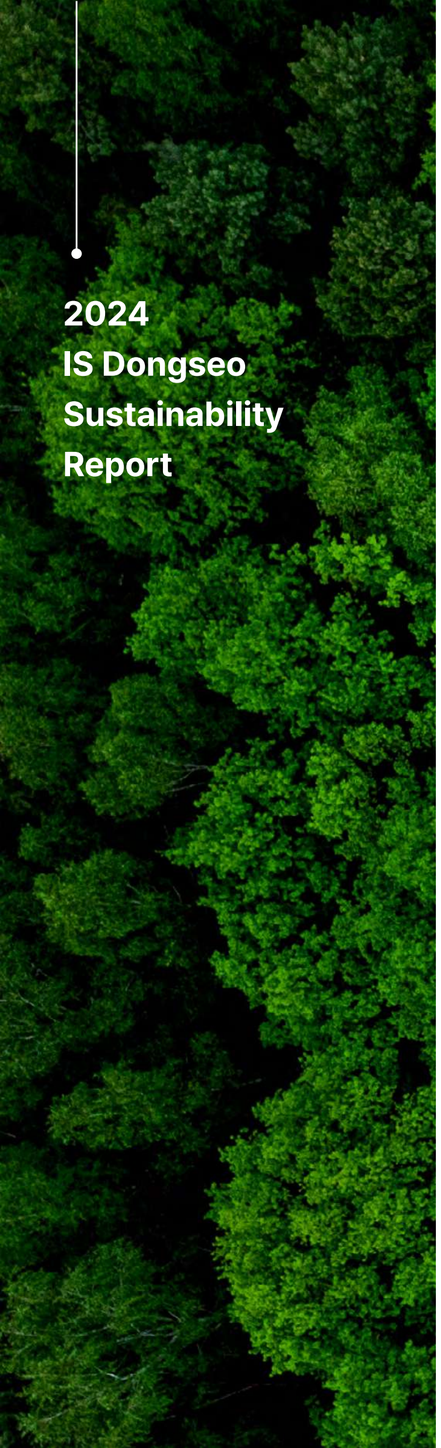


With ESG Management, We Envision a Better Tomorrow

2024 IS Dongseo Sustainability Report

IS DONGSEO



2024
IS Dongseo
Sustainability
Report

ABOUT THIS REPORT

Overview of the Report

This is the second sustainability report published by IS Dongseo after our first report was published in 2022. With the publication of the sustainability report, IS Dongseo aims to disclose our ESG management efforts and progress with transparency, which includes significant content for the stakeholders to ensure active communication.

Period & Scope of the Report

The reporting period is from January 1, 2023, to December 31, 2023. Furthermore, when identified as important information for the stakeholders, the performance results of 2023 were also incorporated. In order to obtain quantitative data, the last 3 years were compared to identify the trend. The year-on-year data changes were applied using the fiscal closing date of December 31 as the reference period. This was indicated whenever separate disclosure of information regarding the data collection period was required. This report focuses on our environmental, social, governance and economic performance, and any excluded data was indicated through a separate standard.
The scope of the report entails the IS Dongseo head office and domestic business sites, and the activities of the affiliates and related companies were included for related material data. There were no significant changes related to the scale and structure, etc. of the organization in 2021, and in the case of changes in content, these were indicated as footnotes on the relevant page.

Report Principles

To disclose the sustainability management performance more transparently, this report complies with the core options of the international sustainability report guidelines of the GRI standards (Global Reporting Initiative), and UN Global Compact Principles, and reflects the main agenda of ISO 26000 and TCFD in composing this report. Financial performances were reported according to the Korean International Financial Reporting Standards (K-IFRS).

Report Assurance

The financial information in this report is audited data. To ensure the report's reliability and fairness, it was verified by the Korea ESG Research Institute, an independent third-party verification agency. The results are included in the verification opinion.

Additional Information

The IS Dongseo Sustainability Report can be viewed and downloaded on the official website (www.isdongseo.co.kr)

IS Dongseo ESG/ PR Team

Corporate Website | Eileen's Garden | YouTube

Corporate website ..... www.isdongseo.co.kr
Eileen's Garden ..... www.eileen-garden.co.kr
Munam Scholarship & Culture Foundation ..... www.munamfoundation.or.kr
YouTube www.youtube.com/channel/UCvWjBNJ1vRcJmr0n9BPyDGA

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2024
IS Dongseo
Sustainability
Report

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Environmental Management Practices
Greenhouse Gas Reduction
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Human Resource Talent Management
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Governance
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CHAPTER 01

INTRODUCTION

President Message

IS Dongseo is looking forward to a bigger tomorrow through ESG management.



To all our valued stakeholders, we deeply appreciate your ongoing encouragement and support for IS Dongseo.

Following the initial report published in 2022, which marked the acceleration of our ESG management efforts, we present IS Dongseo's activities and achievements in sustainable management over the past year in this third report, published in 2024.

The year 2023 started with expectations for the end of the COVID-19 pandemic, but the global economy has fallen into a swamp of confusion and stagnation due to the Russia-Ukraine war, the Israel-Palestine war, and the deepening geopolitical conflict between the United States and China. As the triple shock of a slowdown in growth due to global monetary tightening has led to a global economic recession, Korea's prospects are also becoming darker due to rising prices and a worsening housing market.

However, we have overcome numerous uncertainties and after being through numerous past crises, we gathered that crises always coexist with opportunities. As a result of selling subsidiary businesses and actively attempting to transform the company's structure into an environmental business in line with ESG management and expanding its scope since 2019, we have stabilized the management of the entire group by creating added value in the environmental industry, despite the difficulties in the construction business market. In particular, last year, the company expanded its eco-friendly industry and acquired 'IS TMC'. It also acquired 'BTS Technology', which owns a waste battery recycling plant in Poland, completing Korea's first waste battery recycling value chain.

With the mission of "providing the best value to customers rather than prioritizing the company's profits," IS Dongseo is expanding its efforts to develop eco-friendly designs and materials that harmonize with the surrounding environment at all business sites. It aimed to reduce dust and noise, while striving to create a happy local community by fulfilling its corporate social responsibilities and promoting social contribution activities in various fields, for a happy coexistence with the local community. IS Dongseo will continue to faithfully fulfill its role and responsibilities as a global environmental company and create a sustainable future with our stakeholders.

Thank you for your interest and support.

June 2024

Chairman of the IS Group **Kwon Hyuk-woon**

CEO Message for Each Business Division

To implement responsible ESG management activities, IS Dongseo will take the lead in forming a consensus and further solidifying the company's sustainability management strategy to become a leading ESG company.



CEO of the Environmental Business Division

Lee Jun-kil

IS Dongseo puts the environment first

IS Dongseo is steadily preparing for the future by expanding its business areas for sustainable management in the rapidly changing global market.
In the case of IS Dongseo's environmental division, its core business is largely divided into waste business and waste battery recycling business. Moreover, as of last year, it completed the full value chain for the first time in Korea, from dismantling electric vehicles to recycling waste batteries with recovery materials. Based on these leading investments for the future of IS Dongseo, the company achieved its highest performance in the environmental division last year, recording KRW 547.3 billion in sales.
IS Dongseo will continue to advance its environmental business to become a comprehensive environmental company. Specifically, we will gradually expand eco-friendly businesses to realize the 2050 carbon neutral goal and take the lead in environmental protection centered on resource circulation.
IS Dongseo will continue to do its best to become a leading company in ESG management by fostering the eco-friendly business as a core business.



CEO of the Construction, concrete, and management division

Nam Byeong-ok

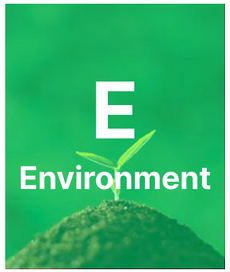
IS Dongseo preparing for the future together

IS Dongseo recognizes that ESG management is essential for the future of the company and is doing its best to become a sustainable company.
IS Dongseo is improving sustainability based on a future-oriented portfolio to meet various ESG needs, while it protects the interests of stakeholders through preemptive risk management and maintaining a stable financial structure, and strives to create a safe, eco-friendly workplace for all its executives and employees.
In addition, we will achieve sustainable growth based on advanced compliance and ethical management by protecting the human rights of our stakeholders and further strengthening our transparent governance structure.
IS Dongseo will continue to lead in change and innovation based on systematic ESG management, to achieve sustainable growth for the company and fulfill its responsibilities as a respected corporate citizen.

ESG Highlights

ESG Evaluation Result
Korea Institute of Corporate Corporate Governance & Sustainability (KCGS)

Overall Rating	Environment	Social	Corporate Governance
B+	B+	A	B+



Completion of Value Chain for Waste Battery recycling

Through cutting-edge infrastructure that creates the basis for a circular economy, we have established the industry's first waste battery virtuous cycle ecosystem by utilizing resources from end-of-life car dismantling and waste batteries.

Response to Cimate Change and Stronger Monitoring of Green Construction

In order to prevent environmental impact related to air and water quality, noise, vibration, and waste generated during concrete production and construction work, we identify and evaluate the environmental impact and and monitor them on a regular basis.

Eco-Friendly Design and Smart construction

By adopting environmentally friendly construction methods that save resources, minimize environmental pollution, and at the same time increase the efficiency of buildings and infrastructure, we pursue environmental protection and improved efficiency at the same time.



Safety Management for Smart Risk Assessment

We conduct company-wide smart risk assessments on a regular basis to identify key risks and continuously carry out activities to strengthen accident prevention through reports on risk factors.

Quality Management Together with our Customers

We are pursuing quality management based on the management philosophy of providing the best value to our customers, by improving construction quality and strengthening customer service, focusing on housing and construction business.

Establishing Win-Win Partnerships

By operating shared growth programs such as financial support, capability strengthening support, and expansion of exchanges for our partner companies, we support the stable growth of our partner companies and create a healthy shared growth culture.



ESG-Centered Transparent Management Practices

We are building trust by placing emphasis on ESG factors and disclosing them transparently so that investors, stakeholders, and consumers can evaluate the company and make decisions on investment, cooperation, and consumption by considering ESG factors.

Adopt Enhanced Ethical & Compliance Management

By conducting ethics and anti-corruption training for all employees and conducting factual surveys to eradicate workplace harassment, we are raising awareness of ethical standards and upgrading our ethical and compliance management system toward the goal of zero anti-corruption violations.

Strengthen Risk Management and Preemptive Response

By analyzing comprehensive risk factors, from business risks to ESG risks, and establishing an integrated management system based on performing regular analysis and monitoring systems, we are further strengthening our company-wide risk management and responding proactively.

Business Overview

Introduction of IS Dongseo

IS Dongseo was first established as Ilshin Housing Construction in 1989 and based on our success in the housing construction field, the company merged with the construction material manufacturer of Dongseo Industry (founded in 1975) in 2008 to be newly incorporated as IS Dongseo.
The main business division includes the construction, environmental and concrete business lines, and recently, in order to fight the global climate change and to maintaint sustainable development of the company, we have selected the model of an 'environmental business' as a new growth engine and are actively working to strengthen our eco-friendly competitiveness. IS Dongseo is proactively expanding its eco-friendly business and is establishing the environmental business division as a new growth engine for the future, by acquiring subsidiaries in the relevant field, one after another.

Company Status

Company Name	IS Dongseo
Date of Founding	March 7, 1989
Address	231, Hakdong-ro, Gangnam-gu, Seoul
Headcount	701 members (As of December 31, 2023)
Business Areas	General construction, environmental business, concrete business

Based on the 2023 business report consolidated financial statements

Total Assets	Revenues	Construction Capacity Rank	Korea Housing & Urban Guarantee Grading	Corporate Credit Evaluation Grading
Approximately **4.2** trillion won	Approximately **2.0294** trillion won	**23st** Ministry of Land, Infrastructure and Transport. as of 2023	**AAA** Korea Housing & Urban Guarantee Corporation, as of 2023	**A+** (SCI Rating Information Inc., as of 2023)

Major performance



Construction Division	Revenues of KRW	Revenue share of
	1.2847 trillion	62.6%

Main items
- Apartment (Eileen's Garden)
- High-rise residential-commercial complex (W)
- Knowledge Industry Center (IS Biz Tower)

Environment Division (waste)	Revenues of KRW	Revenue share of
	461.5 billion	22.5%

Main items
- Construction waste treatment
- Waste landfill operation
- Vehicle recycling
- Environmental equipment construction business
- Consignment operation of environmental facilities

Concrete Division	Revenues of KRW	Revenue share of
	182.1 billion	8.9%

Main items
- PHC pile
- Construction/Civil Engineering PC
- PC rail tie

Environment Division (secondary battery)	Revenues of KRW	Revenue share of
	85.8 billion	4.2%

Main items
- Waste battery recycling business

Other Divisions	Revenues of KRW	Revenue share of
	39 billion	1.9%

Main items
- Indoor sports & cultural facility operation
- Other rental income

Vision and Core Value

Philosophy of Values



MISSION

We realize the affluent and happy life dreamed by everybody by designing a better tomorrow at the very nearest place to our clients.



VISION

A global leader company to create the unlimited possibility and happiness culture by attaining the growth and sharing together.



CORE VALUES

Challenge is the Future.
Passion is the Power.
Trust is the Foundation.

Employees' Code of Conduct

Challenge	Passion	Trust
Encourage **ideas** and work in **new methods**.	Understand the **goals** of the company, department and individuals accurately, attain them tenaciously and share the **results** transparently.	Set the due dates for each **promise** and keep them without fail.
Say, **"Let's try"** or **"We can do"** rather than "Can't make it" or "I can't"	**Share** actively the **information** and **experiences** of individuals.	Set a clear scope of **responsibilities** for business activities.
Identify the causes of failure to make them the **'Success Knowledge'**	Thorough preparations, resolute decisions and speedy executions! Let's be the **professionals** in one's own fields.	Comply with the **procedure and regulations** for conduct of business activities and do not overlook mistakes.

Company History

2024 - 2021

Mar.2024 Signed a framework agreement for battery recycling business cooperation with CNGR
Dec.2023 Completed the Factory of IS BM Solution Co., Ltd. in Hwaseong
Dec.2023 Acquired BTS Technology Co., Ltd.
Jul.2023 Won the Excellence prize in in Mid-sized Construction division at 'The 27nd Livable Apartment Contest by Maeil Business News'
Feb.2023 Won the Minister's prize of Ministry of Evironment in evironment love contribution division at 'The 13th Happiness Plus Social Contribution Awards'
Feb.2023 Acquired TOWN MINING Co., Ltd.
Dec.2022 Investment Agreement for Lithium Ion Battery Recycling Business in Ochang Technopolis
Dec.2022 Won the Grand prize in social contribution division at 'Human Management Awards 2022'
Jul.2022 Published '2022 IS DONGSEO Sustainable Management Report'
Jul.2022 IS GROUP won the Minister's prize of Ministry of Foreign Affairs in SDGs division at 'The 16th National Sustainability Management Conference'
Feb.2022 Acquired ENVIRONMENT & ENERGY SOLUTION Co., Ltd.
Dec.2021 Chairman Hyuk-Woon Kwon won Gold Tower Order of Industrial Service Merit at 'Home Construction Day Celebration 2021'
Nov.2021 Won the Deputy Prime Minister and Minister's prize of Strategy and Finance in ESG Management division at 'SRMQ Convention 2021'
Jul.2021 Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in Mid-sized Construction division at 'The 25th Livable Apartment Contest by Maeil Business News'
Jul.2021 Won the Grand prize in Urban regeneration division at 'Green Construction Industry Awards 2021'
Jun.2021 Acquired GOLDEN ECO Co., Ltd.
Apr.2021 IS HOLDINGS Co., Ltd. is newly designated as a Disclosure target Enterprise group
Feb.2021 Won the Minister's prize of Ministry of Gender Equality and Family in family love and social contribution division at 'The 11th Happiness Plus Social Contribution Awards'
Feb.2021 Chairman Hyuk-Woon Kwon inaugurated as President of the Korean Basketball Association

2020 - 2018

Nov.2020 Won the Deputy Prime Minister and Minister's prize of Strategy and Finance in CEO division at 'SRMQ Convention 2020'
Nov.2020 Won the Chairman's prize of Community Chest of Korea at 'Hope 2020 Helping Neighbors Award Ceremony'
Oct.2020 Iincorporated Young Hung Industry Environment Co., Ltd., PAJUBNR Co., Ltd. into an affiliate
Oct.2020 Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in Non-Residential division at 'Green Construction Industry Awards 2020'
Sep.2020 Sold off INUS Co., Ltd.
Jul.2020 Hosted KLPGA Tour 'ISDONGSEO BUSAN OPEN 2020'
May.2020 Split-off INUS business department
Dec.2019 Acquired TCE Co., Ltd.
Nov.2019 Won the Intellectual Property Office commissioner prize at 'Good Design(GD) Awards' for faucet
Sep.2019 Sold off Korea Rental Co., Ltd.
Jul.2019 Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in Residential division at 'Green Construction Industry Awards 2019'
Jun.2019 Acquired Insun ENT Co., Ltd., Insun Motors Co., Ltd., Insun GIEOP Co., Ltd.
Apr.2019 Won the Grand prize in Comprehensive Bathroom Matrial division at "National Brand Award 2019"
Oct.2018 Won the Police commissioner's prize in Corporate Social Contribution division at 'The 3rd Korea Crime Prevention Awards'
Oct.2018 Won the Grand prize in Bathroom Manufacture division at 'The 4th Sympathy management Awards'
Jul.2018 Won the Excellence prize in High-rise Apartment Building division at 'The 22nd Livable Apartment Contest by Maeil Business News'
Jul.2018 Won the Grand prize in first half at 'Housing Culture Awards 2018 by Korea Economic Daily News'
Jul.2018 Won the Grand prize in Residential Complex division at 'Green Construction Industry Awards 2018'
Apr.2018 Won the Grand prize in Comprehensive Bathroom Matrial division at "National Brand Award 2018"
Mar.2018 Completed W Mixed-use apartment building, Yongho-dong, Busan
Feb.2018 Won the Minister's prize of Ministry of Trade, Industry and Energy in Shared Value Creation Social Contribution division at 'The 8th Happiness Plus Social Contribution Awards'
Feb.2018 Listed on KRX 300 Index
Jan.2018 Acquired VAUNCE Co., Ltd.

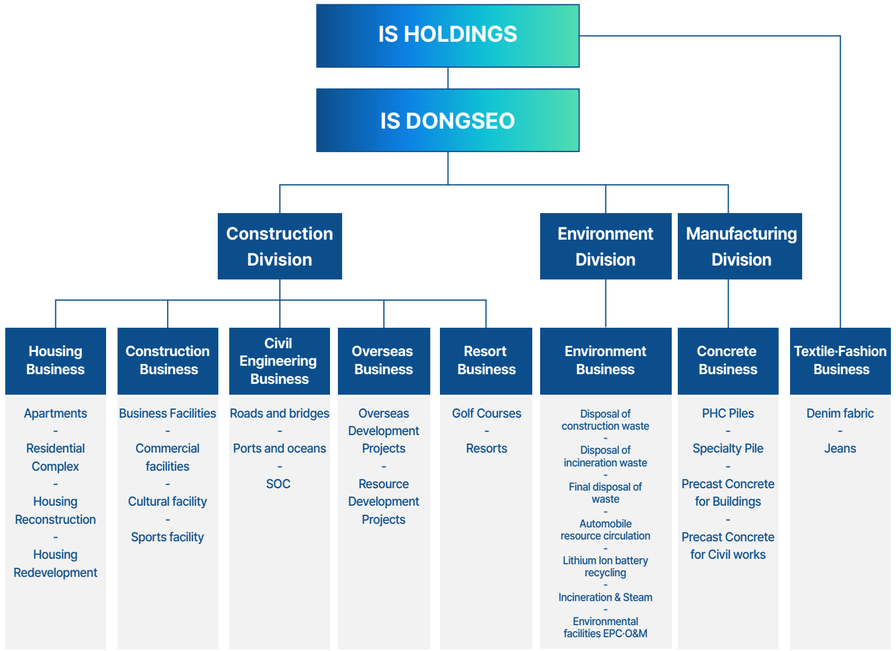
2017 - 2009

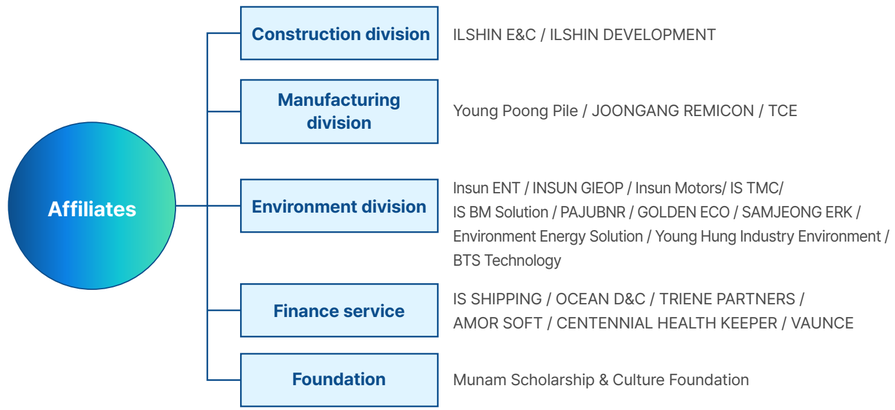
Dec.2017 Won the Grand prize in Bathroom Interior division at 'First Brand Awards 2018, KOREA'
Apr.2017 Won the Grand prize in Comprehensive Bathroom Matrial division at "National Brand Award 2017"
Feb.2017 Won the Gold Prize in in Non-Government division at 'Korea OOH Advertising Awards by Korea Outdoor Advertising Associations'
Dec.2016 Won the Excellence prize of design at 'Good Design(GD) Awards' for Blender
Dec.2016 Won the Excellence prize in Residential Architecture division at 'The 12th Civil engineering Architecture Awards'
Dec.2016 Won the Excellence prize in Lifestyle Shopping Mall division at 'The 13th Web Award Korea'
Apr.2016 Mergered Samhong Tech Co., Ltd.
Mar.2017 Established Munam Scholarship & Culture Foundation
Dec.2015 Won order for Land Rearrangement Project at Deokha Area in Ulsan
Jul.2015 Selected at the 2nd Rank in the Construction Division of Value Creation Enterprises of the World by Boston Consulting Group(BCG) Evaluation
May.2015 Acquired CLEANTECH Co., Ltd., KR Energy Co., Ltd.
Jan.2015 Acquired Samjeong ERK Co., Ltd.
Nov.2014 Acquired Youngpoong Pile Co., Ltd., Chungang Remicon Co., Ltd., and Chungang Corporation Co., Ltd.
Jun.2014 Won order for Urban Development Project at Hogye and Maegok Area, Ulsan
Mar.2014 Declared IS Group Vision
Jun.2012 Established IS Holdings, Inc.
Mar.2011 Acquired Korea Rental Co., Ltd.
Dec.2010 Won the Grand prize at 'Good Design(GD) Awards' for Sanitary Ware
May.2010 Established IS Shipping Co., Ltd.
Apr.2010 Included in the Kospi 200 index
Mar.2010 Acquired Samhong Tech Co., Ltd.
Jul.2010 Established the Concrete R&D Center

2008 – 1975

Jun.2008 Changed the company name to from Dongseo Industry Co., Ltd. to IS Dongseo Co., Ltd.
Feb.2008 Ilshin Construction Co., Ltd. acquired Dongseo Industry Co., Ltd.
Jul.2007 IS Dongseo Co., Ltd. mergered with Ilshin Construction Industry Co., Ltd.
Jul.2006 Won the Excellence prize in Mid-sized Construction division at 'The 10th Livable Apartment Contest by Maeil Business News'
Jun.2006 Won the prize of Grand prize in Construction division at 'Friendly Environmental Management Awards 2006'
May.2006 Won the Grand prize in Ceramic industry division at 'The 6th Best Product Award of Female Consumer's Choice'
Mar.2006 Launched 'Eileen's Garden' apartment brand
Sep.2005 Won the Grand prize in Eco-Friendly Category at 'Korea Master Apartment Awards 2005'
Jul.2005 Won the prize of Grand prize in Construction division at 'Friendly Environmental Management Awards 2005'
Nov.1995 Completed the Concrete Factory in Cheongyang
Aug.1995 Completed the Concrete Factory in Cheonan
Mar.1994 Acquired the Concrete Factory in Changnyeong
Mar.1989 Established Ilshin Housing Construction Co., Ltd.
Nov.1988 Won the Grand Prize at 'Industry Standardization Awards' as the First in Korea's Ceramics Industry
Jan.1987 Established Ilshin Housing Co., Ltd.
Jan.1986 Listed on Stock Exchange
Dec.1985 IPO (Capital of KRW 11Billion)
Nov.1982 Completed the Concrete Factory in Icheon
Dec.1976 Acquired KS Marks for 4 Concrete Products
Apr.1976 Supplied all of Special Pile to the naval base of Saudi Arabia
Sep.1975 Established the Company (separated from civil engineering division of Hyundai Engineering & Construction)

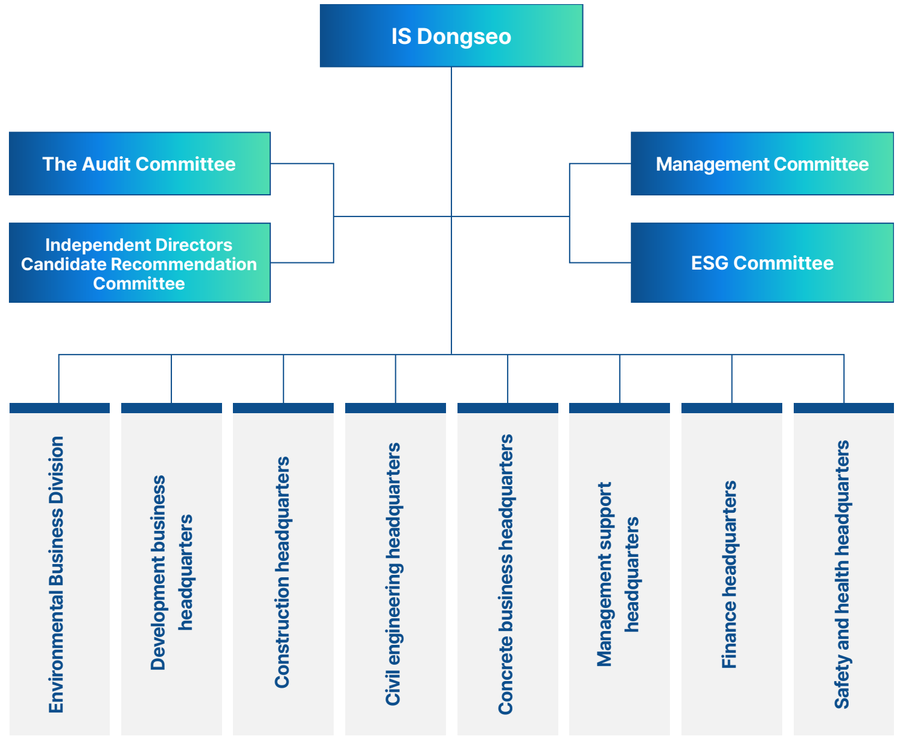
Overview of IS Holdings Inc.





Organizational Status

As for the overall system for each business sector, IS Dongseo has carried out an organizational reorganization in 2024 to strengthen the environmental business and safety management areas, which consist of 1 division, 7 headquarters, 6 departments, and 3 factories. Our vision is to be a company that integrates construction, manufacturing, environmental, and financial services divisions to deliver the highest value. We embrace challenge, passion, and trust as our core values and are moving forward with determination. IS Dongseo will design a better tomorrow in places closest to our customers and establish a foundation for sustainable growth based on partnership with stakeholders.



ESG for a Better Tomorrow

ESG Strategy

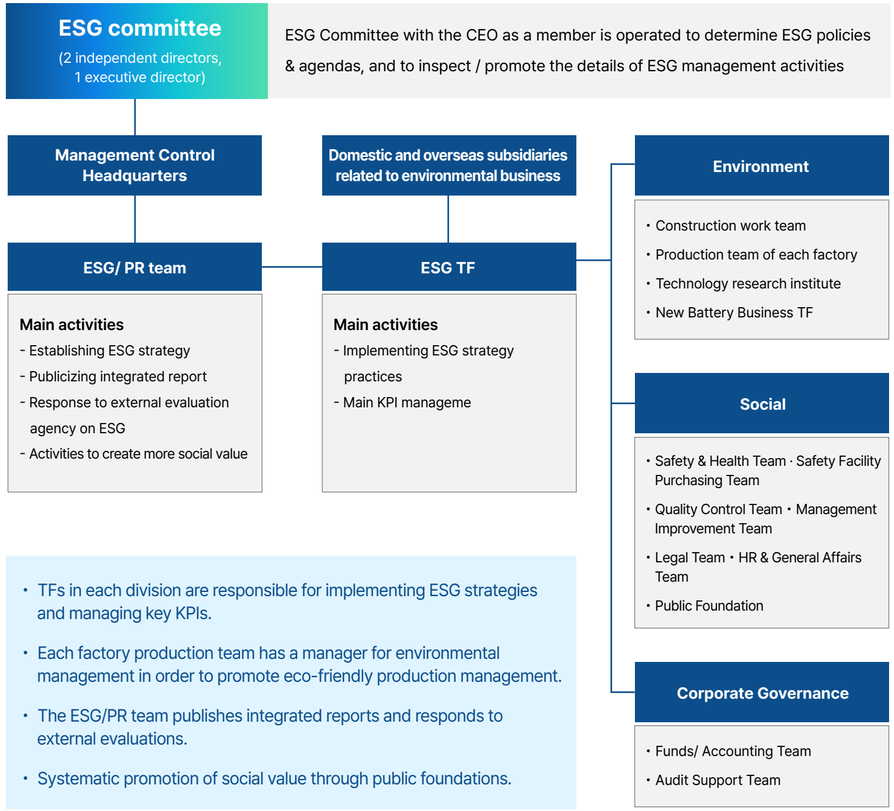
With the growing emphasis on social significance of ESG management, IS Dongseo has established a comprehensive ESG management strategy with the aim of embracing stakeholders and fulfilling our social responsibilities, aspiring to become a leading ESG company in Korea. In addition to our mission of 'Contributing to Happiness and Prosperity of All People', another long-term goal was established, as a 'Lasting Corporation through Sustainability Management'. To this end, environmental, social and governance-driven strategic goals in each ESG arena – as well as four key tasks - shall be implemented with an aim for socially sustainable development.

Mission	Pursuit of growth by creating sustainable value with stakeholders		
Vision	Company prioritizing and contributing to the environment and future of our society based on core values of taking on challenges, passion and safeguarding trust		
Strategic Goal	**Challenge** Pursuit of continuous innovation	**Passion** Advancing future-oriented businesses trust	**Trust** Company pursuing win-win partnerships
ESG Management Goals	**GREEN** Connecting the present and future of the environmental industry	**MIRACLE** Building miracles all over Korea	**INNOVATION** Innovation in life, with technology and quality praised by the world
Strategic Directions	Waste recycling and eco-friendly processing Construction energy savings Compliance with environmental laws and regulations	Establishment of a system for worker safety Securing of professional personnel Severe accident management by professional personnel Establishment of personal information protection system ESG management support during the cooperation	Transparent disclosure of information Implementation of ethical management Rational operation of the board of directors Securing the expertise of the audit body
Significant Issues	Climate change response and carbon neutral activities Environmental management system and policy Greenhouse gas and air emissions management Development of new and renewable energy and improvement of energy efficiency	Practicing safety responsibility management and spreading the safety and health culture Human source development and job creation Quality management and customer damage relief Strengthening shared growth and our win-win management Social responsibility and community contribution activities	Strengthening the independence, expertise, and diversity of the Board of Directors and its subcommittees Operating an organization with integrity through an anti-corruption system Financial and non-financial risk management
Linked SDGs	9 Industry, Innovation and Infrastructure 13 Climate Action 12 Responsible Consumption and Production 15 Life on Land	3 Good Health and Well-being 4 Quality Education 8 Decent Work and Economic Growth 11 Sustainable Cities and Communities	10 Reduced Inequalities 16 Peace, Justice and Strong Institutions 17 Partnerships for the Goals

ESG management system

ESG management organization system

In order to establish and implement a systematic and efficient strategy for ESG management, IS Dongseo launched the ESG Committee under the Board of Directors in 2022. The ESG Committee continuously discusses major ESG-related issues such as climate change response, safety and health, as well as fair trade, to review and decide on agenda issues for ESG management. In addition, it strives to internalize ESG management across the company by establishing performance goals for each division and reflecting the performance in TFs by department, employee, and division.



ESG Committee

As of March 2024

Classification		Career
Independent director (Chairman)	Kang Hye-jung	Master's Degree from Mannes College of Music Graduated Artist Diploma Course (New York, USA) (Current) Professor at Keimyung University, College of Music and Performing Arts
Executive director	Lee Jun-kil	(Former) CEO of Yeongheung Industrial Environment Co., Ltd. (Current) CEO of Insun ENT
Independent director	Son Gyo-young	Worked at Hanyoung Accounting Corporation Worked at Hanul Accounting Corporation (Current) Partner accountant at Lee Jeong Accounting Firm

ESG committee activity details

As of December 2023

Members	Meeting Date	Agenda Issue
Kang Hye-jung Lee Dong-geun Park Chang-ha Kim Gap-jin	Aug. 10, 2023	Approval of ESG material issues in 2023

Key ESG Performance Indicators

IS Dongseo has established the enterprise-wide sustainability management system to pursue sustainability in the business. Promotional areas developed through the three main areas of "Green, Miracle and Innovation" were derived from objective management items for each direction based on the significant issues selected by various stakeholders. On an annual basis, performance results according to each task are managed to contribute to achieving its sustainable corporate goals, along with the UN Sustainable Development Goals, which are a universal set of goals provided by UN.

Field	Significant ESG issues	Assessment Management	Objective Management items	2022 Performance	2023 Goal	2023 Performance	Implementation level
Green (Environment)	Sustainable construction & development	Level of eco-friendly activities	R&D investment	354.8 billion won	2% or more compared to the short-term net profit	138.9 billion won	Insufficient
	Compliance of environmental regulations	Level of compliance with environmental laws and regulations	Compliance of environmental Regulations	0 EA	Maintain 0 EA	1 EA	Insufficient
	Land degradation, pollution & restoration from the construction work	Level of environmentally hazardous substance discharge management	Waste discharge amount	66,391 ton	Based on total production, 2% reduction compared to the previous year	57,766 ton	Good
	Use of raw materials	Improvement of resource circulation	Improving raw material recycling Rate	Recycled raw material input rate 0.01%	1% increase compared to the previous year	0.8%	Good
		Level of raw material input	Recycled raw materials	6,316 m^3	1% increase compared to the previous year	8,583 m^3	Good
	Use of Water Resources	Water usage	Water & sewage usage / other Usage	39,444 ton	2% reduction compared to the previous year	126,518 ton	Insufficient
			Water & Sewage Usage	109,906 ton	2% reduction compared to the previous year	121,769 ton	Insufficient
			Quantity Recycled & Reused	14,040 ton	1% increase compared to the previous year	13,940 ton	Insufficient
			Wastewater Amount	47,996 ton	2% reduction compared to the previous year	30,644 ton	Good
			Water Reuse Ratio	33%	Expand to 40%	33%	Good
	Air emission	Level of carbon emission management	Greenhouse Gas Emission (Scope1+2)	15,445tCO_2e	2% reduction compared to the previous year	27,343tCO_2e	Insufficient
			Energy consumption (Power)	56.8 TJ	2% reduction compared to the previous year	115.2 TJ	Insufficient
			Dust	281.5 kg	2% reduction compared to the previous year	830.5 kg	Insufficient
			NOX	3,558.9 kg	2% reduction compared to the previous year	13,897.7 kg	Insufficient
			SOX	44,885 kg	2% reduction compared to the previous year	355.9 kg	Insufficient
Miracle (Social)	Occupational health and Safety	Level of safety management	Serious accident	0%	Maintain 0%	0%	Good
			Industrial accident rate	0.3%	Maintain 0%	0.81%	Insufficient
	Employment and labor-management relations	Level of working environment and diversity managemen	Ratio of Regular Employees	78.8%	Maintain 80% or higher	81.90%	Good
			Female Employee Status	10.4%	Maintain 10% or higher	11.00%	Good
			Youth employment	72 persons	Maintain 50 persons or more	33 persons	Insufficient
			Employment tenure in years	7.9 years	Maintain 6 years or more	8.5 years	Good
			Satisfaction Level of Employees	Conducted every other year	Maintain 70 points or more	Conducted every other year	Good
	Training and education	Level of training and education management	Training Time per Employee	20 hours	Maintain 20 hours or more	24.5 hours	Good
	Customer satisfaction	Level of customer satisfaction	Customer satisfaction	74.5 points	Maintain 80 points or more	60.3 points	Insufficient
	Legal compliance to the society	Level of fair competition effort	No. of Legal Actions for Anti-Fair Trade	0 EA	Constant management	0 EA	Good
Innovation (Corporate Governance)	Legal compliance in business performance	Level of ethical management control	Ratio of Employees Participating in Ethical Management Training	99%	Maintain 100%	100%	Good
	Anti-Corruption	Level of anti-corruption management	No. of corrupt cases	0 EA	0 EA	0 EA	Good
	Anti-Competitive Behavior						
	Economic Performance	Level of economic value distribution	Allocation of Economic Value (Government, Community)	KRW 46,664 million	Maintain 2% of sales	KRW 45,656 million	Good
	Good governance	Level of board independence, expertise, and diversity enhancement	Female directors on the Board of Directors	1 person	Maintain 1 persons or more	1 person	Good
			이사회 내 사외이사 비율	60%	Maintain 60% or higher	55%	Insufficient

Stakeholder Participation

Definition of Stakeholder

IS Dongseo duly collects feedback from stakeholders through seamless communication channels, to be reflected into our management and business activities. On / offline communication channels are maintained optimally to respond to issues of material interest for stakeholders proactively.

Stakeholder	Employees	Partner Companies	Customers	Community	Investors	Government Agencies	Media
Related issues	Human resource development Welfare Ethical management Business and human rights Safety & Health	Ethical management Safety & Health Business and human rights Shared growth Fair trade	Customer satisfaction Information security	Social contribution Dust scattering Noise Vibration	Disclosure of Information Protection of rights and interests Return of profits	Job creation Tax obligation Fulfillment of corporate obligations	ESG activities Compliance with laws and regulations
Communication channels	• Continuous operation of online and offline grievance handling channels • Holding regular and temporary labor-management council meetings • Rewards for long-serving employees	• Holding regular meetings for mutual growth • Operation of (Webhard) for services exclusively for partners • Mutual growth meeting for excellent partner companies	• Operation of IS Dongseo website with improved customer convenience (same content provided for PC and mobile platforms) • Operating Happy Call all year round • Operation of SNS channels (YouTube, Instagram, Facebook)	• Operation of Munam Scholarship and Cultural Foundation • Operating local community contribution programs • Operating donation programs • Cooperation with partner organizations and NGOs	• Corporate briefing session at the group level (once a quarter) • Electronic disclosure • Credit rating response	• Participation in policy research • Joint cooperation program	• Website • Press release • Public hearing
Response to issues	• Development of employee capabilities • Workplace safety and health • Provision of welfare benefits	• Assessment of supply chain ESG risk activities • Strengthening compliance with the Fair Transactions in Subcontracting Act • Finance/technology/ management support	• Customer management • Customer satisfaction management	• Systematization of social contribution activities • Operation of scholarship foundation	• Stable profit creation • Smooth communication with shareholders • Active profit return policy	• Continuous expansion of recruitment of excellent talent and human resource development	• Compliance with laws and regulations • Disclosure of information

Stakeholder Interview



Song Beom-geun

Senior Researcher at Korea Carbon Industry Promotion Agency

In line with the global carbon neutral policy trend, IS Dongseo is successfully taking on the challenge of developing 200-ton CFRP tube composite concrete piles to replace steel pipe piles. This is a project promoted after obtaining the construction industry task order of the 'K-carbon Flagship Technology Development Project' in 2024, and it is expected to contribute to further enhancing IS Dongseo's technological capabilities and marketability.
IS Dongseo aims to create new businesses and lead the composite construction materials market through this technology development. In addition, the company will actively respond to carbon neutral policies and perform its role as a company that secures social value. Through this, it will enhance long-term organizational value and promote sustainable growth. If IS Dongseo achieves structural improvement as a company with both technological prowess and marketability, and if the company secures social value that can actively respond to the carbon neutral policy by applying high-strength, lightweight new materials and pursues management that values human rights, such as improving the work intensity of workers, it is expected to improve its long-term organizational values.



Choi Cha-young

SG Company Director

IS Dongseo pursues sustainable growth by practicing ESG management based on 'basics and common sense.' This includes compliance with laws and regulations, harmonious labor-management relations, environmental protection, and social contribution. In particular, not only through the active expansion of the waste circulation economy business through the acquisition of Insun ENT, etc., but also through the development of various eco-friendly products and social contribution activities through the establishment of foundations, it is strengthening its position as an ESG leader. IS Dongseo will be able to secure transparency and promote sustainable growth through active public relations, media PR, and encouraging employees to participate in ESG management. The business areas that IS Dongseo is engaged in are those where ESG management is particularly important, such as construction, environment, and manufacturing, and I believe that IS Dongseo is a good company that has implemented ESG management well, which is not easy. I support and hope that IS Dongseo will continue to challenge new business areas based on more advanced ESG management, steadily contribute to the development of our environment and society, and become a leading company in ESG management, not only in Korea but around the world.



Kim Jeong-hoe

Employee Technology Research Center

The most important thing to advance IS Dongseo ESG management, enhance long-term organizational value, and realize social value is investment in technological innovation and sustainable technology development. Specifically, through the development of high-performance carbon emissions reduction technologies, the company aims to strengthen competitiveness, protect the environment and ensure sustainability, realize social value, and build stakeholder trust. To this end, IS Dongseo is actively participating in government policies and industry trends. The company participates in collecting opinions when establishing policies of each government ministry and strives to improve related regulations and prepare support policies.
In addition, it is contributing to local development through cooperation with the local community.
IS Dongseo will further strengthen ESG management through technological innovation and sustainable technology development, expand communication with stakeholders, and continue to develop corporate efforts for sustainable growth.



Park Seo-yeon

ChildFund Korea

IS Dongseo contributes to the development of the local community through various social contribution activities as an integrated construction-environmental-manufacturing company. ChildFund Korea is a social contribution activity partner of IS Dongseo and is carrying out scholarship projects and support projects for children who are victims of crime, as well as the energy vulnerable. IS Dongseo is evaluated as a company that carries out continuous social contribution activities rather than one-time activities. In particular, scholarship projects for students from low-income families and support projects for children who are victims of crime are meaningful activities that support the dreams and hopes of children from vulnerable groups. ChildFund Korea highly values IS Dongseo's social contribution activities and will jointly explore new opportunities in order IS Dongseo to continuously fulfill their social responsibilities through sustained cooperation.
IS Dongseo's top management strives to continue social contribution activities despite the difficult business environment. These efforts are an exemplary illustration of a company practicing social responsibility and will serve as an example for other companies. ChildFund Korea will contribute to sustainable social development by conducting responsible social contribution activities with IS Dongseo.

ESG materiality assessment

Significant ESG Issues

IS Dongseo conducted a double materiality assessment to broadly reflect environmental, social, and governance issues throughout the company's operations and to identify and select issues that require intensive management in the future. A double materiality assessment is a comprehensive evaluation that considers various aspects of the assessment object using two or more criteria, lowers the single-criteria evaluation and reflects more information and perspectives, and is used in many fields. Core issues of ESG management were selected according to the double materiality assessment method recommended by GRI and ISO 26000.

ESG Materiality Assessment Process

STEP 01

Identification

Sustainability context
Benchmarking / media data analysis

Stakeholder Participation
Qualitative & quantitative surveys on stakeholders

Issue analysis in internal·external aspects
Business impact analysis
Stakeholder interest analysis

- The aspects that influenced the management activities of the organization & decision-making of stakeholders were formulated according to the sustainability context & stakeholder participation.
- The internal & external impact on the organization & relevant issues were identified and reflected.

STEP 02

Prioritization

Significance
Significance evaluation (relevance & significance evaluations)

Stakeholder Participation
Qualitative & quantitative surveys on stakeholders

- We evaluated the priority regarding how much the aspects & relevant issues are at a material level according to the significance principle & stakeholder participation
- Significance evaluation in the environment, social, governance & economic aspects

STEP 03

Validation

Integrity ····· Verification of conformance on the scope, boundaries, & time period

Stakeholder Participation ···· Qualitative & quantitative surveys on stakeholders

- Applying significant aspects to the report according to the integrity principle & stakeholder participation
- Significant aspects are organized into standardized corporate disclosures (MA&performance indicator).

STEP 04

Review

Sustainability context
Stakeholder Participation

- The report published through the sustainability context & stakeholder participation is reviewed.
- The review result is applied when publishing the report in the future.

Materiality Assessment Result

Classification	Report Content Priority	Main Issue	Priority	Page	Global Initiative			Stakeholder Impact Level				
					GRI	UNGC	TCFD	Employee	Investor	Customer	Community	Partner
E (Environment)	Response to Climate Change	Response to Climate Change and Carbon Neutrality Activities	5	28	GRI 305-1/305-2	No. 8	Index & Reduction Goal-b)	●	◐	◐	◐	◐
	Environmental Management Practices	Environmental Management System and Policy	8▲	31	GRI 302-1/302-2/ 302-4	No. 7	Strategy-a) / Risk Management -a)	●	◐	○	●	◐
	Greenhouse Gas (GHG) Reductions	GHG and Air Emission Management	3▲	35	GRI 302-5	No. 8	Index & Reduction Goal-a)	◐	◐	◐	●	◐
	Green Construction	Renewable Energy and Energy Efficiency Improvement	1	37	GRI 302-5	No. 9	Risk Management -b) / Strategy-c)	●	◐	◐	◐	◐
S (Social)	Occupational Safety & Health Management	Practice Safety & Responsibility Management and the Spread of the Safety & Health Culture	2▲	41	GRI 403-1/403-2/ 403-3/403-4	-	-	●	◐	◐	◐	●
	Talent Management	Talent Development & Job Creation	4▼	47	GRI 404-1/404-2/ 404-3	No. 1-6	-	●	◐	◐	○	◐
	Customer Satisfaction Management	Quality Management and Relief of Damage to the Customers	12	54	GRI 2-29	-	-	●	◐	●	◐	◐
	Win-Win Management	Strengthen Shared Growth and Win-Win Management	7▲	57	GRI 412-1	No. 2	-	●	◐	○	◐	●
	Social Contribution	Social Responsibility and Activities for Community Contribution	10	61	GRI 2-16	No. 1	-	◐	◐	○	●	◐
G (Corporate Governance)	Corporate Governance	Strengthen Independence, Expertise, & Diversity of the Board of Directors and Affiliated Committees	9▼	67	GRI 2-12/2-13	-	-	●	●	○	◐	○
	Ethical Management	Operating a Clean Organization based on the Anti-corruption System	6	71	GRI 205-1	No. 10	Corporate Governance-a) > Corporate Governance-b)	●	◐	◐	○	●
	Risk Management	Financial & Non-Financial Risk Management	11	74	GRI 412-2	-	-	●	◐	◐	○	◐

- Environmental Business Division 17
- Construction Business Division 21
- Concrete Business Division 24
- IS Dongseo's Major Affiliates 25

CHAPTER 02

Build Together



Environmental Business Division

01 | Waste Recycling

Construction of a value chain for construction waste

02 | Automobile Resource Circulation

Vehicle crushing, dismantling & recycling
Lithium Ion battery recycling

03 | New Renewable Energy

wind power business



We have built a new growth engine for the future by strengthening eco-friendly competitiveness.

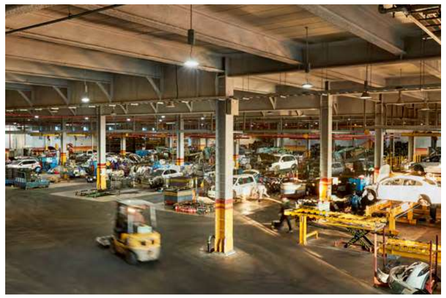
04 | EPC · O&M on environmental facilities

EPC · O&M on environmental facilities Provision of total services

Waste Recycling



Automobile Resource Circulation



Lithium Ion battery recycling



EPC · O&M Total Service is provided on environmental facilities



Waste Battery Recycling | Completed Korea's first secondary battery recycling value chain (from dismantling end-of-life vehicles to commercializing materials)



Insun Motors



IS BM Solution



IS TMC

As the importance of lithium batteries increases due to increased demand for electric vehicles, IS Dongseo has established a strategy to intensively foster the waste battery recycling business and is making investments accordingly. To secure core technologies, IS Dongseo entered into technical cooperation with leading companies such as Lithion, the top recycling technology provider in North America. Additionally, we acquired TMC, Korea's first waste battery recycling company, thereby completing a three-stage waste battery value chain: raw material procurement (Insun Motors) → pre-treatment (IS BM Solution) → post-treatment (IS TMC). This makes us the only company in Korea to achieve vertical integration in this field.

Waste battery collection	Pre-treatment	Post-treatment
INSUN MOTORS	I S BM SOLUTION / BTS	ISTMC
Possessing the largest nationwide scrapped vehicle network - 45% Nationwide, 70% of Metropolitan area M/S - Only company in S. Korea to possess the waste battery transportation, discharge as well as dismantling technology and equipment - Capable of processing 7,500 tons of waste batteries per year - Formed partnerships with automakers	**IS BM Solution** - The largest pre- treatment factory in the metropolitan area - Establishment of a high-efficiency process based on state-of-the-art technology - Excellent BM quality - Recovery rate over 95% - Unit 1: Annual processing capacity of 7,000 tons - Central control of all processes and securing original safety technology **BTS Technology** - Owns the first cell/module factory in Eastern Europe - Possesses core dismantling and discharging technology - Optimized for the supply of raw materials due to its excellent location - Possesses a network of major European customers	**Korea's first waste battery recycling company** - All-in-one process of pre-treatment & post-treatment; - Production of BP/BM, NCM compound salt, NCM compound solution, lithium carbonate/phosphate - Formed partnerships with secondary battery-related companies - Solid purchase & sales network possessed

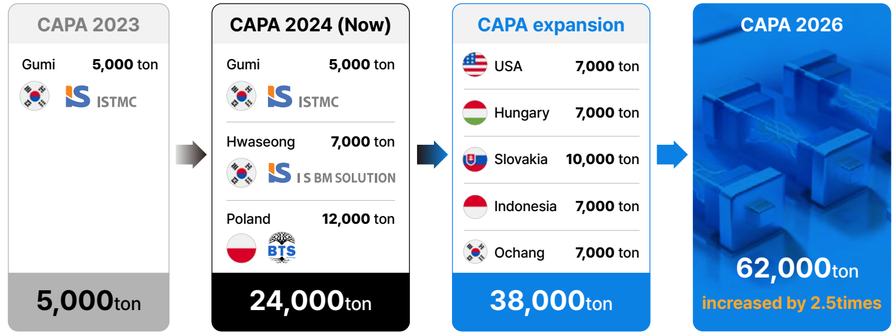
Core Competitiveness

Collection Network	Partnership	Technology
Possessing an unrivaled network of waste battery (secondary battery) collection nationwide from the metropolitan area to the central & southern regions	We formed partnerships with various stakeholders across the battery industry, from secondary battery materials to vehicle manufacturing.	Advanced technologies are utilized to secure the highest level of recovery rate in the industry and maximum volume handling & production amount.

2023	2025 - 2030	2026
Establishment of a waste battery recycling value chain	Establishing a foundation for IS Dongseo's domestic and international	Entering overseas bases through strategic collaboration with domestic
• **Raw material procurement** Insun Motors • **Pre-treatment** IS BM Solution BTS Technology • **Post-treatment** IS TMC	• **Large land of appr. 99,173.6 m²** (30,000 pyeong) • **Lithion's technology** • **Investment of 250 billion won**	• Establishment of a global cooperation network based on Lithion (technology) + IS Dongseo (operations) • **Target countries**

Short-term global expansion strategy

Pre-treatment business



Post-treatment business

Discussing business-related cooperation with global customers

Waste Recycling | Solving environmental pollution problems through waste resource circulation

Construction Waste Intermediate Treatment



The construction waste from the construction sites is used with eco-friendly plant equipment, etc. to reproduce and use as a resource possible for recycling, while the company prevents depletion of limited resource and produces high-quality recycling aggregate to perform the role as an alternative resource substituting natural resources that are conducive to the future environment.
IS Dongseo boasts various new technologies on the environmental and construction business and has the leading processing capability in the industry such as becoming the first company in the industry to complete the construction of recycling aggregate production plant for concrete.

Recycling Aggregate



IS Dongseo is the first company in Korea to acquire the quality certification for 'recycling aggregate for concrete' and became the first company in the industry to produce the top-quality recycling aggregate.
'Recycling aggregate' refers to aggregate that is produced appropriately through a physical or chemical treatment process on construction waste and passing the recycling aggregate quality standards according to the provisions stated in Article 35 in the Construction Waste Recycling Promotion Act. We are pioneering resource recycling with high-quality recycled aggregate that matches the quality of natural aggregate.



Automobile Resource Circulation | Adding new value to disused vehicles

Automobile Resource Circulation (Dismantling & Recycling)



IS Dongseo is operating our cutting-edge dismantling and recycling center for scrapped vehicle, the largest of its kind in scale in Asia, and the 'Commercialization system on all recycling stages of scrapped vehicle' was set up, ranging from dismantling scrapped vehicles to sales of used parts and cars. Currently, IS Dongseo is maintaining the top position in the domestic scrapped vehicle purchase and dismantling business. Over 70% of a single scrapped vehicle is metal, and more than 90% of it can be recycled. Accordingly, the scrapped vehicle industry is being emphasized as a blue ocean market through the cutting-edge high value-added commercialization technology, and it is being referred globally as the new urban mining business.

Automobile Resource Circulation (Crushing & Recycling)



The world-class shredder facility is operated to improve the crushing and sorting capability, with IS Dongseo being the
first company in the industry to succeed in materializing the raw material for casting from iron scrap. Notably, we possess the top equipment competitiveness in the industry, with the largest scale in Korea at 4,000-horsepower output. Additionally, we are equipped with advanced sorting capabilities to produce high value-added products.

Electric Vehicle Recycle

Evaluation of the residual value of electric vehicles
A program that evaluates the residual value of waste batteries, a key part of electric vehicles, using equipment specifically designed for electric vehicles

Electric vehicle dismantling facility
Establishment of a dedicated electric vehicle dismantling line to dismantle electric vehicles more safely

Electric vehicle battery storage and recycling
A system to safely store and recycle electric vehicle batteries and lithium-ion batteries

EPC · O&M on environmental facilities | Providing customized solutions for waste disposal

By acquiring Environmental Energy Solutions in 2022, IS Dongseo has established a comprehensive value chain in the environmental industry that leads to waste recycling such as drying and incineration, EPC for water treatment, and O&M for environmental basic facility operation. As a specialized company providing complete services for environmental issues, we are striving to become a top-tier company in the environment and energy fields.

O&M business and representative projects



Union Park Environmental Basic Facility in Hanam-si



Yongin City Environmental Recycling Facility in Yongin-si



Public food waste treatment facility in Namdong-gu, Incheon

EPC business and representative projects



Shinseung Energy's resource circulation facility

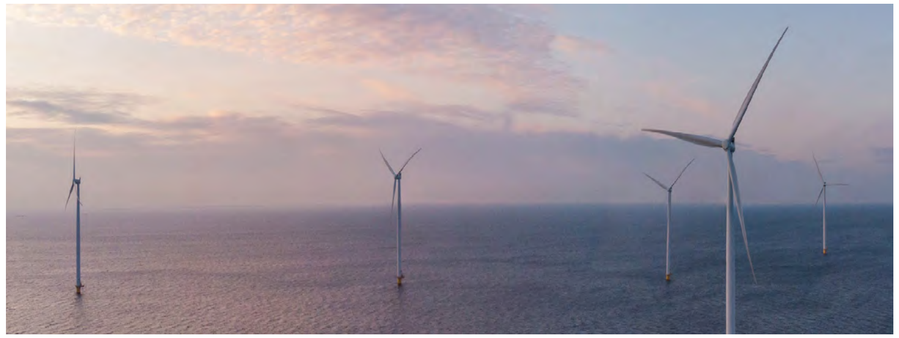


Wastewater sludge incineration and drying facilities in national industrial complexes

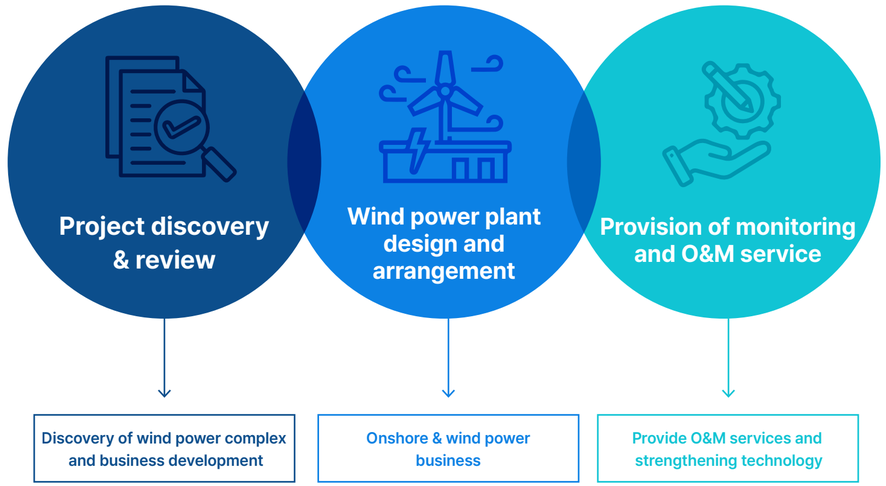


Clean energy center biogasification facility in Hwaseong Dongtan district 2

New Renewable Energy | Participating in achieving '2050 carbon neutrality'



The renewable energy business, such as offshore wind power, etc. is promoted through its diligent efforts in responding to climate change, including the 2050 Net Zero Declaration. IS Dongseo has the capability to conduct a comprehensive range of activities, from the preliminary site selection for wind power generation facilities to project development, EPC (Engineering, Procurement, Construction), and O&M (Operation and Maintenance). Through rational and sustained investments, we are committed to actively contributing toward generating green energy.



Construction Business Headquarters

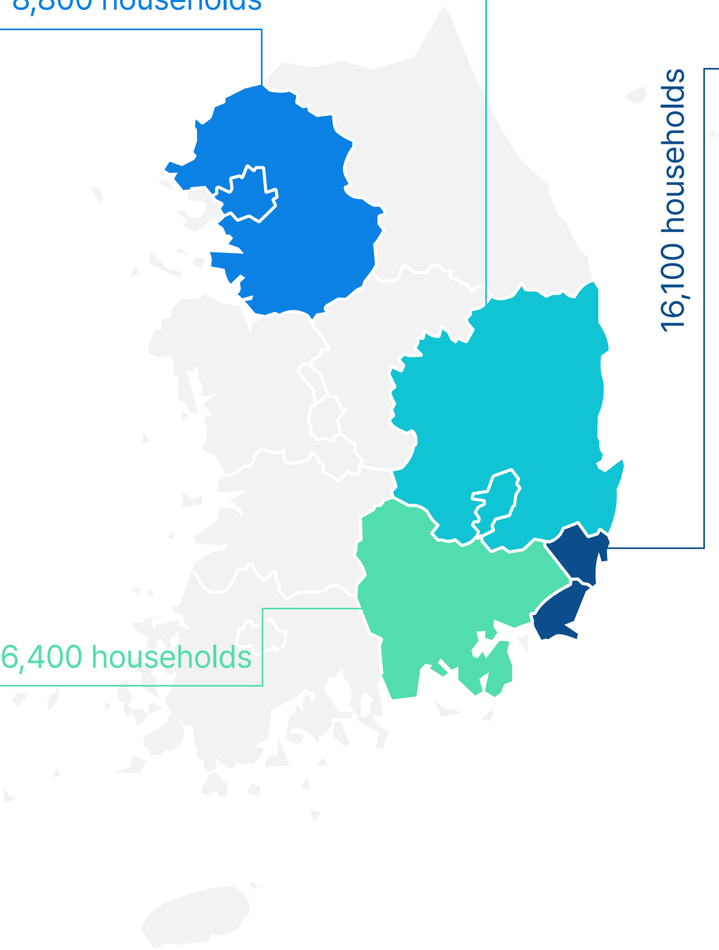
Housing Construction Project

8,800 households

Seoul-Gyeonggi Area Approx	
Hyangnam, Hwaseong	Eileen's Garden (506 housing units)
Gwanggyo	Eileen's Garden Terrace House (240 housing units)
Dongtan, Hwaseong	Eileen's Garden (489 housing units)
Union City, Hanam	Eileen's Garden (754 housing units)
Hangang New Town, Gimpo	Eileen's Garden (1,017 housing units)
Cheongna Central	Eileen's Garden (2,029 housing units)
Seonyudo Station, Seoul	IS Biz Tower (1st)
Seonyudo Station, Seoul	IS Biz Tower (2nd)
Seongsu-dong, Seoul	IS Biz Tower
Gasan, Seoul	IS Biz Tower
Wirye New Town	IS Central Tower
Pyeongchon Station, Anyang	IS Biz Tower
Cheongna	Eileen's Garden Officetel (255 suites)
Dasan Central, Namyangju	Eileen's Garden (795 housing units)
Hangang Misa, Hanam	IS Biz Tower
Anyang	IS Biz Tower Central
DMC in Deokeun DMC, Goyang	Eileen's Garden (206 housing units)
DMC in Deokeun DMC, Goyang	IS Biz Tower Central
DMC in Deokeun DMC, Goyang	Eileen's Garden Central (210 suites)

6,400 households

Changwon-Gyeongnam Area Approx	
Changwon	Luisen House (88 housing units)
Jinhae Noksan, Changwon	Ilshin Lim (869 housing units)
Seongju 1st, Changwon	Privilege Apartment (1,062 housing units)
Seongju 2nd, Changwon	Union Village Apartment (1,360 housing units)
Seongju 3rd, Changwon	Privilege Apartment (672 housing units)
Jaeun 3 District, Changwon	Eileen's Garden (520 households)
Jinju	Eileen's Garden (369 housing units)
Central Park, Changwon	Eileen's Garden (1,470 households)



6,100 households

Daegu-Gyeongbuk Area Approx	
Dongdae-gu, Daegu	Eileen's Garden (705 housing units)
Suseong Beomeo, Daegu	Eileen's Garden (719 housing units)
Suseong Beomeo, Daegu	W (1,868 housing units)
Daegu Station, Daegu	Opera W (1,088 housing units)
Jukjeon Station, Daegu	Eileen's Garden (959 housing units)
New Centro, Gyeongju	Eileen's Garden (759 households)

16,100 households

Busan-Ulsan Area Approx	
Busan	
Yongho-dong, Busan	W High-Rise Residential-Commercial Complex (1,488 housing units)
Haeundae, Busan	Adeles (510 housing units)
Ilshin Yongho-dong, Busan	Privilege Apartment (1st & 2nd) (1,228 housing units)
Uam-dong, Busan	Apartment house (661 housing units)
Haeundae, Busan	Haily Village (1st, 2nd, 3rd, 4th, 5th)
Ilshin Yeongdo, Busan	Marina (355 housing units)
Centum, Busan	IS Tower
Myeongji International New Town, Busan	Eileen's Garden (980 housing units)
Centum, Busan	Sky Biz
Gwangan, Busan	Eileen's Garden (225 housing units)
Yeongdo, Busan	Eileen's Garden (1,216 housing units)
Ocean Life, Busan	Eileen's Garden (1,228 housing units)
Ulsan	
Namoe Stadium District, Ulsan	Eileen's Garden (920 housing units)
Ujeong Innovation City, Ulsan	Eileen's Garden 1st (200 housing units)
Ujeong Innovation City, Ulsan	Eileen's Garden 2nd (712 housing units)
Ujeong Innovation City, Ulsan	Eileen's Garden 3rd (685 housing units)
Dream in City, Ulsan	Eileen's Garden 1st (1,275 housing units)
Dream in City, Ulsan	Eileen's Garden 2nd (1,187 housing units)
Ulsan	Urban development project in Hogye & Maegok District (Approx. 812,813 m2 (approx. 215,876 pyeong))
Ulsan	Urban rearrangement project planned in Deokha Land Division (Approx. 306,426 m2 (92,694 pyeong))
Jungsan Maegok Edu-park, Ulsan	Eileen's Garden (851 housing units)
Munsuro Grand Park, Ulsan	Eileen's Garden (384 housing units)
New City, Ulsan	Eileen's Garden 1st (803 housing units)
New City, Ulsan	Eileen's Garden 2nd (967 housing units)
Centum Partk, Beonyeongro, Ulsan	Eileen's Garden (191 housing units)

Housing Construction Projects

IS Dongseo promotes an eco-friendly lifestyle where nature and humans coexist by utilizing environmentally friendly construction methods. Guided by the philosophy that "a company that earns customer trust creates customer happiness," we lead the future of premium residential culture through continuous technological innovation and research and development. Additionally, in various sectors including business, commercial, cultural, and sports facilities, we provide a one-stop business experience that seamlessly integrates convenient work and leisure through advanced and innovative buildings.



'Eileen's Garden' embodies the apartment philosophy of IS Dongseo, which pursues a 'Human Design' where humans, the environment, and cultural sensibilities coexist. 'Eileen' is the Irish name for Helen and it is a persona that symbolizes a 'happy woman' with an independent and emotionally fulfilling lifestyle. Furthermore, it is a metaphor symbolizing women's dreams and future. 'Garden' means the most harmonious space for people that everyone dreams of.



'W' is IS Dongseo's high-rise residential-commercial complex brand and means 'a space where you can enjoy a quality that goes beyond that of a hotel.' By applying the new concept of 'high-rise, high-end residential culture for true leaders', we provide the pride of living in the best space. W completes the city's landmarks with innovative and iconic designs.



'IS BIZ Tower' is IS Dongseo's representative knowledge industry center and provides a futuristic business space that combines excellent community facilities and business infrastructure. By providing smart and trendy spaces, we create an efficient business environment and satisfy both your company and your talented employees.



Top | Eileen's Garden in New Centro, Gyeongju
Bottom | Eileen's Garden 2nd in New City, Ulsan



Top | W in Suseong Beomeo, Daegu
Bottom | Opera W in Daegu



Top | IS Biz Tower Central in Anyang
Bottom | Centum Sky Biz in Haeundae, Busan

Civil Engineering Business Line

Creating space for national economic development on natural grounds

Civil engineering is an industry that builds facilities which serve as the foundation for other industries by creating new spaces. This includes roads, bridges, tunnels, railroads, and ports, which are the foundations of a nation. IS Dongseo, renowned for its advanced technology and unparalleled expertise, undertakes major civil engineering projects. These include large-scale SOC projects such as the site construction of the Busan New Port International Terminal, the largest in Northeast Asia, as well as the construction of the Namgang Dam regional water supply system and Wonjeon Port, among others.







❶ Lighter's wharf repair work at Busan South Port
❷ Foundation construction of Osiria Theme Park in Busan
❸ Breakwater construction at the Busan South Port

Urban maintenance/urban development project

Recreating the values of the city and realizing a premium residential town

We present a successful model of urban regeneration for better residential environments and living spaces, and are contributing to the various synergy effects that cities can create and revitalizing the local economy. IS Dongseo, which has been recognized for its construction and development capabilities through large-scale apartment and civil engineering projects, is promoting urban development projects across the country based on its outstanding capabilities and technology, and it will continue to contribute to balanced national development through large-scale urban development projects.









❶ Ulsan Hogyemaegok District Urban Development Project
❷ Busan Yeongdo Bongnae District 1 Housing Redevelopment Project (1,216 households)
❸ Ulsan Deokha District Urban Development Project
❹ Busan Gwangan District 2 Housing Reconstruction Project (225 households)

Concrete Business Division

PILE	
PHC Pile	Based on the product manufacturing expertise accumulated over the last 40 years, our construction business boasts strong competitiveness through eco-friendly technology, as well through R&D expansion and technology exchange between industry & academic research institutes.
CRC (Centrifugal Reinforced Concrete Column) **PILE**	The circular column, developed using centrifugal reinforced concrete and rebar, serves as a cost-effective alternative to traditional H-shaped steel, synthetic columns, and PHC piles for pile foundations in the top-down construction process. It offers significant competitive advantages in constructability, quality, and construction time reduction.
ICP (Infilled Composite PHC) **PILE**	As the shear connector (shear reinforcement) of the existing PHC pile is vulnerable in bending and shear performances, main reinforcement and concrete are filled to increase the shear and bending performance into the steep pipe pile level, in order to improve their economic feasibility, construction capability, and bearing capacity.
Auto Position Joint PHC Pile	As the non-weld joint separated on the top & bottom, the PHC pile is attached for release to the site, and the [auto position] and [pin] are fixed during the connection in the field to boast first-rate construction capability and economic feasibility



Environmental Product Declaration Certificate for ultra-high strength PHC pile



PC (Precast Concrete)	
Construction PC	Error in construction is minimized through the factory production of the construction PC, and it is an eco-friendly product that is secured with economic feasibility and minimizes environmental damage by reducing the construction period.
Civil Engineering PC	It offers first-rate construction capability and economic feasibility through the streamlined process of site arrangement and factory manufacturing.
PC Rail Tie	Best efforts were given on the safety during construction and stability of the structure through product design from accurate structural calculation, while automated production equipment from Italy was introduced to produce the products with strict precision and uniformity.
Bi-Block Rail Tie	Maintenance cost is very low without concerns of corrosion, to be mostly used as the rail tie for high-speed railroads, while the track irregularity restraint from elastic fastening is top-notch.
Segment	Our concrete segments for shield construction are manufactured with exceptional precision and quality. This commitment to excellence ensures that our products are highly regarded at major projects such as the Seoul Metropolitan Subway, railway facilities, and with leading companies like KEPCO, TEPCO (Japan) and so on.





Obtained Environmental Product Declaration for 2 types of beams and 4 types of columns for the first time in the PC industry

IS Dongseo's concrete division produces our products with thorough quality control and technology, as they are used in infrastructure construction such as government-led large-scale SOC projects and new city construction. We succeeded in developing a high-strength PHC pile using our own technology for the first time in Korea, and we have the largest production capacity in Korea through continuous investment and technology development. In addition, we have made efforts to research and develop products that reduce carbon emissions and have acquired the first Environmental Product Declaration in the PHC pile and PC industries. In particular, for ultra-high strength PHC piles, we are actively participating in the government's carbon neutral policy by obtaining additional certification as a low-carbon product, and when used in buildings, you can enjoy various benefits by receiving additional points for Green Standard for Energy and Environmental Design (G-SEED).

Major affiliates

IS Dongseo's future business is being promoted together with its affiliates and associate companies. In particular, we are striving to take the lead in ESG management by building an eco-friendly business portfolio and actively carrying out sustainable management activities. We are alleviating performance volatility in the construction industry by discovering future businesses that are highly related to the construction industry and have excellent business stability and profit system.

Revive Resource INSUN ENT CO.,LTD.	INSUN MOTORS	I S BM SOLUTION	BTS	ISTMC
Insun ENT Co., Ltd. is Korea's best comprehensive environmental company. Based on the construction waste business, it has expanded its business areas to scrapped vehicle recycling, landfill and incineration, establishing vertical integration of waste processing. Moreover, it is a company that actively prepares for changes in the future business environment.	Insun Motors Co., Ltd, a global leading company in resource circulation, operates an advanced system using the latest IT technology, from scrapped vehicle dismantling to production and distribution of used and remanufactured parts, and storage and export of scrapped vehicles.	IS BM Solution is the largest waste battery pre-treatment production base in the metropolitan area, and produces black mass, a raw material for battery recycling, through pre-treatment and shredding of waste batteries.	BTS Technology is a European company specializing in waste battery pre-treatment and recycling in the environmental business field. It has a pre-treatment facility dedicated to cell modules in the Oswa region of Poland, which is an optimal location in terms of production and logistics.	IS TMC is one of the important components of the secondary battery recycling value chain promoted by IS Dongseo. It mass-produces lithium carbonate and NCM solutions from secondary battery scrap and replaces all domestic rare metal imports, thereby contributing to improving national competitiveness and taking the lead in practicing environmental management to build a 'resource circulation type society'.
• **Construction waste disposal** Based on excellent technology and state-of-the-art facilities, the company has the best waste treatment capabilities in the country and produces the highest quality recycled aggregate with the industry's first quality certification for 'recycled aggregate for concrete'. • **Waste landfill** Through comprehensive eco-friendly follow-up management after landfill and gradual landfill site expansion, the company improves landfill waste management efficiency.	• **Automobile resource circulation** (car scrapping) An automobile resource circulation center that can dismantle vehicles of all types and manufacturers • **Automobile shredding and recycling** Operation of a recycling facility (shredder) capable of shredding approximately 480,000 vehicles per year • **Electric vehicle battery storage and recycling** A system to safely store and recycle electric vehicle batteries and lithium-ion batteries • **Electric vehicle dismantling facility** Establishment of a dedicated electric vehicle dismantling line to dismantle electric vehicles more safely • **Electric vehicle residual value evaluation** Residual value assessment program for batteries, a key component of electric vehicles	• **Core competitiveness** - The largest pre-treatment plant in the metropolitan area - Facility advancement and high-efficiency process - Battery stabilization and excellent BM quality - Securing central control and safety technology for all processes	• **Core competitiveness** - Cell/module dedicated factory - Possesses core dismantling and discharging technology - Optimization of raw material supply and demand due to excellent location - Possesses a network of major European customers	• **Core competitiveness** - Batch process for pre- and post-treatment - Production of NCM solutions and lithium carbonate - Korea's first waste battery recycling company - Establishment of cooperative relationships with secondary battery-related companies - Possesses a solid purchasing and sales network
				

Major affiliates

YOUNGHUNG INDUSTRY ENVIRONMENT.CO.,LTD	YOUNGPOONG PILE	ENESOLUTION 환경에너지솔루션	OCEAN D&C	MUNAM Munam Scholarship & Culture Foundation
Yeongheung Industrial Environment, a leader in eco-friendly green growth, is making efforts to process various waste in an environmentally friendly manner. This is done with the latest mechanical facilities, producing high-quality recycled aggregates while it recycles and supplies them to construction sites, thereby contributing to resource recycling as well as environmental protection, which is a major government policy.	Young Poong Pile produces and supplies high-quality piles that are the basis for construction, such as large-calibre piles, ultra-high-strength piles, and ICP piles. Furthermore, it continues to provide distinctive quality and technology in each business area, such as architecture, civil engineering, housing, and plants. The company not only developed the first SC PILE (steel-concrete composite pile) and PRC PILE in Korea, but is also making continuous efforts to establish a technological basis for quality, including obtaining ISO and KS certification marks.	Environment & Energy Solutions is a top-tier company in the environmental facilities field and has established a comprehensive value-chain from design and construction to facility operation. As a professional company that can provide complete services for various environmental issues, the company provides customized solutions ranging from O&M to EPC based on its sense of responsibility and abundant know-how in waste disposal.	Ocean D&C's new challenge to lead Korea's recreational leisure business, from resorts to golf course clubhouses, with customer satisfaction as its top priority, begins now.	The Munam Scholarship and Cultural Foundation is a public interest corporation established in 2016 to carry out the various social contribution activities of IS Dongseo Co., Ltd. more systematically and in the long-term. Through public-private-academic cooperation, the foundation strives to provide long-term support for scholarship projects for talented individuals from low-income families, educational environment improvement projects to enable students to study in a better environment, and industrial human resource development projects to discover talents from various classes.
• **Intermediate processing, collection, and transportation of construction waste** Reproduction of construction waste generated at construction sites into recyclable resources using environmentally friendly plant equipment, etc. • **Recycled aggregate** Production of recycled coarse aggregate (40mm) and recycled fine aggregate (5mm) that meet strict quality standards • **Incineration business & steam production** Production and sales of steam energy of more than 15 TON/H using waste heat generated during incineration, and operation of a 24-hour emissions monitoring system with a processing capacity of 4 tons per hour	• **Obtained Environmental Product Declaration** In January 2023, Youngpoong Pile acquired Environmental Product Labeling certification for PHC piles, two types of ultra-high strength PHC piles, and two types of ready-mixed concrete, which provides environmental information (7 major impact categories) based on life cycle assessment (LCA) over the entire product life cycle in accordance with ISO 21930.	•**EPC busienss** Waste incineration and waste gas treatment, sewage sludge incineration and drying, and water treatment facility design, procurement, and construction •**O&M business** Operation and management of household waste incineration and recycling, sewage sludge incineration and drying, and food biogasification and drying facilities	• **Public golf course** 18 holes + 2 holes (service) and auxiliary facilities • **Club house** A high-quality clubhouse with 3 floors above ground where you can experience top-level service and a variety of facilities, including VIP rooms, bathrooms, powder rooms, restaurants, and group rooms • **Tea House** The tea house on the ground floor is designed to allow you to relax comfortably at any time after playing golf, and offers a beautiful view of the fairway of Stonegate CC Golf Course.	• **Scholarship project** A project to provide scholarships and educational programs to outstanding students • **Education support project** A project to improve facilities and provide educational equipment for child protection and education facilities • **Charity project** A project to practice social contribution activities through sponsorship and volunteer participation for the underprivileged
	 			



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CHAPTER 03

Bigger Tomorrow

Environment

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Bigger Tomorrow

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Response to Climate Change

Policies and Goals

As environmental issues such as climate change and carbon neutrality are emerging around the world, corporate responsibility for environmental protection is increasing. The Korean government has also declared the 2050 net zero goal, which involves a global effort to limit the increase in global average temperature. Accordingly, IS Dongseo has established an environmental management system for the entire construction and manufacturing process, and has established various strategic tasks to enhance eco-friendly values and is thoroughly managing them according to detailed implementation plans. In the future, in line with its vision of being a 'carbon-neutral leading company,' IS Dongseo plans to expand the use of low-carbon, resource circulation, and indoor air pollution reduction certified materials and take the lead in various activities for carbon neutrality.

Climate Change Response Organization

IS Dongseo has strengthened climate change-related board-level management by reporting to the newly established ESG Committee within IS Dongseo's highest decision-making group, the Board of Directors, in order to proactively address ESG risks, including climate change, and improve systematic management and execution capabilities in environmental management. IS Dongseo established a mid- to long-term strategy for climate change response and resource circulation by forming an organic cooperation system (ESG TF) with major business divisions, so that the ESG Committee can perform its role professionally and systematically. Furthermore, it communicates and supports working departments to promote detailed strategies related to their climate change response. In addition, ESG related issues and results of responding to climate change are reported to the ESG Committee, and key pending issues and agendas are reported and introduced at the Board of Directors meeting to undergo the deliberation and resolution process on relevant policies requiring decision-making.

Vision

Leading carbon neutrality in construction· manufacturing sectors by strengthening the climate change response system

Strategic Direction	Strategic tasks	Strategic goal
Low carbon centrally in the sites	· Increase in development of eco-friendly technology · Increase in purchases of eco-friendly products · Minimize carbon emissions at the sites & vendors	Increase in purchase of eco-friendly & green products
Diversification of businesses in response to climate change	· Increase in carbon neutrality businesses (Resource recovery from waste, etc.) · Leading the green construction & eco friendly market · R&D on carbon reduction products	Business expansion in the circular economy
Strengthening of the management system on carbon neutrality	· Strengthen promotional activities in response to climate change; · Strengthen GHG & energy reduction activities · Pursue stakeholder communication & sharing activities	Minimizing greenhouse gas emissions and energy use



Risk Management

IS Dongseo has established an ESG Committee to identify, evaluate, and manage risks and opportunities, ensuring a comprehensive company-wide response to climate change issues. We identify climate change-related issues at the company level, define top management's environmental management-related responsibilities and authorities, and have environmental managers collect and manage them. We derive risks and opportunity factors for each collected issue, select key risks, and establish a response strategy. Based on the response strategy derived, we plan to manage the specific action plans and policies so that they are communicated to related departments and implemented, while according to goals that progress can be continuously monitored. The management status of key issues is regularly reported to the ESG Committee as KPI, and important matters are reported to management and reflected in company-wide decision-making.

Risk Identification and Management Process

Identification of Risks and Establishing a Response Strategy	Risk Response Strategy and Implementation
Analysis of climate change issues related to the company	Establishing a detailed implementation plan for each relevant department
Identification of risks & analysis of opportunity factors	Implementing and monitoring for each department (factory / site)
Priority analysis and establishing a response strategy	Diagnosis & evaluation of implementation results

Review of agenda by the ESG Committee on the response strategy and implementation results

Report to the CEO & Board of Directors

Four carbon neutral strategies

01 Active expansion of renewable energy use
- Securing a renewable energy
- supply certificate
  Use of the green premium system

02 Expansion of carbon reduction-related businesses
- Expansion of R&D related to carbon reduction
- Securing carbon emission management technology through product and building life cycle assessment (LCA)

03 Operation of low-carbon based business sites
- Improving energy efficiency through facility improvement and facility optimization
- Introduction of electric vehicles for business use

04 Promoting broad stakeholder participation
- Actively carrying out various eco-friendly education and campaigns with employees, partners, and customers

IS Dongseo has established four carbon neutral strategies to participate in the global demand for carbon neutrality and is making efforts to gradually reflect them in its business. The policies we are implementing for carbon neutrality include actively expanding the use of renewable energy, expanding carbon reduction-related businesses, and operating low-carbon-based business sites, through which we aim to practice leading environmental management.

Climate change scenario analysis and response measures

To maintain the global temperature rise within 1.5°C, IS Dongseo has identified key risks and opportunities and evaluated response strategies based on low-carbon climate change scenarios.

Type		Meaning and Description	CO2 concentration and average temperature rise forecast (2100)
RCP 2.6 (low-carbon scenario)	Meaning	Greenhouse gas reduction policies will be carried out immediately from now on.	421 ppm / 1.5 °C
	Description	A scenario to achieve Net Zero by 2050 in order to keep the global average temperature rise below 1.5° C by 2100.	
RCP 4.5 (mid-level scenario)	Meaning	Greenhouse gas reduction policies have been substantially implemented.	538 ppm / 2.5 °C
	Description	A scenario where greenhouse gas reduction policies and measures have been substantially implemented and the level of climate change mitigation and response to climate change is at a mid-level.	
RCP 6.0~8.5 (high-carbon scenario)	Meaning	Greenhouse gas reduction policies have been implemented and the current trend is being maintained.	670~936 ppm / 4.0 °C
	Description	A scenario where the appropriate measures to reduce greenhouse gas emissions are not taken, leaving the environment vulnerable to climate change.	

* RCP (Representative Concentration Pathways)

Climate Change Risk Scenario Analysis

IS Dongseo classified the financial impact of climate change on the connected businesses by categorizing it into risk and opportunity factors and conducted a scenario analysis. IS Dongseo is taking a strategic approach to minimize climate change risks by implementing measures to address potential challenges and relaxing financial impact by strengthening and monitoring opportunity actions.

Climate-related risk factors

Risk	Factor	Financial Impact	Response Measures and Activities
Policies & Regulations	Strengthening of greenhouse gas emission regulations	• Increased cost of purchasing emissions rights due to reduction in quota of the domestic greenhouse gas emissions trading system and expansion of paid quota • Increased cost of complying with global greenhouse gas regulations such as BAM	• Based on carbon reduction roadmap, low-carbon technology development and facility investment strengthening
	Mandatory climate disclosure and strengthening of greenwashing regulations	• Decrease in corporate value and occurrence of litigation costs in the event of a lawsuit due to insufficient disclosure of climate information or poor implementation of low-carbon policies	• Preemptive application of climate disclosure standards, and strengthening the MRV (Measurement, Reporting, Verification) system for carbon emissions at global business sites • Disclosure of environmental performance information in accordance with the Ministry of Environment's environmental disclosure system • Advanced greenwashing risk management process
Market	Increasing demand for low-carbon products	• Increased investment and operating costs for producing low-carbon products • Increased purchasing costs due to intensifying competition for the procurement of low-carbon fuel materials • Reduction in profits due to decline in market share when the supply of low-carbon products is insufficient	• Optimizing reduction facility operations at each business site while minimizing increases in operating costs. • Strengthening cooperation with low-carbon fuel material suppliers and joint venture promotion • Strengthening carbon reduction implementation to increase the competitiveness of low-carbon products
	Increasing demand for carbon reduction in investment and financial sectors	• Departure of investors and rise in financing costs when carbon reduction policies are not properly implemented	• Enhancing international collaboration to advance the development and commercialization of low-carbon process technologies • Promotion of national research projects
Technology	Development and introduction of low-carbon process technology	• Increase in development costs of low-carbon new technologies • Decreased market share when the introduction of low-carbon technology is delayed	• Establishment of a 'Business Continuity Plan (BCP)' that integrates natural disaster prevention/damage recovery/market protection • Expansion of the installation of flood walls and retaining walls, improvement of factory cooling system efficiency • Strengthening application activities such as assessing infrastructure vulnerability against drought and recycling water, etc. • Diversification of overseas raw material procurement sources
Physical risk	Deteriorating business conditions due to increased occurrence of abnormal climate changes	• Increase in costs due to extension of construction period, damage recovery, preventive activities, etc. • Operation disruption, decrease in sales, and occurrence of recovery costs in case of coastal flooding, river flooding, etc. • Decreased productivity due to heat waves and increased costs due to increased use of cooling equipment • Increased productivity and purchasing costs due to disruption in supply of main raw materials	• Increased cost of purchasing emissions rights due to reduction in quota of the domestic greenhouse gas emissions trading system and expansion of paid quota • Increased cost of complying with global greenhouse gas regulations such as BAM

Climate-related opportunity factors

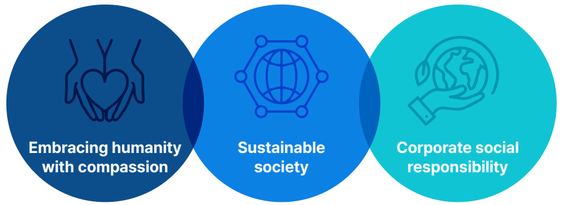
Opportunity	Factor	Financial Impact	Response Measures and Activities
Product service	Increasing demand for low-carbon and energy-efficient products	• Expansion of sales of eco-friendly products such as waste battery recycling, secondary battery materials, and low-carbon certified products, as demand for low-carbon industries such as electric vehicles and renewable energy increases	• Accelerating the transition to a low-carbon certified product production and sales system • Completion of the full value chain from raw materials to final materials for secondary batteries • Increasing orders for eco-friendly infrastructure such as modular construction and zero energy buildings
	Government benefits by providing low-carbon products	• Strengthening cost competitiveness by switching to a production process for low-carbon certified products and receiving various government benefits by supplying low-carbon certified products (G-SEED certification, etc.)	• Acceleration of technology development for low-carbon certified products

Environmental Management Practices

IS Dongseo recognizes the environment as a core value of corporate management activities, respects the present and future value of the environment for economic development and environmental conservation, and fulfills its responsibilities as a social and economic stakeholder.

Environmental Management Policy

IS Dongseo has established an environmental management policy to minimize the impact on the environment for sustainable growth, environmental conservation, and response to the climate crisis, and is making efforts to put it into practice.



01 | Energy saving practices

02 | Compliance with environmental laws and continuous improvement

IS Dongseo's Environmental Policy

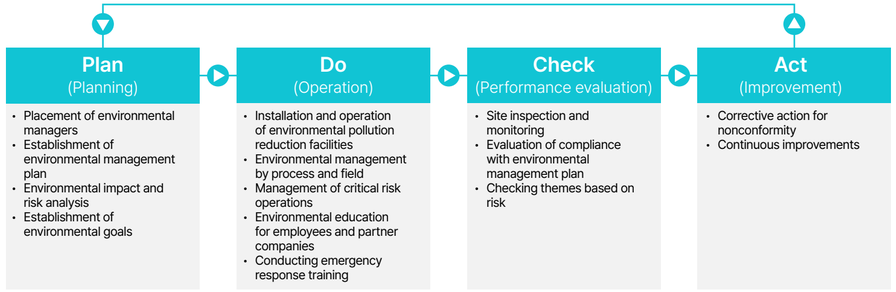
IS Dongseo is disclosing its environmental policy to minimize the impact of process activity on the environment, and the environmental policy shall be understood for efficient operation of the environmental management system and achieving the environmental policy and goals.

Environmental Policies
1. Energy-Saving Measures & Practices
2. Compliance of Environmental Laws & Ongoing Improvement

IS Dongseo assumes our obligation to achieve the environmental policies stated above by establishing the environmental management system with all employees fully informed about the compliance policies, and to fulfill its promise to the customers.
The purpose of environmental management at IS Dongseo is to recognize all environmental issues specific to each production activity in order to preserve and improve their natural environment.

October 05, 2020 **IS Dongseo Co., Ltd. Icheon Factory**

Environmental Management Process



Development of Environmental Management Experts

IS Dongseo performs environmental training to the environmental personnel designated in each factory for the sake of a professional environment management at the production site. Our workers participate in the trainings and seminars about the air and water quality, noise, vibrations, etc., empowering them to provide the training information internally, for example the pertinent laws and management system for each source of pollution, control technology, and benchmarked best practices as to environment management. Additionally, expertise in managing environmental and civil complaints is acquired to elevate the quality of environmental management. This program will be tailored to each site's circumstances, such as appointing dedicated environmental personnel at construction sites to strengthen management capabilities.

Implementing compulsary education for persons in charge of environment

Training Program Name	Training Target/ No. of persons	2021	2022	2023
Atmospheric environment engineer	Environmental personnel/ 3 persons	12/7-12/20 (Changnyeong)	10/11-10/14 (Icheon)	10/4 - 10/17 (Cheongyang)
Water environment engineer	Environmental personnel/ 3 persons	11/9-11/22 (Icheon) 12/7-12/20 (Changnyeong)		7/27 - 7/28 (Cheongyang)
Noise· vibration environment engineer	Environmental personnel/ 3 persons	4/20-4/26 (Changnyeong)		10/10 - 10/16 (Cheongyang) 11/14 - 11/20 (Icheon)
Waste discharger	Environmental personnel/ 3 persons		7/26-8/1 (Changnyeong)	5/17 (Cheongyang), 9/8 (Icheon)

Environmental Energy Management System

An environmental policy and management manual were devised and disclosed in every IS Dongseo production site of concrete to minimize the environmental impact of production activities, resulting in the factories receiving the ISO 14001 Environmental Management System (EMS) certification. Additionally, the factories maximize the efficiency of environmental performance management by integrating various systems, such as greenhouse gas emissions management and waste generation management.

Environmental Management System Certificate

ISO 14001 Certificate

A system for systematically managing environmental impact related to all activities, products, and services of an organization

* Year of acquisition : 2015 | Certification agency : KTR Certification Center
* PHC pile production | Year of acquisition : 2022 | Certification agency : KTR Certification Center

Eco-Friendly Investment and Research and Development

IS Dongseo is expanding its eco-friendly business and product portfolio based on its carbon neutral strategic direction. The construction division has established an environmental management system for the entire business process, including purchasing, transportation, construction and operation. In particular, the manufacturing division is actively conducting research and development and investing in the development of low-carbon products. In January 2023, IS Dongseo acquired the Environmental Product Declaration for a total of 12 products, including PHC PILE and PC, in accordace with ISO 21930, which provides environmental information (7 major impact categories) based on Life Cycle Assessment (LCA) over the entire life cycle of product. This was a first in the PC product industry, and using this as a steppingstone, it obtained low-carbon product certification for a total of 5 types of products produced by its affiliates, including ultra-high-strength PHC pile.

Accredited with EPD(Environmental Product Declaration) Certification

In order to preemptively respond to the growing demand for eco-friendly products due to global environmental regulations and increased customer demand for G-SEED certified sites, we obtained the ‘Environmental Product Declaration’ for a total of 12 concrete product groups last year. Specifically, we were the first in the industry to obtain the ‘Environmental Product Declaration’ for our precast concrete products.

Obtaining Environmental Product Declaration (EPD)

EPD A declaration that certifies environmental impact information over the entire life cycle of product, conducted by the Ministry of Environment.



EPD



2 types of PHC PILE



6 types of PC

Obtained the ‘low carbon certification’ for the ultra-high strength PHC pile

As a result of our efforts in research and development of carbon emission reduction products in response to the climate crisis, we obtained the ‘Low Carbon’ certification for the ‘Ultra High Strength PHC PILE’. The ‘Low Carbon’ certification, conducted by the Korea Environmental Industry and Technology Institute under the Ministry of Environment, is awarded to products that have reduced carbon emissions below largest allowed carbon emission through process efficiency improvements, among those that have already obtained the Environmental Product Declaration (EPD). Our company is planning to continue expanding the range of low-carbon product certification items.



Eco-friendly apartment construction Excellence Award at the 27th Maeil Business Newspaper Best Livable Apartment Contest

‘Ulsan Munsu-ro Grand Park Eileen’s Garden’, which won the Excellence Award in the mid-sized company category at the 2023 Maekyung Livable Apartment Contest, uses renewable energy by installing rainwater recycling facilities and solar panels in accordance with the construction standards for energy-saving eco-friendly houses, and secured the maximum Energy Performance Index (EPI) score by strengthening the insulation performance of auxiliary facilities and neighborhood living facilities and applying high-efficiency devices.
In the future, IS Dongseo will continue to increase eco-friendly construction to respond to climate change.

Successful development of the commercialization of the Ministry of Land, Infrastructure and Transport’s national project for carbon reduction research and development

IS Dongseo’s technology research center has accelerated carbon reduction research and development by developing Korea’s first centrifugal casting ultra-high strength 100 MPa structural square beam, creating effects such as reducing carbon emissions, shortening construction period, and reducing construction costs. This product, expected to expand its application in the construction market, reduces cement usage through technology development using a centrifugal casting process, achieving high strength with fewer materials compared to concrete of the same compressive strength. It also incorporates blast furnace slag, a by-product of the steel industry, to increase durability while minimizing environmental impact through carbon reduction and the use of recycled materials.



EPD certificate for low-carbon products



Commemorative photo taken after producing a centrifugal casting ultra-high strength square beam prototype

Received the grand prize in the ‘Social Contribution to Environment Love’ category in recognition of their environmentally friendly contribution to society

‘At the ’13th Social Contribution to Happiness Campaign’ awards ceremony, we received the Minister of Environment Award in the Social Contribution to Environment Love category. The ‘Social Contribution to Happiness Campaign’ is jointly hosted by the Association of Korea Journalists and the Korea Enterprises Federation and selects and rewards excellent companies that exemplarily practice social responsibility in a total of 10 categories, including social responsibility, education sharing, and environment love. Excellent companies are selected after thorough verification by leading government agencies and field experts. IS Dongseo, which won the Minister of Environment Award in the Social Contribution to Environment Love category, was recognized for its contribution to solving social problems by participating in environmentally friendly social contribution activities, such as Eco-friendly construction, various donation activities for vulnerable groups, a free repair support project for old houses of national meritorious persons, social contribution campaign for environmental protection, and the ‘Gogo Challenge’, an environmental protection movement conducted by the Ministry of Environment.
In particular, it was evaluated that we have expanded the scope of its existing social contribution activities by actively promoting environmentally friendly contribution activities as well as active investment in eco-friendly construction and environmental projects. In addition, we are participating in the ‘Improvement of Living Conditions for National Meritorious Persons’ project conducted by the Ministry of Patriots and Veterans Affairs and the Korea Home Builders Association, in order to repair the houses of national meritorious persons with poor living conditions free of charge. Furthermore, we are laying the foundation for child-friendly urban regeneration by participating in the child-friendly space creation project. In addition, we are actively engaging in environmental conservation campaigns by implementing the ‘Walk Good Steps Together’ in-house campaign that links employees’ energy saving activities with social contribution. The ‘Walk Good Steps Together’ campaign is an in-house campaign that uses a walking platform app to raise donations when the target number of steps is achieved, and it has the meaning of practicing environmental conservation as well as employees’ voluntary participation in social contribution.





Air Pollutant Management

In order to reduce air pollutants, including dust scattering and fine dust in concrete production facilities and construction sites, we are carrying out activities such as operating transport vehicle wheel washing facilities, spraying unpaved roads, mandating the installation of loading box covers, installing dust covers for open storage yards, and operating road sweepers.

Water Resource Management

Environmental impact due to the discharge of wastewater is reduced by installing the water reprocessing system (at the Cheongyang Factory) to recycle wastewater used in concrete manufacturing in the process into the water for ready-mixed concrete, etc. At the same time, IS Dongseo is actively working to reduce water resource usage by carefully managing water consumption at each site.

Status of Using Main Water Resources

Business Site	2022	2023
Head office/ branch construction work (water & sewage/underground water)	37,057/0	124,104/32,216
Icheon Factory (underground water)	820,488	17,105
Cheongyang Factory (underground water)	42,120	29,060
Changnyeong Factory (water & sewage/underground water)	2,387/47,298	2,414/43,388
Total (UNIT/TON)	**149,350**	**248,287**

Noise and Demolition Management

Portable air soundproof walls are installed when performing work that uses the loud noise equipment and machinery that are apt to cause civil complaints, while noise is measured periodically, up to 4 times a day. In addition, a noise meter display is installed on the soundproof walls at urban construction sites so that the legal limit is not exceeded.
Meanwhile, work standards stipulated in the law are abided to prevent the scattering of asbestos dust during demolition work, while protective gear and clothing must be worn when performing the work.



Replacing the mesh net to protect against dust scattering in the aggregate yard (once a year).

Dust Scattering Management

To reduce dust pollution scatter, the concrete production factory and construction sites avail of the following activities during operations, namely the transportation vehicle washing facility, water spray on the unpaved roads, mandatory installation of the cover on the cargo box, installation of the dustproof cover on the outdoor storage materials, and operation of road cleaning vehicles, etc.

Waste Management

We track waste generation annually through a legal disposal system and have implemented waste recycling guidelines to efficiently manage construction materials used in production and construction. We also encourage sharing of recycled aggregate cases to ensure their effective application on-site. To minimize waste generation and enhance recycling, our production facilities meticulously manage waste generation, recycling, and disposal according to the resource circulation plan established by the Ministry of Environment and Korea Environment Corporation.

Environmental Impact Prevention

Environmental aspects are identified, and impact assessments are conducted to prevent environmental impact related to the air, water quality, noise, vibration, and waste that are released during the concrete production and construction process, with monitoring being performed periodically.

Improvement of Energy Efficiency

In order to promote various activities to improve energy efficiency at construction sites, we are mandating the installation of LED lighting and occupancy sensors in construction site offices and establishing lighting standards for field equipment, such as tower cranes.



Construction of NAC and LPG conversion facilities to reduce energy consumption at the Cheongyang concrete plant

Through research on curing and optimal mixing ratio for concrete pile production, we switched from high-temperature and high-pressure curing (AC) to natural curing (NAC) facilities, and by establishing a system for parallel use of LPG fuel in addition to LNG fuel and reducing annual fuel use by about 44%, we implemented a strategic task to minimize carbon emissions. As a result, safety management costs, facility maintenance costs, and environmental costs (e.g. wastewater treatment) were reduced, and yard space was also increased, making it possible to produce products of various specifications.

Cyber Monitoring of Environmental Management

Management supervisor and workers at the production and construction sites perform ordinary inspections on the installations and operational conditions of the environmental pollution prevention facilities, while self-initiated measurements are performed on the environment management on average once a month to manage each site according to the internal reporting system. In addition, the status of any waste produced is registered frequently in the online system.

Greenhouse Gas Reduction

Greenhouse Gas (GHG) & Energy Management

IS Dongseo is using gasoline, diesel and electricity as the main energy sources while carrying out all of its businesses, and main GHG emission sources are fossil fuel and electricity for operating the equipment and generators in the site. To use energy efficiently and reduce GHG emissions on-site, power is turned off when not needed and GHG reduction technologies, such as LED light bulbs, are utilized. In support of reducing GHG emissions during both operation and construction stages, IS Dongseo also runs ongoing campaigns to save electric energy, as electricity constitutes a significant portion of the total energy used in the company buildings.

Classification		Unit	2021	2022	2023	Reduction Target
Greenhouse Gas Emission						
Scope1	Direct Emission	tCO_2e	20,341	7,956	12,147	Reduction of 2% or more compared to the previous year
Scope2	Indirect Emission	tCO_2e	8,016	7,489	15,195	
Scope1+2	Total	tCO_2e	28,357	15,445	27,343	
GHG Intensity						
Revenues	Total	KRW Mil	1,608,441	2,278,443	2,029,440	Reduction of 2% or more compared to the previous year
Scope1	Direct Emission	tCO_2e / KRW 1 billion	0.498	0.302	0.389	
Scope2	Indirect Emission	tCO_2e / KRW 1 billion	1,763	1,528	3,100	
Energy Consumption						
Energy Purchase Amount	Total (Power)	TJ	62.834	56.79	115.24	Reduction of 2% or more compared to the previous year
Fuel Consump-tion	LNG (City Gas)	TJ	243.69	209.49	143.22	
	LPG (Liquefied Petroleum Gas)	TJ	0.147	0.15	14.27	
	Gasoline	TJ	0.376	1.60	2.84	
	Diesel	TJ	8.289	4.23	3.04	
	Kerosene	TJ	9.07	2.08	1.26	
	Total	TJ	261.57	272.26	164.63	

Classification		Unit	2021	2022	2023	Reduction Target
Waste Generation Amount						
Waste Generation Amount According to Type	Waste Concrete	ton	59,650.13	73,763.28	38,935.54	Reduction of 2% or more compared to the previous year
	Waste Asphalt Concrete	ton	2,796.21	189.58	3,565.02	
	Waste Wood	ton	999.62	372.56	1,908.86	
	Waste Synthetic Resin	ton	1,545.76	170.84	4,355.33	
	Construction Waste Soil & Rock	ton	3,348.90	939.53	5,978.40	
	Construction Sludge	ton	191.82	423.84	359.41	
	Waste Board	ton	465.90	62.48	1,425.63	
	Other Waste	ton	188.21	143.69	73.94	
	Mixed Construction Waste	ton	814,655	311,882	10,406,06	
Waste Generation Amount	Total	tCO_2e	77,333.10	66,391.71	57,766.82	
Water Usage						
Water Usage	Water & Sewage Usage	ton	104,177	39,444	126,518	Reduction of 2% or more compared to the previous year
	Underground Water Usage	ton	111,447	109,906	121,769	
	Total	ton	215,624	149,350	248,287	
Water Usage per Production Unit		ton	0.26	0.55	0.12	
Quantity Recycled & Reused		ton	14,700	14,040	13,940	Increased by 1% compared to the previous year
Water Reuse Ratio		%	33	33	33	Increased by 40%

Greenhouse Gas Reduction Activities

In order to successfully achieve the 2030 greenhouse gas reduction goal, IS Dongseo is selecting and managing major reduction items by comprehensively reviewing feasibility, reduction potential, cost, and effectiveness. In addition, we plan to expand low-carbon businesses such as renewable energy and carbon credit securing projects, and secure carbon emission reduction technology throughout the entire process in connection with R&D research projects.

Greenhouse Gas (GHG) and Energy Management Process

Data Input	Data Collection	Analysis	Assessment	Improvement	Information Sharing
GHG emission and energy use data are inputted for each site	Data on the usage is aggregated for each site	GHG emission and energy usage are calculated	Review and performance evaluation	Continuous improvement	Upload in ENV-INFO System

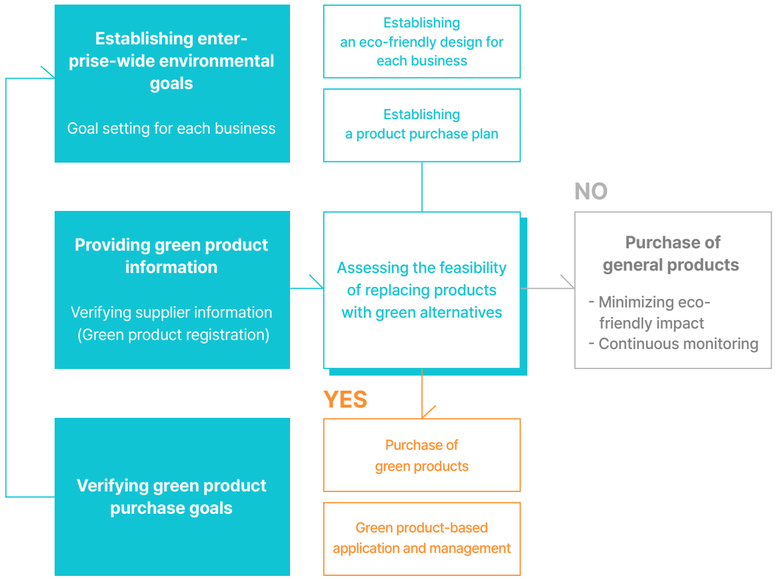
Improvement of Awareness of Eco-Friendliness

IS Dongseo's manufacturing factories and construction sites are performing various eco-friendly activities to raise awareness of environmental issues, and to recognize the importance of preserving the environment enduring a climate crisis. Each site conducts environmental purification activities, such as collecting cigarette butts and garbage, with participation from both employees and vendors to support pro-community volunteer efforts. Additionally, a signboard displaying real-time noise and vibration levels has been installed on the outer fence of the construction site. Through these efforts of communication with the residents, IS Dongseo minimizes the number of complaints on the environment. In addition, the 『IS Dongseo Employee Walking Challenge』 campaign is conducted to improve employees' awareness regarding environmental issues, and enterprise-wide GHG and energy reduction activities are encouraged, by reducing the use of cars for business purposes and using public transportation.



Efforts on Purchase of Green Products

To support the government's policy of increasing eco-friendly product use, IS Dongseo prioritizes the procurement of eco-friendly materials and goods. We actively seek materials that can replace conventional products with greener alternatives. Performance in green product purchasing is analyzed to set future goals, and efforts are ongoing to minimize environmental impact through continuous monitoring across the enterprise. For green construction, IS Dongseo plans to continuously increase the purchase and use of eco-friendly products.



Purchase of Eco-Friendly Green Products

Classification	Unit	2021	2022	2023
Total purchase performance of eco-friendly products	KRW one million	4,012	4,359	12,351

Regulations on 3R 5S Activity

Established in 1994 and still in effect at all business sites of the Concrete Business Division, the regulation ensures that workplace surroundings are organized, cleaned, and maintained to prevent safety accidents. Additionally, we continuously strive to improve product quality and productivity, minimize environmental impact, and promote best practices by incentivizing activities in each department.

Related photos



1 Replacement of transferpipes in the wastewater treatment plant

2 Re-installation of facility for the prevention of dust pollution scatter in the aggregate plant

3 Replacement of protective mesh net for prevention of dust pollution scatter in the aggregate plant

3R 5S

Right product
Items for storage & method is determined to indicate the item name

Right quantity
Status of using a storage item is identified to indicate the right storage quantity

Right location
Storage location is determined to indicate the address & house number

Sorting
Necessary & unnecessary items as they are classified in order to dispose of unnecessary ones

Set in order
Enabling anyone to find and use the item

Cleaning
Removing dust and dirt to maintain it in a clean state at all times

Standardize
Repeating the processes of sorting, setting in order, & shining it to maintain cleanliness

Sustain
Maintaining the processes of sorting, setting in order, & shining it, and standardize it as second nature

Green Construction

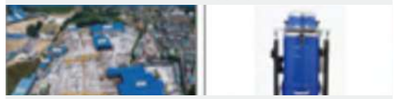
Minimizing Environmental Impact at Construction and Production Sites

To minimize the environmental pollution around our construction and production sites, preventive management and improvement measures regarding the pollution and waste are undertaken at each site based on our manuals, such as legal guidelines, practical guidelines, and environment management, etc. At the same time, the environmental awareness of our workers at all workplaces is being improved, and activities on purification of the surrounding environment are implemented frequently. Meanwhile, every effort is made to minimize the impact to the surroundings by installing a wastewater discharge and air emission facilities for each business site and registering the total air pollutant management site, etc.

2020



Re-installation of the facility for dust scattering prevention in the aggregate plant



Environmental improvement via installation of portable dust collectors

2021





Replacement of protective mesh net for dust scattering prevention in the aggregate plant

2022





Reducing dust scattering by laying concrete directly on the ground

2023



A/C demolition and partial demolition of the factory building completed



Screen fence installation completed in factory building

Green Construction

To respond to the government policy as to eco-friendliness and to correspond to customer needs on green buildings that are increasing consistently, IS Dongseo is providing green residential spaces taking into account of green materials, spaces in balance with nature, applying energy saving system and designing and constructing green buildings considering the building materials, other resources, structure and even functional aspects from the initial stage of the project.

Climate-Related Opportunity Factors

Classification	Project Title	Certification Grade	Certification Date
Housing Business Division	Eileen's Garden No. 1 Complex in Yaeum-dong, Nam-gu, Ulsan	Preliminary Green Building Certification - Top-performing	2021-11-04
	Eileen's Garden No. 2 Complex in Yaeum-dong, Nam-gu, Ulsan	Preliminary Green Building Certification - General	2021-11-04
	Eileen's Garden in Yeongdo Central, Busan	Official Green Building Certification - General	2021-04-09
	W in Suseong Beomeo, Daegu	Official Green Building Certification - General	2023-12-07
Construction Business Lines	IS Biz Tower Central Knowledge Industry Center in Anyang	Official Green Building Certification - Top-performing	2021-12-22
	8,9BL complex in the industrial site in Deogeun District, Goyang-si	Preliminary Green Building Certification - Excellent	2022-04-18
	10BL complex in the industrial site in Deogeun District, Goyang-si	Preliminary Green Building Certification - Excellent	2022-04-18
	6,7BL complex in the industrial site in Deogeun District, Goyang-si	Preliminary Green Building Certification - Outstanding	2022-10-06

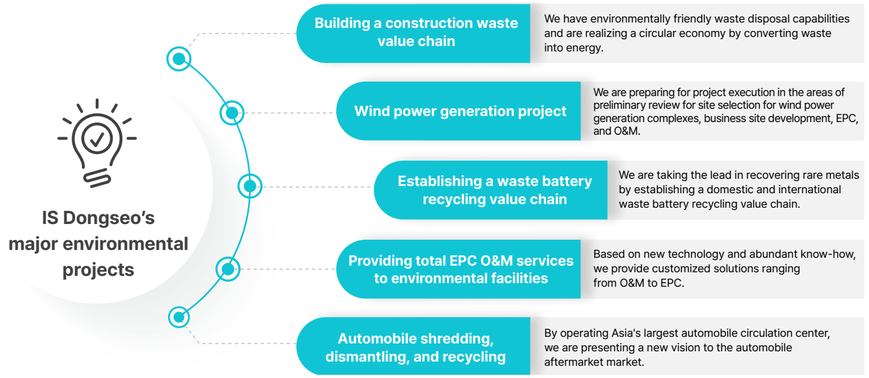
Conservation of Animal and Plant Biodiversity, Environmental Conservation Monitoring

IS Dongseo is carrying out various activities to protect the ecosystem and minimize environmental impact in order to preserve biodiversity. In particular, we are pursuing ecosystem restoration projects in cooperation with local communities to preserve biodiversity in construction areas. These projects include soil and water quality improvement and ecosystem restoration, which are being implemented through customized programs that reflect the characteristics of the region. In addition, IS Dongseo is carrying out various environmental protection activities with the goal of protecting natural habitats and promoting biodiversity. In this way, IS Dongseo recognizes the importance of biodiversity conservation, adopts sustainable resource management and environmentally friendly operation methods, minimizes the impact on the environment through monitoring, and contributes to biodiversity conservation.

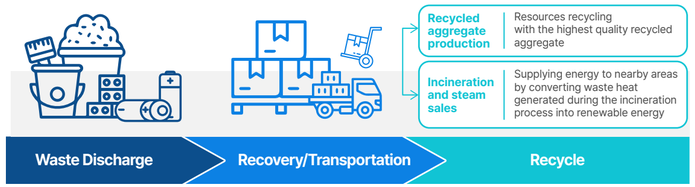
Eco-Friendly New Business

The future envisioned by IS Dongseo

IS Dongseo is pioneering new businesses and developing eco-friendly businesses the fastest among domestic mid-sized construction companies. In 2019, we established an environmental management system by acquiring Insun ENT, a comprehensive environmental service company rated as the best in Korea, and we are focusing on continuous environmental portfolio diversification while building a diverse environmental business portfolio ranging from construction waste disposal to automobile shredding, dismantling and recycling, incineration and steam production, waste landfill, and EPC/O&M business. IS Dongseo has established the industry's first three-stage value chain for recycling waste batteries by utilizing resources from electric vehicle batteries, which are the basis of the circular economy. Thus, IS Dongseo plans to continue leading in global carbon neutrality and increasing corporate sustainability by strengthening its capabilities in environmentally friendly new businesses.

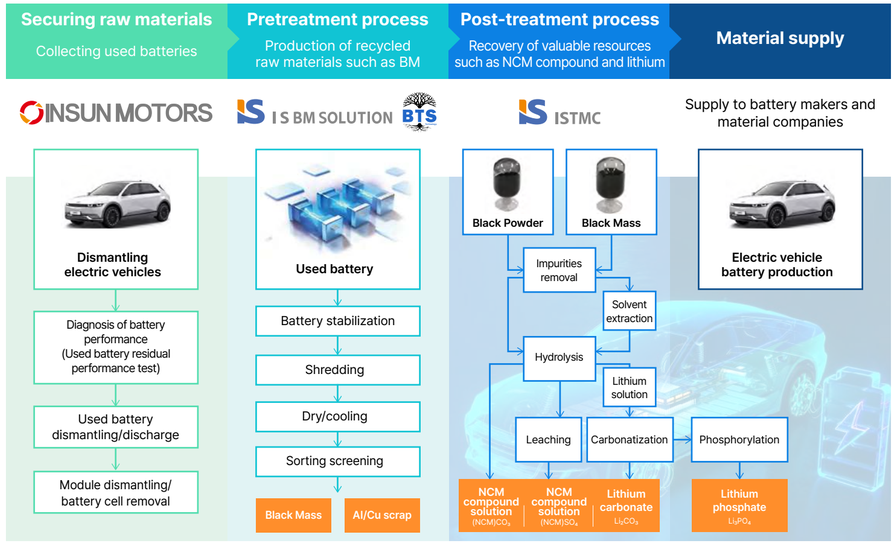


Waste recycling process



Resource circulation through waste battery recycling

As the importance of lithium batteries increases due to increased demand for electric vehicles, IS Dongseo has established a strategy to intensively foster the waste battery recycling business and is making investments accordingly. To secure core technologies, we signed into a technical cooperation with leading companies such as Lithion, which has the best recycling technology in North America, and acquired TMC, Korea's first waste battery recycling company. Thus we completed the three-stage waste battery value chain of raw material procurement (Insun Motors) → pre-treatment (IS BM Solution) → post-treatment (IS TMC). In addition, we completed the construction of a waste battery pre-treatment plant with an annual capacity of 7,000 tons in Hwaseong, Gyeonggi-do last year, and plan to build a pre- and post-treatment facility for recycling of waste batteries for 100,000 vehicles in Ochang Technopolis in stages starting in 2025. Through this value chain, we plan to participate in greenhouse gas reduction activities and provide an integrated circular economy solution that covers the entire life cycle, from battery recovery to rare metal recovery.



Becoming a global battery recycling company through the acquisition of BTS Technology

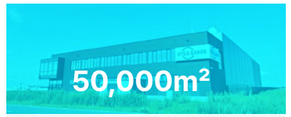
- By absorbing BTS Technology's European network, technology, and infrastructure, we have become a major battery recycling company in Europe.
- Core personnel are composed of locals, so they are familiar with local circumstances and are optimized for human resource management and solving licensing issues.
- A state-of-the-art plant (in Poland) based on more than 3 years of battery recycling facility operation expertise in Europe is scheduled to be completed in 2023 and operational in 2024.

By acquiring an excellent local company, we shortened the 2-3 years needed to enter the European market and laid the foundation for entering Europe at once.



Annual pre-treatment capacity

Europe's first cell/module dedicated space
3 tons input per hour
(maximum 24,000 tons/year)



Waste treatment plant and site

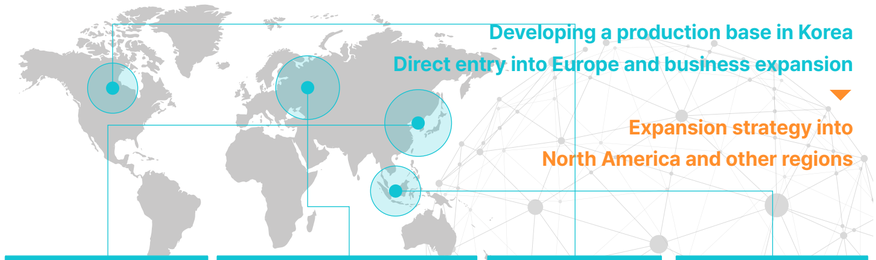
Polish-German border area
Excellent location adjacent to highway/5 times expansion possible



Self-developed discharge/pre-treatment facility

Self-design, production, and use of equipment
Disassembly/discharge expertise

Waste battery recycling global value chain



Korea

- Establishment of Insun Motors Co., Ltd (Goyang, Icheon) - IS TMC (Gumi)
- Development of a appr. 99,174 m2 (30,000 pyeong) production base within the Ochang Technopolis Industrial Complex in Cheongju

Europe

Poland factory operation and expansion
→ Plan to expand throughout Europe, including Slovakia, Hungary, and Germany. Establishing partnerships with battery manufacturers in Europe
Cooperation with automotive OEMs in Europe - establishment of a waste battery recovery network

North America

- Equity investment in a battery recycling company in North America
- Considering direct expansion into North America based on business expansion experience in Europe

Indonesia

- Signed a contract with a battery manufacturer
- Processing of anode scrap through local partners

Main Achievements in Eco-Friendly Business

IS Dongseo has prioritized waste recycling and waste battery recycling as core resource circulation businesses and is expanding its capabilities in these areas.

Secured the No. 1 position in environmental management services

- Has approximately 11 environmental affiliates, including Insun E&T and Environment Energy Solutions.

Completion of Korea's first waste battery recycling value chain

- Leading the domestic and overseas waste battery recycling market by completing the waste battery recycling value chain
  Stage 1 – Securing raw materials (Insun Motors) Stage 2 – Pre-treatment (IS BM Solution) Stage 3 – Post-treatment (IS TMC)
- Completion of the largest pretreatment plant in the metropolitan area (IS BM Solution)

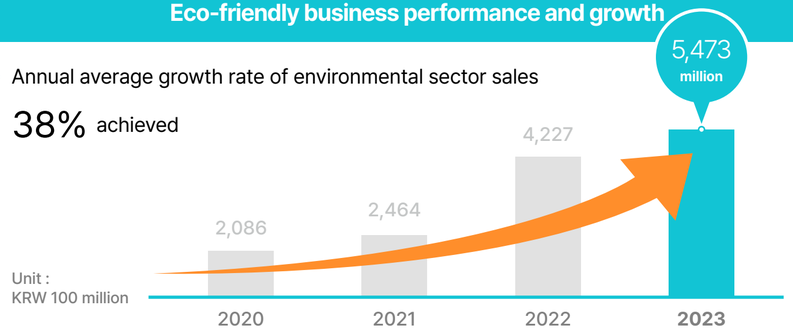
Establishment of global waste battery recycling infrastructure

- Investment in Lithion, which has the industry's best battery recycling technology in North America
- Acquired BTS technology, which has a network and technology in Europe
- Signed a long-term product supply and joint marketing business agreement with CNGR, the world's largest precursor specialist company

Eco-friendly business performance and growth

- Annual average growth rate of environmental sector sales

38% achieved



Environment

- Response to Climate Change 28
- Environmental Management Practices 31
- Greenhouse Gas Reduction 35
- Green Construction 37
- Eco-Friendly New Business 38

Social

- Safety & Health Management 41
- Human Resource Talent Management 47
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- Customer Satisfaction Management 54
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Governance

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CHAPTER 03

Bigger Tomorrow

Safety & Health Management

Policy IS Dongseo established a safety and health management policy to realize the value of respect for life based on ESG management. Based on this, we have established and are upgrading a safety and health management system to improve the safety standards of all sites. Starting in 2022, we have established a system to raise and manage safety awareness, conducted discussions to improve on-site safety, and established a safety and health organization to operate and maintain a disaster-free workplace. Additionally, the safety level has been strengthened based on the ISO45001:2018 Certification at all business sites, and the annual plan and reinforcement methods for safety and health have been instituted and reported to the Board of Directors. Through systematic accident rate management and safety & health-related programs, safe and health-prioritizing business sites are established to enable our employees and our vendors to work in a hazard-free (zero accident) workplace.

Safety and Health Management Policies and Goals by Business Division

In order to enhance the value of 'safety', which is becoming increasingly important since the Severe Accident Punishment Act, IS Dongseo has established safety and health policies, as well as goals according to the characteristics of its major business divisions. Thus, they are informing workers and partner companies of the content in order to create a safety and health culture practiced by all executives and employees.

	Construction Business	Concrete Business
Safety and health policies	IS Dongseo practices the value of respect for life based on ESG management.	
	1 Laws and regulations related to occupational safety & health shall be abided by. 2 A safe and comfortable working environment shall be developed. 3 Advanced preventive activities shall be reinforced to prevent the occurrence of disasters. 4 Occupational safety & health culture shall be stabilized through active participation & cooperation of all members & stakeholders	1 Safety is the highest non-negotiable value (challenge to achieve zero industrial accidents) - Intensive management of the 3 major accident types (fall, getting caught, and getting hit) - 10-minute safety training before starting work for each process - Completion of statutory occupational safety and health training 2 Faithful performance of risk assessment by all business sites - Conducting a risk assessment involving workers and partners - Establishment of risk reduction measures, removal of harmful risk factors - Providing risk-related education and warnings to workers
Safety and health goals	01 ZERO serious incidents 02 Headquarters' workplace safety inspections at least once a month and strengthening trend identification 03 Establishment of intensive management and implementation inspection for risk assessment 'high' grade	01 **Safety and health support** Establishing a collaborative relationship with all members (workers, partners) for shared growth (active support for education and training on safety and health activities) 02 **External diagnosis** Practical external diagnostics for active implementation in company safety and health activities 03 **Voluntary participation** Continuous education and promotion for members' autonomous safety and health activities

On-site Posting Status of Safety and Health Goals



Manufacturing factory


Construction site



Safety and Health Certification Status





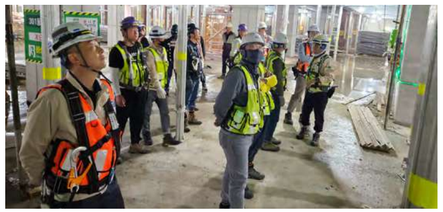




Safety and Health Promotion Tasks

IS Dongseo is actively pursuing key initiatives to achieve its safety and health management goals. We have reinforced our existing safety and health organization to enhance effective management and are bolstering safety and health activities through competency improvement training and the operation of a safety observer group. To prevent safety accidents, we intensively manage high-risk tasks via the CCTV integrated control center at our headquarters and address immediate risk factors through a smart risk assessment system. Additionally, we foster a safety culture by sharing site-specific safety management diagnostics and improvement cases. We also select and reward outstanding sites and employees to promote safety awareness, motivate participation in safety activities, and achieve our safety management goals.

Classification	Details
Safety and health management activities	· Strengthening of Occupational Safety & Health Management Organization
	· Safety and health competency training
	· Operation of safety and health leaders
Advancement of safety management system	· Establishment of a risk assessment system
	· Smart risk assessment system
Safety accident prevention activities	· Safety inspection (introduction of safety observer group to all sites)
	· Distribution of emergency response manuals and response training
	· Disaster investigation and prevention activities
	· Headquarters & site CPR training
	· Serious accident eradication campaign
	· Health promoting program
Safety and health assessment and inspection	· Safety assessment of sites and partner companies
	· Rewards for excellent sites and employees





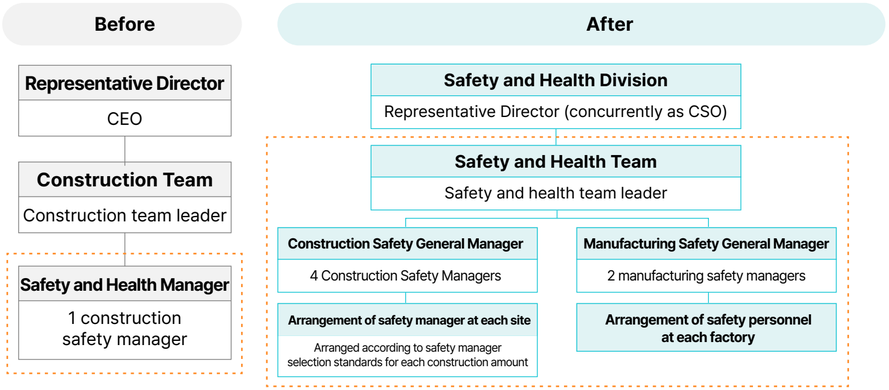
Safety inspection by safety observer group

Expansion of Occupational Health & Safety Management Activities

Strengthening safety inspection	· Weekly labor-management joint inspection for risk assessment · Monitoring that's conducted by introducing a smart risk assessment system
Budgeting of safety management costs to better prevent accidents	· Executing 100% or more legal safety management cost; · Strong encouragement for vendors to incur safety management costs to better prevent accidents
Strengthening safety training and improving facilities	· Fully sharing risk assessments and an active reflection of workers' opinions when conducting mandatory statutory training
Key safety management by each accident statistics figure	· Training on risk factors and safety measures by construction type and period during daily TBM · Strengthening safety inspections during vulnerable times

Strengthening Safety and Health Organization

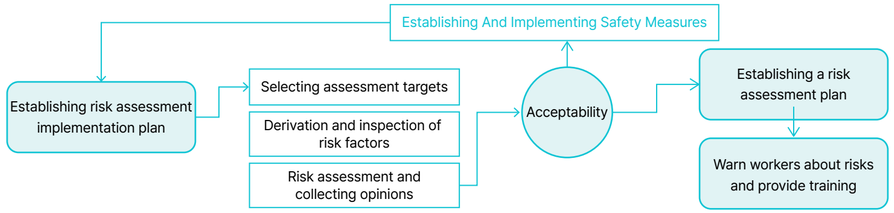
IS Dongseo appointed a Chief Safety Officer (CSO) with board approval in 2022 to reorganize the safety and health organization and established an effective safety and health management framework. As a result, an independent decision-making system was established for a safety management organization that can take immediate action in the event of a serious accident, and a foundation was laid to serve as a control tower to support safety-based business performance. Additionally, to establish effective on-site safety management, we support our partners in forming their own safety management organizations. We encourage them to develop autonomous safety and health systems, striving together to create a safe workplace.



Establishment of Risk Assessment System

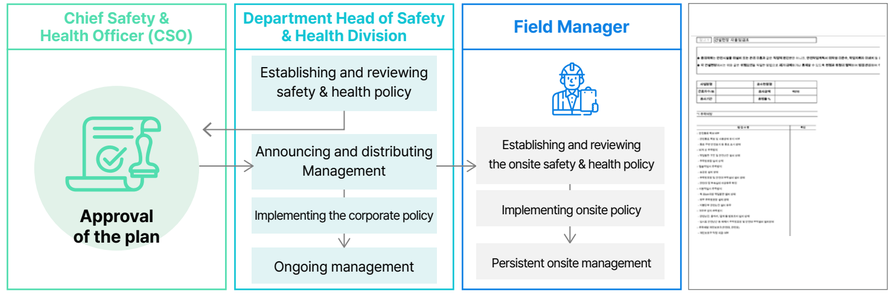
To minimize safety accidents, IS Dongseo set up risk assessment meetings frequently for each construction type, and meetings are held 2 times per month from each site. At the meetings, the risk factors existing at the site are identified by discovering onsite unstable situations, collecting and reviewing the unsafe work for each construction type, and conducting supplementary action in a bid to reduce the risks and implement measures. These meetings are attended by employees, including IS Dongseo's occupational safety and health manager, management supervisor, and vendor workers. All employees are encouraged to enhance their safety awareness and commit to eliminating and reducing risks in advance through safety accident prevention.

Risk Assessment Process



Occupational Health & Safety Management System (OHSMS)

IS Dongseo prioritizes safety as a major agenda from the design and construction stage to ensure a stable autonomous occupational health & safety management system (OHSMS), while performing onsite safety & health activities on a regular basis under the occupational health & safety management goal of ensuring a stable and ingrained safety & health culture.

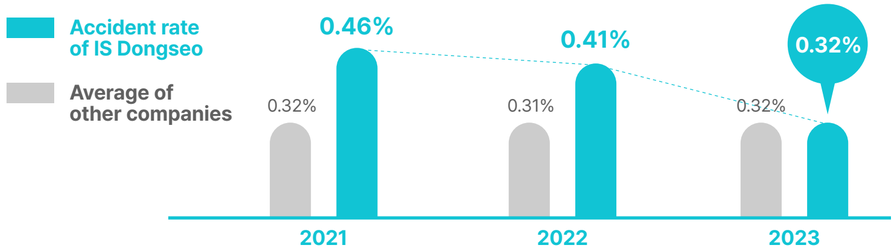


Serious Accident Management Goals

In order to eradicate serious industrial accidents, IS Dongseo sets the key direction for the company, including its partners, and sets quantitative goals for indicators to this end. By 2025, we plan to maintain the number of serious accidents at "0" and reduce the number of injuries and diseases for workers by 30% annually.

Classification		2021	2022	2023	2024	2025 (Target)
No. of serious accident occurrences		0	0	0	Zero serious disasters	
No. of injuries & illness of workers (Vendors)	Male	1(33)	1(31)	3(33)	Annual reduction of 30%	
	Female	0(1)	0(3)	0(2)		
	Total	1(34)	1(34)	3(35)		

Status of Accident Rates in Last 3 Years



Improving Safety Observer Group Operations

IS Dongseo has actively improved the safety observer group's operating method and expanded the observer group, which was previously only deployed to construction sites with more than 1,000 units, to all sites, including partner companies, and is making safety a top priority by inspecting and evaluating all sites to ensure that they are safe to work in.

Before	After
	
Deployment of safety observer group to construction sites with more than **1,000 units**	Deployment of safety observer group **at all sites**

Implementation of Safety and Health Assessment

For on-site safety, IS Dongseo conducts a safety and health evaluation for the construction and manufacturing division once in the first and second half of the year, to analyze the adequacy of the on-site safety system operation and reports this to the Chief Safety Officer (CSO). Safety and health evaluations and inspections are carried out by selecting an external organization specializing in safety to objectively evaluate the level of safety management at the site, and if safety management is not implemented properly, we immediately reinforce it to prevent risk factors in advance.

The first half
- Establishment of inspection plan for 2023 and selection of external organization
- Evaluation of implementation level in the first half of the year
- Analysis of on-site safety system operation adequacy

The second half
- Evaluation of implementation level in the second half of the year
- Analysis of on-site safety system operation adequacy

- Conducting assessment and inspection by external organization once a half year
- Reflection of evaluation and inspection results in personnel evaluation
- Periodic cross-checks in construction and manufacturing divisions

Comprehensive evaluation

Comprehensive report to CSO

Standards and implementation of on-site evaluation and inspection in the first and second half of 2023

IS Dongseo establishes standards for evaluating whether the safety and health management manager, management supervisor, and chief safety officer are faithfully carrying out their duties in order to increase the effectiveness of safety and health work, including raising responsibility and safety awareness among our employees.

Evaluation Target

All sites		Head office
Target	Approved by	
Site, chief safety officer, management supervisor (all site employees)	Head of Safety and Health Division	Safety and Health Team

Evaluation items and methods

Item	Point	Conducted by	Evaluation methods
Accident rate	25 points	Head office	Evaluation by calculating the accident rate during the evaluation period
Risk assessment system	15 points	Head office	Performance measurement evaluation based on DATE BASE for smart risk assessment
Compliance with safety management cost usage rate	10 points	Head office	Evaluation based on occupational safety and health management cost utilization rate
Consulting inspection	50 points	External organization	Autonomous safety consulting safety system and on-site evaluation and inspection
Additional points (maximum +7 points)	+ 2 points	Head office	Additional points to sites that failed to pass the previous safety and health evaluation
	+ 5 points	Head office	Awarded safety-related commendations: Minister's commendation or higher (Ministry of Employment and Labor)
Deducted points (maximum - 5 points)	-2 points	Head office	Social issues (safety-related media reports, etc.)
	-0.2 points	Head office	Safety administrative disposition: fine

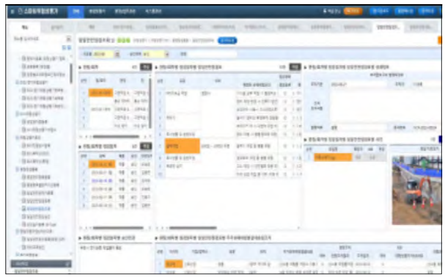
Reward Standards for Sites

Classification	Standards	Note
Reward	Top 20% in site evaluation	Commendations (cash prize) are reflected in personnel evaluations

Implementation of Smart Risk Assessment

IS Dongseo is conducting a smart risk assessment for all sites. By linking PCs and smartphones at all sites, we regularly record risk assessments, inspections of intensive management items, management of additional risks discovered, and management of nonconformities. Moreover, we use a system that supports continuous improvement through analysis and review so that risk factors can be immediately shared and taken action upon discovery. Through this, we continuously monitor accident prevention strengthening activities, including measures for key risk factors.




Risk assessment PC


Risk assessment APP


Participation of workers

Improving Safety Management Cost Rates for Partner Companies

In order to expand and support the budget required for on-site safety management activities, IS Dongseo has raised the safety management cost rate at the head office level. By increasing safety management costs for partner companies, we support our partner companies to create a safe working environment and practice autonomous safety activities

		Before	After
		Labor cost × 0.5%	Total construction amount of partners × rate
NO	Item	Current status of our company	Improvement plan
		Rate	Rate
	Safety management cost calculation	Labor cost × 0.5% (Total construction amount of partners × rate)	Total construction amount of partners × rate
1	Reinforced concrete	0.25%	0.50%
2	Steel frame		0.40%
3	Wet construction	0.26%	0.30%
4	Machine	0.15%	
5	Electricity	0.17%	
6	Pile driving		
7	Waterproof	0.22%	

Implementation of Safety Inspection Activities

IS Dongseo conducts safety facility inspections and employee training on ‘Safety Inspection Day’ every month. Last year, a total of 290 safety inspections led by the head office were conducted, and resident inspections and evaluation inspections by technicians from external professional diagnostic agencies were conducted 113 times, including CSO inspections. Through this, all executives and employees are deeply aware of safety awareness and a culture of safety is being created.



Rewards for Excellent Sites

IS Dongseo has established on-site safety evaluation standards and conducts evaluations and inspections. We select and reward three outstanding sites and employees based on safety and health evaluation inspections to encourage safety awareness and motivate active participation in safety activities.



Spread of Safety Culture

Management of Severe Accidents

In the event of serious accidents, IS Dongseo investigates the causes to implement preventive measures against recurrence. We conduct campaigns across all sites to prevent severe accidents, encouraging employees to increase their safety awareness and implementing measures to better prevent safety incidents. As a result, we have achieved ZERO serious accidents over the past five years.





Serious Disaster Eradication Campaign

Spreading safety culture through workshops and meetings



In addition to safety education, IS Dongseo is forming a dispersing safety culture atmosphere in order to strengthen members' awareness of safety and health and continue to autonomous preventive activities through regular safety manager meetings and workshops.

Workshop and Safety Manager Meeting



Emergency Response Training

Emergency response manual distribution & training

We prepare for emergencies by developing site-specific response scenarios and conducting training for major industrial accidents and imminent risks twice a year, once in each half. We also create and distribute an appropriate emergency response manual to all sites.



CPR and AED Practical Training

Headquarters & Sites CPR Training

In preparation for emergency situations, we invite external instructors to our headquarters and sites to provide CPR and AED training to all executives and employees, ensuring that anyone can respond quickly to emergency situations.

Safety and Health Competency Training

IS Dongseo is enhancing safety and health awareness by reorganizing our training system and conducting various programs for executives, employees, partner company staff, and safety-related workers. We focus on practical training that addresses field-specific issues, thereby promoting safety much more effectively.



Safety and Health Competency Training

Attending a Safety and Health Leadership Meeting

IS Dongseo attended the 2023 'Safety and Health Leadership Meeting' hosted by the Ministry of Employment and Labor and presented our company's safety management cases. This event was an opportunity for large construction companies that have not had a fatal accident for three years to present their advanced safety management cases, and the companies shared their safety management implementation levels and explored ways to establish a safety culture.



Safety and Health Leadership Meeting

Human Resource Talent Management

Human Resource Management Policy

Excellent talent is crucial for corporate growth, and a company thrives by securing top talent and fostering a culture of challenge. Accordingly, IS Dongseo operates a systematic talent development program to identify individuals who align with our talent criteria and cultivates a corporate culture where both the company and its employees grow together through a collaborative organizational environment.

Classification	Details
Recruiting excellent talent	· Open recruitment of new employees · Improvement of the excellent talent recruitment process · Field training and internship programs
Talent development and performance evaluation	· Talent development (strengthening leadership and job capabilities of executives and employees) · Improving capabilities and activating communication through education · Fair performance evaluation and compensation system
Good to work culture	· Good to work culture · Welfare
Human rights training for executives and employees	· Improving capabilities and activating communication through education

Human Resource Talents at IS Dongseo

All our employees are the drivers of creative innovative value for the company and are an invaluable asset. IS Dongseo defines the concept of our human resource talents that can contribute to achieving the goals of the company and to sharing a future together based on the core values of challenge, passion and trust.

Innovator with challenging & creative mind

Talents with a critical mind, who do not rest on their laurels and always take on new challenges, creating better values via creative thinking & action

Professional with passion & expert mindset

Talents that constantly acquire and learn new skills for their job, beyond related fields, to prepare to lead in changing the future

Expertise preparing for the future

Talents with the passion to take initiative, an expert professional mindset, and the ability to lead IS Dongseo's future success through creative thinking and action

A global leading company that creates infinite possibilities and a culture of happiness by pursuing mutual growth & cooperation



A better tomorrow is designed at the closest point to our customers, to realize a life of leisure & content that everyone aspires to.

Spirit of **challenge** builds the future

passion is what drives us

trust is the foundation.

Recruiting Excellent Talent

To hire great talent based on taking on challenges, passion, and trust, IS Dongseo is recruiting gifted people based on the aspects of fairness, inclusiveness, good fit and rationality without any form of discrimination on the grounds of gender, region, and academic background, etc. Along with the application document review, the 'AI Competency Evaluation' is employed to verify the requisite competencies, personality attributes, related job skills, and good fit to the organization, which are assessed in our concerted bid to acquire first-rate talented manpower in tune with the talent philosophy of our company.

Recruitment PR and Recruitment Process Improvement

Application submission & "AI competency Evaluation"	Application document review	Screening interview	2nd interview	Medical examination	Final recruitment
Applicants must submit the online application form & AI competency evaluation result through the recruitment website during the scheduled recruitment period.	Basic qualification & competency verification are done based on the details indicated on each item of the application and the self-intro letter.	Job competency, personality traits, & good fit to the organization, etc. are evaluated in detail through the screening interview (working level).	At this stage, final in-depth verification is conducted on those who passed the screening interview.	Conducting health checkup of selected applicants.	After the overall recruitment process is completed, work conditions are discussed & the recruitment results are announced

Development of Employees with Professional Competency

IS Dongseo operates its own talent development program to secure professional manpower that can lead IS Dongseo's current and future business and create amazing results. In 2023, we operated a recruitment and training program to recruit applicants with work experience as employees and secured experts in various fields, as well as helped new employees easily adapt to the organization through our on-site OJT program. IS Dongseo plans to implement professional training courses and license and degree acquisition programs to enhance the capabilities of its members. We also aim to revitalize internal knowledge sharing by reorganizing the in-house instructor training and support system. This approach will foster a corporate culture of mutual growth, encouraging a sense of personal development and establishing a culture of autonomous self-learning.

Core Value Talent Development	Core values of IS Dongseo are shared to align and internalize the goals of individuals and the company, and the core value curriculum is operated to develop the optimal mix of IS Dongseo's human resource talents for connecting them to the work. Basic training on core value · Core value internalization training
Strengthening Leadership and Developing Prospective Leaders	Structured curriculums are provided for team leaders and managers to enhance leadership skills for organizational and business management, preparing them to effectively respond to new changes. To develop the future leaders of the company, a variety of training courses are operated to recognize the roles appropriate for each position and build an ownership mindset towards responsibilities Online Mba Course · New Team Leader Training · Online Mba Course · Hierarchical Leadership Training · Promoted Employee Training
Job Competency Enhancement Training	On/offline curriculums from various educational institutions are provided to develop the professional skills and know-how for each job Self-initiated learning and specialized training courses for developing diverse sets of expertise, etc. are also provided.

Member Diversity Policy

IS Dongseo is implementing member diversity goal management to form a creative organizational culture by securing diverse talent to improve the competitiveness of the organization. We are dedicated to achieving diversity goals by ensuring that all members, regardless of disabilities or gender, are evaluated solely based on their individual abilities and objective performance, without facing discrimination.

Member Diversity Goal Management Plan

Target	Until 2025	
Goal	Forming a creative organizational culture through the pursuit of diversity among IS Dongseo executives and employees	
	Diversity in Recruitment	Diversity in Gender
	Maintaining current level of hiring from various classes (persons subject to employment protection, such as persons with disabilities and persons of national merit) * Accounts for 5% as of 2023	Increasing the proportion of core female talent within the company to 15% of total employees by 2025 * Accounts for 11% as of 2023 * Expansion of selection and training of female employees at manager level and above
Operation plan	Providing employment opportunities that embrace various classes and providing fair opportunities to both genders	

Empowerment via Training and Free & Active Communication

IS Dongseo duly performs comprehensive professional trainings for onboarded and promoted employees, allowing them to maximize their skills and competencies on the job. Training courses are provided on leadership, communication, and logical problem-solving skills that are pivotal in management activities, with opportunities given to enhance job skills and professional expertise, as well as interaction with colleagues from other departments. In addition, a general communication space called the "IS Lounge" is provided in the head office to improve work efficiency and performance for our employees. This way, they can feel supported to share their ideas freely and communicate comfortably about work issues.

Classi-fication	Course on Values	Mandatory Curriculum				Optional Curriculum		Course Specialized for Work	Other Curriculum			
						Job Training						
		Team Leader Empowerment Course		Promoted Employee Course	Hierarchical Leadership Course	Construc-tion Division	Manufact-uring Division	Group Job Training				
General manager	Basics of Core Values (new) / Internali-zation of Core Values (existing)	Team leader course	New team leader course	New senior/ general manager course	Improvement of decision-making	Technical specialist training ▼ Safety & health · Project representative · Technology for each process (construction, civil engineering, etc.) · Other on-the-job training · Professional knowledge training	Production management, quality control training ▼ KS Certification related training · Technical training for each process · Program utilization · Other on-the-job training · Professional knowledge training	Individual job specialized training - HIGH (provided separately)	Corporate culture & in-house etiquette workshop	Interviewer refresher workshop	Teamwork improvement workshop	Foreign language lessons
Senior manager					Influence improvement			Individual job specialized training - MIDDLE (provided separately)				
Manager				New manager course	Middle manager empowerment							
Assistant manager				New assistant manager course	Follower leadership			Individual job specialized training - LOW (provided separately)				
Senior-level, staff					Self-initiated leadership							
Introduction Course for New Employees		values (vision/Mission/core value), organizational culture, in-house etiquette training, basic job competency improvement, report preparation, report method, communication, activities										

Field Practice and Internship Program

IS Dongseo has signed a regional industry-academy-government agreement to offer field apprenticeships, internships, and other opportunities in professional areas such as construction, civil engineering, and construction supervision to graduates from local universities. This initiative helps identify future talent and supports their stable integration into the organization.



Self-Directed Learning Support

IS Dongseo supports tuition and expenses for external training courses related to work so that employees can learn what they want themselves. In addition, we help new employees adapt to the organization through training programs, and support them to create their own future growth plans and develop into experts through self-directed learning. IS Dongseo plans to continually address the individual growth needs of its members through tailored support for self-directed learning.

Establishing our Corporate Culture as a Good Place to Work

IS Dongseo has built flexible work environment so that all our employees can develop professionally and advance their careers through a sound work-life balance in a good workplace. Our equality-minded parental leave system is operated without gender discrimination, and our family-friendly corporate culture provides congratulatory bonuses for childbirths and reduces the work time during the early childrearing period, and so on. In addition, the PC OFF system promotes efficient work hour management by turning off the computers after six o'clock at work, and the culture of clocking out (leaving work) on time is put into real practice for the sake of work-life balance. Internal loans to stabilize housing security and various congratulatory and bereavements support are given. As part of the work-life balance initiative, our healthcare system allows the health and physical wellbeing of employees to be cared for and educational fees are supported for foreign language classes for the sake of self-development.

Work-Family Balance Support System

IS Dongseo has established a support system for each stage, from pregnancy to childcare, to prevent career disruption for female employees. We have established a support system during pregnancy, childbirth, and childcare, including parental leave during pregnancy and leave for infertility treatment, maternity check-ups, miscarriage/stillbirth, etc., and we are helping to balance work and family life by introducing a flexible work system, including encouraging male employees to take paternity leave.

Welfare & Benefit System

Family welfare support

- Educational expenses of children in middle /high school & university are supported.
- Various congratulatory & bereavement gifts for workers are provided.

Healthcare support

- Comprehensive medical checkups supported for field workers

Support for living stability

- Loan support on housing purchases & lease contracts
- Moving expenses are supported when transferring workplaces within the company

educational support

- Educational expenses for foreign language are supported
- Legal training is supported

Other Support

- Vacation Bonus Once A Year is Given
- Introduction Of The PC Off System
- Casual Day Observed
- Incentives For Long-Time Service To Company
- Condo and Resort support
- Holiday Gifts

Fair Performance Evaluation and Compensation System

IS Dongseo strives to fairly evaluate the achievements and capabilities of its executives and employees, provide feedback on work performance and advice on future work plans, and provide reasonable compensation based on the results. The evaluation system consists of achievement evaluation and competency evaluation, to measure individual performance and promote future growth. The evaluation results are reflected in promotions, compensation, and training.

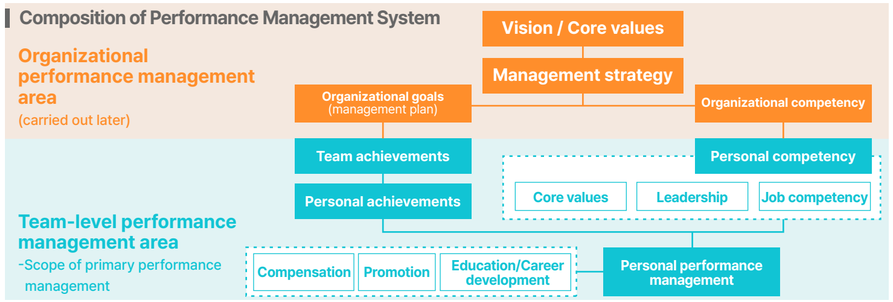
Reorganization of the Evaluation System

To support objective evaluation and competency development, IS Dongseo reorganized the year-end evaluation system in 2022 and reflected the corresponding evaluation standards in 2023.
The key reorganization areas were set around a total of four directions of 'establishing a performance management system', 'improving evaluation fairness', 'securing talent development functions', and 'internalization of core values.' Competency evaluations that evaluate the level of core competencies for each job group and performance evaluations based on team goals are conducted through special performance management and semi-annual inspections, while the final evaluation score is calculated based on the data accumulated through these evaluations. Based on this objective evaluation process, we provide accurate evaluations for promotion and fair compensation to all executives and employees. In addition, in the evaluation process, we are strengthening the result review and feedback functions to increase employees' acceptance of the evaluation results and support capability building.

Key Reorganization Areas

Establishing a performance management system	Securing talent development functions	Internalization of core values	Improving evaluation fairness
· Establishment and evaluation of team-level performance goals · Motivation to achieve goals through disclosure of performance goals	· Application of competency by position and leadership competency	· Establishment of core value behavior indicators and reflection of capability evaluation	· Delivering individual evaluation grounds through feedback

Composition of Performance Management System



03
Bigger Tomorrow

Environment
Response to Climate Change
Environmental Management Practices
Greenhouse Gas Reduction
Green Construction
Eco-Friendly New Business

Social
Safety & Health Management
Human Resource Talent Management
Labor-Management Cooperation
Business and Human Rights
Customer Satisfaction Management
Win-win Management
Social Contribution

Governance
Governance
Ethical Management
Risk Managemen

Labor-Management Cooperation

Strengthening Labor-Management Communication

We regularly hold labor-management councils composed of employer representatives and employee representatives to share important issues, such as worker welfare, wages, health and safety. Based on this, we promote harmony between labor and management and build a strong trust. Additionally, in order to strengthen anonymity, we are handling grievances through online reporting of misconduct. We provide immediate feedback on the complaints received by taking action immediately upon receipt.

Labor-Management Consultation Culture

in accordance with Articles 3 and 5 of the Trade Union and Labor Relations Adjustment Act, IS Dongseo guarantees workers' freedom to join and withdraw from a labor union, and we do not interfere with employees' joining the labor union or force them to withdraw. IS Dongseo, which values trust and harmony between labor and management, applies collective agreements to 100% of its executives and employees, and operates a labor-management council to protect employees' rights and interests and promote sound company development. The Labor-Management Council is composed of equal numbers of both workers and employers, and discusses issues such as productivity improvement, performance distribution, personnel matters, labor management, and welfare promotion through regular and ad-hoc council meetings on a quarterly basis. The labor-management council collects complaints, suggestions, and other matters that may affect employees, as well as wage negotiations, performance distribution, and welfare benefit levels. The summarized opinions are coordinated at ad-hoc meetings and then finalized at regular or ad-hoc meetings attended by equal numbers of both labor and management, then delivered to employees. In particular, major changes in management are announced at least 14 days in advance, to minimize management confusion. IS Dongseo is building a sound and healthy labor-management culture that resolves issues based on the participation and cooperation of all executives and employees and proactively responds to the rapidly changing corporate environment.

Retirement Pension System

IS Dongseo supports executives and employees eligible for retirement so they can prepare for their later years by operating a retirement pension system for all executives and employees. In addition, we provide product education to retirement pension subscribers, to help them establish a stable foundation after retirement.

Improving Working Conditions and Environment



IS Dongseo is making various efforts to create a healthy work culture for its employees.
We have been implementing a half-day leave system since 2013 in order to allow employees to take care of their personal business, and we announce the annual vacation plan in advance at the beginning of each year, so that employees can utilize their annual leave efficiently and make flexible vacation plans. In addition, in April 2024, in order to improve the work efficiency of executives and employees and provide a pleasant environment, we relocated our headquarters building and actively improved the working environment.
In order to create an environment where executives and employees can come together and communicate positively, office partitions were lowered, the structure was changed to an open office with a conference room that allows for flexible space changes, and the interior of the building was transformed into a bright, white-toned space. In addition, in order to practice eco-friendly activities, we provide a coffee machine and mug washing space in the tea making room on each floor to encourage reducing the use of paper cups, and we participate in reducing waste by refraining from using personal trash cans.

Business and Human Rights

Policy

IS Dongseo pursues responsible management that places a high priority on the human rights of all employees, stakeholders, and vendors at domestic and overseas sites. In addition, we thoroughly observe and protect the labor and human rights inspection items of executives, employees, and all stakeholders to establish an ESG management system. Furthermore, we have established an ESG inspection system in accordance with the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, and ILO International Labor Standards to manage human rights risks in business sites, partner companies, and local communities.

Non-Discrimination	Prohibit employment discrimination based on gender, race, and nationality, and respect diversity.
Compliance for working conditions	Comply with legal working hours, and provide reasonable wage and proper workplace environment.
Labor treatment	Respect and protect employee privacy, protection of personal information, and abolition of unfair treatment.
Ensure freedom of association & collective bargaining	Respect labor laws of each country, and provide sufficient opportunity for employee communication.
Prohibition forced labor & child labor	Prohibit coercive labor against the will of employees and strictly forbid child labor.
Guarantee occupational safety	Support a safe workplace environment and prevent physical and mental risks to employees.
Protection of local residents	Prevent human rights violations affecting the health and lives of local residents, and protect properties during work.
Human rights protection of the customer	The measures in place for protecting customer lives, health, properties and personal information

Culture of Respect for Human Rights

IS Dongseo has established a human rights grievance handling process based on the Human Rights Charter and is resolving employees' grievances accordingly. The complainant's personal information is thoroughly protected, and reported complaints are carefully investigated in accordance with the law, industry practices, and government regulations appropriate to the case, based on the Human Rights Charter.

Respect of Human Rights in the Workplace

To safeguard against discrimination and workplace harassment and create a healthy organizational culture, IS Dongseo prohibits all forms of discriminations, sexual harassments and workplace bullying. Furthermore, in accordance with employment regulations, we operate and enforce a zero-tolerance policy for these incidents, including accident reporting and reporting processes, and take corrective and disciplinary action. We also mandate the prevention of harassment and provide workplace harassment prevention education. Training on preventing sexual harassment and workplace bullying is provided as mandatory training. When incidents of discrimination, sexual harassment, or workplace bullying arise, strong disciplinary action is taken by the HR Committee based on internal regulations. We also continue efforts to provide appropriate relief methods, prevent secondary damages, and establish plans to prevent recurrences.

Inclusion of Diversity

Due to the nature of the construction and manufacturing industry, IS Dongseo employs workers of various nationalities and races during the business process, and operates a global supply chain to supply materials. To foster an organizational culture where the values of diversity and inclusion are internalized throughout the business and where diverse talent can include creative and challenging thinking, we have established an internal system and and are regularly monitoring diversity inclusion. Additionally, to recruit diverse talent regardless of gender, nationality, or age, we are increasing the appointment of female executives and the employment of individuals with disabilities.

Human Rights Grievance Process



Identifying Human Rights Risks

IS Dongseo conducts human rights monitoring at both domestic and overseas business sites. We take the lead in protecting and promoting human rights by identifying and managing major human rights issues and vulnerable groups throughout the entire business process. IS Dongseo plans to further strengthen the philosophy of Business and Human Rights by establishing a goal of expanding the number of workplaces subject to human rights risk inspection up to 100% of domestic and overseas business sites.

Human Rights Risk Checklist at Business Sites

Classification	Details
Respect for basic human rights	Presence of discrimination and abuse
	Presence of disadvantage or discrimination regarding politics/religion
	Difficulties in working at the site
Ensuring workplace safety	Completion of safety training when entering the site
	Renewal of medical/workers' compensation insurance
Labor rights protection	Presence of forced/child labor, ID verification when hiring
	Salary paid after signature
	Confirmation of working hours in compliance with time sheet
	Freedom of association/collective bargaining
Welfare	Accommodation and safe living check
	Meal check
	Checking convenient facilities during breaks

Activation of Grievance Handling Channel

IS Dongseo operates a grievance handling system to manage the human rights compliance of internal members and resolve grievances as much as possible. If employees have complaints while performing their work or experience difficulties such as being bullied in the workplace, they can file a complaint with a designated grievance committee member through the grievance handling system and request counseling for their complaint. In addition, we strive to resolve employee grievances as much as possible through phone, email, or face-to-face consultation.

Grievance Procedure

IS Dongseo responds to various human rights violations that may occur inside or outside the company through its human rights department and operates various reporting systems to strengthen the philosophy of Business and Human Rights. To protect the privacy of complainants, we operate various channels, including a complainant protection system and anonymous reporting channels.

Step	Classification	Description
1	Grievance report	Grievances are reported through the online Report Center
2	Grievance Handling	After receiving the grievance from the worker, it is handled within 10 days to notify the report to the relevant worker
3	Supplementation of Grievances	Any grievances and significant matters of the worker that cannot be handled by the grievance handling personnel are reviewed representatively by the business management personnel
4	Report Preparation	Report on receiving and handling the grievance is prepared and arranged

Training on Human Rights

IS Dongseo is providing annual training on preventing workplace bullying, improving an awareness of people with disabilities, and preventing sexual harassment. In addition, awareness of human rights is to be enhanced through human rights training, and a training program is operated for all employees to improve their awareness of respecting and embracing diversity.

Classification	Content	Target
Training on preventing workplace bullying	• Definition and relevant occurrence types	Mandatory training of all employees
	• Essential factors for preventing their occurrence	
	• Development of culture of communication in the workplace	
Training on preventing sexual harassment	• Concept of sexual harassment & judgment criteria for each type	
	• Secondary damage & gender sensitivity	
	• Handling procedure and protection from sexual harassment	
Training on improving awareness of the disabled	• Definition and types of disabilities	
	• Relevant laws & systems of employment of workers with disabilities	
	• Guide to working with workers with disabilities	

Customer Satisfaction Management

Policy

IS Dongseo strives to provide the best value in order to meet customer needs through customer-centered quality management, building customer trust through compliance with the basics and principles of the quality management system and continuous improvement. We carry out quality inspections in stages and professional move-in management throughout the entire project, from the commencement of construction to completion and follow-up management, and in particular, in order to strengthen quality inspection to prevent defects and improve customer satisfaction, we established a quality control team under the safety and health division, to advance the management system. In addition, we have acquired a certification for the quality management system (ISO 9001), an international standard, and maintain renewal examination qualifications every year. IS Dongseo is doing its best to satisfy the needs of its customers by conducting the inspection of work processes and the technical status at all business sites, as well as a total functional inspection that checks not only visible parts but also invisible parts, such as the performance of equipment and facilities.

Quality Management System Certificate

ISO9001 Certificate

A company-wide business management system in which all organizational members participate in overall management activities such as planning, design, purchasing, production, delivery, and service through customer satisfaction and quality assurance.

· Date of acquisition | 2015
· Certification Agency | KTR Certification Center



Goal

For customer-centered management, IS Dongseo establishes and manages detailed goals and roadmaps for each department to minimize customer complaints and quality nonconformance. We earnestly reflect various opinions received through online and offline channels, such as customer complaints and product feedback, and database these opinions for management. Additionally, active problem-solving plans, progress, and follow-up statuses are shared with all sites and relevant departments for continuous communication and management. IS Dongseo will continue to impress customers by providing products and services that meet their needs in a rapidly changing market.

Brand Information

IS Dongseo continues to develop residential products by reflecting customer needs and trends. IS Dongseo launched the apartment brand 'Eileen's Garden' in 2006, with the concept of 'Human Design', where people, the environment, and cultural sensibilities coexist. Moreover, in 2014 it launched W, a high-rise, high-end apartment brand with the concept of 'luxury and high quality.' In particular, in line with the brand concept of 'luxury and high quality,' W was presented as a high-end, limited-edition residential product by consolidating all of IS Dongseo's expertise into the emotional image of Eileen's Garden. In addition, IS Dongseo introduced the creation of a futuristic business space through the knowledge industry center 'IS BIZ Tower' brand, and it's realizing customer satisfaction through the development of customer-oriented new products suitable for the changing market.



Defect prevention process

Planning

Design, construction, quality control team, A/S team
- Preliminary review of housing defects
- Performing simulation of major defects

Construction

Defect inspection and repair, improving customer satisfaction
- Report on improvement status after inspection
- Pre-inspection, minimizing defects after move-in

After moving-in

On-site defect management organization

- CS engineer, resident manager, multi-skilled worker
- A/S work by in-person visit

Defect Handling Process

Receipt

Defect type analysis
- Cause analysis and defect repair plan establishment
- Establishment and notification of defect repair schedule

Defect repair and monitoring

Defect inspection/repair and improvement of customer satisfaction
- Repair/inspection of additional defects by collecting customer opinions

Preparing measures to prevent recurrence

follow-up management and preparation of measures to prevent recurrence
- Case sharing and datafication
- Customer satisfaction survey

Quality Management

Policy In order to meet customers' pursuit of value and achieve shared growth with stakeholders, IS Dongseo continues quality innovation activities with an efficient quality management system based on future technology and accumulated technical know-how. In particular, in order to strengthen quality inspection to prevent defects and improve customer satisfaction, we have upgraded the management system by establishing a quality control team under the safety and health division in 2022. IS Dongseo is committed to satisfying customer needs by conducting comprehensive inspections of work processes and technical status at all business sites, from the start of construction to completion. This includes a thorough functional inspection that checks both visible parts and invisible aspects, such as the performance of equipment and facilities.

Quality Policy
Strengthen the Quality Management System
Realize customer satisfaction

Quality Management

Goal
Minimize customer complaints
Minimize non-conformances

Strengthening core competitiveness for each Department

Construction
Residents' satisfaction level is improved by providing the lifestyle in response to the change in the housing market.

Manufacture
Possessing top quality and mass production capabilities through continuous R&D and investment, to realize timely delivery.

Environment
With the environmental business as the future core growth engine, strengthening of eco-friendly competitiveness and sustainable growth are pursued.

Plan	DO	Check	Action
Establishment of quality control plan	**Conducting business**	**Evaluation and feedback**	**Quality improvement**
• Establishment of standards (manual) • Establishment of process • Collection of on-site and customer opinions	• Compliance with quality standards • Process compliance • On-site regular training and monitoring	• Check compliance with standards • Feedback on evaluation results • Collection of on-site and customer opinions	• Continuous quality improvement • Datafication of quality assessment • Sharing best practices and improvement cases

Quality Innovation

Quality Inspection Process

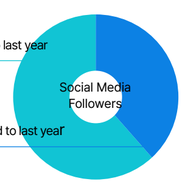
IS Dongseo is strictly performing quality control on all processes in the construction site, and inspection of major defect factors. From the initiation of construction to its completion at all business sites, we perform comprehensive inspections that include visible aspects of the work process at each stage and technical status, as well as invisible aspects such as the performance of equipment and facilities. In October 2021, defect cases collected for the past 10 years were classified into construction and equipment in orer to gather the main cases, and the [Defect Casebook] was published by the AS team. In 2022, the quality control team published the [Quality Inspection Casebook for Training] to comply with the design laws and regulations, and to prevent complaints and defects in advance. The casebook is distributed throughout the company to refine the quality inspections through periodic training for personnel at all sites regarding the responsible tasks and construction standards. IS Dongseo devotes its efforts to timely preventing even minor defects that can occur from departments related to construction, and also improve their quality. Meanwhile, the quality control team was newly established in the Occupational Safety & Health Division in April, 2022 to strengthen and expand the quality inspection for defect prevention. The improvement methods are instructed, discussed and applied systematically on site so as to eradicate repetitive defects immediately. Starting in 2022, to strengthen and expand quality inspections and prevent defects, we established a quality control team under the safety and health division. This team educates staff and discusses improvement measures to immediately address chronic and repetitive on-site defects, systematically applying these measures to all sites.

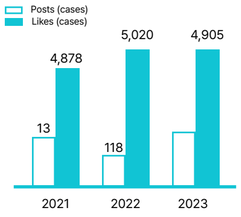
Quality Inspection Processes	Teams Concerned
Model house inspection	Construction work team, Construction technology team, Product development team
Construction initiation inspection/training	Construction work team, Construction technology team
Inspection during construction - Stage 1	Quality control team
Inspection during construction - Stage 2 **Inspection during construction - Stage 3**	Quality control team
Inspection during construction - Stage 4	Quality control team
Completion inspection	Quality control team
As-built drawing review	A/S team + Specialized company on as-built drawing review
Confirmation & check after completion	A/S team (A/S field office operated)

Customer Communication

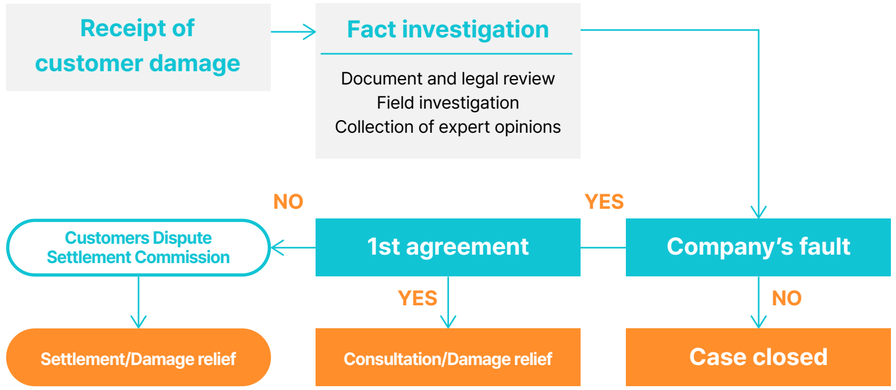
IS Dongseo operates a communication channel using social media to more actively reflect customer opinions and improve customer service satisfaction and development. We communicate with customers by consistently uploading content tailored to their needs through YouTube, Instagram, and Facebook, regularly delivering practical information that customers need, such as real estate information and real estate market trends, to make it easier for customers to access it. In particular, the YouTube channel 'Eileen's Garden' is expanding customer contact by delivering sales information focusing on the housing complex of 'Eileen's Garden'.

Social Media Operating Policy	Social Media Status
· Informative content production for attracting customers to the brand's website · Issue of various informative content for use in everyday life (real estate, construction terms, interior & introduction of common knowledge on life & environment, etc.) · Increase the visits & No. of followers on Facebook via informative content & other content, inducing active participation with posted comments.	**Facebook** Increased by 6% compared to last year *2,921 Followers* **Instagram** Increased by 30.0% compared to last year *3,729 Followers* < Uploading an average of 4 to 5 SNS posts per month >





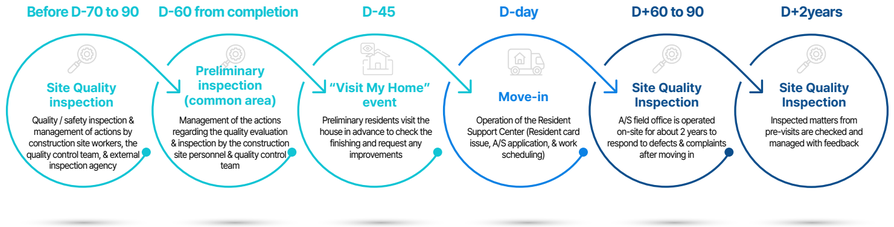
Customer Damage Relief Process



Improvement and Support of Customer Satisfaction

IS Dongseo improves customer satisfaction by communicating with customers using the website and communication channels of construction sites, and strives to actively reflect diverse opinions by delivering feedback on customer complaints and product inquiries received through online and offline channels. In addition, we are making efforts to actively listen to customer opinions and promptly handle complaints through the "Pre-Visit Day" event for prospective residents. We also actively use the collected opinions to provide feedback for product and service improvement. Customer opinions are converted into data and managed. The quality control team and the A/S team work together to review problem-solving plans, progress, and follow-up status. This information is shared with all sites and related departments to prevent recurrence.

Flow of Managing the Application of Defects



Strengthening Compliance with Personal Information Protection Responsibilities

To prevent social losses due to personal information leaks, IS Dongseo has established a personal information department under the Chief Privacy Officer. This department works with related organizations to fulfill its role and responsibility for personal information protection activities. To protect our customers' personal information, we comply with the Personal Information Protection Act and have introduced systems for information protection such as network access control, DB access control, and DB encryption. In addition, we are preparing for the risk of information leaks by signing up for personal information protection liability insurance and using DLP (Data Loss Prevention) solutions for individuals. Furthermore, we are making efforts to raise awareness about information security and increase individual capacity to manage personal information by providing training on the Personal Information Protection Act to executives and employees every year, as well as sharing issues about security threats. Moreover, we provide training to all personal information managers, and we also provide training and supervision to contractors such as sales agencies to ensure that personal information is handled safely when performing work.

Win-win Management

Policy

IS Dongseo is actively engaged in various efforts to promote cooperative growth and win-win cooperation with its vendors in order to meet the demands of sustainable development and social responsibility for the company. Fair and transparent business is pursued based on its shared growth-related promotional strategies, and win-win sustainability will be pursued by strengthening the win-win cooperation system with vendors and by supporting various programs.

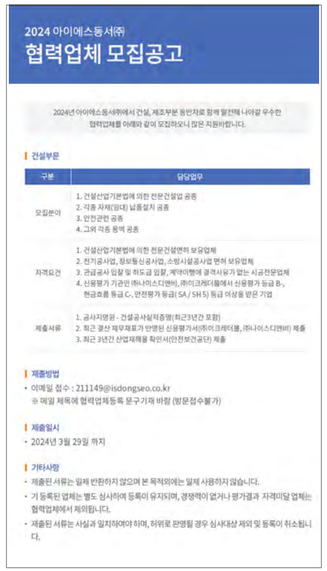
Goals

In order to build a virtuous cycle partnership in which IS Dongseo and its partner companies grow together, IS Dongseo selects and manages its partners based on fair standards and procedures and strives to improve construction quality by creating transparent and sound transaction practices. We are discovering our new partner companies through regular and occasional recruitment, and the selection standards and procedures are transparently disclosed on our website.



Selection and Evaluation of Vendors All-out

System evaluation is performed based on the evaluation items such as the construction ability and performance, revenues, credit rating, status of cash flows, etc., with selected vendors being notified individually. All-out system evaluation is performed based on the evaluation items such as the construction ability and performance, revenues, credit rating, status of cash flows, etc., with selected vendors being notified individually. With the goal of becoming a company that leads shared growth based on fair trade and mutual exchange, IS Dongseo is making various efforts to grow together with its partner companies in four areas, including establishing a fair-trade culture, financial support, management activity support, and technical support. In addition, we are pursuing various activities to strengthen the safety management capabilities of partner companies, support management stabilization, support capacity building, and establish a fair-trade culture.


2024 아이에스동서㈜
협력업체 모집공고

2024년 아이에스동서㈜에서 건설, 제조부분 동반자로 함께 발전해 나아갈 우수한 협력업체를 아래와 같이 모집하오니 많은 지원바랍니다.

건설부문

구분	담당업무
모집분야	1. 건설산업기본법에 의한 전문건설업 공종 2. 각종 자재(장대) 납품설치 공종 3. 안전관련 공종 4. 그외 각종 품목 공종
자격요건	1. 건설산업기본법에 의한 전문건설면허 보유업체 2. 전기공사업, 정보통신공사업, 소방시설공사업 면허 보유업체 3. 건설공사 실적 및 하도급 실적, 계약이행에 큰 하자발가 없는 시공전문업체 4. 신용평가 기관인 (주)나이스디앤비, (주)이크레더블에서 신용평가 등급 B-, 현금흐름 등급 C, 건전평가 등급(SA/SM5) 등급 이상을 받은 기업
제출서류	1. 공사지명원 · 건설공사실적증명(최근3년간 포함) 2. 최근 결산 재무제표가 반영된 신용평가서(주)이크레더블, (주)나이스디앤비) 제출 3. 최근 3년간 산업재해율 확인서(안전보건공단) 제출

제출방법
• 이메일 접수 : 211149@isdongseo.co.kr
※ 메일 제목에 협력업체등록 분구기재 바람 (방문접수불가)

제출일시
• 2024년 3월 29일 까지

기타사항
• 제출된 서류는 일체 반환하지 않으며 본 목적외에는 일체 사용하지 않습니다.
• 기 등록된 업체는 별도 심사하여 등록이 유지되며, 경쟁력이 없거나 평가결과 자격미달 업체는 협력업체에서 제외됩니다.
• 제출된 서류는 사실과 일치하여야 하며, 허위로 판명될 경우 심사대상 제외 및 등록이 취소됩니다.

Support for the Improvement of Sustainability

IS Dongseo is providing support for improving the sustainability of vendors by expanding the responsibility and sustainability management to the overall supply chain. To improve the competitiveness and minimize the possibility of risks on the overall supply chain, IS Dongseo is encouraging the voluntary participation of the vendors in attaching the safety & health, and environmental policies of the company during their contract with the vendor.

Strengthening Communication with Partner Companies

In order to resolve the grievances of partner companiess and create a safe working environment, IS Dongseo conducts the 'Contract Business Safety and Health Council' at least twice a year in accordance with the revised Occupational Safety and Health Act. Through communication with our partners, we manage various risk factors that may arise during the process of entrusting work and support them to perform work safely. IS Dongseo places emphasis on the value of communication and will continue to communicate with its partners in the future.

Establishing a Win-Win Partnership

To establish win-win partnerships with vendors, shared growth programs that truly help our vendors are implemented, such as financial support, empowerment support, mutual exchange, etc. Through this, the stable growth of vendors is supported and a conducive shared growth culture is established.



Signed 'Agreement to Support the Revitalization of the Local Construction Industry in Ulsan City'

Main Programs

Financial Support	Empowerment Support	Technical Support	Mutual Exchange
Direct & indirect financial support, enabling partners to secure the liquidity of funds.	Increases in management competencies & revenues are supported for providing the foundation for growth of the partner that received financial support	Listening to partner companies' difficulties and grievances and discussing development directions	Research and development support to strengthen partner companies' technology/ competitiveness

Financial Support

To support the liquidity of funds for partners, both direct and indirect financial support methods are implemented concurrently. For financial support, 50% of the deposit on the performance bond is reduced, and support is provided to partners receiving the prime rate with increased lines of credit. In addition, the work environment of field workers is improved indirectly, through increasing the amount of advance payments at business sites during summer.

Support of Payment Conditions

IS Dongseo provides all-cash payments for partners, and we constantly make efforts to increase the annual ratio of cash payments for partners. In addition, cash payments are made promptly, with a 60-day short bill, earlier than competitors in the industry.

Increase in Safety Management Costs for the Vendor

The contract rate for industrial safety management costs was increased for construction types with high vendor accident rates. (Reviewed in 2021 to provide the basis for it and extended application to the site in 2022) To provide a preemptive method for guaranteeing appropriate levels of safety management cost according to the strengthening of safety management in the construction site from the enforcement of Serious Accident Punishment Act, etc., the rate applied to the occupational safety & health management cost that was previously appropriated as the fixed rate from the labor cost in the total construction amount on the partner was revised to increase up to 0.5% of the direct construction cost.

Management support for partner companies

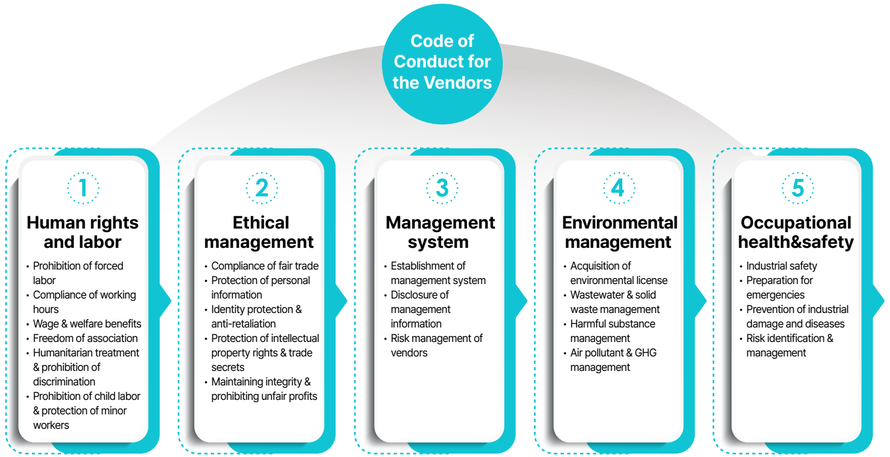
For mutual growth with partners, IS Dongseo provides financial consulting, support for ESG management, and job training for partners' executives and employees.

Early payment to partner companies before the Seollal (Lunar New Year) holidays

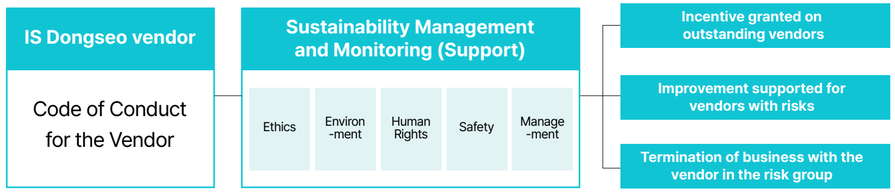
In order to help partners who are in a difficult business situation, such as a recession in the construction economy, and manage their funds in celebration of the Seollal (Lunar New Year) holidays when demand for funds increases, IS Dongseo pays its partner companies early so that they can smoothly pay their employees' wages and material costs.
IS Dongseo will continue to strive for mutual growth through cooperation with its partner companies.

Spread of Fair Trade Culture through the 'Code of Conduct for the Vendors'

IS Dongseo has established the 'Code of Conduct for the Vendors' to conduct ESG practices with vendors, achieve healthy results and enable continuous shared growth. This standard requires vendors to strictly comply with all applicable laws and regulations and adopt ethical corporate management practices. The code of ethics also includes the details on human rights, labor, occupational health and safety, environment and ethics, etc. Our website includes a section for receiving suggestions and reports on fair-trade, so that reported matters shall be anonymous and strictly confidential during the handling process. In addition, all contracts ordered by IS Dongseo must be attached with the mandatory pledge of integrity, while the anti-corruption training course is included in major vendor meetings or conferences, such as design, procurement, construction and safety, to emphasize the compliance of the code of ethics.



Vendor Risk Management System



Vendor Evaluation and Reward

If necessary, IS Dongseo periodically evaluates the quality, management, and technical levels of vendors to develop them into outstanding partners and enhance the competitiveness of its supply chain. Top-performing vendors, identified through these evaluations, are rewarded with incentives and increased contract opportunities.

Vendor Safety Management Evaluation

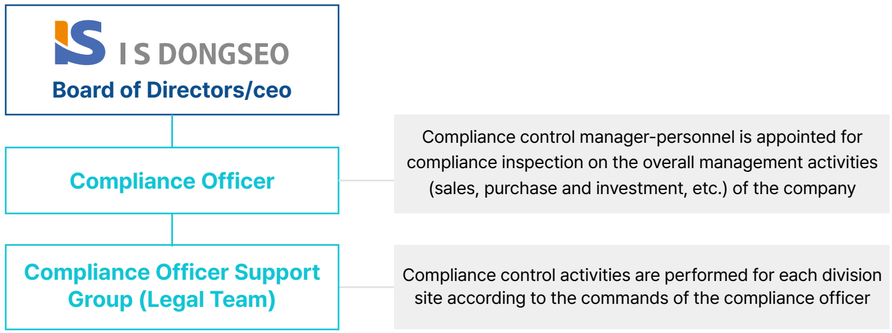
In the case of serious accidents according to the Serious Accident Punishment Act	**Bidding restriction: 2 years**
Periodic evaluation item (once semi-annually)	**additional points are reflected according to the evaluation criteria during the bidding in the first & second semester**

Item	Score	Supervision	Evaluation Method
Occupational Health & Safety Management System	10	Site	Arrangement of the occupational safety & health personnel
			Appointment of safety manager and provision of job training
Managerial matters	40	Site	Morning meeting & T.B.M attendance rate
			Cooperation level on various inspections (events) & work
			Implementation of safety instructions
			Preparation and submission of safety work plan (including PTW)
			Statement of using occupational safety & health management expenses
			Management of providing and wearing personal protective gear
			Organization and arrangement of the site
			Submission of the special health examination report before arrangement
Occupational health & safety training	20	Site	Training/ onboarding for new and special employees
			Participation of the vendor personnel during the safety training
			Periodic safety training
Risk Assessment System	30	Site	Preparation of the risk assessment sheet
			Performance of risk assessment
			Communication of risk assessment result
			Verification on implementation of risk assessment
Point Addition/ Deduction	±10	Site	Acquisition of Occupational Health & Safety Management Certifications by the vendor such as KOSHA-MS and ISO 45001, etc.
			Performance of safety activities by the CEO of the vendor (management class)
			External recognition
			Administrative measure by the external agency
			Press release on safety accidents, etc.

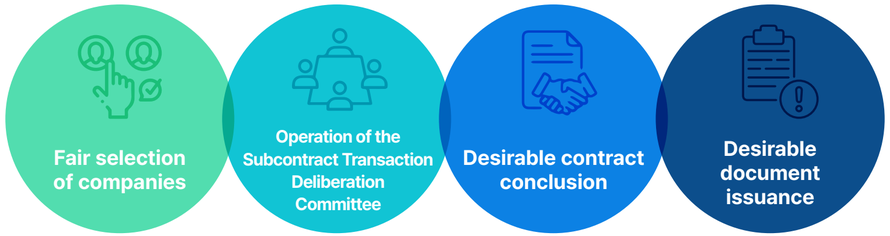
Establishment of a Compliance-based Operation System

IS Dongseo practices compliance management to increase corporate sustainability and reliability by complying with laws and regulations, ensuring a legal corporate responsibility and legality of business operations, and minimizing legal risks. To this end, we appoint a compliance officer who has passed the resolution of the board of directors, and regularly manage and inspect whether compliance control standards are being observed. In addition, we have an internal audit system in place to review whether we are complying with the prescribed procedures and rules, and through this, we detect and respond to violations in advance. IS Dongseo is fully committing efforts to create an ingrained fair-trade culture at an enterprise-wide and external level through the compliance support system.

Compliance Support Organization and Roles



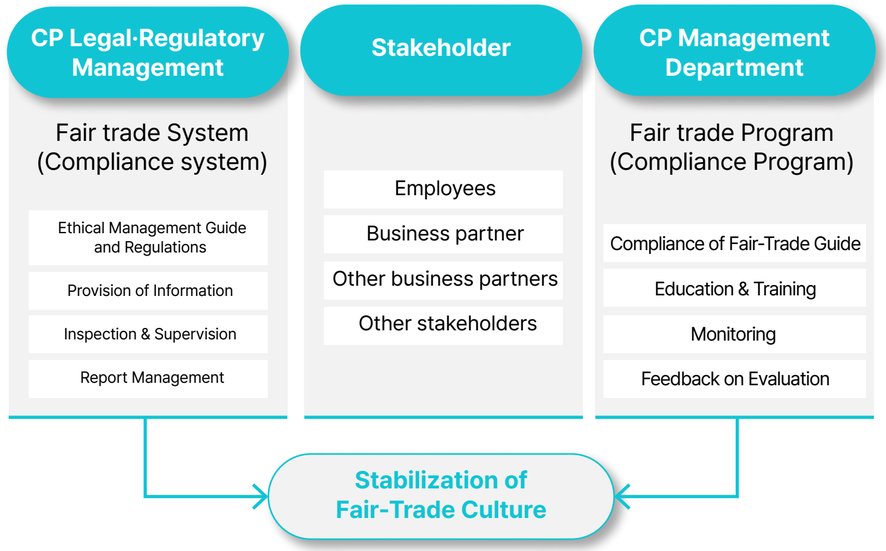
Four Major Practices for Fair Trade



Provision of Compliance-based CP Operation Guide

Based on the four major guidelines for fair trade announced by the Fair Trade Commission, IS Dongseo has provided guidelines for operating an autonomous compliance program on fair trade to prevent illegal acts such as unfair trade and to enable more detailed fair trade management. An autonomous compliance manager will be appointed and guaranteed independence in their role. Additionally, an exclusive department for fair trade and supervision management will be organized to create an ingrained autonomous compliance culture. This department will regularly report CP activity plans and status to the Board of Directors.

To create an ingrained fair-trade culture at an enterprise-wide and external level, IS Dongseo will operate the autonomous compliance program by connecting the fair-trade system with managing the compliance-based ethical management guide and the regulations with the fair-trade program for implementing fair trade. Also, autonomous compliance of fair trade will be refined through consistent CP training and monitoring.



Internal guide and regulations are established based on autonomous compliance of fair trade, and training is provided to the employees, while legal compliance is supervised continuously for internalization

Social Contribution

Policy

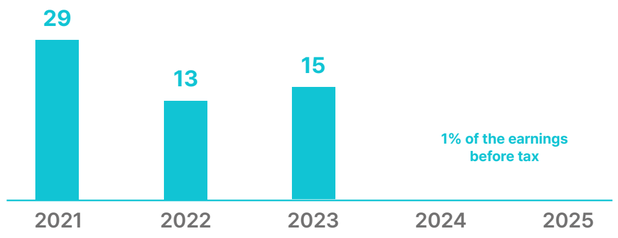
As a member of the local community of 'Corporate Citizens', IS Dongseo is communicating with the community and pursuing sustainable growth by creating jobs and fulfilling the duty of payment set by relevant laws, as well as performing social contribution activities joined by our employees. Beyond simply returning the corporate profits to the society, IS Dongseo is committed to proactively carrying out social contribution activities to create new and sustainable value. IS Dongseo is making efforts to not only satisfy the practical needs of the stakeholders based on their analysis of social issues, but also on expansion through voluntary participation by capitalizing on internal capabilities. In particular, for more systematic social contribution activities, IS Dongseo established the Munam Scholarship and Cultural Foundation in 2016 to actively contribute to the development of human resources for the future society.

Goal

IS Dongseo is trying to create a better future for the community. Communication with the relevant local agency and community will be performed closely to identify the needs and issues of the community, and various social contribution activities will be implemented for solving these issues. In addition, with the 'value of togetherness' in mind, we plan to expand social contribution activities in which our executives and employees actively participate for solving social problems.

Social Contribution Activity Costs of IS Dongseo to the Community

(Unit: KRW 100 million)

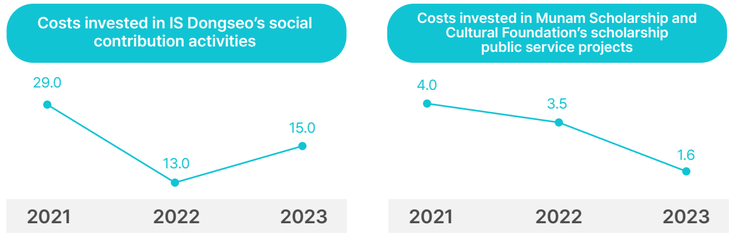


Social Contribution Strategy

Vision	'Corporate Citizen', a member of the local community		
Goal	A company that shares a beautiful future		
Main strategy	Environment/Safety	Education/Child Welfare	Sharing with the Community
SDGs	3 GOOD HEALTH AND WELL-BEING, 13 CLIMATE ACTION	4 QUALITY EDUCATION, 10 REDUCED INEQUALITIES	1 NO POVERTY, 11 SUSTAINABLE CITIES AND COMMUNITIES
Social Meaning	Realizing a sustainable future	Nurturing excellent talent for future generations	Return to the community
Major Social Contribution Activities	• Employee Donation Challenge • Support for improving the residential environment of national meritorious persons • Energy welfare donation support	• Hope to the Future Scholarship • Dream tour to explore history and culture • Guardian of educational environment improvement • Pink box project	• Helping underprivileged neighbors • Disaster relief donation • Support for basketball development and nurturing

Result

(Unit: KRW 100 million)



IS Dongseo, a 'company that shares a beautiful future', is carrying out various customized social contribution activities in cooperation with the local community to participate in the global agenda and contribute to achieving the Sustainable Development Goals (SDGs). Specifically, we actively participate in discovering social problems faced by the local community and are leading the way in social responsibility management. In addition, we are working to nurture future generations by carrying out various activities targeting unprivileged children and youth, who need support through the Munam Scholarship and Cultural Foundation.

Environment/Safety



Education/ Child Welfare



Employees' donation challenge to energy vulnerable groups

IS Dongseo has conducted the 'Walk Good Steps Together' donation challenge with executives, employees, and their families for two consecutive years, starting in 2022. In order to spread awareness of carbon neutrality and as part of a social contribution campaign, when executives and employees reach the target number of steps of 10 million steps, the company creates a donation fund and donates it to the energy vulnerable. Through this support project, we provided winter supplies to a total of 60 energy-vulnerable households.



Support for improving the residential environment of national meritorious persons

The 'Repair Support for Old Houses of National Meritorious Persons' project is a social contribution activity that IS Dongseo is carrying out in collaboration with the Busan branch of the Korea Housing Construction Association. Drawing on our extensive experience and professional capabilities, we have improved the residential environments of six households of national meritorious persons in need of better housing conditions since 2022.



Energy welfare donation support

Through donations towards 'Energy Sharing for Ulsan,' Ulsan City's energy fundraising campaign, we improved the residential environment of vulnerable groups in the region and provided winter supplies. The donations provided by IS Dongseo were used to provide air conditioners and heating supplies to 600 households in Ulsan.



Support for children from families at risk of crime

In order to prevent child abuse cases and support child victims, IS Dongseo Group's Munam Scholarship and Cultural Foundation signed a business agreement (MOU) with Busan City, the Busan Police Agency, and ChildFund Korea in 2021, and has been providing customized support for four consecutive years to help child victims grow up well.



Education/Child Welfare

Support for Local Community/ Culture and Arts

Hope to the Future scholarship

IS Dongseo provides scholarships to talented elementary, middle, and high school students so that they do not give up on their dreams due to their environment. This project has been ongoing for 8 years, and we deliver approximately 130 million won in scholarships every year to provide children and youth with opportunities to study and explore different careers.




Dream Tour/Guardian of Educational Environment Improvement

IS Dongseo provides a variety of educational support programs for unprivileged children and youth.
For example, through the 'Dream Tour', where youth explore history and culture, we provide opportunities to explore overseas history to low-income students who do not have the opportunity to experience overseas culture. Aditionally, we created an environment where low-income students can receive quality education by supporting the purchase of educational equipment and books.



'Pink Box Project' for female youth

Since 2020, we have been carrying out the 'Pink Box Project' to regularly provide sanitary pads to female adolescents from low-income, near-poverty, single-parent, and multicultural families who are having difficulty purchasing feminine hygiene products. Every year, we provide gift boxes containing nutritional supplements, bath products, eco-friendly underwear, and cosmetics to approximately 120 female adolescents.




Disaster relief donations to help unprivileged neighbors

For the past 10 years, we have been carrying out local customized social contribution activities in cooperation with the local community. At the end of every year, we provide donations to help our neighbors through the Community Chest of Korea, and so far we have carried out community sharing activities worth about 4 billion won. We are also working hard to provide practical help to the local community even in the event of natural disasters.





Support for basketball development and nurturing

IS Group Chairman Kwon Hyuk-woon took office as the 34th president of the Korea Basketball Association in 2021, and donated 1 billion won for the development of Korean basketball. He has also chartered a flight to the Philippines out of concern for the health and morale of players who were facing difficulties due to the postponement and cancellation of international competitions, and is contributing to the development of basketball in Korea.



All-round Social Contribution Activities

IS Dongseo and the Munam Scholarship and Cultural Foundation pursue mutual growth based on corporate capabilities and are carrying out various social contribution activities for children from low-income, near-poverty, single-parent, and multicultural families.

Main Cooperative Organization and NGOs on Social Contribution Activities

Cooperative Organization	Social Contribution Activities
ChildFund Korea	Scholarship, feminine product support, underfed children support & child abuse prevention support, etc
Community Chest of Korea 'Fruit of Love'	Donation to help needy neighbors (Busan, Ulsan, Daegu, Gyeongsan, etc.) and support funds for disaster recovery, etc.
Gyeongsan Scholarship	School uniform support for middle & high school students from low-income families
Kids & Future Foundation	Project for the improvement of bathrooms in the community children center
Babsang Community & Briquette Bank	Energy-sharing support for low-income families
Sisters of Mary	Support for facilities in institutions (vehicles, PC, etc.) & academy fees
UNICEF	Agreement on fund raising for the Schools for Asia Campaign
Youth Education & Culture Foundation	Youth study camp support
Geumjeong-gu Rehabilitation Center	Educational supplies support
Holt Children's Services	Support for children & youth in the neglected class
Daegu Opera House	Sponsor of arts & education (Rising Vocalist Development Fund, etc.)
Korea Housing Builders Association	Aged housing maintenance & repair support project for persons of national merit
Korea Basketball Association	Sponsor sports & culture (Basketball Development Fund, etc.)
Munam Scholarship & Culture Foundation (IS Dongseo Foundation)	Scholarship, educational support, & support on educational supplies and feminine products, etc.

2024
- Feb. [Munam Scholarship and Cultural Foundation] 'Hygiene product support project'
- Jan. Donated 100 million won to the Community Chest of Korea

2023
- Dec. [Munam Scholarship and Cultural Foundation] Delivered 100 million won to the '8th Hope to the Future Scholarship'
- Nov. [Munam Scholarship and Cultural Foundation] Support project for children from families at risk of crime
- Jul. Donated 600 million won in basketball development fund to the Korea Basketball Association
- June Free repair support for old houses of national meritorious persons
- Feb. [Munam Scholarship and Cultural Foundation] Sponsorship project for students from low-income families
- Jan. Donated 100 million won to the Community Chest of Korea

2022
- Dec. Donated 300 million won in basketball development fund to the Korea Basketball Association
  [Munam Scholarship Foundation] KRW 130 million funded for the '7th Hope for the Future Scholarship'
- Nov. [Munam Scholarship and Cultural Foundation] '5th Dream Tour' to explore overseas history
- Sept. [Moonam Scholarship and Cultural Foundation] Support project for children from families at risk of crime
- Jun. Free aged housing maintenance and repair support project for persons of national merit
- May [Munam Scholarship Foundation] Support for personal protective equipment against COVID-19
- Mar. Donated relief aid of KRW 200 millionfor damage caused by forest fires in Uljin and Samcheok
- Feb. KRW 50 million funded for 'Anyang-si Talent Development Scholarship
  [Munam Scholarship and Cultural Foundation] Sponsorship project for students from low-income families
- Jan. [Munam Scholarship and Cultural Foundation] 'Hygiene product support project'

2021
- Dec. [Munam Scholarship & Culture Foundation] KRW 130 million funded for the '6th Hope for the Future' Scholarship
  [Munam Scholarship and Cultural Foundation] 'Hygiene product support project'
  KRW 900 million donated to the Community Chest of Korea 'Fruit of Love'
- Jul. KRW 1 billion donated as basketball development fund to Korea Basketball Association
  Donations in kind for constructing the rest area for the elders in the Senior Citizen Center in Gyeongsan Region
  Support for the establishment of the Yeongdo-gu (Busan) and LH joint childcare center
- Jun. [Munam Scholarship and Cultural Foundation] Support project for children from families at risk of crime
- May [Munam Scholarship & Culture Foundation] Educational materials (laptop, PC) donated for 5 consecutive years
- Feb. Business Agreement on Prevention of Child Abuse and Support for Victimimized Children signed with the Busan Metropolitan Government
- Jan. 30,000 'Briquette of Love' donated to the Busan Bapsang Community & Briquette Bank

Contribution to Social Stabilization

IS Dongseo is earnestly striving to fulfill its corporate citizenship responsibilities while practicing sustainable development in harmony with the environment, ensuring that various stakeholders, including shareholders, can genuinely enjoy warmth and happiness.

Support Activities

Date	Support Activities
Jun. 2023	Free repair support for old houses of national meritorious persons (participation for 2 consecutive years)
Mar. 2022	Donated KRW 200 million in relief funds after Uljin and Samcheok forest fires
Jul. 2020	Support for overcoming the crisis of stagnation in the sports industry (hosted the 'KLPGA IS Dongseo Busan Open')
Mar. 2020	Support for hungry children in Nam-gu, Busan

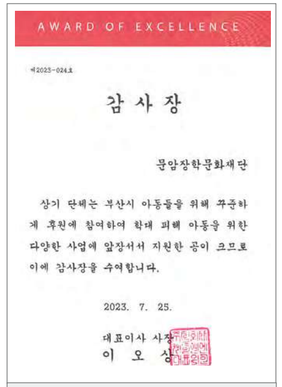
Awards on Contribution to the Community

Date	Support Activities
Dec. 2021	Awarded the Education Mecenat Award for 'Citation on Merits for Activating Educational Donation in 2019-2023' (5 consecutive years)
Jul. 2023	Received the KNN Presidential Prize in the Child Protection Campaign category at the 'KNN Presidential Awards'
Feb. 2023	Received award from the Minister of Environment at the 'Happiness Plus Social Contribution Awards'
Dec. 2022	Won the grand prize in the social contribution category at the '8th HDI Human Management Awards'
Aug. 2022	Kwon Min-seok, Chairman of Board of Directors received the citation from the Superintendent of Busan Metropolitan City, Office of Education
Dec. 2021	Appreciation plaque received from ChildFund Korea on contributing to establishing the culture of donation for love of neighbors and on development of child welfare
Feb. 2021	Received award from the Minister of Gender Equality & Family (Family Love & Social Contribution Division) at the '11th Happiness Plus Social Contribution Awards'
Dec. 2020	Selected as the top-performing company in the evaluation as an outstanding enterprise in the Busan Region
Aug. 2020	Citation from the President of Community Chest of Korea-Busan in the '2020 Award Ceremony for Merit on Helping Needy Neighbors'
Dec. 2019	Appreciation Plaque from Busan Mayor for child sponsorship and support in 2019

Commendation on Contributing to Social Stability



Award from the Minister of Environment at the 'Happiness Plus Social Contribution Awards'



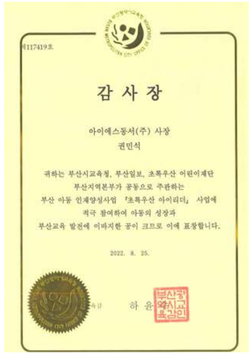
'KNN President's Award' of the Child Protection Joint Campaign



Awarded the Eucation Mecenat Tower



Minister of Foreign Affairs Award of the Sustainability Management Conference



Commendation from Busan City Superintendent of Education

Environment

- Response to Climate Change 28
- Environmental Management Practices 31
- Greenhouse Gas Reduction 35
- Green Construction 37
- Eco-Friendly New Business 38

Social

- Safety & Health Management 41
- Human Resource Talent Management 47
- Labor-Management Cooperation 51
- Business and Human Rights 52
- Customer Satisfaction Management 54
- Win-win Management 57
- Social Contribution 61

Governance

- Governance 67
- Ethical Management 71
- Risk Managemen 74



CHAPTER 03

Bigger Tomorrow

Governance

Reliable IS Dongseo Governance

We aim to ensure the continuous stability and growth of the company and its long-term development by establishing a sound governance structure as the foundation of corporate management. Our goal is to create value for customers, members, and shareholders, play a key role in social and economic development, and contribute to a culture of happiness. To this end, we are fulfilling our corporate social responsibility to enhance shareholder value, ensure management transparency, soundness, and safety, and not infringe on the rights of stakeholders such as customers, employees, and partners, and we are establishing a transparent corporate governance system centered on the board of directors.

Strengthening Expertise, Independence and Transparency by Forming a Board of Directors Centered on Outside Directors with Diverse Backgrounds

In a rapidly changing business environment, the board of directors' strategic judgment is continuously required, and for this purpose, each director's expertise and diversity are required. Accordingly, IS Dongseo is building a governance system centered on a professional management system and an independent and transparent board of directors based on the recommendations of best practices for corporate governance. We have strengthened our expertise by forming a board of directors centered on outside directors with diverse backgrounds. To ensure efficient checks and balances, the board is composed of a majority of outside directors. Additionally, by appointing outside directors whose independence has been verified through the Outside Director Candidate Recommendation Committee, the board can supervise and appropriately check management, thereby enhancing transparency.

Operation of the Board of Directors

IS Dongseo's board of directors determines the company's management goals and strategies for the benefit of the company and shareholder, and complies with relevant laws and faithfully performs its duties in accordance with the company's articles of incorporation in order to effectively supervise management. The board of directors searches for and recommends suitable internal director candidates, and for outside directors, the Outside Director Candidate Recommendation Committee recommends candidates through a separate resolution process for a more thorough and objective review. To ensure efficient operation and independence, the board of directors has established board regulations and practices responsible decision-making. Relevant information is faithfully provided to shareholders through reference materials published prior to the general shareholders' meeting and notices convening the general shareholders' meeting, and shareholder approval is obtained on the day of the general shareholders' meeting. In 2023, a total of 15 board meetings were held to decide and report on a total of 30 agenda items, including approval of transactions between directors and the company and reporting of major management activities on a quarterly basis.

Board Members

IS Dongseo's board of directors is composed of directors appointed at the general shareholders' meeting, and currently includes three internal directors and five outside directors. In order to represent various stakeholders and ensure that the board of directors is not biased towards a specific background, the outside directors are composed of qualified experts in various fields such as law, economics, finance, accounting, and ESG.

As of March 2024

Classification	Name	Gender	Position	Specialization
Executive Directors	Kwon Min-seok	Male	Chairman of the Board of Directors, Management Committee	Business Administration
Executive Directors	Nam Byeong-ok	Male	CEO (Construction, Concrete, Administration), Management Committee	Business Administration
Executive Directors	Lee Jun-kil	Male	CEO (Environmental Business Division), ESG Committee, Management Committee	Business Administration
Independent Directors	Kang Hye-jung	Female	ESG Committee, Outside Director Candidate Recommendation Committee	Culture and Arts
Independent Directors	Kim Dong-gun	Male	Outside Director Candidate Recommendation Committee, Audit Committee	Law/Public Policy
Independent Directors	Son Kyo-young	Male	ESG Committee, Outside Director Candidate Recommendation Committee, Audit Committee	Finance/ Accounting
Independent Directors	Wang Jeong-hong	Male	Outside Director Candidate Recommendation Committee	Law/Public Policy
Independent Directors	Lee Sang-eon	Male	Outside Director Candidate Recommendation Committee, Audit Committee	Finance/ Accounting

Classification		Unit	2021	2022	2023
Performance of Board of Directors' Operation	No. of Meetings Held	Instances	14	17	15
	No. of Agenda Items	Cases	36	33	30
	Ratio of Independent Directors	%	56	54	54
	BoD Attendance Rate	%	96	89	87

Board of Directors' Performance Evaluation and Remuneration

IS Dongseo performs independent evaluation annually on the directors subject to expiry of their tenure, and on all current Independent Directors. The contribution level to the directors, internal and external influence and expertise in the work, etc. are reflected in their evaluations for utilizing on determining to serve on the consecutive terms. Their remuneration is managed transparently and fairly on the remuneration limit of the directors and individual remuneration amount, etc. through the General Shareholders' Meeting. Each of their remuneration limit is approved at the General Shareholders' Meeting, and the individual remuneration is reflected and calculated with the major intended key indicators of the company, such as the business performance, contribution to sustainable management and compliance management, etc. The remuneration of the Independent Directors is provided equally for all Independent Directors within the remuneration limit of the directors approved by the General Shareholders' Meeting. The director remuneration limit approved at the 2023 general shareholders' meeting is KRW 10 billion, and the total director remuneration paid is KRW 2.5 billion. Individual remuneration of the director and auditor exceeding KRW 500 million must be displaced in the business report according to the relevant statutes.

As of March 2024

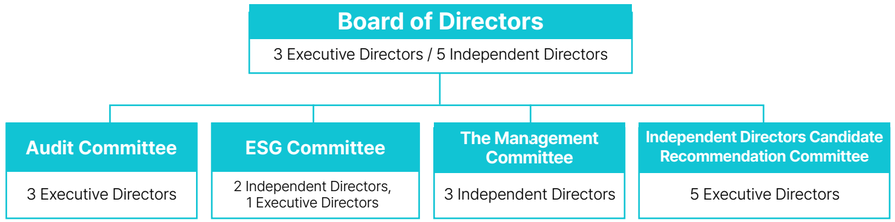
Remuneration Amount

(unit: KRW mil)

Classification	No. of members	Total payment amount	Average per person
Registered director (excluding Independent Directors & Audit Committee members)	5	2,260	452
Independent Directors (excluding the Audit Committee member)	3	120	40
Audit Committee member	3	120	40

Committee Activity

For efficient operation of the Board of Directors and specialized and in-depth management supervision of specific functions, IS Dongseo formed specialized committees under the Board of Directors. There are a total of four committees in the Board of Directors, while the Independent Directors Candidate Recommendation Committee, Audit Committee, ESG Committee and Management Committee are operated. Committees under the Board of Directors, except for the Management Committee, were organized with a majority of independent directors to strengthen their independence. The resolutions of each committee on the matters delegated from the Board of Directors have the same effect as the resolutions of the Board of Directors and matters regarding the organizational operation and authority of all committees comply with the regulations stated by each committee.



As of March 2024

Audit Committee

The Audit Committee is a committee established for the purpose of securing independence in the audit process. The audit committee is comprised of three outside directors, including the chairman. For smooth audit work, the audit committee may request a report on business from directors or investigate the company's financial status at any time. If necessary to perform its duties, the Audit Committee may require relevant executives and employees and external auditors to attend meetings and it may also request advice from experts at the company's expense. In 2023, a total of 6 audit committee meetings were held for the purposes of electing the audit committee chairperson and enacting operating regulations, establishing an operating plan for the internal accounting management system in 2023, reporting internal audit results and plans, and reporting accounting settlements.

As of March 2024

Committee	Position	Classification	Name	Gender	Main Roles of the Committee
Audit Committee (3 people in total)	Chairman	Independent Directors	Son Kyo-young	Male	1. Supervision of the work of directors and management 2. Approval of the selection of outside auditor 3. Other matters stipulated in the articles of incorporation or internal regulations in relation to audit work
	Member	Independent Directors	Lee Sang-eon	Male	
	Member	Independent Directors	Kim Dong-gun	Male	

Activity Status

Date	Agenda Item	Approval	Attendance of Directors
Feb. 15, 2023	1. Report of the 48th financial statements	Reported	3/3
Mar. 16, 2023	1. Report on the operation status of the internal accounting management system	Reported	3/3
	2. Report on changes to the 48th financial statements	Reported	
Mar. 23, 2023	1. Report on the results of the 48th year-end audit and key audit matters	Reported	3/3
	2. Approval of the 48th audit report	Approved	
	3. Approval of the internal accounting management system operation status evaluation	Approved	
May 11, 2023	1. Accounting settlement report for the first quarter of 2023	Reported	3/3
Aug. 10, 2023	1. Accounting settlement report for the first half of 2023	Reported	3/3
	2. Report of internal audit results for the first half of 2023	Reported	
Nov. 09, 2023	1. Accounting settlement report for the third quarter of 2023	Reported	3/3
	2. Report of internal audit results for the third quarter of 2023	Reported	

Operation of the ESG Committee

IS Dongseo established an ESG Committee under the Board of Directors and established ESG Committee regulations to systematically and efficiently implement and manage company-wide ESG management strategies. The ESG Committee strategically and systematically manages the company's environment, society, and governance sectors to help the company achieve long-term sustainable growth by establishing a transparent governance structure and analyzing the company's impact on the environment and society. In accordance with the committee regulations that stipulate that the number of outside directors must be more than two-thirds of the total number of members, the ESG Committee is composed of two outside directors and one internal director.

As of March 2024

Committee	Position	Classification	Name	Gender	Main Roles of the Committee
ESG committee	Chairperson	Outside director	Kang Hye-jung	Female	1. Review of ESG materiality and non-financial risks 2. Review of carbon neutrality promotion plan 3. Review of ESG management issues and performance 4. Review ESG external evaluation results and setting goals for improvement
	Member	Outside director	Son Kyo-young	Male	
	Member	Internal director	Lee Jun-kil	Male	

ESG Committee Agenda

In order to promote systematic ESG management, IS Dongseo is reviewing important issues related to the environment, society, and governance through the ESG committee. In August of last year, the ESG Management Committee was held to report on the ESG status and passed agenda items related to major ESG issues. Thus, we have established a reporting system where the main issues among the reported agenda items are reported to the board of directors.

Category	Important Issues	Evaluation Items
Environment(E)	Response to Climate Change, Environmental Management, Greenhouse Gas Reduction, Green Construction	4 items
Socail(S)	Safety & Health Management, Human Resource Talent Management, Customer Satisfaction Management, Win-win Management, Social Contribution	5 items
Governance (G)	Governance, Ethical Management, Risk Management	3 items

ESG Committee Activity Status

Date	Agenda Item	Approval	Attendance of Directors
Aug. 10, 2023	1. Approval of ESG material issues in 2023	Approved	3/4

Management Committee

The Management Committee makes quick and smooth decisions on the company's major management issues and handles matters delegated by the Board of Directors, so unlike other boards, it is composed of two or more internal directors.

As of March 2024

Committee	Position	Classification	Name	Gender	Main Roles of the Committee
Management committee	Chairperson	Internal director	Kwon Min-seok	Male	1. Matters delegated by the board of directors 2. Deliberation and resolution of important management matters
	Member	Internal director	Lee Jun-kil	Male	
	Member	Internal director	Nam Byeong-ok	Male	

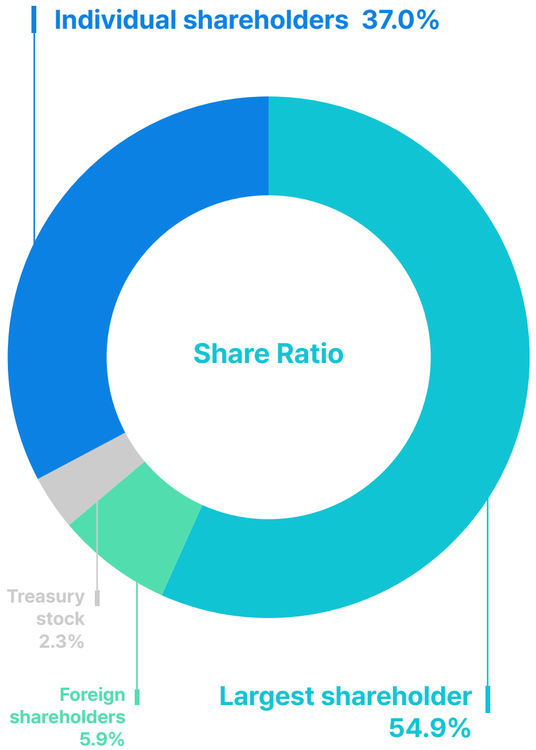
Management Committee Activity Status

Date	Agenda Item	Approval	Attendance of Directors
2023.10.19	1. Matter of the 44th private bond issuance	Approved	5/5
2023.09.22	1. Approval of new borrowing	Approved	5/5
2023.08.30	1. Matter of raising operating funds	Approved	4/5
2023.08.23	1. Acquisition of stocks of another corporation	Approved	5/5
2023.06.26	1. Matter of refinancing a land mortgage loan	Approved	4/5
2023.06.16	1. Approval of joint guarantee for interim payment loan for buyers	Approved	5/5
2023.06.08	1. Matter of cooperation with investment commitment letter	Approved	5/5
2023.06.01	1. Matter of concluding a mortgage loan contract	Approved	5/5
2023.04.12	1. Provision of joint guarantee related to project cost loan 2. Issuance of short-term bonds	Approved Approved	4/4
2023.02.27	1. Approval of new borrowing 2. Approval of the issuance of non-guaranteed privately placed bonds 3. Matter of branch establishment	Approved Approved Approved	3/4
2023.02.09	1. Approval of new borrowing 2. Matter of manager appointment	Approved Approved	4/4
2023.01.30	1. Approval of a joint guarantee for an interim payment loan for buyers	Approved	4/4

Shareholder Composition Status

IS Dongseo issued 30,892,606 common shares as of December 31, 2023. All stocks issued by our company are common stocks, and we adopt a single voting right system based on the one-share-one-vote principle. This status is specifically disclosed in the business report.

Share Ratio



Transparent Disclosure

In order to protect the rights and interests of shareholders, IS Dongseo holds a general shareholders' meeting every year to share management status and collect shareholders' opinions on the company's future direction and management. Major management matters decided by the board of directors are immediately disclosed and provided to shareholders and other stakeholders. In particular, major matters closely related to investor interests are transparently disclosed through the IS Dongseo website, the Financial Supervisory Service's electronic disclosure system, and the Korea Exchange.

Share Return through Distribution

IS Dongseo distributes dividends through resolutions of the board of directors and general shareholders' meeting in accordance with the Articles of Incorporation. Profits can be distributed in money and stocks and are paid to shareholders or registered pledgees listed in the shareholder register as of the end of each settlement period. Dividends are decided by comprehensively considering cash management in preparation for the real estate market downturn and economic volatility, securing cash for investment in large-scale or new business, retaining accumulated earnings to ensure financial stability, and dividend payout ratio for the past three years. We plan to determine an appropriate level of dividend rate by considering investments for the company's sustainable growth, stable financial structure, and shareholder value.

Key Dividend Indicators

Unit : million won, %, KRW

Classification	2021	2022	2023
Total cash dividends	36,612	-	45,280
(Consolidated) Cash dividend payout ratio	34.9	-	28.1
Cash dividend yield	2.8	-	5.2
Cash dividend per share	1,200	-	1,500

Enhancing Shareholder Value

IS Dongseo prioritizes improving shareholder value and expanding profit returns to shareholders. The dividend level is determined by comprehensively considering the current year's profit level, annual cash flow, and future strategic investments. The dividend payout ratio has been maintained at 32% for the past three years, and a cash dividend of 1,500 won per share has been decided for 2023 based on good performance, and the total amount of dividends is 45.3 billion won, with a market dividend rate of 5.2%. We will maximize shareholder value by determining dividend levels while taking into account changes in the business environment, future investment resources, and financial structure. In addition, in order to return profits to shareholders, we canceled all 705,630 shares of treasury stock, equivalent to 2.3% of the total number of issued shares, through the board of directors meeting held in February 2024.

Share Retirement Decision

주식 소각 결정		
1. 소각할 주식의 종류와 수	보통주식 (주)	705,630
	종류주식 (주)	-
2. 발행주식 총수	보통주식 (주)	30,892,606
	종류주식 (주)	-
3. 1주당 가액(원)		500
4. 소각예정금액(원)		19,530,606,300
5. 소각을 위한 자기주식 취득 예정기간	시작일	-
	종료일	-
6. 소각할 주식의 취득방법		기취득 자기주식
7. 소각 예정일		2024-02-16
8. 자기주식 취득 위탁 투자중개업자		-
9. 이사회결의일(결정일)		2024-02-07
- 사외이사 참석여부	참석(명)	5
	불참(명)	1
- 감사(사외이사가 아닌 감사위원) 참석여부		-
10. 공정거래위원회 신고대상 여부		미해당

Ethical Management

Policy

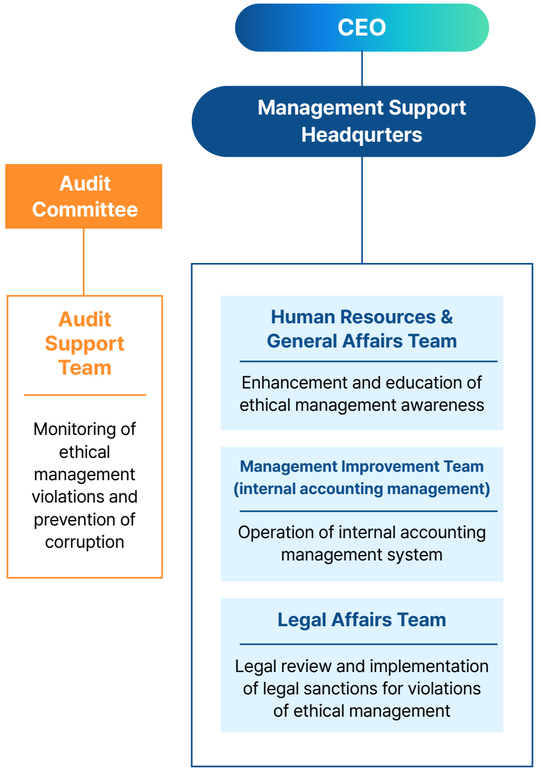
Ethical management refers to management that satisfies not only economic and legal responsibilities in a company's business activities, but also the expectations required by social norms. IS Dongseo has laid the foundation for ethical management by establishing a code of ethics for transparent and fair management and is striving to make ethical management a part of daily life through education and system establishment. We provide ethical management training to all employees every year, and in order to contribute to creating an ethical management culture at the supply chain level, we have established new ethical management indicators in the evaluation of partner companies to prevent unethical behavior. In addition, in order to ensure fair and ethical management activities, we have improved the work system and the quality of audit work by conducting regular audits, quarterly audits, and special audits based on the annual audit plan, which further strengthened the ethical awareness of our executives and employees.

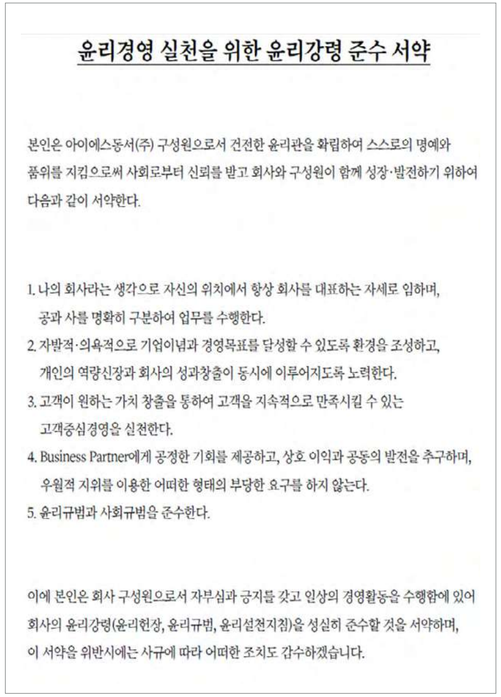
Goal

IS Dongseo will raise its employees' awareness of practicing ethical standards and advance its ethical management system with the goal of zero anti-corruption violations. IS Dongseo provided all executives and employees with standards for judging between illegal and legal activities and conducted training for all executives and employees to prevent misconduct in advance. Through these efforts, IS Dongseo aims to become an ethical company based on principles and trust. By continuously conducting fact-finding surveys to eradicate bullying in the workplace, providing ethical and anti-corruption training to all executives and employess, and strengthening protective measures for complainants, we will strive to solidify the foundation for practicing ethical management and secure the trust of our employees.

Ethical Management Promotion System

IS Dongseo carries out monitoring and prevention activities for ethical management through the organic cooperation of four departments, including the Audit Support Team, Human Resources & General Affairs Team, Legal Affairs Team, and Management Improvement Team. We are making efforts to establish a corporate ethical management system and to comply with the ethical management guidelines through the performance of each department's duties.





윤리경영 실천을 위한 윤리강령 준수 서약

본인은 아이에스동서(주) 구성원으로서 건전한 윤리관을 확립하여 스스로의 명예와 품위를 지킴으로써 사회로부터 신뢰를 받고 회사와 구성원이 함께 성장·발전하기 위하여 다음과 같이 서약한다.

1. 나의 회사라는 생각으로 자신의 위치에서 항상 회사를 대표하는 자세로 임하며, 공과 사를 명확히 구분하여 업무를 수행한다.
2. 자발적·의욕적으로 기업이념과 경영목표를 달성할 수 있도록 환경을 조성하고, 개인의 역량신장과 회사의 성과창출이 동시에 이루어지도록 노력한다.
3. 고객이 원하는 가치 창출을 통하여 고객을 지속적으로 만족시킬 수 있는 고객중심경영을 실천한다.
4. Business Partner에게 공정한 기회를 제공하고, 상호 이익과 공동의 발전을 추구하며, 우월적 지위를 이용한 어떠한 형태의 부당한 요구를 하지 않는다.
5. 윤리규범과 사회규범을 준수한다.

이에 본인은 회사 구성원으로서 자부심과 긍지를 갖고 일상의 경영활동을 수행함에 있어 회사의 윤리강령(윤리헌장, 윤리규범, 윤리실천지침)을 성실히 준수할 것을 서약하며, 이 서약을 위반시에는 사규에 따라 어떠한 조치도 감수하겠습니다.

Pledge to comply with the code of ethics to practice ethical management

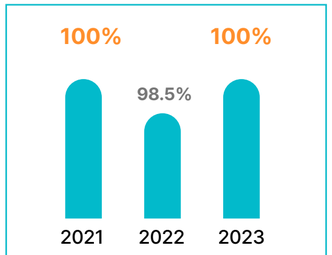
Ethical Management Training in Connection with the Code of Conduct

IS Dongseo has established four 'Code of Conduct for Ethical Management' principles, including 'ethics toward customers', 'ethics toward shareholders', 'ethics toward executives and employees', and 'ethics toward partner companies', which include ethical practice principles that executives and employees must generally comply with in relation to stakeholders. Additionally, all our executives and employees pledged to comply with the code of ethics in accordance with the 'IS Dongseo Code of Conduct', which includes the 'Management Principles for Ethical Management', and we provide ethics training to employees through various channels.

Ethical Management Program by Target

Training for new employees
Training for personal ethics and corporate ethics

Training by job group/duty
Job training for each job group (site manager, team leader, etc.) and training on audit follow-up measures



Percentage of employees participating in ethical management training

Spreading Ethical Culture among Partner Companies

IS Dongseo shares its ethical policy and encourages participation for shared growth with its partner companies. In order to spread an ethical management culture, if unethical behavior by a partner company is confirmed during the transaction process, sanctions will be imposed in accordance with internal regulations and standards. If corruption or serious unethical behavior of a partner company is discovered through regular monitoring, the contract will be canceled or will not be renewed. In addition, in order to prevent unethical behavior between our company and our partner companies, we request a pledge of compliance with ethical management when signing a contract with our partner companies. Through its implementation, we are striving to form a transparent and healthy supply chain.

Code of Ethics

Classification	Code of Ethics	Description
Ethics toward customers	Respect for customers	We always think and act with the customer in mind and strive to achieve customer satisfaction by providing the best products and services that customers can enjoy and trust.
		We provide customers with accurate information about products and services.
	Customer protection	We protect the interests, safety, and personal information of our customers and do not engage in unfair practices toward customers.
	Quality Management	We contribute to creating values of customer satisfaction through quality management.
		We value the voices of our customers and actively utilize them to improve our quality and service.
Ethics toward shareholders	Protection of shareholder rights and interests	We protect the rights of shareholders and respect their reasonable demands and suggestions.
		We faithfully disclose management information to build a relationship of mutual trust with shareholders and investors and strive to maximize shareholder profits.
	Activation of information provision	We provide accurate management information in a timely manner in accordance with relevant laws and regulations so that the ones who need information like investors, etc. can make rational investment decisions.
	Transparent management	We strive to improve the reliability of accounting information and ensure transparency.
Ethics toward executives and employees	Fair treatment	We do not discriminate against executives and employees and provide fair opportunities based on their abilities and qualifications.
		We do not use our superior position at work to make unfair demands or instructions, such as demands for money or valuables, from our subordinates.
	Creating a working environment	We strive to ensure the health of our employees and a safe work environment.
		We respect the independent personalities and basic rights of our employees and create an environment where they can freely make suggestions and proposals.
	Transparent management	We respect the autonomy and creativity of each employee and support talent development.
		We present the concept of successful talent and actively cultivate talent.
Ethics toward partner companies	Fair transaction	We build mutual trust and cooperative relationships with our partner companies through fair transactions and pursue shared development.
		We do not use our superior position to force or exert influence on our subordinates in any form of unfair behavior.
		We do not request unfair work from our suppliers, do not accept improper receptions, money, or valuables.
	Fair competition	We respect the fair and free market economic order according to the principles of free competition and compete fairly with competitors.
Ethics toward society	Compliance with domestic and international laws and regulations	As part of the country and community, we comply with all domestic laws as well as internationally accepted laws.
	Environmental protection	We strive to protect nature and preserve a clean environment.
		We pursue eco-friendly management.
	Social contribution	We contribute to the national economy and social development through improved productivity, creation of employment, faithful payment of taxes, and social contribution.
		We contribute to the national economy and social development.
Ethics in service	Fair job performance	Executives and employees strictly distinguish between public and private matters and engage in work fairly.
	Establishment of a healthy corporate culture	Executives and employees share the company's management philosophy, empathize with the goals and values pursued by the company, and faithfully carry out the mission assigned to each person in accordance with the company's business policies.
		Executives and employees create an organizational culture based on smooth communication and mutual trust between superiors, subordinates, and colleagues within the company.
		Executives and employees perform their assigned duties to the best of their ability in a legitimate manner and comply with all relevant laws and company regulations related to their work.
	Compliance with the Code of Ethics	Executives and employees must faithfully comply with the Code of Ethics, and if they violate it, they must take responsibility for their actions.

Strengthening Audit Activities

IS Dongseo conducts occasional audits, quarterly audits, and special audits based on the annual audit plan to ensure fair and ethical management activities. Through these audit activities, we have achieved qualitative improvement in our work system, and communication regarding ethical management has become smoother internally and externally. In addition, we constantly monitor the corporate card usage to create a culture of proper corporate card use.



Improvement of work system through audit	Improving the quality of audits	Internal and external ethical communication	Creating a culture of proper corporate card use
Continuous performance of audits for each work	Construction site audit Headquarters/business sites work process improvement and risk inspection	Conducting special audits based on reports by operating a report center on the website	Strengthening preventive audits through regular inspection of corporate card use status

Hot-Line for Reporting Unethical Behavior (online report center, etc.)

IS Dongseo operates a hot line for reporting online and offline unethical behavior to receive external reports on unethical behavior. We guarantee the privacy of complainants and prevent slanderous reports through fair investigations. In addition, we operate an online report center (https://www.isdongseo.co.kr/negative/form/48) where we can receive reports of executives and employees' unfair work practices, receipt of money and entertainment, information leaks, unethical behavior, good deeds, and best practices, and to provide consultation on these issues. Through this, we are communicating our policies and commitment to ethical management both internally and externally.

Online reporting center receipt status

Classification	2021	2022	2023
Number of receipt (unit: cases)	8	7	4

Introduction and operation of the internal accounting management system

IS Dongseo has been establishing and implementing an internal control process since 2020 to ensure corporate sustainability and transparency. We proactively respond to risks that may occur throughout the business by identifying risk situations for each department and setting appropriate controls. In addition, we operate an internal accounting management system to improve process vulnerabilities and work efficiency through periodic evaluation and monitoring. We are working to establish a transparent and fair organizational culture by continuously upgrading our internal accounting management system.

Main tasks and procedures

Establishment of operation status inspection plan	Identification of internal and external changes and selection of risk range	Preparation of internal accounting design evaluation form	Operation evaluation (first half/ second half)	External audit of internal accounting management	Reporting of operation status and preparation of evaluation report

IS Dongseo Internal Control Status

Classification	Details	Related Laws and Regulations
Customer's most internal/external communication (internal reporting system)	■ The company operates an internal reporting system (online report center) where employees and external service providers can directly communicate about unethical behavior such as potential fraud and illegal activities, external financial-related issues, and other important deficiencies related to internal control. ■ Only the audit support team can check reports received through the internal reporting system, and important reports are periodically reported to the audit committee. ■ The company promotes sufficient awareness and active participation of executives and employees and external service providers regarding the internal reporting system through a website that is always accessible.	■ Article 28 (Protection of Persons Who Report Wrongful Acts) of the Act on External Audit of Stock Companies ■ Internal accounting management system design and operation concept system/internal accounting management system evaluation and reporting best practices
Communication with external stakeholders	■ In order to identify changes in the business environment, such as construction market conditions and system changes, and to collect opinions and suggestions from partners regarding field operation/contractual relationships, the company receives opinions and suggestions from partners on its website and discusses issues through it. ■ The person in charge of the relevant department reviews the opinions and suggestions of partners, prepares improvement plans, and obtains approval from management.	■ Internal accounting management system design and operation concept system/internal accounting management system evaluation and reporting best practices

Risk Management

Strengthening of Enterprise-wide Risk Management

In order to repond quickly to the rapidly changing business environment, prevent the risks that may occur in the business process, and secure the foundation for sustainable growth, IS Dongseo makes major decisions on management issues through the board of directors, monitors the possibility of company-wide risks, and seeks for solutions to respond to this. From the business risks which occured in the business investment and performance stage to ESG risks resulting from the change in environmental, social and governance factors, comprehensive risk factors are analyzed and established with the integrated management system based on constant analysis and the monitoring system to enhance the reinforcement of enterprisewide risk management

Risk Management System

IS Dongseo is establishing the management system of key risks to identify the financial and non-financial, and potential risks having an impact on the company, and relevant risks are managed.



Risk Management Process

Risk Identification	Risk Assessment	Response to risks
· Stakeholder Requirements · Legal Requirements	· Possibility / Impact / Risks · Registration	· Cause, action, personnel, budget · Monitoring method, cycle and assessment · Improvement direction (aversion, mitigation and transfer) · Establishment and implementation of the improvement plan

Risk Management Organization

For systematic risk management and effective risk response, IS Dongseo manages risks by having a management committee for managing investment risks, an audit committee for managing ethical and compliance management risks, and an ESG committee for minimizing ESG risks under the board of directors, and departments related to business-specific risks manage risks by organically linking with field organizations.

Risk Management System



Risk Identification and Risk Monitoring

Level 1	Level 2
Strategy	Market environment/Competitors and advanced companies | Promotion/Brand/ Reputation
External	Climate change/Eco-friendly new technology | Geopolitical Risk | Disaster Risk
Legal/ Compliance	Corporate and Employee Ethics | Fair trade | Litigation/Dispute
Operation	Design/Estimate/Purchase of raw materials/Construction | Safety/Environment | Personnel affairs
Financial	Foreign exchange/Interest rates | Finance/Accounting

Project Performance Risk Management

Risks that can occur in project operation not only can have direct impact on the business performance, but also cause adverse impact to the reputation of the company in the long-term. To prevent this, IS Dongseo is operating the project council, and project performance is reviewed and managed in the enterprise-wide perspective. The Development HQ reviews the overall validity risk on project performance and the soundness of the project is evaluated together with relevant departments such as legal, funds and cost, etc. When the final review is completed and the order is confirmed, the project is initiated with the final report.In the project performance stage, relevant departments cooperate strategically to manage the business performance of the project, such as project risk management and inspection of issues, etc.



Project Investments Risk Management

IS Dongseo minimizes potential damages by identifying and predicting risks associated with new and ongoing projects that involve direct financial investments or potential opportunity losses. To manage these risks, we have implemented a periodic reporting system, which includes daily, monthly, quarterly, and semi-annual reports, tailored to different risk types. Decision-making is conducted through a rigorous investment risk management process based on these reports.

ESG Risk Management

Through management environment analysis, investment analysis, and business strategy and performance analysis, IS Dongseo is deriving the risks in the environmental, social and governance sectors in connection to the future direction, and the risk and opportunity factors on the business are identified to respond to the risks. As there are factors threatening the ESG management existing in the overall process of all projects, risks are analyzed from the project promotion stage to the project initiation stage, and a periodic report system is also established. In particular, for safety matters that require ongoing risk management and proactive prevention, we are committed to doing our utmost to minimize safety risks through real-time on-site monitoring, with the Chief Safety Officer (CSO) leading the Safety Management Office's control tower role. In addition, IS Dongseo emphasizes risk management for enterprise-wide ESG management as a key priority by communicating with the responsible departments and sites for each field.

Risk Management System for Each ESG Factor

Classification	Risk Factors	Impact on Company	Risk	Opportunity	Management Status
Environment (E)	Expansion of eco-friendly market	• Increase in demand for green buildings • Expansion of investment on eco-friendly businesses		○	Increase in promotion of green construction projects Increase in eco-friendly projects and purchase of goods
	Climate Change	• Reinforcing GHG (Greenhouse Gas) policies • Reinforcing response to climate change	○		GHG and energy use management Preservation and management of ecosystem near the site
	Waste	• Reinforcing waste management regulations • Significance of resource circulation increased	○		Resource recycling for minimizing the waste Review on use of resources in the construction design stage
Social (S)	Safety & Health Management	• Reinforcing punishment on serious accidents • Building a healthy occupational environment for workers	○		Onsite safety management strengthened in response to serious accidents Occupational health environment improved for the workers
	Vendor Management	• Reinforcing a fair-trade system • Financial instability of vendors	○	○	Fair-trade culture spread to the vendors Management and ESG support expanded on the vendors
	Human Rights Management	• Reinforcing human rights protection policy • Enhanced work-family harmony culture	○		Enterprise-wide risk management on human rights of workers Fostering a work-family harmony culture
Governance (G)	Committee Operation	• Unclear decision-making by the committee • Activation of committee activities	○	○	Securing committee expertise and diversity Forming the ESG Committee and reinforcing connections
	Ethical/Legal Compliance	• Anti-corruption and deterrence of illegal acts • Deterrence of legal violations	○		Strengthening internal audit and compliance activities Strengthening compliance training, management and supervision
	Security Management	• Preventing leakage of internal information • Preventing leakage of customer information	○		Reinforcing the internal information management system Reinforcing customer information management



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1. Environmental Performance

Classification		Unit	2021	2022	2023
Greenhouse Gas Emissio					
Scope 1	Direct Emission	tCO_2e	20,341	7,956	12,147
Scope 2	Indirect Emission	tCO_2e	8,016	7,489	15,195
Total		tCO_2e	28,357	15,445	27,343
GHG Intensity					
Revenues		KRW mil	1,608,441	2,278,443	2,029,440
Scope 1	Direct Emission	tCO_2e/KRW billion	0.498	0.302	0.389
Scope 2	Indirect Emission	tCO_2e/KRW billion	1,763	1,528	3,100
Greenhouse Gas Reduction					
Total Greenhouse Gas Emissions Reduction		tCO_2e	-11,112	12,912	-14,431
Total Greenhouse Gas Emissions Reduction Rate		%	-60.8	83.6	-47.2
Energy Consumption Inside and Outside the Organization					
Energy Purchase Amount	Power	TJ	62.8	56.7	115.2
Fuel Consumption	LNG (City Gas)	TJ	243.6	209.4	143.2
	LPG (Liquefied Petroleum Gas)	TJ	0.1	0.1	14.2
	Gasoline	TJ	0.3	1.6	2.8
	Diesel	TJ	8.2	4.2	3
	Kerosene	TJ	9	2	1.2
	Total	TJ	261.5	217.5	164.6
Energy Intensity		TJ	3.9	3.8	1.4

Classification		Unit	2021	2022	2023
Water Usage					
Water Usage	Water & Sewage Usage	ton	104,177	39,444	126,518
	Underground Water Usage	ton	111,447	109,906	121,769
	Total	ton	215,624	149,350	248,287
Water Usage per Production Unit		ton	0.2	0.5	0.1
Quantity Recycled & Reused		ton	14,700	14,040	13,940
Water Reuse Ratio		%	33	33	33
Water Intensity		%	0.026	0.055	0.012
Material Usag					
Non-Renewable Raw Materials	Ready-mixed Concrete	m^3	469,173.5	-	-
	Cement	ton	83,957.2	96,721.4	100,993.2
	Aggregate	m^3	-	217,438	212,305
	Asphalt Concrete	ton	1,050.5	-	-
	Sand	m^3	112,219.4	123,303	104,934
	Rebar	ton	80,327.4	21,311.4	16,913
	Gypsum Board	sheet	600,693	494,597	1,580,426
Recycling Raw Material	Recycling Aggregate	m^3	7,105.5	6,316.6	8,583.8
Recycling Raw Material Input Ratio		%	0.0122	0.0134	0.82

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Classification		Unit	2021	2022	2023
Waste Generation Amount					
Waste Generation Amount According to Type	Waste Concrete	ton	59,650.1	73,763.2	38,935.5
	Waste Asphalt Concrete	ton	2,796.2	189.5	3,565
	Waste Wood	ton	999.6	372.5	1,908.8
	Waste Synthetic Resin	ton	1,545.7	170.8	4,355.3
	Construction Waste Soil & Rock	ton	3348.9	939.5	5,978.4
	Construction Sludge	ton	191.8	423.8	359.4
	Waste Board	ton	465.9	62.4	1,425.6
	Other Waste	ton	188.2	143.6	73.9
	Mixed Construction Waste	ton	8,146.5	3,118.8	10,406
Waste Generation Amount	Total	ton	77,333.1	66,391.7	57,766.8
Waste Generation Amount According to Processing Method (General Waste)	Reuse	ton	62,804.5	64,013.6	47,241
	Recycling	ton	14,260.3	15,029.9	19,389.3
	Incineration	ton	147.5	76.7	27.6
	Landfill	ton	119	58.6	50.1
Air Pollutant Emission	Dust	kg	5,952.8	281.5	830.5
	NOX	kg	16,346.6	3,558.9	13,897.6
	SOX	kg	39	44.8	355.9
Wastewater Amount	Incineration / Discharge via the Processing Facility / Waste Treatment on the Wastewater Sludge	ton	44,401	47,966	30,644
Water Pollutant Discharge	TOC	kg	568.2	448	399.2
	BOD	kg	131.7	136	186.3
	SS	kg	332.6	365	444.2
	T-N	kg	111	129.7	54.7
Waste Intensity		%	0.077	0.066	0.058

Classification		Unit	2021	2022	2023
Environmental Investments					
Environmental Investment Cost	Total	KRW mil	27,005	355,562.3	138,862.3
Low-emission Vehicle Status					
Eco-friendly Vehicles	Type 1 (electric hydrogen)	EA	-	-	1
	Tyep 2 (hybrid)	EA	-	2	2
	Type 3 (meets emission standards)	EA	-	-	-
	Total	EA	-	2	3
Ratio of Eco-friendly Vehicles	Total	%	-	10.5	8
Environmental Facility					
Air		KRW mil	4.5	5.7	398.5
Water		KRW mil	-	24.8	439.6
Resource Recovery & Others		KRW mil	755	617.9	612.8
Environmental Equipment Operating Expenses / Resource Recovery Cost		KRW mil	67.2	67.3	14.4
Depreciation Cost		KRW mil	-	-	-
General Administrative Expense		KRW mil	54.6	53.9	56.8
Status of Violations of Environmental Laws and Regulations					
Number of Sanctions		No.	0	0	1
Sanction Amount		KRW mil	0	0	6.4
Use of Harmful Chemical Substances					
Harmful Chemical Substance Usage		ton	0	0	0
Harmful Chemical Substance Leakage Accidents		cases	0	0	0
Purchase of Eco-friendly Green Products					
Purchase Amount of Products Made from Recycled Materials		KRW mil	64	71	107
Purchase Amount of Products with an Eco-label		KRW mil	3,948	4,288	12,244.7
Total Eco-friendly Purchase Performance		KRW mil	4,012	4,359	12,351.7
Total Eco-friendly Purchase Rate		%	4.07	4.36	12.37

2. Social Performance

Classification		Unit	2021	2022	2023
Manpower Status					
Gender	**Male**	Persons	661	697	624
	Female	Persons	75	81	77
No. of Regular Employees	**Male**	Persons	556	575	537
	Female	Persons	34	38	37
	Total	Persons	590	613	574
Ratio of Regular Employees	**Male**	%	94.2	93.8	93.6
	Female	%	5.8	6.2	6.4
	Total	%	80.2	78.8	81.9
No. of Temporary Employees	**Male**	Persons	105	122	87
	Female	Persons	41	43	40
	Total	Persons	146	165	127
Ratio of Temporary Employees	**Male**	%	71.9	73.9	68.5
	Female	%	28.1	26.1	31.5
	Total	%	19.8	21.2	18.1
No. of Employees by Age	**Less than age 35**	Persons	188	198	153
	Age between 35~50	Persons	345	354	328
	Over age 50	Persons	203	226	220
Diversity of Employees	**Female Employee Status**	%	10.2	10.4	11.0
	Female Managers	Persons	9	9	10
	National Veteran Employees	Persons	5	4	4
	Disabled Employees	Persons	10	12	13
Total No. of Employees		Persons	736	778	701
Retirement Management					
Retirement Management	**Regular Retirement**	Persons	8	9	4
	Voluntary Retirement	Persons	61	64	89
	Voluntary Retirement Rate	%	56.0	51.2	44.1
Total No. of Retired Employees		Persons	109	125	202

Classification		Unit	2021	2022	2023
New Employment Status					
Full-time Employee (regular worker)	**Female**	Persons	34	25	1
	High School Graduates	Persons	16	6	33
	Youth Employment	Persons	78	72	33
	Disabled	Persons	-	-	-
Full-time Employee (unlimited contract worker)		Persons	-	-	-
Total New Recruitments		Persons	179	147	96
Employment Status					
No. of Employee Turnover	**Male**	Persons	83	107	152
	Female	Persons	26	18	50
Employee Turnover Rate	**Male**	%	76.1	85.6	75.2
	Female	%	23.9	14.4	24.8
Employee Turnover Rate by Age	**Less than age 35**	Persons	35	44	61
	Age between 35~50	Persons	33	43	69
	Over age 50	Persons	41	38	72
	Total	Persons	109	125	202
Total Employee Turnover Rate	**Total**	Persons	109	125	202
Average Years of Service					
Full-time Employee (regular worker)		Months	95	95	102
Full-time Employee (unlimited contract worker)		Months	46	58	66
Full-time Employee (short-term unlimited contract worker)		Months	-	-	-
Manpower Development Status (Education & Training)					
Total Training Participants	**Male**	Persons	360	339	125
	Female	Persons	24	25	6
	Total	Persons	384	364	131
Training Time per Employee	**Male**	Hours	20	20	30
	Female	Hours	20	20	19
	Total	Hours	7,680	7,280	3,814
Total Training Time		Hours	7,680	7,280	3,814
Training Expenses per Employee		KRW 1,000/person	354	388	365
Total Training Expense		KRW mil	136	141	47

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Classification		Unit	2021	2022	2023
Flexible Work Status					
Flexible Working	Intensive Work Type	Persons	261	285	200
Status of Using Parental Leave					
No. of Employees with Parental Leave Management	Male	Persons	125	168	142
	Female	Persons	5	7	6
	Total	Persons	130	175	148
No. of Employees Using Parental Leave	Male	Persons	-	1	1
	Female	Persons	2	2	2
	Total	Persons	2	3	3
No. of Employees Returning to Work after Parental Leave	Male	Persons	1	-	-
	Female	Persons	-	2	1
	Total	Persons	1	2	1
No. of Employees with Service for 12 months after Returning to Work from Parental Leave	Male	Persons	-	-	-
	Female	Persons	-	2	2
	Total	Persons	-	2	2
Return Rate after Parental Leave	Male	%	100	-	-
	Female	%	-	100	50
Service Maintenance Rate for 12 Months after Returning	Male	%	-	-	-
	Female	%	-	100	100
Labor Union Membership Status					
Total No. of Workers		Persons	737	778	701
Performance of Joint Labor-Management Conference & Occupational Safety & Health Meeting (4)		Times	4	4	4
Grievance Handling					
No. of Applications for Complaint Handling		Case	1	-	-
Processing Rate of Complaint Application		%	100	-	-
Social Contribution Activity Status					
Social Contribution Cost Expenditure Status		KRW 1,000	2,901	1,270	1,442
No. of participants in employee volunteer activities		Persons	-	139	61
Volunteer hours per employee		Time/Person	-	5	3
No. of Social Contribution Volunteer Teams		Total	1	1	1
Employee participation rate in social contribution activities		%	-	30	17

Classification		Unit	2021	2022	2023
Community Activity Status					
Interview with Community Stakeholders		No.	16	15	15
Community Donation	No.	Months	22	33	18
Occupational Safety & Health					
Ratio of Deaths per 10,000 Workers		%	-	-	-
Lost Time Incident Rate (LTIR)		%	-	-	-
Industrial Accident Rate (Construction/Manufacture Total)		%	1.17	0.31	0.81
Number of Serious Accidents		Case	-	-	-
Number of Injuries & Illnesses of Workers	Male	Persons	34	32	33
	Female	Persons	2	3	2
	Total	Persons	36	35	35
Number of Fatalities at Work Sites	Male	Persons	-	-	1
	Female	Persons	-	-	-
	Total	Persons	-	-	1
Site Safety Inspection	No. of times per site	Case	22	31	34
	Total	Case	210	257	290
	No. of defective site discoveries	Case	210	257	290
Safety Training	No. of curricula	Curricula	3	7	3
	No. of employees completing trainingcompleting	명	66	28	19
Appointment of Safety Supervisor	Ratio of regular employees	%	50	75	78
Status of Medical Checkups Utilization	General medical checkups	Persons	215	263	-
	Special medical checkups	Persons	200	162	-
	Comprehensive medical checkups	Persons	378	337	343
Pharmaceutical Provision/Support Status		Persons	-	-	-
Health Promotion Activities (records of health consultation use)		Persons	-	-	-
Employee Satisfaction					
Satisfaction with Compensation Benefits		Point	57	-	-

Classification		Unit	2021	2022	2023
Shared Growth					
Supply Chain of the Organization		KRW mil	195,892	342,307	341,939
Supply Chain of the Organization		Number of Partners	174	193	185
Small-Medium Enterprise Product Purchase Results	**Small-medium enterprise product purchase amount**	KRW mil	187,063	317,952	341,409
	Ratio	%	97.10	99.20	99.85
Female Enterprise Product Purchase Results	**Female enterprise product purchase amount**	KRW mil	8,829.1	24,354.6	38,668
	Ratio	%	4.60	7.60	11.31
Total Purchase Amount		KRW mil	192,746	320,674	341,939
Vendor					
Total Number of Vendors		Total	1,138	1,077	1,077
Vendor grievance & complaint handling ratio		%	0	100	100
Financial Support to Vendor			3,361	2,180	7,396
Technology Development for Win-Win Cooperation					
Patent	**Application**	Case	10	11	7
	Registration	Case	16	11	13
Anti-corruption					
Performance of Internal Audit		No.	15	18	20
Human Rights Education					
Number of Human Rights Training Sessions		No.	1	1	1
Number of Participants in Human Rights Training Sessions		Persons	517	580	541
Personal Information Protection					
Number of Customer Personal Information Management Complaints Received		Case	-	-	-
Guaranteeing Customers' Right to Know (information disclosure rate)		%	100	100	100
Customer Satisfaction					
Customer Satisfaction Survey (once / year)		Point	94.8	74.5	60.3
Compliance of social regulations					
Number of Sanctions for Violations		Case	2	0	0
Amount of Sanctions for Violations		Point	-4.59 billion (exemption)	0	0

3. Governance·Economic Performance

Classification		Unit	2021	2022	2023
Statement of Financial Position					
Asset	Current Assets	KRW mil	2,124,728	2,207,827	2,622,293
	Non-current Assets	KRW mil	1,385,027	1,529,959	1,615,080
	Total Assets	KRW mil	3,509,755	3,737,786	4,237,373
Liabilities	Current Liabilities	KRW mil	1,499,713	1,659,038	1,589,564
	Non-current Liabilities	KRW mil	553,179	472,614	875,599
	Total Liabilities	KRW mil	2,052,892	2,131,652	2,465,162
Capital	Paid-in Capital	KRW mil	15,446	15,446	15,446
	Earned Surplus	KRW mil	832,675	993,507	1,152,381
	Other Capital Components	KRW mil	608,742	597,181	604,383
	Total Capital	KRW mil	1,456,863	1,606,134	1,772,211
Statement of Comprehensive Income & Main Index					
Revenues (Sales)		KRW mil	1,608,441	2,278,443	2,029,440
Cost of Sales		KRW mil	-1,149,327	-1,736,137	-1,523,642
Sales & Administrative Expenses		KRW mil	-148,348	-197,229	-165,277
Operating Income (Loss)		KRW mil	310,765	345,076	340,521
Other Revenues		KRW mil	11,191	51,010	13,972
Other Expenses		KRW mil	-29,724	-26,501	-52,463
Other Profit (Loss)		KRW mil	0	0	0
Financial Income (Expense)		KRW mil	-67,498	-48,789	-96,512
Gains in Associates		KRW mil	-57,064	-34,827	14,468
Earnings (Losses) Before Income Taxes		KRW mil	167,670	285,969	219,986
Income Tax Expenses		KRW mil	-56,997	-81,107	-59,729
Net Profit (Loss)		KRW mil	110,673	204,862	160,256
Other Comprehensive Income		KRW mil	-15,985	8,270	892
Total Comprehensive Income		KRW mil	94,688	213,132	161,149
Net Profit Margin		%	7	9	8
Turnover of Net Worth		%	110	142	115
R&D Investments		KRW mil	2,876	2,890	928
No. of Patent Registrations		Case	16	11	13
Management-Related Risk & Opportunity Costs due to Climate Change		KRW mil	27,760	356,193	140,384

Classification		Unit	2021	2022	2023
Main Business Performance Index					
[Beomeo Eileen's Garden] Housing project in Cheongsol District, Beomeo-dong, Suseong-gu, Daegu		KRW mil	458,293	-	-
[Dongdaegu Eileen's Garden] Apartment in Sinam-dong, Daegu		KRW mil	297,081	-	-
[Yeongdo Central Eileen's Garden] Housing redevelopment & maintenance project in Bongnae Area 1		KRW mil	237,685	-	-
[Jungsan Maegok Eileen's Garden] Jungsan-Maegok Area Housing Cooperative (Ulsan)		KRW mil	139,267	-	-
[IS Biz Tower Central in Anyang] New construction for IS Biz in Anyang		KRW mil	-	483,903	-
[Eileen's Garden in Deokeun DMC] New construction for Deokeun District Complex in Goyang		KRW mil	-	140,462	-
[Daegu Station Opera W] Daegu Station W site		KRW mil	-	-	530,499
[Gyeongju New Centro Eileen's Garden] New apartment building construction in Yonggang-dong, Gyeongju-si		KRW mil	-	-	361,092
[Ocean Life Eileen's Garden] Dongsam District 2 Housing Redevelopment Project		KRW mil	-	-	271,222
[Suseong Beomeo W] Daegu Beomeo W site		KRW mil	-	-	745,282
[Munsu-ro Grand Park Eileen's Garden] Munsu-ro Grand Park Local Housing Association		KRW mil	-	-	70,325
Total		KRW mil	1,132,326	624,366	1,978,420
Allocation of Economic Value					
Government	Taxes & past due	KRW mil	45,343	44,707	43,705
Community	Donations & social contribution activity costs	KRW mil	4,447	1,957	1,951
Distribution of Economic Performance					
Dividend on the shareholders (dividend distribution)		KRW mil	30,445	36,612	-
Total Corporate Tax Payment Amount		KRW mil	56,997	81,107	59,729
Total Amount Paid to Employees (personnel out-of-pocket & welfare benefit expenses)		KRW mil	119,512	171,873	180,132
Cost Provided to the Outsourcing Partners (outsourcing cost)		KRW mil	422,320	561,796	687,741
Voluntary Charitable Contribution & Funds Invested		KRW mil	4,447	1,957	1,951
Cost Provided to the Material Partner (material cost)		KRW mil	289,849	423,748	-31,536
Interest Provided to the Lender Bank of Creditors (interest costs)		KRW mil	76,181	67,953	113,362
Total Distribution of Economic Performance		KRW mil	999,751	1,345,046	1,011,379
Portion of Economic Value Retained		KRW mil	3,509,755	3,737,786	4,237,373

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Classification		Unit	2021	2022	2023
Economic Value Creation					
Operating Income		KRW mil	310,765	345,076	340,521
Net Profits		KRW mil	110,673	204,862	160,256
Revenues		KRW mil	1,608,441	2,278,443	2,029,440
Revenues per Business					
Construction Division		KRW mil	1,115,234	1,647,802	1,284,681
Concrete Division		KRW mil	217,108	213,210	182,064
Environmental Division		KRW mil	246,412	422,721	547,297
Others (eliminated deals between divisions)		KRW mil	29,687	-5,290	15,398
Total		KRW mil	1,608,441	2,278,443	2,029,440
Risk Assessment on Anti Fair-Trade Practices at Business Site					
No. of Business Sites		Total	5	5	5
Business Site Ratio		%	100	100	100
Anti-Corruption & Ethical Management					
No. of Ethical Management (Anti-Corruption) Training Sessions		No.	1	1	1
Ratio of Employees Participating in Ethical Management Training		%	100	98.5	100
No. of Applications on Violation (corruption) of Code of Ethics		Cases	0	0	0
No. of Legal Actions for Anti-Fair Trade		Cases	0	0	0
No. of Sanctions for Legal Violations		Cases	0	0	0
No. of Sanctions for Legal Violations		Cases	0	0	0
Monitoring Status	**Status of disciplinary actions for ethical management violations**	Cases	0	0	0
	Sinmungo (Whistleblower) application status	Cases	8	7	4
	No. of post-audit improvements & instructions	Cases	0	0	0
	Ethical level diagnosis	Score	0	0	0

Classification		Unit	2021	2022	2023
Board of Directors					
Performance of Board of Directors' Operations	**No. of meetings held**	No.	14	17	15
	No. of agenda items	Cases	36	35	23
	Ratio of independent directors in the Board of Directors	%	56	60	55
	Female directors in the Board of Directors	Person	-	1	1
	BoD attendance rate	%	95.20	88.80	84.02
Total BoD Renumeration Amount	**Registered director**	KRW mil	2,008	4,789	2,260
	Independent Directors	KRW mil	182	231	240
Retirement Pension					
Pension Fund for Pension Payment (Retirement pension operating amount)	**Level of pension accumulated assets**	KRW mil	27,138	31,407	35,220
No. of Subscriptions by Type	**DB**	Person	668	726	657
	DC	Person	52	43	38
	Total	Person	720	769	695

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GRI	NO.	Disclosure	Page	Omission/Note
General Disclosures				
GRI 2 : General Report 2021	2-1	Organization details	7	
	2-2	Entities included in the organization's sustainability reporting	9	
	2-3	Reporting period, frequency and contact point	1	
	2-4	Restatements of information	1	
	2-5	External assurance	88	
	2-6	Activities, value chain and other business relationships	7~9	
	2-7	Employees	79	
	2-8	Workers who are not employees	79	
	2-9	Governance structure and composition	67	
	2-10	Nomination and selection of the highest governance body	67	
	2-11	Chair of the highest governance body	4	
	2-12	Role of the highest governance body in overseeing the management of impacts	68	
	2-13	Delegation of responsibility for managing impacts	69	
	2-14	Role of the highest governance body in sustainability reporting	4	
	2-15	Conflict of interest	67	
	2-16	Communication of critical issues	67,69	
	2-17	Collective knowledge of the highest governance body	67	
	2-18	Evaluation of the performance of the highest governance body	68	
	2-19	Remuneration policies	68	
	2-20	Process to determine remuneration	68	Disclosure of remuneration policy and calculation process through website business report
	2-21	Annual total compensation ratio		Disclosure of executive salaries and average employee remuneration through website business reports
	2-22	Statement on sustainable development strategy	4	
	2-23	Policy commitments	8, 10, 28, 41, 52, 54, 55, 57, 61 ,71	
	2-24	Embedding policy commitments	8, 10, 28, 42~44, 52, 54, 55, 59, 62~63 , 71~72	
	2-25	Processes to remediate negative impacts	74	
	2-26	Mechanisms for seeking advice and raising concerns	75	
	2-27	Compliance with laws and regulations	78, 81, 83	
	2-28	Member associations	89	
	2-29	Approach to stakeholder engagement	13	
	2-30	Collective bargaining agreement	80	

GRI	NO.	Disclosure	Page	Omission/Note
Material Topic & Topic Standards				
GRI 3 : Material Topics 2021	3-1	Process to determine material topics	15	
	3-2	List of material topics	15	
	3-3	Management of material topics	15	
Economic Performance (GRI 200)				
GRI 201 : Economic Performance	201-1	Direct economic value generated and distributed	82	
	201-2	Financial implications and other risks and opportunities due to climate change	30	
GRI 203 : Indirect Economic Impact	203-1	Infrastructure investments and services supported	61~65	
	203-2	Significant indirect economic impacts	61	
GRI 205 : Anti-corruption	205-1	Operations assessed for risks related to corruption	83	
	205-2	Communication and training about anti-corruption policies and procedures	83	
	205-3	Confirmed incidents of corruption and actions taken	83	
Environmental Performance (GRI 300)				
GRI 301 : Raw materials	301-1	Materials used by weight or volume	77~78	
	301-2	Recycled input materials used	77~78	
GRI 302 : Energy	302-1	Energy consumption within the organization	77	
	302-2	Energy consumption outside the organization	77	
	302-3	Energy intensity	77	
	302-4	Reduction of energy consumption	77	
GRI 303 : Water and Effluents	303-4	Water discharge	77	
	303-5	Water consumption	77	
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	77	
	305-2	Energy indirect (Scope 2) GHG emissions	77	
	305-5	Reduction of GHG emissions	77	
	305-7	Nitrogen oxides (Nox), sulfur oxides (SOx),and other significant air emissions	78	
GRI 306 : Waste	306-2	Management of significant waste-related impacts	78	
	306-3	Waste generated	78	
	306-4	Waste diverted from disposal	78	
	306-5	Waste directed to disposal	78	
GRI 307 : 환경법	307-1	Violation of environmental regulations	78	

GRI	NO.	Disclosure	Page	Omission/Note
Social performance (GRI 400)				
GRI 401 : Employment	401-1	New employee hires and employee turnover	79	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	50	
	401-3	Parental leave	80	
GRI 402 : Labor-Management Relations	402-1	Minimum notice periods regarding operational changes	51	
GRI 403 : Occupational Safety and Health	403-1	Occupational health and safety management system	41~46	
	403-2	Hazard identification, risk assessment, and incident investigation	41~46	
	403-3	Occupational health services	41~46	
	403-4	Worker participation, consultation, and communication on occupational health and safety	41~46	
	403-5	Worker training on occupational health and safety	46, 80	
	403-6	Promotion of worker health	41~46	
	403-8	Workers covered by an occupational health and safety management system	79	
	403-9	Work-related injuries	80	
	403-10	Work-related ill health	80	
GRI 404 : Training and Education	404-1	Average hours of training per year per employee	79	
	404-2	Programs for upgrading employee skills and transition assistance programs	49	
	404-3	Percentage of employees receiving regular performance and career development reviews	79	
GRI 405 : Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	67	
GRI 406 : Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	81	
GRI 416 : Customer Safety and Health	416-1	Assessment of the health and safety impacts of product and service categories	81	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	81	
GRI 418 : Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	81	

TCFD INDEX

TCFD Index

Financial Stability Board (FSB) established the TCFD (Task Force on Climate-related Financial Disclosures) in 2015. TCFD developed the international information disclosure framework for disclosing information related to the climate change, and this information that is disclosed according to the TCFD recommendation is utilized in the decision-making of the international stakeholders and investors. IS Dongseo is earnestly committed to complying with the 11 recommendations of the TCFD. These efforts are detailed in our sustainability report, particularly in the section addressing our response to climate change.

TCFD Recommendations		Main Activities of IS Dongseo	Page
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	IS Dongseo operates an ESG Committee and has established a company-wide carbon neutrality promotion system, while it is reviewing related policy agendas through the ESG Committee.	28
	b) Describe management's role in assessing and managing climate-related risks and opportunities.		
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	IS Dongseo identifies major issues related to climate change, analyzes risks and opportunities, establishes strategies, and promotes specific action plans. Progress is reported to the ESG Committee and management, as well as being reflected in decision-making.	28~30
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.		
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	To help limit the global temperature increase to within 1.5°C, IS Dongseo has systematically identified key risk and opportunity areas—such as policy, market, technology, and financial impacts—based on low-carbon climate change scenarios. We have also developed strategic response plans to address these areas.	28~30
	b) Describe the organization's processes for managing climate-related risks.		
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.		
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.	IS Dongseo is striving to produce low-carbon certified products and develop related technologies. Through this, we aim to achieve our strategic goal of improving financial performance by reducing risks caused by climate change and creating new business opportunities.	77
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.		
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.		

SASB INDEX

Sustainability Disclosure Topics & Metrics

SASB (Sustainability Accounting Standards Board) standards are sustainability accounting standards for each industry published by the U.S. Sustainability Accounting Standards Board, which was launched in 2011. SASB standards systematize highly important sustainability information for a total of 11 areas and 77 industries, considering the uniqueness of each industry for the first time.

Topic	Code	Accounting Metric	Page
Land Use & Ecological Impacts	IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	78
	IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	37
Workforce Health & Safety	IF-HB-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	79~80
Design for Resource Efficiency	IF-HB-410a.4	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	38
Community Impacts of New Developments	IF-HB-410b.1	Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions	61
Climate Change Adaptation	IF-HB-420a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	28~30

UN Global Compact

IS Dongseo complies with the 10 main principles of UN Global Compact on all management activities, including human rights, labor, environment and anti-corruption.

COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

UN Global Compact 10 Main Principles

- **Human Rights**
  - 01 | Businesses should support and respect the protection of internationally proclaimed human rights.
  - 02 | make sure that they are not complicit in human rights abuses.
- **Labor**
  - 03 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
  - 04 | the elimination of all forms of forced and compulsory labour.
  - 05 | the effective abolition of child labour.
  - 06 | the elimination of discrimination in respect of employment and occupation.
- **Environment**
  - 07 | Businesses should support a precautionary approach to environmental challenges.
  - 08 | undertake initiatives to promote greater environmental responsibility.
  - 09 | encourage the development and diffusion of environmentally friendly technologies.
- **Anti-Corruption**
  - 10 | Businesses should work against corruption in all its forms, including extortion and bribery.

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To the readers of 2022 IS Dongseo Sustainability Management Report

Preface

The Institute for Public K-ESG received the request for the verification of the '2024 IS Dongseo Sustainability Report' (hereafter referred to as the "Report"). The manager of IS Dongseo is responsible for the preparation of the report, and the responsibility of the Institute for Public K-ESG is to issue the verification opinion on the specific data and information within the scope indicated below.

Scope and Standard of Audit Verification

IS Dongseo describes the performances and activities of the organization related to sustainability in the report. The audit verification team applied the international audit (verification) standards of AA1000AS V3, according to Type 2, Moderate-level audit performance. The evaluation assessed compliance with the principles of inclusivity, and the GRI index below evaluated the materiality, responsiveness, and reliability of data and related information. The standard for materiality was applied based on the professional judgment of the audit verification team.

The scope of verification includes the domestic business site operation and activities, and the verification team reviewed the following matters for verification.

- AA1000 Accountability Principles, in other words, evaluation of the compliance regarding inclusivity principles, materiality, responsiveness and impact
- Verification on whether the report was prepared according to the GRI Standards
- Evaluation on the accuracy and reliability of the data and information on the following index included in the GRI Content Index
  - GRI 200 (Economic): 201-1, 201-2, 203-1, 203-2, 205-1, 205-2, 205-3
  - GRI 300 (Environmental): 302-1, 302-2, 302-3, 302-4, 303-4, 303-5, 305-1, 305-2, 305-4, 305-5, 305-7, 306-2, 306-3, 306-4, 306-5, 307-1
  - GRI 400 (Social): 401-1, 401-2, 401-3, 402-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 406-1, 416-1, 416-2, 418-1
  - Work-related accident and disaster rate, and work-related disease disaster rate

Among the boundaries of this report, data and information from entities outside of IS Dongseo, including affiliates and contractors, were excluded from the scope of audit verification.

Audit Verification Procedures

The Korea Public ESG Research Institute expects the report published by IS Dongseo to be actively used as a means of stakeholder communication and makes the following recommendations for continuous improvement.

1. Overall review of the content included in the report
2. Review on the strategy and goal of ESG management
3. Interview with the personnel responsible for the preparation of the report
4. Review of the procedures and methods of materiality assessment
5. Review of the stakeholder participation activity

Audit Verification Results and Opinion

The audit verification team held multiple discussions with IS Dongseo based on document reviews and interviews to suggest modifications. The final edition of the report was reviewed to ensure that these modifications and recommendations for improvement were incorporated. As a result of the verification, IS Dongseo's sustainability report was found to be prepared transparently and reliably, meeting all principles and standards presented during the verification process.

Inclusivity	Inclusiveness pertains to allowing full stakeholder participation in the process of developing and achieving the ethical and strategic response measures / methods for sustainability. IS Dongseo is expanding stakeholder participation to practice inclusiveness, a core principle of sustainability management. To this end, we establish and operate various communication channels, actively collect opinions from stakeholders, and reflect them in our management. As no missing stakeholder groups were found during the verification process, it was confirmed that IS Dongseo's comprehensive stakeholder participation is being appropriately carried out.
Materiality	Materiality pertains to assessing the relevance and significance of the issue to the organization and its stakeholders, and in this context, material issues refer to the issues that can have an impact on the decision-making, actions, and performance of the organization or its stakeholders. IS Dongseo has established and operates a systematic materiality assessment process to effectively manage important issues that affect the organization and its stakeholders. Moreover, material issues were selectd by comprehensively analyzing the various opinions collected through this and evaluating their influence on the organization's decisions, actions, and performance. During the verification process, it was confirmed that the IS Dongseo's materiality assessment process was being applied to all material issues without omission.
Responsiveness	Responsiveness pertains to an organization's response to important sustainability topics and related impact, and refers to the management process for material topics determined by the materiality assessment. IS Dongseo systematically manages the organization's response to sustainability topics and its related impact. In addition, we prepare specific policies on major topics, task performance status, activity performance, and improvement plans, and continuously manage them by reflecting the expectations of stakeholders. During the verification process, it was confirmed that IS Dongseo's material topic management process was being systematically operated without any omissions.
Impact	Impact pertains to an organization's response to stakeholder issues that affect its sustainability performance, and it is realized through the organization's decisions, activities, and performance as well as communication with stakeholders. IS Dongseo is actively responding to stakeholder issues that affect the organization's sustainability performance and is gaining the trust of stakeholders by transparently disclosing the results. During the verification process, it was confirmed that IS Dongseo clearly and accurately described response activities to material stakeholder issues in the report.

Suggestions for Improvement

The Korea Public ESG Research Institute's verification team went through the following procedures to verify the agreed-upon verification scope according to the verification standards described above.
IS Dongseo has impressively reorganized the topics derived from the materiality assessment into categories of ESG management issues. This restructuring aims to enhance the convenience of readers, making it easier to comprehend the reported information. For the systematic promotion of ESG management, we recommend that the core performance index is established according to the mid- to long-term strategy in a bid to improve the sustainability of the organization.

Independence of Audit Verification

The Institute for Public K-ESG maintains complete independence in its audit verification of IS Dongseo. Apart from providing third-party verification services, the Institute holds no profit-oriented interests in IS Dongseo's business activities, ensuring unbiased and objective verification.

2024. 06. 26.
Institute for Public K-ESG

AA1000 Licensed Assurance Provider 000-921

The Institute for Public K-ESG 한국공공ESG연구원

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Awards

2024.05	Received a certificate of appreciation at the '2023 XBRL Financial Disclosure Excellence Awards'
2023.07	Received the Excellence Award at the '27th Maeil Business Newspaper Best Livable Apartment Contest'(mid-sized apartment category)
2023.02	Received award from the Minister of Environment (Love & Contribution to the Environment Division) at the '13th Happiness Plus Social Contribution Awards
2022.12	Received grand prize in the '8th HDI Human Management Awards' (Social Contribution Division)
2022.07	IS Group received award from the Minister of Foreign Affairs & Trade at the '16th National Sustainability Management Conference' (SDGs Division)
2021.11	Received award from the Deputy Prime Minister and Minister of Strategy & Finance (ESG Grand Award) at 'SRMQ Convention 2021'
2021.08	Received First Prize (General Mid-sized Construction Division) at the '25th Livable Apartment Contest by Maeil Business News
2021.07	Received the Grand Prize (Urban Regeneration Division) from the 'Green Construction Industry Awards 2021'
2021.02	Received award from the Minister of Gender Equality & Family (Family Love & Social Contribution Division) at the '11th Happiness Plus Social Contribution Awards'
2020.11	Received award from the Deputy Prime Minister and Minister of Strategy & Finance (CEO Division) at 'SRMQ Convention 2020
2020.10	Received award from the Minister of Land, Infrastructure & Transport (Non-Residential Division) from the 'Green Construction Industry Awards 2020'
2019.07	Received award from the Minister of Land, Infrastructure & Transport (Residential Division) from the 'Green Construction Industry Awards 2019'
2018.10	Awarded Police Commissioner's Prize (Corporate Social Contribution Division) from the '3rd Korea Crime Prevention Awards
2018.07	Received the Excellence Prize (High-rise Apartment Building Division) at the '22nd Livable Apartment Contest by Maeil Business News'
2018.07	Received the Grand Prize in first semester at 'Housing Culture Awards 2018 by Korea Economic Daily News
2018.07	Received the Grand Prize (Residential-Commercial Complex Division) from the 'Green Construction Industry Awards 2018'
2018.02	Received award from the Minister of Ministry of Trade, Industry & Energy (Shared Value Creation Social Contribution Division) at the '8th Happiness Plus Social Contribution Awards'
2016.12	Received the Excellence Prize (Residential Architecture Division) at the '12th Civil engineering & Architecture Awards'
2015.07	Selected as 2nd rank in the Construction Division of Value Creation Enterprises in the World by the 'Boston Consulting Group (BCG) Evaluation
2006.07	'Received the Excellence Prize (Medium-sized Enterprise Division) at the '10th Livable Apartment Contest by Maeil Business News
2006.06	Received Grand Prize in the '2006 Eco-friendly Management Awards (Construction Division)
2005.09	Received the Grand Prize (Eco-Friendly Division) at the 'Korea Master Apartment Awards 2005
2005.07	Received Grand Prize in the '2005 Eco-friendly Management Awards (Construction Division)

Membership Status on Main Associations and Organizations

Association	Construction Association of Korea, Korea Fire Facility Association, Korea Electrical Contractors Association, Korea Infrastructures & Communication Contractors Association, Korea Housing Builders Association, International Contractors Association of Korea, Korea Construction Engineers Association, Korea PHC Pile Association
Academic Societies	Architectural Institute of Korea, Korea Concrete Institute, Korea Institute for Structural Maintenance & Inspection, Korean Recycled Construction Resources Institute, Korean Society for Composite Materials, Korea Society of Steel Construction, Korean Association for Spatial Structures, Computational Structure Engineering Institute of Korea
Others	Social Responsibility & Management Quality Institute, ChildFund Korea "Hall of Fame", Community Chest of Korea "Prestigious Enterprise of Sharing"