



DY Deokyang Sustainability Report 2024

About This Report

Report Overview

The 2025 Sustainability Report is the first such report to be published by DY Deokyang with the aim of transparently reporting the economic, environmental, and social values and performance we have achieved through our sustainable management practices. Henceforth, we plan to use this annual report as a communication channel through which we will share our sustainable management practices, performance, and future plans with our stakeholders.

Reporting Principles and Standards

This report adheres to the Global Reporting Initiative (GRI) Standards 2021, a set of globally recognized guidelines for sustainability reporting. The financial information included in the report is based on consolidated financial statements. The reporting standards and the definitions of terms follow the Korean version of International Financial Reporting Standards (K-IFRS). In those instances where we have compiled our financial information or other non-financial information according to other accounting standards, we have disclosed this in the footnotes.

Scope of the Report

This report covers DY Deokyang's entire domestic operations and US operations. For some information that requires attention in terms of the scope and boundary of this report, we have specified it in the footnotes.

Reporting Period

This report covers the company's ESG performance and activities from January 1, 2024 to December 31, 2024, although some parts of the report include our performance from the first half of 2025. The quantitative data have been taken from a three-year period (2022-24) so as to allow the reader to identify patterns and changes in our annual performance.

Third Party Assurance

An independent assurance provider, ESG Innovation Network, has conducted the third-party assurance to ensure confidence in the disclosed information, as per the AA1000AS (v3) and AA1000AP (2018) verification criteria, which are the leading criteria used globally for sustainability assurance engagements. The reader will find the assurance statement on page 64.

Inquiries

Please contact the Business Planning Team to make any inquiries or address any areas in the report which could be improved.

Address 366 Hyoam-ro, Buk-gu, Ulsan, 44247, Republic of Korea

Tel. +82-52-219-1232

E-mail sgseong@dyauto.kr

Website <https://dydeokyang.co.kr>

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CEO Message

We would like to express my deepest appreciation for your keen interest and unwavering support.

Ever since its establishment in 1977, DY Deokyang has been at the forefront of the automotive interior and exterior parts sector for almost half a century, standing firm in the belief that “the manufacturing industry is a powerful engine for the economy and a cornerstone of national industry.” As such, we deliver a variety of products, including cockpit modules and door trims, and we have faithfully completed our mission as a responsible member of the industry.

Now, we are launching our new electrification business in earnest according to a customer-first approach, while the automotive industry is undergoing a significant shift towards sustainability. Building on the technology and know-how we have accumulated over the previous five decades; we are now poised to surge ahead on the next wave of growth. Instead of settling for the top position in Korea, we have established subsidiaries in major locations, including North America and Southeast Asia, in a drive to proactively expand our global presence.

Going forward, we will remain committed to achieving the top position in terms of competitive advantage in the global auto parts industry. We will do our best to be the most reliable partner for both our customers and our shareholders. As we endeavor to achieve perfect quality and develop core technologies, we will prioritize the needs and interests of our customers and shareholders at all times.

Once again, we would like to thank you for your steadfast support, and we promise that we will continue to prioritize customer satisfaction.

DY Deokyang
CEO

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About DY Deokyang

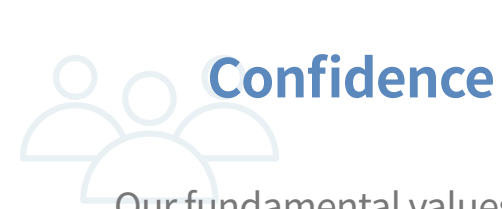
At DY Deokyang we have always followed a management philosophy that prioritizes respect for people, believing that a people-oriented heritage has greater value, and have worked hard to reach new heights as a leading provider of mobility solutions. In April 2025, we renamed the company “DY Deokyang” with the aim of meeting endless new challenges and operating on the global stage. We seek to provide creative solutions and greater values based on the technology and experience that we have accumulated so far.

Company Overview

*As of December 31, 2024

Company name	DY Deokyang Co., Ltd.
Foundation date	July 1977
CEO	Yun Sung-hee, Bae Un-gyo, Mun Kyeong-ho
Business areas	Automotive parts industry
Main products	Cockpit modules, Door trims, Instrument panels, Battery management systems (BMS), Energy storage system (ESS)
Sales	KRW 1.8832 trillion
Operating profits	KRW 8.230 billion
Staff	897
Address of HQ	366 Hyoam-ro, Buk-gu, Ulsan, 44247, Republic of Korea

Management Motto



Confidence
Our fundamental values and purpose are based on trust in people and corporate social responsibility



Challenge
Our core identity and attitude as we have never stopped our journey and seek to continue the journey forward



Co-creation
We pursue pioneering and creative relationships not only with our customers and employees but also with other industries.

Our Vision

LEADING PROVIDER OF MOBILITY SOLUTIONS

YOUR PARTNER PERFECTLY PREPARED FOR THE NEXT MOBILITY BUSINESS

Mission To rise to future challenges and set new mobility standards to enhance the quality of life.

Vision To become a leading provider of future mobility solutions by delivering forward-thinking

Management Policy To practice field-driven, practical business management that puts safety first.
To uncover future engines of growth by enhancing management practices centered on the P&L structure.

Company History

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1997 - 2005

- **1977 Jul.** Established Company
- **1987 Sep.** Established Technology Development Research Center
- **1997 Jan.** Selected as an excellent company for labor-management cooperation (Ministry of Labor)
- **Jun.** Initial public offering
- **2000 Jun.** Merged with Duckyang Co., Ltd. (currently Asan Factory)
- **2003 Apr.** ISO/TS 16949:2002 (Quality management system certification)
- **2005 Jan.** KSA 140012001/ISO 140011996 Environmental management system certification
- **Jan.** K-OHSMS 180012001/OHSAS 180011999 Safety and health management system certification

2008 - 2017

- **2008 Dec.** Awarded 2008 IT Innovation Grand Prize Prime Minister Award (Ministry of Public Administration and Security)
- **2009 Feb.** Awarded New Technology Meritorious Company Commendation (Ministry of Education, Science and Technology)
- **2011 Mar.** Won the Technology Award at the 23rd Ulsan Commerce and Industry Awards.
- **Nov.** Selected as one of the 100 best companies to work for in Korea (GWP Korea)
- **2012 Mar.** Awarded Commerce and Industry Award (Ministry of Public Administration and Security)
- **2014 Sep.** Established Gyeongju Plant
- **2015 May.** Established and Operated Beijing corporation (Beijing Deogyang Zhongche)
- **2016 Oct.** Operated Changzhou plant in China
- **2017 Mar.** Established and Operated Chongqing corporation (Chongqing Deogyang Zhongche)
- **2018 Jul.** Established and Operated Shenyang corporation (Shenyang Huacheng Deogyang)

2020 - Now

- **2020 Oct.** Established the US Corporation (Deogyang America, Georgia).
- **2021 Jan.** Established Deogyang America Inc. (manufacturer of battery modules).
- **Feb.** Technology Innovation Grand Prize (Korea Society of Automotive Engineers)
- **Oct.** Established DSS Enercell Inc. (manufacturer of EV battery parts).
- **Nov.** Won Prime Minister Prize, Korea Industrial Technology R&D Competition (Ministry of Trade, Industry and Energy)
- **2022 Jan.** Accomplished five-star ratings for quality, technology, and win-win cooperation (Hyundai Motor Company).
- **Nov.** Ministry of Trade, Industry and Energy Korea Material Parts Equipment Technology Development Commendation (Minister Award)
- **2023 May.** Established DNC Battery Solution Inc. (manufacturer of EV battery parts).
- **Jul.** Merger between Beijing Deogyang Zhongche and Chongqing Deogyang Zhongche (surviving company: Beijing Deogyang Zhongche).
- **Jul.** Establishment of DYIC DY Deogyang Innovation Center
- **Nov.** Inducted into the Hall of Fame for National Quality Competitiveness (Ministry of Trade, Industry and Energy)
- **2024 Jul.** Established PD Varia Deogyang Indonesia (joint Indonesian venture with 20% investment).
- **Nov.** Awarded National Quality Competitiveness Excellence Award 12 Times (Ministry of Trade, Industry and Energy)
- **Dec.** Awarded 1 Billion Dollar Export Tower on Trade Day (Korea International Trade Association)
- **2025 Apr.** Corporate Name Change: Duckyang Industry Co., Ltd. → DY Deogyang Co., Ltd
- **Apr.** Acquired the Anti-bribery Management System (ISO37001) certification.

Industry

Interior and Exterior

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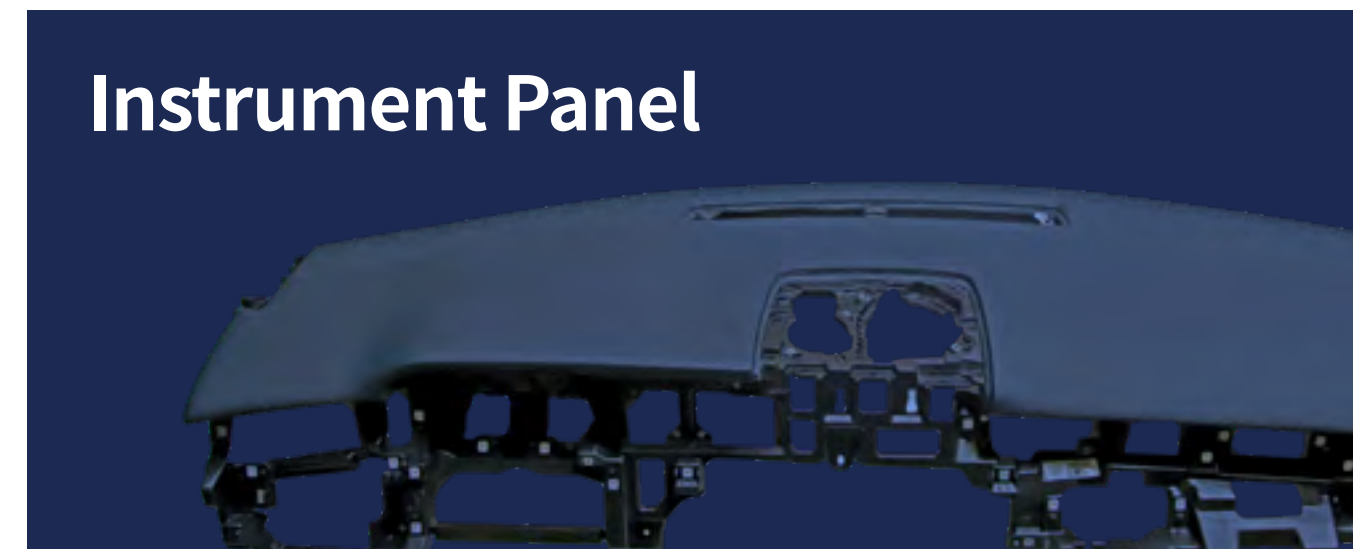
Governance

Appendix



Cockpit Module

A series of production innovations for the assembly of approx. 130 parts that combines world-class technology and machinery with Deokyang Industry's extensive technical know-how.



Instrument Panel

Also known as the dashboard, it is a panel in which you can install such features as the dashboard, HVAC equipment, radio, and clock which comprise the cockpit module.

- Interior design and mood that ensures passenger safety and provides a comfortable and convenient driving experience.
- Core automotive interior parts that prioritize quality.

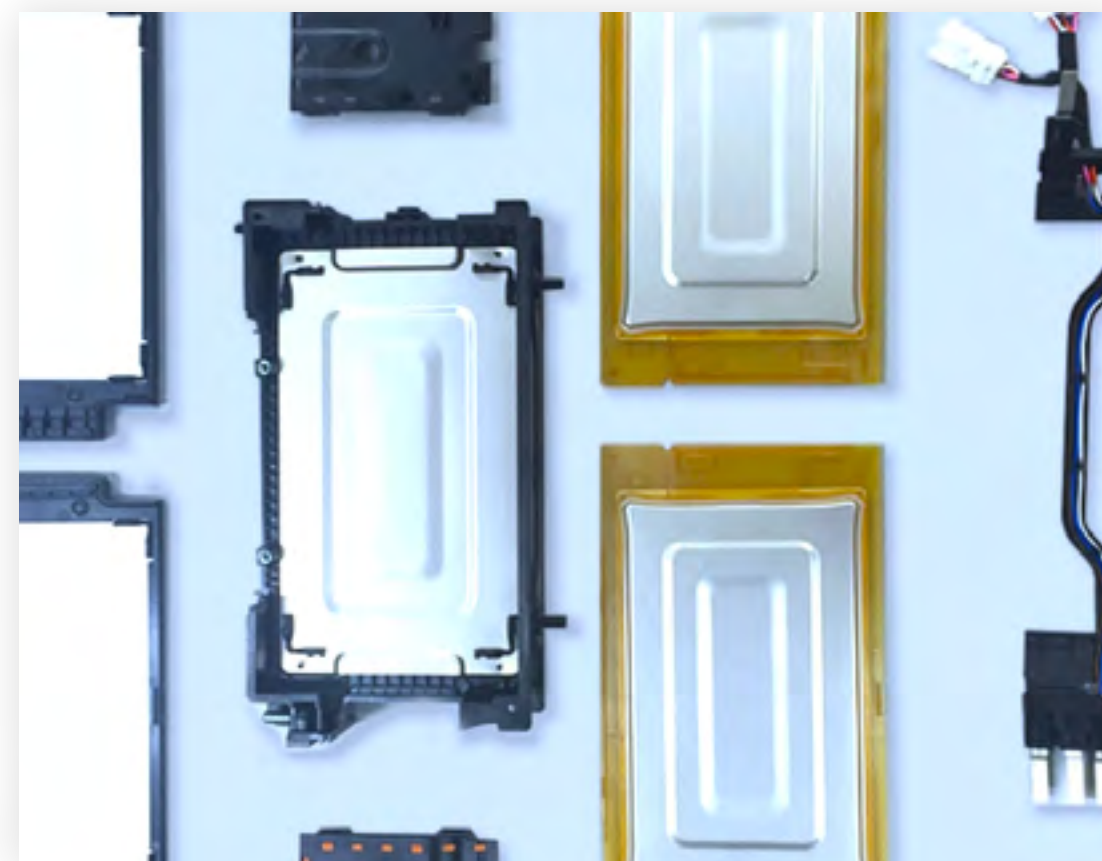


Door Trim

Mounted on the left- and right-hand inner sides of a vehicle's doors.

- Essential automotive interior parts designed with the emphasis on quality; comprising a power window switch, an arm rest, a door pocket, and a speaker that minimizes noise and vibration while driving.
- Protects passengers in the event of a side-on collision.

Electrification components

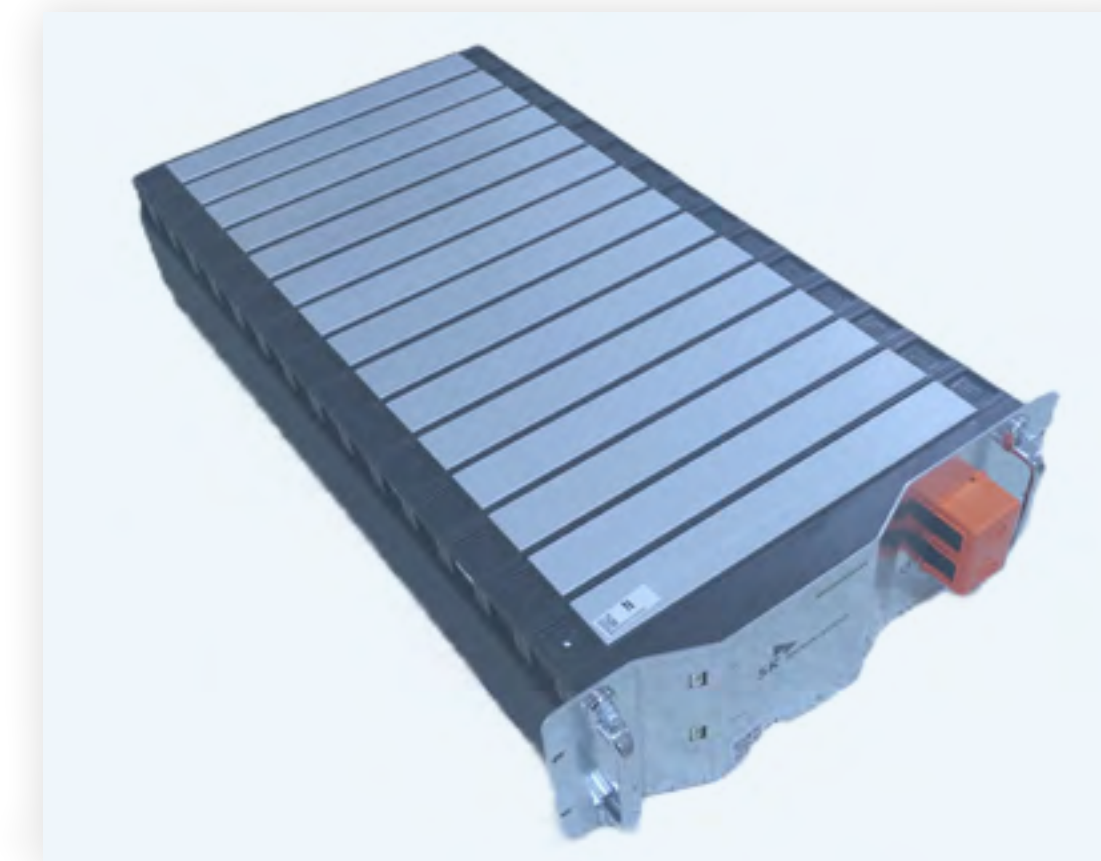


BMA

Battery Module Assembly

A basic module that comprises a battery pack for eco-friendly vehicles.

- Eco-friendly vehicle batteries made with the traits of lithium-ion batteries in mind.
- Ensures optimal battery life and safety while driving.



ESS

Energy Storage System

The ESS saves the excess power generated in medium to large secondary batteries, which can then be used for multiple purposes as required.

- Solar power generation
- Wind power generation
- Peak shaving

Global Network

Domestic Operations

Overseas Operations

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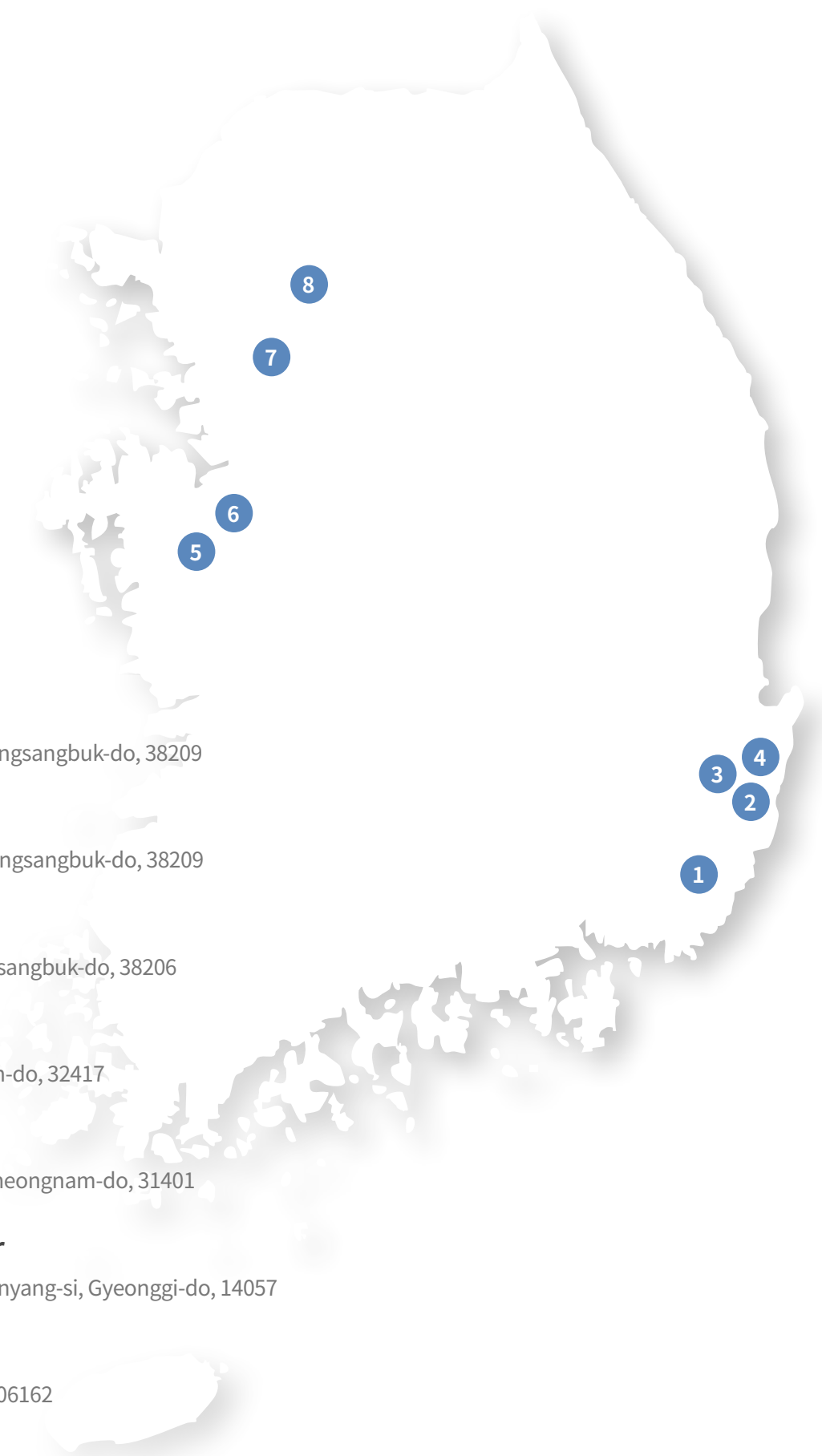
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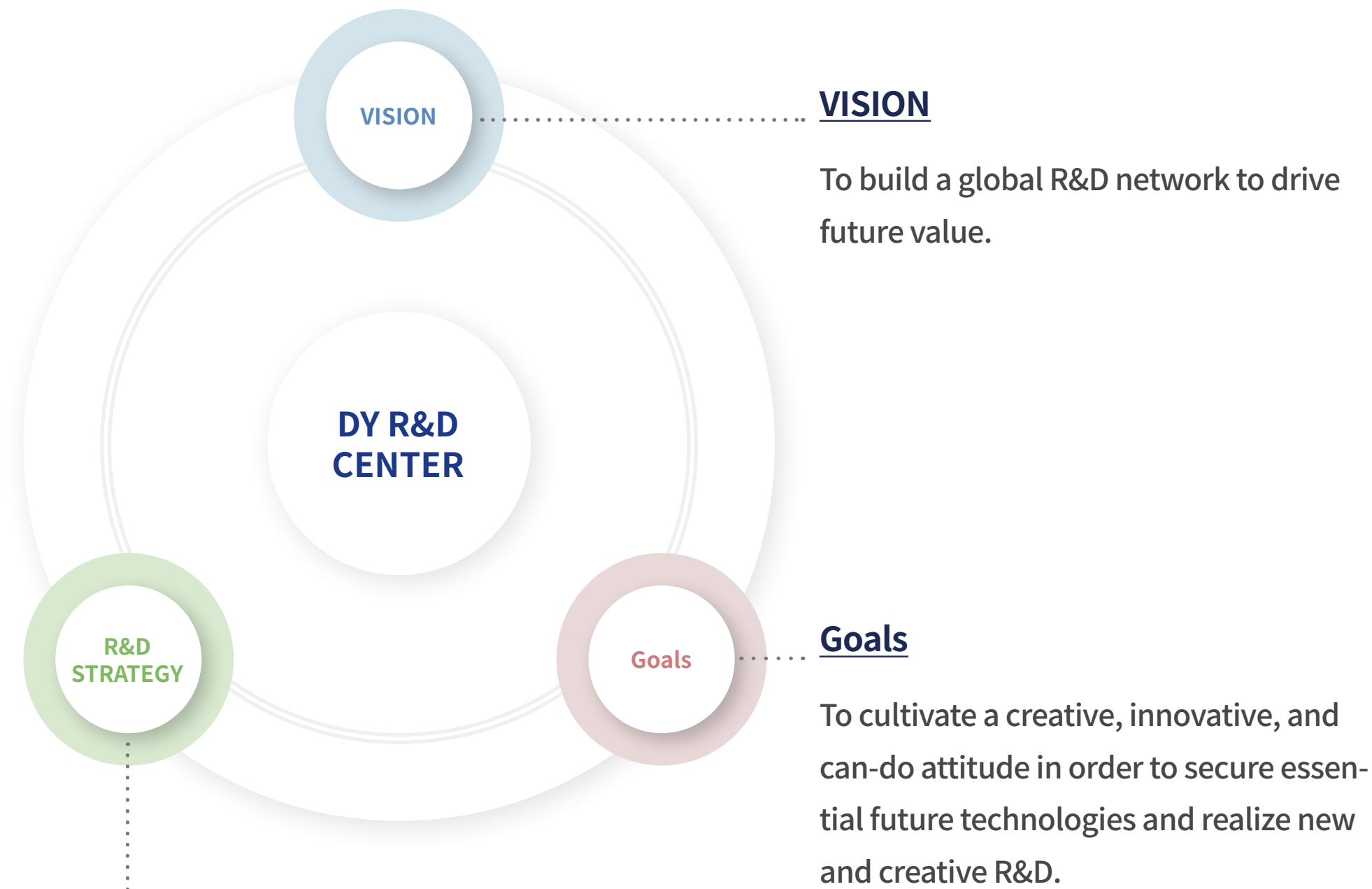
- 1 Ulsan HQ and Plant**
366 Hyoam-ro, Buk-gu, Ulsan, 44247
- 2 Gyeongju Plant #1**
84-272 Munsangondan-gil Oedong-eup, Gyeongju-si, Gyeongsangbuk-do, 38209
- 3 Gyeongju Plant #2**
25-6 Munsangondanan-gil Oedong-eup, Gyeongju-si, Gyeongsangbuk-do, 38209
- 4 Gyeongju Plant #3**
28 Seokgyebyeongni-gil, Oedong-eup, Gyeongju-si, Gyeongsangbuk-do, 38206
- 5 Yesan Plant**
927-14 Osin-ro Sinam-myeon, Yesan-gun, Chungcheongnam-do, 32417
- 6 Asan Plant**
46 Asanho-ro 746beon-gil Yeongin-myeon, Asan-si, Chungcheongnam-do, 31401
- 7 DYIC DY Deokyang Innovation Center**
27F, Pyeongchon Obiz Tower, 126 Beolmal-ro, Dongan-gu, Anyang-si, Gyeonggi-do, 14057
- 8 Seoul Office**
12F, Rich Tower, #403, 403 Teheran-ro, Gangnam-gu, Seoul, 06162



- 1 DYA (Deokyang America)**
984 Broadway Ave Braselton GA 30517
- 2 VDI (PT Varia Deokyang Indonesia)**
Kawasan Greenland International Industrial Center Blok AF no 1, Nagasari, Kec. Serang Baru, Kabupaten Bekasi, Jawa Barat 17330 인도네시아

Cutting-edge Research and Development

R&D Strategy



Strategy

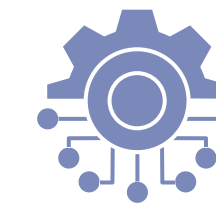
- To achieve global-level competitiveness in R&D.
- To develop a new concept of cockpit platform in response to autonomous cars.
- To develop new lightweight, high-sensitivity eco-friendly materials, new processes, and new products.
- To foster world-class researchers as future global leaders in automotive parts

Mid-to-long-term Roadmap for New Technologies

Vision



To establish a technology
-leading R&D Center



To offer innovative solutions that cater to
diverse customer needs



To secure competitiveness with
differentiated proprietary
technologies

Development Strategy

Development Directions

Responding to future automobiles	Electrification	Strengthening development of lighting and electronics (electrification) Material (electronics and equipment integrated parts)
		Response to autonomous vehicles Design and element (haptic etc.) technology
Responding to fuel efficiency and environmental regulations	Weight Reduction and Cost Reduction	Foaming, thin film materials and methods
		Composite materials & component development & commercialization.
Responding to modern premiums	High Quality	Strengthening development of luxurious materials and real materials.
		Strengthening mass production derived method.
		Diversification of surface treatment methods
Responding to eco-friendly policies	Eco-Friendliness	Bio, natural and recycled materials
		Heat generation and highly sensitive

Cutting-edge R&D

R&D Areas

Future Growth Engine



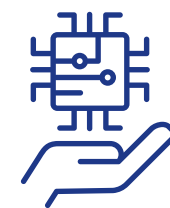
- Intelligent eco-friendly interior convergence technology linked to autonomous vehicles
- Eco-friendly energy utilization technology.
- Clean green product technology for business diversification
- Strengthening the advanced R&D system

Future Technology



- Future car integrated interior design and module design technology
- Future car-linked convergence and hybrid electrification-technology.
- High-sensitivity lighting system and smart convenience components technology
- Lightweight, high-safety battery and energy storage technology

Future Material



- High-strength, high-light polymer material
- Eco-friendly VOC's Free bio material
- High functional and real emotional material.
- Electronic convergence/composite smart cutting-edge materials

Personnel training for the future



- Reliable design and technology development capabilities
- Talent that aims to become a global leader.
- Systematic thinking and pursuit of action
- Attitude of communication and cooperation.

Proactive Design Process



Disassembly analysis	Detailed design	DFMEA	DR/DPA
<ul style="list-style-type: none"> » Technology trend analysis » Conducting structural analysis & functional evaluation » Establishing technology roadmap 	<ul style="list-style-type: none"> » Structural review of design model » Reflecting past vehicle problems » Checking design review checklist 	<ul style="list-style-type: none"> » Structural analysis and function evaluation » Analysis of potential failure types and the impact » Fishbone technique 	<ul style="list-style-type: none"> » Functional analysis of each part » Checking Open Issues » Assemblability verification, and interference check
Prior Analysis	RP verification	Prototype production	Test & Evaluation
<ul style="list-style-type: none"> » Prior performance prediction » Presenting improvement direction » Deriving optimal solutions 	<ul style="list-style-type: none"> » Production and verification of RP prior to release » Checking assembly matching » Reflecting improvement plan in the PROTO stage 	<ul style="list-style-type: none"> » Pre-verification of mass production feasibility » Setting quality control priority items » Quality assurance and quality improvement 	<ul style="list-style-type: none"> » Verification of customer-required performance. » Specification and worst-case/limit testing » Reflection of improvement plan in the PILOT stage

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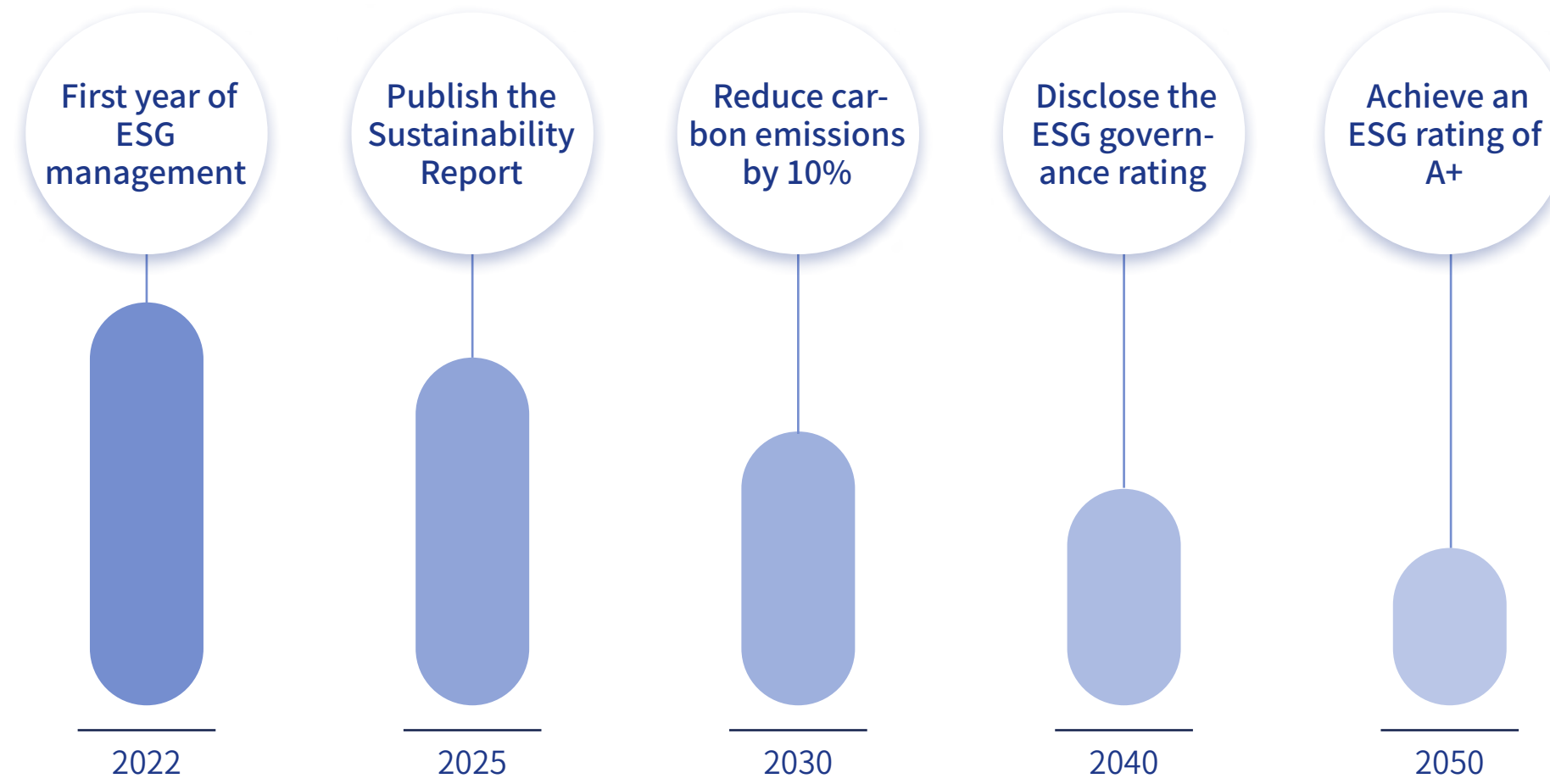
Appendix



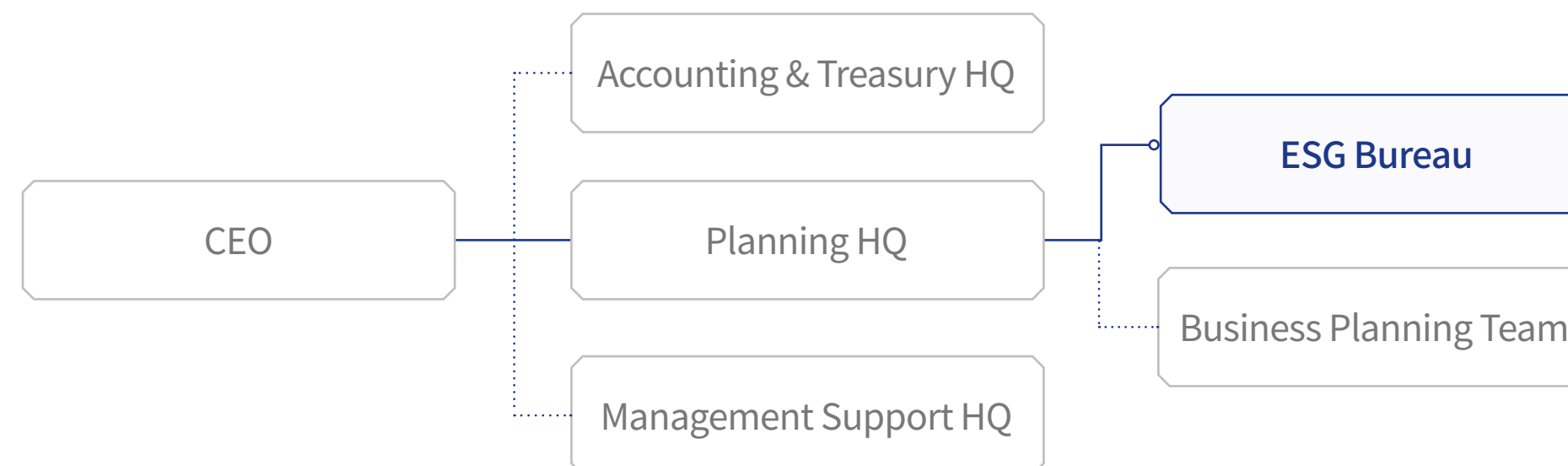
ESG Management Framework

In keeping with its status as a multinational enterprise, DY Deokyang embraces endless change and innovation in each ESG category in order to reach new heights in the years ahead. We plan to devise an ESG management roadmap aimed at achieving continuous progress by 2050. To that end, we opened the ESG Bureau (under the Planning HQ) in the second half of 2024 to vitalize our ESG governance. In addition, we identified twelve tasks and carried out multiple activities to address them.

ESG Management Roadmap



ESG Governance



12 ESG Management Tasks

Environment

- Become an eco-friendly enterprise
- Manage the reduction of GHG emissions
- Manage occupational safety, health and environment (SHE)
- Manage energy use efficiently

Society

- Achieve customer satisfaction through quality-oriented management
- Expand shared prosperity-oriented management
- Implement community development programs
- Improve employee satisfaction

Governance

- Implement compliance management
- Maximize shareholder value
- Ensure transparency in financial reporting and disclosure
- Improve transparency in business management

Communication and Activities by Stakeholder Group

We have selected major stakeholders that have a significant impact on our management activities. We listen to the issues raised concerning our stakeholders' major areas of interest, divide them into six groups, and consider them from various perspectives and reflect them in our business management in order to reach optimal outcomes.

We operate a communication channel for each stakeholder group to encourage proactive engagement and communication. We will continue to listen to the voices of our stakeholders and work hard to implement their valuable suggestions

Stakeholder Groups	Employees	Customers	Shareholders and Investors	Local Communities	Government	Partner Companies
Major Issues	<ul style="list-style-type: none"> · Healthy labor-management culture and employee benefits. · Securing talents and improving employees' capacities and competences. · Intensification of OH&S-oriented management. · Raising awareness of ethical business management. 	<ul style="list-style-type: none"> · Demand for stricter ESG practices among our partners. · Tightening of carbon emission management. · Improvement of customer satisfaction and product quality · Development of eco-friendly products. 	<ul style="list-style-type: none"> · Transparent operation of the Board of Directors. · Effective management of internal and external risks and operation of applicable systems. · Protection of shareholder rights. · Development of profitable new eco-friendly technologies and products. 	<ul style="list-style-type: none"> · Protection of biodiversity. · Engagement in more community development programs. · Management of water and air pollution and waste. 	<ul style="list-style-type: none"> · Climate actions. · Internalization of OH&S-oriented business management. · Compliance with environmental, safety, and health laws. 	<ul style="list-style-type: none"> · Sustainable management of supply chains and shared prosperity management. · Data security and data privacy. · Intensification of ESG-oriented business management.
Our Response	<ul style="list-style-type: none"> · Training to develop employees' capacities and competences. · Stricter human rights management policy. · Introduction of the anti-bribery management system (ISO 37001). · Introduction of personnel systems including the FA system and job rotation. · Introduction of various employee benefits. 	<ul style="list-style-type: none"> · Engagement in ESG activities of customers (response to ESG evaluations, CDP SC evaluations, calculation of LCA of parts, and responsible minerals investigation). · Formulation of independent assurance and mid-to-long-term carbon reduction plans. · Attendance at meetings, events, and seminars hosted by customers. · Cooperation across the entire automotive part development process. 	<ul style="list-style-type: none"> · Transparent reporting of business performance and BOD operations through regular disclosures. · Disclosure of corporate governance report. · Introduction of shareholder-friendly policies and pursuit of gradual improvements. 	<ul style="list-style-type: none"> · Community development programs. · Plogging. · In-house ESG campaigns. · Intensification of environmental activities including efforts to minimize waste. 	<ul style="list-style-type: none"> · Honest payment of taxes. · Stepping up environmental and OH&S employee training. · Engagement in association activities, including KAICA. 	<ul style="list-style-type: none"> · Communication with partner companies(DY Deokyang policies, performance, and rewards)/ · Support for the ESG management of partner companies(e.g. ESG training and evaluations). · Compliance with the Fair Trade Act and making the ESG pledge.
Communication Channels	<ul style="list-style-type: none"> · Labor-management council. · Grievance handling system (e.g. Cyber Audit Office). 	<ul style="list-style-type: none"> · Company website. · Customer systems (e.g. emails and official documents). 	<ul style="list-style-type: none"> · General meeting of shareholders and the Board of Directors. · Corporate disclosure/reports. · Website disclosure. 	<ul style="list-style-type: none"> · In-house volunteer program. · Company website. 	<ul style="list-style-type: none"> · Corporate disclosure. · Company website. · Press release. · Attendance at business and policy meetings hosted by local governments and the central government. 	<ul style="list-style-type: none"> · Joint council with partner companies. · Cyber reporting system. · Partner company training and seminars.

Double Materiality Assessment

We conduct the Double Materiality Assessment (DMA) to analyze both the impact of sustainability-related issues on our financial status and the impact of our business on the environment and society, and disclose our findings accordingly. In 2024, we identified eight areas that require our attention in consideration of the current international standards, media analysis, industry benchmarking, and stakeholders' opinions. The issues thus identified were confirmed after being reviewed by the ESG division and the management, and after receiving expert advice, and we have since reflected the results of the DMA in our ESG-oriented management with a view to making further improvements.

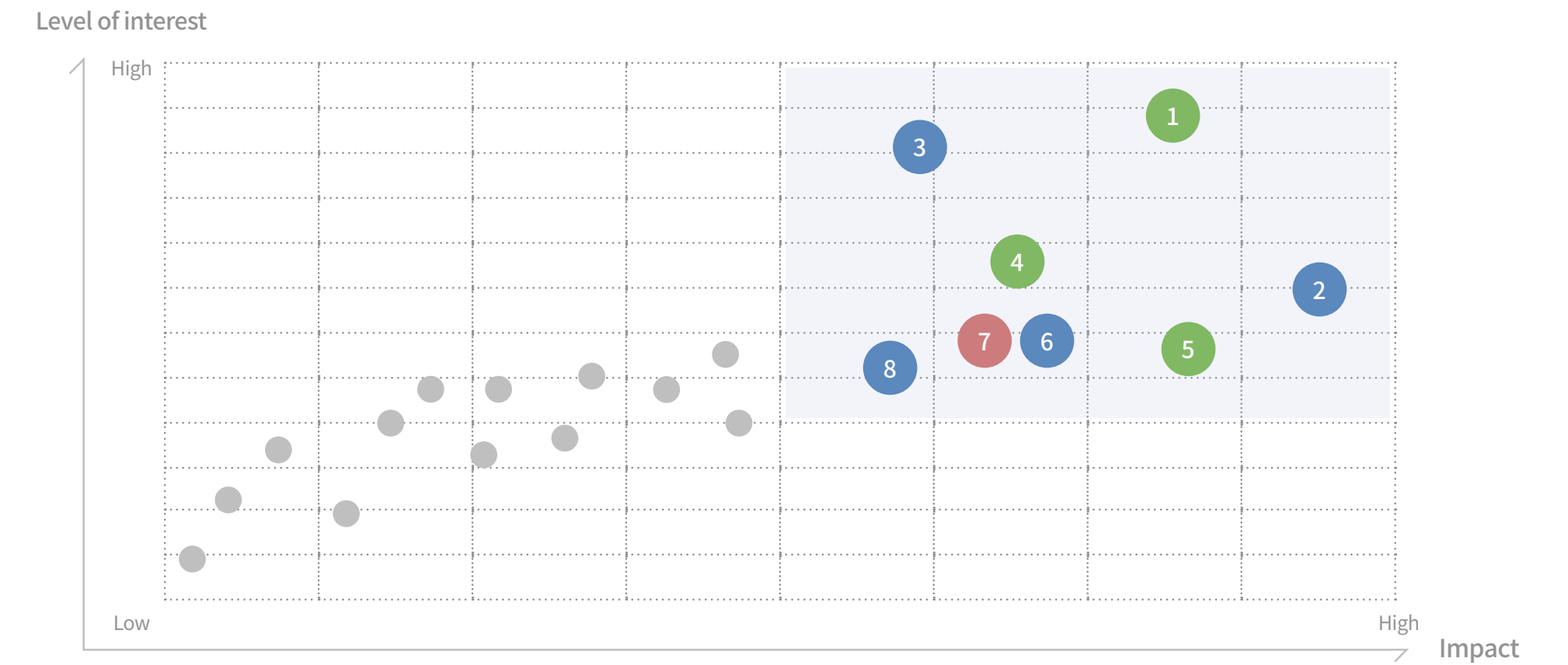
DMA Process

STEP 1.	Creating a pool of ESG issues
	In order to set our risk response and future directions, we created a pool of 41 potential ESG issues after analyzing the international standards, external information disclosure requirements, ESG metrics, and external environment.
STEP 2.	Analyzing the key issues
	We drew up a pool of 24 key ESG issues based on a consideration of our business goals and industry traits.
Review of requirements of international standards	We reflected the metrics of the GRI Standards, UN SDGs, SASB, TCFD, ISO 26000, and K-ESG
Analysis of internal status analysis	We reviewed our ESG directions from business reports and the company website.
Analysis of media	We investigated the ESG issues raised in 2024 from 54 media outlets including national dailies and broadcasting companies. Date: Jan. 1 to Dec. 31, 2024. We selected and analyzed 34 ESG-related articles.
Reception of expert feedback	We had external ESG experts review the scope of our environmental impacts and their probability.
STEP 3.	Impact assessments
	We conducted an impact assessment through based on the results of an analysis conducted by internal and external experts on our analysis of eight key ESG issues and reflected the key ESG issues in our strategic tasks.

Result of the DMA

Materiality assessment matrix

E Environmental **S** Social **G** Governance



Number	Reporting of ESG issues	Impact		Stakeholder interest		GRI Index	Report page no.
		Financial	Non-financial	Internal	External		
1	Lower energy consumption/ use of more renewable energy	M	M	M	L	GRI 302	21~22
2	Management of occupational health and safety	H	H	H	H	GRI 403	36~39
3	Greater engagement in community development programs	L	M	M	M	GRI 413	43
4	Efforts to generate fewer pollutants	M	M	M	H	GRI 306	20
5	Climate action	L	M	M	M	GRI 305	18~19
6	Mutually beneficial labor-management culture and social dialog	H	M	M	H	GRI 401	26~31
7	Improvement of ethics and anti-corruption management practices	M	M	M	M	GRI 205	48~51
8	Respect for diversity and prohibition of discrimination	M	M	M	M	GRI 405	45, 59

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Establishment of the Environmental Management System

DY Deokyang has established and operates an environmental management system (EMS) to ensure its business activities are in harmony with the environment.. The Environmental, Health & Safety Team (ESH Team) is leading the effort to check and make improvements to our ESH Management Manual constantly.

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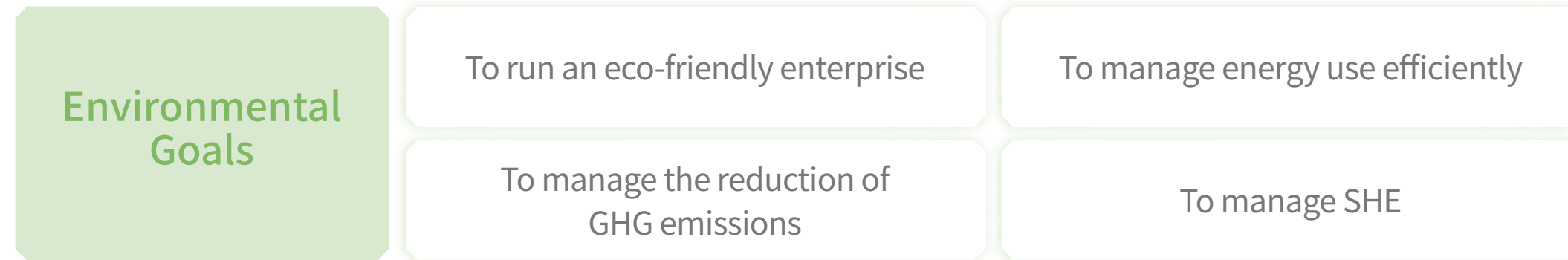
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Environmental Management Strategy

We have set four major environmental goals in order to carry out the relevant activities, which include the management of quantitative goals, such as energy use and GHG emission reduction, efforts to become an eco-friendly company, and activities aimed at managing safety, health and environment (SHE)



Environmental Management Policy

Our environmental management policy and manual are produced by taking into consideration the globally recognized EMS requirements (ISO 14001:2015). Looking ahead, we plan to make improvements through regular monitoring and inspections, and we already disclose our safety and environmental policies on the company’s bulletin board to ensure that all our employees have direct access to this information.

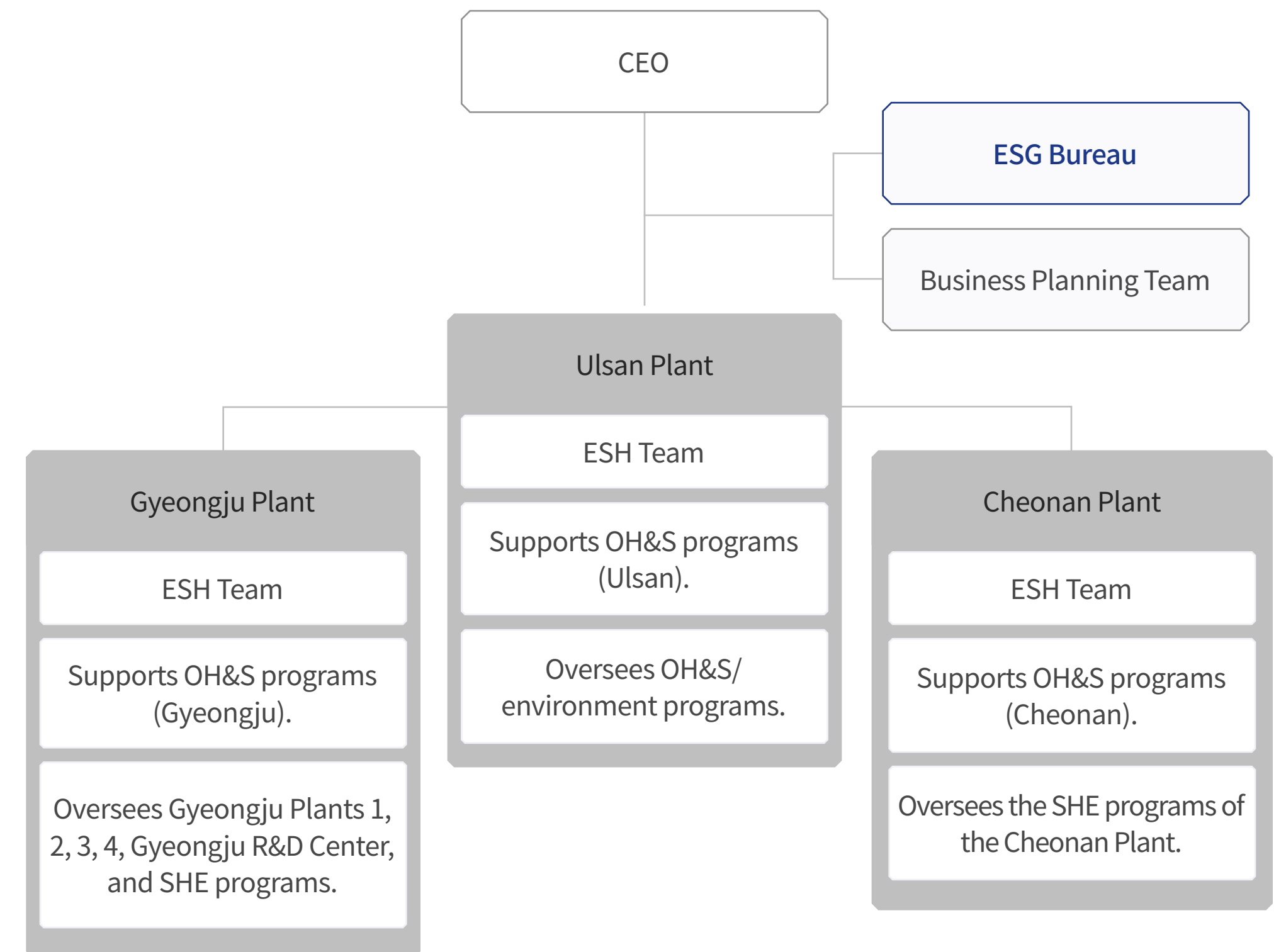
To promote harmony between our business activities and the environment, **DY Deokyang** has established an environmental management system (EMS) and proactively carries out the activities outlined below:

1. We not only comply with environment laws and regulations, but also set and adhere to internal standards that exceed the legal requirements in order to continuously enhance our environmental management performance.
2. We endeavor to combat climate change and reduce our GHG emissions based on a wealth of experience and the development of innovative technologies.
3. We strive to manage our environmental impact by generating minimal pollutants and using minimal energy in the entire product process - from design and production to use and eventual disposal in order to prevent environmental pollution.
4. We are committed to fulfilling our corporate social responsibility through eco-friendly business activities.

Feb 28, 2024 DY Deokyang CEO

Environment-oriented Management Governance

The EHS Teams at our respective plants are spearheading the drive to establish a communication system via which we can listen to and share the voices of our employees and convey our corporate directions. The ESG Bureau, under direct control of the CEO, draws up strategies and tasks after collecting comprehensive feedback on environment-oriented management and oversees the progress of each task.



EMS Certification

We have acquired and maintained a globally recognized ESM (ISO 14001) certification. Accordingly, we apply a standardized system to our environmental policies and systems, governance, setting and management of goals, and records used in the HQ(Ulsan) and our Gyeongju and Yesan plants.



Resource Circulation & Energy Management Training

Last year, we provided 535 employees in technical positions with seven days of training on resource circulation and energy conservation with the aim of cultivating an eco-friendly corporate culture and encouraging our staff to embrace sustainable practices.

The attendance rate was extremely high at 99.3%, which means that all employees, excluding those on sick leave and long-term leave, attended the training. The program addressed the concept and necessity of resource circulation, efficient energy management, action strategies, and case studies. We improved the effectiveness of the training by focusing on performance and by including a Q&A session and an open discussion designed to allow the participants to take time to reflect on ways of applying what they had learned to real-life situations.



Joint Inspection of Business Partners' OH&S Status

Every quarter, we conduct joint inspections of five major partner companies through the Safety & Environment Council. We set weekly themes on the environment to conduct inspections and manage safety and environmental practices, and we also check whether the material safety data sheets (MSDS) are up-to-date.

Climate Risk Management Process

To manage climate risks, we have established a four-step process that consists of identifying climate risks, developing a response strategy, taking appropriate actions, and monitoring. We periodically monitor the climate landscape by benchmarking best practices from the automotive industry and checking the global climate disclosure requirements, and endeavor to carry out feasible activities. We have also set up a system in which environmental managers in each operation can make timely decisions and report the situation in their respective locations.

Step 1 Identify climate risks

- Define the risks.

Step 2 Set up a response strategy

- Analyze material risks.
- Set corporate directions based on the findings.

Step 3 Risk management and response

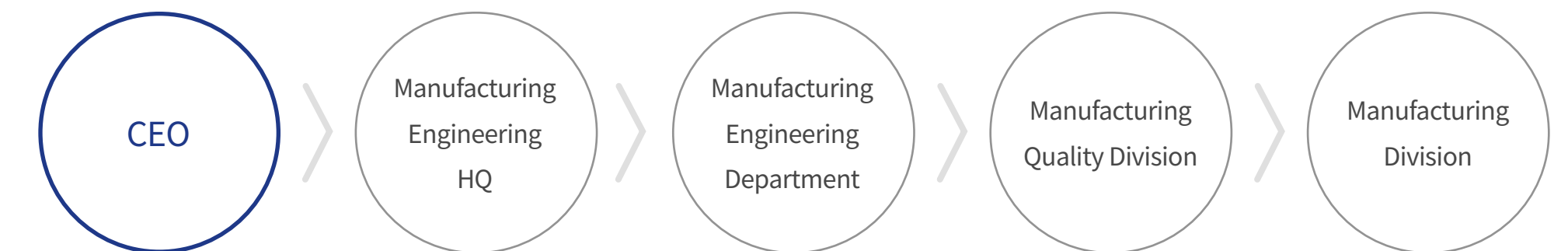
- Take concrete actions (including GHG reduction projects and energy transition measures).

Step 4 Performance monitoring and follow-up

- Monitor performance and assess the results.
- Report governance and do a follow-up.

Climate Action Governance

In order to listen to the employee feedback collected by our Facility Engineering Team, we have established a communication channel that encompasses the Manufacturing Engineering HQ, Manufacturing Engineering Department, Manufacturing Quality Division, and Manufacturing Division.



GHG and Energy Training

Based on the findings of the inspection of our progress in meeting the GHG emissions targets announced by the Presidential Commission for Carbon Neutrality and Green Growth, we have trained sixteen employees of the Facility Engineering Team on the biennial transparency report and ways to improve our ability to measure, report, and verify (MRV) our carbon emissions. We have also reviewed the energy conservation guidelines in order to check and determine which actions to take in alignment with the government's directions.

Analysis of Climate Risks and Opportunities

Climate Risks

We analyzed the potential climate risks of the business sites we run directly. Among the main risk factors identified are the reinforced or revised laws in the countries in which we operate and to which we must respond. As the climate-related laws and standards in many countries, including those in Europe, are becoming ever more complex, and are expected to become even tougher over time, we determined that they are mid-to-long-term risks that we must deal with for the sake of our exports.

To respond actively to such risks, we intend to set internal environmental standards that exceed the legal requirements, while closely monitoring legal changes to prevent financial risks.

Climate-related Opportunities (Auto Parts Research)

Building on our technological advances, we plan to enter new markets such as the US, Indonesia, and India. We also plan to adopt market forecast that reflect the rising demand for EVs and eco-friendly vehicles and to produce eco-friendly products and services in the future. The Deokyang Innovation Center (DYIC, R&D Center) has won bids for several national projects and is undertaking diverse research as a first step towards the new EV parts business and eco-friendly auto parts.

Eventually, we anticipate that the list of parts we produce will increase as an OEM for EV models. In 2024, in particular, we developed eco-friendly caps and covers using materials with a high natural substance content to ensure the lightness of our parts. We expect this will accelerate the efforts to improve energy efficiency in vehicles.

Climate-related Opportunities (Forming JVs with Local Companies)

We have identified the US, Indonesia and India as our most crucial markets. The US and India are already important manufacturing hubs, while Indonesia is emerging as a significant player in the global automotive industry. That being the case, we have formed a joint venture with a local company in Indonesia in order to enter this new market. We are also making inroads into the US through a local factory in Georgia. Based on our experience, we are actively pursuing international growth by establishing operations in other foreign markets.

Climate Actions

Engagement in Low Emission Capacity Building Programs

We are taking part in the Low Emission Capacity Building (LECB) Program organized by the Foundation of Korea Automotive Parts Industry Promotion (KAP). Under this program, we have replaced conventional lights with LED fluorescent lights and conventional air compressor with inverter air compressors.

As a result, we have replaced a total of 238 conventional lights with 354 LED lights, resulting in an annual saving of 22,607kWh.

Since we switched to inverter I air compressors, we have managed to save 52,856kWh per year, which translates to annual savings of KRW 9,810,000.

Improving Cooling Water Efficiency

We have installed a reservation timer and relay on the skin preheat oven to improve the automatic electric control circuit configuration and increase the power saving time. As a result, we are able to conserve about 17,160kWh per year, which is equivalent to an annual saving of KRW 2,831,000.

Installing Power-saving Circuits in Foam Lines

We have reduced our energy use by preventing energy loss in the cooling water supply process for injection molds and by streamlining the cooling process. To analyze how our energy conservation efforts influence our financial status, we checked how we improved the pump running time and aggregated the impact of using fewer consumables, and found that we can save KRW 9,652,000 per year.

ESG Campaigns

We intend to launch a variety of campaigns to promote ESG practices and engage in activities that seek to save the planet. Above all, we organized campaigns with an emphasis on environment and social responsibility in 2024, and took the time to raise awareness of the importance of environmental protection and energy conservation.

As regards the environmental protection campaign, we made an effort to use fewer disposable products, cut down carbon emissions, and generate minimal food waste; whereas, in the resource conservation campaign, we worked hard to consume less power, water, and resources, For the carbon reduction campaign, we deleted unnecessary emails and reduced carbon emissions by 14.9kg for every 1GB of mails, while we walked or used public transportation for short trips and achieved the same environmental benefits as planting 159 trees.

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Environmental Impact Management

We comply with the national laws and regulations when managing pollutants generated by our business operations, including those that have an impact on water, land, and air. We have produced an ESH Management Manual through which we share the overall management processes and measures, and have developed a separate procedure for monitoring the progress of the entire process.

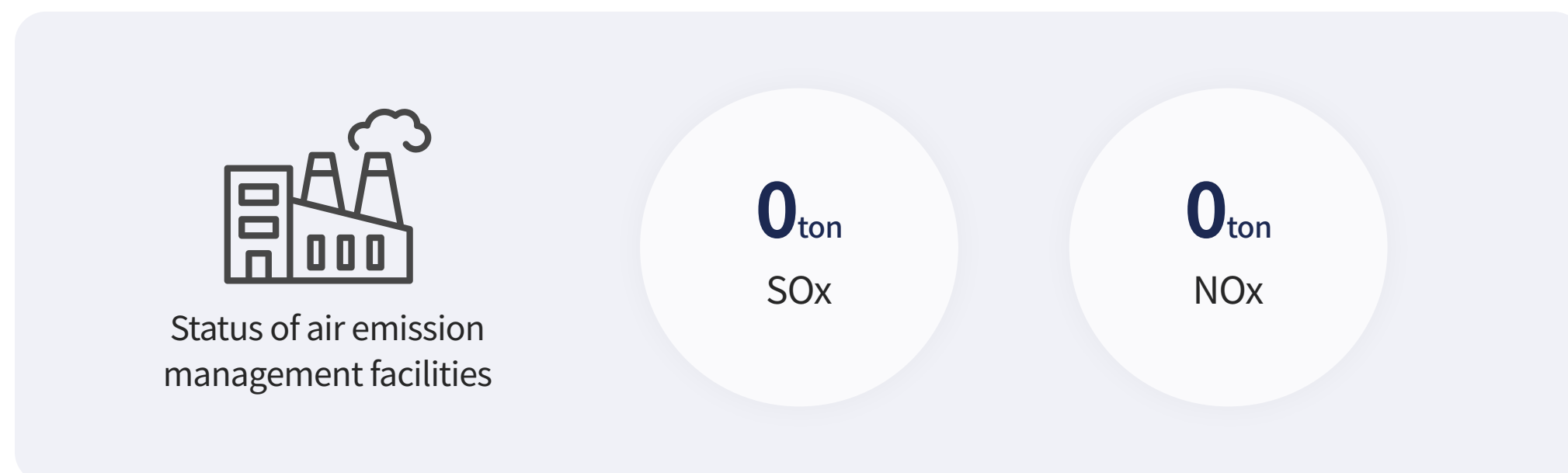
Water Resources Management

We rigorously manage our wastewater treatment facilities and pollution control facilities. The ESH Team records and manages the operational logs for wastewater treatment and pollution control facilities, and shares information on the areas requiring inspection with the Facility Engineering Team to check for the presence of flaws. They also follow an environmental non-compliance procedure designed to check for anomalies.

We outsource wastewater treatment and select the contractor via a fair selection process in which we review their license and water treatment capabilities. After choosing a contractor, we subject it to an annual suitability check, and we also sign a service contract with a professional company that inspects discharged water and cleans the facility to ensure efficient management and operation of wastewater and sewage.

Air Pollution Management

We operate air emission management facilities and pollution control facilities and have them managed by the Facility Engineering Team and the ESH Team according to the manufacturing facility management procedures. We check for anomalies and measure and monitor pollutants according to the respective procedures we have developed.

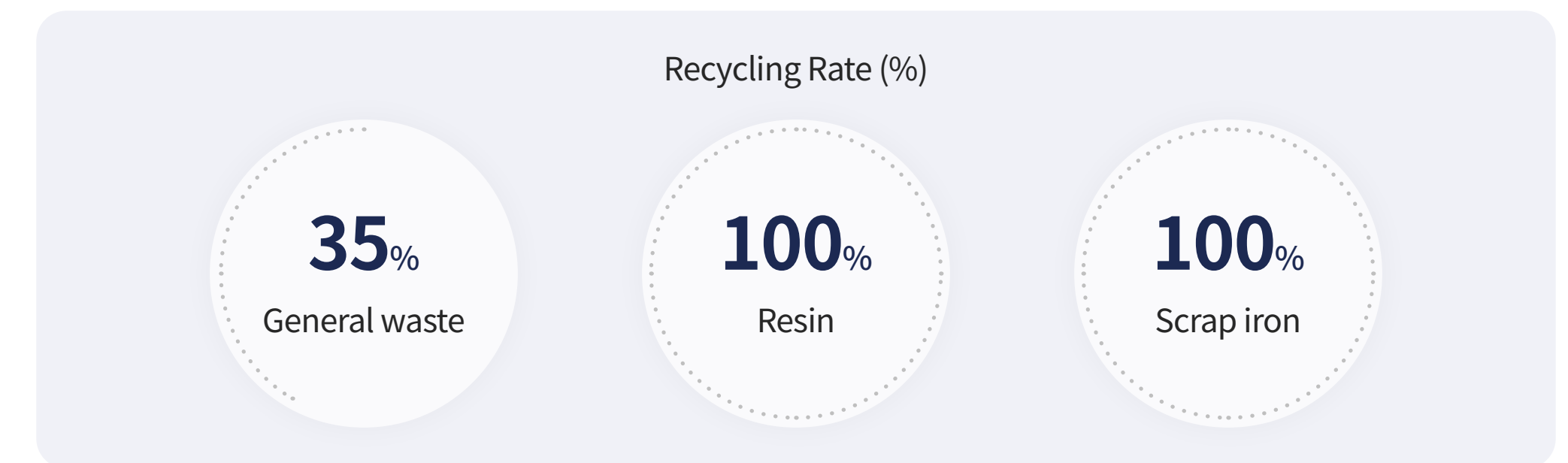


Waste Management

We store and process different types of waste by dividing them into resin, general waste, scrap iron, and designated waste. We determine the recyclability of resin depending on the presence of a foaming agent. Resins that are determined to be recyclable are kept separately.

All resins are managed under a contract with a professional resin treatment company that recycles resin 100%. Meanwhile, office waste and factory waste are categorized as general waste and managed under a contract with a waste management company.

We have built and managed a separate storage for designated waste that is also managed under a contract with a professional waste management company. Furthermore, we distinguish types of scrap iron and keep each type in a separate storage, and also have them managed under a contract with a professional waste management company that recycles scrap iron 100%.



Plastic Waste Management

As large amounts of plastic scrap are generated as a byproduct of various manufacturing processes, we analyze the multiple processes involved in handling plastic scrap. We are currently developing a process capable of generating minimal plastic waste, and we are also planning to adopt an eco-friendly process to meet customer demand.

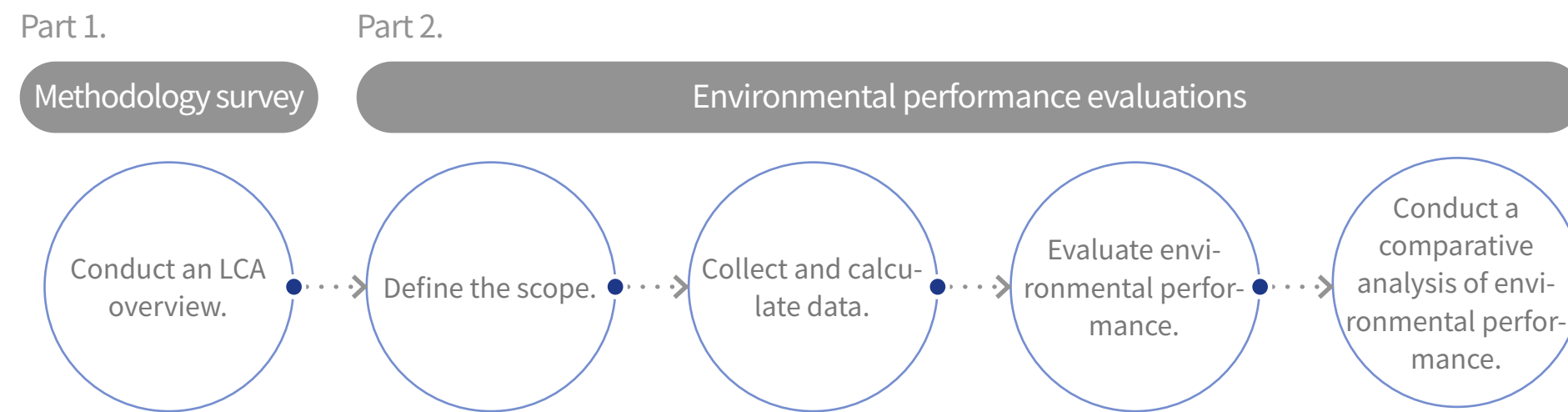
Deploying the Life Cycle Assessment

We conducted the life cycle assessment (LCA) on the entire manufacturing process for crash pads by dividing them into three groups based on the manufacturing process concerned, and used this to generate data with which to assess our environmental performance. Prior to the assessment, we surveyed and analyzed various methodologies and selected the best one. Based on this, we defined the scope used to measure environmental performance, conducted an impact assessment based on field data, and completed a comparative analysis of the outcome.

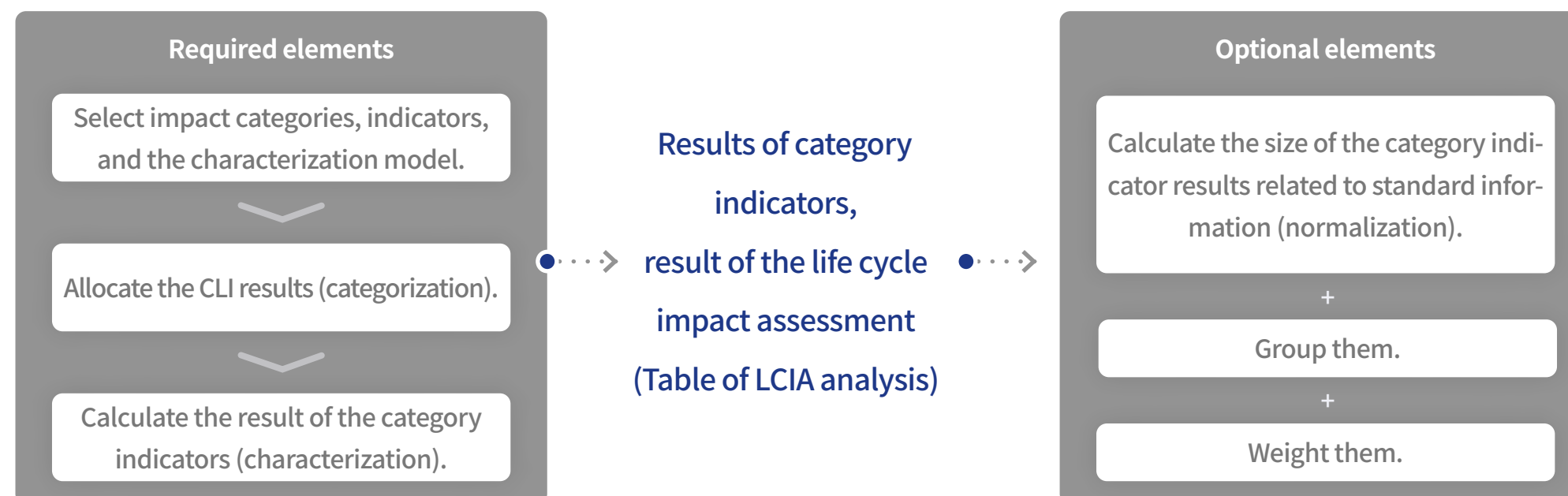
In addition, we calculated the values found in each stage in order to analyze the scale and materiality of potential environmental impacts. The process thus used can be divided into the following four stages: classification stage, characterization stage, normalization stage, and weighting stage.

The final outcome drawn from the LCA is used as the basic data for improving our manufacturing process and reducing our environmental impact.

Implementation Procedure



Impact Assessment Elements

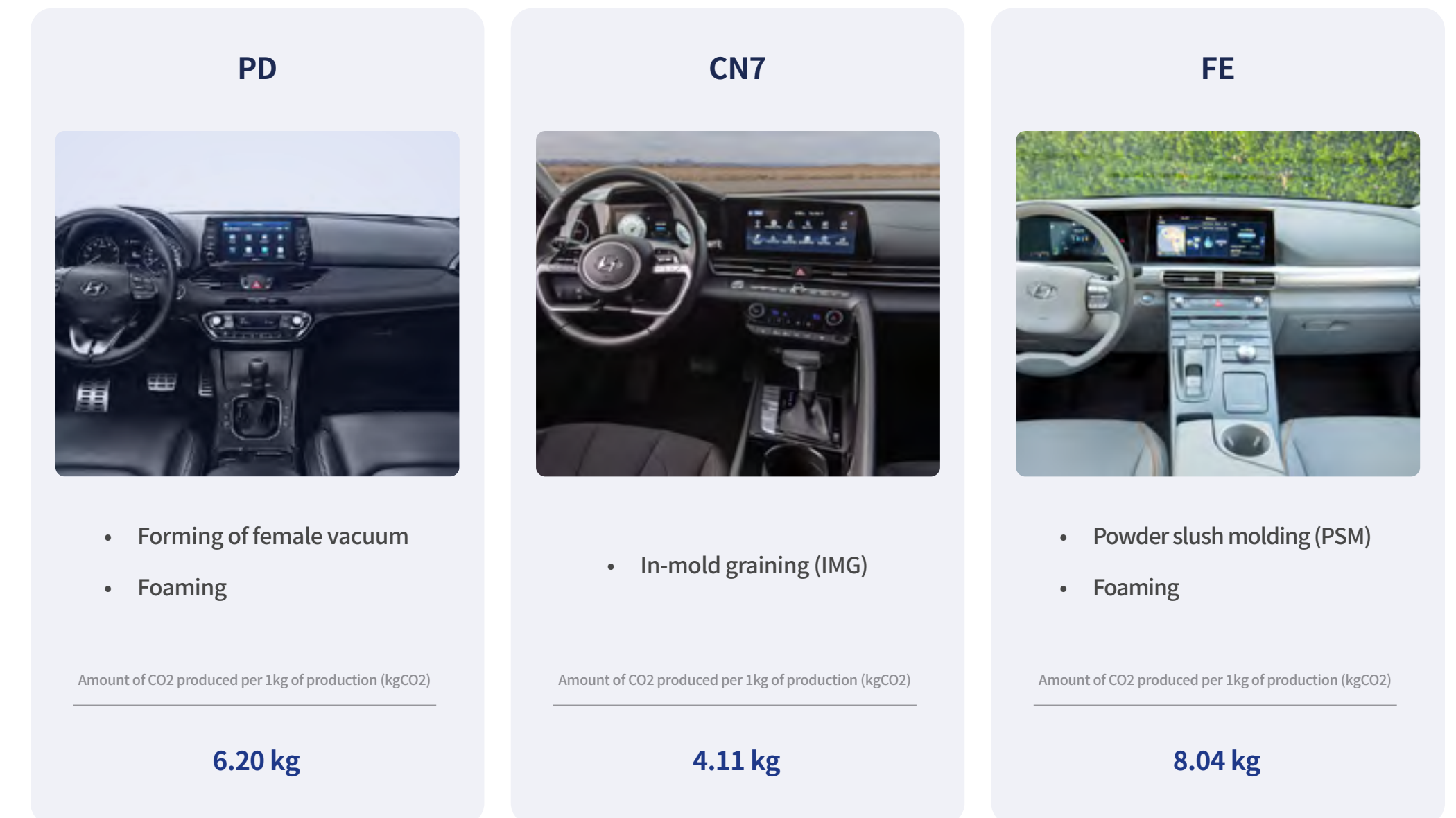


LCA Results

We analyzed the carbon emissions generated in the production of three types of crash pads and found that CN7, which requires in-mold graining (IMG), emitted the least carbon, followed by PD, which involves vacuum forming, and FE, which involves powder slush molding (PSM). The amount of carbon emitted was most heavily affected depending on the raw materials used. For every 1kg of CN7 produced, 4.11kgCO₂ was emitted, while PD and FE emitted 6.20kgCO₂ and 8.04kgCO₂, respectively.

We compared three products that have similar composition and expected to obtain comparable results; however, we saw the difference was largely due to the type of energy used, such as the LNG burnt during the manufacturing process. Accordingly, we plan to establish a carbon emissions management system that will measure the energy efficiency of each manufacturing process.

By conducting the LCA, we managed to secure in-house analysis data, based on which we plan to enhance the sustainability of our manufacturing processes and acquire domestic and international Environmental Product Declaration (EPD) and carbon footprint certifications.

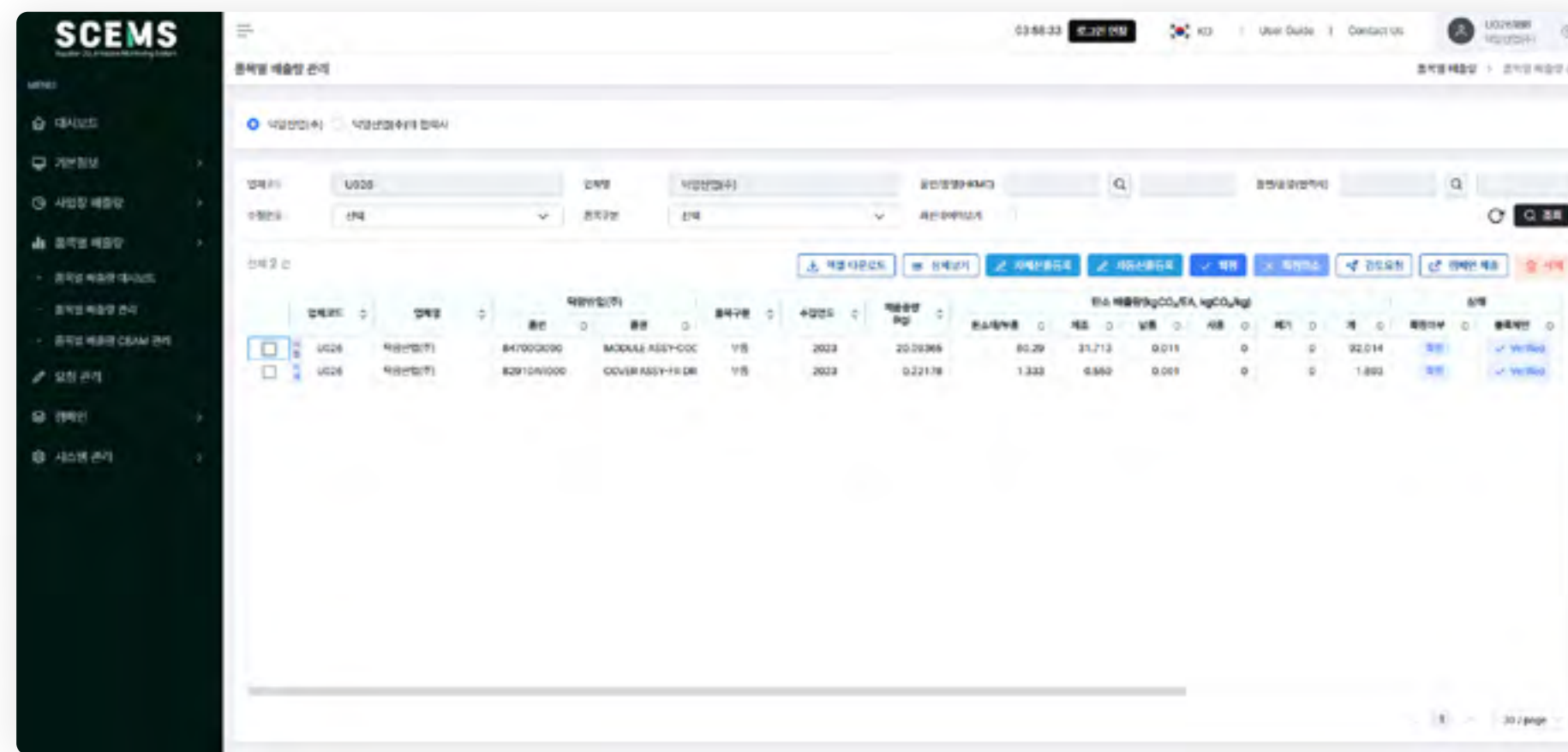


Response to External Evaluations Based on the LCA Response to the Carbon Disclosure Project

We have carried out LCA on two product lines in response to the partner assessments conducted by customer OEM company in 2024 and submitted the results to CDP.

The results of the LCA showed that 92.01kgCO₂ was emitted per 1kg of Module ASSY-COCKPIT produced, and that 1.89kgCO₂ per 1kg was emitted per 1kg of COVER ASSY-FR DR FRAME INR and LH produced. Looking ahead, we plan to respond faithfully to data requests for external evaluations and to seek various ways of enhancing product sustainability.

[Submission of LCA Data]



LCA Response History (2024)

- Mar. Notified customers of the selected items.
- Apr. Devised the auto parts LCA management plan and established R&R.
- May Held an on-site briefing for the LCA agency at the Ulsan HQ (including staff from DY Deogyang and contractors).
- May-Jun. Carried out first round of data collection.
- Aug.-Sept. Held an online LCA briefing and a training session for partner companies.
- Jul.-Oct. Improved the quality of input data.
- Dec. Final input of product CO₂ emissions into the Supplier Carbon Emission Management System (SCEMS).

Response to the Carbon Disclosure Project

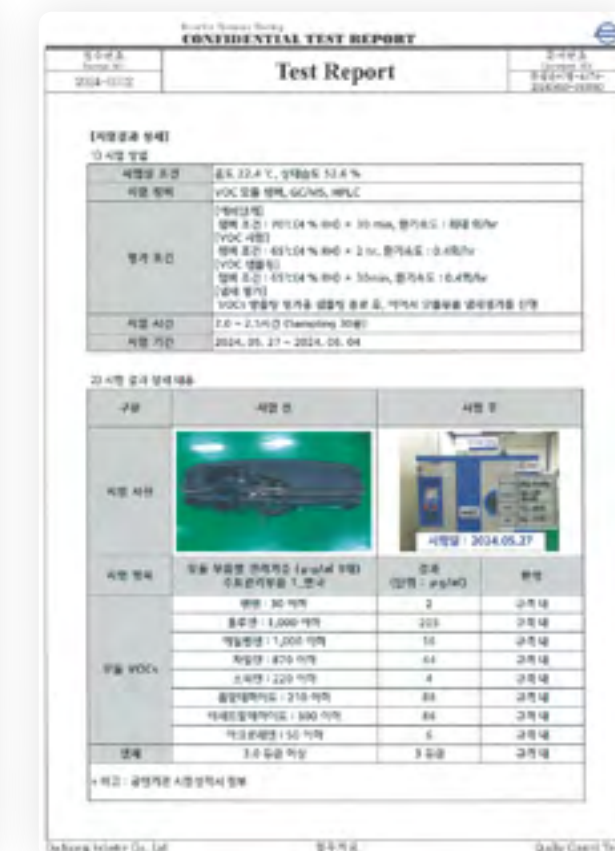
We are committed to responding proactively to the Carbon Disclosure Project (CDP). In 2024, we complied with the CDP standards (full version) and obtained a grade C rating, which was one grade higher than our rating from the previous year.

More specifically, we obtained a high rating (B) for risk disclosure; environmental background; governance; opportunity disclosure; and the dependencies, impacts, risks and opportunities (DIRO) process. However, certain areas were in need of improvement, such as the scope of emissions disclosure and Scope 3 emissions disclosure.



VOC Emission Testing

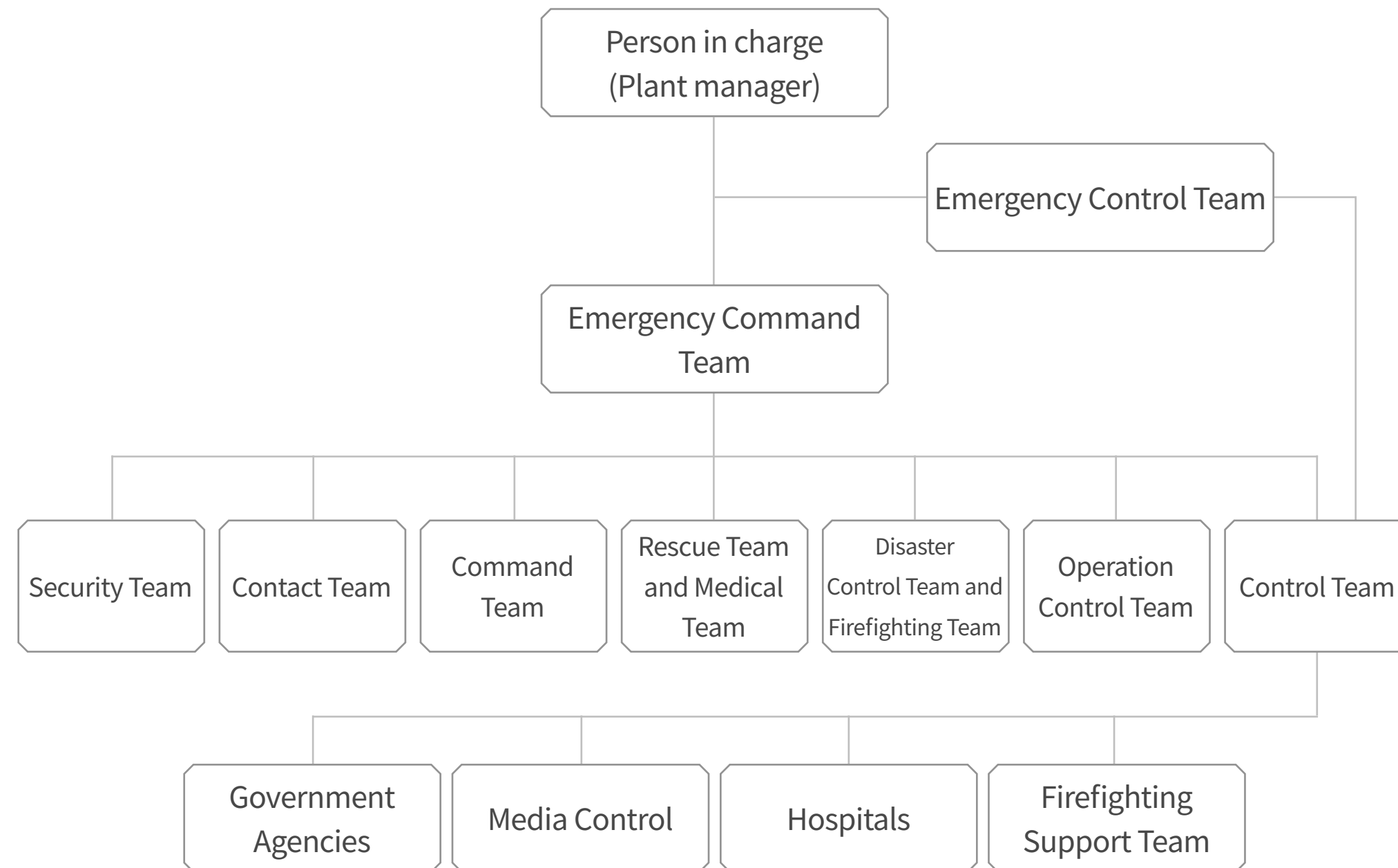
We have conducted volatile organic compounds (VOC) emission testing in order to check whether our products release harmful VOCs into the air. The MS Spec. and VOC Test is a standard used to evaluate the materials used by Hyundai Motor Company and Kia Motors Corporation. In particular, the test checks the physical properties and characteristics of diverse substances. In this instance, the test inspected whether MS300-55 (auto parts) and MS300-57 (modules) released VOCs; whether MS201-02 (auto parts and materials) released harmful heavy metals; whether MS300-34 (vehicle interior material) is easily flammable; and the composition and density of VOCs. In the end, we have met the standards.



Hazardous Chemical Management

We handle hazardous chemical substances at the Ulsan plant. We have formed a Disaster Control Unit led by the plant manager, who has ultimate control over the factory's affairs, and we also have an Emergency Control Team and an Emergency Command Team.

The plant has installed a piece of equipment that manages storage tanks containing hazardous chemical substances. It shows a map specifying the location, type, and amount of chemicals stored, which employees can view at any time. We have also developed a manual that includes an emergency response plan, and guidelines on personal protective equipment (PPE), to equip employees with the ability to respond promptly even during emergencies. In addition, we have developed accident scenarios that are focused on managing the response to emergencies, such as tank explosions or leaks, and also include the appropriate response of local communities living near the plant.



Material Safety Data Sheet Management

We disclose information on the chemical substances used in all our operations on the company bulletin board. Key items of information - such as the manufacturing process, name of substance, purpose of use, person in charge, registration and revision dates - are all accessible in real time.

We also keep a log of how we handle chemical substances that require special attention on a daily basis. We put up warning signs in the plant to allow employees to visually identify hazardous chemical substances that must be handled in compliance with the applicable laws and regulations. In addition, we have provided 554 employees in technical positions with training on the material safety data sheet (MSDS).

Biodiversity

DY Deokyang has conducted an impact assessment to identify the significance and potential effects of its operations on biodiversity. The results confirmed that, given the nature of our business, our dependency on biodiversity is low, and no endangered species or wetlands are present in the vicinity of our operating sites. Going forward, we will continue to comply with global guidelines related to biodiversity and further enhance the sophistication of our analysis.

Plogging

We participate in various ESG initiatives including an in-house volunteer program and external environmental campaigns. In 2023, we held a plogging event at the Fine Dust Buffer Forest near the Ulsan HQ as well as in the vicinity of the Dongcheon River, where DY Deokyang staff picked up trash while out jogging, taking advantage of a great opportunity to mingle with their colleagues. Given the nature of the event, we also provided them with recyclable tongs and quarantine kits.



Eco-friendly R&D

To transform the vehicle interior and exterior materials and parts into a viable business, we are making concerted efforts to develop eco-friendly technologies based on such themes as eco-friendliness, carbon neutrality, bio-composite materials, and solar power.

Application of Sustainable Technologies

We have focused on developing six sustainable technologies, of which three were completed in 2024, and two will be completed in 2025, while a sixth one is scheduled for completion in 2027.

Of the three technologies that are developed, the first technology involves eco-friendly interior parts made of recycled natural materials.

We used a new material that meets Europe’s vehicle scrappage standards, enabling us to produce products that meet European environmental standards. They are also 20% lighter than existing parts, which we expect will help to reduce energy use.

The second technology involves a composite material and vehicle interior parts containing 30% or higher bio-composite materials. In this way, we have secured a technology that enables us to mass produce parts made of bio-composite materials, and to deliver composite materials that enable us to respond proactively to environmental regulations.

The third technology features crash pads that are fitted with a solar power module to expand the driving range of EVs, and an eco-friendly power generation system designed to improve energy efficiency.



Wood powder PPF and natural fiber



Crash pads made with biodegradable PC composites



Cockpit fitted with solar panels

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Our People

We value trust and the can-do spirit and support our employees' growth and development. We strive to motivate them by conducting impartial and objective evaluations of their performance, and operate a performance and capability-based compensation and reward system. We also offer a comprehensive benefits package to make DY Deokyang a company that people want to work for, as well as a wide range of training programs designed to enhance employees' capabilities.

Talent Recruitment

We seek individuals who are reliable, work well with others, and possess specialized skills, creativity, and a can-do spirit. We are doing our best to motivate our employees to grow as key players by providing a stable, pleasant workplace that helps them to perform to the best of their ability and reach their full potential. We do not discriminate against employees on the basis of race, ethnicity, religion, disability, gender, academic background, age, physical condition, country or region of origin, social standing, whether they are pregnant or have given birth recently, family ties, or political affiliation.

Future possibilities over the present.

We seek individuals who prioritize preparing for the future over the present. It is essential to achieve top-tier status in the future rather than the present.

Team over individuals

We seek individuals who prioritize a team over themselves. We must recognize the fact that collective progress drives and empowers individual development.

People who can say "No" when everyone else says "Yes".

We need people who can say "No". There are situations where saying "no" is necessary even if you generally say "yes."

Excelling in both the outcome and the journey.

We value people who give equal weight to the process and the outcome. The value of the best outcome lies in the integrity of the process that leads to it.

A score of 99 over 100

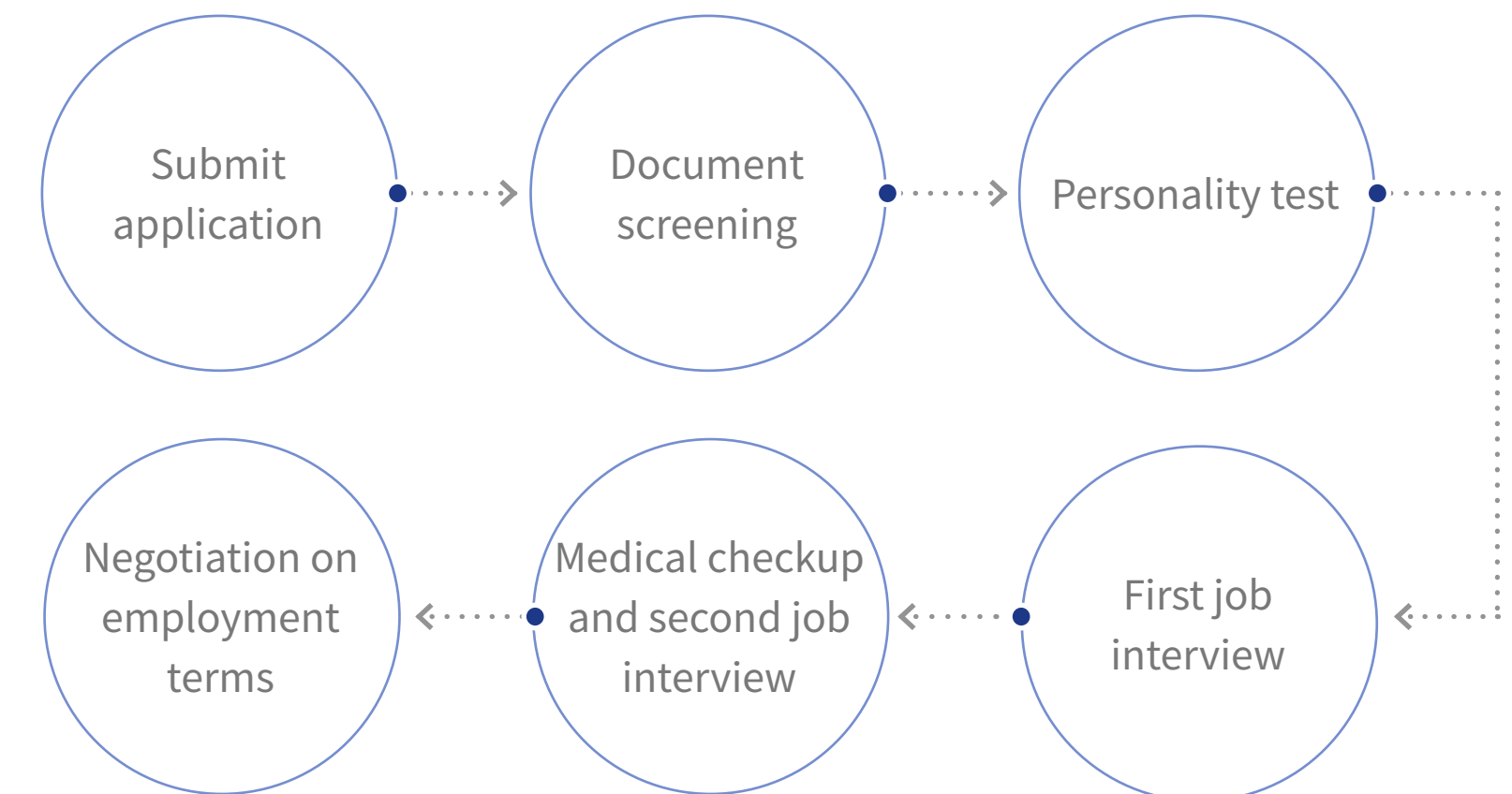
We're drawn to those who have scored 99 in life, not necessarily a perfect 100. Sometimes, the one point you don't have holds more meaning than the 99 you do.

Recruitment Process

We announce job openings for new graduates at designated times. Applicants are evaluated on the basis of their submitted résumés and cover letters, along with a neuroscience-based online personality test, followed by a two-step interview process featuring both managerial and executive perspectives. Those who pass the job interview must undergo a medical checkup before embarking upon a three-month contract period (internship), after which they become full-time employees.

We accept applications all-year-round from experienced professionals, and post job openings on our company bulletin board. Job titles and requirements may vary with each opening, but the overall recruitment procedure remains the same as that for recent graduates. Upon final acceptance, candidates enter a three-month contract period, after which they undergo a review for full-time employment.

Recruitment Process (recent graduates and experienced employees)



Fair Performance Appraisals

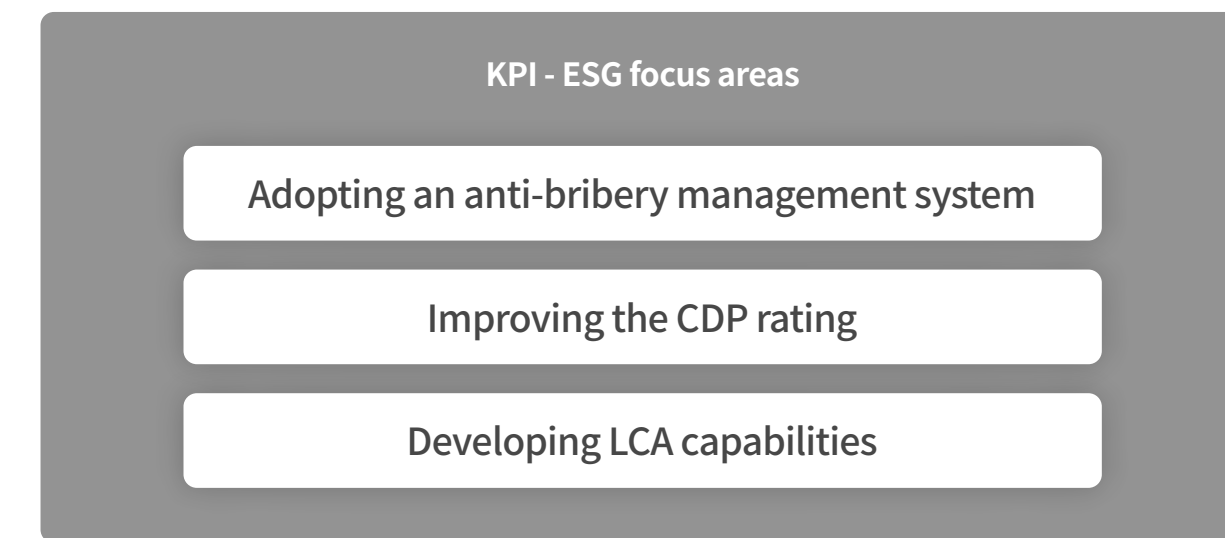
We are committed to fostering a workplace where employees can pursue their personal goals and strengthen their skills through talent-focused performance evaluations that emphasize self-driven performance management aligned with the organizational culture. The performance appraisal system - implemented company-wide - is used in various personnel decisions, such as compensation, promotions, and role assignments.

Under the performance appraisal system, we evaluate each employee's performance, job capacity and work attitude based on key performance indicators (KPI) and management by objective (MBO).

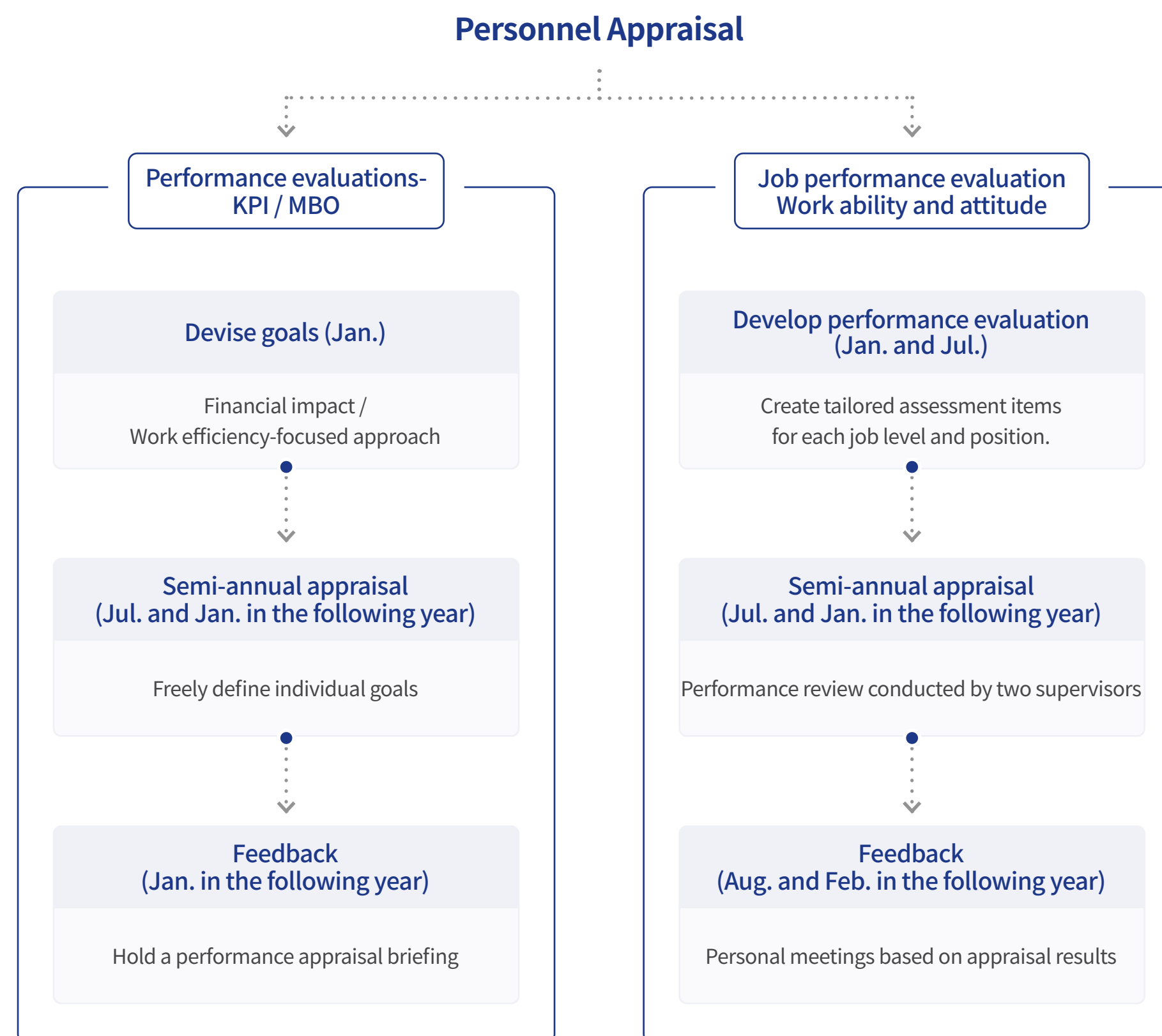
Employees set their own goals, guided by their individual business mission for the respective unit. To pro-

mote fairness and objectivity in the evaluations, we gather feedback and input from numerous individuals throughout the appraisal period.

Notably, ESG performance metrics are included in our KPI evaluation criteria. Our primary ESG focus areas include adopting an anti-bribery management system, boosting the CDP rating, and developing life cycle assessment (LCA) competencies. In doing so, we have established a foundation that enables all employees to collaborate in promoting ESG-focused management.



Personnel Appraisal Process



Compensation System

We have established a compensation system based on performance and capability, ensuring a fair evaluation and rewards for all our employees. To enhance fairness, the system is managed in a structured way by incorporating new criteria that prevent discrimination based on gender or nationality. We encourage employees through various reward programs, such as providing incentives for high performers and individuals who contribute to a safer workplace. In this way, we are able to maintain a performance-driven approach to personnel management.

Major Issues	Outstanding Team Award	Outstanding Invention Award	Outstanding Technology Award
Annual corporate reward for high performers	Annual corporate reward for high-performing teams	Annual reward for outstanding inventors	Annual reward for outstanding technicians
Making a Safe Workplace	Suggestions/ A Divisional Group	Harmonious Labor-Management Relations Prize	Long Service Reward
Rewards for individuals/ teams with high safety points	Rewards for individuals/ a divisional group that suggest innovative ideas	Rewards for individuals who foster positive labor-management relations	Rewards for long-service b/w five to 40 years (in increments of five years)

Personnel System

We respect individual employees, treat everyone fairly, and fairly compensate outstanding work in order to embody our value of respect for people. Personnel System shows our ongoing efforts to help employees grow and succeed by creating a supportive environment for peak performance.

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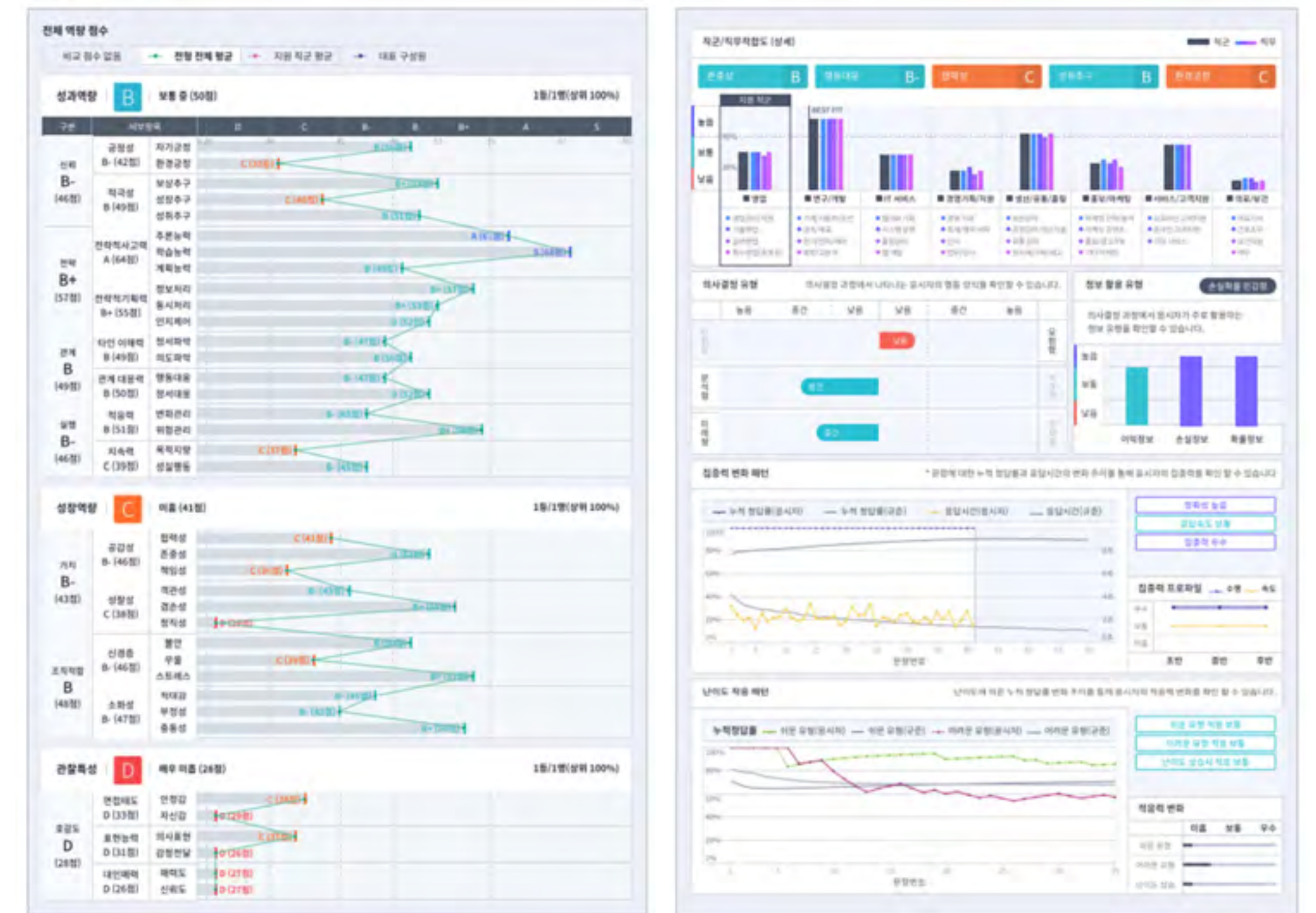
<h3 style="text-align: center;">Job Rotation</h3> <ul style="list-style-type: none"> Job rotation aligned with employees' personal strengths and operational effectiveness. Opportunities for high performers to further develop their skills. Development of talents with great potential and future leaders through diverse skill-building programs. 	<h3 style="text-align: center;">MBO Goal Setting Guidelines</h3> <ul style="list-style-type: none"> Goals must be clearly outlined. Goals must include a clear deadline. Goals must be achievable. Goals must align with organizational priorities. Goals must be backed by organizational resources. Goals must be controllable. Goals must be evaluated and confirmed.
<h3 style="text-align: center;">Fast Track System</h3> <ul style="list-style-type: none"> Shift from seniority-driven promotions toward a competency-focused system. Accelerated career advancement for top performers. Enhanced incentives for high performers. 	<h3 style="text-align: center;">Annual Salary System</h3> <ul style="list-style-type: none"> Introduction of an annual salary system focused on fostering employees' personal growth.

Living Wage

We are working hard to set employees' month salaries in excess of both the legal minimum wage and the living wage, thereby securing their essential rights for living. Since living wages vary by region, we assess the living wage in Seoul Metropolitan City, Gyeonggi-do, and Ulsan—where most of our employees reside—and incorporate these figures into our calculations.

*Living wage in 2024: Seoul (KRW 11,436 per hour), Gyeonggi-do (KRW 11,890 per hour), Ulsan Metropolitan City (KRW 11,210 per hour).

We use an AI-based assessment to comprehensively evaluate employees' personal attributes and abilities, which yields quantitative results. The evaluation criteria encompass estimated performance scores, reliability, job alignment, candidate traits, similarities with top performers, and skills sets. We also provide checkpoints based on objective analysis of each candidate's strengths and weaknesses, enabling employees to understand their development path and assess the feasibility of their goals



Nurturing Talents

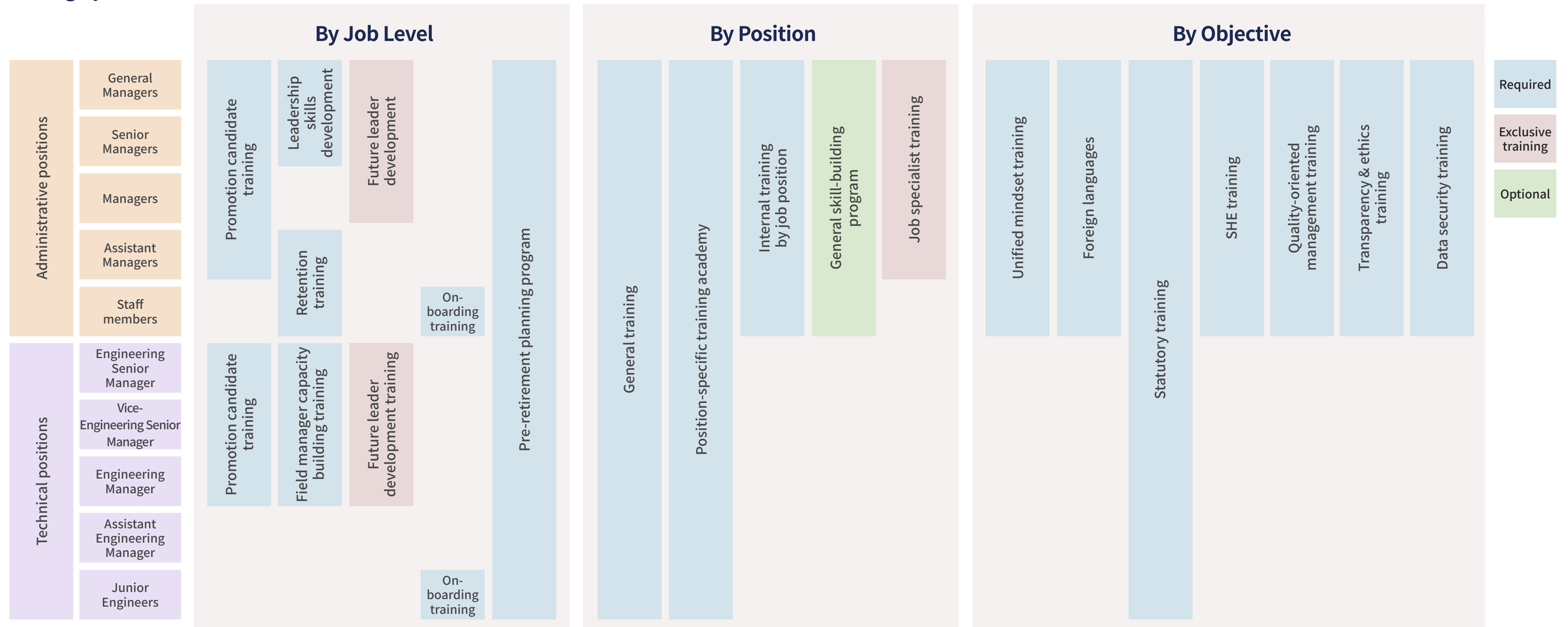
We offer a training system that is focused on meeting individual and organizational goals. We have created a range of in-house and external training programs to build a foundation to support both our employees' personal competencies and the company's objectives. We also offer leadership and communication training on a regular basis in order to internalize a flexible workplace culture and establish effective channels of communication.

Training Programs

Our training programs are categorized by job level, position, and objectives. Each job level has its own training track, including Introductory Programs for newcomers and Skills Enhancement Programs for senior-level employees.

Our position-specific training programs are designed to help employees enhance both their professional expertise and capabilities that are essential for executing tasks strategically. Meanwhile, objective-based training programs include both job-related topics—such as technology, mindset, and language—and general foundational knowledge beyond the scope of their work tasks.

Training System Table



Retirement Planning Program 2024

In 2024 we conducted a retirement training program for seventeen retirees to support them in the next chapter of their life and to offer them practical guidance in recognition of their years of service.

The program focused on helping retirees to prepare for the next stage through financial planning, reemployment networking, and retirement consulting. We concluded the program by collecting their input and opinions to make future programs more relevant and useful.



Internal Training for Administrative Positions

We aim to enhance the capabilities of employees who perform key roles in the company and operate internal development programs led by job-specific experts. Training is offered to all administrative staff, with seven subject areas available (in both the first and second halves of the year) which the participants may select based on their interests.

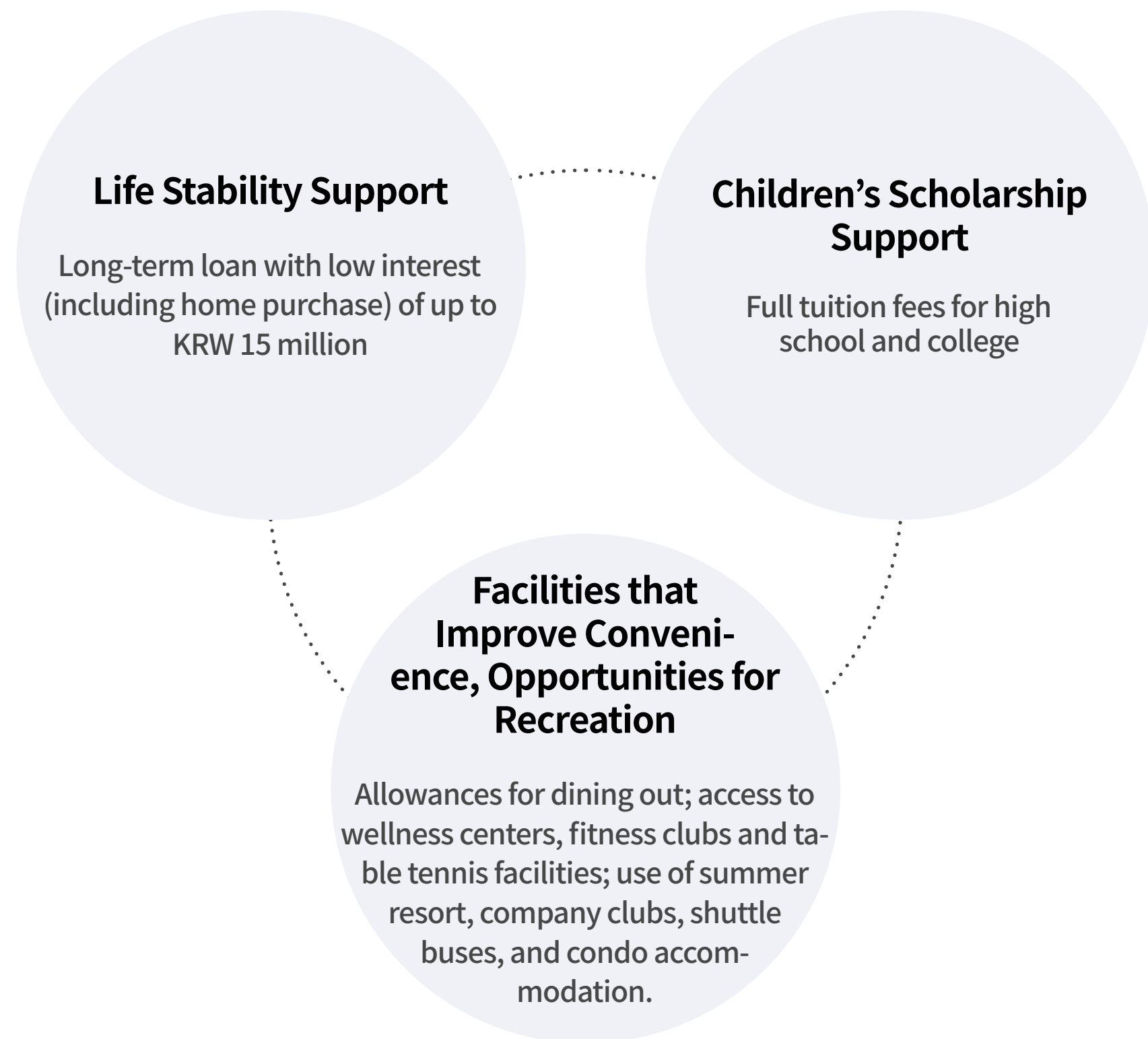


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Employee Benefits

We strive to ensure a healthy balance between family commitments and company goals, and between work and personal life. To embody our value of respect for people, we provide a series of employee benefits.

Primary employee benefits include life stability support, children’s education costs, and access to facilities designed to improve well-being, convenience, and recreation. Additionally, we operate a company cafeteria and offer parental leave, flexible working hours, full medical checkups and medical assistance, as well as allowances for celebrations, condolences, and family needs.

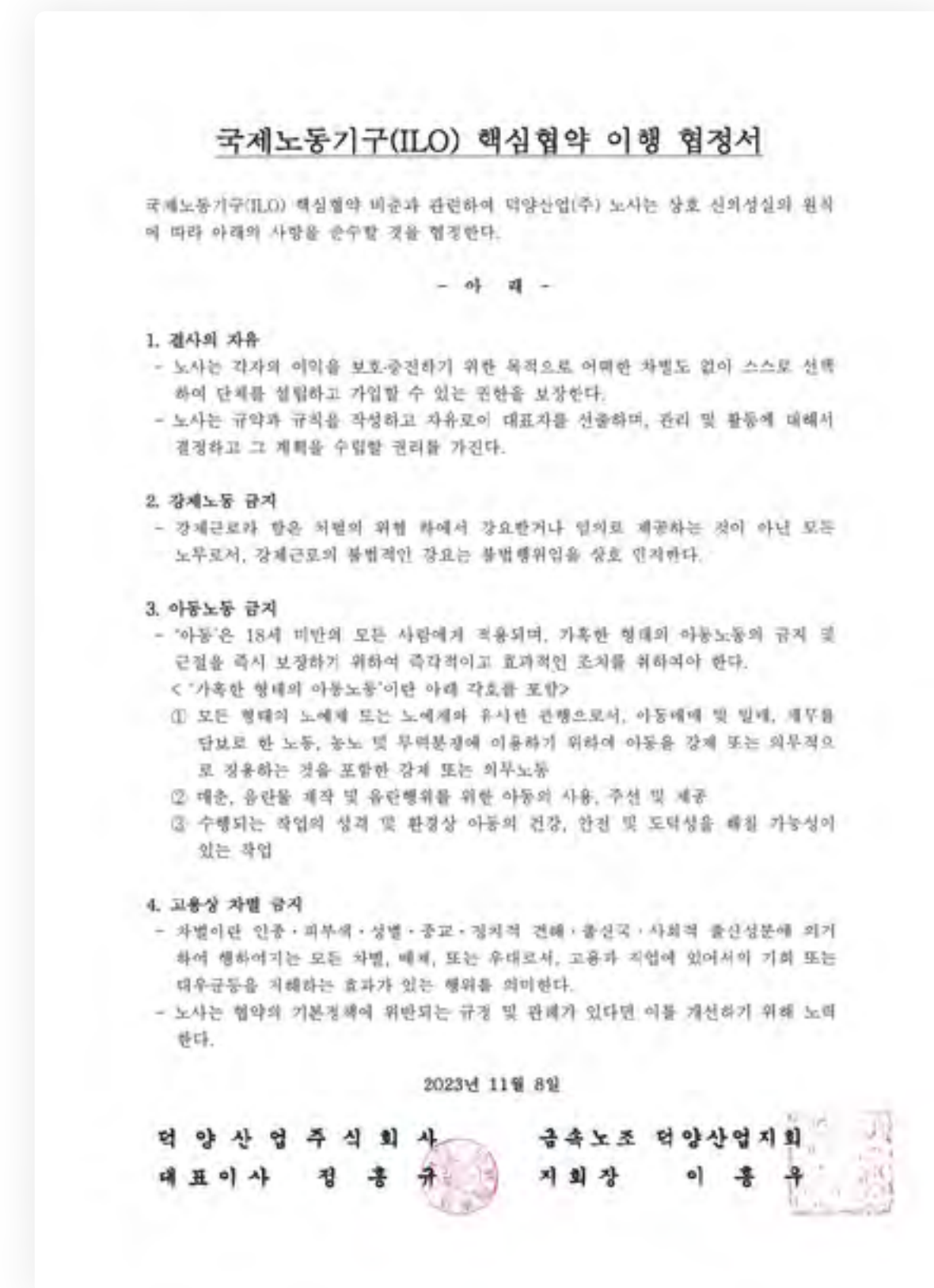


Labor-Management Relations

We guarantee freedom of association and collective bargaining. Labor and management representatives meet regularly to improve mutual understanding, and honor and implement decisions made by the labor-management council.

The labor-management council meets every quarter to review the top management’s performance and to address, deliberate and make decisions on specific topics such as corporate facilities, facility improvements, employee benefits, performance and compensation.

Agreement on the Implementation of ILO Core Conventions



Human Rights Management

We practice human rights-centered management throughout the company as part of our efforts to be “a company that champions human rights and values its workforce.” Furthermore, we have adopted a people-centered approach characterized by respect for human dignity in line with our aspiration to become a leader of human rights-driven management.

Human Rights Charter

To help build an equal society where all individuals are respected without discrimination, DY Deokyang upholds human rights and labor values, and supports global standards such as the UN Universal Declaration of Human Rights, the UNGC principles, and International Labour Organization (ILO) conventions. Furthermore, to address evolving domestic and global trends in human rights-driven management proactively, we have reinforced our implementation framework and preventive measures against human rights violations, while working to build a broad consensus regarding the importance of respecting human rights.

Human Rights Charter (Enacted on Nov. 1, 2023)

DY Deokyang Co.,Ltd. intends to contribute to the development of the national economy through the efficient implementation of the project and to promote the human rights of workers and all stakeholders related to us by respecting and practicing domestic laws and international human rights norms.

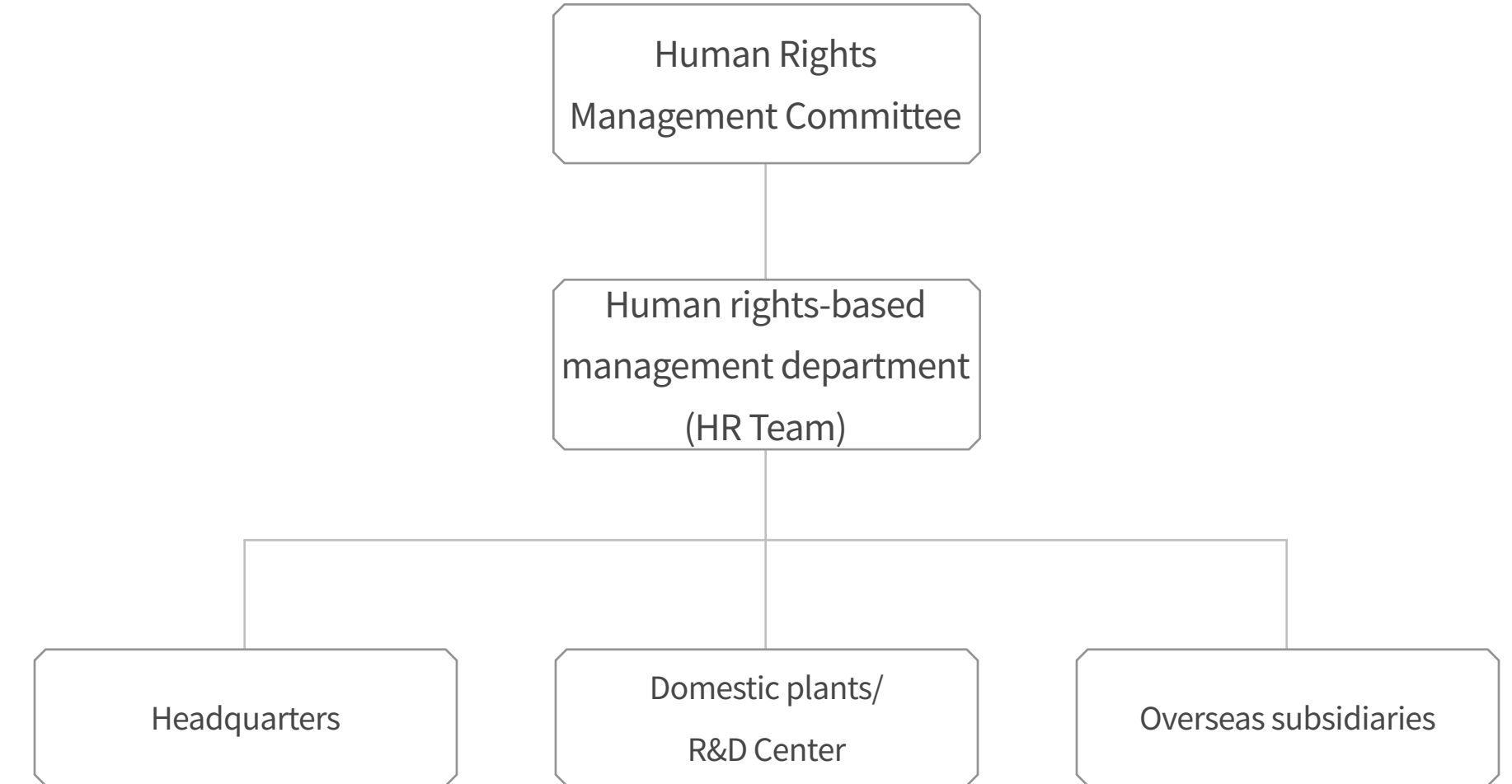
To this end, we declare the "Human Rights Charter," the principle of action and value judgment that all executives and employees must follow, and pledge to implement it as follows.

- i. We respect the values of human rights, labor, and the environment and support international human rights norms such as the UN Universal Declaration of Human Rights, the UNGC Principles, and the International Labor Organization (ILO) Convention to realize an equal human rights society where everyone is respected beyond discrimination.
- ii. We respect diversity and prohibit discrimination against all stakeholders on the grounds of gender, age, region, occupation, disability, religion, political views, etc.
- iii. We guarantee freedom of association and the right to collective bargaining of employees.
- iv. We do not allow any form of forced and child labor, and we strive to ensure a minimum living wage and to improve the working conditions of our employees.
- v. We provide a safe and pleasant working environment to ensure employees' industrial safety and health rights.
- vi. We comply with domestic and international environmental laws and strive to protect the environment and prevent damage.
- vii. We respect the human rights of our partner customers, such as contract partners and stakeholders, and support and cooperate with them to practice human rights management.
- viii. We guarantee customer's right to know in business activities, operate and support them fairly, and actively protect corporate and personal information collected in business activities.
- ix. We respect the human rights and rights of local residents in domestic and overseas businesses and pursue win-win development.
- x. We provide prompt and appropriate remedies for human rights violations and continue to work to prevent them do.

CEO, DY Deokyang

Human Rights Management

We have established the Human Rights Management Committee as our top decision-making body and have built a governance structure in which the HR Team oversees human rights matters across all sites. The committee resolves human rights-based management matters including execution and monitoring, planning, evaluation, systems and policies, and the Human Rights Impact Assessment (HRIA), as well as implementing remedies and disciplinary actions. The committee is composed of labor and management representatives, including the chairperson, and may include up to five members who are external legal and labor advisors, as needed.

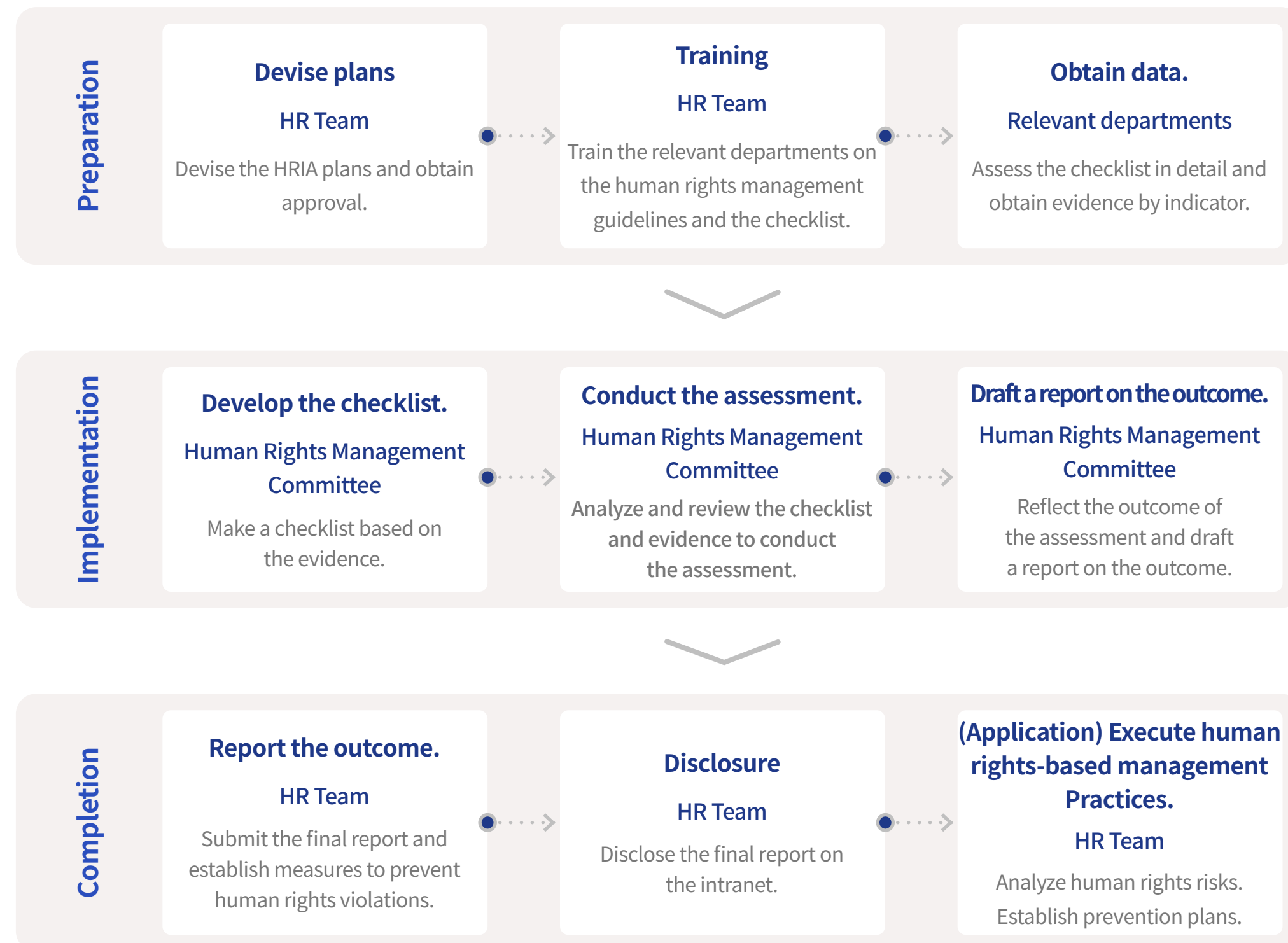


Human Rights Impact Assessment

In response to the increasing global emphasis on human rights, we conducted a Human Rights Impact Assessment (HRIA) in 2024 in order to improve the transparency and trustworthiness of our human rights-based management practices and to reaffirm our dedication to promoting human rights across the company and beyond, and analyzed the results of our efforts. The assessment was conducted in three phases - preparation, execution, and completion - according to the human rights management guidelines and checklist provided by the National Human Rights Commission of Korea (NHRCK). We conducted prior training on the guidelines and checklist items and ensured appropriateness and fairness throughout the assessment process by gathering questions and feedback.

The committee carried out a comprehensive review and assessment, using the results to identify areas in need of improvement and to develop and implement the corresponding action plans.

HRIA Process



Human Rights Training Program

We provide human rights training to all our employees in the form of group sessions organized by competency level. Using publications from the Anti-Corruption and Civil Rights Commission (ACRC), the program covers such topics as the concept of human rights management, domestic trends, global corporate human rights practices, ESG developments at home and abroad, and internal reporting procedures, and includes a Q&A session.



Grievance Handling Channel

We have formed a Grievance Handling Committee that is responsible for consultation, resolution, documentation, and overall management of grievance-related issues. Employees may seek grievance-related advice from a member or the secretary of the committee regarding procedures, and they can also consult with an external expert if specialized support is needed. To maintain fairness, committee members with a close connection to the complainant's case are excluded from the review process.

If the complainant disagrees with the decision made, he/she may submit another application on the same issue once within 14 days of receiving the outcome. Individuals who submit grievances will not face any unfavorable treatment, and steps are taken to ensure their identity remains confidential unless they consent to its disclosure.



Win-Win Management

We are working with our suppliers to develop a sustainable supply chain and promote ESG initiatives. In implementing the ESG Code of Conduct for suppliers, we are fostering a shared sense of commitment and making pledges to support them in order to overcome ESG challenges and promote shared growth.

Win-Win Prosperity with Suppliers

We are committed to maintaining long-term relationships through collaboration by fostering harmony and balance with not only our shareholders, but also with our stakeholders, customers, employees, suppliers, and local communities. In particular, we are extending our business internationally and developing a sustainable supply chain with our suppliers so as to comply with the global ESG standards in both our corporate governance and our products.

We are building a fair trade framework for management that fosters shared prosperity, and we are diligently adhering to the prevailing subcontracting laws and regulations, including the Fair Transactions in Subcontracting Act. Furthermore, to ensure fair subcontracting practices, we have introduced the Four Major Subcontracting Practices enacted and revised by the Fair Trade Commission. We have also introduced the Mutual Growth Program to promote cooperation with our suppliers.

Three Themes of Win-Win Management

Establishing a fair trade order	Securing the competitiveness of partners	Strengthen trust and cooperation
<ul style="list-style-type: none"> » Prevent unfair trade practices. » Comply with fair trade practices. » Reinforcement of supplier technology protection 	<ul style="list-style-type: none"> » Improvement of funding support and payment conditions » Quality and technical consulting support 	<ul style="list-style-type: none"> » Operation of cooperation association » Establishment of open communication channels » Listening to and improving difficulties

Supplier Code of Conduct

We not only expect all our suppliers to comply with the laws and regulations of the countries in which they operate, but also share our guidelines on ethics, environment, human rights, safety, supply chain, and technology which they should follow. Looking ahead, we will work hard to adapt to the ever evolving industrial landscape alongside our partners in order to achieve ongoing growth.

The Suppliers' Code of Conduct was established based on Drive Sustainability's Global Automotive Sustainability Practical Guidance by referring to the ten principles of the UN Global Compact, the OECD Guidelines, and the Code of Conduct of the Responsible Business Alliance.

We apply the code of conduct to all suppliers that have signed any type of business contract with us. Employees from our suppliers must comply with the laws and regulations of the country in which they are based while working according to this code of conduct. Furthermore, they must recommend that all stakeholders involved in the supply chain, such as subcontractors, comply with and honor this code of conduct during their operations.

Suppliers Code of Conduct ▶	Anti-Retaliation Guidelines ▶
Contracting Guidelines ▶	Initial Registration Guidelines ▶

Supplier Assessment

In 2024, we conducted an ESG assessment of our suppliers in two phases, assessing ten suppliers in the first round and thirty-three in the second. The assessment covered twenty items, including six related to ethics, nine to social and human rights, and five to safety, health, and environment (SHE). The primary evaluation relied on evidence from policies on ethics, employment and environment, while supplementary evidence was reviewed to ensure a more comprehensive assessment.

We set a target score for the evaluation and implemented a policy that excludes suppliers with scores falling below the standard from being selected as new contract partners. Starting in 2025, we plan to build an ESG evaluation framework for our suppliers and to adopt computerized assessments.

Primary ESG Assessment Metrics

Ethics	<ol style="list-style-type: none"> 1. In-house principles of and regulations on ethics management 2. Unfair trade such as bribery between suppliers 3. Collusion 4. Illegal subcontracting 5. Illegal solicitation 6. Training on ethical business management
Social/Human Rights	<ol style="list-style-type: none"> 1. Tax evasion 2. Breach of laws on social issues 3. Employment of minors 18 years old or younger 4. Forced labor 5. Overdue wages 6. Prevention and measures against workplace bullying 7. Employment discrimination (on the basis of gender, religion, race, etc.) 8. Guarantee of employees' rights to freedom of assembly and association, and engagement in collective bargaining 9. Educational programs on human rights protection
Safety, Environment and Health (SHE)	<ol style="list-style-type: none"> 1. Compliance with the environmental and safety laws and the occurrence of occupational accidents 2. Reduction of energy use 3. Deployment of energy conservation equipment/eco-friendly technology 4. Provision of personal protective gear (PPE) to employees 5. Proactive training on safety, environmental, and health issues

Supplier Communication and Support

We make a quarterly visit to our key suppliers to monitor ongoing issues. During these visits, we gather insights into current trends, challenges, and specific requests, and then identify and analyze the issues and offer tailored support to help address them.

Notably, we provide technical training through in-person visits to coach them about inadequate areas and to help them improve their quality management capabilities. Last year, we conducted 71 inspections of 29 suppliers, resulting in some 179 corrective actions in total. These initiatives fostered a culture where partner companies voluntarily work to improve product quality and actively engage in capacity-building activities. Furthermore, these efforts to improve quality helped to stabilize the rate of defects in incoming products.

Coaching and inspections	Suppliers inspected	No. of inspections	No. of areas improved	Improvement validation	Improvement rate
H1 2024	21 companies	35	105	104	99%
H2 2024	29 companies	36	74	68	93%
Total		71	179	172	96%

Recognition of Outstanding Suppliers

In 2024, we hosted an awards ceremony to recognize exceptional suppliers for their achievements in raising the quality of their products. Seventy-one companies were assessed across four categories, namely, exceptional quality of incoming products, outstanding in-house suppliers, significant quality improvements, and dedication and superior quality. Ultimately, four companies were honored with the awards.

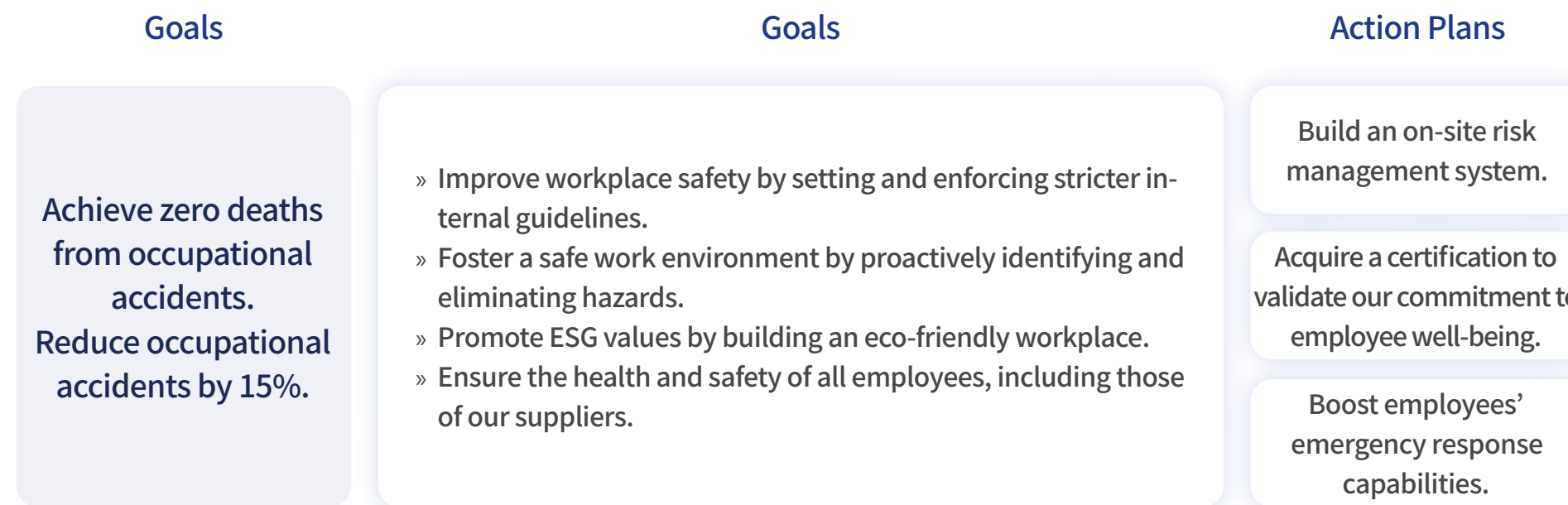
The ceremony was attended by DY Deokyang's CEO, executives, and team leaders, as well as the CEOs and executives of the awarded suppliers. The four winning suppliers received special incentives, earning extra quality points in the future bid for the new vehicle models.



OH&S

We place top priority on the health and safety of our employees, aiming for zero major accidents through strict policy enforcement. We are also making ongoing efforts to improve the work environment to create a healthy workplace, conducting regular health and safety training, walk-through safety inspections, and risk assessments. Additionally, we are running wellness programs comprising medical checkups, and healthcare rooms.

OH&S Management Goals



OH&S Management Measures

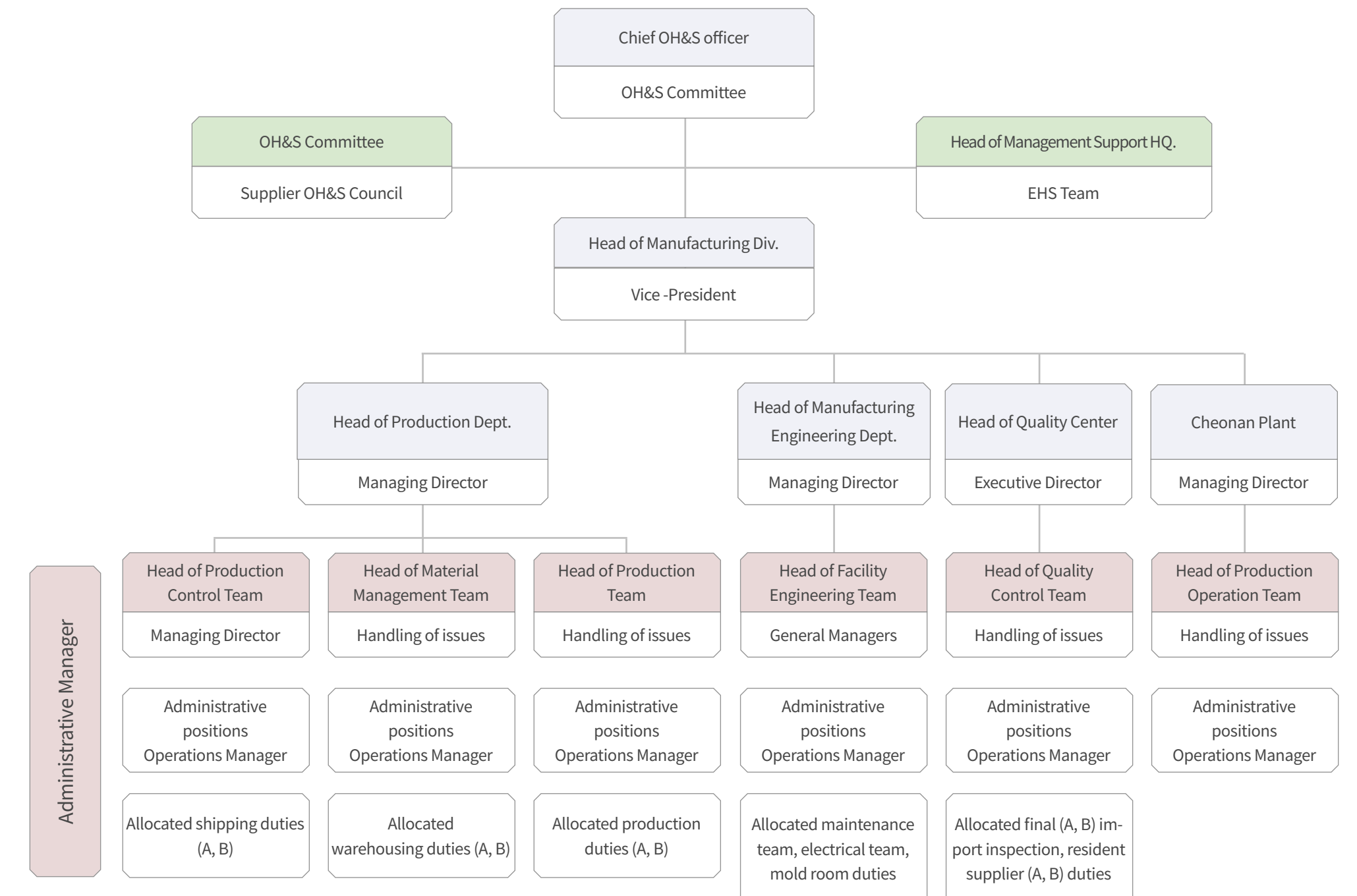
The health and safety of our workforce is central to our management decisions. We actively engage in various initiatives aimed at fostering a safe workplace and promoting employees' well-being. This commitment is reflected in the establishment and enforcement of a comprehensive OH&S management system.

- We have established a system to detect and eliminate potential hazards, ensuring comprehensive risk management to maintain a safe work environment.
- To ensure workplace safety, we adopt safety standards that exceed the legal requirements and consistently work to enhance our safety management practices accordingly.
- We encourage active participation and open dialog among our employees in OH&S activities, cultivating a culture where safe practices become an integral part of daily life at the workplace.
- We conduct various wellness activities aimed at preventing occupational illnesses, so we can our employees' quality of life and create a pleasant work environment.
- Furthermore, we maintain collaborative health and safety partnerships with our suppliers and stakeholders to safeguard the well-being of everyone at DY Deokyang.

Apr 1, 2024 DY Deokyang CEO

OH&S Management Governance

We have established an OH&S management governance structure, led by the OH&S Management Committee, with the essential roles held by the OH&S Committee, the Head of Management Support, and factory managers, while the production and quality management teams oversee the supervisory and control functions. Additionally, we have appointed a chief OH&S officer and an administrative manager to our in-house partner companies to ensure effective implementation of OH&S management governance.



Response to Serious Accidents Punishment Act

To comply with the Serious Accidents Punishment Act, we have developed and implemented an OH&S assessment tool and revised the existing procedures in line with the updated risk assessment guidelines.

Deployment of an OH&S Assessment Tool

As a part of our efforts to prevent occupational accidents, we have developed a tool for evaluating the health and safety standards of our partners when selecting contractors, service providers, and outsourcing providers. Assessments of existing suppliers who work at our premises in 2022 and new suppliers in 2023 are divided into regular assessments—for in-house subcontractors, construction companies, service providers, and outsourcing providers—and ad hoc assessments for one-time contracts. Their performance is rated according to five levels, and companies are reassessed semi-annually to update their rating.

Rating	Assessment Scores	Description
S	100~90	Excellent capability to safely perform contracted work
A	89~80	Basic capability to safely perform contracted work
B	79~70	Moderate competency in OH&S management related to contracted work
C	69~60	Basic-level OH&S management capability to carry out contracted work
D	Below 60	Limited OH&S management capability for contracted work

Revision of the Risk Assessment Procedures

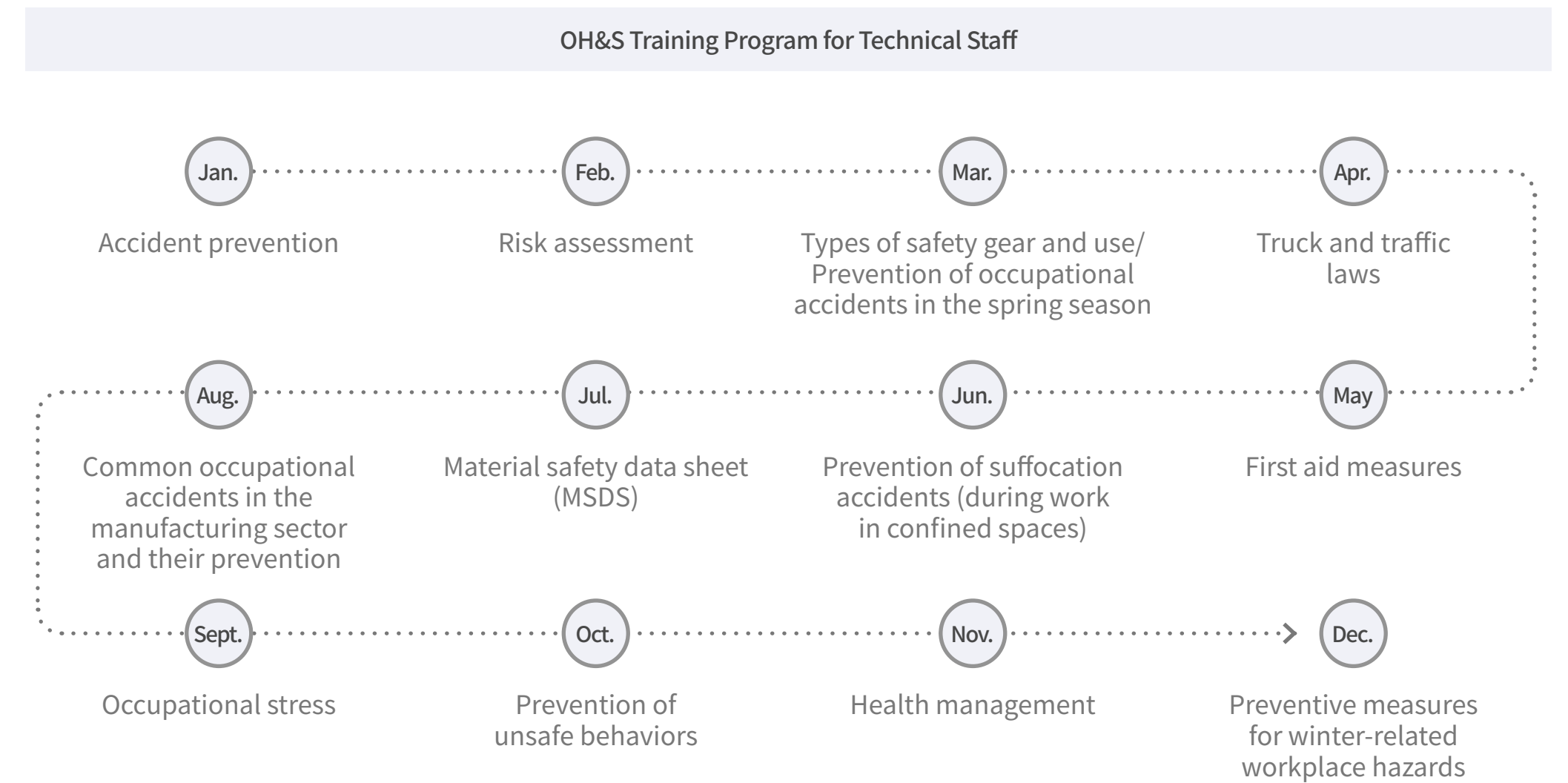
We have reestablished the internal risk assessment procedures in accordance with the revised risk assessment standards. As risk assessment in the existing procedures has become increasingly important, we have revised it in order to conduct a separate assessment apart from the environmental impact assessment (EIA). In addition, we have organized a training session to improve employees' understanding of the new procedure, and conducted a risk assessment with the participation of all our employees.

Risk Assessment

To comply with the Occupational Safety and Health Act, the Serious Accidents Punishment Act, and the Ministry of Labor's Workplace Risk Assessment Guidelines, in 2023-24 we carried out a comprehensive risk assessment aimed at proactively identifying, eliminating, and mitigating hazardous and harmful factors in the workplace. The assessment covered our Ulsan, Gyeongju, and Yesan plants, as well as six resident suppliers. A total of 88 risk factors were identified—59 in 2023 and 29 in 2024—all of which were listed as items requiring improvement in the previous assessment. Of these, 77 cases (87.5%) have already been resolved, with the remaining improvements scheduled for completion by June 30, 2025. The results of these assessments are posted on the in-house bulletin board and are disclosed to employees through regular health and safety training sessions.

Safety Training Program

We provide health and safety training to both administrative and technical staff. All our administrative staff successfully completed the quarterly training with a 100% attendance rate, and all our technical staff completed training with a full attendance rate.



Introduction of a Smart Safety Management App

We have introduced a Smart Safety Management App to enable our employees to use various features in real time. Such features include daily inspections by administrative managers, safety activities, maintenance, construction monitoring, training on standard safety practices, safety training, submission of safety suggestions and issues, and emergency alerts. All reports made in this way are collected by the app managers and handled in accordance with DY Deokyang's safety management process.



Safety Training Program

We are actively implementing measures to ensure a safer working environment. By focusing on regular risk assessment, we categorize and manage workplace hazards into machinery, facilities, and the work environment. To enhance the safety practices of our resident suppliers, we perform inspections and evaluations, advise them of areas that need improvement, and offer technical support. These inspections are conducted on a monthly basis, and the results are reflected in each supplier's overall safety evaluation scores. Additionally, we carry out quarterly inspections led by the management, while an external safety advisory committee composed of industry experts reviews and enhances the on-site health and safety standards as well as the safety management system.

To further prevent occupational accidents, we hold a safety resolution meeting aimed at raising safety awareness and fostering a safety culture among all employees and suppliers.

OH&S Management System Certification

We have acquired the occupational health and safety management system (ISO 45001) certification, which is applied at the Ulsan HQ, as well as at the Gyeongju and Yesan plants.

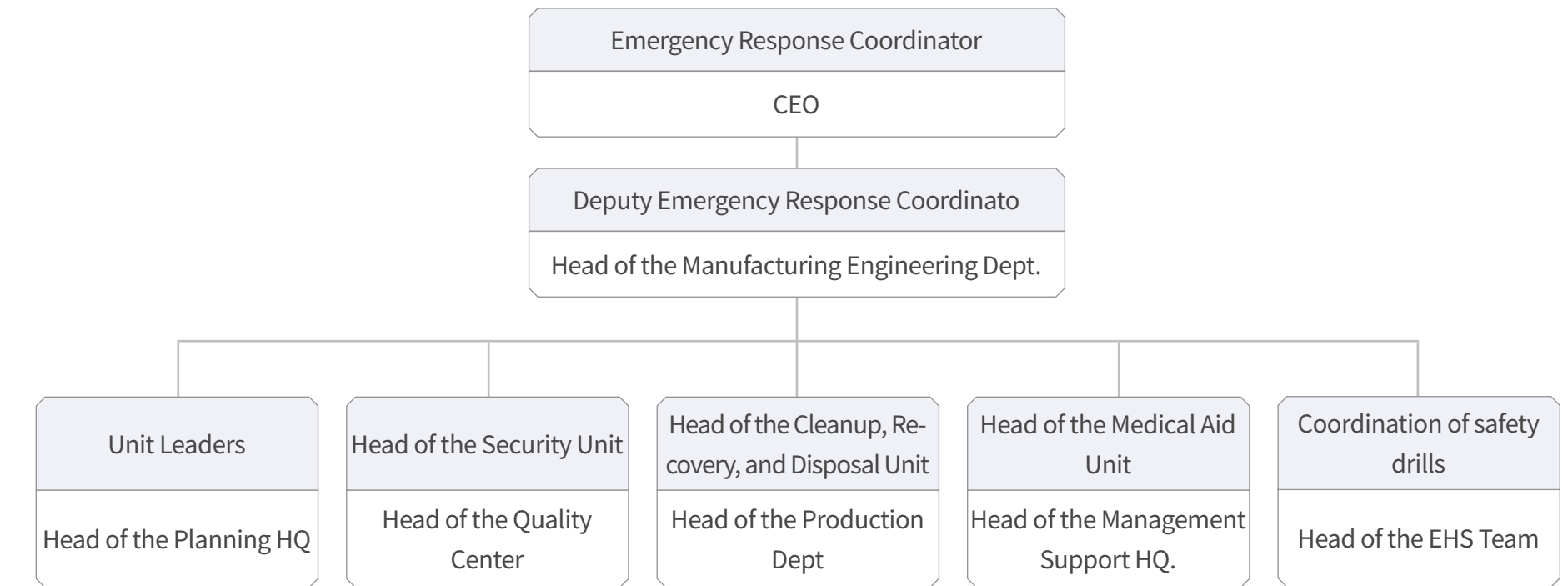


Emergency Readiness and Training

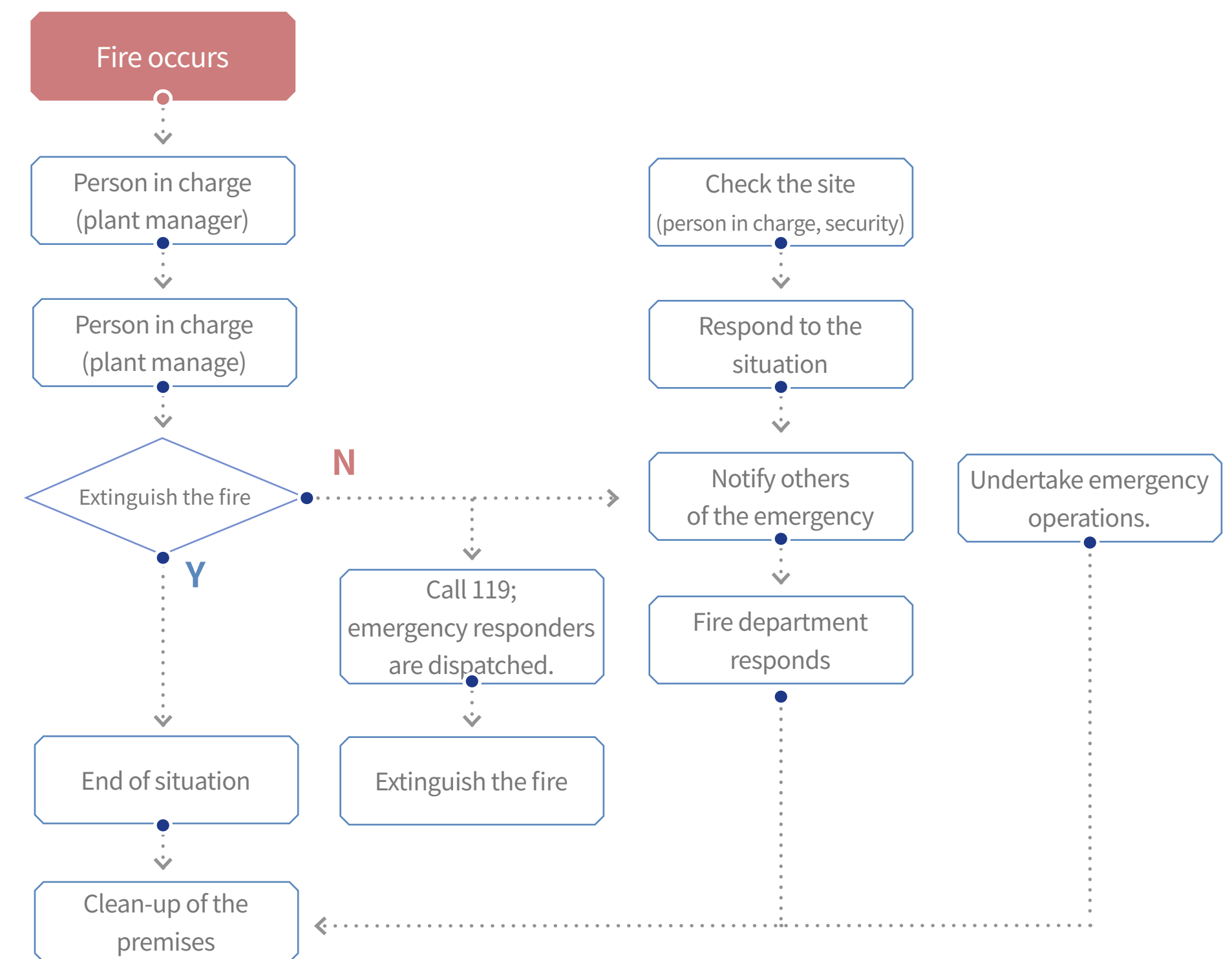
We have established an emergency response framework to address potential emergencies that may arise during our business operations. Emergencies are broadly categorized into environmental and safety-related incidents, and are further subdivided and managed according to specific scenarios such as hazardous material leaks, environmental pollution risks, oil tank damage, fires and explosions, damage to nearby areas, natural disasters, and power outages. Emergency situations are handled under the overall direction and control of the CEO, with a response structure organized around the heads of the Manufacturing Engineering HQ, Planning HQ, Quality HQ, Production HQ, and Management Support, each with assigned roles.

Emergency readiness training is conducted at least once each year, with additional drills held annually by individual teams. Led by the EHS Team leader, realistic emergency scenarios are developed, and pre-drills and training sessions are conducted in advance to ensure preparedness.

Emergency Response Organization Chart



Fire Emergency Manual



Wellness Activities

We undertake a wide range of initiatives aimed at enhancing our employees' health and well-being including monitoring to detect health issues related to the work environment, irregular duties, and the risk of musculoskeletal disorders. In 2024, we conducted health screenings as part of the ongoing management of our employees and completed both general and specialized checkups of 445 individuals who showed signs or symptoms of illness. We offered a musculoskeletal rehabilitation program comprising visits from external therapists specializing in stretching therapy, rehabilitative exercises, manual therapy, taping, and more, and we tracked patients' progress by reassessing their pain levels. In 2023, we conducted group safety and health training as well as health promotion activities with varying themes at an event celebrating the DY Safety Enhancement Month. Additionally, we launched the Cardiovascular Disease Awareness Campaign and ran a Happy Health Bus program to provide employees another chance to focus on their health.



Cardiovascular Disease Awareness Campaign



Happy Health Bus

Employee Wellness Programs

Blood Donation	Designed to address the blood supply shortage due to COVID-19 and encourage a blood donation culture.
Healthcare Room	Identifies ways to maintain and improve employees' health while tracking and managing key health concerns (i.e. musculoskeletal disorders, occupational illnesses) and providing health consultations, comprehensive medical checkups, distribution of protective gear, and medication support.
Smoking Cessation Clinic	Prevents the harmful effects of direct and passive smoking by offering specialized counseling services to employees seeking to quit smoking.
Mobile Mind Care Center	Designed to enhance employees' ability to deal with stress through individual stress assessments and to raise awareness of the importance of emotional well-being.
Flu Vaccinations	Free seasonal flu vaccinations.
Obesity management <small>*This initiative obtained a certification given to companies that offer their employees outstanding wellness programs.</small>	Employees with a Body Mass Index (BMI) of 25 or higher are selected for health monitoring and encouraged to improve their personal care using a smart home care app. Health care kits and incentives are also provided. <small>*BMI: Obtained by dividing a person's weight by the square of their height.</small>
CPR and First Aid Training	Equips employees with essential knowledge and skills to ensure an early response in emergency situations.

Safety Enhancement Month Event

To raise health and safety awareness among employees and foster a strong OH&S culture, we identified a variety of OH&S activities in 2024, and also organized an event to celebrate the Safety Enhancement Month, which aims to encourage both employees and suppliers to participate in OH&S activities.

Held over four weeks from August to September 2024, the event featured a DY OH&S campaign held jointly with our suppliers, a short video contest, and a four-line poem competition, with prize money of KRW 1.2 million awarded to the winners.



We also mounted a joint labor-management campaign promoting adherence to traffic laws and safe practices, with the labor union and factory teams working together to promote and guide in-house safe traffic practices. Additionally, we implemented specialized safety training focused on non-routine work. In particular, an on-site risk assessment was conducted to reexamine the findings of the 2023 assessment and to check the progress of corrective actions taken as a result of the assessment. This allowed us to review the overall safety status comprehensively.

In addition to safety efforts, the event included healthcare programs to assess the job stress and overall well-being of employees and suppliers' staff. Through the "See, Listen, and Speak (Life Guardian)" stress management program, employees received training on how to cope with work-related stress and received mental health support. Furthermore, to help our employees keep in good health, we also provide the Visiting Happiness & Health Service, which offers basic health screenings including blood sugar and blood pressure checks, as well as special checkups that include bone density and body composition checks. Apart from these initiatives, we held a walking event for DY and supplier staff with illnesses and recognized those who demonstrated performance based on their distance and step counts, and organized various hands-on wellness activities to encourage healthy lifestyle habits.

Customer Satisfaction through Quality Management

DY Deokyang places quality at the heart of its management philosophy, guided by the perspectives of our customers and consumers. To deliver zero-defect products, all items undergo rigorous statistical process control, quality assurance using the latest testing equipment, and strict inspection standards right from the receipt of raw materials, through the production process, to the final shipment of finished goods.

Quality Management Strategy

We are committed to operating the quality management system we have established in compliance with the standards with a proactive mindset focused on contributing to business goals. We will continue to work hard to improve the system that underpins these objectives.

To deliver top-tier products, we prioritize quality and implement preemptive measures to prevent defects. We have also acquired a quality certification in a bid to gain credibility as a dependable provider of high-quality products, and we continue to drive quality innovations as part of our commitment to customer satisfaction. By encouraging the active involvement of all employees and adopting a process-oriented approach, we seek to achieve continuous improvements. We take preventive measures to reduce customer complaints and identify potential quality issues before they arise. We also make ongoing efforts to listen to customer feedback and enhance our products.

Quality Management Policy

The aim of DY Deokyang’s quality management policy is to satisfy our customers.

We achieve this by delivering high-quality, safe products and services in a cost-effective, timely manner.

To meet customer expectations, a company must set quality goals that are aligned with its business environment, and establish a quality management system to achieve those goals, which every employee should strive to fulfill.

The quality management system, including the quality policy, must be documented and clearly understood, effectively applied, and continuously improved at all levels of the organization.

DY Deokyang CEO

Quality Management Vision



QUALITY MANAGEMENT

QUALITY MANAGEMENT GOALS

Delivering products of the highest quality by placing quality at the forefront of all our activities.

- Proactively securing preventive quality through early intervention.
- Gaining a competitive edge by acquiring recognized quality certifications.
- Driving customer satisfaction and exceeding expectations through quality-oriented innovations.

Quality Management Certification

We were included in the Hall of Fame as one of the “Excellent Quality Competitiveness Enterprises” organized by the Ministry of Trade, Industry and Energy (MOTIE), after being recognized for our ongoing commitment to outstanding quality management. To meet the quality system standards of the automotive industry and enhance our external credibility, we acquired the IATF 16949 certification, which is applied to the HQ as well as the Ulsan and Gyeongju plants. Furthermore, our US Corporation has acquired the ISO 9001 certification and implemented a quality management system.



Sharing Quality Information with Suppliers

We actively promote improvements in the quality of the parts provided by our suppliers by sharing plans to achieve our quality goals and ensure consistency across the supply chain.

In January 2024, we held a seminar to outline our core quality objectives, exchange insights on fundamental problem-solving and preventing defects and poor quality, and provide updates on quality trends in our industry. The seminar also served as a venue for introducing effective methods of analyzing the root causes of quality issues, enhance communication, and reinforce consistency in quality standards. In April, we held a quality exchange meeting to review recent issues, share the findings of quality inspections, and prevent the recurrence of non-compliant quality cases. In September, we had an opportunity to share incoming inspection performance and allow suppliers to exchange information, and discussed ways to internalize the business culture with an emphasis on quality.



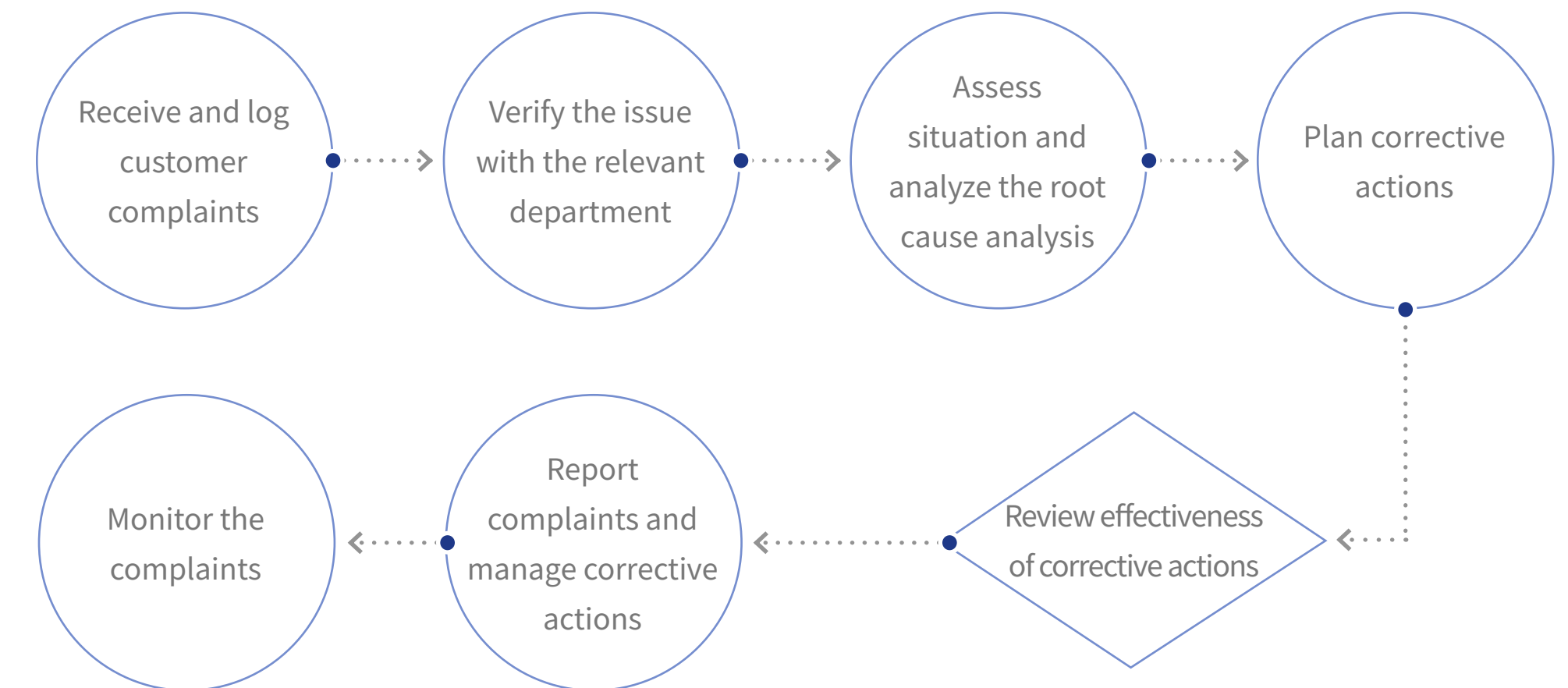
Pursuit of Customer Satisfaction

We listen constantly to customer complaints and quality issues by monitoring the customer system (HMG Partner) and official documents, and address them accordingly.

Status of Customer Complaint Handling (based on registered data)



Customer Complaint Handling Process



Global Excellence Award in Quality Management from KSQM

In recognition of our contribution to national industrial development, quality management practices, and excellence in fulfilling our corporate social responsibility, we were honored with the Global Excellence Award in Quality Management by the Korean Society for Quality Management (KSQM) at the 2024 Spring Conference.

Moving forward, we will remain committed to engaging with our customers, suppliers, and local communities, sharing our vision, and supporting technological advances and new business initiatives. Furthermore, we will contribute to the growth of the automotive industry and national competitiveness by pursuing consistent quality management and operating an uncompromising quality management system.



Hall of Fame Status as an Excellent Quality Competitiveness Enterprise

At an awards ceremony hosted by the Korean Standards Association (KSA), we received the honor of being inducted into the Hall of Fame as one of the “Excellent Quality Competitiveness Enterprises” for a tenth consecutive year. The KSA highly evaluated our superior performance in thirteen evaluation topics that included quality systems and customer satisfaction.

We will continue with our efforts to gain a competitive advantage globally and become a leading manufacturer of automotive parts, while driving forward the future of the auto parts industry by building a quality management system capable of responding effectively to the fast-changing global automotive market.



Overview

ESG System

Environmental

Social

Our People

Human Rights Management

Shared Prosperity Management

Occupational Health and Safety

Quality Management

Social Contributions

Governance

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Social Contributions

Guided by our management philosophy of being "a company that prioritizes social responsibility," we are faithfully fulfilling our social responsibility by supporting the development of local communities, and providing resources to seniors and people in need. We will continue supporting the growth of our local communities and thereby win greater trust and recognition.

Social Contribution Strategies

We consider improving our stakeholders' quality of life to be the ultimate objective of our business activities. Accordingly, we are actively implementing community development programs aimed at increasing stakeholders' happiness.

Through collaborative efforts between labor and management, we raise social contribution funds for the protection of underprivileged groups and the development of the automotive industry. The Joint Labor-Management Committee engages with the beneficiaries in order to allocate the funds to diverse programs designed to stabilize the living conditions of vulnerable groups and provide educational opportunities for children from low-income families. In this way, we are making concerted, ongoing efforts to provide practical support. Looking ahead, we will expand our community development programs for the healthy development of local communities and the industrial ecosystem, driven by the voluntary participation of DY Deokyang employees.

Social Contribution Governance

Under the leadership of the CEO, the General Affairs Team (which is under the Management Support HQ) devises and executes social contribution strategies.








Sponsorship of the Self-Made Car Competition for College Students

We have been a consistent sponsor of the Self-Made Car Competition for College Students organized by the Korean Society of Automotive Engineers (KSAE) for some years. For this event, college students from around the country majoring in automotive engineering compete to design and make their own cars and win awards in two categories, namely the Baja Off-road Race and the Technical Design test, in which cars are tested in varying road conditions. The event serves as a platform to evaluate the competitors' technical skills that are actually required in the real world and to test their creativity. Over time the contest has evolved into a festival of future automotive experts.



Donations and Distribution of Goods

Through the voluntary participation of our employees in 2024, we contributed a total of KRW 26.53 million in donations and goods in collaboration with an in-house volunteer group. In the future, we plan to engage in more volunteer activities to promote inclusive growth with our local communities.

 <p>In-Home Elderly Care Center, Buk-gu, Ulsan</p> <ul style="list-style-type: none"> » Donated 70 bags of rice. » Participated in a kimchi-making volunteer project. » Offered monthly financial aid of KRW 250,000. 	 <p>Kingdom Duroo</p> <ul style="list-style-type: none"> » Donation to the Kingdom Duroo Space Development Project. 	 <p>Korean Red Cross Ulsan North Fire Station</p> <ul style="list-style-type: none"> » Supplied 300 powder-based fire extinguishers (3.3kg each).
 <p>Ulsan Buk-Gu Sports Association</p> <ul style="list-style-type: none"> » Donation to One-Heart Sports Promotion Fund for Buk-gu residents 	 <p>Compassion Korea</p> <ul style="list-style-type: none"> » Sponsored the 2024 Christmas Compassion event. 	 <p>Ulsan Buk-Gu Volunteer Center</p> <ul style="list-style-type: none"> » Sponsored the Ulsan Buk-gu Volunteer Festival.

Overview

ESG System

Environmental

Social

Governance

Governance

Compliance & Ethic

Data Security

ESG Risk Management

Appendix

Governance

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Appointment and Structure of the Board of Directors

At DY Deokyang, the Board of Directors is the highest authority in corporate management, as granted by shareholders under the applicable laws and regulations and the company’s Articles of Association. The Board is responsible for making decisions, aligning diverse stakeholder interests, and increasing company value.

The Board reviews and approves major issues such as investment strategies, internal transactions, conflicts of interest, transparent compensation, risk management, and ways to increase corporate sustainability. The Board is composed of five internal directors and three independent directors. The Chairman of the Board (COB) also serves as the Chief Executive Officer (CEO).

Board Composition

As of June 2025

Category	Name	Gender	Background	Tenure	Board Skill Matrix				
					Management/Economy	Finance/Accounting	Sustainability	Risk Management	Global
Internal Directors	Ha Ran-soo	Female	• (Current) Honorary Chairman, DY Deokyang	Until Mar 25, 2028				●	
	Lee Kook-jin	Male	• (Current) Chairman, DY Deokyang • (Formal) IBM Korea	Until Mar 26, 2027		●			
	Yun Sung-hee	Male	• (Current) CEO, DY Deokyang • (Formal) VISTEON	Until Mar 25, 2028	●	●			●
	Bae Ungyo	Male	• (Current) CEO, DY Deokyang • (Formal) Managing Director, LG Innotek	Until Jun 24, 2028	●			●	●
	Mun Kyeo-ng-ho	Male	• (Current) CEO, DY Deokyang • (Formal) Hyundai Mobis	Until Mar 25, 2028			●	●	
Independent Directors	Seo Jong-hwan	Male	• Professor of Mechanical Engineering, Sungkyunkwan University • Department Chairman, Korean Society for Composite Materials	Until Mar 26, 2027			●		●
	Kang Moon-chul	Male	• (Formal) Deputy Head of the Purchasing Division, Hyundai Motor Company • Iljin Group	Mar 26, 2026		●			●
	Park Jang-woo	Male	• Chief Prosecutor, Tongyeong Branch, Changwon District Prosecutors’ Office • Attorney at Law, Lee & Ko	Until Mar 25, 2028	●			●	

Board Composition

Of the eight members on DY Deokyang’s Board of Directors, three are independent directors. DY Deokyang is not legally required to establish a director nomination committee as it is not a company whose assets exceed KRW 2 trillion, as provided under Article 34.2 of the Commercial Act. However, we conduct a thorough internal approval process when reviewing candidates for both internal and independent director positions, and then evaluate their qualifications and independence before nominating them for appointment at the general meeting of shareholders (GMS).

Legal eligibility and other requirements are carefully reviewed by requesting a qualification confirmation letter to ensure the validity of their appointment. Moving forward, we plan to review the relevant policies and regulations in order to enhance our director appointment process. As part of this effort, we will consider forming and operating a Director Nomination Committee to further strengthen the transparency and independence of our Board governance.

Board Diversity

DY Deokyang does not restrict eligibility for the post of director based on gender, nationality or other similar criteria, focusing instead on independence and expertise.

While Article 165-20 (Special Provisions on Gender Composition of the Board of Directors) of the Capital Markets Act does not apply to the company, we are committed to enhancing diversity and inclusion in our decision-making process, and accordingly appoint female independent directors.

Board Expertise

The Board is composed of professionals with extensive experience and expertise in diverse areas such as the automotive industry, corporate management, law, accounting, and sustainability. This diverse expertise enables effective checks and balances in management, allowing the Board to identify risks and opportunities early on and respond with timely, informed decisions.

To support the activities of our independent directors, the relevant departments provide comprehensive assistance, including support in meetings, information on key management issues, and operational updates. We are committed to enhancing the Board’s effectiveness through training. We also plan to offer regular education programs to deepen the directors’ understanding of their roles and responsibilities. Furthermore, newly appointed directors will receive onboarding sessions that cover corporate governance and their specific duties within the Board.

Performance Review and Compensation

When appointing or reappointing independent directors, we evaluate a range of factors including professional expertise, fairness in performing one’s duties, ethical responsibility, commitment to the role, and diversity. Compensation for independent directors is provided within the approved limit set at the GMS. To ensure transparency, the details of their compensation are disclosed each quarter via the electronic disclosure system (DART).

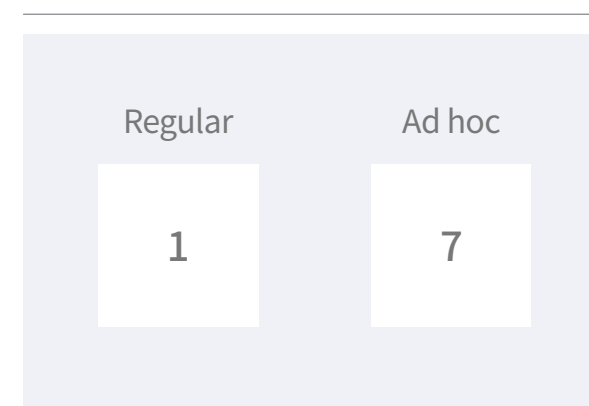
Board Operations

The Board of Directors holds regular board meetings and ad hoc meetings according to the Board Operation Policy. It reviews and makes decisions on key corporate matters, including those related to the GMS, amendments to the Articles of Association, major policies, business operations, financial issues, and matters concerning the directors themselves. The directors are notified of meeting agendas at least seven days in advance to allow sufficient time for review and consideration. Efforts are also being made to improve their attendance at and engagement in the meetings. In 2024, eight Board meetings were held in total, with an average attendance rate of 65%.

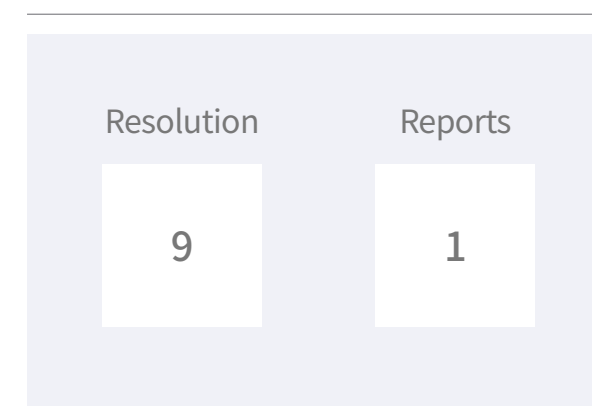
Major Board Decisions

Meeting No.	Date	Agenda	Approval Status	Attendance
1	Jan 30, 2024	Reviewed the inspection results and the evaluation report on the operational status of the internal accounting management system.	Approved	63%
2	Mar 5, 2024	47th meeting of the GMS plus one agenda item.	Approved	71%
3	Mar 19, 2024	Opening of a new branch.	Approved	71%
4	Jun 24, 2024	Acquisition of shares in a new subsidiary in Indonesia.	Approved	63%
5	Jul 8, 2024	Relocation of a branch.	Approved	63%
6	Aug 7, 2024	Extension of the facility loan due date with the Korea Development Bank (KDB) plus one agenda item.	Approved	63%
7	Aug 13, 2024	Opening of a new branch.	Approved	63%
8	Nov 27, 2024	New facility loan agreement with KB Kookmin Bank.	Approved	63%

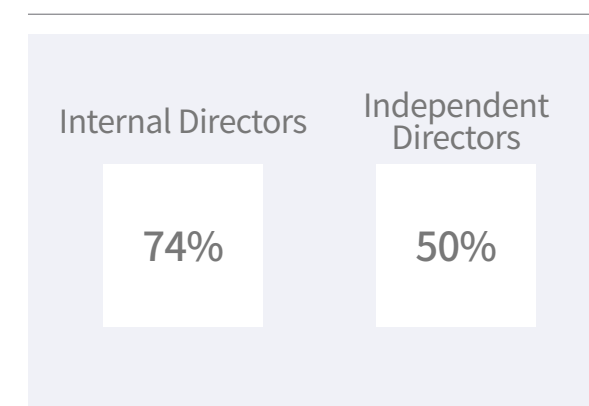
No. of Board meetings held



No. of agenda items discussed



Attendance



Internal Audit Body

While we do not operate an audit committee, a resident auditor appointed by a resolution at the GMS is responsible for conducting internal audits. The auditor brings extensive expertise and experience to the role. To ensure his or her independence, the auditor is granted full access to corporate data and is authorized to consult external experts when necessary to perform the audit duties faithfully and objectively.

Corporate Risk Management

Considering internal and external factors, as well as stakeholder expectations, we continuously monitor risks in order to identify and mitigate potential risks across the entire organization. When identified, potential risks are reported promptly to the Board or Executive Meeting, enabling proactive decision-making and response. When risks occur, the relevant departments are tasked with establishing and implementing risk mitigation plans. For critical matters, reports are submitted to the Executive Meeting and the Board for deliberation and resolution.

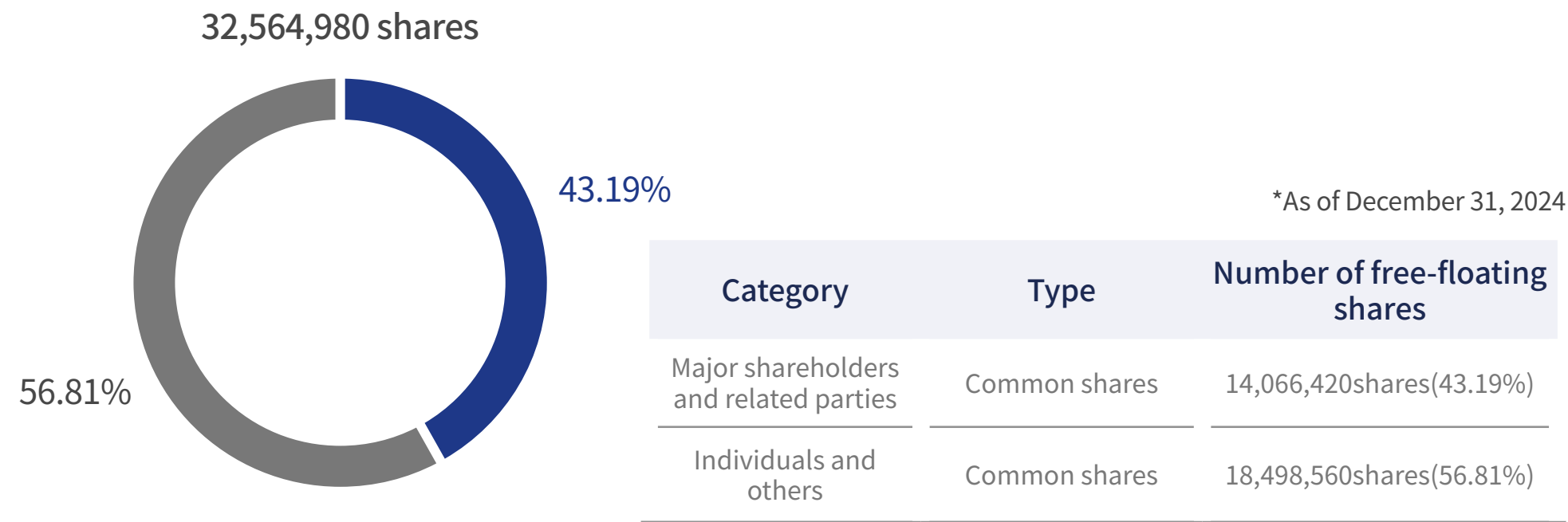
Internal Accounting Management

We have established an internal accounting management system to ensure the reliability of our financial statements, which are prepared in accordance with the prevailing corporate accounting standards and the internal accounting management policy. This system supports the efficient oversight and management of the accounting process. To this end, we have established our own accounting policy, internal accounting management policy, and auditor duty guidelines. The CEO holds overall responsibility for the operation of the internal accounting management system, conducts an annual review of its effectiveness, and reports its operational status to the GMS.

Protection of Shareholders' Rights

We aim to protect and enhance the rights and interests of our shareholders through our Corporate Governance Charter, which outlines our framework for corporate governance. To ensure that our shareholders can exercise their voting rights effectively, we provide advance notice of the GMS within the minimum required period, and have adopted an e-voting system for greater convenience.

Shareholder Status



Shareholder Return Policy

To increase shareholder value, we provide regular dividends and are currently determining the amount of the dividend with a focus on delivering shareholder returns that align with the company's growth and long-term interests.

Category	Unit	2023	2024
Types of dividends	-	Cash	Cash
Dividend per share (DPS)	KRW	50	50
Total amount of dividends	KRW	1,621,379,000	1,621,379,000
Dividend yield	%	0.9	1.7
Dividend payout ratio	%	36.4	9.7

Convening and Holding the GMS

We provide shareholders with all the information required to enable them to exercise their rights effectively, at least two weeks prior to the GMS. Relevant materials, including the business report and audit report, are made available through official disclosure channels such as the company website, enabling shareholders to fully review the agenda before the meeting. Additionally, we have implemented an e-voting system to allow more convenient and efficient exercise of shareholders' voting rights.

Category	48th GMS	47th GMS	46th GMS
Date of meeting notice	Mar. 10, 2025	Mar. 11, 2024	Mar. 14, 2023
GMS date	Mar. 25, 2025	Mar. 26, 2024	Mar. 29, 2023
Notification	Posted on the company website one week prior to the meeting.	Posted on the company website one week prior to the meeting.	Posted on the company website one week prior to the meeting.

Transparent Disclosure and Communication

DY Deogyang explains major corporate issues by engaging in proactive communication with all its stakeholders, including shareholders, and also provides updates on its business performance, finance, major disclosure status, R&D progress, ESG-focused management activities, and public relations materials.

[Visit the company website ▶](#)

Ethical Management System

Grounded in our corporate motto of responsibility, we strive to be a company that fulfills its corporate social responsibility, pursues fair profits, and upholds a transparent and sound management structure. In pursuit of mutual benefit with all stakeholders, we have established a Code of Ethics that reflects the principles of proper conduct and sound judgment, and which all our employees are required to follow.

Code of Ethics

[See the full Code of Ethics ▶](#)

DY Deokyang aims to be a global company that contributes to the dreams of human society by creating a new future through creative thinking and endless challenges. The practice of ethical management is the foundation for this, and DY Deokyang must comply with this ethics charter to become a trustworthy partner for various stakeholders and increase customer value. The scope of application of the Code of Ethics is all of DY Deokyang’s current and former executives and employees (including executives, employees, and non-regular workers), and DY Deokyang’s executives and employees shall act in accordance with this Code of Ethics when dealing with external stakeholders whose rights and interests are affected by the actions or decisions of executives and employees related to work. DY Deokyang’s executives and employees shall perform their work in accordance with this Code of Ethics while complying with laws and regulations. Furthermore, they shall encourage all stakeholders who have business relationships with the company to respect this Code of Ethics.

- i . We conduct business with honesty and fairness based on high ethical values, and take the lead in preventing corruption and creating a clean corporate culture.
- ii . We always think and act from the customer's perspective, and provide high-quality services that meet the customer's needs and expectations in a timely manner, thereby providing joy and comfort to the customer.
- iii. We pursue common development with all stakeholders by building mutual trust and cooperative relationships in ethical management.
- iv. We respect each member as an independent individual, and to this end, we provide fair working conditions and focus on improving the health and quality of life of our employees.
- v . We comply with all domestic and international laws and regulations and fulfill our responsibilities and obligations to ensure that our country and society are sound, prosperous, and further developed.
- vi. We respect life and strive to prevent safety accidents and environmental pollution in order to create a clean natural environment, and we support the Science Based Targets Initiative (SBTi) activities.

Feb 28, 2024

DY Deokyang CEO

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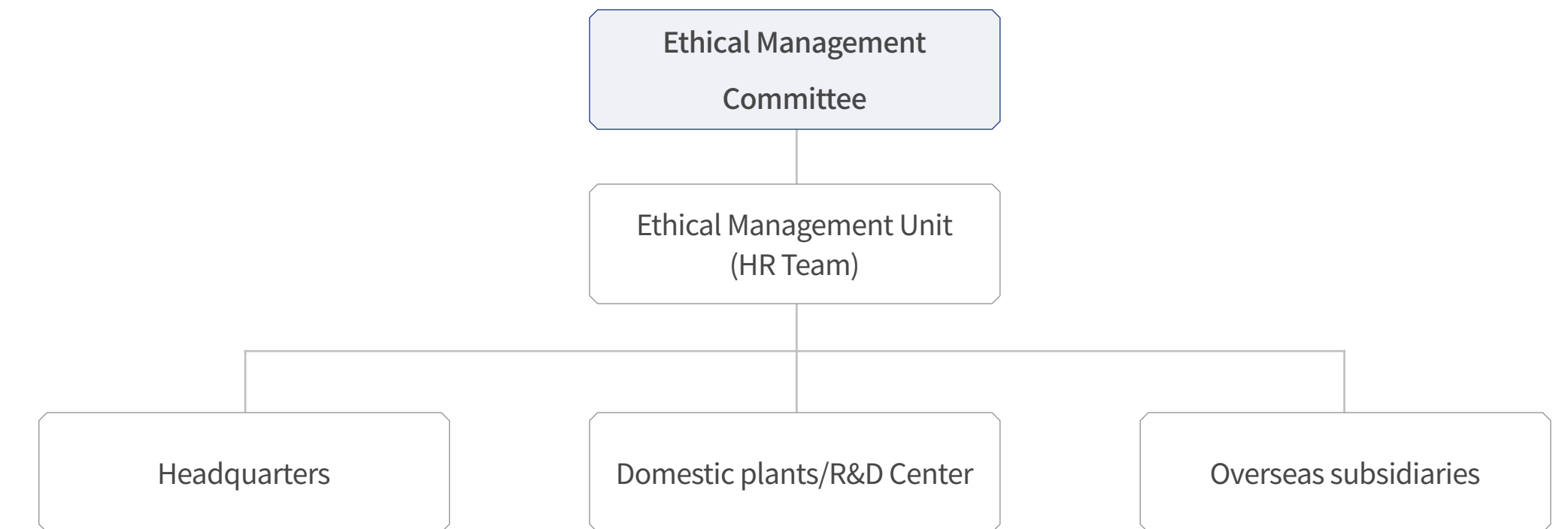
Ethical Business Management Guide

To embed ethical practices as a core principle of our corporate management and operations, we have established the Ethical Business Management Guide.



Ethical Management Unit

We have established the Ethical Management Committee as the highest authority for ethical decision-making so as to strengthen the implementation of ethical business management. This system applies both to our domestic operations and our overseas subsidiaries.



Anti-Bribery Management System

In 2025, we obtained the Anti-Bribery Management System (ABMS) certification.

All our employees and representatives are strictly prohibited from offering, promising, giving, soliciting or accepting bribes in any form. We adhere to a zero-tolerance policy for bribery and corrupt practices. Each year, we assess internal and external factors that may impact ethical business operations. We make a list of stakeholder expectations that are reviewed and incorporated into our goals and initiatives. Thanks to our robust ABMS, the strong commitment of our leadership, and the active participation of all our employees, no cases of bribery have been reported over the past three years.

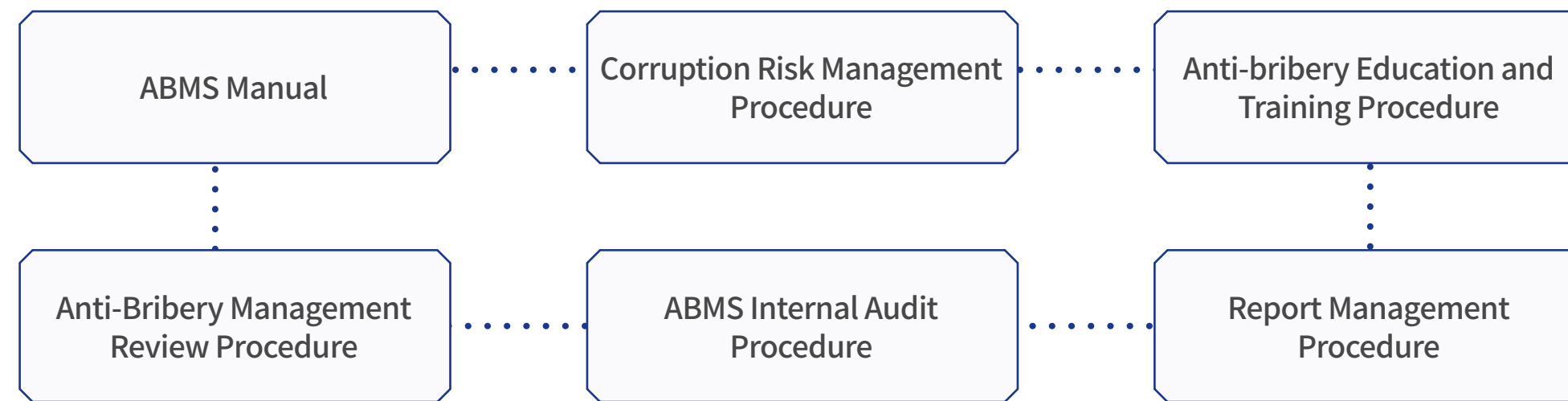


Efforts to Embrace Ethical Business Practices

To foster an ethical corporate culture, we conduct an annual employee survey to gauge their perceptions of ethical business practices and align corporate values with those of our employees. In addition, we provide ethics training and require all employees to sign a pledge of compliance as part of our commitment to ethical conduct.

ABMS Manual

We have introduced and regularly update our ABMS to promote a thorough understanding of ABMS and to ensure that all business activities follow a structured and responsible process. In particular, the ABMS includes not only an ESG Code of Conduct and an independent ESG assessment guide for DY Deokyang, but also for our suppliers to assist them in understanding and adopting ethical and anti-bribery practices.



We assessed employees' perceptions of ethical business management in order to understand their current state of awareness of the need for ethical business management and to promote ethical practices. In 2024, we conducted a survey covering 20 factors, including employees' perceptions of ethical business management, implementation status, and the whistleblowing system, and we plan to continue refining those factors as needed.

<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;">Anti-Bribery Management Review Procedure</div> <ul style="list-style-type: none"> ○ Need for ethical business practices. ○ Willingness to implement ethical management. ○ Measures for handling violations. 	<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;">ABMS Internal Audit Procedure</div> <ul style="list-style-type: none"> ○ Compliance with the Code of Conduct Practice Guidelines. ○ Experience with or observation of unethical behavior. ○ Ethical conduct in dealing with business partners. 	<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;">Report Management Procedure</div> <ul style="list-style-type: none"> ○ Internal whistleblowing system. ○ Promotion of the whistleblowing system.
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Ethics Training and Pledge of Compliance

Every year, we provide ethics training and require all employees to sign a pledge of compliance to improve their understanding of and commitment to ethical business practices. In 2024, we conducted the training and pledge successively from December 5 to 18. The training covered not only the fundamental principles of ethical business management, but also included practical case studies that employees may encounter in real-life business scenarios, emphasizing the development of ethical decision-making skills. Employees were also trained on the whistleblowing process for reporting ethics-related concerns; while the internal auditors across all divisions received specialized training to ensure their proper understanding and application of the ABMS.

Category	Unit	2022	2023	2024
No. of employees who completed the training	people	834	881	885
Percentage of employees who completed the training	%	100	100	100
Percentage of employees who made the pledge of compliance	%	100	100	100

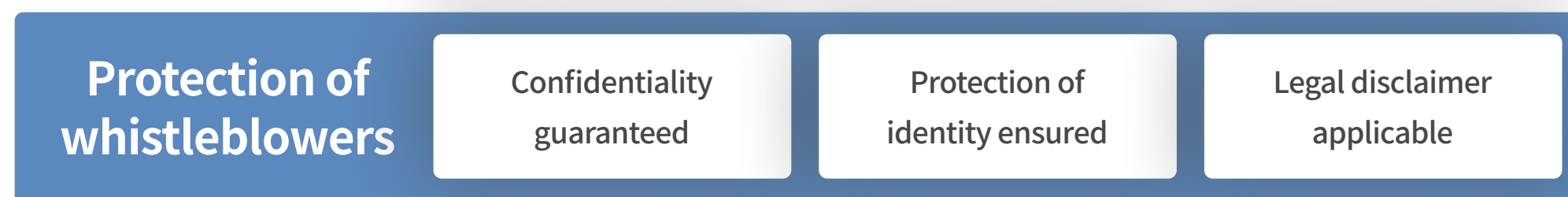
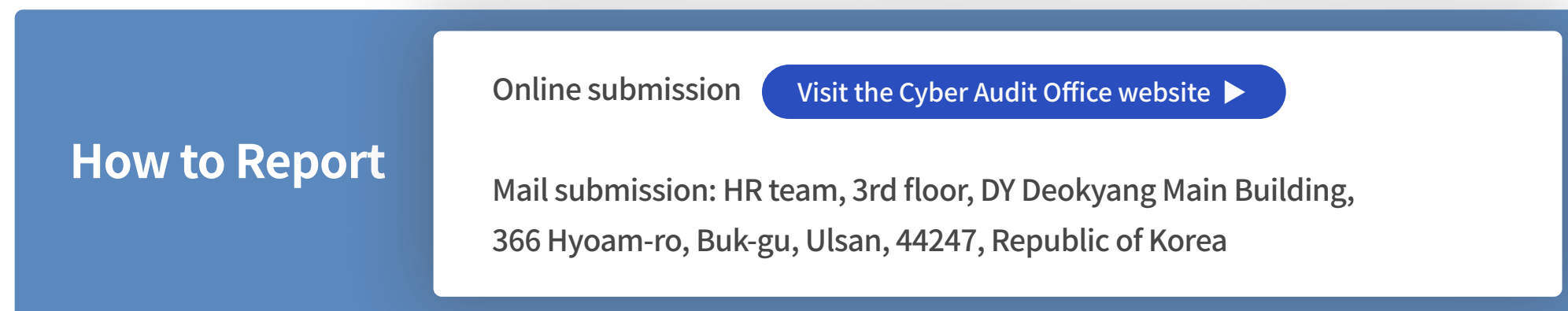
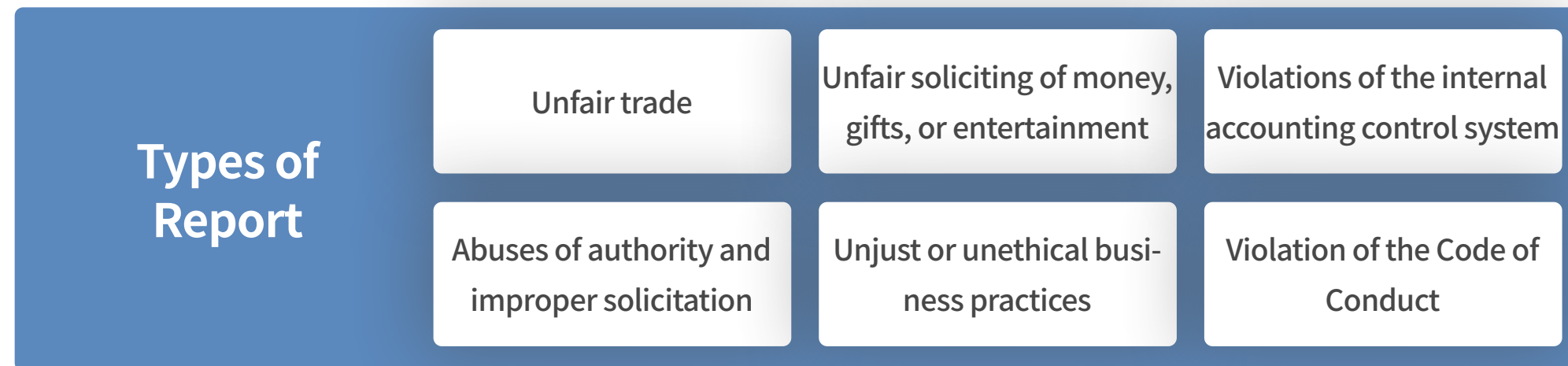


Bribery Reporting System and Handling Process

We have put in place a bribery reporting system rooted in a zero-tolerance policy toward unethical conduct. All employees and stakeholders work collectively to keep one another in check and prevent corruption in our business relationships.

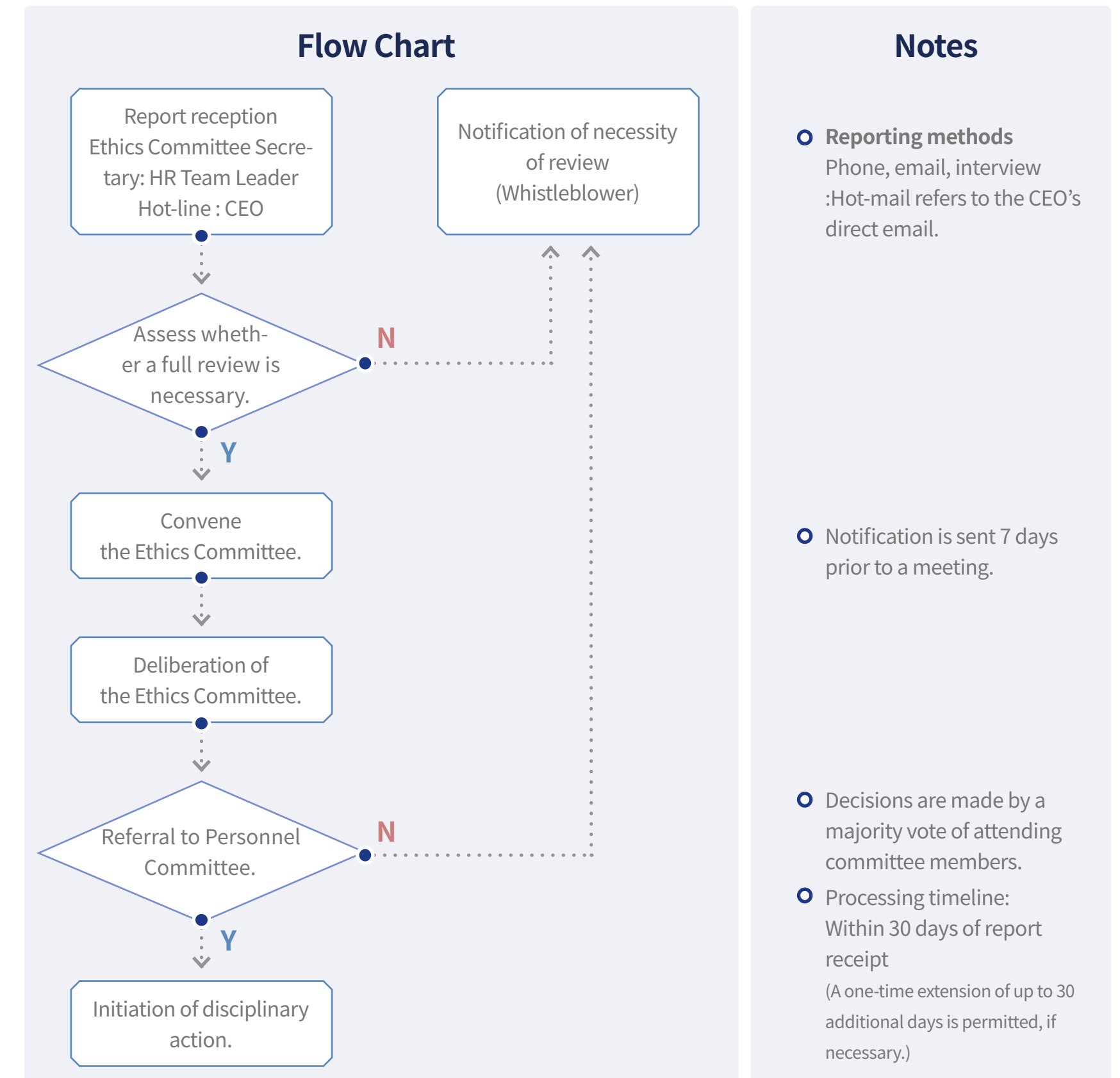
Cyber Audit Office

Our Cyber Audit Office promotes transparent and fair ethical business management. It accepts reports of corrupt behavior not only from DY Deokyang’s employees but from all stakeholders in order to promote ethical business management. Each report undergoes a rigorous fact-checking process, and both the whistleblower’s identity and the details of the report are kept strictly confidential to ensure safe and anonymous reporting.



Ethics Training and Pledge of Compliance

For all ethics reports received, we ensure strict confidentiality and fairness by following proper procedures, including verification by the relevant departments and review by the Ethics Committee, to deliver prompt and just resolutions.



Data Security System

We have established a robust data security system to protect the valuable assets of DY Deokyang and its stakeholders. To maintain a high standard of data security, we have also implemented a comprehensive data security policy and governance framework and acquired a certification for our data security management system.

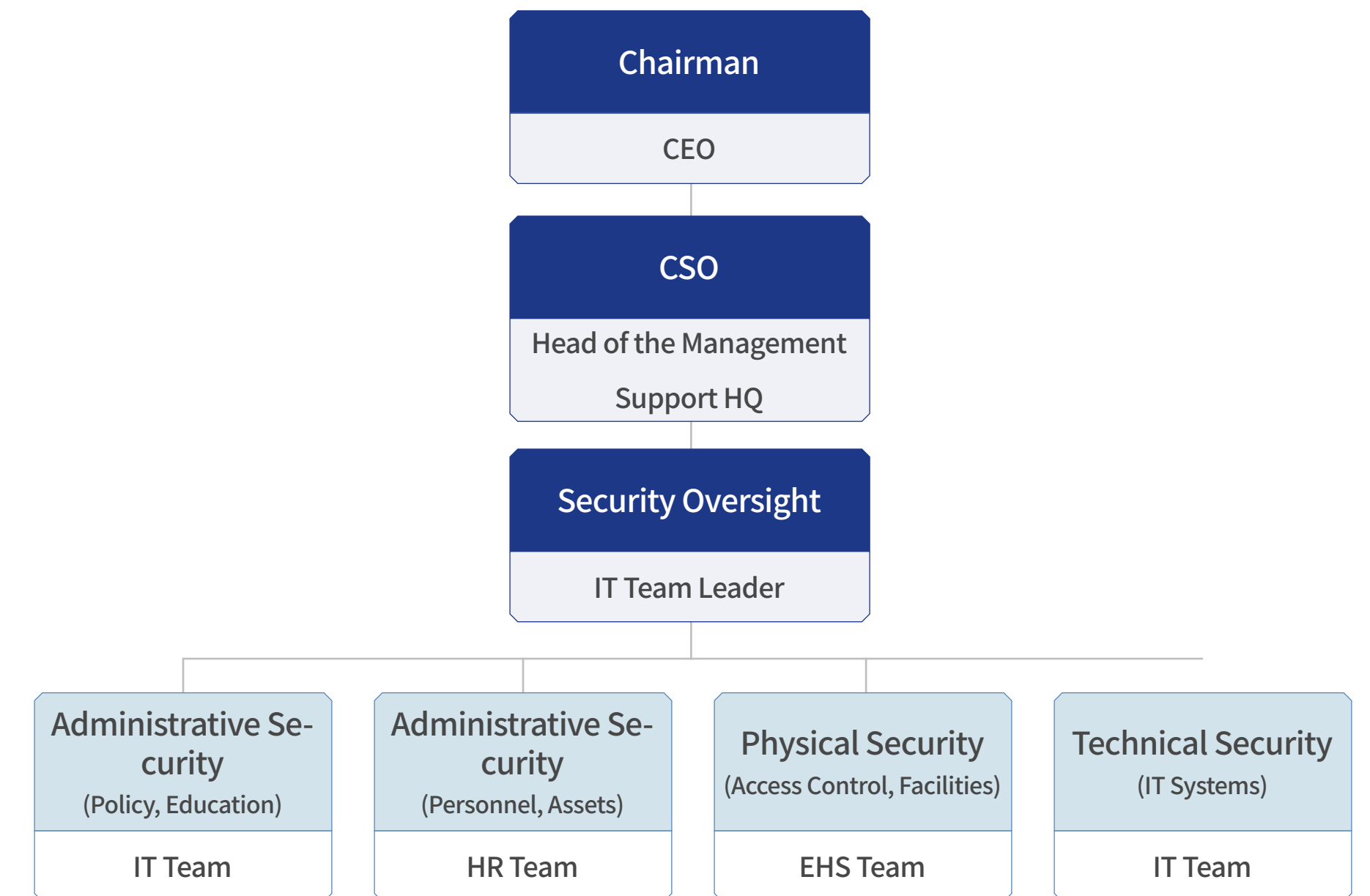
Data Security Policy

Our data security policy, introduced in 2009, is regularly reviewed and updated to remain effective and aligned with evolving standards. This policy applies not only to DY Deokyang’s employees but also to visitors and all business partners. It serves as a fundamental principle of corporate management to ensure that all essential elements of our business operations are safeguarded from unauthorized access, leakage, or misuse.

Category	Key Management Elements	
Administrative Security	<ul style="list-style-type: none"> Operation of a security unit Security training Management of security violations Handling of classified documents 	<ul style="list-style-type: none"> Collection of security pledges Management of retirees Classification of information assets Security inspections
Physical Security	<ul style="list-style-type: none"> Designation and management of restricted areas Access control for entry/exit of physical assets 	<ul style="list-style-type: none"> Use of security cameras and facility surveillance
Technical Security	<ul style="list-style-type: none"> User security guidelines System-level security controls Management of IT security incidents 	<ul style="list-style-type: none"> Network security Operation of security systems
Research Security	<ul style="list-style-type: none"> Management of responsible departments and research personnel Secure execution and oversight of research projects Handling of sensitive research data 	

Structure of the Data Security Unit

Our Data Security Unit is led by the CEO, who serves as its chairman. To establish a systematic foundation for data security, we have appointed a Chief Data Security Officer, established a Security Oversight Department, and designated responsible departments across all sectors.



Data Privacy Unit

We have appointed a Chief Privacy Officer (CPO) at the executive level and designate both the CPO and personal data handlers based on departmental responsibilities to ensure effective personal data management.

Certification of the Data Security Management System

DY Deokyang has been certified under Hyundai Motor Group’s Information Security Management System.

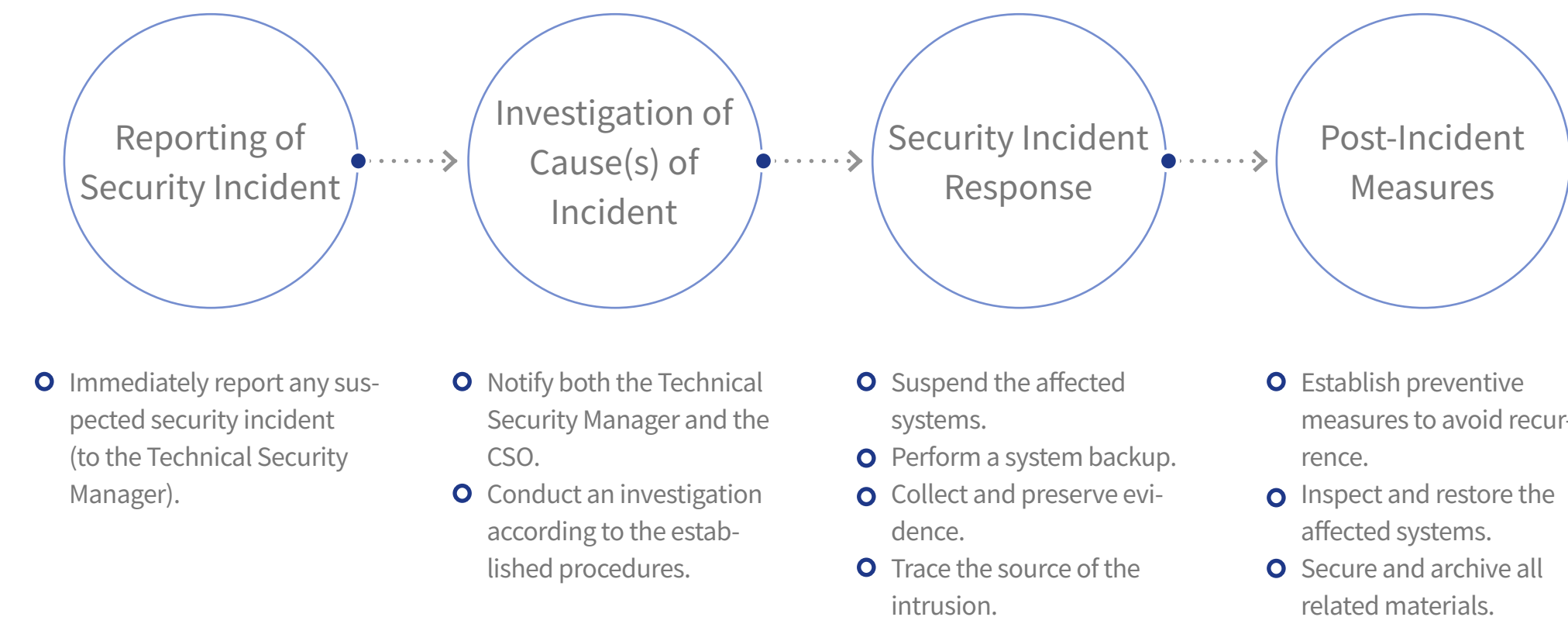
Hyundai Motor Company evaluates its suppliers across three categories—administrative security, technical security, and physical security—granting certification only to those who meet the required standards.

We have been assessed on various factors, including our overall data security posture, security policies, data asset classification standards and implementation status, security operation plans, and track record of improvements, ultimately earning recognition for operating a high-level security management system.



Data Security Incident Response Process

We place the highest priority on preventing data security incidents. In the event of an incident, we act swiftly to identify the root cause, minimize damages, and implement preventive measures to avoid the recurrence of similar incidents.



Data Security Diagnosis

We conduct an annual data security audit to assess our overall corporate security posture. The evaluation covers designated topics outlined in our data security policy, including compliance, administrative security, and technical security. In 2024, 28 departments were audited, receiving an average score of 91.9. To strengthen data security awareness across the company, we regularly conduct internal audits. Additionally, we designate one day per quarter as “Data Security Day” with the aim of encouraging each department to proactively review and reinforce their own practices.

Data Security Training

We provide mandatory annual training on data security for all our employees. The training is tailored according to employees’ roles and responsibilities in order to raise awareness and improve adherence to the company’s data security policies.

Category	Target Group	Description	Scheduled Dates
Security training for new employees	New and experienced employees	<ul style="list-style-type: none"> Raising security awareness. DY’s security management posture (i.e. personnel, documents, information, facilities). 	As needed
External security training	Security TFT personnel	<ul style="list-style-type: none"> Strengthening security capabilities across all fields (technical/administrative/physical). 	As needed
Staff & executive security training	On-site workers	<ul style="list-style-type: none"> Improving perceptions of security. Raising awareness of personal data protection. 	By Nov.
	Administrative positions	<ul style="list-style-type: none"> Raising security awareness. Improving perceptions of security. 	By Nov.
Security training for security managers	Team security managers	<ul style="list-style-type: none"> Raising security awareness. 	By Nov.

Risk Management System

To enhance the stability and predictability of corporate sustainability, we proactively identify and manage financial and non-financial risks in a comprehensive manner. We assess potential risks arising from both domestic and international operations and analyze their possible impact in order to implement effective risk management strategies. We categorize risks into key areas including finance, regulatory compliance, technology/business, and reputation. For each of these areas, we analyze both opportunity and risk factors, assess the likelihood of occurrence and potential impact, and establish appropriate response measures.

Category	Major risks	Opportunities	Threats	Likelihood of Occurrence	Impact	Opportunity and Risk Factors	Response Measures
Financial	Liquidity Risks		○	Medium	High	Growing uncertainties and rapid fluctuations in the global market, including sharp changes in exchange rates, interest rates, capital markets, credit conditions, and tax policies.	We are steadily reducing our debt ratio every year and are continuously monitoring financial policies to mitigate exposure to liquidity risks.
	Credit Risks		○	Low	High	Risks that may arise from a sharp decline in financial soundness, such as disruption of trading capabilities.	
Regulation	Climate Change Regulations:		○	High	High	The national goal of achieving carbon neutrality by 2050 and reducing greenhouse gas emissions by 2030, including customer requests for carbon emission reductions.	Carbon emissions are currently disclosed through CDP Supply Chain evaluations, and we are working to reduce our GHG emissions by establishing and implementing mid- to long-term plans.
	Safety Laws and Regulations	○		High	Medium	High safety rating achieved through advancement of the internal safety management system.	We successfully introduced ISO 45001 and continue to enhance the system through measures for responding to annual customer safety assessments.
				○	Low	High	Enforcement of the Serious Accident Punishment Act and increased government oversight of safety risks.
Technology/Business	Eco-friendly Technology/Business	○		High	Medium	Opportunity to lead the market by responding proactively to the shift toward an eco-friendly ecosystem.	Aligned with the green consumption trend, we are expanding into the EV parts business and participating in national projects to develop eco-friendly technologies, and we are currently being proposed to customers. In fact, some projects have already been converted into business.
Market	Eco-friendly Consumption	○		High	Medium	Development of new markets and customers driven by increased consumer demand for green consumption	
	Reputation	Information Protection		○	Medium	Medium	Concerns over customer data breaches and leaks of confidential internal data.
				○	Low	High	Business losses due to increased green washing regulations and oversight.
Stakeholder Demands		○		Medium	Medium	Enhancement of long-term corporate value due to the company’s image as a green company.	We report research achievements related to the environment - such as studies on maritime energy storage systems (ESS) - via the media
Physical	Natural Disasters and Abnormal Weather		○	Low	High	Greater business risks and asset damages due to increase in natural disasters such as typhoons.	We conduct annual safety checks of our plants before a typhoon occurs, and minimize operational disruptions through emergency response protocols when large-scale typhoons occur.

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Financial Information

Category	Unit	Year			Notes
		2022	2023	2024	
Current assets	KRW 1 million	329,734	400,452	362,763	
· Quick assets	KRW 1 million	289,752	380,020	341,227	
· Inventories	KRW 1 million	39,982	20,432	21,536	
Non-current assets	KRW 1 million	190,483	173,197	195,804	
· Investment assets	KRW 1 million	7,077	7,518	6,947	
· Tangible assets	KRW 1 million	141,779	139,418	161,036	
· Intangible assets	KRW 1 million	22,516	2,949	2,977	
· Other non-current assets	KRW 1 million	19,111	23,312	24,844	
Total assets	KRW 1 million	520,217	573,649	558,567	
Current liabilities	KRW 1 million	403,210	444,468	424,933	
Non-current liabilities	KRW 1 million	28,564	38,119	31,941	
Total liabilities	KRW 1 million	431,774	482,587	456,874	
Capital	KRW 1 million	16,282	16,282	16,282	
Capital excess of par value	KRW 1 million	13,808	13,808	13,808	
Retained earnings	KRW 1 million	15,180	25,357	36,821	
Other capital components	KRW 1 million	39,293	39,466	39,240	
Non-controlling interest	KRW 1 million	3,880	(3,851)	(4,458)	
Total equity	KRW 1 million	88,443	91,062	101,693	
Sales	KRW 1 million	1,542,026	1,875,890	1,883,286	
Operating profits	KRW 1 million	30,683	27,728	8,230	
Net income for the period	KRW 1 million	11,489	4,450	16,683	
Net income attributable to controlling interests	KRW 1 million	15,800	12,419	16,848	
Net Income attributable to non-controlling interests	KRW 1 million	(4,311)	(7,969)	(165)	
Earnings per share (EPS)	KRW	487	383	520	
Number of consolidated subsidiaries	KRW 1 million	4	4	4	

Economic Value Creation and Distribution

Category	Metrics	Unit	Year			Notes
			2022	2023	2024	
Nation	Corporate tax	KRW 1 million	3,345	6,235	6,671	
Shareholders	Dividends	KRW 1 million	0	1,621	0	
Local communities	Social contribution expenses	KRW 1 million	32	25	22	
Business partners (all)	Procurement costs	KRW 1 million	1,352,371	1,689,829	1,693,730	
Employees	Labor costs	KRW 1 million	67,168	74,548	81,081	

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Production Overview

Metrics	Unit	Year			Notes
		2022	2023	2024	
Total production volume (in terms of units produced)	units	Crash Pad : 980,167 D/T : 325,231 IPS : 647,193 Total : 1,952,591	Crash Pad : 1,081,124 D/T : 374,320 IPS : 723,257 Total : 2,178,701	Crash Pad : 1,293,456 D/T : 391,584 IPS : 696,131 Total : 2,381,171	

Energy Consumption

Metrics	Unit	Year			Notes
		2022	2023	2024	
Non-renewable energy (electricity)	MWh	17,122	17,896	18,754	
Non-renewable energy (gas)	MJ	25,545,845	22,614,997	18,279,085	
Non-renewable energy (gasoline)	L	78,038,329	85,556,349	81,049,080	
Non-renewable energy (diesel)	L	302,822,683	255,947,290	231,311,578	
Renewable energy	MWh	0	0	0	
Total	MWh	406,423,979	364,136,532	330,658,497	
<hr/>					
Electricity	MWh	17,122	17,896	18,754	
Gas	MJ	25,545,845	22,614,997	18,279,085	
Gasoline	L	78,038,329	85,556,349	81,049,080	
Diesel	L	302,822,683	255,947,290	231,311,578	
Others	MWh	0	0	0	
Total	MWh	406,423,979	364,136,532	330,658,497	

Water Resources Usage

Metrics	Unit	Year			Notes
		2022	2023	2024	
Water resources usage	Use	42,393	42,478	48,120	
	Water supplied by third parties (e.g. municipal water, industrial water)	42,393	42,478	48,120	
Water supply by source	Underground water	0	0	0	
	Sea water	0	0	0	
	Surface water	0	0	0	

*The amount of wastewater discharged equals the amount of water used

GHG Emissions

Metrics	Unit	Year			Notes
		2022	2023	2024	
Volume of GHG emissions	Scope 1 (direct emissions)	968,656	852,991	778,900	
	Scope 2 (indirect emissions)	8,128	8,495	8,903	
	Sum of S1+S2	976,784	861,486	787,802	

Air Pollutant Emissions

Metrics	Unit	Year			Notes
		2022	2023	2024	
Nitrogen Oxide (NOx) emissions	tons	0	0	0	
Sulfur Oxide (SOx) emissions	tons	0	0	0	
Particulate matter (PM) emissions	tons	0	0	0	
Others (dust)	mg	3.9	5.4	13.3	
Others (Hydrocarbons)	PPM	0	70.8	53.7	

Use of Hazardous Chemicals Substances

Metrics	Unit	Year			Notes
		2022	2023	2024	
Use of Hazardous Chemicals Substances	tons	111	102	104	

Waste Generated

Metrics	Unit	Year			Notes
		2022	2023	2024	
Waste generated	General waste	tons	1,940	2,165	2,250
	Specified waste	tons	21	26	16
	Total	tons	1,961	2,191	2,266
Waste directed to disposal	Incineration	tons	971	1,460	1,481
	Landfill	tons	0	0	0
	Recycling	tons	990	731	785
	Recycling ratio	%	50	33	35

Eco-friendly Business

Metrics	Unit	Year			Notes
		2022	2023	2024	
Eco-friendly business	Expenditure on green products	KRW 1 million	0	0	0
Green investments	Amount of green investment	KRW 1 million	26	15	19

Environmental Compliance

Metrics	Unit	Year			Notes
		2022	2023	2024	
Violation of environmental laws and regulations	No. of regulatory violations	cases	0	0	0
	Amount of fines	KRW	0	0	0

Internalization of Environmental Awareness

Metrics	Unit	Year			Notes
		2022	2023	2024	
Environmental training performance	Total no. of training hours	hours	2	2	2
	Total no. of trainees	persons	600	600	600
	No. of training hours per person	hours	1.4	1.4	1.4
Operational environment risk assessment		times	1	0	0

Safety Performance

Safety Control

Metrics	Unit	Year			Notes
		2022	2023	2024	
Accident rate		%	1.53	2.12	2.71
No. of accidents	No. of injured workers	cases	13	18	23
	No. of fatalities	cases	0	0	0
Lost Time Injury Frequency Rate (LTIFR)		%	2.14	5.57	9.85

Safety Training

Metrics	Unit	Year			Notes
		2022	2023	2024	
Total no. of training hours		hours	24	24	24
Total no. of trainees		persons	850	850	850
No. of training hours per person		Hour/persons	24	24	24

Employee Status

Metrics	Unit	Year			Notes
		2022	2023	2024	
Staff	persons	834	881	885	
By form of employment	Permanent employees	720	747	758	
	Contract employees	114	134	127	
Gender *Based on permanent employees	Male	707	734	744	
	Female	13	13	14	
	Percentage of female employees	%	1.8	1.7	1.8
Executives (male)	persons	22	24	26	
	persons	1	1	1	
By position *Based on permanent employees	Total	persons	23	25	27
	Percentage of female executives	%	4.3	4.0	3.7
	Administrative staff (male)	persons	225	220	232
	Administrative staff (female)	persons	11	11	13
By age *Based on permanent employees	Total	persons	236	231	245
	Percentage of female administrators and above among total administrative staff	%	4.7	4.8	5.3
	Under 30 years of age	persons	42	62	64
30-50	persons	434	414	388	
	50 years of age and older	persons	244	271	306
Diversity	People with disabilities	persons	22	22	22
	Percentage of people with disabilities	%	3.70	3.50	3.50
	Foreign nationals	persons	0	0	0
Contract employees (including contractors and part-time workers)	persons	114	134	127	
	Young local workforce	persons	89	115	127
Average years of service	years	22.33	20.7	19.49	

Employment

Metrics	Unit	Year			Notes
		2022	2023	2024	
New recruits	persons	35	76	33	
Gender	Male	persons	34	72	32
	Female	persons	1	4	1
By age	Under 30 years of age	persons	17	47	11
	30-50	persons	15	25	19
	50 years of age and older	persons	3	4	3
Employment of young workforce	Total young workforce employed	persons	24	62	20
	Permanent employee conversion rate	%	100	96	100

Resignation and turnover

Metrics	Unit	Year			Notes
		2022	2023	2024	
Total resignations	No. of resignations	persons	29	43	36
	Percentage of resignations	%	3	5	4
	Voluntary resignations	persons	13	19	14
Gender	Non-voluntary resignations	persons	16	24	22
	Male	persons	28	40	36
By age	Female	persons	1	3	-
	Under 30 years of age	persons	5	5	3
	30-50	persons	9	13	10
By position	50 years of age and older	persons	15	25	23
	Executives	persons	4	6	3
	Mid-level managers	persons	1	6	5
Resignation of new hires	General managers	persons	12	13	9
	Non-managerial staff	persons	12	18	19
New employee resignees	New employee resignees	persons	0	3	2
	Percentage of new employee resignees	%	0	6.9	5.5

Salary by Gender

Metrics	Unit	Year			Notes
		2022	2023	2024	
Average salary of all staff	KRW 1 million	65.02	66.45	76.41	
Average salary of male staff	KRW 1 million	71.65	80.93	87.62	
Average salary of female staff	KRW 1 million	58.38	51.96	65.19	
Average female employee salary as a percentage of average male employee salary	%	81	64	74	

Employee Benefits

Metrics	Unit	Year			Notes
		2022	2023	2024	
Total employee benefit expenses	KRW 1 million	2,469	2,845	3,230	
Average employee benefit expenses	KRW 10,000	3,429,719	3,809,131	4,262,257	

Parental Leave

Metrics	Unit	Year			Notes
		2022	2023	2024	
No. of employees eligible for parental leave	Total	persons	171	154	141
	Male	persons	169	152	137
	Female	persons	2	2	4
No. of employees who have used/are using parental leave	Total	persons	2	1	4
	Male	persons	0	0	2
	Female	persons	2	1	2
No. of employees who have returned from parental leave	Total	persons	1	1	2
	Male	persons	0	0	2
	Female	persons	1	1	0
No. of employees who have maintained employment for 12 months after parental leave	Total	persons	1	1	0
	Male	persons	0	0	0
	Female	persons	1	1	0

Grievance Handling

Metrics	Unit	Year			Notes
		2022	2023	2024	
No. of grievances received	cases	2	2	1	
No. of grievances resolved	cases	2	2	1	
Percentage of received grievances resolved	%	100	100	100	
Average response time in days	days	7	7	5	

Performance Appraisal and Compensation

Metrics	Unit	Year			Notes
		2022	2023	2024	
Total no. of staff subject to performance appraisal	Male	persons	707	734	744
	Female	persons	13	13	14
Total no. of staff who underwent performance appraisal	Male	persons	707	734	744
	Female	persons	13	13	14
Percentage of staff who underwent performance appraisal among those subject to it	Male	%	100	100	100
	Female	%	100	100	100
No. of staff eligible for performance-based compensation (incentives)	Male	persons	707	734	744
	Female	persons	13	13	14

Employee Training

Metrics	Unit	Year			Notes
		2022	2023	2024	
Total training status (including legally required training)	Total no. of training hours	hours	7,911	11,433	10,539
	No. of training hours per employee	hours	9.3	13.5	12.4
	Total no. of employees trained (excluding duplicates)	persons	850	850	850
	Training participation rate	%	100	100	100
	Total training expenses	KRW 1 million	46	172	93
	Training expenses per employee	KRW 1,000	54	202	109
	Mandatory statutory training (e.g. sexual harassment prevention)	No. of training hours	hours	3	3
Global Partnering Center (GPC) job training	Trainees	persons	850	850	850
	Training hours	hours	4,194	3,566	4,965
	Trainees	persons	277	308	722

Social Dialog

Metrics	Unit	Year			Notes
		2022	2023	2024	
No. of employees subject to collective bargaining agreement	people	732	741	764	
Percentage of employees covered by collective bargaining agreement	%	100	100	100	
No. of employees eligible to join labor union	people	671	677	693	
No. of union members	people	579	582	598	
Percentage of employees holding union membership	%	86.3	86.0	86.3	
No. of meetings of the Labor-Management Council	times	4	4	4	

Mutual Growth

Category	Unit	Year			Notes
		2022	2023	2024	
Total no. of suppliers	Companies	46	46	43	
No. of major suppliers	Companies	28	25	23	
No. of suppliers having signed the fair trade agreement	Companies	46	46	43	
Financial support for suppliers	KRW 1 million	0	0	0	
Technical guidance for suppliers	Companies	8	8	9	

Supply Chain Risk Assessment

Category	Unit	Year			Notes
		2022	2023	2024	
Suppliers subject to assessment (set internally)	Companies	0	0	43	
Suppliers assessed	Companies	0	0	43	
Assessment rate	%	0	0	100	

Supplier Safety

Category	Unit	Year			Notes
		2022	2023	2024	
No. of deaths	people	0	0	0	
Accident rate	%	0	0	0	
Lost Time Injury Frequency Rate (LTIFR)	%	0	0	0	

Supplier Communication

Category	Unit	Year			Notes
		2022	2023	2024	
No. of meetings of suppliers	times	4	4	4	
Grievance handling	Cases reported	44	44	44	
	Cases handled	44	44	44	

Social Contributions

Category	Unit	Year			Notes
		2022	2023	2024	
Cash donations	KRW	6,000,000	31,000,000	25,850,000	
Investment in local communities	KRW	0	0	0	
In-kind donation	KRW	0	7,370,000	6,680,000	

Customer Satisfaction

Category	Unit	Year			Notes
		2022	2023	2024	
No. of complaints received	cases	5	1	3	
No. of complaints handled	cases	5	1	3	
Processing rate	%	100	100	100	

Data security

Category	Unit	Year			Notes
		2022	2023	2024	
Staff required to receive data protection/data breach prevention training	persons	29	75	21	
Staff who completed the data protection/data breach prevention training	persons	29	75	21	
No. of inspections of data security vulnerability	cases	28	28	28	
No. of data security incidents	cases	0	0	0	

Ethical Management

Category	Unit	Year			Notes
		2022	2023	2024	
Amount of ethical training	hours	834	881	885	
No. of participants	persons	834	881	885	
No. of ethics violations	cases	0	0	0	

Fair Trade

Category	Unit	Year			Notes
		2022	2023	2024	
Fair trade violations	cases	0	0	0	

Compliance

Category	Unit	Year			Notes
		2022	2023	2024	
Legal and regulatory violations	cases	0	0	0	
Penalties and fines imposed	KRW 10,000	0	0	0	

Board of Directors Performance

Metrics	Unit	Year			Notes
		2022	2023	2024	
No. of meetings held	times	12	11	8	
No. of items resolved	items	15	12	9	
No. of items reported	items	0	1	1	
No. of items revised	items	0	0	0	
Pre-meeting deliberation percentage	%	100	100	100	
Percentage of female directors	%	12.5	12.5	12.5	
Average attendance rate (%)	%	73.4	70.1	65.6	

BoD Composition

Metrics	Unit	Year			Notes
		2022	2023	2024	
Internal directors	per-sons	5	5	5	
Independent directors	per-sons	3	3	3	

Average Compensation per Director

Metrics	Unit	Year			Notes
		2022	2023	2024	
Internal directors	KRW 10,000	119,795	203,379	152,024	
Independent directors/Other non-executive directors	KRW 10,000	10,120	11,040	11,040	
Audit	KRW 10,000	3,680	3,680	3,680	
Executive Officer	KRW 10,000	261,857	337,307	366,069	

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Category	Metrics	Unit	Year			Notes
			2022	2023	2024	
Total R&D expenditure		KRW 1 million	19,954	19,359	19,954	
R&D expenditure as a percentage of sales		%	1.31	1.05	1.29	
No. of R&D personnel		per-sons	43	42	59	
R&D personnel against domestic staff		KRW 1 million	5.2	4.8	6.7	
Patent Applications	Domestic	84 cases	34	26	24	
	Overseas	14 cases	4	10	0	USA, China, Germany
Patent Registration	Domestic	69 cases	37	12	20	
	Overseas	13 cases	6	4	3	USA, China, Germany

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ESG Innovation Network Assurance Statement

To the stakeholders of DY Deokyang

This Assurance Statement has been prepared for DY Deokyang Co., Ltd. in accordance with our contract.

Introduction

ESG Innovation Network (hereinafter referred to as the 'Assurer'), a non-profit organization specializing in assurance, has performed a third-party assurance engagement on the DY Deokyang Sustainability Report 2024(hereinafter referred to as the 'Report'). The Assurer's purpose is to confirm the reliability of the disclosed information and to provide assurance that the Report addresses material issues. DY Deokyang, who prepared the Report, is responsible for all information and claims included in the Report. The Assurer was not involved in the preparation process of the Report and is only responsible for the assurance statement.

Assurance Standards

ucted in accordance with AA1000AS v3, published by AccountAbility, an assurance standard. We applied Type 2, which evaluates the application of the four principles—inclusivity, materiality, responsiveness, and impact—as well as the robustness of information gathering procedures and systems, and the reliability of disclosed information. We also applied the Moderate Level, which is based on a limited collection of evidence. Additionally, international standards related to the Report, GRI Standards (2021), and the social responsibility guidance, ISO 26000, were utilized during the assurance process.

As an independent assurance body, the Assurer strictly adhered to the procedures and guidelines of the assurance standards. The scope of assurance was limited to the information and data included in the reporting period from January 1, 2024, to December 31, 2024, and included the following confirmations:

- Robustness of processes and management systems for information collection, analysis, and review
- Reliability of disclosed information and quality of reporting
- Application of the four principles of the assurance standard: Inclusivity, Materiality, Responsiveness, and Impact
- The reference options for the GRI Standards 2021

Assurance Methodology

The Assurer established and executed a systematic assurance plan. The Assurer conducted the assurance using the following methods and drew conclusions related to the assurance opinion:

- Review of ESG issues that may affect the organization and are of interest to stakeholders
- Review of the materiality determination process for selecting reporting issues
- Review of the ESG data preparation and derivation process
- Review of internal documents and basic data supporting the key claims of the Report
- Review of management systems related to performance data by area, interviews with relevant personnel

Assurance Results

Based on the procedures performed and the assurance information obtained, the following assurance opinion was derived. Nothing has come to our attention that causes us to believe that the Report is not fairly presented in all material respects. Please refer to the details of the assurance opinion below.

- Inclusivity refers to the identification of the organization's key stakeholders and their appropriate engagement in the process of determining and responding to material issues. The Assurer concludes that the Report has appropriately applied the principle of Inclusivity of the assurance standard. The reporting organization identified employees, customers, shareholders and investors, local communities, government, partners, etc. as key stakeholders and operated appropriate programs in which stakeholders could participate.
- Materiality refers to identifying and prioritizing the most important sustainability issues, considering their impact on the organization and society. The Assurer concludes that the Report has appropriately applied the principle of Materiality of the assurance standard. The reporting organization conducted a Double Materiality Assessment, considering both the impact on the organization (Financial Materiality) and environmental and social impacts (Impact Materiality), to derive 8 material issues such as reducing energy use and expanding renewable energy, managing workplace safety and health, strengthening social contribution activities, and reducing pollutant emissions.
- Responsiveness refers to the organization's appropriate response to material sustainability issues. The Assurer concludes that the Report has appropriately applied the principle of Responsiveness of the assurance standard. The reporting organization incorporated the identified material issues into its strategy and operations and responded appropriately to stakeholder demands.
- Impact refers to the effects of an organization's activities and performance on itself and on society. The Assurer concludes that the Report has appropriately applied the principle of Impact of the assurance standard. The reporting organization systematically identified and evaluated the impact the organization created, and transparently disclosed the impact determined for each issue through the Report.
- The Assurer concludes that the reporting organization has established appropriate management systems for the collection, accumulation, analysis, and review of data and information. Furthermore, the Assurer concludes that the information and data described in the Report are reliable and have been disclosed without material errors or biases.
- The Assurer concludes that the Report has been prepared with reference to the GRI Standards(2021).

Recommendations

The following recommendations are presented within a scope that does not affect the Assurer's assurance results. In order to effectively support the realization of the company's vision, it is necessary to further develop the ESG strategy system. In particular, it is desirable to derive and systematically manage ESG key performance indicators (KPIs) that are in line with each strategic goal and detailed implementation task, while transparently disclosing this information to the outside.

Independence and Competence

The Assurer performed the assurance independently. The Assurer has no business relationship with the reporting organization other than providing third-party assurance services, and there is no conflict of interest. The Assurer maintains a comprehensive quality management system for assurance activities, including documented policies and procedures. Furthermore, the Assurer is composed of team members with extensive experience in sustainability, CSR, and ESG management, and an excellent understanding of assurance standard methodologies.

May 2025

Lee Hyun *Hyunlee*
Chairman, ESG Assurance Committee,
ESG Innovation Network



LRQA Independent Assurance Statement

Relating to Duckyang Ind. Co., Ltd.’s GHG Emissions Inventory for the calendar years 2019, 2023 and 2024

This Assurance Statement has been prepared for Duckyang Ind. Co., Ltd. in accordance with our contract.

Terms of engagement

LRQA was commissioned by Duckyang Ind. Co., Ltd. to provide independent assurance on its GHG emissions inventory for the calendar years 2019, 2023 and 2024 (here after referred to as “the report”) against the assurance criteria below to a limited level of assurance and materiality of 5% using ISO 14064-3:2019, ‘Specification with guidance for verification and validation of greenhouse gas statements’.

Our assurance engagement covered the operations of Duckyang Ind. Co., Ltd.’s domestic sites¹ and its overseas subsidiary, and specifically the following requirements:

- Evaluating conformance with World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, revised edition²
- Evaluating the accuracy and reliability of data and information for direct GHG emissions (Scope 1) and energy indirect GHG emissions (Scope 2).

The main activities of Duckyang Ind. Co., Ltd. include manufacturing of automotive parts and the GHG emissions have been consolidated using an operational control approach.

LRQA’s responsibility is only to Duckyang Ind. Co., Ltd. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Duckyang Ind. Co., Ltd.’s responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Duckyang Ind. Co., Ltd.

¹ Duckyang Ind. Co., Ltd.’s domestic subsidiaries were excluded from this assurance engagement.

² <https://www.ghgprotocol.org>

LRQA’s Opinion

Based on LRQA’s approach nothing has come to our attention that would cause us to believe that the GHG emissions as summarized in Table 1 ~ Table 3 below are not materially correct, and that the Report has not been prepared in conformance with Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, revised edition, except for the following qualification:

- Yesan Plant was excluded from the reporting scope due to its suspension of operations during the reporting period.
- Among the overseas subsidiaries of Duckyang Ind. Co., Ltd., Beijing Duckyang Chonche Automotive Parts Co.,Ltd. was excluded from the reporting scope due to ongoing bankruptcy proceedings.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of 5%.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA’s approach

LRQA’s assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Interviewing key people of the organization responsible for managing GHG emissions data and records;
- Reviewing processes related to the control of GHG emissions data and records;
- Visiting the head office and reviewed additional evidence made available by Duckyang Ind. Co., Ltd.;
- Verifying historical GHG emissions data and records at an aggregated level for the calendar years 2019, 2023 and 2024; and
- Reviewing whether Duckyang Ind. Co., Ltd. reflected the Greenhouse Gas Management Manual for Hyundai Motor and Kia Suppliers (Ver. 1.0).

LRQA’s standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification engagement is the only work undertaken by LRQA for Duckyang Ind. Co., Ltd. and as such does not compromise our independence or impartiality.

Dated: 15 March 2025

Tae-Kyoung Kim Dated: 15 March 2025

LRQA Lead Verifier

On behalf of LRQA

2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea

LRQA reference: SEO00001834



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Certification Status

Category	Certified Date (Period)	Description	Notes
Technology Five Stars	Jan. 2022	Hyundai/Kia Motors awards a certification plaque to suppliers if they gain an excellent rating (5 stars) in the Technology Five Stars Evaluation (only on the first occasion).	Issued by: Hyundai Motor Group
Approval of the business reshuffle plan	Jun. 25, 2020-Jun 24, 2025	An important step towards sustainable growth by being provided with a financial aid, a chance to begin new business and gain a competitive advantage.	Issued by: MOTIE
Certificate as materials/parts/equipment specialists	Aug. 17, 2022- Aug 26, 2025	A document officially certifying companies with exceptional technology and production capacity in a certain industry under the Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises.	Issued by: Korea Planning & Evaluation Institute of Industrial Technology (KEIT)
Certificate of a Medium-sized Enterprise	Apr. 1, 2024-Mar 31, 2025	A document officially certifying companies recognized as a medium-sized enterprise under the Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises. Issued after determining a company is a mid-sized enterprise between a large-sized and a small-sized company based on the scale, sales, asset, and governance of the enterprise.	Issued by: Federation of Middle Market Enterprises of Korea (FOMEK)

Awards & Recognitions

Name	Description	Date Received	Hosted by
Won the Prime Minister's Award, Korea Tech Show	Awarded to companies or organizations that have developed outstanding new technologies and products with significant technical achievements and a strong impact on the domestic industry.	2020	Hosted by: MOTIE Organized by: KEIT, Korea Institute of Energy Technology Evaluation and Planning (KETEP), Korea Institute for Advancement of Technology (KIAT)
Won the Korean Innovation Frontier Award from the Korean Society of Automotive Engineers, KSAE (KSAE)	An annual award given to acknowledge the efforts of association members during regular general meetings convened for multiple purposes, such as to elect new members.	Feb. 24, 2021	Korea Auto Industries Coop. Association (KAICA)
Won the Industrial Technology of the Month Award	Recognizes exceptional new technologies and technologies that are successfully developed and commercialized with R&D support from MOTIE.	Nov. 5, 2020	MOTIE
Selected as a leading mid-sized enterprise of the region	Recognized by MOTIE based on growth potential and technological capabilities in the EV parts sector. (Selected for the development of an integrated housing for battery modules featuring a rectangular prism deployment structure.)	Apr. 28, 2021	MOTIE

Memberships & Associations

Memberships & Associations	Description	Year Joined	Notes
Daegu-Gyeongbuk Environmental Technology Association	- Provides environmental support (including guidance on laws/policies, diagnosis). - Provides environmental publications and annual planners. - Sends invitations to association events (environmental campaigns and exhibitions). - Promotes networking and information-sharing among members.	2024	
KAICA	- Distributes periodicals (e.g. Auto Statistics Monthly, Self-Inspection Report). - Provides access to auto parts industry data and information on trends.	1978	
Korea Automobile & Mobility Industry Association (KAMA)	- Provides periodicals, information services, and seminar invitations. - Provides industry data and information on trends.	1991	
Korean Association of Certified Tax Accountants (KACTA)- Central Economic Society	- Provides the revised edition of labor law reviews and periodicals. - For use in labor relations.	1986	
KITA	- Provides access to trade information, membership/business support, trade statistics, and KITA information.	2023	
Hyundai-Kia Automotive Suppliers Association (HKASA)	- Coordination of major events for members. - Regional branches and sustainable management branches.	2018	
Hyundai Mobis Cooperation Association	- Engagement in major events for members. - Operation of association projects.	2020	
Council of Excellent Quality Competitiveness Companies	- Annual meetings and seminars (discussion on 2025 plans). - Site visits to top-performing companies. - Meetings to exchange information on ways to innovative quality. - Participation in conferences and exhibitions.	2014	
Korea Electrical Engineers Association (KEEA)	- Facilitation of R&D in electric power technology. - Quality improvements of the electric power infrastructure. - Training, management and benefits for electric power engineers. - Reporting on the appointment and dismissal of electrical safety managers.	2021	
Korea Mechanical Const. Contractors Association (KMCCA)	- Responsible for the maintenance of mechanical facilities of factory units (e.g. Ulsan & Gyeongju 1 plants).	2024	
Korea Industrial Technology Association (KOITA)	- Gives consultations on the establishment and operation of R&D centers - Provides information on government projects and R&D. - Shares information on tax benefits and the operation of R&D centers.	1998	
Korean Society of Automotive Engineers (KSAE)	- Confers eligibility to participate in technological exchanges of automotive parts information and access to member benefits. - Provides discounts on paper submissions and eligibility to participate in conferences and special training sessions, and tickets for conferences.	1997	

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