



동원금속(주) 2024 지속가능경영보고서



Dongwon Metal Company  
2024 Sustainability report

# Endless Sustainable Growth





# About this Report

## Overview

This is the first edition of the ESG report published by Dongwon Metal Company Limited (hereinafter referred to as 'Dongwon Metal' or 'Dongwon Metal Co., Ltd'). Dongwon Metal is committed to issuing an ESG report annually, prioritizing transparency in communicating the company's sustainable management activities and fostering active engagement with stakeholders.

## Reporting Standards

This report follows the 2021 Global Reporting Initiative Standards. The financial information included in this report is obtained from the Consolidated Financial Statements and complies with the international financial reporting standards adopted in Korea (K-IFRS). Any financial or non-financial information that has been aggregated based on different standards is specified in the annotation.

## Reporting Period

The reporting period is from January 1, 2023, to December 31, 2023, and includes content from the first quarter of 2024 for some activities. Quantitative data are provided for the past three years (2021-2023) to demonstrate annual trends.

## Reporting Scope

This report provides information on Dongwon Metal Co., Ltd.'s Headquarters, plants, and establishments based in the country. It also includes data on major overseas establishments located in Alabama, Georgia, Piracicaba, Canoas, Mexico, Czech Republic, and Slovakia. Please note that any differences in the reporting scope and data coverage are specifically indicated in the annotation.

## Validation

To improve the objectivity and reliability of the report, it has been third-party assured by the Institute for Sustainability Management in accordance with the international assurance standard AA1000AS v3. For details on the validation process, refer to page 000.



## Report Distribution

The sustainability report will be published as a downloadable PDF on the company's website ([www.dwmic.com](http://www.dwmic.com)) and will be available in both Korean and English. If you have further inquiries or feedback related to Dongwon Metal Company Limited or this report, you can contact us by phone or email.

## Inquiries

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*Dongwon Metal will secure global competitiveness and achieve sustainable growth by optimizing its ESG management and developing growth engines*

## INTRODUCTION

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CEO Message  
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Global Network



# CEO MESSAGE



Technology for the Environment **DONGWON METAL**

***Dongwon Metal will secure global competitiveness and achieve sustainable growth by optimizing its ESG management and developing growth engines.***

Dear respected stakeholders,

Despite the adversities posed by global geopolitical conflicts and unstable supply chains last year, Dongwon Metal achieved remarkable success thanks to the considerable interest and unwavering support from our customers, shareholders, community, and stakeholders.

Starting in 2023, Dongwon Metal has developed a strategy and vision for ESG management. We have established an ESG Committee, ESG Management Council, and Climate Change Response Council to oversee matters related to ESG management. Dongwon Metal has recently joined the UNGC(UN Global Compact) and has created a plan to reach the goal of net-zero emissions by 2050. In addition, Dongwon Metal is actively participating in the CDP(Carbon Disclosure Project) and responding to EcoVadis assessments. Furthermore, we have updated our policies across all sectors within the company to oversee ESG management initiatives.

We have prioritized increasing sales through newly produced items and expanding revenue from overseas subsidiaries for economic performance. Simultaneously, we have pursued cost-saving measures by recycling old facilities and continued our company-wide cost-reduction efforts led by the TFT (Task Force Team). As a result, we have achieved operating profits for two consecutive years, laying the groundwork for further growth.

Amid fierce competition in the global auto parts industry, major countries may lose momentum and struggle to contribute to the global economy. Based on the belief that 'a crisis presents an opportunity' to transform challenges into chances, Dongwon Metal is setting its management policy for 2024 as "safe growth" in preparation for the future, aiming for a new leap to achieve a sales target of 1 trillion won by 2027.



# CEO MESSAGE



***We are prioritizing the enhancement of our ESG management system for sustainable business practices.***

ESG management is no longer an option but rather a necessity. Many global customers now exclude companies that do not meet ESG management requirements. By 2024, Dongwon Metal aims to establish a greenhouse gas inventory that includes Scope 3 emissions, proactively engage in ESG initiatives and assessments to produce positive outcomes, and focus all efforts on maximizing shareholder value through transparent governance. Our goal is to establish a strong foundation for advancing our ESG management system.

***Next, we aim to improve our competitiveness in terms of technology and cost in order to achieve stable growth.***

Amidst the global economic slowdown and stagnant economic recovery, the automotive industry is faced with uncertainty and rapid change. Our major customers, global automotive manufacturers, are making every effort to find a growth engine. Therefore, Dongwon Metal will not ease up but will secure a competitive edge in the future automotive market through unmatched technology and cost-effectiveness. We will support talented employees and improve corporate structure by fostering healthy relations in terms of labor-management.

***Lastly, we will continue to intensify our ongoing strategic projects.***

Newly introduced products such as environmentally friendly car seat frames (SEAT FRAME) and battery plates (BATTERY PLATE) have contributed to increased sales and profits. We aim to diversify our product portfolio beyond existing products in the rapidly changing global automotive market. We are researching and developing door inners (DR INR), environmentally friendly vehicle parts, and future automobile parts. We will seek out new opportunities by exploring emerging markets globally.

Dongwon Metal's first published sustainability report for 2023 reflects our ESG management achievements and unwavering determination. We aim to encourage active participation from all our employees, customers, community members, suppliers, and partners to collectively build a brighter future.

All employees of Dongwon Metal will strive for sustainable growth by meeting the expectations of our stakeholders, not only in terms of financial achievement but also non-financial ESG performance.

Sincerely,

Dongwon Metal Co., Ltd. CEO, Chairman

**Eun-woo Lee**

李根雨



# Company Profile

## About Dongwon Metal

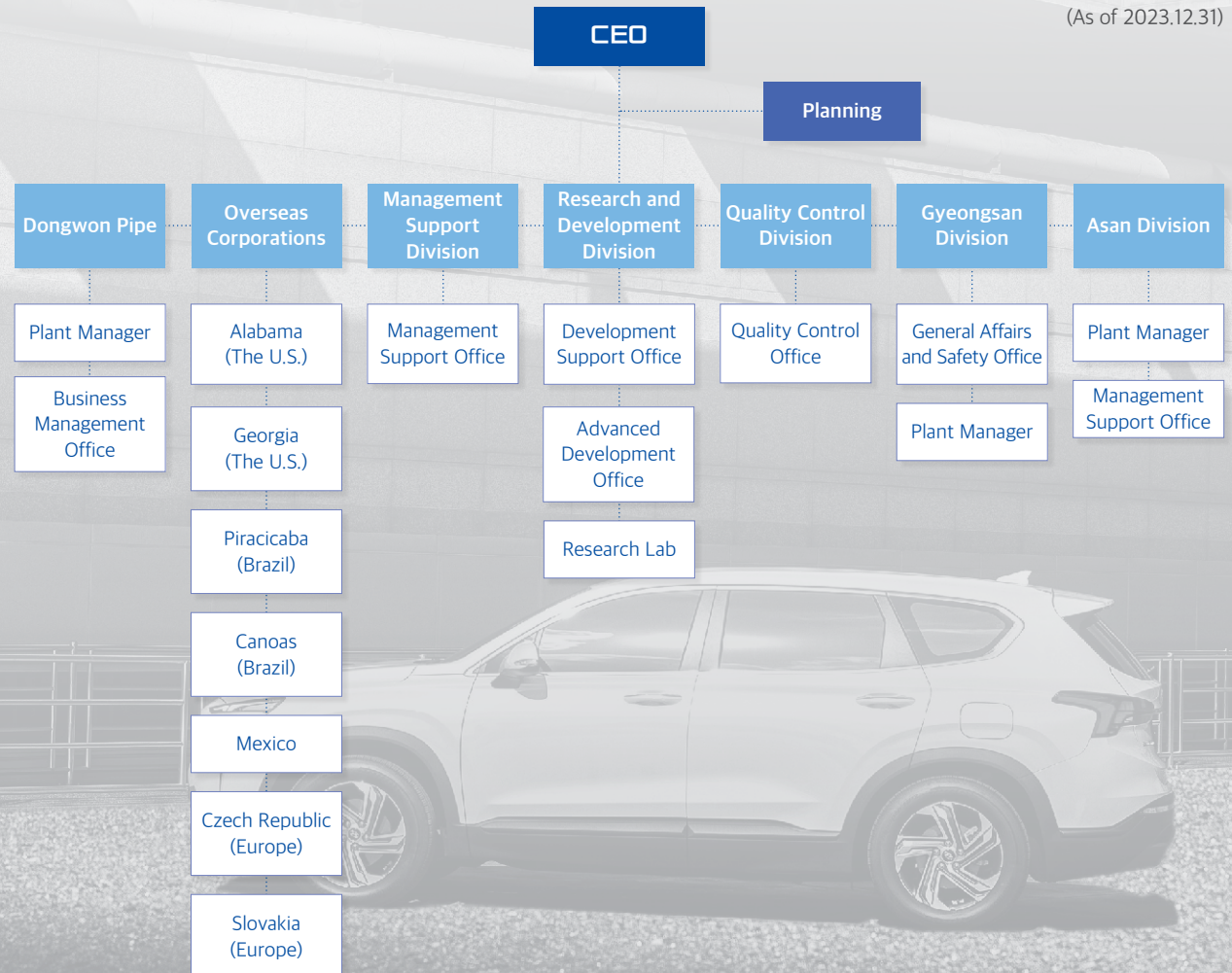
Since its establishment in 1971, Dongwon Metal has established itself as a competitive player in the global automotive parts industry, particularly in the production of components such as door frames(DR FRAME), seat frames(SEAT FRAME), and battery frames(BATTERY FRAME), etc.. Leveraging our renowned excellence in research and development and exceptional technological capabilities, we have garnered the support of our customers through innovative solutions and high-quality products. Moving forward, we are committed to leading the global automotive parts industry through sustainable management.

## Dongwon Metal Overview

<b>Company Name</b>	Dongwon Metal Co., Ltd.
<b>Founding Date</b>	1971.04
<b>Listing Date</b>	1995.11
<b>Address</b>	69, 1-gil, Buk-ri, Jillyang-eup, Gyeongsan-si, Gyeongsangbuk-do, Korea
<b>Executives</b>	Eun-woo Lee(CEO/Chairman), Seung Ryong Park(President)
<b>Core Business</b>	Automotive parts(DR FRAME, etc..) manufacturing
<b>Number of Employees</b>	2,470(As of 2023.12.31)
<b>Credit Rating</b>	BB- (NICE Rating, 2023.07)
<b>Website</b>	<a href="http://www.dwmic.com">http://www.dwmic.com</a>

## Dongwon Metal Organizational Chart

(As of 2023.12.31)

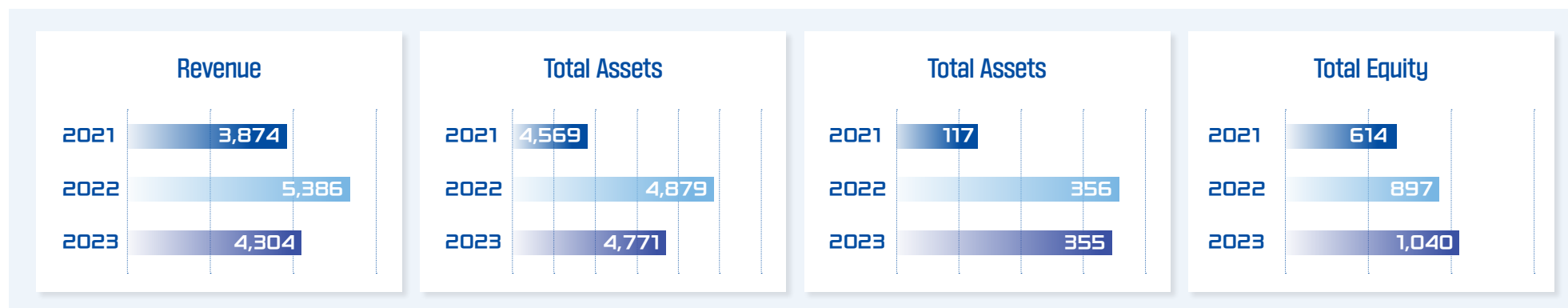




# Company Profile

## Profitability

### Key Financial Indicators\* (Unit: KRW hundred million)



### Revenue by Segment\*

Classification	Type	Product		Goods		Others		Total
	Business Segment	Automotive Components	Steel Pipe	Automotive Components	Steel Pipe	Automotive Components	Steel Pipe	
	Item	DR FRAME, etc.	Industrial Steel Pipe, etc.	DR FRAME, etc.	Industrial Steel Pipe, etc.	DR FRAME, etc.	Industrial Steel Pipe, etc.	
2021	Revenue(KRW Million)	339,875	29,749	4,444	8,111	5,190	0	387,369
	Ratio(%)	87.74	7.68	1.15	2.09	1.34	0.0	100
2022	Revenue(KRW Million)	492,144	28,416	4,332	7,639	5,396	713	538,640
	Ratio(%)	91.37	5.28	0.80	1.42	1.00	0.13	100
2023	Revenue(KRW Million)	395,979	19,680	5,566	5,301	3,372	470	430,368
	Ratio(%)	92.02	4.57	1.29	1.23	0.78	0.11	100

\* Based on consolidated financial statements \*\* As Dongwon Metals is a March fiscal year-end entity, only data for the first three quarters (April-December) of 2023 is included.



# Company Profile

## Vision & Strategy

Dongwon Metal’s vision is to become “a world-class company that earns respect from society and continues to thrive perpetually,” guided by core values including talent acquisition, ethical management, customer satisfaction, and technological innovation. In 2023, we expanded this vision to include becoming a: “Global No.1 Business! ESG Leading Company!” To accomplish this, we have set forth five strategic directions: “ESG management system enhancement, maximization of customer satisfaction, exploration of future growth engines, operational management optimization, and activation of organizational culture.” We are committed to pursuing continuous management innovation to achieve our strategic goals and long-term growth strategy.

### Vision and Strategy of Dongwon Metal



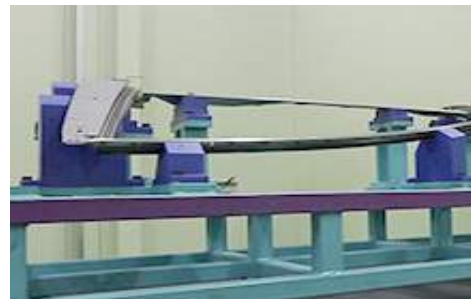


# Company Profile

## Research and Development

### Progress of Technological Development

Dongwon Metal is striving towards the vision of becoming the world's top automotive parts company with our relentless determination towards customer satisfaction.



- Establishment of DR INR ASSEMBLY line
- Establishment of DR FRAME line
- Establishment of DR FRAME automated inspection line
- Development of SIDE SILL INR Roll-Forming and establishment of its line
- Establishment of BEAM ASSEMBLY front bumper line
- Implementation of DR FRAME B PILLAR twisting equipment

- Development of SEAT FRAME
- Development of SLIDING DR RAIL
- Development of Elliptical SIDE DR BEAM for automotive DR
- Development of Roll-Forming BUMPER BEAM with high-strength steel
- Development of SIDE DR BEAM for Automotive DR

### R&D Center

Dongwon Metal aims to lead the future automotive and steel industries with its unwavering determination and continuous efforts in research and development to achieve the highest level of technological advancement. Renowned for our commitment to excellence, we provide a wide range of jigs, molds, and rolling equipment for automotive parts manufacturing. Our facilities and plants are strategically located worldwide, boasting cutting-edge technology, state-of-the-art machinery, and specialized research and development capabilities. We achieve customer satisfaction by providing tailored products and services that perfectly meet their needs.



Cowl Cross Bar Rotational Durability Testing Equipment



Towing/Shipping Durability Testing Equipment



CAD/CAM/CAE System



Roll Forming

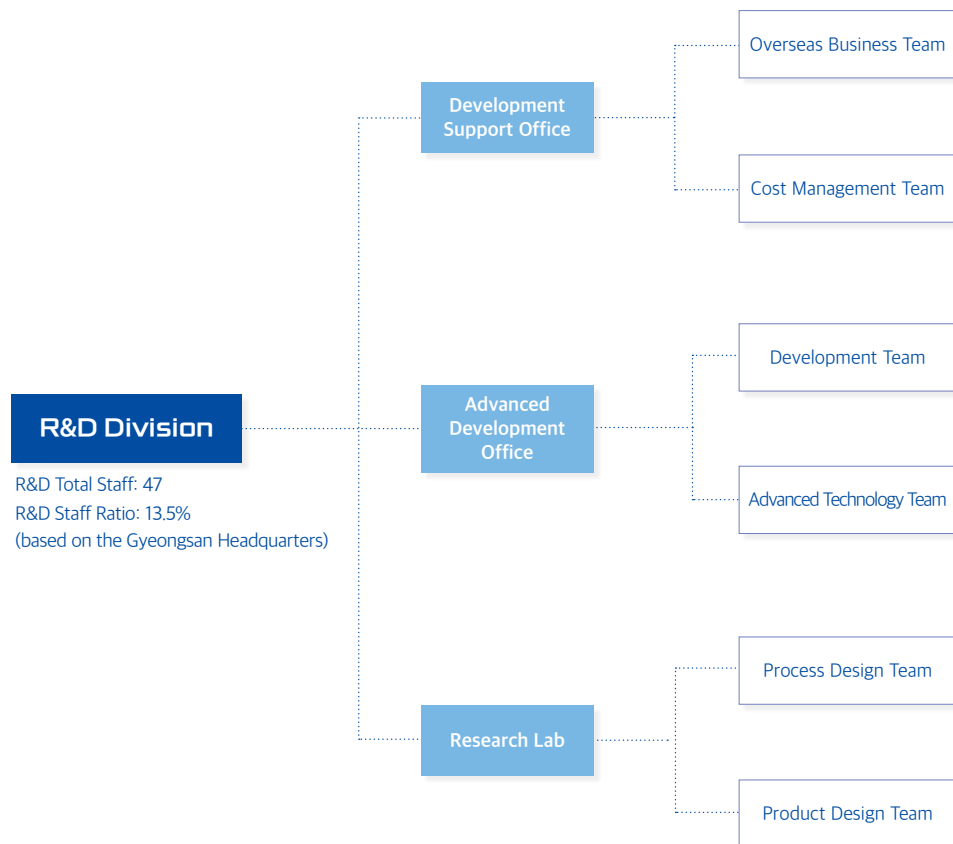


# Company Profile

## Research and Development

### R&D Organization

Dongwon Metal's Research and Development Division operates with three departments (Research Lab, Advanced Development Office, and Development Support Office) and six teams (Product Design, Process Design, Advanced Technology, Development, Cost Management, and Overseas Business). In particular, we are expanding investments in research and development of eco-friendly vehicle components (HEV, EV) and new materials to reduce greenhouse gas emissions.



### Industrial Property Rights Ownership

Dongwon Metal, with its accumulated knowledge and expertise, holds a multitude of outstanding technology patents. We remain dedicated to continuous research and development, refusing to settle for the status quo. As a pioneering force in creating new automotive safety standards, Dongwon Metal is committed to achieving our dream of becoming a global leader in automotive parts through our unwavering dedication to customer satisfaction.

Category	Name	Registration Number	Registration Date
Patent	Welding Methods for Automotive Door Frames	No.10-2518779	2023.04.03
Patent	Device and Method for Piercing Holes in Automotive Cowl Pipes	No.10-2376528	2022.03.15
Patent	Manufacturing Method for Roll-Forming Door Impact Beams	No.10-2063362	2019.12.31
Patent	Hole Piercing Device for Automotive Cowl Pipes	No.10-2049788	2019.11.22
Patent	Mold for Hole Formation in Automotive Door Inner Assemblies	No.10-2026908	2019.09.24
Patent	Welding Device for Automotive Door Frame Corners	No.10-1550966	2015.09.01
Patent	Grinding Device for Automotive Door Frame (FRONT)	No.10-1546569	2015.08.17
Patent	Grinding Device for Automotive Door Frame (REAR)	No.10-1499797	2015.03.02
Patent	Fixture Structure for Industrial Components/Parts	No.10-1275139	2013.06.10
Patent	Bending Device and Method for Vehicle Door Frames	No.10-1275140	2013.06.10
Patent	Manufacturing Method for High-Strength Steel Bumper Beams for Vehicles	No.10-1265285	2013.05.10



# Company Profile

## Research and Development

### Industrial Property Rights Ownership



Welding Methods for Automotive Door Frames



Device and Method for Piercing Holes in Automotive Cowl Pipes



Manufacturing Method for Roll-Forming Door Impact Beams



Hole Piercing Device for Automotive Cowl Pipes



Mold for Hole Formation in Automotive Door Inner Assemblies



Welding Device for Automotive Door Frame Corners



Grinding Device for Automotive Door Frame(FRONT)



Grinding Device for Automotive Door Frame(REAR)



Fixture Structure for Industrial Components



Bending Device and Method for Vehicle Door Frames



Manufacturing Method for High-Strength Steel Bumper Beams for Vehicles



# Our Business

## Primary Enterprises

Dongwon Metal is acknowledged as a premier player in the automotive parts and steel pipe industries, thanks to its unwavering commitment to research and development. We tirelessly innovate our automotive frames, production equipment, and steel pipes, delivering top-quality products and modular solutions that exemplify our customer-centric approach. In line with the dynamic automotive industry landscape, Dongwon Metal is committed to pioneering new product developments, including DR INR, BATTERY FRAME, DR CTR RAIL, and SEAT FRAME, while also strengthening our capabilities. Leveraging our accumulated expertise, high quality standards, and exceptional technological prowess, we supply products to global automotive manufacturers such as Hyundai Motor and GM. We are continuously expanding our global network through the discovery of new global customers.

### Automotive Parts



- DR FRAME
- SEAT FRAME
- BUMPER BEAM
- DR BEAM
- COWL CROSS BAR
- FEM CARRIER
- DR RAIL
- GUIDE RAIL
- SEAT RAIL
- SLIDE RAIL
- SIDE SILL
- Roll Forming product
- Press product

### Equipment Plant



- Roll Forming Machine
- Bending Machine
- Welding Jig
- Saw Cutting Machine
- Automatic Production Line

### Pipes



- Carbon steel pipe for pressure piping
- Special steel pipe for structural use
- Carbon steel pipe for general structures
- Aluminum-plated steel pipe for automobile structure
- Square steel pipe for general structures
- Carbon steel pipe for machine structure
- Stainless steel pipe for automobile exhaust
- High corrosion resistance(POSMAC) steel pipe
- Steel pipe for hydroforming
- Steel pipe for piping
- Steel pipes for oil
- Structural steel pipe
- Carbon steel pipe for heat exchanger
- Spiral welded steel pipe
- Wireway
- C-beam



# Our Business

## Key Products

### Automotive Parts

Dongwon Metal specializes in producing and supplying automotive components like door frames (DR Frame) and bumper beams (BUMPER BEAM) which utilize its core technology: Roll-Forming. Our commitment to excellent quality and technological expertise has earned us the trust of our customers.



#### DR FRAME

The door provides the necessary rigidity to support the window glass, reduce wind noise during driving, and serve as a waterproof barrier. It also helps to support the structure of the vehicle.



#### DR INR

Dongwon Metal leads the industry with its door inner assemblies and modularization, leveraging our excellent door frame manufacturing technology to enhance our customers' competitiveness.



#### SEAT FRAME

The seat frame serves as the fundamental skeleton within a car seat, providing support to occupants and crucial protection in the event of external collisions or accidents.



#### BUMPER BEAM

As a key component in vehicles, it serves to protect the vehicle's chassis and crucial components in case of low-speed collisions between vehicles or with obstacles. It cushions passengers with softened shock and ensures pedestrian safety.



#### COWL CROSS BAR

This reinforces a vehicle's structure and prevents horizontal bending or twisting, thus ensuring passenger safety.



#### FEM CARRIER

This acts as an essential frame for connecting the components of the FRONT END MODULE, strengthening the front.



#### BATTERY FRAME

The BATTERY FRAME is situated between the rear seat and the battery, providing protection to the battery module against shocks or vibrations.



#### DR BEAM

Installed within the door, it significantly contributes to shock absorption and increased rigidity, playing a crucial role in passenger safety during side-impact collisions.



# Our Business

## Key Products

### Automotive Parts

Dongwon Metal specializes in producing and supplying automotive components like door frames (DR Frame) and bumper beams (BUMPER BEAM) which utilize its core technology: Roll-Forming. Our commitment to excellent quality and technological expertise has earned us the trust of our customers.



#### BATTERY PLATE

This is a reinforcing component that secures the battery module in place, protecting it from potential shocks and vibrations.



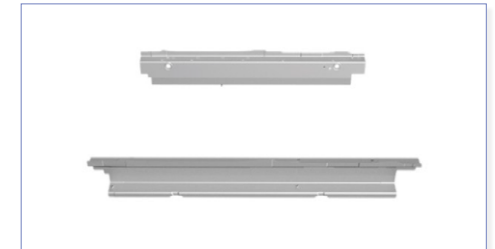
#### LOWER STIFFENER

The LOWER STIFFENER, located inside the front bumper, reduces pedestrian injury in collisions.



#### DR CTR RAIL

This is located within the vehicle's sliding door and is part of the structure that enables the door to open and close. It also supports the body frame.



#### SIDE SILL

This comprises the vehicle's floor and reinforces the side-bottom of the vehicle. It absorbs shock and reduces damage in the event of a side-impact collision.

### Automotive Parts Press

We produce flawless automotive parts using accurate molds processed with state-of-the-art machine tools, fully automated large shuttle lines, and press lines ranging from small to large tonnage.



#### CROSS MEMBER ASSEMBLY



#### PANEL ASSEMBLY



#### REAR PILLAR ASSEMBLY



# Our Business

## Key Products

### PLANT

Dongwon Metal offers manufacturing facilities and technological solutions such as Roll-Forming, Welding, Bending, Cutting, and an Automated Production Line based on accumulated production technology and know-how.

#### ROLL FORMING MACHINE

This is a method that utilizes COIL to produce various shapes that are automatically formed while passing through the forming roll. This method is applicable to DR FRAME forming for vehicles, pipe manufacturing machines, office equipment, furniture, etc..



#### WELDING JIG

We are equipped with various welding equipment tailored to SPOT welding, CO2 welding, TIG welding, MAG welding, etc..



#### BENDING MACHINE

This machine is designed to handle rolls produced in straight lines from the Roll-Forming process. It transforms these straight rolls into three-dimensional shapes customized to fit the design of vehicles.



#### SAW CUTTING MACHINE

This equipment cuts Roll-Forming products without deforming either side, preparing them for butt-welding.



#### AUTOMATIC PRODUCTION LINE

We established automated production lines to automate the production process of door frames, accommodating small-batch production of various models.





# Our Business

## Key Products

### Steel Pipe

Dongwon Metal manufactures and supplies high-quality, safety-assured steel pipes utilizing its outstanding Roll-Forming technology. We exceed our customers' expectations with the latest welding equipment and high-value pipe products.



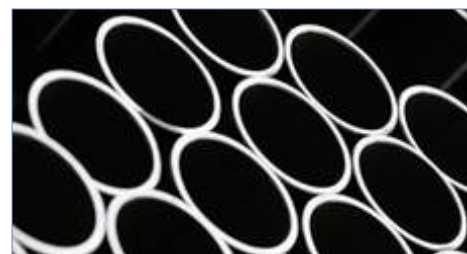
#### Automotive Stainless Steel Pipe

This contains titanium which enables it to be manufactured and welded with ease. It is used in automotive exhaust systems, heat exchangers, and high-temperature appliances.



#### Automotive Aluminum-Coated Steel Pipe

This is coated with aluminum and used in automotive mufflers, heat exhaust pipes in power plants, etc..



#### Carbon Steel Pipe for Plumbing

This is used for piping with relatively low pressure, including steam, water (excluding potable water), oil, gas, air, etc..



#### Carbon Steel Pipe for Pressure Piping

This is used for pressure piping in boilers, steam pipes, hydraulic pipes and similar applications operating below 350°C.



#### Carbon Steel Pipe for General Structural Use

This is used in civil engineering, steel towers, scaffolding, supports, ground anti-slip piles, etc..



#### Carbon Steel Pipe for Mechanical Structures

This is used in various mechanical components such as machinery, automobiles, aircraft, bicycles, household appliances, furniture, and other equipment.



#### Angle-shaped Steel Pipe for General Structure

This is used in civil engineering, construction, and various other structures, including building pillars, exteriors, fences, and mechanical equipment.



#### Color Pipes

Color pipes are used in civil engineering, construction, and other structures. It is coated for rust prevention, simplifying on-site work and making labor cost effective.

# Global Network

Dongwon Metal has secured production bases and sales networks in countries including South Korea, China, Czech Republic, Slovakia, The U.S., Mexico, Brazil, etc., to ensure worldwide accessibility.

## Headquarters: 1

Gyeongsan-si, Gyeongsangbuk-do, South Korea

## Manufacturing Sites: 12

South Korea, Czech Republic, Slovakia, The U.S., Brazil, Mexico

## R&DCenter: 1

South Korea

## Joint Company: 2

China

## Subsidiary: 1

South Korea (Dongwon Pipe)

## Domestic Establishments

### Gyeongsan Plant(Headquarters)

Key Products: DR FRAME, CHANNEL, PRESS

### Jinryang Plant

Key Products: New Research, Product Development

### Asan Plant

Key Products: DR FRAME, BUMPER BEAM, CHANNEL, PRESS

### Gunsan Plant

Key Products: DR FRAME

### Dunpo Plant

Key Products: DR FRAME

### Cheonan Plant

Key Products: SUB LINE, A/S

### Yeongcheon Plant

Key Products: SIDE SILL, A/S

### Dongwon Pipe Co., Ltd



## Overseas Establishments

### Czech Republic

Key Products: DR FRAME, FEM CARRIER, COWL CROSS MBR, BUMPER BEAM, DR BEAM, DR INNER ASSEMBLY

### Slovakia

Key Products: DR FRAME, COWL CROSS MBR, DR BEAM, BUMPER BEAM(TUBULAR)

### The U.S.(Alabama)

Key Products: DR FRAME, FEM CARRIER, COWL CROSS MBR, BUMPER BEAM, DR BEAM, DR INNER ASSEMBLY

### The U.S.(Georgia)

Key Products: DR FRAME, FEM CARRIER, BUMPER BEAM, DR BEAM, DR INNER ASSEMBLY

### Brazil(Piracicaba)

Key Products: DR FRAME

### Brazil(Canoas)

Key Products: DR FRAME

### Mexico

Key Products: DR FRAME, FEM CARRIER, COWL CROSS MBR, BUMPER BEAM, DR BEAM

### Beijing Lingyun Dongwon\_Joint Company

Key Products: DR FRAME, DR BEAM

### Beijing Lingyun Dongwon Jiangsu\_Joint Company

Key Products: DR FRAME, DR BEAM, DIVISION CHANNEL





*Dongwon Metals is committed to enhancing its ESG management system, creating new growth engines for the future to secure global competitiveness, and realizing sustainable growth.*

## ESG MANAGEMENT

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ESG Vision & Strategy  
Stakeholder Commitment  
ESG Performance  
Materiality Assessment

# ESG Vision & Strategy

Dongwon Metal set up its ESG management vision as 'Dongwon Metal ESG (Endless Sustainable Growth)' in 2023. The company is dedicated to ESG management by implementing an environmental management system, generating social value, and maintaining a steady, ethical governance framework. Dongwon Metal is committed to pursuing sustainable growth in collaboration with all its stakeholders.

## Dongwon Metal's ESG Vision and Strategies





# Stakeholder Commitment

## Communication Channel for Stakeholders

Classification	Primary Concerns	Responsive Measures	Channels
Executives and Employees	<ul style="list-style-type: none"> <li>Improving the working environment and organizational culture</li> <li>Enhancing competency</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening welfare benefits and enhancing organizational culture</li> <li>Leadership and skills enhancement programs</li> <li>Talent development through mandatory training</li> </ul>	<ul style="list-style-type: none"> <li>Labor-Management Council</li> <li>Collective bargaining</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Ensuring product quality competitiveness</li> <li>Keeping transparency about products</li> </ul>	<ul style="list-style-type: none"> <li>Gathering and incorporating customer feedback</li> <li>Sales and marketing activities</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Sales/marketing</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Promoting inclusive growth and collaboration</li> <li>Preventing unfair practices and corruption</li> </ul>	<ul style="list-style-type: none"> <li>Providing technical and quality education to partners</li> <li>Regular quality meetings</li> <li>Preventing unjust practices and corruption</li> </ul>	<ul style="list-style-type: none"> <li>Partner meeting</li> <li>Partner visits</li> </ul>
Shareholders and Investors	<ul style="list-style-type: none"> <li>Diversification of business portfolio</li> <li>Risk management for business risks</li> </ul>		<ul style="list-style-type: none"> <li>Shareholder's meeting</li> <li>Management disclosure</li> <li>IR activities</li> </ul>
The Government/ NGO	<ul style="list-style-type: none"> <li>Compliance with laws and regulation</li> <li>Enhancing public private partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Engaging in communication with government and relevant groups</li> <li>Preventing unfair practices and corruption</li> </ul>	<ul style="list-style-type: none"> <li>Participation in government agency meetings</li> <li>Engagement in government policies and investment</li> </ul>
Local Community	<ul style="list-style-type: none"> <li>Enhancing environmental cleanup and safety initiatives</li> <li>Revitalizing local economies and promoting social contributions</li> </ul>	<ul style="list-style-type: none"> <li>Intensifying environmental and safety management</li> <li>Operating social contribution programs</li> </ul>	<ul style="list-style-type: none"> <li>Volunteering for the community</li> </ul>

## The Creation and Distribution of Economic Value through Stakeholder Involvement

Classification	Unit	2021	2022	2023*	
Executives & Employees	Wage	KRW Million	65,693	70,232	61,415
	Severance Pay	KRW Million	4,887	4,924	3,608
	Employee Benefits	KRW Million	16,261	19,699	15,908
	Total	KRW Million	86,841	94,855	80,931
Customers	Revenue	KRW Million	387,369	538,640	430,368
Partners	Purchase Cost**	KRW Million	111,403	153,695	129,800
Shareholders and Investors	Dividends	KRW Million	0	935	0
	Interest Expenses	KRW Million	11,300	12,275	10,471
	Total	KRW Million	11,300	13,210	10,471
The Government/ NGO	Taxes and Duties	KRW Million	3,009	3,631	2,775
	Corporate Tax Expenses	KRW Million	(615)	5,105	6,659
	Total	KRW Million	2,394	8,736	9,434
Local Community	Donation	KRW Million	14	32	29
	Social Contribution	KRW Million	0	0	0
	Total	KRW Million	14	32	29
<b>Total Economic Value Created and Distributed</b>		KRW Million	100,549	116,833	100,865

\* Dongwon Metal's fiscal year ends in March; therefore, the table includes data only from the first to third quarters of 2023(April to December).

\*\* Purchasing costs from partner companies represent aggregated data from domestic establishments(Gyeongseong Headquarters, Asan Establishment), while all other data encompasses aggregated data from all Dongwon Metal establishments(including subsidiaries).

# ESG Performance

## The Results of the External Evaluation for ESG Performance

The infographic displays three external evaluation results:

- Korea ESG Standard Institute (한국ESG기준원):** Shows four categories: Integral (C), Environmental (C), Social (C), and Governance (C).
- Carbon Disclosure Project (CDP):** Shows a 'C 등급' (C Rating) for Carbon Disclosure Project, CDP.
- Global Sustainability Assessment platform (ecovadis):** Shows a score of '40 점' (40 points).

## Key Achievements by Category

### Environmental

Institutionalized Environmental Management System

- **Establishment of greenhouse gas inventory**  
Total greenhouse gas emissions for 2023: 24,797 tCO2eq (Scope 1 & 2)
- **Net-zero by 2050 strategy established**
- **ISO 14001(Environmental Management System)**  
Certification for a total of 5 establishments as of 2023

### Social

Leader in Creating Social Value

- **Joined UNGC** (UN Global Compact) (in January 2024)
- **IATF 16949(Quality Management System)**  
Certification for all business establishments including global establishments(9 in total)
- **ISO 45001(Occupational Health and Safety Management System)**  
Certification for a total of 6 business establishments as of 2023
- **Selected as an outstanding partner**  
Outstanding partner of GM for 3 consecutive years

### Governance

Ethical Governance

- **Establishment of ESG dedicated organizations(December 2023)**  
ESG Committee established  
ESG Management Council established  
Climate Change Response Council established
- **A total of 15 regulations and guidelines related to ESG management revised or established**



# Materiality Assessment

Dongwon Metal conducted a materiality assessment to identify material topics and ensure transparent communication with stakeholders. This assessment was based on the GRI Standards, incorporating both the Materiality Principle and the Double Materiality approach. The Double Materiality method evaluates sustainability issues, considering both Impact Materiality and Financial Materiality. Dongwon Metal actively gathered stakeholders' feedback to prioritize key material topics which will influence the company's management activities.

## Double Materiality Assessment Process

### Identifying Material Topics

In order to address sustainability management issues both internally and externally, 40 key material topics were identified, taking into account global standards, significant industry concerns, benchmarking, and media analysis.

#### Dongwon Metal's Internal Management Strategy

#### Research on International Standards and Major Industry Material Topics

- GRI<sup>1)</sup> industry material topics
- ISO26000 material topics
- SASB<sup>2)</sup> material topics
- TCFD<sup>3)</sup> material topics
- Material topics selected by the company for benchmarking

#### Media Analysis on Dongwon Metal Co., Ltd.

From Jan 1, 2021 to July 12, 2023  
A total of 354 valid article excerpts related to Dongwon Metal Co., Ltd. were identified and analyzed.

### Prioritization/Assessment of Materiality

A categorical scoring survey was conducted among 205 stakeholders, including executives, customers, partners, local community members, and professional groups, to prioritize the 40 material topics. Subsequently, the top 10 topics were selected from the remaining 13 based on their financial impact, as assessed by financial staff, ESG TFT staff, and external experts.

#### Impact Materiality

Analysis and assessment of the potential impact on society and the environment due to Dongwon Metal Co., Ltd.'s management activities.

#### Financial Materiality

Analysis and assessment of the potential impact on Dongwon Metal Co., Ltd.'s corporate value and finances from an external perspective.

#### Prioritization

The 10 materiality topics were selected and prioritized based on the final evaluation of their impact and financial materiality.

### Validation of Effectiveness

The top 10 material topics identified through stakeholder examination were validated for their validity and effectiveness. This validation process was overseen by both external experts and internal reviewers within Dongwon Metal Co., Ltd. As a result, this report has ensured credibility and transparency in its content regarding the materiality assessment.

#### External Expert Review

The review of sustainability management expert on material topics.

#### Internal Review and Final Selection

The Review of Dongwon Metal Co., Ltd.'s ESG management TFT.

#### The Third Party Verification

Securing credibility and transparency of the report through the third-party verification.

1) GRI(Global Reporting Initiative)

2) SASB(Sustainability Accounting Standard Board)

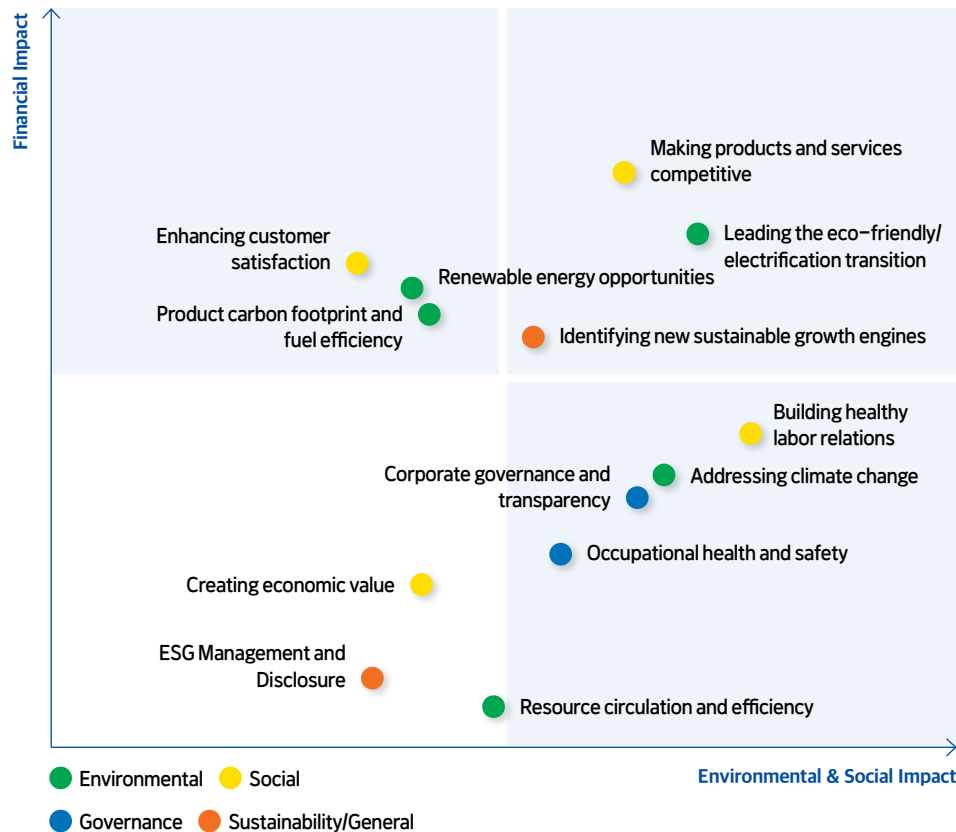
3) TCFD(Task Force on Climate-related Financial Disclosures)

# Materiality Assessment

## Double Materiality Assessment Results

After conducting thorough assessments that considered the environmental, social, and financial impacts, we have identified 10 out of 40 topics as the primary material topics. Dongwon Metal’s sustainable management activities and performance related to each of these issues are transparently disclosed throughout the report.

### Double Materiality Assessment Results



No.	Category	Topics	Environmental/ Social Impact	Financial Impact	Total
1	Environmental (E)	Leading the transition to eco-friendly/electrification	4.50	4.50	9.00
2	Social (S)	Securing competitiveness in products and services	4.45	4.54	8.98
3	Social (S)	Healthy relations between the labor and management	4.55	4.31	8.86
4	Sustainability/General	The discovery of sustainable growth engines	4.36	4.40	8.76
5	Environmental (E)	Renewable energy opportunities	4.30	4.44	8.74
6	Social (S)	Enhancement of customer satisfaction	4.28	4.46	8.74
7	Environmental (E)	Carbon footprint of products and fuel efficiency	4.31	4.41	8.72
8	Environmental (E)	Climate change responses	4.45	4.27	8.72
9	Governance (G)	Integrity and transparency of corporate governance	4.43	4.26	8.69
10	Social (S)	Occupational safety and health	4.38	4.21	8.59



# Materiality Assessment

## Management Approach

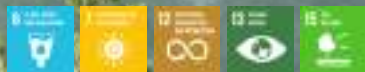
Ranking	Topic	Overview	Approach
1	Leading the Transition to Eco-Friendly/Electrification	The automotive industry is experiencing a shift towards eco-friendly and autonomous vehicles, which has led to an increase in the use of electrification and expansion technologies. Due to the rapidly changing environment, there is a growing emphasis on the need to develop and research core technologies. This is essential for leading the new mobility ecosystem and expanding the global portfolio.	<ul style="list-style-type: none"> <li>Accelerated development and release of eco-friendly vehicle technologies               <ul style="list-style-type: none"> <li>BATTERY FRAME/PLATE SEAT CROSS MEMBER</li> <li>DR FRAME/BUMPER BEAM/DR BEAM, etc.</li> </ul> </li> <li>Approximately 89.6 billion won in sales revenue achieved for eco-friendly auto parts in 2023</li> </ul>
2	Securing Competitiveness in Products and Services	As customer demands and expectations for products and services increase, technological innovation is necessary to remain competitive in the market.	<ul style="list-style-type: none"> <li>Providing customer-centric services beyond basic quality, pricing, and delivery</li> <li>Establishing and executing competitive strategies based on market/competitor analysis</li> <li>Acquiring technologies through ongoing investment in research and development</li> </ul>
3	Healthy Relations Between the Labor and Management	To achieve an essential element of ESG, which is "social value," it is crucial to cultivate a mature labor-management relationship. This can be done by establishing a collaborative partnership between employee and employer and creating a framework for cooperation.	<ul style="list-style-type: none"> <li>Expanding communication channels across all staff               <ul style="list-style-type: none"> <li>labor-management communication, organizational culture-related programs, etc.</li> </ul> </li> <li>Regular collective bargaining and the operation of the Labor-Management Council</li> </ul>
4	The Discovery of Sustainable Growth Engines	It is imperative to discover sustainable growth engines by actively pursuing eco-friendly future projects and expanding into sustainable product lines and business sectors.	<ul style="list-style-type: none"> <li>Diversifying customer portfolio through new global customers</li> <li>Venturing into new industries utilizing core technology such as Roll Forming</li> <li>Exploring new business models leveraging existing core competencies</li> <li>Planning and implementing future strategic projects for ESG management</li> </ul>
5	Renewable Energy Opportunities	The increasing emissions of greenhouse gases from the combustion of fossil fuels have underscored the importance of shifting towards renewable energy sources like solar and wind power in manufacturing and operational activities. Major corporations are taking the lead in initiatives such as Net-Zero, aimed at achieving zero net greenhouse gas emissions, and participating in programs like RE100, which involve sourcing 100% of electricity from renewable sources.	<ul style="list-style-type: none"> <li>Dongwon Metal's establishment of three strategies for Net-Zero(December 2023)               <ul style="list-style-type: none"> <li>Joining RE100 by 2030 after reviewing</li> <li>Planning to implement solar and other renewable energy facilities</li> </ul> </li> </ul>

# Materiality Assessment

## Management Approach

Ranking	Topic	Overview	Approach
6	Enhancement of Customer Satisfaction	If customer satisfaction regarding quality, price, and delivery falls below an acceptable level, it can pose a significant risk to the company's reputation. Dongwon Metal heavily relies on customers and underscores the importance of minimizing risks associated with customer dissatisfaction to maintain sustainable growth.	<ul style="list-style-type: none"> <li>• Certification IATF 16949 across global establishments</li> <li>• Operation of a complaint management channel</li> <li>• Strengthened management of the supply chain and its quality</li> </ul>
7	Product Carbon Footprint and Fuel Efficiency	The product carbon footprint measures the environmental impact resulting from activities such as raw material extraction, transportation/distribution, usage, and disposal. It provides consumers with transparent information about greenhouse gas emissions and encourages them to purchase products with a lesser impact on the environment, thus enabling a sustainable consumption and production system. This aspect is important for stakeholders who prioritize environmental concerns.	<ul style="list-style-type: none"> <li>• Establishing Dongwon Metal's three strategies for Net-Zero(December 2023) <ul style="list-style-type: none"> <li>- Establishment of plans for Product Life Cycle Assessment(LCA)</li> <li>- Enhancement of plans for greenhouse gas management in the supply chain</li> </ul> </li> </ul>
8	Climate Change Responses	WEF has warned that the failure to acknowledge climate change can result in irreversible conditions, in which Earth becomes uninhabitable for humanity. Numerous countries have pledged to achieve carbon neutrality by 2050, with some already enacting legislations to this effect. Such regulations may pose a potential threat to international trade, possibly affecting Dongwon Metal's business and relationships.	<ul style="list-style-type: none"> <li>• Establishment of Climate Change Response Council(December 2023)</li> <li>• Development of greenhouse gas inventory(December 2023)- Scope 1 &amp; 2</li> <li>• Establishment of carbon neutrality strategy by 2050(December 2023)</li> <li>• Development and verification of greenhouse gas inventory including Scope 3(planned for 2024)</li> </ul>
9	Integrity and Transparency of Corporate Governance	Transparent and healthy governance is essential for safeguarding stakeholder rights, enhancing company growth, and increasing company value. Establishing a forward-thinking governance framework with consistent and proactive attention from the organization is crucial.	<ul style="list-style-type: none"> <li>• Transparent management regulations and operation of Transparent Management Committee</li> <li>• Conducting External Director training(accounting, audit, internal control)</li> </ul>
10	Occupational Safety and Health	Failure to address occupational safety and health can result in catastrophic accidents, endangering the well-being of company staff and partners, harming residents near establishments/plants, and potentially leading to loss of life and property. It is essential to implement appropriate measures to prevent such risks and accidents.	<ul style="list-style-type: none"> <li>• ISO 45001 certification for all establishments(planned for 2024)</li> <li>• Extended training in health and safety across all employees</li> <li>• Enhancement of joint labor-management safety inspections</li> <li>• Intensifying regular safety inspections for partner companies</li> </ul>





*Dongwon Metal has made a strong commitment to creating a more hospitable Earth for both present and future generations. We are actively engaging in various initiatives aimed at reducing greenhouse gas emissions, transitioning to renewable energy, developing environmental technologies, and ultimately achieving carbon neutrality by 2050. Our ultimate goal is to preserve our ecosystem and contribute towards building a cleaner and greener planet.*

# ENVIRONMENTAL

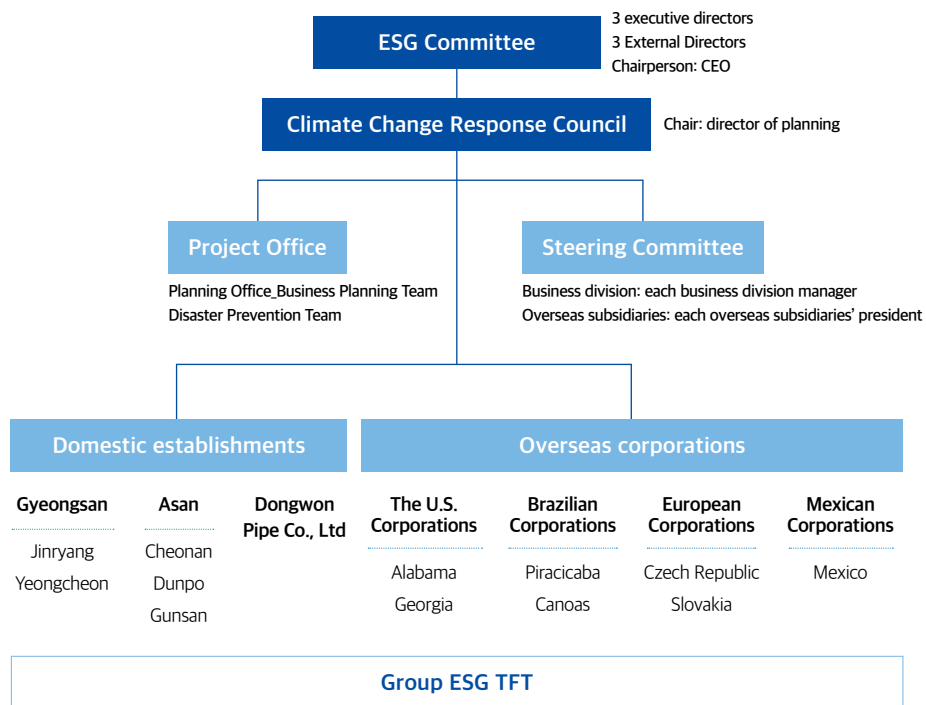
26	Environmental Management
30	Climate Change Response
36	Sustainable Resource Management



# Environmental Management

Dongwon Metal has implemented an environmental management system overseen by the highest decision-making body, which monitors and governs environmental management according to company-wide environmental policies and regulations. Through environmental management, Dongwon Metal pursues sustainable growth, values people, and takes social responsibility. We extend our communication channels to various stakeholders willing to participate, and we operate our global establishments per the global standard(ISO 14001), undergoing systematic validation and evaluation.

## Environmental Governance



### The Role of the Board

The Board of Directors at Dongwon Metal and its ESG Committee oversee environmental management activities, performance, key risk factors, and potential improvements through reports provided by the Climate Change Response Council. They actively participate in formulating environmental management strategies and approving agendas related to investments.

### The Role of the Executives

The ESG Committee, in which the CEO directly participates, manages key environmental management initiatives and their progress, reviews improvement outcomes, discusses major risk mitigation strategies, and oversees the dissemination and propagation of environmental management. Additionally, environmental issues expected to have a significant impact are presented as agenda items for discussion and decision-making by the Board of Directors and the ESG committee.

### The Company-Wide Organization: Climate Change Response Council

Dongwon Metal's corporate structure concurrently serves as the Climate Change Response Council, assuming a fundamental role in strategically directing global sustainable environmental management. With the Project Office and Steering Committee at the forefront, it functions as the central governing entity, overseeing critical tasks such as risk management, performance evaluation, and regulatory compliance. Its principal objective is to realize Dongwon Metal's vision of comprehensive environmental stewardship.

### Establishment Management Organization: Each Plant's Production Technology Teams and Environment/Energy Personnel

The management organization for global establishments at Dongwon Metal revolves around the heads of production technology teams and environmental/energy management personnel. They are responsible for establishing and operating environmental management systems, managing pollutant emissions through facility operation, implementing policies, identifying and improving environmental risks, and spreading and disseminating environmental management practices.

### Research and Development Organization

Dongwon Metal is committed to the development of eco-friendly electric vehicle components, with its corporate research institute at the forefront. Through an open innovation approach, leveraging networks with industry, academia, and research institutions, Dongwon Metal is actively engaged in the development of eco-friendly materials and products.



# Environmental Management

## Implementing Environmental Management

### Environmental Management Guideline

Dongwon Metal recognizes environmental management as a core corporate value and established its environmental management policy in 2004 to actively engage in environmental management(introducing the environmental management system ISO 14001). The policy is periodically revised once a year(or as needed) to incorporate regulations and issues.

### Environmental Management Policy

Dongwon Metal and all its subsidiaries are committed to continuously improving performance in accordance with environmental policies, striving to address environmental issues across the entire value chain. Dongwon Metal prioritizes compliance with environmental laws and regulations in each country where it operates before implementing policies, and in cases where there are no specific provisions, it conducts environmental management in accordance with its policy. We will revise our environmental management policy annually by incorporating changes in external environmental factors such as laws and regulations.

### The purpose, the scope, and implementation



### Environmental Management Implementation Plan

At Dongwon Metal, we strive to implement an effective environmental management system that reflects the PDCA(Plan-Do-Check-Action) process. We achieve this by complying with relevant rules and regulations, announcing our environmental management policy, reviewing performance results and data, identifying and assessing risk factors, and continuously revising.

### Establishment of the Environmental Management System

Our domestic establishments and overseas plants have implemented Environmental Management Systems (EMS) in accordance with international standards such as ISO 14001. Third-party institutions such as the Korean Foundation for Quality have examined our operations and awarded certificates for their validity. Relevant institutions examine us annually and evaluate us every three years for renewal.

### Dongwon Metal’s ISO 14001 corrective actions status in 2023

No.	Identified Corrective Action	Identified Preventative Action	Results
1	The water quality management guidelines have been revised by incorporating the wastewater treatment operation process.	1. Conducted training for personnel responsible for wastewater treatment 2. Added the water quality management guidelines to the compliance assessment checklist for regular monitoring and improvement	Suitable
2	A compliance assessment has been conducted regarding the regulatory requirements for hazardous substances in products (MS201-02).	Conducted training for personnel on the regulations of product’s hazardous substance	Suitable
3	Waste bins, including garbage bins, are collected within the manufacturing site, and designated waste is sorted and disposed of accordingly.	1. Conducted training on how to sort out designated waste and its disposal 2. Prepared and placed designated waste collection bins	Suitable
4	The management support team conducted an assessment of the qualifications of personnel responsible for environmental impact assessments and registered the results on the list of qualified individuals.	1. Conducted training for personnel responsible for suitability management 2. Reassessed environmental impact evaluations conducted by the management support team	Suitable

# Environmental Management

## On-site Environmental Accidents and Regulatory Response

Dongwon Metal established the Climate Change Response Council in December 2023. It plans to hold biannual meetings (or as needed) to systematically discuss environmental regulations, ensuring that all establishment managers can effectively respond to them. In 2018, we established an emergency response system that complies with international Safety, Health, and Environment (SH&E) standards. This system can immediately address environmental incidents such as air and water quality, waste, and chemical spills. The Headquarters and each establishment have an emergency response organization and communication system. We have developed an emergency response manual to ensure employees are familiar with the procedures.

## Establishments Certified with Environmental Management System(ISO 14001)

Establishments		Validity Term
Domestic	Gyeongsan Plant	2022 ~ 2025
	Jinryang Plant	2022 ~ 2025
	Asan Plant	2022 ~ 2025
	Dongwon Pipe Co., Ltd	To be validated in 2024
The U.S.	Alabama	2021 ~ 2024
	Georgia	To be validated in 2024
Brazil	Piracicaba	2023 ~ 2026
	Canoas	To be validated in 2024
Mexico	Mexico	To be validated in 2024
Europe	Czech Republic	To be validated in 2024
	Slovakia	To be validated in 2024

## Developing Eco-Friendly Technology

At Dongwon Metal, we are increasing financial support and investment in research and development for auto parts of HEV and EV to reduce greenhouse gas emissions.

## The Status of Mass Production Development for Eco-friendly Vehicles(HEV, EV)

### BATTERY FRAME for HEV

- The battery frame for eco-friendly hybrid vehicles serves to protect the battery pack from vibrations and impacts.
- Utilizing high-strength pipes produced by Dongwon Pipe, we engineer them to possess an optimal rigidity structure, maximizing the safety of eco-friendly vehicles.

Part Name	Illustration	Applicable Vehicle Models/ Construction Method
BATTERY FRAME (for HEV)		Applicable Vehicle Models • SX2 HEV, CN7 HEV • NX4 HEV, NQ5 HEV • DN8 HEV, DL3 HEV • GL3 HEV, GN7 HEV  Construction Method • Pipe bending, CO2 welding
BATTERY BASE PLATE (for HEV)		Applicable Vehicle Models • NX4e HEV  Construction Method • Press/hardware assembly
SEAT CROSS MEMBER (for HEV)		Applicable Vehicle Models • SX2 EV, SG2 EV  Construction Method • 영문필요



# Environmental Management

## BATTERY BASE PLATE for HEV

- The battery baseplate for eco-friendly HEVs enhances safety by protecting the battery pack from vibrations and impacts.

## SEAT CROSS MEMBER for EV

- The structural members on the floor panel of electric vehicles are spaced at regular intervals to prevent lateral twisting and bending, enhancing body protection during collisions for passenger safety.  
 - One of our core construction methods is Roll-Forming, which allows for the mass production of high-quality products.

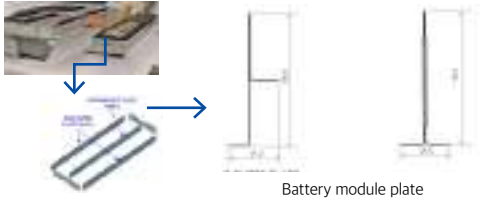

## The Status of R&D for Electric Vehicle Components

### BATTERY MODULE PLATE for EV

- It serves as a framework for the EV battery module, supporting and protecting the battery cell. The Roll-Forming construction method is employed to reduce costs and facilitate the mass production of high-quality products.

### PACK SIDE MEMBER for EV

- It is an effective component that serves as the backbone of EV battery packs. It safeguards the battery pack in the event of collisions with large objects or vehicles to ensure safety.  
 - The application of the Roll-Forming technique achieves mass production, high quality, and cost reduction.

Part Name	Illustration	Applicable Vehicle Models/ Construction Method
BATTERY MODULE PLATE (for EV)		<ul style="list-style-type: none"> <li>Material: SUS290, Thickness: 0.8mm</li> <li>Roll-Forming, laser trimming, powder coating</li> </ul>
BATTERY PACK SIDE MEMBER (for EV)		<ul style="list-style-type: none"> <li>Material: SGAFC 1470, Thickness: 1.0t</li> <li>Roll-Forming, laser piercing*</li> </ul>

## The Status of R&D for Lightweight Components

### Aluminum Door Frame(DR FRAME)

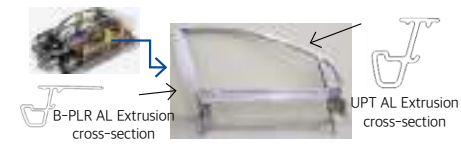

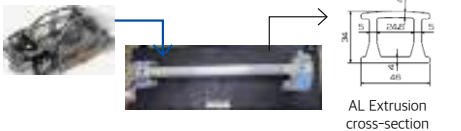
- It ensures the rigidity of car doors, supports the glass, reduces wind noise during driving, and provides waterproofing. It also functions to support the door's structure.  
 - Compared to traditional steel doors, aluminum doors offer an approximately 31% weight reduction due to a decrease in the number of components and the use of low-density aluminum. This helps to reduce the vehicle's overall greenhouse gas emissions.

### Aluminum Bumper Beam(BUMPER BEAM)

- The bumper beam is a key safety component of vehicles. It protects essential parts of the vehicle and mitigates impact to safeguard passengers and pedestrians in the event of collisions between large objects or vehicles.  
 - Compared to traditional steel bumper beams, aluminum bumper beams offer an approximately 35% weight reduction due to the use of low-density aluminum and a decrease in the number of components. Additionally, they ensure collision safety performance with high-strength aluminum.

### Aluminum Door Impact Beam(DR IMPACT BEAM)

- It is a safety component that protects passengers and the vehicle's crucial parts during collisions with other vehicles or objects.  
 - Compared to traditional steel beams, aluminum beams are approximately 30% lighter due to their lower density. By employing high-strength aluminum materials, we ensure both weight reduction and enhanced side-collision safety performance.

Part Name	Illustration	Applicable Vehicle Models/ Construction Method
Aluminum Door Frame		<ul style="list-style-type: none"> <li>Aluminum 6000 series extruded product</li> <li>Extrusion, roll bending, stretch bending</li> </ul>
Aluminum Bumper Beam		<ul style="list-style-type: none"> <li>Aluminum 6000~7000 series extruded product</li> <li>Extrusion, stretch bending</li> </ul>
Aluminum Door Impact Beam		<ul style="list-style-type: none"> <li>Aluminum 7000 series extruded product</li> <li>Extrusion, roll bending</li> </ul>

# Energy Consumption and Intensity

At Dongwon Metal, we continuously identify and evaluate potential risks and opportunities in response to climate change. As part of our climate change response governance, we have implemented a climate change strategy aligned with laws and regulations to address macroscopic environmental changes preemptively.

## Climate Change Risk Management

### Climate Change Response Governance

#### The Roles of the Board and Executives

At Dongwon Metal, under the oversight of the Board of Directors, we aim to discuss climate change and other ESG issues biannually, coordinated by the Climate Change Response Council. The ESG Committee makes decisions on key ESG matters.

#### The Role of a Dedicated Organization

In December 2023, Dongwon Metal established the Climate Change Response Council to actively address climate change. The council plans to work together with relevant departments within the company, led by the Project Office and Steering Committee, to develop and execute climate change response strategies in various areas. The council's focus will be on developing a greenhouse gas inventory, including Scope 3 emissions, introducing renewable energy, and researching and developing eco-friendly technologies. In 2024, the council will give particular attention to discussing these initiatives.





# Climate Change Response

## Climate Change Response Strategies

### Climate Change Risk and Opportunity Response Measures

At Dongwon Metal, we actively identify and leverage the transition and physical risks arising from the implementation process toward a low-carbon economy as new business opportunities. To minimize climate change risks and capitalize on opportunities, we have established greenhouse gas inventories for Scope 1 and Scope 2 emissions in December 2023 and monitor greenhouse gas reduction on a monthly basis. We have developed a plan to achieve carbon neutrality by 2050, in accordance with the Paris Agreement and the Korean government's policies. Our goal is to evaluate greenhouse gas emissions, including Scope 3, in 2024 and obtain SBTi approval by 2030.

Type		Topic	Risk	Opportunity	Measures	Financial Impact	
Transition Risk	Technology	Acceleration in competition for the technological development of eco-friendly auto parts	Failure to lead the market will result in a decline in market share	Increase in market share through the endorsement of the technology	<ul style="list-style-type: none"> <li>Extending investment in R&amp;D for eco-friendly auto parts</li> <li>Fortifying relations with automotive manufacturers</li> <li>Venturing into new business with Roll Forming technology</li> </ul>	High ●	
	Market	Increase in sales due to the growing EV market	Decrease in revenue if new EV model's profitability is not ensured	<ul style="list-style-type: none"> <li>Securing large-scale clients/customers</li> <li>Increase in sales of EV-related products</li> </ul>	<ul style="list-style-type: none"> <li>Diversified clients</li> <li>Intensified monitoring of raw material prices</li> <li>Extended investment in EV component business</li> </ul>	High ●	
	Reputation	Heightened demand for action from customers, investors, and stakeholders regarding climate change	Impaired brand image, withdrawal of investments, and customer attrition due to inadequate actions and refusal to disclose	Enhancement of brand image and securing investments through proactive disclosure and response to climate change information	<ul style="list-style-type: none"> <li>Transparency in climate-related disclosure</li> <li>Participating in global initiatives such as CDP</li> <li>Joining RE100</li> <li>Pursuing carbon neutrality 2050</li> <li>Encouraging participation from partner companies in climate change response efforts</li> </ul>	Mid-High ●	
	Laws	Calls for acceleration of mandatory climate-related disclosure	Impaired brand image, withdrawal of investments, and customer attrition due to violation of disclosure regulations	Enhanced brand image, secured investments, and attraction of new customers through proactive disclosure and response	<ul style="list-style-type: none"> <li>Review and preparations of disclosures according to international reporting criteria</li> <li>Activation of communication channels for stakeholders</li> </ul>	Mid ●	
	Regulations	Present	Emission Trading System	The possibility of fines due to excessive emissions	Generating revenue through the sale of emission allowances	<ul style="list-style-type: none"> <li>Extending the use of renewable energy</li> <li>Employing a comprehensive management system for emissions reduction and the entire processes</li> </ul>	High ●
		Future	Escalated EU CBAM	Customer attrition and deterioration of profitability due to increase in cost from tax increase	Securing price competitiveness through an increase in overseas purchases	<ul style="list-style-type: none"> <li>Life Cycle Assessment (LCA) for product evaluation across all stages</li> <li>Practical measures for reducing greenhouse gas emissions</li> </ul>	High ●
Physical Risk	Short-term	The frequency of extreme weather events such as typhoons, floods, heavy snow and such	<ul style="list-style-type: none"> <li>Damaged facilities, plant shutdowns, and delays</li> <li>Establishments in coastal areas facing increased risks of damage and loss</li> </ul>	Increasing market share through stable supply, outperforming competitors	<ul style="list-style-type: none"> <li>Climate change monitoring</li> <li>Creating emergency response manual</li> <li>Enhancing safety within the workplace</li> </ul>	High ●	
	Long-term	The accelerated rate of sea level rise	Increased risk of flooding for establishments located near coastal areas	Attracting potential customers through support for climate change adaptation for the local community	<ul style="list-style-type: none"> <li>Continued monitoring of sea level rise</li> <li>Flood prevention solutions devised</li> </ul>	High ●	

# Climate Change Response

## Carbon Neutrality Strategy

At Dongwon Metal, we are committed to considering environmental impacts in order to pass on a sustainable Earth to future generations. We actively view carbon neutrality as a new opportunity for growth and strive to create a circular ecosystem. In December 2023, we established a mid-to-long-term strategy for achieving carbon neutrality and have been actively engaging in various activities in response to initiatives and evaluations such as CDP and EcoVadis. To realize our goal of carbon neutrality by 2050, we will continue to build a sustainable foundation for green growth through efforts such as maximizing energy efficiency, promoting resource recycling, and researching and developing eco-friendly products.

### Dongwon Metal's Three Net-Zero Strategies



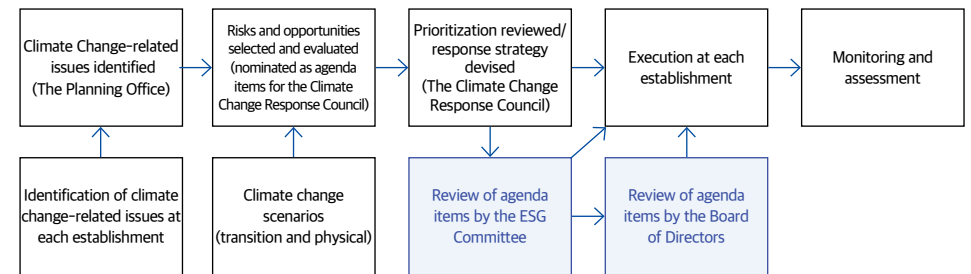
Maximization of Energy Efficiency	Resource Recycling	Eco-friendly Products
Creation of greenhouse gas inventory	Use of eco-friendly raw materials	R&D of new eco-friendly materials and technologies
Increased energy-saving activities	Waste recycling	Implementation of Product Life Cycle Assessment (LCA)
Enhancing greenhouse gas management in the supply chain	Introduction of renewable energy	Increased eco-friendly consumption

## Incentives for Climate Change Management

At Dongwon Metal, climate change-related criteria have been incorporated into the performance evaluation criteria for the CEO, plant managers, and other senior executives. The results of these performance evaluations are linked to incentives and salary structures. Additionally, by 2030, we plan to establish greenhouse gas emission reduction targets for all employees and integrate related criteria into individual performance evaluations.

## Climate Change Risk and Opportunity

### Dongwon Metal's Climate Change Risk and Opportunity Management Process



At Dongwon Metal, we continuously identify, evaluate, and manage risks and opportunities related to climate change on a company-wide scale. The climate change issues identified at each global business establishment are relayed to the Planning Office at the Headquarters in Gyeongsan. The Planning Office then analyzes and selects key risks and opportunities from these issues and organizes biannual (or more frequent, if necessary) Climate Change Response Council meetings. During these meetings, each identified factor's strategic and financial impacts on Dongwon Metal are assessed, and company-wide response strategies are formulated accordingly.

### Identification Stage

At Dongwon Metal, we identify potential risks and opportunities related to climate change that may affect us through management strategy meetings. These meetings are conducted at various establishments and organizational levels to assess issues.

### Assessment and Reporting Stage

At the Headquarters Planning Office, we hold Climate Change Response Council meetings to establish response strategies based on factors and issues identified, considering their potential strategic and financial impacts on Dongwon Metal. Depending on their significance, the ESG Committee, which the CEO is directly involved with, reports such matters to the Board of Directors, and decisions are made accordingly.

### Management Stage

The Climate Change Response Council and relevant organizations collaborate organically to manage various climate change issues across different areas systematically. These critical climate change issues are proactively integrated into the execution tasks of respective establishments and organizations.

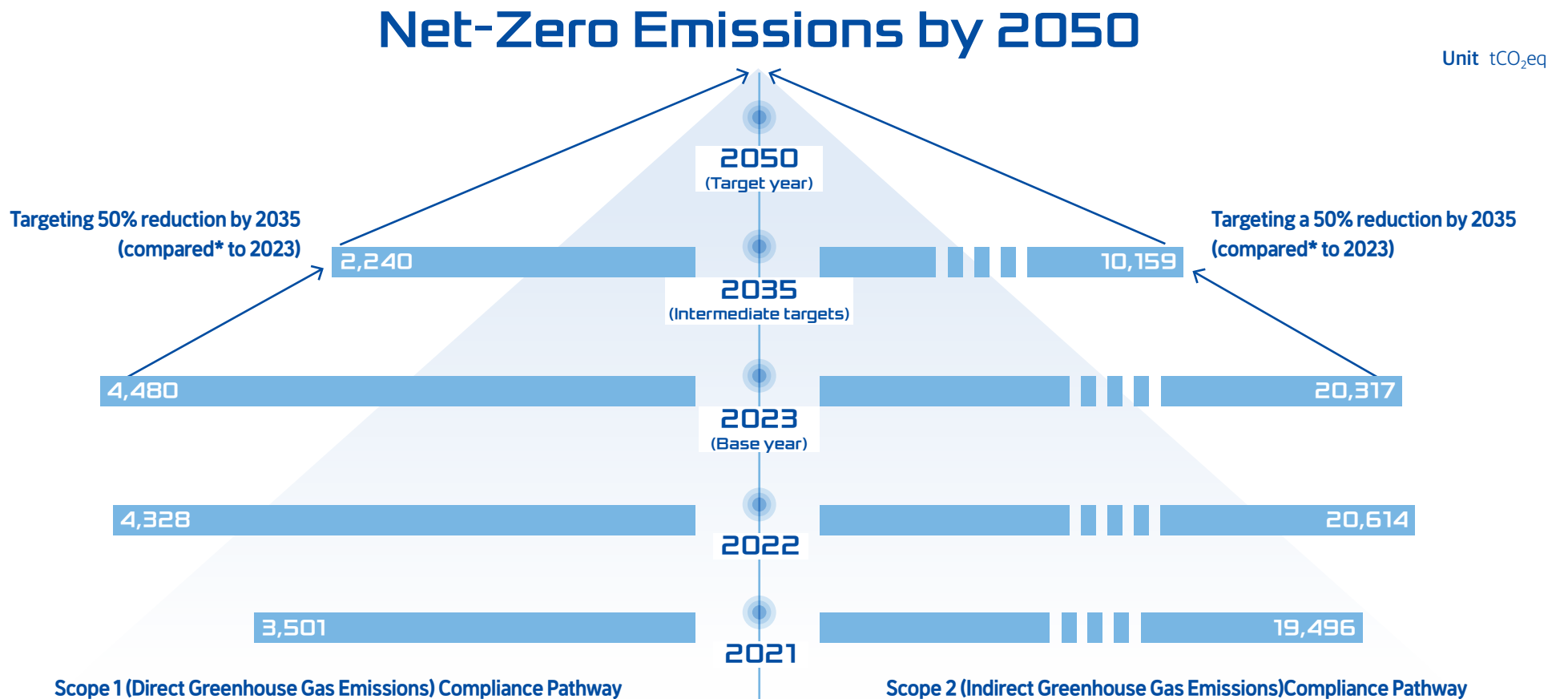


# Climate Change Response

## Climate Change Response Indicators and Targets

Dongwon Metal is presently working on developing and executing plans to achieve net-zero compliance pathways. These pathways are aimed at achieving significant reductions in greenhouse gas emissions, in line with the government's 2050 National Carbon Neutrality roadmap and the Paris Agreement. We voluntarily manage data related to greenhouse gas emissions, energy consumption, and greenhouse gas intensity, as these are required indicators by the Carbon Disclosure Project (CDP). From 2023 onwards, we will disclose our climate change response information through CDP annually.

By the end of 2023, Dongwon Metal's greenhouse gas emissions from its activities (Scope 1) and purchased electricity (Scope 2) amounted to 24,797 tCO<sub>2</sub>eq. We received a CDP rating of Grade C in 2023 by systematically managing climate change indicators. In 2024, we plan to cooperate with external organizations to establish a system to measure and manage Scope 3 indirect emissions, including emissions from our suppliers and partner companies. Also, in 2025, we will select representative products for a Life Cycle Assessment (LCA) to further enhance our greenhouse gas emission management capabilities to achieve net-zero emissions.



# Climate Change Response

## Total Emissions and Intensity

Category		Unit	2021	2022	2023
GHG Emissions	Scope 1	tCO <sub>2</sub> eq	3,501	4,328	4,480
	Scope 2	tCO <sub>2</sub> eq	19,496	20,614	20,317
	Scope 1 + Scope 2	tCO <sub>2</sub> eq	22,997	24,941	24,797
GHG Emissions (By Region)	Domestic	tCO <sub>2</sub> eq	9,638	8,914	8,726
	International	tCO <sub>2</sub> eq	13,359	16,027	16,072
	Total	tCO <sub>2</sub> eq	22,997	24,941	24,797
GHG Emission Intensity		tCO <sub>2</sub> eq/ KRW Hundred Million	5.64	5.04	4.89
GHG Reductions (Compared to previous year)		tCO <sub>2</sub> eq	1,777	-1,945	144

\* GHG emission intensity is calculated based on sales from January to December, which differ from the published sales (ending in March)

\*\* Report scope: All domestic and overseas business sites

## Energy Consumption and Intensity

Category	Unit	2021	2022	2023
Total Fuel Consumption	TJ	46	67	69
Electricity Usage	TJ	407	431	425
Total Energy Consumption	TJ	453	498	494
Total Domestic Revenue	KRW Hundred Million	407,959	494,905	507,202
Energy Intensity	TJ/KRW Hundred Million	0.00111	0.00101	0.00097

\* Total domestic sales are based on January–December sales, which differs from the published sales (ending in March).

\*\* Reporting scope: All domestic and overseas business sites



# Sustainable Resource Management

## Resource Recycling

Starting from the R&D and manufacturing phases, we are consolidating plans regarding raw materials to facilitate a sustainable resource cycle and optimize efficiency. Moving forward, our focus will be on further investing in research and development of technologies to broaden the utilization of eco-friendly resources.

### Raw Material Usage

Classification	Unit	2021	2022	2023
Gyeongsan Headquarters	kg	59,729,146	64,679,392	74,534,881
Asan Plant	kg	6,606,773	6,395,980	5,106,968
Dongwon Pipe	kg	30,537,798	25,434,599	26,020,768
Dongwon Alabama	kg	2,554,812	2,948,064	3,579,004
Dongwon Georgia	kg	894,184	1,031,822	1,252,651
Dongwon Piracicaba	kg	4,067,424	8,702,825	10,337,776
Dongwon Canoas	kg	2,302,000	3,683,000	3,480,000
Dongwon Mexico	kg	5,229,500	5,230,029	5,247,049
Dongwon Czech Republic	kg	2,480,333	1,284,655	1,417,742
Dongwon Slovakia	kg	1,675,901	868,010	957,934

### Extended Use and Recycling of Eco-Friendly Packaging Materials

In 2005, we replaced traditional wooden pallets with metal pallets to reduce wood consumption and promote resource recycling. Wooden pallets are typically disposed of and incinerated after use, which encourages deforestation and limits recycling opportunities. In contrast, metal pallets can be collected and sold as scrap metal after use, thereby promoting resource circulation in various forms.

Classification	Before Improvement (Wooden Pallet)	After Improvement (Metal Pallet)
Image		
Afterward	Disposal and incineration	Selling scraps and metals (Resource circulation and recycling)

We ensure smooth production planning by managing inbound and outbound shipments of purchased materials and maintaining effective inventory control. Additionally, we establish rigorous management guidelines to prevent damage to long-term inventory, thus ensuring optimal inventory management.



# Sustainable Resource Management

## Waste Management

At Dongwon Metal, we have diligently managed the entire waste management process from generation to disposal since 2000. We maintain a waste management ledger on a monthly basis and closely monitor waste generation and reduction in coordination with the Korea Environment Corporation's 'Allbaro System.' Additionally, in our efforts to achieve zero landfilling, we prioritize recycling over disposal when treating waste. When we choose partners for outsourcing waste treatment, we give priority to those who prioritize resource recycling.

### Amount of Waste Recycled and Treated

Classification		Unit	2021	2022	2023	
Recycled Waste	Designated Waste	Ton	12	12	13	
	General Waste	Ton	106	89	126	
	Total Waste Recycled	Ton	85	76	100	
Treated Waste	Designated Waste	Incinerated (Energy Recovery Excluded)	Ton	128	101	110
		General Waste	Incinerated (Energy Recovery Excluded)	Ton	15	26
	General Waste	Other Disposal Methods	Ton	33	12	28
		Total Waste Treated	Ton	168	125	138



### Amount of Waste Recycled and Treated

Classification		Unit	2021	2022	2023	
Designated Waste	Domestic	Gyeongsan Headquarters	Ton	12	11	15
		Jinryang Plant	Ton	0	0	0
		Yeongcheon Plant	Ton	0	0	0
		Asan Plant	Ton	3	2	3
		Cheonan Plant	Ton	0	0	0
		Dunpo Plant	Ton	0	0	0
		Gunsan Plant	Ton	0	0	0
		Dongwon Pipe	Ton	22	31	33
	Total Domestic Designated Waste		Ton	38	44	51
	Overseas	Dongwon Alabama	Ton	0	0	0
		Dongwon Georgia	Ton	0	0	0
		Dongwon Piracicaba	Ton	8	7	6
		Dongwon Canoas	Ton	0	0	0
		Dongwon Mexico	Ton	3	3	3
		Dongwon Czech Republic	Ton	351	443	442
		Dongwon Slovakia*	Ton	0	0	0
		Total Overseas Designated Waste		Ton	362	453
Total Designated Waste		Ton	400	497	502	
General Waste	Domestic	Gyeongsan Headquarters	Ton	49	45	59
		Jinryang Plant	Ton	0	0	32
		Yeongcheon Plant	Ton	6	7	7
		Asan Plant	Ton	39	35	37
		Cheonan Plant	Ton	8	9	10
		Dunpo Plant	Ton	7	5	5
		Gunsan Plant	Ton	12	12	12
		Dongwon Pipe	Ton	50	50	50
	Total Domestic General Waste		Ton	170	162	211
	Overseas	Dongwon Alabama**	Ton	0	0	0
		Dongwon Georgia	Ton	0	0	0
		Dongwon Piracicaba	Ton	6	6	5
		Dongwon Canoas**	Ton	0	0	0
		Dongwon Mexico	Ton	26	26	27
		Dongwon Czech Republic	Ton	29	26	26
		Dongwon Slovakia**	Ton	0	0	0
		Total Overseas General Waste		Ton	61	58
Total General Waste		Ton	231	220	269	
Total General Waste		Ton	631	717	771	

\* Data for designated waste at Dongwon Slovakia will be aggregated for management in 2024

\*\* Data for general waste at Dongwon Alabama/Georgia/Canoas/Slovakia will be aggregated for management in 2024

# Sustainable Resource Management

## Environmental Impact Monitoring

### Water Resource Oversight

Starting from 2020, Dongwon Metal has been operating a closed-loop cooling system for water recycling. All wastewater and polluted water are outsourced for treatment at external wastewater treatment facilities, and we conduct comprehensive monitoring each year by submitting forms for the survey of wastewater discharge facilities. Going forward, we aim to further reduce water usage and implement strategies for water reuse.

#### Water Usage

Classification		Unit	2021	2022	2023
Domestic	Gyeongsan Headquarters	Ton	9,769	11,100	11,797
	Jinryang Plant	Ton	0	0	1,351
	Yeongcheon Plant	Ton	342	547	561
	Asan Plant	Ton	9,542	8,692	8,138
	Cheonan Plant	Ton	2,369	1,471	1,101
	Dunpo Plant	Ton	673	390	226
	Gunsan Plant	Ton	0	0	0
	Dongwon Pipe	Ton	4,142	4,563	5,153
Total Domestic Water Usage		Ton	26,837	26,763	28,327
Overseas	Dongwon Alabama	Ton	284	180	245
	Dongwon Georgia	Ton	284	329	324
	Dongwon Piracicaba	Ton	4,388	4,641	5,552
	Dongwon Canoas	Ton	1,374	1,860	1,391
	Dongwon Mexico	Ton	3,665	3,664	4,876
	Dongwon Czech Republic	Ton	2,735	2,391	2,652
	Dongwon Slovakia	Ton	1,823	1,594	1,782
Total Overseas Water Usage		Ton	14,552	14,658	16,822
Total Water Usage		Ton	41,389	41,421	45,149
Revenue		KRW Hundred Million	4,080	4,949	5,072
Water Usage Per Unit		Ton/KRW Hundred Million	10	8	9

#### Waste Water Amount

Classification		Unit	2021	2022	2023
Domestic	Gyeongsan HQ	Ton	1.7	3.0	3.5
	Dongwon Pipe	Ton	53.0	36.0	32.5
Domestic Waste Water Amount		Ton	55.7	39.0	36.0

\* The Asan plant, along with other establishments in Cheonan, Dunpo, and Gunsan, as well as overseas establishments, did not produce any water waste.

#### Polluted Water Amount

Classification		Unit	2021	2022	2023
Domestic	Gyeongsan HQ	Ton	7,517	8,420	8,973
	Dongwon Pipe	Ton	0	5	5
Total Domestic Polluted Water		Ton	7,517	8,425	8,978
Overseas	Dongwon Mexico	Ton	1,811	1,810	2,409
Total Overseas Polluted Water		Ton	1,811	1,810	2,409
Total Polluted Water		Ton	9,328	10,235	11,387

\* Starting in 2024, we will commence collecting data across all international establishments for oversight

# Sustainable Resource Management

## Environmental Impact Monitoring

### Chemical Hazard Oversight

Since 2016, Dongwon Metal has been strictly adhering to chemical management guidelines to ensure the purchase, usage, storage, and disposal of hazardous chemicals. These guidelines have been established to comply with regulations. We systematically monitor the analysis results of hazardous substances by product and component type, and regulatory standards. In addition, we conduct regular safety training for employees who handle hazardous chemicals. Since 2016, we have also been conducting annual safety training for all employees to raise awareness about the potential seriousness of a leak.

### Air Pollution Substances Oversight

We have been operating a dust collector filtration system since 2006 to prevent air pollution. This system effectively filters out over 95% of air pollutants and dust generated from the polishing process at our facilities. Moving forward, we are committed to researching and developing eco-friendly technologies to reduce carbon emissions, save fuel costs, and maximize efficiency by removing pollutants.

### Amount of Air Pollutant Emissions

Plant	Classification	Unit	2021	2022	2023
Total	THC	ppm	52	54	54
	Dust	mg/Sm <sup>2</sup>	16	15	16
	NOx	ppm	4	4	4
	SOx	ppm	6	6	6

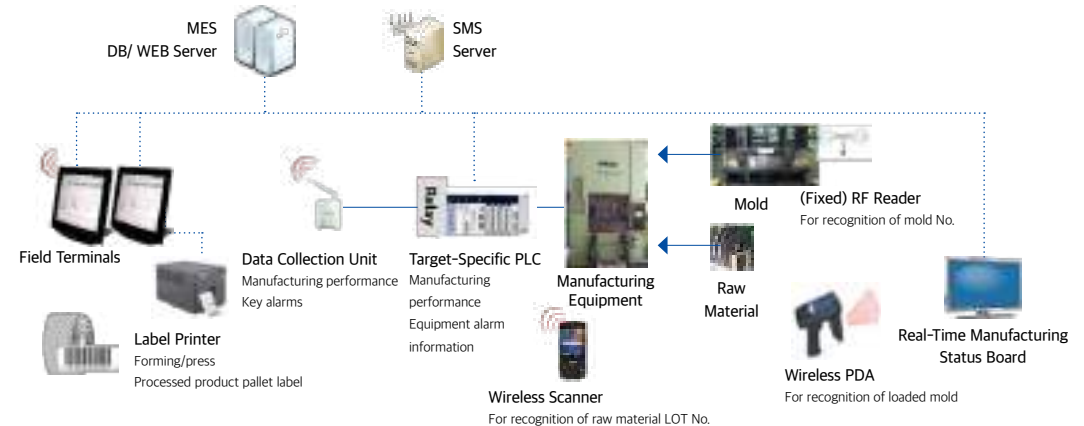
\* Data aggregation for Dongwon Piracicaba/Canoas establishments will commence from 2024

## Energy Conservation

### Expansion of Smart Factory

At Dongwon Metal, we aim to minimize defects and reduce costs by efficiently managing our manufacturing operations, thus maximizing energy efficiency in production. To continuously improve our manufacturing activities, we have implemented MES (Manufacturing Execution System) to collect, evaluate, and analyze information from the manufacturing sites, optimizing the utilization of human and material resources. Building upon this foundation, we have consistently upgraded our production systems for efficient plant operations, including DR FRAME, VISION MONITORING, welding automation, and press automation. Since introducing MES at our domestic Gyeongsan plant in May 2014, we have expanded its implementation to our European Czech Republic corporation in May 2015 and our U.S. Alabama corporation in July 2023. We plan to introduce and expand MES to other global corporations in the future.

### Dongwon Metal MES Overview



Door Frame Vision Monitoring



Press Automation



Welding Automation





# Sustainable Resource Management

## Energy Reduction Initiatives

Dongwon Metal has undertaken various initiatives to reduce greenhouse gas emissions through improved energy efficiency and will continue to devote more efforts to maximize energy efficiency in the future.

Starting in 2022, we have been maximizing energy management efficiency by implementing a Cloud Factory Energy Management System (FEMS). This system allows us to monitor coolant usage in real-time and predict demand, enabling us to adjust coolant supply accordingly.

### Energy Reduction Activities and Achievements in 2023

Classification	Reduction Effect (kWh/Year)
<ul style="list-style-type: none"> <li>Operating compressors with small capacity</li> <li>Reducing compressor operating time through the blockage of air leaks</li> <li>Establishing and implementing compressor operation optimization and monitoring systems</li> <li>Implementing and operating Cloud FEMS (Factory Energy Management System)</li> <li>Replacing cooling water circulation pumps (100HP) with inverter-type pumps</li> <li>Replacing 12 cooling/heating units (inverter-type)</li> </ul>	112,100
<ul style="list-style-type: none"> <li>Installing LED lights instead of fluorescent lights</li> </ul>	46,802

\* Report scope: Dongwon Metal Gyeongsan Headquarters

### Dongwon Metal CLOUD Factory Energy Management System



## Biodiversity

Biodiversity is essential for maintaining the balance and sustainability of life on Earth. At Dongwon Metal, we recognize the significant impact of biodiversity on humanity and the environment. To minimize biodiversity loss, we are actively engaged in initiatives to improve environmental factors. In December 2023, Dongwon Metal's Gyeongsan plant conducted an "Environmental Cleanup Plogging Campaign" near the establishment and reservoir. Dongwon's Asan plant participated in "Baraemi Reservoir Cleansing Activities," while Dongwon Mexico engaged in "Garbage Collecting at Nearby Riverside Areas." Dongwon Brazil's Piracicaba plant and Dongwon Pipe also conducted "Cleaning the Plant Site" and "Cleaning around the Plant" activities, respectively. Dongwon Metal began its environmental conservation efforts around the plant premises, with plans to undertake various projects tailored to the characteristics of local communities and natural ecosystems around the plant premises to enhance biodiversity in the future.





*Dongwon Metal is committed to creating economic value while fulfilling its responsibilities as a member of society. We collaborate with internal and external stakeholders and the local community to foster mutual growth and strive to pave the way for a better future for our society.*

## SOCIAL

41	Human Resources
52	Safety and Health
58	Human Rights Protection
60	Partnerships
64	Customers
67	Community Contribution



# Human Resources

## Human Resource Management

At Dongwon Metal, we strive to cultivate the best talent by fostering a flexible and healthy organizational culture that enhances employee satisfaction and engagement. Through various enrichment programs, we aim to nurture individuals who possess both outstanding abilities and personal qualities. Additionally, we are committed to ensuring that our recruitment, retirement, and promotion processes are free from discrimination based on gender, ethnicity, nationality, or cultural background.

### Talent Recruitment

#### Ideal Employee Profile at Dongwon Metal

At Dongwon Metal, we prioritize individuals who demonstrate responsibility, diligence, and a willingness to challenge themselves while collaborating with others. We aim to secure talent from various fields to achieve our vision as a global company.

#### Ideal Employee Profile at Dongwon Metal

<b>Responsible</b>	— [ A person with a strong sense of responsibility and initiative. ]
<b>Communicative/Cooperative</b>	— [ A person who achieves the best results through cooperation based on trust and respect. ]
<b>Integrity</b>	— [ A passionate person who never settles and continuously pushes oneself to learn and improve with a clear vision and objective. ]
<b>Visionary</b>	— [ A visionary who ventures into the future, making the impossible possible with passion and spirit. ]

#### Dongwon Metal's Staff Composition

Classification	Unit	2021		2022		2023			
		Number of Personnel	Percentage	Number of Personnel	Percentage	Number of Personnel	Percentage		
Overall	Person (%)	2,489	100.0	2,653	100.0	2,470	100.0		
Gender	Male	Permanent	Person (%)	1,666	66.9	1,789	67.5	1,595	64.6
		Contracted	Person (%)	133	5.4	189	7.1	231	9.4
	Female	Permanent	Person (%)	606	24.3	589	22.2	536	21.6
		Contracted	Person (%)	84	3.4	86	3.2	108	4.4
Region	In-country	Permanent	Person (%)	654	26.3	640	24.1	631	25.5
		Contracted	Person (%)	3	0.1	4	0.2	6	0.2
	Overseas	Permanent	Person (%)	1,628	65.4	1,738	65.5	1,500	60.8
		Contracted	Person (%)	204	8.2	271	10.2	333	13.5

\* Report scope: All domestic and international locations

### Recruitment Status

As of 2023, Dongwon Metal has a total of 2,470 employees, with 1,441 newly recruited during the year. This marks an increase of 32.8% compared to the previous year, when 1,085 individuals were hired.

#### Dongwon Metal's Recruitment

Classification	Unit	2021		2022		2023		
		Number of Personnel	Percentage	Number of Personnel	Percentage	Number of Personnel	Percentage	
Overall	Person (%)	1,022	100.0	1,085	100.0	1,441	100.0	
Gender	Male	Person (%)	653	63.9	721	66.5	893	62.0
	Female	Person (%)	369	36.1	364	33.5	548	38.0
Age	Under 30	Person (%)	477	46.7	521	48.0	710	49.3
	30 to 50 years old	Person (%)	486	47.6	499	46.0	614	42.6
	50 to 70 years old	Person (%)	57	5.6	63	5.8	110	7.6
	Over 70	Person (%)	2	0.1	2	0.2	7	0.5
Region	Domestic	Person (%)	24	2.3	32	2.9	40	2.8
	Overseas	Person (%)	998	97.7	1,053	97.1	1,401	97.2

\* Report scope: All domestic and international locations

#### Dongwon Metal's Turnover Rate

Classification	Unit	2021		2022		2023		
		Number of Personnel	Percentage	Number of Personnel	Percentage	Number of Personnel	Percentage	
Region	Domestic	Person (%)	46	5.8	60	7.4	44	4.0

\* For entities, only domestic operations have been disclosed, given the specificity of the labor environment.



# Human Resources

## Human Resource Management

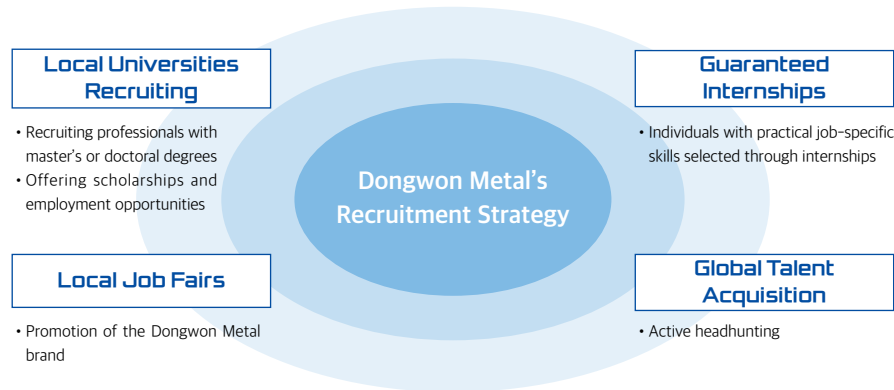
### Fair and Transparent Talent Recruitment

Dongwon Metal strives to attract talent from diverse backgrounds who possess a positive and passionate attitude, along with a blend of creativity and a spirit of innovation. These individuals are considered as our talented employees as we work towards realizing our vision.

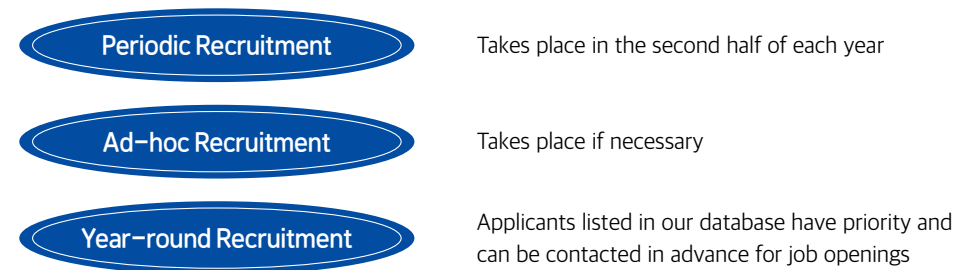
### Diverse Talent Recruitment Avenues

We strive to discover the most suitable candidates for each position by utilizing various recruitment channels such as periodic recruitment, ad-hoc recruitment, year-round recruitment, and participating in job fairs. Furthermore, our operational offices are involved in every step of the recruitment process, from the initial screening to job performance evaluations, enhancing the validation of applicants' skills and expertise.

#### Recruitment Strategy at Dongwon Metal



#### Dongwon Metal's Recruitment Avenues



#### Recruitment Process at Dongwon Metal



# Human Resources

## Human Resource Management

### Diversity

At Dongwon Metal, we are dedicated to fostering an innovative business environment with a diverse workforce. We uphold fairness, equality, and non-discrimination as fundamental values. We strictly prohibit any form of discrimination based on race, age, religion, disability, or social status in all aspects of employment, including hiring, promotion, compensation, and training opportunities. Our goal is to create a workplace where every employee can thrive and contribute to their fullest potential. In our recruitment process, we provide special opportunities for individuals with disabilities and veterans. We adhere to labor laws, such as the Labor Standards Act and the Maternity Protection Act, and uphold internal regulations that explicitly forbid discrimination or disadvantage. We are committed to cultivating an organizational culture that respects and celebrates diversity, transcending barriers of prejudice. Dongwon Metal remains steadfast in our efforts to build a workplace where diversity is valued and everyone can flourish together.

### Employee Diversity Status

To promote the diversity of employees of Dongwon Metal, we are conducting diversity education and employment of the disabled. Total employees in 2023 Of the 2,470 people, 43 employees were employed through special bonds for the disabled, with 1.7% of all employees employed by the disabled. In addition, education to improve awareness of the diversity of employees of Dongwon Metal, we are conducting diversity education and employment of the disabled. Total employees in 2023. Of the 2,470 people, 43 employees were employed through special bonds for the disabled, with 1.7% of all employees employed by the disabled. Awareness of the disabled in the workplace, prevent sexual harassment in the workplace, and to raise awareness of diversity among executives and employees. We are conducting various diversity education such as bullying prevention education.

### Local Workforce Employment

We actively employ local talent to create local job opportunities and ensure sustainable business operations in the community. As of 2023, we have maintained employment for 1,107 local workers, with 4.6% of our recruitment being senior members at the managerial level or above.

### Discrimination Case

We have a zero-tolerance policy for human rights violations and explicitly prohibit any form of discrimination across all our establishments in accordance with human rights guidelines and the Charter of Rights and Freedoms. During the reporting period, there was one reported case of such violation at our establishment in Canoas, Brazil. A female employee was sexually harassed by her superior, and we promptly intervened, resulting in the termination of the perpetrator and the implementation of an internal training program for sexual harassment prevention. Additionally, in May 2023, we installed a suggestion box on-site to prevent similar incidents and underscore the matter's seriousness. Furthermore, we established a dedicated protocol and organization to handle such events. Looking ahead, we are committed to enhancing our harassment prevention measures and will establish a counseling center to mitigate any potential risks in the future.

### Responses to Discrimination and Harassment in Workplace

Workplace	Date and Time	Key Details	Resolution
Dongwon Metal, Canoas Establishment	2022.07.07	Workplace harassment by a superior against an employee	2022.07.07 Acknowledgement of the case by the Labor Union 2022.08.02 Internal programs on violence against women (a guest instructor invited) 2022.08.03 Comment box installed for employees 2022.08.15 Termination of the perpetrator

### Employment status of persons with disabilities

Classification	Unit	2021		2022		2023	
		Population	Percentage	Population	Percentage	Population	Percentage
Total Population	Person (%)	2,489	100.0	2,653	100.0	2,470	100.0
Number of Employees with Disabilities	Person (%)	47	1.9	47	1.8	43	1.7

\* Report scope: All domestic and international locations

### Ongoing Workplace Training Programs

Classification		Unit	2021	2022	2023
Raising Awareness of Disabilities in the Workplace Training	Completion Hours	Hour	1,178	1,059	1,064
	Number of persons who completed the training	Person	1,231	1,123	1,129
The Sexual Harassment Prevention Training	Completion Hours	Hour	1,274	1,159	1,164
	Number of persons who completed the training	Person	1,486	1,746	1,682
The Workplace Harassment Prevention Training	Completion Hours	Hour	1,277	1,158	1,172
	Number of persons who completed the training	Person	1,261	1,180	1,214

\* Report scope: All domestic and international locations

### Local Workforce at Main Business Sites

Classification	Unit	2021	2022	2023
Local Hiring	Person	1,034	1,123	1,107
Senior Members Among Recruits	Person	52	51	51
Ratio of Senior Members Among Local Recruits	%	5.0	4.5	4.6

\* Senior: the position of manager or above

### The Occurrence of Discrimination Cases in the Workplace

Classification	Unit	2021	2022	2023
Discrimination cases that occurred during the reporting period	Domestic	Case	0	0
	Overseas	Case	0	1

\* Report scope: All domestic and international locations

# Human Resources

## Employee Development Framework

We operate a training system that helps every employee excel in their respective fields of work. Dongwon Metal is pushing towards sustainable growth by adapting its regulations to align with the rapidly changing management trends.

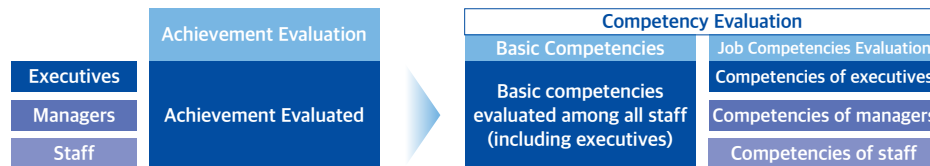
## Employee Performance Evaluation

We strive to systemize fairness in performance assessment by instituting impartial standards and procedures. We believe implementing such measures will spur our employees to work harder to build competencies. We are doing our utmost to ensure fairness in evaluating our employees' performance and capacities, as this will impact their promotions, salaries, and eligibility for special promotions.

### Performance Evaluation System

At Dongwon Metal, our employees work together to establish Key Performance Indicators (KPIs) and then strive to achieve the goals they set for themselves. These goals are flexible and can be adjusted to accommodate changes in employees' plans, such as moving to another department or taking on different job responsibilities. Supervisors regularly evaluate short-term goals to facilitate employees' goal attainment. During performance appraisals, both achievements and competencies are assessed to ensure a fair evaluation of both quantitative and qualitative accomplishments. Evaluations are conducted objectively, without bias towards hierarchical positions, by distinguishing between common employee competencies and role-specific key competencies. In summary, our evaluations are conducted fairly and based on objective criteria, regardless of organizational hierarchy.

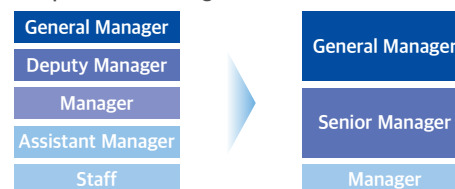
### Performance Evaluation Process



### Rank System

In April 2022, we expanded the nomination and promotion system for proactive and dynamic organizational leadership and initiated a restructuring towards a simplified rank structure.

#### Simplified Rank System



### Reward System

We operate various reward systems to enhance the work ethic of our members and encourage voluntary and proactive participation in organizational activities.

#### Current Reward System



### Regular Performance Evaluation Status

Classification		Unit	2021	2022	2023
Number of Employees Subject to Performance Evaluation	Male	Person	683	948	1,079
	Female	Person	376	415	446
Number of Employees Who Underwent Performance Evaluation	Male	Person	680	667	800
	Female	Person	376	341	373
Percentage of Employees Who Underwent Performance Evaluation	Male	%	99.6	70.4	74.1
	Female	%	100.0	82.2	83.6

\*Report scope: All domestic and overseas locations

\*\*The number of employees subject to performance evaluation excludes employees who have been with the company for less than 6 months and those who are seconded to customer sites

### Suggested Commendation Awards Index

Category	Unit	2021	2022	2023
Commendation Cases*	Case	137	109	107
Prize money**	KRW Thousand	11,000	13,000	14,850

\* Reporting Scope: 1) Number of commendation cases: Gyeongsan plant, Asan plant, Georgia, and Czech Republic

2) Amount of prize money: Gyeongsan plant



# Human Resources

## Employee Development Framework

### Fostering Employee Development

#### Personalized Training for Each Position

At Dongwon Metal, we provide customized training curricula tailored to executives, managers, and staff roles, enabling our employees to receive optimal education for job performance and self-development. Mandatory training for executives and managers encompasses leadership, human resources management, and financial and cost accounting topics. For staff, training in job-specific skills and self-development is based on qualification evaluations, which identify areas for improvement. These assessments inform our annual training plan to address our employees' needs. In addition to onboarding programs for new hires, we offer expatriate training for those interested in overseas assignments. We are committed to delivering high-quality education and regularly conduct employee satisfaction surveys to ensure our training programs meet their needs and expectations.

#### Summary of the Training Program

Classification		Unit	2021	2022	2023
Training Hours	Total Training Hours	Hour	15,666	17,027	17,880
	Average Training Hours per Person	Hour	340	352	432
Training Cost	Total Training Cost	KRW Thousand	20,117	26,468	40,004

\* Report scope: All domestic and international locations

#### Requisite Training Courses for Each Position

Classification	Leadership Training	Job Training	Self Improvement Training
Executives	1 Course	-	-
Managers	1 Course	1 Course	-
Staff	-	1 Course	1 Course

#### Training Courses for Each Position

Classification	Course Information	Course Outline
Executives	Leadership Development Training	<ul style="list-style-type: none"> <li>Title: Improving Executives' Competencies</li> <li>Objectives: To enhance executives' leadership and competencies</li> </ul>
	Human Resource Development Training	<ul style="list-style-type: none"> <li>Title: Interviewer Skills for Winning the Talent War</li> <li>Objectives: To improve interview skills for selecting and fostering talents</li> </ul>
	Financial Knowledge Training	<ul style="list-style-type: none"> <li>Title: Financial Statement Analysis and Management Diagnosis</li> <li>Objectives: To learn financial statement analysis and management diagnosis</li> </ul>
Managers	Leadership Development Training	<ul style="list-style-type: none"> <li>Title: Competency Development for Manager</li> <li>Objectives: To develop competency as a manager</li> </ul>
	Human Resource Development Training	<ul style="list-style-type: none"> <li>Title: Interviewer Skills for Winning the Talent War</li> <li>Objectives: To improve interview skills for selecting and fostering talents</li> </ul>
	Cost Accounting Training	<ul style="list-style-type: none"> <li>Title: Cost Calculation and Price Determination - Cost Accounting</li> <li>Objectives: Based on the principles of cost accounting, understanding of cost elements, analysis, and concepts of price determination</li> </ul>
Staff	Job Training	<ul style="list-style-type: none"> <li>Enhancing one's knowledge and skills about his/her job</li> </ul>
	Self-Development Training	<ul style="list-style-type: none"> <li>Foreign languages and business manners</li> <li>Business strategy education</li> </ul>
	Onboarding Training for New Employees	<ul style="list-style-type: none"> <li>Strengthening the core competencies required for new hires</li> </ul>
	Expatriate Training	<ul style="list-style-type: none"> <li>Understanding what an expatriate is and its necessary competencies</li> </ul>

# Human Resources

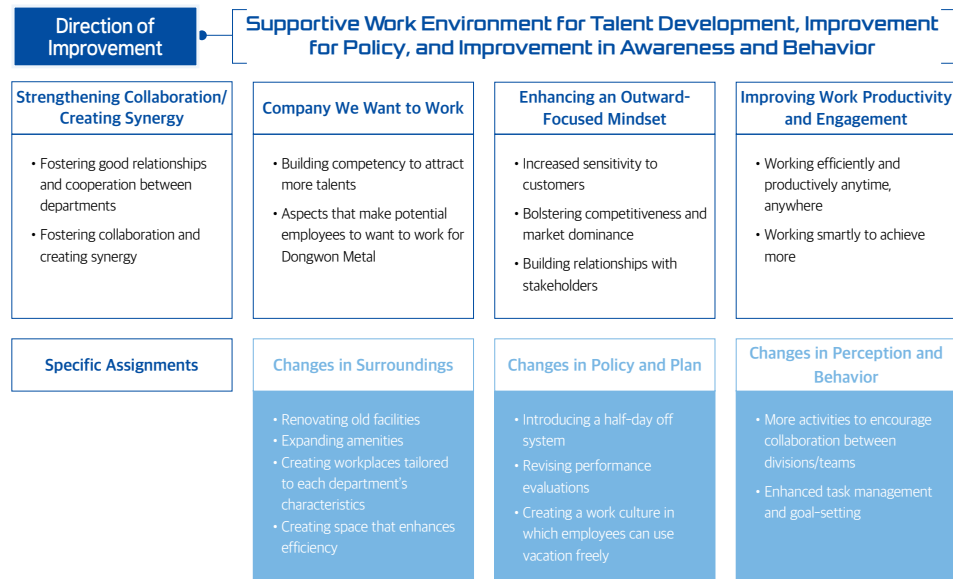
## Organizational Culture and Work-Life Balance

Dongwon Metal continues to innovate its organizational culture, believing that "Employee satisfaction and happiness are the greatest competitive advantages for providing excellent products and services and achieving sustainable growth." By establishing a framework for improving the work environment and developing motivational guidelines, we aim to present a vision to our members and support them in performing their duties in a more innovative environment. We strive to create a conducive work environment through ongoing development and improvement of organizational culture activation programs.

### Improving Work Environment Strategies Framework

Dongwon Metal has developed and implemented a framework aimed at enhancing the work environment, drawing insights from annual employee satisfaction surveys and feedback from our staff. In 2023, we focused on fostering collaboration, maximizing synergy, and cultivating a workplace culture that employees are eager to participate in. We also aimed to cultivate an outward-focused mindset and enhance productivity and engagement. Through the establishment of this framework, Dongwon Metal is committed to creating a positive and enjoyable work environment for all members while reinforcing the company's vision and values.

#### Improving Work Environment Strategies Framework for 2023



### Progress Update on Specific Assignments for Work Environment Improvement Strategies

Category	Assignment	Current State
Changes in Space	Updating old facilities	<ul style="list-style-type: none"> <li>Replacement of entire HVAC system, replacement of LED lights, installation of humidifiers, blind replacement and other aging equipment replaced</li> <li>Remodeling underway for auditoriums, showrooms, conference rooms, and meeting rooms(2023.11~2024.03)</li> </ul>
	Expansion of amenities	Operating a rooftop lounge (2023.05)
	Tailored spaces for each department	Offices remodeling in progress(2023.11~2024.03)
Changes in Policy and Plan	Improving spatial efficiency	
	Introducing a half-day off policy	Day-off system is in effect (effective since 2024.01.01)
	Enhancement of performance management evaluation system	Changes in progress
Changes in Perception and Behavior	Work culture promoting employees' freedom in using vacation time	Lowered pre-approval threshold, designation of days without extended working hours
	Encouraging activities to enhance collaboration	Changes in progress
Changes in Perception and Behavior	Enhancement of goal-setting and work management methods	Changes in progress

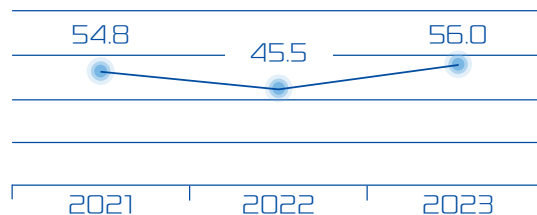
# Human Resources

## Organizational Culture and Work-Life Balance

### Diagnosis of Employee Satisfaction

Since 2017, Dongwon Metal has been conducting annual employee satisfaction surveys to encourage open dialogue and understand shared values, behaviors, and work atmosphere among its members. Dedicated teams and management utilize the survey results to proactively identify organizational issues and shortcomings, derive improvement strategies, and formulate HR policies by tracking annual trends in employee satisfaction and identifying areas of weakness. Despite facing challenges due to the deteriorating internal and external business environment following the COVID-19 pandemic, Dongwon Metal experienced a significant increase in employee satisfaction in 2023 through continuous efforts to enhance job satisfaction. Moving forward, Dongwon Metal remains committed to improving the work environment, policies, systems, and physical spaces surrounding employees to boost job engagement and actively listen to feedback from the field to enhance employee satisfaction further.

#### Employee Satisfaction Diagnosis Results\*



Satisfaction Categories	2021	2022	2023
Work	61.3	53.3	61.5
Work Life	57.3	50.8	61.3
Supervisors	65.5	55.3	71.8
HR Policies	49.8	39.5	52.3
Salary	41.0	25.3	34.0
Organizational Culture	52.5	44.5	54.5
Benefits	43.8	34.8	42.0
Self-Development	54.8	45.8	53.0
<b>Total</b>	<b>54.8</b>	<b>45.5</b>	<b>56.0</b>

\* Reporting scope: Gyeongsan HQ, Asan plant, Dongwon Pipe

\* Response Scale: Likert 5-point scale (5: very satisfied ~ 1: very unsatisfied); the responses are converted to a scale of 100 points

#### Improving Work Environment Strategies Framework for 2023

Satisfaction Categories	Key Issues	Identified Improvement Tasks
Work	Enhancing complaint resolution channels for employees	Increasing communication channels such as regular team meetings and utilizing cyber whistleblowing platforms
Work Life	Decrease in intention to leave and overall increase in satisfaction	
Supervisors	High-quality satisfaction	Enhancing leadership training for executives and managers
HR Policies	Enhanced overall HR policies	Strengthening the linkage between performance management system and rewards, benchmarking leading companies' HR policies, and consulting on HR policy improvements
Salary	Increasing performance rewards	Reviewing the restructuring of salary positions and examining overtime policies
Organizational Culture	Expanding feedback/communication channels	Operating online surveys, and encouraging more employee feedback
Self-Development	Feedback on expanding employee-supporting policies	Supporting employee education and the introduction of mandatory training programs tailored to each position
Benefits	Increased satisfaction in infrastructure	Considering the operation of additional lounges

### Motivation Guidelines

In October 2004, Dongwon Metal enacted motivation guidelines to support the happiness and well-being of its members. These guidelines outline instructions and organizational responsibilities for the establishment and operation of reward and motivation programs. These guidelines are periodically revised based on employee satisfaction survey results and ongoing feedback, with revisions made through deliberation within dedicated teams. So far, the guidelines have been revised twice. Moving forward, Dongwon Metal plans to continuously enhance welfare policies based on employee feedback, ensuring employees can accumulate better work experiences and maintain a balanced life.

#### Responsible Teams and Individuals for Motivation Guidelines



#### The Timeline of the Motivation Guidelines

Date	Classification	Reasons for Enactment/ Revision
2004.10.01	Enacted	Newly enacted
2013.10.28	Revised	Motivation programs revised
2017.09.18	Revised	Revision due to establishment of the integrated management system



# Human Resources

## Organizational Culture and Work-Life Balance

### Employee Welfare

#### The Current Employee Welfare

Category	Unit	2021	2022	2023
Anniversary Gifts	KRW Thousand	587,803	480,173	317,388
Maternity Gifts	KRW Thousand	468	9,858	11,221
Housing Fund Loans	KRW Thousand	18,233	18,233	18,233
Major Illness/Disability Aid	KRW Thousand	26,068	51,663	69,370

\*Report scope: All domestic and international locations

#### Employee Welfare Expenditure Report

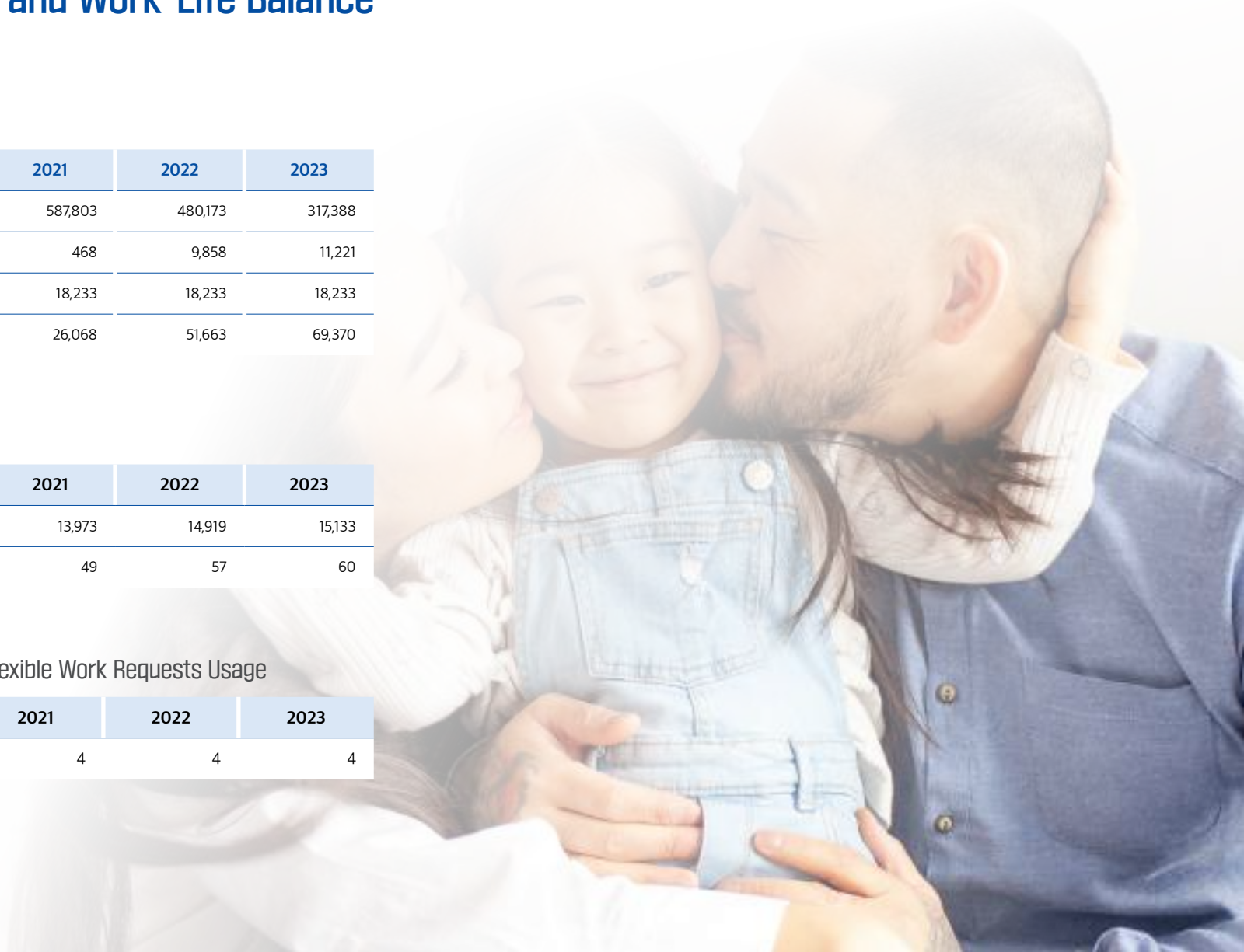
Category	Unit	2021	2022	2023
Total Expenditure	KRW Million	13,973	14,919	15,133
Expenditure per Person	KRW Million	49	57	60

\*Report scope: All domestic and international locations

#### Summary of Maternity and Parental Flexible Work Requests Usage

Category	Unit	2021	2022	2023
Number of Beneficiaries	Person (%)	4	4	4

\* Reporting scope: Gyeongsan plant, Asan plant, Georgia plant



# Human Resources

## Organizational Culture and Work-Life Balance

### Organizational Culture Program

Dongwon Metal plans and operates various organizational development and invigorating programs aimed at addressing identified hindrances through regular assessments of organizational culture. By improving the organizational culture based on employee experiences, we empower members to contribute effectively towards the company's performance.

### Annual Recreational Gatherings and Internal Sportsfest

Dongwon Metal holds outdoor gatherings and internal sports events at least once a year to improve employee communication and team collaboration, as specified in the collective agreement. However, since 2020, due to outdoor activity restrictions and concerns about employee health caused by COVID-19, we have replaced outdoor events with cultural incentives through gift vouchers to encourage cultural activities. Starting in 2024, we plan to resume regular outdoor gatherings and internal sports events to promote employee health and encourage team collaboration.

### The Operation of Grievance Counseling Center

Dongwon Metal operates a grievance counseling center in compliance with relevant laws to raise awareness of various issues that may arise within the organization and to listen to the voices of its members. Established through the labor-management agreement in 1990, the grievance counseling center allows all employees to consult on grievances related to human rights, personnel systems, organizational culture, and other aspects of company life. If necessary, follow-up measures are carried out through the Grievance Handling Committee. The Grievance Handling Committee, consisting of up to three members appointed from the Labor-Management Council, operates and provides grievance counseling centers in each employee and employer's office to ensure employees have a safe space to share their opinions.

In 2023, Dongwon Metal received 64 grievances at its domestic and international establishments, with all 64 cases resolved. To enhance its functionality for handling grievances, Dongwon Metal made improvements to the grievance counseling center located at the Gyeongsan plant. Within the provision of the Labor-Management Council, Dongwon Metal plans to further improve the operation method of the grievance counseling center by 2024.

### Summary of the Grievance Settlement Procedure

Category	2021	2022	2023
Number of Grievance Handling Consultation	55	60	64
Number of Improvements Based on Grievance Handling Feedback	54	60	64

\*Report scope: All domestic and international locations

### Grievance Settlement Procedure Steps



### Grievance Counseling Center



# Human Resources

## Healthy Labor-Management Relations

### Employee Communication

Dongwon Metal has established a cooperative labor-management relationship based on mutual trust and understanding, under the shared belief that 'Dongwon Metal goes hand in hand with the employees.' To foster a culture of mutual understanding and empathy, we operate various communication channels. Dongwon Metal practices transparent management by building trusting relationships based on cooperation and communication between the company and its employees.

### Collective Bargaining

Dongwon Metal values the three primary rights of workers and complies with relevant regulations to maintain working conditions and ensure workers' economic and social rights. Accordingly, we conduct collective bargaining annually based on relevant laws and collective agreements. Both employees and employers strive to find amicable agreements through the presentation of reasonable agendas and constructive discussions.

#### Collective Bargaining in 2023



### Key Communication Activities in 2023

Communication Activities		Summary
Negotiation and Consultation	Collective Bargaining	<ul style="list-style-type: none"> <li>• Negotiation on wages and collective agreements</li> <li>• Improvements of employee working environment</li> </ul>
	A Labor-Management Council	<ul style="list-style-type: none"> <li>• Regular and ad-hoc labor management meetings</li> <li>• Handling of grievances related to environment/safety, employee welfare enhancement, and productivity improvement</li> </ul>
	Employment Safety Committee	<ul style="list-style-type: none"> <li>• Announcement and negotiation of performance and plans by business area</li> <li>• Regular discussions on employment stability and manufacturing-related matters</li> </ul>
Communication and Sharing	Enhanced Labor-Management Communication	<ul style="list-style-type: none"> <li>• Ongoing meetings with union members by the positional level</li> <li>• Diversification of communication channels between employee and employer</li> </ul>
	Management-Level Field communication	<ul style="list-style-type: none"> <li>• Management-level field communication</li> </ul>
	Information Sharing and Promotional Activities	<ul style="list-style-type: none"> <li>• Regular management briefings</li> <li>• Publication of informational newsletters</li> </ul>
Promotion of Organizational Culture	Encouraging and Supporting More Club Activities	<ul style="list-style-type: none"> <li>• Support and encouragement for internal club activities</li> </ul>
	Supporting On-Site Technical Trainings	<ul style="list-style-type: none"> <li>• Opportunities for on-site technical training and support</li> </ul>
	Joint Labor-Management Community Service Activities	<ul style="list-style-type: none"> <li>• Joint participation in community service activities</li> </ul>



# Human Resources

## Healthy Labor-Management Relations

### Labor-Management Conference

Dongwon Metal operates a labor-management conference every quarter to promote the welfare of workers through participation and cooperation and aims for the sound development of the company. The results of these discussions affect all workers. Additionally, labor unions are established in each plant, facilitating various discussions tailored to the characteristics of each workplace. In 2021 and beyond, we are committed to establishing a healthy labor management culture based on cooperative relations.

#### Agenda Items for the Labor-Management Conference Meeting

2023		2022		2021	
Q4	1. Expenses for departmental gatherings in the 4th quarter	Q4	1. Retirement ceremony	Q4	1. Retirement ceremony
	2. Implementing collective bargaining agreements in Daegu branch		2. Expenses for departmental gatherings in the 4th quarter of 2022		2. Expenses for departmental gatherings in the 4th quarter of 2021
	3. Use of joint labor-management funds for retirement ceremony		3. Revision of policy for birthday gift vouchers	1. Substitute holidays for Foundation Day and Hangul Day	
	4. Adjustment of work calendar holidays for 2024	Q3	1. Quarterly gatherings and alternative events for the autumn retreat	Q3	2. Gifts for the Chuseok holiday
	5. Relocation of auditorium		2. Changes of Days off		3. Quarterly gatherings and alternative events for autumn retreats
Q3	1. Expenses for departmental gatherings in the 3rd quarter of 2023	Q2	1. Expenses for departmental gatherings in the 2nd quarter		Q2
	2. Ran an Autumn retreat event		Q1	1. Expenses for departmental gatherings in the 1st quarter	
Q2	1. Designation of days off due to expanded alternative holidays	2. Spring sports event organized		Q1	1. Discussion regarding payment- related to Clause 3 of the agreement among the three companies of Dongwon Group
	2. Revision of regulations for educational aids	3. Adjustment of holidays			2. Discussion on unpaid medical expenses
	3. Expenses for departmental gatherings in the 2nd quarter of 2023		3. Ran a spring sports event		
Q1	1. Ran sporting events				
	2. Expenses for departmental gatherings in the 1st quarter of 2023				

# Health and Safety

## Workplace Safety Management

Dongwon Metal is committed to creating a safe and healthy workplace environment for all stakeholders. This commitment is embedded in our activities, products, and services. Moving forward, we will prioritize the health and safety of our employees and partners as our foremost value, fulfilling our responsibilities as conscientious members of society. We will continue to refine and strengthen our health and safety management policies.

### Health and Safety Implementation System and Organization

Dongwon Metal has established the Occupational Health and Safety Committee to hold quarterly meetings to discuss and establish improvement measures for safety-related issues such as accidents, revision of health and safety management regulations, and employee health improvement. The Occupational Health and Safety Committee, including management, safety personnel, and union representatives, work together to create a safe environment at Dongwon Metal. In addition, the company sets annual health and safety goals and conducts thorough analyses of accident causes, along with comprehensive training, to prevent accidents from recurring. To manage safety effectively, Dongwon Metal operates the General Affairs and Safety Team, which oversees safety, health, and occupational accident management, laying the foundation for sustainable management. Furthermore, through the operation of the Disaster Prevention Team, a dedicated team for the Major Accident Prevention Act, the company ensures compliance with the act.

#### Timeline of Occupational Health and Safety Committee Meetings in 2023

Date	Title	Summary
2023. 03. 23	Occupational Health and Safety Committee Meetings in the 1st Quarter of 2023	Improvement for the local exhaust system in the SX2 automated line
2023. 06. 22	Occupational Health and Safety Committee Meetings in the 2nd Quarter of 2023	Execution of regular/special inspections
2023. 09. 15	Occupational Health and Safety Committee Meetings in the 3rd Quarter of 2023	Safety inspections for presses/cranes, influenza vaccines
2023. 12. 26	Occupational Health and Safety Committee Meetings in the 4th Quarter of 2023	Installation of front/rear warning lights on forklifts

### Health and Safety Management Policies

In 2023, Dongwon Metal established a health and safety management policy aimed at preventing potential disasters across its operations, including the entire supply chain, establishments, distribution network, and sales channels, to provide a safe and healthy working environment and safeguard the value of life. This policy is rooted in domestic and international health and safety laws, regulations, standards, and guidelines, such as ISO 45001. It reflects the company's health and safety management policy and its strategies and objectives for promoting health and safety management. The policy, applicable to all domestic and international establishments, is recommended for adoption by stakeholders such as suppliers, partners, and distribution networks. Dongwon Metal actively promotes initiatives such as expanding safety inspections, fostering a safety-oriented culture, and integrating new safety technologies. The company remains committed to ongoing improvement efforts across various business areas, including environmental, health, and safety management.

#### Health and Safety Management Policy System

##### 1. Overview

- A. Purpose of Establishment
- B. Scope of Application
- C. Practice System

##### 2. Declaration

- A. Improvement of Safety Management Culture
- B. Intensive Prevention of Serious Disaster
- C. Improving Safety Awareness of Employees
- D. Promotion of Smart Occupational Health and Safety
- E. Promotion of Health and Safety Activities

##### 3. Management

- A. Governance
- B. Proposal and Responses
- C. Education and Dissemination
- D. Performance Evaluation
- E. Communication

#### Dongwon Metal's Health and Safety Objectives



# Health and Safety

## Workplace Safety Management

### Health and Safety Management System

#### Health and Safety Integral Management System

Dongwon Metal shares various policies, processes, procedures, and work instructions across the organization through an integrated management system based on the ISO 45001 international standard. Employees are guided to understand and comply with these guidelines. Moreover, considering legal requirements, regulations, market conditions, and industry specificities, each establishment is encouraged to obtain international certification for health and safety management systems or to establish its own health and safety management system.

#### Summary of Health and Safety Management System Certification (By Plant)

Region	Establishments	Certificate	Effective Period
Domestic	Gyeongsan	ISO 45001	2022-12-16 ~ 2025-12-15
	Jinryang	ISO 45001	2022-12-16 ~ 2025-12-15
	Asan	ISO 45001	2022-12-16 ~ 2025-12-15
	Dongwon Pipe	ISO 45001	To be certified in 2024
The U.S.	Alabama	ISO 45001	2022-12-20 ~ 2025-10-28
	Georgia	ISO 45001	To be certified in 2024
Brazil	Piracicaba	ISO 45001	To be certified in 2024
	Canoas	ISO 45001	To be certified in 2024
Mexico	Mexico	ISO 45001	To be certified in 2024
Europe	Czech Republic	ISO 45001	2022-11-14 ~ 2025-11-13
	Slovakia	ISO 45001	2023-05-31 ~ 2024-06-12

### Health and Safety Activities

#### Health and Safety Education

Establish an advanced health and safety culture. We utilize training facilities equipped with audiovisual education tools and invite external speakers to provide high-quality training programs. In particular, we have developed an annual health and safety education curriculum that reflects social trends, and we provide education tailored to employee feedback gathered through continuous demand surveys. Personnel at the manager level or higher not only participate in health and safety education themselves but also support employees in enhancing their health and safety management capabilities by providing education on safety regulations, safety systems, the use of safety computer systems, identification of hazards, and improvement methods, enabling them to perform health and safety tasks effectively.

#### Summary of Occupational Safety Training of Employees

Unit	2021	2022	2023
Time	1,487	1,436	1,574
Person	60	54	64

#### CPR Training



#### Safety Training





# Health and Safety

## Workplace Safety Management

### Intensive Joint Health and Safety Inspections

We, at Dongwon Metal, identify potential hazards in the workplace through comprehensive safety inspections and work towards their improvement. These inspections involve employee participation across all divisions, including management, production, maintenance, support, and safety, in all business locations. Employees collaborate to devise improvement measures based on identified risks during safety inspections and monitor the results of these improvements. Through these efforts, we establish a prevention and response system for various accidents within the workplace. We encourage employees to take responsibility for safety as a community and to look out for each other's safety.

#### Dongwon Metal's Safety Inspection



#### Safety Inspection Status

Category	Number of check-ups
2021년	12
2022년	12
2023년	12

### Conducting Regular Safety Meetings with Partner Companies

We, at Dongwon Metal, prioritize not only the safety of our workers but also that of contractors and collaborators by conducting safety meetings.

#### Regular Safety Meetings with Partner Companies

Date	Title	Summary
23-03-15	Partner Companies Associates Meeting	Intensive safety education for new hires
23-06-14	Partner Companies Associates Meeting	Forklift safety guide, health care in response to winter cold
23-09-13	Partner Companies Associates Meeting	Prevention of accidents during Chuseok holidays
23-12-13	Partner Companies Associates Meeting	Prohibition of uncertified heating equipment

### Creating a Safe Working Environment

Dongwon Metal prioritizes safety in all work environments to prevent accidents during work. Standard operating procedures and safety standards are established and adhered to in sites where there is a risk of accidents, ensuring that safety is paramount. Additionally, safety rules are prominently displayed at each worksite to allow workers to review safety protocols, thus preventing accidents in advance constantly.

Continuous inspection and adjustment activities are conducted for facilities, and hazardous areas are controlled and managed, allowing access only to authorized personnel. To create a safe and pleasant working environment, work areas and passageways are separated, and lighting in the vicinity is adjusted to ensure adequate illumination. Furthermore, to reduce the risk of forklift accidents, which are frequent in similar industries, protective barriers for forklifts and the installation of logo projectors in accident-prone areas are implemented to prevent related accidents.

#### Dongwon Metal's Safety Rules



#### Forklift Projector



At Dongwon Metal, we continuously enhance our investment in safety each year, striving to achieve zero occupational accidents, guided by our management's unwavering commitment to employee safety. We mandate the installation of rest facilities during extreme weather conditions, ensuring employees are provided with sufficient rest to reduce fatigue and prevent accidents. Additionally, in response to the aging workforce, we provide fatigue prevention mats to long-term sedentary workers, helping to prevent musculoskeletal disorders such as varicose veins and plantar fasciitis.

### Health and Safety Investment Scale

Category	Unit	2021	2022	2023
Investment	KRW Thousand	411,061	482,828	448,628

\* Reporting scope: Gyeongsan plant

# Health and Safety

## Workplace Safety Management

Summary of Occupational Accidents

Establishments	Classification	2021	2022	2023
Gyeongsan Plant	Number of Persons	376	353	339
	Number of Cases	4	2	3
	Accident Rate (%)	1.06	0.57	0.88
Asan Plant	Number of Persons	214	209	205
	Number of Cases	14	20	9
	Accident Rate (%)	6.54	9.57	4.39
Domestic Total	Number of Persons	590	562	544
	Number of Cases	18	22	12
	Accident Rate (%)	3.05	3.91	2.21

\*Scope of report: Dongwon Metal's domestic operations (Gyeongsan Headquarters, Asan Plant)



Industrial Accidents and Measures Taken in 2023

Case No.	Date	Establishments	Classification	Accident Type	The Cause	Strategies for Preventing Recurring Accidents
23-1	2023.01.06	Gyeongsan	Accident	A finger jammed in the press machine in operation	Employee negligence and inadequate installation of safety sensors	Re-educating press operation methods, and relocation of safety sensor installation
23-2	2023.03.29	Asan Plant	Accident	Knees twisted during rack transport	Employee negligence	Regular inspection and repair of rack wheels, information about the accident, and training on proper operating procedures
23-3	2023.05.03	Asan Plant	Disease	Right rotator cuff syndrome	Long-term repetitive tasks	Education on musculoskeletal system prevention, use of the in-house health management room for symptomatic employees, and implementation of regular rotational shifts
23-4	2023.05.24	Asan Plant	Disease	Left lateral epicondylitis	Long-term repetitive tasks	Education on musculoskeletal system prevention, use of the in-house health management room for symptomatic employees, implementation of regular rotational shifts, and providing wrist protection gear
23-5	2023.06.07	Gyeongsan	Accident	Hand caught during bending machine operation	Malfunction of bending machine limit switch	Bending limit switch (spring type) repairment, and equipment upgrade (reducing vibration)
23-6	2023.06.15	Asan Plant	Disease	Bilateral lateral epicondylitis	Long-term repetitive tasks	Education on musculoskeletal system prevention, use of the in-house health management room for symptomatic employees, implementation of regular rotational shifts, and providing wrist protection gear
23-7	2023.06.30	Asan Plant	Accident	Toe pierced by metal shaving	Employee negligence	Information about the accident, and education on the correct way of wearing safety gears
23-8	2023.07.25	Gyeongsan	Musculoskeletal	Repeated loading and unloading operations with forklift causing musculoskeletal disorders	Repetitive tasks	Stretching before and after work
23-9	2023.08.09	Asan Plant	Disease	Other unspecified disorders of the right wrist cartilage	Long-term repetitive tasks	Education on musculoskeletal system prevention, use of the in-house health management room for symptomatic employees, implementation of regular rotational shifts, and providing wrist protection gear
23-10	2023.08.23	Asan Plant	Accident	Finger twisted during single-term loading	Employee negligence	Information about the accident, and education on proper work procedures
23-11	2023.10.06	Asan Plant	Accident	Finger twisted during single-term loading	Employee negligence	Information about the accident, and education on proper work procedures
23-12	2023.12.11	Asan Plant	Accident	Finger caught while product secured on jig	Employee's lack of skill (occurred during supporting another line)	Information about the accident, and education on operation procedures before the support

# Health and Safety

## Workplace Safety Management

### Operation and Support for Medical Facilities

At Dongwon Metal, we operate a range of health promotion programs to maintain our staff's physical and mental well-being. Currently, we offer programs for preventing musculoskeletal diseases, preserving hearing, and conducting general and specialized medical examinations. Additionally, we provide comprehensive health check-ups for long-serving employees. Furthermore, we have recently renovated our health management facility, investing in state-of-the-art equipment and improving the treatment environment to continually enhance the health of our employees. Moving forward, we plan to develop and expand our health promotion programs based on feedback from our staff.

#### Health Promotion Program Outline

- General/Specialized Medical Examinations
- Musculoskeletal Hazard Assessment
- Comprehensive Health Check-Up
- Hearing Preservation Program
- Physical Therapy
- Paraffin Treatment
- InBody Test

### Promotion of 'Safety Day' Activities

Dongwon Metal has been reviving the 'Safety Day' event since 2022 to ensure swift identification and improvement of on-site hazards by gathering insights from all members. Employees are encouraged to propose suggestions for various safety improvements, such as installing safety facilities, modifying work procedures, enhancing the work environment, and organizing workspaces. The dedicated maintenance department for safety facilities promptly devises improvement plans for the proposed suggestions and takes action accordingly. Throughout this process, ongoing communication between the maintenance department responsible for safety facilities and the regular safety department ensures that the employees can monitor the progress of the improvements. Once the improvements are implemented, the results are communicated to the employees who originally proposed the suggestion. Additionally, in cases of significant issues, the results are shared with the labor union and management to develop preventive measures collaboratively and post-incident actions.



#### 'Safety Day' Survey Procedure





# Health and Safety

## Workplace Safety Management

### Employee Safety Awareness Program

To enhance employee safety awareness, we conduct various programs, such as distributing safety newsletters monthly, implementing a reward system for employees who correctly answer safety quizzes, and selecting exemplary employees annually. Additionally, we emphasize accident-free periods each quarter to internalize safety consciousness among on-site workers. During these accident-free periods, we accompany on-site workers on-site inspections to gather feedback on numerous improvement opportunities.

#### Safety Activity Status

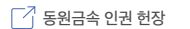
Activity	Outlines
Risk Assessment	Identifying and preventing risks and hazards in the work environment, machinery, equipment, raw materials, gases, fire, and other harmful factors
Installation of Safety Signs	Attaching warning signs for hazardous locations, facilities, materials, and emergency response guidance at identifiable locations
Work Environment Safety Measures	Establishing standards for managing locations prone to falls, collapses, falling objects, natural disasters, and other potential hazards, and conducting regular maintenance checks
Machinery, Equipment, and Facility Safety Measures	Implementing protective measures considering the functionality and characteristics of machinery, equipment, and facilities, and maintaining them to prevent potential hazards
Prevention of Health Hazards and Health Measures	Implementing necessary preventive and health measures to prevent health hazards caused by raw materials, gases, noise, etc.
Provision of Personal Protective Equipment	Mandating the use of appropriate personal protective equipment in the work environment and providing and managing PPE
Emergency Response Training	Conducting ongoing training based on emergency response scenarios for situations such as falls, entrapment, electrocution, fire, explosion, and hazardous material leaks, and regularly checking the functionality of related equipment
Hazardous Material Management	Compiling and providing material safety data sheets for handled hazardous materials, and removing physical/chemical hazards
Accident Investigation	Conducting investigations into accidents to determine their causes and devising measures to prevent recurrence. -Regularly analyzing occupational accident statistics and reflecting them in safety and health performance improvement goals



# Human Rights Protection

## Human Rights Protection Management

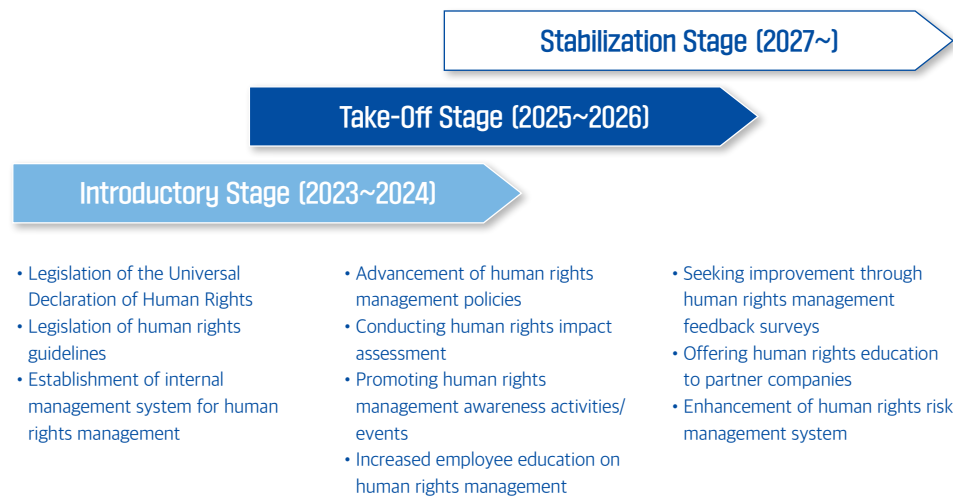
Dongwon Metal places great emphasis on respecting the rights and values of stakeholders as fundamental to achieving sustainable mutual growth. Efforts are made to establish a corporate culture of mutual respect within the company based on internationally recognized human rights standards. To achieve this, Dongwon Metal has declared and implemented a Human Rights Charter and established human rights guidelines to prevent human rights violations and mitigate related risks in its business operations, aiming to minimize human rights risks throughout its management.



### Human Rights Management System

Dongwon Metal is committed to human rights management to uphold the rights of all employees and stakeholders associated with the company and to prevent human rights risks. To establish a systematic human rights management framework, we have developed a roadmap for human rights management and are implementing tasks according to detailed action plans. Beginning with the declaration of our Human Rights Charter and the formulation of Human Rights Guidelines in 2023, our plans include the establishment of implementing organizations and internal management systems by 2024. In 2025, we aim to make significant strides in human rights management by enhancing policies, conducting human rights impact assessments, and strengthening activities to raise awareness among employees. From 2026 onwards, we will focus on stabilizing human rights management and internalizing it throughout all our operations. Dongwon Metal is continuously refining its human rights management system to prevent risks across all areas of operation and will transparently share our progress with various stakeholders through sustainable management reports in the future.

### Human Rights Protection Management Roadmap



### Implementation of Universal Declaration of Human Rights

Dongwon Metal has established a Human Rights Charter in compliance with international standards and guidelines related to human rights and labor, such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and core conventions of the International Labor Organization. The charter applies to all employees (including executives, regular employees, and non-regular employees) of Dongwon Metal and its subsidiaries, as well as all stakeholders involved in business relationships, both domestically and internationally. Dongwon Metal's Human Rights Charter reflects the principles of global initiatives and the understanding of stakeholders.

#### ..... Fundamental Principles of the Universal Declaration of Human Rights .....

Respect for Human Rights
Prohibition of Discrimination
Prohibition of Forced Labor and Child Labor
Guarantee of Compliance with Labor Laws and Freedom of Association and Collective Bargaining
Health and Safety
Responsible Supply Chain Management
Guarantee of Environmental Rights
Guarantee of Environmental Rights
Human Rights for Local Communities

# Human Rights Protection

## Human Risks Management

### Human Rights Education

We are dedicated to creating a workplace that respects and supports human rights. To achieve this, we have been actively providing human rights education to all our employees throughout our organization. We conduct annual training sessions at all our locations on improving awareness of disabilities and preventing sexual harassment. Furthermore, we offer tailored supplementary human rights education programs to meet specific needs at each establishment. We will continue to expand the range of human rights education to include topics such as general human rights, multiculturalism, and women's rights. Our aim is to raise awareness among our employees and foster a culture of human rights management.

#### Human Rights Education Completion Rate



#### Progress on Human Rights Training

Date	Training
2023-7-24	Disability Awareness
2023-7-24	Sexual Harassment Prevention
2022-12-29	Disability Awareness
2022-12-29	Sexual Harassment Prevention
2021-12-17	Disability Awareness
2021-5-18	Sexual Harassment Prevention

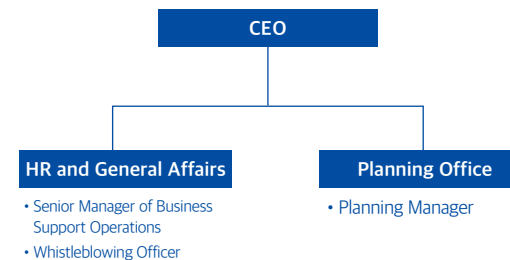
### Human Rights Impact Assessment

Dongwon Metal specifies in its human rights guidelines that it conducts human rights impact assessments annually to identify and prevent actual and potential human rights risks that may arise from its business activities. The human rights impact assessment is scheduled to be conducted once a year starting in 2025, following the establishment of internal management systems and the selection of an assessment institution in 2024.

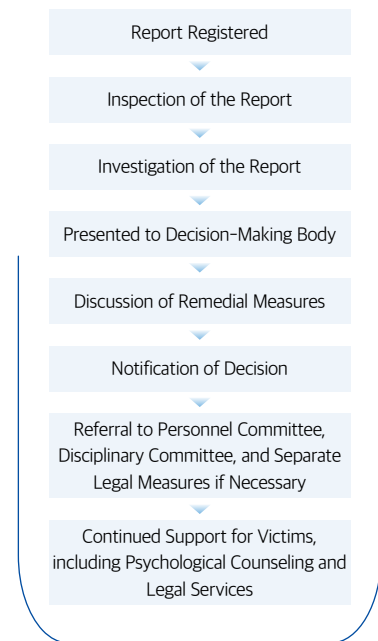
### The Handling of Human Rights Violations

We are aware of the seriousness of human rights violations and manage them through designated organizations and regulations to prevent human rights risks. Employees can report incidents of human rights violations through our internal reporting procedures or internal hotlines, and the reported incidents are handled according to procedures through an organization directly supervised by the CEO. Furthermore, to ensure that the whistleblower is not exposed or subject to retaliation, protective measures are stipulated in our internal reporting protection system guidelines and human rights guidelines. We will continue to strengthen management standards for human rights violations that contravene the principles of human rights management to ensure that our employees and stakeholders are not subjected to unfair human rights violations

#### Human Rights Violations Management Organization Chart



#### Human Rights Violation Handling Procedure



#### Dongwon Metal's Bulletin Board for Complaints





# Partnerships

## Maintaining Strong Partnerships and Initiatives

Dongwon Metal has established a partner management system to maintain mutually beneficial partnerships. In 2023, we formulated a Partner Code of Conduct and recommend that our partners adhere to it, aiming to pursue mutual growth and encourage them to evolve into socially responsible enterprises. We have implemented a system for selecting and evaluating partners and regularly monitor performance to proactively mitigate supply chain risks. Furthermore, we promote smooth communication and efficient collaboration with partners by conducting regular visits and inspections.

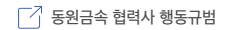
### Summary of Our Partner Companies

Classification		Unit	2021	2022	2023
Total Partner Companies	Domestic (Gyeongsan, Asan, Dongwon Pipe)	Number	137	137	126
	Overseas Establishments	Number	24	24	25
Total Amount of Purchases -Partner Companies	Domestic (Gyeongsan, Asan, Dongwon Pipe)	KRW Hundred Million	1,105	1,385	1,516
	Overseas	KRW Hundred Million	573	758	863
Total Partner Companies	Domestic (Gyeongsan, Asan, Dongwon Pipe)	Number	0	7	2
	Overseas	Number	1	0	1
Total Partner Companies	Domestic (Gyeongsan, Asan, Dongwon Pipe)	Number	69	73	65
	Overseas	Number	20	20	20
Total Amount of Purchases - Partner Companies	Domestic (Gyeongsan, Asan, Dongwon Pipe)	KRW Hundred Million	1,087	1,364	1,494
	Overseas	KRW Hundred Million	535	741	835

\*Reporting Scope: Dongwon Metal Co., Ltd. Gyeongsan HQ, Asan establishment

\*\*Key partners: components/materials

### 원고없음



Dongwon Metal has established a Partner Company Code of Conduct for all partner companies that provide goods and services or enter into contracts for other transactions with our company, aiming to create a transparent and fair business environment while considering mutual benefits with our partners. This Partner Company Code of Conduct applies to the business activities of all our partners. It requires strict compliance with applicable laws and regulations, as well as ethical standards and best practices in labor, human rights, safety, health, environment, and management systems.

### Partner Companies' Code of Conduct

Management System	Environment	Ethics
<ul style="list-style-type: none"> <li>The statement of business published</li> <li>Appointment of personnel</li> <li>Risk assessment</li> <li>Education and communication</li> <li>Information management</li> <li>Establishment of complaints handling policy</li> <li>Maintaining relationships with suppliers</li> <li>Compliance with regulations</li> </ul>	<ul style="list-style-type: none"> <li>The establishment of the environmental management system</li> <li>Management of energy use and greenhouse gas emissions</li> <li>Water resources management</li> <li>The handling of air pollutants</li> <li>The treatment of waste</li> <li>The treatment of chemicals</li> </ul>	<ul style="list-style-type: none"> <li>Prevention of corruption and pursuit of transparent management</li> <li>Prevention of conflict of interest</li> <li>Prevention of unfair trade</li> <li>Prohibition of counterfeit products</li> <li>Compliance with exporting regulations</li> <li>Information protection</li> <li>Responsible consumption of raw materials</li> </ul>
Labor Rights	Health and Safety	
<ul style="list-style-type: none"> <li>Prohibition of discrimination</li> <li>Fair wages and welfare</li> <li>Working hours compliance</li> <li>Fair treatments</li> <li>Freedom of association</li> <li>Prohibition of child labor</li> <li>Prohibition of forced labor</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of a health and safety management system</li> <li>Safety inspection of equipment, facilities, and machinery</li> <li>Responses to emergencies</li> <li>Prevention of accidents</li> <li>Safety assessment</li> <li>Health assessment</li> </ul>	

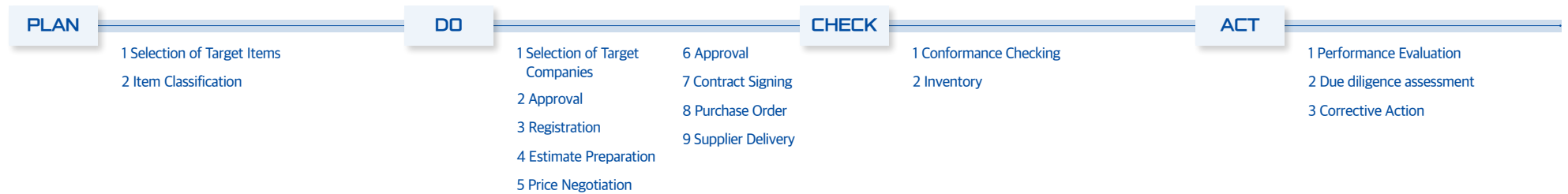
# Partnerships

## Maintaining Strong Partnerships and Initiatives

### Partner Companies Evaluation Process

Dongwon Metal has established a PDCA-based evaluation process for effectively assessing partner performance and conducts regular evaluations. Activities such as routine partner assessments (grading assessments, partner trend reports), basic quality checks for partners (basic quality management, PPM management, handling of claims), and regular on-site inspections for new and existing partners are carried out. Evaluation scores and grades are calculated for each item, and outstanding partners are selected. Excellent partners are encouraged through awards and consistently recognized with high grades. Partners with lower evaluation scores undergo problem-solving initiatives and effectiveness checks to enhance partner risk management.

Evaluation Process Chart for New Partner Companies and Evaluated Partner Companies



Guidance and Education Procedure Process Chart for Mass Production Partner Companies



# Partnerships

## Collaborative Growth with Partner Companies

Dongwon Metal understands that the growth and development of its partner companies are crucial to its growth and development. Therefore, we strive to create an ecosystem of collaborative partnerships where all partner companies can grow together. To achieve this, we have established internal structures aimed at enhancing the quality capabilities of our partner companies. We support them in conducting basic quality checks and obtaining quality certifications while providing relevant educational resources to help them improve their skills. Moreover, we conduct on-site safety inspections to ensure that our partner companies can work in a safer environment. We focus on fire safety and facilities to minimize the risks they face while working. Additionally, we have resumed regular exchange meetings with our partner companies since February 2024. These meetings help us to strengthen our collaboration with partner companies and to regularly identify any challenges they may face. We also plan to enhance our activities to receive and address issues faced by partner companies by building upon the pilot operation of such activities. We believe that this will help us to better address the needs of our partner companies and enable them to grow alongside us.

### Building the Foundation for Partner Company Growth

#### Operating the Organization Specified for Quality Control of Partner Companies

Dongwon Metal has established an organization that is dedicated to enhancing the quality control of its partner companies and establishing management systems. This organization comprises five members, including one from Dongwon Metal's Headquarters teams for materials, quality management, general affairs and safety, and cost management, as well as one quality control management officer from the Asan plant. The primary responsibilities of this organization include conducting regular grading assessments to improve partner company quality, performing basic quality inspections, conducting fire safety and equipment checks for partner companies, and planning partner company GPC (Global Partner Conference) education. By operating this organization, Dongwon Metal aims to build strong partnerships with its partner companies and create an efficient business environment.

#### Organizational Chart for Quality Control Team Responsible for Partner Companies



### Basic Quality Inspection

At our company, we perform regular quality inspections of our partner companies to evaluate their basic quality standards and assist them in improving their quality and reducing deficiencies. These inspections help to enhance the quality standards of our partner companies and also prevent quality-related risks associated with our products. By taking proactive measures to address quality issues, we ensure that our products meet the highest quality standards.

### Basic Quality Inspection Progress

Classification	Unit	2021	2022	2023
Basic Quality Inspection	Case	12	13	25

\* Reporting Scope: Dongwon Metal Co., Ltd. Gyeongsan plant

### Support for Partner Company Quality Management System Certification

We assist partner companies in obtaining quality management system certifications to improve overall quality standards throughout the supply chain.

### Support for Partner Companies' Quality Management System Certifications

Classification	Unit	2021	2022	2023	
Quality Management System Certifications	SQ-MARK	Case	16	16	16
	ISO9001	Case	5	5	5
	IATF16949	Case	4	4	4

\* Reporting Scope: Dongwon Metal Co., Ltd. Gyeongsan plant, Asan plant

### Education for partner companies

We make use of the 'Global Partnership Cooperation Center,' a dedicated education facility for Hyundai Motor Group's partner companies, to ensure that our partners receive the necessary training in a timely manner. We establish annual partner company GPC (Global Partnership Cooperation) education plans and provide information about the training every month. In 2023, we provided qualitative quality education through quality training for 11 partner companies, supporting them in enhancing their future technological capabilities.

### Partner Company Quality Training Progress Report for 2023

Classification	Unit	2023
Partner Company Quality Training	Participating Companies	11
	People who completed the training	199

\*Reporting Scope: Dongwon Metal Co., Ltd. Gyeongsan plant, Asan plant



# Partnerships

## Collaborative Growth with Partner Companies

### Fair Trade Agreement with Partner Companies

We ensure fair trade practices with our partner companies. We sign fair trade and cooperation agreements when selecting partners to guarantee fair transactions. Additionally, we integrate fair trade practices into our code of ethics, increase activities to support partners, and respect the principles of fair competition in the free market. We also conduct business reception training for partners to foster mutually beneficial relationships. As of 2023, we have already signed cooperation agreements with all our partner companies, thus conducting fair transactions based on mutual trust.

### Effective Communication Channels for Partner Companies

At Dongwon Metal, we prioritize transparent and seamless communication to enhance communication channels with our partner companies. We strive to establish close relationships with our partners through various communication channels. In 2023, we initiated a pilot program to listen to our partners' concerns and support improvements in their work environment. Seven cases were reported in 2023, and in 2024, we plan to transition this process into regular operation by improving the process and assigning dedicated personnel to handle these matters. We were recognized for our consistent efforts in mutual cooperation and co-prosperity at the Hyundai Motor Group Partnership Conference in January 2024, where we were awarded a commendation plaque. Due to the suspension of regular exchange meetings since 2020, we resumed these meetings with our partner conference on February 6, 2024. We plan to hold regular partner conferences every year to establish a platform for communication on partner operations and mutual growth. Dongwon Metal aims to expand various communication channels and establish communication programs to pursue smooth communication and sustainable mutual growth with our partners.

### Intensive Site Visit inspection for Partner Companies

To strengthen safety inspections at our partner companies, we conduct regular on-site visits (fire safety, general safety, and facility inspections) as part of our commitment to establishing a mutually beneficial partnership with our partners and fulfilling our social responsibility regarding industrial safety. Since the initial implementation in September 2023, these safety inspections are scheduled to be conducted annually. In addition to regular inspections, we collect the results of partner companies' self-inspections twice a year to identify issues and devise improvement measures.

### Progress Report on Site Visits to Partner Companies

Classification	Unit	2023
Site Visits	Case	15
Reports from Partner Companies (Twice a Year)	Case	15

### Partner company Networking Event Before the COVID-19 Pandemic



### Partner Company Customer Service Training



### Difficulties Reported by Partner Companies

Year	Submission
2023	7

\* Subject to improvement in the first half of 2024

### New Year Celebration Networking Event for Partner Companies



### Hyundai-Kia Partnership Award Plaque



# Customers

## Quality Management

Dongwon Metal is committed to providing high-quality products that meet specified requirements and customer needs. Our quality policy reflects this commitment, which encourages all employees to understand and implement it. We have implemented a Quality Management System (QMS) to improve organizational performance and enhance customer satisfaction to ensure we achieve our quality policy. We hold the IATF 16949<sup>1)</sup> certification for our QMS across all global locations, demonstrating our commitment to quality. Additionally, our top management prioritizes quality enhancement and the internalization of the quality management system as our primary objectives. We aim to deliver the best products to our customers by implementing rigorous quality control throughout the production process.

<sup>1)</sup> The Automotive Quality Management System Certification was jointly developed by the International Automotive Task Force (IATF) and the International Organization for Standardization (ISO).

### Quality Management Initiative

Dongwon Metal maintains rigorous quality control throughout production to achieve zero defects and provide reliable, high-quality products to customers. We are committed to making every effort to provide our customers with the highest quality products reliably.

#### Establishment of Quality Management System(QMS)

We have established a specialized system overseeing quality management, meticulously performing substantive quality management tasks. This system provides convenient insights into customer demand and visualizes real-time quality information of incoming and finished products. The proactive quality system is ensured through the establishment of an alarm function provided by a predictive structure, thereby ensuring pre-quality management.

#### FMEA(Failure Mode Effective Analysis)

Dongwon Metal identifies and eliminates potential failures and defect factors in advance through FMEA (Failure Mode Effective Analysis) based on past quality issue cases and failure mode analysis from product design and development stages.

#### Establishment of Manufacturing Execution System(MES)

We implemented MES, a software-based solution, to monitor and control the entire production process. The MES operation enables the quality control manager to collect real-time data and respond to emergencies, preventing potential quality issues.

#### Vision System Monitoring

We maintain consistent product quality by utilizing a Vision System. This measuring device ensures uniform quality, even in high-demanding work environments with variability. Quality managers can monitor real-time trends for each production line through monitors on the production line and manage product quality effectively.

#### Regular Quality Management Meetings

Regular quality meetings, chaired by the CEO, are held once a week (as needed, ad hoc) to share quality issues, opinions, and improvement plans with executives, including the CEO, to prevent recurrence and improve preventive quality.

### Supply Chain Quality Management

We operate an organization dedicated to quality control throughout the entire supply chain, fostering mutual growth with our partners. The team consists of managers based at our Gyeongsan Headquarters and Asan plant who work closely with our partners. The team supports quality certification, education, and product improvement initiatives.

### Defect Rate Management

We conduct real-time data management to monitor quality metrics such as incoming and return defect rates and field claim occurrences. Based on these metrics, we identify improvement measures and establish quality goals.

### Dongwon Metal Quality Policies

1. **Customer Demand Fulfillment** - Compliance with applicable laws, regulations, and standards.
2. **Establishment of Quality Management System**
  - Development and implementation of processes concerning factors influencing product quality.
3. **Continuous Improvement** - Maintaining price competitiveness and enhancing productivity and process capabilities.

### Organizational Chart for the Quality Management Team



# Customers

## Quality Management

### Quality Management System Certification

Dongwon Metal Co., Ltd. has obtained the international automotive quality management system certification IATF 16949 across all global establishments to ensure quality throughout the entire product production process.

#### Quality Management System Certification by Establishments

Region	Establishment	Code	Effective Period
Domestic	Gyeongsan	IATF 16949	2023-12-13 ~ 2026-12-12
	Jinryang	IATF 16949	2023-12-13 ~ 2026-12-12
	Asan	IATF 16949	2023-12-13 ~ 2026-12-12
The U.S.	Alabama	IATF 16949	2021-07-22 ~ 2024-07-21
	Georgia	IATF 16949	2021-09-27 ~ 2024-09-27
Brazil	Piracicaba	IATF 16949	2024-01-26 ~ 2027-01-25
	Canoas	IATF 16949	2022-02-25 ~ 2025-02-24
Mexico	Mexico	IATF 16949	2023-11-29 ~ 2026-11-28
Europe	Czech Republic	IATF 16949	2021-05-18 ~ 2024-05-17
	Slovakia	IATF 16949	2021-09-15 ~ 2024-09-14

### Enhancement of Employee Quality Control

Dongwon Metal is committed to supporting a range of educational programs that aim to increase product quality and improve employee competency. We strongly encourage our employees to participate in quality enhancement programs and education through the GPC (Global Partnering Center) of Hyundai Motor Group. In addition, we offer active support for external education and attendance at automotive exhibitions and seminars to enable our employees to gain diverse experiences and enhance their quality competency.

#### Quality Control Training Progress

Category	2021	2022	2023
Participants Completed the Training	1 person	28 people	11 people

\* Report scope: Dongwon Metal Gyeongsan Headquarters





# Customers

## Customer Value

Dongwon Metal is committed to meeting customer needs and enhancing collaboration with customers through various activities aimed at improving customer satisfaction. By thoroughly collecting field claim data and conducting improvement activities, we minimize customer dissatisfaction and strive to prevent recurrence. We incorporate accumulated data and individual customer requirements into our quality management and customer relationship processes, continuously enhancing processes to strengthen trust with our customers.

### Enhancing Customer Satisfaction

#### Field Claim Response

Dongwon Metal has established and operates a field claim response organization to improve customer service quality. The organization is composed of representatives and support personnel by region and operates in the form of a standby group that can respond immediately when field issues occur. In 2023, 50 field claims were received, and all 50 cases were improved with cost support after recommendations to normalize the claim. The results of field claim responses are reported to management and subsequent quality meetings are held to prevent the same cases from occurring.

#### Field Claim Response Progress Report

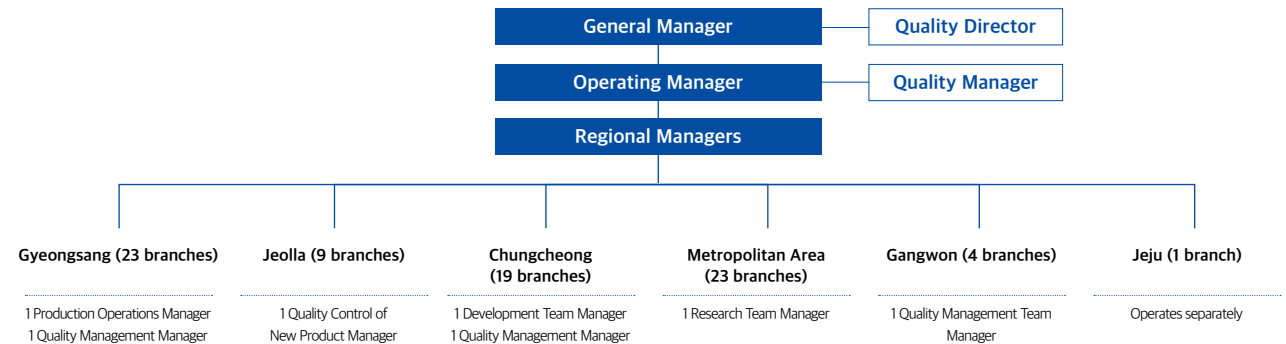
Classification	2021	2022	2023
Claims	67	43	50
Resolution	67	43	50
Improvement Rate	100%	100%	100%

\* Reporting scope: Gyeongsan plant

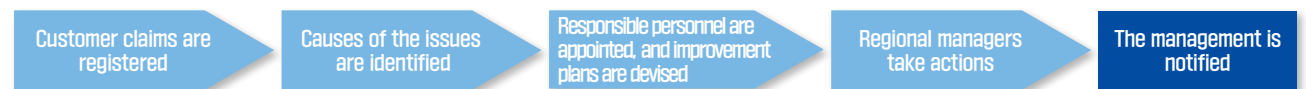
#### 원고 없음

Dongwon Metal has been recognized as an outstanding partner of General Motors (GM) for three consecutive years since 2021, owing to its excellent product quality and customer satisfaction efforts. Following our initial recognition as a GM outstanding partner in 2014, we have received this distinction a total of five times. Furthermore, in July 2023, we received an appreciation plaque for our contribution to supplying A/S parts to Hyundai Mobis. Our unwavering commitment to delivering high-quality products and exceptional customer service has helped us to strengthen our relationship of trust with our customers.

### Organizational Chart for Field Claim Response Team



### Field Claim Response Process



### GM's 'Excellent Partner' Award



### Letter of Appreciation from Hyundai Mobis



# Community Contribution

## Community Engagement Activities

Dongwon Metal declares its mission to be "a world-class company that earns respect from society and continues to thrive perpetually" and is committed to fulfilling its corporate social responsibility by ensuring that all members of society can grow together with Dongwon Metal. To achieve this, we actively identify the social contribution needs of each local community and establish annual social contribution plans to carry out various activities both domestically and internationally. Additionally, we support the improvement of the quality of life for marginalized groups in the community and promote humanitarian activities for the betterment of humanity through regular sponsorships, donations, and employee fundraising events in collaboration with sponsoring organizations. Moving forward, we aim to listen to the voices of all stakeholders, including employees, partners, shareholders, and local communities, and advance social contribution initiatives aligned with our ESG management principles to continue our journey toward sustainable growth.

### Domestic Community Contribution

#### Local Community Sponsorship Activities

Dongwon Metal conducts various sponsorship activities to foster mutual growth with the local community. In August 2023, our Gyeongsan Headquarters raised funds to aid the flood-affected areas in Gyeongbuk region due to concentrated heavy rainfall. The fundraising, driven by the voluntary participation of Dongwon Metal's management and employees, collected a total of 30 million KRW, which was donated to "Fruit of Love" for flood recovery efforts. In January 2024, a joint labor-management local welfare fund of 45 million KRW was donated to vulnerable neighbors and residents in welfare blind spots within the region under the name of the Metal Workers Union Daegu Branch. Additionally, we continue our annual activities, such as year-end donations from labor-management welfare funds, regular contributions, and donations of goods through the Gyeongbuk Community Welfare Joint Fundraising Association. Furthermore, each year, employees of the Asan plant organize an event to provide sponsorship funds and goods to vulnerable groups in Asan City, funded by a dedicated fund established by the plant's employees. Although the sponsorship event was temporarily suspended from 2020 to 2022 due to the COVID-19 pandemic, it resumed in December 2023 with the delivery of sponsorship goods to vulnerable groups in Asan City, continuing our regular activities to spread positive impacts within the local community.

#### Support for Humanitarian Initiatives

Dongwon Metal continues to sponsor humanitarian activities in support of upholding the equality and dignity of all individuals. Through regular donations to Doctors Without Borders, we support medical relief efforts for people in conflict areas and medical blind spots. Additionally, we have been recognized for our contribution to humanitarian initiatives by the Korean Red Cross, and have been honored with the Taegeuk Medal from the organization. We remain committed to promoting humanitarian causes and striving for a world where everyone can live with equality and dignity.

#### Cleaning Around the Establishments

Dongwon Metal actively participates in environmental protection initiatives and encourages its employees to uphold their environmental responsibilities as local community members. Through various environmental campaigns organized by our company, we aim to raise awareness among our employees about the importance of environmental stewardship. Our cleaning activities are organized by teams, with designated areas and roles assigned to collect and dispose of waste and litter in the vicinity of our establishments. We plan to continuously expand the scope and coverage of our cleaning activities to further contribute to environmental cleanliness.

#### Delivery of Community Sponsorship Funds from Dongwon Metal's Gyeongsan Headquarters and Dongwon Pipe



#### Delivery of Community Sponsorship Funds from Dongwon Metal's Asan Plant



#### Cleanup activities around the establishments



#### Korean Red Cross Certification



#### Support for Doctors Without Borders



# Community Contribution

## Community Engagement Activities

### Overseas Community Contribution Activities

Dongwon Metal is committed to fulfilling its social responsibilities by engaging with stakeholders in all local communities where its facilities are located. To achieve this, the company conducts various global community contribution activities such as local events, support for vulnerable groups, and collaboration with government and civic organizations. Despite the environmental challenges posed by the COVID-19 pandemic, our employees actively participated in voluntary community activities, spreading positive impacts in the local communities. In the future, Dongwon Metal will continue to work closely with governments, municipalities, and local organizations to enhance the quality of life for local community members and strengthen our bond with the communities we serve.

#### Community Contribution Activity in Overseas

Year	Establishments	Summary
2021	Czech Republic	Volunteer work at a center for the disabled
		Volunteer work at a center for the elderly
	Slovakia	Financial support for community event(Superbiker 2021) Support for vulnerable groups through collaboration with civic organizations
2022	Czech Republic	Volunteer work at a center for the disabled
		Animal rescue at the zoo
	Slovakia	Financial support for community event (Superbiker 2022) Sponsorship event for children with cancer
2023	Czech Republic	Sponsorship for a center for the single mothers
		Donation for newborn treatment facilities
		Volunteer work at dementia treatment center
		Volunteer work at a center for the disabled
		Transportation service for the elderly and disabled
	Sponsorship event for St. Nicholas Day	
	Piracicaba	Support for the flood victims
Slovakia	Financial support for local event (Superbiker 2023)	
	Sponsorship event for children with cancer	

#### Donation for newborn facility



#### Volunteer work for vulnerable groups



#### Sponsored items for vulnerable groups



#### Transportation service for the elderly and disabled



#### Summary of Community Contribution

Classification		Unit	2021	2022	2023
Social Contribution Investment	Company Donation	KRW Million	27	36	73
	Employees Donation	KRW Million	3	1	28
	<b>Total</b>	<b>KRW Million</b>	<b>30</b>	<b>37</b>	<b>101</b>

\* Report scope: All domestic and overseas worksites

\*\* The amount of social contribution at overseas worksites is converted to KRW at the December 29, 2023 exchange rate





*At Dongwon Metal, we are dedicated to promoting transparent and ethical practices to ensure sustainable growth. We prioritize transparency by conducting regular board and shareholder meetings and disclosing relevant information to the public. Our business is founded on a strong commitment to compliance with laws and regulations. Additionally, we carefully evaluate both the positive and negative impacts of our business on society and strive to meet the diverse demands of our stakeholders. Through continuous assessment of our contributions and identification of areas for improvement, we aim to enhance our efforts in social responsibility.*

## GOVERNANCE

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70	Board Governance
75	Enhancing Shareholder Value
77	Ethics and Compliance
80	Risk Management

# Board Governance

Dongwon Metal is committed to establishing ethical governance by enhancing its expertise and independence. The Board of Directors at Dongwon Metal serves as the highest decision-making body and is responsible for making decisions for the company while supervising the executives. We adhere to the principle of promoting the board's independence, competency, and diversity, which ultimately lays the foundation for sustainable development.

## Board Composition

### The Board

Our company is dedicated to building a reliable and open system of management that supports sustainable development, enhances corporate worth, and protects the interests of all stakeholders. We believe in inclusivity and ensure that we recruit people based on their competence, regardless of their gender, ethnicity, religion, or other such characteristics. This enables us to have a diverse team of professionals from different areas, including finance, accounting, and management.

### Appointment of Directors

All Dongwon Metal directors are appointed at shareholder meetings. External Directors are selected from board-recommended candidates to enhance expertise and diversity and strengthen sustainability.

### The Board's Independence and Expertise

Our board operates under strict guidelines to ensure its extended independence. We ensure that all legal requirements enacted within the Korean Corporate Laws are met. All External Directors are professionals with expertise in the fields of finance, accounting, law, and management. We assure you that we do not share a common interest with the External Directors.

### Board Diversity

Dongwon Metal prioritizes the principle of board diversity to ensure that the board does not represent specific interest groups or share common backgrounds. We respect diversity in gender, race, religion, etc., during the director appointment process, striving to avoid bias towards any specific orientation or background.



## Board Composition

Classification	Name	Position	Experiences	Initial Appointment/Tenure	Gender	Expertise
Executive Directors	Eun-woo Lee (Chair)	CEO	Current) CEO at Dongwon Metal Co., Ltd. Former) Planning Director at Dongwon Metal Co., Ltd.	2000.06.26~2027.06.28	Male	Management, Machinery
	Seung-ryong Park	CEO	Current) CEO at Dongwon Metal Co., Ltd. Former) VP at Dongwon Metal Co., Ltd.	2014.06.24~2026.06.29	Male	Management, Machinery
	Deok-kyo Lee	VP	Current) Planning/ R&D/Management Support Director Former) R&D/Quality Management Manager	2023.06.29~2026.06.29	Male	Management, Machinery
External Directors	Woo-ho Park	External Director	Former) President at Seyoung Accounting Firm CEO at Woojong	2018.06.28~2027.06.28	Male	Accounting
	Sun-hwa Kim	External Director	Former) Plant Manager at Hyundai Motor Company, Purchasing Senior Manager at Hyundai Mobis	2019.06.27~2025.06.29	Male	Management
	Eun-hwoe Do	External Director	Former) Business Manager at Daegu Bank, Gyeongsan Industrial Complex	2021.06.29~2027.06.28	Male	Finance



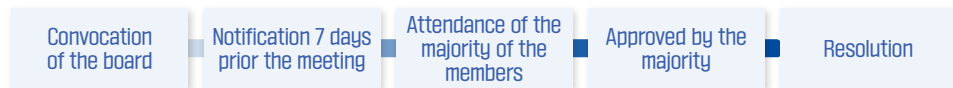
# Board Governance

## Board Operations

### Board Meeting

The Board of Directors usually holds a meeting once every quarter, but they may call for an emergency meeting if necessary. The board meeting must be announced at least seven days in advance. Resolutions of the board require the majority of attendance and approval, but in cases where relevant laws apply, compliance with the laws takes precedence. The board is responsible for preparing minutes that detail the agenda, proceedings, outcomes, and any objections, along with their reasons. Furthermore, the board must disclose attendance and voting records according to the methods and scope mandated by relevant laws.

### Board Decision-Making Process



### Board Meeting Status for 2023

Classification	Date	Agenda	Approval	Attendance
Regular	2023-04-10	43rd Unsecured Private Bonds issuance	Approved	100%
Temporary	2023-04-11	Report on health and safety management plan	Approved	100%
Regular	2023-05-30	Financial statements for the 38th fiscal year	Approved	100%
Temporary	2023-06-12	Joint guarantee for loan of Dongwon Mexico INC	Approved	100%
Regular	2023-06-13	Holding the 38th Regular Shareholders' Meeting	Approved	100%
Temporary	2023-06-13	Cash dividends for common shares	Approved	100%
Regular	2023-06-28	Minutes of the 38th Regular Shareholders' Meeting	Approved	100%
Temporary	2023-06-28	Appointment of CEO	Approved	100%
Temporary	2023-07-20	Loans of industrial operation funds	Approved	100%
Temporary	2023-07-24	Extension request for operating funds from Debec Savings Bank	Approved	100%
Temporary	2023-07-25	Extending maturity for the loan of 4.15 billion KRW at the Export-Import Bank	Approved	100%
Temporary	2023-08-16	Daegu Bank's renewal and issuance of 8.55 billion KRW, 5.26 billion KRW, and redemption of 6.3 billion KRW	Approved	100%
Temporary	2023-08-21	Korea Development Bank's general corporate loan of 3 billion KRW	Approved	100%
Temporary	2023-09-12	Industrial operation fund loan of 3 billion KRW	Approved	100%
Temporary	2023-09-15	The 44th Unsecured Private Bonds issuance of 5 billion KRW	Approved	100%
Temporary	2023-09-20	Hana Bank's corporate operating fund loan of 3.5 billion KRW	Approved	100%
Temporary	2023-11-06	Extending maturity for Dongwon Mexico's loan with Korea Export-Import Bank	Approved	100%
Temporary	2023-12-13	The 45th and 46th Unsecured Private Bonds issuance (8 billion KRW, 3 billion KRW)	Approved	100%



# Board Governance

## Board Operations

### The Board's Responsibility and Obligation

The Board of Directors at Dongwon Metal diligently performs its duties in accordance with relevant laws and regulations. Our directors prioritize the company's advancement and the interests of shareholders above all else. Should directors violate pertinent laws or regulations or neglect their duties during managerial decision-making processes, they are liable for damages under the law. Furthermore, if directors act maliciously, the company may seek compensation from related parties.

### The Evaluations of the Board's Activities and Performance

Dongwon Metal has a system in place to evaluate the performance of its Board of Directors on an annual basis. This evaluation is conducted using predetermined criteria set by the company and differs for inside and External Directors. Inside directors are evaluated based on quantitative and qualitative criteria in accordance with their roles and job performance. On the other hand, External Directors are evaluated based on their attendance rate at board meetings, contribution to decision-making, and expertise. The results of this evaluation are used to determine director compensation within the limits approved by the shareholders' meeting. Additionally, decisions regarding the reappointment and compensation of External Directors are based on their responsibilities and the risks associated with their duties, with compensation limits determined and paid accordingly. Dongwon Metal plans to incorporate ESG performance into the board evaluation process starting in 2024. This is part of the company's efforts to enhance its ESG management.

### External Directors Education

We encourage External Directors to enhance their competencies by educating themselves in accounting, audit, and other related training courses, and gain a thorough understanding of our company.

### Remuneration of the Board of Directors

Classification		Unit	2021	2022	2023
Executive Directors	Number of People	Person	3	2	3
	Total Amount	KRW Million	554	404	283
	Average per Person	KRW Million	185	202	94
External Directors	Number of People	Person	3	3	3
	Total Amount	KRW Million	57	57	28
	Average per Person	KRW Million	19	19	9

### Education of External Directors

Classification	2021	2022	2023
Number of Sessions	5	5	4
Attendance	100%	100%	100%
Courses	<ul style="list-style-type: none"> <li>• The Concept of Product Development</li> <li>• Disclosure Standards and Audit</li> <li>• Internal Control System, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• The Concept of Product Development</li> <li>• Disclosure Standards and Audit</li> <li>• Internal Control System, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• The Concept of Product Development</li> <li>• Response to ESG and Disclosure Supervision</li> <li>• Internal Control System, etc.</li> </ul>

# Board Governance

## Board Committees

Dongwon Metal has established two committees, the Audit and ESG Committees, to improve the transparency and independence of its Board of Directors. The Planning Office and Management Support Office are responsible for providing administrative support to ensure the smooth running of these committees.

### Audit Committee

The Audit Committee acts as an internal auditing body within our company. Corporate law indicates strict regulations regarding the appointment and composition of the committee to ensure transparency and independence. Consequently, we have formed the Audit Committee with six directors appointed from the shareholders' meeting, including three External Directors. To enhance the expertise of the Audit Committee, we have appointed three professionals in accounting, operational management, and finance. They contribute to the company's overall risk management. Our Audit Committee ensures the legality of management and directorial activities, supervising the company's financial activities to ensure financial solvency and legitimacy and overseeing accurate financial reporting. Additionally, it reviews the selection and change of external auditors and reports to the shareholders' meeting regarding appointment and dismissal. It also reviews all matters stipulated by laws, articles of association, and committee operating regulations.

### ESG Committee

In December 2023, alongside the establishment of Dongwon Metal's sustainable management system, the newly formed ESG Committee held its inaugural meeting in January 2024. The ESG Committee is tasked with reviewing relevant policies and issues concerning sustainable management and strives to enhance Dongwon Metal's sustainability. It reviews ESG policies, plans, key initiatives, and other related matters, making decisions accordingly. Serving as a control center for ESG management, the committee oversees the activities of the ESG Management Council and the Climate Change Response Council, both of which operate under its purview.

### Committees Under the Board of Directors



### Composition of Committees Under the Board

Classification	Members	Note
Audit Committee	Eun-woo Lee (chairman) Seung-ryong Park Duk-kyo Lee Woo-ho Park Sun-hwa Kim Eun-hwoe Do	A certified public accountant present
ESG Committee	Eun-woo Lee (chairman) Seung-ryong Park Duk-kyo Lee Woo-ho Park Sun-hwa Kim Eun-hwoe Do	Two subsidiary operational organizations under the committee

### Operational Status of Committees Under the Board

Classification		Unit	2021	2022	2023
Audit Committee	Session		4	4	2
	Attendance Rate	%	100	100	100
	External Director Ratio	%	50	60	50

### Summary of ESG Committee Meetings

Date	Agenda	Result
2024. 01. 05	Election of ESG Committee chairman	Resolved (Chairman: Eun-woo Lee)
	Establishment of ESG Committee regulations	Approved
	Implementation plan for establishing ESG management system	Approved

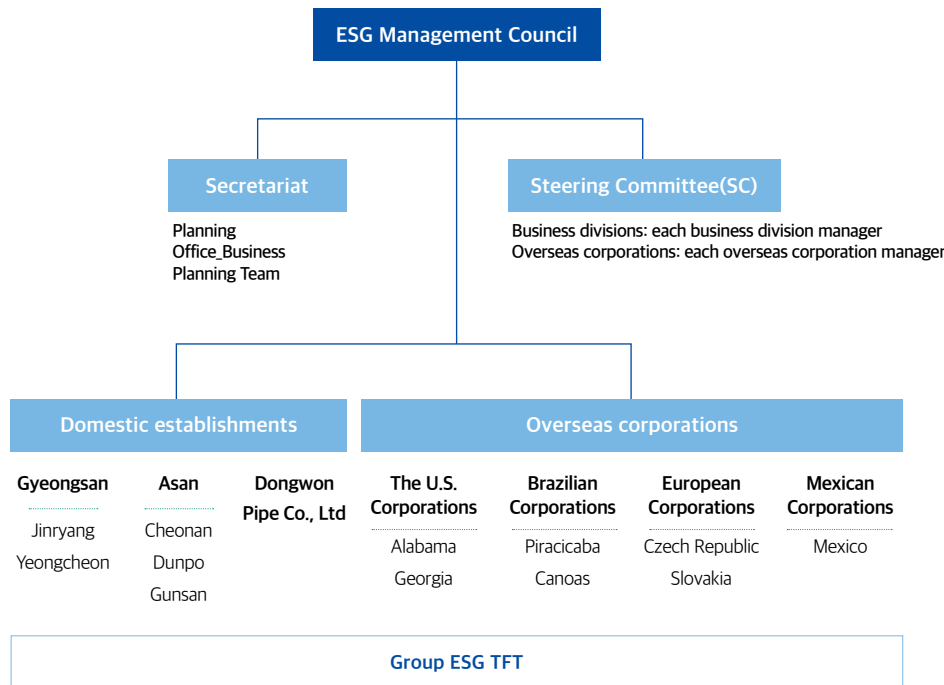
# Board Governance

## Board Committees

### ESG Committee

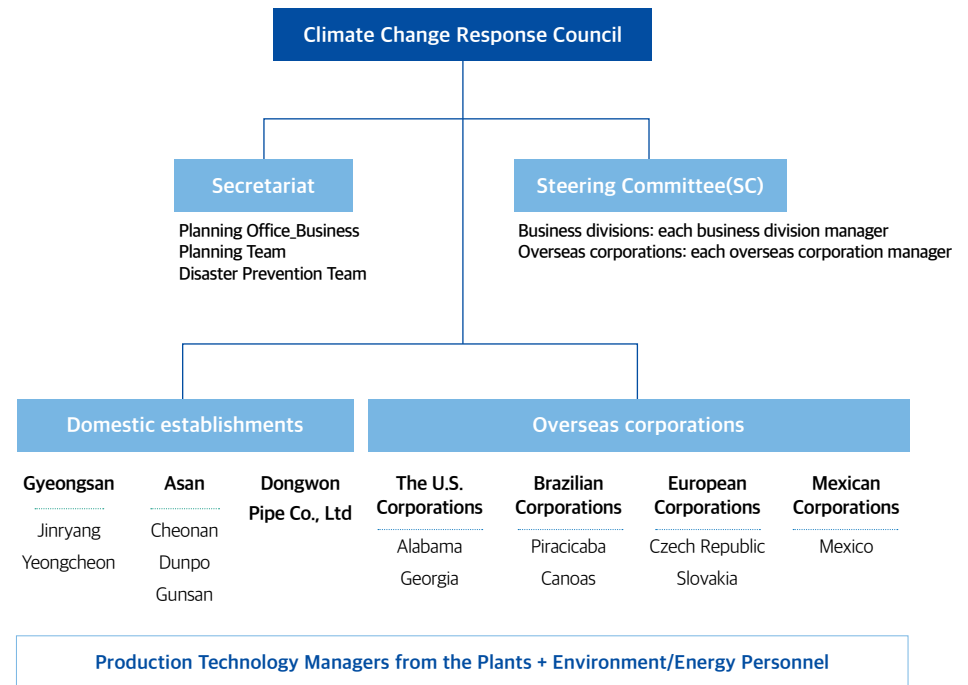
#### ESG Management Council

The ESG Management Council is an operational organization dedicated to advancing Dongwon Metal's ESG management. It formulates detailed implementation plans, conducts evaluations, and handles all aspects related to ESG management. The ESG Management Council is chaired by the Planning Manager. It operates with the Business Planning Team as the secretariat, with the heads of each business division and overseas corporation serving as members. The ESG Management Council establishes ESG management strategies and implementation plans at the corporate and business division levels, striving to enhance the practical execution of ESG strategies.



#### Climate Change Response Council

Dongwon Metal has established the Climate Change Response Council under the ESG Committee. This council is responsible for formulating detailed plans and directions for activities related to carbon neutrality and managing Dongwon Metal's efforts towards this goal. The council is chaired by the Planning Manager and operates with the Business Planning Team and Disaster Prevention Team serving as the secretariat. The Steering Committee is comprised of each business division manager and overseas corporation manager. The Climate Change Response Council is committed to systematically managing and implementing Dongwon Metal's carbon neutrality goals.





# Enhancing Shareholder Value

Dongwon Metal places high importance on the demands and suggestions of shareholders. The company is committed to protecting the value and interests of shareholders by ensuring that their rights and interests are not unfairly infringed upon. It also maintains the integrity of decision-making processes and management to accurately evaluate corporate value.

## Shareholder Engagement

### Transparent Information Disclosure

Dongwon Metal is committed to providing transparency and timely information for shareholders to exercise their rights. The company announces the date and venue of shareholders' meetings two weeks in advance to ensure that shareholders can exercise their voting rights. Dongwon Metal also strives to provide transparent information, including quarterly performance disclosures and institutional meetings, to enable informed decision-making by shareholders.

#### Disclosure of Shareholder Voting Rights-Related Information

Notified 2 weeks before the shareholders' meeting

#### Dividend Information Disclosure

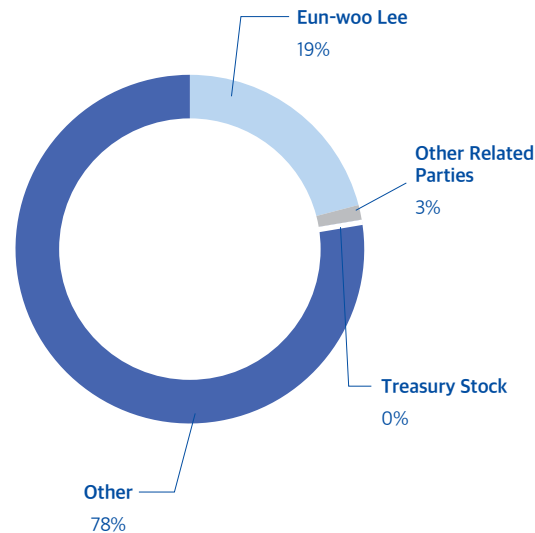
Disclosure of dividend pay date and amount (2 weeks before the record date)

#### Quarterly Performance Disclosure

Quarterly reports offered to shareholders and potential investors to provide information about the company

### Shareholder Structure

As of December 31, 2023, Dongwon Metal has issued a total of 46,754,933 shares. The largest shareholder and related parties hold a total of 10,344,164 shares, which account for 22.31% of the company's total shares. This figure represents the combined holdings of the largest shareholder, their relatives, and the owners of the subsidiaries.



### Shareholder Return

Dongwon Metal ensures that each shareholder is granted one voting right per share in accordance with the relevant regulations and laws. To enhance shareholder value, the company regularly distributes dividends, and all decisions regarding cash dividends are made by the Board of Directors.

#### 1) Ensuring Shareholder Voting Rights

We guarantee the exercise of shareholder voting rights by publicly announcing the shareholders' meeting two weeks prior. We allow proxies to represent shareholders to facilitate a smooth voting rights exercise.

#### 2) Profit Distribution

Dividends are distributed quarterly to shareholders determined by the board based on the record date, which is announced two weeks in advance.

#### 3) Performance Disclosure and Meetings

We transparently disclose quarterly performance and coordinate meetings with institutions such as securities firms with the Finance Team of the Management Support Office.

### Shareholder-Friendly Policy

Category	Unit	2021	2022	2023*
Total Cash Dividends	KRW Million	0	935	0
Cash Dividend Payout Ratio	%	0	5.15	0
Cash Dividend per Share (Common Stock)	KRW	0	20	0

\* The dividend for the year 2023 is scheduled to be distributed after the financial statement is published in June 2024

# Enhancing Shareholder Value

## Safeguarding Shareholder Rights

### Prohibition of Insider Trading and Self-Dealing

Dongwon Metal has put in place internal control measures to prevent insider trading and self-dealing. These measures are aimed at ensuring that executives, employees, and major shareholders, including the management, do not pursue personal benefits. To control insider trading and self-dealing, any transactions with stakeholders designated as significant by the board of directors' regulations and by the Commercial Act, as well as transactions between the company and its executives, including the management, are subject to board approval.

### Protection of Shareholder Interests in Ownership Structure or Business Changes

Dongwon Metal has formalized procedures, in accordance with the Charter of Corporate Governance, to address potential infringements on shareholder rights resulting from significant changes in the company's ownership structure or major business operations, such as mergers, business transfers, divisions (including asset divisions), comprehensive stock exchanges, and transfers. These procedures aim to solicit the opinions of minority shareholders and protect the rights of dissenting shareholders. Moreover, we strive to ensure that all shareholders have access to sufficient information and review periods, enabling them to actively exercise their shareholder rights. Going forward, we plan to engage with minority shareholders to gather diverse opinions and enhance protection for dissenting shareholders. Additionally, we commit to providing timely and comprehensive information to minority shareholders upon request and strengthening policies aimed at enhancing shareholder value.



# Ethics and Compliance

Dongwon Metal is dedicated to fulfilling ethical responsibilities and building trust and cooperative relationships with all stakeholders. To accomplish this, we have formulated a Code of Ethics, an Ethical Management Policy, and a Code of Ethical Conduct. These documents serve as guiding principles for all management activities and the behavior of our employees, with the goal of upholding and adhering to ethical standards in all our operations.

## Ethical Policies

### Code of Ethics

At Dongwon Metal, we have established and implemented a Code of Ethics, Ethical Management Policy, and Code of Ethical Conduct to encourage our employees to act in ethical ways with respect for laws and regulations.

### Ethical Management Policy

We have developed an ethical management policy and guidelines to help our employees make sound judgments and promote transparent decision-making.

Dongwon Metal's Ethical Management Policy is based on the principles of transparent management, respect for human rights, ethical codes concerning customers and business partners, and social responsibility. It formalizes and defines the contents related to ethical management based on these principles.

### Code of Ethical Conduct

Dongwon Metal has implemented an Ethical Code of Conduct to practice ethical management. The code is based on six fundamental principles: business ethics, respect for human rights, provision of a healthy work environment, provision of customer value, fair trade, and realization of sustainability. The code provides guidelines for specific activities such as information protection, anti-corruption measures, labor-management relations, disaster and safety management, product and service responsibility, fair trade environment, and climate change response. These guidelines are meant to be reflected in the decision-making processes and behaviors of both the management and employees.

### Dongwon Metal Code of Ethics

We adhere to ethical management as a fundamental principle in all internal and external business activities, striving for clear and transparent decision-making processes in business operations.

We ensure the rights and freedom of negotiation for all members and do not tolerate any form of human rights violations, providing appropriate responses when necessary.

We dedicate continuous efforts to create and maintain a safe and healthy working environment.

We provide safe and efficient products and services to meet customer demands, ensuring the thorough protection of personal information collected by the company

We endeavor for mutual growth with partner companies, supporting fair trade and cooperation based on mutual respect.

We are dedicated to sustainable development, striving to contribute to economic and social progress through responsible business practices.

# Ethics and Compliance

## Enhancing Ethical Consciousness

### Ethical Education for Employees

Dongwon Metal is dedicated to providing ethical education to its employees, essential for conducting their work with morality and justice. These training sessions are conducted across all business establishments, with a training completion rate of 34% in 2023. Going forward, we aim to further internalize and systematize ethical management by offering various training courses and curriculum to our employees.

#### Ethical Education

Plant	Classification	Unit	2021	2022	2023
Mexico	Number of Participants Completed	Person	232	235	230
	Percentage of Completion	%	100	100	100
Czech Republic	Number of Participants Completed	Person	483	409	418
	Percentage of Completion	%	100	100	100
Slovakia	Number of Participants Completed	Person	75	92	82
	Percentage of Completion	%	92	97	100

### Operation of Whistle-Blowing Channel

We currently operate both online and offline whistleblowing channels to promote ethical thinking and reinforce a culture of compliance. Our offline channels, managed by the Planning Office, Audit Office, and General Affairs Team, include mail, telephone, and fax. Meanwhile, our online channels utilize email and Groupware. Through these channels, employees can report unethical activities, such as unfair trading, bribery, solicitation, abuse of authority, and other breaches of ethical conduct. Our online platform, 'Cyber Shinmungo', has been operational since May 2023 to bolster ethical governance efforts. To ensure a safe environment for reporting, we have established strict rules and regulations that protect the identity of whistleblowers and provide rewards and privacy protection for those who report illicit activities.

### Ethics Pledge

Dongwon Metal conducts an ethics pledge annually targeting all employees and partners to ensure transparent and sound business activities. Our ethics pledge includes various aspects such as prohibiting bribery, reporting obligations, information protection, and customer-centric management. We strive to enhance ethical awareness and promote an ethical culture among all employees and partners.

#### Key Contents of Dongwon Metal's Transparent Management Pledge (for Partner Companies)

- Prohibition of solicitation and provision of benefits to Dongwon Metal employees
- Obligation to report any misconduct by employees
- Cautions to safeguard business information

#### Key Contents of Dongwon Metal's Transparent Management Pledge (for Employees)

- Active involvement in tasks
- Improving skills and achieving goals
- Customer-centric Management
- Transparent and fair treatment of partners
- Adhering to ethical and social rules

### Summary of Whistle-Blowing Channel

Classification		Unit	2021	2022	2023
Type of Report	Welfare and Workplace Environment Improvement	Case	3	2	6
	Attitude and Deviation	Case	0	1	2
	Unethical Remarks	Case	0	0	0
	Employment, and Complaint/Inquiry Related to Compensation	Case	0	0	0
	Work Regulations and Processes Improvements	Case	0	0	0
	Whistleblowing	Case	0	0	0
	Others	Case	0	0	0
	<b>Total</b>	<b>Case</b>	<b>3</b>	<b>3</b>	<b>8</b>

\* Report system: Receipt of ethics violations and corruption-related matters

\*\* Report scope: All domestic and international locations



# Ethics and Compliance

## Compliance Management System

### Compliance Management at Dongwon Metal

Dongwon Metal adheres to the law and upholds corporate ethics through transparent and fair business practices in its management and corporate activities. Furthermore, as part of its sustainable management efforts, Dongwon Metal establishes stringent internal control standards and consistently strives to enhance employee compliance awareness.

### Compliance Management System at Dongwon Metal

#### Compliance Management Policy and Standards

Dongwon Metal has established transparent management regulations to outline the standards and procedures that both the company and its employees must adhere to in conducting management and performing job responsibilities effectively. Leveraging these transparent management standards, Dongwon Metal engages in compliance support and internal control activities, providing separate codes of ethics and conduct guidelines to set behavioral standards for employees. Furthermore, it has implemented specific anti-corruption and bribery policies to ensure employee compliance.

#### Compliance Support Group and Audits

Dongwon Metal has been operating the Transparent Management Practice Committee under the direct supervision of the CEO since 2010 to conduct management activities based on strict compliance awareness. The Transparent Management Practice Committee is composed of the CEO as the chairman, the heads of each division as members, and the head of the main team as the secretary, responsible for substantive operations such as decision-making on ethics and compliance management policies, determination of disciplinary actions, maintenance, and improvement of ethical regulations. Additionally, Dongwon Metal conducts regular audits of all business establishments, including overseas establishments, to uphold compliance standards. Our Audit Committee conducts annual reviews to assess adherence to ethics regulations and works towards achieving practical compliance management.

### Disciplinary Actions Taken for Identified Corruptive Cases

Classification	Unit	2021	2022	2023
Resignation and Salary Cut	Case	0	0	0

\*Report scope: All domestic and international locations

### Monetary/Non-monetary Sanctions Imposed for Legal Violations

Classification	Fine (KRW Million)	Violations	Corrective Measures
2021	6.4	Failure to submit a hazard prevention plan for incineration plant	Written horizontal expansion and distribution
		Failure to submit the operational log for wastewater discharge facility	Prevention of omissions through computerization
2022	0.8	Violation of Private Liquefied Petroleum Gas Act	Installation of gas pipelines and relocation of storage facilities
2023	0.8	Error in retired employee's turnover report: monthly remuneration misstated	Modification to the procedure with an additional stage of supplementary approval by designated personnel

\*Report scope: All domestic and international locations

# Risk Management

Dongwon Metal is facing increasing demands for agile responses to internal and external management environments due to the rapid paradigm shifts in the automotive industry and the widespread ESG management. The rapid changes in the management environment present both opportunities for Dongwon Metal's new growth and risks due to uncertainty. To minimize risks and seize opportunities amid the rapidly changing management environment, Dongwon Metal has established and operates a risk management system.

## Risk Management System

### Enterprise Risk Management

Dongwon Metal has implemented a comprehensive risk management system to address potential internal and external crises that may arise due to the rapidly changing business environment. To achieve this, the company has established a Management Strategy Committee, based around the Planning Office at the head office. The committee, chaired by the CEO, also serves as the risk management officer. This committee is responsible for making top-level decisions, determining corporate-wide risk management policies, and overseeing sector-specific response mechanisms, including prioritizing responses.

### Risk Management by Division

Dongwon Metal operates specialized risk management systems tailored to each unit in addition to its corporate-wide risk management. Separate risk management frameworks are established for functional business units such as Research and Development, Quality, Materials Purchase, and Production/Manufacturing, as well as for overseas corporations in regions such as the United States, Europe, Brazil, and Mexico. The heads of each unit and the managers of the corporations are responsible for managing risks specific to their respective areas.

### Enterprise Risk Shared Between Groups

At Dongwon Metal, we conduct weekly and monthly risk management meetings, as well as ad-hoc meetings, to address potential enterprise risks that could threaten our organization. By fostering frequent communication and collaboration among groups and teams within the company, we effectively respond to emerging issues. Our commitment to stable risk management remains unwavering, even amidst significant industrial transformations.

## Dongwon Metal's Risk Management System



## Management Strategy Committee

Date	Item
2023.01.19	Domestic and international corporate clients, economic and industrial trends, and annual/long-term business plan report for 2023
2023.02.21	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check
2023.03.22	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check
2023.04.21	Domestic and international corporate clients, economic and industrial trends, Q1 business performance review, liquidity check, and high-quality issue
2023.05.31	Domestic and international corporate clients, economic and industrial trends, monthly business performance review, liquidity check, and revised business plan report
2023.06.21	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check
2023.07.25	Domestic and international corporate clients, economic and industrial trends, business performance review for the first half year, and liquidity check
2023.08.23	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check
2023.09.21	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check
2023.10.31	Domestic and international corporate clients, economic and industrial trends, Q3 business performance review, and liquidity check
2023.11.22	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check
2023.12.21	Domestic and internal corporate clients, economic and industrial trends, monthly business performance review, and liquidity check

# Risk Management

## Risk Management Types

### Financial Risk Management

As global financial markets continue to experience instability, Dongwon Metal is committed to maintaining an optimal capital structure to mitigate increasing financial risks. We mitigate interest rate risks by conducting ongoing liquidity assessments across all corporations and have implemented a foreign exchange hedging system through the management of foreign currency borrowing schedules. Additionally, we develop financial plans and tax strategies tailored to the specific circumstances of each corporation to manage liquidity and tax risks effectively. Moreover, we enhance our efforts to reduce accounting risks by conducting site inspections under the accounting standards of each corporation.

### Non-Financial Risk Management

As ESG management is emphasized in the global business environment, ESG-conscious demands from key customers have also surged. Consequently, new types of risk management, such as environmental, human rights, safety, and supply chain management, have also become crucial. Dongwon Metal has conducted analyses on the extent of damage and likelihood of occurrence for each risk factor to identify key risk management items. We have derived management measures for each risk to mitigate and address them effectively. Dongwon Metal continually monitors external environmental changes to establish and operate a sustainable management system, including response mechanisms, to alleviate and resolve each risk.

Category		Details of Risks	Responses
Financial Risk	Interest Rate Risk	<ul style="list-style-type: none"> <li>Increase in interest expenses due to high interest rates in various countries</li> </ul>	<ul style="list-style-type: none"> <li>Risk Response through regular liquidity checks and debt repayment adjustments per corporation</li> </ul>
	Exchange Rate Risk	<ul style="list-style-type: none"> <li>Risk stemming from significant fluctuations in major currencies (USD and EUR)</li> </ul>	<ul style="list-style-type: none"> <li>Mitigation of exchange rate risk through scheduled foreign exchange inflow/outflow management</li> </ul>
	Liquidity Risk	<ul style="list-style-type: none"> <li>Risk exposure due to insufficient cash flow and financial market fluctuations</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of a CFO Advisory Committee to manage monthly financial planning and investment procurement plans</li> </ul>
	Tax Risk	<ul style="list-style-type: none"> <li>Tax-related risks that may occur in each corporation's operating countries</li> </ul>	<ul style="list-style-type: none"> <li>Tax compliance according to the tax laws of each country</li> <li>Enhancement of expertise through the review of a local expert</li> </ul>
	Accounting Risk	<ul style="list-style-type: none"> <li>Errors or irregularities in internal accounting management</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring changes in accounting standards per corporation</li> <li>Conducting on-site audits for overseas corporations</li> </ul>
Non-Financial Risk	Environmental Risk	<ul style="list-style-type: none"> <li>Intensive regulations on greenhouse gas emissions due to climate change</li> <li>Increased demand for renewable energy sources due to expanding carbon neutrality initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of potential regulatory changes related to greenhouse gases</li> <li>Considering the Implementation of renewable energy facilities, such as solar power</li> </ul>
	Human Rights Risk	<ul style="list-style-type: none"> <li>Workplace harassment, forced labor, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Employee satisfaction surveys</li> <li>Education on workplace harassment and sexual harassment targeting employees for prevention</li> </ul>
	Safety Risk	<ul style="list-style-type: none"> <li>Accidents that may occur in business operations</li> </ul>	<ul style="list-style-type: none"> <li>Establishment and operation of safety and health management systems</li> <li>Inspection activities to prevent fires and safety accidents</li> </ul>
	Supply Chain Risk	<ul style="list-style-type: none"> <li>Increasing demands for ESG evaluations from customers</li> <li>Deterioration of partner companies' management conditions</li> </ul>	<ul style="list-style-type: none"> <li>Establishment and operation of ESG response organizations</li> <li>Ongoing monitoring with a focus on domestic and international business establishments</li> </ul>
	Information Security Risk	<ul style="list-style-type: none"> <li>Hacking, viruses, and malicious code attacks on personal information and information assets</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening and managing IT security management systems</li> <li>Preventive measures with ransomware vaccines</li> </ul>
	Ethics Management Risk	<ul style="list-style-type: none"> <li>Violations of ethical management by stakeholders, partner companies, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring compliance with ethical norms</li> <li>Conducting ethical and transparent management campaigns during holidays</li> </ul>

# Risk Management

## Tax Risk Management

### Tax Policy

Dongwon Metal acknowledges that compliance with tax laws and proactive management of tax risks are crucial for contributing to national finances, ensuring customer benefits, and maximizing shareholder value. These measures are essential prerequisites for sustainable management. Therefore, we strive to establish standards and procedures for tax risk management and comply with relevant laws and regulations, in addition to transparent tax payments as responsible taxpayers.

### Tax Risk Management

Our guiding principle in tax risk management is strict adherence to the laws and regulations of each country where we operate, along with diligent compliance with tax reporting and payment obligations. Furthermore, we strictly prohibit any tax avoidance transactions exploiting differences in tax laws between countries or weaknesses in tax systems, and we do not engage in tax structuring without commercial substance for the purpose of tax avoidance.

### Dongwon Metal's Tax Policies

- Dongwon Metal's employees diligently fulfill their tax reporting and payment obligations, performing their duties in strict compliance with relevant regulations.
- We maintain a sense of responsibility and prioritize transparency by promptly responding to inquiries and investigations from tax authorities.
- Any change in laws and regulations relevant to Dongwon Metal is shared and assessed within the company to address any resulting risks.
- Dongwon Metal's tax information is transparently disclosed through external disclosures. In our audit reports, financial statements, and notes, stakeholders can verify criteria for corporate tax expenses, deferred tax assets and liabilities, breakdown of corporate tax expenses, and tax rates. We ensure transparency and objectivity through external audits.
- We fulfill our tax reporting and payment obligations faithfully in accordance with the laws and tax treaties of each country where we operate, cooperating closely with tax authorities to fulfill taxpayer obligations.
- Dongwon Metal does not engage in cross-border income transfers or tax avoidance transactions using differences in tax laws, international tax systems, or tax havens. We ensure proper taxation of the value created in each country where we operate.
- We do not utilize tax structures without commercial substance for tax avoidance purposes.
- According to regulations such as mandatory submission of transfer pricing documentation, we provide tax authorities with information related to transfer pricing, appointing external experts for compliance.
- In transactions with subsidiaries, we determine transaction prices based on normal prices (between unrelated third parties in ordinary transactions).



# Risk Management

## Information Security System

### Information Security Strategy and Governance

#### Information Security Governance

Dongwon Metal has established and operates a systematic Information Security Governance to prevent information leaks and protect employees' personal information across all business establishments. Led by the Chief Security Officer (CSO) responsible for industrial and information security, the company has structured and operated a company-wide system comprising security officers and personnel to oversee information security management. Additionally, security officers and security personnel are designated for each team to ensure comprehensive protection measures.

#### Dongwon Metal Information Security Governance



#### Administrative Measures for Information Security

Dongwon Metal implements various management measures to protect information related to business operations, customers, and employees. To ensure effective management, the company appoints manager-level personnel within each team. These officers are tasked with developing and implementing education plans, conducting security events, monitoring activities, and conducting regular security checks on information assets to prevent security breaches. In the event of a security breach, they are responsible for investigating and taking appropriate action.

#### Technical Measures for Information Security

Dongwon Metal implements various technological measures to ensure effective information security, with dedicated technical officers overseeing these efforts. These officers are responsible for overseeing all security-related tasks in information technology, establishing and enforcing protocols, devising operational and security measures for IT assets, addressing vulnerabilities in IT systems, and providing technical investigation and response in the event of security incidents.

#### Physical Measures for Information Security

At Dongwon Metal, we prioritize information security through physical measures such as managing security documents and confidential facilities. We appoint managerial-level physical security officers to oversee these efforts. These officers are responsible for tasks such as defining, reviewing, and approving security zones requested by each division and establishing and managing procedures for physical security systems.

### Enhancement of Information Security Capabilities

#### Security Education

We conduct regular security training to internalize an effective information security system and enhance our capabilities. These training sessions are held twice a year and cover various areas, including management, physical security, and technology, particularly for newly hired employees. Additionally, we provide training for personnel in response to policy changes or other relevant events, and we also offer separate security training at the division level when deemed necessary, all aimed at strengthening our organization-wide information security capabilities.

#### Security Inspection and Audits

At Dongwon Metal, we strive to minimize the potential risks of information security breaches by ensuring that our established security controls are properly implemented. We conduct regular audits and inspections at least once a year, covering all personnel and information assets. Additionally, we perform ad-hoc checks and audits as requested by the CSO or in response to security concerns, aiming to minimize information security threats to Dongwon Metal.

#### Dongwon Metal Information Security Education

Classification	Unit	2021	2022	2023
Number of Participants	Person	92	99	110
Training Hours Completed	Time	66	87	94

\*Report scope: All domestic and international locations



*Dongwon Metal closely examines the positive and negative impacts of our business on society and actively responds to the needs of various stakeholders.*

## APPENDIX

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85	Consolidated Financial Statements
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# Consolidated Financial Statements

## Consolidated Balance Sheet

(Unit: KRW Million)

구분	2021	2022	2023(1Q-3Q)
<b>Assets</b>			
Current Assets	154,084	185,220	172,999
Cash and cash equivalents	7,208	3,789	10,009
Accounts receivable and other current receivables	58,843	85,980	62,282
Other current financial assets	7,293	6,673	7,598
Other current assets	12,923	10,250	11,337
Current corporate tax assets	519	1,483	1,532
Inventory assets	67,298	77,046	80,240
non-current Assets	302,787	302,648	304,126
Investment assets in subsidiaries, joint ventures, and associates	8,481	8,120	7,806
Tangible assets	259,008	257,647	264,578
Right-of-use asset	19,076	15,837	13,594
Intangible assets (other than business rights)	6,504	6,707	7,101
Other non-current financial assets	2,948	7,936	5,450
Other non-current assets	306	235	235
Deferred corporate tax assets	6,463	6,165	5,362
<b>Total Assets</b>	<b>456,871</b>	<b>487,868</b>	<b>477,125</b>

(Unit: KRW Million)

구분	2021	2022	2023(1Q-3Q)
<b>Liabilities</b>			
Current Liabilities	295,469	303,612	245,796
Accounts payable and other current liabilities	100,936	117,656	102,661
Current portion of bonds payable	150,838	143,818	113,606
Other current financial liabilities	22,813	15,630	14,701
Other current liabilities	16,828	18,168	8,975
Current lease liabilities	2,988	2,306	1,784
Current corporate tax liabilities	1,066	6,034	4,068
Non-current Liabilities	99,967	94,545	127,326
Long-term borrowings	47,638	49,126	82,073
Present value of defined benefit obligations	30,621	28,959	29,870
Other non-current financial liabilities	4,300	3,901	4,414
Other non-current liabilities	1,705	1,763	1,689
Non-current lease liabilities	9,776	6,162	3,915
Deferred corporate tax liabilities	5,927	4,635	5,365
<b>Total liabilities</b>	<b>395,436</b>	<b>398,157</b>	<b>373,121</b>
<b>Equity</b>			
Equity attributable to owners of the parent company	61,434	89,711	104,004
Capital stock	23,377	23,377	23,377
Capital surplus	22,396	22,396	22,396
Other components of equity	3,767	11,225	8,548
Retained earnings (deficit)	11,894	32,713	49,682
<b>Total Equity</b>	<b>61,434</b>	<b>89,711</b>	<b>104,004</b>
<b>Total Equity and Liabilities</b>	<b>456,871</b>	<b>487,868</b>	<b>477,125</b>



# Consolidated Financial Statements

## Consolidated Statement of Profits and Losses

(Unit: KRW Million)

	The 37th	The 38th	2023(1Q-3Q)
Revenue	387,369	538,640	430,368
Cost of goods sold	323,312	427,815	340,273
Gross profit	64,056	110,825	90,095
Selling, general, and the administrative expenses	52,309	75,252	54,590
Operating profit (loss)	11,748	35,573	35,505
Other income	29,836	17,825	9,784
Other losses	8,150	18,777	10,550
Financial income	186	1,228	460
Financial cost	11,574	12,577	10,797
Income before income tax expenses (loss)	22,045	23,273	24,377
Income tax expenses	(615)	5,105	6,659
Net income (loss)	22,660	18,168	17,717
Other comprehensive income	6,792	10,108	(2,489)
Items not reclassified to profit or loss (post-tax comprehensive income)	3,083	2,709	187
Remeasurement of defined benefit plans (post-tax comprehensive income)	3,083	2,709	187
Items eligible for reclassification to profit or loss (post-tax comprehensive income)	3,709	7,399	(2,676)
Gain (loss) on foreign currency translation of foreign operations (post-tax comprehensive income)	3,139	7,567	(2,448)
The equity share of associates and joint ventures in other comprehensive income under the equity method (post-tax comprehensive income)	570	(168)	(228)
Total comprehensive income	29,452	28,276	15,228
Attribution of net income (loss)			
Net income attributable to the owner (loss)	22,660	18,168	17,717
Net income attributable to the non-controlling interests (loss)			
Attribution of total comprehensive income			
Comprehensive income attributable to the owner	29,452	28,276	15,228
Comprehensive income attributable to the non-controlling interests			
Earnings per share			
Basic earnings per share (unit: KRW)	485	389	379
Diluted earnings per share (unit: KRW)	485	389	379



# GRI Standards Index

## GRI 2: Organizational details

Topic	GRI Standards	Report	Report Location and Note
Organization and Reporting Practices	2-1 Organizational details	5	
	2-2 Entities included in the organization's sustainability reporting	About this report	
	2-3 Reporting period, frequency and contact point	About this report	
	2-4 Restatements of information	-	Not Applicable
	2-5 External assurance	About this report	
Activities and Workers	2-6 Activities, value chain, and other business relationships	11, 12, 13, 14, 15	
	2-7 Employees	41	
	2-8 Non-employee workers	41	
Governance	2-9 Governance structure and composition	70	
	2-10 Nomination and selection of the highest governance body	70	
	2-11 Chair of the highest governance body	70	
	2-12 Role of the highest governance body in overseeing the management of impacts	73, 74	
	2-13 Delegation of responsibility for managing impacts	73, 74	
	2-14 Role of the highest governance body in sustainability reporting	26, 73, 74	
	2-15 Conflicts of interest	70, 75	
	2-16 Communication of critical concerns	71, 73, 80	
	2-17 Collective knowledge of the highest governance body	70, 72	
	2-18 Evaluation of the performance of the highest governance body	72	
	2-19 Remuneration policies	72	
Strategy, Policies, and Practices	2-20 Process to determine remuneration	72	
	2-21 Annual total compensation ratio	72	
	2-22 Statement on sustainable development strategy	3	
	2-23 Policy	58, 60	
	2-24 Embedding policy commitments	58, 60	
	2-25 Processes to remediate negative impacts	49	
	2-26 Mechanisms for seeking advice and raising concerns	59, 78	
	2-27 Compliance with laws and regulations	79	
	2-28 Membership associations	92	
Stakeholder Engagement	2-29 Approach to stakeholder engagement	19	
	2-30 Collective bargaining agreements	51	

## GRI 3: Material Topics

Topic	GRI Standards	Report	Report Location and Note
Guidance to Determine Material Topics	3-1 Process to determine material topics	21, 22	
	3-2 List of material topics	23, 24	
	3-3 Management of material topics	23, 24	

## GRI 200 Economic Disclosures

Topic	GRI Standards	Report	Report Location and Note
Economic Performance	201-1 Direct economic value generated and distributed		Refer to business report
	201-2 Financial implications and other risks and opportunities due to climate change	-	
Indirect Economic Impact	202-2 Proportion of senior management hired from the local community	43	
	203-1 Infrastructure investments and services supported	67, 68	
Procurement Practices	203-2 Significant indirect economic impact	19	
	204-1 Proportion of spending on local suppliers	60	
Anti-Corruption	205-1 Operations assessed for risks related to corruption	79	
	205-2 Communication and training on anti-corruption policies and procedures	77, 78	
	205-3 Confirmed incidents of corruption and actions taken	79	
Anti-Competitive Behavior	206-1 Total number of legal actions for anti-competitive behavior	79	
Tax	207-1 Approach to tax	82	
	207-2 Tax governance, control, and risk management	82	
	207-3 Stakeholder engagement and management of concerns related to tax	82	

# GRI Standards Index

## GRI 300 Environmental Disclosures

Topic		GRI Standards	Report	Report Location and Note
Material	301-1	Materials used by weight or volume	35	
	301-3	Reclaimed products and their packaging materials	35	
Energy	302-1	Energy consumption within the organization	34	
	302-2	Energy consumption outside of the organization	34	
	302-3	Energy intensity	34	
	302-4	Reduction of energy consumption	34	
Water	303-1	Water withdrawal by source	37	
	303-2	Water sources significantly affected by withdrawal of water	37	
	303-4	Water discharge	37	
	303-5	Water consumption	37	
Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	39	
Emissions	305-1	Direct GHG emissions (Scope1)	34	
	305-2	Energy indirect (Scope2)	34	
	305-3	Other indirect GHG emissions (Scope3)	-	Information unavailable/incomplete
	305-4	Emissions intensity	34	
	305-5	Reduction of GHG emissions	34	
Effluents and Waste	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	36	
	306-1	Waste generation and significant waste-related impacts	36	
	306-2	Management of significant waste-related impacts	36	
	306-3	Waste generated	36	
	306-4	Waste diverted from disposal	36	
Supplier Environmental Assessment	306-5	Waste directed to disposal	36	
	308-1	New suppliers that were screened using environmental criteria	-	Information unavailable/incomplete
	308-2	Negative environmental impacts in the supply chain and actions taken	-	Information unavailable/incomplete

# GRI Standards Index

## GRI 400 Social Disclosures

Topic	GRI Standards	Report	Report Location and Note
Employment	401-1	New employee hires and employee turnover	41
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	48
Labor-Management Relations	402-1	Minimum notice periods regarding operational changes	50, 51
Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	53
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	57
	403-3	Workers with high incidence or high risk of diseases related to their occupation	56
	403-4	Health and safety topics covered in formal agreements with trade unions	54, 56
	403-5	Worker training on occupational health and safety	53
	403-6	Promotion of worker health	56
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	54, 57
	403-8	Workers subjected to workplace health and safety management system	52
	403-9	Work-related injuries	55
	403-10	Work-related diseases	55
Training and Education	404-1	Average hours of training per year per employee	45
	404-2	Programs for upgrading employee skills and transition assistance programs	45
	404-3	Percentage of employees receiving regular performance and career development reviews	44
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	41, 43
Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	43
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers where freedom of association and collective bargaining are at risk of being undermined	Not Applicable
Security Customs	410-1	Security personnel trained in human rights policies or procedures	59
Human Rights Impact	412-1	Operations that have been subject to human rights reviews or impact assessments	Information unavailable/incomplete
	412-2	Employee training on human rights policies or procedures	Information unavailable/incomplete
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Information unavailable/incomplete
Local Community	413-1	Operations with local community engagement, impact assessment, and development programs	67, 68
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Not Applicable







# TCFD Index

Category	Subject of Recommendation	Report Location
Governance	a. Report of the board's oversight of climate change risks and opportunities	26, 73, 74
	b. Description of the management's role in managing and assessing climate change risks and opportunities	26, 30, 73, 74
Strategy	a. Identification of climate change risks and opportunities in the short, medium, and long term	31
	b. Report of the impact of climate change risks and opportunities on the organization's business, strategy, and financial plans	31, 32
	c. Explanation of strategies for building resilience in response to climate change scenarios, including those associated with a temperature increase of 2 degrees Celsius or less	32, 33
Risk Management	a. Explanation of procedures for identifying and assessing climate change risks	32
	b. Description of procedures for managing climate change risks	32
	c. Report of how procedures for identifying, assessing, and managing climate change risks are integrated into the management system	32
Metrics and Targets	a. Disclosure of indicators to assess climate change risks and opportunities following the management strategy and risk management procedures	33, 34
	b. Scope 1,2,3 (if applicable) greenhouse gas emissions and its consequences reported	34
	c. Disclosure of goals and performance against goals to manage climate change risks and opportunities	33



# UN SDGs Index

Dongwon Metal Co., Ltd. is actively pursuing ESG activities that align with our ESG strategy and the specific goals of the Sustainable Development Goals (SDGs). Moving forward, we aim to enhance the efficiency of our support activities by establishing goals-specific initiatives and implementation plans.

Category	SDGs indicator	Report Location and Note
	End poverty in all its forms everywhere	67, 68
	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	67, 68
	Ensure a healthy and balanced life for every person, regardless of their age	67, 68
	Ensure everyone receives quality education and is given opportunities to enrich as long as they live	-
	Achieve gender equality and empower all women and girls	41, 43, 68
	Ensure the availability of clean water and promote water resource management	37
	Ensure the access to sustainable energy for all	38, 39
	Promote sustained, inclusive, and sustainable economic growth, quality employment, and decent work opportunity	43, 46, 47, 48, 49
	Promote inclusive and sustainable industrialization which produces quality jobs and sustainable economic growth	-
	Endeavor to reduce inequality among countries	67, 68
	Ensure inclusive, safe and resilient city infrastructures and residence areas	-
	Promote sustainable consumption and production	35
	Execution of emergency responses to climate change and its repercussions	30, 31, 32, 33, 34
	Preserve the oceans, seas, and marine biology for sustainable growth and use	-
	Protect, restore, and promote sustainable use of terrestrial ecosystems, manage forests, combat desertification, and reserve land degradation and stop biodiversity loss	39
	Establish an inclusive and responsible system that ensures sustainable growth, which benefits everyone by enhancing society and ensuring justice for all	73, 75, 76
	Build a strong global partnership for sustainable development	-

# Memberships

No.	Organization
1	Gyeongsan Chamber of Commerce and Industry
2	Medecins Sans Frontieres
3	Daegu/Gyeongbuk safety manager council
4	Daegu Gyeongbuk Machinery Cooperative
5	Daegu Enterprises Federation
6	Daegu Management Association
7	Daegu Development Club
8	KCVA
9	Daegu Chamber of Commerce and Industry
10	Korea Industrial Safety Association
11	Korea Red Cross
12	Fire Safety council (Gyeongsan Fire Station)
13	UN Global Compact
14	Korea Intelligent Automotive Parts Promotion Institute
15	Korea International Trade Association
16	Korea Listed Companies Association
17	Korea Fire Safety Institute
18	Korean Society of Automotive Engineers
19	Korea Auto Industries Corp. Association
20	Federation of Middle Market Enterprises of Korea

# Independent Assurance Statement

To the readers of 'Dongwon Metal Sustainability Report 2024',

Sustainability Lab (the "Assurer") was requested by Dongwon Metal (the "Company") to conduct an independent assurance engagement of the 'Dongwon Metal Sustainability Report 2024' (the "Report").

## Independence and Competencies

The Assurer was neither involved in the preparation of this Report nor has any conflicts of interest that could undermine its independence. This assurance statement applies only to the information included within the scope of the assurance engagement.

## Assurance Criteria and Scope

The Assurer carried out a Type1 assurance defined in AA1000AS(v3). In addition, the AA1000AP(2018) assurance principles were checked for compliance with the principles of inclusivity, materiality, responsiveness, and impact, and additional verification principles were checked for possible effects from the organization's activities and performance. This means that the effectiveness and reliability aspects of the reporting criteria between this assurance have been comprehensively reviewed. Assurance of limited scope with a Moderate level has been performed. The Assurer confirmed compliance with the importance and comprehensibility principles and evaluated the information and reliability of the GRI indicators in the report.

## Limitations

The Assurer identified the reliability of performance in the Report based on the above-mentioned assurance scope and standards as follows. The on-site verification was carried out at the headquarter of the company. The financial data were verified through audit reports and public institution management information disclosure systems audited by independent auditors, environmental and social data were verified through on-site verification or interviews. The assurer expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

## Methodology

The assurance engagement for this Report was conducted in line with the following methods.

- Verified the compliance with the principles of the Report contents and quality based on GRI Standards.
- Verified the selection of material issues covered and the appropriateness of the technical content through media research and benchmarking analysis.
- Verified the suitability of the contents and any errors in expression through comparison analysis with other sources.
- Verified the basis of comprehensive data and information and the internal process and system through on-site inspection at the headquarters.

## Conclusions

It is the Assurer's opinion that the Report reflects the Company's sustainability management activity & performance faithfully and fairly. In addition, through this verification process, the Assurer judges that the Company's report meets the GRI Standards requirements for Core Options. Also, Topic-specific Standard Disclosures were reviewed in line disclosures of the material topics identified through the process of determining report content as follows;

# Independent Assurance Statement

- Universal Standards:

2-1~2-5, 2-6~2-8, 2-9~2-21, 2-22~2-28, 2-29~2-30, 3-1~3-3

- Topic Standards:

201-2, 202-2, 203-1~203-2, 204-1, 205-1~205-3, 206-1, 207-1~207-3, 301-1, 301-3, 302-1~302-4, 303-1~303-2, 303-4~303-5, 304-1, 305-1~305-2, 305-4~305-5, 305-7, 306-1~306-5, 401-1~401-2, 402-1, 403-1~403-10, 404-1~404-3, 405-1, 406-1, 410-1, 413-1

- Inclusivity: Stakeholder engagement

The Assurer confirmed that the Company is promoting communication activity through the communication channel by interested party for conformance to the principles of inclusivity. The Company defines its key stakeholders and operates an engagement system that accounts for the characteristics of its industry. Stakeholder expectations identified through stakeholder engagement are reviewed in connection with the company's strategic direction and strategic tasks.

- Materiality: Selecting and reporting on key issues

The Assurer confirmed that the Company is selecting core issues through the materiality evaluation process. Key issues were selected through the process of analyzing the impact on stakeholder decision-making on various sustainability issues and analyzing the impact on management performance. The selected core issues are reflected in management activities through processes such as participation in materiality evaluation through the circulation of each person in charge, and the activities and performance of the Company on each issue are reported in each report in each promotion area.

- Responsiveness: Organizational response to key issues

The Assurer also confirmed that the Company is grasping core issues affecting the interested parties' performance, mounting sustainability management activity to respond to the core issues and giving a proper description of the details thereof in the report. The Assurer was able to confirm that the Company set clear targets on issues presented by stakeholders and transparently disclose their performance

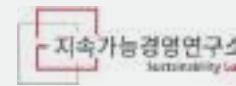
- Impact: Considering the impacts of the organization

The Company identifies the major issues presented by stakeholders and the impact of management activities on society and the environment and promotes efforts to improve them. It was confirmed that the Company has expanded its management scope to its partner companies and support the development of ESG indicators and establishment of a monitoring system for partner companies.

## Recommendations

The Assurer finds the Company's various efforts and achievements to enhance its sustainable management capabilities appreciating and suggests the following to publish future reports and improve the level of sustainable management.

- As data management is increasing importance, it is recommended to identify differences in the calculation content and methodology of domestic and overseas data, and to improve the accuracy of disclosure by establishing integrated standards.



2024. 04. 12  
CEO, Sustainability Lab **Yangho Lee**



# Contribution

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**2024**  
Endless Sustainable Growth