

2024 DAEWOO E&C SUSTAINABILITY REPORT



ABOUT THIS REPORT

Daewoo E&C published its 13th Sustainability Report in 2024 to transparently and actively communicate the economic, social, and environmental values and achievements created through business activities with various stakeholders.



COVER STORY

Daewoo E&C's symbol, "D," is arranged into two symmetrical images. The left side features an illustration design related to global business, while the right side incorporates images of Daewoo E&C's headquarters, construction sites, and forests, highlighting the company's commitment to ESG management.

Reporting Standards

This report was prepared in accordance with the 2021 revision of the GRI (Global Reporting Initiative) Standards and comprehensively incorporates reporting standards suggested by global sustainability standards and initiatives such as the UN SDGs, SASB (Sustainability Accounting Standards Board), TCFD (Task Force on Climate-related Financial Disclosures), and ISSB (International Sustainability Standards Board). Financial information was prepared based on the Korean International Financial Reporting Standards (K-IFRS).

Reporting Period

This report primarily covers the activities and achievements from January 1, 2023, to December 31, 2023. It also includes some information from before January 1, 2023, and the first half of 2024 if it is deemed significant for stakeholders' decision-making. Quantitative data of performance for the past three years are provided as a standard. The reporting cycle of the Sustainability Report is one year.

Reporting Scope

- Financial reporting: Based on separate and consolidated financial statements prepared in accordance with Korean International Financial Reporting Standards (K-IFRS) (Subsidiaries of Daewoo E&C: 22 subsidiaries, including 7 major domestic subsidiaries such as Songdo Hotel)
- Non-financial reporting: All domestic and overseas business sites, including the headquarters, domestic and overseas construction sites, and overseas subsidiaries and branches (Some activities and achievements include data from domestic subsidiaries and overseas business sites. Any differences in reporting scope and boundaries are noted with annotations or described in the relevant sections.)

Report Credibility

This report has been verified by BSI Group Korea, an independent external verification agency, in order to secure the reliability of the report contents. The Verification Statement can be founded on page 141 and 142.

Information on Daewoo E&C's Management Status through Website

Daewoo E&C discloses information on management status through its website for internal and external stakeholders, including investors. Information on our sustainability management can also be accessed through various channels, including our website.

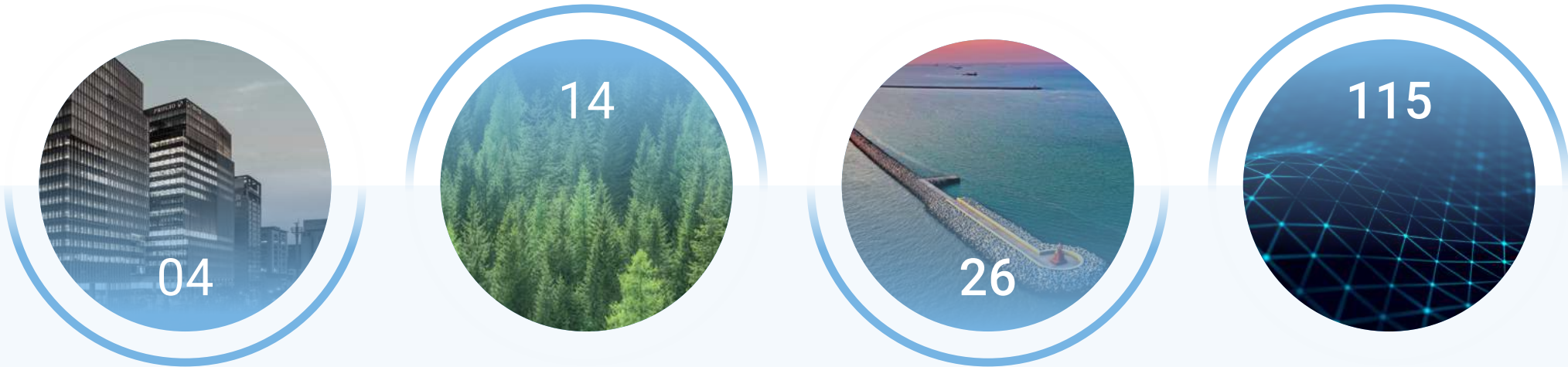
 [Corporate Website](#)  [Business Report](#)  [Corporate Governance Report](#)

Inquiries

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CONTENTS



INTRO

CEO MESSAGE	04
COMPANY OVERVIEW	05
GLOBAL NETWORK	07
VISION & MISSION	08
BIZ PORTFOLIO	09

SUSTAINABILITY APPROACH

Chief Sustainability officer MESSAGE	15
ESG Governance	17
ESG Strategy	20
Key Metrics and Targets by ESG Sector	21
Stakeholder Engagement	22
Double Materiality Assessment	23
Management of Materiality Topics	25

SUSTAINABILITY PERFORMANCE

Response to Climate Change	27
Environmental Management	36
Eco-friendly Construction	46
Health and Safety Management	53
Human Resources/Human Rights Management	63
Customer Satisfaction and Quality Management	74
Supply Chain Management/Social Contribution Activities	86
Governance	95
Ethical Management and Compliance	102
Integrated Risk Management	108
Information Security and Personal information Protection	113

APPENDIX

Economic Performance	116
Environmental Performance	117
Social Performance	122
Governance Performance	130
ESG Management Policies	133
GRI Contents Index	134
SASB Contents Index	138
TCFD Contents Index	139
Greenhouse Gas Verification	140
Third-Party Verification	141
Awards	143
Memberships	144

CEO MESSAGE



“

In 2023, Daewoo E&C celebrates its 50th anniversary, having realized our customers' dreams with advanced technology, constant challenges, and responsible management. ”

Dear our valued stakeholders,

Spearheading at the history of Korean construction for the past 50 years, Daewoo E&C has been realizing customers' dreams with value based on the top technology and quality. Daewoo E&C, as we celebrate the 50th anniversary in 2023, has grown into Korea's No. 1 construction company with KRW 13.2 trillion in orders and KRW 11.6 trillion in sales at home and abroad as a result of its continuous growth strategy and stable management.

Daewoo E&C has set a new standard for residential culture through its premium apartment brand 'PRUGIO' contributing to stabilizing the national housing by supplying 15,540 units in 2023 despite the slowing real estate market. We are also leading the way in renewable energy sector for sustainable growth of humanity with our competitive technology. We draw upon our extensive experience in designing and constructing power plants in many fields such as nuclear power, onshore and offshore wind farm, and hydropower plants. Daewoo E&C has emerged as a leader in the global construction market, from infrastructure construction, mainly roads, ports, railways and bridges, to EPC for petrochemical plants and industrial facilities, to complex, state-of-the-art skyscrapers.

Meanwhile, the worsening global geopolitical crisis, surging commodity prices, and a slowdown in the domestic construction industry are adding to the uncertainty within the business environment. This requires us to practice differentiated sustainability management, including strengthening the enterprise-wide risk management system and diversifying business portfolio with a focus on eco-friendly/new technologies.

Amid those challenges, Daewoo E&C continues to expand its value chain by investing in offshore wind power generation, hydrogen business, resource recycling business, and life care. We embrace for changes in the industry paradigm through digital transformation by internally expanding the adoption of RPA (Robotic Process Automation) on-site packages and developing DX services, etc. Also, in our aggressive response to changes in the business management environment centered on eco-friendly and carbon neutrality, we launched the ESG Committee, set the greenhouse gas reduction targets, and created mid-to long-term roadmaps, etc.

Daewoo E&C promises to deliver new opportunities beyond construction by meticulously preparing for the creation of paramount corporate value and a better life for humans. To this end, we will engage not only in cutting-edge R&D of advanced technologies and leveraging state-of-the-art ICT, but also proactively explore uncharted business domains and cultivate a global talent pool to usher in a new era.

We would like to extend our deepest gratitude to our stakeholders for their support and encouragement in our efforts. As a company guided by the vision of bringing customers' dream into real life and providing a better quality of life to people in the globe, we will remain steadfast in our commitment to implementing ESG management.

Thank you.

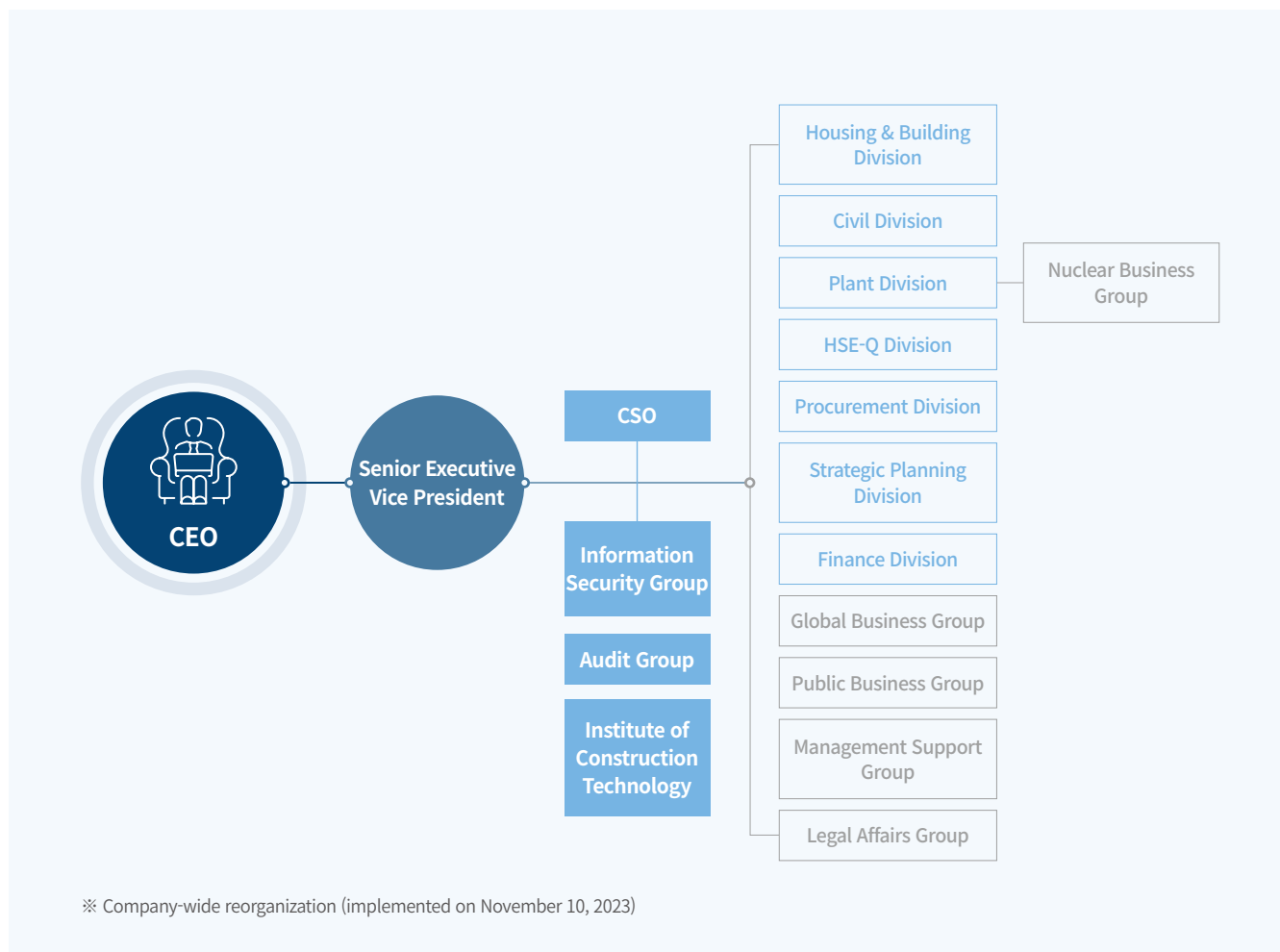
President & CEO of Daewoo E&C **Jung-wan Baek**

COMPANY OVERVIEW _ GENERAL INFORMATION

Since its establishment in 1973, Daewoo E&C has built a history of trust based on top-notch technologies and creative passion. By pioneering in challenging environments around the world, Daewoo E&C has enhanced the value of lands and served as the foundation for industries contributing to a prosperous life for humanity. To create a sustainable future, Daewoo E&C will continue to develop innovative technologies that transform the world and take a new leap forward.

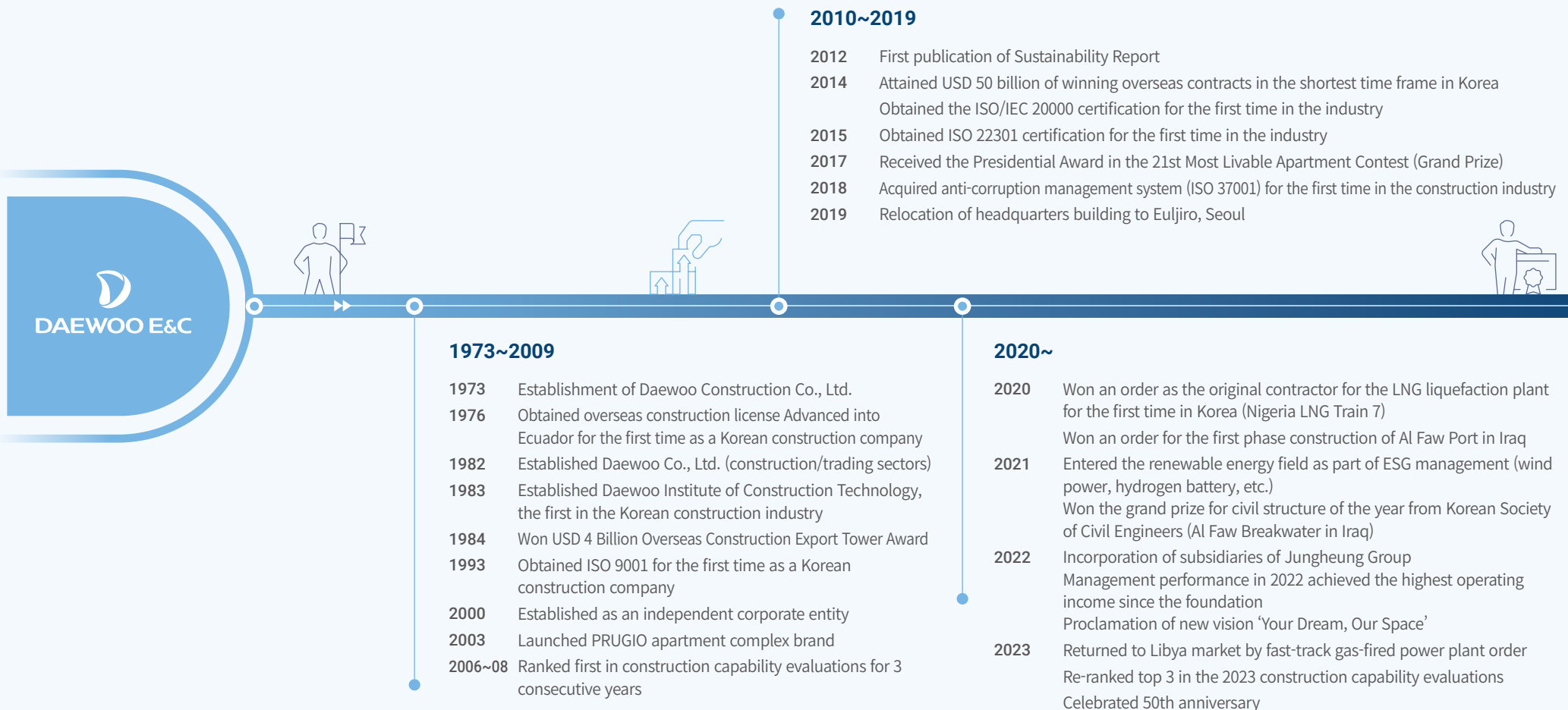
General Status and Financial Performance (As of 2023. 12.31)

Company Name	Daewoo Engineering & Construction Co., Ltd.
Foundation	November 1, 1973
CEO	Jung-wan Baek
Headquarters	170, Eulji-ro, Jung-gu, Seoul
Major Shareholder	Jungheung Engineering & Construction Co., Ltd. (40.60%) JungHeung Construction Co., Ltd. (10.15%)
Number of Employees	5,923 persons
Website	www.daewooenc.com
Sales	KRW 11,647.8 billion
Operating profits	KRW 662.5 billion
Net income	KRW 521.4 billion
Company Name	KRW 11,243.1 billion
Company Name	KRW 7,181.2 billion
Company Name	KRW 4,061.9 billion
Company Name	A (Rated by NICE Investors Service and Korea Ratings)



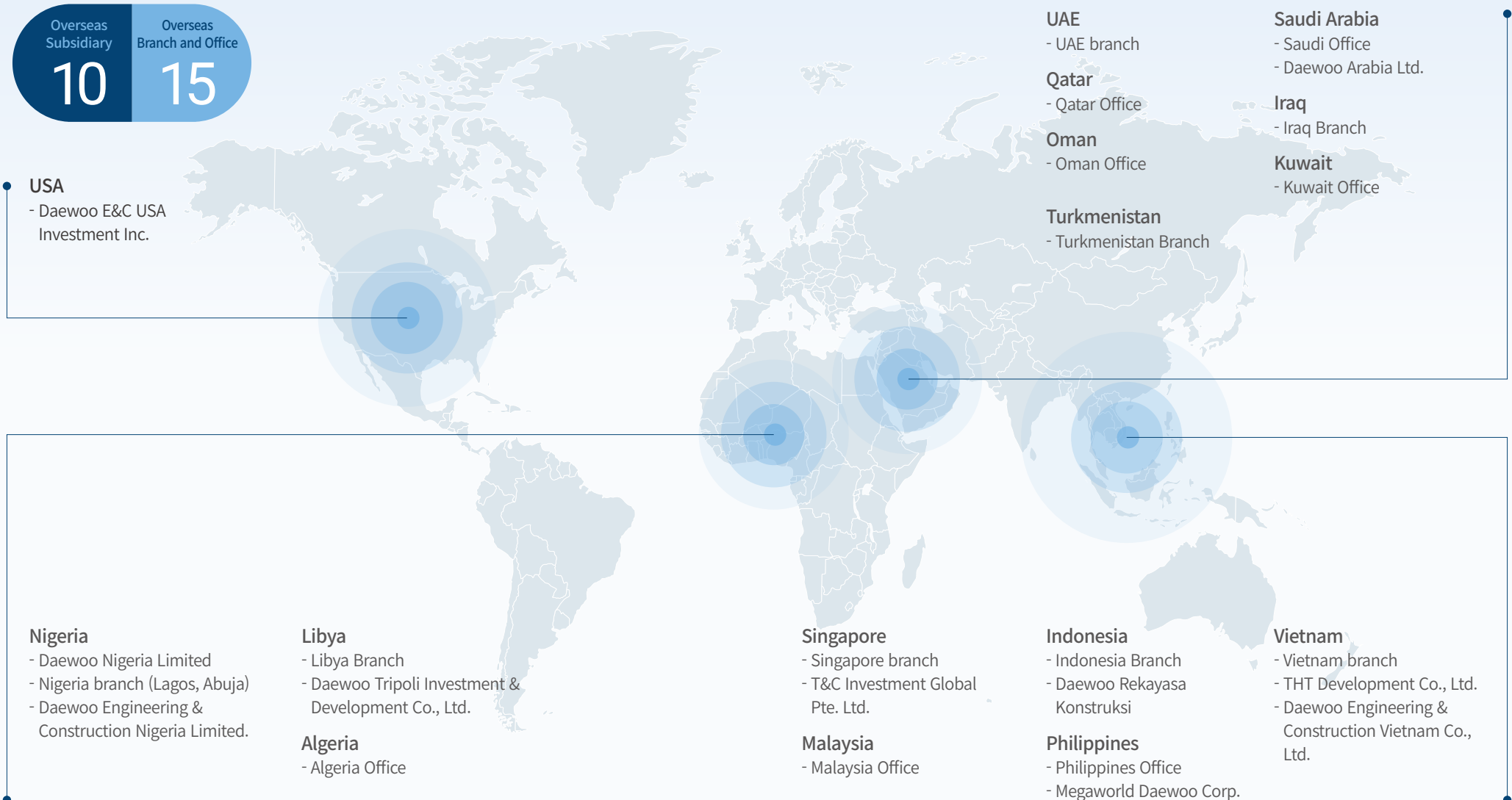
COMPANY OVERVIEW _ HISTORY

Half a century of building Korea's dreams and hopes! We introduce our 50-year history towards becoming the world's top construction company. Daewoo E&C is moving forward into the future with these milestones as a steppingstone. Armed with innovation and challenging spirit, Daewoo E&C will write a new history on the global stage, achieving even greater leaps.



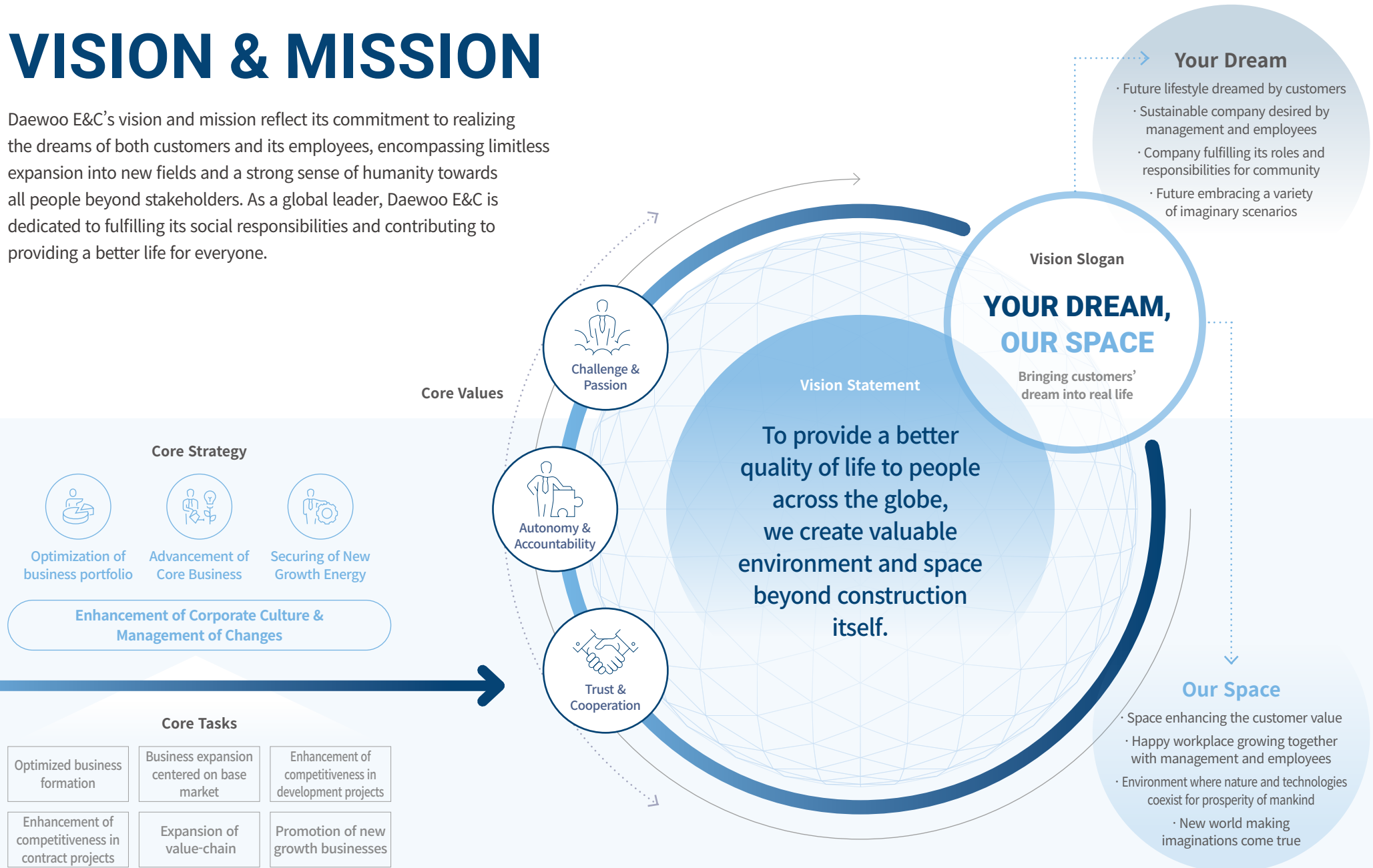
GLOBAL NETWORK

Daewoo E&C is operating a global network based on 10 overseas subsidiaries and 15 overseas branches and offices. Leveraging this network, the company provides top-tier construction technologies and services to clients worldwide, strengthening its dominance in the global market.



VISION & MISSION

Daewoo E&C's vision and mission reflect its commitment to realizing the dreams of both customers and its employees, encompassing limitless expansion into new fields and a strong sense of humanity towards all people beyond stakeholders. As a global leader, Daewoo E&C is dedicated to fulfilling its social responsibilities and contributing to providing a better life for everyone.



BIZ PORTFOLIO _

Civil

2023 Highlight



KCI Design Awards at 2023 KIBSE

(Korean Institute of Bridge and Structural Engineers)

Outstanding Structure Awards

Mumbai Trans Harbor Link India



New Orders in Korea

Great Train Express B Line (GTX-B line), Icheon Majang Logistics Complex, Yongin Eunhwasam District, etc.



Won the “Best Project In Safety Award” from ASSOCHAM, India

Mumbai Trans Harbor Link India

Business Vision

Business Areas | Roads, bridges, ports, railways, subways, water resources, environment, renewable energy, etc.

Civil engineering is an industry directly and indirectly contributing to production activities in other industries by constructing infrastructures through national land development as well as supporting economic growth by the creation of added values such as production and employment. Daewoo E&C is expanding its business domains in Korea and beyond, advancing into Asia, the Middle East, and Africa with its advanced civil engineering technology and construction capabilities.

Daewoo E&C is leading the market by being recognized domestically and internationally for its cutting-edge technologies. Mumbai Trans Harbor Link Pkg2 (Marine Bridge) in India a six-lane bridge crossing the sea with a total length of 7.8 kilometers, won the silver award at the, ‘2023 KIBSE Outstanding Structure Awards’. The Asan-Cheonan Expressway, opened in September 2023, has revitalized the trade in the nation’s western sea and coastal ports, and industrial belt axis, as well as improved the local economy. In addition, we have entered the renewable energy market by securing capabilities to develop offshore wind power projects. We plan to carve out markets of domestic and overseas environmental business by making proposals to modernize old sewage treatment plants.

Plans for new growth business promotion (leading the offshore wind power business)

Leader in the offshore wind industry				
	2024	2025	2026	2027
EPC Competency	Securing design and construction expertise * Lessons learned through site operation, secured the industry’s best technologies	1 st Site Operation for Yeongwol Wind Power Plant		Utilization of offshore wind power EPC performance Expansion of self-developed business and equity participation business
Business Development by Networking	Networking and project preparation * Coordination of business promotion timing through networking home and abroad / * Full-fledged development of self-developed business, business expansion	Large-scale in-house business development and business expansion		
Employee Competency Development	Specialized training for wind power & nurturing talent * Cultivation of wind power experts internally, recruitment of external wind power experts / * Securing talents with experiences in the complete cycle of business → construction → completion	Building a manpower pool of wind power experts		

BIZ PORTFOLIO _

Housing & Building

2023 Highlight



KRW 7,205.1 billion in housing & building sector

Record-high performance since the founding



Over KRW 1,300 billion

in subcontracting for two years in a row
(Continuous effort for profitability increase)



PRUGIO won the world's top design awards

(Red Dot Design Award, IDEA Design Award, iF Design Award)

Business Vision

Business Areas | Apartments, residential-commercial complexes, officetels, non-residential facilities (commercial facilities, office buildings and etc.)

In 2023, Daewoo E&C's Housing and Building Business Division achieved KRW 8.406 trillion in orders and KRW 7.205 trillion in sales despite the slowing property market, supplying 15,540 households nationwide. We were able to demonstrate our development capabilities in various domains including offices, data centers, and logistics centers in addition to residential facilities, our main product. We were also selected as the preferred bidder in a number of public-private partnerships, confirming our competitiveness to win orders. Looking ahead, we anticipate sustained growth in the urban maintenance project by securing construction rights for landmark locations in Seoul and the Seoul metropolitan area.

Housing construction business is sensitive to economic fluctuations and the client's investment demand, and is highly impacted by political and economic variables. To cope with these uncertainties, we will seek stable growth through robust management centered on winning orders for blue-chip projects and managing unsold property/occupancy risks and liquidity. Furthermore, we will diligently pursue technological advancements to develop and apply technologies to position ourselves as leaders in cutting-edge construction methods and technologies.

Leading cutting-edge construction methods and technologies

	2024	2025	2026	2027	2028
OSC ¹⁾ development and expansion application	<ul style="list-style-type: none"> Establish steel modular application condition and construction technology Apply ALL PC to parking lots and expand PC use rate 	<ul style="list-style-type: none"> Internalize steel modular technology Maximize and improve parking lot PC usage rate 	<ul style="list-style-type: none"> Advance technology and secure modular housing technology Expand and stabilize parking lot PC 		
	<ul style="list-style-type: none"> Improve hybrid PC technology and review usage rate 	<ul style="list-style-type: none"> Apply underground exterior wall PC to pilot site Improve coupling methods and research on weight lightening 	<ul style="list-style-type: none"> Technology advancement and design standardization 		
	<ul style="list-style-type: none"> Develop new floor plane for rooftop and apartment houses to apply PC Rahmen design and build a mock-up 		<ul style="list-style-type: none"> Plane design optimization and technology development, pilot application 	<ul style="list-style-type: none"> Design subsidiary-linked commercialization and housing product modeling 	
BIM-based digital transformation	<ul style="list-style-type: none"> Calculate quantity to be executed and review design, accumulate field support data 		<ul style="list-style-type: none"> Database-based cost prediction, design optimization, field application 	<ul style="list-style-type: none"> Full-scale application of BIM 	
Interfloor noise reduction technology	<ul style="list-style-type: none"> Development of new high-performance floor structure 	<ul style="list-style-type: none"> Selection of pilot site and trial application of new high-performance floor structure 			<ul style="list-style-type: none"> Expanded application of new high-performance floor structures

1) OSC (Off-Site Construction) : As a construction method producing major construction materials at the plant and transporting them to the site for assembly/installation, the method is an advanced construction method not only securing uniform quality but also increasing productivity, shortening the construction period and reducing the risk of safety accidents.

BIZ PORTFOLIO _

Plants



2023 Highlight



Achieved 30 million hours

Accident-free construction for NLNG T7
ONSHORE project in Nigeria



Achieved Zero LTIR
(Lost Time Injury Rate)

in overseas sites



Secured new orders from
overseas market

Fast Track Power Plant PJ in Libya and
Indorama fertilizer plant unit 3 and
Kaduna Refinery Quick Fix PJ in Nigeria, etc.

Business Vision

Business Areas | Oil & gas, petrochemical, combined cycle power generation, nuclear power generation and related businesses, renewable energy, industrial facilities, etc.

In 2023, Daewoo E&C delivered remarkable results, with orders of KRW 2.457 trillion and sales of KRW 1.620 trillion in the plants business despite declining economic growth amid global economic uncertainties such as the war in Ukraine and the financial crisis.

Daewoo E&C is promoting new and renewable energy projects such as onshore and offshore wind power generation and fuel cell generation, and BESS¹⁾, and Blue Hydrogen·Ammonia (CCUS) / Green Hydrogen·Ammonia / SMR²⁾ business models and discovering new projects to keep pace with the global carbon-neutrality policy. Furthermore, in the existing plant market, we are expanding and strengthening our dominance in the domestic market by designing and supplying critical equipment for several natural gas combined cycle/cogeneration power plants. Daewoo E&C will continue winning orders with our existing businesses, focusing on major African countries such as Nigeria and Libya, focusing on development of new markets and orders in Southeast Asia and Central Asia.

1) BESS : Battery Energy Storage System 2) SMR : Smaller Modular Reactor

Roadmap for new business promotion

Daewoo E&C selectively pursues promising and profitable renewable energy projects based on thorough analysis. The company adopts a business strategy as an EPC & Developer, taking on the role of a construction investor to fully leverage its capabilities.

	Short-term	Mid-term	Long-term
Onshore & offshore wind power	<ul style="list-style-type: none"> 1. Securing business rights and participation structures to enter the market 2. Securing project performance as a top priority 	<ul style="list-style-type: none"> 1. Promotion of connection through expansion of existing business 2. Actively pursue development projects as a developer 	<div>Aiming as a Green Energy Developer leading the combined hydrogen and ammonia complex business market</div>
Fuel cell, BESS	<ul style="list-style-type: none"> - Implementation of self-developed projects - Participation in public-led wind power project development 	<ul style="list-style-type: none"> - Securing major wind power business development performance - Pioneering overseas wind power projects focusing on key markets such as Southeast Asia and Africa 	
Hydrogen, ammonia	<ul style="list-style-type: none"> - Fuel cell: Commercialization by participating in government-led hydrogen power project bidding (20-year operation) - BESS: Commercialization by participating in the government's long-term BESS bidding (15-year operation) 	<ul style="list-style-type: none"> - Strengthening operational performance and investees' management capabilities by securing long-term stable profits - Expansion of discovering new business sites through collaboration with local governments 	
SMR	<ul style="list-style-type: none"> - Securing performance by promoting demonstration projects with domestic public enterprises - Participating in large-scale overseas projects led by domestic public enterprises - Securing large-scale blue ammonia business performance 	<ul style="list-style-type: none"> - Early entry into the domestic clean hydrogen power generation power market - Expanding participation in overseas green hydrogen projects 	
	<ul style="list-style-type: none"> - Participation in KHNP's innovative SMR development project - Participation in the next-generation nuclear reactor national project with the Korea Atomic Energy Research Institute 	<ul style="list-style-type: none"> - Expanding orders for domestic Innovative SMR project and overseas markets - Participating in next-generation nuclear reactor certification and demonstration projects 	

BIZ PORTFOLIO _

New Businesses

2023 Highlight



Selection of new growth areas for sustainable growth

(Life care, waste recycling, etc.)

Business Vision

To strengthen the driving force for promoting new growth business, Daewoo E&C has restructured its new business-related organizations into 'New Growth Strategy Team', a company-wide strategic organization, and has reinforced its system to identify and promote mid- to long-term new business models. In particular, to respond to the changing market environment and industry trends, we have selected 'life care' and 'waste recycling' as new growth business areas and are currently reviewing their commercialization. To enhance understanding the 'life care' market and assess the economic viability of nursing and care services, we are considering establishment and operation of daycare centers, while looking for potential investment targets to expand investment in the waste recycling business aimed at reducing greenhouse gas emissions.

From a mid- to long-term perspective, new growth domains are carefully examined for their alignment with the company's strategy and the potential profitability for commercialization. We also plan to expand into core businesses based on securing key technologies and establishing a value chain by investing in companies with innovative technologies, such as AI, robotics, and automation, etc. Additionally, our new growth strategies in priority countries such as Vietnam and Nigeria aim to expand investment projects to discover the new business opportunities, which will be achieved by leveraging previously secured local business resources and networks.

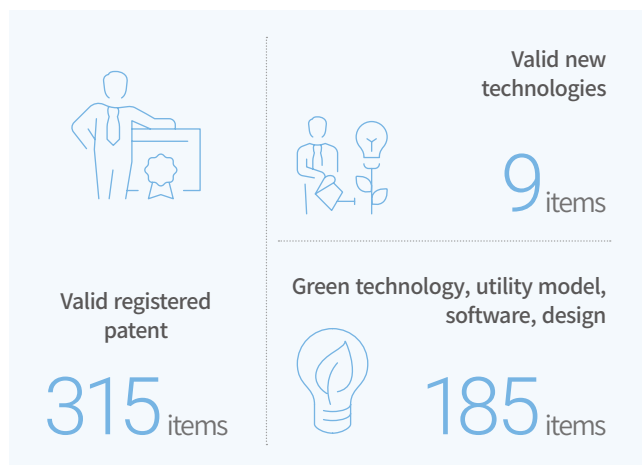
Mid- to Long-term Roadmap for new businesses

	Short-term (2024)	Mid-term (2025~2027)	Long-term (2028~)
Life care	<ul style="list-style-type: none"> · Understanding the market and validating business · Establishment of daycare centers · Establishment of relevant legal entities 	<ul style="list-style-type: none"> · Securing core competencies and establishing a value chain · Building a relevant foundation · Market entry and market share expansion · Establishing a value chain for senior services 	<ul style="list-style-type: none"> · Expansion into core business · Becoming a leader in comprehensive senior services
Waste recycling	<ul style="list-style-type: none"> · Identifying investment opportunities and reviewing business feasibility · Targeting high value-added waste recycling companies (Indonesia, Vietnam, etc.) 	<ul style="list-style-type: none"> · Investment execution and securing advanced technologies · M&A of companies with high-quality assets, business rights, and core technologies 	<ul style="list-style-type: none"> · Evolving into distinguished recycling business model · Expanding its presence into other regions and operation business.

BIZ PORTFOLIO _

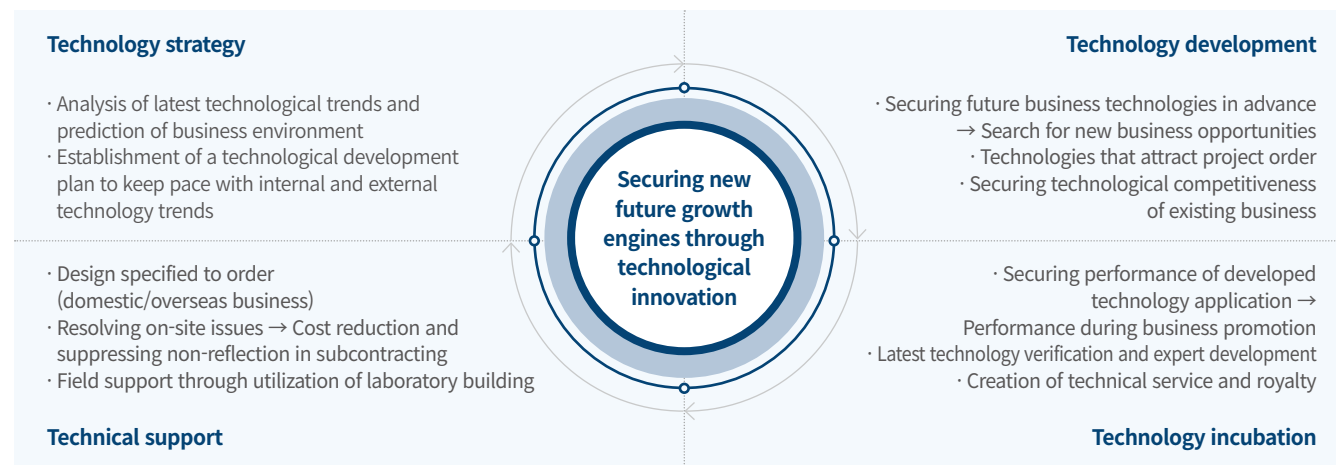
Institute of Construction Technology

Key Performance



Daewoo E&C opened the Daewoo E&C Institute of Construction Technology(DICT), the first research institute in South Korea's construction industry capable of conducting research and experiment at the same time, in 1983. DICT discovers technologies to develop construction industry, assist the company in winning orders, and deliver new growth engines for future. Then the Institute suggests how to implement them in accordance with national projects, business headquarters projects, and future technology projects, to achieve tailored technology development. DICT strives to spearhead the creation of the business resources for the company and strengthen our technological competitiveness.

Business Vision



R&D Capabilities by Business Sector



Housing & Building Technology

- Factory production-based modular construction technology
- Carbon-reduction early strength type slag cement concrete technology
- Design technology for condensation prevention and optimal insulation



Civil Technology

- 15MW class floating offshore wind power design technology
- Precast Deck rapid construction technology
- HIT grouting method



Plant Technology

- Material selection and corrosion risk assessment technology for LNG plants
- Welding Engineering & WPS/PQR Development¹⁾
- RAG (Retrieval-Augmented-Generation) based project document analysis support system technology

1) Technology for improving welding during plant construction

Daewoo E&C is committed to fulfilling its corporate social responsibilities and creating sustainable value by establishing mid- to long-term goals and detailed strategic tasks for ESG management, and communicating with stakeholders through diverse channels such as domestic/overseas ESG assessment and investment, alignment with ESG disclosure standards.

SUSTAINABILITY APPROACH

Chief Sustainability Officer MESSAGE	15
ESG Governance	17
ESG Strategy	20
Key Metrics and Targets by ESG Sector	21
Stakeholder Engagement	22
Double Materiality Assessment	23
Management of Materiality Topics	25

Chief Sustainability Officer MESSAGE

“

In 2024, Daewoo E&C will emerge as a centenary enterprise, establishing the cornerstone of building a sustainable society for the future.

”

Dear valued stakeholders,

Daewoo E&C Sustainability Report, celebrating its 13th anniversary this year, encapsulates the company's accomplishments and forward-looking strategies across various ESG domains, underscoring our unwavering commitment to ESG management practices.

Declaring the year 2022 as the inaugural year for ESG management, Daewoo E&C strengthened essential infrastructure and realigned strategies across environment, society, and governance domains. Subsequently, in 2023, Daewoo E&C laid the groundwork for elevating its ESG management to new heights through sectoral advancements. In the environmental domain, we quantified the potential financial impact of climate change on the company and established metrics for measuring eco-friendly sales performance to monitor our activities in response to the climate crisis. Within the social domain, meanwhile, we



established a site-centric safety and health system with the objective of achieving “ZERO” major accidents, while simultaneously striving to improve the health and safety standards for our suppliers.

Lastly, within the governance domain, we established the Internal Review Committee to enhance transparency, while reorganizing the integrated risk management process to adapt to changes in the uncertain external environment.

Daewoo E&C will seek to achieve the following missions to ensure that our ESG management endeavors lead to the establishment of the management paradigm uniquely emblematic of Daewoo E&C.

We are committed to practicing the 2050 Net-Zero roadmap.

Daewoo E&C is dedicated to reducing greenhouse gas emissions through several strategic initiatives. These include enhancing waste recycling rates, promoting resource circulation such as utilizing low-carbon concrete, optimizing energy consumption, and conducting comprehensive environmental campaigns across the organization. To ensure sustained progress, we have established phased targets for achieving carbon neutrality and outlined specific, verifiable ways to attain these goals. We promise to remain committed to reaching carbon neutrality by 2050 by developing eco-friendly technologies and investing in new businesses related to renewable energy.

We will expand the “ZERO” serious industrial accident goal across supply chain.

Daewoo E&C has recently undertaken a comprehensive reorganization of its health and safety departments and established a site-oriented safety and health system. Recently, we have strengthened the on-site inspection system under the guidance of the Chief Safety and Quality Officer (CSO), streamlining the entire process for on-site safety and health tasks and budget execution to ensure that decisions are made quickly at the site. We aim to enhance supply chain safety management capabilities through clear penalty management, educational support, and opinion gathering for suppliers. Daewoo E&C remains steadfast in its pursuit of safety management across the entire value chain, embracing a win-win management approach by fortifying on-site execution, developing a smart safety platform, and fostering continuous innovation.

We will enhance management transparency with the establishment of the Internal Transaction Committee.

Daewoo E&C has instituted the Internal Transaction Committee to strengthen trust with stakeholders and internalize an ethical management culture through fair and transparent internal transaction procedures. The Committee will contribute to enhancing transparency across the company by proactively identifying and mitigating risks associated with internal transactions that may arise under corporate governance. Daewoo E&C's efforts to establish transparent governance will play an important role in supporting Daewoo E&C's sustainability and long-term growth.

We will respond to uncertainties and pursue sustainability through integrated risk management.

Integrated risk management entails a comprehensive approach that systematically identifies diverse risk factors confronting a company, examines their interactions, and formulates a cohesive strategy. In the era of ultra-uncertainty, Daewoo E&C will effectively prepare for the upcoming uncertainties in the corporate environment by enhancing its business management capabilities and securing financial stability through integrated risk management.

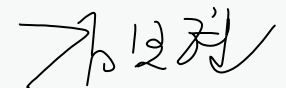
We will enhance disclosure of sustainability management information.

At the end of April 2024, the Korea Sustainability Standards Board (KSSB) released the preliminary domestic sustainability disclosure standards amid growing calls for disclosure of sustainability information both internally and externally. In order to proactively respond to the mandatory disclosure of sustainability information, Daewoo E&C plans to enhance its disclosure framework to enhance the reliability of disclosed data and expand the scope of disclosure to major subsidiaries and supply chains.

Our valued stakeholders,

Guided by our corporate principle of “ESG management fulfilling our responsibility to society and the environment”, Daewoo E&C diligently engages with stakeholders to foster trust. We ask for unwavering support and keen interest of our stakeholders, enabling Daewoo E&C to spearhead a sustainable future through new leaps and developments as a catalyst within the Korean construction industry.

Thank you.



Senior Executive Vice President Bo-hyeon Kim
Chief Sustainability Officer

ESG Governance

Organizations Dedicated to Sustainable Management

Chief Sustainability Officer

At Daewoo E&C, the Senior Executive Vice President oversees sustainability management. The Senior Executive Vice President communicates ESG-related matters with internal and external directors as an executive director, striving to ensure that the company's ESG policies and activities are seamlessly implemented.

ESG Committee

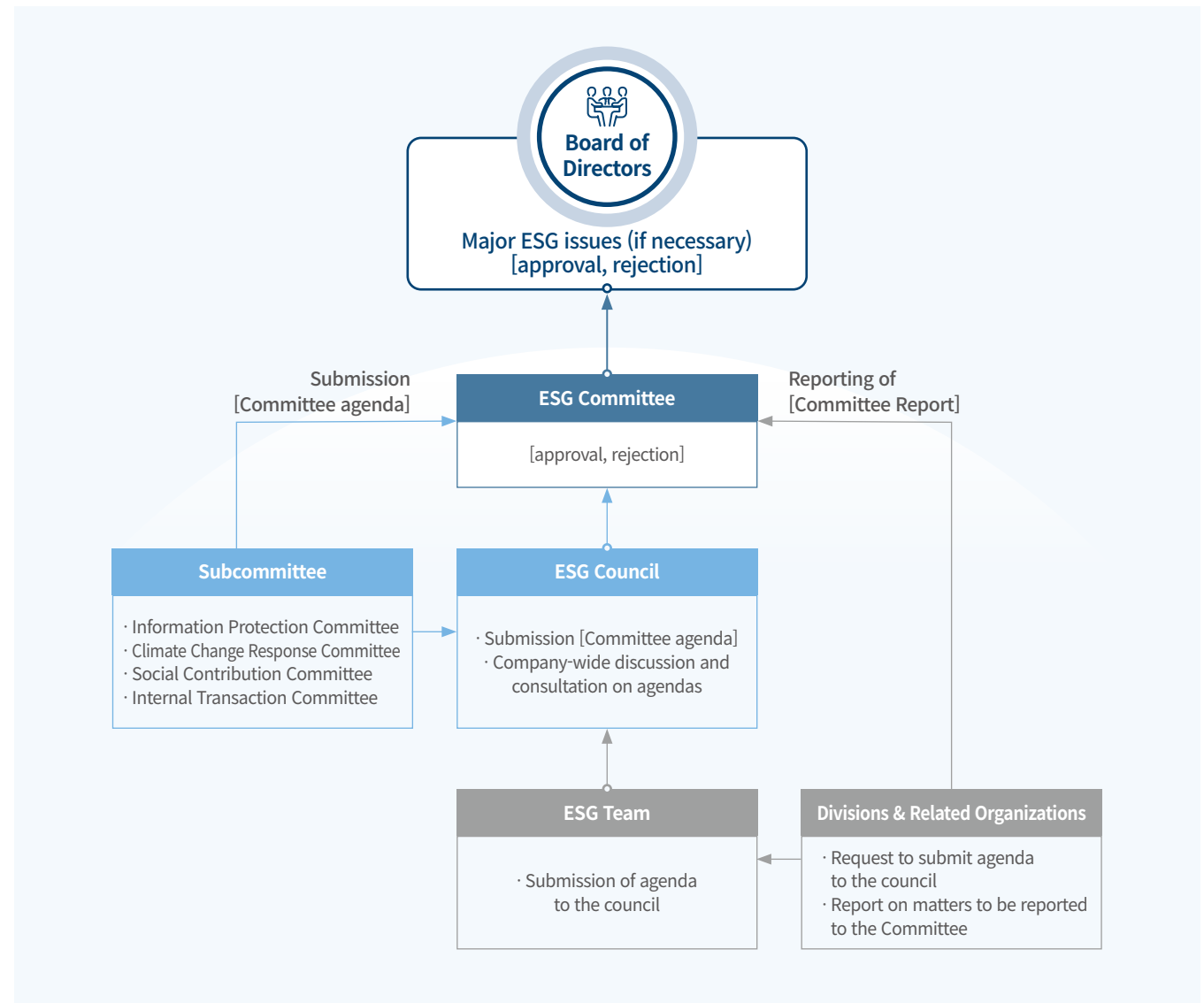
Daewoo E&C operates the ESG Committee for strategical promotion and internalization of sustainable management. Since its establishment in October 2022, Daewoo E&C's ESG Committee is composed of the CEO as the head of Committee, Senior Executive Vice President, and the heads of divisions/groups as members. The Committee plays the role of reviewing and approving in the process of establishing organizational roles and responsibilities, visions, strategies, and policies related to ESG.

ESG Committee is operating the committee as an in-house committee in order to carry out ESG-related management activities in a practical and proactive manner. The ESG Committee is proposing corporate ESG policies and directions, actively discussing establishment, implementation of ESG related policies, making decisions on ESG related risk and opportunities, and managing, overseeing such tasks. Additionally, the ESG Committee reports significant ESG issues to the board, ensuring that the board functions as the company's top decision-making body for ESG management.

ESG Council

Daewoo E&C's ESG Council is composed of the Senior Executive Vice President, who serves as the Chief Sustainability Officer, as a chairman and the appointed team leaders of each division as members. The ESG Council checks the progress of each organization on the agenda presented to the Committee as a working-level body of the ESG Committee, using it as a venue for ESG-related field discussions.

ESG Governance



Internalization of ESG

Daewoo E&C has been conducting ESG education and campaigns to enhance understanding and awareness of ESG, ensuring it is integrated into daily operations. New and experienced employees receive training on ESG understanding and the company’s ESG management status upon joining. On-site superintendents and employees are educated on ESG management at construction sites. In 2023, Daewoo E&C began publishing a monthly ESG Newsletter to share internal and external ESG trends and provide comprehensive information about the company’s ESG management across the organization to enhance awareness and understanding of ESG.

Monthly ESG Newsletter



Employee Survey on ESG in 2023

To assess awareness of ESG and develop internalization strategies, Daewoo E&C conducted a survey of all employees in 2023. The survey included questions on key ESG management activities and priorities. The results helped gauge the overall level of ESG awareness among employees and were used to develop detailed improvement plans by analyzing survey results based on age, position, tenure, and work location. Based on this analysis, the company is promoting campaigns for ESG practice in daily operations and creating site-specific educational content to concretely implement and internalize ESG.

Employee Survey Result



Distribution of On-site ESG Management Guidelines

To enhance understanding of ESG management at construction sites and to manage and improve existing operations, Daewoo E&C distributed the “On-site ESG Management Guidelines” in March 2024. Additionally, face-to-face training sessions were conducted for the on-site superintendents and managers of each site. To further increase all employees’ understanding of the guidelines, an online educational video was created, which will be available on the internal education system starting in the second half of 2024. Through these efforts, Daewoo E&C emphasizes the importance of ESG while providing practical ESG management guides for implementation at both construction sites and other workplaces.

Composition of On-site ESG Management Guidelines

Category	Description and Expected Effect
Checklist for self-diagnosis	Provision of ESG management guidelines at sites and workplaces
Company regulations and guidelines	Organizing ESG-related company regulations, procedures, and guidelines to link with existing work
Detailed definitions for each item	Containing general management items and contents that can actually be applied in the site and workplace.






























On-site ESG Management Guidelines

Key Metrics and Targets by ESG Sector

E ENVIRONMENT	Goal	2024	2030	2050
	Deduction of PQ credibility due to violation of environmental regulations	0 Zero	0 Zero	0 Zero
	GHG reduction target (permitted emissions)	63,978 tCO ₂ -eq	35,043 tCO ₂ -eq	Carbon-neutrality (Net-Zero)
	Energy reduction target (permitted usage amount)	1,276 TJ	1,125 TJ	477 TJ
	Waste recycling rate (compared to total amount generated)	99.82 %	99.99 %	99.99 %
S SOCIAL	Goal	2024	2027	2030
	Investment target for social contribution activities (social contribution expenditure compared to sales)	0.029 %	0.045 %	0.065 %
	Mid- to long-term eco-friendly supply chain management target	Over 95% in waste recycling rate and expand green purchasing rate compared to sales by 3.4%		
E S G GOVERNANCE	Goal	2024	2025	2026
	Violation of major environmental laws and regulations	0 Case	0 Case	0 Case
	Fatality Rate per 10,000 Workers	Under 0.6	Under 0.4	Under 0.2
	Human Rights Management Index	Expanding assessment target to all major suppliers by 2026 and establishing mid- to long-term goals for human rights management index after 2026		
	Customer information leakage incident	0 Case	0 Case	0 Case
GOVERNANCE	Enhancing the global ESG governance system	Establishing an ESG information management system at overseas sites and practicing ESG management according to the characteristics of each country		

Stakeholder Engagement

Stakeholder communication and engagement (stakeholder definition, communication channels, major interest and response activities, alignment with UN SDGs)

      							
Stakeholder	Employees	Government and Relevant Organizations	Shareholders and Investors	Customers	Academy, Association, and Institutions	Communities	Suppliers
Definition	Human resources that make up Daewoo E&C; a partner for sustainable management	Institutional and social foundation; a driving force that lays the foundation for corporate growth	Investors of Daewoo E&C who provide economic capital	A valuable party as well as the foundation for corporate existence that creates the future together with Daewoo E&C	Organizations with expertise in the construction market and sustainable management; subject to continuous cooperation	Local communities and members affected by Daewoo E&C's business	Partners who help the company by providing energy and resources
Communication channel	<ul style="list-style-type: none"> · Baronet (intranet) · Labor union · Employee management council · Compliance system · Ethics Help-Line · Safety hot-line; SMARTy, etc. 	<ul style="list-style-type: none"> · Government committee activities · Participation in policy research · Joint cooperation programs 	<ul style="list-style-type: none"> · Shareholders' meeting · Annual report, sustainability report · Analyst meeting · IR conferences, etc. 	<ul style="list-style-type: none"> · PRUGIO Customer Center · PRUGIO website · PRUGIO online and chatbot counseling · Model houses · SNS, YouTube, etc. 	<ul style="list-style-type: none"> · Federation of Korean Industries (K-ESG Alliance) · Korea Employers Federation (ESG Management Committee) · Korea Chamber of Commerce and Industry (ESG Agenda Group) 	<ul style="list-style-type: none"> · Social volunteer group · Cyber audit office · Volunteer activities for local communities · Donation (cash and in-kind donation) 	<ul style="list-style-type: none"> · Collaboration system (E-COS) website · Meetings with business partners · Workshops for shared growth, etc
Major interest	Improving employee satisfaction and attracting talent through capacity building and enhancement of employees' quality of life	Fulfilling corporate obligations and contributing to the country's sustainable development through job creation, tax payment, and legal compliance	Providing accurate and prompt information to shareholders and investors through transparent management	Realizing customer satisfaction by providing the best residential environment and construction products and services	Establishing a cooperative system for R&D innovation through industry-university cooperation and member activities of various associations and institutions	Contributing to the development of the local community through active social contribution activities	Support and management to strengthen coexistence, and establishment of a transparent and fair cooperative relationship
Response activities by Daewoo E&C	<ul style="list-style-type: none"> · Enhancing employee compensation system · Providing communication opportunities between executives and employees · Introducing new trainings for talent cultivation · Operating PRUGIO BC Childcare Center · Conducting employee survey on ESG 	<ul style="list-style-type: none"> · ISO 37001 certification acquisition · Continued employment and nurturing of outstanding human resources 	<ul style="list-style-type: none"> · Introducing shareholder electronic voting system · Participating in a voluntary compliance program to distribute the date of general shareholders' meeting 	<ul style="list-style-type: none"> · Reinforced Customer Center communication competence · Immediate customer response services using mobile applications 	<ul style="list-style-type: none"> · Participation in conferences, seminars, association activities, etc. 	<ul style="list-style-type: none"> · Community environmental purification and resource circulation donation activities · Promotion of global social contribution activities for new growth businesses/ new countries · Analysis and response to negative impacts on local communities by site 	<ul style="list-style-type: none"> · Supply chain ESG risk activity assessment · Establishing sustainability management policy in supply chain · Reinforcing subcontracting law compliance · Meetings with excellent suppliers for shared growth · Financial/technical/ management support
UN SDGs	  	  	 	  	  	   	 

Double Materiality Assessment

Materiality Assessment

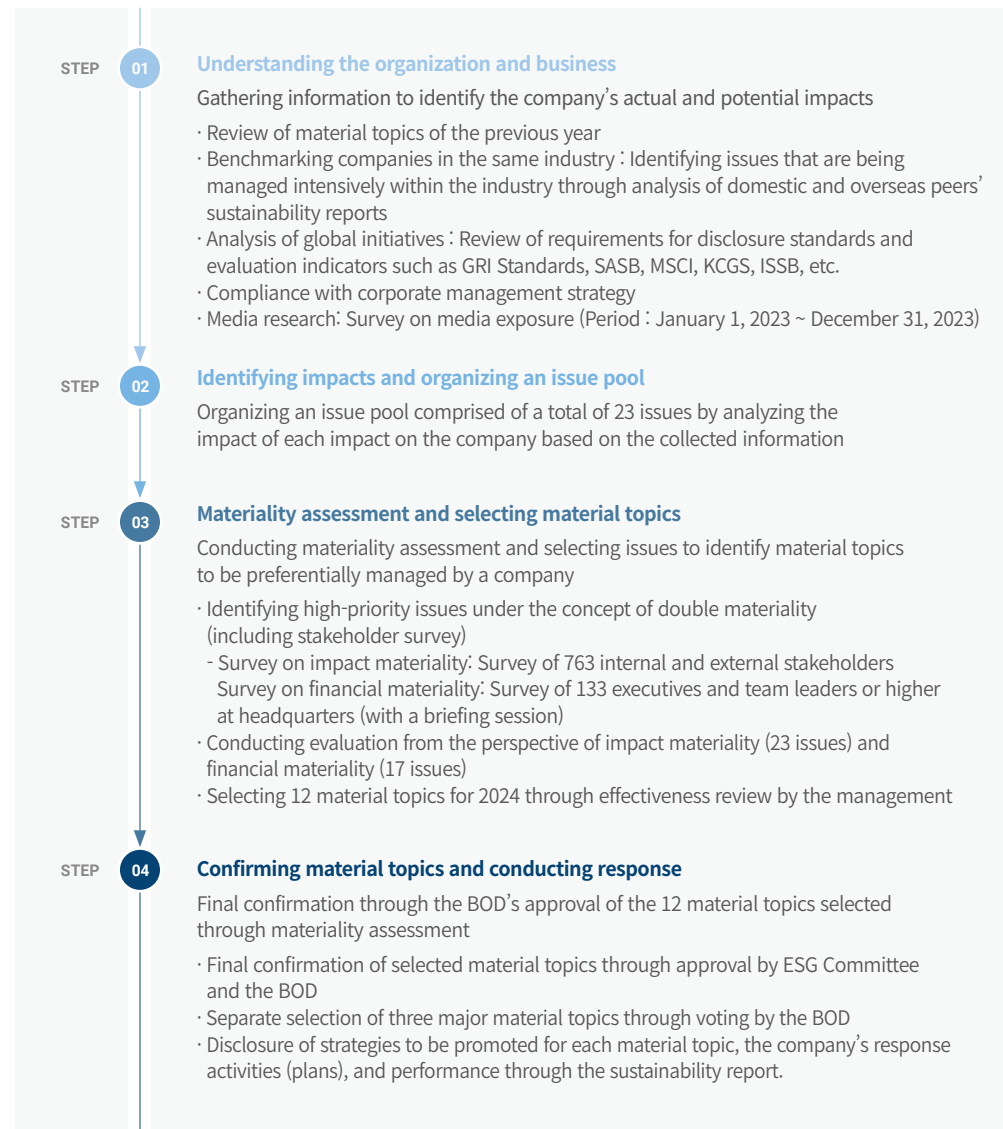
Daewoo E&C has conducted an annual materiality assessment to proactively identify key factors affecting the company’s sustainability and to establish appropriate response strategies. The 2024 materiality assessment incorporated not only the materiality principles of the Global Reporting Initiative (GRI) but also the concept of double materiality from the EU’s Corporate Sustainability Reporting Directive (CSRD). Daewoo E&C selected material topics from two perspectives: impact materiality and financial materiality, which describe the impact that companies and society have on each other and sought to disclose those issues transparently and in detail through this report.

Concept of double materiality

Double materiality is a concept that considers both the impact of a company’s activities on external factors (environment/society as a whole, or “inside-out”) and the impact of external sustainability-related environmental and social factors on the company’s financial performance (“outside-in”). Daewoo E&C did not simply aggregate the magnitude of impacts from these two perspectives. Instead, they assessed the materiality of each perspective individually and prioritized issues accordingly.



Materiality Assessment Process

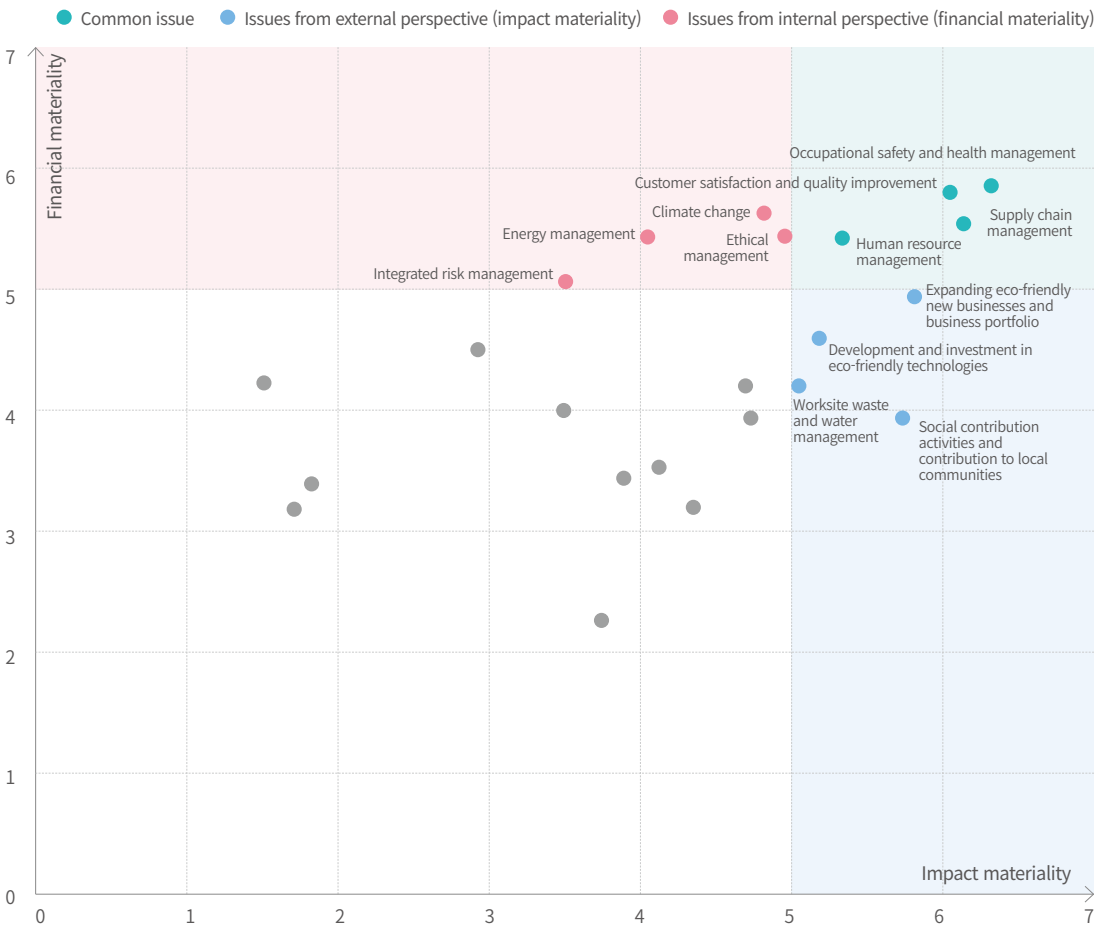


Materiality Assessment Result

Considering the results of the impact materiality and financial materiality assessments, as well as the validation review, the top 12 topics selected for 2024 include seven topics from the previous year’s top 10 materiality topics. Additionally, five new topics have been identified, such as the expansion of eco-friendly new businesses and the business portfolio.

The final 12 selected topics are as follows: four topics including the development (investment) of eco-friendly technologies and social contribution activities from the impact materiality perspective; four topics including climate change, integrated risk management, and ethical management from the financial materiality perspective; and four topics including occupational safety and health management, supply chain management, and customer satisfaction and quality improvement highly rated from both perspectives. Daewoo E&C will actively communicate with stakeholders regarding activities, performance, and response strategies related to these topics.

Materiality Assessment Matrix



Material Topics		Category	Remark	Selected by the BOD ¹⁾
S	Occupational safety and health management	Common	Existing	●
S	Customer satisfaction and quality improvement	Common	Existing	●
S	Supply chain management	Common	Existing	
S	Human resource management	Common	Existing	
G	Expanding eco-friendly new businesses and business portfolio	Impact materiality	New	
S	Social contribution activities and contribution to local communities	Impact materiality	New	
E	Development and investment in eco-friendly technologies	Impact materiality	Existing	
E	Worksite waste and water management	Impact materiality	New	
G	Ethical management	Financial materiality	Existing	
E	Climate change	Financial materiality	Existing	
E	Energy management	Financial materiality	New	
G	Integrated risk management	Financial materiality	New	●

1) Material topics selected by the BOD. Regarding the selected topics, each responsible team plans to report related matters to the BOD within the year.

SUSTAINABILITY PERFORMANCE

Daewoo E&C reflects key ESG-related issues such as climate change, environment, safety, quality, human rights, supply chain management, and Win-win management into its business activities and strives to respond appropriately.

With a mission to create valuable environments and spaces beyond construction to provide a better quality of life for all, Daewoo E&C aims to become a company that realizes the dreams of its customers.

Response to Climate Change	27
Environmental Management	36
Eco-friendly Construction	46
Health and Safety Management	53
Human Resources/Human Rights Management	63
Customer Satisfaction and Quality Management	74
Supply Chain Management/Social Contribution Activities	86
Governance	95
Ethical Management and Compliance	102
Integrated Risk Management	108
Information Security and Personal information Protection	113

Response to Climate Change

Daewoo E&C is committed to becoming a globally recognized eco-friendly construction company. To achieve this, we are diligently establishing and executing a comprehensive carbon neutral roadmap aimed at achieving net-zero carbon emissions. In addition to proactively managing climate change risks through a robust governance framework, we are implementing strategies to address climate challenges. By transparently disclosing our efforts and accomplishments in reducing greenhouse gas emissions and energy consumption, Daewoo E&C remains steadfast in its mission to create a sustainable future.

A-grade
(Leadership)

Climate change category
of CDP 2023

10,169
tCO₂-eq reduction

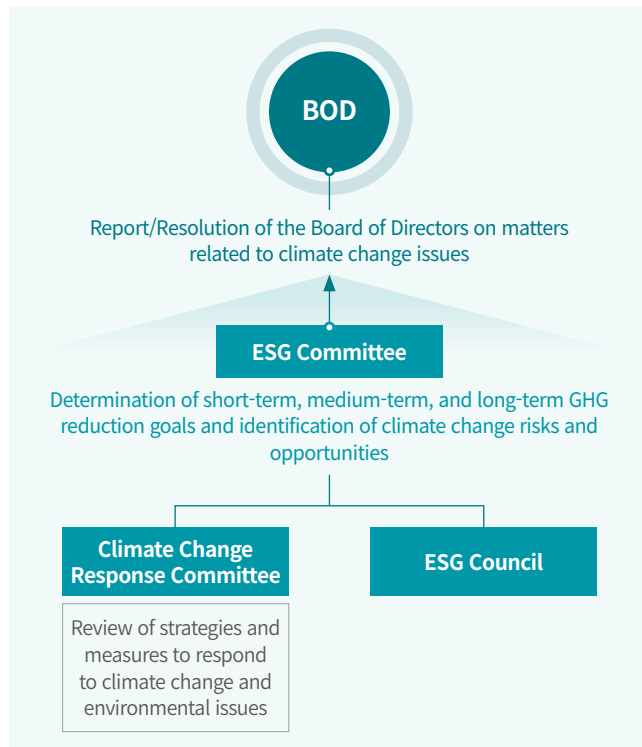
Total GHG emissions
(Scope 1, 2) compared to
the goal

161
TJ reduction

Total energy consumption
(Scope 1, 2) compared to
the goal

Governance for Climate Change Response

Climate Change Response Organization System



Strengthening the Board's Climate Change Action and Environmental Management Responsibility

The Board of Directors at Daewoo E&C, the premier decision-making body, engages in deliberations concerning climate change and environmental management. In doing so, the company assesses risks and opportunities associated with climate change, implements systematic responses to climate-related challenges, and oversees environmental management in line with business strategy.

In 2023, the Board of Directors received agenda items including 'ESG Management Improvement Progress,' 'Eco-friendly Construction Methods and Technology Development,' and 'Company ESG Progress and ESG Evaluation Results.' Notably, in May 2023, the BOD resolved to join the Task Force on Climate-Related Financial Disclosures (TCFD), publicly expressing its support for the TCFD. Additionally, the BOD approved the Environmental Policy, which establishes the strategic direction for company-wide environmental management.

ESG Committee

Daewoo E&C has a governance system for climate change and ESG management and operates the ESG Committee, comprised of the CEO and executives. This committee verifies greenhouse gas reduction targets, assesses climate change risks and opportunities, and approves response strategies proposed by the ESG Council and environment-related departments. Notably, important climate change response and environmental management matters addressed by the ESG Committee receive approval from the Board of Directors, the premier decision-making body.

The Climate Change Response Committee, operating under the ESG Committee, is presided over by the Chief Safety Officer (CSO) and consists of working-level managers (executives and team leaders) to review and formulate effective strategies to respond to climate change issues. Resolutions passed by the Climate Change Response Committee receive approval either from the CEO or the ESG Committee before confirmation.

In May 2024, the 'Expansion Plan of Climate Change Response Committee' was finalized, which will enhance the committee's structure, operational effectiveness and roles. This plan will serve as a company-wide decision-making body to promote the company's carbon neutrality policy and respond to domestic and international regulations. In particular, Climate Change Response Task force will be established in the second half of 2024 to engage in focused discussions and formulate specific, impactful policies related to climate change and critical environmental matters, fostering consensus across the company.

Deliberation of Major Agendas by the BOD (including issues related to climate change response and environmental management)

Date	Agenda	Details	Remark
Jan. 12, 2023	ESG evaluation results and improvement plans in 2022	Report on KCGS's ESG evaluation results in 2022 and improvement plans for each detailed item in the environmental sector to the Board of Directors	Reported
Feb. 09, 2023	Status of ESG management improvement (February)	Report on measures to strengthen and improve environmental activities to the Board of Directors	Reported
Apr. 13, 2023	Selection of ESG materiality issues in 2023	Including environmental issues among ESG materiality issues in 2023 (climate change response, eco-friendly construction methods and technology development, etc.)	Approved
May 11, 2023	Subscription to the Task Force on Climate-Related Financial Disclosures (TCFD)	Resolution of the subscription of and support for the Task Force on Climate-Related Financial Disclosures (TCFD) initiative	Approved
	Approval of environmental policy	Resolution of the establishment and disclosure of specific environmental policies by category	Approved
Dec. 14, 2023	Report on the company's ESG progress and ESG evaluation results in 2023	Report on the review of ESG tasks implementation in 2023, ESG evaluation results, and response measures	Reported

Deliberation of Major Agendas by the ESG Committee (including issues related to climate change response and environmental management)

Date	Agenda	Details	Remark
Feb. 06, 2023	Promotion of ESG management improvements	Report on improvement plans for each detailed item in the environmental sector, including establishment of environmental management policies and policies	Reported
Apr. 03, 2023	Selection of ESG materiality issues	Including environmental issues among ESG materiality issues in 2023 (climate change response, eco-friendly construction methods and technology development, etc.)	Approved
	Green (product) purchasing standards and performance	Establishment of green (product) purchasing standards with official green certification from the Ministry of Environment (affiliate)	Approved
	Eco-friendly sales calculation standards and performance	Selection of eco-friendly businesses and establishment of standards based on K-Taxonomy	Approved
May 08, 2023	Subscription to the Task Force on Climate-related Financial Disclosure (TCFD)	Submission of the agenda related to joining and supporting the Task Force on Climate-related Financial Disclosure (TCFD) to the BOD and resolution	Approved (reported to the Climate Change Response Committee)
	Environmental policy specific to each category	Submission of the agenda related to the establishment and disclosure of specific environmental policies by category to the BOD and resolution	Approved
	Eco-friendly supply chain policy and goals	Establishment of eco-friendly management policies and mid- to long-term goals for the entire construction supply chain (production, transportation, construction, use, disposal)	Approved
Jul. 31, 2023	Changes in the company's eco-friendly sales targets	Review and approval of changes in the company's eco-friendly sales targets	Reported
	Update of potential financial impact figures on climate change-related opportunities/risks and management costs	Calculation of potential financial impact of climate change-related opportunities/risks and management costs (as of 2023)	Reported
Oct. 30, 2023	ESG evaluation results and additional improvement plan	Report on ESG evaluation results and review of response measures, and review of additional improvement plans	Reported
	Result of employee survey on ESG in 2023	Analysis and reporting of employee survey results	Reported

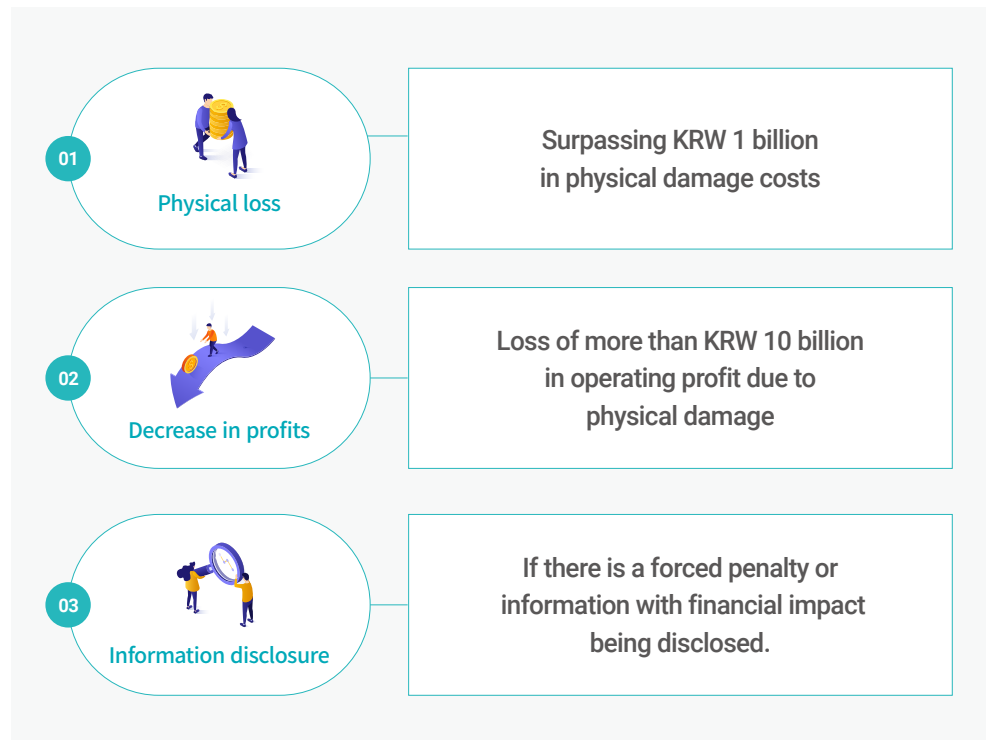
Climate Change Response Strategy

Identification of Climate Change Risks and Opportunities

Daewoo E&C diligently assesses climate change risks and opportunities, aligning them with business impact and the necessity for response. These risk factors are categorized into two main types: physical risks (divided once again into acute and chronic) and transitional risks (policy and market risks). For each risk factor, we identify the corresponding risk type and subsequently formulate targeted response strategies.

Meanwhile, considering the opportunities arising from climate change, resource efficiency is expected to be emphasized in business management and the demand for environmentally friendly products and services is forecasted to increase. In addition, constraints on the consumption of fossil fuel-based energy sources are expected to intensify, boosting the demand for renewable energy. In response, Daewoo E&C identifies types of opportunities that match opportunities to formulate most effective responses to climate change.

Criteria for Selecting Material Climate Change Issues



Assessment of Climate Change Impacts

Daewoo E&C conducts regular analyses of climate change risks and opportunities. These analyses encompass both upstream and downstream areas within the value chain, including our directly operated business sites.

Upon identifying climate change risks and opportunities, we conduct impact assessments by aligning them with our business strategies and projects. These assessments encompass short, medium, and long-term considerations. Furthermore, the company continuously monitors response strategies for significant risks and opportunity factors based on the impact assessment results through internal inspections. We also periodically evaluate and manage the tasks aimed at addressing any identified deficiencies.

The primary impact of physical risk among climate change risks is an increase in direct costs. In the short term, heightened occurrences of typhoons, floods, and other natural events may lead to direct damage to company assets, including structures under construction or temporary offices. Delays in construction due to work unavailability during such events can incur cost increase. If the physical environment undergoes significant long-term changes, it may result in prolonged process delays beyond the typical duration. Consequently, if work cannot proceed during that period, unexpected cost escalations and process delays may cause compensation issues.

Transition risks may increase direct and indirect costs. When incorporated into the greenhouse gas emissions trading system, exceeding the allocated free GHG emissions allowance can result in financial losses due to penalties and the purchase of emission permits, thereby increasing operating expenses. In addition, we expect increased regulation due to the global demand for carbon neutrality, which will result in higher costs for our supply chain to use conventional energy sources and invest in carbon reduction technologies. This surge in raw material prices poses a significant risk to our direct costs.

On the other hand, climate change presents positive opportunities. The adoption of high-efficiency products and advanced logistics systems optimizes resource utilization, thereby mitigating indirect operational costs. In addition, expanding markets for new products and services, as well as renewable energy markets, will increase related revenues if effectively harnessed.

Financial and Non-financial Risks due to Climate Change

(Unit : KRW)

Risk Factor		Risk Type	Details	Potential Financial Impact	Risk Management Costs	Response Strategy	Perspec-tive
Physical	Acute	Extreme weather events such as floods and typhoons	Increasing direct costs <ul style="list-style-type: none"> - Concerns about direct damage to structures and temporary offices under construction at the site due to increasing frequency of extreme weather events due to climate change - Cost increases due to work delays during periods of extreme weather events 	7,082,258,000	179,868,833	<ul style="list-style-type: none"> · Subscription to and maintenance of construction insurance · Operation of weather monitoring system 	Short-term
	Chronic	Extreme changes in precipitation patterns and weather types	Increasing direct costs <ul style="list-style-type: none"> - Risk of construction interruption and compensation due to long-term work delays 	20,963,483,680	1,200,000,000	<ul style="list-style-type: none"> · Operation of ‘Emergency Planning Team’ 	Short-term
Tran-sition	Policy	Implementation of emissions trading system (carbon pricing system)	Increasing indirect (operational) costs <ul style="list-style-type: none"> - Financial losses which will occur if GHG emissions exceed the allocated free allowances, after being included in the emissions trading system 	220,692,600	113,000,000	<ul style="list-style-type: none"> · Participation in training/seminars/conferences in preparation for climate change/greenhouse gases and inclusion in the emissions trading system · Operation of dedicated personnel · Consulting in preparation for the emissions trading system 	Short-term
	Market	Increasing raw material costs	Increasing direct costs <ul style="list-style-type: none"> - Cost increases due to strengthening government policy for carbon neutrality and rising energy costs - Increase in cost ratio due to increase in raw material prices, including mandatory use of eco-friendly materials to reduce greenhouse gas emissions 	11,135,410,489	310,500,000	<ul style="list-style-type: none"> · Raw material price change notification service · Deployment of staff dedicated to purchasing · Operation of an in-house purchasing management system 	Short-term

Financial and Non-financial Opportunities due to Climate Change

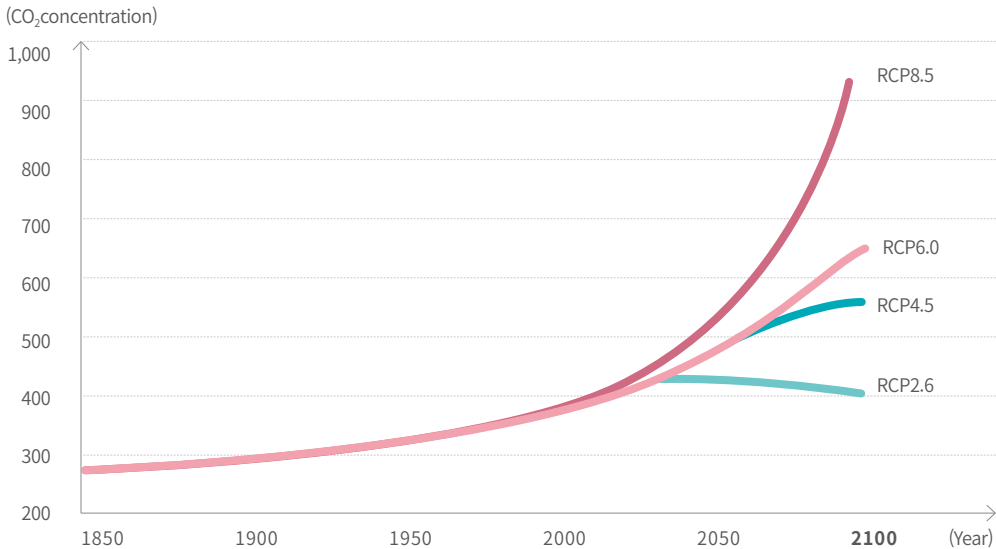
(Unit : KRW)

Risk Factor		Risk Type	Details	Potential Financial Impact	Risk Management Costs	Response Strategy	Perspec-tive
Oppor-tunities	Resource efficiency	Use of highly efficient products and logistics systems	Decreasing indirect (operational) costs <ul style="list-style-type: none"> - Reduction of GHG emissions through the use of high-efficiency products and advanced logistics systems - Reduction of indirect (operating) costs due to decrease in carbon credit purchasing costs 	171,856,100	100,000,000	<ul style="list-style-type: none"> · Expansion of GHG reduction activities (introduction of LED lights, pilot installation of solar panels in 10 locations, etc.) · Expansion of R&D support for the Institute of Construction Technology 	Mid-term
	Product and service	Development and expansion of low-carbon products and services	Growing sales due to introduction of new products and services <ul style="list-style-type: none"> - International trends, tightening government policies, and increasing customer needs for eco-friendliness - Opportunities on growing sales and realizing customer satisfaction through expansion of eco-friendly construction 	141,645,160,000	577,000,000	<ul style="list-style-type: none"> · Operation and investment in Institute of Construction Technology to strengthen competitiveness of eco-friendly construction technology 	Mid-term
	Resilience	Participation in renewable energy programs and introduction of energy efficiency improvement measures	Increasing sales related to low-carbon technology <ul style="list-style-type: none"> - Increase in new sales due to expansion of renewable energy markets such as wind power, solar power, tidal power, geothermal power, and fuel cells - Expecting sales growth in renewable energy business by newly operating the new energy business team in response to the government’s expansion of fuel cell industry 	247,058,823,529	2,137,000,000	<ul style="list-style-type: none"> · Establishment and operation of new energy business team 	Long-term

Physical Risks Related to Climate Change (Scenario Analysis)

Daewoo E&C has conducted a comprehensive analysis of climate change risks and opportunities affecting its business. In order to identify risks and opportunities in aspect of physical risks and establish related response strategies, the company performed a scenario analysis based on the Representative Concentration Pathways (RCP) outlined in the Intergovernmental Panel on Climate Change’s (IPCC) 5th Assessment Report. For the transition risks, we considered the Paris Agreement targets, Net-Zero plans, IEA scenarios (NZE 2050, B2DS), SBTi’s science-based target methodology, and the Republic of Korea government’s Nationally Determined Contributions (NDC).

Representative Concentration Pathways Scenario



(Source: Climate Information Portal of the Korea Meteorological Administration)

Type	Meaning	Expected CO ₂ Concentration	Global temperature in 2100 compared to present
RCP 8.5	Emitting GHG as per current trend	940 ppm	An increase of about 4.0 degrees
RCP 6.0	Realizing a GHG reduction policy to a certain level	670 ppm	An increase of about 2.7 degrees
RCP 4.5	Realizing a reduction policy to a significant level	670 ppm	An increase of about 2.4 degrees
RCP 2.6	Reducing GHG emissions immediately from now on	670 ppm	An increase of about 1.3 degrees

Scenario analyses based on Representative Concentration Pathways suggest that significant physical risks are projected, resulting in inevitable changes in energy consumption. Severe constraints on conventional fossil fuel-based energy use are expected, while renewable energy use will explode.

In response, Daewoo E&C aims to meet the growing demand by increasing investment in renewable energy. This includes the establishment and operation of the new energy business team, as well as the advancement of technologies to promote the adoption of renewable energy sources. We are focusing our research capabilities on hydrogen production technologies such as blue hydrogen and green hydrogen, laying the foundation for building hydrogen production bases. We are also actively contributing to the expansion of fuel cell power generation—a key initiative aligned with government policy to increase capacity from approximately 0.8 GW to 7 GW. Furthermore, we plan to continue to discover various hydrogen business models to prepare for the hydrogen economy era.

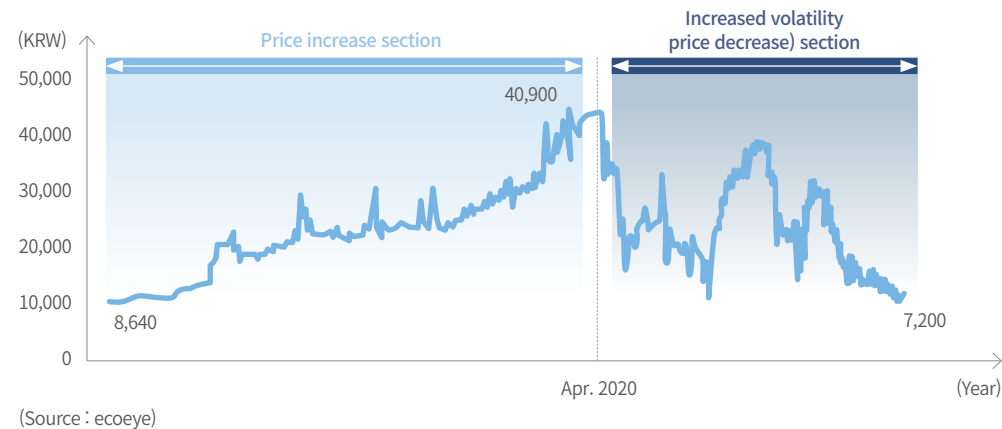
In addition, we are targeting offshore wind power, which has a superior LCOE (Levelized Cost of Electricity), as a strategic goal and developing related technologies according to our mid- and long-term plans. We are also expanding our network in the energy sector to establish cooperative relationships and advance into related markets based on our experience in solar infrastructure construction. Our DECO₂ (Daewoo Elimination of CO₂) technology, a first-of-its-kind innovation in Korea, will allow us to capture carbon dioxide and repurpose it as a construction material, resulting in a substantial reduction of greenhouse gas emissions. Drawing from these achievements, we are poised to enhance our business capabilities in the renewable energy domain and diversify our portfolio to grow into a global energy developer.

Climate Change-related Transition Risks (Scenario Analysis)

(1) Policy Aspect

The world is seeing regulation of carbon emissions tightening amid the need to reduce greenhouse gas emissions. The Korean government is also planning to reduce GHG emissions in line with its Nationally Determined Contribution (NDC), and the allocation of emission allowances is expected to decrease gradually. Regarding the price trend for GHG emission allowances in Korea, although prices have generally declined since their peak in April 2020, heightened volatility persists, leaving room for potential price increases. Therefore, failure to fulfil the GHG reduction roadmap may result in financial losses incurred due to the purchase of GHG emission allowances.

Fluctuation of Domestic GHG Price



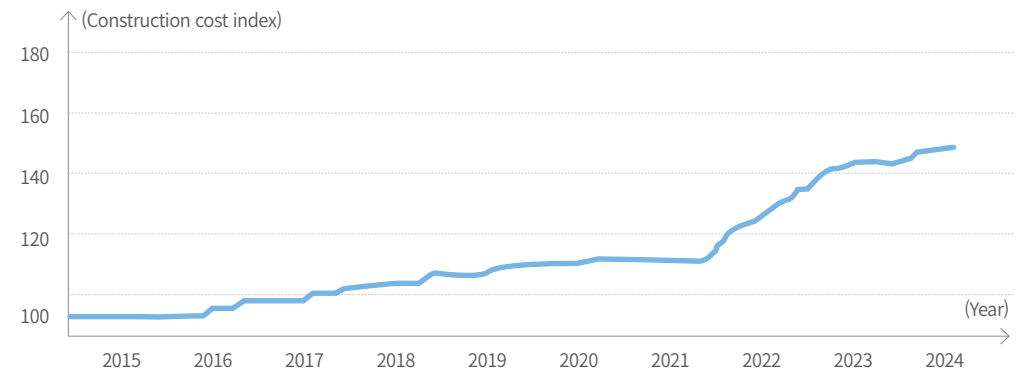
In preparation for this, Daewoo E&C has established the 2050 carbon neutral roadmap, carrying out various activities to reduce GHG emissions. In addition, since we are expected to be introduced into the emissions trading system from the fourth planned period (2026-2030), it is necessary to strategically respond to the GHG target management system which we are currently part of, and to steadily manage GHG emissions performance and make efforts to reduce carbon.

In preparation for its introduction into the emissions trading system, Daewoo E&C will train employees specializing in climate change response by continuously participating in climate change and carbon neutrality-related trainings, seminars, and conferences at home and abroad, and will also seek advice from external experts by implementing emissions trading system consulting. In addition, we will monitor the price of emission credits at all times to minimize financial losses by purchasing emission credits at the right price when necessary.

(2) Market Aspect

Environmental changes, both internal and external, continue to drive up the price of raw materials, with climate change having a direct and indirect impact on raw material price increases. The global demand for carbon neutrality leads to new regulations, which in turn creates costs for raw material suppliers to comply with the new regulations. In particular, in the construction industry, the transition from cement and steel, which account for the largest proportion of raw materials, to low-carbon products is expected to accelerate, and logistics costs for various raw materials are also expected to rise. These changes in the environment lead to an increase in raw material prices, which directly contribute to higher construction costs. The latest Construction Cost Index found that construction costs increased by around 20% in 2021 from 2015 baseline prices, and are expected to rise again by over 50% by early 2024. Changes in commodity markets due to climate change are expected to further accelerate this rise in construction costs.

Construction Cost Index (based on 2015 as 100)



Accordingly, Daewoo E&C operates a raw material price purchase management system to strengthen purchase management. Through this system, we monitor raw material prices from time to time by utilizing a service that notifies us of changes in raw material prices. In addition, based on our advanced logistics system, we are actively responding to the rise in raw material prices by securing raw material purchase sources by region and construction type to minimize raw material transportation costs.

Climate Change Risk Management

Operation of Climate Change Risk Management Process

Daewoo E&C is currently establishing and operating a process to systematically manage climate change risks. On a company-wide basis, we identify climate change risks, conduct monitoring, and perform discussions based on related risks. If climate change risks are identified, an assessment is made accordingly. Before signing a project contract, we reflect climate change and environmental risks in our preliminary review statements and, if necessary, the PJ Assessment Committee reviews them.

After the project contract is signed, we list the risks in the environmental module of our integrated construction management system 'BAROCON' and evaluate the risks at our monthly meetings. If necessary, it is discussed with the ESG Council and integrated into the company-wide risk assessment.

If climate change risk is deemed to be a risk that needs to be addressed, countermeasures are developed and communicated to relevant departments. If necessary, the ESG Committee establishes countermeasures directly.

Performance of checking environmental risks and opportunity factors in review and deliberation of new investment projects in 2023



- Redevelopment projects in the "Da" section of the "Ojeon" area
- Infrastructure reconstruction in Benghazi, Libya
- Fertilizer plant project in Turkmenistan
- Paldal 115-3 district redevelopment project
- O Mon 4CCPP project in Vietnam

Climate change risk management process

STEP

01



Risk Identification

- Company-wide climate change risk/opportunity identification and monitoring
- Discussion and resolution of identified risks/opportunities
- Reporting of material issues and impact to management

STEP

02



Risk Assessment

- Before project contract
- Reflection of climate change and environmental risks in the project preliminary review statement
 - Review by PJ Assessment Committee(if necessary)
- After project contract
- Listing in BAROCON Environmental Module Risk Management Program
 - Listed risks are identified at regular monthly meetings
 - Evaluation by integration in company-wide risks after discussion with the ESG Council

STEP

03



Response to Risks

- Establishment of risk response measures and delivery to relevant departments and delivery to relevant departments
- Establishment of response measures by the ESG Committee(if necessary)



Climate Change Index and Target Management

Roadmap for 2050 Net-Zero

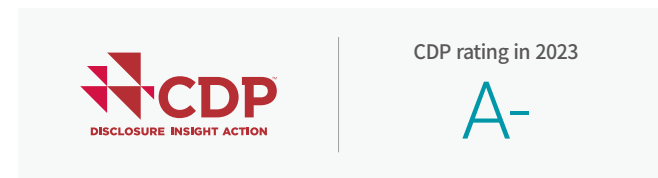
Daewoo E&C has established the 2050 mid-to long-term roadmap for carbon neutrality, setting reduction targets for each period and proposing effective measures to achieve the targets. The short-term goal of the roadmap is to lay the foundation for establishing a carbon neutrality strategy and building related systems. In the medium term, we aim to activate a low-carbon management system, and the long-term goal is to become an industry leader in the climate change market. We will also transparently disclose our activities and achievements in the process of realizing carbon neutrality to our stakeholders.

Short/Mid/Long-term Roadmap for 2050 Net-Zero

Category		Short-term (2021~2025)	Mid-term (2026~2030)	Long-term (2031~2050)
Climate change goal	GHG (Annual emission llowance)	63,978 tCO ₂ -eq (2024 goal)	35,043 tCO ₂ -eq	Net-Zero
	Energy (Annual emission llowance)	1,276 TJ (2024 goal)	1,125 TJ	477 TJ
Strategy		Establishment of Net-Zero s strategy and system	Establishment and revitalization of low-carbon management system	Leader responding to climate change in the construction industry
Detailed strategies		Establishing climate change response strategy <ul style="list-style-type: none"> Building climate change response governance structure (completed) Launching a dedicated organization for climate change response (completed) Identifying and developing eco-friendly technology 	Securing drives and performances for eco-friendly businesses <ul style="list-style-type: none"> Becoming a Hydrogen/Ammonia Developer Actively promoting renewable energy development projects Expanding wind power and environmental business 	Global leader in eco-friendly businesses <ul style="list-style-type: none"> Leading the hydrogen and ammonia complex business market Leading the global renewable energy developers Leading the offshore floating infrastructure business
		Establishing Net-Zero system <ul style="list-style-type: none"> Establishing a roadmap for Net-Zero (completed) Building GHG management system (completed) Establishing GHG reduction goals (completed) Building risk & opportunity identification and control system 	Operating and advancing Net-Zero system <ul style="list-style-type: none"> Installing solar power at site offices and owned buildings Electrifying high-carbon construction equipment on site Developing and using low-carbon certified construction materials Leading the zero-energy building market 	Realizing Net-Zero within Daewoo E&C <ul style="list-style-type: none"> Using entire electricity with renewable energy 100% electrification of vehicles and equipment Securing more than 40% of energy resource with solar power generation Using 100% eco-friendly construction materials
		Responding to domestic and overseas climate change regulations <ul style="list-style-type: none"> Responding to GHG target management system (completed) Proactively responding to inclusion in the emissions trading system Proactively responding to mandatory sustainability disclosure 	Actively participating in response to climate change regulations <ul style="list-style-type: none"> Responding to mandatory sustainability disclosure (S2) Actively responding to the emissions trading system Accumulating carbon credits through carbon reduction projects 	Leading the response to climate change regulations <ul style="list-style-type: none"> Leading response to global carbon regulations Generating emissions allowance revenue by realizing carbon neutrality Becoming a leading company in the domestic and overseas CDM business
		Building supply chain management system <ul style="list-style-type: none"> Establishing a win-win plan in supply chain related to climate change Calculating LCA-based Scope 3 emissions (completed) 	Actively supporting carbon reduction in the supply chain <ul style="list-style-type: none"> Strengthening eco-friendly and carbon reduction activities in the supply chain Reducing Scope 3 emissions by 25% 	Realizing Net-Zero in the supply chain <ul style="list-style-type: none"> Achieving Net-Zero in Scope 1 & 2 in the supply chain Reducing 75% in Scope 3 emissions

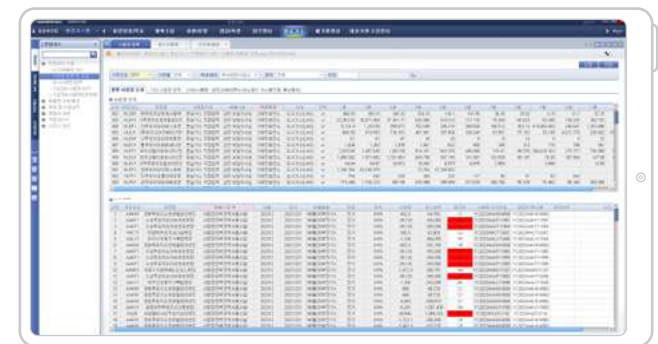
Participation in the Carbon Disclosure Project

Daewoo E&C has been participating in the Carbon Disclosure Project (CDP), an initiative aimed at transparently disclosing carbon emissions data, since 2013. The CDP analyses carbon information and publishes reports to help financial institutions around the world make informed ESG investment decisions and provides this information to stakeholders. In the 2023 CDP Korea report, Daewoo E&C received a grade of A- (Leadership) in the climate change category, earning high acclaim for its environmental performance and response to climate change.



Operation of Integrated Construction Management System ‘BAROCON’

Daewoo E&C operates the environmental module of BAROCON, an integrated construction management system built based on ISO 14001 (Environmental Management System), in conjunction with the GHG inventory system. This system enables us to monitor environmental data on site, including greenhouse gas emissions and waste generation, and efficiently manage environmental data for the entire business site.

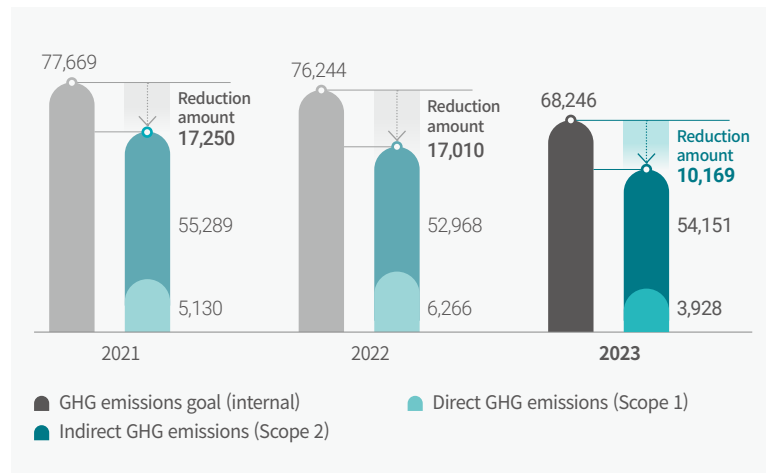


BAROCON GHG inventory

Greenhouse Gas Emissions and Energy Use

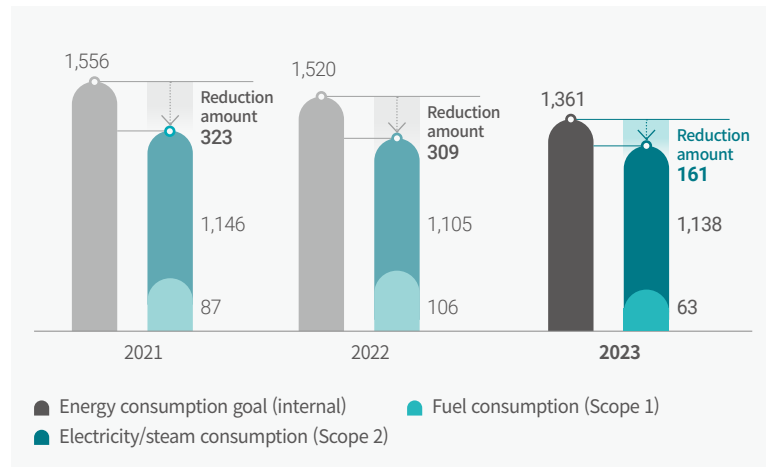
Daewoo E&C is actively participating in addressing climate change by setting greenhouse gas emission targets and energy usage targets, and transparently disclosing emissions and usage to maximize the reduction effect. As a company subject to the GHG target management system in the construction industry under the Framework Act on Carbon Neutrality, we report our domestic GHG scope 1 and 2 emissions targets and emissions to fulfill our commitment to the GHG reduction target agreement.

GHG Emissions Goal and Result

(Unit : tCO₂-eq)

Energy Consumption Goal and Result

(Unit : TJ)



Scope 1 & 2 GHG Emissions

(Unit : tCO₂-eq)

Category	2021	2022	2023
GHG emissions goal (internal)	77,669	76,244	68,246
Direct GHG emissions (Scope 1)	5,130	6,266	3,928
Indirect GHG emissions (Scope 2)	55,289	52,968	54,151
Total GHG emissions (Scope 1 + Scope 2)	60,416	59,231	58,077

※ Annual GHG emission is calculated by rounding down decimal points for each business site, so there is a difference from the sum of emission by type.

Energy Consumption

(Unit : TJ)

Category	2021	2022	2023
Energy consumption goal (internal)	1,556	1,520	1,361
Fuel consumption (Scope 1)	87	106	63
Electricity/Steam consumption (Scope 2)	1,146	1,105	1,138
Total energy consumption (Scope 1 + Scope 2)	1,230	1,210	1,200

※ Annual energy consumption is calculated by rounding down decimal points for each business site, so there is a difference from the sum of energy consumption by type.

Disclosure of Scope 3 emissions

GHG Scope 3 includes all indirect emissions generated throughout a company's value chain, which is essential for identifying and assessing the environmental impact of a company's business activities. As such, Daewoo E&C discloses its domestic Scope 3 emissions. We are improving the calculation methodology to make it clearer and more scientific, ensuring data reliability through third-party verification.

Scope 3 GHG Emissions

(Unit : tCO₂-eq)

Category	2021	2022	2023
Category 1 (Purchased goods and services)	1,025,877	1,588,274	1,732,759
Category 3 (Fuel and Energy-related activities)	-	3,185	187
Category 4 (Upstream transportation and distribution)	-	30,313	31,730
Category 5 (Waste generated in operations)	4,886	10,074	17,220
Category 6 (Business travel)	747	306	661
Category 7 (Employee commuting)	57	15	16
Category 11 (Use of sold products)	26,785	2,808,838	2,830,442
Category 12 (End of life treatment of sold products)	-	62,827	64,018
Total	1,058,352	4,503,832	4,677,033

※ For Category 1, Category 5, Category 6, Category 7, and Category 11, verification has been completed by the Korean Standards Association, a third-party verification agency, and the verification statement is included on page 140.

Environmental Management

Daewoo E&C is committed to sustainable construction practices in line with its core management value of environmental preservation. We maintain an ISO-based environmental management system that adheres to international standards. Our construction methods prioritize minimizing environmental impact and safeguarding biodiversity by incorporating innovative techniques on-site. In accordance with the guidelines for environmental management, we apply key performance indicators (KPIs) that reflect environmental management indicators and implement various measures to effectively implement environmental management.

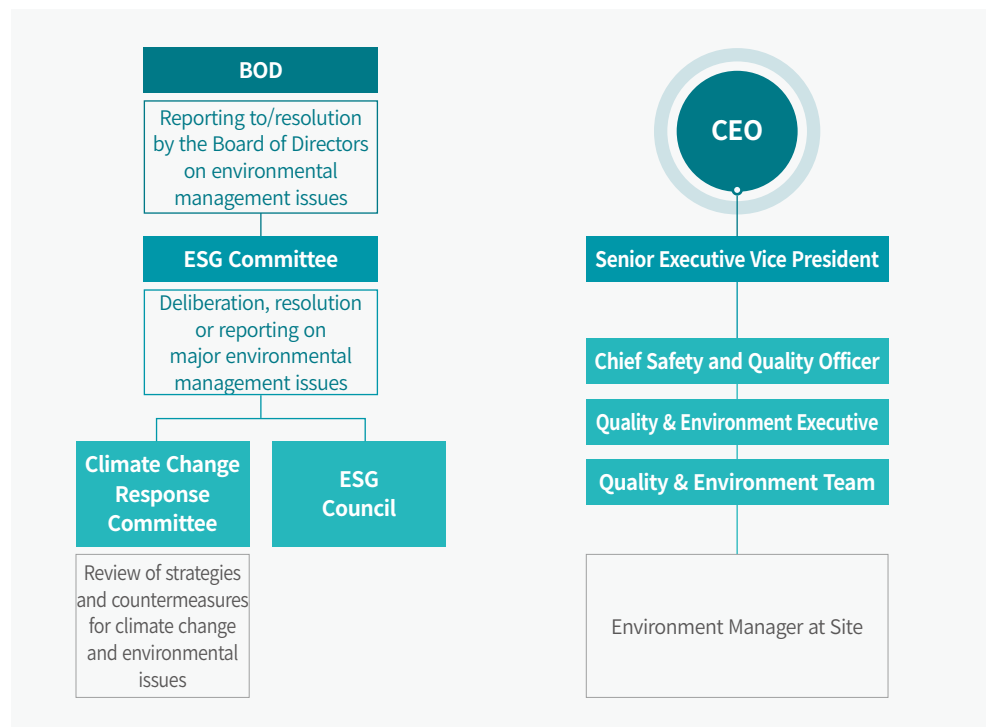
A+ rating in
environment sector
of ESG evaluation
(KCGS)

Establishment of guidelines
to improve and strengthen
construction waste
management

Expanded
application of
key performance
indicators (KPI)

Environmental Management Governance

Organization for Environmental Management



Environmental Management Promotion System

Daewoo E&C has established an environmental management organizational system to fulfil its environmental and social responsibilities and conduct business activities in a sustainable manner. The BOD and ESG Committee deliberate and resolve environmental management issues, and the ESG Council and the Climate Change Response Committee under the ESG Committee establish strategies and review responses to environmental management issues.

The responsibilities and authorities of each organizational head, including the CEO, related to environmental management are specified in the company regulations. The Chief Safety and Quality Officer (CSO) is responsible for environment-related tasks and oversees the effectiveness of the company-wide environmental system and climate change response policy. The CSO checks the performance of the year's implementation through the annual management review to direct improvement and policy direction. The 'Quality & Environment Team', which is in charge of environmental management, operates the environmental management system and conducts on-site support activities. Site superintendents oversee site environmental management, and environmental managers lead environmental management activities on site. Site members support environmental work on site.

Linking KPI for Managers

Daewoo E&C has strengthened the environmental management by reflecting environment-related KPIs in the performance evaluation criteria for employees. The performance evaluation of the Chief Safety and Quality Officer (CSO), executives and team leaders include environment-related KPIs. The CEO's 2023 management performance salary calculation criteria reflect environment-related performance, such as responding to changes in the business environment to become eco-friendly and carbon-neutral. In addition, environment-related KPIs are also applied to the Chief Safety and Quality Officer and employees in charge of environmental work, which means that KPI evaluation results are linked to organizational and individual compensation.

Environmental Management Strategy

Establishment of Environmental Management Goals and Strategies

Daewoo E&C has established the management policy of “「Voluntary Prevention System」 for Safety & Health and Quality & Environmental” to practice environmental management that all employees are aware of and understand. Three environmental management goals exist to achieve the management goal of environmental management for the future and future generations, and “ZERO” violations of the major environmental laws. We revise the environmental management goals after the annual company-wide review of environmental managers. In addition, we have established strategies to achieve the environmental management goals through efficient strategies. Meanwhile, the BOD has approved an environmental management policy to ensure the satisfaction of internal and external stakeholders and the sustainability of the company and has established and managed five key policies.

🔗 Environmental Management Policy

Detailed Strategies by Period to Achieve Environmental Goals

Category		Short-term (2021~2025)	Mid-term (2026~2030)	Long-term (2031~2050)
Strategy	PQ credibility environmental reductions	Establishment of voluntary prevention system for on-site environmental management	Vitalization of on-site voluntary prevention system for environmental management	Advancement of voluntary prevention system for on-site environmental management
	Waste recycling rate	Improvement of waste management	Minimization of waste to be incinerated and landfilled	Recycling of waste
	Water consumption	Establishment of water consumption management system	Operation of runoff water ¹⁾ and sewage recycling pilot site	Mandatory recycling of runoff water and sewage
Detailed strategies	PQ credibility environmental reductions	Strengthening the effectiveness of the HQ's inspection and support system <ul style="list-style-type: none"> On-site environmental risk assessment Selection and intensive management of environmental high-risk sites Enhancing on-site self-inspection functions <ul style="list-style-type: none"> Enhancement of inspection interval standards (weekly/daily) Development of mobile environment inspection menu Enhancement of connectivity with on-site environmental assessments Shift in environmental awareness among employees <ul style="list-style-type: none"> Sharing of environmental information and diversification of communication channels Enhancement of on-site environmental management responsibility 	Detailed on-site environmental management guidelines <ul style="list-style-type: none"> Establishment of detailed management guidelines for each environmental field Establishment of environmental facility installation standards Establishing environmental management expense system <ul style="list-style-type: none"> Establishment of environmental management expense system for private construction projects Establishment of environmental management expense operation guidelines Development of environmental management expense control system Operating dedicated environmental managers <ul style="list-style-type: none"> Establishment of operation standards for dedicated environmental managers Deployment of dedicated environmental managers 	Advancing environmental management system <ul style="list-style-type: none"> Establishment of R&R for company-wide environmental management Operation of suppliers' environmental competency enhancement programs Internalizing environmental management awareness at sites <ul style="list-style-type: none"> Introduction of environmental performance KPIs for each site member Routine self-inspection by all site members
	Waste recycling rate	Strengthening on-site waste management <ul style="list-style-type: none"> Establishment of construction waste management guidelines Mandatory construction waste education Improving waste cost sharing <ul style="list-style-type: none"> Abolition of cost sharing with suppliers Subcontract document revision Reflection of cost increase in bid quotation 	Minimizing incineration and landfill waste generation <ul style="list-style-type: none"> Establishment of incineration and landfill waste generation types Minimization of the loss rate of waste subject to incineration and landfill (glass fiber, rock wool, etc.) Improving waste consignment contract <ul style="list-style-type: none"> Expansion of the pool of intermediate processing and recycling suppliers Prior review of incineration and landfill consignment contracts 	Recycling waste soil <ul style="list-style-type: none"> Development of waste soil recycling (intermediate treatment) technology Establishment of waste soil recycling standards Prior review of recycling first when waste soil and rock are generated Increasing the usage rate of recycled aggregates²⁾ <ul style="list-style-type: none"> Development of recycled aggregate usage management system Establishment of goals and management of implementation performance at sites subject to mandatory³⁾ use of recycled aggregates
	Water consumption	Establishing water consumption management system <ul style="list-style-type: none"> Management of intensity goal Monitoring of water supply, groundwater, and river water consumption Establishing water consumption reduction plans <ul style="list-style-type: none"> Preparation of a plan to recycle runoff water Encourage the use of high-efficiency sprinkler equipment Installation of water-saving sanitary in temporary offices 	Recycling runoff water <ul style="list-style-type: none"> Operation of recycling pilot sites by type of construction and type of runoff water Recycling sewage <ul style="list-style-type: none"> Operation of pilot sites for installing rainwater storage and heavy water treatment facilities when operating temporary offices Developing an integrated management system <ul style="list-style-type: none"> Development of an integrated management system for water usage and recycling 	Mandatory recycling <ul style="list-style-type: none"> Establishment of runoff and sewage recycling standards Step-by-step expansion of sites subject to standard application Managing the goals for each business site <ul style="list-style-type: none"> Setup of water usage and recycling management indicators Establishment of goals for each business site and management of implementation performance

1) Rainwater, groundwater, and wastewater discharged outside the site through a purification facility, 2) Construction waste made through a physical or chemical treatment process to meet recycled aggregate quality standards, 3) Construction sites for roads, land development, and sewer pipe installation with a certain size or larger among projects ordered by the government, local governments, or public institutions

Environmental Management Goal

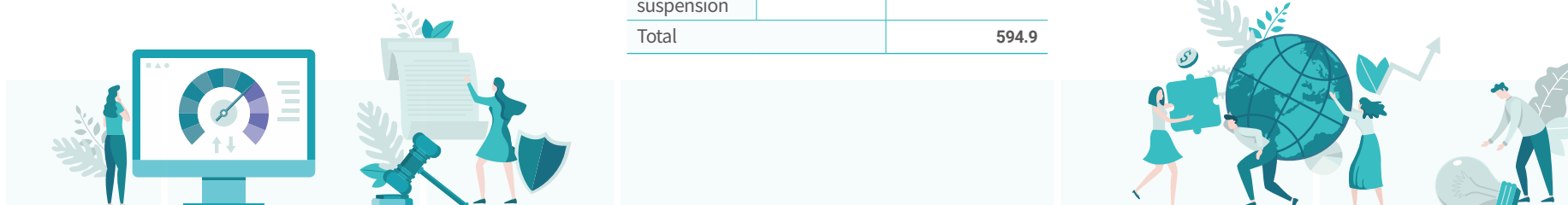
	2024	2030	2050
PQ credibility environmental reductions caused by violation of environmental laws	0 (zero)	0 (zero)	0 (zero)
Waste recycling rate (compared to total generation)	99.82 %	99.99 %	99.99 %
Water consumption (to sales)	10.2 ton/KRW 100 million	8.4 ton/KRW 100 million	4.6 ton/KRW 100 million

Environmental Risk Management

Internal and External Environmental Risk Management Process

Daewoo E&C identifies internal and external environmental risks, analyses risk and opportunity factors, and establishes response strategies based on their financial and non-financial impacts of each factor. Externally, we identify “toughening environmental regulations” as a risk and provide training, inspections, and business support to on-site environmental managers. We also implement various policies such as granting incentives and operating a disciplinary system to raise awareness of suppliers’ compliance with environmental laws and regulations. In addition, we are making various efforts to build eco-friendly business sites by improving our environmental management system and improving the control of construction waste.

On the other hand, we have identified “insufficient manpower to conduct environmental inspections at the headquarters” as an internal risk and are enhancing the effectiveness of on-site inspections and strengthening online monitoring functions. We clarify the purpose of on-site inspections and conduct them in consideration of the environmental risks at the site. In particular, we take immediate action on-site for any deficiencies found during on-site inspections. We also strengthen our online monitoring function to systematically record and manage result reports so that other sites can refer to these activities and achievements in a timely manner, while also conducting monitoring activities more efficiently. Daewoo E&C will continue to take the lead in minimizing environmental impacts by strengthening environmental risk management activities.

Category	Risk Type	Risk Factors	Opportunity Factors	Impact by Risk		Risk Management Strategy	
				Financial	Non-financial		
External	Continuous enhancement of environmental regulations	In case of violation of environmental laws <ul style="list-style-type: none">Imposition of fines or penaltiesConstruction suspension (partial or entire) In case of environmental problems or accidents <ul style="list-style-type: none">Negative media coverage	Minimization of environmental impact <ul style="list-style-type: none">Laying the foundation for building an eco-friendly workplace	Violation of environmental laws (Unit : KRW in millions)		PQ credibility environmental reductions <ul style="list-style-type: none">Negative impact on ESG evaluationDeclining external credibilityBad impact on corporate image	Continuous improvement of environmental management system <ul style="list-style-type: none">Continuous training, inspection, and work support for field environmental managersImprovement of construction waste management (establishment of separate storage standards, facility investment, etc.)Raising awareness of suppliers' compliance with environmental laws (granting incentives, operating disciplinary system)
				Fines or penalties	Construction waste <ul style="list-style-type: none">43 Scattering dust <ul style="list-style-type: none">8.4 Noise <ul style="list-style-type: none">63.7 Water quality <ul style="list-style-type: none">10.8 Construction suspension <ul style="list-style-type: none">Noise469 Total <ul style="list-style-type: none">594.9		
							
Internal	Lack of manpower at the headquarters to perform on-site inspection	Impossibility to confirm implementation and effectiveness of environmental management system <ul style="list-style-type: none">No support for compliance with on-site environmental laws and prevention of environmental pollution	-	-	-	Lack of on-site guidance and training opportunities for compliance with environmental laws and regulations	Improvement of the effectiveness of environmental inspections (clarifying the purpose of implementation, considering on-site environmental risks) <ul style="list-style-type: none">Enhancement of online monitoring function

Management of Environmental Management Goals and Indicators

Employees' Participation in Environmental Management

Daewoo E&C implements various initiatives to encourage employees to participate in environmental management. We encourage employees to practice environmental management in their daily lives through various campaigns such as discouraging the use of disposable cups and encouraging stair use. We also share cases of violations of environmental laws and distribute monthly environmental newsletters to strengthen employees' awareness of environmental management. We plan to continue to encourage employees to actually participate in environmental management through diverse campaigns.

Environmental Newsletter (Sep. and Dec. 2023)



On-site Environmental Management

Daewoo E&C operates an environmental management system that combines ISO 14001 certification and BAROCON, an integrated construction management system, to comply with environmental laws and regulations, including the Air Quality Conservation Act, Construction Waste Act, Noise and Vibration Control Act, Water Environment Conservation Act, Soil Environment Preservation Act, Carbon Neutral Basic Act, and the Greenhouse Gas Target Management System. The 'Quality & Environment Team', a dedicated environmental team at the headquarters, is responsible for monitoring environmental laws and regulations. To this end, the team runs an environmental management system covering internal procedures, guidelines, systems, and on-site environmental management practice guides, and conducts activities such as support, training, screening, inspection, evaluation, and monitoring for sites. At each site, an internally appointed environmental manager establishes an on-site environmental management system and conducts on-site environmental management activities such as environmental education and inspection to create an eco-friendly site.

Environmental Training

Daewoo E&C conducts regular training on environmental management to raise environmental awareness of all employees and suppliers and enable field workers to practice environmental management voluntarily. Collective face-to-face training is conducted for on-site environment managers under the supervision of the 'Quality & Environment Team' at the headquarters, and on-site in-house environmental training is conducted at least once a month for employees on site under the supervision of the on-site environment manager. Also, we are striving to raise environmental awareness at the site by requiring workers from suppliers to receive training as well during on-site environmental training.

Job Training for Environmental Manager (by Headquarters) for Environmental Manager

Category	Plan (persons)	Result (persons)	Completion Rate (%)	Training days /sessions
New Managers	21	21	100.0%	3/3
Job training	107	89	83.2%	5/5
Total	128	110	85.9%	8/8

Environmental Training for Suppliers (by Headquarters)

Category	Result (persons)	Remark
Quality & environmental training for working staff of major suppliers	34	Collective training
Quality training for newly registered equipment suppliers (environmental sector)	52	Collective training
Safety and health training for suppliers' CEOs (environmental sector)	177	Collective training
Total	263	Collective training



ISO 14001 certificate

Environmental Training for Suppliers

Daewoo E&C provides environmental training to its suppliers to help them strengthen their environmental management capabilities. In 2023, we provided environmental training to 26,417 employees and workers at each site. This education ensures that we prevent violations of environmental laws and regulations and reduce overall environmental risks by improving awareness of site environmental management.

In-house Environmental Training at Worksites

Category	No. of times carried out (times)			Participants (persons)		
	General environmental training	Construction waste training	Sub-total	Daewoo E&C	Suppliers	Subtotal
Housing & Building	583	573	1,156	11,150	20,227	31,377
Civil	223	216	439	4,722	4,700	9,422
Plants	41	38	79	958	1,490	2,448
Total	847	827	1,674	16,830	26,417	43,247

Special lecture to gain insight into ESG climate change



Environmental Investment Performance

Daewoo E&C has been continuously investing in environmental costs arising from various facilities and management and eco-friendly technology development to prevent environmental pollution. To break the costs down in detail, these investments aim to mitigate environmental pollution, such as fugitive dust, waste management, noise reduction, vibration control, and water quality enhancement. As of 2023, our environmental focus has shifted toward the development of proprietary offshore wind float models.

Category		Unit	2021	2022	2023
Environmental investment ¹⁾	Plan	KRW in millions	877	1378	678
	Performance	KRW in millions	726	787	577
Investment implementation ratio		%	82.78	57.11	85.10
Environmental cost ²⁾	Plan	KRW in millions	31,432	40,300	44,432
	Performance	KRW in millions	25,451	32,709	39,764
Environmental cost implementation ratio		%	80.97	81.16	89.49

1) Environmental investment: cost of environmental technology development (eco-friendly technology)
2) Environmental cost: environmental management cost (environmental pollution prevention)

Detailed Environmental Investments (Unit : KRW in millions)

Task	Performance
Development of 15MW offshore wind power floating body design technology	226
Development of an in-house model for 15MW offshore wind power floating body (Phase 2)	203
Development of innovative LCOE-saving 20MW+ ultra-large floating offshore wind power substructure design technology	148
Total	577

Detailed Environmental Costs (Unit : KRW in millions)

Category	Performance
Scattering dust	10,285
Waste	10,413
Noise and vibration	14,559
Water quality	1,739
Others	2,768
Total	39,764

Responding to Environmental Accidents

Daewoo E&C has established an environmental accident response system based on ISO 14001 certification, conducting emergency response drills to prevent environmental pollution and minimize damage to stakeholders caused by environmental accidents through prompt and efficient responses to environmental accidents. At the site, we establish emergency preparedness training plans in advance and conduct mock training tailored to the field conditions based on virtual scenarios when an emergency occurs. In addition, after the environmental accident response mock training, we supplement the emergency preparedness plan and record and manage the mock training scenarios and implementation results in ‘BAROCON’, an integrated construction management system.

Environmental Accident Response Drill

Category	Unit	2021	2022	2023
Execution of environmental accident response drills	Times	26	16	20

Disclosure of Environmental Performance

Daewoo E&C registers and discloses environmental information regarding the headquarters and construction sites in the Environmental Information Disclosure system of the Ministry of Environment every year in accordance with the Environmental Information Disclosure System of the Ministry. In 2023, we disclosed environmental information such as the environmental management promotion system, resource/energy conservation targets and performances, and environmental pollutant emission reduction targets and results for a total of 205 business sites, including headquarters and construction sites.

Support for Environmental Examination and Inspection

Category	Unit	2021	2022	2023
Environmental examination, inspection, and support	On-site environmental examination and inspection	46	37	49
	On-site environmental supports	52	31	21

Environmental Evaluation and Rewards

Daewoo E&C carries out environmental system examinations, patrol inspections, and activity monitoring for sites to inspect the implementation of the environmental management system and compliance with laws. The results are reflected in on-site environmental performance evaluation, and outstanding sites and employees are rewarded every year to encourage on-site management activities. In 2022, evaluation was carried out for 127 sites for civil engineering, housing construction, and plant, and bonus points and deductions were reflected according to the fair scoring criteria of the ‘Quality & Environment Team’ to reward employees.

Environmental Evaluation Process



Environmental Evaluation Result in 2023

Category	Sector	Site
Best	Civil	Cheongju High-Tech Industrial Complex
Outstanding	Housing & Building	Gasan-dong Knowledge Industry Center
		Dongdaegu PRUGIO Bricent
Exemplary	Civil	Aphae-Hwawon Road 2
	Housing & Building	Suseong The Palace PRUGIO The #

Activities and Results of Environmental Management

Water Resource Management

Daewoo E&C strives to collect rainwater into sediment basins, reusing them as water for sprinkling to reduce scattering dust. Also, if groundwater leakages occur during construction, efforts are made to minimize leakages by complying with relevant laws and reporting them. In cases where discharge is unavoidable, sediments are removed before discharge of rainwater or groundwater, and water quality analysis is conducted through a professional analysis agency to confirm that there are no water pollutants. It is discharged and managed after confirmation, to prevent water resources from being polluted.

In case of wastewater generation, water pollution prevention measures are taken to install sewage treatment facility or wastewater discharge facility according to the type of wastewater, generation area, discharge type, etc. As the permissible discharge standards for wastewater vary by facility, size, and region, Daewoo E&C strictly manages water pollution contaminants by applying On-site Environmental Management Practice guide, which contains in-house standards that are 10% stricter compared to the legally permitted thresholds such as the Water Environment Conservation Act and Sewerage Act. Furthermore, water usage and evidence document (bills, etc.) are attached in the accounting system in accounting for water usage, and the data is managed in linkage with the integrated construction management system ‘BAROCON’.

Water Consumption in 2023

(Unit : ton)

Workplace	Water Resource			
	Water supply	Stream water	Ground water	Total
Headquarters	21,426	-	36,717	58,143
Domestic sites	1,145,043	83,480	-	1,228,523
Overseas sites	172,447	-	-	172,447
Others (Institute of Construction Technology, etc.)	70,231	-	-	70,231
Total	1,409,147	83,480	36,717	1,529,344



Water consumption target and performance in 2023

(Water consumption/sales)

Target Performance

10.5

ton/KRW 100 million

10.4

ton/KRW 100 million

Management of Water Stress

Daewoo E&C identifies and manages the water stress index in major countries where we operate according to Aqueduct Projected Water Stress Country Rankings of the World Resources Institute (WRI). In particular, for countries with a high water stress index (Vietnam, Singapore, Algeria, and Iraq), We are considering ways to reduce water usage by aggregating water usage. In the future, we plan to expand the number of countries where we collect water usage data and encourage our overseas suppliers to participate in activities to reduce water usage.

Water Consumption by Countries Based On Water Stress In 2023

Category		Water Stress		Proportion Compared to Sales	Water Consumption (ton)	Proportion of Water Consumption	Remark
1	Nigeria	0.33	Low (<10%)	10.0%	-	-	Water usage not calculated
2	Morocco	3.85	High (40-80%)	-0.2%	-	-	Water usage not calculated
3	Mozambique	0.49	Low (<10%)	0.1%	-	-	Water usage not calculated
4	Vietnam	1.09	Low to Medium (10-20%)	1.8%	17,802	10%	
5	Saudi Arabia	4.99	Extremely High (>80%)	0.0%	-	-	Water usage not calculated
6	Singapore	5.00	Extremely High (>80%)	10.2%	65,670	38%	
7	Algeria	4.17	Extremely High (>80%)	2.5%	6,787	4%	
8	Ethiopia	0.81	Low (<10%)	0.1%	-	-	Water usage not calculated
9	Oman	4.97	Extremely High (>80%)	6.4%	-	-	Water usage not calculated
10	Iraq	3.67	High (40-80%)	52.0%	82,188	48%	
11	India	3.62	High (40-80%)	5.4%	-	-	Water usage not calculated
12	Indonesia	2.88	Medium to High (20-40%)	2.4%	-	-	Water usage not calculated
13	Qatar	5.00	Extremely High (>80%)	2.1%	-	-	Water usage not calculated
14	Kuwait	4.97	Extremely High (>80%)	2.0%	-	-	Water usage not calculated
15	Papua New Guinea	0.34	Low (<10%)	0.1%	-	-	Water usage not calculated
16	Philippines	2.78	Medium to High (20-40%)	2.3%	-	-	Water usage not calculated
17	Hong Kong	3.14	High (40-80%)	2.9%	-	-	Water usage not calculated
Total				100%	172,447	100%	

Water Pollutant Management

Daewoo E&C applies enhanced internal management standards for wastewater generated during the construction process compared to the legally permissible standards to minimize water pollutants through wastewater discharge facilities. As of the end of 2023, there are two sites that directly operate wastewater discharge facilities, and these sites are complying with effluent water quality standards by entrusting the operation of wastewater discharge facilities to a specialized company. In addition, sewage water generated from the operation of on-site temporary offices is discharged through septic tanks or sewage treatment facility to prevent water pollution.

Water Pollutant Discharge Status and Legal Allowance

Category		2021	2022	2023	Legal Allowance
SS	Emissions (ton)	0.296	0.209	2.825	· Legally allowance level 120mg/L · Internal allowance level 108mg/L
	Discharge (m³)	25,437	49,173	190,021	
	Discharge concentration (mg/L)	5.5 - 17.8	1.0 - 7.5	7.8 - 24.3	
BOD	Emissions (ton)	0.003	0.037	0.434	· Legally allowance level 120mg/L · Internal allowance level 108mg/L
	Discharge (m³)	2,898	45,974	190,021	
	Discharge concentration (mg/L)	1.2	0.4 - 1.2	1 - 4.1	
TOC	Emissions (ton)	-	0.045	0.460	· Legally allowance level 75mg/L · Internal allowance level 67.5mg/L
	Discharge (m³)	-	38,834	190,021	
	Discharge concentration (mg/L)	-	1.1 - 1.2	0.8 - 4.6	

*Emissions = Amount of discharged water x average discharge concentration (median value of discharge concentration values)

Management of Noise and Vibration

To minimize noise and vibration defined in the Noise and Vibration Control Act, we carry out a variety of anti-noise measures in accordance with internal procedures and guidelines and on-site guidelines. We comply with pre-construction notification rules and minimize noise and vibration by applying low-noise and low-vibration construction methods, using low-noise and low-vibration construction machines, restricting the use of old construction equipment, installing sound-absorbing walls at the boundary of construction sites higher than the legal standard, and installing movable soundproofing walls. We monitor the noise level by installing a noise meter in worksites and disclose the real-time noise level. For worksites with the potential to cause noise damage, we forecast the noise level with the noise monitoring system (DW-CNMS) developed by Daewoo E&C Institute of Construction Technology and take improvement measures to reduce noise based on the result.

Soil Pollution Management

Daewoo E&C identifies works causing soil contamination in advance through environmental impact assessment and establishes and implements management measures for the identified hazardous work. When installing facilities (oil storage, generators, etc.) or carrying out work (concrete pouring, waste separation screening, etc.) that may cause soil contamination, work is being carried out after taking measures suitable for soil protection, such as installing a shelter on the surface. In addition, if soil that is presumed to be contaminated is generated during construction, we are doing our best to preserve the soil environment by requesting a soil pollution level analysis from a specialized analysis agency and carrying out soil purification according to the results.

Management of Chemicals

Daewoo E&C manages and supervises the entire process from introduction of hazardous chemicals of suppliers to final disposal, including directly operated worksites as well as all other worksites. Daily inspections are carried out by on-site safety/health managers and inspections at least once a week are carried out by environment managers to minimize risks from hazardous chemicals to all sites. Since Daewoo E&C is a company that is required to submit a chemical substance statistics survey, we have established a strict management system based on implementation requirements in accordance with the domestic Chemical Substances Control Act and are making every effort to prevent chemical spills and leakages.

Hazardous Chemicals Consumption

Category		2021	2022	2023
Sodium hydroxide(25%)		0	0	0
Sodium hydroxide(35%)		0	0	0
Sulfuric acid(50%)		0	0	0
Total		0	0	0

(Unit : ton)

Management of Air Pollutant

Daewoo E&C does not have any sites that install or operate facilities that emit air pollutants, but it applies the ‘On-site Environmental Management Practice Guide’ to its domestic operations, which are 10% stricter compared to legally permitted standards, ensuring that it can respond immediately to if it needs to install or operate facilities that emit air pollutants.

Control of Fugitive Dust and Fine Dust

Daewoo E&C follows the Air Environment Protection Act, internal procedures and guidelines, and the On-site Environmental Management Practice Guide to report projects that generate fugitive dust before starting construction. On sites, we are strengthening fugitive dust and fine dust reduction activities by installing and operating construction vehicle washing facilities, mobile high-pressure water sprinklers, sprinklers, mobile dust collection facilities, water trucks, and dust. We are also installing fine dust concentration measuring instruments to measure and disclose fine dust levels in real time. In addition, we signed a voluntary agreement with the Ministry of Environment and Seoul Metropolitan Government to reduce fine dust and expanded the number of participating sites in Seoul from 5 in 2022 to 10 in 2023. In recognition of our efforts to expanding participating business sites and implementing the agreement, we were awarded the Seoul Mayor's Commendation. From 2024, we plan to make it mandatory for all new sites in Seoul to participate in the agreement, complying with the environmental policies of the Ministry of Environment and the Seoul Metropolitan Government and contributing to the reduction of fine dust.



Agreement to reduce fine dust with the Ministry of Environment

Agreement with Seoul City to reduce fine dust (operation of eco-friendly construction sites)

Resource Circulation and Waste Management


Daewoo E&C strictly manages waste at all stages, from generation to disposal, in accordance with the Construction Waste Act and the Waste Management Act. All data related to waste is managed in 'BAROCON', an integrated construction management system, and we set waste recycling rate targets every year to monitor the targets and expand waste recycling.

Waste generated during construction is strictly separated by type and disposal method. In order to raise the awareness of construction waste among site workers, we distribute eight types of manuals on construction waste to the sites and conduct quarterly site-specific construction waste education.

In addition, to increase the recycling rate of waste and maximize resource circulation, we improved and piloted the existing guidelines for separate discharge and storage of waste, and based on the results, established the 'Construction Waste Management' guidelines.

We also actively participate in government environmental policies by signing an agreement with the Ministry of the Environment to expand eco-friendly disposal and recycling of construction waste.

Waste Recycling Target and Performance

	Target	Performance
 Recycling (ton)	993,842	995,306
Recycling rate (%)	99.79	99.94



Voluntary agreement for eco-friendly treatment of construction waste and expansion of recycling

Management of Waste-Related Suppliers

To ensure that waste is disposed of safely and efficiently, Daewoo E&C has been registering excellent waste disposal companies as suppliers since 2011. We regularly update the list twice a year (January and July) and issue warnings, expulsions, or reduced warnings based on the results of annual assessments. At the end of 2023, we outsourced waste disposal to 133 registered waste suppliers, and we are committed to ensuring that waste is disposed of safely and in accordance with legal standards.

Waste Generation and Recycling Rate (Unit: ton)

Category	2021	2022	2023
Waste generated	772,730	633,300	995,924
- Construction waste	762,688	628,557	991,812 ¹⁾
- Worksite waste (general)	10,031	4,613	4,112
- Worksite waste (designated (hazardous))	11.05	129.01	0.1
Recycling amount	770,613	633,139	995,306
Recycling rate	99.73%	99.97%	99.94%

1) The number of building dismantling construction sites and dismantling work increased compared to the previous year, resulting in a temporary increase in the amount of waste concrete generated.

Details of Worksite Waste (Designated (Hazardous)) Generation (Unit: ton)

Category	2021	2022	2023
Waste oil	5.5	105.42	0.1
Waste paint	0.8	0	0
Others	4.75	23.59	0
Total	11.05	129.01	0.1

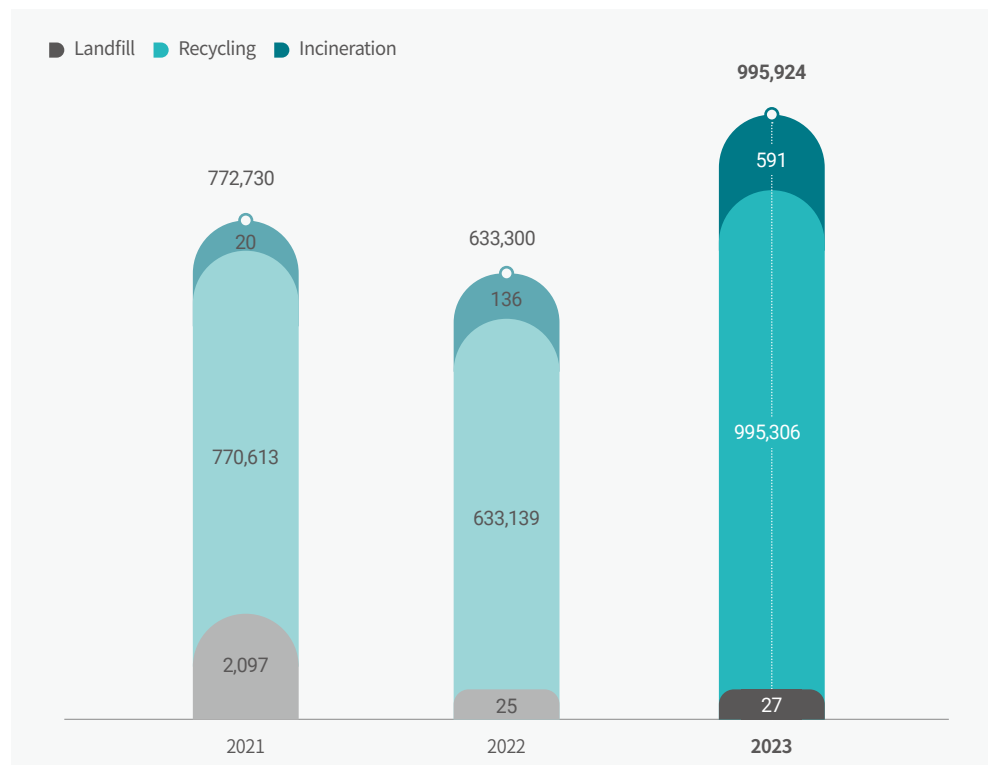
Procedure of Waste Disposal

Daewoo E&C entrusts waste transport and disposal to professional waste disposal companies registered as partner companies. At the site, we set up separate storage facilities suitable for storing each type of waste, sort and store them separately before being consigned to licensed waste collectors. The collection and transportation company passes through the waste weighing scale at the disposal company and transfers the contracted waste to the disposal company. The figures measured by the scale are periodically calibrated by the Korea Environment Corporation, and the information is correctly entered into the Allbaro system. The Allbaro system is linked to the company's waste system to monitor the status of waste disposal in real time.

The company's waste is classified into landfill, recycling, and incineration, and waste is managed in a way that improves the amount of waste recycling compared to the total amount of waste generated. In addition, for the first time in the construction industry, we developed a mobile application that fills out an electronic transfer form anywhere and has been using it since 2015.

Waste Treatment Performance for 3 Years

(Unit : tons)



Management of Biodiversity

Daewoo E&C conducts various activities to protect nature and preserve biodiversity around its construction sites. Before construction commencement, we identify the distribution of endangered plants and animals in accordance with the Environmental Impact Assessment Act and establish protection plans before carrying out ecological protection activities appropriate to each site. During construction, we proactively introduce various new construction methods to ensure that environmental impacts are minimized. Daewoo E&C completed India's longest sea bridge, the Mumbai Trans Harbor Link without any accidents during a long construction period of about 69 months. The eco-friendly PSM (Precast Segment Method) construction method, in which superstructures of a certain length are manufactured in a factory and connected on site, was introduced during the construction, to reduce damage to mangrove forests, which have up to five times the carbon storage capacity of tropical forests, and the habitat of flamingos, which are designated as near extinct by the IUCN (International Union for Conservation of Nature). This enabled Daewoo E&C to complete the Mumbai Trans Harbor Link with minimal pollution to the sea.



Panoramic view of the Mumbai Trans Harbor Link India

Preservation of Biodiversity

Daewoo E&C conducts quarterly site monitoring during the construction process and takes necessary measures to strengthen biodiversity conservation. At three sites in the metropolitan area, we monitored the appearance of narrow-mouthed frogs (Endangered category II species in South Korea) quarterly, and the habitat environment of salamanders and Korean Brown frogs was monitored three times. In winter, we conducted bird surveys and provided rice straw from nearby agricultural fields as a food source. At one site in Gyeongsangbuk-do and three sites in Jeolla-do, we monitored nationally protected species and protected trees on a quarterly basis, and removed plants that disturbed the ecosystem. In particular, at the construction site of the Aphae-Hwawon Road 2 project, we protected otter food sources and installed a 1,180-meter anti-siltation barrier at three locations to minimize the impact on the ecosystem. At four construction sites in the Chungcheong region, we conducted quarterly monitoring to remove ecological disturbance plants and installed ecological corridors to preserve wildlife habitats and secure migration corridors. In addition, at the Cheongju Advanced Industrial Complex construction site, we created a 6,000m² guide plantation to protect damaged trees and transplanted 224 damaged trees.

Region	Nationally Protected Species					Others	Ecological Protection Activities in 2023	
	Amphibians, reptiles	Mammals	Birds	Fish	Terrestrial plants		Direct activities	Indirect activities
3 sites in the metropolitan area (Seoul Metro Line 9 Extension Section 1, Yangpyeong-Icheon Expressway Section 1, GTX-A1 Section)	Narrow-mouthed Frog Suwon Tree Frog Seoul Fond Frog	-	-	-	-	Salamander Korean Brown Frog	· Provision of food source through rice straw from nearby agricultural fields	· Monitoring of the appearance of narrow-mouthed frog once a quarter · Monitoring the habitat environment of salamanders and Korean brown frog (3 times) · Survey of birds in winter (January-February) · Survey on nationally protected species distribution and impacts once a quarter
1 site in Gyeongsang region (Pohang Yeongdeok Expressway Section 3)	-	-	-	-	-	Nurse-Tree (Zelkova)	· Removal of ecologically disturbing plants (ginseng vine, thorn lettuce)	· Washing the leaves of protected trees, monitoring once a quarter for sunlight obstruction and reduced growth
3 sites in Jeolla region (Gangjin-Gwangju Expressway Section 1, Aphae-Hwawon Road 2, Chopyeong Port)	-	Wildcat Otter	Goshawk Eagle Golden eagle Long-billed Plover Grey Frog Hawk	Coreoperca kawamebari	Eelgrass Surfgrass	-	· Removal of ecologically disturbing plants twice (July, November) · Installation of an anti-pollution barrier to protect otter food sources and minimize the impact on the marine ecosystem · 1,180m in 3 locations (700m floating type, 480m freestanding type)	· Monitoring of the appearance of nationally protected species once a quarter · Monitoring of growth density (4 times) after completion of transplantation of leech and shrimp marmalade (2022)
4 sites in Chungcheong area (Namcheongju Industrial Complex, Western Inland Expressway Section 6, Sejong Anseong Expressway Section 6, Cheongju High-Tech Industrial Complex)	Narrow-mouthed Frog	-	-	-	-	Nurse-Tree (Zelkova) Damaged tree White heron	· Removal of ecologically disturbing plants (maple leaf ragweed, ginseng vine) · Installation of one covered ecological corridor (100m wide) and one movement passage along roads to preserve wild animal habitat and secure movement passage · Establishment of a transplanting site (6,000m ²) and transplanting (224 plants) to preserve damaged trees · Protective tree (zelkova) transplant (1 plant)	· Monitoring of the appearance of nationally protected species once a quarter · Avoiding large-scale earthworks and high-noise processes, and detouring the construction vehicles around the egret habitat area as much as possible, during the egret breeding season (April to June).



Removal of ecologically disturbing plants



Installation of an anti-pollution screen to protect otter food sources



Monitoring of suitable transplant sites

Eco-friendly Construction

Daewoo E&C conducts eco-friendly technology development and investment with the goal of realizing an eco-friendly construction environment. We establish environmental sales and purchase standards and transparently disclose related performance, while striving to expand the volume of green sales and purchases through various measures. We also establish eco-friendly supply chain policies and targets to implement an eco-friendly construction environment throughout the value chain.

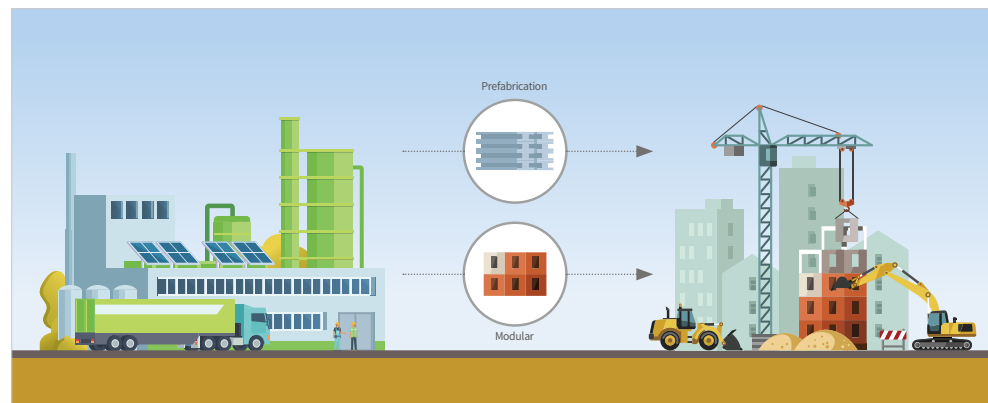
15 MW class
Development of floating offshore
wind power design technology

Establishment of eco-
friendly supply chain
policies and goals

Development of Eco-Friendly Methods and Technologies

Off Site Construction (OSC) Factory Production-based Modular Construction Technology

Daewoo E&C has identified OSC as an eco-friendly technology that can respond to the changed production conditions of the construction industry and is applying it to various sites. OSC technology utilizes modular technology in the form of steel and precast concrete, prefabricated in a factory and then assembled on-site. This enables us to shift from a site-centered work method to a factory-oriented production method, which helps prevent safety accidents, shorten construction periods, and improve productivity.



Conceptual diagram of OSC (Off-Site Construction) technology

Necessity for OSC (Off-Site Construction) Technology

Policy	Establishing a safety management system to prevent serious disasters Securing industrial competitiveness through policy-based infrastructure creation
Technology	Requiring development and application of advanced technology to improve quality
Economic & social	Supplying stable housing and improving housing industry competitiveness Preventing safety accidents and improving industrial image



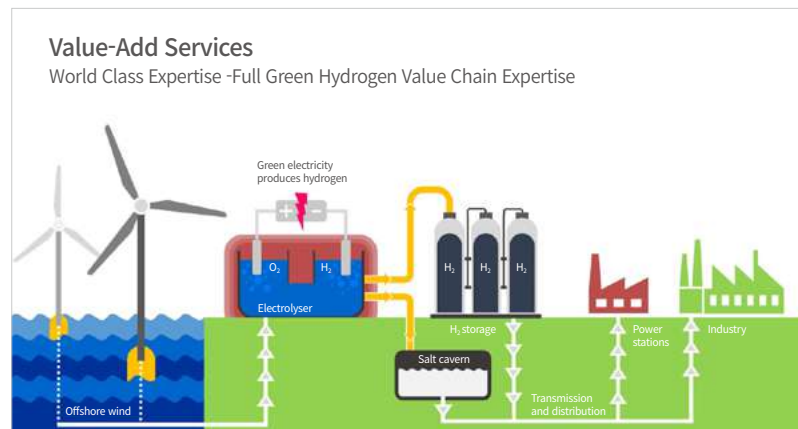
Installation of hybrid rooftop



Installation of prefabrication bathroom unit (PBU)

15MW-class Floating Wind Power Design Technology

With the strategic goal of entering into the offshore wind power business, Daewoo E&C has been developing technologies over the medium to long term. In collaboration with Dutch offshore wind power company Monobase Wind, we have been independently developing a 15MW hybrid float model, a key equipment for offshore wind power generation, which was granted an international patent in September 2023. In June 2024, we received AiP (basic approval for conceptual design of new technology) from DNV, an international classification body. The float is a hybrid model that combines the stability of a spar with the constructability of a semi-submersible float. The substructure is made of special concrete, meaning that the unit cost is low and eco-friendly. We plan to strengthen our competitiveness in winning orders by developing our own hybrid floating model and actively explore the offshore wind power business, one of the renewable energy businesses.



Floating offshore structure linking wind power and green hydrogen



Firefly floating offshore wind power (Source : equinor)

Participation in Water Electrolysis-based Hydrogen Production Station Construction Project

Daewoo E&C is participating in the water electrolysis-based hydrogen production station construction project in the East Sea to strengthen its new energy design capabilities and to secure related operational technologies. The station is a facility that produces hydrogen by electrolyzing water using renewable energy power, and is an eco-friendly model that does not emit carbon during operation. By participating in this project, we expect to not only secure the capability to carry out new hydrogen projects, but also improve our competitiveness in new energy development projects overseas.



Bird's eye view of water electrolysis-based hydrogen production base

Carbon Reduction Early Strength Slag Cement Concrete Technology

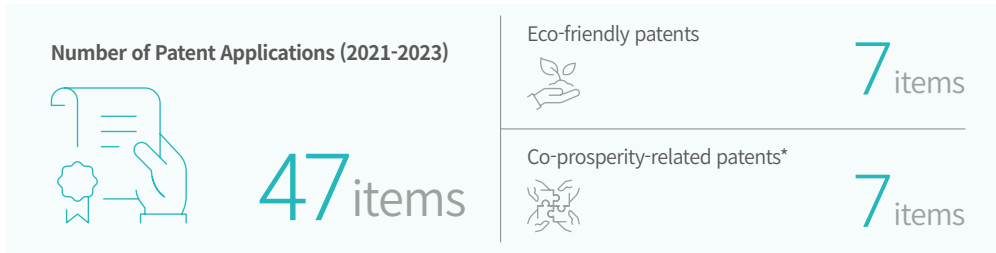
Daewoo E&C has reduced greenhouse gas emissions by up to 54% compared to conventional concrete by applying carbon reduction early strength slag cement concrete technology at construction sites. According to a research and development report by Daewoo E&C's Institute of Construction Technology, about 6,000 cubic meters of concrete was used at an apartment site poured in February 2022, resulting in a carbon reduction of 76kg CO₂/m³ compared to conventional concrete. In addition, carbon reduction early strength slag cement concrete technology not only shortens construction time and reduces costs through early strength expression even in winter, but also improves cement quality to prevent concrete quality risks at construction sites.



Site where carbon-reducing early steel slag cement concrete technology was applied (Daeyeon PRUGIO CLASSENT, Daeyeon District 4, Busan)

Enhancing Eco-friendly R&D and Patent Application

To achieve sustainable growth, Daewoo E&C strives to secure competitive advantage by focusing on R&D and applying for various patents. As of the end of 2023, we were conducting a total of seven R&D projects, including one in-house project and six commissioned by government agencies. We also applied for a total of 47 patents in the three-year period from 2021 to 2023. We pursue construction that minimizes environmental impact by applying for eco-friendly patents such as eco-friendly low-carbon concrete using early strength slag cement (Registration No. 10-2578767) and floating offshore wind power structure and installation method (Registration No. N2031193).



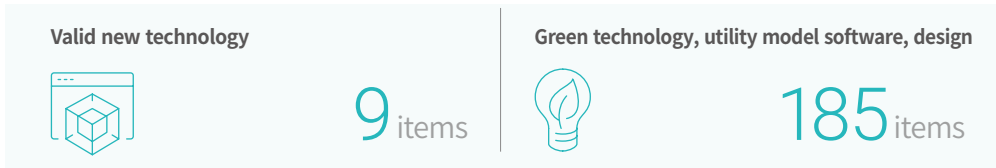
* Patents jointly developed and applied for with suppliers

Technological Innovation and Certification Achievements

Pursuing continuous technological innovation to prepare for a rapidly changing future, Daewoo E&C has been recognized for its technological prowess in the rapidly changing global market. Our advanced water treatment technology has been certified as an effective new technology¹⁾ by the Ministry of Environment in recognition of its excellence and novelty, while the rapid seismic reinforcement method of reinforced concrete column has been certified as a green technology by the Ministry of Land, Infrastructure, and Transport.

In addition to technological innovation, Daewoo E&C developed and applied for various designs for utility model software. We developed and registered a digitalization program for construction quality management as a utility model software, which helps us manage construction sites systematically and efficiently. In addition, patents for filters for ventilation diffusers, smart switches, and design patents for the PRUGIO elevator allow Daewoo E&C to build buildings that consider not only the exterior but also the interior design.

1) No. 392. Membrane filtration advanced water purification technology using automatic microfiltration membrane operation mode switching process



Eco-friendly Certificates

Green Building Certification System (G-SEED)

The Green Building Certification System(G-SEED) is a system that grants eco-friendly building certification to buildings contributing to energy conservation and environmental pollution reduction throughout the entire process, including design, construction, maintenance, and management. Daewoo E&C has achieved the highest level of green building certification (Green 1) for many of its projects, including Daechi PRUGIO Summit, Seoun PRUGIO Heritage City, Seoun PRUGIO G-Palace, and Olympic Park Foreon.

LEED (Leadership in Energy and Environmental Design)

One of the most widely recognized green building assessment and certification schemes internationally, LEED was developed by the US Green Building Council (USGBC). LEED is applicable to all building types including housing, commercial interiors, schools and medical institutions, and also the lifecycle of buildings encompassing design, construction, and operation. Daewoo E&C has obtained third-party eco-friendliness certification through the US Green Building Council (LEED) certification in many projects including Songdo Hotel and Keimyung University Dongsan Medical Center.



Daechi PRUGIO Summit achieved the highest level of green building certification (green grade 1).

Daewoo E&C's Eco-friendly Technologies

Renewable energy

- Development of heat pump utilization technology for applying to apartment houses and development of processes for applying new renewable energy
- Development of technology to construct customized and ecofriendly energy-saving apartments
- Convergence technology demonstration project for low-energy buildings

01

Waste recycling

- Basic research on optimal hydrogen production technology from waste
- Development of methanol retrieval technology from high caloric waste syngas

02

Carbon reduction

- Development of storage technology for CO₂ capture and mass use
- Development and commercialization of carbon-reduced concrete technology

Air pollution

- Development of a quantitative supply monitoring system for dioxin-controlled activated carbon

Biogas

- Development of a quantitative supply monitoring system for dioxin-controlled activated carbon
- Development of technology for post-treatment of high concentration organic wastewater by anaerobic digestion(DBS)

03

Wind Power

- Development of Wind Environments evaluation technology for eco-friendly buildings

05

Offshore wind power

- Technology for independent design of floating platform
- Design technology for 15MW offshore wind power floating body
- Development of in-house model for 15MW offshore wind power floating body
- Innovative LCOE-saving 20MW+ ultra-large floating offshore wind power substructure design technology
- Hydrogen production technology linked to floating offshore wind power
- Development of tilt attitude control technique based on offshore wind power
- Development of design standards for offshore wind power support structures and concrete support structure technology

Seawater desalination

- Development of low-energy seawater desalination plant technology tailored to the Middle East
- Commercialization of low-energy forward osmosis technology for desalination of seawater
- Energy saving technology for seawater desalination facilities

04

Water treatment (water supply)

- Design/construction/operation of an integrated management system
- Development of energy efficiency and monitoring technologies for utility(device)-based water supply systems

Water treatment (sewage)

- Development of a post-treatment filter system for the reuse of treated sewage water
- Development of technology for improving and optimizing efficiency in food waste anaerobic digestion and anaerobic digestion effluent wastewater treatment
- Development of reactor structure and piping design technology to improve the efficiency of sewage treatment
- Development of commercialization technology for high-intensity and low-energy sewage treatment methods to modernize sewage treatment plants






Eco-friendly Business Activities and Enhanced Disclosure

Disclosure of Eco-friendly Sales

Daewoo E&C follows the internal standards for calculating green sales based on the Korean Green Classification System (K-Taxonomy) and transparently discloses the performance in its sustainability report. All projects in each business division are carefully reviewed to determine whether they qualify as eco-friendly projects to prevent greenwashing and accurately calculate eco-friendly sales performance.

Eco-friendly Sales Performance

(Unit : KRW in millions)

Sector	Amount	Details
 Greenhouse gas reduction, low carbon	339,213	Greenhouse gas reduction business and R&D, etc.
 Renewable energy	13,090	Construction, remodeling, and operation of renewable energy production facilities, etc.
 Hydrogen, natural gas, mixed gas, methane gas, etc.	101,798	Construction, remodeling, and operation of power generation facilities, combined heat and power generation facilities, and heat production facilities using hydrogen, natural gas, mixed gas, and methane gas
 City building	411,737	Green building certification (highest grade), etc.
 Water	63,757	Installation and operation of water supply equipment or water facilities to supply domestic or industrial water, etc.
 Waste	11,087	Waste generation suppression, waste collection, recovery, sorting, and separation, etc.
 Nuclear power	87,760	Nuclear fuel and defense waste management, nuclear facility decommissioning, etc.
 Total	1,028,442	

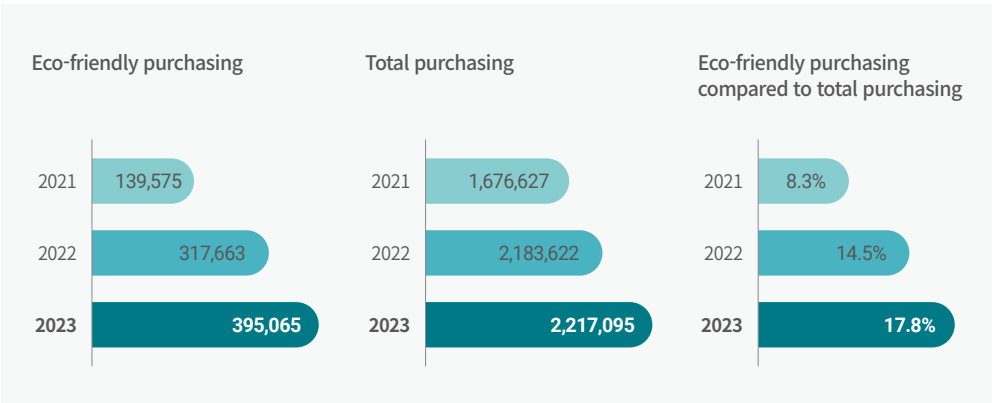
Disclosure of Eco-friendly Purchase

According to Daewoo E&C’s internal standards, purchases of Korea Eco-Label certified products, Good Recycled (GR) certified products, and low-carbon certified products are classified as eco-friendly. The performance of eco-friendly purchases is disclosed in the sustainability report. Korea Eco-Label certified products have improved environmental performance compared to other products of the same use, and we purchase those products for housing and construction. Good Recycled (GR) certified products are those certified by the Korean government for the quality and environmental friendliness of recycled products. By purchasing GR-certified asphalt, rebar, and section steel, we will increase the proportion of recycled materials and contribute to the circulation of resources. We also expect to reduce greenhouse gas emissions and contribute to carbon neutrality by using ready-mixed concrete with low-carbon certification, which is awarded to products that achieve greenhouse gas reduction beyond the national greenhouse gas reduction target.

Eco-friendly Purchasing in 2023

(Unit : KRW in millions)

Category	Eco-friendly Purchasing	
	Certification	Amount
Housing and construction materials and equipment	Korea Eco-Label certified products	16,457
Ascon, rebar, and section steel	Good Recycled (GR) certified product	310,886
Ready-mixed concrete	Low-carbon certified products	67,722
Total	Total amount of eco-friendly purchasing	395,065



※ Not included the purchasing of low-carbon certified products in 2021 and 2022

Setting Green Supply Chain Policy and Goals

Daewoo E&C has set eco-friendly supply chain policies and targets to set management direction across the entire supply chain and improve external credibility. Considering the entire construction supply chain, we have presented eco-friendly supply chain management policies for each stage and set standards for environmental management measures. In addition, we have proposed expanding the proportion of eco-friendly purchases and improving waste recycling rates as mid- to long-term goals for the purpose of achieving these goals.



Supply Chain Policy

Article 1. Policy purpose and scope of application

- Entire supply chain encompassing production, transportation, construction, use, and disposal

Article 2. Eco-friendly supply chain management in production and transportation stages

- Definition of green product
- Green purchasing implementation policy: supplier management, purchasing practice

Article 3. Eco-friendly supply chain management in construction and use stages

- Supplier management
- Strengthening environmental education

Article 4. More than 95% of eco-friendly supply chain management in disposal stage

- Establishment and practice of waste management procedures
- Construction waste management



Mid- to Long-term Eco-friendly Supply Chain Management Goals

Expansion of green purchasing ratio

By **3.4%**
compared to total sales

Waste recycling rate

over **95%**

Management of Suppliers to Increase Eco-friendly Purchase

Daewoo E&C considers various management and support measures to encourage eco-friendly purchasing by its suppliers. We identify the current status of eco-friendly certifications such as Korea Eco-Label, Good Recycled (GR), and low-carbon certified products of existing suppliers and encourage them to obtain additional certifications. In the future, we will spend the Win-Win Cooperation Fund to support suppliers' eco-friendly certification costs. We also plan to grant incentives to companies that use products that meet eco-friendly purchasing standards when evaluating suppliers' registration and comprehensive evaluation.

Support to Strengthen Suppliers' Environmental Management Capabilities

To strengthen the environmental management capabilities of our suppliers, Daewoo E&C fulfils its responsibilities as a prime contractor and practices win-win management by providing environmental management support and environmental education. We signed an agreement with a credit rating agency to support ESG training, consulting, and evaluation costs (KRW 10 million) for our suppliers. We also select suppliers (20 companies) with ESG ratings and provide them with ESG-related training, due diligence on business sites, and consulting. Meanwhile, we encourage voluntary environmental management by giving extra points to suppliers that have ISO 14001 environmental management certification or have received awards from governments and public institutions.

Conducting Eco-friendly Social Contribution Activities

Daewoo E&C considers social contribution to be an important value and conducts various eco-friendly activities to contribute to the local community. At the 'Suncheon PRUGIO the First' site, employees at Daewoo E&C and at suppliers conduct environmental clean-up activities around the site every month. In Gangneung City, where a forest fire occurred, we donated KRW 300 million to restore the environment and support the victims.

We are continuing our eco-friendly social contribution activities at events where we invite employees and their families. At the May 2023 employee family invitation event, we ran an eco-friendly energy sharing campaign called 'Lighting Children' and sent self-assembled eco-friendly solar lanterns to children in countries with energy shortages. At the May 2024 event, we produced Braille tactile books using eco-friendly materials made from recycled plastic bottles. In addition, we are carrying out various eco-friendly social contribution activities, such as holding events in an eco-friendly manner by creating photo zones for family photo shoots using honeycomb boards made of eco-friendly materials instead of banners that cannot be recycled.



Donation to help residents affected by forest fire in Gangneung (April 2023)



Eco-friendly energy sharing campaign "Lighting Children" (May 2023)



Environmental cleanup activities at the Suncheon PRUGIO The First site (April 2023)



Production of tactile Braille books using eco-friendly materials (May 2024)

Health and Safety Management

Strengthen the
execution
on site

Establishing
support
system

Streamlining
IT system

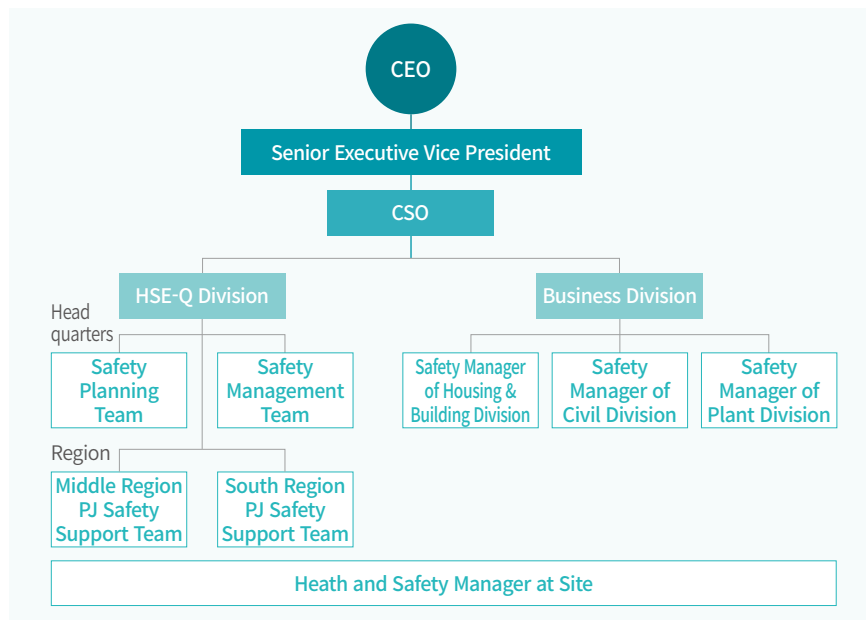
Improving
suppliers'
safety level

Daewoo E&C applies health and safety management system to all business sites in operation, continuously undergoing renewal and extension examinations by acquiring KOSHA-MS and ISO 45001 certifications to foster safe working place. In addition, we have established a safety and health policy to prevent occupational accidents and share it with all stakeholders, including workers, suppliers, and local communities. The safety and health policy applies not only to Daewoo E&C but also to all workers, including suppliers.

Health and Safety Governance

Daewoo E&C has the HSE-Q Division under the CSO to strengthen health and safety management. Four teams, including the Safety Planning Team, Safety Management Team and Middle/South Region PJ Safety Support Team are responsible for health and safety. In addition, safety officers are assigned to each business headquarters to support the health and safety work of the entire company.

Organization for Health and Safety



Daewoo E&C reports its health and safety plans to the Board of Directors for approval. The company-wide health and safety management system is operated by the HSE -Q Division, which has reorganized the responsibilities to be more efficient in order to strengthen disaster prevention activities. The size and tasks of the regional safety organizations have been expanded so that they can take immediate improvement measures for any deficiencies and strengthen communications with construction sites by transferring tasks such as safety training and inspections to the regional safety teams, which they can closely manage health and safety at sites.

Health and Safety Strategy

For the purpose of achieving “ZERO” serious industrial accidents, Daewoo E&C has established effective health and safety strategies, including strengthening execution on site and improving safety level of our suppliers.

Strengthened Health and Safety Activities

In relation to the recently strengthened Serious Accidents Punishment Act, the impact of major accidents on suppliers, customer companies, and overall management of the company has become greater. Daewoo E&C is focusing company-wide capabilities by reflecting the management’s strong will to prevent major accidents, carrying out health and safety activities as follows.

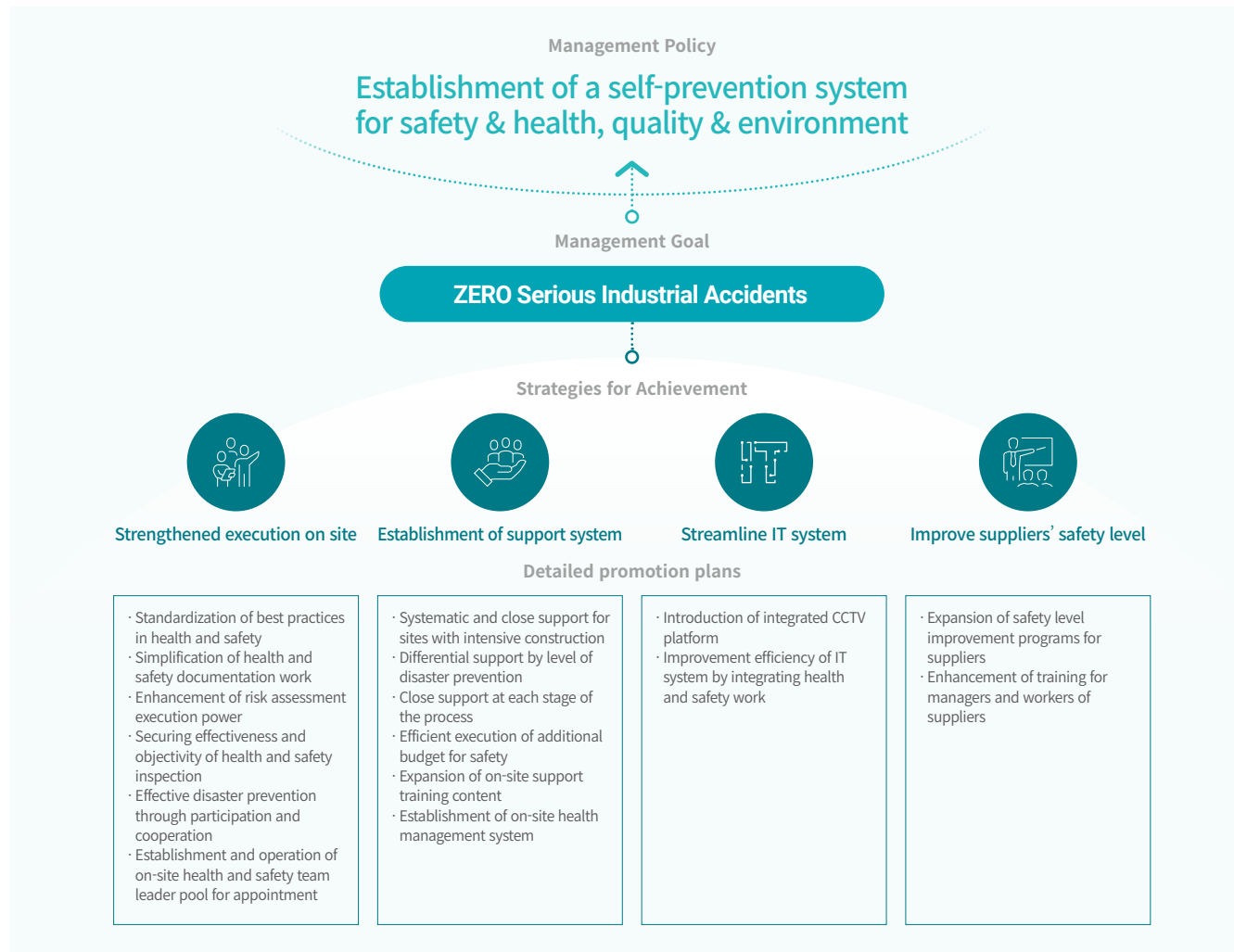
- Standardizing best practices in health and safety and reorganizing site support system
- Securing additional manpower due to tightened safety inspection of construction machinery
- Expanding safety inspections by executives including the CEO and CSO
- Expanding safety training programs and communication



Establishment of Health and Safety Management System

In order to prevent risks that may arise in the sites and achieve zero serious industrial accidents, Daewoo E&C has established the following health and safety management policies, goals, strategies, and detailed implementation plans, and the health and safety management policy is approved annually by the top management and the Board of Directors in the form of a safety and health plan.

Health and Safety Management Policy



Management of Health and Safety Risks

To ensure that possible health and safety risks at all sites are managed, Daewoo E&C is continuously implementing efforts to identify hazardous risk factors and establish improvement measures to eliminate such risks.

Identification of Health and Safety Risks

Daewoo E&C prioritizes activities to proactively eliminate health and safety risks. This means identifying risk factors in advance, eliminating such risks, preparing early-stage countermeasures, and maintaining a safe working environment to protect the safety of all workers. In particular, we consider any disaster or social issue related to health and safety that may have financial or non-financial impacts as a health and safety risk. In addition, to fulfil our obligation to responsibly manage the safety of our suppliers' workers, we separately manage and disclose the accident rate of our suppliers' workers. In addition, we continuously check to ensure that health and safety risks are properly identified and that activities to secure a safe working environment are carried out effectively by conducting health and safety inspections and disaster prevention activities.

Establishment of Computerized Risk Assessment System

All Daewoo E&C sites use an in-house health and safety work system called SMARTy to detect health and safety risks and identify improvement tasks. This system has a risk assessment database of more than 40,000 work units, which we use to conduct risk assessment activities. To ensure that these activities at the site are operating properly, the company periodically conducts on-site health and safety inspections and conducts support activities. For recurring major hazards, we establish headquarters-level measures, such as enhancing the policy, to eliminate the root causes and apply them to all sites. In addition, we swiftly share the cases of utilization of right to suspend work, near misses, and various accident cases of the company and our peers to ensure that risk assessment activities are reviewed at a high level when working on similar processes. For sites with deficiencies, regional safety organizations conduct support activities at different levels.

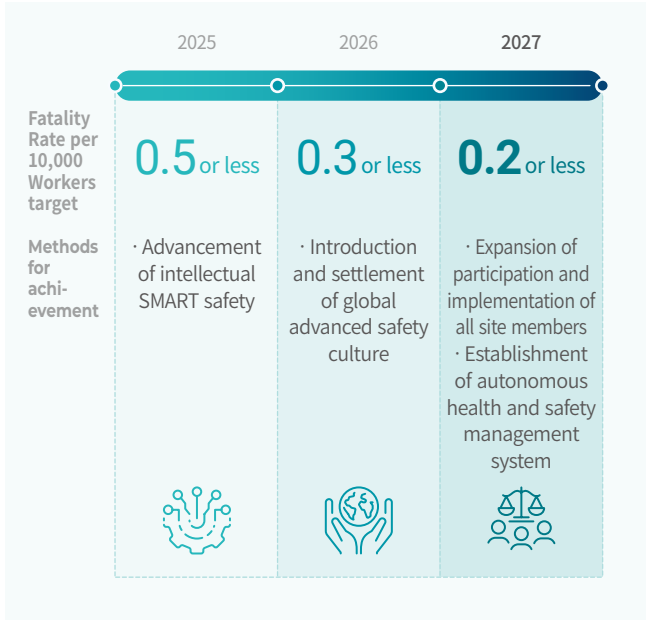
Health and Safety Metrics and Targets Management

To achieve zero accidents at all its worksites, Daewoo E&C has established the goal of “ZERO” serious industrial accidents and a mid- to long-term goal of reducing the death rate.

Establishment of Mid- and Long-term Health and Safety Roadmap

Daewoo E&C has set a goal of reducing the Fatality Rate per 10,000 Workers to 0.6‰ or lower in 2024. The mid- to long-term roadmap for 2027 is to reduce the Fatality Rate per 10,000 Workers to 0.2‰ or lower. The company will focus the capabilities of all employees to achieve this goal.

Mid- to Long-term Goals



Strengthening Health and Safety Activities and Performances

Daewoo E&C implements various response strategies to ensure a safe and comfortable working environment and prevent the occurrence of major accidents at all of its sites.

Strengthening Site Support and Inspection

In order to strengthen practical guidance and support for sites, we have transferred site-specific tasks such as safety training and inspections to regional safety teams, which provide tailored support according to the level of each site to identify deficiencies and provide prompt assistance. Based on the number of health and safety support cases, we exceeded the annual plan by 221%.

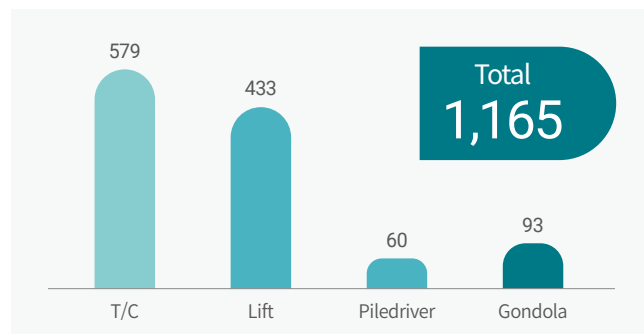
The company also supports various health and safety activities. Managers in charge of management conduct semi-annual inspections of the implementation of the health and safety management system in accordance with the Serious Accidents Punishment Act at each site, and in 2023, we conducted a total of 343 such inspections. As a result of the close support, the number of citations related to ‘identification and improvement of hazardous risk factors’, which are the major factors that need improvement in the first half of the year, decreased by 18% in the second half of the year. On-site health and safety inspections were conducted at 113 sites. For sites which need improvement as a result of inspection, we conducted additional Jump-Up inspections to help them improve their health and safety levels. In particular, for sites with a high risk of disasters, such as intensive construction sites, we provide close support to ensure that fundamental issues, such as site organization and budget, etc. are resolved immediately.



Inspection/Support for Construction Machinery

Daewoo E&C is committed to safety activities to prevent construction machinery accidents, which is one of the leading causes of major disasters. Before bringing high-risk construction machineries such as tower cranes and lifts to the site, external experts conduct non-destructive inspections and only those that pass are deployed on site. The main construction machineries used on site are also subject to regular inspections. Inspections of construction machineries are carried out by targeting the parts that need to be inspected for each accident-prone machine, and the inspections are conducted through document checks, visual checks, functional tests, and operating conditions. If a defect is found as a result of the inspection, we analyze the defect and take measures to prevent recurrence, and the machine is restarted only after the inspection is confirmed. We also strive to strengthen the expertise of site safety managers and supervisors in construction machinery by having them participate in inspections and conduct hands-on training from time to time.

Inspection Before Bringing Construction Machinery to Site in 2023 (Unit : cases)



Inspection During Use of Construction Machinery in 2023 (Unit : cases)

Classification	Excavator	Forklift	Mobile Crane	Aerial Work Platforms
Civil	57	6	19	35
Housing & Building	112	123	51	157
Plants	19	12	8	16
Total	188	141	78	208

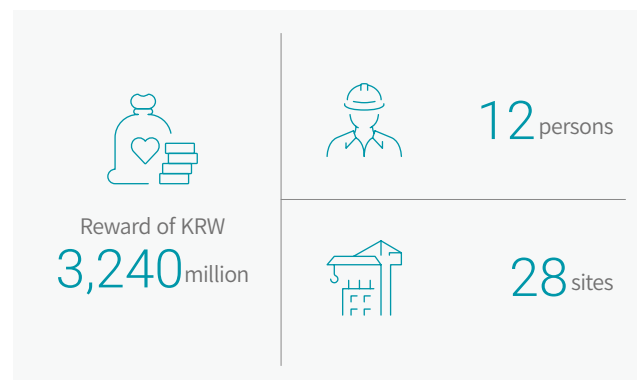
Identification of Near-miss Events

Accidents that occur but do not result in human or material damage are called “near misses.” Daewoo E&C actively identifies and responds to “near misses” that can be seen as signs of accidents, as these accidents can lead to larger accidents if not improved.

Daewoo E&C awards cash prizes to the sites and individuals who identify the most near-miss events by conducting quarterly evaluations to promote the identification of “near miss” events. In particular, from 2024, the awardees have been expanded to include employees and workers of partner companies, so that all site members can actively participate in the identification of “near misses.” In addition, the SMARTy app, Daewoo E&C’s health and safety work system, allows site members to register “near misses” immediately. The registered information can be easily accessed from the site anytime and anywhere, encouraging site members to actively participate in the identification.

Major cases are analyzed and disseminated to all sites on a monthly basis to prevent the same or similar accidents from recurrence. The company plans to further expand the “near-miss” identification reward system and improve the reporting system to facilitate workers’ participation.

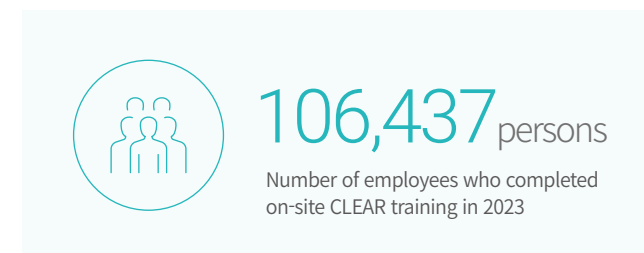
Identification of Near-miss Events and Reward



Operation of CLEAR, Daewoo E&C's Safety Culture Program

Daewoo E&C introduced CLEAR, a safety culture program, in 2015 to improve workers' safety awareness. External consulting was conducted for five years (2016-2020) to create a safety culture where employees protect each other through positive relationships and two-way communication. Daewoo E&C then started to operate by itself, and has expanded the safety culture program to all sites in Korea.

In 2023, we produced and distributed CLEAR video training materials and conducted training on safety culture at all sites. In 2024, we plan to strengthen the establishment of a safety culture by operating the CLEAR program being conducted by headquarters, and on-site to establish safety culture across the company.



Training on Daewoo E&C's own safety culture (CLEAR) program

Standardization of Best Practices in Health and Safety

Since 2024, Daewoo E&C has been supporting efficient safety management and disaster prevention activities at its sites through standardization of best practices of health and safety. In addition, we share a number of health and safety best practices collected by the regional safety teams with all sites. These practices are also reflected in the bidding conditions for safety facilities and direct costs of subcontractors and are standardized across the company so that they can be applied immediately at all sites. In particular, in the case of accidents, we closely analyze the cases and standardize solutions to the root causes, and quickly apply to all sites.

Safety Inspection by the Management Including the CEO and CSO

Daewoo E&C has been expanding the on-site safety inspections by the leadership, where executives including CEO and CSO personally visit the site to check the safety management status and collect and improve on-site difficulties and suggestions. In particular, since November 2023, the frequency of CSO site safety inspections has increased significantly from once a month to four times a month. As of 2023, the number of safety inspections conducted by management was also 123% higher than the plan at the beginning of the year. Management will maintain the enhanced health and safety inspection system and continue to communicate to ensure that practical issues on site are resolved quickly.



CEO's on-site safety inspection

Investment in Health and Safety

Daewoo E&C strives to prevent industrial accidents by strengthening health and safety activities at sites through additional budgets for safety in addition to the statutory occupational health and safety management expenses. We are strengthening management and supervision by appointing additional safety managers at small sites and expanding safety monitoring teams, and encouraging suppliers to actively participate in safety activities by supporting the labor costs of safety specialists at high-risk construction sites.

Additional safety personnel

by additional deployment of on-site safety managers and safety monitoring group, expansion of operations, etc.

Additional costs for securing safety facilities

to improve on-site safety management efficiency and enhance capabilities expansion of operations, etc.

Expansion of training and inspection

to strengthen safety capabilities of the management and employees

Improving the safety level of suppliers and supporting excellent suppliers

Health and Safety Budget Execution in 2023 (Unit: KRW 100 million)

Classification	Details	Amount
Headquarters	Budget for health and safety training	2.5
	Budget for health and safety certification and inspection	1.3
	Budget health and safety reward and others	2.1
	Labor costs of the health and safety organization	39.5
	Outsourcing cost	1.5
	Subtotal	46.9
construction site	(Statutory) Occupational health and safety management expenditure	1,241.3
	(Additional) Additional budget for safety innovation	159.6
	Subtotal	1,400.9
Total		1,447.8

Activation of Communication Culture of Health and Safety

Daewoo E&C holds health and safety communication session every quarter to disseminate headquarters’ guidelines and announcements to the sites and listen to their opinions and other improvement requests. In 2023, we made improvements by reflecting field opinions on changes to standards for high-risk work and changes to the T/C inspection system, etc. At each site, we operate the “Labor-Management Consultative Committee” and the “Industrial Health and Safety Committee” to periodically listen to and improve recommendations for the health and safety of workers on site. Each business division also holds monthly safety events to discuss improvements and issues for each division. In addition, we have established channels such as the “Safety Hotline” and “Communication Text,” which are direct communication channels between headquarters and site workers, to listen to workers’ opinions on improving health and safety.

Classification	Number of suggestions and reports in 2023	Number of measures taken in 2023 (ratio)	Note (channels)
Suggestions for health and safety improvements by supplier workers	1,213 cases	1,205 cases (99.3%)	SMARTy (safety hotline, communication message)

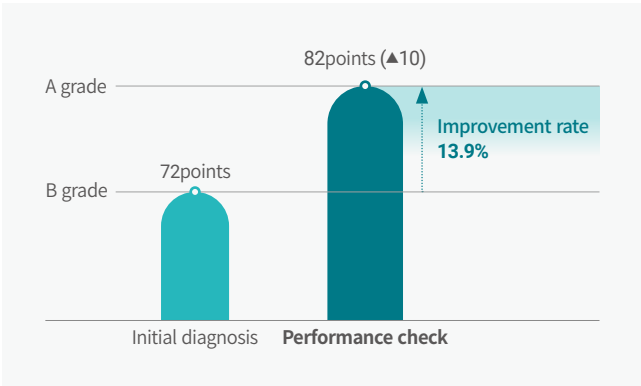
Health and Safety Support for Suppliers

Daewoo E&C operates the Supplier Safety Level Improvement Program to help suppliers improve their voluntary safety management levels and strengthen disaster prevention activities. This program selects suppliers with major risk and provides support to identify and improve weak areas through health and safety system diagnosis of the headquarters and on-site.

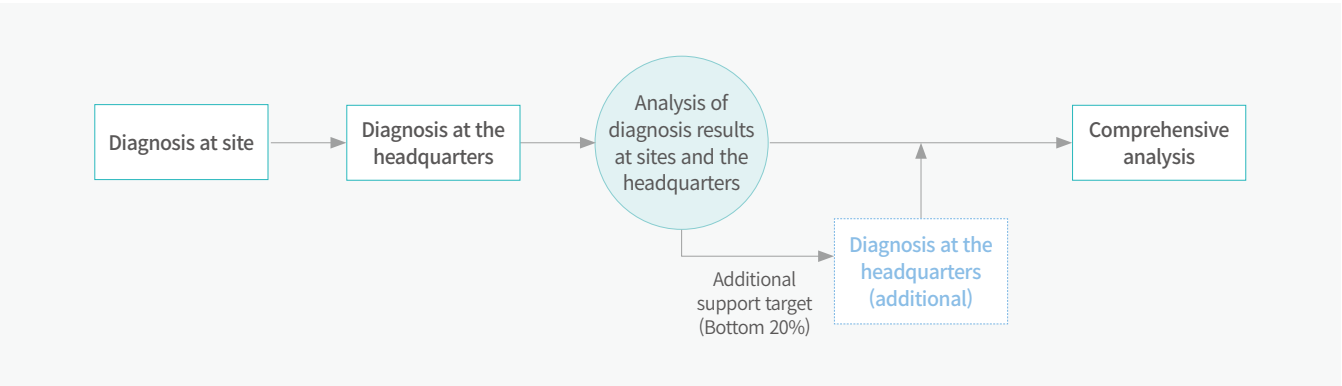
In 2023, we supported the establishment of a health and safety management system of the site and headquarters for 10 suppliers with frequent serious accidents. As a result, their safety levels improved by 13.9% compared to the initial diagnosis, and their safety level assessment grade rose from B to A. The number of accidents also decreased by an average of two compared to the previous year.

In 2024, we will expand the health and safety diagnosis support to include frequent common accidents., and the number of suppliers to be supported will also be expanded from 10 to 20, so that suppliers can improve their own health and safety levels.

Diagnosis Results on the Safety Level of Suppliers in 2023





Program Operation Procedure in 2024



Health and Safety Training

Daewoo E&C provides health and safety training for all workers at various levels. In accordance with the statutory occupational health and safety training standards, we conduct training for newly hired employees and special and regular health and safety training, while continuously monitoring compliance with the statutory standards. We also provide training programs not only for our employees but also for our suppliers and various stakeholders. In 2023, a total of 9,154 people participated in 19 health and safety education courses. In 2024, we plan to provide safety education to various groups, such as safety monitoring group and safety facility members, etc., and visit sites directly from the headquarters. In addition, in order to provide education that can be used in sites anytime and anywhere, we separately produce and distribute videos on subjects that require expertise, such as construction machinery. For newly hired foreign workers in particular, we plan to produce and distribute on-site health and safety education video materials in multiple languages (11 languages) to ensure that there are no blind spots in safety education.

Company-wide Health and Safety Training Programs in 2023

Classification		Target	Course
 Trainings by level	Employees	All employees	① Health and safety training
		Executives	② Health and safety training
		Employees	③ Health and safety training before deployment
		Safety and health managers	④ Expert training
	Employees at sites	Head of each site	⑤ Job training
		Supervisors	⑥ Regular Health and safety training
		Safety managers	⑦ Job training
			⑧ Entry-level training for new hires
		Health managers	⑨ Job training
			⑩ Entry-level training for new hires
	Suppliers	CEO	⑪ Health and safety training
		⑫ Health and safety training	
 Support for on-site trainings	Employees at sites	On-site employees	⑬ Special Health and safety training
	Suppliers	Head of each site	⑭ Special Health and safety training
		Supervisors	⑮ Special Health and safety training
		Leader in each work	⑯ Health and safety training
		Workers	⑰ Health and safety training
	Stakeholders	Safety monitoring group	⑱ Health and safety training
			⑲ Health and safety training

Utilization of Right to Suspend Work

Daewoo E&C has taken the following measures to utilize its most effective disaster prevention activity, the right to suspend work.

First, the headquarters has expanded the range of getting reward and the frequency of rewards (once a quarter instead of semi-annually). The reward criteria were also improved from the previous method of rewarding best practices to the number of times the right to suspend work was utilized. The budget for reward was also increased from KRW 16 million to KRW 23.2 million. In the sites, we made it mandatory to reward the right to suspend work and expanded the range of getting reward.

Second, we have expanded the scope of work suspension. Previously, only imminent and dangerous cases of industrial accidents during work were subject to work suspension, but now general risks of industrial accidents before or during work are also subject to work suspension.

Third, in order to improve the inconvenience of utilizing the right to suspend work through offline documents, the company has made it possible to register work suspension whenever/ whoever recognizes a hazard through our health and safety work system (SMARTy). When registering a work suspension, on-site employees are notified and the results of the action taken are fed back to the workers utilized the right to suspend work.



Health and Safety Campaign

Daewoo E&C conducts health and safety campaigns to prevent disasters that may occur at construction sites during periods of safety vulnerability and to raise workers' safety awareness. The company selects employees to be cared and managed intensively at specific period accordingly with subjects such as specific periods of frequent occurrence of severe accidents or heat illnesses. As a result, in 2023, we achieved results such as eradicating severe accidents and keeping the incidence of heat illnesses to zero during the campaign period. We will continue the campaign in 2024 to build a safety consensus and encourage participation from all employees.

Health and safety campaign poster



Campaign to Prevent Heat-related Illnesses and Heat Wave

Daewoo E&C has established workplace standards to prevent heat-related illnesses, and conducts the 3335 Heat Illness Prevention Campaign to ensure that all employees follow preventive measures. Employees are guided to follow three preventive measures when a heat warning is issued: water, shade, and rest. When a heat advisory is issued, they must follow five preventive measures: water, shade, rest, minimize outdoor work, and check the health of their colleagues. Training and inspection activities are also conducted according to the heat period. Separately, in 2023, we collaborated with Donga-Otsuka for 'Joint Campaign for Heat Wave Safety'.

We have educated employees on what to do in case of a heat illness emergency and the need to drink plenty of fluids. We have improved employee's awareness about heat-related illness prevention by experiencing solutions such as body temperature measurement using thermal imaging cameras, cool-down ice tubes, and stress tests.

In 2024, the “Joint Campaign for Heat Wave Safety” will be further upgraded compared to last year by providing more professional training to health managers in each region who wish to participate, as well as examples applicable to each site. Meanwhile, we are working to establish our own standards for rest facilities and ice machines to ensure systematic health management. Headquarters will monitor the situation on a regular basis and encourage sites to secure separate budget for employee welfare facilities that cannot be covered by the statutory safety management fee.



3335 Heat-related illness prevention campaign



Joint Campaign for Heat Wave Safety



3335 Heat-related illness prevention campaign



3335 Heat-related illness prevention campaign

SMART Safety System_SMARTY

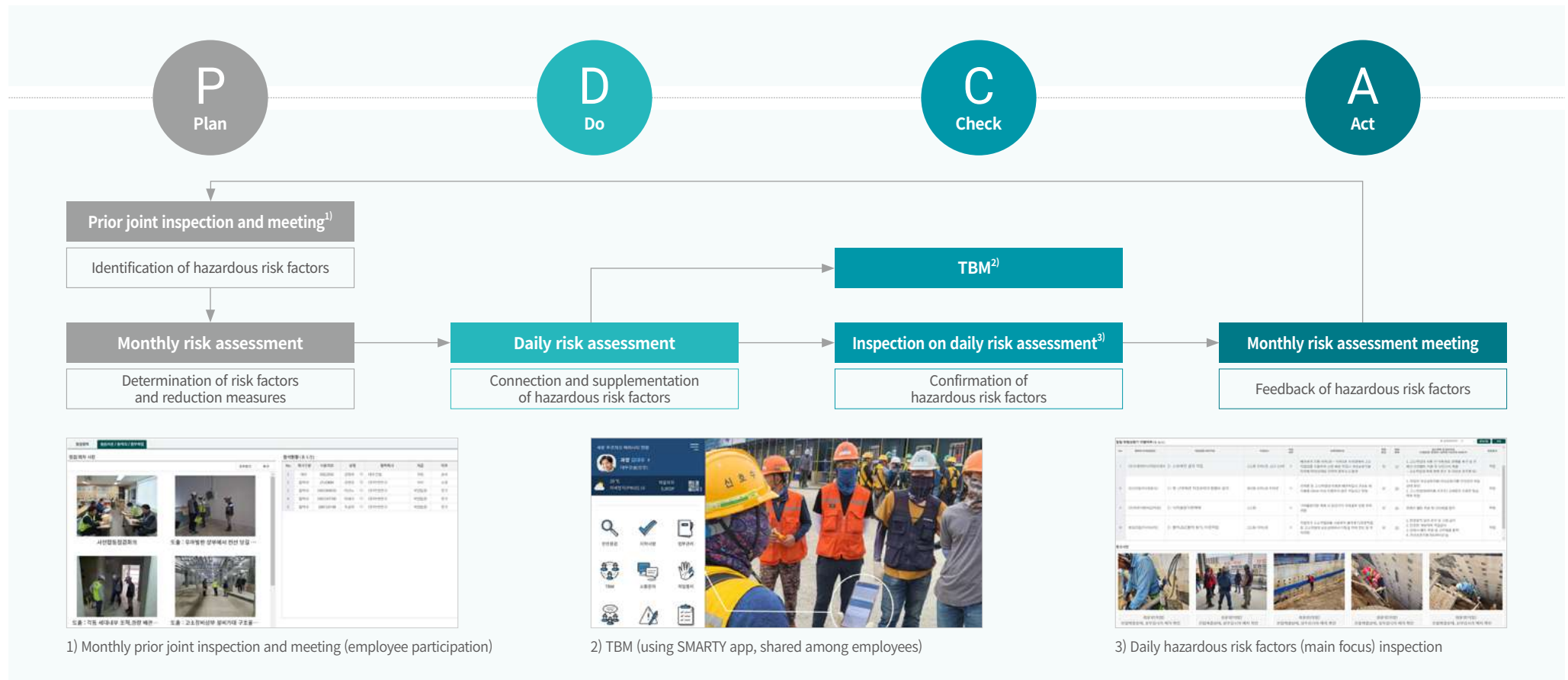
Daewoo E&C has launched and operates SMARTY, a mobile and web-based health and safety system that enhances site execution. SMARTY enables workers to notify those in charge of hazards in real time so that they can take immediate action to quickly eliminate the risk of accidents. The app also comes with a “communication text” function so that workers can immediately notify health and safety managers of hazards and required improvement found on the front lines of the site.

SMARTY allows us to apply risk assessment activities more effectively on sites. We share and analyze site-specific cases through the vast health and safety database accumulated in SMARTY to strengthen prevention activities.

If an imminent hazard is detected on site, the company can react immediately by utilizing a work suspension right through the mobile app and quickly sharing it with everyone on site. In addition to these features, the app has been very well received by site members, as they can conveniently check TBMs (Tool Box Meetings), work permits, and daily safety meetings on the mobile app, which can be used for worker training and site inspections.

SMARTY supports 15 languages for foreign workers to easily familiarize themselves with on-site health and safety information, and we will continue to actively collect feedback from users to improve the system for better convenience and effectiveness.

SMARTY Safety System



Human Resources/Human Rights Management

Daewoo E&C employs a systematic recruitment strategy and conducts various competency management activities to retain competitive and capable human resources. Specifically, in 2023, we introduced digital training to enhance efficiency and keep pace with the rapidly evolving era. Additionally, we have established the 'Daewoo E&C Human Rights Management Index' for effective human rights management. Our goal is to involve all business partners in human rights impact assessments by 2026.

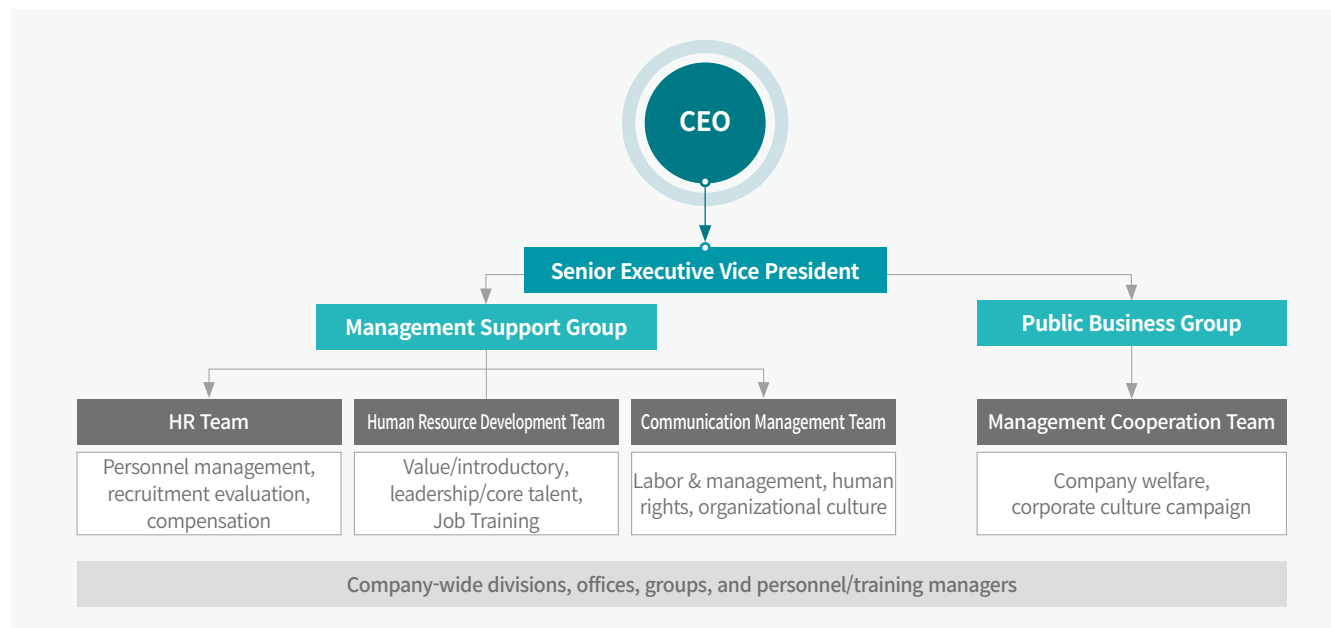
Reorganizing training system and expanding regular trainings to strengthen capabilities by job and level

Expanding non-discriminatory talent recruitment (increase in the proportion of disabled employees for 3 consecutive years)

Conducting human rights impact assessment

Human Resources Management Governance

Human Resources Management System



Daewoo E&C has a Human Resources Team, Human Resource Development Team, Communication Management Team, and Management Cooperation Team for HR system operation, talent development and training, organizational culture, and labor relations. In particular, the Communication Management Team, which manages human rights management, is responsible for establishing the Human Rights Charter, managing human rights management risks, and handling human rights grievances., etc.

Human Resources Management Strategy

Daewoo E&C implements an array of strategies, from fair recruitment to talent development, to discover and manage the company's valuable human resources.

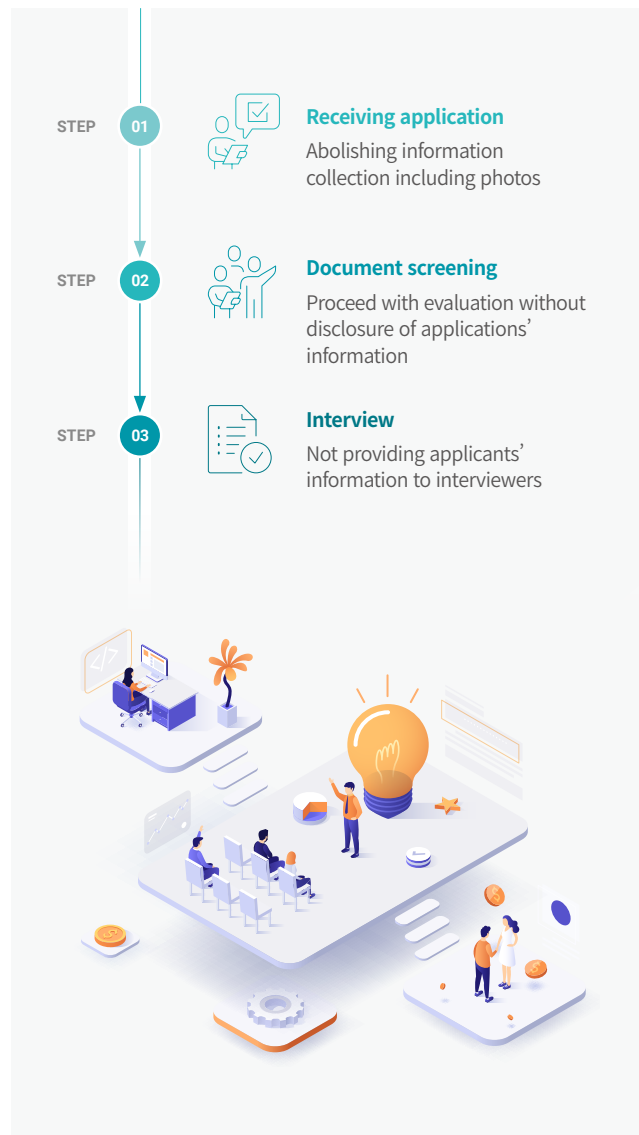
Fair Recruitment

Daewoo E&C recruits excellent talents through a transparent and fair process, and does not discriminate against gender, religion, or region of origin when hiring. In particular, the company complies with the fair recruitment process by reflecting relevant recruitment regulations even when hiring contractors for projects.

To ensure that the recruitment process is objective and fair, the company provides separate training to interviewers. The pool of interviewers is comprised of excellent in-house employees selected through personnel evaluations. In addition, a consulting firm conducts group training for the pool of interviewers on mock interviews and interviewer behavior to enhance their professionalism during interviews.

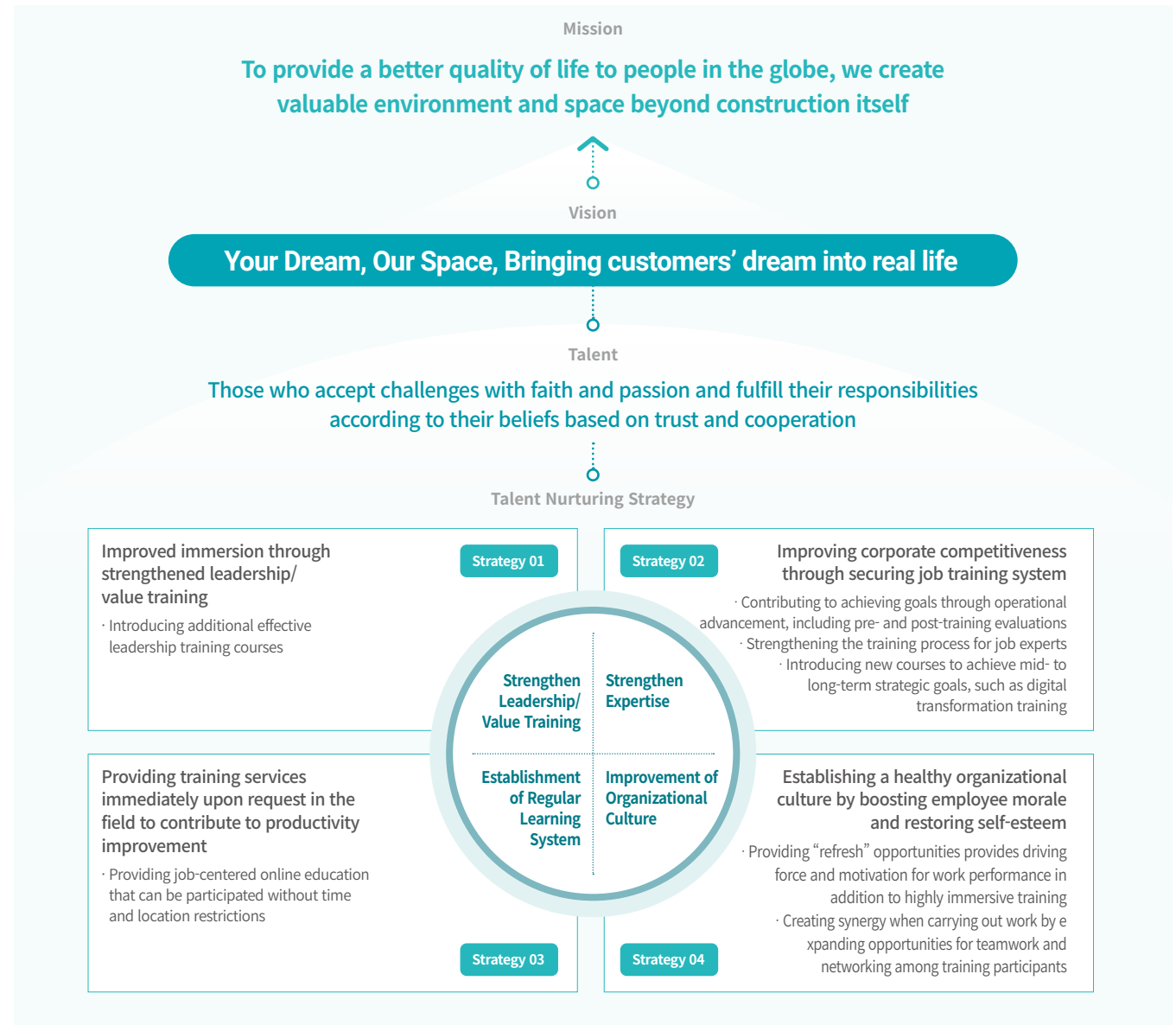
Blind Recruitment Process

The company operates a blind recruitment process to promote workforce diversity and conducts a capability and competency-based, non-discriminatory hiring process.



Talent Nurturing Strategic System

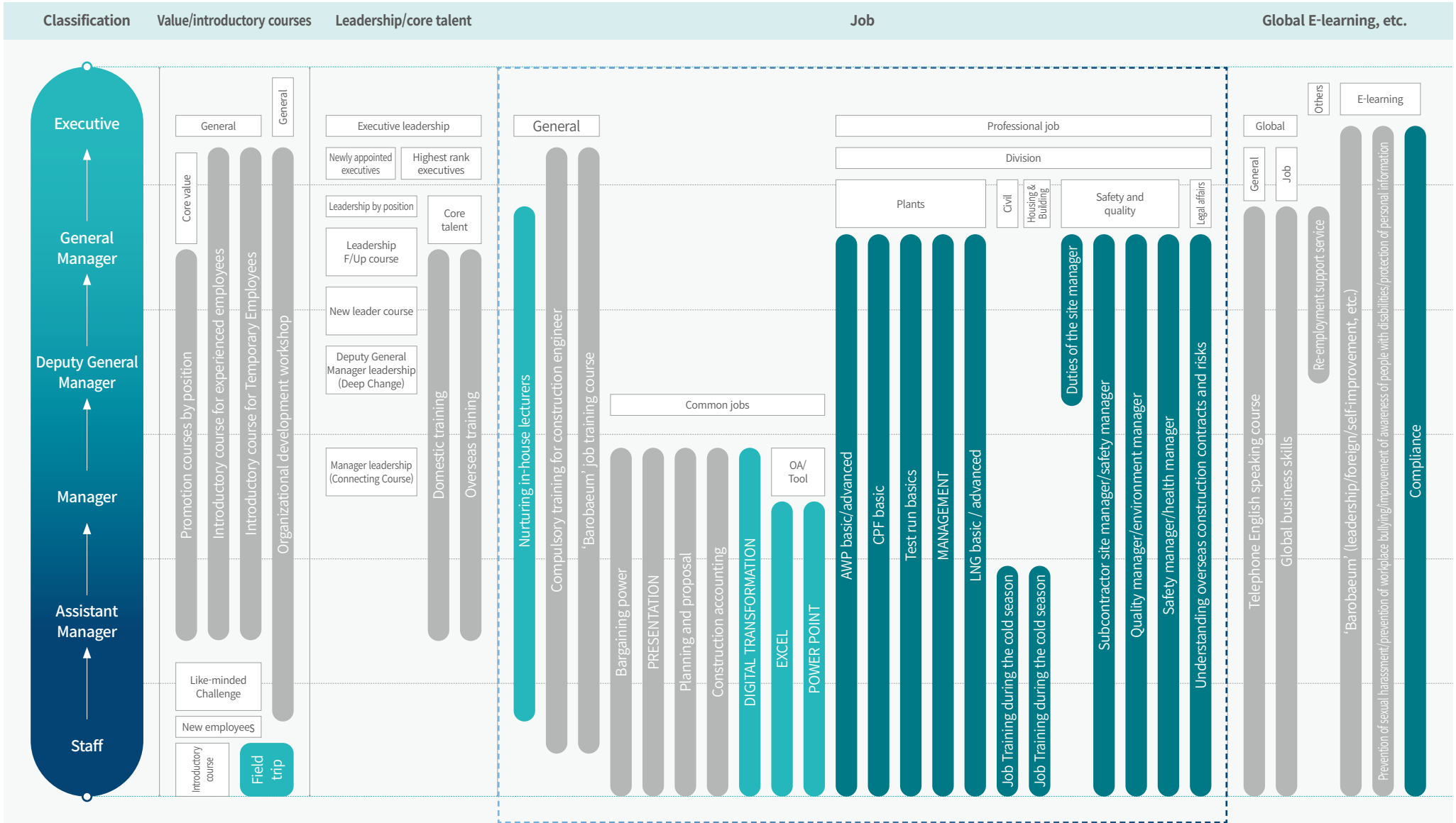
Daewoo E&C has implemented talent nurturing system to discover and nurture excellent employees, and has implemented mission and vision, talent, and four talent nurturing strategies.



Training System in 2023

Daewoo E&C operates a training course system that must be completed for each position. Job training is scheduled to be reorganized in 2024 to reflect the reorganization of the job competency training curriculum.

Carried out by each division Company-wide training



Attracting Core Talent

In line with recruitment methods and trends in the post-COVID-19 era, Daewoo E&C is putting efforts on discovering and managing core talents. Daewoo E&C has introduced and promoting an online Job Café for local students, especially when physical distance makes local recruitment counselling impossible. College students from the area have a chance to meet job seniors and recruiters in the Job Café and receive job counselling. In addition, one-day interview screening has shortened the time required for the recruitment process. In addition, we hold recruitment information sessions at regional hub universities to secure excellent local talent and provide equitable recruitment information. Furthermore, we hold workshops to listen to the opinions and thoughts of new employees and have them reflected in improving the recruitment process.

Management of Core Talent

Daewoo E&C operated a domestic MBA course and an overseas QS course to foster competitive talents and train experts in new businesses. Two employees were selected for each course. In addition, a new planned/proposed training course was designed to foster job experts. The company received direct submissions from employees for a training program to establish the mid- to long-term strategy, and two employees were selected to take advanced domestic and overseas courses (master's) in wind and nuclear energy.



Managing Human Resources Metrics and Targets Management

Daewoo E&C manages metrics and targets for human diversity to form an organizational culture that respects and embraces the diversity of workforce.

Securing Human Resources Diversity

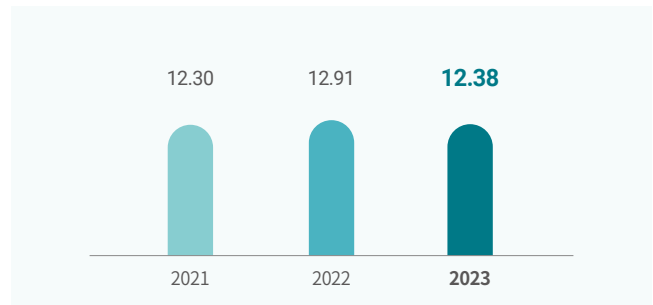
To fulfil its social responsibilities, Daewoo E&C strives to ensure human diversity by guaranteeing equal opportunities to disadvantaged groups such as the disabled, foreigners, and women, and embracing them as equal members of society.

Non-discriminatory Talent Recruitment

Daewoo E&C does not discriminate against any gender or nationality when recruiting talent. As of 2023, the proportion of female employees was 12.38%, a high figure for three consecutive years. We have secured competitive talent through the diverse capabilities and experiences of women, breaking the perception of gender discrimination in the construction industry. In addition, we run permanent recruiting system for national veterans, and we plan to expand the scope of duties and increase the proportion of foreign workers at overseas sites. Daewoo E&C will strengthen human diversity and inclusion through non-discriminatory recruitment policies.

Ratio of Female Employees

(Unit : %)



Expansion of Employment of the Disabled

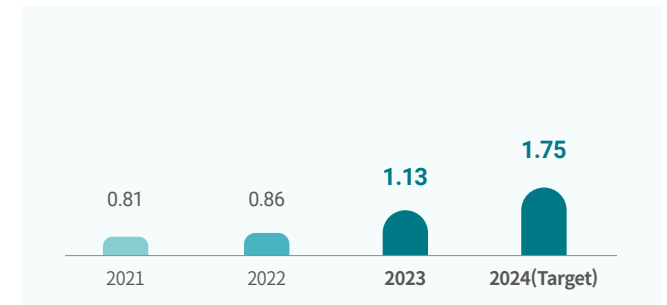
Daewoo E&C has expanded the employment of people with disabilities to fulfill its social responsibility and promote diversity and inclusion in society. The company operates a salary system based on employment type regardless of disability to ensure equitable treatment. As a result, the proportion of workers with disabilities increased from 0.86% in 2022 to 1.13% in 2023. In 2024, we plan to expand the employment of people with disabilities with a target of 1.75%.

In addition, in 2023, the company created the first disabled athletes' team in the construction industry to expand the employment of people with disabilities. Recruited workers with disabilities can join the team and receive support from the company to engage in physical activities and participate in economic activities as members of society. We will increase the number of people with disabilities to provide more employment opportunities.



Ratio of Employees with Disabilities

(Unit : %)



Fair Performance Evaluation

Daewoo E&C uses a variety of evaluation methods to fairly assess the performance of full-time employees, including performance appraisal (MBO), competency assessment, and leadership diagnosis, etc. Employees set individual target tasks to achieve organizational goals, divided into work goals and strategic goals, and the company measures their performance and reflects it in the evaluation. Leadership diagnosis is a bottom-up method in which employees evaluate the organization's leaders. Through leadership diagnosis, we propose desirable leaders that reflect changes in the business environment and socio-cultural perspectives, and select leaders who can embody the company's expectation as a leader. Personnel evaluations for regular employees are conducted twice a year in the first and second halves of the year, and annual salary negotiation and promotion reviews are conducted based on the evaluation results. In case of unfair evaluation results, we operate a system that allows employees to receive adjustments from the reexamination Committee through an appeal process.

In addition, in order to systematically manage the performance of fixed-term employees more, we will expand personnel evaluations for contract employees and professional contract employees to twice a year. The results of these evaluations are used as screening data for employment type conversion, promotion, and change of title, etc.

Equal Compensation between Male and Female Employees

Daewoo E&C strictly prohibits any discriminatory factors in treatment and working conditions based on gender. The same evaluation criteria are applied to both male and female employees, ensuring performance-based compensation and promotions. We will continue to strive to provide an equal working environment for all employees.



Human Resources Management Activities and Performances

Daewoo E&C implements a variety of training activities and capacity-building programs to enhance employee capabilities and rise into a competitive company with heightened corporate value.

Enhancing Leadership Competencies

To adapt leadership training to the changing times, Daewoo E&C ran an in-house webtoon titled "Captain Daewoo" that depicts the best leadership practices of its employees. The webtoon was published on the company's intranet for many employees to view, which is a unique form of providing training. From 2024, we will reorganize our training program to provide ongoing leadership development opportunities rather than one-off training. We will enhance the effectiveness of the training through job adaptation diagnosis and analysis. The result will form the basis to enhance the effectiveness of training.



Webtoon "Captain Daewoo"

Strengthening Regular Training System

Daewoo E&C has reorganized its online training platform "Barobaeum" to strengthen its on-demand education system for all employees. The courses, which were limited to the existing e-learning platform, have been reorganized into an online training portal that includes existing e-learning courses. Employees are able to upload their own training contents to "Barobaeum" and create online learning communities.

We are also continuing to develop online content for job training so that employees can access training anywhere anytime. In 2023, a total of 264 on-the-job training videos were uploaded, produced by our in-house Barobaeum studio. In 2024, we will continue to expand the production of quality training contents to strengthen employees' job expertise.



Training platform "Barobaeum"

Onboarding Training

To help new and experienced employees adapt to the company, Daewoo E&C provides in-house onboarding training. For new employees, the training is held annually offline while experienced employees can take the required training online. Through these training courses, Daewoo E&C disseminates basic introductory materials about the company, the organization's culture, etc. to help them adapt to the company and quickly perform their roles.

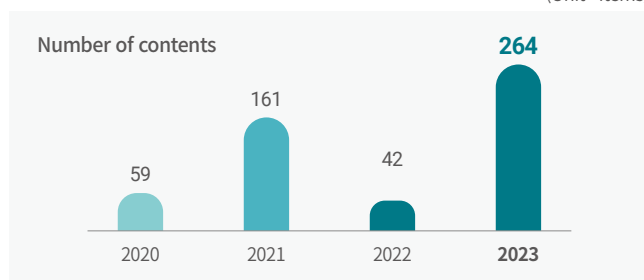
Strengthen Job Training and New Growth Education

Daewoo E&C operates basic competency improvement courses designed to enhance the work capabilities of staff/assistant managers. The basic OA course, which includes Excel and PowerPoint, and courses on construction accounting, planning, and bargaining power were held in 2023. From 2024 onwards, we will develop and gradually expand Excel and PowerPoint in-depth courses enhanced with practical use cases, as well as Excel and document creation courses using ChatGPT and generative AI to improve work efficiency in line with the trend of digital transformation.

Daewoo E&C supports various in-house and external training programs to help employees grow into experts in each business strategy. To improve employees' business performance capabilities, Daewoo E&C fosters job specialists through domestic and international degree programs related to QS and new business. Daewoo E&C supports employees to improve their job skills through job competency improvement training courses at each Business Division.

In the future, once the technical job training system is reorganized, it will be subdivided and specialized by career, from introductory training to training for job specialists. Personalized training will also be made possible, allowing employees to find and take the training they need. Daewoo E&C will also continue to expand training according to the company's future business strategy by implementing basic training to improve employees' understanding of the company's new business vision and expanding opportunities for external training and domestic and overseas training to produce experts in the relevant fields.

Number of New Online Content Productions for Job Training (Unit : items)



Digital Transformation Training

As Daewoo E&C continues to promote digital transformation to adapt to the rapid pace of change in the business environment, the company has established a training course for all employees. Introduced in 2023, the company-wide Digital Transformation (DT) training is designed to help employees make quick and accurate decisions based on data by applying advanced digital technologies such as AI, and to support more efficient work.

In 2023, we conducted online training on the theme of “Digital Leadership” with special lectures by experts and specialized training for executives and headquarters executives/team leaders. All employees received online mindset training on the necessity and methodology of digital transformation. In 2024, we plan to develop and run courses with enhanced practical programs to respond to the rapidly changing business environment of digital transformation. Especially, we will offer a curriculum on improving work efficiency with generative AI such as ChatGPT.

Digital transformation
Curriculum Poster

Training for Prospective Retirees

Daewoo E&C operates a re-employment support service course for employees who are planning to change jobs due to reasons including retirement. The program, which consists of basic education for life planning , education for planning career, and writing for career plans, helps employees design their second life.

Implementation of Trainings for Employees Scheduled to Retire

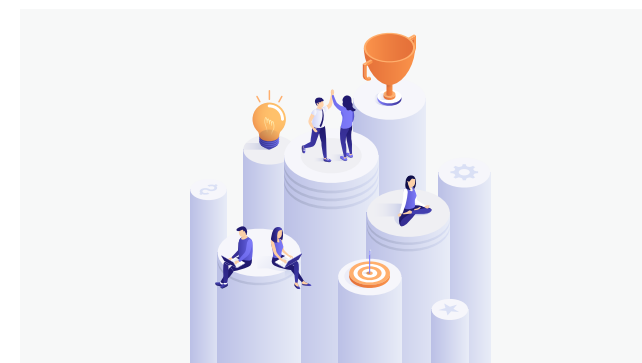
Classification	Unit	2021	2022	2023
Number of persons completing training	Persons	45	25	73
Total training hours	Hours	720	400	1,152

Effectiveness of Talent Training Programs

Daewoo E&C conducts a post-training survey to evaluate the quality of training and identify areas for improvement. The questionnaire evaluates items such as satisfaction with the training, understanding, and adequacy of the training period. The quantitative evaluation results for each level of training helps the company prepare improvement plans. In addition, the company measures the effectiveness of the training to see how effectively the training was delivered to employees. For the telephone English training program held in 2023, we conducted a level test before and after the training, and were able to confirm the direct effect of the training.

Session		1 st Session		2 nd Session	
Educational institution		Training firm A	Training firm B	Training firm A	Training firm B
Number of persons completing training		85 persons (Not Completed: 5)	38 persons (Not Completed: 5)	111 persons (Not Completed: 5)	33 persons (Not Completed: 5)
Average of level test ⁽¹⁾ results	Before	273 points	62 points	277 points	70 points
	After	290 points	68 points	296 points	73 points

1) Full score on level test: Training firm A (500 points) / Training firm B (100 points)



Human Rights Management Strategy

Human rights are fundamental rights that all human beings should enjoy, and thus must be respected. Daewoo E&C has established a human rights management policy and implemented various human rights protection activities to minimize human rights-related risks.

Human Rights Management Policy

Daewoo E&C has strengthened its corporate social responsibility and human rights management by proclaiming the Human Rights Management Charter in 2022. We also established the human rights regulations, setting the basic principles for preventing risks that may arise in human rights management. The Human Rights Policy is distributed to all employees of the company, as well as to stakeholders and suppliers related to business activities, and is posted on Daewoo E&C’s website.

Daewoo E&C’s Human Rights Management

Basic Principles of Daewoo E&C’s Human Rights Management Charter

Article 1

Supporting domestic and foreign norms related to human rights

Article 2

Non-discrimination

Article 3

Guaranteeing freedom of association and collective bargaining

Article 4

Prohibition of child labor and forced labor

Article 5

Guarantee of occupational safety and promotion of the right to health

Article 6

Protection of stakeholder human rights

Article 7

Protection of the human rights of local residents

Article 7

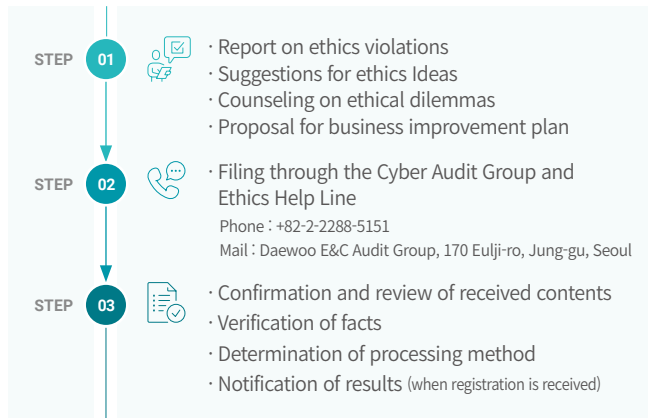
Human rights violation prevention and remedies

Human Rights Risk Management

Daewoo E&C manages the risk of human rights violations that may have an adverse effect on Company through its grievance handling system.

Human Rights Grievance Handling System

Daewoo E&C operates reporting channels to prevent human rights violations including workplace bullying or sexual harassment, ensuring that that immediate action is taken when they occur. Reports can be made using real names or anonymously through internal and external channels, and the confidentiality of the informant is guaranteed. The reporting channels are operated by the Audit Group, which reports directly to the CEO, and the Audit Committee receives reports on its operations. Even within the Audit Group, reports are only accessible to authorized personnel, including the Head of Audit, and any reports infringing human rights such as workplace bullying or sexual harassments are immediately shared with HR teams. The report will be verified and investigated, and measures such as disciplinary action will be taken based on the results of the investigation. In this way, the company manages human rights management risks and takes appropriate measures against cases that violate human respect.



Number of Human Rights-related Reports Received and Processing Rate

Report Channel	No. of Reports Received	No. of Reports Processed	Processing Rate
Offline, Cyber Audit Group, K-whistle	6	6	100%

Human Rights Management Metrics and Targets Management

Daewoo E&C has established target and plans for human rights management. In the future, we will gradually expand the subjects for the assessment and conduct human rights impact assessments not only for Daewoo E&C’s business sites but also for all subsidiaries and subcontractors.

Human Rights Management Performance Quantification and Management

Daewoo E&C has developed the ‘Human Rights Management Index’ to quantitatively measure the level of human rights management implementation and manage its performance. The index is calculated by aggregating scores from the human rights impact assessment, level of quantitative performance of human rights management, and human rights management status surveys set based on the Ministry of Employment and Labor standards. Quantitative targets for the Human Rights Management Index will be established in 2026 based on the results of the three-year evaluation up to 2025.

Daewoo E&C Human Rights Management Index
100points

Purpose of quantitative measurement of human rights management implementation level and performance management

Human Rights Impact Assessment (50 points)¹⁾

+ Level of Quantitative Performance of Human Rights Management (30p oints)²⁾

+ Human Rights Management Status Survey (20 points)³⁾

1) Level of human rights management checklist implementation by area

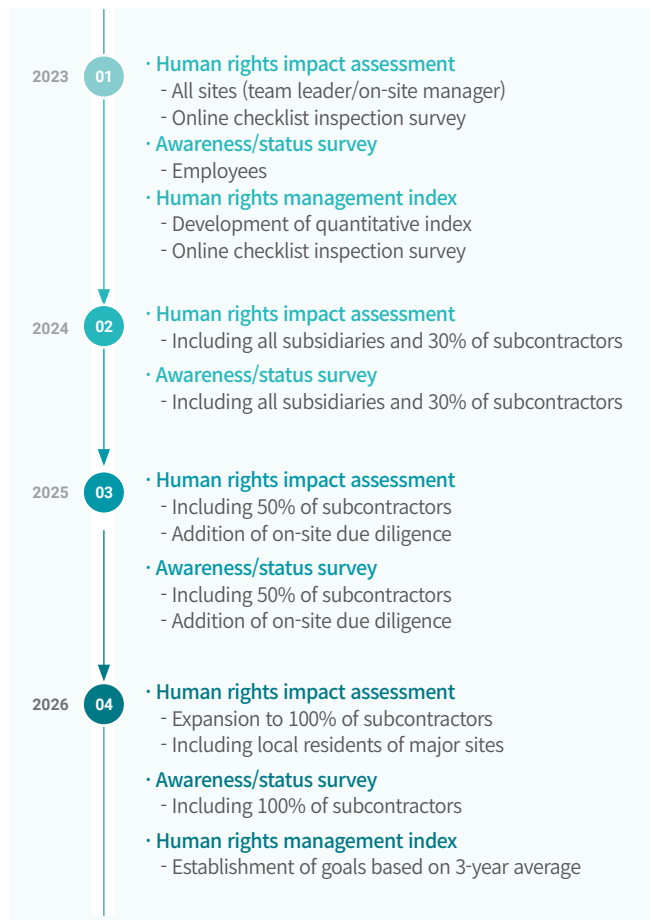
2) Establishment of detailed management metrics for each human rights category (metrics for management of the Ministry of Employment and Labor, etc.)

3) Reflection of employee awareness and internal human rights status

Human Rights Impact Assessment

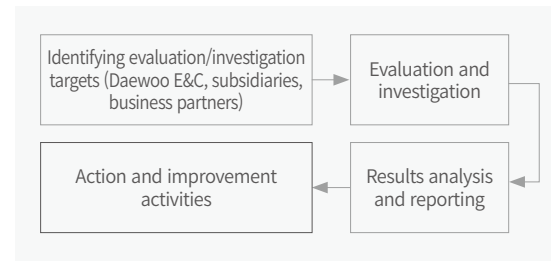
Daewoo E&C has established a long-term roadmap for building a systematic human rights management system, which includes a gradual plan to expand the scope of human rights impact assessments and human rights management surveys. By 2026, Daewoo E&C plans to expand the scope of the assessment to all of its suppliers and subcontractors . The company will also release a human rights management index based on the results of the three-year assessment from 2023 to 2025.

Roadmap for Human Rights Management



Human Rights Impact Assessment and Awareness Status Survey Process

Daewoo E&C implements a human rights impact assessment and awareness survey process to identify and minimize human rights risks. The company assesses actual and potential human rights risks that may affect human rights, identifies those subject to human rights management status surveys, and conducts assessments and surveys. The company then analyses the results of the assessment and surveys and takes measures and improvement activities for any deficiencies.



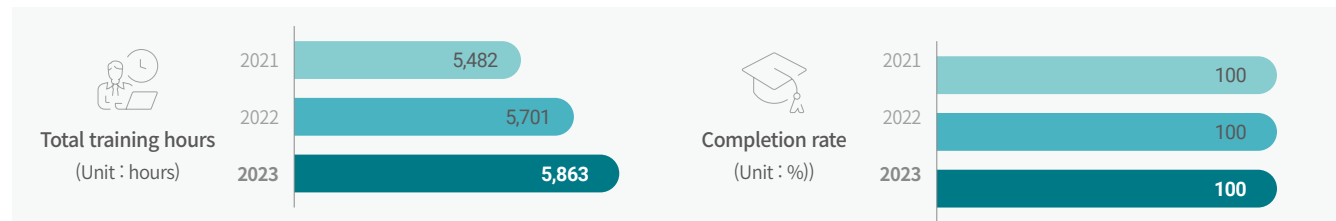
Human Rights Management Activities and Performances

Daewoo E&C conducts a variety of activities to respect and protect the human rights of all employees.

In-house Human rights Protection Education

To protect human rights and establish a safe organizational culture, Daewoo E&C provides online training for all employees on disability awareness, sexual harassment prevention, and workplace bullying. For employees working at overseas sites, we share materials related to human rights education programs to ensure they are familiar with human rights at workplace.

Training on Sexual Harassment Prevention and Human Rights (including workplace bullying)



Internal and External Reporting Channels

Daewoo E&C operates internal and external reporting channels to prevent unethical human rights violations that may occur within the company and to protect the human rights of employees. Customers, employees, and business partners can access these channels without any restrictions. Employees can receive advice and assistance on ethical conflicts, including human rights, and consultation on decision-making. Reports are investigated and action is taken, including disciplinary measures. Employees can also request changes to unreasonable business procedures, if deemed necessary to perform their duties.

Family-friendly Certification

Daewoo E&C became the first domestic construction company in Korea to receive certification as a ‘family-friendly company’ in 2013. In December 2021, we were certified as a “Family Friendly Company” for exemplary management of family-friendly systems such as childbirth, childcare support, flexible working hours, and creating a family-friendly workplace culture. We are also implementing the “Childcare Leave” system, which allows employees to take an additional year of leave in addition to the statutory compulsory childcare leave period (3 months). In 2023, we reorganized the staggered office hours system from 1 hour to 30-minute increments for better support childcare.

PRUGIO BC Daycare Center

Daewoo E&C has been operating a workplace daycare center since 2016. Daewoo E&C operates a center as its representative and co-operates it with BC Card. The daycare center is open from 7:30 a.m. to 7:30 p.m. considering working hours and is located in the headquarters building, ensuring convenient access. The daycare center meets all the criteria set for the government inspection.



PRUGIO BC Daycare Center

Family Medical Cost Assistance

Daewoo E&C will cover a portion of the medical checkup (up to a total of KRW 3 million per year for the family) of an employee's family members (spouse, children, parents, parents of spouse) if they are hospitalized due to injury or illness. If family member is severely disabled, employees can receive rehabilitation allowances, surgical expenses, and the purchase of protective equipment.

Refresh Leave System

Daewoo E&C has been implementing the paid refresh leave system since May 2024 to promote work-life balance and employee welfare. Eligible employees are headquarters and on-site employees who can take one to two months of leave per year, depending on their wishes, and are guaranteed to return to organization where they used to work before taking Refresh Leave.

Shortened Work Hours

Daewoo E&C operates the shortened work hour system that allows employees to adjust working hours due to reasons such as childcare, family care, pregnancy, and others.

Shortened Working Hours for Childcare

- Employees with children who are 8 years or younger or in second grade or younger may apply for childcare
- Working hours are shortened by an hour to 5 hours a day
- Employee can apply for up to a year for a child

Shortened Working Hours for Family Care

- Employees can apply for reasons such as family care, personal health, retirement preparation, and academic reasons
- Working hours are shortened by two hours to 5 hours a day
- Employee can apply for up to a year and can extend the period for a year (for reasons other than academic reasons)

Shortened Working Hours for Pregnant Women

- Female employees within 12 hours of pregnancy or after 36 weeks of pregnancy may apply
- Working hours can be shortened by up to two hours a day
- No limitations on the number of applications

Staggered Office Hours System

Daewoo E&C's "Staggered Office Hours System" allows employees to set their own commuting time, instead of the standard time. It can be applied for reasons such as work situation, childcare, and pregnancy. In the case of work situation, the working hours can be adjusted excluding the night shift (22:00~06:00). For childcare, employees can adjust working hours in 30-minute increments within one hour before or after work start time. In the case of pregnancy, working hours can be adjusted within an 8-hour.

Invitational Event for Employees' Children

Daewoo E&C holds the "Invitational event for Employee's children" event for children in grades 4 to 6 during the school holidays every year. The event was held 18 times from 2004 to 2023, and the children have the opportunity to develop an understanding and empathy for their parents' workplace through tours to Daewoo E&C's headquarters, sites and a youth training camp. In 2023, a total of 100 children were invited to visit Daewoo E&C's headquarters, sites and Summit Gallery, and spent time enjoying entertainment at a youth camp for 1 night 2 days.

In addition, during the winter holidays, we hold an annual "English Camp" with native instructors. This camp is held at the Suwon Human Resources Center for 4 nights 5 days and is an educational program that enables children to meet native speakers of English education institutions and increase their interest in English. In January 2024, the "English Camp" was expanded from grades 5-6 to grades 4-6, and the number of participants increased from 30 to 40.





Winter English Camp



Invitation Event (Olympic Park Foreon site visit)

Support System for Workers and Their Families

Classification		Details
 <div>Legal requirements</div>	Family care leave	Leave of absence for 30 days per leave, up to 90 days per year
	Family care working hours reduction	Working hours may be shortened by an hour ~ 5 hours (applications made in units of 3 months, up to 1 year (can be extended by 1 year for non-academic reasons)
	Childcare expense support	Minimum of KRW 110,000 ~ maximum of KRW 197,000 per month
	Workplace daycare center	Monday ~ Friday, 07:30~19:30 (Total capacity of 70 children)
 <div>Voluntary operation</div>	Family medical cost support	Support for hospitalization medical expenses (KRW 3 million per year for family members)
	Family rehabilitation support	Rehabilitation cost support (KRW 100,000 per month), surgery expense cost (KRW 10 million, once during employment), purchase of prosthetic devices (KRW 400,000, once during employment)
	Children’s high school tuition	Quarterly support for national and public schools in Seoul
	Children’s college tuition	KRW 2.7 million per semester, actual expenses for up to 8 semesters per person
	Welfare fund loan	Educational expenses for new employees (KRW 10 million per person), emergency living expenses (KRW 20 million per person), housing funds (KRW 50 million per person)
	Employee group insurance	Injury insurance (actual loss type, non-loss type), installment savings (KRW 85,000 per month), pension savings (differs for each position)
	Vacation expense support	A fixed amount of support by position once a year (maximum KRW 1 million ~ minimum KRW 400,000)
	Employee birthday gift	Gift support worth KRW 30,000 per person
	Family anniversary gift for employees working overseas	Gift support worth KRW 50,000 per year from the date of appointment
	Medical checkup for spouses	Support for health checkups up to KRW 220,000 per year
	Leave for family time	Leave for family time (paid leave) and related facility (accommodations, amusement facilities) support once a year
	Congratulatory/condolence money and wreath	Congratulatory/condolence money and wreath for employees’ family events (differing amount of support for each item)
	Corporate condominium reservation	Condominium support utilizing company-owned memberships
	Funeral director	Support for funeral directors when a family member dies of an employee working at overseas sites who is unable to return home quickly
	Family travel expenses for employees working at overseas sites	Provision of travel expenses once for the first three years of working at overseas sites and once every 12 months thereafter
	Petition vacation	Application of petition leave instead of regular leave in case of emergency to return home
	Holiday gifts for employees working at overseas sites	Delivery of holiday gifts twice a year (Lunar New Year and Chuseok)

Corporate Culture Campaign to Improve Organizational Culture

Daewoo E&C has been carrying out an internal corporate culture campaign every year to spread the company’s values and goals and to promote its corporate culture. In 2023, under the slogan “Start with the Basics, Grow Together”, the company created quirky and witty in-house posters based on six keywords, including adherence to principles, mutual respect, communication and collaboration. The posters were posted on the intranet and e-bulletin boards to encourage all employees to participate in the campaign, and prizes were awarded to winners through comment events, puzzle events, and more.

Corporate culture campaign poster



Labor Relations Management Activities

Daewoo E&C's labor and management work together based on mutual trust to improve working conditions and stabilize labor relations. To this end, the company conducts an array of communication activities based on collective agreements with unions and regulations of the Labor-Management Council. In particular, Daewoo E&C holds monthly meetings to share management performance for transparent communication and cooperation between labor and management. To build healthy labor-management relations, meetings between the CEO and unions are held periodically to discuss major issues. In addition, we hold quarterly labor-management meetings to enhance employees' understanding of corporate management and strive to establish cooperative and productive labor-management relations.

Any employee eligible for union membership is free to join or leave the union, and the collective agreement, which is revised every two years, applies to all members. To ensure good working conditions for non-members who are excluded from the collective agreement, the company enters into a labor agreement with the Labor-Management Council. Joint labor-management visits are

conducted at least once a year to major overseas sites to inspect working conditions and improve welfare for employees at overseas sites.

In addition, in 2022, the company and the labor union held a joint pledge ceremony for the implementation of human rights management to cooperate in establishing and spreading human rights management, and declared the Human Rights Management Charter to strengthen corporate social responsibility and human rights management. Furthermore, the labor union holds regular board meetings to share its opinions with the company in writing on matters directly related to the employment security and rights and interests of its members, and the company actively reflects them in its policies. In addition, the company guarantees a separate introduction time to the labor union and the Labor-Management council during the training for new employees. The company will continue to strive to minimize conflicts between the company and its employees and enhance employee satisfaction through amicable labor relations.



Joint labor-management pledge ceremony



Customer Satisfaction and Quality Management

Customer satisfaction is an essential element for securing competitive advantage among construction companies and for sustainable growth. With customer satisfaction as its top priority, Daewoo E&C strives to ensure consistent quality products and services from the construction stage to post-occupancy services. In addition, the company strives to create corporate value and maximize its corporate image through customer-oriented services, for example, by conducting proactive quality inspection activities and strengthening quality control of equipment to improve quality.

Won the Korea Service Grand Prix
in apartment sector in 2023 (hosted by KSA, 4 years in a row)

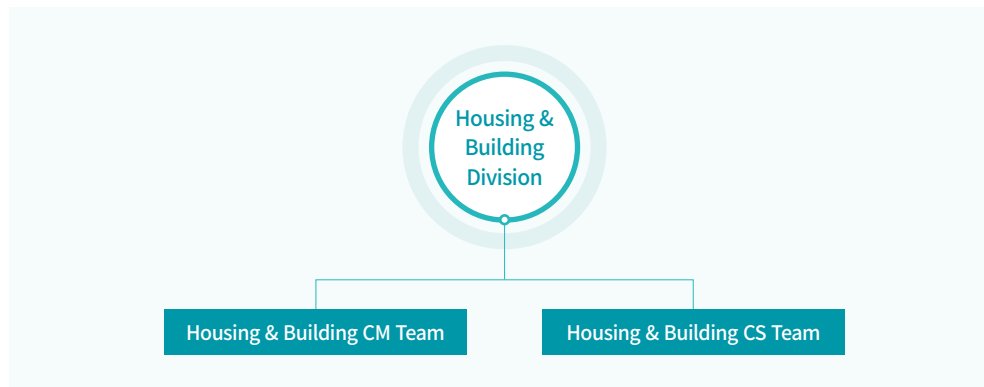
Newly acquired the ISO 19650 certification
(construction information modeling)

Strengthening inspections to prevent quality accidents
in steel bar and ready-mixed concrete

Customer Satisfaction Management Governance

At Daewoo E&C's Housing and Building Business Division, the Housing & Building CM Team is responsible for measuring, evaluating, and supporting on-site quality, while the Housing & Building CS Team is responsible for service quality and sustainable customer satisfaction.

Organization for Customer Satisfaction Management



The Housing and Building Business Division's main customers are the general public, for whom we provide customer satisfaction programs such as prioritizing service to residents and operating customer community facilities to improve customer satisfaction. The Housing & Building CS Team is in charge of customer satisfaction management to identify customer needs and protect consumer rights and interests.

Customer Satisfaction Management Strategy

Daewoo E&C has set a strategy to operate CS TFT to intensively improve customer satisfaction in a short period of time. Through the TFT, a total of 23 action plans were set for 2023 to achieve the goal.

CS TFT Operation and Performance

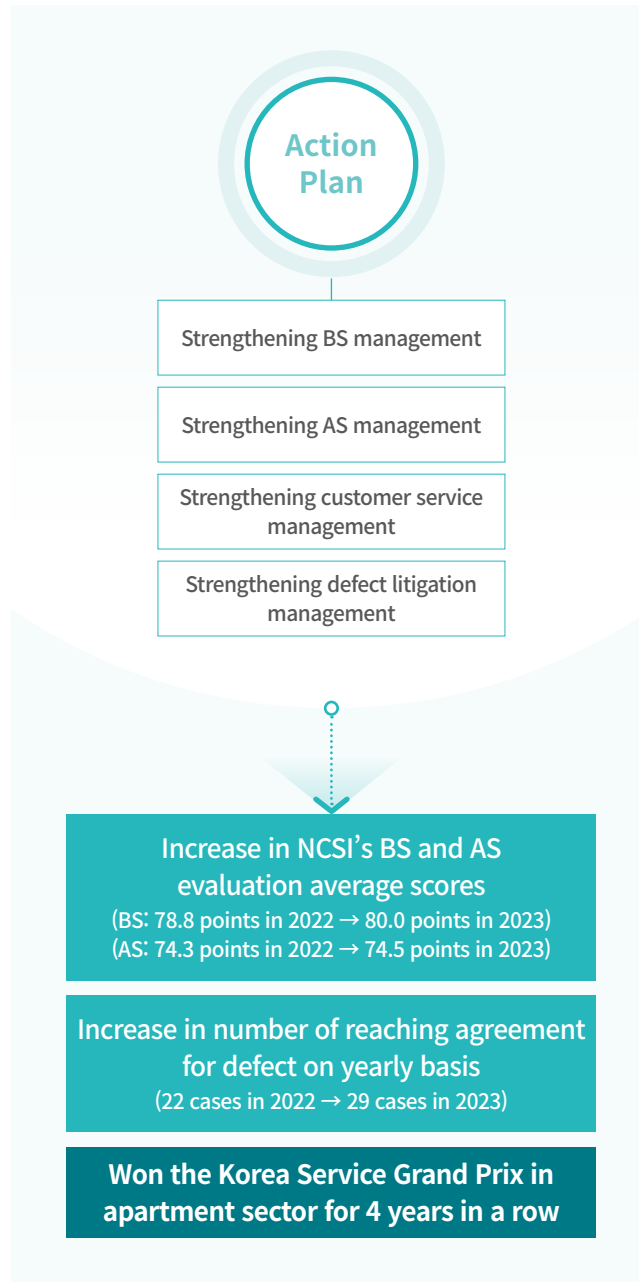
Daewoo E&C established the CS TFT in February 2023 to improve problems related to customer provision and manage safety/quality issues that lead to decline in customer satisfaction. The CS TFT identified four key action plans out of a total of 23 tasks to improve service quality and enhance CS competitiveness, strengthen defect litigation management, strengthen BS (before service)/AS (after service) management, and establish an always-on response system.

To strengthen customer service management, the CS TFT conducted CS training for AS technicians and a reward system for outstanding managers/AS technicians. To strengthen BS/AS, we regularized mock destructive testing, implemented measures to improve defect handling for tenant pre-inspection, and conducted a CS evaluation at the completion site.

As a result, the on-site quality improvement and pre-tenant inspection AS processing rate improved in line with the purpose of CS TFT operation, which helped us achieve our goal of winning the overall Grand Prize in the Korea Service Grand Prix organized by the Korean Standards Association for four consecutive years.

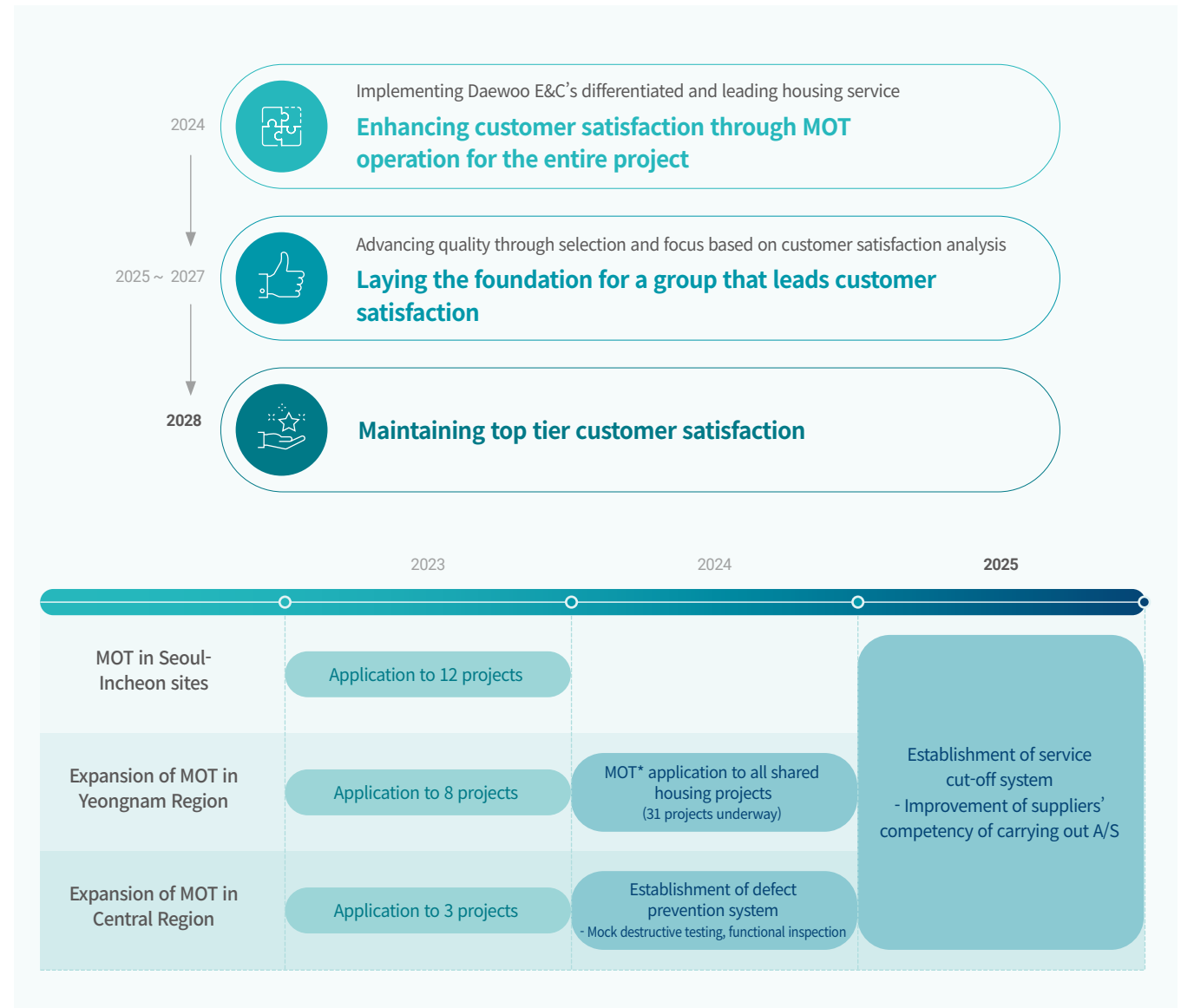
After completing the action plan to improve customer satisfaction, the CS TFT ended its operations in February 2024, and since then, the Housing & Building CS Team has taken over the related tasks.

CS TFT's Action Plan and Performance



Mid- to Long-term Roadmap for Improving Customer Satisfaction

Daewoo E&C has established a mid- to long-term roadmap until 2028 to improve customer satisfaction in 2023. We will maintain the highest level of customer satisfaction in the industry by achieving detailed goals each year.



*MOT : Moment of Truth

Customer Satisfaction Risk Management

Daewoo E&C conducts a variety of activities to prevent consumer claims and mitigate risks associated with customer satisfaction.

Customer Satisfaction Improvement through Proactive Communication

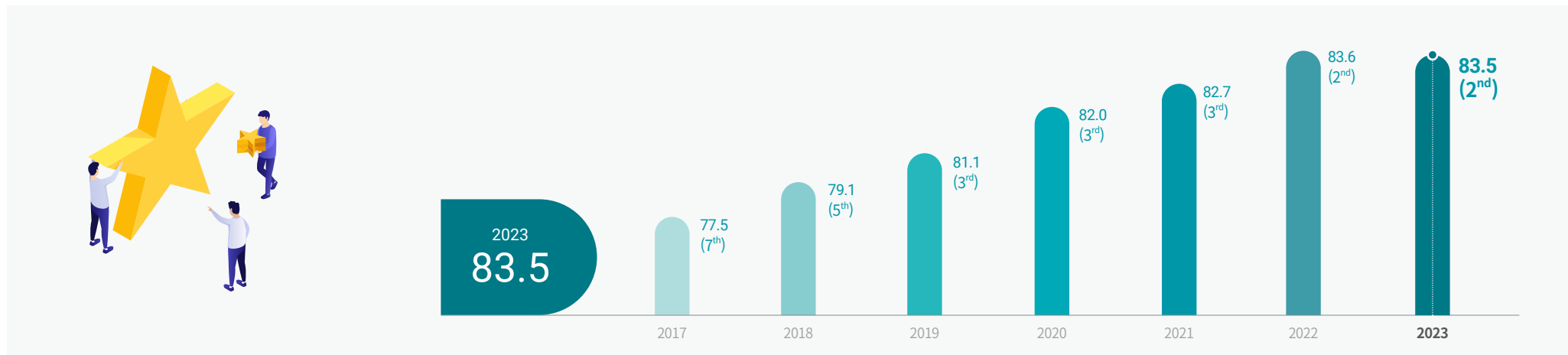
Daewoo E&C operates various communication channels to enhance customer satisfaction, prevent claims, and take prompt action. The company receives customer opinions and complaints through channels such as the Prugio mobile consultation app, website customer page, customer service line and chatbot. We also conduct customer satisfaction surveys on the mobile consultation app to check the effectiveness of our efforts to improve service quality and customer satisfaction, ensuring that complaints are handled within 10 days on average to provide prompt feedback.

In addition, we conduct a B/S inspection with housewives monitoring teams 85 days before move-in, and a pre-visit inspection 45 days before move-in to minimize the number of defects that occur after move-in and collect customer complaints and opinions. In addition, the company guarantees prompt A/S for three months after move-in through MOT (Moment Of Truth) led by professional technicians, focusing on 10 engineering types that are frequently claimed.

In addition, the company has developed the “PRUGIO Partners” app for efficient A/S work. Once the A/S work is completed, photos of the site can be uploaded to the app, and the person in charge checks the photos on the app and makes a final check on the quality of the defects. The results are delivered to the customer through the app, and the customer can check the completed defects with photos before move-in.

Daewoo E&C was ranked second (83.5 points) in the apartment sector in the 2023 Korean Standard-Service Quality Index (KS-SQI) survey, demonstrating that it continues to provide excellent service quality to its customers.

2023 KS-SQI Survey Result (Apartment)



* Ranking of Daewoo E&C in the KS-SQI apartment sector

Job-Training for Counselors

Daewoo E&C provides job training on customer counseling once a quarter for counselors who deal with general customers. Job training topics include professional knowledge and basic CS courses that counselors must acquire to improve the quality of counseling, all of which are provided in line with latest trends. In addition, annual tours of completed construction sites provide counsellors with the opportunity to learn the basics of the construction process. In 2023, we provided job training to all of our counselors (43 persons), and in the future, we plan to provide it through training focused on defect cases to increase the professionalism of customer counseling.

Job Training for Counselors

Classification	2022	2023
Counselors who completed job training	30 persons	43 persons

Consumer Damage Relief Procedure

Daewoo E&C complies with the Consumer Damage Dispute Settlement Standards (Scope) to minimize consumer damage. For example, the company follows the collateral liability period for each defect as stipulated in the Enforcement Decree of the Apartment Building Management Act. In accordance with the Act, the company has set the collateral liability period for defects in the main structural part of the building, the load-bearing structure, at 10 years. For defects in facility construction (cracks, sagging, twisting, etc.), the company has 2~3 years of liability period. In addition, the company complies with the dispute settlement standards recommended by the Korea Consumer Agency in the event of consumer complaints.

In addition, the company operates the following procedures to relief consumer damages. When we receive complaints related to defects from consumers, we discuss with the relevant departments and visit the household where the defect occurred or confirm it by phone. Afterwards, we visit the site to resolve the defect and conduct after-sales processing, and upon completion, we conduct customer satisfaction surveys via mobile counseling app. For consumer convenience and quick action, it is also possible to report defects and conduct satisfaction surveys after processing through PRUGIO’s website, customer center, and mobile app.

If a complaint cannot be resolved due to a difference in position between the company and the consumer, it can be referred to by the Ministry of Land, Infrastructure, and Transport for review, and

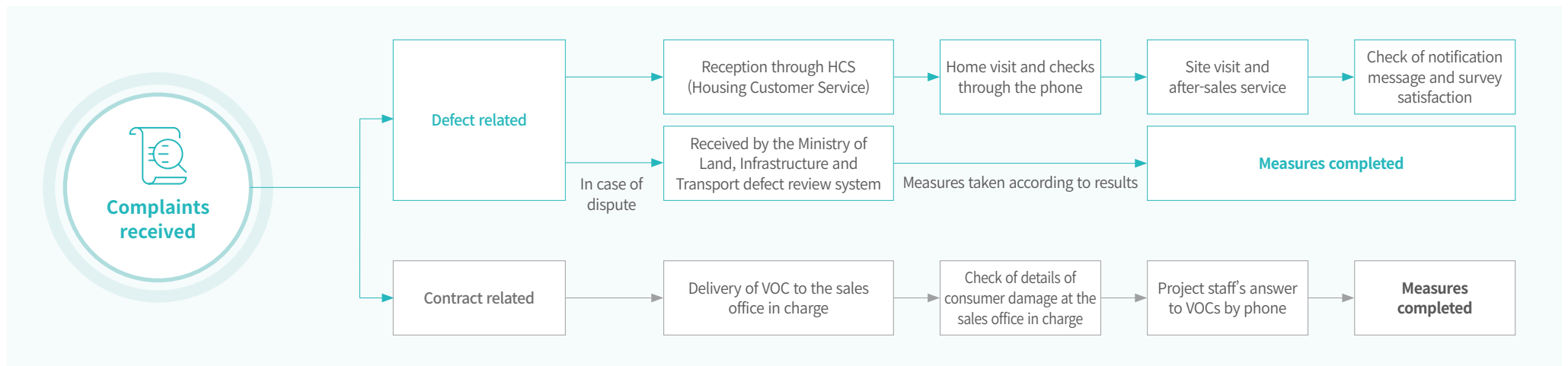
measures will be taken according to the deliberation results. If a dispute arises regarding the contract other than defects, the company will forward the complaint (VOC) to the sales office in charge to confirm the damage.

Once the case has been reviewed and verified, the person in charge of the project will give a written answer to the received VOC and take measures by suggesting a solution through the wire.

Dispute Type	Criteria for Resolution
1) Defects in construction and equipment of pre-sale housing	
- Within the defect liability period	· Free repair and maintenance
- After the defect liability period	· Paid repairs and repairs
2) In case of delay in occupancy due to completion of construction beyond the designated (planned) schedule for move-in	· Payment of liquidated damages or deduction of the relevant amount from the housing balance
3) When there is a difference between the supplied area (exclusive area + common area) in the contract and official area (building management ledger)	· Refund of payment for insufficient area
4) Infringement of property rights due to the creation of a mortgage on a pre-sale house without the consent of the occupants	· Compensation for damages or cancellation of contract
5) If the actual materials and equipment used are different from those constructed in the model house in terms of quality, etc.	· Equipment replacement or refund of difference

 Defect Management Information System of the Ministry of Land, Infrastructure and Transport

Consumer Damage Relief Procedure



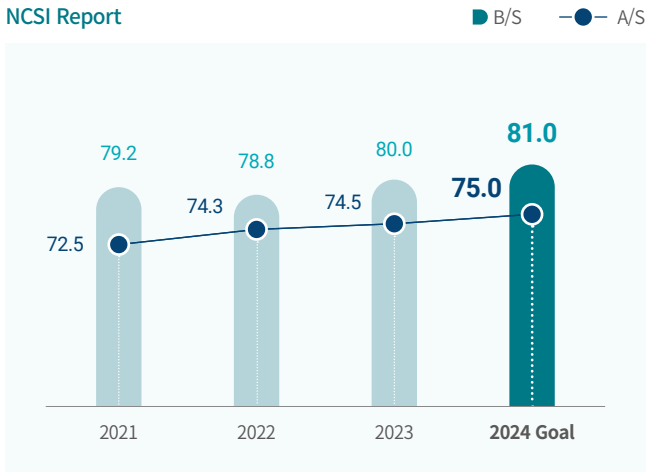
Customer Satisfaction Metrics and Targets Management

Daewoo E&C sets target and manages performance based on NCSI index and Customer Satisfaction (CS) Evaluation system to protect consumer rights and improve customer satisfaction.

Setting Goals to Consumer Rights Protection

Consumer rights protection refers to activities to protect consumers to ensure their fair rights and benefits. Daewoo E&C prioritizes customer satisfaction and recognizes that customer satisfaction is most strongly influenced by the quality of service. Therefore, the company has set quantitative targets for B/S (before service) and A/S (after service) using the authoritative National Customer Satisfaction Index (NCSI) and manages performance accordingly. In 2023, we obtained 80 and 74.5 points for B/S and A/S, respectively, an improvement from the previous year. We plan to further improve customer satisfaction by setting higher targets for 2024.

NCSI Report



Customer Satisfaction Evaluation System

Daewoo E&C places the highest priority on customer satisfaction. Therefore, we have established the CS Evaluation System to conduct customer satisfaction surveys from the customer’s perspective after the completion of construction. The CS Evaluation was established to expand the proportion of quality evaluation to the final product on site, thereby protecting the rights and interests of consumers. The evaluation consists of two stages. In the first evaluation, a group of evaluators, including housewife monitoring group and tenants, checks for defects before the site is completed. In the second evaluation, Daewoo E&C’s after-sales service agency, Daewoo ST, conducts a pre-move-in inspection and reflects it in the on-site evaluation.

In the future, the company will strengthen the expertise of the housewife monitoring group who conduct the primary evaluation. We will operate a more detailed CS evaluation system by evaluating their expertise to inspect defects.

We received an average score of 67.93 in the second round of CS evaluations in 2023, and we aim to achieve a score of 68.50 in 2024 to provide improved service quality.

CS Evaluation System



Risk Identification and Control Activities through CS Evaluation System

To manage defect risk, Daewoo E&C evaluates the after-sales service response of sites based on quarterly site evaluations and takes measures accordingly.

For example, if the CS evaluation score of a site is lower after completion than before completion, it is determined that intensive defect risk management is required until three months after completion, taking into account the number of defects per unit and the average processing days for defects. Therefore, from 2024, we will ensure that employees withdraw from the site within three months of completion instead of phased withdrawal to encourage the site to intensively manage defects after completion.

In addition, to better understand the status of on-site after-sales service, we divide the period into completion (D)+3 months, D+2 months, and D+1 months, and set standards for the number of people who can withdraw from construction jobs based on the average number of unprocessed cases per household in each period. In addition, we improve customer satisfaction by promptly handling A/S after move-in through communication with the headquarters.

Delays in employee withdrawal due to defects are reported separately to the Head of Housing and Building Business Division. We then educate the on-site team on the penalty standards and thoroughly manage the site until completion. Through this CS evaluation system and improvement efforts, we have reduced defects by about 30% at an ‘A’ apartment complex site.



Service Prioritizing Residents

Daewoo E&C runs PRUS+ (Pride Up Service) to enhance the satisfaction of Prugio residents and improve their quality of life. As of 2023, the company has planned a total of 62 items in 48 projects, including the 'Welcome Meal' service, which provides hot lunches for busy residents on move-in day, and the 'Wine Class', where residents can easily and enjoyably learn wine theory and etiquette from professional instructors. In January 2024, we held a 'Healing Tea Class' and a 'Smartphone Photo Class', with the 'Barista Class' soon to be launched.



Wine Class



Tea Class

Statutory Compulsory Childcare / Opening Care Centre

Daewoo E&C helps accelerate the opening of "public daycare centers" and "Together Care Centers", which are legally mandated to be available in new apartment complexes of 500 units or more. Daewoo E&C has installed more than 15 "public daycare centers" since 2019, before the mandatory installation of such childcare / care centers, the highest number a construction company. Through the know-how and support system for quick collaboration between local governments, prospective tenants, and sites, the company has helped to open childcare / care centers early in the move-in process, increasing residents' satisfaction with childcare. In addition, the company has developed an agreement management system through a mobile consultation app to shorten the opening period of compulsory childcare / care centers in complexes and applies it to new move-in complexes.

Prugio Garden Concert

Daewoo E&C hosts the 'Prugio Garden Concert', a special cultural event for Prugio residents. The concerts are held within the apartment complexes, and the concerts consist of traditional performances such as traditional folk songs and Lion's Mask Dance, as well as orchestral performances of film/drama OSTs and pop classics. The concerts are held at three complexes in 2022, the venue was expanded to a total of 20 complexes in 2023, and will be held at a total of 30 complexes in 2024.



PRUGIO Garden Concert

Voice of Customer (VOC)

Daewoo E&C receives complaints and inquiries from customers, including after-sales service and complaints, through various media, including mobile apps. In 2023, the average number of consultations received per month was 865, with a processing rate of 87%. We plan to continue to improve the resolving rate and shorten the average time it takes to address complaints.



Average number of consultations received per month in 2023

865
cases



Processing rate

87%



Quality Management Governance

Daewoo E&C has established a robust quality management system based on the quality standards and guidelines led by Quality & Environment Team and Quality Operation Inspection Team within the HSE-Q.

Quality Management Implementation System

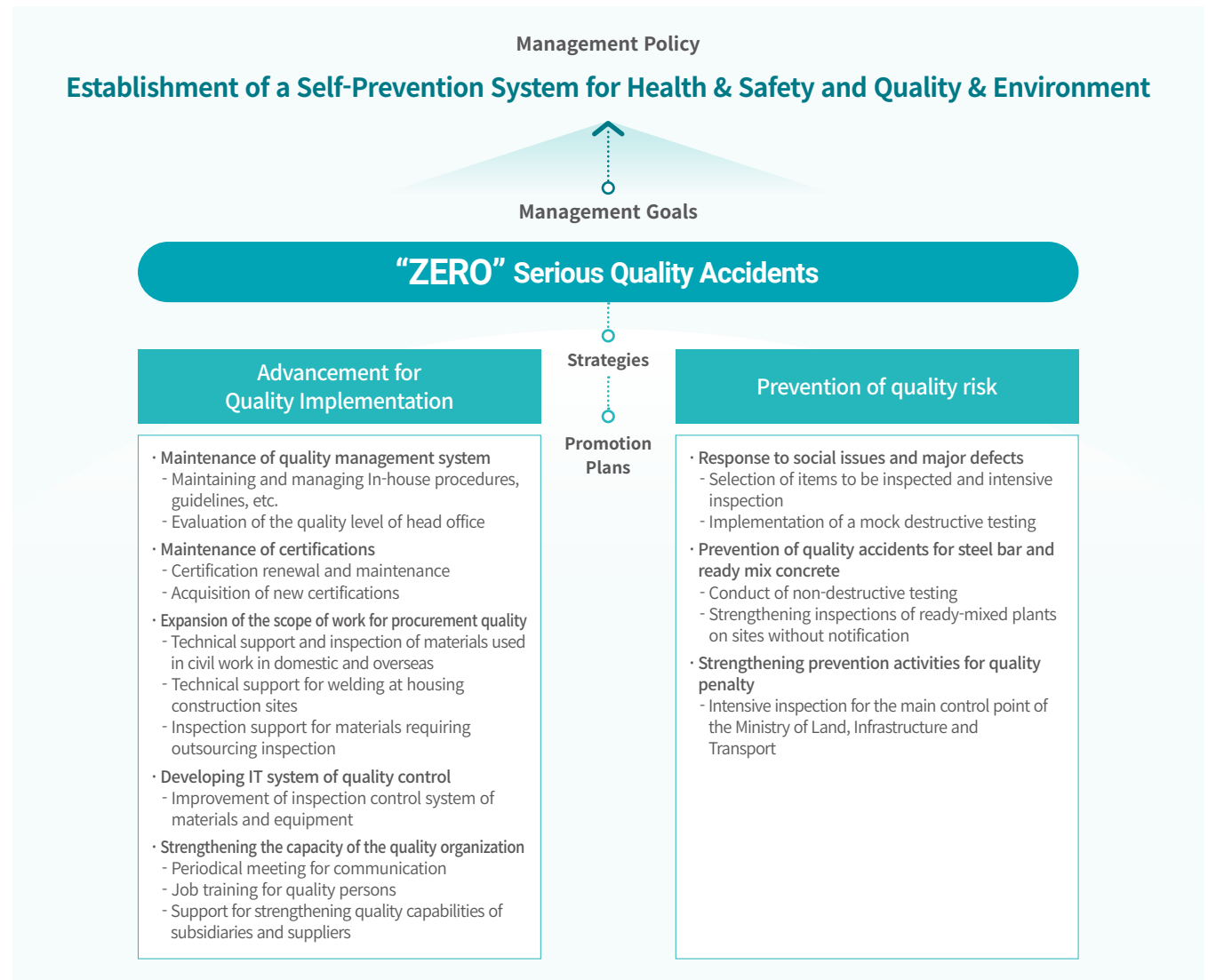
Under the policy of 'Establishment of a Self-Prevention System for Health & Safety and Quality & Environment', Daewoo E&C has established a strategy and plan to achieve "ZERO" serious quality accidents. Daewoo E&C's quality management system has been disseminated to Business Divisions through the Quality & Environment Team, which is in charge of operating the quality management system, certification, training, and internal and external communication, and the Quality Operation Inspection Team, which is in charge of on-site and factory inspection and quality control of purchased items. In addition, Daewoo E&C is enhancing the quality management system by ensuring that excellent quality levels are maintained in the field.



Quality Management Strategy

Quality Management Strategy

To prevent quality risks and ensure excellent quality services for customers, Daewoo E&C has established the following quality management policy and goals, as well as two strategies to achieve the goals and detailed implementation plans for each strategy.



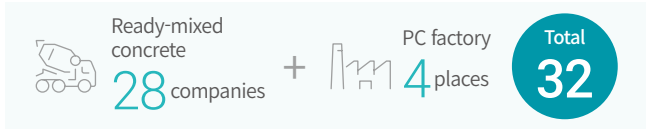
Quality Management Risk Management

Daewoo E&C effectively utilizes risk prevention and post-monitoring systems to ensure efficient quality control on site.

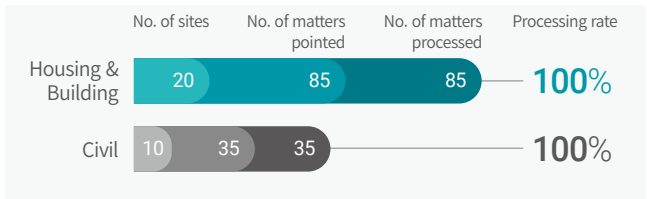
Strengthened Items Quality Control

Daewoo E&C prevents quality risks through enhanced material quality control. We survey factories that produce items to ensure that the items are manufactured in compliance with the company’s or the client’s quality standards and that the production facilities are qualified. In addition, in line with the trend of strengthening quality control of ready-mixed concrete and the expansion of off-site construction, we are strengthening quality risk prevention activities by increasing the proportion of supervision at ready-mixed concrete plants and PC manufacturing plants. Daewoo E&C will continue to engage in various activities to ensure effective quality management.

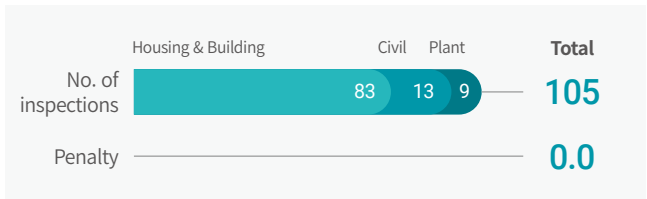
Number of Inspections on Major Material Suppliers’ Factories in 2023



Support for Defect Prevention by Business Division in 2023



Inspection by External Agencies in 2023

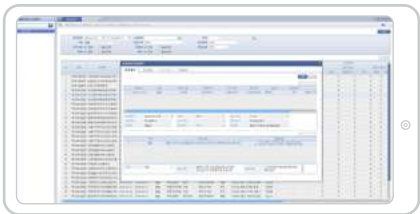


Construction Quality Inspection

Daewoo E&C is conducting construction quality inspections by classifying the types and characteristics of defects in construction objects into the housing & building and civil construction sectors. Through close inspections on the process of major defects such as cracks, material separation, and water leakage, as well as quality issues of high social interest, we raise the awareness of on-site employees and ultimately prevent quality defects by blocking potential causes of defects in advance, etc.

Operation of Quality Risk Prevention System

Daewoo E&C manages the External Agency Inspection Information System, an internally developed solution designed to monitor quality risks. The data within the system allows us to gather and analyze information from external agency inspections, enabling effective responses to sanctions related to legal violations and, ultimately, proactively preventing quality risks.



External Agency Inspection Information System within the BAROCON

Operation of Quality Patrol

Daewoo E&C operates the ‘On-site Quality Patrol’ as part of our efforts to strengthen external (Ministry of Land, Infrastructure, and Transport, etc.) penalty prevention activities and induce continuous quality improvement at our sites. Based on our past experience of being inspected by external agencies, we select and analyze vulnerable areas and take preventive measures. To share the importance of penalty management, we provide training to site employees on inspection practices. In addition, we expanded the number of sites subject to inspection amid the increasingly stringent external inspections, with a total of 69 sites (57 sites in 2023) inspected in 2023, and achieved a 100% action rate of measures taken.

Classifi-cation	No. of Sites	Average Points	No. of Matters Pointed	No. of Matters Processed	Processing Rate
Housing & Building	47	93.5	76	75	99%
Civil	20	93.3	55	55	100%
Plant	2	93.25	4	4	100%

Proactive Quality Inspection

Daewoo E&C conducts proactive quality inspections, such as non-destructive testing of steel bars and mock destructive testing, to raise quality control awareness and prevent quality risks that could lead to quality incidents.

Non-destructive Steel Bar Testing

As part of its efforts to prevent steel bar misconstruction, Daewoo E&C has made it mandate to conduct non-destructive inspections at least three times during the construction period for housing/building sites since 2014. In 2023, a total of 56 steel bar non-destructive tests were conducted. In 2024, the inspection process was further strengthened as a result of some improvements to the steel bar non-destructive testing. Supplementary materials such as pillars and walls are selected by taking into consideration site-specific structural design characteristics, and the inspection conducted on walls and slabs on the ground level has been expanded to the basement level.



Non-destructive testing of steel bar



Mock destructive testing

Mock Destructive Testing

We conduct mock destructive testing at all sites to reduce defects before the inspection to be conducted before usage and to prepare for possible lawsuits over defects at the completion site. As of May 2024, we are conducting at least three destructive tests per site, and based on the standard specification of the Ministry of Land, Infrastructure, and Transport, we are conducting test on basic items such as the thickness of waterproofing inside households and the thickness of plastering, and optional items such as the thickness of waterproofing in common areas. After the test, we establish quality control measures for each construction type if the standards are not met, and completely re-construct the households where the destructive tests were conducted. We also send letters to suppliers of the construction type, where the standards are not met, to comply with quality control standards and prevent recurrence.

On-site Process Support / Strengthen Inspection Implementation

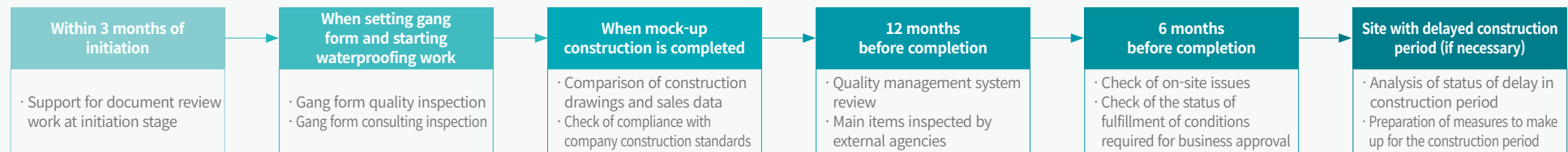
Daewoo E&C manages quality by segmenting the area to be inspected by Business Division as follows:

In the case of housing & building construction sites, support and inspections were conducted at the start and initial stages of construction at selected sites in 2023, but have now been extended to all sites. We strive to prevent quality risks from occurring by strengthening overall support and inspections as construction progresses.

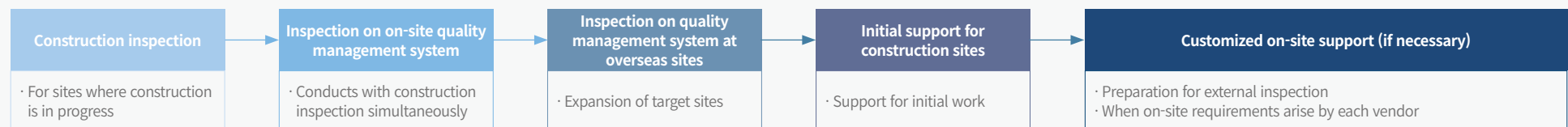
In the case of civil construction sites, unlike the previous practice of selectively selecting sites for construction inspections, this has now been expanded to all ongoing sites. We are also conducting on-site quality management system inspection to strengthen quality execution. In addition, in order to improve the quality level at overseas sites, we expanded the number of on-site inspections from two to seven to check whether they are implemented in accordance with our quality standards, thereby preventing quality risks through improvements.

For plant sites, we share the results of quality activity monitoring to provide quantified management standards and effectively analyze and evaluate quality activities at each site to prevent quality risks.

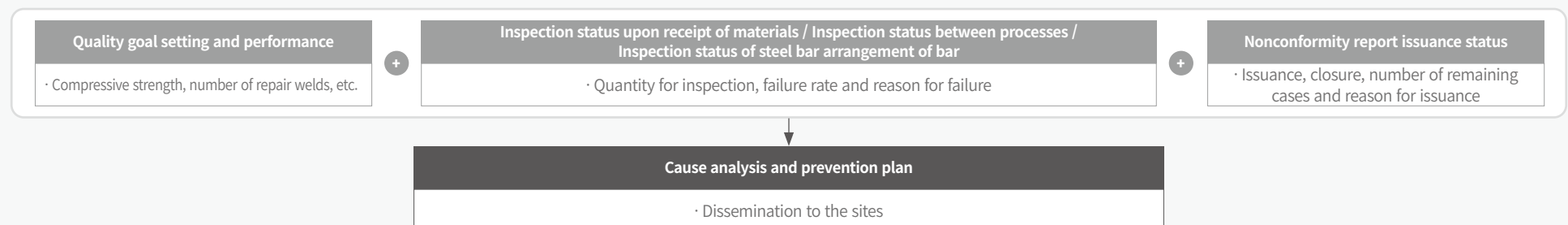
Housing & Building Sites



Civil Sites



Plant Sites



Voice of Quality and Communication with On-site Quality Manager

Daewoo E&C operates the 'Voice of Quality' system to collect opinions from 'Key Persons' who are quality managers on sites. This system facilitates communication between the headquarters and the sites and contributes to quality improvement by allowing quality managers to exchange quality information. The 'Key Persons' system was introduced in 2007 to listen to the voices of the sites, including various complaints and issues arising in the performance of quality management tasks, and to seek improvement measures.

The 'Voice of Quality' is held once a quarter, and in 2023, 125 out of 141 sites participated in the program. The company resolves the valuable feedback received through the 'Voice of Quality' system by anticipating possible time of review and having improvement.

Participation in the Voice of Quality program



Quality Manager Training

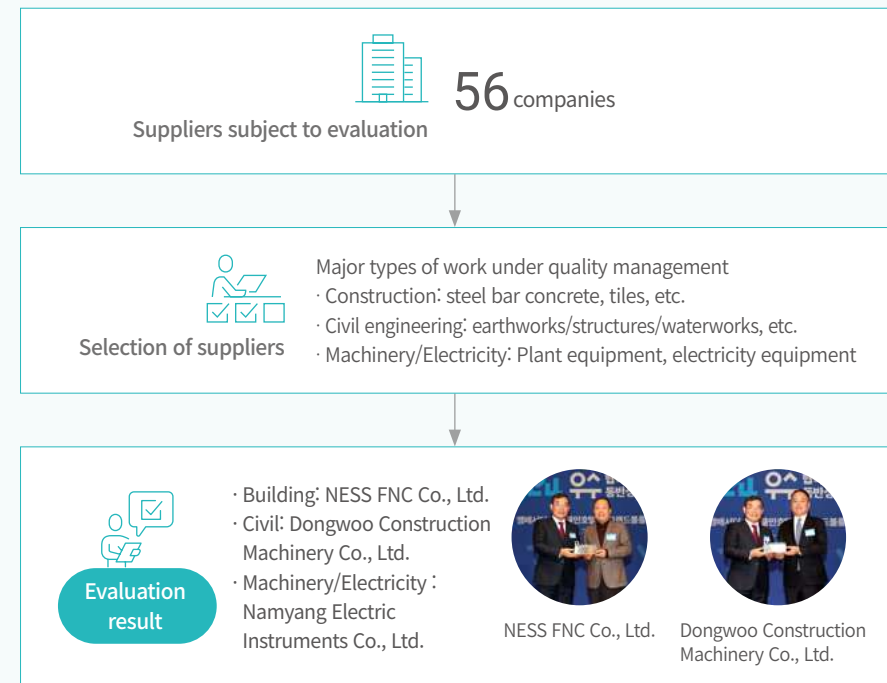
Site quality managers receive job training once a year in each of the Housing and Building Business Division, Civil Engineering, and Plant Business Division to improve their work capabilities. In 2023, the training consisted of nine sessions, and 266 employees participated in the training. The company focuses on topics that can be used in the field to improve the efficiency and effectiveness of field quality managers through job training.

Quality Management Capability Enhancement Support for Subsidiaries/Suppliers

Daewoo E&C strives to provide excellent quality to its customers by working together with its subsidiaries and suppliers. To this end, we conduct quality assessments in the first half and second half of each year to encourage suppliers to voluntarily participate in quality management activities and prevent serious quality accidents.

The quality assessment is determined by combining 90% on-site assessment and 10% headquarters assessment. One excellent supplier with an outstanding construction type is selected in each category of architecture, civil engineering, and mechanical/electrical, and those selected as excellent suppliers receive awards. In 2023, Daewoo E&C conducted the evaluation for 56 suppliers. In addition, Daewoo E&C provides training to the working staff of major suppliers to help them develop their practical skills and voluntarily improve quality.

Quality Evaluation Results of Suppliers



Quality Management Metrics and Targets Management

Daewoo E&C enhances its quality management system with the Quality & Environment Team and the Quality Operation Inspection Team and improving the quality level at the headquarters by utilizing ISO-based checklists. We also acquire new certifications and strengthen quality management for overseas business expansion.

Advancing Quality Management System

Daewoo E&C advances its quality management system by clearly stating the responsibilities and roles of quality work. The Quality & Environment Team and the Quality Operation & Inspection Team, which are in charge of quality of the company, serve as control towers. At the same time, two teams monitor and establish standards for the system and guidelines, manage the operation of quality management system, monitor and measure the quality of Business Divisions, support preventive inspections of quality risk factors, conduct items inspections, and manage technical advice for special process. The Business Division follows the company's system and guidelines for quality management operation, and continuously disseminate, manage and support to ensures that quality management is properly established on site.



**Quality &
Environment Team
within the HSE-Q**

- Establishment of laws, systems, and monitoring standards
- Operation and management of external certification, and headquarters quality systems

- Quality monitoring and performance measurement of business division
- Support for preventive inspection on quality risks

- Items inspection and standardization of work
- Technical advice for special process management



**Quality Team
in Business
Division**

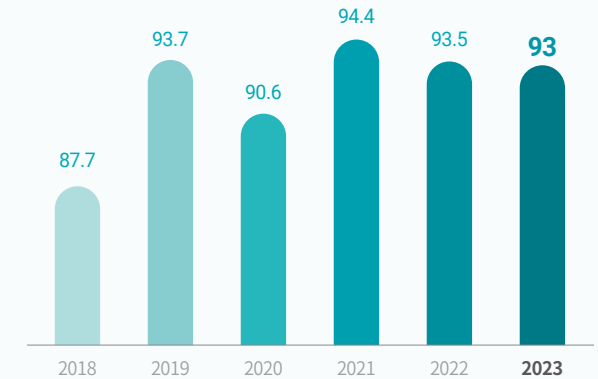
- Dissemination of response knowhow according to the establishment of company-wide standards
- Implementation of company-wide operation guidelines for the quality system

- Conduct of quality management training for site workers
- Management of action results for pointed out matters

- Management of worksite complaints regarding items and materials
- Support for project construction quality management

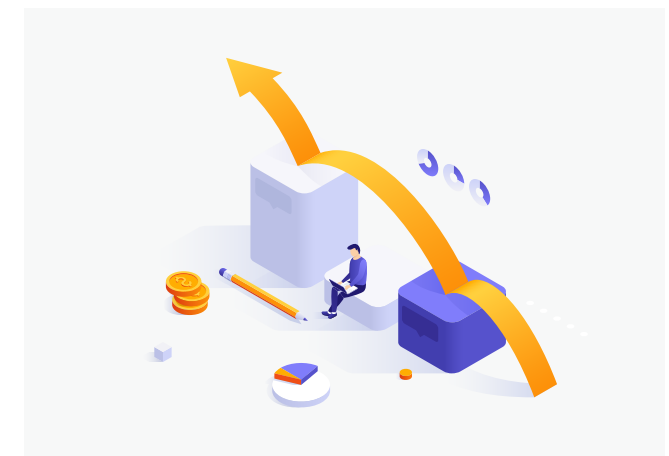
Headquarters Quality Evaluation

(Unit : average score)



Quality Management System Inspection Result (Organizations in the Headquarters)

No. of Organizations	Average Score	No. of Findings	No. of measures Processed	Processing Rate
36 units	93 points	88 cases	88 cases	100%



Quality Evaluation and Index

Daewoo E&C evaluate the level of headquarters quality every year and manages in accordance with following index. The quality level is evaluated using a checklist based on ISO regulations and consists of seven items, including organizational situation, leadership, planning, and more.

Checklist		Check Items	Score
Compliance with ISO requirements	Organizational situation	5	5
	Leadership	4	5
	Plan	4	10
	Support and operation	8	15
	Improvement	1	5
Establishment of DTMS		6	25
Implementation of business regulations		7	35
Total		35	100

Inspection of the quality management system are conducted by the Quality & Environment Team, which organizes the inspection group and uses customized checklists for each division subject to the inspection. Starting from 2023, to enhance the efficiency of inspection operations, the inspection cycle is determined based on the inclusion of ISO requirements for each division subject to the inspection, and the scope of inspection has been reduced to advance the quality of operations. In the 2023 quality inspections conducted on a total of 36 teams, an average score of 93 was recorded, and all 88 identified issues were addressed during the inspection period, confirming that the Quality Management System is being operated satisfactorily.



ISO 19443 certification



ISO 19650-2 Construction Information Modeling



Obtaining New Certificates for Overseas Business Expansion

Daewoo E&C has acquired new certifications to meet the requirements for placing bids for projects overseas. In particular, after going through several stages of screening to meet the qualifications and requirements for bidding on new nuclear power projects overseas, Daewoo E&C has acquired the ISO 19443 (Nuclear Quality Management System) certificate in April 2024, which is expected to help us expand the domestic and international markets in the nuclear power sector. In addition, Daewoo E&C has acquired the ISO 19650-2 (Construction Information Remodeling) certificate in June 2023, as the requirements for tender on new projects overseas have recently expanded.

Maintaining System Operation Capability by External Verification

Daewoo E&C was the first in the industry to obtain the international standard ISO Quality Management System certification in 1993 and maintains it through annual follow-up and renewal inspections. In the nuclear power business, we have ASME nuclear and non-nuclear certifications from the American Society of Mechanical Engineers and KEPIC nuclear design and construction certifications from the Korea Electric Power Association and maintain them through recertification inspection every three years to ensure our international competitiveness.

We obtained the ASME nuclear construction assembly and installation certification, which is a prerequisite for participating in bidding for domestic and overseas nuclear power plants and related facilities, in 1991, and the ASME and NBBI non-nuclear power boiler, pressure vessel, and pressure piping design, manufacture, installation, and repair and replacement certifications in 2009 for the first time. In addition, the KEPIC design certification for piping system manufacturing, steel bar concrete and steel structure design were first obtained in 1991, and the KEPIC construction certification for concrete containment structure, steel bar concrete structure, and installation of all electrical grade 1 items, and installation of air conditioning equipment related items was first obtained in 1997 and maintained to the present.

- * ISO: International Organization for Standardization

* ASME: American Society of Mechanical Engineers

* BIM: Building Information Modeling
- * KEPIC: Korea Electric Power Industry Code

* NBBI: National Board of Boiler and Pressure Vessel Inspectors



ISO 9001:2015
Quality Management System



KEPIC
Nuclear power plant construction
and design (domestic)



ASME
Construction, design, and
production of nuclear and
non-nuclear facilities (international)



NBBI
Repair of boilers, pressure
vessels, and pressure piping
(international)

Supply Chain Management/Social Contribution Activities

Establishment
of supply chain
sustainability
management policy

Won the
Good Donor
Award

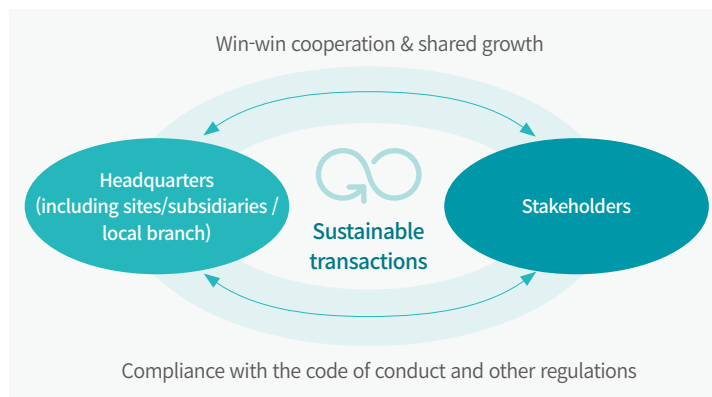
Achievement of target
scores for social
contribution activity
performance index

Daewoo E&C does not only aim for economic performance and profit generation but it strives to fulfil its social responsibilities and create social value in order to coexist with all stakeholders, including employees, suppliers, shareholders, consumers, and local communities. To this end, we conduct a variety of social contribution activities and evaluate the performance of social contribution activities annually. We also conduct supply chain management activities such as meetings and financial support to ensure shared growth with suppliers, and strive to reduce supply chain risks and build trusting relationships.

Supply Chain Management Governance

Daewoo E&C has established a supply chain management process that involves external organizations such as sites, subsidiaries, and local branches, as well as the headquarters, to manage risks.

Supply Chain Management System



Daewoo E&C manages supply chain risks related to suppliers through the "Supplier Disciplinary Committee" and "Supplier Monitoring Council" chaired by the head of the Procurement Division. In addition, the HSE-Q Division closely monitors possible safety, environmental, and quality accidents in the supply chain, while the Audit Group monitors collusion, misconduct, and other ethical management violations. In this way, while the Procurement Division manages risk factors across the supply chain, the specific division in charge (such as HSE-Q Division and the Audit Group, etc.) operate a systematic supply chain management process by each type of management.

Supply Chain Management Strategy

Supply Chain Registration Process

Daewoo E&C recruits new suppliers for outsourcing, materials and services twice a year (first half and second half). Recruited suppliers are evaluated on financial, competence, and safety and if they meet the requirements, they become a regular registered company and are eligible to participate in bidding.

Daewoo E&C conducts comprehensive evaluations of suppliers once a year (second half of the year), including on-site evaluations (construction/safety) and headquarters evaluations (finance/order/bidding). Based on the evaluation results, Daewoo E&C assigns a total of four levels of supplier ratings, including 'main, major, general, and preliminary, and grants differential bidding participation opportunities by class. Suppliers with a 'main' rating are considered core suppliers of Daewoo E&C and are provided with incentives to access various shared growth programs operated by the company.

Proportion of Selection of Participating Bidders

- Main
- Major
- General
- Preliminary

10% Preliminary

20% General

30% Major

2023

40% Main

Establishing Policies to Manage Supply Chain Sustainability

In 2024, Daewoo E&C established a new Supply Chain Sustainability Management Policy, approved by the CEO, to manage a sustainable supply chain and build trust through fair trade. The policy consists of three articles. The policy incorporates fair trade order and win-win cooperation to manage overall supply chain, and to establish a fair procurement process from the discovery to evaluation of suppliers. In particular, the policy, which is to enhance capabilities in multifaceted aspects such as safety, health, quality, environment, and human rights, has been extended to suppliers and stipulates that they strengthen their capabilities by conducting activities on safety, health, quality, environment, and human rights management.

Supply Chain Sustainability Management Policy

Supplier Code of Conduct / Certificate of Integrity

Daewoo E&C’s suppliers are required to sign Certificate of Integrity once a year. In addition, suppliers are expected to comply with the Supplier Code of Conduct as a company that has a business relationship with Daewoo E&C. The Code of Conduct consists of health and safety, ethics, environment, labor and human rights, and management system. In order to maintain sustainable business relationships and ensure legal and ethical transparency, all suppliers are required to comply with the Code. In particular, topics such as the environment and human rights, which are considered socially important, are included as mandatory items to be managed. The Code of Conduct is disclosed in E-COS.

Code of conduct for suppliers of Daewoo E&C

Strengthened Compliance with the Subcontracting Act

Daewoo E&C strives to create a culture of fair trade by faithfully reflecting the four fair trade practices established by the Fair Trade Commission in the company’s fair trade guidelines and internal procedures related to contract signing.

Specifically, we apply the Fair Trade Commission’s Standard Subcontract Contract to all outsourcing/material subcontracting contracts, including service contracts. When the Standard Subcontract Contract is revised, we have shortened the revision time so that it is reflected in all internal contract documents within three months.

In addition, we designate the subcontractor payment on the 10th of the following month and pay them in batches, and utilize a subcontract payment system linked to financial institutions to prevent delays in payment of worker’s wages and subcontractor payments. In the event of non-payment, we utilize a monitoring system between relevant teams at the headquarters to ensure immediate payment.



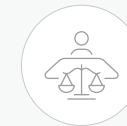
Use of Standard Subcontractor Contract



Shortening the execution period for construction costs



Prevention of arrears at worksites



Code of conduct for suppliers of Daewoo E&C

Safety/Health

- Compliance with safety and health-related laws and regulations
- Compliance with standard safety and health management criteria for suppliers
- Qualification of worker’s eligibility
- Check of the safety of machines, instruments, and equipment
- Identification of hazardous risk factors and management of hazardous substances
- Improvement of working environment and health management
- Emergency response and action/reporting in case of accident

Compliance with corporate ethics

- Transparent management and integrity
- Prevention of conflict of interest
- Compliance with fair trade
- Prevention of counterfeiting
- Information protection
- Building a culture of trust
- Respect for international trade order

Environment

- Establishment of environmental operation system
- Environmental management

Labor/Human Rights

- Humane treatment
- No discrimination
- Human rights policy
- Wages and welfare

Management system

- Independent participation
- Operation of internal reporting system
- Monitoring

Supply Chain Risk Management

Daewoo E&C has a system in place to screen and respond to risks across the entire supply chain such as supplier registration, selection and supplier evaluation.

Suppliers Registration

Daewoo E&C thoroughly diagnoses safety risks from the stage of supplier registration. When a new supplier is recruited, the in-house safety organization conducts direct safety inspection and evaluations, and does not approve registration if it fails to meet the standards.

In addition to safety risks, we also comprehensively diagnose an array of business management factors such as financial risk rating and construction capability evaluation to prevent potential performance risks from the prior stage of having transaction.

Selection of Supplier Participating in Bidding

Daewoo E&C sets the number of bidding participants per construction type/item to 4 to 8 to ensure that only regularly registered suppliers participate in bidding. Basically, the number of bidding participants is selected by considering the difficulty of construction at the site, the performance of construction of suppliers, and subcontracting rates with local suppliers. This ensures that the most suitable and optimized suppliers for each site are given the preferred opportunity to bid, preventing risks such as unnecessary competition among suppliers and poor quality due to collusion.



Supplier Evaluation

Every year, we update the bidding grade of suppliers by construction type and item based on the results of the comprehensive evaluation of suppliers. The evaluation is composed of a 50:50 ratio of on-site evaluation and headquarters evaluation.

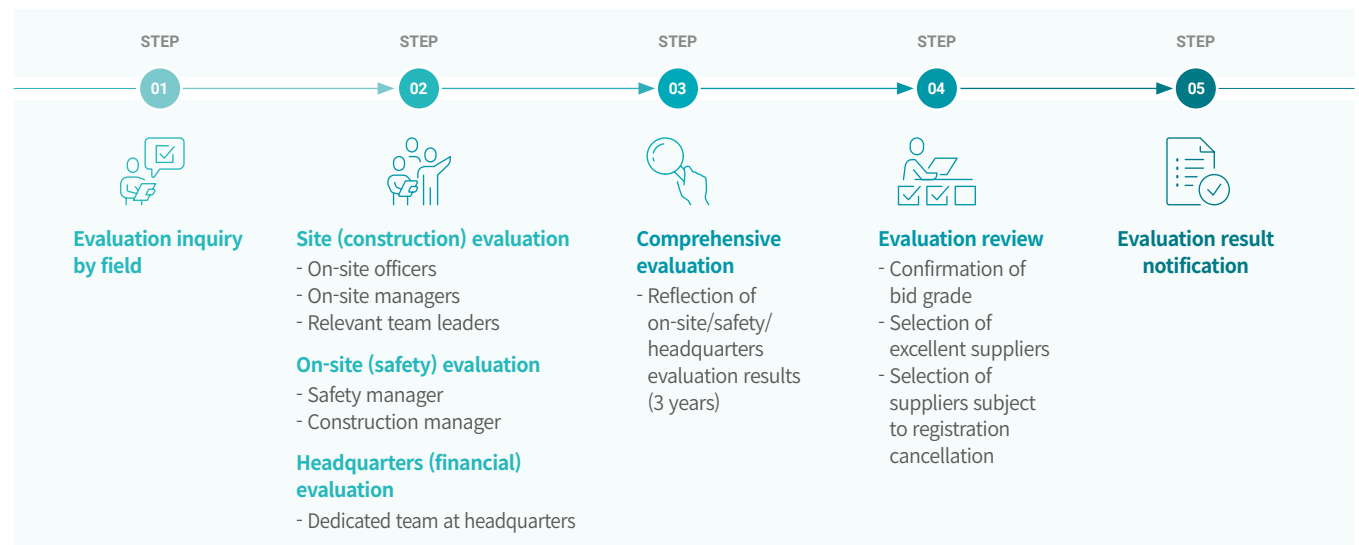
On-site evaluation is conducted twice a year (first half and second half) and is divided into safety evaluation and construction evaluation. In addition, from 2023, we introduced a separate settlement evaluation system at the end of construction for suppliers to strengthen on-site evaluation.

The headquarters evaluation is conducted once a year (in the second half of the year). It is divided into financial evaluation, order evaluation, and bid evaluation, which examines the financial status and transaction history of suppliers (such as the appropriateness of the bid amount and contract amount).

In addition, to keep abreast of the ESG management, suppliers with excellent ESG management can expect extra points. Suppliers that have ESG evaluation results or have a higher rating, or those with excellent environmental management performance (acquired ISO 14001 certification, public environmental achievement awards, and more) are eligible for preferential treatment.

Classification	Score	Evaluation Cycle	Description
Site evaluation	50 points	Twice a year	- Evaluation of on-site construction management and safety management capabilities
		When completed	- Evaluation of construction/defects/cooperation, etc. at the time of construction completion of construction of suppliers
Headquarters evaluation	50 points	Once a year	- Evaluation of suppliers' financial status, defects, rewards/punishment, contribution, etc. - Evaluation of the appropriateness of the contract with the company and bid amount
Comprehensive evaluation	100 points		

Supplier Evaluation Process



Assessing Supply Chain ESG Risk Activities

Daewoo E&C has extended provisions on safety, health, quality, environment, and human rights management to its suppliers as stipulated in its Supply Chain Sustainability Management Policy. Based on this policy, the company manages risks across the supply chain and checks and manages ESG risks by considering compliance additionally. The company has divided risks into health and safety, compliance with governance aspects (ethical management), environment, and labor/human rights, and checks the items that suppliers must comply with to ensure that they do not violate our Code of Conduct for Suppliers.

Through the “Supplier Disciplinary Committee” and “Supplier Monitoring Council”, the company reviews and identifies ESG risks that may arise from negative impacts of suppliers. All suppliers, including new and existing registered suppliers, are subject to the evaluation, and depending on the results of the evaluation, disciplinary measures are taken, ranging from being put on watch list to bidding restrictions and cancellation of registration. We strive to ensure that our suppliers actively participate in ESG activities to build sustainable partnerships.

Inspection of Supply Chain ESG Items

Inspection Area	Description
Safety/Health	Check of safety of machines, instruments and facilities and qualifications of workers, improvement of working environment and health management, etc.
Compliance (Ethical Management)	Transparent management and integrity, prevention of conflict of interest, compliance with fair trade, etc.
Environment	Establishment of environmental operation system, environmental management (minimization and reduction of air pollutant emissions, compliance with effluent water quality standards, minimization of water pollutants, etc.)
Labor/Human Rights	Working hour management, prohibition of discrimination, wages and welfare, human rights policy, humane treatment, etc.

Detailed Disciplinary Standards Based on Evaluation

Inspection Area	Reason for Disciplinary Action	Disciplinary Action
Safety, environment, and quality-related accidents	Serious disaster	Cancellation of registration for up to 3 years or more depending on the number of occurrences, fatality rate, and recurrences
	Injury	Restriction of bidding for more than 3 months if the cases more than twice have occurred within the past one month
	Disaster concealment	Cancellation of registration for up to 2 years or more depending on the number of occurrences and period
	Reporting delay	Restriction of bidding for more than 2 years or more depending on the number of occurrences and period
	Quality accident	Restriction of bidding for more than 6 months in case of a serious quality accident
Compliance	Violation of ethical management	Restriction of bidding for more than 3 months upon occurrence
	Misconduct	Restriction of bidding for more than 24 months or more depending on the amount
Violation of laws (including labor laws)	Violation of subcontracting, environmental, labor-related laws and the Framework Act on the Construction Industry	Restriction of bidding for more than 6 months in case of administrative or judicial action on suppliers

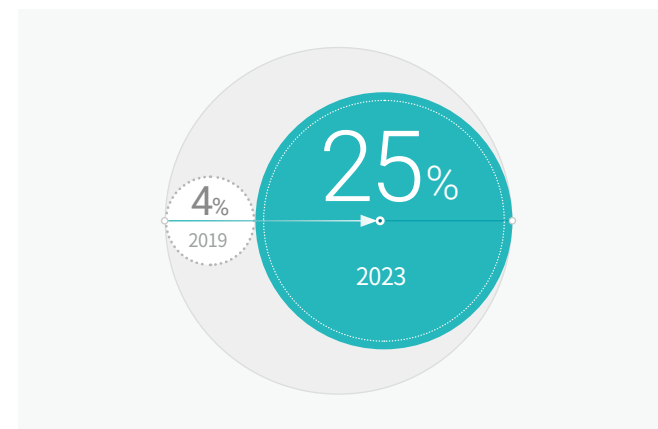
Reinforced Health and Safety Management of Suppliers

To help suppliers strengthen their health and safety management, Daewoo E&C conducts health and safety competency assessments when they are newly registered. The assessment is conducted by the Health and Safety Team to examine the establishment of supplier’s health and safety management system, and level of carrying out health and safety activities. Only suppliers that score 60 points or more are eligible for new registration.

Daewoo E&C is strengthening the discrimination of items subject to safety assessment in the comprehensive evaluation of suppliers to ensure that suppliers’ safety management capabilities are reflected in the evaluation. The proportion of items subject to safety evaluation, which were reflected at 4% of the total score of the comprehensive evaluation until 2019, has been gradually expanded every year, rising to 25% as of 2023. In addition, to ensure the objectivity and independence of the evaluation, site managers are excluded from the evaluation, whereas safety-related practitioners directly evaluate.

We expect that the increase in the allocation of score of safety evaluation, which is one of the factors determining the rating of suppliers, will increase the ability of suppliers to voluntarily manage health and safety.

Ratio of safety evaluation criteria in the comprehensive evaluation of suppliers



Supply Chain Management Activities and Performances

Reinforcement Of Win-win Cooperation with SMEs

Daewoo E&C has been contributing funds to Korea Foundation for Cooperation of Large & Small Business, Rural Affairs (KOFCA) every year for shared growth and strengthen win-win cooperation with SMEs. In 2023, the company donated a total of KRW 100 million, operating different support programs to help SMEs strengthen their competitiveness and grow. In particular, the company signed a ‘Voluntary Agreement for Polarization Eradication’ with SMEs selected as excellent suppliers this year and Korea Commission for Corporate Partnership, and will operate a win-win cooperation program worth KRW 21.4 billion over the next three years, including financial and non-financial support.

Financial Support for Suppliers

Daewoo E&C runs the Shared Growth Fund to provide financial support, including low-interest loans, to suppliers who are experiencing financial difficulties through. The fund has been established under an agreement with KDB since 2012. In 2023, the fund, totaling KRW 14 billion (KRW 8 billion from Daewoo E&C and KRW 6 billion from KDB), enables suppliers to receive a lower interest rate of 2.14%. The reduced interest expense is contributing to relieving suppliers of funding difficulties and strengthening their cash flow. In 2024, Daewoo E&C has signed a Shared Growth Fund agreement of the similar amounts as 2023, and will continue to expand the target and scope of suppliers to be supported.

Support for Suppliers' Technology Development and Technology Protection

Daewoo E&C supports its business partners in the development of technology. In particular, we jointly apply for patents for technologies developed through joint research with them (five joint patents have been granted since 2021), and in this process, we also support the patent registration costs of our suppliers. In addition, we apply jointly developed technologies to the site to promote the technological capabilities of our business partners and help them secure new contract.

Shared Growth Meeting With Excellent Suppliers

Daewoo E&C has been holding meetings with excellent business partners for shared growth since 2007. We are also strengthening communication with them by expanding the number of excellent suppliers invited to the meetings. We have maintained the existing categories of excellent partners in procurement, safety, and quality, but from 2024, we have added a new category of excellent suppliers in service (handling defects for move-ins) to enhance the satisfaction of Prugio residents. The best business partners in each category are guaranteed one contract priority and a 50% reduction in the performance bond for the current year. For suppliers with whom we have been cooperating for a long period of time, we held breakout meetings by type of construction, so that working-level employees, not just executives, had the opportunity to hear their voices directly.



Meeting for shared growth with excellent suppliers

Supplier ESG Management Support

In 2023, Daewoo E&C introduced the ESG management support system for suppliers for the first time amid the emergence of ESG management philosophy. The company first selected 20 excellent suppliers that already had ESG ratings, and in collaboration with a credit rating agency, provided a total of KRW 10 million in support for ESG-related training, due diligence on business sites, and consulting. The company also provides various trainings at the headquarters and outer organizational levels to strengthen suppliers' response capabilities to major ESG issues such as environmental management and safety management. We are considering the same scale of ESG management support in fiscal 2024.

Voluntary Protection of Local Suppliers and Fair Procurement

In the past, Daewoo E&C fully adopted the random bidder selection method to provide suppliers with fair opportunities to participate in bidding and ensure a transparent procurement process. However, this method had systematic limitations, such as the inability to select local suppliers as bidders for PJs in their regions. To overcome this, the company has improved the process to combine the random method with manual selection, and have improved the system to prioritize the selection of certain regional suppliers during the manual selection. In addition, we are considering giving newly recruited suppliers more opportunities to participate in bids than existing suppliers to improve their competitiveness in winning orders.

Grievance Handling Process for Suppliers

With the aim of ensuring transparent and sustainable relationships with business partners, Daewoo E&C operates a grievance handling process, including a help line, where suppliers can report grievances. In 2023, we received a similar number of grievances as in 2022, which were all resolved.

Suppliers' Grievances Handling Results

(Unit : cases)

Classification	2021		2022		2023	
	Received	Handled	Received	Handled	Received	Handled
Suppliers	11	11	10	10	10	10

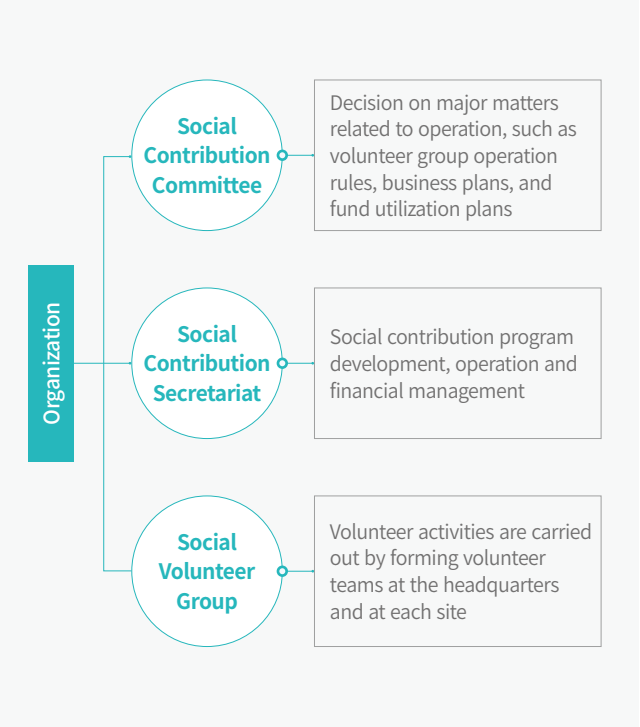
Suppliers' Suggestion

Daewoo E&C operates “Make Your Suggestions” for suppliers on the Daewoo E&C Collaboration System (E-COS). On this platform, Daewoo E&C provides free promotional opportunities for small and medium-sized enterprises, and suppliers can promote their products or construction capabilities, strengthening mutual business partnerships.

Social Contribution Governance

Daewoo E&C’s Social Contribution Secretariat is responsible for planning and implementing social contribution activities. The social contribution plan is approved annually by the Social Contribution Committee.

Social Contribution Promotion System



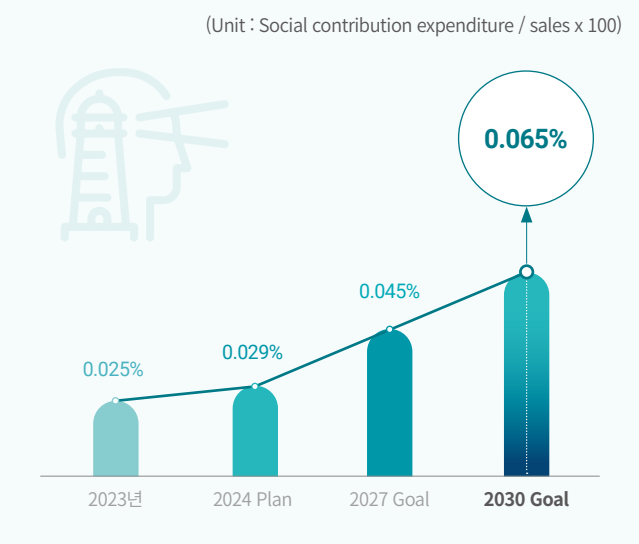
Daewoo E&C implements social contribution strategies and activity plans, as well as necessary support for local communities, in order to realize its social responsibility and deliver social value. As social contribution activities are one of the key pillars of ESG management, the Social Contribution Committee approves major matters such as social contribution strategy and activity plans, operation of volunteer groups, and coin donation campaign.

Social Contribution System

As a member of society, Daewoo E&C is aware of our responsibilities and roles towards our customers and the community we serve, and with “Greater love with greater sharing” as our core slogan for social contributions, we take the lead in community development. Daewoo E&C conducts relay volunteer activities with direct employee participation, led by the Daewoo E&C Social Volunteer Group, which was established in 2007.

Through these volunteer activities, employees participate in sharing campaigns for the underprivileged, donating talents, and improving the environment of local communities. In Korea, we are working with the Seoul Metropolitan Government and Habitat for improving living conditions, old house renovation of ‘House Repair for Hope’ and ‘Safe Accompanied Housing’ projects. Overseas, Daewoo E&C Social Volunteer Group provides various forms of support for communities in need, such as supporting the establishment of an early childhood education center in Iraq with UNICEF.

Mid- to Long-term Social Contribution Goals



Social Contribution Strategy

Social Contribution Strategy System

We have established detailed strategies to carry out social contribution activities based on social contribution mission and vision.



Social Contribution Metrics and Targets Management

Measuring Social Contribution Activity Performance

Daewoo E&C evaluates CSR performance annually based on 15 evaluation items, including organization, strategic system, volunteering activities, and evaluation, etc. We set a target score of 80 points or more for the social contribution performance index, and achieved 80 points in 2022 and 83 points in 2023. We plan to achieve the target score of 80 points or more by 2030.

Social Contribution Activity Performance Indicator Items

Classification	Social Contribution Activity Performance Indicator Items		Proportion
I	Infrastructure (28%)	1. Organization	5%
		2. Institutions and systems	8%
		3. Leadership	6%
		4. Decision-making and participation	9%
II	Strategy (23%)	5. Mission and vision	10%
		6. Strategic system	8%
		7. Key performance indicators	5%
III	Operation (30%)	8. Business scale	3%
		9. Area and target (local communities)	5%
		10. Business characteristics linkage project	7%
		11. Welfare perspective project	5%
		12. Volunteering	10%
IV	Feedback (19%)	13. Evaluation	3%
		14. Collection of stakeholders' opinions	4%
		15. External reporting and PR capabilities	12%
	Total		100%

Social Contribution Activities

Classification	Unit	2021	2022	2023
Number of annual participants	Persons	1041	3432	4864
Total expenditure	KRW in millions	967	1,644	2,470
Operating expenses	KRW in millions	57	61	102
Donation*	KRW in millions	910	1,583	2,369
Average activity time per person	Hours	4.46	5.9	3.68
Number of relay volunteer activities	Times	0	6	13
Number of participants in relay volunteer activities	Persons	0	486	310

* Donations of KRW 1.789 billion + other expenses of KRW 580 million

Social Contribution Activities and Performances

Good Donator Award

Daewoo E&C conducts various domestic and international social contribution activities under the core slogan “Greater love with greater sharing”. Our employees voluntarily carried out more than 100 housing environment improvement activities and sponsored the construction of a shelter for Vietnamese in Korea at the Buddhist temple ‘Wonosa’. Also, Daewoo E&C has conducted various activities such as supporting ophthalmic surgeries of more than 600 times in overseas, etc. In recognition of these contributions, we were awarded the Good Donor Award at the 3rd Good Donor Award Ceremony held by the Ministry of the Interior and Safety in 2023.



Won the Good Donor Award

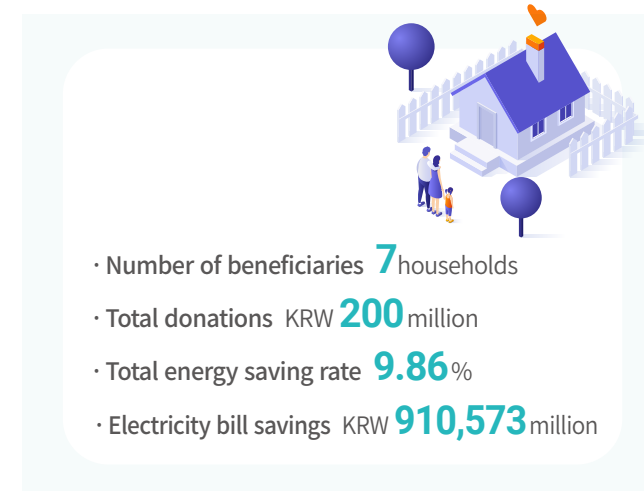


Housing Improvement Project : Habitat

Daewoo E&C supports housing improvement projects for better quality of life of vulnerable people living in poor housing conditions. To this end, we have signed business agreements with the Seoul Metropolitan Government, the Korea Home Builders' Association, and Habitat for Humanity Korea. Together with our employees, we support customized home repairs for vulnerable households in Seoul to improve their living conditions.

In particular, together with Habitat for Humanity Korea, we have improved the living environment of a total of 21 households of descendants of Independence Patriots for three years from 2021. In addition, we have expanded this project to building houses from 2024. We also held the March 1st Run Marathon on 1 March 2024 to support this project. We plan to continue with house-building volunteer activities in the second half of 2024 for the first generation descendants of independence activists, and will fulfil our social responsibility by providing them with new homes with the donations raised through the March 1st Run Marathon.

Analysis of the Effect of Living Environment Improvement Project for Descendants of Independence Patriots



Employee Coin Collection Donation

Employees at Daewoo E&C collect coins worth less than KRW 1,000 from their salaries every month to donate to neighbors in need. In 2023, the company used the coins collected every month to support the recovery efforts of earthquake damage in Syria and the Turkiye region, and to provide emergency relief support for disasters. In addition, the company plans to increase the amount of donations from less than KRW 1,000 to KRW 1,000 and KRW 3,000, and will install donation kiosks in public spaces to encourage employees' participation.

Classification	2021	2022	2023
Donation made to	Eastern Social Welfare Society	Community Chest of Korea	Korean Red Cross
Major activities	<ul style="list-style-type: none"> Implemented as a social contribution activity participated by employees' families Non face-to-face mask making from home and delivery of donations 	<ul style="list-style-type: none"> Support for victims of forest fires in Gyeongbuk and Gangwon regions 	<ul style="list-style-type: none"> Support for earthquake damage in Turkey and Syria
Amount	KRW 5 million	KRW 30 million	KRW 28 million

※ The amount differs from the total amount of donations as only the funds raised through the employee coin collection donation are included.



Jung Daewoo Merchandise

Blood Donation Campaign

Daewoo E&C ran the '2023 Daewoo E&C Blood Donation Campaign' in which all employees donated blood to those in need. Employees participated in the blood donation campaign at the blood donation bus in front of the headquarters, and those who were unable to do so shared blood donation certificates. The total number of blood donation certificates collected was 1,001, and in 2024, we will donate blood to organizations that need blood donation to help address shortage of blood supply.

Full Donation of Proceeds from the sale of 'Jung Daewoo' merchandise

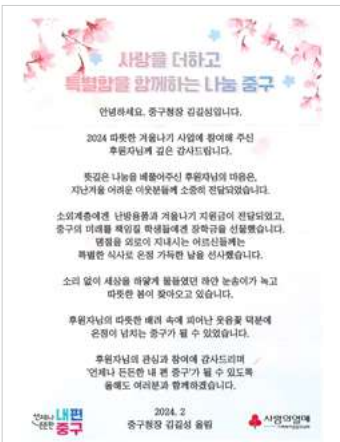
Daewoo E&C carried out merchandise sales activities with university student public relations ambassadors who celebrated their 20th anniversary, drawing upon innovative ideas from university students. Featuring Daewoo E&C's mascot, Jung Daewoo, the ambassadors presented a total of 17 products, including a home bar package (bottle opener and coaster) and a travel package (ready bag and wash bag). The proceeds from the sales of the merchandise were donated to the social welfare corporation 'Walk Together'. The university student ambassadors successfully completed the activity by donating to the living space improvement project for the disabled.



Donation ceremony for revenue from goods sales

Warm Winter Campaign in Jung-gu District, Seoul

In December 2023, Daewoo E&C donated 620kg of rice to people in need in Jung-gu District, Seoul. Employees who wished to donate collected orchids to celebrate their promotions, exchanged them for rice, and delivered them to welfare institutions in Jung-gu District. About 90 orchid pots were collected, and 620 kg of rice was donated to the Food Bank Market Center run by the Jung-gu District Office. The company received a certificate of appreciation from the District Governor in recognition of its contribution to win-win activities with the local community.



Appreciation letter from Jung-gu Office, Seoul

Free Land Lease for Mt. Bukhan Shelter

Daewoo E&C signed a green space utilization agreement with the Seoul Metropolitan Government to lease land owned by Daewoo E&C at the foot of Mt. Bukhan for free. Through this agreement, the company leased 72,978m² of land. As a result, the Mt. Bukhan Forest Shelter was created, transforming the neglected forest into a leisure facility for the general public. In addition, in May 2024, the company received a plaque of appreciation from Gyeongsan City in recognition of its contribution to the revitalization of the local economy, including employment creation and improvement of the business environment in the Gyeongsan Knowledge Industry District.

Global Social Contribution Activities

Daewoo E&C conducts a wide array of social contribution activities not only in Korea but also in overseas site communities. Through international aid organizations, we provide practical help and support to overseas project communities to help them become self-reliant, while also fulfilling our social responsibilities.

For three years from 2023, we donated KRW 170 million to the “Program for Community Development” through the Ministry of Planning and Investment (MPI) in Vietnam to support social adaptation programs for the blind. In February 2024, we donated KRW 300 million to build a mobile refugee hospital for refugees in war-torn Ukraine.

In addition, the company sponsored the construction of a technical training center in Nigeria, where it provided technical training to local employees to help them earn a living for themselves. The company designated a total of 32 training recipients from each community and provided training in various skills such as welding, hairdressing, painting, and scaffolding, donating more than KRW 70 million in training support to the communities.

In addition, the company signed a social contribution agreement with UNICEF to establish an infant and toddler education center in the Basra Al-Faw area of Iraq. With a total project cost of approximately KRW 660 million over the next three years, the company will establish infant and toddler education centers and train teachers in five schools in the Al-Faw area. Upon completion, the centers are expected to benefit approximately 750 infants and toddlers and 40 teachers and childcare providers. As of 2023, the company has built two centers with classrooms, sanitation facilities and a small safe area in two schools in the Al-Faw region, where 177 children have benefited and a total of 16 teachers have been trained. In addition, a total of 66 women have benefited from the Parenting program.

Recently, the first batch of children who received educational support from the Early Childhood Education Program successfully graduated. In the future, the company plans to continue to provide the necessary help to contribute to the development of overseas communities.



Infant Education Center graduation ceremony in Iraq



Support program in Vietnam for blind

Global Social Contribution Activities

Country	Details
Nigeria	<ul style="list-style-type: none">Establishment of a technical training center in Nigeria and provision of technical educationSupply of power facilities to local communities (5 host communities)Community support: Providing supplies to orphanages and scholarship donation, etc.
Iraq	<ul style="list-style-type: none">2nd year of construction of children’s education center in Al-Faw, Basra, Iraq (Establishment of an infant and toddler education center and teacher training)
Vietnam	<ul style="list-style-type: none">Operation of a social adaptation support program for the visually impaired, etc.Social contribution activities for the local communities, including the Korean communitySupport for related licensing organizations (donations, poverty relief, disaster relief, education, etc.)
Ukraine	<ul style="list-style-type: none">Establishment of mobile hospital and provision of medical services for local refugees
Kuwait	<ul style="list-style-type: none">Beach environmental cleanup activities in Kuwait (once a year)

Governance

Daewoo E&C operates an independent and professional Board of Directors, with a majority of independent directors, to ensure rational decision-making and transparent and efficient management. In 2020, the company established the “Corporate Governance Charter,” which outlines the principles and procedures of governance, and has been striving to establish a sound governance based on this charter. By ensuring fair and transparent board operations, the company aims to enhance the credibility of its governance and lead proper ESG (Environmental, Social, and Governance) management by expanding the board’s involvement in key areas such as safety and the environment.

100%
Attendance rate
of the BOD

**Establishment of the
Internal Transaction
Committee**

**Establishment of
a new evaluation
system for registered
executives**

BOD-driven Management

Transparency in the BOD Operation

Daewoo E&C operates an independent and professional board of directors with 75% of the total number of directors being independent directors in order to establish rational decision-making and a transparent and efficient governance structure. In 2020, Daewoo E&C established the “Corporate Governance Charter,” which outlines the principles and procedures of governance, and has been striving to establish a sound governance structure and ensure the company’s continued growth based on this charter.

Daewoo E&C’s governance structure

Functions and Roles of the Board of Directors

As the company’s supreme decision-making body, Daewoo E&C’s Board of Directors resolves major matters related to business execution as stipulated by laws and the company’s articles of incorporation and oversees the performance of the management. Daewoo E&C places great importance on protecting shareholders’ rights and balancing the interests of stakeholders. Based on this, the Board of Directors strives to strengthen trust with stakeholders and create sustainable shareholder value to achieve the goal of corporate sustainable growth.

BOD Composition

Daewoo E&C’s Board of Directors consists of two executive directors and six independent directors, with the chairperson appointed by the BOD’s resolution in accordance with the articles of incorporation. To facilitate efficient communication, the CEO also serves as the chairperson of the BOD. Directors serve a term of three years and can be reappointed through the shareholders’ meeting upon the expiration of their term. The BOD continuously enhances the proportion and diversity of independent directors to ensure the transparency and independence of BOD operations, thereby fulfilling its fundamental role of mutual checks and balances and contributing to the company’s competitive strength.

BOD Members

(As of Dec. 31, 2023)

Classification	Name	Gender	Position	Appointment	Expertise	Career
Executive directors	Baek Jung-wan	Male	CEO, Chairperson of the Board of Directors	Feb. 28, 2022	General management	Former Head of Housing & Building Division at Daewoo E&C Current CEO of Daewoo E&C
	Kim Bo-hyun	Male	Member of the Independent Director Recommendation Committee Member of the Compensation Committee	Mar. 28, 2023	Management	Former Air Force Brigadier General Current Vice President of Herald Co., Ltd. / Senior Executive Vice President of Daewoo E&C
Independent directors	Youn Gwang-lim	Male	Member of the Independent Director Recommendation Committee Chairperson of the Audit Committee	Feb. 28, 2022	Accounting, Finance	Former Vice President of Shinhan Bank / CEO of H Industrial Co., Ltd. Current Independent director of Daewoo E&C
	Kim Jai-woung	Male	Chairperson of the Independent Director Recommendation Committee Member of the Audit Committee	Feb. 28, 2022	Taxation, Administration	Former Commissioner of Seoul Regional Tax Service Current Advisor of Gwangjang Law Firm
	Lee In-seok	Male	Member of the Independent Director Recommendation Committee Member of the Audit Committee	Feb. 28, 2022	Law	Former Seoul High Court High Court Judge (Presiding Judge) Current Lawyer of Gwangjang Law Firm
	Kim Jae-joong	Male	Member of the Independent Director Recommendation Committee Chairperson of the Compensation Committee	Apr. 01, 2022	Administration	Former Fair Trade Commission Seoul Office Manager Current Advisor of Kim & Chang, a law firm
	Lee Young-hee	Female	Member of the Independent Director Recommendation Committee Member of the Compensation Committee	Dec. 23, 2022	Law	Former Member of Korean Review Commission for Elevator Accidents Current Representative attorney of Bareun Law LLC
	Ahn Sung-hee	Male	Member of the Independent Director Recommendation Committee Member of the Audit Committee	Mar. 28, 2023	Accounting, Finance	Former Director of Korea Accounting Information Association / Samil Accounting Corporation Current Associate Professor of Accounting Department at Catholic University of Korea

Independence, Expertise and Diversity of the BOD

Directors at Daewoo E&C is appointed by the shareholders’ meeting. Candidates are selected by the BOD (executive directors and other non-executive directors) and the Independent Director Recommendation Committee (independent directors) and then submitted to the general shareholders’ meeting, ensuring independence. The BOD enhances its professionalism by appointing independent directors with extensive experience in various fields and continuous education. Additionally, efforts are made to increase the proportion of female directors and promote age diversity within the BOD. These initiatives help the BOD effectively oversee and monitor various specialized areas, contributing to Daewoo E&C’s stable growth and enhancement of global competitiveness in a rapidly changing business environment.

Board Skill Matrix

Classification		Leadership	Industry	Finance/ Accounting	Finance	Law	M&A	Global Business	Committee Member
Executive directors	Baek Jung-wan	●	●					●	
	Kim Bo-hyun	●	●				●	●	A,C
Independent directors	Youn Gwang- lim	●		●	●		●		A,B
	Kim Jai-woung	●		●					A,B
	Lee In-seok	●			●	●	●		A,B
	Kim Jae-joong	●	●			●	●		A,C
	Lee Young-hee	●				●			A,C
	Ahn Sung-hee	●	●	●					A,B

* Independent Director Recommendation Committee : A, Audit Committee : B, Compensation Committee : C

Training for Independent Directors

Date	Training Provider	Details	Remark
Jun. 08, 2023	ESG Management Research Center at Kim & Chang LLC	Raising the BOD’s awareness of ESG and the role of the BOD	Participated by all independent directors
Jul. 03, 2023	KPMG Samjong Accounting Corp.	Audit Committee Support Center Seminar	
Aug. 04, 2023	KPMG Samjong Accounting Corp.	Internal accounting management system status in 2023	Participated by all independent directors
Nov. 21, 2023	Audit Committee Forum	4th regular forum for Auditors and Audit Committee members in 2023	

Support for Independent Directors’ Activities

To support the operation of the Board of Directors in line with the characteristics of the construction industry, Daewoo E&C operates the Finance Team as an independent director support organization. Additionally, the company strengthens the capabilities of independent directors through specialized internal and external trainings more than once a year. Daewoo E&C also supports proactive performance of directors’ duties by providing liability insurance for directors with the company’s expense.

External Experts’ Support for Independent Directors

Daewoo E&C has formalized in its board regulations that external experts may be consulted when necessary for the operation of the Board of Directors. The Audit Committee, a committee under the Board of Directors, provides advice from external experts to carry out its duties, and the Audit Committee’s regulations stipulate that the Audit Committee has the right to receive assistance from external experts at the company’s expense, if necessary.



Committees Within the Board of Directors

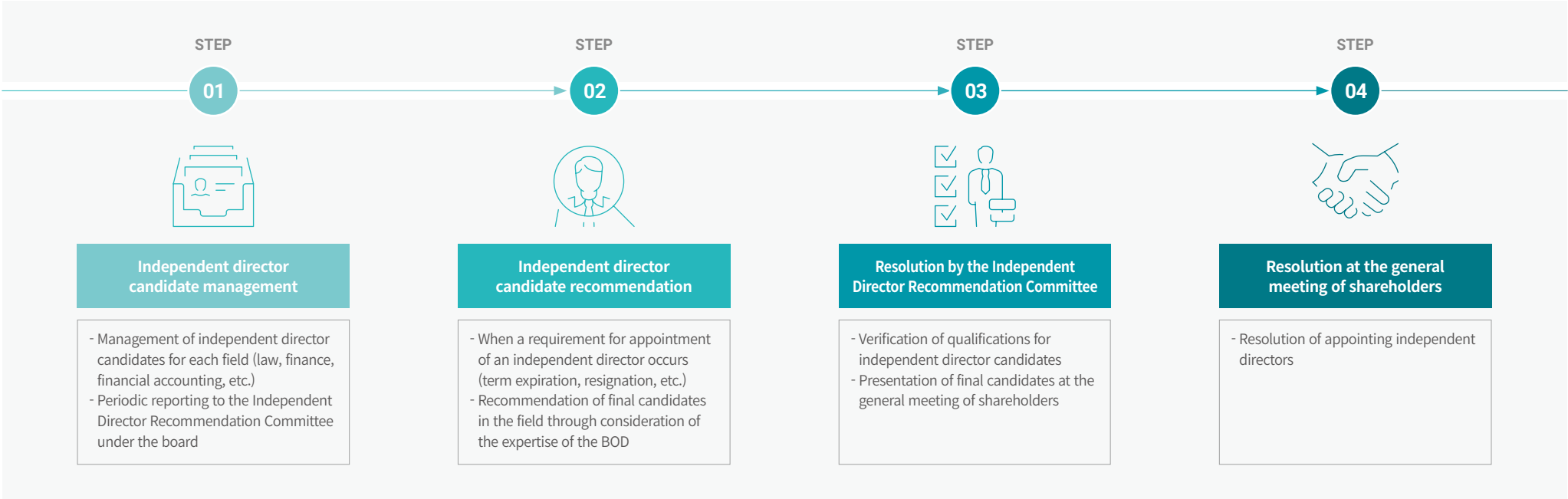
To enhance the expertise and efficiency in decision-making of the Board of Directors, Daewoo E&C operates the Independent Director Recommendation Committee, Audit Committee, and Compensation Committee. The Independent Director Recommendation Committee is composed of six independent directors and one executive director to ensure transparency, integrity, and independence in the recommendation of independent director candidates. This committee continuously manages a pool of independent director candidates, identifies and evaluates individuals with the necessary expertise for the role, and recommends independent director candidates to the shareholders’ meeting. The Audit Committee is composed entirely of independent directors and conducts pre- and post-audits throughout the company’s decision-making and operational processes to prevent conflicts of interest, including corruption. The Compensation Committee discusses the compensation limits for registered directors to be submitted to the shareholders’ meeting, as well as matters related to the individual compensation limits and payment methods delegated by the shareholders’ meeting. This committee is composed of two independent directors and one executive director. All three committees within the BOD appoint an independent director as the chairperson to enhance the independence and effectiveness of their activities.

Board Committee Status

(As of Dec. 31, 2023)

Category	Composition	Chairperson (Position)	Major Roles
Independent Director Recommendation Committee	6 independent directors and 1 executive director	Kim Jai-woung (independent director)	Recommend independent director candidates to the shareholders’ meeting
Audit Committee	4 independent directors	Youn Gwang-lim (independent director)	Audit of company accounting and operations
Compensation Committee	2 independent directors and 1 executive director	Kim Jae-joong (independent director)	Determination of compensation and payment method for the management

Independent Director Appointment Process



Principles for Selecting Independent Director Candidates

Independent directors are recommended by the Independent Director Recommendation Committee, which identifies individuals with expertise and extensive experience from various fields, and they are appointed at the general shareholders’ meeting. Independent directors participate independently in important corporate management policy decisions and can oversee and support the management as Board members. When appointing independent directors, candidates must have no conflicts of interest with the company, and the Independent Director Recommendation Committee verifies candidates’ backgrounds to confirm their independence.

Operation of the Independent Director Recommendation Committee

Session	Attendance / Member	Agenda		Remark
		Classification	Details	
1 st	6/6	Resolution	Nomination of independent director candidates	Approved
2 nd	7/7	Resolution	Appointment of the chair of the Independent Director Recommendation Committee and appointment of acting director in case of absence	Approved
		Reporting items	Report on independent director candidates	-

Operation of the Compensation Committee

The Compensation Committee is composed of two independent directors and one executive director to ensure the objectivity and transparency of director compensation. The committee decides on individual director compensation within the limits approved by the shareholders’ meeting, aiming to strengthen ESG management.

Session	Attendance / Member	Agenda		Remark
		Classification	Details	
1 ST	3/3	Resolution	Appointment of the Compensation Committee Chairperson and acting director in case of absence of Chairperson	Approved
		Resolution	Approval of individual director remuneration for fiscal year 2023	Approved

Operation of the Audit Committee

In 2023, the Audit Committee held eight meetings, discussing 27 agenda items. It is a principle that more than the required quorum of Audit Committee members attends each meeting, and in 2023, the committee achieved 100% attendance at all eight meetings. The Audit Committee members meet all statutory election criteria and actively perform auditing functions related to the company’s accounting and operations. Daewoo E&C has designated the Audit Office to support the activities and training of the Audit Committee. According to the company’s Audit Committee regulations, the appointment and dismissal of the head of the internal audit department are determined through consultation between the Audit Committee and the CEO.

Session	Attendance / Member	Agenda	Remark
1 st	3/3	Prior approval of non-audit services by external auditors in 2023	Approved
		Report on the 2022 end-of-term audit progress plan and report on progress of discussion of key audit items and audit of internal accounting management system	Reported
2 nd	3/3	Approval of audit plan in 2023	Approved
		Report on the internal accounting management system operation plan in 2023	Reported
		Report on financial statements for the 23rd period (2022 fiscal year)	Reported
3 rd	3/3	Report on business report for the 23rd period (2022 fiscal year)	Reported
		Report on the progress of the end-of-term audit for the 23rd period (2022 fiscal year)	Reported
		Report on the operation status of the internal accounting management system	Reported
		Report on convening the 23rd (2022 fiscal year) general shareholders’ meeting and purpose of the meeting	Reported
		Report on review results of internal accounting management system operation status	Reported
		(Other) Preparation and submission of audit report by the Audit Committee for the 23rd period (fiscal year 2022)	Reported
		(Other) Preparation of an evaluation report on the operation status of internal accounting management system by the Audit Committee	Reported
		(Other) Preparation of Audit Committee opinion on internal monitoring system	Reported
4 th	4/4	Report on 1Q 2023 financial statement review progress (1st)	Reported
		Report on 1Q 2023 financial statement	Reported
5 th	4/4	Report on 1Q 2023 financial statement review progress (2nd)	Reported
		Report on major audit performance	Reported
6 th	4/4	(Other) Preparation and submission of checklist for independent auditor post-evaluation (2022 fiscal year)	Reported
		Report on 1H 2023 financial statement review progress	Reported
		Report on 1H 2023 financial statement	Reported
		Report on the operation status of the internal accounting management system in 1H 2023	Reported
		Report on review results of internal accounting management system operation status	Reported
7 th	4/4	Report on 3Q 2023 financial statement review progress	Reported
		Report on 3Q 2023 financial statement	Reported
8 th	4/4	Approval of independent auditor selection criteria and procedures	Approved
		Evaluation and selection of independent auditor candidates	Approved
		Report on major audit performance	Reported

BOD Activities and Performances

Number of the BOD Meetings Held

The Board of Directors meets regularly once a month and holds additional meetings as needed. The BOD operates based on the articles of incorporation and board regulations, with each director being notified of the meeting date seven days in advance. Resolutions on agenda items are passed with the attendance of a majority of directors and the approval of a majority of those present. In 2023, the BOD held 12 meetings, resolving 43 agenda items, with a 100% attendance rate. Major resolutions at the BOD meeting are disclosed in the business report.

BOD Operation Status

Classification	Unit	2021	2022	2023
Number of the BOD meetings held	Times	14	15	12
Number of agendas resolved	No. of cases	42	58	43
Attendance rate	%	96.6	96.4	100



Review of ESG Materiality by the BOD

Daewoo E&C's ESG material issues are confirmed through the BOD resolutions. In addition, the board selects separate materiality issues decided by the board among the selected materiality issues. In 2024, the BOD has chosen three materiality issues for deliberation: customer satisfaction and quality improvement, enhancement of occupational safety and health management system, and integrated risk management. These selected issues will be reported to the BOD within the year and systematically managed at the BOD level.

Deliberation of ESG Issues by the BOD

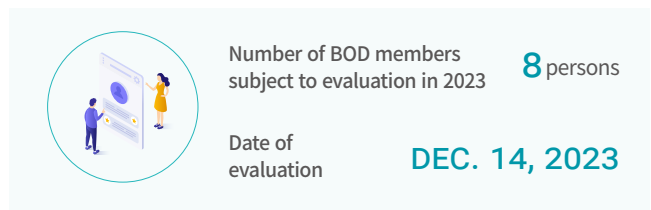
Date	안전	Remark
Jan. 12, 2023	ESG evaluation results and improvement plan in 2022	Reported
Feb. 09, 2023	Status of ESG management improvement (February)	Reported
Mar. 06, 2023	Report on compliance (CP) operational performance in 2022	Reported
Apr. 13, 2023	Approval of plans regarding safety and health in 2023	Approved
	Selection of ESG materiality issues in 2023	Approved
May 11, 2023	Joining the Task Force on Climate-Related Financial Disclosures (TCFD)	Approved
	Approval of environmental policy	Approved
	Report on RISK management in 2023	Reported
Jun. 08, 2023	Status of eco-friendly construction methods and technology development	Reported
Jul. 13, 2023	Conclusion of a stock sale agreement for the transfer of shares of DPIL Corporation in India ¹⁾	Approved
Sep. 14, 2023	Report on the current status of Daewoo E&C's flat plate structure and progress of emergency safety inspections	Reported
Oct. 12, 2023	Report on anti-corruption management (ISO 37001) certification audit results	Reported
Dec. 14, 2023	Safety and health major performance and improvement direction in 2023	Reported
	Report on ESG progress status and ESG evaluation results in 2023	Reported
	Implementation of the BOD evaluation survey	Reported

1) Presentation of Opinions by Independent Directors

At Daewoo E&C, independent directors actively participate and provide opinions to invigorate the BOD operations. For example, on July 13, 2023, directors In-seok Lee and Sung-hee Ahn emphasized the need to review the current valuation data as experts before proceeding with the stock sale agreement for the sale of shares in the Indian subsidiary DPIL. Consequently, the BOD conditionally approved the agreement, requiring a report on the valuation data at the August BOD meeting. The valuation data was reported at the 8th BOD meeting in 2023. Going forward, Daewoo E&C will continue to incorporate the dissenting or revised opinions of independent directors to strengthen the Board's decisions related to management and ESG matters.

Evaluation of the Board of Directors and Individual Directors

To develop efficient BOD operation methods and strengthen the roles and responsibilities of the Board, Daewoo E&C established Article 11 (Board Evaluation) of the BOD regulations in 2023, creating a system for conducting BOD evaluations. The BOD evaluation is conducted annually through a self-assessment survey. The survey includes questions assessing the overall BOD, covering aspects such as the BOD’s roles and responsibilities, composition, and independence. It also evaluates the committees within the BOD and individual directors. The 2023 evaluation took place in December, with an expanded range of assessment criteria and diversified questions, enhancing the effectiveness of the evaluation compared to 2022. The results are used as an indicator to set the direction for the operation of the Board of Directors and its committees for the following year.



Composition of the BOD and Committee Evaluation Indicators in 2023

Classification		No. of Evaluation Indicators
Board of Directors	Roles and responsibilities of the BOD	6
	Composition and independence of the BOD	6
	Operation of the BOD	9
Committees	Audit Committee	4
	Independent Director Recommendation Committee	4
	Compensation Committee	4
Individual director ¹⁾	Individual director activities	6

1) Individual director evaluation items: A total of 6 indicators including sincerity of participation in the BOD and committees, fairness, management awareness, ethical awareness, and leadership.

Compensation for the BOD (*)

The compensation for directors is determined based on evaluations of the company’s economic and environmental management performances, as well as the annual operations and activities of each committee. The compensation for executive directors is categorized into salaries, bonuses, and other employment income. Among the salaries and bonuses, the evaluation salary is the basic annual salary and is paid according to the board of directors’ approval for the amount of individual director remuneration within the payment limit determined by the resolution of the general shareholders’ meeting. The portion of bonuses based on management performance is calculated in relation to the achievement of quantitative and qualitative goals, according to the overall management performance evaluation. Based on these results, it is typically paid the following year within a rate of 0-45% of the annual base salary. Other employment income includes summer vacation expenses and insurance costs, which are also paid within the limits set by the shareholders’ meeting, subject to the approval of the board of directors.

In 2023, an evaluation system for executive directors was established, incorporating non-financial performance indicators such as the safety incident rate and compliance rate into the performance assessment. For independent directors and Audit Committee members, fixed compensation is provided within the limits set by the shareholders’ meeting, with the BOD’s approval, to ensure independence and transparency. The criteria for determining directors’ compensation, as well as the compensation status of independent directors and Audit Committee members, are disclosed in the business report and on the company’s website.

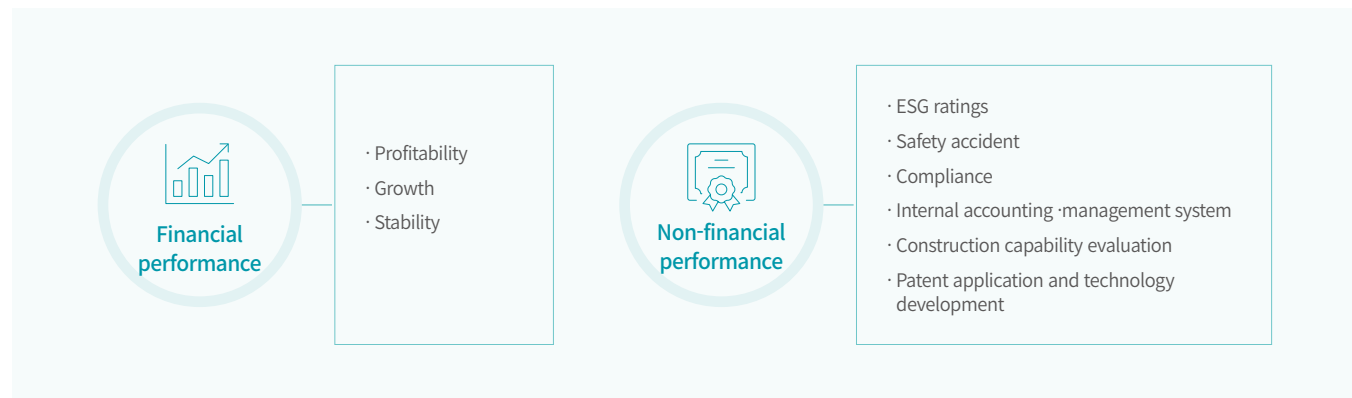
Compensation for Directors

(Unit : KRW in millions)

Classification	Members (persons)	Total Compensation	Compensation per Capita
Registered directors (excluding independent directors and Audit Committee members)	2	1,011	506
Independent directors (excluding Audit Committee members)	2	120	60
Audit Committee members	4	237	59
All directors and auditors	8	1,368	171

(*) Daewoo E&C discloses the average compensation for directors through its business report, and the information is based on the data.

Evaluation System for Registered Executives



Organization Dedicated to Managing Transactions between Affiliates: Internal Transaction Committee

To ensure transparency in transactions with affiliates such as subsidiaries and affiliates of the Jungheung Group, Daewoo E&C established Internal Transaction Committee in December 2023. The committee is chaired by the Senior Executive Vice President and holds regular meetings once per quarter. Large-scale internal transactions that require public disclosure are subject to prior review and resolution by the committee. For other transactions, the Deliberation Management Team receives relevant materials from the Transaction Management Team for preliminary review before submitting the agenda to the committee. Daewoo E&C will further strengthen internal transaction review procedures to thoroughly manage risks related to internal transactions.

Internal Transaction Deliberation Process



Management of CEO Candidates

Daewoo E&C has established the “CEO Succession Regulations” to manage the succession procedures and candidate pool for top management. The CEO candidates are selected based on a comprehensive consideration of their expertise, leadership, and other factors, and the results are reported to the Board of Directors once a year. The company regularly reviews the performance and capabilities of CEO candidates according to its own evaluation process, taking into account the tenure of the executives. Additionally, executive leadership programs are operated to foster capable candidates by recruiting candidates from the lower years of their careers.

Operation of Top-level Executive Courses in 2023

Operated by	Training Course	Target (persons)
Seoul National University	Best strategy course for construction industry	1
Korea University	Top-level construction management course	1
Hanyang University	Real estate convergence graduate school management course	1
Chung-ang University	Global construction CEO course	1
Industry-Academia-Research Comprehensive Center	Industry-academic policy course within Seoul National University College of Medicine	1
Korea Herald, Herald Economy Global Business Forum Secretariat	Next Prosperity! Global business opportunities and trends	2

Shareholders

Protection of Shareholder Rights

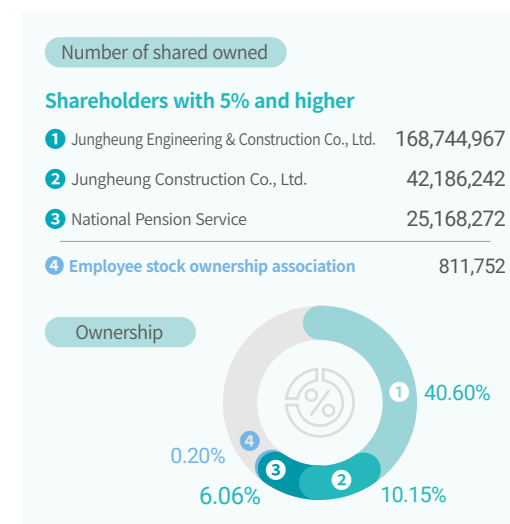
Daewoo E&C has stipulated the rights of shareholders in its Corporate Governance Charter. The company actively supports the exercise of shareholders’ rights by participating in programs that promote the dispersion of general shareholders’ meeting dates and implementing electronic voting systems. Information regarding the exercise of voting rights at regular general shareholders’ meeting, dividend information, and other matters related to shareholder rights are transparently disclosed on the Daewoo E&C IR website.

Matters regarding Daewoo E&C’s shareholder rights

Shareholders

As of December 31, 2023, the number of Daewoo E&C shares issued was 415,622,638. The largest shareholders are Jungheung Construction Co., Ltd. and Jungheung Engineering & Construction Co., Ltd., holding 50.75%, while the National Pension Service holds 6.06%. Business reports and corporate management information are transparently disclosed to shareholders and stakeholders through the Financial Supervisory Service and the Korea Exchange in accordance with legal disclosure obligations.

Share Ownership (as of Dec. 31, 2023) (Unit : shares)



Ethical Management and Compliance

Daewoo E&C's employees voluntarily participate in compliance activities, recognizing that compliance is everyone's duty. In 2018, Daewoo E&C became the first Korean construction company to be certified for its anti-corruption management system (ISO 37001), and we are steadily establishing a corruption-free management system. Through the operation of ethical management and compliance systems, we are expanding and operating the anti-corruption management system to the entire company. To this end, we are upgrading the existing compliance system to the company-wide level and operating it in an integrated manner.

100%
achievement
Compliance operation plan

100%
achievement
Processing rate of ethics/
compliance-related reports

Post-examination
for anti-corruption
management system
certification

Ethical Management

Ethical Compliance System

In order to realize the company's vision and establish a fair and transparent corporate culture, Daewoo E&C has enacted and is operating the Code of Ethics to establish standards for ideal behavior and value judgment. The Code of Ethics includes the Ethics Charter presenting standards for proper behavior and value judgment that employees must abide by, and Behavior Guidelines specifying the company's standards. Daewoo E&C's ethical management information is disclosed on its website.

Daewoo E&C's ethical management

Employee Charter of Ethics



Charter of Ethics
for Daewoo E&C
Employees

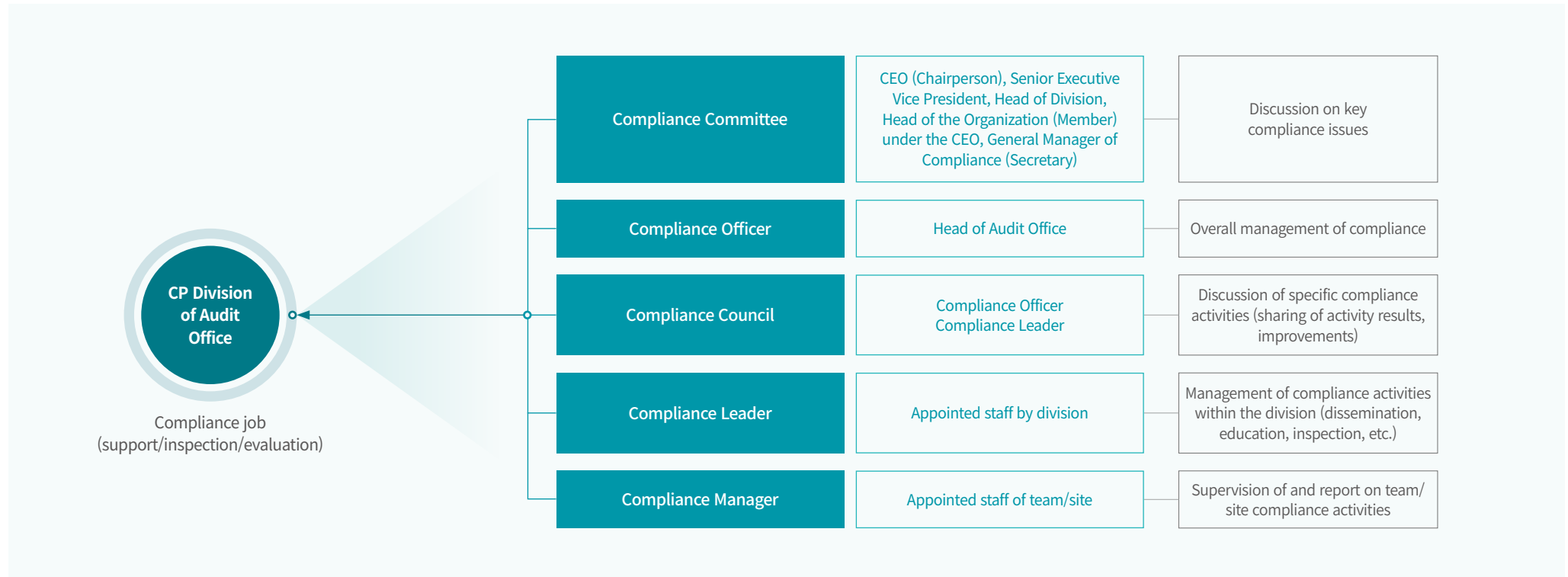
- ① We develop an ethical corporate culture, through fair and transparent business conduct.
- ② We respect customers and put priority on customer satisfaction in management activities.
- ③ We respect individuals' dignity and take the initiative in protecting the rights and interests of the disadvantaged and promoting their equality.
- ④ We comply with all international agreements and laws regarding human rights, environment, culture and economy.
- ⑤ We do not abuse a dominant or privileged position to carry out misconduct against related personnels.
- ⑥ We, as a member of the society, fulfill our social responsibility and contribute to the development of community.
- ⑦ We become talented people who continue to practice the core values of the company.

Ethical Management Organization

Daewoo E&C introduced and is operating the compliance system since 2015 for establishment and operation of an autonomous ethics/compliance management system. Roles and activities are decided from the management to each unit organization in order to operate the compliance system. The compliance organization is entrusted with practical tasks such as compliance-related support, inspection, and evaluation. Daewoo E&C strengthens the expertise and capabilities of its compliance organization to actively practice and embed ethics and compliance management.



Organization for Compliance Management



Operation Of Disciplinary System for Ethical Violations

Daewoo E&C takes disciplinary measures against employees violating the company's ethics policy according to the severity of the violation. The Code of Ethics includes details of violations subject to disciplinary action, and other matters related to actual disciplinary actions of employees are carried out in accordance with the Employee Employment Regulations. In addition, a disciplinary system for ethical violations stipulated in the compliance guidelines for each stakeholder, the fair trade compliance manual, and the compliance guide, which are policies and guidelines established to prevent corruption in the entire business process, including the bidding process.

Violations Subject to Disciplinary Action



Compliance Management System

Anti-Bribery Policy

Daewoo E&C establishes and complies with the Anti-bribery Policy to establish Anti-bribery Management System and to establish a foundation for sustainable growth through Corporate Ethics and Compliance System operation. In addition, our official policy on anti-bribery and anti-corruption is specifically listed in the Code of Conduct in our Ethics Charter.

1

Employees shall comply with domestic and international laws and corporate regulations on anti-bribery, and shall not commit any corruption.

2

Company shall build and implement Anti-Bribery Management System and continuously improve the system to achieve anti-bribery goals.

3

The company shall appoint Anti-Bribery Compliance Officer and ensure his/her authority and independence to prevent corruption.

4

Employees shall immediately inform through the company's internal reporting procedures when recognizing any act of corruption, and Company shall keep the information of the informant confidential and protect the informant's rights.

5

In case of any anti-bribery policy violation by employee, Company shall take appropriate measures in accordance with its corporate regulations.

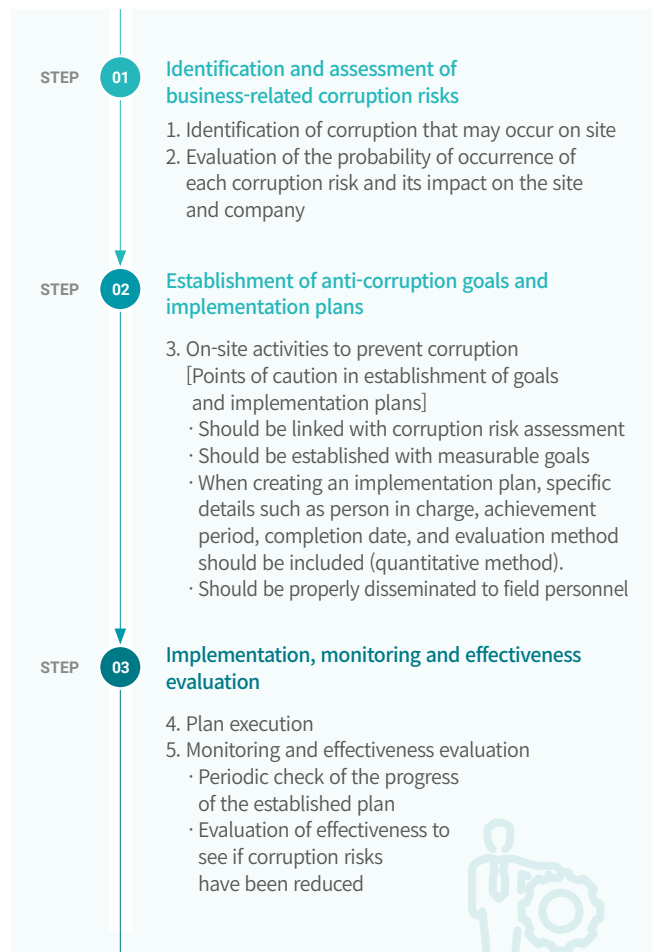
Daewoo E&C's Anti-Corruption Management Policy

Behavior Guidelines

- Protection of company assets and information
- No monetary transactions
- Prohibition of receiving unfair profits such as money or valuables
- Prohibition of entertainment and hospitality
- Congratulations and condolences
- Prohibition on receiving donations for events
- Prohibition of sexual harassment
- Prohibition of conflict of interest with the company
- Prohibition on political involvement
- Raising issues and disciplinary action regarding violations of ethics regulations

Assessment of Corruption Risk

Daewoo E&C identifies key risks through corruption risk assessment. At the beginning of each year, we evaluate its effectiveness by checking the performance against the previous year's corruption risk response plan. Through this periodic monitoring, we examine whether the identified risks have been reduced in practice and strive to improve the effectiveness of anti-corruption measures and continuously improve the system.



Operating Compliance System

All employees at Daewoo E&C employees have access to the latest regulations and policies, including specific targets, through the compliance system at all times. The results of compliance operations, including the anti-corruption management system, and plans to prevent corruption are presented to the Compliance Committee for approval in accordance with the "Compliance System Operation Regulations." The results are reported directly to the BOD by the head of the Audit Division, who conducts the overall oversight of compliance.

Zero

in anti-corruption accident

company-wide anti-corruption goal in 2024

※ Corruption standards according to the definition of anti-corruption management system (all three conditions below are met)

Corruption Criteria	
(Did the results of the behavior) apply to	Violations of the law (including company regulations)?
Was the person or the counterpart, to carry out action related to the job performance of a specific person	Induced?
	Provided Rewards?
Was the wrongful benefit for a value (for the person or the counterpart)	Proposed?
	Promised?
	Provided?
	Accepted?
	Requested?

Anti-Corruption Management System(ISO 37001)

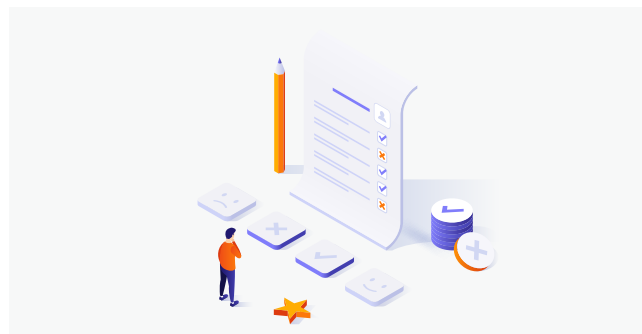
In 2018, Daewoo E&C acquired the anti-corruption management system (ISO 37001) certification for the first time as a Korean construction company. We have established and is complying with an anti-corruption management system in order to establish the anti-corruption management system and build a continuous basis through ethical management and compliance system operation. In 2019, the anti-corruption management system was expanded and operated throughout the company, and the existing compliance system has been upgraded and integrated to this end. Also, a separate ISO 37001 certification was acquired in 2022 for the Singapore business site in June after undergoing a certification examination by TUV SUD for the Singapore business site. Daewoo E&C will strive to manage the anti-corruption system through continuous renewal and maintenance audits of existing certifications.



ISO 37001 certificate



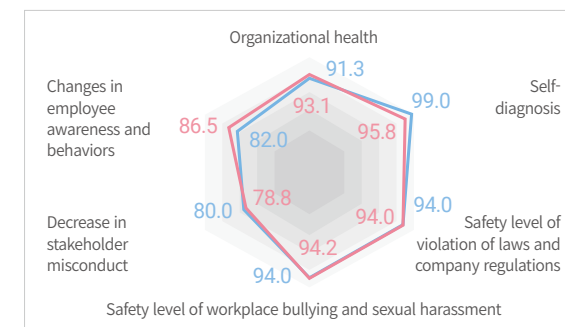
ISO 37001 certificate at worksites in Singapore



Compliance Activities and Performance

Monitoring and Evaluation

Daewoo E&C regularly conducts on-site audits through the audit part of the Audit Office. In addition, with regard to anti-corruption management system activities, in 2023, we combined compliance checks and internal audits of the anti-corruption management system for a total of 20 sites. We also conduct employee surveys and interviews to encourage voluntary management of organizational compliance health. In addition, we monitor the status of internal disciplinary cases and criminal/administrative proceedings, and conduct compliance monitoring and education on violations to prevent recurrence. We also raise employees' awareness of corruption prevention by reflecting compliance as an evaluation item in irregularities, internal announcement of violations of ethics regulations, management performance evaluations, and executive evaluations. In addition, we motivate employees to practice compliance by awarding citations in the name of the CEO to employees and organizations with outstanding compliance performance. In 2024, we plan to integrate compliance activities with the anti-corruption management system to prevent compliance violations in advance.



Examples of compliance survey results by site



Awarding commendations to employees with excellent compliance activities

(Unit : cases)

Compliance System Operation in 2023

Classification Performed		Planned	Performed	Details
Practice pledge		1	1	· Employee practice pledge and monitoring of annual pledge rate
Compliance Committee/Council/Workshop		3	3	· Compliance Committee, Compliance Council, Compliance Officer Workshop · Report on compliance system status and strengthening plan to the BOD
Training	Online training	2	2	· Online training (1H & 2H) (Korean/English)(100% completion rate)
	Visiting training	30	33	· On-site compliance training and introduction of compliance system · Compliance inspection and on-site training for subsidiaries
Advertisement	Monthly compliance training material	12	12	· Publication of monthly compliance training materials (January-December) · Distribution of compliance violation cases (3rd and 4th quarters) and production/distribution of leaflets for suppliers
	Campaign	2	2	· Clean holidays campaign (Lunar, Chuseok)
ISO 37001 (anti-corruption management)	Internal audit	20	20	· ISO 37001 internal audit (20 times domestically)
	Certification audit	2	2	· Company-wide ISO 37001 certification post-inspection(August, BSI) · Support for ISO 37001 certification post-inspection at worksites in Singapore

Anti-corruption Activities for Suppliers

Daewoo E&C provides education on the Compliance Code of Conduct for Suppliers by distributing leaflets during supplier field trips, training sessions, and internal audits. The Compliance Code of Conduct outlines precise behavioral guidelines for suppliers, with the goal of preventing corruption. Going forward, we remain committed to enhancing our anti-corruption efforts through ongoing supplier training and the widespread dissemination of these guidelines.

Compliance Code of Conduct for Suppliers



Prohibited Behaviors

- ① Conclusion of a contract that violates anti-bribery regulations or an act of acquiring or donating property or property benefits through an unfair request from the owner, contractor, subcontractor, or interested party in relation to construction work.
- ② Violation of the terms of contract or reduction of quality, such as poor construction, use or delivery of defective materials, etc.
- ③ Unfair behaviors that unfairly impedes free competition in bidding by colluding to maintain the bidding price or win the bid for a specific person, or by making agreements, resolutions, or agreements with other companies.
- ④ Behaviors of providing money or valuables other than souvenirs of the normal level¹⁾
- ⑤ Providing or entertaining entertainment such as meals, entertainment, etc. that exceeds the normal level¹⁾
- ⑥ Providing convenience such as transportation, accommodation, tourism, event support, etc. that exceeds the normal level
- ⑦ Monetary or real estate transactions that interfere with fair business performance, such as money lending, loan guarantee, real estate sale or lease, etc.
- ⑧ Illegal acts that cause damage to Daewoo E&C's tangible and intangible assets and acts that force or encourage Daewoo E&C employees to commit illegal acts.
- ⑨ Other behaviors that interfere with the fair performance of Daewoo E&C employees

1) The normal level refers to a universally acceptable level that can be tolerated when judged by the sound common sense of the general society and refers to the degree to which the beneficiary can handle the work fairly without being burdened.

Employee Training on Fair Trade/Fair Competition

Daewoo E&C conducts various training programs for its employees to practice fair trade and fair competition. Also, various compliance newsletters, including weekly and daily trends, are distributed to all executives and employees, and additional training on understanding the Subcontracting Act is conducted for managers entrusted with construction-related responsibilities in each business division. In addition, we conduct fair trade training for compliance managers of business teams in the Business Division to continuously raise their attention to conduct business based on compliance. Also, we have listed the Compliance Handbook and Compliance Guide in the compliance system so that site/team unit organizations can refer to them in their daily work and conduct voluntary checks on violations of the law.

If a violation of the law or potential violation is discovered through these sessions, reports are made to the internal reporting channel, and violators are subject to strict disciplinary action in accordance with company regulations. In addition, the compliance department monitors company-wide (including subsidiaries) compliance activities on a monthly basis, conducting compliance inspections through onsite visits. Inspection results and compliance activities are regularly reported to the person in charge of compliance.

Classification	Training Details	Subject
Bid rigging	· Definition of collusion, types of violations of the law and level of sanctions in case of violation, etc.	All employees
Anti-Solicitation and Graft Act	· Education on the definition of the Improper Solicitation and Graft Act, the scope of money and valuables, standards for prohibition of acceptance, and training on possible cases that may occur during business operations	All employees
Providing and accepting money, valuables and entertainment	· Cases of providing and receiving money, valuables and entertainment, countermeasures, and guidance on internal and external regulations	All employees
Subcontracting Act	· Definition of the Subcontracting Act, major violations of the Construction Subcontracting Act and risks in case of violation, etc.	Construction-related affairs managers



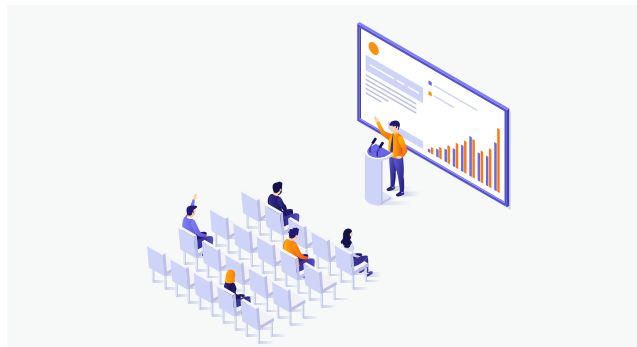
Fair trade training for business team managers of business division

Compliance Training and Advertisement

Two company-wide online training sessions were conducted for all employees in the first and second half of the year in 2023. Also, 33 offline trainings for a total of 482 employees, including those at domestic and overseas sites and the headquarters as well as employees at subsidiaries were provided. In addition, a compliance manager workshop was held for 307 compliance managers to strengthen their roles and expertise and develop their capabilities. In addition, we are distributing a compliance newsletter and conducting various campaigns to raise employees' awareness of compliance, and also encourage interest and participation in compliance management from executives and employees by sharing cases of internal and external violations.



Training materials for fair trade



Cyber Audit Office/Ethics Help Line

Anyone, including customers, employees, and partner companies are allowed to report corruption, human rights violations, or grievances of executives and employees to Daewoo E&C's Cyber Audit Office/Ethics Help Line, and a reporting reward system is also in place. Reports, consultations, and suggestions are handled in a completely confidential manner, and can be submitted with real names or anonymously. The Cyber Audit Office/Ethics Help Line is operated by a 1:1 connection method (not disclosed to third parties) between reporters and is available to anyone, and the results are notified to the reporter when registered with real names.

 Daewoo E&C Cyber Audit Office / Ethics Help Line

K-Whistle (External Anonymous Reporting System)

Employees can report irregularities not only to the Cyber Audit Office, but also through the external organization website (K-Whistle) help-line anonymous reporting center. The Daewoo E&C Anonymous Reporting Center is entrusted and managed by an independent external professional company to promote reporting of employee irregularities and protect reporters. The reporter's IP is not left behind and cannot be traced, and anonymity is strictly guaranteed.

Report Received and Processed (including suppliers)

(Unit : cases)

Classification	2021		2022		2023	
	Received	Processed	Received	Processed	Received	Processed
Cyber Audit Office/Ethics Help Line	61	61	50	50	59	59
K-Whistle (external reporting system)	19	19	19	19	21	21
Mail, etc.	17	17	11	11	13	13
Total	97	97	80	80	93	93

Supplier Grievance Receiving Channels

(Unit : cases)

Classification	2021		2022		2023	
	Received	Processed	Received	Processed	Received	Processed
Suppliers	11	11	10	10	10	10

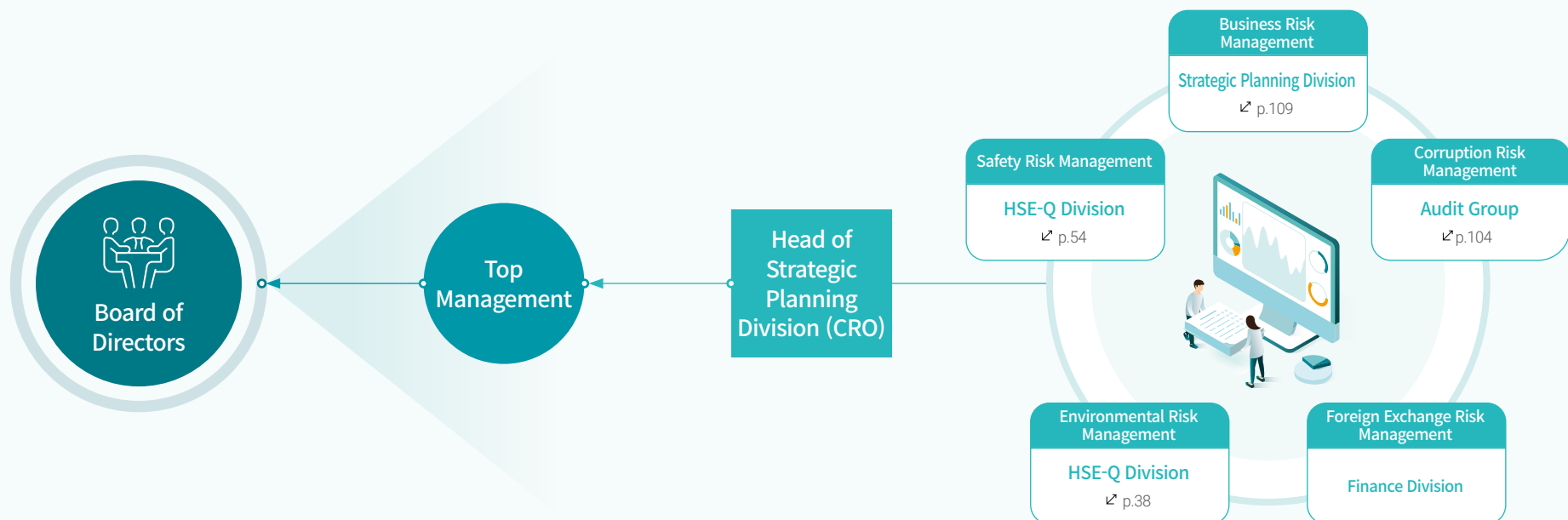
Whistleblower Retaliation Policy

‘Operation of Company Reporting Channel’, a ‘procedure book of Daewoo E&C’s internal regulation, specifies protections for whistleblowers. It also stipulates that employees who violate their obligations to protect confidentiality and whistleblowers are subject to disciplinary action in accordance with the employment regulations, thus ensuring that retaliation against whistleblowers is prevented.

Integrated Risk Management

Integrated risk management means managing all financial and non-financial risks that may arise in the execution of a project in an integrated and systematic way. Daewoo E&C has established a response system for all risks that may arise in its operations. We classify risks into business, safety, environmental, corruption, and currency risks, and ensure that we can respond quickly to any type of risk by establishing a specialized response organization and system. In addition, we analyze future trends such as ESG, climate change, and the Fourth Industrial Revolution, and proactively respond to upcoming risks in order to convert risks into business opportunities. All risks are managed under the responsibility of the CRO and are regularly reported to and supervised by the top management and the BOD at least once a year. Daewoo E&C will continue to proactively respond to uncertainties in the business environment in 2024 and systematically manage risks.

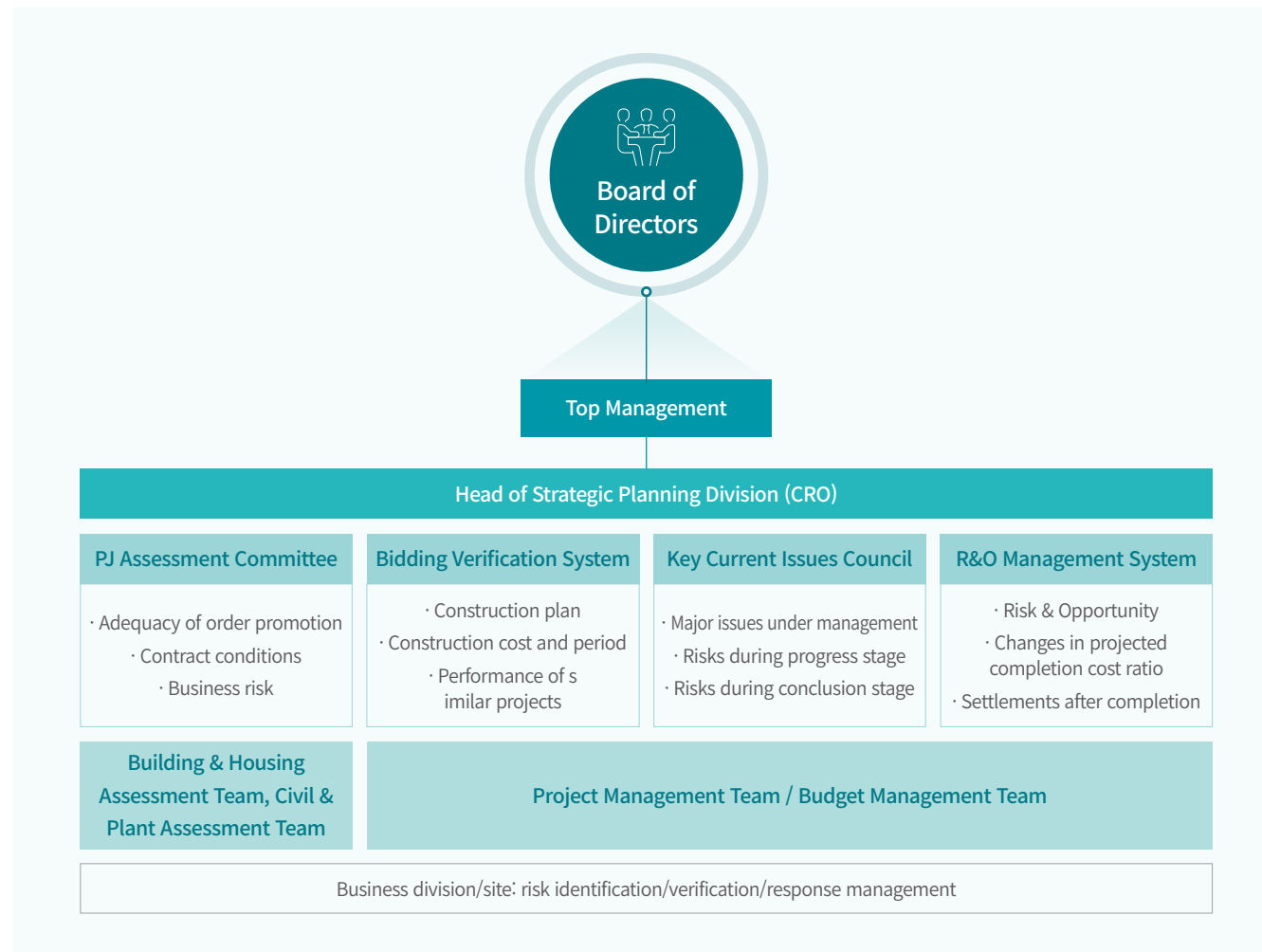
Enterprise Risk Management System



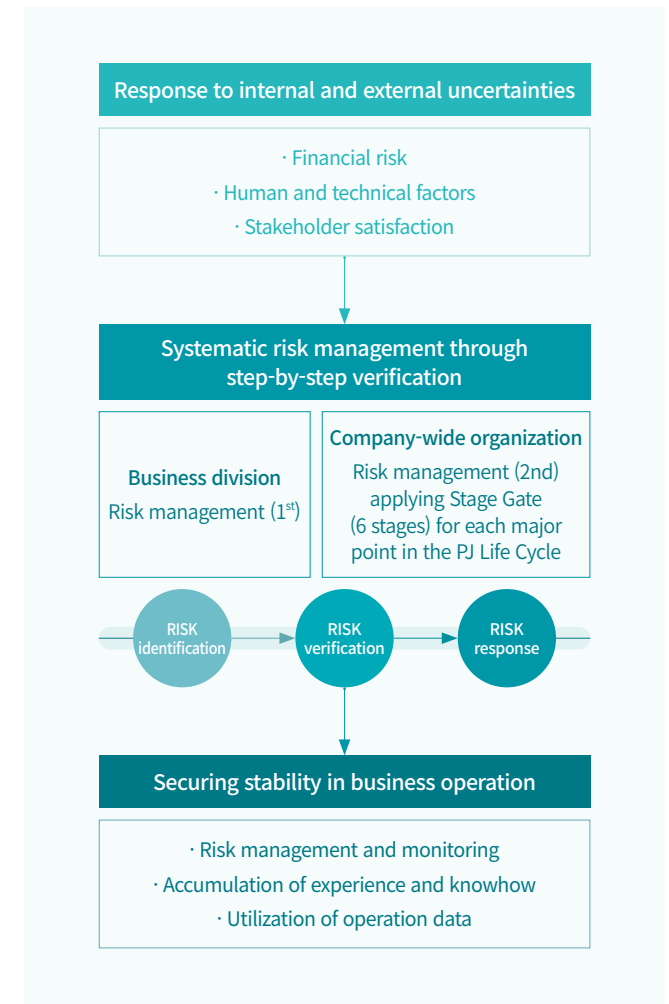
Business Risk Mitigation Governance

Daewoo E&C integrally manages financial and non-financial risks of projects through business risk mitigation governance. The 'PJ Assessment Team', 'Budget Management Team' and 'Project Management Team' within the Strategic Planning Division identify and mitigate risks at the pre-award stage to manage risks that may arise during project execution. Since 2020, a company-wide standard platform of the 'Change Log System' has been used, enabling on-site contract management practitioners to manage contract history, and strengthening cooperation with the Legal Support Team to prepare for claims and prevent recurrence. Daewoo E&C also manages 'Risk & Opportunity' to minimize risks and maximize opportunities within the organization, and shares 'Lessons Learned' cases to accumulate experience and utilize operational data.

Business Risk Management Decision-making System

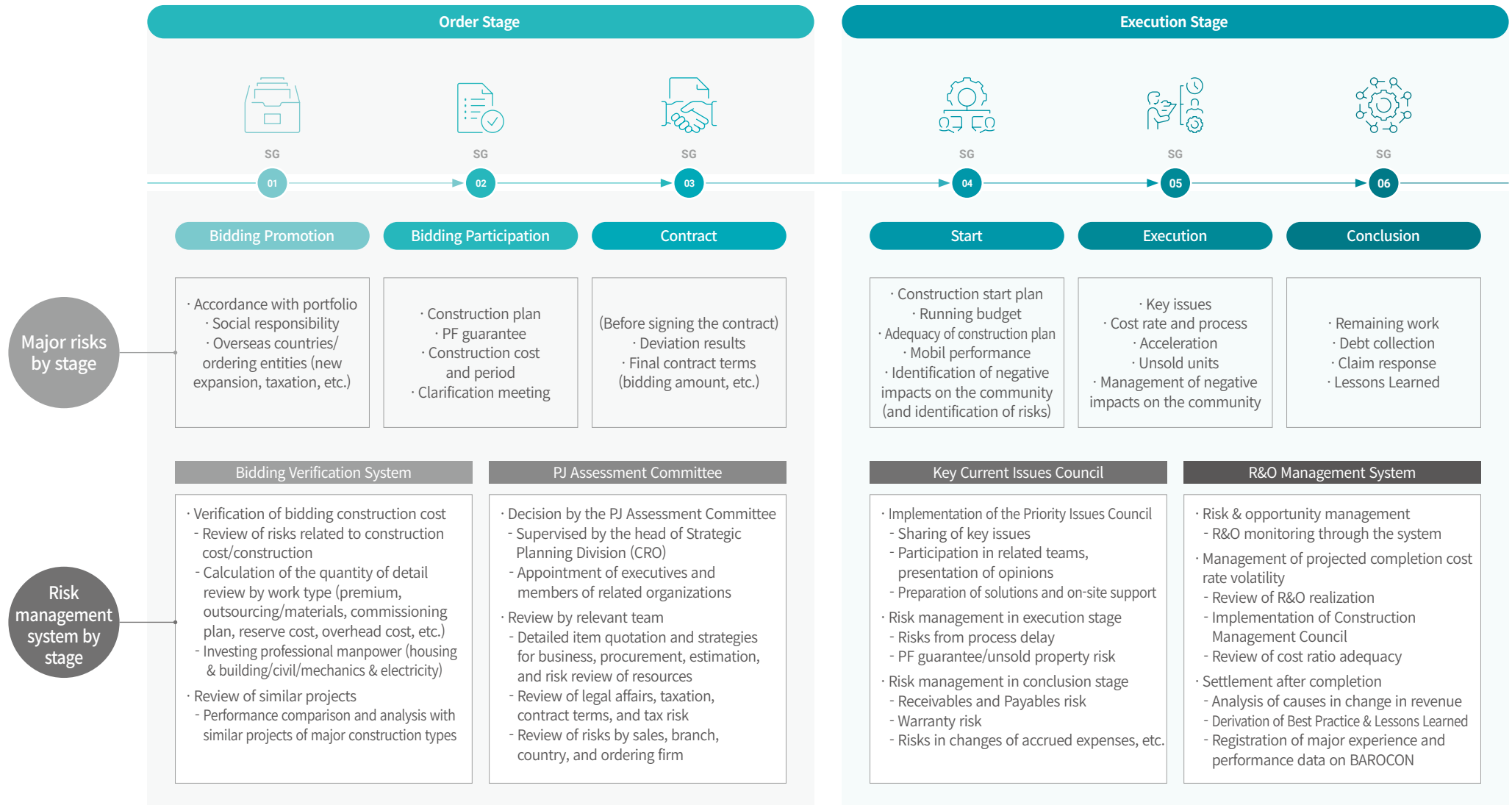


Business Risk Management Review



Business Risk Mitigation Strategy

To manage business risks in an integrated manner, Daewoo E&C has established six stages from bid promotion to closure, identifying financial and non-financial risks for each stage. The identified risks are further divided into the award stage and the execution stage, which are reviewed and resolved by the Bidding Verification System and the PJ Assessment Committee. During the execution phase, risks are managed through the Key Current Issues Council and the R&O Management System, and experience and know-how are accumulated. By identifying and responding to major financial and non-financial risks at each stage, Daewoo E&C manages business risks in an integrated manner.



Business Risk Mitigation Activities

Daewoo E&C detects key risk factors in advance and conducts activities to strengthen its risk management capabilities. Daewoo E&C is actively using artificial intelligence to effectively manage integrated risks in the construction industry, for example by utilizing the “Baro Answer System” for Project Risk Management and Ontology-DAIA (Daewoo A.I Documents Analysis Program). Daewoo E&C is committed to strengthening risk sensing capabilities and managing contract toxin clauses.

Enhanced Risk Sensing

Daewoo E&C proactively responds to possible risk factors through risk sensing, the ability to sense and respond agilely to key risk factors. This reduces risks in advance by providing feedback on risks discovered in the bidding stage based on lessons learned from previous projects.

Management of Unfavorable Clauses in Contracts

Daewoo E&C is accumulating data in its Integrated Project Management System by organizing the cases of toxic clauses and countermeasures in order to share know-how to prevent and respond to risks arising from construction contracts. The toxic clauses in contracts will be organized by country, construction type, and the ordering organization to be used in various ways, which will be used for overseas projects in the future. As Daewoo E&C expands into international markets, we have built a basic information management system for analysis of various aspects including finance, tax, politics, and culture by country, and share the database with employees so that they can identify and respond effectively to country-specific risks.

Local Community Risk Management System

Daewoo E&C preemptively identifies and establishes countermeasures for negative impacts on the local community at the stage of project implementation. The process consists of identifying risks, implementing mitigation measures, evaluating their effectiveness, and following up on them. In 2024, we will develop a “Community Risk Management System” to better manage risk identification and mitigation measures on a case-by-case basis.

Local Community Risk Management Process



Local Community Risk Management System Screen

지역사회 리스크				*리스크 확인일: 20240509				첨수가	일치율
No	구분1	구분2	위험요소	완화조치	결과	효과성 평가	평가일		
1	환경	소음	생활소음규제 기준 초과로 인한 지역사회 피해	소음역제 시설 추가 설치 (이동식 방음벽 등)	완료	상	2024.05.09		
2	환경	소음	방화소음규제 기준 초과로 인한 지역사회 피해	소음 측정 및 결과 기록 (실시간 소음표지판 설치 등)	완료	상	2024.05.09		
3	환경	배산연지	광물 지 형상대 연지 외부 배산	배산면지역제 조차 광화 (살수차 등)	완료	상	2024.05.09		
4	환경	배산연지	외부 도로 유행물로 인한 도로 및 차량 파손	살수인원 또는 살수차 배치	완료	상	2024.05.09		
5	환경	폐기물	폐기물 무단 투기 등으로 인한 지역환경 오염	건설폐기물 운송행 분리보관 및 적법 반출 확인	완료	상	2024.05.09		
6	환경	폐기물	폐기물 무단 투기 등으로 인한 지역환경 오염	생활폐기물, 재활용 분리보관 및 반출 확인	완료	상	2024.05.09		
7	환경	수질	(선박) 지하수 침투 개발/사용으로 인한 지하수량 감소	지하수 신규 관정 개발	완료	상	2024.05.09		
8	환경	수질	(선박) 지하수 침투 개발/사용으로 인한 지하수량 감소	지하수량 감소에 따른 민원 보상	완료	상	2024.05.09		
9	환경	수질	하수 무단 배출로 인한 수질 오염	개안하수처리시설 및 배수설비 등 주기적 청소	완료	상	2024.05.09		
10	안전	교통안전	(선박) 도로 침하 또는 파손으로 인한 안전 문제 발생	파손도로 원상복구 및 보수 공사 진행	완료	상	2024.05.09		
11	안전	교통안전	공사 장비 출입으로 인한 보행자 교통사고	보행자 안전을 위한 산호수(안전도움) 등 배차	완료	상	2024.05.09		
12	안전	교통안전	공사 장비 출입으로 인한 보행자 교통사고	안전시설물 설치 (과속방지턱, 대피로방자 포장 등)	완료	상	2024.05.09		
13	안전	교통안전	공사 장비 출입으로 인한 보행자 교통사고	경비요원출입 안전교육 실시	완료	상	2024.05.09		
14	안전	낙하물	낙하물로 인한 차량, 보행자 등 피해	보행자 낙하물 방지망 설치	완료	상	2024.05.09		
15	안전	낙하물	낙하물로 인한 차량, 보행자 등 피해	안전시설물 (보행자 안전통로, 산호대널 등) 설치	완료	상	2024.05.09		
16	안전	낙하물	낙하물로 인한 차량, 보행자 등 피해	낙하물로 인한 피해 보상 (차량비, 수리비 등)	미완료	-	2024.05.09		
17	안전	재산권침해	공사장 소음, 먼지 등으로 인한 영업 방해	지역사회 의사소통 활동(주민설명회 등)	완료	상	2024.05.09		
18	안전	재산권침해	공사장 소음, 먼지 등으로 인한 영업 방해	해당 민원신상인에 대한 영업방해 비용 보상	완료	상	2024.05.09		
19	안전	재산권침해	공사장 소음, 먼지 등으로 인한 영업 방해	영업 방해 시 휴대 및 협의를 통한 해결방안 모색	완료	상	2024.05.09		
20	안전	재산권침해	영업시설물 균열, 파손, 누수, 외관 손상 등	해당 민원 시 휴대 및 협의를 통한 해결방안 모색	완료	상	2024.05.09		
21	안전	재산권침해	영업시설물 균열, 파손, 누수, 외관 손상 등	영업시설물 확인 점검 수행 및 파손복원 보상 조치	완료	상	2024.05.09		
22	안전	재산권침해	영업시설물 균열, 파손, 누수, 외관 손상 등	민원 발생 시 휴대 및 협의를 통한 해결방안 모색	완료	상	2024.05.09		
23	안전	재산권침해	공사장 소음, 진동, 먼지로 인한 정신적 피해	해당 민원신상인에 대한 정신적 피해 보상	완료	상	2024.05.09		
24	안전	재산권침해	공사장 소음, 진동, 먼지로 인한 정신적 피해						


Performance in Business Risk Management

In 2023, Daewoo E&C managed domestic and international risks with the aim of securing business stability and building a foundation for growth. In 2023, a new building project in Pyeongtaek achieved profit improvement and enhanced promotion through risk deliberation before contract signing. In the Nigerian refinery project, we minimized potential financial risks by mitigating the financial burden and removing contract toxic clauses. In addition, we reduced non-financial risks by conducting management activities for various risks that may arise at each site, such as community risks. At the company-wide level, we consolidated and abolished six committees and councils of similar nature to strengthen the speed of integrated risk management. In 2024, we will continue to manage risks and performance with the aim of securing management stability based on our unique capabilities and securing sustainable future growth engines.

Business Risk Management Performance in 2023

Classification		Supervised by	Performance		
			Headquarters	Deliberation Result (SG1~3)	Remark
Order Stage	PJ Assessment Committee	Housing & Building Assessment Team	Housing & Building	26 times	Gangnam Data Center, Yeouido Gongjak Apartment, Hannam District 2, Pyeongtaek Hwayang District, Guro Bogwang, Cheongju Samo District 2, Wonju Wondong Dabagol, Suwon Paldal District 3, etc.
		Civil & Plant Assessment Team	Civil	24 times	Namyangju Wangsuk Road underground, Saudi Neom Spine, Saudi Oxagon, Iraqi naval base, Donghae New Port general goods pier, Jinhae New Port revetment construction, Yongin Eunhwasam district, modernization through relocation of Tancheon water reclamation center, etc.
	Bidding Verification System	Business Management Team	Plant	15 times	Turkmenistan fertilizer plant, Libya’s Misurata & Zwitina power plant, Nigeria’s Indorama fertilizer plant, Nigeria’s Kaduna oil refinery repair work, Papua LNG CPF, Saudi Arabia’s Horizon blue ammonia, etc.

Non-financial Risk Management Performance in 2023



Wirye Business District

Participation in the “2024 Hope Ondol Warm Winter Project”

Donated Food Supplies for local community

Dangjin Base

“4th Dangjin Janggo Port International Peace Culture and Arts Festival”

Supported Local Community Events

Suncheon PRUGIO THE FIRST

Use of steel pipe scaffolding and shelter tents

Minimizing damage to nearby areas by installing falling object prevention facilities

Haeundae Station PRUGIO THE ONE

Additional hotel parking management personnel (1 person each day and night) and relocation and installation of an unmanned payment system

Reducing traffic accident risk

Information Security and Personal information Protection

Daewoo E&C has regulations, procedures, and guidelines related to personal information protection, and makes them easily accessible to employees on Baronet, thereby strengthening information security and personal information protection. In 2023, we achieved achievements in the areas of personal information protection and management and technical security, including strengthening the management system, establishing an information protection point system, two-factor authentication for servers, and hacking email training. Daewoo E&C also aims for a zero-trust security model by 2024 and is working to ensure information security and personal information protection.

Unification of CPO and strengthening of management system

Launch of information protection point system

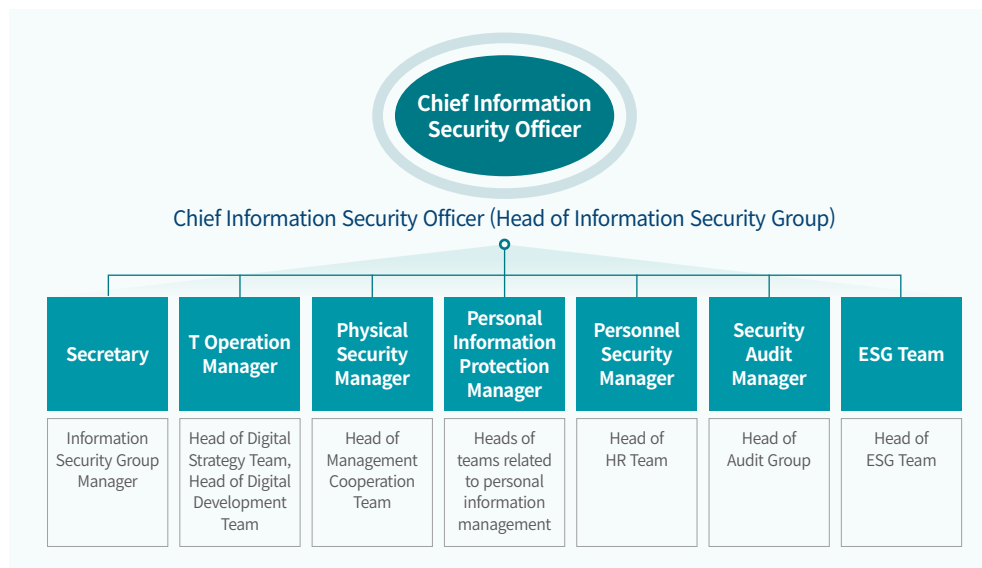
Two-factor authentication process when connecting to the server

Conducting mock training in preparation for hacking emails

Information Security Governance

Information Security Policy and Organization

The head of the Information Security Organization, which is directly under the CEO, has been appointed as the Chief Information Security Officer, and we are pursuing the independence of the Information Security Organization and the effectiveness of its activities by having the person also serve as the Privacy Officer. The Information Protection Committee is organized as a subcommittee under the ESG Committee, and matters requiring company-wide decision-making are decided by the ESG Committee after the Information Protection Committee.

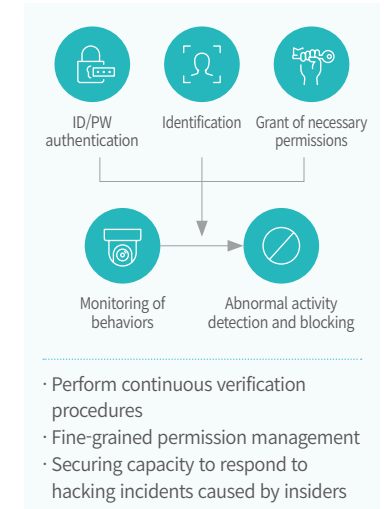


Information Security Activities and Performance

Enhanced Information Security Response

Daewoo E&C is strengthening activities such as prevention, detection, and response to infringement, and security work for networks, servers/applications, and PCs to ensure information safety. In 2023, we strived to establish the “Zero Trust Information Protection System” a solution that conducts constant verification procedures, by strengthening information security technologies such as server two-factor authentication, limited rights management, and access record monitoring activities. We also conducted security checks on two PRUGIO home network complexes, distributing vulnerability action guides. In 2024, Daewoo E&C will strengthen document security by changing our DRM policy to an approval system, and in the future, we will strengthen our information security response by introducing DLP solutions and conducting active monitoring activities.

Zero Trust Security Model



Information Security Certification

Daewoo E&C acquired ISO 27001 certification of Information Security Management System, a global certification in the information security field, in 2013 and has continuously maintained the certification. In addition, we are continuously pursuing activities to reflect the improvements made and are seeking to improve the information protection system. Going forward, we aim to bolster the credibility of our information protection management system by pursuing ISO 27701, a new certification specifically related to personal information protection.

Information Security Training

Daewoo E&C carries out various awareness-raising activities such as collecting information protection pledges and regular information protection training to raise employees’ awareness of information security. Information protection training is conducted twice a year for all employees, and “Information Protection Plus”, delivery on useful security-related information was conducted a total of 5 times in 2023. We have established an information protection point system that rewards excellence to encourage voluntary participation of employees and strive to improve the level of security awareness.

Details in Information Security Training

Classification	Details
Request for a pledge on information protection	Pledge on information protection and consent to providing personal information Compliance with security regulations to prevent leakage of important information Notice of items and purposes of personal information collection for employees Information Protection Day (July) held periodically
Launch of information protection point system	Encouraging compliance with security regulations and policies, training to promote participation, reporting spam emails, utilizing PC Keeper scores, etc. Disclosure of individual point inquiry screen
Awareness improvement	Notice on how to prevent security damage (5 times)

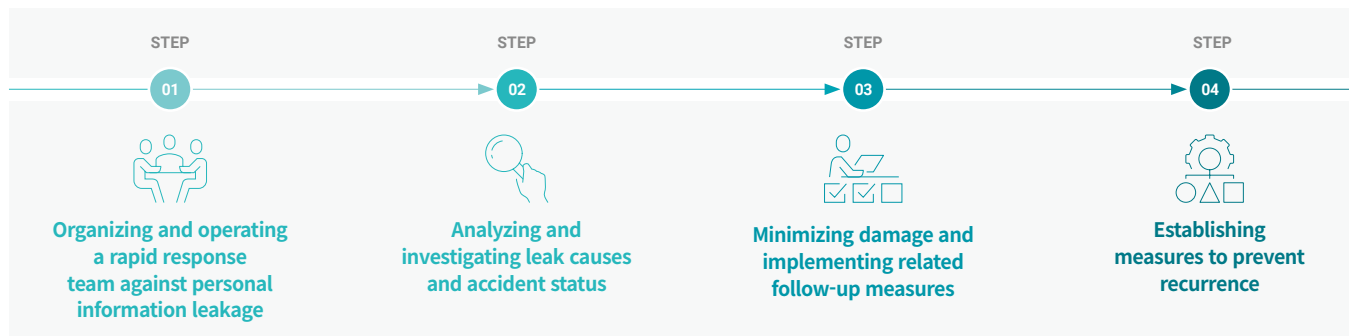
Major Information Security Activities in 2023

Classification	Details	Result
Training	Implementation of company-wide online training	Twice
	Implementation of new employee training	Twice
	Implementation of training for executives and team leaders	Once
Awareness improvement	Implementation of hacking email mock training	Twice
	Notice of security damage prevention method	5 times
Security check	Inspection of personal information protection management status	44 times
	Security checks for IT projects	3 times
	Inspection of PRUGIO Smart Home Complex	Twice

Response to Infringement Incident

For thorough information security management, Daewoo E&C has formed the Computer Emergency Response Team(CERT) to information security incidents. Due to the nature of information security incidents, which requires rapid response, we have established an emergency contract system with system operation managers and related outsourcing companies, and are responding through an organic cooperation system. In addition, we are striving to prevent damage to internal and external stakeholders in the event of an information security incident, such as responding in cooperation with an external security agency according to the incident. We have established guidelines for personal information leakage and information system infringement incidents, thoroughly managing them to enable prompt responses in case of related incidents.

Personal Information Leakage Response Process

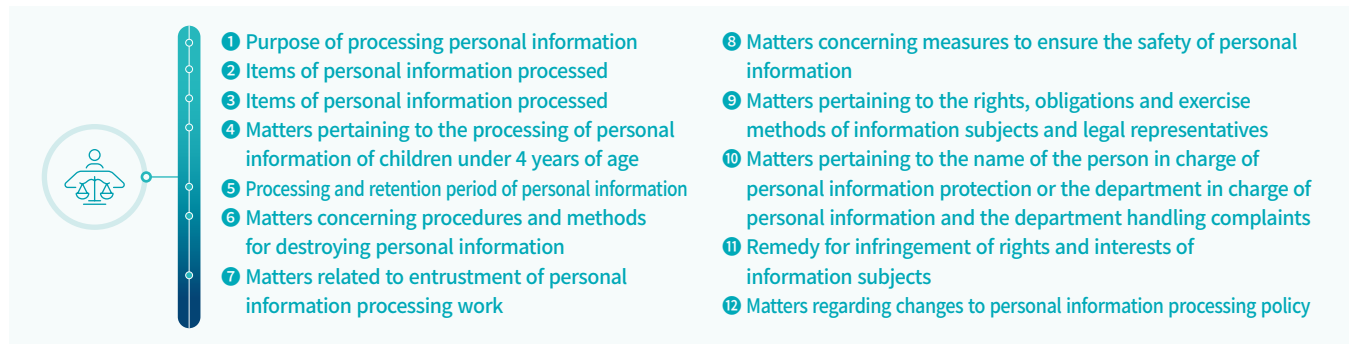


Personal Information Protection

Daewoo E&C complies with the Personal Information Protection Act, regulations, and laws in managing personal information protection. In 2023, we streamlined the work of the CPO, detailed the personal information protection policy, and greatly strengthened the inspection of personal information protection management at major sales offices and branches. To protect customers’ personal information, Daewoo E&C discloses information such as how customers’ personal information is used and information protection measures on its website.

Daewoo E&C’s privacy policy

Personal Information Handling Policy



APPENDIX

Economic Performance	116
Environmental Performance	117
Social Performance	122
Governance Performance	130
ESG Management Policies	133
GRI Contents Index	134
SASB Contents Index	138
TCFD Contents Index	139
GHG Emissions Verification Statement	140
Independent Assurance Statement	141
Awards	143
Association Memberships	144

Economic Performance

Economic Value Creation (consolidated basis)

· Economic performance data has been rounded off to the first decimal place.

Consolidated Income Statement	Unit	2021	2022	2023
Sales	KRW 100 million	86,852	104,192	116,478
Cost of sales		74,463	91,655	104,360
Gross profit		12,388	12,536	12,117
Selling and administrative expenses		5,005	4,936	5,492
Operating profit		7,383	7,600	6,625
Share of gain (loss) of associates		(182)	41	(85)
Other income		2,368	3,427	6,595
Other expenses		3,474	3,908	5,544
Financial income		502	778	1,364
Financial costs		613	804	1,504
Profit (loss) before income tax		5,983	7,134	7,449
Income tax expenses		1,134	2,054	2,234
Profit (loss) for the year		4,849	5,080	5,214

Consolidated Financial Position	Unit	2021	2022	2023
Current assets	KRW 100 million	71,488	80,281	80,210
Non-current assets		33,090	31,121	32,220
Total assets		104,579	111,403	112,431
Current liabilities		50,489	54,062	50,334
Non-current liabilities		21,926	20,095	21,477
Total liabilities		72,415	74,157	71,812
Share capital		20,781	20,781	20,781
Capital surplus		5,495	5,495	5,495
Other components of equity		(991)	(992)	(991)
Accumulated other comprehensive loss		(2,912)	(3,078)	(4,456)
Retained earnings(accumulated deficit)		9,746	14,938	19,630
Non-controlling interests		44	101	160
Total equity		32,163	37,246	40,619

- ## Response to Climate Change

1) Calculated based on the Guidelines for Reporting and Certification of Emissions of the Greenhouse Gas Emissions Trading System (Ministry of Environment Notice No. 2023-221) and the Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (Ministry of Environment Notice No. 2021-112). Matters not specified in the guidelines were verified by referring to the 2006 IPCC Guidelines, KS I ISO 14064-1:2018, and KS I ISO 14064-3:2019. Scope 1 & 2 emissions are expressed in integer units with decimals rounded off.

2) Intensity emissions were calculated based on the domestic sales of Daewoo E&C, a separate corporation.

3) Verification of data was carried out in accordance with KS I ISO 14064-1:2018, KS I ISO 14064-3:2019, Verification Guidelines for Operation of Greenhouse Gas Emissions Trading System (recent issue, Ministry of Environment), and Guidelines for Reporting and Certification of Emissions of Greenhouse Gas Emissions Trading System. (Recent issue, Ministry of Environment), 2006 IPCC Guidelines for National Greenhouse Gas Inventories, WRI (World Resources Institute) Greenhouse Gas Protocol, Corporate Value-Chain (Scope3) Accounting and Reporting Standard (WRI). For Category 1 (Purchased goods and services), Category 5 (Waste generated in operations), Category 6 (Business travel), Category 7 (Employee commuting) and Category 11 (Use of sold products) verification was conducted by the Korean Standards Association, a third-party verification agency. Verification statement is included on page 140. In the case of Scope 3 emissions, decimals are truncated and expressed in integer units.

Energy Consumption				Unit	2021	2022	2023
Energy consumption ¹⁾	Total energy consumption		Energy consumption goal (internal)	TJ	1,556	1,520	1,361
			Total	TJ	1,230	1,210	1,200
				TOE	29,372	28,894	28,656
				Energy intensity	TJ/KRW 100 million	0.018	0.016
	Direct energy consumption (Scope 1)	Total		TJ	87	106	63
		Energy intensity		TJ/KRW 100 million	0.0013	0.0014	0.0007
		By type	Gasoline	TJ	7.3	7.2	7.9
			Diesel	TJ	29.5	29.6	29.2
			LPG for vehicles	TJ	0.2	0.0	0.0
			City Gas (LNG)	TJ	48.1	58.2	24.3
			LPG (Propane and Butane)	TJ	1.3	1.0	1.1
			Kerosene	TJ	0.5	10.2	0.7
	Indirect energy consumption (Scope 2)	Total		TJ	1,146	1,105	1,138
		Energy intensity		TJ/KRW 100 million	0.0170	0.0148	0.0134
		By type	Electricity energy	TJ	1,044.8	1,035.4	1,088.3
			Heat/Steam energy	TJ	101.6	70.0	50.4
	Carbon intensity		Total energy	tCO ₂ eq/TJ	49.1	49.0	48.4
			Direct energy	tCO ₂ eq/TJ	61.0	58.9	62.3
			Indirect energy	tCO ₂ eq/TJ	48.2	47.9	47.6
	Renewable energy consumption		Total renewable energy consumption	KWh	514,450	817,788	441,449
				TOE ²⁾	117.81	187.27	101.09
			Total power consumption	MWh	108,840.60	107,862.90	113,365.10
				TOE ²⁾	24,924.50	24,700.60	25,960.61
			Percentage of renewable energy use to total power consumption	%	0.47	0.76	0.39

1) Intensity emissions were calculated based on the domestic sales of Daewoo E&C, a separate corporation.

2) Calculated based on 1MWh = 0.229 TOE, 1KWh = 0.000229 TOE, and data for 2021 and 2022 have been recalculated.

Environmental Management

Environmental Management				Unit	2021	2022	2023
Water	Water management performance	Water intake	Total amount of water intake by water source	Mega Liters	980.58	1,018.42	1,529.34
			Surface water	Mega Liters	-	3.82	83.48
			Underground water	Mega Liters	-	1.15	36.72
			Sea water	Mega Liters	0	0	0
			The amount of water intake supplied by a third party	Mega Liters	980.58	1,013.45	1,409.15
		Classification of total water intake	Fresh water	Mega Liters	980.58	1,018.42	1,529.34
			Classification outside of fresh water	Mega Liters	0	0	0
			Water intake in the water stress area ¹⁾	Mega Liters	-	4.41	172.45
		Water discharge	Percentage of partners managing wastewater	%	100	100	100
		Water consumption	Water Consumption	Ton	980,581	1,018,419	1,529,344
Air pollution	Air pollutant emission management and performance	Air pollutant emissions	NOx	kg	0	0	0
			Sox	kg	0	0	0
			VOC (volatile organic compounds)	kg	0	0	0
			HAP (hazardous air pollutants)	kg	0	0	0
			PM (particulate matter)	kg	0	0	0
			Other air pollutant	kg	0	0	0
Ozone destroying substances	Ozone destroying substances management status		Ozone Destroying Substances Production volume	tCFC-11eq	0	0	0
			Ozone Destroying Substances Import volume	tCFC-11eq	0	0	0
			Ozone Destroying Substances Export volume	tCFC-11eq	0	0	0
Raw material and subsidiary material use	Steel bar			Ton	280,559	275,244	315,840
	Ready-mixed concrete			m³	3,709,101	3,899,616	4,528,647
	Recycled aggregate (renewable raw material)			m³	4,308	25,931	3,256

1) We calculated the water intake for sites in countries with a high water stress index. Water intake volumes were calculated for sites in two countries (Singapore, Algeria) in 2022 and four countries (Vietnam, Singapore, Algeria, and Iraq) in 2023.

Social Performance

· If data has not been calculated, the corresponding item is marked with “-”

Safety

Safety			Unit	2021	2022	2023
Safety and health accident	Number of workers subject to the occupational safety and health management system ¹⁾		Persons	32,415	33,813	35,420
	Percentage of workers subject to the occupational safety and health management system		%	100	100	100
	Number of fatalities		Persons	4	3	2
	Fatality Rate per 10,000 Workers		‰	1.07	0.90	0.47(E)
	Accident rate (employee)	Number of industrial accidents	Cases	1	0	1
		Number of industrial accident victims	Persons	1	0	1
		Industrial accident rate ²⁾	%	0	0	0.01
	Accident rate (suppliers)	Number of industrial accidents	Cases	285	398	492
		Number of industrial accident victims	Persons	285	398	492
		Industrial accident rate	%	0.61	0.80	1.22(E)
	Safety education ³⁾	Safety and health education course		Courses	10	16
Personnel who have completed Safety and Health Education		Persons	7,283	8,137	9,154	
Safety checks, screening and support	Executive inspection (including CEO inspection) ⁴⁾		Cases	10	1,624	1,739
	On-site safety and health system screening of business divisions		Cases	75	119	-
	Company-wide on-site safety and health system review		Cases	-	-	113
	Safety and health system monitoring of business divisions		Cases	9	9	-
	Safety and health system monitoring of support divisions		Times	-	-	2
	Safety patrol check		Cases	342	346	-
	Starter support for new sites		Times	-	-	74
	Helper support by type		Times	-	-	212
	Support by disaster prevention level		Times	-	-	523
	Inspection of CEO’s implementation of safety and health management system		Times	-	-	343
	Support for inspection of construction machinery		Cases	1,739	1,970	1,780
	Near miss excavation campaign at domestic sites		Cases	2,987	4,785	2,609
	Number of activations of the work suspension system		Cases	1,575	3,146	2,122

1) It is written by referring to the number of regular workers per day at the Korea Occupational Safety and Health Service.

2) It is calculated for the proportion of the number of victims per 100 workers.

3) It is written as a reference to the company's safety and health education status, and for the number of people, it was prepared by referring to the report of the board of directors.

4) Calculation standards changed from 2022 (In 2021, only the number of CEO's inspections were calculated; from 2022, the number of inspections conducted by the CEO and Head of Quality and Safety Division, Head of HSE-Q Division, and each business division head and executive were included.)

Employees

Employees				Unit	2021	2022	2023
Composition of employees	No. of employees	Total		Persons	5,433	5,842	5,921
		Male		Persons	4,765	5,088	5,188
				%	87.70	87.09	87.62
		Female		Persons	668	754	733
				%	12.30	12.91	12.38
	By contract type	Executive	Male	Persons	34	96	94
			Female	Persons	0	1	0
		Employees without fixed term contracts ¹⁾	Male	Persons	3,365	3,316	3,282
			Female	Persons	329	359	351
		Employees with fixed term contracts	Male	Persons	1,366	1,676	1,812
			Female	Persons	339	394	382
		Number of workers who are not employees but are under the management of the organization ²⁾		Persons	14,619	16,094	19,247
	By age group	Under 30		%	10.84	11.66	9.88
		Aged 30~50		%	67.68	64.64	63.22
		Over 50		%	21.48	23.71	26.9
	By position ³⁾	Executives (above the rank of Senior Vice President)	Male	Persons	94	96	94
			Female	Persons	1	1	0
		General manager	Male	Persons	840	870	933
			Female	Persons	14	17	18
		Deputy general manager	Male	Persons	784	834	888
			Female	Persons	36	37	48
		Manager	Male	Persons	1,022	974	887
			Female	Persons	78	83	80
		Assistant manager	Male	Persons	425	317	261
			Female	Persons	114	117	126
		Staff	Male	Persons	234	321	313
			Female	Persons	86	105	79

1) Calculating the number of employees excluding executives.

2) It is based on non-affiliated workers in the annual report.

3) It is based on executives and full-time employees.

Recruitment of Talent

Employees			Unit	2021	2022	2023
New hires	Number of new hires ¹⁾	Total	Persons	187	266	104
		Male	Persons	168	213	98
			%	89.84	80.08	94.23
		Female	Persons	19	53	6
			%	10.16	19.92	5.77
	Composition of new hires by age group	Under 30	Persons	76	175	64
		Aged 30~50	Persons	110	90	37
		Over 50	Persons	1	1	3
Turnover	Turnover of employees	Total	Persons	148	92	34
		Male	Persons	142	82	30
		Female	Persons	6	10	4
	Turnover rate	Voluntary turnover ²⁾	%	4.01	2.50	0.94
		Male	%	3.84	2.23	0.83
		Female	%	0.16	0.27	0.11
	Turnover of employees	Under 30	Persons	22	13	8
		Aged 30~50	Persons	126	78	25
		Over 50	Persons	0	1	1
	Turnover rate	Under 30	%	0.60	0.35	0.22
		Aged 30~50	%	3.41	2.12	0.69
		Over 50	%	0	0.03	0.03

1) The number of new hires includes new employees, experienced workers, and status change.

2) The voluntary turnover rate is limited to the reason for retirement being “transfer” and does not include turnover due to retirement or dismissal.

Diversity and Inclusion

Diversity and Inclusion			Unit	2021	2022	2023	
Gender diversity	Total number of female employees		Number of persons	Persons	668	754	733
			Ratio	%	12.30	12.91	12.38
	Female workforce by position	Female managers (above the rank of manager)	Number of persons	Persons	128	137	146
			Ratio ¹⁾	%	4.61	4.87	5.12
		Female executives	Number of persons	Persons	1	1	0
			Ratio	%	1.01	1.01	0
Minority group	Elderly people (over 55 years old)		Number of persons	Persons	430	576	748
	Foreigner		Number of persons	Persons	17	18	23
	Disabled person		Number of persons	Persons	44	50	69
	Person with at least a high school diploma		Number of persons	Persons	315	322	394
	Veteran of the country		Number of persons	Persons	44	45	46
Salary ¹⁾	Total annual salary		Total	KRW in millions	455,616	548,081	598,740
			Male	KRW in millions	421,690	503,297	551,206
			Female	KRW in millions	33,926	44,784	47,534
	Average salary amount		Total	KRW in millions	84	94	100
			Male	KRW in millions	88	99	105
			Female	KRW in millions	51	59	63
	Ratio of basic remuneration and compensation for women to men ²⁾			%	100	100	100
	Average remuneration for internal directors			KRW in millions	674	681	506
	Average remuneration increase ratio for internal directors ³⁾			%	13.28	1.04	-25.7
	Average remuneration for employees			KRW in millions	84	94	100
	Average remuneration increase ratio for employees			%	2.44	11.9	6.4

1) It is specified based on the published contents of the annual report related to the salary of executives and employees.

2) Wages are set by position regardless of workplace or gender, so there is no difference between male and female employees.

3) As new executive directors were appointed, the average compensation of executive directors decreased.

Talent Cultivation and Management

Talent Cultivation and Management				Unit	2021	2022	2023
Training under the supervision of personnel department	Education	No. of participants ¹⁾	Total	Persons	67,872	55,557	67,892
			Male	Persons	8,199	8,763	12,424
			Female	Persons	991	1,240	1,600
		Training hours ¹⁾	Total training hours	Hours	265,411	212,496	252,948
			Training hours/person	Hours	53	37	43
			Male	Hours	121,289	115,498	98,899
			Female	Hours	17,006	19,458	12,728
		Human rights training	Training cost	Total training cost	KRW	2,554,049,829	2,539,048,631
	Training cost/person			KRW	508,370	437,089	508,745
	Completion of trainings on sexual harassment prevention and human rights		Total training hours	Hours	5,482	5,701	5,863
			Rate of completion	%	100	100	100
Performance Assessment ²⁾ and Compensation		Percentage of employees who received regular performance assessments (Female)		%	100	100	100
		Percentage of employees who received regular performance assessments (Male)		%	100	100	100
		Percentage of employees who received regular performance assessments (Staff-Assistant Manager)		%	100	100	100
		Percentage of employees who received regular performance assessments (Manager)		%	100	100	100
		Percentage of employees who received regular performance assessments (Deputy General Manager-General Manager)		%	100	100	100

1) The total number of participants and total training hours include headquarters education and outside education in addition to training organized by the Human resource development team, but the classification of personnel and training hours by gender includes only training organized by the Human resource development team.

2) In the case of employee performance assessment, it is based on full-time employees.

Welfare Benefits and Organizational Culture

Welfare Benefits and Organizational Culture			Unit	2021	2022	2023
Parental leave	Status of maternity leave	Total	Persons	171	170	153
		Male	Persons	158	145	131
		Female	Persons	13	25	22
		Rate of reinstatement of maternity leave	%	99.42	99.41	98.69
	Employees subject to parental leave (a)		Persons	1,547	1,490	1,382
	Employees on parental leave (b)	Total	Persons	52	69	60
		Male	Persons	31	48	28
		Female	Persons	21	21	32
	Employees returned from parental leave (c)	Total	Persons	33	52	50
		Male	Persons	22	36	23
		Female	Persons	11	16	27
	Employees working 12 months after return from parental leave (d)	Total	Persons	27	49	45
		Male	Persons	19	35	22
		Female	Persons	8	14	23
	Percentage of return from parental leave (c/b)	Total	%	63.46	75.36	83.33
		Male	%	70.97	75.00	82.14
		Female	%	52.38	76.19	84.38
	Percentage of employees working 12 months after return from parental leave (d/b)	Total	%	51.92	71.01	75
		Male	%	61.29	72.92	78.57
		Female	%	38.10	66.67	71.88
Organizational culture	Labor union	Number of employees subject to registration	Persons	4,311	4,620	4,457
		Number of Subscribers	Persons	2,304	2,658	2,999
		Subscription Rate	%	53	58	67
		Percentage of collective agreement application	%	77.7	78.5	79.8
		Minimum period for notification of changes in management	Days	60	60	60
	Labor-management council	Number of council meetings	Times	4	4	4
		Number of agenda items	Cases	26	32	22

Customer Satisfaction and Quality Management

Customer Satisfaction and Quality Management			Unit	2021	2022	2023
Company-wide quality monitoring	Quality assessment of equipment and materials suppliers	New	Times	39	46	58
		Reassessment	Times	50	30	0
	Factory inspection		Times	221	1,133	1,930
	Factory resident inspection		Times	1	6	6
	Annual unit price contract with a third-party inspection company		Times	10	10	10
Protection of customer personal information	Number of reports received externally related to customer privacy violations		Cases	0	0	0
	Number of reports filed by regulators related to customer privacy violations		Cases	0	0	0
	Number of data leaks, thefts and losses		Cases	0	0	0
Consultation on customer complaints	Average number of consultations per month at PRUGIO Customer Center		Cases	18,679	16,507	17,074
	Response rate at PRUGIO customer center		%	80	86	73
	Instant response rate at PRUGIO customer center		%	74	81	68
	Average number of consultations per month at PRUGIO customer center chat consultations ¹⁾		Cases	-	1,352	1,827
	Average number of VOC calls per month		Cases	782	506	865
	VOC handling rate		%	98	94	87
	Average date of processing the Happy Call ¹⁾		Days	10	8	- ¹⁾
	Customer satisfaction (NCSI) survey results		Ranking	3	5	5

1) The Happy Call system was abolished in 2023, so there is no related data.

Social Contribution

Social Contribution		Unit	2021	2022	2023
Social contribution activities	Number of participants per year	Persons	1,041	3,432 ¹⁾	4,864 ¹⁾
	Total amount of expenditure	KRW in millions	967	1,644	2,471
	Operating expenses	KRW in millions	57	61	102
	Donations (culture and arts, etc.)	KRW in millions	910	1,583	2,369
	Average participation time per person	Hours	4.46	5.90	3.68
Relay volunteer service activities	Number of trials	Times	-	6	13
	Number of participants	Persons	-	486	310

1) It includes employees who participate in the “Practice Love by Collecting Coins.” As the number of participants could not be counted in 2021, only data from 2022 (2,033 people) and 2023 (3,816 people) are presented.

Supply Chain Management and Shared Growth

Supply Chain Management and Shared Growth				Unit	2021	2022	2023
Suppliers	Number of outsourcing and material-related partners ¹⁾			Cases	1,840	1,817	1,904
	Total amount of outsourcing contract			KRW 100 million	38,187	48,027	41,862
Major partner companies	Number of major partner companies ²⁾			Cases	119	127	136
	Total amount of outsourced major partner contracts			KRW 100 million	11,049	13,594	12,720
	Ratio of the total amount of contracts of major outsourced partners to the total amount of outsourced contracts			%	29	28	30
Outsourcing partners who conducted environmental and safety assessments	Number of new companies that have received Environmental assessments			Cases	-	16	41
	Percentage of new companies that have received Environmental assessments			%	-	57.1	40.2
	Number of new companies that have received Safety assessments			Cases	46	28	102
	Percentage of new companies that have received Safety assessments			%	100	100	100
Violation of fair trade	Number of violations			Cases	0	0	0
	Amount of a fine imposed			KRW in millions	0	0	0
Co-prosperity	Partner communication channel	Number of complaints received from suppliers		Cases	11	10	10
		Number of Resolved Complaints from Partner Companies		Cases	11	10	10
		Ratio of Resolved Complaints from Partner Companies		%	100	100	100
Financial support to suppliers	Operational status of win-win growth fund	Amount of fund raised	Total	KRW 100 million	200	96	140
			Deposits (supported by Daewoo E&C)	KRW 100 million	80	80	80
			Support by financial institutions	KRW 100 million	120	16	60
		Amount executed (loans)		KRW 100 million	195	10	97

1) It is written based on a domestic company at the end of December of the current year.

2) As a result of the comprehensive assessment for the current year, it is prepared based on the number of outsourced partners in the main grade.

Governance Performance

Board of Directors¹⁾

Board of Directors				Unit	2021	2022	2023
BOD composition and operation	Governance structure and committees	Board of Directors	Number of the BOD members	Persons	7	6	8
			Number of independent directors in the BOD	Persons	4	5	6
		BOD operation	Number of cases in which independent directors expressed objection or amendment	Cases	5	0	0
			Number of the BOD meetings held	Times	14	15	12
			Number of agendas resolved	Cases	42	58	43
	Diversity in the BOD	Number of female directors in the BOD		Persons	0	1	2
		Number of male directors in the BOD		Persons	7	5	6
		Number of the BOD members by age (30~50)		Persons	0	0	1
		Number of the BOD members by age (over 51)		Persons	7	6	7
	Independent Director Recommendation Committee	Number of the Independent Director Recommendation Committee members		Persons	6	5	7
		Number of independent directors in the Independent Director Recommendation Committee		Persons	4	4	6
		Attendance rate of independent directors in the Independent Director Recommendation Committee		%	Not held	95.2	100
	Audit organization	Number of the Audit Committee members		Persons	3	3	4
		Number of independent directors in the Audit Committee		Persons	3	3	4
		Number of the Audit Committee meetings held		Times	6	6	8
		Attendance rate of independent directors in the Audit Committee		%	100	95	100
		Audit service expense paid to independent auditors		KRW in million	1,850	1,880	1,910
		Non-audit service expense paid to independent auditors		KRW in million	96	244	612
		Number of the Audit Committee members who meet the statutory accounting or financial expert requirements		Persons	1	1	2
	Number of meetings held	Audit Committee		Times	6	6	8
		Independent Director Recommendation Committee		Times	0	5	2
Compensation Committee ²⁾		Times	-	-	1		

1) Information related to the composition and operation of Daewoo E&C's BOD was prepared based on business reports and corporate governance reports.

2) The Compensation Committee was established in 2023.

BOD Compensation

Board of Directors			Unit	2021	2022	2023
BOD compensation	Number of members	Registered director (excluding independent directors and Audit Committee members)	Persons	3	4	2
		Independent director (excluding Audit Committee members)	Persons	1	4	2
		Audit Committee members	Persons	3	6	4
	Total compensation	Registered director (excluding independent directors and Audit Committee members)	KRW in millions	1,348	2,044	1,011
		Independent director (excluding Audit Committee members)	KRW in millions	60	70	120
		Audit Committee members	KRW in millions	191	204	237
	Average compensation per person	Registered director (excluding independent directors and Audit Committee members)	KRW in millions	449	511	506
		Independent director (excluding Audit Committee members)	KRW in millions	60	18	60
		Audit Committee members	KRW in millions	64	34	59

Shareholder Rights

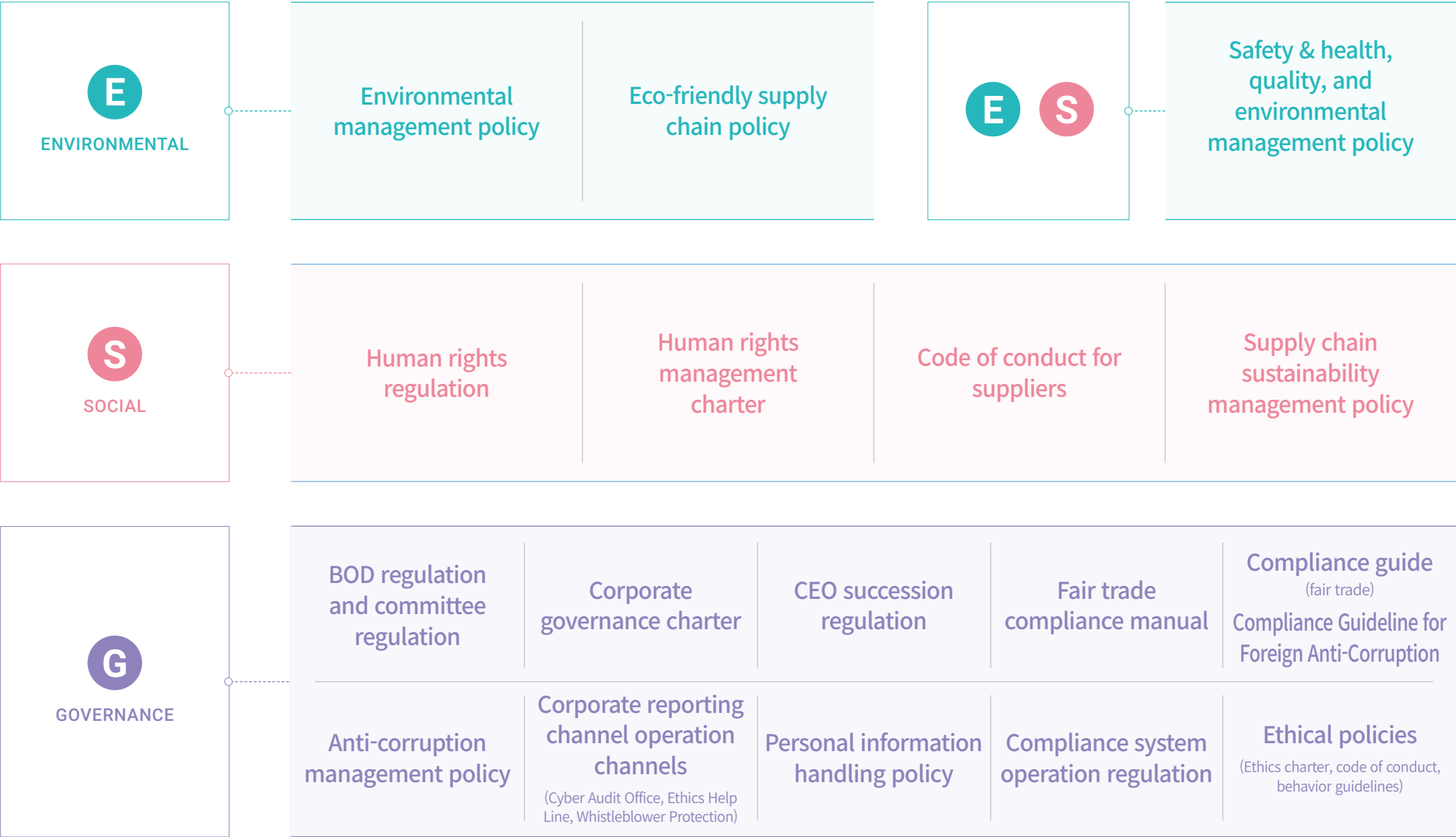
Shareholder Rights			Unit	2021	2022	2023
General disclosure	Number of corporate briefing sessions		Times	216	197	160
Shareholder structure	Jungheung Engineering & Construction Co., Ltd.	Ratio	%	0	40.6	40.6
		Number of shares	Stock	0	168,744,967	168,744,967
	JungHeung Construction Co., Ltd.	Ratio	%	0	10.15	10.15
		Number of shares	Stock	0	42,186,242	42,186,242
	KDB Investment Co., Ltd.	Ratio	%	50.75	0.00	0.00
		Number of shares	Stock	210,931,209	0	0
	National Pension Service	Ratio	%	5.45	5.64	6.06
		Number of shares	Stock	22,643,062	23,421,563	25,168,272
	Employee stock ownership association	Ratio	%	0.24	0.21	0.20
		Number of shares	Stock	1,017,047	873,536	811,752
	Others	Ratio	%	43.56	43.40	42.99
		Number of shares	Stock	181,031,320	180,396,330	178,711,405
Credit rating	Korea Ratings	Commercial paper	Rating	A2-	A2	A2
		Corporate bond	Rating	A-	A	A
	NICE Investors Service	Commercial paper	Rating	A2-	A2	A2
		Corporate bond	Rating	A-	A	A

Ethics and Compliance

Anti-corruption and Integrity				Unit	2021	2022	2023
Ethical policy	Anti-corruption and bribery policy	Anti-corruption policy communication	Number of BOD members with shared anti-corruption policies	Persons	7	6	8
			Percentage of BOD members with shared anti-corruption policies	%	100	100	100
			Number of employees with shared anti-corruption policies	Persons	5,433	5,842	5,923
			Percentage of employees with shared anti-corruption policies	%	100	100	100
Ethical management operation system	Report channel operation		Number of reports received in the reporting channel	Cases	97	80	93
			Number of cases handled among reports received	Cases	97	80	93
			Percentage of cases handled among reports received	%	100	100	100
Establishment of an ethical culture	Anti-corruption (ethical management) training		Number of employees who received anti-corruption training	Persons	5,297	5,691	5,800
			Percentage of employees who received anti-corruption training	%	100	100	100
	Compliance training (online)		Percentage of training completion	%	100	100	100
	Compliance training (offline)		Number of trainees	Persons	471	484	482
	Voluntary compliance activities		Talk (once a month)	%	100	100	100
			Message (once a quarter)	%	99.6	100	100
			Self-training (once a half of year)	%	96.3	100	100
Ethical management assessment and action	Corruption risk assessment		Number of workplaces that conducted corruption risk assessment	No. of places	313	322	302
			Percentage of workplaces that conducted corruption risk assessment	%	100	100	100
	Ethics violations and actions	Occurrence of corruption cases	Number of violations of code of conduct and ethical policies	Cases	8	5	6
			Number of corruption cases	Cases	10	9	14
			Number of cases where workers were fired or disciplined for corruption cases	Cases	10	9	14
			Number of discrimination incidents and corrective actions taken	Cases	0	0	0
			Number of violations of the laws	Cases	2	1	0
	Violation of laws ¹⁾		- Number of violations of laws (imposition of fines)	Cases	1	0	0
			- Number of violations of laws (non-financial sanctions)	Cases	1	1	0
			Fines for violating laws and regulations	KRW in million	30.0	0	0

1) The non-issuance of written documents was calculated as 0 cases because there was no penalty, and corrective orders were excluded.

ESG Management Policies



(Click on the shortcut to see the full text.)

GRI Contents Index

GRI Standard 2021	Remark	
GRI 1: Foundation 2021	Overview	Daewoo E&C reports data for the period from January 1 to December 31, 2023, based on the revised GRI Standard 2021. (Including some information in 2024)
	Apply GRI Standard	GRI: Foundation 2021
	Applicable GRI Sector Standards	Currently (as of the 2024 reporting date), the GRI Sector Standard guidelines for construction industries applicable to Daewoo E&C has not been announced.

GRI Standard 2021	Disclosure		Reporting page/Reason for Non-reporting
GRI 1: Foundation 2021			
	2-1	Organization Details	5
	2-2	Corporations included in the organization’s Sustainable Management Report	2
	2-3	Reporting period, cycle, and contact information	2
	2-4	Re-description of information	Footnotes on each page
	2-5	(impact of modifications to information provided in previous reports and reasons for modification)	141 - 142
	2-6	External Verification	9 - 12
	2-7	Activities, value chains, and other business relationships (the organization’s supply chain)	123
	2-8	Employee employment status (employee, worker)	123
	2-9	Non-executive worker	95
	2-10	Governance Structure and Configuration	97 - 98
	2-11	Recommendation and selection of the highest decision-making body	95
	2-12	Chairman of the supreme decision-making body	17 - 18
	2-13	Role of the highest decision-making body for impact management	17 - 18
	2-14	Delegation of responsibility for impact management	17
GRI 2: General Disclosures 2021	2-15	The role of the highest decision-making body in sustainability reporting	96, 101
	2-16	Conflict of interest	99
	2-17	Communication on important issues	96
	2-18	Comprehensive knowledge of the highest decision-making body	100
	2-19	Evaluation of the performance of the highest decision-making body	100, 131
	2-20	Compensation policy	100
	2-21	Remuneration decision procedure	125
	2-22	Percentage of total annual compensation	4
	2-23	Statement on Sustainable Growth Strategy	27, 53, 74, 86, 95
	2-24	Policy commitment	27, 53, 74, 86, 95
	2-25	Inherent policy commitment	108 - 112
	2-26	Negative Impact Improvement Process	105 - 107
	2-27	Mechanisms for concerns and advice raised	106, 132
	2-28	Compliance with legal regulations	144
	2-29	Affiliated society	22
	2-30	Access to stakeholder involvement in the organization	127

GRI Standard 2021	Disclosure		Reporting page/Reason for Non-reporting
Material Topics			
GRI 3: Material Topics 2021	3-1	Procedures for determining critical issues	23 - 25
	3-2	List of critical issues	25
Occupational Safety and Health Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 403:Occupational Safety and Health (2018)	403-1	Industrial Health and Safety Management System	54
	403-2	Risk identification, Risk assessment, Accident investigation	58, 62
	403-3	Occupational Safety and Health Service	59 - 61
	403-4	Participation and Communication of workers on health and safety in the workplace	56, 58
	403-5	Training for workplace health and safety workers	60
	403-6	Promotion of workers’ health	59
	403-7	Prevention and Mitigation of workplace safety and health and direct impact	58
	403-8	Workers subject to workplace safety and health management system	55, 122
	403-9	Accident rate	122
Quality Improvement and Customer Satisfaction			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 418: Customer Personal Information (2016)	418-1	Complaints relating to customer privacy violations and loss of customer data	128
Supply Chain Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 204: Procurement practices	204-1	Percentage spent on local suppliers	129
GRI 308: Environmental Assessment of partner companies	308-1	New suppliers that were screened using environmental criteria	88 - 89, 129
	308-2	Negative environmental impacts within the supply chain and actions taken against them	88 - 90
GRI 414: Social Assessment of Supply Chain	414-1	New partner companies screened through social impact assessment	129
	414-2	Negative social impacts within the supply chain and actions taken against them	88 - 90
Human Resource Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 401: Employment (2016)	401-1	New recruitment and turnover	124
	401-2	Benefits offered to full-time employees	71 - 72
	401-3	Parental leave	71, 127
GRI 402: Labor management (2016)	402-1	Minimum notice period for operational changes	127
GRI 404: Training and Education (2016)	404-1	Average training/Training time per employee(year)	126
	404-2	Employee Capability Enhancement and Transition Support Program	67 - 68
	404-3	Percentage of employees subject to regular performance assessment and career development inspection	67, 126
GRI 405: Diversity and Equal Opportunity (2016)	405-1	Diversity of Board and Members	95, 125
	405-2	Ratio of basic salary and remuneration for men and women	125
GRI 406: No Discrimination (2016)	406-1	Discrimination Cases and Corrective Actions	132

GRI Standard 2021	Disclosure		Reporting page/Reason for Non-reporting
Expanding Eco-friendly New Businesses and Biz Portfolio, Developing and Investing in Eco-friendly Technologies			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 201: Economic performance (2016)	201-1	Direct economic value generated and distributed	116
	201-2	Financial impacts and other risks and opportunities of Climate Change	29 - 35
GRI 203: Indirect economic effects	203-1	Infrastructure investment and service support	91 - 94
	203-2	Significant indirect economic effects, such as the scale of impacts	9 - 13, 91 - 94
Social Contribution Activities and Contribution to Local Communities			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 413: Local Communities (2016)	413-1	Workplaces where participation, impact assessment, and development programs for local communities have been conducted	93
	413-2	Operations with significant actual and potential negative impacts on local communities	111
GRI 415: Public Policy	415-1	Political contributions	144
Climate Change and Energy Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 305: Emission (2016)	305-1	Direct GHG emissions (Scope 1)	35, 117
	305-2	Energy indirect GHG emissions (Scope 2)	35, 117
	305-3	Other indirect GHG emissions (Scope 3)	35, 117
	305-4	Greenhouse Gas (GHG) Emissions Intensity	117
	305-5	GHG reduction	35, 47, 117
	GRI 302: Energy (2016)	302-1	Energy consumption within an organization
302-2		Energy consumption outside the organization	35, 118
302-3		Energy Intensity	118
Ethical Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 205: Anti-Corruption (2016)	205-1	Evaluation of workplace corruption risk	104 - 105
	205-2	Communication and Training procedures related to anti-corruption policies	106, 132
	205-3	Confirmed corruption cases and actions taken against them	132
GRI 206: Anti-competitive Behavior (2016)	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	132

GRI Standard 2021	Disclosure		Reporting page/Reason for Non-reporting
Worksite Waste and Water Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
GRI 303: Water and Wastewater (2016)	303-2	Waterproof Impact Management	42
	303-3	Water intake	119
	303-5	Water consumption	42, 119
GRI 304: Biodiversity (2016)	304-1	Places owned, leased, or managed in protected areas and areas of high biodiversity value or surrounding areas	44 – 45, 120
	304-2	Significant impact of organizational activities, products and services on biodiversity	44 – 45, 120
	304-3	Protected or Restored habitat	44 – 45, 120
	304-4	IUCN Red List and List of National Protected Species within the Areas affected by Organizational Business	44 – 45, 120
GRI 306: Waste (2020)	306-1	Discharge by water quality and destination	43 – 44, 120
	306-2	Waste by type and treatment method	43 – 44, 120
	306-3	Discharged waste	43 – 44, 120
	306-4	Converted waste	43 – 44, 120
	306-5	Disposed Waste	43 – 44, 120
Integrated Risk Management			
GRI 3: Material Topics 2021	3-3	Managing Critical Issues	23 - 25
General Disclosures			
GRI 407: Freedom of collective bargaining and the Right to unite	407-1	Workplaces and Partner companies deemed to be infringing on workers’ freedom of association and collective bargaining	69 - 70
GRI 408: Child labor	408-1	Workplaces and Partner companies at high risk of child labor	69
GRI 409: Forced labor	409-1	Workplaces and Partner companies at high risk of forced labor	69

SASB Contents Index

Daewoo E&C belongs to the Engineering & Construction Service among the industries classified according to the sustainability accounting standards of the SASB (Sustainability Accounting Standards Board). It is displayed based on the disclosure items required by the accounting standards of the industry group, and information for each code is disclosed.

Topic	Code	Category	Metric	Daewoo E&C's Data
Environmental Impacts of Project Development	IF-EN-160a.1	Quantitative	Number of incidents of non-compliance with environmental permits, standards and regulations	Daewoo E&C complies with environmental laws and regulations, and as of the end of 2023, there are no violations of environmental laws that have been confirmed in our corporate name.
	IF-EN-160a.2	Discussion and Analysis	Discussion of processes to assess and manage environmental risks associated with project design, siting and construction	Daewoo E&C operates an environmental accident response system based on ISO 14001 and conducts environmental impact assessments to prevent environmental risks that may arise from business activities and minimize environmental impacts. In particular, we provide group training to on-site environmental managers and they conduct on-site environmental training at least once a month, raising the awareness of environmental management at site. In addition, we seek to prevent environmental pollution and minimize damage through environmental accident response simulation training.
Structural Integrity & Safety	IF-EN-250a.1	Quantitative	Amount of defect- and safety-related rework costs	As of 2023, defect repair costs were KRW 56,608 million (consolidated basis). (Based on 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	There were no costs paid due to confirmation of legal procedures in 2023. (Based on business report)
Workforce Health & Safety	IF-EN-320a.1	Quantitative	1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Daewoo E&C's safety and health management indicators are reported on page 122.
Lifecycle Impacts of Buildings & Infrastructure	IF-EN-410a.1	Quantitative	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	As of 2023, there are 10 construction sites that have received green building certification. (Best Green Grade 1)
	IF-EN-410a.2	Discussion and Analysis	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	Daewoo E&C is strengthening its risk management function according to the project life cycle. To minimize environmental impact, we are increasing our investment in the development of eco-friendly methods and technologies, perform environmental screening and inspection, and do our best to manage water, pollutants, and waste to protect the ecosystem. In particular, we achieved a waste recycling rate of 99.94% in 2023, and are operating a monitoring system through the Albaro system linkage.
Climate Impacts of Business Mix	IF-EN-410b.1	Quantitative	Amount of backlog for (1) hydrocarbon related projects and (2) renewable energy projects	(1) As of the end of 2023, there are 16 hydrocarbon-related projects (9 domestic, 7 overseas), and the order backlog is KRW 3.0181 trillion (among the 7 overseas projects, there is one project in Libya that has not yet started construction and has no sales as of the end of 2023). Included.). (2) As of the end of 2023, there is 1 renewable energy-related project (domestic), and the order backlog is KRW 630 million (Yeongwol wind power project).
	IF-EN-410b.2	Quantitative	Amount of backlog cancellations associated with hydrocarbon-related projects	There are no related projects canceled as of the end of 2023.
	IF-EN-410b.3	Quantitative	Amount of backlog for non-energy projects associated with climate change mitigation	As of the end of 2023, the order backlog for non-energy projects related to climate change mitigation is KRW 2.098 trillion (14 domestic projects with an order backlog of KRW 1.247 trillion, and 4 overseas projects with an order backlog of KRW 851 billion). The order backlog consists of green building certification (Best Green Grade 1), low-carbon land infrastructure, waste, and water-related industrial projects.
Business Ethics	IF-EN-510a.1	Quantitative	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	As of the end of 2023, there have been no fines or settlements due to bribery, corruption, or anti-competitive practices.
	IF-EN-510a.2	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices	The company has a code of ethics, conduct guidelines, on-site code of ethics, anti-corruption management policy, fair trade compliance manual, compliance guides for each site, and anti-corruption procedures.
	IF-EN-510a.3	Discussion and Analysis	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behaviour in the project bidding processes	The company has a code of ethics, conduct guidelines, on-site code of ethics, anti-corruption management policy, fair trade compliance manual, compliance guides for each site, and anti-corruption procedures.
Activity Metric	IF-EN-000.A	Quantitative	Number of active projects	As of the end of 2023, 194 domestic and 30 overseas sites are in progress.
	IF-EN-000.B	Quantitative	Number of commissioned projects	In 2023, 43 domestic and 9 overseas sites were completed.
	IF-EN-000.C	Quantitative	Total backlog	As of the end of 2023, the total order backlog is KRW 45.1338 trillion, with KRW 38.3555 trillion domestically and KRW 6.7783 trillion overseas. (Based on business report)

TCFD Contents Index

Classification	Framework	Page	CDP Indicator
Governance	a. Describe the board’s oversight of climate-related risks and opportunities	27 – 28	C1.1, C1.1a, C1.1b
	b. Describe management’s role in assessing and managing climate-related risks and opportunities	27 – 28	C1.2, C1.2a
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	29 – 30	C2.3a, C2.4a
	b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	29 – 30	C3.4
	c. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	31 – 32	C3.2, C3.2a
Risk Management	a. Describe the organization’s processes for identifying and assessing climate related risks	33	C2.1, C2.2
	b. Describe the organization’s processes for managing climate-related risks	30, 33	C2.1, C2.2
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	30, 33	C2.1, C2.2
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	30	C2.1b, C3.3
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	34 – 35	C6.1, C6.3, C6.5
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	34 – 35	C4.1, C4.1a, 4.2, 4.3, C4.1b

GHG Emissions Verification Statement

MOC-24-079

GHG Emission Verification Opinion

Daewoo E&C Co., Ltd.

Verification Scope

Korean Standards Association has conducted verification for GHG emissions based on GHG report provided by Daewoo E&C Co., Ltd. which includes Scope1 and Scope2 emissions.

Verification Standards and Guidelines

To conduct verification activities, verification team applied verification standards and guidelines. The standards and guidelines are as follows.

- Guidance for reporting and verification of GHG emissions trading scheme (No. 2023-221 provided by Ministry of Environment, Republic of Korea)
- Verification Guidelines for the Operation of the Greenhouse Gas Emission Trading System (No. 2021-112 provided by Ministry of Environment, Republic of Korea)
- For matters not specified in other guidelines, refer to 2006 IPCC Guidelines, KS I ISO 14064-1: 2018 and KS I ISO 14064-3: 2019

Level of Assurance

Daewoo E&C Co., Ltd.'s GHG emissions satisfies the under Reasonable Assurance(less than ±5.0% of total emissions).

Verification Conclusion

As a result of verification activities, verification team has found no significant errors, omissions, and misstatements. Therefore, Korean Standards Association confirms that following emissions data are adequately quantified.

2023 Emissions(Scope1, Scope2)

(Unit : tCO2eq)

Year	Scope 1	Scope 2	Total
2023	3,928.334	54,151.301	58,077

* Decimal place is not considered when calculating the emission of each workplace.
* This emission is based on the May 2024 and the final emission value is subject to change.

May 24, 2024

KOREAN STANDARDS ASSOCIATION

EVC-24-012

GHG Emission Verification Opinion

Daewoo E&C Co., Ltd.

170, Eulji-ro, Jung-gu, Seoul, Republic of Korea

Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

Verification Scope

Korean Standards Association conducted limited guarantee level verification for Daewoo E&C Co., Ltd.'s Scope3 Greenhouse Gas declaration.

- Reporting Target : Daewoo E&C Co., Ltd.'s Headquarters and Construction sites
- Boundary : Scope3(Other indirect emissions)
 - Category 1. Purchased goods and services
 - Category 5. Wasted generated in operations
 - Category 6. Business travel
 - Category 7. Employee commuting
 - Category 11. Use of sold products
- Year : January 1, 2023 to December 31, 2023

Verification Criteria and Guidelines

Korean Standards Association conducted verification according to international standards and the standards and guidelines of the National Institute of Environmental Research.

- KS I ISO 14064-1:2018, KS I ISO 14064-3:2019
- Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- WRI(World Resources Institute) Greenhouse Gas Protocol
- Corporate Value Chain (Scope3) Accounting and Reporting Standard(WRI)

Level of assurance verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to Daewoo E&C Co., Ltd. Headquarters
- Method of confirmation :
 - Interview with greenhouse gas emissions manager and field staff
 - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
 - Tracking review of internal documents and basic data

Daewoo E&C Co., Ltd. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.



5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

6. Verification Conclusion

No errors or false facts were found in Daewoo E&C Co., Ltd.'s GHG emissions verified through the ISO 14064-3 verification procedure within the scope of verification.

Appendix. Headquarters Domestic Construction sites GHG emissions(Scope3)

(Unit : tCO2eq)

Category		GHG emissions
Category 1	Purchased goods and services	1,732,759
Category 5	Capital goods	17,220
Category 6	Business travel	661
Category 7	Employee commuting	16
Category 11	Use of sold products	2,830,442
Total		4,581,098

* Note : The final greenhouse gas emission was cut below the decimal point and expressed in integer units.

May 24, 2024

Myung So Kang

KOREAN STANDARDS ASSOCIATION



Independent Assurance Statement

To: The Stakeholders of Daewoo E&C

Overview

The British Standards Institution (hereinafter referred to as the “Assurer”) was requested to verify the 2024 SUSTAINABILITY REPORT (hereinafter referred to as the “Report”). The Assurer is independent to Daewoo E&C and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the Daewoo E&C’s report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the Daewoo E&C. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

Daewoo E&C is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Daewoo E&C only.

The Assurer is responsible for providing Daewoo E&C’s management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of Daewoo E&C. The Assurer will not, in providing this Independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the Independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with Daewoo E&C includes the following:

- Report contents during the period from January 1st to December 31st 2023 included in the Report, some data of 2024 are included.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- Confirmation of the Report’s compliance with the AA1000 AccountAbility Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance level and type are as follows:

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the Assurer reviewed the following disclosures based on the sampling of information and data provided by Daewoo E&C.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

201-1&2, 203-1&2, 204-1, 205-1~3, 206-1, 302-1~3, 303-2&3, 303-5, 304-1~4, 305-1~5, 306-1~5, 308-1&2, 401-1~3, 402-1, 403-1~9, 404-1~3, 405-1&2, 406-1, 407-1, 408-1, 409-1, 413-1&2, 414-1&2, 415-1, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top-level review of issues that may be raised by external stakeholders in the context of sustainability.
- Discussion with managers and representatives on stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation.
- Review of the materiality issue analysis process and prioritization and verifying the results.
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures.
- An assessment of Daewoo E&C’s reporting and management processes against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the Mainsite of Daewoo E&C to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by Daewoo E&C. It implies that the Assurer is therefore subject to limitations relating to inherent risks that may exist without the identification of material errors. The Assurer does not provide assurance on possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

British Standards Institution (BSI) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with over 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with Daewoo E&C. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group’s assurance standard methodology.

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain Daewoo E&C’s approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards is set out as below.

Inclusivity: Stakeholder Engagement and Opinion

Daewoo E&C selected Employees, Government and related organizations, shareholders and investors, customers, academic societies, associations, institutions, communities, partners as key stakeholder groups, and operated communication channels for each stakeholder group for engagement. Daewoo E&C reflected key issues derived from stakeholder channels to sustainability management decisions and disclosed the process in the Report.

Materiality: Identification and reporting of material sustainability topics

Daewoo E&C established a sustainable management strategy and a process to derive reporting issues. A total of 12 major topics were selected through an impact materiality/financial materiality assessment of internal and external stakeholders.

Responsiveness: Responding to material sustainability topics and related impacts

Daewoo E&C has established a management process for critical issues determined by the materiality evaluation. In order to respond appropriately in a way that reflects the expectations of stakeholders, the results of social and environmental impact, financial impact, and materiality evaluation are disclosed in the report.

Impact: Impact of an organization’s activities and material sustainability topics on the organization and stakeholders

Daewoo E&C has established a process to identify and evaluate the impact on organizations and stakeholders related to critical issues. The management plan for critical issues is used to make decisions to establish a response strategy for each issue, and the process is disclosed in the report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, an assurance Type 2 were conducted against the following disclosurers based on the information and data provided by Daewoo E&C. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the Report were not found through assurance processes. The Daewoo E&C manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected and the Assurer confirmed the final version of the Report prior to its final publication.

- GRI Topic Standards: 201-2, 203-1&2, 204-1, 205-1~3, 206-1, 302-1~3, 303-5, 305-1~5, 306-3~5, 308-2, 401-1~3, 402-1, 403-1~9, 404-1~3, 405-1&2, 406-1, 414-1&2, 418-1

Recommendations and Opportunity for improvement

The Assurer provides the following observations to the extent that they do not affect the assurance opinion;

- For materiality, reference to the initiatives of advanced global companies can help Dawoo E&C derive sustainability issues.

GRI-reporting

Daewoo E&C has self-declared compliance with GRI Standards. Based on the data and information provided by Daewoo E&C, the Assurer confirmed that the Report is prepared in accordance with the GRI Standards, and confirmed there are no errors in the disclosures related to the Universal Standards and Topic Standards Indicators. No sector standard is applied.

Issue Date: 21/06/2024
For and on behalf of British Standards Institution (BSI):
BSI representative

김도원

Doowon Kim, Lead Assurer

Seonghwan Lim

Seonghwan Lim, Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea
Hold Statement Number: SRA 789917



Awards

Major Awards in 2023			
Classification	Award Name	Category	Hosted by
Civil Division	Korea Concrete Society's 32nd Academic Awards	Architecture Award - Sea Bridge, Mumbai, India	Korea Concrete Society
	2023 KIBSE Excellent Structure Award	Silver Prize - Sea Bridge, Mumbai, India	Korean Society of Bridge and Structural Engineers
	2023 Civil Engineering Day	Civil Engineering Structure of the Year Silver Award - Gyeongbu Dongcoal Tunnel	Korean Society of Civil Engineers
Housing & Building Division	Korea Service Grand Prix	Grand Prize in Apartment Category - PRUGIO	Korean Standards Association
	IF Design award	Interior Architecture Category - Yangju Station Center Park MH	International Forum Design
	IDEA Design Award	Building Environment Category - Summit Gallery, Ansan Bree Park Landscaping	Industrial Designers Society of America (IDSA)
	Good Design Award	Environmental Design, "Good Design" in the Electrical and Electronics Category - PRUGIO Smart Switch and 2 Landscaping Projects	Korea Institute of Design Promotion
	Good Design Award	Environmental Design Category Korea Institute of Design Promotion Award - Daechi PRUGIO Summit Children's Playground	Korea Institute of Design Promotion
	BIM Awards 2023	Building Smart Association President's Award	Ministry of Land, Infrastructure and Transport
	Korea Landscaping Award	Minister of Land, Infrastructure and Transport Award - Yeongheung Forest Park	Korean Society of Landscape Architecture
	Daegu Metropolitan City Landscaping Award	Landscaping Grand Prize - Dalseong Park PRUGIO	Daegu City
	Brand Award	Power Brand Category Grand Prize - Yonggye Station PRUGIO Arts Vert	Asia Economic Daily
	Housing Services Award	Grand Prize in Housing Service Category - Gwangyang PRUGIO Center Park	Money Today
	City Maintenance/Housing Brand Award	Grand Prize in Redevelopment Category - Gwangmyeong PRUGIO CENTBER	News Way
	Housing Brand Award	Korea Economic Daily CEO Award in Innovation Development Category - Pungmu Station PRUGIO City	Hankook Economy TV
	Wellbeing Apartment Award	Grand Prize in the eco-friendly category - Yeongheung Forest PRUGIO Park Bien	Hankyung Business
	First Half Housing Culture Award	Grand Prize in the Commercial Facility Category - ACloud Gamil	Hankook Economy TV
	Eco-friendly Construction Industry Award	Wellbeing Apartment Category Grand Prize - Sangdo PRUGIO Clavenue	JoongAng Ilbo Economist
	Best Apartment to Live In	Excellence Award in Reconstruction and Redevelopment - Ansan PRUGIO Bree Park	Maeil Economy Daily
	Luxury Housing Award	Grand Prize in Smart Category - Jeongeup PRUGIO THE FIRST	Money Toda
	Construction Award	Grand Prize in the non-apartment category - Pungmu Station PRUGIO City	Aju Economy Daily
	Green Construction Award	Grand Prize in the high-quality housing category - Gwangyang PRUGIO Center Park	Asia Today
	The house I want to live in	Grand Prize in the residential cultural service category - PRUS+	Herald Economy Daily
	Second Half Housing Culture Award	Wellbeing Apartment Category Grand Prize - Hwaseo Station PRUGIO Brisiel	Hankook Economy TV
	Green Construction Award	Grand Prize in Architecture Category - Nonsan PRUGIO THE FIRST	Seoul Newspaper
	Correct Housing Award	Grand Prize in Technology Innovation Category - Daewoo Engineering & Construction	Media Pen
Plant Division	2023 Plant EPC Win-Win Cooperation Forum	2023 Plant Person Award (Association President's Award)	Korea Plant Industry Association
		Contributor to export expansion (Minister's Commendation)	
	13th Nuclear Safety and Promotion Day	Commendation (Minister's Commendation)	Ministry of Science and ICT
Institute of Construction Technology	16th Construction Technology Research Best Practices Presentation	Minister of Land, Infrastructure and Transport Award	Korea Construction Management Association
	Korea Tunnel and Underground Space Society Conference	President's Award	Korean Tunnel and Underground Space Society
	Korean Railway Society Academic Conference	Outstanding Paper Presentation Award	Korea Railway Society
	Korea Hydrogen and New Energy Society Conference	Outstanding Paper Presentation Award	Korea Hydrogen and New Energy Society

Association Memberships

Number of associations and organizations Daewoo E&C has joined as of 2024 : 89

Association and Organization Name

(As of May 22, 2024)

Korean Society of Civil Engineers	Korea Facility Engineering Association	KOSHA-MS Council
Korean Wind Energy Society	Korean Institute of Illuminating and Electrical Installation Engineers	Korea Construction Management Association
Korea Road Association	Korean Society of Landscape Architects	Construction Management Strategy Research Institute
Korean Society of Road Engineers	Korea Housing Association	Federation of Korean Industries
Korean Society of Hazard Mitigation	Korea Real Estate Development Association	Korea Chamber of Commerce and Industry
Korean Water Resources Association	Council on Tall Buildings and Urban Habitat (CTBUH)	Korea-Vietnam Friendship Association
Korean Geotechnical Society	Smart Modular Forum	Korea Institute of Construction Industry Economics and Management
Korean Society for Railway	Korea Remodeling Association	Korea CFO Association
Korea Railway Association	Korea Smart Home Industry Association	Korea Listed Companies Association
Korean Tunnelling and Underground Space Association	Korea Plant Industries Association (PEA Club)	Overseas Construction Association
Korea Ports Association	Hydrogen Convergence Alliance	Korea Electrical Contractors Association
Korean Society of Coastal and Ocean Engineers	SMR (Small Modular Reactor) Alliance	Korea Construction Management Association
Korea Environmental Industry Association	K-CCUS (Carbon Capture, Utilization, and Storage) Initiative	Korea Facility Management Association
Korean Society of Steel Construction	Korea Overseas Resources Development Association	Central Defense Council of Jung District
Korean Society of Coastal Disaster Prevention	Korea Nuclear Export Industry Association	Emergency Planning Officials Council of the Ministry of Land, Infrastructure and Transport
Korea BIM Association	Plant Industry Association	Korean Association of Mechanical and Electrical Equipment Contractors
Korean Geosynthetics Society	Korea Association of Electrical Technicians	Korea Information and Communication Contractors Association
Korea Concrete Institute	Korean Nuclear Society	Korea Emergency Planning Officials Association
Korea Planning Association	Korea Nuclear Industry Association	Korea Construction Management Association
Korean Railway Construction Engineering Association	Korean Society for Radioactive Waste Management	Korea Construction Association
AWC (Asia Water Council)	Korean Electrical Contractors Association	Korea Specialized Construction Association
Korean Society of Transportation	Korea Engineering Federation	National Association of Reserve Power
Korea Wind Energy Industry Association	Korea Construction Quality Association	Korea HRD Association (Human Resource Development Association)
Korea National Committee on Large Dams	Construction Safety Council	Korea Federation of Managers
Korea Intelligent & Smart Building Association	Construction Safety Practitioners Council	Construction HR Managers Council
Architectural Institute of Korea	Construction Equipment Safety Council	Korea Association of Construction Engineering Technicians
Society of Air-conditioning and Refrigerating Engineers of Korea	Maekyung Safety and Environment Research Institute	Korea Fire Protection Equipment Association
Korean Institute of Electrical Engineers	Construction Safety Executive Council	Korea International Trade Association
Korea Institute of Building Construction	Construction Health Council	Korea Industrial Technology Association
Korea Military Supply Cooperative	Korea Construction Environment Association	Korea Construction and Transportation Technology Association

* Daewoo E&C adheres to the Korean political funding laws and regulations and refrains from participating in lobbying activities, making contributions to interest groups, or supporting any similar political organizations. Moreover, the organizations and associations mentioned on this page are collaborative partnerships, exclusively aimed at knowledge development and networking within the scope of our business. These affiliations have no connection whatsoever with any political funding initiatives.