invasive plant species in the Samrak Ecological Park in collaboration with the Nakdong River Management Office in Busan. 	47-48
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels</p> <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels</p>	<ul style="list-style-type: none"> - Established an ESG Committee to discuss key decisions related to sustainable management. - Conducts annual ethical management surveys for external suppliers and employees to gather feedback on anti-corruption and other issues. - Ensures the accessibility of the Compliance Declaration, Code of Ethics and Implementation Guidelines, and DRB Code of Conduct, while fostering ethical awareness through regular training. - Strengthens preventive policies by establishing compliance control standards and fair trade operation regulations. - Implements a Compliance Letter system to regularly share updates on compliance issues. 	15-16, 115-116, 121
 <p>17 PARTNERSHIPS FOR THE GOALS</p> <p>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</p>	<p>17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries</p> <p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>	<ul style="list-style-type: none"> - Selected as a member of the LEAD Group by the UNGC Korea Network (DRB Holding). - Joined the UNGC Forward Faster initiative to accelerate the achievement of SDGs (DRB Industrial). - Participates in the Business Integrity Society initiative. - Signed the Call-to-Action pledge under the United Nations Convention Against Corruption (UNCAC). - Develops and implements joint programs through social contribution partnerships. 	41, 105, 122



CRBP

ALL BUSINESS SHOULD	Children's Rights Assessment	Indicators	Page
Meet their responsibility to respect children's rights and commit to supporting the human rights of children	GOVERNANCE AND COMMITMENT Company has a policy that commits to respecting children's rights across its operations and activities. Company Board has oversight of policy to respect children's rights.	1.1 Commitment to respect	
Contribute to the elimination of child labour , including in all business activities and business relationships	MANAGING IMPACTS ON CHILDREN'S RIGHTS Company integrates children's rights considerations into its risk and impact assessments. Company identifies children as a stakeholder group and engages with children and/or representative stakeholders on children's rights topics. Company has an operational-level grievance mechanism that is focused on children's rights and designed to be accessible by children and/or their representatives. All of company's personnel and business partners receive training on children's rights.	1.2 Board oversight	16
Provide decent work for young workers, parents and caregivers		2.1 Due diligence	58
Ensure the protection and safety of children in all business activities and facilities		2.2 Stakeholder consultation	58
Ensure that products and services are safe, and seek to support children's rights through them	REPORTING AND DISCLOSURE Company includes children's rights topics in its materiality assessment. Company communicates externally on its children's rights impacts and how they are being addressed and/or remediated.	2.3 Grievance mechanism	62
Use marketing and advertising that respect and support children's rights	COLLABORATION AND PARTNERSHIPS Company integrates SDGs that support children's rights into its sustainability/ CSR strategy. Company participates in initiatives and partnerships to support the realisation of children's rights or a relevant SDG.	2.4 Training	59
Respect and support children's rights in relation to the environment and to land acquisition and use	CHILDREN'S RIGHTS IN BUSINESS RELATIONSHIPS Company requires suppliers and/or contractors to respect children's rights, and the commitment is a part of the company's contract with its suppliers/ contractors. Company conducts ongoing compliance monitoring/ auditing of suppliers and contractors on respect for children's rights and familyfriendly policies.	3.1 Materiality assessment	57-58
respect and support children's rights in security arrangements	CHILD LABOUR AND DECENT WORK FOR YOUNG WORKERS Company commits not to use child labour and to respect the minimum age of employment in line with ILO conventions and national standards (whichever is higher), and discloses actions taken to ensure it does not contribute to child labour. Company has a child labour prevention and remediation policy or plan that is led by best interests of the child and ensures that children are enrolled in a remediation / education programme rather than dismissed from employment; if young workers are found to be in hazardous work, they are removed immediately and given age-appropriate work. Company has special health and safety protections in place for young workers to protect them from hazardous work and excessive hours in all operations. Company has a defined approach to employing young workers that ensures they have access to skills development and vocational training (e.g. apprenticeships/ internships).	3.2 Transparency and reporting	58
Help protect children affected by emergencies	DECENT WORK FOR PARENTS AND CAREGIVERS Company commits to equal opportunities and non-discrimination on the basis of gender, pregnancy, maternity/paternity and family responsibilities. Company provides at least 6 months of paid maternity leave, and/or at least six months of paid parental leave, across all its operations. More than 75% of parents return to work after taking maternity, paternity or parental leave. Company has clear and effective occupational health and safety policies and procedures, conducts special health and safety risk assessments for pregnant and breastfeeding employees, and puts in place protections where required. Company supports breastfeeding employees by providing paid breastfeeding breaks during working hours and dedicated nursing facilities in the workplace. Company has a flexible working policy that covers all operations. Company supports workers' children to access good quality childcare and early childhood education across all operations. Company commits to paying all employees living wages across all operations.	4.1 Support for the SDGs	156-157
Reinforce community and government efforts to protect and fulfil children's rights	CHILD PROTECTION AND SAFETY Company has a child safeguarding / protection policy that covers all operations and activities. Company has comprehensive measures in place to protect children using digital services. Company has comprehensive standards on privacy and collection of personal data from children. Company has a policy to ensure that products are safe for children and all products are labelled with safe information for children. Company has a policy in place on the procurement of security services that incorporates respect for children's rights.	4.2 Initiatives and partnerships	59,156~158
	MARKETING TO CHILDREN Company has a responsible marketing policy that is specific to marketing to children. Company has a responsible marketing policy that comprehensively restricts all forms of marketing of unhealthy foods to children under 18 and uses independent nutritional criteria. Company has a responsible digital marketing policy affording special consideration and comprehensive protections to all users under the age of 18.	5.1 Supplier commitment	86
	ENVIRONMENT AND LAND USE Company has a policy on land acquisition and resettlement that considers children's unique vulnerabilities. Company has a process for assessing, identifying and monitoring special environmental risks to pregnant women and children	5.2 Supplier assessment	89
		6.1 Child labour commitment	61
		6.2 Child labour remediation	61
		6.3 Working conditions for young workers	61
		6.4 Skills development and training	
		7.1 Equal opportunities	57,59-60, 64
		7.2 Parental leave	60, 68
		7.3 Job security	
		7.4 Health and safety	72-83
		7.5 Breastfeeding support at work	60
		7.6 Flexible working	60
		7.7 Childcare support	60
		7.8 Living wages	
		8.1 Child safeguarding / protection	61
		8.2 Child Online Protection	
		8.3 Data privacy	97-102
		8.4 Product safety	92-94
		8.5 Security arrangements	100-101
		9.1 Responsible marketing commitment	
		9.2 Unhealthy foods	
		9.3 Digital marketing	
		10.1 Land acquisition and use	
		10.2 Environmental assessments	24-54

GHG Emissions Verification Statement

SCOPE

Validation of all business sites and emission facilities under the operational control of DRB Dongil and 14 other corporations in 2024.

STANDARDS

- ISO 14064-1:2018, ISO 14064-3:2019
- WRI/WBCSD GHG Protocol
- IPCC Guidelines for National Greenhouse Gas Inventories (2006)
- Operational guidelines for emission reporting and certification of the Greenhouse Gas emissions trading scheme
- Guidelines for the Operation of Greenhouse Gas Emissions Trading System
- Guidelines for the Operation of the Vietnam Greenhouse Gas Emissions Trading System

PROCEDURE

The assurance was conducted by the KMR based on a risk analysis approach and data evaluation. The data and factors applied to the calculation of GHG emissions were determined to be appropriate based on objective evidence.

INDEPENDENT

KMR does not have any stake in the verified entity and does not conduct verification with biased opinions/views. We have drawn an independent and objective verification conclusion based on the verification standards, and reviewed the every aspect of the verification we performed throughout the entire verification process through internal review.

LIMITATION

The verification team verified the related reports, information and data presented by the audited institution by sampling or enumeration methods. As a result, there are many inherent limitations, and there may be disagreements in the interpretation of appropriateness. Although we have tried to faithfully perform verification that meets the verification standards, we suggest that errors, omissions, and false statements that could not be found may be latent as the limitations to the verification.

OPINION

- The assurance engagement was performed to satisfy a limited assurance level.
- We express that no significant errors were found in the calculation of emissions during the verification process, and that relevant activity data and evidence were appropriately managed and calculated. As a result, we express an “unmodified” opinion.



National Institute of
Environmental Research

Authorized By

Apr 30th, 2025
E J Hwang

CEO Eun Ju, Hwang



2024년 Scope 1 +2 GHG Emissions

Company Name	Direct emissions (Scope 1)	Indirect Emissions (Scope 2)		Total(tCO ₂ -eq)	
		Location	Market	Location	Market
DRB Holding Co., Ltd.	11.180	84.605	84.605	95	95
DRB Industrial Co., Ltd.	5,603.340	5,895.773	5,895.773	11,494	11,494
DRB Automotive Co.,Ltd.	1,272.690	7,692.520	7,692.520	8,964	8,964
DRB Automation Co.,Ltd.	14.971	399.580	399.580	414	414
DRB Healthcare Co., Ltd.	3.425	380.825	380.825	384	384
DRB International Co., Ltd.	21.701	175.637	175.637	197	197
Union Beltino Co., Ltd.		64.515	64.515	64	64
Dongil Rubber Belt America Inc.	51.168	40.437	40.437	91	91
Dongil Rubber Belt Japan Co., Ltd.	0.640	7.203	7.203	7	7
Qingdao Dongil Rubber Belt Co., Ltd.	5,208.799	18,615.263	14,187.903	23,824	19,396
Shanghai Dongil Rubber Belt Co., Ltd.	8.781	15.089	15.089	23	23
Dongil Rubber Belt Vietnam Co., Ltd.	2,633.380	14,642.084	14,642.084	17,275	17,275
PT. Dongil Rubber Belt Indonesia	7.014	10.252	10.252	17	17
Dongil Rubber Belt Slovakia s.r.o	631.372	1,959.807	1,959.807	2,591	2,591
DRB RUS LIMITED LIABILITY COMPANY	480.683	233.267	233.267	713	713
Scope 1 + Scope 2 Total Emissions				66,153	61,725

* NOTE : There are a differences between the emissions and emissions by greenhouse gas and the total emissions by workplaces.
(Emissions at each workplace, rounded off by decimal point, are combined at the company level)

INDEPENDENT ASSURANCE OPINION STATEMENT



INDEPENDENT ASSURANCE OPINION STATEMENT

To: The Stakeholders of DRB Holding Co., Ltd.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the Sustainability Report 2024~2025 (hereinafter referred to as the "Report"). The Assurer is independent of the DRB Holding and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the DRB Holding report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the DRB Holding and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

DRB Holding is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to DRB Holding only.

The Assurer is responsible for providing DRB Holding management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of DRB Holding. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than DRB Holding in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with DRB Holding includes the following:

- Reporting contents during the period from January 1st to December 31st 2024 included in the report, some data included the first half of 2025.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)



Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by DRB Holding.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1~2, 202-1, 203-1, 205-2~3, 206-1, 301-1~2, 302-1, 302-3~4, 303-2~5, 305-1~2, 305-4~5, 305-7, 306-2~5, 308-1~2, 401-1~3, 403-1~10, 404-1~2, 405-1~2, 406-1, 414-1~2, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the DRB Holding Busan H/Q to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with DRB Holding. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that DRB Holding's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environmental performance indicators are accurate and are supported by robust internal control processes.

INDEPENDENT ASSURANCE OPINION STATEMENT



Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

DRB Holding defined customers, external suppliers, shareholders /investors, employees, local communities and government/related organizations as Key Stakeholder Groups. In order to collect opinions by each stakeholder group in the context of sustainability, operated the stakeholder engagement process. DRB Holding conducted a review of the stakeholder engagement process to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. DRB Holding disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

DRB Holding implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality evaluation, DRB Holding conducted the analysis of global sustainability reporting or assessment standards, and conducted the analysis to derive the impact and financial materiality. DRB Holding derived 4 material issues through the relevant process, and disclosed GRI topic standards disclosures related to material issues in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

DRB Holding operated a management process for material issues in the context of sustainability derived from the materiality assessment. DRB Holding established mid- to long-term sustainability plans and goals according to the management methodology established to effectively reflect the expectations of key stakeholders. DRB Holding disclosed the process including policy, indicator, activity and response performance on material issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

DRB Holding identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. DRB Holding established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclosure were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic standards: 201-2, 205-2~3, 206-1, 301-1~2, 302-1, 302-3~4, 303-3~5, 305-1~2, 305-4~5, 305-7, 306-3~5, 308-1~2, 403-1~10, 414-1~2



Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;

- It may be helpful to advance the sustainability management system by advancing the methodology for calculating individual performance indicators within the sustainability performance indicator management system established by DRB Holding and strengthening internal control procedures for the performance indicators.
- In accordance with the sustainability strategy framework and roadmap established by the DRB, It may be helpful to lead the sustainability management system by considering changes in internal and external issues related to the future direction of the strategies and roadmaps.

GRI-reporting

DRB Holding provided us with their self declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by DRB Holding. The sector standard was not applied.

Issue Date: 23/07/2025

For and on behalf of BSI (British Standards Institution):

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