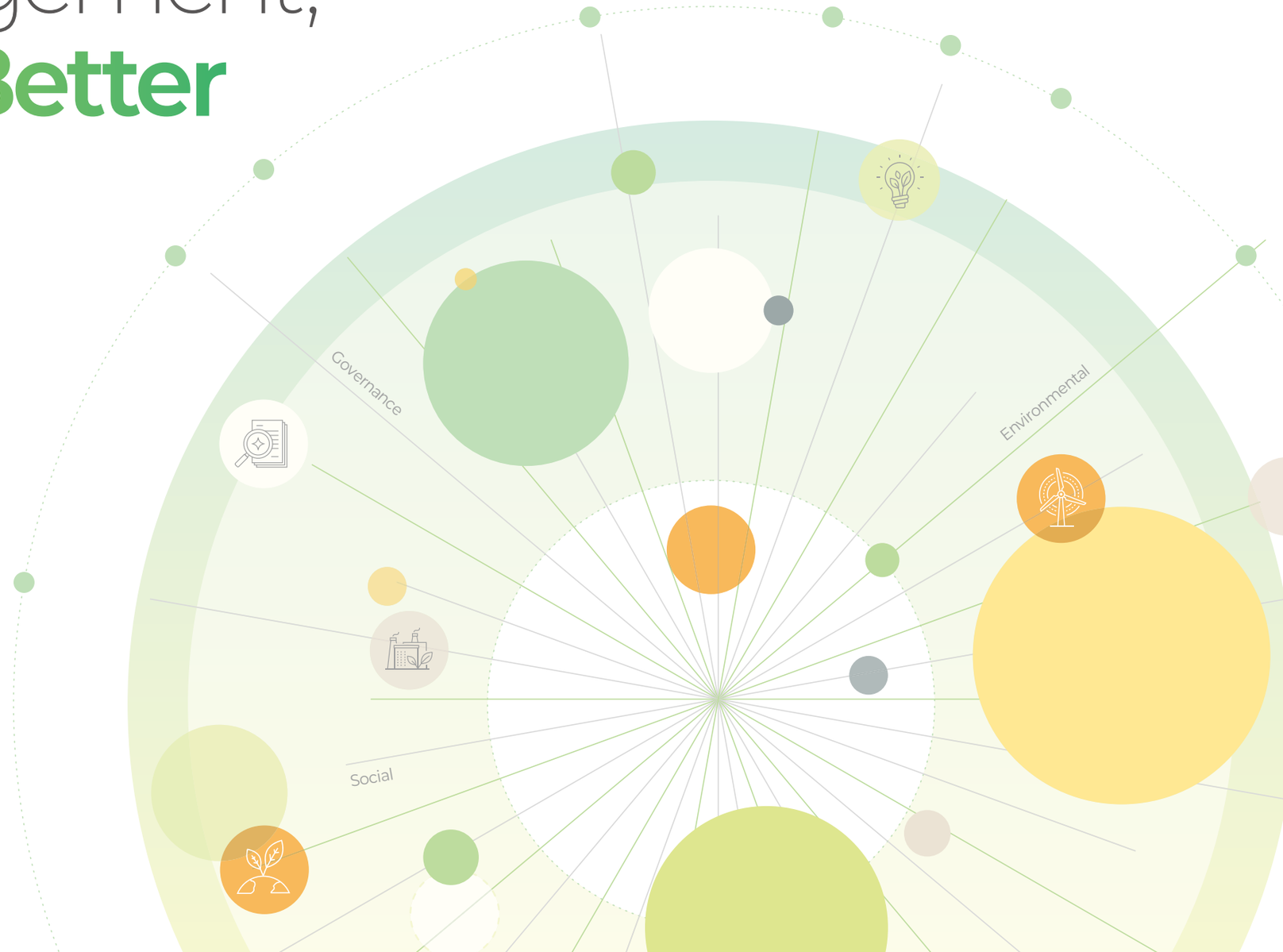
With ESG Management, We Envision a Better Tomorrow

2026 **IS Dongseo** Sustainability Report



I S DONGSEO

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About this Report

About this Report

IS Dongseo has published a sustainability report every year since 2022 to transparently disclose its ESG management efforts and progress and to actively communicate with stakeholders based on this disclosure. IS Dongseo will continue to transparently disclose and manage its ESG management goals and performance through its Sustainability Report.

Period & Scope of the Report

This report covers major ESG activities and performance from January 1, 2025 to December 31, 2025, and includes certain information through the first half of 2026 where deemed material to stakeholders. Quantitative data is presented for the most recent three years to enable readers to understand performance trends, and data subject to annual changes has been prepared based on the fiscal year-end date of December 31. Information on data collection periods and any changes from the previous report is separately disclosed with the relevant reasons. This report mainly covers IS Dongseo's environmental, social, governance, and economic performance, and also includes the activities of IS Dongseo's headquarters, domestic business sites (Construction work, Icheon Factory, Cheongyang Factory, Changnyeong Factory, and Eumseong Factory), and certain affiliates and related companies.

Report Principles

This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards, the international sustainability reporting framework, to disclose sustainability management performance with greater transparency. Financial information has been reported in accordance with Korean International Financial Reporting Standards (K-IFRS). The report also considers disclosure principles aligned with the SASB (Sustainability Accounting Standards Board) industry standards and reflects the disclosure recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

Report Assurance

The financial information contained in this report is audited data. To ensure the report's reliability and fairness, it was verified by Korea Compliance Institute, an independent third-party verification agency. The results thereof are included in pages 118 to 119 of the Report.

Additional Information

The IS Dongseo Sustainability Report can be downloaded via the official website (www.isdongseo.co.kr). Please contact us via the details provided below for any inquiries or feedback regarding the report.

Corporate website | Eileen's Garden | YouTube

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With ESG Management, **We Envision a Better Tomorrow**

Overview

CEO Message
Company Overview
Introduction of Each Business Division

President Message

Dear valued stakeholders, we sincerely thank you for your unwavering encouragement and support for IS Dongseo.

IS Dongseo Envisions a Better Tomorrow through ESG Management.

Kwon Hyuk-woon, Chairman of IS Group

Over the past year, economic complexity at home and abroad has further increased, and companies have faced a challenging business environment marked by rising raw material prices, a downturn in the domestic construction and real estate markets, strengthened building regulations, and prolonged high interest rates and loan restrictions. Despite these conditions, IS Dongseo remains steadfast in its efforts to achieve sustainable growth. ESG-related regulations and policies are becoming increasingly sophisticated, while society's expectations regarding corporate roles and responsibilities continue to rise. Companies now face the critical task of going beyond financial performance to responsibly manage their environmental and social impacts and create sustainable value through transparent and sound governance.

Even amid this rapidly changing business environment, IS Dongseo continues to make sustained efforts to become a company that fulfills its responsibilities in each area of Environment (E), Social (S), and Governance (G). To this end, we publish a sustainability report every year to transparently disclose our management performance and progress, and this year we are pleased to present our fifth report.

As the accelerating climate crisis has made climate-related disclosures an important indicator in ESG evaluations both in Korea and globally, the Company declared its support for the TCFD (Task Force on Climate-related Financial Disclosures) in 2022 and established a climate change response roadmap based on its management framework. We are systematically implementing our response system and strategies. At the same time, we are focusing on the development of eco-friendly construction methods and technologies to reduce carbon emissions and improve energy efficiency, while continuously expanding green technology certifications.

In addition, to strengthen our climate change response capabilities, we have gradually expanded new businesses centered on the environmental business since 2019. We aim to lead carbon neutrality by establishing a circular economy system that covers the entire life cycle of secondary batteries, from used batteries to the recovery of rare metals, through our domestic and overseas affiliates.

To realize the value of respect for life, the Company has adopted "building a people-centered safe working environment" as a core value and is doing its utmost to create an environment where all employees can work safely and healthily. This report provides details on our continuous and multifaceted efforts to establish a safety culture aimed at achieving "ZERO serious accidents," going beyond simple legal compliance.

In addition, under our vision of "providing the best value to customers rather than prioritizing the Company's profits," we are carrying out various social contribution activities for mutual growth with local communities, fulfilling our corporate social responsibilities, and working to create happier local communities. Furthermore, we are strengthening sustainability across the supply chain by establishing fair and transparent business practices with our suppliers and advancing our shared growth programs and win-win cooperation system.

We have established a governance system centered on a professional management structure and an independent and transparent Board of Directors, while strengthening the functions of Board committees to practice responsible management. In particular, we are enhancing management transparency by improving our internal control and ethical management systems. Through the establishment of an integrated risk analysis system, we seek to protect corporate profitability as our top priority and continuously expand growth opportunities based on stability.

Even amid a rapidly changing global environment and complex internal and external challenges, IS Dongseo will respond proactively to social demands and move forward steadily under the principle of "sustainable development."

We extend our sincere gratitude to everyone who continues to trust and support IS Dongseo, and we ask for your continued interest and encouragement.

Thank you.

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CEO Message for Each Business Division

CEO of Construction & Management Division

Bae Gi-moon

IS Dongseo is building a stable foundation for growth amid a rapidly changing domestic and global business environment by strengthening systematic management and the competitiveness of its business portfolio.

We are pursuing sustainable performance by enhancing financial soundness and establishing an efficient business management system. In particular, based on proactive risk management and a stable financial structure, we protect and expand stakeholder value and practice responsible management. In addition, we are enhancing corporate value from a mid- to long-term perspective by embedding ESG strategies across all areas of management based on a transparent, Board-centered decision-making structure.

At the same time, to help restore vitality in the construction industry, we continue to create sustainable future value through eco-friendly designs and construction methods, as well as differentiated customer-centered premium housing solutions, even amid complex challenges in the construction environment. We are also working to build a healthy industrial ecosystem based on win-win cooperation with our suppliers.

IS Dongseo will make 2026 a turning point for sustainable growth by advancing technological innovation and comprehensive construction solution capabilities and strengthening market competitiveness. In doing so, we will provide customers with more valuable residential environments and take a leap forward as a company that fulfills its social responsibilities.

CEO of Concrete & Safety and Health Division

Nam Byeong-ok

IS Dongseo is systematically pursuing management that encompasses product innovation and social responsibility across the Concrete Division and the Safety and Health Division.

The concrete industry is currently facing a paradigm shift toward carbon neutrality and resource circulation. In response, the Company has made the advancement of eco-friendly materials and the development of carbon reduction technologies its core strategies, focusing on expanding low-carbon products, strengthening carbon emissions management, and building a circular economy-based product portfolio. In addition, we are continuously strengthening our R&D capabilities and refining our quality management system to enhance product performance and stability, while increasing market trust through expanded communication with customers.

At the same time, to realize the value of respect for life, we place safety as the top priority in all management activities and are advancing safety and health systems across all sites. With the goal of achieving “ZERO serious accidents,” we are systematically managing accident rates and enhancing our management systems. Through safety and health programs, we are strengthening capabilities so that employees and suppliers’ employees can work safely and healthily in accident-free workplaces.

Going forward, IS Dongseo will continue to secure differentiated competitiveness in the eco-friendly construction materials sector while doing its utmost to create a safe and sustainable industrial environment.

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Introduction of IS Dongseo

IS Dongseo was first established as Ilshin Construction in 1989. Based on its achievements in housing construction field, the Company grew into its current integrated corporate form through a merger in 2008 with Dongseo Industry, a construction materials manufacturer founded in 1975. Its main business areas are construction, environmental business, and concrete business. In particular, in line with the global trend of responding to climate change, IS Dongseo has selected the environmental business as a future growth engine and is expanding investments to strengthen its eco-friendly competitiveness. The Company is actively expanding circular economy-based business areas, including the recycling of waste, used batteries, and other hazardous waste, and is continuously strengthening its environmental business capabilities through strategic acquisitions of subsidiaries. Through these efforts, IS Dongseo is securing eco-friendly competitiveness, building an ESG-centered sustainable management system, and advancing toward becoming a comprehensive eco-friendly company.

(As of March 2026)

Company Name	IS Dongseo
Date of Founding	March 7, 1989
Address	50, Eutteum-ro, Deogyang-gu, Goyang-si, Gyeonggi-do, Republic of Korea
Headcount*	378 members
Business Areas	General construction, environmental business, and concrete business
Total Assets	KRW 3.4579 trillion
Revenue	KRW 1.2343 trillion
Operating Income	KRW 68.1 billion
Credit Rating	A+ (SCI Rating Information Inc.)

*Headcount: As this has been calculated based on the total headcount including executives, it may differ from the employee figures reported in the business report.

| Value Creation Process

Up-stream
- Raw material supply company
- Pre-treatment company / Intermediate company

IS DONGSEO

Down-stream
- Customer
- Seller / Sales Channels

| Main Business Areas and Achievements

Revenue by Business Division

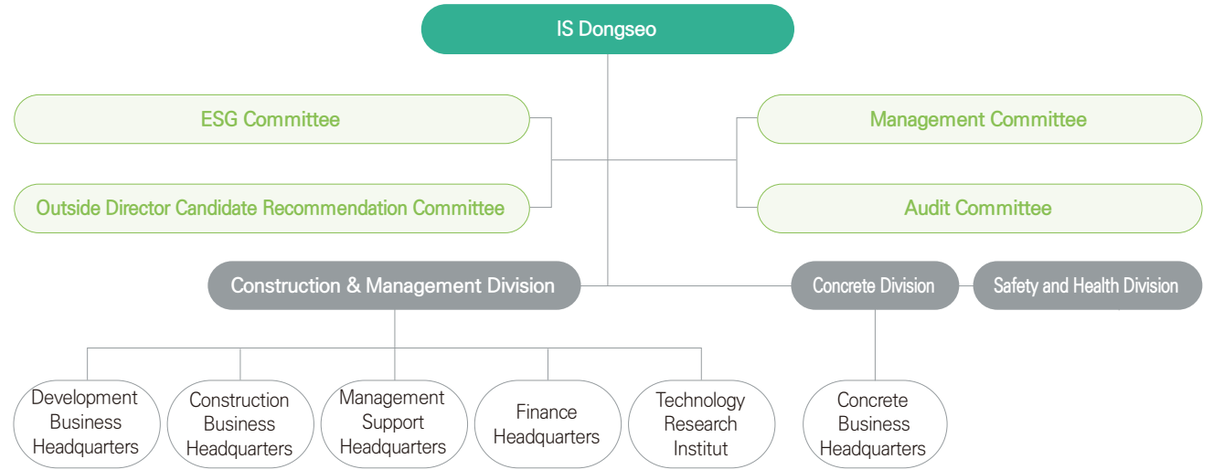
Construction Division
KRW **441.7** billion

Concrete Division
KRW **265.5** billion

Environment(Waste) Division
KRW **355.8** billion

Environment(Secondary battery) Division
KRW **127.6** billion

| Organizational Status



Introduction of IS Dongseo

Company History

2025-2023

Nov. 2025	Selected as a CSR in the Community Recognized Company
Jun. 2025	Won a commendation from the Minister of Land, Infrastructure and Transport at the '2025 National Meritorious Persons' Housing Condition Improvement Project Completion Ceremony
Feb.2025	Won the Minister's prize of Ministry of Gender Equality and Family in family love and social contribution division at 'The 15th Happiness Plus Social Contribution Awards'
Oct. 2024	Changed the company name from IS TMC Co., Ltd. to IS Eco Solution Co., Ltd.
Sep. 2024	IS BM Solution Co., Ltd. merged with IS TMC Co., Ltd.
Jun. 2024	Completed BTS Technology Oswa Plant in Poland
Mar. 2024	Signed a framework agreement for battery recycling business cooperation with CNGR
Dec. 2023	Completed the Factory of IS BM Solution Co,. Ltd. in Hwaseong Acquired BTS Technology Co., Ltd.
Jul. 2023	Won the Excellence prize in in Mid-sized Construction division at 'The 27nd Livable Apartment Contest by Maeil Business News'
Feb.2023	Acquired TOWN MINING Co., Ltd.

2022-2021

Dec.2022	Investment Agreement for Lithium Ion Battery Recycling Business in Ochang Technopolis Won the Grand prize in social contribution division at 'Human Management Awards 2022'
Jul. 2022	IS GROUP won the Minister's prize of Ministry of Foreign Affairs in SDGs division at 'The 16th National Sustainability Management Conference'
Feb. 2022	Acquired ENVIRONMENT & ENERGY SOLUTION Co., Ltd.
Dec. 2021	Chairman Hyuk-Woon Kwon won Gold Tower Order of Industrial Service Merit at 'Home Construction Day Celebration 2021'
Nov. 2021	Won the Deputy Prime Minister and Minister's prize of Strategy and Finance in ESG Management division at 'SRMQ Convention 2021'
Jul. 2021	Won the Grand prize in Urban regeneration division at 'Green Construction Industry Awards 2021'
Jun. 2021	Acquired GOLDEN ECO Co., Ltd.
Apr.2021	IS HOLDINGS Co., Ltd. is newly designated as a Disclosure target Enterprise group
Feb. 2021	Won the Minister's prize of Ministry of Gender Equality and Family in family love and social contribution division at 'The 11th Happiness Plus Social Contribution Awards' Chairman Hyuk-Woon Kwon inaugurated as President of the Korean Basketball Association

2020-2019

Nov. 2020	Won the Deputy Prime Minister and Minister's prize of Strategy and Finance in CEO division at 'SRMQ Convention 2020' Won the Chairman's prize of Community Chest of Korea at 'Hope 2020 Helping Neighbors Award Ceremony'
Oct. 2020	Incorporated Young Hung Industry Environment Co., Ltd., PAJUBNR Co., Ltd. into an affiliate Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in Non-Residential division at 'Green Construction Industry Awards 2020'
Jul. 2020	Hosted KLPGA Tour 'ISDONGSEO BUSAN OPEN 2020'
Dec. 2019	Acquired TCE Co., Ltd
Nov. 2019	Sold off Korea Rental Co., Ltd.
Jul. 2019	Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in Residential division at 'Green Construction Industry Awards 2019'
Jun. 2019	Acquired Insun ENT Co., Ltd., Insun Motors Co., Ltd., Insun GIEOP Co., Ltd.

2006-1975

Jul. 2006	Won the Excellence prize in Mid-sized Construction division at 'The 10th Livable Apartment Contest by Maeil Business News'
Jun. 2006	Won the prize of Grand prize in Construction division at 'Friendly Environmental Management Awards 2006'
Mar. 2006	Launched 'Eileen's Garden' apartment brand
Nov. 1995	Completed the Concrete Factory in Cheongyang
Aug.1995	Completed the Concrete Factory in Cheonan
Mar. 1994	Acquired the Concrete Factory in Changnyeong
Mar. 1989	Established Ilshin Housing Construction Co., Ltd.
Jan. 1987	Established Ilshin Housing Co., Ltd.
Jan. 1986	Listed on Stock Exchange
Dec. 1985	IPO (Capital of KRW 11Billion)
Nov. 1982	Completed the Concrete Factory in Icheon
Dec. 1976	Acquired KS Marks for 4 Concrete Products
Apr. 1976	Supplied all of Special Pile to the naval base of Saudi Arabia
Sep. 1975	Established the Company (separated from civil engineering division of Hyundai Engineering & Construction)

2015-2008

Dec. 2015	Won order for Land Rearrangement Project at Deokha Area in Ulsan
Jul. 2015	Selected at the 2nd Rank in the Construction Division of Value Creation Enterprises of the World by Boston Consulting Group(BCG) Evaluation
May. 2015	Acquired CLEANTECH Co., Ltd., KR Energy Co., Ltd.
Jan. 2015	Acquired Samjeong ERK Co., Ltd.
Nov. 2014	Acquired Youngpoong Pile Co., Ltd., Chungang Remicon Co., Ltd., and Chungang Corporation Co., Ltd.
Mar. 2014	Declared IS Group Vision
Jun. 2012	Established IS Holdings, Inc.
Mar. 2011	Acquired Korea Rental Co., Ltd.
May. 2010	Established IS Shipping Co., Ltd.
Apr. 2010	Included in the Kospi 200 index
Mar. 2010	Acquired Samhong Tech Co., Ltd.
Jul. 2009	Established the Concrete R&D Center
Jul. 2008	IS Dongseo Co., Ltd. merged with Ilshin Construction Industry Co., Ltd.
Jun. 2008	Changed the company name to from Dongseo Industry Co., Ltd. to IS Dongseo Co., Ltd.
Feb. 2008	Ilshin Construction Co., Ltd. acquired Dongseo Industry Co., Ltd.

2018-2016

Oct. 2018	Won the Police commissioner's prize in Corporate Social Contribution division at 'The 3rd Korea Crime Prevention Awards'
Jul. 2018	Won the Excellence prize in High-rise Apartment Building division at 'The 22nd Livable Apartment Contest by Maeil Business News' Won the Grand prize in first half at 'Housing Culture Awards 2018 by Korea Economic Daily News' Won the Grand prize in Residential Complex division at 'Green Construction Industry Awards 2018'
Mar. 2018	Completed W Mixed-use apartment building, Yongho-dong, Busan
Feb. 2018	Won the Minister's prize of Ministry of Trade, Industry and Energy in Shared Value Creation Social Contribution division at 'The 8th Happiness Plus Social Contribution Awards' Listed on KRX 300 Index
Jan. 2018	Acquired VAUNCE Co., Ltd
Feb. 2017	Won the Gold Prize in in Non-Government division at 'Korea OOH Advertising Awards by Korea Outdoor Advertising Associations'
Dec. 2016	Won the Excellence prize in Residential Architecture division at 'The 12th Civil engineering Architecture Awards'
Apr. 2016	Merged with Samhong Tech Co., Ltd.
Mar. 2016	Established Munam Scholarship & Culture Foundation

Group Introduction

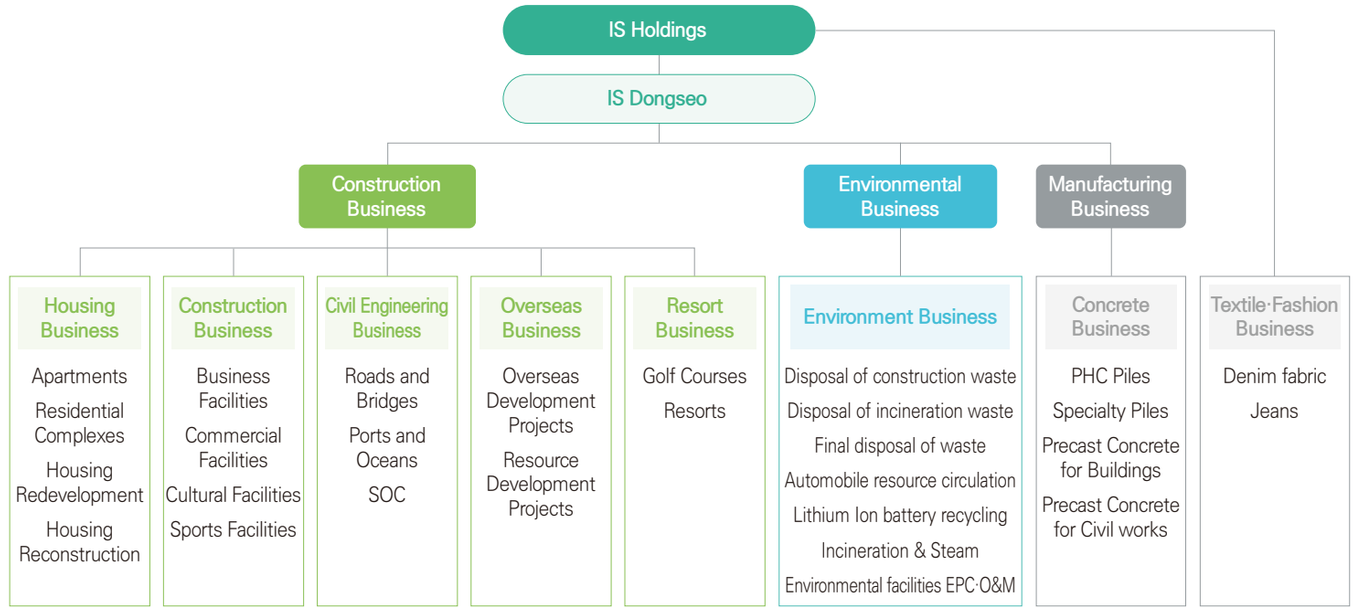
IS Dongseo Vision Framework

Mission
We help everyone achieve a prosperous and happy life
by designing a better tomorrow, close to our clients' needs

Vision
A global leader creating unlimited possibilities and a culture of happiness through shared growth

Core Values
- Challenge is the Future
- Passion is the Power
- Trust is the Foundation

IS Group



Affiliates

Construction Division	ILSHIN E&C
	ILSHIN DEVELOPMENT
Manufacturing Division	JOONGANG REMICON
	TCE
Environment Division	INSUN ENT
	INSUN GIEOP
	INSUN MOTORS
	ISECOSOLUTION
	PAJUBNR
	GOLDEN ECO
	SAMJEONG ERK
	ENVIRONMENT & ENERGY SOLUTION
	YOUNG HUNG INDUSTRY ENVIRONMENT
	BTS TECHNOLOGY
Financial Services Division	IS SHIPPING
	OCEAN D&C
	TRIENE PARTNER
	AMOR SOFT
	CENTENNIAL HEALTH KEEPER
	VAUNCE
Foundation	MUNAM SCHOLARSHIP & CULTURE FOUNDATION

Environment Division

IS Dongseo is pursuing a comprehensive environmental business that integrates waste treatment, used battery and end-of-life vehicle recycling, environmental facility construction and operation, and renewable energy businesses. Through these efforts, the Company is building a resource circulation-based circular economy system and realizing carbon reduction and a sustainable environmental and energy value chain.

Connecting the Present and Future of the Environmental Industry

Automobile Resource Circulation
Car crushing / Dismantling Recycling

Waste battery Recycling
Lithium ion battery Recycling

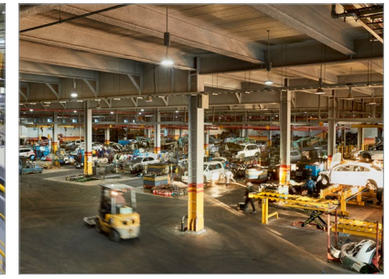
New Renewable Energy
Wind power Business

Waste Recycling
Construction waste value chain establishment

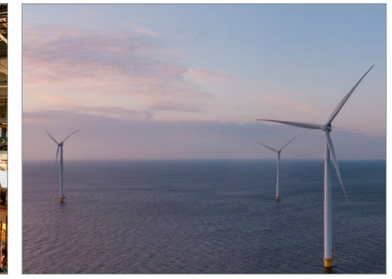
Environmental Facilities
EPC·O&M, Providing environmental facility EPC·O&M total service

Waste Recycling

Waste battery Recycling



Automobile Resource Circulation



New Renewable Energy

Environmental Facilities EPC & O&M

Environment Division

Waste battery recycling

Completion of Korea's First Lithium ion battery Recycling System

IS Dongseo is investing in the used battery recycling business in response to the growing use of lithium batteries. The Company is strengthening its foundation for sustainable growth by establishing a value chain that spans raw material sourcing, pre-treatment, and post-treatment.

| Used Battery Recycling Business Value Chain

| Core Competitiveness

Battery Collection Network

An unrivaled network for collecting waste lithium ion batteries across the country from the metropolitan area to the central and southern regions

Partnerships

Close cooperative partnership with various battery-related companies from battery material companies to automobile manufacturers

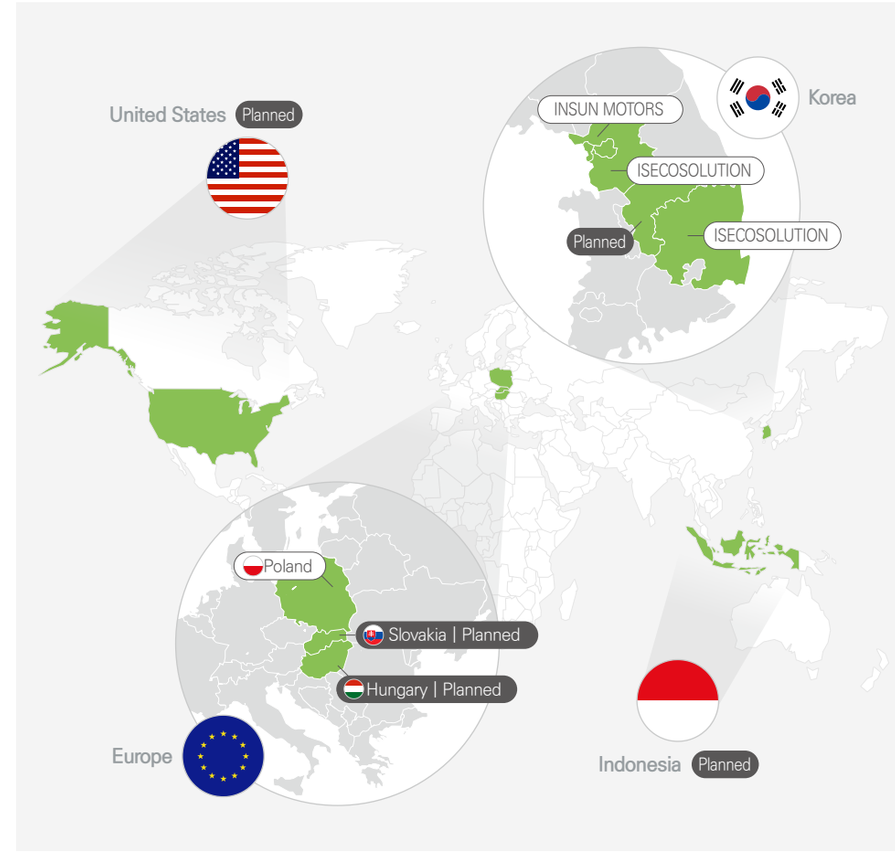
Technology

A cutting-edge technology that ensures the highest level of recovery rate, maximum volume processing, and maximum production volume in the industry wide

Global Used Battery Recycling Business

IS Dongseo is expanding its global resource circulation system by establishing used battery recycling facilities in key regions, including Europe and Southeast Asia, with Korea as its core base. This system covers the full process from raw material sourcing to pre-treatment and post-treatment.

| Market Presence in Used Battery Recycling in Korea and Overseas



Environment Division

Waste Recycling

Based on advanced technology and state-of-the-art facilities, IS Dongseo has Korea's leading resource recovery and processing capacity in the waste sector and is realizing a circular economy by converting waste into energy.

| Major Businesses

Collection, Transportation, and Intermediate Treatment of Construction Waste

Established a resource circulation system that reproduces construction waste as recyclable resources and secured differentiated competitiveness in construction waste treatment based on new environmental and construction technologies

Production and Sale of Recycled Aggregate

Through its affiliate INSUN ENT, obtained Korea's first quality certification for recycled aggregate for concrete and produces high-quality eco-friendly construction materials that replace natural aggregate

Incineration Business and Steam Production

Presents a renewable energy business vision by supplying energy to nearby areas using waste heat generated during the incineration process

Collection, Transportation, and Disposal (Landfilling) of General Waste

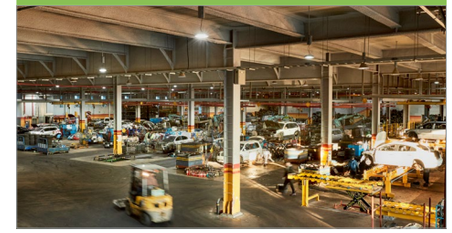
Strengthens the efficiency of landfill waste management through thorough eco-friendly post-management after landfilling

Automobile Resource Circulation

IS Dongseo operates an integrated automobile resource circulation business that converts end-of-life vehicles into resources by managing the entire process, from automobile dismantling and parts recycling to metal recovery.

| Major Businesses

Automobile Dismantling Recycling



Based on Asia's largest end-of-life vehicle recycling center, IS Dongseo has established a resource circulation system covering dismantling, sale, and distribution of used parts. The Company is transforming the end-of-life vehicle industry into a high-value-added industry through a recycling rate of more than 95% and metal recovery of more than 70%

Automobile Crushing Recycling

Based on world-class shredder facilities, IS Dongseo strengthens shredding and sorting capabilities and contributes to resource circulation and carbon neutrality by recycling steel scrap and non-ferrous metals into high-value-added resources

Electric vehicle Recycling

Operates an EV Battery Residual Value Evaluation Program

Established an EV-specific Dismantling Line

Established an EV battery storage and recycling system

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Environment Division

EPC & O&M of Environmental Facilities

Through the acquisition of Environment Energy Solution in 2022, IS Dongseo established a comprehensive environmental industry value chain covering waste recycling, including drying and incineration, as well as EPC (engineering, procurement, and construction) in the water treatment sector and O&M for basic environmental facilities. Based on new technologies and extensive field experience accumulated over many years, the Company provides customized solutions with a strong sense of responsibility for waste treatment. As a specialized company that delivers total service for environmental issues, IS Dongseo continues to strengthen its capabilities to become a top-tier company in the environmental and energy sectors.

| EPC Businesses and Representative Projects

Waste incineration and flue gas treatment

Sewage sludge incineration and dry fuel conversion

Water treatment

| O&M Businesses and Representative Projects

Domestic waste incineration and recycling

Sewage sludge incineration and dry fuel conversion

Food biogasification and dry feed

New Renewable Energy

IS Dongseo is participating in the goal of achieving carbon neutrality by 2050 and is actively pursuing renewable energy businesses, mainly wind power generation, as part of its climate change response strategy. The Company is working to create green energy based on continuous investment and business execution capabilities across the full process, from site selection and business development to EPC and O&M. In particular, in May 2025, IS Dongseo obtained approval for the Tongyeong Yokjido Offshore Wind Power Generation Business from the Electricity Regulatory Commission of the Ministry of Trade, Industry and Energy. Through this offshore wind power generation business, which will build 340 MW of generation facilities in the western offshore area, the Company is expanding its clean energy production base to supply electricity to approximately 230,000 households annually.

| Business Areas

Project discovery and review

Wind farm discovery and business development

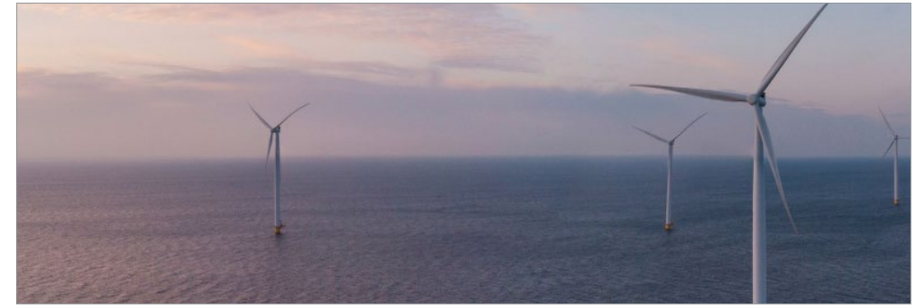
Design and arrangement of wind power plants

Onshore wind power generation business

Offshore wind power generation business

Monitoring and O&M services

O&M service and technology enhancement



Construction Division

Housing Construction Projects

Under the philosophy that "a company that earns customer trust creates customer happiness," IS Dongseo is realizing an eco-friendly lifestyle in which nature and people coexist in harmony through environmentally friendly designs and construction methods. Through continuous technological innovation and R&D, the Company is creating a future-oriented premium residential culture while positioning itself as a trusted partner in urban maintenance projects, including housing redevelopment and reconstruction, thereby enhancing the value of life and space. In addition, across diverse areas such as business facilities, commercial facilities, and cultural and sports facilities, IS Dongseo provides a one-stop business lifestyle that integrates convenient work and leisure through advanced and innovative buildings.

| Brand Introduction

'W' is IS Dongseo's high-rise residential-commercial complex brand, representing "a space that offers the highest level of prestige beyond that of a luxury hotel." Based on the new concept of "high-rise, high-end residential culture for true leaders," W delivers pride that can be experienced in a premier space. W creates urban landmarks through innovative and iconic design.

W in Suseong Beomeo, Daegu

W in Yongho-dong, Busan

'Eileen's Garden' is IS Dongseo's apartment brand that fully embodies the Company's residential philosophy of pursuing "Human Design," where people, nature, and cultural sensitivity coexist in harmony. "Eileen," the Irish form of Helen, is a persona symbolizing a "happy woman" who pursues an independent and emotionally rich lifestyle, and serves as a metaphor for women's dreams and future. "Garden" refers to a harmonious, people-centered space that everyone dreams of.

Eileen's Garden 2nd in New City, Ulsan

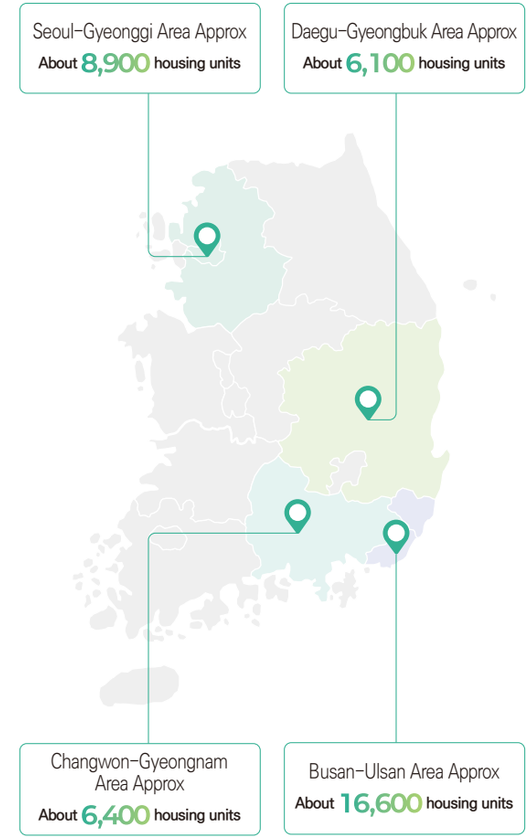
Eileen's Garden in Beomeo, Daegu

'IS BIZ Tower' is IS Dongseo's representative knowledge industry center brand, designed as a next-generation business platform that combines outstanding community facilities with business infrastructure.

Centum Sky Biz in Haeundae, Busan

IS BIZ Tower in DMC, Deokeun

| No. of Housing Units Supplied by Region



Construction Division

Civil Engineering Works

IS Dongseo carries out projects across a wide range of national infrastructure, including roads, bridges, tunnels, railways, and ports, contributing to the development of local communities and national industry. Based on advanced technologies and extensive expertise, the Company has successfully completed large-scale SOC projects, including site preparation for the Busan New Port Terminal, the Namgang Dam regional water supply project, and Wonjeon Port construction. In addition, through major infrastructure development projects such as general industrial complex development, road construction, and tunnel construction, IS Dongseo contributes to improving the nationwide transportation network and expanding the industrial base.

| Representative Projects

Renovation Works of the Berth Facility at the South Port in Busan

Development Works of Seoorung Pass Greenway Connection Road in Seoul

Construction Works the Second Zone at the Stacking Area of the Dredging Soil at the New Port in Busan

Creation of spaces for national economic development on the foundation of nature

Urban Maintenance/Urban Development Projects

IS Dongseo presents successful models of urban regeneration to provide better residential environments and living spaces, contributing to revitalizing local economies and creating urban synergies. Recognized for its construction and development capabilities through large-scale apartment and civil engineering projects, the Company is actively pursuing urban development projects across the country based on outstanding technological expertise. IS Dongseo will continue to contribute to balanced national development and local economies through large-scale urban development projects.

| Representative Projects

Ulsan Hogye-Maegok District Urban Development Project

Ulsan Deokha District Urban Development Project

Busan Yeongdo Bongnae District 1 Housing Redevelopment Project

Changwon Daewon District 3 Housing Reconstruction Project

Recreation of city value and completion of a premium residential town

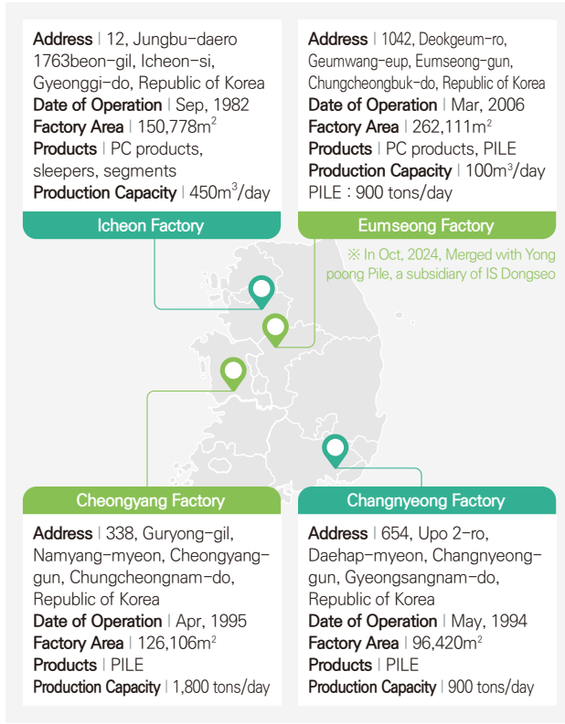
Concrete Division

IS Dongseo's Concrete Division produces high-quality products at four plants nationwide based on rigorous quality control and technological expertise, and continues to lead technological innovation by developing new technologies and products through industry-academia-research collaboration. The division is also expanding the development of eco-friendly, high-performance, and carbon-reduction technologies. After developing Korea's first high-strength PHC pile, IS Dongseo obtained Environmental Product Declaration (EPD) certification for PHC piles and PC products in 2023, as well as low-carbon product certification for ultra-high-strength PHC piles, actively supporting the government's carbon neutrality policy.

Concrete Division

IS Dongseo operates concrete production plants at major locations nationwide, including Icheon, Eumseong, Changnyeong, and Cheongyang, and has established a production system for a wide range of products, including piles and PC products.

| Locations of Concrete Business Site



Obtained Environmental Product Declaration (EPD) and Low-Carbon Product Certifications

IS Dongseo obtained Environmental Product Declaration (EPD) certification, which evaluates information on environmental impacts across a product's life cycle, as well as low-carbon product certification by reducing carbon emissions below the maximum allowable standard through improved process efficiency.

| Certification Type

Obtained Environmental Product Declaration (EPD) Certification

Four types of PHC PILE

Six types of PC products

Obtained Low-Carbon Product Certification

Ultra-high-strength PHC pile [110 MPa, three types]

Production List

IS Dongseo produces concrete structural materials that simultaneously ensure structural stability and construction efficiency through high-strength PHC PILEs and factory-manufactured PC products.

| PHC

Item	Description
PHC PILE	• High-strength concrete piles that transfer building loads deep into the ground to stably support structures
Large Diameter PILE	• High-strength concrete piles with a larger diameter than standard PHC piles, serving as foundation materials that can stably support structures with fewer piles
SP PILE	• Foundation piles that use steel pipes to transfer building loads deep into the ground
Ext/ICP UCCM-B PILE	• Ext PILE: Extended foundation piles that increase bearing capacity by extending existing piles downward • ICP PILE: Composite piles with concrete-filled steel pipes to enhance strength and bearing capacity • UCCM-B PILE: Ground-improvement piles that form piles while solidifying the ground through cement mixing

| PC

Item	Description
Buildings PC	• A method in which columns, beams, slabs, and other components are manufactured in a factory, transported to the site, assembled, and integrated, ensuring stable quality regardless of weather conditions
Civil Engineering PC	• A method in which concrete structures are prefabricated in a factory and supplied to the site, enabling shorter construction periods, cost savings, and quality assurance

2025 ESG Highlights
ESG Management System
Stakeholder Engagement
Double Materiality Assessment

With ESG Management, **We Envision a Better Tomorrow**

ESG Management

2025 ESG HIGHLIGHTS
ESG Management System
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2025 ESG Highlights
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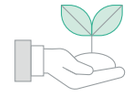
2025 ESG Highlights

Environment

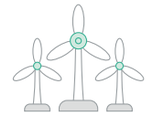
Leading carbon-reduction eco-friendly construction technologies
(Signed an MOU for the K-Carbon Flagship Project)

Investment:
KRW **506.9** million



Expansion of eco-friendly energy business
(Approval for the Offshore Wind Power Generation Business in Yokjido, Tongyeong)

Generation facilities:
340 MW(planned)



Joined environmental initiatives

BNBP
Biz N Biodiversity Platform

CORE
기업 재생에너지 이니셔티브
Corporate Renewable Energy Initiative

Social

Occurrence of the serious accidents

Achieved
0 cases (ZERO)

Established a mutual growth fund for suppliers

KRW **9** billion

Selected as a Community Contribution Recognized Company

Governance

No. of BOD meetings / No. of agenda items resolved

16 meetings /
24 agenda items

Strengthened Board transparency

Introduced
the Lead Outside Director system

Percentage of business sites assessed for corruption risks

Achieved **100** %

2025 ESG Highlights
ESG Management System
Stakeholder Engagement
Double Materiality Assessment

ESG Strategy

Under the mission of "Pursuit of growth by creating sustainable value with stakeholders," IS Dongseo has established specific strategies and goals for environmental, social, and governance areas. Based on its systematic ESG strategy, the Company aims to actively reflect stakeholder expectations and needs and realize social value, thereby achieving its long-term goal of becoming a sustainable enterprise through sustainability management.

Mission

Pursuit of growth by creating sustainable value with stakeholders

Vision

Company prioritizing and contributing to the environment and future of our society based on core values of taking on challenges, passion, and safeguarding trust

Strategic Goals

Challenge
Pursuit of continuous innovation

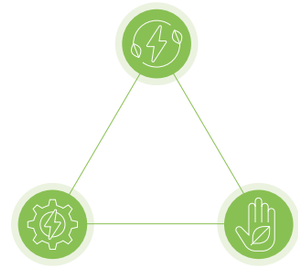
Passion
Advancing future-oriented businesses

Trust
Company pursuing win-win partnerships

ESG Management Goals

GREEN
Connecting the present and future of the environmental industry

Waste recycling and eco-friendly processing

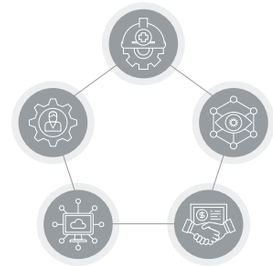


Construction energy savings

Compliance with environmental laws and regulations

MIRACLE
Building miracles all over Korea

Establishment of a system for worker safety



Securing professional personnel

Severe accident management by professional personnel

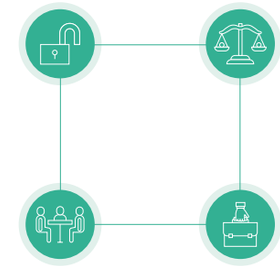
Establishment of personal information protection system

ESG management support for partners

INNOVATION
Innovation in life, with technology and quality praised by the world

Transparent disclosure of information

Implementation of ethical management



Rational operation of the board of directors

Securing the expertise of the audit body

SDGs Alignment

2025 ESG Highlights
ESG Management System
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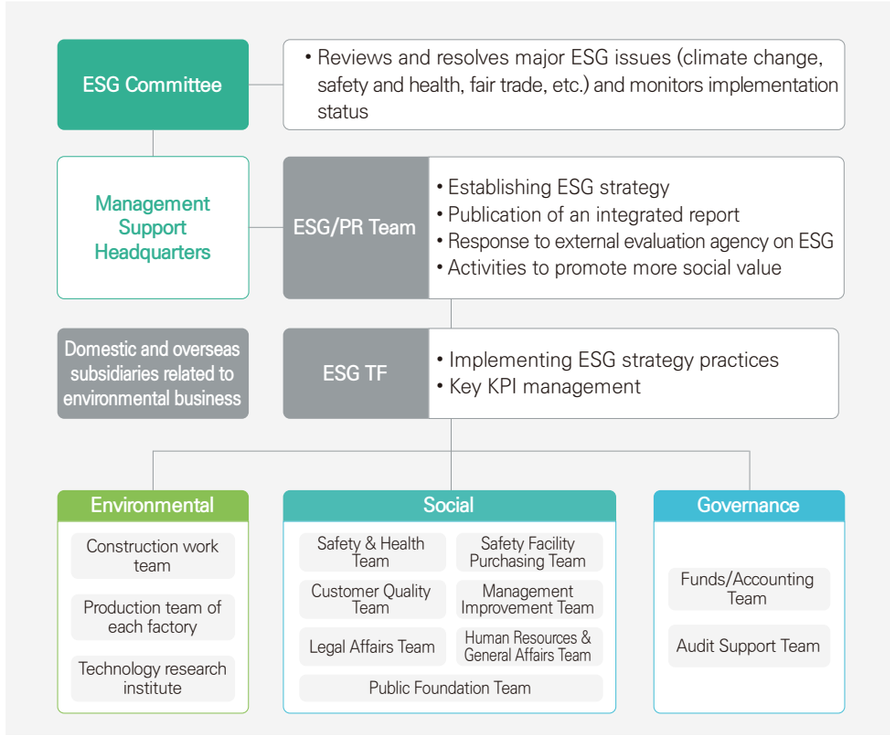
ESG Management System

ESG Management Organization

To systematically promote ESG management, IS Dongseo has established an organic collaboration system centered on the ESG Committee and involving the Management Support Headquarters, ESG/PR Team, ESG TF, and execution organizations by division. The ESG Committee reviews and resolves major ESG issues and monitors implementation status, while the ESG TF and divisional TFs are responsible for practical strategy execution and management of key KPIs. The ESG/PR Team publishes the integrated report and responds to external assessments. Through plant-level environmental management and the operation of a public interest foundation, the Company systematically promotes eco-friendly production management and the creation of social value.

| ESG Management Organization Structure and Key Roles



ESG Committee

IS Dongseo has established and operates the ESG Committee to systematically promote ESG management. In accordance with its regulations, the ESG Committee consists of at least two directors, and a majority of its members are designated as outside directors. In 2025, the ESG Committee consists of one inside director and two outside directors. It is responsible for establishing strategies and deliberating and resolving major issues across environmental, social, and governance areas. In 2025, the Committee deliberated and resolved key agenda items, including the appointment of the ESG Committee Chair and the review of ESG materiality assessment results. It also regularly receives reports on major ESG-related matters, including the establishment of the climate change response roadmap, greenhouse gas emissions, and environmental management status. In addition, all members participate with a high attendance rate, strengthening the accountability and transparency of ESG decision-making.

| Key Roles of the ESG Committee

Key Roles of the ESG Committee

Review ESG materiality and non-financial risks	Review ESG management issues and performance	Review carbon neutrality implementation measures	Review external ESG assessment results and set targets for improvement

| ESG Committee Activities

Date Held	Agenda	Resolution Status	Attendance Rate
2025.03.11	Appointment of the ESG Committee Chair	Approved	100%
2025.05.13	Review of ESG materiality assessment issue identification results	Approved	100%
	Report on the establishment of the climate change response roadmap	Reported	100%
2025.11.24	Report on 2024 greenhouse gas emissions and environmental management status	Reported	100%

2025 ESG Highlights
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ESG Management System

IS Dongseo has established ESG key performance indicators (KPIs) across three core areas and systematically manages task implementation for each indicator. Through these efforts, the Company aims to strengthen ESG execution and enhance its overall sustainability management.

| ESG Key Performance Indicators and Task Implementation Status

Classification	Promotional areas	Major KPI	Unit	2023	2024	2025 Goal	2025 Performance	2025 Achievement Rate	2026 Goal
Green (Environmental)	Response to Climate Change[1]	Greenhouse Gas Emission (Scope1+2)	tCO_2eq	20,185.2	13,526.6	**17,878**	**11,463**	**135.9**	16,725
		Energy usage	TJ	383.4	251.6	**339**	**211.4**	**137.6**	317
	Water usage management[1]	Water intensity	ton/ KRW 100 million	12.2	8.5	**8.5**	**8.6**	**98.8**	8.5
	Resource circulation[1]	Waste intensity	ton/ KRW 100 million	4.8	1.7	**1.7**	**2.1**	**76.5**	2
	Sustainable construction & development	Investment in environmental R&D[2]	KRW million	264,372.9	342.5	**500**	**506.9**	**101.4**	530
Miracle (Social)	Industrial safety and health	No. of serious accidents	EA	1	1	**0**	**0**	**100**	0
		Industrial accident rate	%	0.4	0.4	**0.3**	**0**	**100**	0
	Securing diversity of employment and workers	Ratio of regular employees	%	81.9	87.6	**87.6**	**84.9**	**96.9**	87
		Ratio of female employees	%	11	11.3	**11.3**	**13.2**	**117**	15
		Youth employment	Persons	33	15	**15**	**8**	**53.3**	8
	Creation of social values	Social contribution activity expenses	KRW million	1,442	1,525	**1,525**	**1,005**	**65.9**	1,005
	Customer satisfaction	Level of customer satisfaction	Points	60	52	**60**	**62**	**103.3**	65
Innovation (Governance)	Securing sound governance	Securing female directors	Persons	1	1	**1**	**1**	**100**	1
		Ratio of outside directors in the Board of Directors	%	55	57	**57**	**71**	**125**	71.4
	Business site corruption risk assessment	Percentage of business sites subject to corruption risk assessment	%	100	100	**100**	**100**	**100**	100
	Ethical management	Ratio of employees participating in ethical management training	%	69.3	61.7	**65**	**62**	**95.4**	65

1) Construction project data included in environmental data was changed from the previous basis of completed sites to actual annual usage at sites for 2023-2025.
 - The decrease in 2024-2025 performance compared with 2023 was attributable to a sharp decline in construction sites due to market conditions and temporary shutdowns at manufacturing plants.
2) Investment in environmental R&D: Sum of R&D expenses for environment-related new materials and investments in environmental businesses.

2025 ESG Highlights
ESG Management System
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Stakeholder Identification and Communication

IS Dongseo defines stakeholders that affect the Company's sustainable management activities into seven groups: employees, partners, customers, local communities, investors, government agencies, and the media. The Company collects stakeholder feedback through online and offline communication channels tailored to the characteristics of each stakeholder group, as well as through stakeholder surveys. Going forward, IS Dongseo will continue to actively reflect valuable stakeholder feedback across its management activities and ESG decision-making, proactively manage key stakeholder interests, and build relationships of trust.

| Stakeholder Communication

Employees | Key actors responsible for achieving management goals and growth of the organization

Communication Channels
- Continuous operation of online and offline grievance-handling channels
- Holding regular and temporary labor-management council meetings
- Rewards for long-serving employees

Areas of interest
- Capacity-building for employees
- Workplace safety and health
- Provision of welfare benefits
- Work and life balance Partners

Partner Companies | Partners pursuing mutual growth through business collaboration

Communication Channels
- Holding regular meetings for mutual growth
- Operation of Webhard for services exclusively for vendors
- Mutual growth meeting for excellent vendors

Areas of interest
- Assessment of supply-chain ESG risk activities
- Strengthening compliance with the Fair Transactions in Subcontracting Act
- Financial/technological/managerial support

Customers | Principle agent who consumes IS Dongseo's services and value provided

Communication Channels
- Operating IS Dongseo website(same content provided for PC and mobile platforms)
- Operating Happy Call all year round
- Operating SNS channels (YouTube, Instagram, Facebook)

Areas of interest
- Product-quality improvement
- Customer-management, customer-satisfaction enhancement

Media | Agent that reports on ESG activities of corporate and sustainability performance, and delivers fair and objective information

Communication Channels
- Website
- Press release
- Public hearing

Areas of interest
- Transparent disclosure of information
- Social impact and reputation of corporate
- Environmental and safety-related incidents and responses

Community | A community that promotes mutual growth through social responsibility activities

Communication Channels
- Operation of Munam Scholarship and Cultural Foundation
- Operation of local community contribution programs
- Operation of donation program
- Cooperation with partner organizations and NGOs

Areas of interest
- Contribution to community development
- Realization of social responsibility through addressing social issues
- Dust scattering and air-pollution at construction sites

Investors | Principle agent of stakeholders who expect investment returns based on management performance and transparency

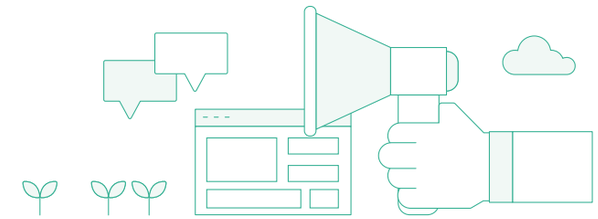
Communication Channels
- Corporate briefing session at the group level (once a quarter)
- Electronic disclosure
- Credit-rating response

Areas of interest
- Stable profit creation
- Smooth communication with shareholders
- Active profit return

Government Agencies | Principle agent that supervises corporate compliance with laws and regulations and collaborates with IS Dongseo to achieve sustainable industrial development

Communication Channels
- Participation in policy research
- Joint cooperation program

Areas of interest
- Compliance with laws and regulations
- Creation of quality jobs
- Implementation of social responsibility



Concept of Double Materiality Assessment

Double Materiality Assessment is an assessment approach that considers both the impact of a company's business activities on the environment and society (Impact Materiality) and the impact of external issues on the company's financial performance (Financial Materiality). To identify key issues that have material impacts on its sustainability and business, IS Dongseo conducts a Double Materiality Assessment each year by adopting the double materiality perspective recommended by GRI in line with the European Commission's adoption of the European Sustainability Reporting Standards (ESRS). Through this process, the Company clearly analyzes the impacts of sustainability issues inside and outside the organization and quantitatively assesses stakeholder interest, effectively reflecting the results in its ESG management strategy.

IS Dongseo identifies a sustainability issue pool through peer benchmarking and analysis of global disclosure standards and evaluation indicators. For each issue, the Company conducts a Double Materiality Assessment by applying various assessment methods that quantitatively and qualitatively analyze both the Company's impacts on the environment and society and the impacts of environmental and social changes on the Company's financial performance. Through this process, IS Dongseo identifies key issues that have material impacts on sustainability management and discloses them in detail in this Sustainability Report.

Double Materiality Assessment Process

Creation of Issue Pool

External Analysis

- **Analysis of global ESG reporting frameworks and indicators of domestic rating agencies**
  - GRI, SASB, TCFD, UNGS, KCGS, etc.
- **Industry peer benchmarking**
  - Similar industries, peer companies, companies with strong ratings, etc.

Internal Analysis

- **Analysis of ESG strategy and internal materials of IS Dongseo**

Identification of Issue Pool

- **Identification of a total of 24 issues**
  - 9 environmental, 9 social, and 6 governance issues

STEP 1

Double Materiality Assessment

Impact Materiality Assessment

- **Media analysis**
  - Analysis of articles related to IS Dongseo's ESG issues (286 articles, as of 2025)
- **Benchmarking analysis**
  - Review of ESG issues at 12 domestic and global peer companies
- **Collection of opinions from internal and external stakeholders**
  - Target: IS Dongseo's internal and external stakeholders (employees, partners, customers/general public, shareholders/investors, local communities, consulting/advisory organizations, and government/related agencies)
  - Assessment of environmental and social importance by ESG issue
- **External expert assessment**
  - Assessment by ESG experts of the environmental and social importance of each IS Dongseo ESG issue

Financial Materiality Assessment

- **Analysis of internal management status**
  - IS Dongseo's ESG strategy, ESG KPIs, etc.
- **Collection of opinions from internal and external stakeholders**
  - Target: IS Dongseo's internal and external stakeholders (employees, partners, customers/general public, shareholders/investors, local communities, consulting/advisory organizations, and government/related agencies)
  - Assessment of financial importance by ESG issue
- **External expert assessment**
  - Assessment by ESG experts of the financial importance of each IS Dongseo ESG issue

STEP 2

Identify and Report Material Issues

Prioritization

- **Prioritization of issues based on the results of impact materiality and financial materiality analyses**

Final Confirmation of Material Issues

- **Identification of the top 10 issues as material issues**
- **Final confirmation of identified material issues through expert validation and internal corporate review**
- **Development of the matrix and reporting of results for the top five issues among the 10 identified issues, including the rationale for their identification as material issues, issue importance, response strategies, and major performance**

STEP 3

Double Materiality Assessment Results

In 2025, IS Dongseo conducted a double-materiality assessment to comprehensively analyze the environmental and social impacts, as well as the financial impacts, of a total of 24 issues, and selected five core reporting issues and five important reporting issues. Compared to the previous year, there were changes in the content and priority of some issues, and activities and performance related to the selected reporting issues are transparently disclosed annually through the Sustainability Report. Going forward, IS Dongseo will systematically manage key ESG-related issues to enhance ESG management and strengthen communication with stakeholders.

Rank	Classification	Material Issue	Impact Materiality	Financial Materiality	Changes in ranking compared to the previous year	Report Page
1	Social	Practicing safety-first management and spreading the safety and health culture	●●●●○	●●●●○	No change	p.51~61
2	Governance	Creation of economic value (growth in revenue and operating income, and entry into new markets)	●●●●○	●●●●○	11 ▲	p.10~16
3	Social	Quality management and customer satisfaction enhancement	●●●●○	●●●●○	No change	p.62~64
4	Environmental	Climate change response and carbon neutral activities	●●●○○	●●●○○	2 ▼	p.29~49
5	Environmental	Strengthening the environmental management system	●●●○○	●●●○○	No change	p.29~49
6	Social	Strengthening shared growth and our win-win management	●●●○○	●●●○○	2 ▲	p.65~68
7	Environmental	Strengthening resource circulation and waste management	●●●○○	●●○○○	4 ▲	p.34~38
8	Environmental	Promotion of eco-friendly product and technology development (R&D)	●●○○○	●●○○○	5 ▲	p.43~49
9	Governance	Financial and non-financial risk management	●○○○○	●●●○○	No change	p.97~98
10	Social	Protection of human rights of employees and stakeholders	●●○○○	●●○○○	9 ▲	p.69~72

Material Issues Management

IS Dongseo has selected five core issues and established risk factors and response strategies for each issue to systematically manage material issues. The Company also plans to strengthen its ESG risk response capabilities by continuously monitoring core issues in line with the changing business environment and ESG requirements.

Rank	Core issue	Opportunities and risk factors			Major response strategy	Report page
		Type	Impact Materiality	Financial Materiality		
1	Practicing safety-first management and spreading the safety and health culture	Positive	• Prevention of industrial accidents and protection of worker safety • Expansion of a safety culture and improved organizational trust	• Improved productivity through fewer industrial accidents • Reduced risks of construction delays and costs	• Maintain and advance Safety and Health Management System (ISO 45001) certification • Implement smart risk assessments and regular inspections at all sites • Operate an integrated safety management system that includes partners • Conduct regular safety training and safety inspections by external expert organizations	p.51-61
		Negative	• Harm to workers in the event of industrial accidents • Decline in corporate reputation and social trust	• Construction suspension and schedule delays • Compensation and sanction costs		
2	Creation of economic value (growth in revenue and operating income, and entry into new markets)	Positive	• Job stability through stable business operations • Creation of social value through expansion of environmental businesses	• Increased revenue and profitability volatility • Strengthened revenue base through business diversification	• Diversify the business portfolio and manage businesses with a focus on profitability • Strengthen environmental business competitiveness and identify new businesses • Manage investment risks and secure financial soundness • Establish strategies to respond to market changes and optimize the business structure	p.10-16
		Negative	• Employment instability in the event of an economic downturn • Social impacts from business downsizing	• Reduced profitability due to a slowdown in the construction market • Increased costs and financial burden		
3	Quality management and customer-satisfaction enhancement	Positive	• Improved customer satisfaction and residential quality • Enhanced brand trust	• Stronger order-winning competitiveness and increased revenue • Increased brand value	• Strengthen the company-wide quality management system and advance quality standards • Operate a management process focused on preliminary inspections and defect prevention • Improve integrated VOC management and customer response system • Operate online and offline customer communication channels	p.62-64
		Negative	• Increased customer complaints in the event of quality issues • Deterioration of corporate image and trust	• Increased costs for defect repair and complaint handling • Possibility of contract termination and revenue loss		
4	Climate change response and carbon neutral activities	Positive	• Reduction of greenhouse gas emissions and fulfillment of environmental responsibility • Strengthened eco-friendly construction and sustainability	• Cost savings through improved energy efficiency • Revenue generation through expansion of eco-friendly businesses	• Establish climate change response strategies and a mid- to long-term reduction roadmap • Measure and manage greenhouse gas emissions (Scope 1, 2, and 3) • Improve energy efficiency and expand the application of low-carbon construction methods • Expand circular resource and eco-friendly business portfolios	p.29-49
		Negative	• Increased environmental impact in the event of insufficient carbon management • Decline in reputation due to insufficient response to climate regulations	• Increased costs to respond to carbon regulations • Increased burden from facility investment and operating costs		
5	Strengthening the environmental management system	Positive	• Prevention of environmental pollution and strengthened resource management • Securing trust from local communities	• Cost savings through more efficient environmental management • Strengthened competitiveness through certification	• Maintain and enhance the operation of Environmental Management System (ISO 14001) certification • Conduct inspections and manage risks related to workplace environmental compliance • Strengthen the waste and resource circulation management system • Expand procurement of eco-friendly materials and green products	p.29-49
		Negative	• Possibility of pollution in the event of insufficient environmental management • Conflict with local communities and reputational decline	• Costs for responding to environmental incidents and sanctions • Increased restoration and management costs		

Environmental
· Climate Change Response and Environmental Management
· Environmental Impact Reduction
· Eco-Friendly Business

Social
· Safety and Health Management
· Quality Management
· Win-win Management
· Human Rights Management
· Human Resource Talent Management
· Social Contribution

Governance
· Governance
· Ethical Management
· Risk Management

With ESG Management, **We Envision a Better Tomorrow**

ESG Performance

Environmental

Social

Governance

Environmental
· Climate Change Response and Environmental Management
· Environmental Impact Reduction
· Eco-Friendly Business

Social
· Safety and Health Management
· Quality Management
· Win-win Management
· Human Rights Management
· Human Resource Talent Management
· Social Contribution

Governance
· Governance
· Ethical Management
· Risk Management

Environmental

Climate Change Response and Environmental Management 29
Environmental Impact Reduction 35
Eco-Friendly Business 43

Environmental
> Climate Change Response and Environmental Management
· Environmental Impact Reduction
· Eco-Friendly Business

Social
· Safety and Health Management
· Quality Management
· Win-win Management
· Human Rights Management
· Human Resource Talent Management
· Social Contribution

Governance
· Governance
· Ethical Management
· Risk Management

Governance

Roles of the Board of Directors and ESG Committee

To proactively respond to ESG risks and strengthen its management and oversight system for climate change response and environmental management, IS Dongseo has established and operates the ESG Committee under the Board of Directors, the Company's highest decision-making body. The Board of Directors conducts final review and approval of major policies and agenda items related to climate change response and environmental management, and manages and oversees the Company-wide response direction and implementation system. The ESG Committee comprehensively manages key issues, including ESG management, carbon neutrality, and environmental management. It receives and reviews reports on major matters, such as greenhouse gas emissions, energy use, environmental management performance, and climate change response strategies, at least once a year, and deliberates and resolves major agenda items when necessary. Key strategies and action plans discussed by the ESG Committee are finalized through management decision-making and shared across the Company to enhance execution in climate change response and environmental management.

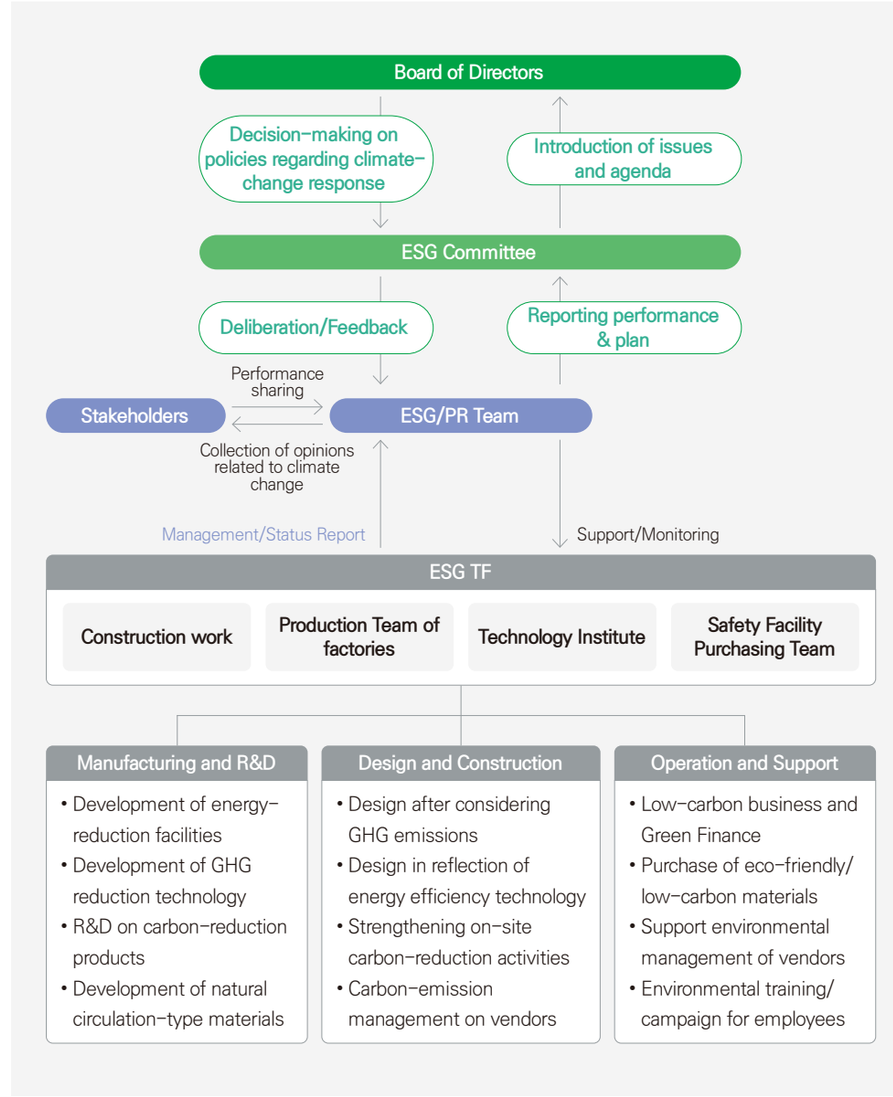
| Environmental Performance Reporting to the ESG Committee in 2025

Classification	Reporting Agenda	Key Reported Details
ESG Committee	Report on 2024 greenhouse gas emissions and environmental management status	Greenhouse gas emissions, waste generation, water consumption, and mid- to long-term reduction roadmap

Organization Responsible for Climate Change Response and Environmental Management

IS Dongseo operates a working-level implementation system centered on the ESG/PR Team and ESG TF to systematically execute climate change response and environmental management tasks. The ESG/PR Team oversees company-wide environmental management tasks based on performance sharing and feedback collection with stakeholders, reviews the status of environmental and climate-related management, and supports the reporting of major performance and response plans to the ESG Committee. It also identifies directions for improving environmental management tasks through performance sharing and feedback collection with stakeholders. The ESG TF consists of construction projects, production teams at each plant, the Technical Research Institute, and the Safety Procurement Team. It continuously monitors environmental issues at business sites and carries out practical environmental management activities across manufacturing and R&D, design and construction, and operations and support, including the development of energy-saving technologies, design that considers greenhouse gas emissions, procurement of eco-friendly and low-carbon materials, and environmental training and campaigns.

| Organization for Climate Change Response and Environmental Management



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Governance

Environmental Management Policy and System

IS Dongseo recognizes environmental conservation as a core value of its corporate management activities and has established an environmental management policy to minimize environmental impacts across its business operations for sustainable growth and response to the climate crisis. The Company has also obtained Environmental Management System (ISO 14001) certification by establishing and operating an environmental management system aligned with global standards, mainly at its manufacturing plants in Icheon and Cheongyang. In particular, IS Dongseo maximizes the efficiency of environmental performance management by linking systems that enable integrated management of key environmental indicators, such as greenhouse gas emissions and waste generation.

| Environmental Management Policy

01 | Energy Conservation Practices

02 | Compliance with Environmental Laws and Regulations and Continuous Improvement

IS Dongseo regards environmental conservation as a core value of sustainable management and strives to minimize environmental impacts across all business activities. The Company practices energy conservation and strictly complies with environmental laws and regulations to ensure systematic operation of its environmental management system. IS Dongseo raises environmental responsibility awareness so that all employees understand and implement its environmental management policy, and seeks to fulfill its corporate social responsibility by carrying out practical activities for resource conservation and environmental protection.

| ISO 14001 Environmental Management System Certification

Participation in Environmental Initiatives

IS Dongseo participates in domestic and global environmental initiatives to strengthen its response capabilities for key environmental issues, including climate change, renewable energy transition, and biodiversity conservation. The Company continues to expand the foundation for environmental management by participating in TCFD to advance its climate-related financial disclosure system, BNBP (Biz N Biodiversity Platform) to enhance corporate biodiversity response capabilities, and CoREi (Corporate Renewable Energy Initiative) to support the transition to and expansion of renewable energy. Through these activities, IS Dongseo manages environmental risks and opportunities more systematically and strengthens the execution of environmental management based on external information exchange and stakeholder communication.

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

In 2022, IS Dongseo registered its support for TCFD, laying the foundation to more systematically manage and disclose the impacts of climate change on the Company's financial position and business activities. TCFD is a global framework that recommends disclosure of information on climate-related governance, strategy, risk management, metrics, and targets, and supports transparent communication on corporate climate risks and opportunities. IS Dongseo continues to advance its climate-related disclosure system and strives to provide stakeholders with more reliable information.

| BNBP (Biz N Biodiversity Platform)

In 2026, IS Dongseo participated in BNBP (Biz N Biodiversity Platform) to strengthen its foundation for responding to biodiversity issues. BNBP is a platform jointly operated by the Ministry of Environment and KBCSD. It aims to enhance corporate biodiversity response capabilities through education, public awareness, information exchange, and expanded stakeholder communication. Through its participation in BNBP, IS Dongseo seeks to receive and share the latest trends and practical information on biodiversity and actively apply them to setting future ESG directions and advancing environmental management.

| CoREi (Corporate Renewable Energy Initiative)

In 2026, IS Dongseo joined CoREi (Corporate Renewable Energy Initiative) to establish a foundation for expanding renewable energy use and reducing greenhouse gas emissions. CoREi is an initiative jointly launched by the UN Global Compact Network Korea, WWF Korea, and the Korea Sustainability Investing Forum. It supports companies in voluntarily declaring a transition to renewable energy and implementing related targets. In line with the principles of CoREi participation, IS Dongseo will work to procure and expand renewable energy, contribute to climate change mitigation and environmental protection, and support the development and improvement of renewable energy policies in Korea. Through these efforts, the Company will monitor renewable energy-related policies and market trends and expand a practical foundation for energy transition across its business operations going forward.

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Strategy

Climate Change Response and Environmental Management Strategy Roadmap

IS Dongseo has established a mid- to long-term climate change response strategy to address social expectations regarding climate change and carbon neutrality, and to systematically manage business risks and opportunities arising from environmental changes. With reference to the TCFD recommendations, the Company sets its response direction based on the framework of governance, strategy, risk management, and metrics and targets, and continues to strengthen its climate change response capabilities through phased implementation tasks. The Company also continuously reviews domestic and global climate change discussions and major scenarios to proactively identify transition and physical risks associated with climate change. In particular, as the strengthening of global greenhouse gas reduction policies and changes in market and technology environments may affect overall corporate management, IS Dongseo reviews the direction of mid- to long-term environmental changes with reference to climate change scenarios presented by credible organizations such as the IPCC and IEA. Based on this approach, the Company aims to establish a response foundation and management system in the short term, advance key reduction activities and risk management systems in the medium term, and strengthen the foundation for low-carbon businesses in the long term to support the implementation of carbon neutrality in the construction and manufacturing sectors. Going forward, IS Dongseo will continue to review climate-related risks and opportunities and further enhance its response system by reflecting the characteristics of its businesses, thereby providing stakeholders with transparent and reliable climate-related information.

| Climate Change Response Roadmap

	Governance	Strategy	Risk Management	Metrics and Targets
Short-term (~2026)	• Operation of the ESG Committee under the Board of Directors • Operation an ESG dedicated organization and ESG cooperation system – ESG/PR Team (Headquarters), TF Teams (for each business site) • Embedding the climate change response management system, including energy and greenhouse gases	• Maintaining certification for the Environment and Energy Management System • Expanding environmentally friendly technology development and product procurement – Acquiring environmental product labels and low-carbon product certifications • Diversifying the eco-friendly business portfolio	• Identifying and assessing key climate-change risks and deriving opportunity factors • Operating an internal reporting system for climate-risk response • Establish a foundation for implementing mid- to long-term reduction targets and strategies for climate change and carbon neutrality	• Calculation and disclosure of Scope 1, 2,and 3, greenhouse gas (GHG) emissions • Managing a target of short-term GHG reduction
Mid-term (2027~2030)	• Establishment and advancement of the operation of environmental management organizations • Strengthen the Company-wide decision-making structure for climate change response • Creating and reviewing ESG KPIs related to climate change	• Conducting scenario analyses for climate change impacts • Improving energy efficiency through facility upgrades and equipment·optimization • Expanding the introduction of electric vehicles for business use • Securing carbon management technologies via Life Cycle Assessment (LCA) evaluations	• Advancing the corporate risk-management system to incorporate climate-change risks and opportunities • Using scenario analysis to assess financial impacts and refine climate-risk response strategies	• Expansion of Scope 3 emission measurement subject • Expansion of green technology certification and environmental management investments • Reviewing and introducing internal carbon pricing to strengthen implementation for greenhouse gas reduction
Long-term (2031~)	• Operation and advancement of the functions of the environmental- management organization • Building a climate-risk management system and implementing a monitoring system • Developing and supporting a low-carbon supply chain	• Implementing carbon-reduction strategies based on climate change scenario analyses • Obtaining renewable energy supply certificates • Utilizing green premium programs • Minimizing carbon emissions from sites and vendors	• Integrated operation of climate-change risks and ongoing system sophistication • Setting carbon-neutrality goals and linking climate-change risk management across the entire supply chain	• Advancing quantitative assessment of climate risks • Transforming business portfolios based on climate-change response (Establishing low-carbon and carbon-neutral business models, etc.)

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

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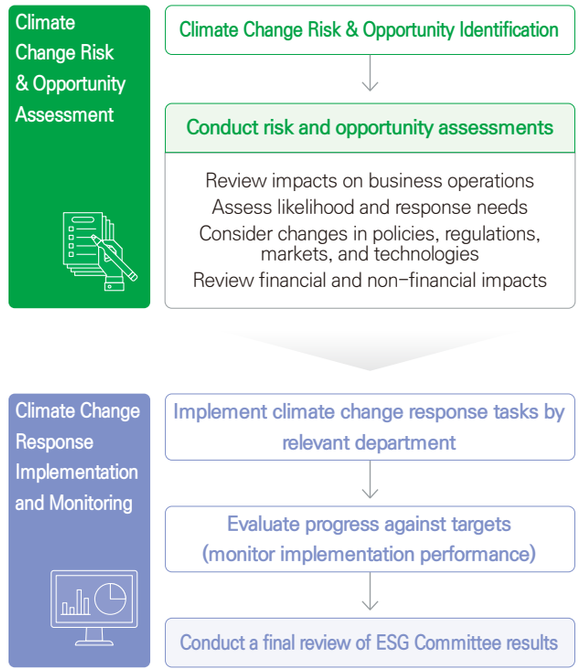
Risk Management

Climate Change Risk Management

IS Dongseo systematically identifies risks and opportunities arising from climate change, reviews their impact on business operations, and develops and manages response tasks. The Company identifies key issues by comprehensively considering domestic and global climate change policies, market conditions, technological changes, and the operational characteristics of its business sites, and reviews response directions in collaboration with relevant departments. For identified risks and opportunities, IS Dongseo assesses materiality and continuously monitors the progress and performance of related tasks, thereby gradually advancing its climate change response system.



Identification of Climate Change Risks and Opportunities

IS Dongseo systematically identifies, assesses, and continuously manages related risks and opportunities to strengthen its company-wide response capabilities for climate change issues. Based on internal and external information collected on major climate change issues, the Company analyzes risk and opportunity factors, reviews their impacts on business operations, and derives key issues requiring priority response. In collaboration with relevant departments, the Company also implements response tasks and continuously reviews implementation levels and performance against targets to enhance the effectiveness of its climate change response. Key climate-related issues are managed by the responsible departments, and execution is strengthened in connection with senior management's responsibility for environmental management.

| Analysis of Climate Change Risks and Opportunities

Risk Type		Financial Impacts	Response Strategies	Degree of Impact	
				Short-Term	Mid- and Long- Term
Transition Risk	Policies & Regulations	• Increase in emissions allowance purchase costs due to reduced allocations and expanded paid allocation under Korea's greenhouse gas emissions trading scheme • Potential additional costs to respond to global greenhouse gas regulations such as CBAM • Increase in management and response costs due to expanded climate information disclosure and investments for low-carbon transition	• Strengthen low-carbon technology development and facility investments based on the carbon reduction roadmap • Continue greenhouse gas emissions management and reduction activities • Review the response system for changes in climate disclosure standards and environmental regulations	High	High
	Technology	• Increase in investment costs associated with low-carbon technology development and facility conversion • Decrease in production efficiency and increase in market response costs if the introduction of low-carbon technologies is delayed	• Strengthen cooperation to promote the development and commercialization of low-carbon process technologies • Participate in national R&D projects and pursue technology cooperation • Strengthen reviews of the feasibility of introducing low-carbon technologies	Low	Mid
	Market	• Increase in investment costs to expand low-carbon product production and improve operational efficiency • Increase in cost burden due to the introduction of eco-friendly raw materials and equipment • Potential changes in revenue and profitability if competition in low-carbon products intensifies	• Improve operational efficiency by optimizing the operation of reduction facilities at each business site • Strengthen carbon reduction execution to enhance the competitiveness of low-carbon products • Review the expansion of eco-friendly products in response to market changes	Low	Mid
	Reputation	• Potential damage to corporate image and decrease in revenue if stakeholder expectations for climate response are not met • Potential contraction in transactions due to declining brand trust if environmental issues occur	• Enhance stakeholder trust through product quality management and eco-friendly product development • Strengthen disclosure and communication on climate change response	Mid	High
Physical Risk	Acute	• Operational disruptions, revenue declines, and recovery costs in the event of extreme weather such as coastal flooding or river overflow • Potential increase in production costs and delivery delays due to disruptions in the supply of key raw materials	• Strengthen site inspections to respond to extreme weather such as flooding and heat waves • Improve the efficiency of factory cooling systems and supplement on-site response systems • Review diversification of overseas raw material procurement sources	Mid	Low
	Chronic	• Increase in costs due to extended construction periods, damage recovery, and strengthened preventive activities • Increase in operating costs due to lower labor productivity caused by climate change and increased use of heating and cooling equipment	• Strengthen extreme weather monitoring to minimize schedule delays and quality impacts • Review expansion of water recycling • Operate energy and environmental monitoring and energy management systems	Mid	Low
Opportunity	Products and Services	• Opportunities to increase revenue due to growing demand for low-carbon industries such as electric vehicles and renewable energy • Potential improvement in profitability through expanded sales of low-carbon certified products and eco-friendly products • Strengthened mid- to long-term competitiveness through production process transition and product advancement	• Accelerate the transition to production and sales systems for low-carbon certified products • Strengthen competitiveness across the secondary battery materials value chain, from raw materials to final materials • Identify business opportunities in response to growing demand for eco-friendly products	Low	High
	Energy Sources	• Potential government support and tax benefits from expanded adoption of renewable energy • Reduction in operating costs through energy efficiency improvement activities	• Expand the use of renewable energy through installation of solar panels and introduction of aerodynamic power generation systems • Promote operating cost reductions through energy efficiency improvement activities	Low	Mid

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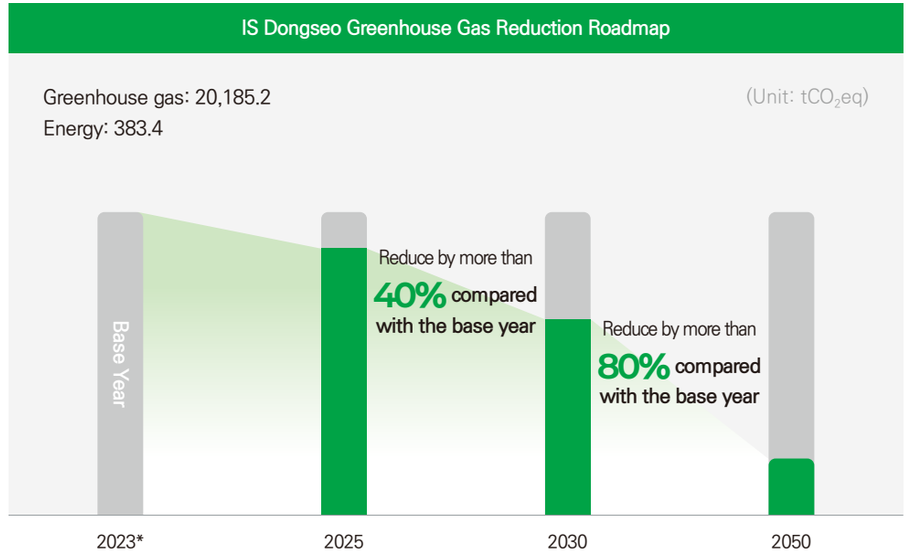
Metrics and Targets

Climate Change Response Targets and Detailed Strategies

IS Dongseo has established a greenhouse gas reduction roadmap by comprehensively reviewing feasibility, reduction potential, costs, and effects to successfully achieve its 2030 greenhouse gas reduction target. With the goal of reducing emissions by more than 40% by 2030 and by more than 80% by 2050 compared with the base year, the Company is pursuing multifaceted efforts, including the adoption of renewable energy, projects to secure carbon credits, eco-friendly management activities, and expansion of low-carbon management. IS Dongseo will continue to manage and optimize greenhouse gas emissions to achieve its reduction targets.

| Greenhouse Gas Reduction Roadmap (Scope 1+2)



Evaluation Indicator		Unit	2025 Performance			Mid- to Long-term Roadmap		
			Goal	Actual Results	Achievement Rate (%)	2026	2030	2050
Greenhouse Gas Emissions	Scope 1+2	tCO_2eq	17,878	11,463	135.9	16,725	12,111	4,037
Energy usage	-	TJ	339	211.4	137.6	317	230	77

* The base year was changed from 2022 to 2023. Following the pilot calculation of greenhouse gases in 2022, the base year was changed as the calculation basis was revised from the year of completion to the entire construction period for greenhouse gas emissions.

| Detailed Strategies of Greenhouse Gas Reduction

Classification	Detailed Strategy	Implementation Plan: Short-Term	Implementation Plan: Mid- to Long-Term
Operational Efficiency	• Strengthen energy-saving management at construction sites	●	
	• Operate energy management systems at business sites	●	●
	• Reduce greenhouse gas emissions through process improvements	●	●
	• Introduce high-efficiency equipment and optimize energy use	●	●
Business Transition	• Develop eco-friendly certified products and technologies	●	
	• Expand eco-friendly buildings and low-carbon products		●
	• Increase the share of eco-friendly businesses		●
Technology and Investment	• Develop and expand the application of low-carbon technologies	●	●
	• Invest in eco-friendly facilities and process improvements		●
	• Secure and apply carbon reduction technologies		●
	• Expand investments related to climate change response		●
Expansion and Cooperation	• Provide climate change training and raise awareness among employees	●	
		●	●
	• Conduct ESG management assessments and manage suppliers		●
	• Establish carbon management systems for suppliers		
	• Expand supply chain greenhouse gas management		●

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Metrics and Targets

Environmental Management Targets and Detailed Strategies

IS Dongseo establishes environmental management targets and detailed strategies centered on three key areas—resource circulation, water resource management, and pollutant management—to systematically manage environmental impacts that may arise throughout business operations. The Company sets quantitative targets for each area, continuously reviews progress, and implements action tasks in phases by reflecting the characteristics of each business site to prevent environmental risks and advance the level of management. Going forward, IS Dongseo will continue to improve environmental performance based on efficient resource use and pollutant reduction, while strengthening its environmental management system.

| Environmental Management Targets

Classification	Unit	2024 Results	2025 Results	2026 Goal	2030 Target
Waste Intensity	ton/ KRW 100 million	1.7	2.1	2	1.6
Water Intensity	ton/ KRW 100 million	8.5	8.6	8.5	8.1
Chemical Spill Incidents	EA	0	0	0	0

| Detailed Strategies of Environmental Management

Classification	Short-Term (~2026)	Mid-Term (~2030)	Long-Term (After 2030)
Resource Circulation (Waste, Circular Economy)	• Stabilize the operation of the compliant waste treatment system and resource circulation system • Aggregate waste emissions by business site and monitor targets and performance • Expand material recycling in accordance with recycling guidelines • Strengthen inspections for compliance with waste storage, transportation, and treatment standards	• Specify waste reduction targets by business site and advance the management system • Improve the separate discharge system for recyclable waste • Manage and review recycling rates for major waste streams • Expand the scope of resource circulation data management centered on sites	• Establish production and operation systems centered on reducing waste generation • Standardize resource circulation management at major business sites • Strengthen the circular economy foundation by expanding recycling and reuse • Advance the system for managing resource circulation performance throughout the entire business process
Water Resource Management (Including Water and Soil Protection)	• Aggregate water consumption and monitor targets and performance • Manage water use by business site and inspect for leaks and abnormal use • Conduct regular checks to ensure the proper operation of wastewater treatment facilities	• Refine water consumption management by process • Identify water-saving activities and operate improvement tasks by business site • Review expanded use of reclaimed water • Strengthen an operation management system focused on preventing water pollution	• Advance business site operating systems centered on improving water efficiency • Promote reduction of water withdrawal through expanded use of reclaimed water • Standardize water resource management standards at major business sites • Establish stable water resource management and water-use reduction systems
Pollutant and Chemical Management	• Implement fugitive dust reduction measures such as wheel-washing facilities, truck bed covers, dust covers for stockpiles, and water spraying • Monitor air and water pollutant emissions • Strengthen compliance with environmental laws and regular facility inspections • Continue noise and vibration management and complaint prevention activities	• Advance management standards and on-site response procedures for each pollutant • Strengthen maintenance and preventive inspection systems for emission facilities • Expand the scope of environmental impact monitoring by business site • Strengthen proactive prevention of on-site environmental risks such as fugitive dust and noise	• Establish a proactive management system centered on reducing pollutant emissions • Standardize environmental monitoring and response systems at major business sites • Continue operational efficiency improvements to minimize environmental impacts • Advance preventive environmental management beyond legal compliance

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Environmental Impact Management

Environmental Management Training Program

IS Dongseo provides professional training to environmental managers at each business site to support systematic environmental management at production sites. The Company strengthens on-site response capabilities through training on environmental laws, management systems, and control technologies by area, including air, water quality, noise, and vibration, as well as by sharing best practices in environmental management from other companies and providing practice-oriented training on complaint response. Going forward, IS Dongseo plans to designate environmental managers at construction sites and apply tailored training programs to continuously enhance environmental management expertise across all business sites.

| Implementing education program for environmental managers

Training Program Name	Training Target (No. of persons)	2023	2024	2025
Atmospheric-environment engineer	Environmental managers (3 persons)	• 10/4-10/17 (Cheongyang)	• 11/5-11/18 (Changnyeong)	• 9/16-9/19 (Icheon)
Water-environment engineer	Environmental managers (3 persons)	• 7/27-7/28 (Cheongyang)	• 3/28-3/29 (Icheon) • 11/12-11/25 (Changnyeong)	• 4/22-4/23 (Eumseong)
Noise/vibration-environment engineer	Environmental managers (3 persons)	• 10/10-10/16 (Cheongyang) • 11/14-11/20 (Icheon)	• 7/30-8/5 (Changnyeong)	• 4/22-4/28 (Eumseong)
Waste discharger	Environmental managers (3 persons)	• 5/17 (Cheongyang) • 9/8 (Icheon)	• 5/17 (Cheongyang)	• 3/25-3/31 (Eumseong)

| Site Environmental Management Action Plan

Environmental Management Action Plan | Icheon Factory |

1. Basic Goal
Achieving stability in environmental and safety management

2. Business Site Policies
1) Improve the environment by suppressing activities that generate dust-scattering
2) Participation in community activities
3) Conducting preventive measures and training related to environmental concerns

3. Key Focus Areas
1) Practicing resource recycling through waste minimization and separation
2) Suppressing dust scattering arising from unpaved stockpiles and paving activities with concrete
3) Maintaining and enhancing good relations with neighborhood
4) Training on environmental case studies and distributing related materials

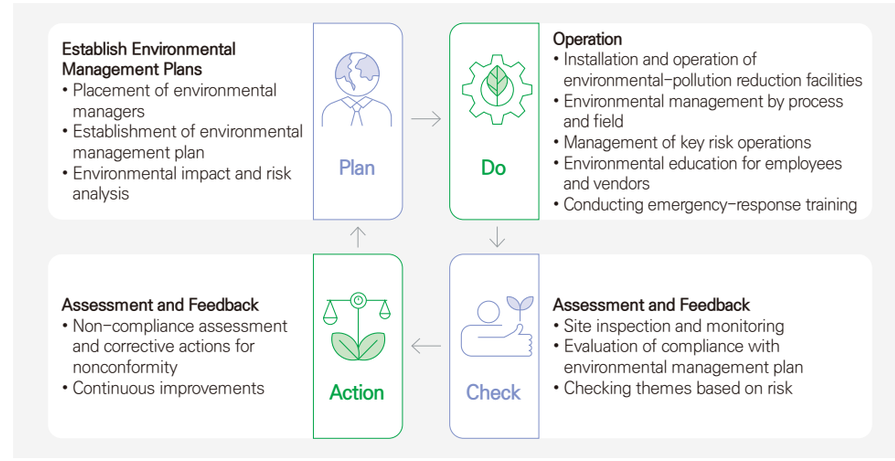
Environmental Management Action Plan | Cheongyang Factory |

1. Basic Goal
Creation of a healthy and comfortable business site environment

2. Business Site Policies
1) Active participation in the government's declaration of carbon neutrality
2) Proactive response to strengthened environmental regulations
3) Building and maintaining trust with residents on environmental issues

3. Key Focus Areas
1) Perform ordinary inspection on the operation of pollution-control facilities to ensure they function correctly
2) Ordinary tracking and prompt incorporation of updates to environmental laws and regulations
3) Reducing waste emissions and maximizing recycling rates
4) Suppression of dust-scattering generation during activities, such as through water spraying and concrete pouring at stockpiles
5) Establishment of a safety net for environmental damage recovery with subscription to environmental liability insurance

| Environmental Management Process



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Environmental Impact Management

Response Strategy to Environmental Regulations

IS Dongseo strives to fulfill its legal responsibilities based on its policy of complying with environmental laws and regulations. The Company complies with legal standards to minimize negative impacts on local communities and the environment surrounding its sites, and periodically monitors the enactment and revision of relevant laws and regulations. In the event of any violation of environmental laws or regulations, IS Dongseo takes immediate corrective action to prevent further damage.

| Concrete Business Headquarters' Response Strategy to Environmental Regulations

Classification	Details of regulations	Response Strategy
Clean Air Conservation Act	• Management of emission standards for air pollutants (such as fine dust and nitrogen oxides) generated at business sites • Registration of business sites generating scattering dust and the obligation to implement control measures	• Conduct maintenance and regular inspections of air-emission facilities • Establish management plans for construction sites generating dust scattering • Implement dust-suppression activities such as water spraying on unpaved roads, installing dust covers on stockpiles, and operating dust-collection facilities
Water Environment Conservation Act	• Report or approval required for the installation of wastewater discharge facilities • Compliance with water-discharge quality standards	• Review process improvements to reduce wastewater generation • Establish a regular inspection system to prevent issues from recurring like cracks in wastewater retention tanks
Waste Controls Act	• Obligation to segregate, store, transport, and properly dispose of waste according to type • Mandatory establishment of resource-recycling target implementation plans	• Build a system for proper disposal of waste • Operate resource recycling systems
Noise and Vibration Control Act	• Compliance with emission standards for noise and vibration at worksites • Responsibilities to implement measures to prevent complaints from occurrence	• Implement preventive measures such as regular noise measurements and other proactive actions

Environmental Impact Monitoring System

IS Dongseo assigns personnel responsible for managing environmental pollutants at each site and systematically manages the status of environmental pollutant emissions. Responsible personnel regularly inspect the installation status and operation of air and water pollution prevention facilities, conduct self-measurements approximately once a month on average, and manage the results through the internal reporting system. Through this system, the Company continuously monitors waste generation and air and water pollutant emissions.

Environmental Assessment for Suppliers

IS Dongseo is reviewing the introduction of an assessment system to diagnose and manage environmental management risks in order to strengthen sustainable partnerships with suppliers. To this end, the Company plans to consider establishing detailed environmental management criteria within ESG assessment items for suppliers and further specify assessment items centered on environmental performance, including greenhouse gas emissions management, energy use, and pollutant emissions. IS Dongseo will also explore ways to diagnose the environmental management levels of major suppliers through regular assessments and use the results as baseline data for supply chain risk management and supplier improvement activities.

| Supply Chain ESG Risk Assessment Indicators

Environmental
- Environmental management system and certifications
- Greenhouse gas emissions
- Energy consumption
- Waste management
- Violations of environmental regulations

Social
- Safety management system
- Human resource management
- Human rights management
- Information security
- Social contribution initiatives

Governance
- Information disclosure
- Ethics and anti-corruption practices
- Violations of fair trade regulations
- General ESG management practices

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Environmental Impact Management

Environmental Impact Management Activities

IS Dongseo conducts systematic environmental management across all areas, including air, water quality, noise and vibration, and waste, to proactively identify and prevent environmental impacts that may occur at sites. To strengthen the environmental risk response system at each concrete manufacturing plant, the Company established a monthly facility inspection and internal reporting system, thereby enhancing the level of environmental management, and carried out environmental cleanup activities within plants, such as reinstalling covers to suppress fugitive dust from stockpiles. IS Dongseo also strengthened ties with local communities and worked to improve the surrounding environment through weeding along perimeter trails and nearby stream cleanup activities. In addition, the Company is gradually carrying out process improvement work for the "NAC and LPG conversion," through which it seeks to reduce fuel consumption and wastewater generation. The Cheongyang Plant previously completed this process in 2023 on a proactive basis, achieving a 44% reduction in fuel consumption and a 90% reduction in wastewater generation. In addition, the Company takes necessary measures to minimize impacts on nearby communities and the environment, such as using low-noise, high-frequency breakers to reduce vibration and noise during civil engineering work at urban construction sites. By proactively identifying and responding to environmental risks that occur or may occur at sites, IS Dongseo continues to strengthen its environmental impact management capabilities.

Waste Management

IS Dongseo conducts company-wide waste management based on its compliant waste treatment system and resource circulation system. Waste generated at each business site is continuously monitored, thereby proactively preventing legal risks arising from violations of environmental laws and regulations. The Company has also established waste recycling guidelines to actively encourage material recycling, and thoroughly manages data such as waste generation, recognized resource circulation volume, and disposal volume through implementation plans for resource circulation targets. Through these activities, IS Dongseo is establishing a systematic waste management system by suppressing waste generation at production sites and promoting resource circulation.

| Status of Waste Intensity

Evaluation Indicator	Unit	Performance in 2025		
		Goal	Achievement	Achievement rate (%)
Waste Intensity	ton/KRW 100 million	1.7	2.1	76.5

Air Pollutant Management

IS Dongseo implements various measures to reduce air pollutants, including fugitive dust and fine dust, that may be generated at concrete production plants and construction sites. The Company operates wheel-washing facilities for transport vehicles at sites and requires the installation of truck bed covers when transporting materials to prevent the spread of fugitive dust. In addition, IS Dongseo prevents environmental damage that may occur during work by installing dust covers over stockpiles to prevent the spread of air pollutants from on-site materials and by conducting water spraying on unpaved roads. Related facilities are also subject to regular annual inspections and maintenance to enhance the effectiveness of air environment management.

Water Resource Management

IS Dongseo has established a water recycling system to reduce water consumption and use water resources efficiently in manufacturing processes. In particular, the Cheongyang Plant has installed a used water reprocessing system and recycles all wastewater generated from the concrete production process as water for ready-mixed concrete. This reduces water consumption and wastewater discharge, thereby minimizing environmental impacts. All business sites under IS Dongseo manage water consumption and frequently inspect the proper operation of wastewater treatment facilities to ensure strict compliance with relevant legal standards. Based on these efforts, IS Dongseo is building a sound water resource management system.

| Status of Water Intensity

Evaluation Indicator	Unit	Performance in 2025		
		Goal	Achievement	Achievement rate (%)
Water Intensity	ton/KRW 100 million	8.5	8.6	98.8

| 2025 Water Consumption by Business Sites

Classification	Head Office/ Branch Offices	Construction work	Icheon Factory	Cheongyang Factory	Eumseong Factory	Total
Municipal Water and Sewerage	1,088	26,657	-	-	9,428	37,173
Industrial Water	-	-	-	-	-	-
Groundwater	-	-	61,618	1,073	5,696.2	68,387.2
Total	1,088	26,657	61,618	1,073	15,124.2	105,560.2

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Environmental Impact Management

Noise and Demolition Management

When high-noise equipment and machinery are used in on-site work, IS Dongseo takes necessary measures to minimize impacts on nearby communities and the environment. At the start of work, the Company installs mobile air soundproof walls and measures noise regularly four times a day. At urban sites, noise display boards are separately installed on soundproof walls to ensure continuous management so that legal limits are not exceeded, and low-noise, high-frequency breakers are used for rock breaking during civil engineering work to reduce vibration and noise. During demolition work, the Company thoroughly manages toxic substances that may pose a risk of scattering, and in particular complies with relevant laws, regulations, and guidelines to prevent the scattering of asbestos dust. To secure worker safety, IS Dongseo requires the use of personal protective equipment and protective clothing, thereby thoroughly ensuring workers' safety and health and continuously strengthening the level of on-site safety and health.

Noise display-panels installed at urban construction sites

High-frequency, low-noise breaker

Energy Efficiency Improvement

IS Dongseo promotes a range of activities to improve energy efficiency across the Company. At the head office, the Company efficiently manages the operating hours of office heating and cooling systems through a central control system, and applies autonomous operation outside working hours to minimize unnecessary energy consumption. At construction sites, the installation of LED lighting and occupancy sensors is mandatory, and lighting operation standards have been established for site equipment such as tower cranes to systematically manage energy use efficiency on site. In the manufacturing sector, the Company is also improving energy efficiency through process improvements. At the Cheongyang Plant, the existing high-temperature and high-pressure curing method (AC) in the concrete pile production process was converted to a natural curing method (NAC), and a system using both LNG and LPG was established, reducing annual fuel consumption by approximately 27%. These activities contribute to reductions in carbon emissions and improvements in energy efficiency, while also reducing related costs such as safety management expenses, facility maintenance costs, and wastewater treatment costs. In addition, the space secured through the process conversion is used as a product stockyard, providing operational benefits by enabling the production and storage of products of various specifications. IS Dongseo plans to continue improving energy consumption efficiency and productivity.

| Company-wide Energy Efficiency Improvement Activities

Classification	Energy Efficiency Improvement Method
Head Office	• Manage operating hours of heating and cooling systems based on a central control system • Autonomous operation outside working hours
Construction	• Mandatory installation of LED lighting • Automatic lighting control through occupancy sensors • Establish and manage lighting operation standards for site equipment such as tower cranes
Manufacturing	• Convert the concrete pile production process to the natural curing method (NAC) • Improve fuel use efficiency by establishing a combined LNG and LPG system • Reduce energy consumption and improve productivity through process improvements

Environmental Impact Management

Biodiversity Management

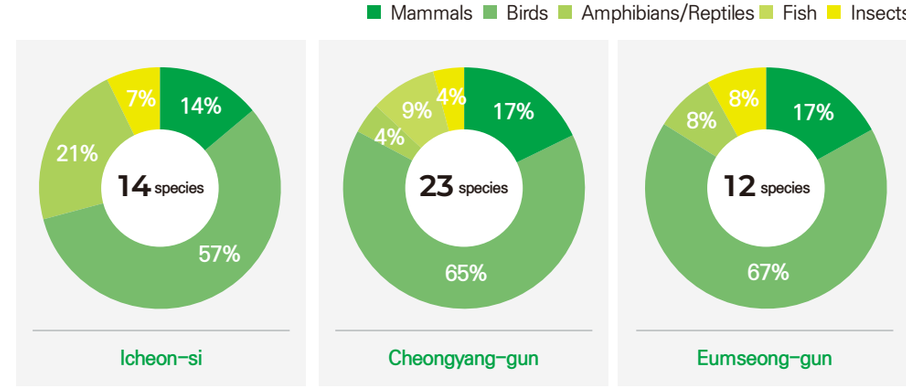
IS Dongseo recognizes the importance of biodiversity conservation and strives to minimize the impacts of its business activities on ecosystems. The Company surveyed the status of endangered wildlife near the areas where its major factories are located, including Icheon-si, Gyeonggi-do; Eumseong-gun, Chungcheongbuk-do; and Cheongyang-gun, Chungcheongnam-do. Using the survey results as baseline data, IS Dongseo plans to continuously monitor ecosystem impacts in the course of future business operations and strengthen its management system for biodiversity conservation and habitat protection.

| Status of Endangered Wildlife Near Factories

Endangered Species	Icheon-si, Gyeonggi-do (Species)	Eumseong-gun, Chungcheongbuk-do (Species)	Cheongyang-gun, Chungcheongnam-do (Species)	Total
Mammals	2	2	4	8
Birds	8	8	15	31
Amphibians/ Reptiles	3	1	1	5
Fish	0	0	2	2
Insects	1	1	1	3
Invertebrates	0	0	0	0
Terrestrial Plants	0	0	0	0
Algae	0	0	0	0
Higher Fungi	0	0	0	0

Source: National Institute of Ecology, Statistics on Endangered Wildlife

| Ratio of Endangered Wildlife



| Detailed Status of Endangered Wildlife

Classification	Icheon-si, Gyeonggi-do			Eumseong-gun, Chungcheongbuk-do			Cheongyang-gun, Chungcheongnam-do		
Class I	Mammals	1 species	Eurasian otter	Mammals	1 species	Eurasian otter	Mammals	1 species	Eurasian otter
	Amphibians/Reptiles	1 species	Suwon tree frog	Birds	2 species	Scaly-sided merganser and 1 other specie	Birds	1 species	Oriental stork
	-	-	-	Amphibians/Reptiles	1 species	Suwon tree frog	Fish	1 species	Miho spine loach
Class II	Mammals	1 species	Leopard cat	Mammals	1 species	Leopard cat	Mammals	3 species	Yellow-throated marten and 2 other species
	Birds	8 species	Northern goshawk, Eurasian sparrowhawk, and 6 other species	Birds	6 species	Cinereous vulture, Eurasian sparrowhawk, and 4 other species	Birds	14 species	Osprey, Eurasian sparrowhawk, and 12 other species
	Amphibians/Reptiles	2 species	Seoul frog and Narrow-mouthed toad	Insects	1 species	Argynnis nerippe	Amphibians/Reptiles	1 species	Seoul frog
	Insects	1 species	Silver-washed fritillary	-	-	-	Fish	1 species	Korean striped bitterling
	-	-	-	-	-	-	Insects	1 species	Argynnis nerippe

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Environmental Impact Management

Identification of Biodiversity Risk

IS Dongseo is conducting natural capital risk analysis that reflects its business characteristics to proactively identify and manage biodiversity risks. To this end, the Company used ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure)* to review the impacts and dependencies of its major business activities on natural capital and identify areas that require focused management from a biodiversity perspective. Going forward, based on the analysis results, IS Dongseo will continuously review ecosystem impacts by business site and strengthen its management system by reflecting relevant laws and regulations and global standards, thereby expanding biodiversity conservation activities.

* ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): One of the tools that supports nature-related risk assessment presented by the TNFD, used to analyze corporate dependencies and impacts on natural capital.

Biodiversity Management Activities

IS Dongseo conducts biodiversity management activities based on relevant laws and regulations, practical guidelines, and its own environmental management manual to minimize environmental impacts that may occur at construction and production sites and contribute to the conservation of local ecosystems. At all sites, the Company prevents and manages the generation of pollutants and waste in accordance with the manual and carries out environmental improvement activities to reduce impacts on the surrounding natural environment and habitats. IS Dongseo also conducts regular cleanup activities in surrounding areas to raise environmental awareness among on-site workers and promote the importance of ecosystem conservation. Each business site lawfully installs and manages wastewater and air emission facilities, and complies with legal standards such as registration as a business site subject to total air pollutant load management, thereby minimizing potential negative impacts on biodiversity during business operations.

| Biodiversity Management Activities at Business Sites

Support for stream cleanup outside business sites

Weeding work along trails outside business sites

| Biodiversity Risk Management Process

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Analyze natural capital dependencies and impacts	Identify the status of biodiversity based on business site locations	Identify and assess biodiversity risks	Establish risk response and management measures	Establish a monitoring and disclosure system

| Natural Capital Dependencies and Impacts of IS Dongseo's Major Businesses

Classification	Key Ecological Indicator	Level
Dependency (15)	Rainfall pattern regulation services	Very High
	Soil and sediment retention services	High
	Water supply	Moderate
	Water purification services	Moderate
	Water flow regulation services	Moderate
	Flood mitigation services	Moderate
	Storm mitigation services	Moderate
	Global climate regulation sercives	Moderate
	Local(micro and meso) climate regulation services	Low
	Other regulation and maintenance service-Dilution by atmosphere and ecosystems	Low
	Solid waste remediation	Very Low
	Air filtration services	Very Low
	Noise attenuation services	Very Low
	Other regulation and maintenance service-Mediation of sensory impacts(other than noise)	Very Low
	Other provisioning services - Animal based energy	Very Low
Impact (10)	Emissions of toxic pollutants to water and soil	Very High
	Disturbances (e.g noise, light)	Very High
	Emissions of GHG	Very High
	Generation and release of solid waste	Moderate
	Area of freshwater use	Moderate
	Area of seabed use	Moderate
	Emissions of non-GHG air pollutants	Low
	Area of land use	Low
	Volume of water use	Low
	Introduction of invasive species	Low

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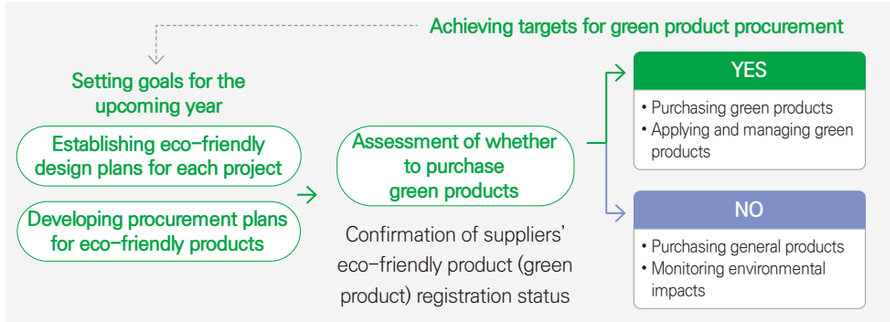
Environmental Management Practices

Purchase of Eco-Friendly Products

IS Dongseo is continuously expanding the purchase and use of green products to implement eco-friendly construction and strengthen environmental management. From the initial design stage of each project, the Company establishes a materials purchasing process that reflects eco-friendly design standards and systematically manages annual green product purchasing targets based on this process. In particular, IS Dongseo has clearly established and applies "green purchasing criteria," including eco-friendly building materials, Environmental Label Certification, Environmental Product Declarations, low-carbon products, energy efficiency ratings, high-efficiency equipment certification, and KOLAS-certified test reports. The Company also operates a virtuous cycle management system by analyzing annual purchasing performance and reflecting the results in the following year's targets, thereby driving continuous improvement. Through these efforts, IS Dongseo is reducing resource use, minimizing environmental impacts, and advancing its eco-friendly business model.

| Green Product Materials Purchase Process



| Criteria for the Purchase of Eco-Friendly Products

01	Healthy Building Material Certification (HB Mark)	02	Korea Eco-Label Certification (Ministry of Environment)
03	Environmental Product Declaration (EPD) and Low-Carbon Product Certification (Ministry of Environment)	04	Energy Efficiency Rating (Korea Energy Agency)
05	High-Efficiency Equipment Certification (Korea Energy Agency)	06	Test Reports Issued by KOLAS-Accredited Laboratories

| Green Product Material Purchasing Performance

Classification	Unit	2023	2024	2025
Purchase of Eco-Friendly Green Products	KRW million	22,377.8	17,543.4	10,637.5

Revenue of Eco-Friendly Products

As the need to respond to climate change and transition the construction industry toward low-carbon practices continues to grow, market interest in the environmental performance and carbon emissions data of construction materials is also increasing. IS Dongseo provides a stable supply of high-quality PC and PHC pile products while obtaining Environmental Product Declaration and low-carbon product certifications for its major concrete products, thereby supporting customers in implementing low-carbon construction sites. In particular, based on products manufactured at the Icheon PC plant and the Eumseong, Cheongyang, and Changnyeong PHC pile plants, eco-friendly revenue reached KRW 99.7 billion in 2025, up 3.2% year on year, accounting for 37.6% of total revenue in the Concrete Division. IS Dongseo will continue to enhance the quality and supply stability of certified products and expand their application at construction sites, thereby actively responding to carbon reduction needs across the construction value chain. In addition, based on its experience supplying major projects such as the Cheongju SK Hynix Project and Yongin SK ecoplant Cluster, the Company will promote market expansion for eco-friendly PC and PHC pile products and contribute to the sustainable development of customers' construction projects.

| Eco-friendly Environmental Product Declaration Certification and Sales Status (Unit: KRW million)

Classification	Product	Certification Status	Annual Sales Performance		
			2023	2024	2025
PC	PC for Architecture - Girders/Beams [40 MPa]	Environmental Product Declaration	33,694	16,912	16,352
	PC for Architecture - Girders/Beams [45 MPa]	Environmental Product Declaration	-	-	-
	PC for Architecture - Pillar [40 MPa]	Environmental Product Declaration	4,747	3,510	4,353
	PC for Architecture - Pillar [42 MPa]	Environmental Product Declaration	-	-	-
	PC for Architecture - Pillar [45 MPa]	Environmental Product Declaration	820	228	27,681
	PC for Architecture - Pillar [49 MPa]	Environmental Product Declaration	-	-	15,485
PHC PILE	PHC Pile [78.5 MPa, Type A]	Environmental Product Declaration	61,216	43,620	10,747
		Low-carbon Product Certification	-	14,873	17,733
	Ultra-high-strength PHC Pile [110 MPa, Type A]	Environmental Product Declaration	19,922	1,199	-
		Low-carbon Product Certification	2,370	16,300	7,372
Total			122,769	96,642	99,723
Annual revenue of the Concrete Division			182,064	164,864	265,475
Revenue of Eco-Friendly Products Ratio (%)			67.4	58.6	37.6

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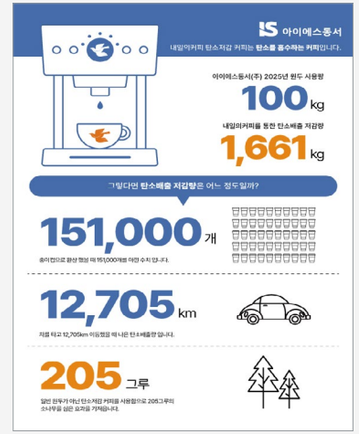
Activities to Improve Awareness of Environmental Management

Good Steps Together Donation Challenge & Tomorrow's Coffee

To raise employees' awareness of environmental management, IS Dongseo has operated the "Good Steps Together Donation Challenge" campaign every year since 2022. Implemented company-wide, the campaign aims to reduce greenhouse gas emissions and energy consumption by reducing unnecessary business vehicle use and encouraging the use of public transportation. In addition, since March 2025, the Company has replaced the coffee beans provided as part of employee welfare with carbon-reduction coffee beans. These beans reduce carbon emissions during cultivation by using organic fertilizer and renewable energy, and are estimated to reduce greenhouse gas emissions by approximately 1.6 tons based on annual consumption of 100 kg. This is equivalent to reducing the use of approximately 150,000 paper cups per year and to the amount of greenhouse gases absorbed by around 205 thirty-year-old pine trees. Through these daily practices, IS Dongseo is embedding environmental management and fostering a sustainable corporate culture.

Good Steps Together Donation Challenge



Tomorrow's Coffee - Carbon Reduction Data

Waste Plastic Upcycling Campaign

IS Dongseo is practicing resource circulation and environmental protection through the "Waste Plastic Upcycling Campaign," in which employees voluntarily participate. The campaign upcycles collected waste plastic into eco-friendly umbrellas, recycling approximately 47 kg of waste plastic and achieving an estimated carbon emissions reduction effect of around 182 kg. The umbrellas produced were donated to a local welfare center and used to support vulnerable groups exposed to climate-related disasters such as torrential rain and extreme heat. Through this initiative, IS Dongseo is creating both environmental and social value while strengthening ESG management practices. The Company will continue to expand resource circulation activities linked to social contribution and contribute to the realization of a sustainable society.

Waste Plastic Upcycling Campaign

Production and donation of eco-friendly umbrellas through waste plastic upcycling

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Expansion of Eco-friendly Business Portfolio

Eco-Friendly New Business Promotion Strategy

IS Dongseo has continued to build a foundation for sustainable growth by expanding its portfolio, previously centered on the construction business, into new eco-friendly business areas. In 2019, the Company entered the eco-friendly business in earnest by acquiring INSUN ENT, one of Korea's leading comprehensive environmental service providers, and has since diversified its business areas into construction waste treatment, automobile shredding and dismantling, incineration and steam production, waste landfilling, and EPC & O&M. Based on these efforts, IS Dongseo continues to strengthen its competitiveness in eco-friendly businesses and is establishing a business structure that creates both environmental and economic value.

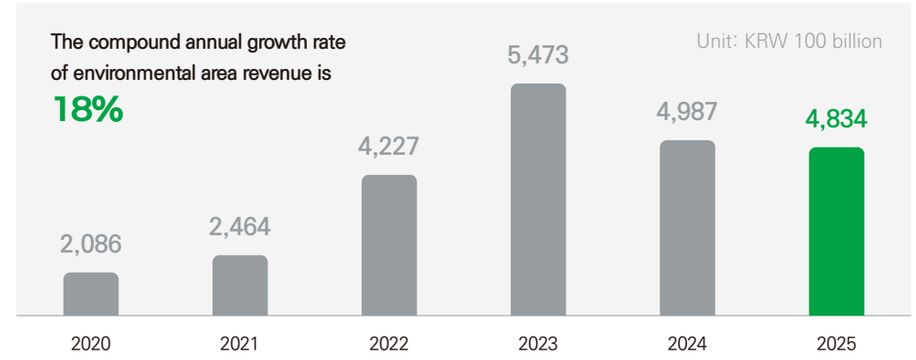
| Eco-friendly Business Areas

Major Achievements in Eco-friendly Business

IS Dongseo has designated waste recycling and used battery recycling as core growth drivers and has continuously strengthened its capabilities to establish a business model based on resource circulation. In the environmental management services sector, the Company has secured competitiveness through leading specialized affiliates in Korea. In particular, it has established a three-stage value chain covering the entire used battery recycling process, securing a leading position in the market. The Company's used battery value chain consists of ① Raw material procurement (Insun Motors) → ② Pre-treatment (IS Eco Solution Hwaseong Branch) → ③ Post-treatment (IS Eco Solution Gumi Branch). In 2023, IS Dongseo completed the largest pre-treatment plant in the metropolitan area in Hwaseong, thereby establishing a production base. In addition, the Company is expanding a stable foundation for growth across its eco-friendly businesses by signing an MOU for cooperation with LS MnM, entering the North American and European markets, and securing long-term supply contracts.

| Eco-friendly Business Performance

01	**Strengthening capabilities through acquiring a leading environmental-management service provider in Korea** – Possessing approximately 11 environmental affiliates, including Insun E&T and Environment Energy Solutions
02	**Completion of the Lithium ion battery recycling value chain** – Establishment of the largest used battery pretreatment production base in the metropolitan area and completion of the three-stage used battery recycling value chain
03	**Establishment of global Lithium ion battery recycling infrastructure** – Collaboration with leading domestic and international companies such as Lithion, BTS Technology, CNGR, LS MnM, etc.



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Expansion of Eco-friendly Business Portfolio

Introduction of New Eco-friendly Business: Used Battery Recycling

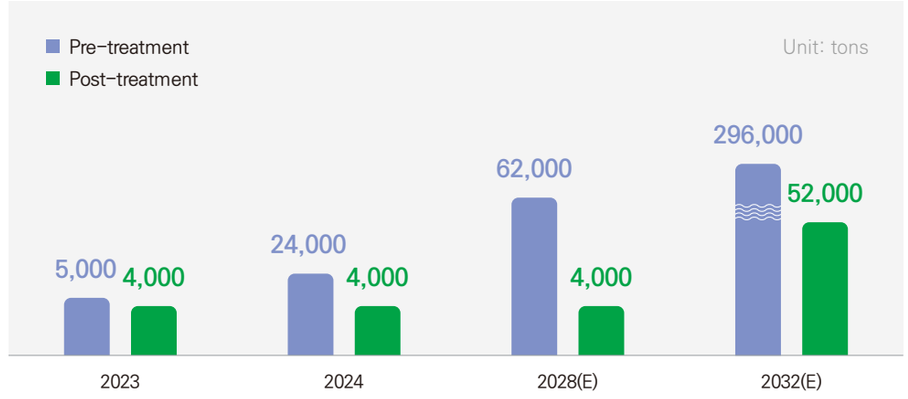
With the expansion of the electric vehicle market, the importance of resource circulation for lithium-ion batteries is rapidly emerging. In response, IS Dongseo has identified used battery recycling as a core growth pillar and is focusing on securing competitiveness in the global market. Through the acquisition of BTS Technology, a European recycling company, the Company secured local technological capabilities and networks, and expanded its production base by establishing a pre-treatment plant with an annual capacity of 12,000 tons near Poland's border area. IS Dongseo is also broadening its business scope by building recycling value chains and cooperation platforms in key regions such as North America, Europe, and Indonesia. Through these efforts, the Company is establishing a global resource circulation system and continuously building a foundation for growth in new eco-friendly businesses.

| Global Production CAPA for Used Batteries

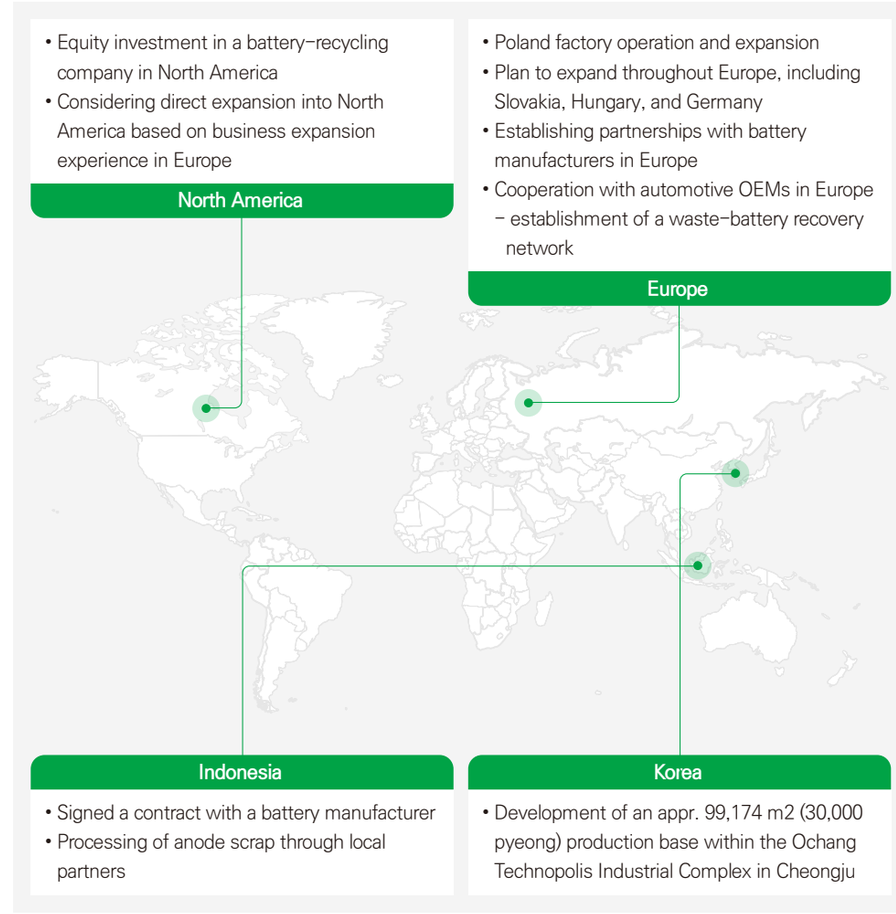
Unit: tons/year

Region	Production Base		Used Battery Treatment	Pre-treatment (Input)	Post-treatment (Output)
Korea	INSUN MOTORS	Goyang-si, Gyeonggi-do	7,500		
	ISECOSOLUTION	Hwaseong-si, Gyeonggi-do Gumi-si, Gyeongbuk		12,000	Lithium carbonate 1,200 Lithium phosphate 520 NCM compound solution 18,000
	Planning	Cheongju-si, Chungcheongbuk-do		7,000	
Europe	BTS Technology	Poland		12,000	
	Planning	Slovakia		10,000	
	Planning	Hungary		7,000	
North America	Planning	United States		7,000	
Other region	Planning	Indonesia		7,000	
Total			7,500	62,000	

| Production CAPA Plan



| Waste Battery Recycling Global Value Chain



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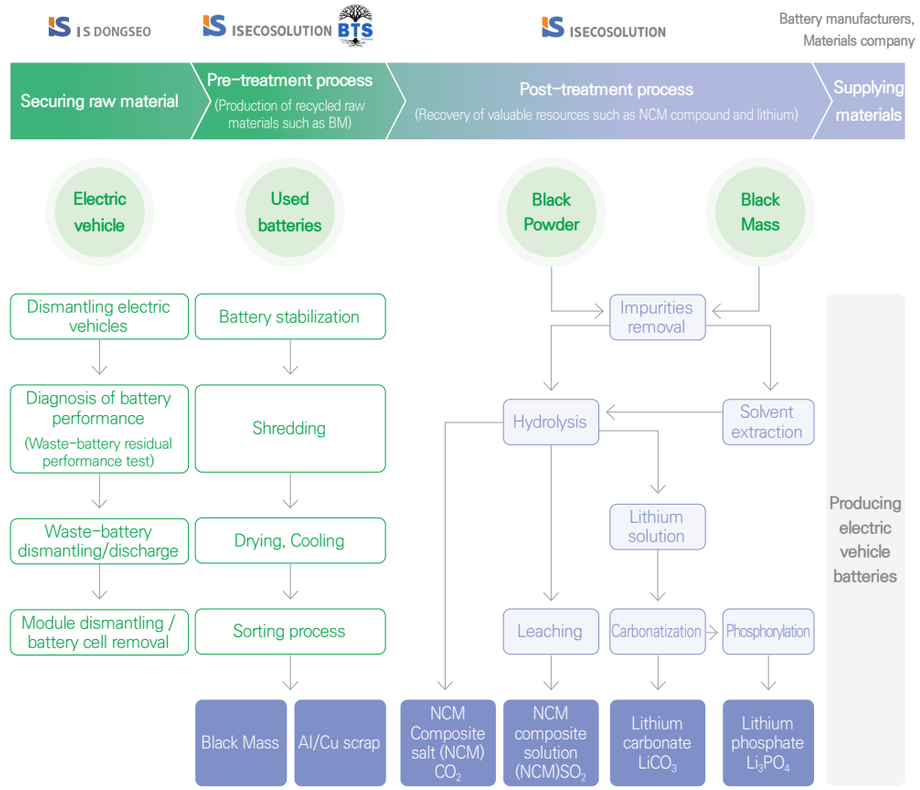
Expansion of Eco-friendly Business Portfolio

Introduction of New Eco-friendly Business: Used Battery Recycling

Completion of 3-Step Value Chain for Used Battery Recycling

IS Dongseo is systematically building the entire used battery recycling process into a three-stage value chain, from securing raw materials to pre-treatment, post-treatment, and material supply. In the raw material procurement stage, battery packs and modules are collected and dismantled, and through the pre-treatment process, they are discharged, shredded, and sorted into recyclable intermediate raw materials. In the subsequent post-treatment process, valuable metals such as nickel, cobalt, and lithium are extracted and refined from black powder and black mass and converted into high-value-added materials. Based on automated facilities and specialized processing lines, the Company operates stable and efficient recycling processes and has established a circular structure in which recovered resources are supplied back as materials. Through this system, IS Dongseo is enhancing resource efficiency while simultaneously reducing greenhouse gas emissions and creating eco-friendly value.

| 3-Step Value Chain for Used Battery Recycling



| Business Sites by Value Chain

INSUNMOTORS

BTS Technology (Poland)

ISECOSOLUTION(Gumi)

ISECOSOLUTION(Hwaseong)

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Expansion of Eco-friendly Business Portfolio

Introduction of New Eco-friendly Business: Used Battery Recycling

Participation in InterBattery 2025

In March 2025, IS Dongseo participated in InterBattery 2025, Korea's largest battery industry exhibition held at COEX in Seoul, where it showcased its used battery recycling value chain business spanning Korea and Europe. Together with its affiliates INSUNMOTORS and ISECOSOLUTION, as well as its European subsidiary BTS Technology, the Company has established the entire process—from EV dismantling and used battery shredding to commercialization of recovered materials—as a single value chain, and comprehensively presented the technological capabilities and business competencies accumulated through this structure. In addition, despite the slowdown in growth in the EV market, IS Dongseo actively presented its competitiveness and business opportunities based on synergies among affiliates in preparation for future global market expansion. In particular, the exhibition booth was organized around the core competitiveness of each stage, including used battery collection, pre-treatment (production of recycling raw materials such as BM), and post-treatment (recovery of valuable resources such as NCM compounds and lithium carbonate), and was operated on a scale approximately 25% larger than the previous year. The Company also effectively communicated its vision for global business expansion by introducing the local networks, technological capabilities, and infrastructure of BTS Technology, a European used battery pre-treatment company.

InterBattery 2025, Korea's Largest Battery Industry Exhibition

BTS Technology

BTS Technology has secured a dedicated used battery cell and module pre-treatment plant with a total site area of 50,000 m^2 and a building area of 10,000 m^2 in Osła, Poland, near the German border, a key EV growth region, as well as a dedicated waste storage warehouse with a capacity of 3,000 tons. It has also obtained licenses for comprehensive recycling and waste processing and sales. The company is currently stabilizing its processes through trial operations to support an annual processing capacity of up to 24,000 tons (equivalent to approximately 100,000 EVs), and plans to move toward full-scale commercial production. In addition, BTS Technology has established strategic partnerships with local recycling companies in Europe, enabling flexible responses to the European EV market, where standards for recycling battery raw materials are becoming stricter. Amid the diversification of battery material supply chains, IS Dongseo continues to strengthen its competitiveness and vision for building a global supply chain for the used battery recycling business. Through the exhibition, the Company is also exploring new business opportunities based on process innovation technologies and network capabilities.

View of BTS Technology's used battery pre-treatment plant in Poland

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Expansion of Eco-friendly Business Portfolio

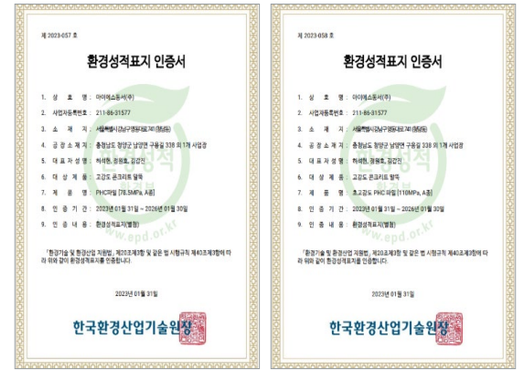
Eco-friendly Investment and Research & Development

Based on its carbon neutrality strategy, IS Dongseo is expanding its eco-friendly business and product portfolio while focusing on R&D investment and securing competitiveness in environmental technologies. In the Construction Division, the Company applies an environmental management system across the entire process, including purchasing, transportation, construction, and operation. In the Manufacturing Division, it continues to expand technology development and investment for low-carbon product development. In 2023, IS Dongseo became the first in the industry to obtain Environmental Product Declaration (EPD) certification for domestic Precast Concrete (PC) product lines, and completed Life Cycle Assessment (LCA) based on the international standard ISO 21930 for a total of 12 products, including products manufactured by affiliates. In the PILE product line, the Company obtained Low-carbon Product Certification from the Korea Environmental Industry & Technology Institute under the Ministry of Environment for PHC piles and ultra-high-strength PHC piles, in recognition of the carbon emissions reduction effect achieved through improved process efficiency, thereby strengthening the competitiveness of its eco-friendly products.

IS Dongseo's Technology research institute is focusing on the development of technologies for carbon emissions reduction and resource circulation. As part of these efforts, it succeeded in developing Korea's first centrifugally molded, ultra-high-strength 100 MPa structural square beam. The product delivers both carbon emissions reduction and construction cost savings, while also realizing resource circulation value by using blast furnace slag cement, a by-product of the steel industry, as its main raw material. Through these efforts, IS Dongseo is strengthening its foundation for eco-friendly technologies and continuously expanding its technological capabilities to respond to the climate crisis and create a sustainable construction environment.

| Current Status of Environmental Product Declaration, EPD

Classification	Product name	Certification Status
PC	PC for Architecture - Girders/Beams [40 MPa]	Environmental Product Declaration
	PC for Architecture - Girders/Beams [45 MPa]	Environmental Product Declaration
	PC for Architecture - Pillar [40 MPa]	Environmental Product Declaration
	PC for Architecture - Pillar [42 MPa]	Environmental Product Declaration
	PC for Architecture - Pillar [45 MPa]	Environmental Product Declaration
	PC for Architecture - Pillar [49 MPa]	Environmental Product Declaration
PHC PILE	PHC Pile [78.5 MPa, Type A]	Environmental Product Declaration
	Ultra-high-strength PHC Pile [110 MPa, Type A]	Environmental Product Declaration
	Ultra-high-strength PHC Pile [110 MPa, Type A]	Low-carbon Product Certification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환경성적표지 인증서
한국환경산업기술원장

Environmental Product Declaration certification of the Concrete Business Headquarters

Introduction of an AI-based Autonomous Concrete Production System

IS Dongseo has introduced artificial intelligence (AI) technology at its Icheon plant, which produces Precast Concrete (PC) products, to improve the quality and efficiency of the production process. The PC method is an eco-friendly construction method with faster construction speed and less impact from weather conditions; however, managing quality deviations caused by seasonal changes has remained a key challenge. In response, the Company introduced an AI-based autonomous production system to minimize fluctuations in concrete slump and support consistent quality. Through the "Slump AI System," IS Dongseo automates raw material weighing, mixing, and slump reading, while also applying worker recognition and temperature measurement functions to secure both safety and quality stability. By automating processes using AI mix design technology, the Company is improving operational efficiency and stability, and strengthening quality competitiveness based on the transition to a smart factory. IS Dongseo will also continue its efforts to secure ESG-based technologies, including carbon emissions reduction.

Demonstration of the Slump AI System CUI

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Expansion of Eco-friendly Business Portfolio

Promotion of New Renewable Energy Business

IS Dongseo is actively promoting its offshore wind power business after obtaining a license for the "Tongyeong Yokjido Offshore Wind Power Generation Project" from the Electricity Regulatory Commission under the Ministry of Trade, Industry and Energy. This large-scale project involves building 340 MW power generation facilities in an offshore area of approximately 21.93 km^2 west of Yokjido, Tongyeong. By securing a foundation for power generation and grid connection, the Company is responding to Korea's new renewable energy expansion policy and establishing a business base in the offshore wind power sector. Since 2022, IS Dongseo has conducted preliminary feasibility studies, including wind resource measurement, near Yokjido in Tongyeong, and is pursuing the project in phases with the goal of commencing construction in 2029 and completing the project in 2032. Upon completion, the project is expected to establish a clean energy production base capable of generating approximately 820,000 MWh of electricity annually and supplying power to around 230,000 households. Going forward, the Company plans to systematically carry out permitting procedures, including environmental impact assessments, ground surveys, and design, while minimizing project impacts through communication with local communities. In addition, IS Dongseo is working to build a foundation for local economic revitalization and sustainable development through various win-win programs, including cooperation for regional development, recruitment of local talent, and community contribution programs.

Rendering of the Tongyeong Yokjido Offshore Wind Power Generation Project

Eco-friendly Construction

Eco-friendly Construction Projects

IS Dongseo provides residential spaces with improved energy efficiency and minimized environmental impact in response to the Korean government's eco-friendly policy direction and growing demand for green buildings. The Company designs and constructs high-quality buildings that comprehensively incorporate eco-friendly elements throughout the entire process, from the selection of materials and resources to structural design and the application of functional elements. IS Dongseo will continue to contribute to the creation of sustainable residential environments through construction projects that combine both eco-friendliness and functionality.

| Current Status of G-Seed Certification

Classification	Name of Project	Certification Status	Certification Date
Housing Business Division	Changwon Daewon District 3 Housing Reconstruction Project Complex 1	Official Green Building Certification Top performing	Oct. 17, 2024
	Changwon Daewon District 3 Housing Reconstruction Project Complex 2	Official Green Building Certification Top performing	Oct. 17, 2024
	Changwon Daewon District 3 Housing Reconstruction Project Complex 3	Official Green Building Certification Top performing	Oct. 17, 2024
	Daegu Jukjeon District 3 Housing Reconstruction and Maintenance Project	Official Green Building Certification General performing	Feb. 8, 2024
	Ulsan Deokha District B-1BL Apartment Housing New Construction Project	Official Green Building Certification Top performing	Jan. 19, 2024
	Ulsan Deokha District B-2BL Apartment Housing New Construction Project	Official Green Building Certification Top performing	Jun. 12, 2024
	Daegu Suseong Beomeo W New Construction Project	Official Green Building Certification General performing	Dec. 7, 2023
Construction Business Lines	8,9BL complex in the industrial site in Deogeun District, Goyang-si	Official Green Building Certification - Outstanding	Mar. 13, 2025
	10BL complex in the industrial site in Deogeun District, Goyang-si	Official Green Building Certification - Outstanding	Dec. 24, 2024
	6,7BL complex in the industrial site in Deogeun District, Goyang-s	Preliminary Green Building Certification Top performing	Oct. 6, 2022

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Eco-friendly Construction

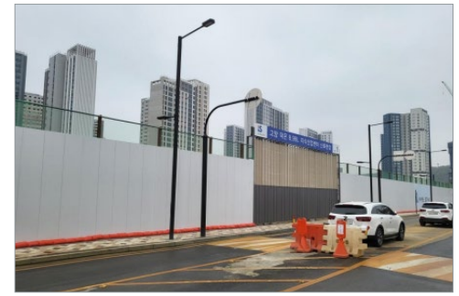
Environmental Clean-up Activities at Construction Sites

IS Dongseo contributes to creating a pleasant and safe construction environment by comprehensively managing noise, fugitive dust, waste, and workplace safety. The Company will continue to implement systematic site management and create eco-friendly construction environments in harmony with local communities.

Management of On-site Noise and Fugitive Dust Reduction

IS Dongseo systematically manages noise and fugitive dust through on-site noise measurements and the installation of soundproof walls and dust screens, while complying with the relevant statutory noise limits (60 dB or below in the morning and evening, 65 dB or below during the daytime, and 50 dB or below at night).

On-site noise measurement and management

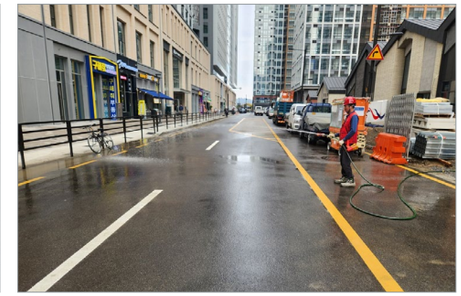


Installation of temporary soundproof walls and dust screens

Water Spraying to Reduce Fugitive Dust

IS Dongseo minimizes the generation of fugitive dust and maintains a pleasant surrounding environment by operating water trucks outside construction sites and conducting water spraying activities around site gates.

Operation of water trucks outside construction sites



Water spraying activities around site gates

Waste and Sludge Management

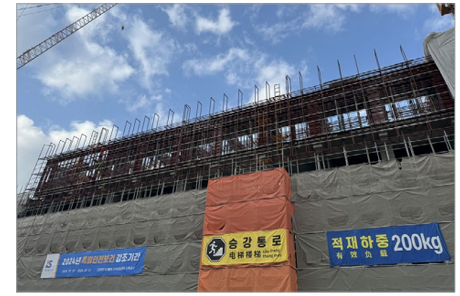
IS Dongseo systematically manages construction waste and prevents environmental pollution by operating waste separation bins and sludge storage facilities.

Operation of waste separation bins

Operation of sludge storage facilities

Operation of Workplace Safety Facilities

IS Dongseo secures workplace safety, including the prevention of falling objects, and minimizes the spread of fugitive dust by installing system scaffold protective nets and gang form vertical protective nets.



Installation of system scaffold protective nets

Installation of gang form vertical protective nets

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Safety and Health System

Safety and Health Policy and Goals

IS Dongseo places the safety and health of all stakeholders, including employees, as its highest priority and continues to strengthen its systematic safety and health management. With the goal of achieving "Zero Serious Accidents," the Company has established safety and health management policies and goals, and has set company-wide accident prevention and the elimination of risk factors as key priorities. To this end, IS Dongseo is advancing its strategic management framework by implementing risk assessments, pre-work TBM activities, training, and inspection programs, while also strengthening a field-oriented safety culture in which employees and suppliers participate together.

| Safety and Health Management Policy and Goals

Policy

To practice respect for life based on ESG management, IS Dongseo declares that safety and health are its highest priority.
The Company aims to achieve zero accidents by creating safe and pleasant business sites and establishing a preventive safety and health management system.

Targets

Construction Division

❶ Achieve zero accidents related to the three major accident types (falls, caught-in/between, and struck-by incidents)
❷ Eliminate 100% of serious accident risk factors in advance
❸ Establish a safety culture that guarantees the right to stop work

Manufacturing Division

❶ Achieve a 100% implementation rate for corrective actions identified through risk assessments by embedding and implementing a self-regulatory preventive management system
❷ Achieve an accident rate below the industry average through focused management of the 12 major causative agents and three major accident types
❸ Establish a culture of eliminating inherent risks by improving process equipment work methods

Strategies

- Risk assessment-based preventive management
- Introduction of smart safety equipment
- Establishment of a safety culture and expansion of worker participation
- Operation and management of the safety and health management system

Action Plans

Strengthen advance management of risk factors

- Conduct regular and as-needed risk assessments at business sites
- Operate pre-work TBM
- Manage implementation of corrective actions for risk factors
- Conduct regular safety inspections

Strengthen safety and health training and capabilities

- Provide legally mandated safety and health training
- Carry out serious accident prevention campaigns and safety culture activities

Strengthen safety management for suppliers

- Conduct joint safety inspections with suppliers
- Evaluate suppliers' safety management levels

Status of serious accidents and reduction targets

Construction Division	Unit	2024 Status	2025 Status	2026 Goal
No. of serious accident victims	Persons	1	0	0
Accident rate	%	0.15	0.05	-

Manufacturing Division	Unit	2024 Status	2025 Status	2026 Goal
No. of serious accident victims	Persons	0	0	0
Accident rate	%	0.63	0	-

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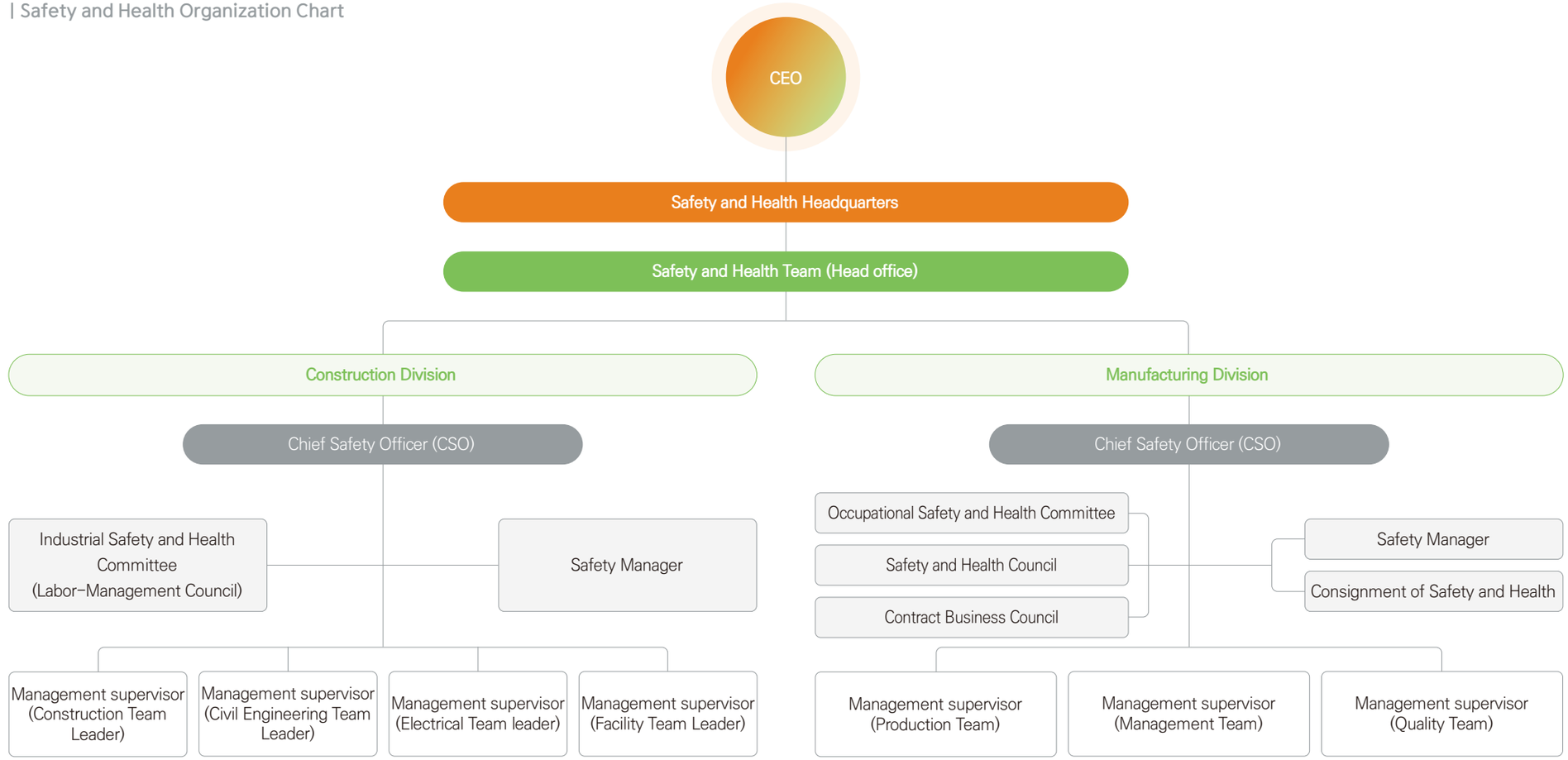
Safety and Health System

Safety and Health Management Organization

IS Dongseo has established a safety and health organizational structure under the CEO and operates an integrated company-wide safety management system with the lives and safety of employees as its highest priority. In particular, by operating the organization under the leadership of the CEO in charge of the Safety and Health Division, the Company is reinforcing authority and budget execution to enhance the implementation of workplace safety management. Based on a decision-making structure centered on the Board of Directors, the ESG Committee, and the Safety and Health Headquarters, IS Dongseo systematically manages key safety and health issues across all business sites.

| Safety and Health Organization Chart



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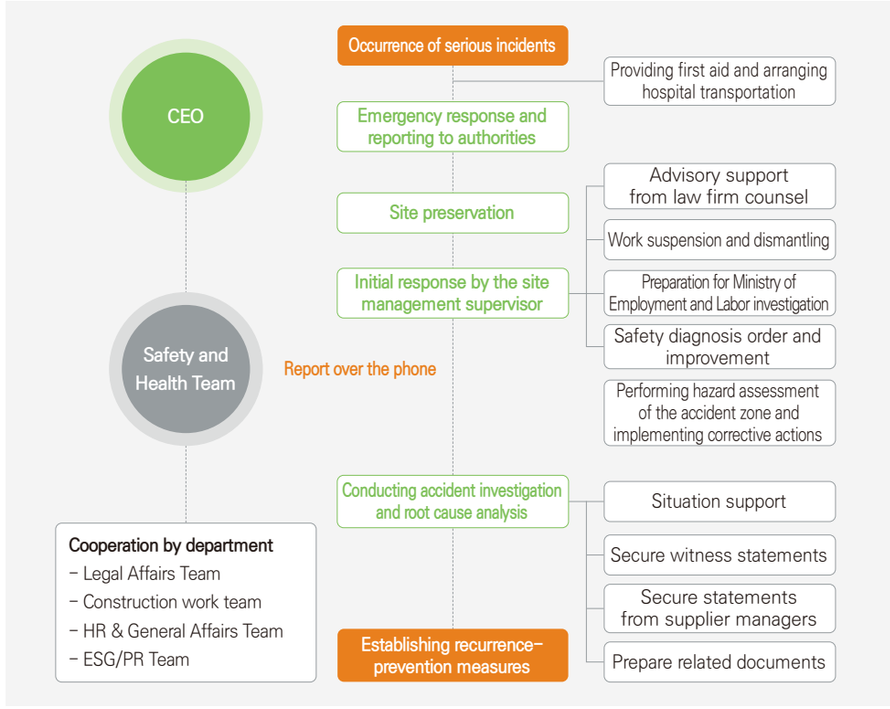
Safety and Health System

Safety Accidents Response System

IS Dongseo has established and operates accident response processes and manuals to ensure prompt and systematic responses in the event of a safety accident. If a serious accident occurs, the site immediately suspends work and initiates an initial response, while promptly taking measures to minimize damage, such as first aid and hospital transfer. The entire process is immediately reported to the Safety and Health Team at the head office and to management. After an accident, the Company conducts an investigation and analysis of the causes, establishes measures to prevent recurrence, and shares them company-wide, thereby strengthening an accident prevention-oriented management system. IS Dongseo conducts emergency response drills at least once every half year and provides related training to continuously enhance employees' accident response capabilities.

| Safety Accident Response Process



Safety and Health Management Certification

IS Dongseo has obtained Safety and Health Management System (ISO 45001) certification for its construction and manufacturing divisions, establishing a global-level safety and health management system. Even after obtaining certification, the Company continues to operate and manage the system through surveillance and renewal audits, and systematically reviews the safety and health management system and legal compliance levels at each business site. IS Dongseo is also strengthening risk assessment-based preventive safety management, establishing a recurrence prevention system through cause investigations, improvement measures, and case sharing in the event of an accident, and continuously enhancing company-wide safety and health capabilities through emergency response drills and training.

| Status of Safety and Health Management System Certification

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Safety and Health System

Operation of Risk Reporting Center

IS Dongseo operates the "Safety Reporting System" to strengthen safety management based on worker participation. Workers may anonymously report risk factors identified during work, and the Company has improved accessibility and convenience through a QR code-based reporting system. Submitted reports are handled promptly under the principle of immediate response, and a system has been established to prioritize corrective actions for serious risk factors. IS Dongseo also encourages participation and provides incentives, recognizes outstanding reporters, and shares cases to promote a voluntary safety culture. Through these operations, the Company is embedding a virtuous cycle of reporting, action, and feedback, while strengthening its field-oriented preventive safety management system.

| Safety Reporting System

Operation of the Safety Reporting System	• Operate a QR code reporting system
Reporting activation activities	• Encourage participation and provide incentives (anonymity guaranteed)
Risk factor improvement activities	• Make immediate improvements based on report details • Prioritize actions for serious risk factors
Result sharing and feedback	• Recognize outstanding reporters • Share improvement cases

Identification of safety and health risk factors and sharing of improvement cases

IS Dongseo identifies safety and health risk factors with worker participation through labor-management council meetings at construction sites and shares improvement cases. In 2025, workers shared a near-miss experience in which the efficiency of foreign material removal declined due to reduced pressure in existing equipment and requested improvements. In response, the Company replaced the equipment with a latest-model air compressor capable of high-pressure spraying and dedicated dust-removal equipment. Going forward, IS Dongseo will continue to promote a bottom-up, voluntary safety culture by promptly implementing worker suggestions.

Safety and Health Investment and Plan

IS Dongseo continues to expand preventive safety and health investments to prevent industrial accidents and create a safe working environment. In particular, the Company is strengthening site-specific investments focused on high-risk work and vulnerable processes, including improvements to safety facilities and equipment and reinforcement of protective gear and devices. Alongside improvements to working environments, IS Dongseo is building a more systematic and efficient foundation for safety management by introducing smart safety management technologies. The Company also continues to invest in regular training and drills to improve employees' safety capabilities and awareness, thereby advancing the company-wide level of safety management and contributing to the prevention of serious accidents.

| Safety and Health Investment Costs

Classification	Unit	Head office		Construction Division		Manufacturing Division	
		2025	2026(Goal)	2025	2026(Goal)	2025	2026(Goal)
Safety and Management Cost Operation	KRW 100 million	3.4	4.1	76.8	92.6	5.8	6.9

| Safety and Health Investment Strategies and Activities

Safety and health investment strategies	Expand preventive investments	Make site-specific customized investments
Safety and health investment activities	Invest with a focus on high-risk areas	Improve working environments
	Establish a continuous investment system	Introduce smart safety management
	Invest in improvements to safety facilities and equipment	Invest in training and drills

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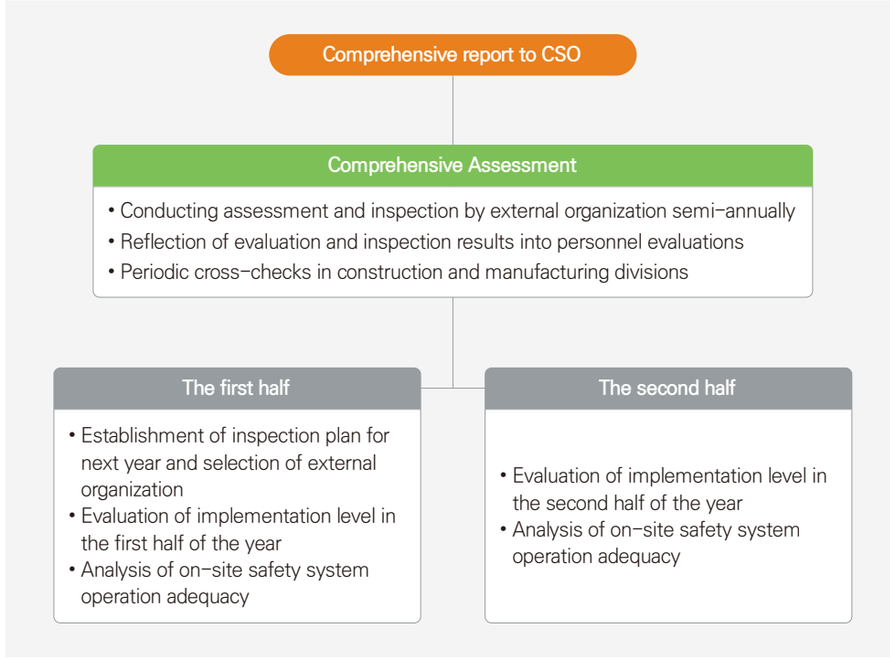
Safety and Health Risk Management

Implementation of Safety and Health Assessments

IS Dongseo has established and operates a regular evaluation and inspection system to systematically manage safety and health levels at each business site. The Company conducts safety and health evaluation and inspection for its construction and manufacturing divisions once every half year, identifies risk factors based on the inspection results, and strengthens improvement and implementation management. IS Dongseo systematically manages the entire process, from establishing inspection plans to managing and analyzing result data, thereby laying the foundation for effective safety management. It continues to improve the level of safety and health management through field-oriented inspection activities in which management and workers participate together. IS Dongseo is continuously advancing its management standards to proactively eliminate potential risk factors and create a safe working environment.

| Safety and Health Assessment Inspection Process



Evaluation and Inspection of Site Manager and Management Supervisor

IS Dongseo has established an accountability-based safety management system centered on safety and health managers and supervisors, and systematically operates site and supervisor evaluation and inspection. In 2025, the Company computerized the evaluation system and reflected the results in KPI performance evaluations, linking individual safety management performance to organizational performance and further strengthening accountability. By introducing a performance-oriented evaluation system that combines quantitative and qualitative indicators, IS Dongseo objectively assesses the actual level of safety management. The evaluation results are linked to training, corrective measures, and personnel management to ensure continuous improvement.

| Items of Site Evaluation and Methods

Classification	Item	Point	Conducted by	Evaluation methods
Site Safety and Health Assessment	Accident rate	25 points	Head office	Evaluation by calculating the accident-rate during
	The evaluation period	15 points	Head office	Performance measurement evaluation based on DATA BASE for smart risk assessment
	Safety and health management-cost utilization rate	10 points	Head office	Compliance with the rate of using occupational safety and health cost
	Autonomous safety-consulting Inspection	50 points	External organizations	Autonomous safety consulting safety system and on-site evaluation and inspection
	Point addition	2 points	Head office	Awarded safety-related commendations: Minister's commendation or higher (Ministry of Employment and Labor)
	Point deduction	-2 points/ per case	Head office	Social issues (safety-related media reports, etc.)
		-0.2 points/per case	Head office	Safety administrative disposition·fine

| Criteria of Safety and Health Assessment for the Management Supervisor

Common Factors of the Construction and Manufacturing Division

① Identification of harmful factors and risk factors and implementation of corrective actions for risk assessments
② Safety and health Inspection of machinery, tools, and facilities and checking for any abnormalities
③ Inspection of workers' uniforms, protective gear, and safety devices, along with education and guidance on proper use and wearing thereof
④ Reporting of occupational accidents and emergencies related to work incidents, and confirming response-measures accordingly
⑤ Monitoring and supervision of arrangements in workplaces and ensuring clear passageways
⑥ Cooperation with safety-related officials' guidance and advice
⑦ Safety and health education for workers and management of occupational safety and health manager

→ Incorporation of KPIs into assessment of occupational Safety and Health Management Manager

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Safety and Health Risk Management

Safety and Health Risk Management

IS Dongseo operates as-needed risk assessment meetings to prevent safety accidents and has established a proactive risk factor management system across all processes and work activities. Through this system, the Company systematically identifies unsafe elements at sites and reviews high-risk work by construction type, thereby strengthening preventive safety management. Construction sites hold risk assessment meetings at least twice a month and focus on managing high-risk work. Manufacturing plants identify and improve risk factors across all processes through risk assessment meetings held at least once a year. Based on the results of regular and as-needed risk assessments, IS Dongseo also conducts weekly joint labor-management inspections to review the implementation of corrective actions and continuously identify additional risk factors. Through this system, the Company eliminates risk factors in advance and continuously improves its company-wide safety management level.

| Safety and Health Risk Management Process

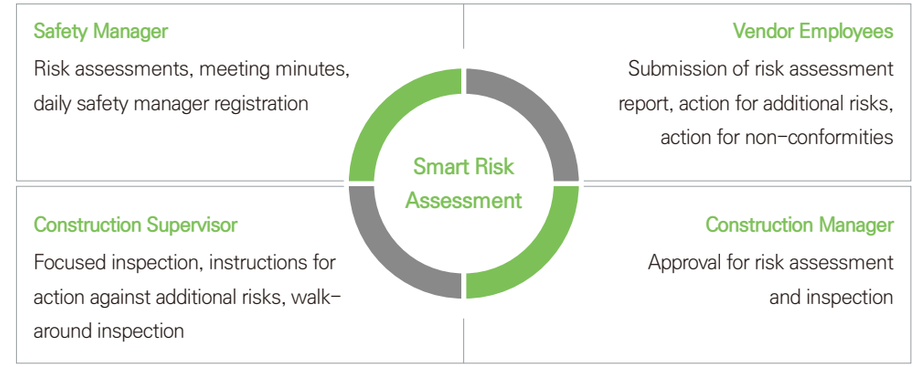
Risk Assessment Process	Responsibility and Authority	Major Tasks
Establishing regulations for conducting risk assessment	Safety Department of Head Office (Safety Manager)	• Establishment of regulations suited to headquarters and site characteristics • Conducting risk assessment training for members and workers
Identifying harmful and risk factors	Management supervisor (Safety Manager)	• Hazard and risk-factors identification • Assessing harmful factors affecting workers' health
Implementation of risk assessment	Safety and Health Management Manager	• Performing risk assessments for all initial operations • Conducting regular assessment within one year after the initial evaluation
Holding risk assessment meetings (frequent assessments)	Management supervisor	• Construction industry: conducting one assessment every two weeks • Developing measures for intensive management targets • Reviewing previously unimplemented items • Preparing risk assessment tables and notifying the schedule for the next meeting
Implementation of mitigation measures	Management supervisor	• Implementing mitigation measures • Monitoring results after taking actions • Preparing reports on non-conformance issues and reviewing work plans
Safety education	Management supervisor	• Delivering risk assessment results in TBM operations • Sharing information via safety bulletin boards, etc.
Safety inspection	Management supervisor	• Conducting safety inspection of harmful and risk factors • Preparing reports on non-conformance issues and checking work plans
Re-examination	Safety and Health Management Manager	• Issuing improvement instructions for unresolved issues • Carrying out risk assessments for new hazards

Implementation of Smart Risk Assessments

IS Dongseo has conducted smart risk assessments linking PCs and smartphones across all sites since 2022. The system supports real-time input and analysis of risk assessments, inspections of priority management items, identification of additional risk factors, and nonconformities. In particular, the Company operates a monitoring system that enables urgent risk factors occurring at sites to be immediately registered via mobile devices and addressed promptly, thereby improving response speed. Based on accumulated data, IS Dongseo systematically manages risk factors and strengthens real-time safety management by transitioning to a continuous assessment system.

Smart Risk Assessment System

| Smart Risk Assessment System



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Safety and Health Risk Management

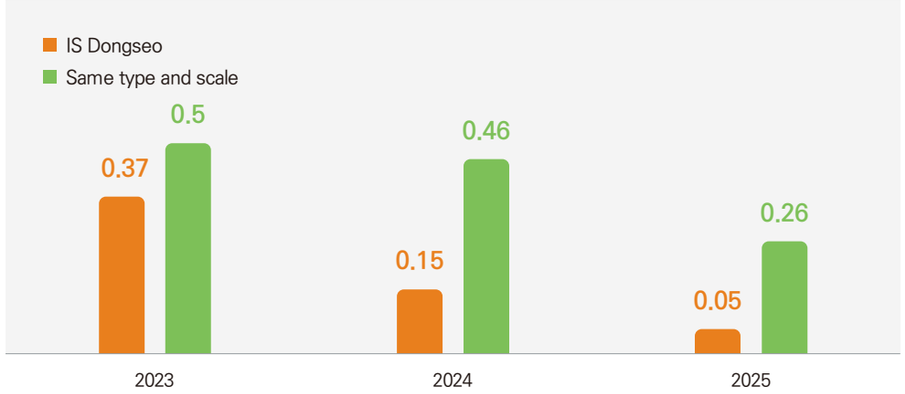
Serious Accident Management Goals

IS Dongseo has established company-wide priority initiatives, including those for suppliers, to prevent serious accidents and occupational accidents, and has set quantitative targets to achieve them. The Company aims to maintain the number of serious accidents at "0" through 2028 and reduce the number of worker injuries and illnesses by 30% annually.

| Serious Accident Management Targets

Classification	2025	Mid- to Long-Term Roadmap		
		2026	2027	2028
No. of serious accident occurrences	0	0	0	0
No. of injuries & illness of workers (Including vendors)	6	Annual reduction of 30%		

| Status of Accident Rates in the Past Three Years



* Source: Inquiry of written confirmation of business site industrial accident rate operated by the Korea Occupational Health and Safety Agency (Construction Division)

IS Dongseo's Efforts to Prevent Serious Accidents

Following the fatal accident involving a supplier employee in 2023, IS Dongseo has strengthened its response system and implemented various measures to enhance company-wide safety management capabilities in order to prevent similar accidents from recurring. The Company distributed a serious accident response manual across the organization to enable prompt and systematic responses in the event of a serious accident, and supported all business sites in familiarizing themselves with the relevant response procedures. IS Dongseo has also strengthened preliminary measures for accident prevention by enhancing on-site inspections by responsible executives and expanding safety inspection support from the head office, thereby closely reviewing safety levels at its business sites.

To fundamentally prevent serious accidents, IS Dongseo conducts campaigns to eliminate serious accidents for employees and supplier employees, raising safety awareness across the organization. The Company has expanded its team of safety and health professionals to build a robust safety management system, and has improved conditions for investment in safety facilities and protective equipment by raising the occupational safety and health management expense rate. In addition, IS Dongseo systematically manages site issues by expanding the operation of its safety monitoring group for continuous monitoring of risk factors and regularizing meetings with site safety managers to identify practical improvement measures. Based on these efforts, the Company is promoting prevention-oriented safety and health activities at all sites. IS Dongseo will continue to practice safety-first management and do its utmost to create business sites free from serious accidents together with its suppliers.

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Promotion of Safety and Health Activities

Safety and Health Promotion Tasks

Based on an ISO 45001-based prevention-oriented safety and health management system, IS Dongseo systematically operates a wide range of safety and health initiatives. Through regular and as-needed inspections, including support for head office inspections, joint inspections with external expert organizations, and intensive inspections of high-risk work, the Company proactively manages hazards and risk factors at its business sites. IS Dongseo is also expanding worker-participatory safety activities, including pre-work TBM, smart risk assessments, and operation of the Safety Reporting System, thereby spreading a field-oriented safety culture. By continuously providing training and campaigns for employees and suppliers and carrying out accident prevention activities, the Company improves safety awareness and working environments, stably operates its company-wide safety management system, and strengthens the foundation for preventing occupational accidents.

| Safety and Health Promotional Performance

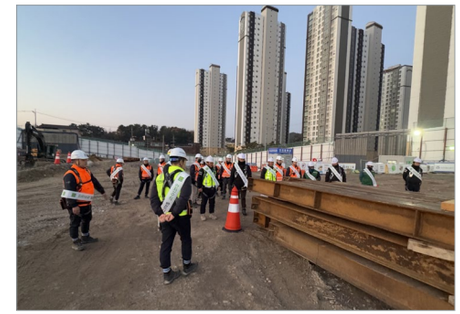
Classification	Key initiatives	Performance in 2025
Inspection	• Support from head office for inspection	66 times
	• On-site safety and health consulting inspection guidance by an external professional diagnostic agency	93 times
	• Installation, elevation and dismantling of high-risk construction equipment such as crane towers(T/C), and deployment of technicians from an external professional agency specialized in dismantling equipment	6 times
	• Non-Destructive Testing (NDT) before bringing tower cranes on site for installation	In the event of site construction
	• Operation of On-Site Safety Monitoring Teams (Number of personnel per month)	77 persons
Training	• Holding regular meetings with safety managers	0 times
Vendors	• Seasonal Safety Support for Partner Companies(Provision of ice machines during summer heatwaves, and cold-weather protective gear during winter)	2 times
Others	• Operation of a digital reporting system for safety management(Smart risk assessments, daily safety inspection checklists, performance of safety education participation, etc.)	Frequently

Expansion of Operating Safety Observer Group

IS Dongseo operates safety monitoring groups across all sites, including those of suppliers, and promotes safety accident prevention activities through systematic inspections and evaluations. In 2025, the Company operated safety monitoring groups comprising 77 people and strengthened field-oriented safety management through daily patrols and inspections using risk factor checklists. When risk factors are identified during inspections, the monitoring groups immediately implement corrective actions and share the improvements, while also carrying out recurrence prevention activities. IS Dongseo also encourages a voluntary safety inspection culture by expanding worker-participatory safety management and operates a prevention-oriented management system. Through these activities, the Company continues to embed a culture of routine safety inspections and improve the level of on-site safety management.

On-site Safety Inspections

IS Dongseo operates a monthly “Safety Inspection Day” and conducts field-oriented safety inspections through regular head office-led inspections and consulting by external expert organizations. In 2025, the Company conducted 66 head office inspections and 93 inspections by external expert organizations, intensively managing risk factors that may arise in actual working environments. IS Dongseo also conducts weekly joint inspections to regularly review major high-risk work, systematically manages corrective actions and their implementation based on inspection results, and shares inspection results as well as accident and improvement cases company-wide to expand its worker-participatory safety management system.



Safety Inspection Day

Site safety inspections led by the CEO

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Implementation of Safety and Health Activities

Expansion of Support for Safety Management of Vendors

IS Dongseo applies an increased safety management expense rate to strengthen suppliers' autonomous safety management capabilities. The Company improved the calculation method from the previous rate based on labor costs to a rate based on suppliers' total construction contract amounts, and reasonably adjusted the safety management expense rates to reflect the characteristics of each construction type. Through this approach, IS Dongseo supports suppliers in more actively implementing safety measures at workplaces and strengthening prevention-oriented safety activities. Going forward, the Company will continue to create safe working environments and achieve zero-accident workplaces based on shared growth with suppliers.

| Status of Safety Management Cost Rates for Vendors

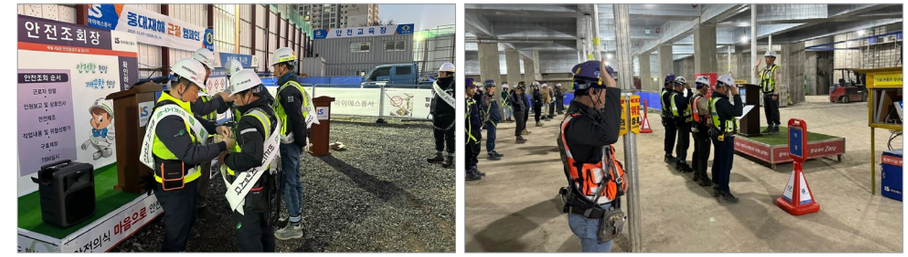
	Before Change		After Change
	Labor costs x 0.5%		Total construction amount of vendors × rate
NO	Name of construction type	Traditional status of our company	Improvement plan
		Rate	Rate
	Safety management cost allocation (cost budgeting)	Labor costs x 0.5% (Total construction amount of partners × rate)	Total construction amount of partners × rate
1	Reinforced concrete	0.25%	0.5%
2	Steel frames		0.4%
3	Wet construction	0.26%	0.3%
4	Machinery	0.15%	
5	Electricity	0.17%	
6	Pile driving		
7	Waterproofing	0.22%	

Implementation of Meetings and Workshops for Safety Managers

IS Dongseo holds regular safety manager meetings and workshops to improve site safety levels. During these meetings, participants share serious accident cases and key safety issues, and discuss improvement measures and best practices for field-oriented problem solving. The Company also shares safety management policies and directions company-wide to operate a consistent safety management system, and links improvements identified during the meetings to each business site to ensure continuous management. Through these efforts, IS Dongseo strengthens the capabilities of safety managers and systematically embeds a field-oriented safety management foundation.

Campaign to Eradicate Severe Accidents

IS Dongseo places the prevention of serious accidents as its top priority and continues to carry out company-wide campaigns to eliminate serious accidents. In particular, in preparation for year-end and winter periods that are vulnerable to occupational accidents, the Company intensively implements the "Campaign to Eliminate Serious Accidents" for 100 days from December 1 to March 10, and conducts prevention-oriented safety activities in which employees and suppliers at all business sites participate together. During the campaign period, sites simultaneously implement activities such as declaring a resolution to eliminate serious accidents, wearing campaign badges, posting safety banners, and conducting autonomous workplace safety inspections, thereby strengthening their commitment to safety practices. IS Dongseo has also designated the prevention of cold-related illnesses among outdoor workers in winter, the prevention of fire and suffocation accidents, management of high-risk work, and the spread of a safety culture as key inspection tasks, and closely checks whether preventive measures are being implemented. In addition, the Company recently conducted on-site training for all employees at construction sites and concrete manufacturing plants on winter accident risks and response methods, raising awareness of risk factors and encouraging the practice of safety measures.



Zero Severe Accidents Commitment Campaign

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Implementation of Safety and Health Activities

Distribution of Emergency Response Manuals and Training

IS Dongseo conducts regular response drills once each in the first and second halves of the year at construction sites and manufacturing plants to ensure prompt and effective responses in emergencies. Reflecting the process characteristics and risk factors of each workplace, construction sites establish response drill plans for the three major accident types and eight major risk factors, while manufacturing plants operate practical response drills for the three major accident types, eight major risk factors, and 12 major causative agents, thereby strengthening initial response capabilities. IS Dongseo also establishes and distributes emergency response manuals so that all employees and suppliers can act according to common response standards. The Company continuously improves response procedures based on drill evaluations to enhance on-site applicability. Through these efforts, IS Dongseo operates a stable emergency response system and continues to improve its crisis response capabilities.

Emergency response training

Emergency Measures Training

IS Dongseo provides first aid training across all business sites to strengthen initial response capabilities in emergencies. Through hands-on training on cardiopulmonary resuscitation (CPR), the use of automated external defibrillators (AEDs), and related procedures, the Company supports employees in developing the ability to respond immediately in actual situations. IS Dongseo is also expanding the scope of training to ensure that all employees have emergency response capabilities, and strengthens the field response system by continuously reviewing and supplementing first aid capabilities through regular training.

Safety and Health Training

IS Dongseo operates systematic training programs for employees and supplier workers to raise safety and health awareness and strengthen accident prevention capabilities. The Company enhances training effectiveness through hands-on programs that reflect site characteristics and risk levels, as well as job-specific curricula. IS Dongseo has established a sustainable training system by providing both regular and as-needed training, and strengthens site-level safety training through pre-work TBM. In particular, for plants with foreign workers, the Company checks whether supplier training is properly implemented to minimize blind spots in training.

External Expert Safety and Health Consulting

On-site Safety Training

CPR Training by Health Managers

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Health Promotion Programs

Supporting Health Management of On-Site Workers

IS Dongseo operates health management programs tailored to the characteristics of each workplace to promote the health and safety of on-site workers. In particular, the Company provides safety supplies and facilities during vulnerable periods, such as the rainy season and winter, and has established a management system to help workers work in a comfortable environment. During summer, IS Dongseo strengthens heat-related illness prevention activities by operating rest areas and temporary shelters and providing ice water and beverages. The Company also analyzes accident cases by vulnerable period and intensively implements preventive activities, achieving zero on-site safety incidents during vulnerable periods. IS Dongseo continues to operate a stable worker health management system and expand efforts to create safe working environments.

Preventive activities during vulnerable periods

Installation of heat-related illness prevention banners at sites

Rest facility support (cooling shelters)

Clean Workplace Support Program (portable air conditioners)

Implementation of Medical Check-Ups for Workers

IS Dongseo conducts regular and special health checkups across all business sites to manage worker health. The Company closely monitors workers' health status and, when abnormal findings are identified, systematically provides additional detailed examinations and follow-up management. To prevent occupational diseases, checkup results are linked to improvements in the work environment and job assignments, thereby preventing occupational accidents in advance. In addition, IS Dongseo provides safety training based on health checkup results to enhance workers' awareness of both health management and safety, continuously strengthening the workplace health management system.

Medical check-ups for workers

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Quality Management System

Quality Management Policy

IS Dongseo practices customer-centered quality management and aims to deliver the highest value by reflecting customer needs. The Company complies with the fundamental principles of its quality management system and works to secure customer trust through continuous improvement activities. Systematic quality inspections are conducted throughout the entire process, from commencement of construction to completion and after-sales service, while professional move-in management and quality management activities focused on defect prevention are being strengthened. At all business sites, IS Dongseo conducts quality inspections by stage and full functional inspections to thoroughly manage not only external appearance but also less visible aspects of quality, such as the performance of equipment and facilities. The Company also establishes and operates quality strategies tailored to the characteristics of each business division. Since 2024, IS Dongseo has further strengthened site-centered quality management activities by assigning quality managers to each site to enhance construction quality and prevent defects in advance, while expanding quality training and inspections by work type in addition to the existing staged inspections.

In 2025, IS Dongseo revised its Quality Management Policy to proactively respond to changes in the business environment and evolving customer expectations, and redefined company-wide quality goals and implementation standards. Through these efforts, the Company is strengthening a prevention-oriented quality management system, improving on-site execution and accountability, and continuously enhancing the level of quality that customers can experience. IS Dongseo will continue to realize customer satisfaction by providing products and services that meet changing market conditions and customer needs, based on company-wide quality management activities.

| Quality Management Policy

IS Dongseo will continue quality management in which all members at sites share a commitment to quality innovation, prevent nonconformities and defects through thorough preventive quality management at each stage from design to construction, and realize customer delight. To this end, all employees and stakeholders shall actively participate in the following

❶ Prevent defects and quality risks through proactive quality management.
❷ Strengthen quality awareness and capabilities through expertise-based quality training.
❸ Provide customers with the highest quality and value through continuous quality innovation activities

| Quality Management Goals

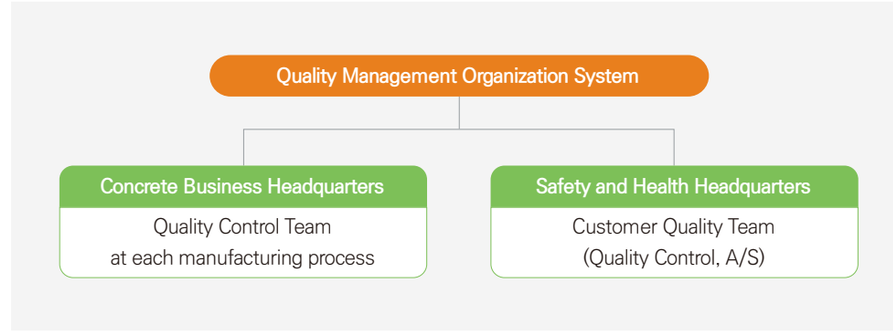
Defect-free sites: “From customer satisfaction to customer delight”

❶ Prevent quality defects through systematic inspections by stage and real-time monitoring
❷ Strengthen the capabilities of managers and workers through active participation in quality training
❸ Realize quality that satisfies customers and maximize value

Quality Management Organization

In 2022, IS Dongseo established the Quality Management Team to proactively prevent quality risks at sites and prevent defects. In 2026, to strengthen the linkage between the Quality Management Team and the A/S Team and improve customer service quality, the Company integrated the two organizations and reorganized them into the Customer Quality Team. The Customer Quality Team at headquarters analyzes recurring defect cases in the Construction Division, derives improvement measures, and reflects, disseminates, and provides training on these measures across the company-wide quality management system. In addition, each factory operates its own quality management team to continuously promote site-centered quality improvements based on systematic inspections and feedback linked with headquarters.

| Quality Management Organization Chart



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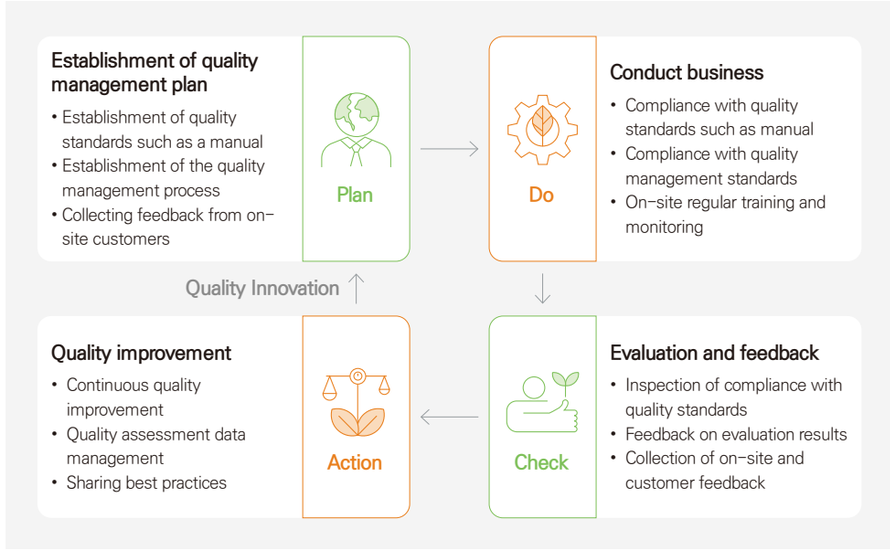
Quality Management Activities

Advancement of Quality Management and Inspection

IS Dongseo is realizing quality innovation by establishing a systematic quality management process. In the quality management planning stage (Plan), the Company sets quality standards, establishes processes, and creates an effective management system that reflects feedback from sites. In the implementation stage (Do), the Company complies with quality standards and processes and maintains a stable level of quality through regular on-site training and monitoring. In the evaluation and feedback stage (Check), IS Dongseo checks compliance with standards and identifies areas for improvement. In the improvement stage (Action), the Company continues quality innovation through ongoing quality improvement activities and the sharing of best practices based on accumulated data. To ensure smooth process operation, the Customer Quality Team under the Safety and Health Division has established and distributed a quality management work manual and, based on this manual, continues to advance the company-wide quality management system. Through these efforts, IS Dongseo is strengthening its quality management capabilities and establishing itself as a company trusted by customers.

| Quality Management Process



Implementation of Quality Inspections

IS Dongseo operates a systematic quality inspection process across all construction site processes and proactively manages quality risks by process. At all business sites, the Company closely reviews step-by-step work processes and technical conditions from preparation for construction and construction to completion and post-completion stages. IS Dongseo also conducts full functional inspections of less visible areas, such as the performance of equipment and facilities, in addition to external quality, thereby enhancing quality reliability. Inspection results at each stage are reflected in improvement activities through a feedback system linked with headquarters, leading to continuous improvement in the company-wide level of quality management.

| Quality Inspection Process

Preparation of construction initiation	• Reviewing blueprints • Inspecting model houses • Preparing a quality-control (test) plan
Construction	• Setting up quality documentation • Verifying consistency between model houses, actual construction, and design documents • Conducting quality inspections at various construction stages (regular and frequent inspections) • Quality training for employees and on-site workers • Developing and disseminating company guidelines concerning amendments to relevant laws and regulations
Completion(Construction completion)	• As-built drawing review • Verification of Quality Inspection Implementation
After completion	• Confirmation and check after completion (A/S team) • Support matters related to defects and litigation (A/S team)

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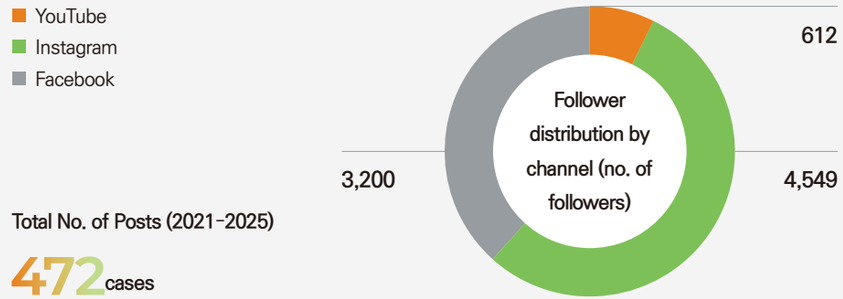
Quality Management Activities

Promotion of Communication with Customers

IS Dongseo operates various communication channels to listen to the voice of customers. The Company actively reflects customer complaints and product feedback received through these channels to improve customer satisfaction. IS Dongseo also operates a "Pre-Visit Day" for prospective residents to hear customer opinions directly and promptly handle complaints received. Feedback collected through customer communication is converted into data, systematically managed, and shared with all sites and relevant departments, including the Customer Quality Team and the A/S Team, to be reflected in improvements to product and service quality.

In addition, IS Dongseo operates social media-based communication channels to strengthen customer communication and enhance service satisfaction. In accordance with its social media operation policy, the Company provides useful information to customers and produces customized content that reflects customer needs. IS Dongseo currently operates YouTube, Instagram, and Facebook channels. In particular, through its YouTube channel "Etteul TV," the Company provides sales information on its residential brand "Eileen's Garden," expanding customer touchpoints.

2025 Social Media Operation Status



Total No. of Posts (2021-2025)

472 cases

Prevention and Management of Defects

IS Dongseo is making company-wide efforts to improve quality by managing all types of defects, from significant defects to minor issues, based on the principle of prevention. In particular, the Company annually updates cases collected through regular inspections at each site. Since 2021, IS Dongseo has distributed company-wide the Defect Casebook, which records representative defect cases regularly collected, and the Quality Inspection Casebook for Training, which is designed to ensure compliance with design-related laws and regulations and prevent complaints and defects in advance. Based on these materials, the Company regularly provides quality management guidelines and quality inspection training for all site managers. To prevent the recurrence of previously identified defects, IS Dongseo periodically updates and manages materials such as casebooks, and continues to advance its quality management and defect prevention capabilities. When defects occur, the Company operates a defect receipt and management system by period based on the move-in date and makes every effort to improve customer satisfaction and trust.

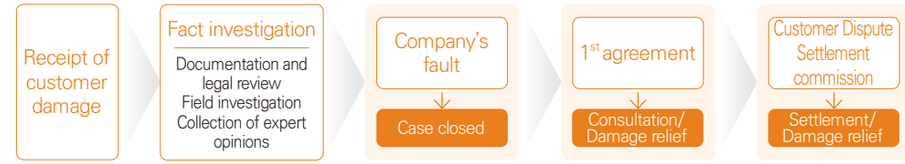
| System of Managing Defects and Taking Actions

Before D-70 to 90	D-60	D-45	D-DAY	D+60 from completion: Two years
Site Quality inspection	Preliminary inspection	Visit My Home event	Move-in	A/S field office operation
• Quality/safety inspections & management of actions – Construction site workers, Quality Control Team – External inspection agency	• Management of actions regarding the quality evaluations & inspections – Construction site workers, Quality Control Team	• Intending residents visit the house in advance • Check finishing and request any improvements	• Operation of the Resident Support Center • A/S application & Work scheduling • Resident card issuance	• Response to defects and complaints after move-in • Check received complaints and feedback management

Customer Damage Relief

When customer damage occurs due to defects, IS Dongseo conducts a fact-finding investigation after receiving the customer claim. If the investigation confirms that the Company is responsible, appropriate measures are taken through a consultation process for remedy.

| Customer Damage Relief Process



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Win-win Management Strategy

Win-win Management Policy

IS Dongseo actively promotes shared growth and win-win cooperation with suppliers to achieve sustainable corporate development and fulfill its social responsibilities. To this end, the Company complies with fair and transparent transaction principles, strengthens its win-win cooperation system with suppliers, and operates various support programs to pursue shared growth. With the goal of shared growth based on fair trade and mutual cooperation, IS Dongseo is making diverse efforts to grow together with suppliers in four key areas: establishing a fair trade culture, financial support, support for management activities, and support for technology development. The Company also continues activities to establish a fair transaction culture, including strengthening suppliers' safety management capabilities, supporting management stability, and supporting technology and capability enhancement.

| Win-win Management Promotion Strategy

Selection and evaluation of Vendors

IS Dongseo selects and systematically manages suppliers based on fair standards and procedures to build a virtuous partnership for shared growth. Through this approach, the Company seeks to establish transparent and sound transaction practices and continuously improve construction quality. New suppliers are identified through regular and ad hoc recruitment, and selection standards and procedures are disclosed on the website to ensure transparency. System-based evaluations are conducted on various items, including construction capability, track record, sales, credit rating, and cash flow, and evaluation results are individually notified. IS Dongseo also conducts regular safety management evaluations to strengthen suppliers' safety management capabilities. After supplier selection, the Company provides ongoing performance opportunities through regular evaluations of quality, management, and technical capabilities. Suppliers with excellent evaluation results are provided with incentives, such as awards and expanded contracting opportunities, thereby strengthening supply chain competitiveness and realizing win-win cooperation.

| Vendor Safety Management Evaluation

In the case of serious accidents according to the Serious Accident Punishment Act	Targeted site	Evaluation cycle
Two years of bidding restrictions are imposed	**All business sites**	**semi-annually** (twice a year)

Item	Points	Conducted by	Evaluation methods
Accident rate	25 points	Head office	• Evaluation by calculating the accident rate during the evaluation period
Risk assessment	15 points	Head office	• Performance measurement evaluation based on database for smart risk assessment
Occupational safety and health management expenses	10 points	Head office	• Compliance with occupational safety and health management cost-utilization rate
Autonomous safety consulting inspection	50 points	External organization	• Autonomous safety consulting and safety system and on-site evaluation inspections
Additional/deducted points	±5 points	Head office	• (points addition) Award for Safety-Related Commendation: Minister of Employment and Labor Commendation or above • (points deduction) Social Issues and Safety Administrative Penalties (Fines)

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Supply Chain Management System

Code of Conduct for Vendors

IS Dongseo operates the Code of Conduct for Vendors to realize the value of win-win cooperation with suppliers and manage a sustainable supply chain. The Code of Conduct for Vendors presents the basic principles and standards that suppliers must comply with across business operations and management activities, and is used as a standard for strengthening the fulfillment of ethical, social, and environmental responsibilities throughout the supply chain. In particular, the Code requires suppliers not only to comply with applicable laws and regulations, but also to practice responsible management in the areas of labor rights and human rights, safety and health, environment, and ethics.

In 2026, IS Dongseo revised the Code of Conduct for Vendors to further enhance the level of supply chain ESG management. The revised Code expands its scope of application from direct suppliers to indirect suppliers, and further specifies key items to be managed across the supply chain, including protection of labor and human rights, prohibition of forced labor and child labor, fair recruitment, prohibition of discrimination and human rights violations, safety management, accident and disaster response, health and hygiene management, climate change response, management of air, water resources, waste, and chemical substances, eco-friendly construction and biodiversity, protection of personal information and intellectual property rights, and prevention of corruption and unfair transactions. It also states that relevant information must be provided during self-assessments and on-site due diligence, and that improvement plans must be established and implemented for any identified deficiencies, thereby strengthening the basis for responsible implementation by suppliers.

| Management Areas of the Code of conduct for vendors

Code of conduct for vendors

Labor and Human Rights	Safety and Health	Environment	Ethics
• Prohibition of forced labor and compliance with working hours • Prohibition of child labor and protection of young workers • Fair recruitment • Provision of wages and benefits • Guarantee of freedom of association • Prohibition of human rights violations and discrimination • Humane treatment	• Safety management • Accident/disaster response system • Health and hygiene management	• Compliance with environmental laws and regulations • Climate change response • Management of air pollution, water resources, waste, and chemical substances • Eco-friendly construction and biodiversity	• Protection of personal information and intellectual property rights • Prevention of corruption and unfair transactions • Compliance with the Code

↓

Presenting responsible implementation standards across the supply chain

Supply Chain ESG Management Strategy

Based on the Code of conduct for vendors revised in 2026, IS Dongseo has advanced its supply chain risk management system. Based on the labor rights and human rights, safety and health, environment, and ethics stipulated in the Code of conduct for vendors, the Company has reorganized a system to conduct self-assessments and on-site due diligence for new and key suppliers, and plans to manage the establishment and implementation of improvement plans for deficiencies identified through inspections. In particular, considering the characteristics of the construction and manufacturing businesses, IS Dongseo has selected safety and health risks as priority management areas and plans to systematically manage major risks across the supply chain, including climate change response, pollutant and chemical substance management, eco-friendly construction and biodiversity, protection of personal information and intellectual property rights, and prevention of corruption and unfair transactions. Going forward, IS Dongseo will gradually expand the scope of supply chain risk management, primarily focused on direct suppliers, and build a responsible supply chain by combining improvement activities with capability-building support for suppliers.

| Supply Chain Risk Management Process

STEP 1	Refine management standards	• Refine inspection items and evaluation criteria reflecting the revised Code of Conduct
STEP 2	Identify risks	• Conduct self-assessments and review basic data for new and key suppliers
STEP 3	Conduct focused inspections	• Select high-risk suppliers • Conduct on-site due diligence and check implementation levels
STEP 4	Implement improvement actions	• Recommend improvements for deficiencies • Establish and submit improvement plans
STEP 5	Follow up	• Conduct follow-up checks on implementation • Reflect results in future evaluations and management

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Support Shared Growth of Supply Chain

Building Win-win Partnerships

IS Dongseo operates various win-win programs for shared growth with suppliers, including financial support, capability building, technical support, and expanded exchanges. Through these programs, the Company enhances suppliers' management stability and self-sufficiency and promotes stronger competitiveness across the supply chain. IS Dongseo also selects and manages suppliers based on fair and transparent standards and builds trust-based transaction relationships. In addition, the Company identifies outstanding suppliers, expands opportunities for continuous cooperation, and promotes the formation of mutually beneficial partnerships.

Financial support	Capability-building support	Technical support	Expanded exchanges
Direct and indirect financial support to secure suppliers' liquidity	Support to strengthen management capabilities and increase sales as a foundation for supplier growth	R&D support to enhance suppliers' technology and competitiveness	Discussion of development directions by listening to suppliers' difficulties and grievances

IS Dongseo is strengthening the foundation for local win-win cooperation by signing a memorandum of understanding (MOU) with Gyeongsan City to revitalize the local construction industry. The agreement was signed in connection with the Pentahills W Residential Complex New Construction Project, Complexes 1 and 2, the first high-rise building project in Gyeongsan City with a total project cost of approximately KRW 4 trillion. Through this agreement, IS Dongseo is contributing to the revitalization of the local economy by expanding participation by local construction companies, utilizing locally produced materials and equipment, and increasing the employment of local workers in the course of the large-scale housing construction project. The Company also supports the continued growth of the local construction industry based on a stable volume of construction work and reinforces a win-win cooperation system by strengthening cooperation with local companies.

Signing of the 2026 MOU to Revitalize the Local Construction Industry in Gyeongsan City

Financial Support

IS Dongseo operates various financial support programs to support suppliers' stable fund management. By helping suppliers secure liquidity, the Company enhances their management stability and expands the foundation for win-win cooperation by encouraging suppliers to strengthen their ESG management capabilities through financial support.

Establishment of fair payment practices	To support suppliers' stable management activities, IS Dongseo makes 100% of payments in cash or cash equivalents and continues to expand the cash payment ratio. In addition, the Company supports suppliers' smooth fund management by applying the shortest payment terms compared with the industry average (promissory note payment within 60 days), thereby establishing fair and responsible payment practices.
Strengthening Support for Safety and Health Management Costs	IS Dongseo contributes to improving suppliers' safety management levels by improving the rate applied to occupational safety management expenses for suppliers' high-risk work types. After reviewing relevant standards and establishing the basis in 2021, the Company expanded application to all sites in 2022. As the importance of safety management has increased with the enforcement of the Serious Accidents Punishment Act, IS Dongseo has expanded payment from a labor cost basis to up to 0.5% of direct construction costs.
Early payment to partner companies before the Seollal (Lunar New Year) holidays	To support fund management for suppliers facing difficulties due to the downturn in the construction market, IS Dongseo made early payments of transaction amounts ahead of the Lunar New Year holiday, when funding needs increase. Through this, the Company helped suppliers smoothly pay employee wages and material costs and provided practical support for suppliers' management stability.
Financial Consulting Support	IS Dongseo provides financial consulting support to promote shared growth with suppliers. The Company is also reviewing support measures for stable fund management by providing financial support programs that allow preferential interest rates and increased loan limits based on suppliers' sales performance.
Creation of a Supplier Shared Growth Fund	IS Dongseo signed a shared growth cooperation agreement with IBK Industrial Bank of Korea and created a KRW 9 billion shared growth fund to help alleviate funding difficulties for partner companies. The fund provides loan interest rate reduction benefits to partner companies, supporting suppliers' fund management amid high interest rates and an economic downturn.

| Process to Provide Financial Support for Vendors

Selection of vendors eligible for support	Financial/management consulting due diligence	Implementation of Financial Support
• Establishment of standards for selecting vendors eligible for support (based on performance, credit rating, cashflow status, etc.)	• Improving credit ratings and cashflow stability • Ensuring financial stability	• Providing operational funds (under review)

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Support for Supply Chain Shared Growth

Support for Management Activities

IS Dongseo provides multifaceted support for suppliers' management activities to spread responsible management throughout the supply chain. When entering into contracts with suppliers, the Company reflects safety and health and environmental policies to encourage ESG management practices and strengthen competitiveness across the supply chain. IS Dongseo also promotes various forms of support to improve suppliers' management capabilities and secure a stable sales base, contributing to the foundation for sustainable growth. In addition, to provide win-win financial support to suppliers, the Company operates a shared growth fund in cooperation with IBK Industrial Bank of Korea. Through this fund, IS Dongseo eases the financial burden on partner companies and improves their access to financing, thereby supporting stable management activities. Based on these efforts, the Company is further reinforcing the foundation for sustainable shared growth with suppliers.

Support for Technology Development

IS Dongseo continuously supports research and development (R&D) activities to enhance suppliers' technological capabilities and competitiveness. By strengthening suppliers' core competencies, the Company raises the overall technological level of the supply chain and operates various cooperative systems, such as joint technology development and technical consulting, so that suppliers can respond flexibly to market changes. Through these efforts, IS Dongseo is expanding support to help suppliers secure their own technological competitiveness and achieve continuous growth.

Establishing a Fair Trade Culture

IS Dongseo operates a win-win cooperation system by building a fair and transparent transaction order based on the Supplier Code of Conduct. To enhance the effectiveness of the Code of Conduct, the Company conducts regular training and monitoring, thereby promoting ethical and responsible transaction practices. IS Dongseo also strengthens mutual trust by ensuring fairness and transparency in transactions with suppliers. Based on these efforts, the Company is creating a sustainable business environment together with its suppliers.

Strengthening Communication with Partner Companies

IS Dongseo continues diverse efforts to build mutual trust based on close communication with suppliers and create safer working environments. In particular, in accordance with the revised Occupational Safety and Health Act, the Company operates the Safety and Health Council for Contracted Work at least twice a year to identify in advance and jointly respond to risk factors that may arise at contracted workplaces. Through the council, IS Dongseo directly listens to suppliers' difficulties and discusses improvement tasks related to safety and health, thereby strengthening the establishment of a joint safety management system. The Company also shares relevant information and know-how to prevent various risks that may arise during outsourced work and to enable suppliers to practice autonomous safety management, while continuously improving the institutional foundation. Recognizing that respecting suppliers' opinions is the core of shared growth, IS Dongseo plans to further strengthen the practical foundation for win-win cooperation by operating regular communication channels and advancing its feedback collection system.

Operation of the Safety and Health Council

Joint inspection of business sites

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Human Rights Management System

Human Rights Management Policy

IS Dongseo promotes human rights management that places the highest priority on protecting the dignity and rights of all stakeholders, including employees, suppliers, and local communities. The Company works to prevent and eliminate human rights violations across all management activities, and continues to establish and implement its human rights management declaration and principles to ensure that human rights management is practiced without blind spots.

| Declaration of Human Rights Management

'Implementation of Sustainable Human Rights Management'

IS Dongseo is taking the dignity and rights of all stakeholders, and protection of human rights as a core principle of our management activities. We strictly adhere to this principle throughout our business operations so as to prevent any human rights violations from occurring, and actively strive to uphold the principle of human rights protection.

| IS Dongseo Human Rights Management Principles

Non-Discrimination
- Prohibit employment discrimination based on gender, race, nationality, etc.
- Respect for diversity

Compliance with Working Conditions and Labor Laws
- Respect labor laws in each country
- Comply with legal working hours and wage regulations
- Provide of sufficient opportunities for employee communication

Respect for Human Rights
- Respect and protect the privacy of executives and employees
- Protect of personal information
- Abolish Unreasonable Treatment

Responsible Supply-Chain Management
- Actively support human rights management practices at subsidiaries and suppliers
- Comply with relevant laws and regulations

Prohibition of Forced Labor and Child Labor
- Prohibit coercive labor against the will of employees and strictly forbid child labor

Guarantee occupational safety
- Support safe working environments
- Prevent physical and mental risks to employees

Protection of Local Residents
- Prevent human rights violations, including protection of the health, lives, and property of residents in areas where business is conducted

Protection of Stakeholder Human Rights
- Make efforts to protect stakeholders' lives, health, property, and personal information

Protection of Environmental Rights
- Establish and maintain an environmental management system
- Disclose environmental information

Human Rights Management Strategy

To systematically establish and implement human rights management, IS Dongseo has developed a human rights management strategy with the goal of "Realizing Sustainable Human Rights Management" and identified key tasks in accordance with a mid- to long-term roadmap. To secure implementation capabilities and manage performance alongside the introduction of human rights management, the Company has designed measures such as systematizing human rights training and institutionalizing regular human rights impact assessments. IS Dongseo is strengthening the foundation for human rights management by preparing concrete action plans to promote diversity and inclusion within the organization and create a discrimination-free working environment, while actively communicating grievance handling and remedy systems. Furthermore, the Company aims to realize sustainable human rights management by expanding the human rights management culture across the entire value chain, including suppliers, and by establishing human rights management partnerships and providing locally tailored support.

| Human Rights Management Strategy

Promotional goals: "Implementation of sustainable human rights implement"

Mid- to Long-term Roadmap

Introduction Phase (2025-2026)	Establishment Phase (~2028)	Maturity Phase (~2030)
Establish a robust human rights management framework	Settlement of a sustainable human rights management culture	Leading innovative human rights management practices and initiatives

Key initiatives

Introduction Phase (2025-2026)	Establishment Phase (~2028)	Maturity Phase (~2030)
• Establish the operational foundation for human rights management • Prepare human rights management policies • Establish remedy procedures for human rights violations • Systematize human rights education • Conduct human rights impact assessments	• Revise and supplement internal regulations • Expand internal and external human rights training including for suppliers • Conduct human rights impact assessments • Conduct regular human rights impact assessments	• Expand externally through human rights management partnerships • Support suppliers in establishing human rights management systems

Mid- to Long-term Goals for Human Rights Management

Classification	Unit	2025 Performance	2026	2027	2028
Ratio of employees participating in human rights training	%	100	100	100	100
Human rights impact assessment	-	Performed on a yearly basis			

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Human Rights Risk Management

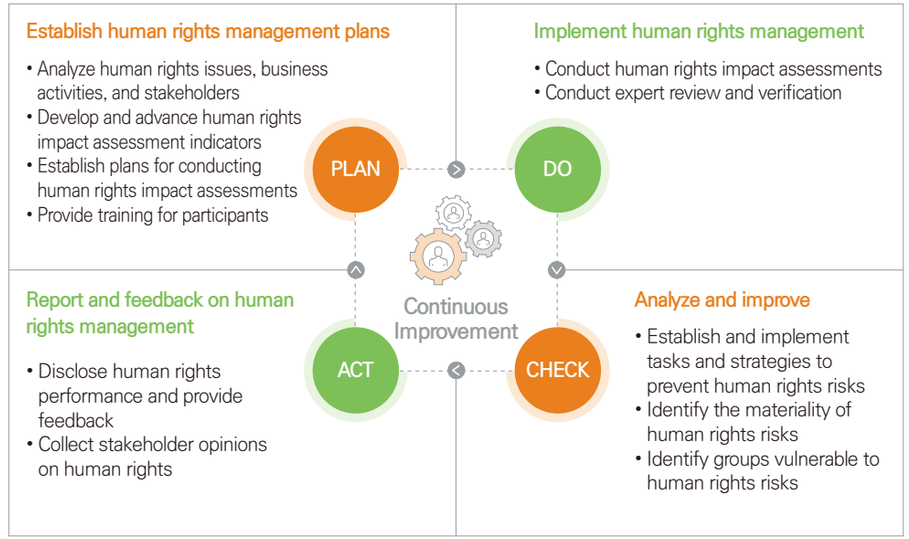
Establishment of a Human Rights Impact Assessment

Recognizing that proactive preventive activities are a core foundation for minimizing human rights risks and promoting human rights, IS Dongseo strives to systematically identify and manage human rights impacts that may arise in the course of business operations. The Company has integrated and reorganized human rights risk management activities that had previously been identified individually through existing site surveys, due diligence, safety meetings, and reporting and whistleblowing systems, and has established a human rights impact assessment system applicable across overall management and business activities.

A human rights impact assessment is a process that analyzes and evaluates in advance the actual and potential impacts that a company's business activities and business relationships may have on the human rights of internal and external stakeholders. IS Dongseo has prepared its own checklist that reflects domestic and international human rights laws and regulations, industry characteristics, stakeholder relationships, and key human rights issues, based on the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, the ILO International Labour Standards, and the National Human Rights Commission of Korea's checklist for human rights impact assessments of institutional operations.

In 2026, IS Dongseo conducted a human rights impact assessment of institutional operations using this checklist and reviewed the management level of its human rights management system and major human rights issues. In particular, the Company advanced the checklist by considering the characteristics of the construction industry, including diverse forms of employment, site-centered working environments, and broad points of contact with suppliers and local communities. Based on the results of this human rights impact assessment, IS Dongseo plans to identify matters requiring improvement as improvement tasks and continuously monitor potential negative impacts on stakeholders, including employees, on-site workers, suppliers, and local communities. The Company will continue to strengthen a human rights risk management system that reflects the business characteristics and site operating environment of the construction industry, so that respect for human rights can be embedded across the entire organization.

| Human Rights Impact Assessment Process



| Human Rights Impact Assessment Checklist

Issue names	Key Inspection Items
Establishment of a human rights management system	Check procedures and institutional arrangements, organization and training, establishment and operation of remedy procedures, and victim protection systems to establish and faithfully implement a human rights management system
Non-discrimination in employment	Check the prohibition of discrimination based on gender, nationality, disability, employment type, etc. in recruitment, assignment, promotion, evaluation, and working conditions, and whether a fair employment environment has been created
Freedom of association and collective bargaining	Check whether workers' freedom of collective bargaining is guaranteed, whether discrimination or disadvantage due to trade union activities is prohibited, and whether communication activities related to working conditions are conducted
Prohibition of forced labor and guarantee of the right to rest	Check fair employment contracts, management of appropriate working hours and overtime work, payment of overtime and holiday work allowances, guarantee of the right to rest, and management systems to prevent forced labor at suppliers
Prohibition of child labor	Check compliance with the principle of prohibiting employment of children under the age of 15, age verification procedures, management of employment contracts and working conditions when employing young workers, and prohibition of hazardous, night, and long-hour labor
Ensuring Industrial safety	Check facility and equipment safety management, regular safety evaluations, provision of protective equipment, safety and health training, protection of vulnerable workers, prevention of Industrial accidents, and support systems for affected workers
Responsible supply-chain management	Check whether major suppliers are required to fulfill human rights protection obligations, whether human rights respect clauses are reflected in contracts, and whether regular communication and education/training support are provided to suppliers
Protection of the human rights of local residents	Check management of the living, environmental, and social impacts of business site operations on local communities; operation of channels for collecting local resident opinions and communication; and systems for preventing and mitigating damage and handling grievances
Guarantee of environmental rights	Check operation of the environmental management system, collection, management, and disclosure of environmental information, implementation of environmental training, establishment of emergency response plans, response to climate change risks, and greenhouse gas reduction systems
Protection of human rights in the workplace	Check prevention of workplace bullying and sexual harassment, operation of reporting channels and victim protection, improvement of organizational culture and work-family balance, maternity protection, and provision of conveniences for employees with disabilities

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Human Rights Risk Management

Human Rights Impact Assessment Results

IS Dongseo conducted a human rights impact assessment in 2026 to review its human rights management system and the management level of major human rights issues, and to identify potential risks and management directions. As a result of the assessment, human rights risks requiring management* were identified in the areas of establishing a human rights management system and protecting human rights in the workplace. Areas requiring further improvement were also identified in non-discrimination in employment, prohibition of forced labor and guarantee of the right to rest, prohibition of child labor, and responsible supply chain management. IS Dongseo has identified these issues as potential human rights risks that need to be managed in the course of implementing human rights management, and plans to establish improvement tasks based on the assessment results.

In addition, IS Dongseo analyzed stakeholder groups that are relatively vulnerable to human rights risks, focusing on issues requiring improvement. As a result, contract and non-regular workers, on-site workers, employees of partner companies, pregnant workers, and workers with disabilities were identified as major vulnerable groups. Going forward, IS Dongseo will continuously monitor the results of human rights impact assessments and implement improvement activities in areas requiring enhancement, thereby strengthening the protection of human rights for stakeholders, including employees, on-site workers, and employees of partner companies.

* Potential Risk Level

Classification	Details
None	No significant risk identified in the assessment results
Low	Basic management system is in operation, but some criteria require improvement
Potential Risk	Risks may arise in the future due to inadequate systems or procedures
Management Required	Priority improvement and management are required to prevent risks
High	Immediate corrective actions and continuous monitoring are required

| Identification of Potential Risks and Management Directions by Human Rights Issue

Issue	Potential Risk Level	Key Details	Management Direction
Establishment of a Human Rights Management System	Management Required	Reporting systems and monitoring criteria need to be improved for the stable operation of human rights management	Advance the human rights management implementation system and monitoring system
Non-discrimination in Employment	Potential Risk	Review the operation of systems to create a fair working environment regardless of employment type	Review the status of system operation by employment type and improve related criteria
Freedom of Association and Collective Bargaining	Low	Improve principles for guaranteeing freedom of association and collective bargaining to ensure workers' autonomous expression of opinions and communication	Improve principles for guaranteeing freedom of association and collective bargaining
Prohibition of Forced Labor and Guarantee of the Right to Rest	Potential Risk	Working hours and the right to rest need to be managed to create a healthy working environment for members	Strengthen the working-hour management and right-to-rest guarantee system
Prohibition of Child Labor	Low	Maintain principles restricting the employment of minors and manage protection standards in accordance with relevant laws and regulations	Specify restrictions on the employment of minors and protection standards
Occupational Safety Assurance	Low	Review protective measures and safety and health standards to ensure vulnerable workers can work safely	Strengthen protective measures for vulnerable workers and safety and health measures
Responsible Supply Chain Management	Potential Risk	Communication and support systems need to be expanded to spread a culture of respect for human rights together with partner companies	Expand supply chain human rights management based on the Supplier Code of Conduct
Protection of Human Rights of Local Residents	None	-	-
Guarantee of Environmental Rights	None	-	-
Protection of Human Rights in the Workplace	Management Required	Prevention of workplace harassment and other issues and the victim protection system need to be strengthened to create an organizational culture of mutual respect	Strengthen preventive training, reporting channels, and the victim protection system

| Identification of Vulnerable Stakeholders by Human Rights Issue

Issue name	Vulnerable Stakeholder Group				
	Contract and non-regular workers	On-site workers	Employees of partner companies	Pregnant workers	Workers with disabilities
Establishment of a Human Rights Management System			●		
Non-discrimination in Employment	●				
Freedom of Association and Collective Bargaining		●			
Prohibition of Forced Labor and Guarantee of the Right to Rest		●	●		
Prohibition of Child Labor			●		
Occupational Safety Assurance		●		●	●
Responsible Supply Chain Management			●		
Protection of Human Rights of Local Residents					
Guarantee of Environmental Rights					
Protection of Human Rights in the Workplace				●	●

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Human Rights Protection Activities and Grievance Handling

Human Rights Training

IS Dongseo conducts human rights training every year for all employees. The Company shares ongoing messages on human rights, operates awareness-raising training programs to enhance employees' human rights awareness, and provides training on the prevention of workplace harassment and sexual harassment based on the understanding that "my issue can also become another employee's issue." Beyond simply introducing systems and standards, the training strengthens employees' practical response capabilities by covering judgment criteria and requirements by type, as well as response methods and procedures, so that workplace issues can be addressed systematically when they occur.

| Human Rights Training Programs

Classification	Details
Training on preventing workplace bullying	• Definition and Types of Workplace Bullying/Harassment • Essential factors for preventing their occurrence • Development of culture of communication in the workplace
Training on preventing sexual harassment	• Concept of sexual harassment & judgment criteria for each type • Gender sensitivity and secondary damage • Handling procedure and protection from sexual harassment
Training on improving awareness of the disabled	• Definition and types of disabilities • Relevant laws & systems of employment of workers with disabilities • Guide to working with co-workers with disabilities

Human Rights Grievance Handling

IS Dongseo operates a systematic grievance-handling system to promptly and fairly address employees' human rights-related issues and grievances. A zero-tolerance principle is applied throughout the entire process, from receipt of human rights grievances to investigation and action. For major matters such as discrimination, sexual harassment, and harassment, the Human Resources Review Committee conducts objective deliberation and takes strict measures. IS Dongseo has also established a follow-up management system to prevent recurrence and secondary harm and is pursuing continuous improvement activities. Employees may freely report grievances through online and offline channels, and the Company strictly protects the confidentiality of the complainant's identity and report details through its whistleblower protection system.

| Human Rights Grievance Process

1	Case Reporting	• Online Report Center, email • Face-to-Face Consultations between complainants and the Human Resources Department, or consultation for handling complaints by phone
2	Remedial Action	• Review of Reported Cases Based on Submitted Information • Utilization of advice from external institutions when necessary
3	Fact-finding investigation	• Determination of Whether the Case Constitutes a Human Rights Violation
4	Notification of results	• Referring to the disciplinary committee or taking disciplinary action depending on investigation results • Preparation of measures for protecting and restoring the rights and interests of the victim
5	Final decision	• Notification of results to the complainant and the respondent
6	Follow-up management	• Continuous monitoring to prevent secondary harm • Conducting preventive education to avoid recurrence

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Human Resource Management System

Human Resource Management Policy

With the vision of becoming "a global leading company that creates unlimited possibilities and a culture of happiness through shared growth," IS Dongseo strives to build an organizational culture in which the Company and its employees take on challenges and grow together. Recognizing talent with passion and a spirit of challenge as a key growth driver, the Company operates systematic talent management programs to secure and develop outstanding talent. IS Dongseo is also creating an environment in which employees can fully demonstrate their capabilities by fostering a horizontal and flexible organizational culture. Based on the capabilities of diverse talent and a challenging corporate culture, IS Dongseo will strengthen its global competitiveness and advance as a company that achieves sustainable growth.

| Human Resource Talent Management Policy

Classification	Details
Recruiting excellent talent	• Open recruitment for new employees • Improvement of recruitment process • Field training and internship programs
Talent development and performance evaluation	• Strengthening leadership and job capabilities of executives and employees through job training • Fair performance evaluation and compensation system
Good to work culture	• Establishment of 'Good to work' culture • Expansion of welfare for employees
Human rights training for executives and employees	• Expansion of culture respecting human rights • Promotion of communication among employees

Human Resource Talents at IS Dongseo

IS Dongseo defines the concept of its human resource talents that can take on challenges to achieve the goals of the company, and sharing a future together based on the core values of the company such as challenge, passion and trust.

Professional with passion & expert mindset

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

Innovator with challenging & creative mind

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

Expertise preparing for the future

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

Recruiting and Development of Talent

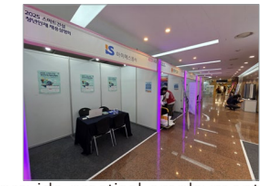
Recruiting Excellent Talent

Based on the core values of Challenge, Passion, and Trust, IS Dongseo operates a fair and systematic recruitment process to grow together with outstanding talent who have strong capabilities. The Company selects talent based on job suitability and fairness, without discrimination based on applicants' gender, region, educational background, or other characteristics. In addition to document screening, IS Dongseo uses AI competency assessment to comprehensively verify basic job competencies and personality, and continues to select talent aligned with the Company's talent philosophy by evaluating job expertise and organizational fit through interviews.

| Recruitment Process

Application document review & AI Competency Evaluation	Applicants must submit the online application form & implementation of AI competency evaluation
Document review	Basic qualification & competency verification are done based on the details indicated on each item of the application and the self-introduction letter
Interview review	Job competency, personality traits, and good fit to the organization, etc., are evaluated in detail through the 1st and 2nd screening interview (working level)
Final recruitment	Conducting health check-ups of selected applicants

Recruitment Briefing for Young Talent



IS Dongseo participated in the "2025 Smart Construction Recruitment Briefing for Young Talent" to secure outstanding young talent and strengthen the future competitiveness of the construction industry. The event was a large-scale recruitment event resumed after six years and hosted by the Construction Association of Korea, with major construction companies and public enterprises participating together to provide practical employment opportunities for young job seekers. IS Dongseo strengthened direct communication with prospective talent by providing information on the Company and job positions at its on-site booth and conducting one-on-one recruitment consultations. The Company also supported young people in improving their employability through various support programs, including AI mock interviews and employment consulting programs. Going forward, IS Dongseo plans to contribute to securing outstanding talent and enhancing industrial competitiveness based on continued communication with young people.

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Recruiting and Development of Talent

Talent Development

IS Dongseo operates systematic talent development programs to help employees connect their personal growth with the Company's goals based on shared core values. The Company provides appropriate learning opportunities through customized training by position and job. For job competency training, IS Dongseo operates a system in which evaluation scores are granted when employees submit reports after completing training, and the scores are reflected in promotion reviews. Through this system, the Company encourages employees' voluntary participation in learning and supports learning outcomes so that they can lead to practical capability enhancement and career development.

| Talent Development Programs

Core-Value Talent Development

Core values of IS Dongseo are shared to align and internalize the goals of individuals and the company, and the core value curriculum is operated to develop the optimal mix of IS Dongseo's human resource talents for connecting them to their work

- Basic training on core values
- Internalization of core-value training

Strengthening Leadership and Developing Prospective Leaders

Curriculums are provided for team leaders and managers to enhance leadership skills for organizational and business management. Through these efforts, IS Dongseo is cultivating next-generation leaders while fostering collaboration and innovation across the organization

- Online/Offline MBA courses
- New Team Leader Training
- Hierarchical Leadership Training
- Promoted Employee Training

Enhancement of Job Competency and Development of Professional Expertise

Online/offline curriculums from various educational institutions are provided to develop the professional skills and know-how for each job

- OJT program tailored to company
- Programs for Obtaining Certifications and Academic Degrees

Strengthening Employees' Job Competency

IS Dongseo conducts job competency training for employees of the head office and partner companies, and a total of 184 people completed the training. Of these, 143 submitted reports on the training courses and received evaluation scores, which were reflected in promotion reviews. In addition, by providing training opportunities not only to employees but also to employees of partner companies, IS Dongseo is laying the foundation for mutual growth. This contributes to building sustainable partnerships beyond simply enhancing capabilities. Going forward, the Company plans to continue operating training programs to strengthen job competency, expand growth opportunities for the head office and partner companies, and reinforce a corporate culture that develops together with stakeholders.

| Job Competency Programs

Areas of education	Details*
Construction	• Design and Construction Training for Construction Engineers • Management Training for International Construction Projects • Smart Construction Professional Training
Financial accounting	• Accounting Theory • Intermediate Financial Accounting • Practical Training in Financial-Statement Analysis
Quality	• Quality Management Training (Advanced) • Quality-Management Personnel Development Program
Safety	• Introductory Training for Safety and Health Management Managers • Specialized Safety-Management Training (Industry-Specific) • Smart Construction Technology Course (Safety Management Focus)
Internal audit	• Practical Training for Internal Auditing • Techniques for Conducting Internal Audits

* Only selected training courses were excerpted and recorded

Performance of employee training program in 2025

Job Training Participation and Performance Overview (including staffs of vendors) **184** workers

Participants Reflected in Promotion Evaluations (including staffs of vendors) **143** workers

Classification		Performance of job-capacity training program*
Total training hours	Hours	3,196
Total education cost	KRW	46,445,980

* Except for partner companies

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Recruiting and Development of Talent

Education system for employees

IS Dongseo operates systematic training programs to support employees' continuous growth and strengthen their job expertise. The Company develops key talent by establishing customized training systems by position, from new employees to senior executives, and supports employees in enhancing their capabilities through various job training programs.

Self-Directed Learning Support

IS Dongseo actively supports employees' participation in external training to promote autonomous competency development, and provides tuition and related expenses for external training courses related to their work. Through this, the Company helps employees respond proactively to the changing work environment and continuously strengthen their expertise. In addition, IS Dongseo supports new employees in adapting to the organization through training and creates an environment in which employees can set their own growth direction and take the lead in learning. Such support serves as a foundation for both individual growth and stronger organizational competitiveness.

| Training System Structure for Executives and Employees

Classification	Course on values	Mandatory Curriculum				Optional Curriculum		Course Specialized for work	Other Curriculum			
		Team Leader Empowerment Course		Promoted Employee Course	Hierarchical Leadership Course	Job training		Group Job Training				
						Construction Division	Manufacturing Division					
General Manager	Basics of Core Values (new) / Internalization of Core values (existing)	IS Team leader course	New Team leader course	New senior/ general manager course	Improvement of decision-making	Technical specialist training ▼ Safety and Health · Project representative · Quality managers · Technology for each process (construction, civil engineering, etc.) ----- Other on the job training ----- Professional knowledge training	Production management, quality control training ▼ KS Certification related training · Technical training for each process ----- Program utilization ----- Other on the job training ----- Professional knowledge training	Individual job specialized training HIGH (provided separately)	Corporate culture & in-house etiquette workshop	Interviewer refresher workshop	Foreign language workshop	Teamwork improvement workshop
Senior Manager					Influence improvement							
Manager				New manager course	Middle manager empowerment			Individual job specialized training MIDDLE (Provided separately)				
Assistant Manager				New assistant manager course	Follower leadership							
Senior-level, Staff					Self-initiated leadership			Individual job specialized training LOW (Provided separately)				

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Diversity and Inclusion

Member Diversity Policy

IS Dongseo manages diversity goals to secure outstanding talent with strong capabilities regardless of applicants' backgrounds. The Company operates policies that respect diversity across all aspects of human resource management, including recruitment, evaluation, and compensation, so that members from diverse backgrounds, including nationality, gender, and disability status, can grow based on equal opportunities. IS Dongseo is also creating an inclusive organizational culture in which diverse talent can demonstrate their capabilities.

| Member Diversity Policy

Goals

~2028

Forming a creative organizational culture through the pursuit of diversity among IS Dongseo executives and employees

Diversity in Recruitment	Diversity in Gender
Maintaining the current level of hiring from various classes (Persons subject to employment protection, such as persons with disabilities, persons of national merit, and older workers aged 55 or above) * Accounts for 6% as of 2025	Increased the proportion of core female talent within the company to 15% * Accounts for 13% as of 2025 * Expansion of selection and training of female employees at manager level and above

Achievement measure

Providing employment opportunities that embrace various classes and providing fair opportunities to both genders

Support for the Women's Empowerment Principles

IS Dongseo joined and declared its support for the UN WEPs (Women's Empowerment Principles) in January 2026. The Company will comply with the seven Women's Empowerment Principles—leadership to promote gender equality; equal opportunity, inclusion, and non-discrimination; health, safety, and freedom from violence; education and training; enterprise development, supply chain, and marketing practices; community leadership and engagement; and transparency, measurement, and reporting—and actively implement the diversity promotion agenda of the UN WEPs. IS Dongseo plans to carry out and improve practical activities to establish a gender-equal organizational culture. Going forward, the Company will continue its efforts to spread a culture of gender equality within the organization and enhance employees' human rights with fairness and diversity ensured.

| Seven UN WEPs Women's Empowerment Principles

Principle 1	Leadership to promote gender equality
Principle 2	Equal opportunity, inclusion, and non-discrimination
Principle 3	Health, safety, and freedom from violence
Principle 4	Education and training
Principle 5	Enterprise development, supply chain, and marketing practices
Principle 6	Community leadership and engagement
Principle 7	Transparency, measurement, and reporting

| CEO Statement of Support for the UN WEPs

WOMEN'S EMPOWERMENT PRINCIPLES

CEO Statement of Support for the Women's Empowerment Principles

UN WOMEN

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Performance Evaluation and Compensation

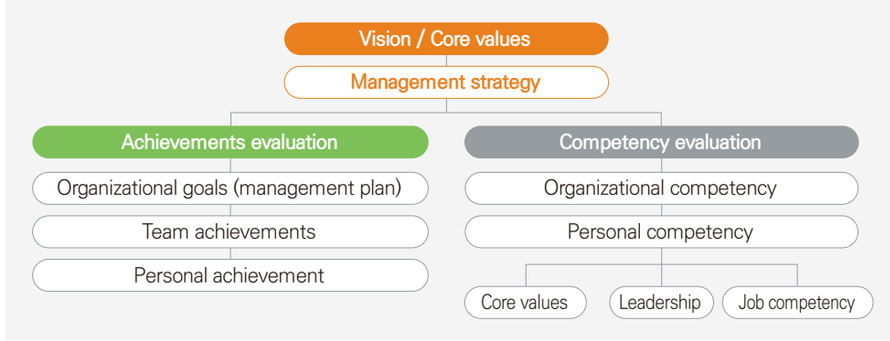
Fair Performance Evaluation System

IS Dongseo operates a systematic performance management system to fairly and objectively evaluate employees' performance, and implements reasonable compensation and HR management based on the evaluation results. Through the evaluation system applied across the Company, IS Dongseo reflects both organizational and individual performance in a balanced manner and enables more sophisticated performance measurement. The evaluation system consists of "competency evaluation," which diagnoses core competencies by job group, and "achievement evaluation," which assesses the achievement of team and individual goals. It is operated through ongoing performance management throughout the year and semi-annual reviews. In particular, IS Dongseo ensures consistency and fairness in evaluation based on competency indicators by position and job series, and has established a system that links evaluation results to employees' competency development plans. Evaluation results are also used as key criteria for promotions and compensation, while individual feedback and training programs are provided to support employees' continuous growth and job competency enhancement.

Reasonable Compensation System

IS Dongseo applies a reasonable compensation system to employees based on fair performance evaluation results. The system is designed so that individual performance and competencies are organically linked to the achievement of organizational goals, and it is operated so that evaluation results lead to practical motivation. Compensation is determined fairly based solely on performance evaluation results, regardless of personal background such as gender or disability status, thereby ensuring fairness and transparency.

| Performance-Management System



Corporate Culture as a Good Place to Work

Work-Life Balance

IS Dongseo is creating a flexible working environment to improve employees' quality of life and enhance work efficiency. The Company operates a flexible working-hour system that allows employees to adjust their working hours according to the characteristics of their work and personal schedules, and provides advance notice of annual holiday plans so that employees can use their leave in a planned manner. In addition, IS Dongseo enhances flexibility in leave use through half-day and quarter-day leave systems. To ensure sufficient rest and personal life after working hours, the Company encourages a culture of leaving work on time. Going forward, IS Dongseo plans to create an organizational culture in which work and life are balanced, thereby improving both employee satisfaction and work engagement.

Participation in the Work-Life Balance Campaign

IS Dongseo operates various work systems and organizational culture improvement activities to support employees' work-life balance and was selected as a participating company in the "Work-Life Balance Campaign" organized by the Ministry of Employment and Labor. IS Dongseo operates various systems centered on the campaign's key areas: "not working long hours," "working smart," and "resting properly." The Company is strengthening working-hour management by establishing a culture of leaving work on time and discouraging work-related contact after work, while also supporting employees in using leave efficiently according to their personal schedules through advance notice of annual vacation plans and the operation of half-day leave. Through these systems, IS Dongseo is enhancing employees' work engagement and satisfaction and creating a working environment that considers work-life balance.

Campaign to Promote a Work-Life Balance Culture

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Corporate Culture as a Good Place to Work

Family-Friendly Policies

IS Dongseo operates family-friendly systems by life stage to support employees in balancing work and family. The Company creates a stable working environment through support for pregnancy, childbirth, childcare, and children's tuition, while encouraging male parental leave and providing family care leave to help all employees balance work and family responsibilities. IS Dongseo also supports the entire life cycle by expanding childbirth congratulatory bonuses and child support systems. Through these efforts, the Company contributes to creating a working environment where employees' work and family life are in harmony.

| Family-friendly System

Family-friendly System	• Provision of congratulatory bonuses for childbirths • Parental leave for primary and secondary caregivers • Reduced working hours for childcare • Provision of educational expenses for children • Family caregiving leave, congratulatory & bereavement gifts, paid summer leave, hourly leave

Welfare & Benefits System

IS Dongseo operates practical support and work environment improvement systems, including expanded medical checkups, to improve employees' work engagement and quality of life. Through comprehensive welfare programs such as tuition support, housing loans, and holiday gifts, the Company supports employees so that they can demonstrate their capabilities in a stable environment.

| Welfare & Benefits System

Health Support System	• Comprehensive medical checkups support for field workers
Support for living stability	• Loan support for housing purchases & lease contracts • Moving expenses are supported when transferring workplaces within the company • Provision of travel vouchers for long-serving employees | Other Welfare Programs
Company culture system	• Casual Day
Other welfare system	• Educational expenses for foreign language are supported • Vacation Bonus Once A Year is Given • Condo and resort support • Holiday gifts

Labor-Management Culture Based on Mutual Trust

IS Dongseo strives to create a sound labor-management culture based on trust and cooperation. In accordance with the collective agreement and Articles 3 and 5 of the Trade Union and Labor Relations Adjustment Act, the Company guarantees workers' freedom to join and withdraw from labor unions, and prohibits any interference or coercion in this regard, thereby protecting workers' rights and interests and supporting trust-building between labor and management. The Labor-Management Council is composed of equal numbers of representatives from labor and management and is operated regularly. It shares and discusses major issues, including productivity improvement, performance sharing, personnel and labor affairs, and employee welfare. In addition, IS Dongseo promotes transparency in Company operations and actively reflects employees' opinions through various communication channels, including regular and ad hoc quarterly council meetings, the internal bulletin board, and grievance channels. Through these efforts, the Company will enhance the transparency of its operations and continue to develop cooperative labor-management relations based on employee participation.

| The Labor-Management Council Process

System to Handle Grievances for Executives and Employees

IS Dongseo operates a grievance handling system based on an online misconduct reporting channel to promptly reflect employees' grievances and opinions. Reported matters are reviewed with anonymity strictly protected, and the Company enhances the effectiveness of problem solving through prompt handling and feedback. In addition, based on the collected opinions, IS Dongseo continuously promotes improvements to internal processes, the working environment, and working conditions, and is building an organizational culture that employees can trust.

Environmental
· Climate Change Response and Environmental Management
· Environmental Impact Reduction
· Eco-Friendly Business

Social
· Safety and Health Management
· Quality Management
· Win-win Management
· Human Rights Management
· Human Resource Talent Management
> Social Contribution

Governance
· Governance
· Ethical Management
· Risk Management

Social Contribution System

Social Contribution Policy and Goals

IS Dongseo establishes and operates social contribution policies to promote mutual growth with local communities and create sustainable social value. Based on the social contribution programs currently in place, the Company has set phased mid- to long-term goals to strengthen the direction and effectiveness of its activities. In the short term, IS Dongseo aims to expand activities that contribute to resolving local community issues; in the mid-term, to create social trust and advance its social contribution system; and in the long term, to become an ESG-leading company that grows together with local communities. Going forward, IS Dongseo plans to strengthen its responsibility to local communities by systematically managing the performance of social contribution activities and continuously expanding quantitative targets.

| Mid- to Long-term Social Contribution Goals

Short Term (2026)

Expand social contribution activities focused on resolving local community issues
- Promote employee-participation donation and volunteer activities
- Expand housing environment improvement and daily necessities support for vulnerable groups
- Strengthen the operation of social contribution programs linked to local communities

Mid-Term (2028~)

Advance the social contribution system and expand social value creation
- Advance existing social contribution programs and establish them as regular programs
- Expand education and scholarship support for future generations
- Establish a performance management system for social contribution activities and introduce KPIs

Long-Term (2030~)

Establish ESG-based social contribution that grows together with local communities
- Establish a sustainable social contribution model based on local community cooperation
- Advance social impact measurement and disclosure systems
- Continuously expand employee participation rates and social contribution investment

Social Contribution Promotion Strategies

Under the vision of being a "Corporate Citizen as a member of the local community," IS Dongseo promotes local community contribution activities centered on three key strategies: environment/safety, education/child welfare, and local community sharing. Based on the "value of togetherness," the Company plans employee-participation social contribution activities that enable employees to actively take part in solving social issues, while communicating and cooperating with various partners and local related organizations.

| Social Contribution Promotion Strategy

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

Results

Classification	Unit	2023	2024	2025
Costs invested in IS Dongseo's social contribution activities	KRW 100 million	14.4	15.2	10.1
Costs invested in Munam Scholarship and Cultural Foundation's scholarship public service projects		1.6	2.1	2.3

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Local Community Risk Management

Local Community Risk Management

IS Dongseo operates a management process consisting of impact identification, implementation of mitigation measures, monitoring, and effectiveness reviews to minimize potential negative impacts on local communities and the surrounding environment during development projects. For the Stonegate CC development project, the Company reviewed major environmental impacts, including air quality, water quality, groundwater quality, flora and fauna, soil, topography and geology, eco-friendly resource circulation, and noise and vibration, through a post-environmental impact survey conducted from May 2024 to April 2025. Accordingly, IS Dongseo implemented mitigation measures such as reducing fugitive dust, preventing soil runoff, monitoring legally protected species, inspecting original conservation areas, greening slopes, managing transplanted trees, and inspecting waste and the living environment. The results of the ninth-year survey in 2025 confirmed that air quality and noise and vibration standards were met, the target water quality for sedimentation pond discharge was achieved, and original conservation areas and slopes were in good condition. In addition, IS Dongseo collects stakeholder opinions and consults on grievances to minimize potential complaints and conflict risks arising during business site operations. At the Goyang Deogeun Knowledge Industry Center construction site, the Company listened to residents' requests and discussed improvement measures for major issues through regular meetings related to complaints. Based on these surveys and inspection results, IS Dongseo continues to manage potential negative impacts on local communities that may arise during project implementation.

| Local Community Risk Management Process

Risk Identification	Identify negative impacts and potential risks that may affect local communities in the course of business operations and social contribution activities
Impact Assessment	Review the level of impact and priority of identified risks on local communities and stakeholders
Establishment and Implementation of Response Measures	Establish preventive measures and improvement plans to mitigate impacts and apply them on site
Monitoring and Improvement	Review the implementation results and effectiveness of measures and continuously improve the management system by reflecting identified matters

Classification	Identified Negative Impacts	Key Management and Mitigation Measures	Effectiveness Evaluation
Ecosystems and Biodiversity	• Changes in habitat environment due to construction and operation • Potential impacts on legally protected species	Quarterly monitoring of legally protected species, installation of light covers and electrodeless lamps, operation of artificial nests and guide fences, management of transplanted trees	Otters, leopard cats, and kestrels were identified, and continuous monitoring is being conducted
Invasive Alien Species	• Potential spread of invasive alien species such as Japanese hop	Monitoring of project site boundaries and surrounding areas, establishment of removal measures and management plans	Potential spread is being continuously reviewed, and removal work will be conducted if invasive alien species enter and settle within the project site
Water Quality and Soil Runoff	• Impacts on rivers and surrounding water environments due to soil runoff	Installation and operation of temporary drainage channels, six temporary sedimentation ponds, and silt curtains; conversion to retention ponds; installation of impermeable bubble sheets	SS in sedimentation pond discharge was 0.4-24.8 mg/L, meeting the target water quality (25 mg/L or below), and five temporary sedimentation ponds are being maintained after conversion to retention ponds
Air Quality	• Potential impacts of fugitive dust during construction on nearby residential areas	Periodic water spraying, dustproof nets, operation of wheel washing facilities, planting of environmental purification species, installation of waste heat recovery equipment	PM-10 was 16-52㎍/㎥, NO_2 was 0.004-0.044ppm, and PM-2.5 was 5-27㎍/㎥, meeting ambient air quality standards at all locations
Noise, Vibration, and Living Environment	• Potential impacts on nearby residents due to construction noise and vibration • Potential complaints and conflicts	Installation of temporary soundproof panels, management of working hours, use of low-noise and low-vibration equipment, planting trees along site boundaries, collection of stakeholder opinions and grievance consultation	Living noise and vibration regulatory standards were met, and response measures for major issues are being continuously reviewed through resident opinion collection and grievance consultation
Original Conservation Areas, Slopes, and Landscaping	• Potential damage to original conservation areas, slope instability, and poor landscaping establishment	Inspection of original conservation areas, slope greening, cut-and-fill slope stabilization measures, management of transplanted tree establishment	No damage to original conservation areas was found, and slope greening and transplanted tree establishment were in good condition
Living Environment and Resource Circulation	• Potential impacts on the surrounding living environment due to inadequate management of waste, human waste, and waste oil	Installation of recycling bins, management of waste oil storage facilities, consignment treatment of domestic waste, waste grass, and empty pesticide containers	Domestic waste and related waste are being properly treated, and the resource circulation management system is being maintained during operation

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Social Contribution Activities

Major Social Contribution Activities

Based on its vision of "A company that shares a beautiful future," IS Dongseo carries out various social contribution activities to contribute to the achievement of the Sustainable Development Goals (SDGs) and the realization of global social value. Centered on the Munam Scholarship & Culture Foundation, a public-interest foundation, the Company continues to provide welfare support for vulnerable children and youth. Through educational support, including scholarships and tuition sponsorships, IS Dongseo helps future generations grow in a stable environment. Through these efforts, IS Dongseo is building a foundation for sustainable social contribution that grows together with local communities.

Main Cooperative Organization and NGOs on Social Contribution Activities

Cooperative Organization	Social contribution activities
ChildFund Korea	Support for scholarships, feminine products, undernourished children, and child abuse prevention etc.
Community Chest of Korea 'Fruit of Love'	Donations to help needy neighbors (in Busan, Ulsan, Daegu, Gyeongsan, etc.) and support funds for disaster recovery, etc.
Gyeongsan Scholarship	School uniform support for middle & high school students from low-income families
Kids & Future Foundation	Project for the improvement of bathrooms in the community
Babsang Community & Briquette Bank	Energy-sharing support for low-income families
Sisters of Mary	Support for facilities in institutions (vehicles, PCs, etc.) & academies
UNICEF	Agreement on fundraising for the Schools for Asia Campaign
Youth Education & Culture Foundation	Support for youth learning camp
Geumjeong-gu Welfare Center for the Disabled	Donation of educational supplies
Holt Children's Services	Sponsorship for children and adolescents from less-privileged groups
Daegu Opera House	Support for arts & education initiatives (funding for rising vocalist, etc.)
Korea Housing Builders Association, Regional Offices of Patriots and Veterans Affairs	Aged housing maintenance & repair project for persons of national merit
Korea Basketball Association	Sports & culture (Basketball Development Fund, etc.)
Korea Table Tennis Association	Sports and culture(Youth Table Tennis Development Funds, etc)
Munam Scholarship & Culture Foundation (IS Dongseo Foundation)	Scholarships, educational support, educational supplies, and feminine products, etc.

2025
- Dec. Donated KRW 300 million to the Korea Basketball Association for the basketball development fund
- Jul. Donated KRW 20 million to support the development of the Korea Lacrosse Association
- Jun. Free repair support for old houses of persons of national merit
- May Donated KRW 10 million to 'Support for Psychological Support Project for Single-Parent Families' through employee-participatory donation challenge
- Apr. Donated KRW 100 million to the Community Chest of Korea (Fruit of Love) aid victims of forest fires
- Mar Donated KRW 10 million to the Korea Table Tennis Association for the talent development fund

2024
- Dec. Donated KRW 100 million to the Community Chest of Korea (Fruit of Love)
  [Munam Scholarship & Culture Foundation] Delivered KRW 100 million for the "9th Hope to the Future" scholarship
  [Munam Scholarship & Culture Foundation] Support project for children from families in crisis due to crime (four consecutive years)
- Jul. Donated KRW 700 million to the Korea Basketball Association as a basketball development fund
- Jun. Supported Renovation Project of old houses for men of national merit
- May [Munam Scholarship & Culture Foundation] Hygiene product support project (five consecutive years)
- Jan. Donated KRW 10 million to energy vulnerable groups through employee-participatory donation challenge
  Donated KRW 100 million to the Community Chest of Korea (Fruit of Love)

2023
- Dec. [Munam Scholarship & Culture Foundation] Delivered KRW 100 million for the "8th Hope to the Future Scholarship"
- Nov. [Munam Scholarship & Culture Foundation] Support project for children from families in crisis due to crime
- Jun. Donated KRW 600 million to the Korea Basketball Association as a basketball development fund
  Supported Renovation Project of old houses for men of national merit
- Feb. [Munam Scholarship & Culture Foundation] Sponsorship project for matched students from low-income families
- Jan. Donated KRW 100 million to the Community Chest of Korea (Fruit of Love)

2022
- Dec. Donated KRW 300 million to the Korea Basketball Association as a basketball development fund
  [Munam Scholarship & Culture Foundation] Delivered KRW 130 million for the "7th Hope to the Future Scholarship"
- Nov. [Munam Scholarship & Culture Foundation] "5th Dream Tour" overseas history exploration
  Donated KRW 300 million to the Korea Basketball Association as a basketball development fund
- Sep. [Munam Scholarship & Culture Foundation] Support project for children from families in crisis due to crime
- Jun. Supported Renovation Project of old houses for men of national merit
- May [Munam Scholarship & Culture Foundation] Support for COVID-19 prevention supplies
- Mar. Donated KRW 200 million to the Community Chest of Korea (Fruit of Love) aid victims of forest fires
- Feb. Delivered KRW 50 million in scholarships for talent development in Anyang City
  [Munam Scholarship & Culture Foundation] Sponsorship project for matched students from low-income families
- Jan. [Munam Scholarship & Culture Foundation] Hygiene product support project

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Social Contribution Activities

Environment / Safety

Support for Improving the Residential Environment of Persons of National Merit

The "Old Housing Repair Support for Persons of National Merit" project is one of IS Dongseo's core social contribution activities, providing free repair support for aging houses owned by persons of national merit living in poor residential conditions. Since 2022, IS Dongseo has participated in this project for four consecutive years and has repaired the residential environments of eight households of persons of national merit in need of housing improvements. Each year, the Company selects two households with severely deteriorated old houses and provides comprehensive repair work worth KRW 20 million, including window sash work, kitchen furniture installation, and wall wallpapering, thereby supporting a safe residential environment. In 2025 in particular, IS Dongseo provided customized repairs for households suffering from leakage and insulation issues, addressing the causes of leakage and replacing flooring and wallpaper. This support went beyond simple exterior improvements and focused on resolving structural issues. The Company also improved detailed elements, such as replacing lights and switches, to achieve practical improvements in the residential environment. IS Dongseo will continue to promote old housing repair projects for persons of national merit and fulfill its social responsibility.

Achievement of improving the residential environment
(*accumulated from 2022 to 2025)

Provided support for
8 households

2025 Old Housing Repair Support Project for Persons of National Merit

Walk Donation Challenge by Executives and Employees

Since 2022, IS Dongseo has carried out eco-friendly social contribution activities through the "Good Steps, Walking Together" donation challenge, in which employees and their families participate together. This campaign is designed to simultaneously spread awareness of carbon neutrality and promote a culture of donation. When employees achieve the target number of steps (10 million steps), the Company raises donations and delivers them to energy-vulnerable households, single-parent families, and others in need. In 2025, 54 employees participated and achieved a total of 17.52 million steps, raising KRW 10 million in sponsorship funds to support energy-vulnerable households. As a result, the cumulative number of steps to date has reached 81.64 million steps (approximately 57.15 km). This is equivalent to reducing approximately 10.15 tons of carbon dioxide emissions based on a gasoline midsize vehicle. IS Dongseo will continue to expand eco-friendly social contribution activities that all generations can easily participate in and relate to.

Calculation of the carbon reduction from IS Dongseo's walking challenge

Classification	Unit	2023	2024	2025
Total no. of steps	Steps	15,362,579	17,473,489	17,520,645
Distance Conversion* (assuming 0.7 m per step for men)	Km	10.753	12.231	12,264
Carbon Reduction per 1 km Based on Gasoline Vehicle (Midsize)	Kg	1,344	1,529	1,533
CO_2 Reduction	ton	1.34	1.53	1.53

* Based on a press release by the Ministry of Environment, CO_2 emissions from a midsize vehicle were converted at 0.125 kg per 1 km. In line with the change in the calculation basis in 2025, the reduction amounts for 2023 and 2024 were corrected and disclosed.

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Social Contribution Activities

Education / Child Welfare

Support Children from Families vulnerable to Crime Victimization

To prevent child abuse and support affected children, IS Dongseo Group's Munam Scholarship & Culture Foundation signed an MOU with the Busan Metropolitan Police Agency and ChildFund Korea in 2021 and has continued to operate related programs. Through a public-private support council, the Foundation continues to provide systematic support activities to protect affected children, including child abuse investigations, protective measures, monitoring of caregiving conditions, and follow-up management. In addition, it provides approximately KRW 50 million in annual support for children affected by crime, including medical, educational, and housing support as well as daily necessities. Through these efforts, the Foundation is establishing a support base that enables affected children to grow in a stable environment. It will continue to carry out support activities for the protection and recovery of children affected by crime.

Feminine Hygiene Product Support Project

Since 2020, IS Dongseo has operated a hygiene product support project for female adolescents who have difficulty purchasing hygiene products due to economic hardship. Each year, the Company provides feminine hygiene products and daily necessities to approximately 120 female students from vulnerable groups in the Busan area. This project is carried out in cooperation with ChildFund Korea and the Munam Scholarship & Culture Foundation and is operated based on a stable support system. Through this initiative, IS Dongseo contributes to protecting the health rights of female adolescents and alleviating their financial burden.

2025 Feminine Hygiene Product Support Project

Educational Support for an Aging School in Cambodia

In cooperation with Holt Children's Services, IS Dongseo carried out a construction support project to improve aging educational facilities at Arunvotey High School near Phnom Penh, Cambodia. To improve an environment where educational activities were limited due to aging facilities and safety issues and to ensure students' right to learn, the Company constructed a new student hall and provided gifts such as school supplies. The newly constructed student hall provides a safe and pleasant learning space, while also serving as a base for student self-governance activities and various educational programs, as well as a space for communication with the local community. Through sponsorship totaling KRW 30 million, IS Dongseo contributed to improving the educational environment and expanding educational opportunities. Going forward, the Company plans to expand global social contribution activities targeting areas with limited access to education.

Arunvotey High School Student Hall Interior Classroom

Arunvotey High School Student Hall Exterior

Hope to the Future Scholarship

Since 2016, IS Dongseo has continuously operated the "Hope to the Future Scholarship" program to expand educational opportunities and promote the welfare of youth, the future generation. By providing a stable educational environment to outstanding scholarship students selected by the Foundation, the program helps students focus on their studies and lays the foundation for nurturing future talent while reducing educational disparities.

Cumulative Scholarship Funded Amount
Approximately KRW 1.3 billion

No. of Program Beneficiaries
1,340 students

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Social Contribution Activities

Support for Local Community / Culture and Arts

Helping the Less-privileged / Donating Disaster Relief Funds

For more than a decade, IS Dongseo has continuously carried out various social contribution activities that reflect local characteristics and needs based on cooperation with local communities. At the end of each year, the Company delivers donations for neighbors in need through the Community Chest of Korea, contributing to the livelihood stability of vulnerable groups and emergency welfare support. These sharing activities do not stop at one-time support, but continue as sustained practices to address welfare blind spots in local communities. In addition, when disasters such as typhoons, torrential rain, and fires occur, IS Dongseo promptly provides disaster relief donations to support recovery and the restoration of daily life. Going forward, the Company plans to continue spreading the value of mutual growth based on sharing activities with local communities.

Helping the Less-privileged, Donating Disaster Relief Funds

Support for and Nurturing Basketball Development

Since taking office in 2021 as the 34th President of the Korea Basketball Association, IS Dongseo Chairman Kwon Hyuk-woon has continued activities to strengthen the competitiveness and promote the sustainable development of Korean basketball. In 2025, he was reappointed as the 35th President, maintaining stable leadership. Since 2022, IS Dongseo has provided a total of KRW 2.9 billion in sponsorship funds and has expanded practical support activities centered on athletes beyond financial support. In particular, even under circumstances where international competitions were difficult to operate due to COVID-19, the Company contributed to maintaining the performance and boosting the morale of national team athletes by supporting chartered flights and competition operating infrastructure. It has also worked to lay the foundation for discovering promising athletes and expanding the base of basketball, while exploring various measures to foster youth players and improve the local basketball environment. Through these efforts, IS Dongseo continues to create social value through sports and support the development of basketball in Korea. Going forward, the Company will continue to support the development of domestic basketball and the revitalization of sports culture.

Support the nationwide youth basketball competition

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Contribution to Social Stabilization

Support Activities and Awards

IS Dongseo continues to carry out various social contribution activities with mutual growth with local communities as a core value. Based on these efforts, the Company was selected as a Community Contribution Recognized Company under the "Community Contribution Recognition System" jointly organized by the Ministry of Health and Welfare and the Korea National Council on Social Welfare in 2025. Based on cooperation networks with nonprofit organizations in local communities, IS Dongseo operates customized social contribution programs that reflect local issues and fulfills its social responsibility in various areas, including old housing repair support for persons of national merit, donations to support vulnerable groups, environmental protection campaigns, and support for fostering sports talent. In addition, in the event of a disaster, the Company actively carries out sharing activities even in crisis situations by providing emergency relief supplies and donations. Furthermore, through the Munam Scholarship & Culture Foundation, IS Dongseo continues to provide educational support and scholarship programs for adolescents from vulnerable groups. In recognition of these contributions, it received the Education Mecenat Top Award from the Busan Metropolitan City Office of Education for seven consecutive years. IS Dongseo plans to continue expanding sustainable social contribution activities that grow together with local communities.

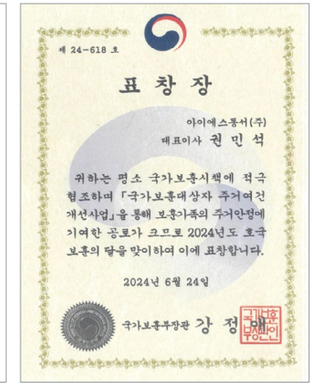
| Commendation on Contributing to Social Stability

제16939호
상 장
아이에스동서(주)
귀사는 환경부가 후원하고 한국경영자총협회와 (사)한국언론인협회가 주최한 『제13회 행복더함 사회공헌 챔피언 사회공헌 우수기업』에서 위와 같이 입상하였기에 이 상장을 드립니다.
2023년 2월 24일
환경부장관 한 화

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

제 15125 호
상 장
SDGs 국제적 이행 부문
아이에스지주(주)
위 기업은 지속가능발전목표(SDGs)의 국제적 이행을 모범적으로 실천하였기에 '제16회 국가지속가능경영(ESG) 컨퍼런스'에서 이 상장을 수여합니다.
2022년 7월 1일
외교부장관 박

Received award from the Minister of Foreign Affairs for sustainable management conference


제 24-618 호
표 창 장
아이에스동서(주)
대표이사 권 민 석
귀하는 평소 국가보훈시책에 적극 협조하여 「국가보훈대상자 주거여건 개선사업」을 통해 보훈가족의 주거안정에 기여한 공로가 크므로 2024년도 호국보훈의 달을 맞이하여 이에 표창합니다.
2024년 6월 24일
국가보훈부장관 강 정

Received a commendation from the Minister of Patriots and Veterans Affairs

| Support Activities

Date	Support Activities
Jul. 2025	• Free repair support for old houses for persons of national merit (participated for three consecutive years)
Apr. 2025	• Donated KRW 100 million for relief from Uiseong wildfire damage
Jul. 2024	• Free repair support for old houses for persons of national merit (participated for three consecutive years)
Mar. 2022	• Donated KRW 200 million in relief funds for wildfire victims in Uljin and Samcheok
Jul. 2020	• Support for overcoming the downturn in the sports industry (hosting the KLPGA IS Dongseo Busan Open)
Mar. 2020	• Support for children experiencing food insecurity in Nam-gu, Busan

| Awards and Recognitions Received for Community Contribution

Date	Details of Award
Dec. 2025	• Received a recognition plaque under the "2025 Community Contribution Recognition System" • Awarded the Education Mecenat Award for Citation on Merits for Activating Educational Donation in 2019-2025 (7 consecutive years)
Jun. 2025	• Received a commendation from the Minister of Land, Infrastructure and Transport at the "2025 Completion Ceremony for the Residential Conditions Improvement Project for Persons of National Merit"
Feb. 2025	• Received award from the Minister of Gender Equality & Family (Family Love & Social Contribution Division) at the 15th Happiness Plus Social Contribution Awards
Jun. 2024	• Awarded the commendation from the Minister of Patriots and Veterans Affairs for free repair support for old houses of persons of national merit in 2024
Jul. 2023	• Received the KNN Presidential Prize in the Child Protection Campaign category at the 'KNN Presidential Awards'
Feb. 2023	• Received an award from the Minister of Environment at the 'Happiness Plus Social Contribution Awards'
Dec. 2022	• Won the grand prize in the social contribution category at the 8th HDI Human Management Awards
Aug. 2022	• Kwon Min-seok, Chairman of Board of Directors received the citation from the Superintendent of Busan
Dec. 2021	• Received an appreciation plaque from ChildFund Korea on contributing to establishing the culture of donation for love of neighbors and on development of child welfare
Feb. 2021	• Received award from the Minister of Gender Equality & Family (Family Love & Social Contribution Division) at the 11th Happiness Plus Social Contribution Awards
Dec. 2020	• Selected as the top-performing company in the evaluation as an outstanding enterprise in the Busan Region
Aug. 2020	• Awarded the commendation from the President of Community Chest of Korea-Busan in the 2020 Award Ceremony for Merit on Helping Needy Neighbors
Dec. 2019	• Appreciation Plaque from Busan Mayor for child sponsorship and support in 2019

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Governance

Governance	Ethical Management	Risk Management
87	93	97

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Securing Transparent Governance

Functions and Roles of Board of Directors

IS Dongseo has established transparent and sound governance as a core management principle and strives to implement a responsible management system centered on the Board of Directors. Through this, management aims to create sustainable value together with various stakeholders, including customers, employees, and shareholders, and to strengthen the Company's stability and foundation for growth. Based on the recommendations of the Best Practice Guidelines for Corporate Governance, IS Dongseo has established a professional management system and is working to establish sound governance to protect shareholder rights and interests and build trust with stakeholders.

Status of the Board of Directors

The IS Dongseo Board of Directors consists of two inside directors and five outside directors. In March 2025, the Board appointed inside director Bae Ki-Mun, who oversees management administration and stably handles internal and external affairs, as Chairperson of the Board to promote efficient Board operations.

| Composition of the Board of Directors

(As of March 2026)

Position	Name	Gender	Position	Tenure period	Major career
Inside director	Nam Byeong-ok	Male	CEO (Concrete Division), Management Committee, ESG Committee	Mar. 2023 – Mar. 2027	Present, CEO of IS Dongseo
	Bae Ki-Mun	Male	CEO (Management Division), Management Committee	Mar. 2025 – Mar. 2028	Present, CEO of IS Dongseo
Outside Director	Oh Eun-kyung	Female	ESG Committee, Outside Director Candidate Recommendation Committee	Mar. 2026 – Mar. 2029	Present, Professor, Department of Music, Sejong University
	Kim Dong-gun	Male	Outside Director Candidate Recommendation Committee, Audit Committee	Mar. 2024 – Mar. 2027	Present, Lawyer at Cheonwoo Law Firm
	Son Kyo-young	Male	Outside Director Candidate Recommendation Committee, ESG Committee, Audit Committee	Mar. 2024 – Mar. 2027	Present, Partner at Lee Jeong Accounting Corporation
	Lee Sang-eun	Male	Outside Director Candidate Recommendation Committee, Audit Committee	Mar. 2024 – Mar. 2027	Present, Advisor to JoongAng Ilbo Co. Sung Se-hwan
	Sung Se-hwan	Male	Outside Director Candidate Recommendation Committee, Audit Committee	Mar. 2026 – Mar. 2029	Former, Chairman and CEO, BNK Financial Group

*Inside Director Huh Pil-sik resigned effective January 12, 2026.

Strengthening Board Independence and Transparency

In a rapidly changing business environment, IS Dongseo has established a transparent Boardcentered governance system to support the Board's strategic judgment. Directors are appointed at the General Meeting of Shareholders, and candidates for directors to be appointed at the General Meeting of Shareholders are selected by the Board of Directors and the Outside Directors Candidate Recommendation Committee and finalized as agenda items to be submitted to the General Meeting of Shareholders. When appointing outside directors, the Company assesses qualifications and roles based on the operating regulations of the Outside Directors Candidate Recommendation Committee and appoints independent outside directors. In addition, to ensure effective checks and balances by the Board, the Company structures the Board so that outside directors account for a majority and operates committees centered on outside directors.

Introduction of the Lead Outside Director System

At the end of 2025, IS Dongseo introduced the Lead Outside Director system to strengthen the authority and role of outside directors and enhance Board independence and management transparency. The Lead Outside Director is appointed from among the outside directors and represents the outside directors. The Company's regulations require the appointment of a Lead Outside Director when the Chairperson of the Board is not an outside director, thereby strengthening the Board's independent oversight function. The Lead Outside Director convenes and presides over meetings attended only by outside directors, reports support measures for the efficient performance of outside directors' duties to the Board, and serves as a key communication channel with the Chairperson of the Board and management. The Lead Outside Director also plays a role in enhancing the effectiveness of Board operations by reviewing the planning of Board agenda items and the timeliness of information provision, as well as presenting opinions on outside director evaluations and improvements to Board operations. By providing the information and materials necessary for the Lead Outside Director to faithfully perform these roles and supporting consultation with external experts, IS Dongseo is strengthening responsible management centered on the Board and a transparent decision-making system.

Environmental
· Climate Change Response and Environmental Management
· Environmental Impact Reduction
· Eco-Friendly Business

Social
· Safety and Health Management
· Quality Management
· Win-win Management
· Human Rights Management
· Human Resource Talent Management
· Social Contribution

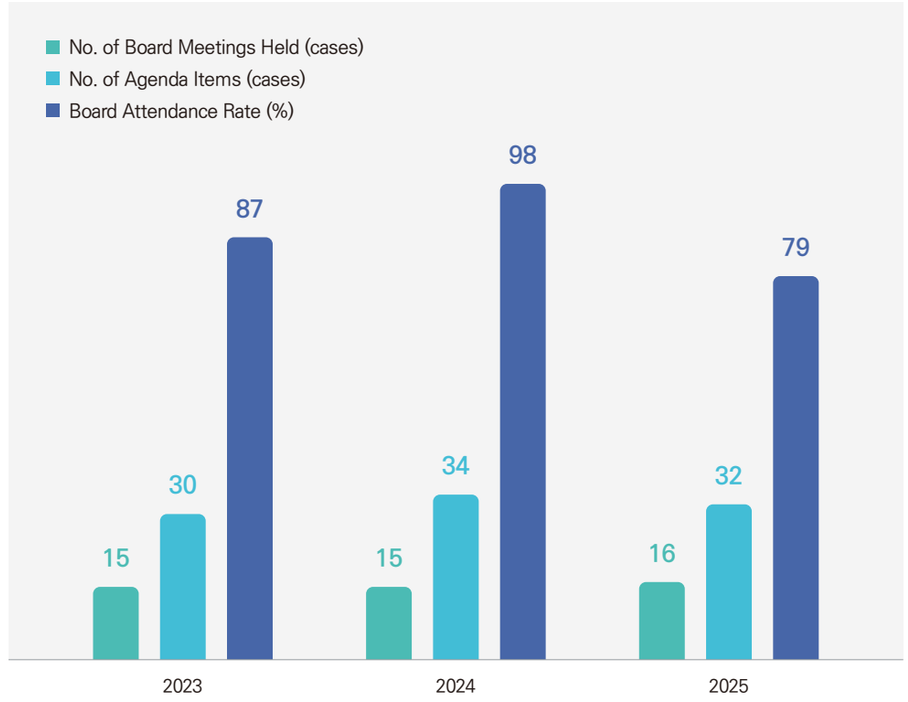
Governance
> Governance
· Ethical Management
· Risk Management

Operation of the Board of Directors and Committee

Board of Directors' Activities

IS Dongseo has established Board regulations to ensure efficient Board operations and independence and to practice responsible decision-making. In accordance with these regulations, the Board operates regular and ad hoc Board meetings. Regular Board meetings are held four times a year in principle, and ad hoc Board meetings may be convened as needed when urgent agenda items arise. Board meetings are convened by the Chairperson, and notice of the meeting is provided by the day before the meeting in accordance with the Articles of Incorporation. In 2025, the Board held a total of 16 meetings to report on major management activities and determine the Company's management goals and strategies. A total of 32 agenda items were resolved or reported.

| Status of Major Board Resolutions



Board of Directors' Expertise and Diversity

IS Dongseo is strengthening the expertise and diversity of its Board composition so that the Board can analyze and decide on material corporate decision-making matters from multiple perspectives. To secure management expertise and the efficiency of Board operations, the Company appoints highly qualified individuals with professional knowledge and extensive experience as outside directors and considers competencies across diverse fields to avoid concentration in specific backgrounds or occupational groups. The five outside directors of IS Dongseo currently possess expertise in leadership, law/public policy, ESG, finance/accounting/financial and risk management, supporting balanced discussions and reasonable decision-making within the Board. In addition, the Company complies with Article 397-2 of the Commercial Act to prevent conflicts of interest between directors and the Company and to establish transparent and responsible governance.

| Board Skills Matrix

(As of March 2026)

Classification	Inside Directors		Outside Directors				
	Nam Byeong-ok	Bae Ki-Mun	Oh Eun-kyung	Kim Dong-gun	Son Kyo-young	Lee Sang-eun	Sung Se-hwan
Leadership (CEO/CFO Experience)	●	●				●	
Core Industries	●	●					
Mergers & Acquisitions/ Capital Market (M&A)		●					
Law / Public Policy				●			
ESG (Environmental / Social / Governance)			●				
Finance / Accounting / Financial and Risk Management		●			●	●	●

Support for Board of Directors Training and Activities

To strengthen the expertise and capabilities of the Board, IS Dongseo provides job-related professional training at least once a year and offers continuous learning opportunities. In 2025, the Company provided an advanced outside director training program to strengthen the Board's expertise. To enhance the effectiveness of Board operations, the Company also arranged sessions to explain the Company's management status and major agenda items and to conduct Q&A, thereby strengthening communication with management. In addition, IS Dongseo operates a dedicated organization that provides professional support for the performance of outside directors' duties, enabling the Board to effectively fulfill its role.

| Status of Implementing Training for the Board of Directors in 2026

Date of training	Training Provider	Training participants	Training content
-	Board of Directors	Outside Directors	Explanation of the Company's management status and agenda items at Board meetings, followed by Q&A
Dec. 24, 2025	Samjong KPMG Academy	Outside Directors	WCD-KPMG outside director training program (advanced course for outside directors)

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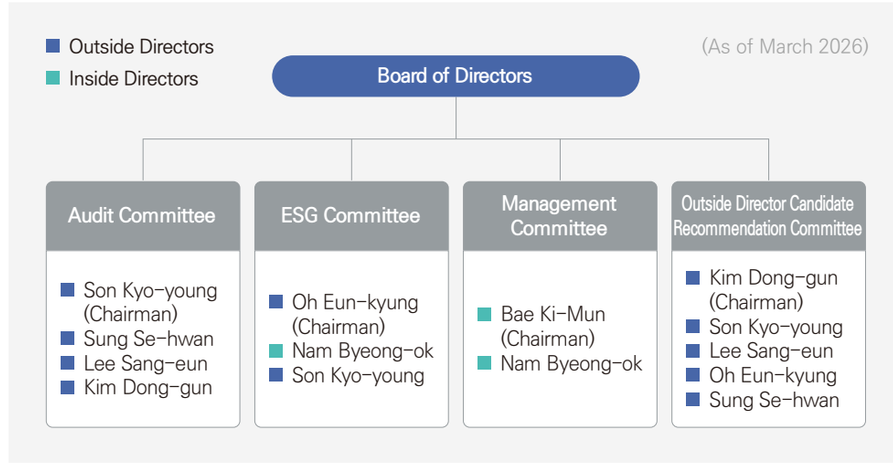
Operation of the Board of Directors and Committee

Committees within the Board of Directors

IS Dongseo has established four committees under the Board of Directors: the Outside Director Candidate Recommendation Committee, the Audit Committee, the ESG Committee, and the Management Committee. Through these committees, the Company promotes efficient Board operations and professional and in-depth management oversight of specific functions. Each committee conducts in-depth reviews of major matters to be resolved by the Board. All committees, except the Management Committee, secure independence by appointing outside directors as a majority of their members. The committees operate in accordance with Board regulations, and information such as committee member attendance rates, agenda items, and approval status is transparently disclosed through the Business Report.

| Committees under the Board of Directors



Name of the Committee	Key Roles and Functions
Audit Committee	• Audit the overall management of the Company
ESG Committee	• Strategically and systematically manage the Company's environmental, social, and governance matters
Management Committee	• Function as an organization to enhance the professionalism and efficiency of business execution
Outside Director Candidate Recommendation Committee	• Review and recommend candidates for outside directors

Management Committee

IS Dongseo has established and operates the Management Committee to ensure prompt and smooth decision-making on major management matters of the Company. In accordance with its regulations, the Management Committee consists of at least two inside directors appointed by the Board of Directors and holds regular meetings once every quarter. The Committee deliberates and resolves matters delegated by the Board and other important management matters of the Company, and discusses key matters such as business planning and operations and corporate management. It also identifies and monitors major risks that may arise in management, supporting decision-making to maximize corporate value.

| Status of Management Committee Activities in 2025

Dates of holding the committee meetings	Agenda details	Whether approved or not	Status of attendance
Jan. 7, 2025	Suspension of factory operations	Approval	3/3
Mar. 19, 2025	Approval of issuance of unsecured privately placed bonds	Approval	3/3
Mar. 21, 2025	Approval of new borrowing	Approval	3/3
Mar. 27, 2025	Appointment of Chairperson of the Management Committee	Approval	2/2
Apr. 9, 2025	Change to joint guarantee for buyers' intermediate payment loans	Approval	3/3
Apr. 28, 2025	Suspension of factory operations	Approval	3/3
Jun. 20, 2025	Extension of joint guarantee for buyers' intermediate payment loans	Approval	3/3
	Execution of collateralized loan agreement	Approval	3/3
Jun. 26, 2025	Refinancing of land-secured loan	Approval	3/3
	Approval of issuance of unsecured privately placed bonds	Approval	3/3
Jul. 17, 2025	Extension of joint guarantee for buyers' intermediate payment loans	Approval	3/3
Sep. 17, 2025	Execution of collateralized loan agreement	Approval	3/3
Sep. 29, 2025	Approval of issuance of unsecured privately placed bonds	Approval	3/3
Nov. 3, 2025	Closure of branch office	Approval	3/3

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Operation of the Board of Directors and Committee

Audit Committee

The Audit Committee audits the Company's accounting and overall operations and handles matters delegated by the Board of Directors in accordance with relevant laws and regulations, the Articles of Incorporation, and Board regulations. All four members, including the Chairperson, are outside directors, and one member is a financial expert, thereby securing the independence, objectivity, and expertise of the audit function. The Audit Committee has the authority to take measures necessary to perform its audit duties at any time, including requesting business reports from directors and others, investigating the Company's financial position, and demanding the suspension of illegal acts by directors. When necessary, the Committee may request relevant employees and external auditors to attend meetings and provide opinions, thereby enhancing the effectiveness of audits. In 2025, the Audit Committee held a total of nine meetings and reported on matters such as the operation status of the internal accounting control system. Across all meetings, Audit Committee members attended 96% of meetings and faithfully performed their duties.

| Status of Audit Committee Activities in 2025

Dates of holding Audit Committee meetings	Agenda Items	The outcome of an approval	Attedance of directors
Feb. 10, 2025	Report on the 50th financial statements	Reported	3/3
	Report on internal audit results for Q4 2024		
Mar. 5, 2025	Approval of the 2025 annual internal audit plan	Approval	2/3
	Report on the operation status of the internal accounting control system and consolidated internal control system	Reported	
Mar. 11, 2025	Report on the 50th year-end audit and key audit matters	Reported	3/3
	Approval of the assessment of the internal accounting control system and consolidated internal accounting control system	Approval	
Mar. 19, 2025	Approval of the 50th Audit Report	Approval	3/3
	Approval of audit opinion on the internal audit mechanism		
May. 13, 2025	Report on Q1 2025 accounting closing	Reported	3/3
	Report on internal audit results for Q1 2025		
Jul. 28, 2025	Prior approval for the provision of non-audit services by the external auditor	Approval	3/3
Aug. 12, 2025	Report on 2025 half-year accounting closing	Reported	3/3
	Report on internal audit results for Q2 2025		
	Report on 2025 half-year review results and audit plan		
Nov. 11, 2025	Report on Q3 2025 accounting closing	Reported	3/3
	Report on internal audit results for Q3 2025		
	Report on key review matters for Q3 2025 and operating assessment results of the internal accounting control system		
Nov. 24, 2025	Prior approval for the provision of non-audit services by the external auditor	Approval	3/3

Audit Committee Training

To strengthen the expertise and capabilities of the Audit Committee, IS Dongseo provides job-related professional training at least once a year and offers continuous learning opportunities. In 2025, the Company provided an Audit Committee training program (advanced course) to strengthen the Committee's expertise. The Company also arranged sessions to explain its management status and major agenda items and to conduct Q&A, thereby strengthening communication with management and enhancing understanding of major management issues discussed by the Board. In addition, IS Dongseo operates a dedicated organization that supports the Audit Committee's audit work and reporting, enabling the Committee to effectively fulfill its role.

| Status of Implementing Training for the Audit Committee in 2026

Date of training	Training Provider	Training participants	Training content
–	Board of Directors	Outside Directors	• Explanation of the Company's management status and agenda items at Board meetings, followed by Q&A
Dec. 24, 2025	Samjong KPMG Academy	Outside Directors	• Audit Committee training program (advanced course)

Outside Director Candidate Recommendation Committee

The Outside Director Candidate Recommendation Committee reviews outside directors and has the authority to recommend candidates for outside directors by assessing their qualifications and roles, including independence, expertise, and suitability. In accordance with the Commercial Act, the Committee must include candidates recommended by shareholders who meet the requirements to exercise such rights, and a majority of the Committee must be composed of outside directors. The Outside Director Candidate Recommendation Committee currently consists of five members, all of whom are outside directors, thereby ensuring fairness in the process of recommending candidates for outside directors.

| Status of Outside Director Candidate Recommendation Committee Activities in 2025

Dates of holding Audit Committee meetings	Agenda Items	The outcome of an approval	Attedance of directors
Mar. 11, 2025	Recommendation of candidates for outside directors	Approval	4/5

Board of Directors' Performance Evaluation and Remuneration

Board of Directors' Performance Evaluation and Remuneration

When determining whether to reappoint directors whose terms have expired, IS Dongseo conducts fair appointments through the Outside Director Candidate Recommendation Committee by comprehensively evaluating professional expertise, fairness in duty performance, ethical responsibility, diligence, and attendance rates. Director remuneration is managed annually through the General Meeting of Shareholders, including the remuneration ceiling and individual remuneration amounts, and is determined within the approved limit based on the Company's key values, such as business performance, contribution to sustainability management, and compliance management. The director remuneration ceiling approved at the 2025 General Meeting of Shareholders was KRW 10,000 million, and the total remuneration paid to directors was KRW 1,263 million. In addition, individual remuneration of executives whose remuneration is KRW 500 million or more is transparently disclosed in the business report in accordance with relevant laws and regulations.

| Remuneration Amount Activity Status

(Unit: KRW million)

Classification	No. of members	Total payment amount	Average per person
Registered Directors (excluding Outside Directors & Audit Committee members)	5	1,093	219
Outside Directors (excluding the Audit Committee members)	2	50	25
Audit Committee member	3	120	40

*Includes remuneration for two inside directors and one outside director who resigned on March 27, 2025
*Includes remuneration for one inside director who resigned on January 12, 2026

| Average Remuneration per BOD Member

(Unit: KRW million)

Classification	2023	2024	2025
Registered Directors (excluding Outside Directors & Audit Committee members)	452	531	219
Outside Directors (excluding the Audit Committee members)	40	27	25

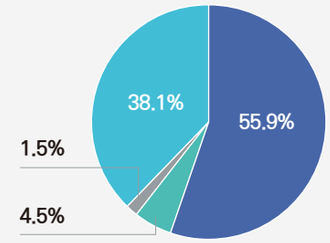
*Based on the 2025 business report

Shareholder Rights Protection

Shareholder Composition Status

As of December 31, 2025, IS Dongseo had issued a total of 30,186,976 shares (common shares). All shares issued by the Company are common shares, and the Company complies with a single voting rights system based on the principle of one share, one vote. The Company strives to ensure equitable voting rights for shareholders in accordance with the Commercial Act and relevant laws and regulations. Details of shareholder composition are disclosed in the business report.

| Shareholding Ratio



(As of December 31, 2025)

Shareholder Name	No. of Shares	Ownership Ratio (%)
Major Shareholders (excluding largest shareholder)	16,864,969	55.9
Foreign Shareholders	1,349,766	4.5
Treasury Shares (Own Shares)	462,308	1.5
Individual Shareholders	11,509,933	38.1
Total	30,186,976	100

Shareholder Return Policy

In accordance with its Articles of Incorporation, IS Dongseo pays dividends by operating a flexible annual policy based on resolutions of the Board of Directors and the General Meeting of Shareholders. Dividends may be paid in cash or shares and are paid to shareholders or registered pledgees listed in the shareholder registry as of the end of each fiscal year. Dividends are determined by comprehensively considering cash management in preparation for a downturn in the real estate market and economic volatility, securing cash for large-scale investment projects and new businesses, retaining earnings to ensure financial stability, and the dividend payout ratio over the past three years. In 2025, the Company paid tax-exempt dividends in consideration of investments for continuous corporate growth, a stable financial structure, and shareholder value.

| Key Dividend Indicators

Classification	2023	2024	2025
Total Cash Dividends (KRW million)	45,280	29,773	14,900
(Consolidated) Cash Dividend Payout Ratio (%)	28.1	N/A	N/A
Cash Dividend Yield (%)	5.2	4.4	2.0
Cash Dividend per Share (KRW)	1,500	1,000	500

Environmental
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Shareholder Rights Protection

Enhancing Shareholder Value

IS Dongseo places the highest priority on enhancing shareholder value and expanding shareholder returns, and considers dividend levels by comprehensively taking into account shareholder value, investments, annual cash flows, and future strategic investments. In 2025, the Company resolved to pay a cash dividend of KRW 500 per share, with total dividends amounting to approximately KRW 14.9 billion. In 2024, the Company retired 705,630 treasury shares through profit cancellation, and following treasury share purchases in 2022 and 2024, the Company purchased 47,908 treasury shares in 2025 in an effort to enhance shareholder value. In addition, starting from the year-end dividend for fiscal year 2025, the Company is expanding dividend resources by paying "capital reduction dividends," which transfer capital reserves to retained earnings so that shareholders can receive dividends on a tax-exempt basis. Going forward, IS Dongseo plans to maintain a stable dividend policy and enhance long-term shareholder value by determining dividend levels in consideration of future investment resources and financial structure.

| Enhancing Shareholder Value

Performance of Enhancing Shareholder Value in 2025

Total Dividends	No. of treasury shares repurchased
KRW 14.9 billion	47,908 shares

IR Information

Transparent Disclosure

IS Dongseo transparently discloses corporate information and IR materials through its website, the Financial Supervisory Service's electronic disclosure system, and the Korea Exchange. The Company holds a General Meeting of Shareholders every year to share its management status with stakeholders and takes the lead in protecting shareholder rights and interests by gathering shareholders' opinions on the Company's direction and management. Major management matters resolved by the Board of Directors are disclosed immediately and provided to shareholders and other stakeholders. In recognition of these efforts, the Company was selected by the Financial Supervisory Service as an Excellent Corporation for XBRL Financial Disclosure in May 2024. IS Dongseo will continue to listen to shareholders and become a trusted company through transparent and timely information disclosure.

| Selected as an Excellent Corporation for XBRL Financial Disclosure

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Ethical Management System

Ethical Management Promotion System

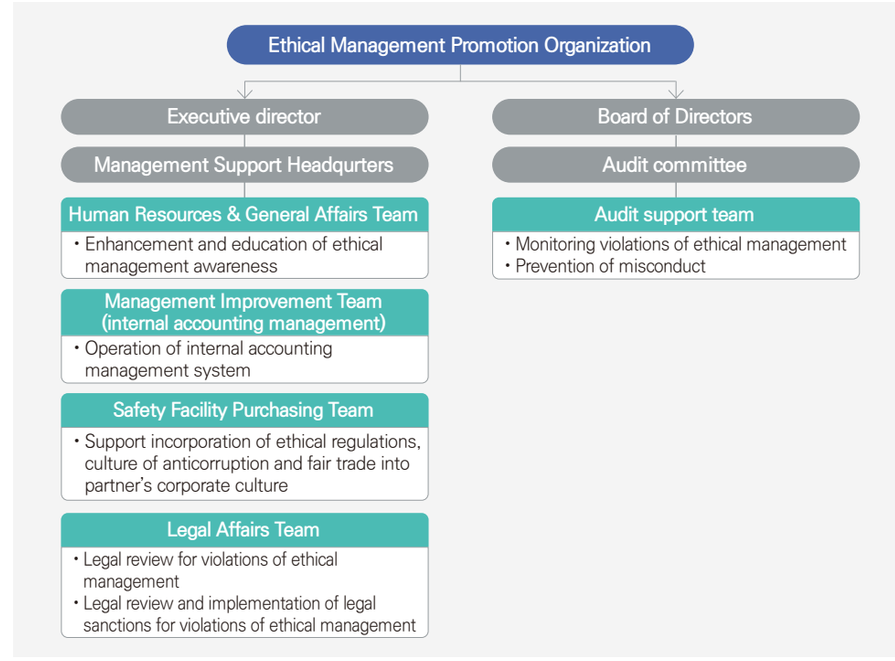
IS Dongseo has established ethical management as a core management principle to realize sustainable management based on corporate social responsibility. To this end, the Company has established six ethical management principles centered on transparency and fairness and regularly operates ethics pledge and ethics training programs for all employees. The Company is also enhancing its internal control system so that ethical management can be embedded across daily operations, while expanding the ethical management culture throughout the supply chain by reflecting ethics criteria in supplier evaluations. In addition, the Company strengthens its audit function to support transparent and integrity-based organizational operations and systematically conducts ad hoc, quarterly, and special audits in accordance with the annual audit plan. Through these efforts, IS Dongseo continuously improves internal work processes and audit quality, while enhancing employees' ethical awareness and promoting a culture of autonomous ethical practice.

| Ethical Management System

Promotion Direction	Practicing ethical management based on principles and trust	
Goal	Zero anti-corruption violations (0 cases in 2025)	
4 Key Strategies	Internalization of ethical awareness	Strengthening prevention of illegal and non-compliant acts
	Operation of internal control and audit systems	Expanding ethical culture across the supply chain
Major Activities	• Conducting ethics training • Operating ethics compliance pledges • Operating the Code of Conduct and Conduct Guidelines • Providing guidance on criteria for determining illegality and compliance • Operating internal controls	• Reviewing ethical risks • Conducting ad hoc, quarterly, and special audits • Supplier ethics evaluation • Reflecting supplier ethics criteria • Activities to expand ethical culture

Ethical Management Promotion Organization

To systematically promote ethical management, IS Dongseo operates a collaborative system involving five departments: the HR & General Affairs Team, Management Improvement Team, Safety & Purchasing Team, Legal Affairs Team, and Audit Support Team. Each department manages ethical risks according to its role and conducts company-wide monitoring and preventive activities. Through this, the Company embeds ethical management standards across the organization and strengthens execution capabilities.



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Ethical Management System

Six Ethical Management Principles

IS Dongseo has established six ethical management principles to realize “Our Shared Values” of respect for people, customer satisfaction, and social contribution, and applies them as standards across all corporate activities. While fulfilling its responsibilities to customers, shareholders, employees, partner companies, and society, the Company continues to strengthen an ethical corporate culture based on principles and trust through fair and transparent performance of duties.

| Six Ethical Management Principles

❶ Ethics toward Customers
- Respect for customers
- Customer protection
- Quality management

❷ Ethics for Shareholders
- Protection of shareholders’ rights and interests
- Activation of information provision
- Transparent management

❸ Ethics toward executives and employees
- Fair treatment
- Creating a working environment
- Human resource management

❹ Ethics toward Partner Companies
- Fair transactions
- Fair competition

❺ Ethics toward Society
- Compliance with domestic and international laws and regulations
- Environmental protection
- Social contribution

❻ Ethics in Service
- Fair job performance
- Establishment of a healthy corporate culture
- Compliance with the Code of Ethics

Communication Channel Operation for Reporting Unethical Behavior

IS Dongseo operates online and offline unethical conduct reporting channels and has established an open system through which not only employees but also external stakeholders can freely report concerns. The identity of whistleblowers and the content of reports are thoroughly protected, and received reports are investigated and handled through fair procedures to ensure reliability. The Company also operates a Cyber Sinmungo through which unethical acts, such as unfair trade practices, receipt of money or valuables, and information leakage, as well as good deeds and exemplary cases, can be reported.

| Online Reporting Center Receipt Status

Classification	2023	2024	2025
No. of receipt (cases)	4	5	2

Ethical Management Promotion Activities

Ethical Management Training

IS Dongseo has set a goal of “Zero anti-corruption violations” and is strengthening a prevention-oriented management system by advancing its ethical management system. To enhance the effectiveness of ethical management and internalize employees’ ethical awareness, the Company operates systematic ethics training programs. Through various programs, including training on personal ethics and corporate ethics for new employees, customized training by job group and function, and special lectures on compliance and HR/labor affairs, IS Dongseo strengthens employees’ ethical awareness and compliance capabilities. By sharing domestic and overseas cases and the latest regulatory trends, the Company supports employees in clearly understanding the criteria for determining illegal and unethical conduct in the course of performing their duties and applying them in practice. In addition, the Company continuously provides ethics and compliance training to all employees and suppliers to prevent misconduct in advance and strengthen the foundation for establishing a fair and transparent organizational culture and proactively managing ethical risks.

| Ethical Management Programs by Target

Training for new employees
Training for personal ethics and corporate ethics

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

Special Lectures on Compliance and HR/Labor Affairs
Special lectures for in-house leaders and employees at the general manager level or above on legal compliance and prevention of disputes within the organization

| Contents of Compliance Training and Total No. of Employees Completing the Training

Name of Training	Details of Training	Date of Training	Total No. of Employees Completing the Training(persons)
Ethical Management and Compliance	• Compliance System and its Necessity • Institutionalization of compliance in South Korea • International compliance case studies • Compliance standards under the Commercial Act	2025.10	340

Classification		Total No. of Employees Completing the Training(persons)
By Gender	Male	290
	Female	50
By Position	Above General Manager	76
	From Managers to Senior Managers	127
	Managers to Assistant Managers	137

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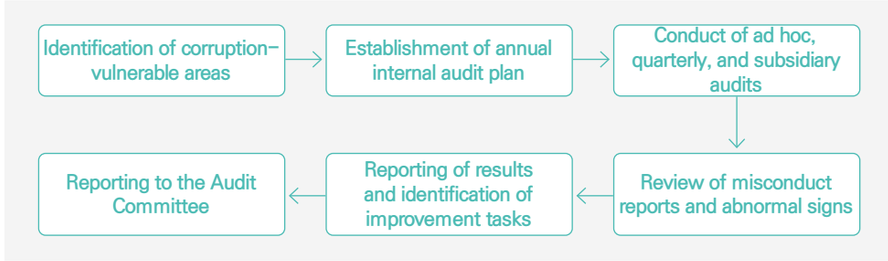
Ethical Management Promotion Activities

Establishment of Anti-corruption Plan

IS Dongseo establishes and operates an annual internal audit plan led by the Audit Support Team to prevent and inspect corruption risks in advance. The annual audit plan includes reviews of key vulnerable areas where corruption may occur, such as corporate card usage, sales unit prices, sales carryovers, fund deposits and withdrawals, sales agency commissions, congratulatory and condolence expenses, and misconduct reports, as well as quarterly audits for sites and plants and audits of subsidiaries. The annual audit plan is submitted to and approved by the Audit Committee, and the Company systematically manages the entire process from planning and inspection to reporting of results.

| Anti-corruption Plan Operation Process



| Annual Internal Audit Plan in 2025

Classification	Key Details	Operation Cycle
Ad Hoc Audits	Review of corporate card usage, sales unit prices, sales carryovers, fund deposits and withdrawals, sales agency commissions, congratulatory and condolence expenses, and misconduct reports	Monthly / Ad hoc
Quarterly Audits	Audit of key operations at all sites and plants	Quarterly
Subsidiary Audits	Review of corporate cards, contracts and settlements, seal management, fines, temporary receipts and payments, and status of misconduct reports	Once a year
Committee Reporting	Submission and approval of annual internal audit plan	Once a year

Identification and Assessment of Corruption Risks

IS Dongseo conducts corruption risk assessments to systematically identify and manage corruption risks. Corruption risk assessments are carried out by identifying risk factors for key business processes and reviewing the adequacy and operating level of related controls. In 2025, the Company conducted corruption risk assessments for key business areas, including budgets, construction costs, construction and sales contracts, fixed assets, purchasing, and funds, while reviewing normal control status and exceptions. Exceptions identified through the assessment are managed as improvement tasks, and the assessment results are reported to the Audit Committee to enhance the effectiveness of corruption risk management.

| Corruption Risk Assessment System

Selection of Assessment Targets	Key business areas, including budgets / construction costs / construction and sales contracts / fixed assets / purchasing / funds
Identification of Risk Factors	False or excessive appropriation, insufficient supporting documents, discretionary execution, distortion of contract terms, asset misappropriation, payment errors, etc.
Review of Control Activities	Approval procedures, appropriateness of supporting documents, compliance with delegated authority, system input controls, settlement, inventory, and fund management
Assessment and Improvement	Normal / Exception determination → Identification of improvement tasks and follow-up actions
Committee Reporting	Reporting of assessment results and matters requiring improvement to the Audit Committee

| Corruption Risk Assessment Results

Classification	Key Details	2024	2025
Normal	Items for which identified risks are being properly addressed and normal control activities are being carried out	58	49
Exception	Items with partial control deficiencies, such as non-compliance with delegated authority regulations and approval procedures and input errors in purchase unit prices	4	5
Total		62	54

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Compliance Management System

Fair Trade Operation System

To prevent violations of laws and regulations, including unfair trade practices, and to systematically manage fair trade, IS Dongseo has established fair trade management guidelines based on the four major fair trade guidelines presented by the Korea Fair Trade Commission. Going forward, to establish a culture of voluntary fair trade compliance, the Company plans to appoint dedicated managers and organize dedicated teams and monitoring and management departments that can ensure independence in their duties. In addition, IS Dongseo plans to organically link and operate a fair trade system (Compliance System, CS), which comprehensively manages fair trade guidelines and ethical management regulations, with a fair trade Compliance Program (CP) for practical implementation. Through this, the Company will strengthen CP training, information provision, and monitoring activities for all employees and stakeholders to internalize and advance voluntary fair trade compliance.

| Fair Trade Operation System

Goal	Creation of an ingrained fair trade culture	
Strategy	Fair trade system Compliance System, CS	An autonomous compliance programCompliance Program, CP
	Legal/regulatory management related with compliance	Fair trade performance management
	• Providing Ethical Management Guidelines and Regulations • Provision of information on training for executives and employees • Monitoring and surveillance on fair-trade operation • Managing reports of violations of fair trade	• Monitoring adherence to fair-trade guidelines • Conducting fair-trade training for employees and executives • Monitoring status of fair-trade operation • Evaluating fair-trade performance and providing feedback

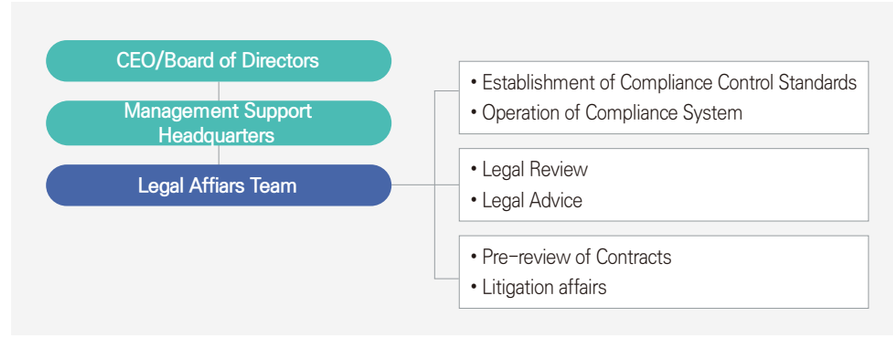
| Four Key Practices for Fair Trade

- Concluding desirable contracts to promote win-win cooperation between large and small to medium-sized enterprises (SMEs)
- Best practices for issuing and preserving written documents in subcontract transactions
- Ensuring fair selection (registration) of partner companies
- Installing and operating internal review committees for subcontract transactions

Compliance Management Promotion Organization

To practice compliance management, IS Dongseo conducts systematic compliance management activities across its business operations, including legal reviews, contract reviews, and the establishment and operation of compliance control standards. The Legal Affairs Team, a dedicated organization, operates a management system to identify and respond to company-wide compliance risks in advance. Compliance management activities are regularly reviewed through the Legal Affairs Team, which supports the stable operation of the company-wide compliance management system.

| Compliance Management Organization Chart



Fair Trade Training

To establish a fair trade culture, IS Dongseo conducted job-specific fair trade training for the Safety & Purchasing Team, thereby enhancing employees' awareness of voluntary compliance. Through a practice-oriented curriculum that included analysis of real cases related to job duties, risks of fair trade violations that require attention during work, and response measures, the Company sought to prevent practical risks and enhance internal compliance awareness.

수 료 증

공정거래법의 이해

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생년월일 : 19950818

위 사람은 한국공정거래조정원 공정거래교육센터에서 진행하는 공정거래법의 이해과정을 성실히 이수하였기에 수료증을 드립니다.

2025-04-23

한국공정거래조정원장

Completion Certificate of Fair trade Training

Environmental
· Climate Change Response and Environmental Management
· Environmental Impact Reduction
· Eco-Friendly Business

Social
· Safety and Health Management
· Quality Management
· Win-win Management
· Human Rights Management
· Human Resource Talent Management
· Social Contribution

Governance
· Governance
· Ethical Management
> Risk Management

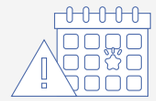
Risk Management System

Integrated Risk Management System

IS Dongseo operates an enterprise-wide risk management system to respond to the rapidly changing business environment and establish a foundation for sustainable growth. Through a Board-centered decision-making system, the Company manages key management issues, continuously reviews risks that may arise across its business operations, and systematically establishes response strategies. In particular, the scope of management has been expanded to include not only risks that may arise in the course of business investment and execution, but also ESG risks related to the environment, society, and governance, thereby managing financial and non-financial factors in an integrated manner. Based on this approach, the Company is securing stable operations and a foundation for sustainable growth by identifying risks in advance and strengthening response capabilities.

| Risk Types

Project-performance risks



Project-investment risks

ESG risk

| Risk Management Process

Risk Identification

- Identifying stakeholder requirements
- Identifying legal requirements
- Identifying operational- and strategic-risks
- Identifying financial risks

Risk Assessment

- Assessing the likelihood of risk occurrence
- Assessing the impact if the risk is not prevented
- Assessing the overall risk-level when the risk is not prevented
- Registering the completed risk assessment list

Risk Response

- Identifying causes of risks
- Assigning risk owners and budgets
- Establishing preventive and response measures
- Developing improvement plans (aversion, mitigation and transfer)

Risk Management Organization

IS Dongseo assigns response responsibilities to specialized committees so that each matter can be effectively managed in consideration of the type and characteristics of risks, and operates a systematic risk management system. The Management Committee, Audit Committee, and ESG Committee oversee deliberation and response measures for business risks, compliance risks, and non-financial risks, respectively. Each risk is identified in close coordination with relevant business departments and sites, and appropriate response measures are developed accordingly. Based on this system, IS Dongseo continues to strengthen its company-wide risk management capabilities.

| Risk Management Organization

CEO and BOD

Business risks	Compliance risks	Non-financial risks
Management Committee	Audit Committee	ESG Committee
• Deliberation and decision on major management matters	• Code of ethics compliance management • Managing compliance management performance • Fair-transaction compliance management • Human rights related risk management	• Climate change response related risk management • Environmental-impact management • Measures to prevent safety and health incidents

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Risk Identification and Response

Project Performance Risk Management

Considering that risks arising during project execution may affect not only business performance but also the Company's long-term trust and reputation, IS Dongseo operates a systematic risk management system across the entire process. To respond to risks arising from changes in the market environment, the Company identifies key risks that may occur in the project bidding and execution stages in advance and establishes and manages response strategies. Through this, the Company strives to secure not only short-term performance but also financial soundness and a foundation for sustainable growth.

Risk management in the order acquisition stage

- **Presentation**
  Meetings are held by the development team to share the project and promotion schedule, and on reviewing the feasibility of projects
- **Risk-review meetings**
  Evaluations on the soundness of projects by relevant departments such as legal, funds, and costs, etc.
- **Project-review meetings**
  Project participation is determined through final reports and decision-making

Risk management in the performance stage

- **Review of risks for each stage**
  Project inspections are performed for each stage, from initiation to completion
- **Project-Issue Inspection Meetings**
  Proactive responses to risks by reporting the main details of the project to the management
- **Monitoring system**
  Ongoing monitoring of the process, supply & demand, and sales

Project Investment Risk Management

IS Dongseo minimizes the possibility of financial losses and opportunity costs by identifying and managing risks that may arise in the process of investing in and recovering funds from new businesses and ongoing projects. The Company operates a regular reporting system by risk type, and all investment decisions are made based on rigorous risk assessment and approval procedures. To respond to uncertainty in the market environment, the Company strategically adjusts the pace and scale of investment execution and also promotes cost reduction measures. IS Dongseo continues to strengthen its foundation for sustainable growth based on a risk management system that balances profitability and stability.

ESG Risk Management

IS Dongseo manages risks across the environment, society, and governance in connection with its business strategies and operates an integrated risk response system that considers both crisis and opportunity factors. By comprehensively analyzing changes in the business environment, investment trends, and business performance, the Company identifies and manages ESG risks linked to its mid- to long-term management direction. In particular, key risks related to site safety are overseen by the Safety Management Office under the Chief Safety Officer (CSO), which strengthens real-time site monitoring as well as ongoing response and preventive activities. In addition, risks in each ESG area are identified and managed based on collaboration between relevant departments and sites, and response strategies are systematically established accordingly.

| Risk Management System for Each ESG Factor

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

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Internal Control

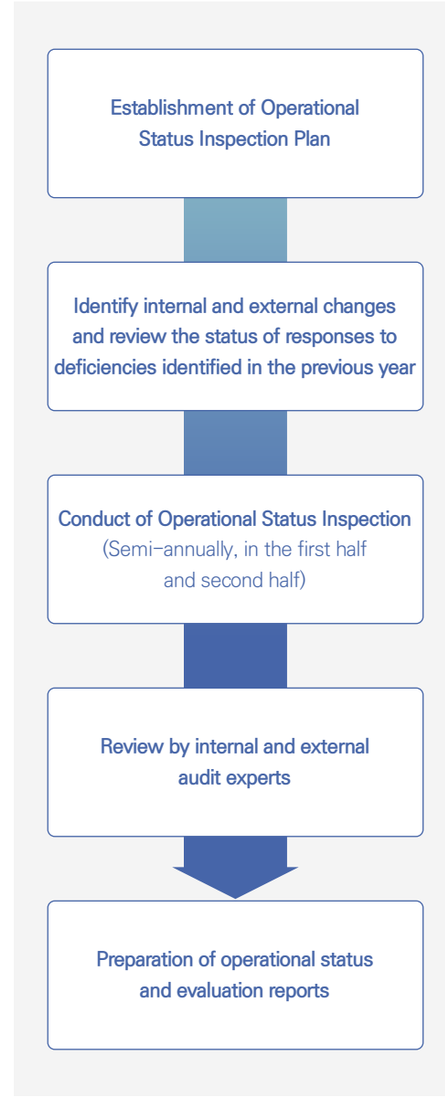
Establishment of an Internal Control System

IS Dongseo operates a company-wide internal control system to ensure financial soundness and management transparency, with a particular focus on managing the Internal Accounting Control System to enhance the reliability of accounting information. To disclose highly reliable accounting information, the Company has established internal accounting control regulations and has been establishing and operating an enterprise-wide internal control process since 2020. Based on risks identified through the process, the Company sets appropriate control measures to proactively respond to financial risks. By establishing a dedicated internal accounting department and having the audit support organization perform audit duties, the Company strengthens the expertise and independence of the system. The operating status of the Internal Accounting Control System is reviewed twice a year, in the first and second half, and the results are reported to the Board of Directors, Audit Committee, and General Meeting of Shareholders. The review is divided into a design evaluation, which assesses the adequacy and completeness of control design, and an operating evaluation, which checks whether control activities are actually performed. Through this, the Company operates a control system to prevent errors and fraud in financial statements. In addition, the Company shares training materials, including major findings, through groupware to raise employee awareness and continuously strengthen the effectiveness of its internal control system.

| Status of Internal Control Activities

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

| Internal Accounting Management Process



ESG DATA Book
· Economic Performance
· Environmental Performance
· Social Performance
· Governance Performance

GRI Standards Index

SASB Index

TCFD Index

Independent Assurance Opinion Statement

Awards and Memberships

With ESG Management, **We Envision a Better Tomorrow**

Appendix

ESG DATA Book

GRI Standards Index

SASB Index

TCFD Index

Independent Assurance Opinion Statement

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Independent Assurance Opinion Statement
Awards and Memberships

Economic Performance

Statement of Financial Position

Classification		Unit	2023	2024	2025
Assets	Total assets	KRW 1 million	4,237,373	3,553,988	3,457,985
	Current assets	KRW 1 million	2,622,293	2,117,324	1,971,496
	Non-current assets	KRW 1 million	1,615,080	1,436,664	1,486,489
Liabilities	Total liabilities	KRW 1 million	2,465,162	1,996,798	2,036,654
	Current liabilities	KRW 1 million	1,589,564	1,601,069	1,637,721
	Non-current liabilities	KRW 1 million	875,599	395,729	398,933
Capital	Total capital	KRW 1 million	1,772,211	1,557,190	1,421,331
	Paid-in capital	KRW 1 million	15,446	15,446	15,446
	Earned surplus	KRW 1 million	1,152,381	936,901	1,037,607
	Other capital components	KRW 1 million	604,383	604,843	368,278

Revenues per Business

Classification	Unit	2023	2024	2025
Total[1)]	KRW 1 million	2,029,440	1,514,573	1,234,357
Construction division	KRW 1 million	1,284,681	825,541	441,704
Concrete division	KRW 1 million	182,064	164,864	265,475
Environment division	KRW 1 million	547,297	498,786	483,411
Others (Shipping industry, etc.)[2)]	KRW 1 million	15,398	25,382	43,767

1) Corrected to exclude internal transaction revenue in 2024
2) Corrected to exclude internal transaction revenue in 2024

Statement of Comprehensive Income & Main Index

Classification	Unit	2023	2024	2025
Revenues (Sales)	KRW 1 million	2,029,440	1,514,573	1,234,356
Cost of sales	KRW 1 million	(1,523,642)	(1,125,507)	(918,711)
Sales & Administrative expenses	KRW 1 million	(165,277)	(219,393)	(247,523)
Operating income (Losses)	KRW 1 million	340,521	169,672	68,123
Other revenues	KRW 1 million	13,972	18,167	20,057
Other expenses	KRW 1 million	(52,463)	(212,598)	(73,292)
Financial income (Expenses)	KRW 1 million	(96,512)	(107,363)	(121,350)
Gains in associates	KRW 1 million	14,468	(28,127)	32,350
Earnings (Losses) before income taxes	KRW 1 million	219,986	(160,247)	(74,113)
Income tax expenses (Expenses)	KRW 1 million	(59,729)	59	2,296
Net profit (Loss)	KRW 1 million	160,256	(160,188)	(71,818)
Other comprehensive income	KRW 1 million	892	2,101	3,748
Total comprehensive income	KRW 1 million	161,149	(158,087)	(68,070)
Net profit margin	%	8	(11)	(6)
Turnover of net worth	%	115	97	87
R&D investments	KRW 1 million	928	2,413	1,606
No. of patents registered	Cases	43	50	51
Management related risk & Opportunity costs due to climate change[1)]	KRW 1 million	266,741	2,120	657

1) Corrected 2023 and 2024 data due to changes in the criteria for preparing environmental performance data

Economic Performance

Allocation of Economic Value

Classification		Unit	2023	2024	2025
Allocation of economic value[1]		KRW 1 million	1,577,787	1,025,477	751,733
Portion of economic value retained		KRW 1 million	4,237,373	3,553,988	3,457,985
Government	Government taxes & Past due	KRW 1 million	43,705	36,459	29,229
Local community	Community donations & Social contribution activity costs	KRW 1 million	1,442	1,525	1,005
Dividends to the shareholders (Dividend distribution)		KRW 1 million	45,280	25,773	14,862
Total corporate tax payment amount	South korea	KRW 1 million	59,729	59	2,296
Personnel out-of-pocket & Welfare benefit expenses		KRW 1 million	180,132	189,997	172,257
Costs provided to the outsourcing partners		KRW 1 million	687,741	369,808	188,083
Costs provided to the material partners		KRW 1 million	426,396	284,104	244,338
Interest provided to the lender bank of creditors		KRW 1 million	113,362	117,752	99,663

1) Corrected data by applying the sum of taxes and dues plus donations, in reference to the GRI 201-1 Guidelines

Retirement Pension

Classification		Unit	2023	2024	2025
Pension operating amount[1]		KRW 1 million	67,504	59,190	60,614
No. of subscribers to the retirement pension	Total	Persons	657	449	343
	DB	Persons	38	19	3
	DC	Persons	695	468	346

1) Corrected 2023 and 2024 data by recalculating them on a consolidated basis for IS Dongseo

Environmental Performance*

* The environmental performance data in this report changed due to the suspension of operations at the Changnyeong Factory in March 2025 and the merger of Youngpoong Pile Co., Ltd., an affiliate operating the Eumseong Factory, in July 2024.
  - 2023 and 2024: Combined data for the headquarters/branch offices, construction work, Icheon Factory, Cheongyang Factory, and Changnyeong Factory
  - 2025: Combined data for the headquarters/branch offices, construction work, Icheon Factory, Cheongyang Factory, and Eumseong Factory
  - Construction work data for 2023-2025 was changed from the previous basis of completed sites to actual annual usage at sites, resulting in changes to the 2023-2024 data. (However, "material consumption" was allocated based on the progress rate, while the "eco-friendly purchase amount" was evenly allocated based on the purchase amount from the construction start year/month to the completion year/month for each site.)

Greenhouse Gases

Classification		Unit	2023	2024	2025
Total Greenhouse Gas emissions		tCO_2e	20,185.2	13,525.6	11,463
Greenhouse Gas emissions	Direct emissions (Scope 1)	tCO_2e	10,168.2	7,008.2	6,231.2
	Indirect emissions (Scope 2)	tCO_2e	10,017	6,517.4	5,231.7
Greenhouse Gas emission reduction[1]		tCO_2e	1,976.9	6,659.6	2,062.7
Greenhouse Gas emission reduction rate[1]		%	8.9	33	15.3
Greenhous Gas intensity	Direct emissions (Scope 1)	tCO_2e/ KRW 100 million	0.5	0.5	0.5
	Indirect emissions (Scope 2)	tCO_2e/ KRW 100 million	0.5	0.4	0.4

1) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)

Energy

Classification		Unit	2023	2024	2025
Total energy consumption		TJ	383.4	251.6	211.4
Energy consumption	Power[1]	TJ	210.9	137.8	110.6
Fuel consumption	LNG (natural gas)	TJ	41.8	32.9	3.4
	LNG (city gas)	TJ	95.9	23.7	41.1
	LPG (propane)	TJ	12.9	40.9	45.1
	Gasoline	TJ	1.6	1.2	0.9
	Diesel[2]	TJ	7.6	6.3	8.8
	Kerosene[3]	TJ	13.2	8.8	1.5
Energy intensity		TJ/KRW 100 million	0.019	0.017	0.017
Amount of renewable-energy use		TJ	-	-	-

1) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)
2) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)
   - Separately disclosed the diesel value that had been included in kerosene for construction work in 2023, and corrected the kerosene value for the Cheongyang Factory in 2024 as diesel and included it in the total
3) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)
   - Excluded the diesel value that had been included in kerosene for construction work in 2023

Water Resources

Classification		Unit	2023	2024	2025
Water withdrawal	Water and sewage withdrawal	ton	-	-	-
	Industrial water withdrawal	ton	-	-	-
	Groundwater withdrawal	ton	-	-	-
	Total	ton	-	-	-
Total discharge volume		ton	31,366	8,094	22,691
Water usage	Water and sewage usage[1]	ton	158,151	48,212	37,173
	Industrial water usage	ton	-	-	-
	Groundwater usage[2]	ton	89,553	80,930	68,387.2
	Total	ton	247,704	129,142	105,560.2
	Reduction rate	%	-	47.9	18.3
Water reuse volume		ton	13,940	16,477	1,073
Water reuse rate		%	5.6	12.7	1
Water intensity		ton/KRW 100 million	12.2	8.5	8.6

1) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)
2) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)
   - Changes in 2023 groundwater withdrawal data due to revisions to groundwater withdrawal data for the Construction Division in 2023

Materials

Classification		Unit	2023	2024	2025
Non-renewable raw material	Cement	ton	100,993.3	38,656.6	65,113.2
	Aggregate	㎥	212,305	195,498	154,417.5
	Asphalt concrete	ton	-	-	-
	Sand	㎥	104,934	88,681	106,828.4
	Rebar	ton	16,912	12,539.4	24,517.6
	Gypsum board[1]	Roll	1,226,483	329,227	178,928
Renewable material	Recycling aggregate	ton[2]	13,645.4	6,872.8	13,430.9

1) Data was corrected and reported due to a change in the calculation method (previously based on completed construction sites; changed to allocate data by site according to the annual progress rate)
2) Management unit revised (m^3 → ton)

Environmental Performance

Waste Generation

Classification		Unit	2023	2024	2025
Waste-generation amount[1]		ton	97,656.9	25,272.5	25,872
General waste[2]	Waste concrete	ton	49,931.8	16,107.3	21,773.3
	Waste asphalt	ton	3,113.2	628.6	890.5
	Waste wood	ton	1,293.8	635.2	196.6
	Waste synthetic resin	ton	2,312.5	162.3	294.7
	Construction waste soil & rock	ton	1,829.9	1,645.4	130.9
	Construction sludge	ton	72.7	0	0
	Waste board	ton	1,028.2	302.6	177.2
	Other waste	ton	73.9	16.2	18.8
	Mixed construction waste	ton	38,000.9	5,773.5	2,390
Designated waste[3]	Waste oil liquid	ton	0	0.8	-
	Waste oil solid	ton	0	0.7	-
Waste intensity		ton/KRW 100 million	4.8	1.7	2.1

1) Waste generation data includes waste generated by the newly added business site in 2025 (Eumseong Factory); performance improved on a like-for-like basis year on year (2024: 20,226 / 2025: 16,252.6)
2) Data was corrected and reported due to a change in the calculation method (previously based on completed construction sites; changed to an annual site-by-site usage basis)
3) Applicable only to the Changnyeong Factory; no 2025 data due to suspension of operations in March 2025

Waste Treatment

Classification		Unit	2023	2024	2025
General waste	Reuse[1]	ton	80,961.4	13,494.5	5,346.8
	Recycling[2]	ton	16,317.7	11,742.1	19,827.2
	Incineration	ton	27.6	18.2	81.7
	Landfill	ton	50.2	11.7	13.9
	Total	ton	97,356.9	25,266.4	25,269.6
Designated waste	Recycling	ton	0	0.8	0
	Incineration	ton	0	0.7	0
	Total	ton	0	1.5	0

1) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)
2) Corrected data due to a change in the calculation method (previously based on completed construction work sites; changed to annual usage at sites)

Water Pollutant Emissions

Classification	Unit	2023	2024	2025
TOC	kg	138.4	17.4	113.9
BOD	kg	18.7	0.7	29.2
SS[1]	kg	235.8	14.5	25.9
T-N	kg	14.5	4	25.3

1) SS emissions include those from the newly added business site in 2025 (Eumseong Factory); performance improved on a like-for-like basis year on year (2024: 8 / 2025: 3)

Air Pollutant Emissions

Classification	Unit	2023	2024	2025
Particles[1]	kg	830.6	123.1	124
NOx	kg	13,897.7	2,706.3	4,589
SOx[2]	kg	355.9	47.2	111.7

1) Dust emissions from the newly added business site in 2025 (Eumseong Factory) were included. Performance improved on the same basis as the previous year (2024: 96.2 / 2025: 68.1)
2) SOx emissions from the newly added business site in 2025 (Eumseong Factory) were included. Performance improved on the same basis as the previous year (2024: 32.9 / 2025: 20.9)

Hazardous Chemical-Substance Emissions

Classification	Unit	2023	2024	2025
Chemical-substance usage[1]	ton	0	0	0
Chemical-substance emissions	ton	0	0	0
Harmful chemical-substance leakage accidents	Cases	0	0	0
Harmful substance usage[1]	ton	0	0	0
Harmful substance leakage accidents	Cases	0	0	0

1) No chemicals or hazardous chemicals are used at the head office or construction sites, and they are not subject to reporting as emissions-generating sites

Environmental Performance

Eco-Friendly Vehicles

Classification	Unit	2023	2024	2025
Total no. of vehicles at the head office/branches	EA	50	49	45
Proportion of eco-friendly vehicles	%	6	4.1	4.4
1st-class (electric, hydrogen)	EA	1	0	0
2nd-class (hybrid)	EA	2	2	2
3rd-class (meeting emission standards)	EA	0	0	0
Total	EA	3	2	2

Environmental Investment

Classification			Unit	2023	2024	2025
Environmental investment expenses[1]			KRW 1 million	266,740.6	2,120.1	657.1
Environmental R&D investment[2]			KRW 1 million	264,372.9	342.5	506.9
Repair and investment in environmental facilities	Factory (business sites)	Air Quality	KRW 1 million	398.5	9.9	0
		Water quality	KRW 1 million	439.6	86.7	0.2
		Operating costs for environmental facilities / Cost for resource recovery[3]	KRW 1 million	861.7	45.2	41
		Depreciation expense	KRW 1 million	0	0	0
		General administrative expenses	KRW 1 million	56.8	34.4	31.4
	Construction work[4]	Resource recovery and others	KRW 1 million	611.1	1,601.4	77.6
	Total		KRW 1 million	2,367.7	1,777.6	150.2

1) Environmental investment costs represent the combined amount of "environmental R&D investment" and "environmental facility repair and investment costs"
2) 2023 and 2024 data were corrected based on the combined amount of R&D expenses for new environmentally friendly materials and environmental business investment costs
3) Repair and maintenance costs for environmental facilities at each manufacturing plant, measurement fees, and environmental management system (ISO 14001) certification audit and renewal fees, etc.
4) Based on completed construction sites; corresponds to solar power generation facility construction costs (three sites in 2023: Ulsan Munsu-ro, Daegu Station W, and Beomeo W; five sites in 2024: Jukjeon District 3, Ulsan Deokha 1BL, Ulsan Deokha 2BL, Ulsan Yaeum, and Changwon Daewon; one site in 2025: Deogeun 6·7BL)

Purchase of Eco-Friendly Green Products

Classification	Unit	2023	2024	2025
Purchase amount of products made with recycled materials	KRW 1 million	451.2	248.4	1,957.9
Purchase amount of products with eco-labels[1]	KRW 1 million	21,926.6	17,295	8,661.6
Total eco-friendly purchasing performance	KRW 1 million	22,377.8	17,543.4	10,637.5
Total purchase amount	KRW 1 million	148,802.1	74,718.9	55,618.5
Eco-friendly purchasing ratio[2]	%	15	23.5	19.1

1) Data was corrected and reported due to a change in the calculation method (previously based on completed construction sites; changed to an annual purchase amount basis by allocating monthly purchase amounts by year)
2) 2023 and 2024 data in the previous year's report were corrected and reported due to errors in the total purchase amount applied

Eco-Friendly Revenue

Classification		Unit	2023	2024	2025
Revenue from eco-friendly products and services	Eco-friendly revenue[1]	KRW 1 million	122,769	96,642.8	99,723.8
	Ratio of eco-friendly revenue[2]	%	67.4	58.6	37.6

1) Calculated and reported only the sales amount of eco-certified products (Environmental Product Declaration and low-carbon certification)
2) As these are concrete products, the ratio was calculated based on revenue from the Concrete Division

Environmental Management Training

Classification	Unit	2024	2025
No. of employees who received environmental management training	Persons	3	1
Total no. of hours of environmental management training	Hours	52	28

Social Performance

Status of Executives and Employees

Classification			Unit	2023	2024	2025
Total no. of executives and employees[1]			Persons	701	548	378
By gender	Male		Persons	624	486	328
	Female		Persons	77	62	50
By age	Less than age 35 years		Persons	153	111	71
	Age between 35~50 years		Persons	328	270	205
	Over age 50 years		Persons	220	167	102
By employment type	Regular employees	Total	Persons	574	480	321
		Male	Persons	537	448	297
		Female	Persons	37	32	24
		Total	%	81.9	87.6	84.9
		Male	%	76.6	81.8	78.6
		Female	%	5.3	5.8	6.3
	Non-regular employees	Total	Persons	127	68	57
		Male	Persons	87	38	31
		Female	Persons	40	30	26
		Total	%	18.1	12.4	15.1
		Male	%	12.4	6.9	8.2
		Female	%	5.7	5.5	6.9
	Worker outside the company[2]		Persons	225	439	389
By position	Managers		Persons	249	215	201
	Non-managers		Persons	452	323	177
	Total		Persons	701	538	378
Employee diversity	National veteran employees		Persons	4	4	3
	Disabled		Persons	13	8	3
	Female employees		%	11	11.3	13.2
	Female managers		Persons	10	13	12

1) This list is compiled based on the total number of employees, including executives, and may differ from the employee count reported in the business report.
2) Based on the business report (contracted and dispatched on-site workers)

Average Years of Service

Classification			Unit	2023	2024	2025
Average years of service	Full-time employees	Regular workers	Months	102	112	99
		Unlimited contract workers	Months	66	61	68
		Short-term unlimited contract employees	Months	-	-	-

Recruitment

Classification		Unit	2023	2024	2025
Total no. of new recruitments		Persons	96	91	55
Gender	Male	Persons	95	52	38
	Female	Persons	1	39	17
By age	Less than age 35 years	Persons	33	21	10
	Age between 35~50 years	Persons	21	35	23
	Over age 50 years	Persons	42	35	22
Full-time employees (Regular workers)	High school graduates	Persons	33	0	0
	Youth employment	Persons	33	15	8
	Disabled	Persons	0	0	0
Regular employees (indefinite-term contract employees)		Persons	0	2	0

Turnover

Classification		Unit	2023	2024	2025
Total no. of employees turnovers		Persons	202	291	225
Turnover rate	Male	%	75.2	79.7	87.1
	Female	%	24.8	20.3	12.9
No. of employees turnovers	Male	Persons	152	232	196
	Female	Persons	50	59	29
By age	Less than age 35 years	Persons	61	74	26
	Age between 35~50 years	Persons	69	114	85
	Over age 50 years	Persons	72	103	114
	Total	Persons	202	291	225
No. of voluntary employee turnovers[1]		Persons	89	36	33
Rate of voluntary employee turnovers[2]		%	44.1	12.4	14.7

1) No. of voluntary employee turnovers: refers to employees who leave the company due to reasons such as voluntary resignation, job change, personal reasons, etc., excluding those retiring at retirement age.
2) (Voluntary employee turnover / Total no. of employee turnovers)*100

Social Performance

Remuneration of executives and employees

Classification		Unit	2023	2024	2025
Average salary of executives and employees	Male	KRW 1 million	79.7	71	76.7
	Female	KRW 1 million	49	52.3	59
The remuneration ratio of females compared to males		%	61.5	73.7	77

Evaluation of the performance

Classification	Unit	2023	2024	2025
Total no. of executives and employees subject to regular performance evaluation	Persons	407	272	263
Ratio of executives and employees subject to regular performance evaluation	%	58.1	49.6	69.6

Employee Training

Classification		Unit	2023	2024	2025
Total no. of training participants	Total	Persons	131	140	122
	Male	Persons	125	136	111
	Female	Persons	6	4	11
Total training hours[1]		Hours	3,814	6,280	3,172
Training time per employee	Total	Hours	29.1	44.9	26
	Male	Hours	30	45	26
	Female	Hours	19	40	26
Total training expenses		KRW 1 million	47	63	46
Training expenses per employee		KRW 1,000/Persons	365	450	380

1) Training hours excluding legally required company-wide training

Parental Leave

Classification		Unit	2023	2024	2025
Employees eligible for parental leave	Total	Persons	148	110	59
	Male	Persons	142	105	56
	Female	Persons	6	5	3
Employees utilizing parental leave	Total	Persons	3	4	2
	Male	Persons	1	2	2
	Female	Persons	2	2	0
Employees returning to work after parental leave	Total	Persons	1	3	1
	Male	Persons	0	1	1
	Female	Persons	1	2	0
Return rate after parental leave[1]	Male	%	0	0	50
	Female	%	100	100	0
No. of employees with service of 12 months after returning to work from parental leave	Total	Persons	2	1	1
	Male	Persons	0	0	1
	Female	Persons	2	1	0
Service maintenance rate for 12 months after returning[2]	Male	%	0	0	100
	Female	%	100	100	0

1) Return-to-work rate: (Number of employees who returned to work after parental leave during the relevant period / Number of employees whose parental leave ended during the relevant period) × 100
- 2023 and 2024 data in the previous year's report were corrected and reported due to data errors

2) Retention rate: (Number of employees who remained employed for at least 12 months after returning from parental leave / Number of employees who returned from parental leave in the previous year) × 100
- 2023 and 2024 data in the previous year's report were corrected and reported due to data errors

Labor Union

Classification	Unit	2023	2024	2025
No. of employees joining a labor union	Persons	55	50	-
Ratio of employees joining a labor union[1]	%	7.8	9.1	-
Ratio of employees to which collective agreement is applied	%	22.3	30.7	-
No. of times labor-management council and industrial safety and health meetings were held	Times	4	4	4

1) Applicable only to the Changnyeong Factory; no 2025 data due to suspension of operations in March 2025

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Supply Chain Shared Growth

Classification		Unit	2023	2024	2025
Total no. of partner companies[1]	Total	EA	1,077	897	909
	Architecture	EA	–	–	522
	Civil engineering	EA	–	–	57
	Facilities	EA	–	–	140
	Electrical	EA	–	–	116
	Common	EA	–	–	74
Partner safety and health competency assessment	No. of partners assessed	EA	183	173	86
Partner support	Financial support	KRW 1 million	7,396	35,565	33,828
Partner grievance and complaint handling rate		%	100	100	100

1) Based on suppliers registered in 2025; classification by industry is not available for 2023 and 2024

Patents

Classification	Unit	2023	2024	2025
Registration	Cases	43	50	51

Occupational Safety and Health

Classification		Unit	2023	2024	2025
Business sites certified for occupational safety and health management systems		EA	4	4	4
Ratio of Deaths per 10,000 Workers[1]		%	0	34.2	0
Industrial Accident Rate		%	0.4	0.4	0
No. of serious accidents[2]	Employees	Cases	1	0	0
	Partners	Cases	0	1	0
No. of injuries and illnesses	Total	Cases	42	18	6
	Employees	Cases	2	2	0
	Partners	Cases	40	16	6
No. of Fatalities at Worksites	Total	Persons	1	1	0
	Employees	Persons	1	0	0
	Partners[3]	Persons	0	1	0
No. of workers to whom the safety and health management system applies		Persons	546	380	198
Ratio of workers to whom the safety and health management system applies		%	77.9	69.3	52.4
No. of site-safety inspections conducted		Cases	290	115	316
No. of times per site		Times	34	34	37
No. of defective site discoveries		Cases	290	115	316
No. of employees completing the safety training	Safety and health managers	Persons	19	16	15
	Office employees at the head office/branches	Persons	193	194	244
	Each manufacturing plant and construction site	Persons	525	413	385
Ratio of regular employees among safety managers		%	78	82	93
Status of medical checkups utilization		Persons	343	292	240

1) 2024 data were corrected to reflect the latest inquiry results from the Korea Occupational Safety and Health Agency
2) 2024 data were corrected to reflect the latest inquiry results from the Korea Occupational Safety and Health Agency
– Fatality involving an employee of a subcontractor in the Daegu Nam-gu Housing Redevelopment Project
3) 2024 data were corrected to reflect the latest inquiry results from the Korea Occupational Safety and Health Agency

Social Performance

Human Rights Management

Classification		Unit	2023	2024	2025
No. of human rights training sessions for employees[1)]	Head office/ branches	Times	2	2	2
	Each manufacturing plant	Times	5	7	12
No. of participants in human rights training for employees	Head office/ branches	Persons	541	311	312
	Each manufacturing plant	Persons	194	186	66
No. of human rights-related grievances received		Cases	0	0	0
No. of human rights-related grievances handled		Cases	0	0	0

1) 2023 and 2024 data were corrected due to a change in the calculation criteria for head office/branch training programs

Social Contribution and Local Community Activities

Classification	Unit	2023	2024	2025
Total social contribution costs	KRW 1 million	1,442	1,525	1,005
No. of participants in employee volunteer activities	Persons	61	62	54
Volunteer hours per employee	Hours	3	5	7
No. of social contribution volunteer teams	EA	1	1	1
Employee participation rate in social contribution activities	%	17	20.7	19.1
Donation to local community[1)]	Times	35	53	81
Interviews with stakeholders in community	Times	15	14	15

1) The total number of community donations includes all contributions made by IS Dongseo headquarters and the foundation

Customer Satisfaction

Classification	Unit	2023	2024	2025
Customer satisfaction level assessment[1)]	Points	60	52	62
No. of customer personal data management complaints	Cases	0	0	0

1) Based on the customer satisfaction survey results at the bottom of the homepage

Personal Information Protection

Classification	Unit	2023	2024	2025
Ratio of investment in information security	%	5.9	4.5	5.9
No. of personal information leakage or infringement incidents	Cases	0	1	0
Information disclosure rate	%	100	100	100

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Governance Performance

Status of the Board of Directors

Classification			Unit	2023	2024	2025
Composition of the BOD	Total		Persons	11	7	7
	Inside directors	Total	Persons	5	3	2
		Male	Persons	5	3	2
		Female	Persons	0	0	0
	Outside directors	Total	Persons	6	4	5
		Male	Persons	5	3	4
		Female	Persons	1	1	1
BOD operations	No. of BOD meetings held		Times	15	15	16
	No. of audit committee meetings held		Times	6	8	9
	No. of agenda items		Cases	23	25	24
	BOD attendance rate[1)]		%	84	96.7	86.1
No. of outside directors whose attendance rates are less than 75%			Persons	2	1	2
No. of agenda items opposed or amended by outside directors at Board meetings			Cases	0	0	0
Notice period for convening the general shareholders' meeting			Days	15	15	15
Average tenure of board members			Months	36	36	36

1) 2024 data in the previous year's report were corrected and reported due to data errors

Board Compensation

Classification	Unit	2023	2024	2025
Total compensation of registered directors	KRW 1 million	2,260	1,594	1,093
Total compensation of outside directors	KRW 1 million	240	210	170

Enhancing Shareholders' Value

Classification		Unit	2023	2024	2025
Max. shareholder and related parties' shareholding ratio		%	54.9	55.9	55.9
Registered executives' shareholding ratio		%	0.26	0.02	0.03
Affiliated companies' shareholding ratio		%	11.3	11.3	11.3
Treasury shares buy-backs	No. of shares purchased	Shares	0	414,400	47,908
	Purchase amount	KRW 1 million	0	8,931	1,049
Treasury shares cancellation	No. of shares cancelled	Shares	0	705,630	0
	Cancellation amount	KRW 1 million	0	19,531	0
Treasury shares holding ratio		%	2.3	1.4	1.5

Governance Performance

Notification and Training on Ethical Management Policy

Classification	Unit	2023	2024	2025
No. of ethical management (Anti-corruption) training sessions[1)]	Times	1	1	1
No. of employees participating in ethical management training	Persons	486	338	340
Ratio of employees participating in ethical management training	%	69.3	61.7	62

1) Including Ethical-Management policy in Training

Risk Assessment on Anti Fair Trade Practices at Business Sites

Classification	Unit	2023	2024	2025
No. of business sites participating in the risk assessment on anti-fair trade practices[1)]	Sites	5	6	5
Ratio of business sites participating in the risk assessment on anti-fair trade practices	%	100	100	100

1) The Eumseong Factory is a business site of Young Poong Pile Co., Ltd., which was absorbed through merger in October 2024; audits have been conducted since Q4 2024, and the Seosan Factory was added (lease period ended: October 2024-October 2025)

Anti-Corruption

Classification	Unit	2023	2024	2025
No. of violations of code of ethics received and addressed	Cases	0	0	0
No. of conducting internal audit activities	Times	20	21	23
No. of corruption cases	Cases	0	0	0

Ethical Management Monitoring

Classification		Unit	2023	2024	2025
Monitoring status	Disciplinary cases for ethical management violations	Cases	0	0	0
	No. of complaints received	Cases	4	5	2
	No. of improvements and guidance implemented post-audit	Cases	0	0	0

Compliance with Laws and Regulations

Classification		Unit	2023	2024	2025
Environmental area	Number of sanctions	Cases	1	0	0
	Amount of sanctions	KRW 1 million	6.48	0	0
Monopoly regulation and fair trade	Number of sanctions	Cases	0	2	0
	Amount of sanctions	KRW 1 million	0	1,489	0
Anti-corruption and ethical management	Number of sanctions	Cases	0	0	0
	Amount of sanctions	KRW 1 million	0	0	0
Disclosure and capital market-related	Number of sanctions	Cases	0	0	1
	Amount of sanctions	KRW 1 million	0	0	0

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Statement of use	IS Dongseo reports the ESG performance and data for the period from January 1, 2025 to December 31, 2025 in compliance the reporting principles of the GRI Standards.
GRI used	GRI 1 : Foundation 2021
Applicable GRI Sector Standards	As of June 2026, when the Report is published, there are no relevant GRI Sector Standards applicable to the company.

Theme	Index	Details	Report location	Notes
GRI 2 : General Disclosures 2021	2-1	Organization details	7-9	
	2-2	Entities included in the Organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	-	Data and performance changes compared to the previous year are separately indicated through footnotes and annotations
	2-5	External verification	118-120	
	2-6	Activities, value chain, and other business relationships	7-16	In July 2024, the affiliate operating the Eumseong Factory was absorbed through a merger, and operations at the Changnyeong Factory were suspended in March 2025.
	2-7	Employees	106	
	2-8	Workers who are not employees	106	
	2-9	Governance structure and composition	7, 87, 89	Business report 313-314
	2-10	Nomination and selection of the highest governance body	87-90	
	2-11	Chair of the highest governance body	87	Reference to general policies in the Corporate Governance Report
	2-12	Role of the highest governance body in overseeing the management or impacts	20, 29, 87-89	Business report 313-315
	2-13	Delegation of responsibility for managing impacts	20, 29, 87-89	Business report 313-315, regulation of board of directors 12
	2-14	Role of the highest governance body in sustainability reporting	20, 29, 87-89	Business report 313-315, regulation of board of directors 12
	2-15	Conflict of interest	87	Reference to general policies in the Corporate Governance Report
	2-16	Communication of critical concerns	20, 29, 87-89	
	2-17	Collective knowledge of the highest governance body	88	
	2-18	Evaluation of the performance of the highest governance body	91	
	2-19	Remuneration policies	91	
	2-20	Process to determine remuneration	91	Business report 329-331
	2-21	Annual total compensation ratio	-	Confidential
	2-22	Statement on sustainable development strategy	5-16	

GRI Standards Index

Theme	Index	Details	Report location	Notes
GRI 2 : General Disclosures 2021	2-23	Policy commitments	30, 31, 51, 62, 65, 69, 73, 76, 79, 93	
	2-24	Embedding policy commitments	31, 34, 35, 43, 60, 66, 72, 75, 94	
	2-25	Processes to remediate negative impacts	35, 40, 53, 56, 63, 66, 70, 72, 78, 80, 95, 97	
	2-26	Mechanism for seeking advice and raising concerns	54, 72, 78, 94	
	2-27	Compliance with laws and regulations	111	Business report 343
	2-28	Membership associations	121	
	2-29	Approach to stakeholder engagement	22	
	2-30	Collective bargaining agreements	107	
GRI 3 : Material Topics 2021	3-1	Processes to determine material topics	24	
	3-2	List of material topics	25	

Material Issue 1: Practicing safety-first management and spreading the safety and health culture

Theme	Index	Details	Report location	Notes
GRI 3 : Material Topics 2021	3-3	Management of material topics	26	
GRI 403 : Occupational Health and Safety	403-1	Occupational health and safety management system	53, 58, 108	
	403-2	Hazard identification, risk assessment, and incident investigation	53-56	
	403-3	Occupational health services	61, 108	
	403-4	Worker participation, consultation, and communication on occupational health and safety	52, 54, 59	
	403-5	Worker training on occupational health and safety	60, 108	
	403-6	Promotion of worker health	61	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58-59	
	403-8	Workers covered by an occupational health and safety management system	108	
	403-9	Work-related injuries	108	
	403-10	Work-related ill health	108	

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Material Issue 2: Creation of economic value (growth in revenue and operating income, and entry into new markets)

Theme	Index	Details	Report location	Notes
GRI 3 : Material Topics 2021	3-3	Management of material topics	26	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	7, 101-102	
	201-3	Defined benefit plan obligations and other retirement plans	102	Business report 107-109
Non-GRI		Expansion of eco-friendly business portfolio	43-48	

Material Issue 3: Quality management and customer satisfaction enhancement

Theme	Index	Details	Report location	Notes
GRI 3 : Material Topics 2021	3-3	Management of material topics	26	
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	109	
Non-GRI		Competitiveness improvement through quality management	62-64	

Material Issue 4: Climate change response and carbon neutral activities

Theme	Index	Details	Report location	Notes
GRI 3 : Material Topics 2021	3-3	Management of material topics	26	
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	31-32, 101	
GRI 302: Energy	302-1	Energy consumption within the organization	103	
	302-3	Energy intensity	103	
	302-4	Reduction of energy consumption	103	
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	33, 103	
	305-2	Energy indirect (Scope 2) GHG emissions	33, 103	
	305-4	GHG emissions intensity	103	
	305-5	Reduction of GHG emissions	103	
	305-7	Nitrogen oxides (Nox), sulfur oxides (SOx), and other significant air emissions	104	

GRI Standards Index

Material Issue 5: Strengthening the environmental management system

Theme	Index	Details	Report location	Notes
GRI 3 : Material Topics 2021	3-3	Management of material topics	26	
GRI 301 : Raw material	301-1	Materials used by weight or volume	103	
GRI 303 : Water and Effluents	303-1	Interactions with water as a shared resource	34, 37	
	303-3	Water withdrawal	103	
	303-4	Water discharge	103	
	303-5	Water consumption	37, 103	
GRI 306 : Waste	306-3	Waste generated	104	
	306-4	Waste diverted from disposal	104	

Indexes Not Included in the Material Topics

Theme	Index	Details	Report location	Notes
GRI 101: Biodiversity	101-4	Identification of biodiversity impacts	40	
	101-5	Locations with biodiversity impacts	39	
GRI 203 : Indirect Economic Impacts	203-1	Infrastructure Investment and services supported	80-84, 102	
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	95, 111	
	205-2	Communication and training about anti-corruption policies and procedures	94-96, 111	
	205-3	Confirmed incidents of corruption and actions taken	111	
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	111	
GRI 401: Employment	401-1	New employee hires and employee turnover	106	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	77-78	
	401-3	Parental leave	107	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	107	
	404-2	Programs for upgrading employee skills and transition assistance programs	74-75	
	404-3	Percentage of employees receiving regular performance and career development reviews	107	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	87, 110	
	405-2	Ratio of basic salary and remuneration of women to men	107	

SASB Index

IS Dongseo discloses relevant information based on the industry-specific standards for 'Engineering & Construction Service' provided by the SASB (Sustainability Accounting Standards Board).

Topic	Code	Unit of measure	Metric	Explanation
Environmental Impacts of Project Development	IF-EN-160a.1	Quantitative	Number of incidents of non-compliance with environmental permits, standards, and regulations	As of the end of 2025, there were no violations of environmental laws and regulations.
	IF-EN-160a.2	Qualitative	Discussion of processes to assess and manage environmental risks associated with project design, siting and construction	IS Dongseo conducts environmental impact assessments before project commencement to systematically identify potential environmental impacts, and follows the pre-approval procedures required under relevant laws, regulations, and permitting processes. Before construction begins, the Company establishes an environmental management plan that reflects site-specific conditions and construction characteristics, and identifies mitigation measures by analyzing major environmental impacts in advance, including fugitive dust, noise, and waste. After construction begins, the Company conducts regular environmental monitoring and proactively manages environmental risks through environmental training and emergency drills for site personnel and partner companies.
Structural Integrity & Safety	IF-EN-250a.1	Quantitative	Amount of defect- and safety-related rework costs	As of the end of 2025, defect repair costs amounted to KRW 1,338,184 thousand on a consolidated basis, and are transparently disclosed through the Business Report.
	IF-EN-250a.2	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	As of the end of 2025 (Business Report), there were no fines related to defects or safety.
Workforce Health & Safety	IF-EN-320a.1	Quantitative	Total recordable incident rate (TRIR) and fatality rate for direct employees and contract employees	This indicator is disclosed on p.108 of this report.
Lifecycle Impacts of Buildings & Infrastructure	IF-EN-410a.1	Quantitative	Number of commissioned projects certified to a third-party multi-attribute sustainability standard and active projects seeking such certification	A total of 10 projects has obtained Green Building Certification.
	IF-EN-410a.2	Qualitative	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	IS Dongseo incorporates measures that consider operational-phase energy and water efficiency from the project planning and design stages. When designing residential and commercial facilities, the Company reflects elements that can reduce energy and resource consumption, such as the adoption of high-efficiency equipment, improvements in insulation performance, and the design of water recycling systems. At construction sites, the Company mandates the installation of LED lighting and occupancy sensors, and establishes energy efficiency standards for equipment such as tower cranes to manage the efficiency of site operations. In addition, environmental managers are assigned to each site to continuously inspect the operation of air and water pollution prevention facilities, while strengthening linkage management between eco-friendly design and construction.
Climate Impacts of Business Mix	IF-EN-410b.1	Quantitative	Amount of backlog for hydrocarbon-related projects and renewable energy projects	As of the end of 2025, there was no backlog for such projects.
	IF-EN-410b.2	Quantitative	Amount of backlog cancellations associated with hydrocarbon-related projects	As of the end of 2025, there were no cancelled projects related to this category.
	IF-EN-410b.3	Quantitative	Amount of backlog for non-energy projects associated with climate change mitigation	As of the end of 2025, there were no such projects awarded.
Business Ethics	IF-EN-510a.1	Quantitative	Number of active projects and backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	As of the end of 2025, there were no projects in countries ranked among the bottom 20 in the Corruption Perception Index.
	IF-EN-510a.2	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with charges of bribery or corruption and anti-competitive practices	As of the end of 2025 (Business Report), there were no fines related to bribery or corruption and anti-competitive practices.
	IF-EN-510a.3	Qualitative	Description of policies and practices for prevention of bribery and corruption, and anti-competitive behaviour in the project bidding processes	To fundamentally prevent anti-competitive practices in the bidding process, including improper solicitation, bribery, and collusion, IS Dongseo clearly defines relevant prohibitions through its Code of Ethics, Code of Conduct, and Conduct Guidelines, and regularly provides employees with training on ethical management and fair trade.
Activity Metrics	IF-EN-000.A	Quantitative	Number of active projects	As of the end of 2025, six projects were underway. (Construction Division)
	IF-EN-000.B	Quantitative	Number of commissioned projects	As of the end of 2025, two projects were completed during the year. (Construction Division)
	IF-EN-000.C	Quantitative	Total backlog	As of the end of 2025, total backlog was KRW 2,338.7 billion. (Construction Division)

TCFD Index

IS Dongseo is continuously working to diligently implement the 11 recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The related activities and outcomes are transparently disclosed in the 'Climate Change Response' section of the Sustainability Management Report.

TCFD Recommendations	Disclosure Items	Reporting position
Governance	a) Describe the board's activities regarding climate-related risks and opportunities.	29
	b) Explain the role of management in assessing and managing climate-related risks and opportunities.	29
Strategy	a) Describe short-medium-and long-term climate-related risks and opportunities.	31-32
	b) Explain how climate-related risks and opportunities impact the organization's business, strategy, and financial planning.	31-32
	c) Discuss strategies considering various climate scenarios, including those below 2°C warming scenarios.	31
Risk Management	a) Describe the processes for identifying and assessing climate-related risks.	32
	b) Explain the processes for managing these risks.	32
	c) Describe how processes for identifying, assessing, and managing climate risks are integrated into the organization's overall risk management system.	32
Metrics and Targets	a) Disclose the metrics used to assess climate-related risks and opportunities.	33
	b) Disclose greenhouse gas emission data, including Scope 1, Scope 2, and Scope 3 emissions, as well as related reduction targets.	33, 103
	c) Set targets to manage climate-related risks, opportunities, and performance.	33

Independent Assurance Opinion Statement

To the Stakeholders of IS Dongseo

Overview

Korea Compliance Initiative (hereinafter the "Assurer") was requested by IS Dongseo (hereinafter the "Issuer") to conduct third-party assurance of the "2026 IS Dongseo Sustainability Report" (hereinafter the "Report") and hereby submits this assurance opinion statement. The Issuer is responsible for the information described in this Report, and the Assurer's responsibility is to provide the Issuer with an independent assurance opinion in accordance with the stated assurance methodology. The Assurer does not have any relationship with the Issuer that could impair its independence.

Assurance Criteria, Scope and Level

This assurance was conducted at a Moderate Level in accordance with the AA1000 AS (2020) assurance standard, and was performed in accordance with the four principles of inclusivity, materiality, responsiveness, and impact set out in AA1000 AP v3 (2018), as well as the Type 2 assurance engagement under AA1000 AS (2018). It was also confirmed that the Report conforms with GRI Standards (2021) GRI 1 Foundation, the standard for preparing sustainability reports. The scope of assurance covers the activities and performance of the Issuer's head office and domestic business sites (construction work, Icheon Factory, Cheongyang Factory, Changnyeong Factory, and Eumseong Factory). Information on activities and performance relating to third parties, including the Issuer's partners and contractors, was excluded from the scope of assurance.

Limitations

The Assurer verified the information in this Report in accordance with the "Assurance Criteria, Scope and Level." Financial information is audited data, and social, environmental, and governance activities and performance were verified through the Business Report, interviews with responsible and relevant departments, and written information. This assurance opinion statement has been issued for management in accordance with the contract with the Issuer, and the Issuer is ultimately responsible for all activity and performance information approved by the Issuer and included in the Report.

Assurance Methodology

The Assurer complied with Korea Compliance Advancement Institute assurance standards and performed the following assurance activities in accordance with the methodology to enhance the quality of the Report.

• Compliance Status with the requirements of GRI 1: Foundation under the GRI Standards (2021)

Requirement	Compliance Status
Status of implementation of the principles for information and quality based on the GRI Standards	○
Adequacy of the materiality assessment process and the issues identified based on the results	○
Key disclosures related to material issues, including management approach, activities, performance, monitoring, and targets	○
Appropriateness of the activities and performance reported in the report for 2025	○
Data collection process, generation, management, and accuracy	○

Assurance Conclusions

The Assurer confirmed that the Issuer's Report does not contain any inappropriate or inaccurate descriptions of sustainability management activities and performance. The Assurer also reviewed conformity with the GRI Standards, as well as the level of application for General Disclosures, Material Topics, Topic Standards, Economic Performance, Environmental Performance, and Social Performance.

• GRI Standards 2021 reporting principles
• Universal Standards
• Material Topics
• Topic Standards
101-4~5, 201-1~3, 203-1, 205-1~3, 206-1, 301-1, 302-1, 302-3~4, 303-1, 303-3~5, 305-1~2, 305-4~5, 305-7, 306-3~4., 401-1~3, 403-1~10, 404-1~3, 405-1, 405-1~2, 418-1

Independent Assurance Opinion Statement

• Inclusivity: Stakeholder impact opinions and encouragement of participation

IS Dongseo complies with the principle of inclusivity by classifying employees, partners, customers, investors, local communities, media, and government agencies as stakeholders, and disclosing stakeholder communication channels, measures to facilitate communication, and key performance. In particular, the Company demonstrates proactive communication efforts with stakeholders through measures to facilitate communication by stakeholder group.

• Materiality: Identification and prioritization of important sustainability topics

The Assurer confirmed that IS Dongseo selected important issues and core issues through the issue materiality assessment and appropriately described them in the Report. The Company reflected issues through media analysis, initiative review, and benchmarking, and presents related activities and performance for the selected issues in this Report.

• Responsiveness: Transparent disclosure of and appropriate response to important sustainability issues and impacts

The Assurer confirmed that IS Dongseo appropriately describes in the Report the implementation of relevant activities and the creation of performance to identify material sustainability issues and respond to stakeholder needs and expectations. In addition, the Company presents stakeholders' main interests in the issues by describing the importance of issues by ESG area, and expresses its commitment to response by presenting the organization's approach to each issue.

• Impact: Identification, recognition, and management of ecosystem impacts resulting from the organization's activities

IS Dongseo defines the scope of stakeholder impact for each issue, identifies the impacts of the organization on society and of society on the organization, and presents efforts to improve them. The Assurer confirmed that the Company presents the scope of impacts by defining the reporting boundary, while making efforts to mitigate risk factors through monitoring by issue.

AA1000
Licensed Report
000-503/V3-7X5RJ

Reliability of Performance Data

Data related to GRI Topic Standards included in the Report were reviewed under the Type 2 assurance engagement, and their reliability and accuracy were confirmed through sampling, interviews, and internal control checks. No intentional distortion or errors were identified, and the reporting organization manages performance information transparently.

• Topic Standards

201-2, 401-1, 401-3, 403-1~10

Recommendations

If the Company provides more specific explanations of the linkage between its ESG strategy and strategic decision-making, targets and performance indicators, and risk response plans for each material issue, stakeholders will be able to more clearly recognize that ESG activities are being substantively reflected in the corporate strategy.

If the Company analyzes and discloses the financial impacts of climate change risks for strategic risk response, it will be able to more clearly define the scale of risks and the priority of responses.

June 11, 2026

Lee Yong-ki, President

Korea Compliance Initiative

KCI 한국준법진흥원 KOREA COMPLIANCE INITIATIVE

Awards and Memberships

Awards

Date	Awards Received
Dec. 2025	Won Grand Prize in the Mid-sized Enterprise Category at the 2025 Web Award Korea
Dec. 2025	Won a recognition plaque as 'CSR in the Community 2025'
Jun. 2025	Won a commendation from the Minister of Land, Infrastructure and Transport at the '2025 National Meritorious Persons' Housing Condition Improvement Project Completion Ceremony'
Feb. 2025	Won the Minister's prize of Ministry of Gender Equality and Family in family love and social contribution division at 'The 15th Happiness Plus Social Contribution Awards'
Jun. 2024	Won a commendation from the Minister of Patriots and Veterans Affairs at the '2024 National Meritorious Persons' Housing Condition Improvement Project Completion Ceremony'
May 2024	Selected as XBRL excellent financial disclosure corporation and won a letter of appreciation from the Financial Supervisory Service
Jul. 2023	Won the Excellence prize in the Mid-sized Construction division at 'The 27nd Livable Apartment Contest by Maeil Business News'
Feb. 2023	Won the Minister's prize of Ministry of Environment in environment love contribution division at 'The 13th Happiness Plus Social Contribution Awards'
Dec. 2022	Won the Grand Prize in the social contribution category at the "8th HDI Human Management Awards"
Jul. 2022	IS Group received an award from the Minister of Foreign Affairs & Trade at the 16th National Sustainability Management Conference (SDGs Division)
Jun. 2022	Won the Ministry's Plaque of Appreciation of Patriots and Veterans Affairs at 'Commemorative Event for Completion of Residential Condition Improvement Projects for Men of National Merit 2022'
Nov. 2021	Won the Deputy Prime Minister and Minister's prize of Strategy and Finance in ESG Management division at 'SRMQ Convention 2021'
Jul. 2021	Won the Minister's prize of Ministry of Land, Infrastructure and Transport in Mid-sized Construction division at 'The 25th Livable Apartment Contest by Maeil Business News'
Jul. 2021	Won the Grand Prize in the residential improvement category at the "2021 Green Construction Industry Awards"
Feb. 2021	Won the Grand prize in the Urban regeneration division at 'Green Construction Industry Awards 2021'
Nov. 2020	Won the Deputy Prime Minister and Minister's prize of Strategy and Finance in CEO division at 'SRMQ Convention 2020'
Nov. 2020	Won the Chairman's prize of Community Chest of Korea at 'Hope 2020 Helping Neighbors Award Ceremony'
Oct. 2020	Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in Non-Residential division at 'Green Construction Industry Awards 2020'
Jul. 2019	Won the Minister's prize of Ministry of Land, Infrastructure, and Transport in the Residential division at 'Green Construction Industry Awards 2019'
Oct. 2018	Won the Police commissioner's prize in Corporate Social Contribution division at 'The 3rd Korea Crime Prevention Awards'
Jul. 2018	Won the Excellence prize in High-rise Apartment Building division at 'The 22nd Livable Apartment Contest by Maeil Business
Jul. 2018	Won the Grand prize in first half at 'Housing Culture Awards 2018 by Korea Economic Daily News'
Jul. 2018	Won the Grand prize in Residential Complex division at 'Green Construction Industry Awards 2018'
Feb. 2018	Won the Minister's prize of Ministry of Trade, Industry and Energy in Shared Value Creation Social Contribution division at 'The 8th Happiness Plus Social Contribution Awards'
Dec. 2016	Won the Excellence prize in Residential Architecture division at 'The 12th Civil engineering Architecture Awards'
Jul. 2015	Selected at the 2nd Rank in the Construction Division of Value Creation Enterprises of the World by Boston Consulting Group(BCG) Evaluation
Jul. 2006	Won the Excellence prize in Mid-sized Construction division at 'The 10th Livable Apartment Contest by Maeil Business News'
Jun. 2006	Won the Grand prize in the Construction division at the Friendly Environmental Management Awards 2006
Sep. 2005	Won the Grand prize in Eco-Friendly Category at 'Korea Master Apartment Awards 2005'
Jul. 2005	Won the prize of Grand prize in Construction division at 'Friendly Environmental Management Awards 2005'

Status of Major Memberships and Associations

Classification	Membership Status
Associations	Construction Association of Korea
	Korea Fire Facility Association
	Korea Infrastructures & Communication Contractors Association
	Korea Housing Builders Association
	International Contractors Association of Korea
	Korea Construction Engineers Association
	Korea PHC Pile Association
	The Korean Society for Composite Materials
Academic Societies	Architectural Institute of Korea
	Korea Concrete Institute, Korea
	Institute for Structural Maintenance & Inspection
	Korean Recycled Construction Resources Institute
	Korean Society for Composite Materials
	Korea Society of Steel Construction
	Korean Association for Spatial Structures
	Computational Structure Engineering Institute of Korea
Others	Holt Children's Services
	ChildFund Korea "Hall of Fame"
	Community Chest of Korea "Prestigious Enterprise of Sharing

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