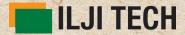
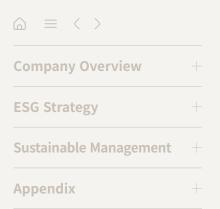
ILJI TECH Sustainability Report





About This Report

Report Overview

Through its second Sustainability Report, ILJI TECH aims to report and share its integrated goals and achievements concerning economic, environmental, and social value with stakeholders. This report outlines the company's overall strategy along with plans and activities related to ESG initiatives. Going forward, ILJI TECH will continue to publish sustainability reports annually as part of its ongoing commitment to transparent communication and advancement of sustainable growth in partnership with local communities.

Reporting Period

This report provides both qualitative and quantitative disclosures of ILJI TECH's financial and non-financial activities and performance from January 1 to December 31, 2024. To enhance stakeholder understanding, it also addresses material issues extending through June 2025. Furthermore, the report includes a three-year overview of key environmental, social, and governance(ESG) performance indicators to enable trend analysis over time.

Reporting Scope

The scope of this report covers all domestic and international operations of ILJI TECH with respect to finacial performance. For non-financial aspects, the report primarily focuses on domestic operations—specifically the headquarters and the Gyeongju plant—considering the scale, nature, and impact of these facilities. Select data from ILJI TECH's US subsidiary (ITAC) and Beijing operations (ILJI Beijing) are also included where relevant. For items requiring careful interpretation due to limitations in reporting scope, explanatory notes are provided.

ILJI TECH

Report Standards

This report adheres to the Global Reporting Initiative (GRI) Standards 2021, a set of globally recognized guidelines for sustainability reporting. This report also incorporates disclosure guidelines from the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB).

Financial information is based on consolidated financial statements prepared in accordance with standards and definitions specified in the Korean International Financial Reporting Standards (K-IFRS). Where financial or non-financial data have been aggregated based on ILJI TECH's internal criteria, the relevant details are provided in the footnotes.

External Assurance

This report has been independently verified by third-party assurance provider ESG Innovation Network(hereinafter referred to as "the verifier") to ensure the reliability and accuracy of the disclosed data. The verifier's assurance statement can be found on pages 102–103 of this report.

Contact Information

This report is available for download on the ILJI TECH website (http://www.iljitech.co.kr). For inquiries, please contact us using the information provided below.

Contact HR & General Affairs Team of ILJI TECH

Address 50, Gongdan 4-ro, Jinryang-eup, Gyeongsan-si, Gyeongsangbuk-do, Republic

of Korea (38471)

E m a i l uh00145@iljitech.co.kr **Inquiry** +82-53-859-1014

Interactive PDF

This report is published in interactive PDF format, featuring internal links to the relevant sections within the report as well as external links to related websites.

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2025 ILJI TECH Sustainability Report

☐ ≡ 〈 〉 Company Overview + ESG Strategy + Sustainable Management +

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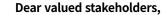
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a sustainable future together with all stakeholders and becoming a responsible company grounded in trust.





I would like to express my sincere gratitude to everyone who has shown unwavering interest in and support for ILJI TECH.

Through this Sustainability Report, we reflect on our management activities and achievements while sharing our new direction for the future.

ILJI TECH remains committed to relentless R&D as an independent producer of automotive parts and advanced molds, adapting to the evolving technological landscape of the rapidly changing automotive industry amid global uncertainties. Thanks to these efforts, we recorded a milestone growth of 120% in sales compared to the previous year. Looking ahead, we aim to enhance our competitiveness as a global automotive parts company by expanding to overseas markets.

We aim to strengthen our global competitiveness through continuous and strategic investment in R&D.

In today's rapidly evolving global economic and technological environment, businesses must maintain a competitive edge through rigorous R&D and product quality enhancement. As a primary supplier to Hyundai Motor Company, ILJI TECH has secured a strong position across the entire automotive production value chain including mold manufacturing, design and analysis, machining, welding, and assembly, by advancing new technologies through R&D. We differentiate ourselves in the industry through the development of proprietary technologies, innovative manufacturing processes, and lightweighting solutions. We will remain committed to investing in R&D without reservation to stay ahead in the era of electric vehicles (EVs) and green mobility through proactive cooperation with technology leaders.

We will build environmentally responsible worksites through robust climate initiatives.

Climate change is driving a structural shift in the corporate management landscape, heightening the responsibility of businesses. Recognizing climate risk as an essential task, ILJI TECH has established strategies and governance frameworks aimed at







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integrating climate action in its core business practices and conducted climate risk analysis. Through third-party assurance on our greenhouse gas (GHG) emissions, we set GHG reduction targets and implemented the corresponding activities. Moving forward, we will continuously monitor our climate action initiatives and remain dedicated to creating green worksites.

We will foster a safety-first culture that prioritizes safety management.

At ILJI TECH, the safety of all stakeholders—including top management—is a core principle of its safety, health, and environmental(SHE) philosophy. We have established quantitative targets including achieving zero serious accident rate and reducing the overall accident rate, and we continuously monitor our performance against these goals. In addition, we are strengthening communication to internalize a culture of safety and health at our worksites while conducting rigorous safety inspections to ensure proactive safety management. These efforts support our commitment to preemptive safety and health management. Looking ahead, we will continue working to build a safe, secure workplace grounded in a robust safety and health management system.

We will create social value through a management culture rooted in respect for people.

Sustainable business is only possible when all stakeholders including employees, business partners, and local communities are treated with respect. ILJI TECH is building a system to support employees' capability and career development while working to foster a culture that upholds human rights and fair trade across all stakeholder relationships including those with its business partners. We are also making company-wide efforts to support community development, including corporate volunteer programs and other social contribution initiatives. Moving forward, we will remain dedicated to listening to the voices of our stakeholders and advancing a system that reflects their needs as we continue to cultivate a culture of mutual growth.

We will uphold transparent governance, trust, and integrity as core principles.

Amid growing expectations for ethical and transparent business practices, ILJI TECH is building a sound corporate governance structure through the objective and balanced operation of its Board of Directors. In particular, we established the ESG Committee to embed ESG principles across our organization and lay the foundation for systematic implementation. We have set 2030 targets to strengthen ethical and compliance-based management, and we are actively carrying out initiatives to promote ethical conduct among our employees and business partners while systematically monitoring our progress. Moving forward, we will continue to reinforce a culture of trust and integrity anchored on responsible governance.

ILJI TECH will remain committed to shaping a sustainable future in collaboration with its stakeholders—including shareholders, employees, business partners, and local communities—in its journey toward becoming a trusted, responsible company.

Thank you.

July 2025

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ILJI TECH Co., Ltd.

CEO Koo Jun-mo



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Creation of Econom	ic Value and Competitiveness				
	Total assets	Sales revenue	Operating profit	Year-over-year sales growth	Number of patents owned
	KRW 575.4 billion	KRW 757.3 billion	KRW 24.4 billion	120%	55

Environmental N	Environmental Management	
Greenhouse gas emissions	14,898	tCO₂eq(Scope1+2)
Designated waste recycling rate		88 %
		Third-party ion of GHG emissions

Employee Welfare & Labor Relations	* Domestic standards
Total employee benefit expenses	KRW 4.9 billion
Average benefit expense per employee K	RRW 10.7 billion
Labor union membership rate	100%
Labor disputes and strikes	None

Regulatory Compliance	
Violation of environmental laws and regulations	None
Violations of human rights, employment, or labor laws	None
Confirmed cases of corruption	None
Violation of ethics- related laws	None

Occupational Health and Safe	ty Management
	* Domestic standards
Hazardous risk factor improvement rate	92%
Investment in OH&S	KRW 169 million

Job Creation&Diversity	* Domestic standards
New hires in 2024	95 persons
Ratio of female managers	7.5 %
Youth interns absorbed as full-time employees	97 persons

Board Op	erations	* Domestic standards
8,7,8	Total meetings held	19
(영화) 요	Attendance rate	100 %

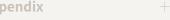


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Introducing **ILJI TECH**

ILJI TECH Co., Inc. has been dedicated to the automotive parts industry since its founding in 1986, growing into a highly competitive leader in automotive body part production and press mold manufacturing. We established a dedicated R&D center in 1996 to enhance our competitiveness and technological capabilities. Through continuous research and development, we have reinforced quality control, improved productivity, and reduced production costs amid a rapidly evolving business landscape. Building on our management philosophy that emphasizes top-tier quality and technology, we have established a system capable of manufacturing flawless automotive body parts with precision and consistency. We have grown into a robust mid-sized company through strategic investments and development initiatives including the construction of a mold plant in 2003 and a second plant at our headquarters in 2010, establishment of a Chinese subsidiary in 2011, and opening of Gyeongju plant in 2014. Moreover, we continue to strengthen our competitive advantage through management initiatives including investments in employees' capability development and delivery of customer-centric products and services.

Company Overview

Company name	ILJI TECH Co., Ltd.
Foundation date	November 24, 1986
CEO	Koo Bon-il, Koo Jun-mo
Business areas	Automotive parts manufacturing
Employee status	466*

* Based on internal HR system	employee roster(Dec. 31, 2024)
-------------------------------	--------------------------------

HQ address	50, Gongdan 4-ro, Jinryang-eup, Gyeongsan-si, Gyeongsangbuk-do, Republic of Ko				
Worksites	Gyeongju Plants	Gyeongju Plants 1 and 2 130-8, Mohwasandan-gil, Oedong-eup, Gyeongju-si, Gyeongsangbuk-do, 38208 Gyeongju Plant 3 57, Mohwasandan-gil, Oedong-eup, Gyeongju-si, Gyeongsangbuk-do, 38208 Gyeongju Plant 4 84-151, Munsangongdan-gil, Oedong-eup, Gyeongju-si, Gyeongsangbuk-do, 38209			
	Beijing Plant	West District, Mabang Industrial Complex, Pinggu, Beijing, China			
	US Plant	121 ILJI Dr, Luverne, AL, USA			

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Key Figure





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Company History

Founding & Development



Challenges & Creation



Innovation & Growth

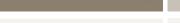


New Leap Forward



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1986 - 2002



Oct. 1986 Established Shin-Ah Machinery Co.,Ltd.

Sept. 1987 Registered as an official partner of
Hyundai Motor Co., Ltd.

Oct. 1983 Listed on KOSENO.

Oct. 1992 Listed on KOSDAQ

Jun. 1996 Established an in-house corporate
R&D center

Dec. 1996 Received the Gyeongsangbuk-do SME Award

Jul. 1997 Changed company name to ILJI TECH Co., Ltd.

Oct. 1997 Acquired ISO 9002 certification (Quality System)

May 2000 Received the Presidential Award for SMFs

2003 - 2013



Jun. 2004 Acquired ISO 14001 certification
(Environmental Management System)

Feb. 2005 Certified for Single PPM Quality by the Small and Medium Business Administration(SMBA)

Mar. 2006 Commendation from the Minister of Finance and Economy as an exemplary taxpayer

Jul. 2009 Acquired INNO-BIZ Certification as an SME with innovative technologies

Sept. 2010 Completed construction of ILJI TECH Co., Ltd. Gyeongsan Plant 2

Jan. 2011 Established subsidiary Beijing ILJI Auto

Technology Co., Ltd. in China

Dec. 2011 Received the Automotive Parts Industry
Award(Commendation from the Minister of
Knowledge Economy)

Apr. 2012 Selected as a Gyeongbuk Pride Product (Gyeongsangbuk-do)

Jun. 2012 Recognized as a Korean Hidden Champion
Development Company
(Export-Import Bank of Korea)

2014 - 2020

Feb. 2014 Designated as a Specialized Root Technology Company

Mar. 2014 Awarded a Presidential Commendation on the 45th Commerce and Industry Day

Sept. 2014 Established the Gyeongju Plant of ILJI TECH Co., Ltd.

Dec. 2014 Received Hyundai Motor's 5-Star Quality Certification

Apr. 2015 Acquired AEO Certification

Oct. 2015 Received the Prime Minister's Commendation for Mutual Growth

Jun. 2016 Selected as a World-Class 300 Company
(Korean Institute for Advancement of Technology)

Aug. 2016 Selected as one of the Gyeongbuk PRIDE 100

Companies(Gyeongbuk Technopark)

Aug. 2018 Recognized as the Best Labor-Management Culture Enterprise (Ministry of Employment and Labor)

Nov. 2018 Recipient of the Minister's Award for Outstanding FTA Utilization(MOTIE)

Jan. 2019 Certified as a Youth-Friendly Small Giant in 2019 (MOEL)

Apr. 2020 Received the Prime Minister's Commendation for Contributions to Fair Trade Practices (Fair Trade Commission)

Jul. 2020 Certified as a company specializing in materials, parts, and equipment(Korea Planning & Evaluation Institute of Industrial Technology)

Dec. 2020 Recipient of the 50 Million Dollar Export Tower Award on Trade Day(MOTIE)

2021 - present

Oct. 2021 Received a Commendation for

Contributions to the Advancement of Machinery, Robotics, and Aerospace Industry

(Ministry of Trade, Industry, and Energy)

Oct. 2021 Awarded a Commendation for

Contributions to Regional Industrial

Development(MOTIE)

May 2022 Selected as a Small Giant in 2022 (Ministry of Employment and Labor)

Oct. 2022 Acquired Management System Certification (Korea Standards Association)

Nov. 2022 Expanded Gyeongju Plant 3 of ILJI TECH Co., Ltd.

Jan. 2023 Certified as a Youth-Friendly Small Giant in 2023(MOEL)

Jun. 2023 Established US subsidiary ITAC

Aug. 2023 Certified as an Elderly-Friendly Company (Ministry of Health and Welfare)

Dec. 2023 Recipient of the 100 Million Dollar Export
Tower Award on Trade Day(MOTIE)

Feb. 2025 Obtained a Silver Sustainability Rating from EcoVadis

Mar. 2025 Awarded a Presidential Commendation on Taxpayers' Day

Apr. 2025 Established US-based hot stamping plant corporation CPT AMERICA LLC





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ILJI TECH Profile

ILJI-VISION 2030

ILJI-Vision

Rising to the Challenge of Being the World's Best

A Customer-Centric Company Driven by Technology and People

Core Value

Innovation



We shape the future through creative ideas and can-do spirit.

Customer diversification

Mission
For Vision
Businesses' expansion &



A company proactively responding to a changing environment while driving sustainable growth

Diligence



We serve our customers and partners with dedication and accountability.

Digital transition



A company leveraging advanced technologies such as AI and big data to make informed decisions and maximizing operational efficiency

Responsibility



We fulfill our responsibility to society and environment, pursuing sustainable growth.

Talent development & Organizational innovation



A people-centered company investing in employee development and fostering a culture of inclusion, creativity, and collaboration



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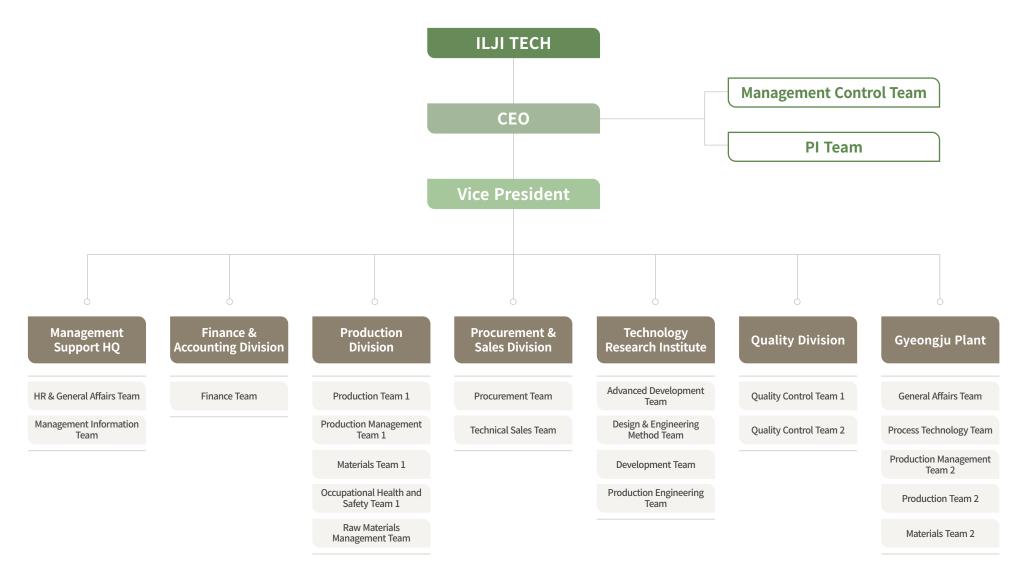
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Organization Chart



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Global Network

Domestic Operations

Overseas Operations



Global Workforce Status



Region	Number of Employees(persons)
Republic of Korea	466
China	208
US	702

Global Sales Status



Region	Revenue(KRW 100M)
Republic of Korea	3,228
China	468
US	5,109

*Includes revenue from subsidiaries(different from business report)

- ILJI TECH Headquarters, Gyeongsan Plants 1 and 2
- 2 ILJI TECH Gyeongju Plant 1
- ILJI TECH Gyeongju Plant 2
- ILJI TECH Gyeongju Plant 3
- ILJI TECH Gyeongju Plant 4
- ITAC
- **ILJI TECH Beijing**
- **CPT America**



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Business Value Chain

Introducing Core Products

As a manufacturer of automotive parts and advanced molds, ILJI TECH delivers safe and reliable products based on cutting-edge technology and rigorous quality control.

PNL ASSY-**HOOD&HINGE**



PNL ASSY-DASH **COMPLETE**



PNL ASSY-BACK COMPLETE



This structural component. positioned at the rear of the

PNL ASSY-TAILGATE



Positioned at the rear of the vehicle body, this component protects both passengers and cargo during collisions, houses the brake lights, and supports efficient loading and unloading

PNL ASSY-OUARTER INR COMPL, L/R



Located at the rear of the vehicle body, these components reduce noise from the rear wheels and provide the structural base for rear seat belt installation.

PNL ASSY-FENDER APRON COMPL, L/R



Installed at the front of the vehicle body, this component helps maintain the turning radius of the front wheels and provides connection points for the engine and shock absorbers.

PNL ASSY-RR PACKAGE TRAY COMPL



Mounted at the top of the rear seat area, this panel separates the cabin from the trunk. It houses the rear speakers and functions as a water drainage path at the base of the rear windshield.

and closing over the engine compartment. It protects the engine from rain, snow, and other external elements.

COMPLETE-RR DR INR.LH

COMPLETE-FR DR INR,LH COMPLETE, L/R

Also referred to as the "bonnet",

this exterior panel is located at

the front of the vehicle, opening

Positioned at the front of the cabin, this panel acts as a barrier between the engine compartment and the passenger area, effectively blocking the entry of noise, dust, and heat into the interior.

vehicle, supports the rear bumper and absorbs impact during rear-end collisions to minimize shock to the rear seats.

PNL&MBR ASSY-CTR

FLR COMPL

RR FLOOR

PNL & MEMBER ASSY-

of cargo.



Positioned beneath the rear seats, this panel prevents road noise and dust from entering the cabin and provides secure mounting points for the rear seat and fuel tank.

PNL ASSY-RR C/LAMP HSG COMPL.L/R



Installed at the rear of the vehicle body, these components support and secure the rear lighting units and the rear bumper.

EXTN ASSY-RR SIDE OTR, L/R



Installed at the rear of the vehicle body, these components support and secure the rear lighting units and the rear bumper.

PNL ASSY-VISIONROOF FR



Serves as the outer panel of the vehicle roof and supports the installation of the roof glass panel.

As the main structural frame for the outer door panel, these components enhance side-impact safety and facilitate the installation of convenient features.

Located on the side of the vehicle body, these frames support the mounting of both front and rear doors and serve as the attachment point for driver and front passenger seat belts.

REINF ASSY-SIDE

Located at the bottom of the vehicle body, this component serves as the foundation for seat installation and structurally connects the front and rear sections of the vehicle.



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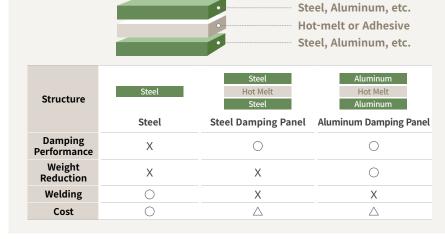
Business Value Chain

R&D

As a primary partner of Hyundai Motor Company and a recipient of the prestigious "Quality 5-Star" certification, ILJI TECH has achieved top-tier quality recognition across the entire automotive body part production process including mold manufacturing, design and analysis, machining, and welding assembly. Through ongoing R&D investments, we remain committed to driving technological innovation in both emerging technologies and advanced manufacturing processes. As part of our commitment to new technology development, we focus on advancing hot and cold forming techniques using materials such as steel, aluminum, magnesium, and carbon fiber. Additionally, we develop welding and joining technologies tailored for assembling both similar and dissimilar materials. In the lightweighting domain, we have established expertise in hybrid material manufacturing including the use of clad and damping materials achieved through the postprocessing of base materials. Our dissimilar material joining capabilities include advanced technologies such as resistance element welding (REW), electrically assisted self-piercing welding (EASW), self-piercing riveting (SPR), and clinching.

In response to the rapidly evolving electric vehicle (EV) and eco-friendly mobility markets, we have successfully reduced vehicle body weight by developing proprietary damping steel combined with composite resin, leveraging our extensive research on dissimilar material welding. Furthermore, we introduced an AI-based vibration damping material for ICCU covers; thus effectively addressing noise, vibration, and harshness (NVH) as a critical challenge in the automotive parts industry. Looking ahead, ILJI TECH remains dedicated to developing innovative automotive components that prioritize both customer needs and environmental sustainability, advancing its vision of becoming a leading next-generation global mobility company.

Structure of Vibration Damping Materials: 3-Layered Sandwich Panel





- · Development of aluminum VDM for upper & lateral ICCU cover for NE EV
- · Technology description
- Reduced the weight of the steel damping panel by 65% compared to the predecessor by joining aluminum foil and composite resin in a sandwich structure.
- Effectively reduces high-frequency noise and vibrations, boasts of excellent adhesion, and ensures reliable interfacial bonding during processing and under environmental stresses, earning customer trust.
- * The lower specific gravity of the aluminum damping material helps reduce production costs.
- * Cost based on the current market prices of the base materials.

Clad Metal Technology



- Developed NX4C inductor busbar
- · Technology description: Made busbars using three-layered clad composite materials composed of Cu, Al, and Cu and reduced the weight by 6% and lowered the production cost.
- ► Material costs equal to or lower than products of equivalent level

Material



Cu(15%) Al(70%) Cu(15% < Clad Metal >

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Intellectual **Property Status** Every year, we strengthen our intellectual property portfolio through ongoing R&D on automotive parts. As of December 2024, we currently maintain the 55 patents we have secured in relation to our core business.

Patents Owned (As of December 2024)

Patent Registration Status

Patent Name	Registration Date	Description
A bending instrument with a roller designed to bend irregular and asymmetric pipes	Jun. 11, 2025	A technology that bends pipes without causing damage by inserting a roller core into the pipes. The roller core has an asymmetric shape tailored to pipes divided into upper and lower sections based on reinforcing ribs, since the technology fully supports the inner surfaces of the bent area and adjacent regions.
Welding method for dissimilar-material components	Jun. 11, 2025	A technology for fusion bonding of dissimilar-material components using frictional heat and electrical resistance heating generated by the rotation of a bonding element with protrusions. This technology enables the automated bonding of dissimilar-material components as bolt-shaped components can be supplied continuously.
A bending instrument equipped with a multi-cell core designed for bending irregular asymmetric pipes	May 13, 2025	A technology that bends irregular asymmetric pipes into smooth curves without distorting the bent area or its adjacent regions. This is achieved through horizontal and vertical reinforcing ribs that divide the interior of the bending machine into four sections, core that supports the inner surfaces of the adjacent areas, and bending core that supports the bent section.
A bending instrument equipped with a multi-core designed for bending irregular asymmetric pipes	May 13, 2025	A technology that bends irregular asymmetric pipes into smooth curves without distorting the bent area or its adjacent regions. This is achieved through reinforcing ribs that divide the interior of the bending machine into upper and lower sections, along with a multi-core inside the machine that supports both top and bottom surfaces of the pipes.
Welding method for dissimilar-material components	Feb. 3, 2025	A welding technology for dissimilar materials wherein the upper plate—pierced or hole-processed by mold piercing without element pressing—is fastened to the lower plate through stud welding. This stably connects welded joints to address defects in dissimilar bonding involving aluminum materials.
A clamp on the bending machine designed for use inside pipes for bending asymmetric pipes	Nov. 12, 2024	A clamp on the bending machine designed to secure hollow pipes from both inside and outside, allowing them to be bent without damaging the exterior. The clamp is specifically engineered for pipe frames divided into two or more interior spaces used in vehicle construction.
A battery module case and its manufacturing method designed for die-cast EVs	Nov. 12, 2024	A manufacturing method for an integrated battery module case structure using die-cast molding. This technology enables the airtight construction of components including reinforced frames for the floor and lateral panels and brackets.
Coupler and coupling method for joining dissimilar materials	Oct. 8, 2024	A technology that reduces defects caused by loss of weld and joint strength when welding aluminum and steel. It joins welding parts stably to address faults in dissimilar bonding involving aluminum materials.
A dressing device for friction stir welding tools	Sept. 6, 2024	A dressing device that automatically removes foreign substances deposited on the welding probe. This improves productivity compared to the existing manual cleaning methods.
Top-cooling EV battery module case	Apr. 30, 2024	A technology that incorporates a cooling channel at the top of the battery case. The cooling water channel is designed to protrude inward from the battery case cover to ensure efficient cooling.
Workpiece transfer device	Mar. 28, 2024	A device that secures products using servo control through the robot axis and linear motion (LM) guide, 3D position control, and flat surface near panel tooling holes and electromagnets. This device also transfers a wide range of products.
A high-strength projection welder with a guide pin for efficient fumes discharge	Feb. 26, 2024	Comes with a guide pin that facilitates exhaust of welding fumes without being trapped between the lower electrode and the guide pin
A high-strength projection welder with a lower electrode for efficient fumes discharge	Feb. 13, 2024	Comes with a lower electrode unit that facilitates exhaust of welding fumes without being trapped between the lower electrode and the guide pin

^{*} Only major patent registrations are disclosed in 2024–2025





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Business Value Chain

Government-Funded Projects

ILJI TECH actively participates in government-funded projects, receiving support for R&D, workforce development, and labor costs to strengthen business competitiveness. In 2024 alone, we carried out a total of 24 government-supported initiatives. Through this, we secured key product technologies and launched new businesses to drive growth. Furthermore, we are reshoring operations to Korea, creating new domestic jobs and qualifying for related government incentives.

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Participation in Major Government-funded Projects

Category	Funding Ratio	Organizing Agency	Project Name				
			Link up Innovative Small Giants of Gyeongbuk with Millennials and Gen Z! Vitality Up! Project(2022)				
		Gyeongbuk Pride Company CEO Association(GPCCA)	Link up Innovative Small Giants of Gyeongbuk with Millennials and Gen Z! Vitality Up! Project(2023)				
			Gyeongbuk Future Vehicle Components & Youth Meister Level-up Support Project				
Labor costs	9%	Gyoungbuk Institute of IT Convergence Industry(GiTC)	Root Industry Job Creation Incentives				
COSCS		Ministry of Employment and Labor(MOEL)	P-TECH				
		GiTC	Mutual Cooperation Expansion Support Project/Automotive Parts Business Leap Incentives				
		Ulsan Dong-gu Senior Club	Senior internship				
			Materials and Components Technology Development Project(Al-X plating technology for hot stamping)				
			Materials and Components Technology Development Project(SX2-EV RR FLR COMPL.)				
		Korea Planning & Evaluation Institute of Industrial Technology(KEIT)	Automotive Industry Technology Development Project(NE battery pack case development)				
R&D	73%		K-Carbon Flagship Development Project(aerospace component development)				
			Materials and Components Technology Development Project(JG DASH COMPL.)				
		Korea Institute for Advancement of Technology(KIAT)	Joint Project with the Leading Regional Industrial Complex(RS4 P/TRAY COMPL.)				
		Yeungnam University	RIS Regional Innovation System Project(development of components applied with vibration-damping materials)				
		Korea Customs Service	Tariff reduction for reshoring companies				
Reshoring	12%	Employment and labor costs	Employment subsidy for reshoring companies				
		MOTIE	Relocation Subsidy Phase 2				
		Korea International Trade Association(KITA)	KITA Export Vouchers				
		Gyeongbuk Economic Promotion Agency(GEPA)	Export Company Trade Competitiveness Enhancement Project				
Export		MOTIE	2024 Global Support Program for Mid-sized Companies				
Expenses	6% Korea L	Korea Labor Force Development Institute for the Aged	Senior-Friendly Company				
& Others	0 //	Foundation of Korea Automotive Parts Industry Promotion(KAP)	Management Innovation Consulting				
		Gyeongju City	Health Checkup Support Project				
		Gyeongbuk Economic Promotion Agency(GEPA)	Gyeongbuk Pride Company Export Capability Level-up Program				

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2025 ILJI TECH Sustainability Report



ILJI TECH

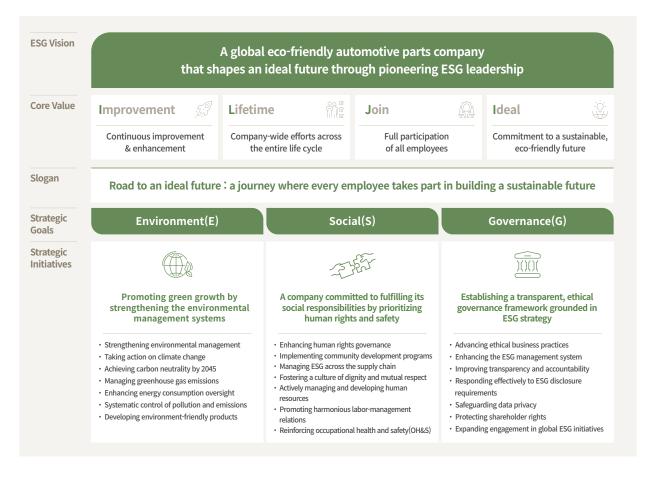
ESG Management Framework

ESG Management Strategy

Under the vision of building an ideal future through pioneering ESG leadership, ILJI TECH has established four core values, an ESG slogan, and several strategic goals, carrying out strategic initiatives across each domain.

ILJI Beijing is also actively engaging in ESG initiatives led by the Chinese government under the ESG Management Promotion Implementation Plans (2024-27) and disclosing information on energy savings and waste generation.

ESG Management Vision Framework



Announcement of ESG-Focused Management

ILJI TECH has officially announced the ESG Management Commitment Statement to enhance awareness and promote the implementation of ESG management across all levels of the organization.

The statement underscores the recognition that ESG management is intrinsically linked to achieving sustainable organizational growth and strategic management goals. In line with this, all ILJI TECH employees reaffirm their adherence to ESG principles and adopt the relevant policies and action plans across key ESG domains—safety and health, environmental stewardship, and ethical business practices—as core standards for guiding corporate behavior and decision making. Going forward, ILJI TECH will actively lead the adoption and execution of ESG management practices; thus contributing to the creation of a more sustainable, responsible future.



Company Overview + ESG Strategy + • ESG Management Framework • Stakeholder Engagement & Communication • Double Materiality Assessment Sustainable Management +

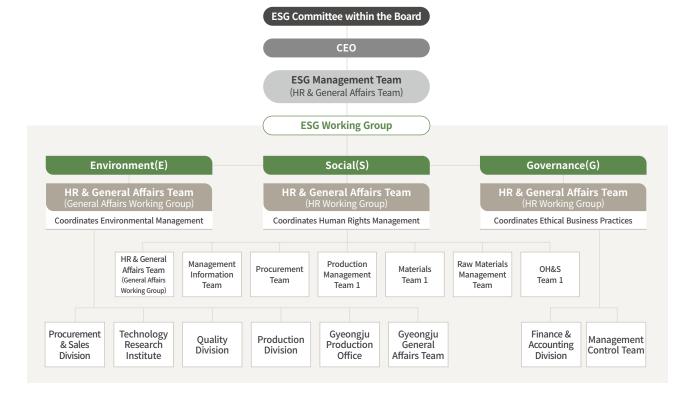
ILJI TECH

ESG Management Framework

ESG Management Implementation Governance

ILJI TECH is establishing comprehensive and systematic ESG governance across all levels of the organization. Under the leadership of the CEO, we proactively manage operations and make key decisions from an ESG perspective. Reporting directly to the CEO, the ESG Management Team serves as the dedicated unit overseeing core ESG issues. In addition, we have designated lead departments for each ESG pillar—environmental, social, and governance—to form a cross-functional working group. This structure facilitates specialized activities and collaboration while maintaining an autonomous performance management system. In particular, we established an ESG Committee responsible for final decision making and approval of ESG-related matters.

In 2024, ILJI Beijing established a dedicated ESG management unit under the direct supervision of the Corporate Head. To ensure a structured approach, we have designated responsible departments and assigned clear roles across each ESG domain; thus enabling the systematic execution of ESG initiatives.



Establishment of an ESG Committee

In 2024, we established an ESG Committee under the Board of Directors to promote proactive ESG management and strengthen ESG governance. Composed of three independent directors, the ESG Committee functions as a Board-level committee and operates by sharing ESG-related issues among members and making decisions on overall sustainability and management matters. Looking ahead, the committee will hold regular meetings to discuss and deliberate on issues related to ESG-focused management.

Main Roles

Deliberates, resolves, and grants final approval on ESG policies and mid- to long-term strategies

Reviews ESG goals and performance outcomes

Approves major investments and regulatory response

Assesses ESG risks and opportunities

Approves key ESG disclosures including the Sustainability Report



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ESG Management Framework

ESG Management Practices

Each year, we strengthen our ESG framework to ensure the proactive implementation of ESG-focused management. We conduct ESG training programs to raise employee awareness and deepen understanding of ESG principles. Additionally, we assess our ESG management practices to identify the current status and address any areas for improvement.

ESG Management Assessment

We annually assess the status of each ESG domain through evaluations conducted as part of the Hyundai Motor Company and Kia Corporation supply chain. This assessment enables us to identify areas for improvement and take timely actions to strengthen our ESG practices. Going forward, we will continue to evaluate both internal and external ESG practices regularly to drive continuous improvement in our ESG management.

Results of the ESG Assessment on the Hyundai Motor Company and Kia Corporation Supply Chain In the 2024 ESG assessment, we scored 88 (out of 100 points), ranking among the top 10% of all Hyundai and Kia business partners. We will formulate and implement improvement measures for any identified areas of weakness in each ESG domain.

Total Score		Scores by Domain			
88	General/ 88 Ethics		Labor/Human Rights	Safety/Health	
	73.5	93.8	87.8	100	

Response to EcoVadis Rating

We underwent evaluation by EcoVadis as part of our commitment to preventing supply chain risks and strengthening ESG-focused management in the global market. The EcoVadis Rating assesses corporate sustainability performance across four key areas: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. We received a Silver Rating in 2025, ranking among the top 15% of all companies assessed. We will continue our efforts to enhance sustainability practices and manage supply chain risks proactively, moving forward.



Embedding ESG-Focused Management

ILJI TECH conducted Visiting ESG Training as part of the Sustainable Management Expansion Project organized by the Ministry of Trade, Industry, and Energy (MOTIE), with the aim of embedding ESG management principles across the organization. The training focused on key topics such as response to supply chain ESG assessment, climate change mitigation, and achievement of net-zero greenhouse gas emissions, helping employees deepen their understanding of ESG and enhance their practical capabilities. A total of 33 employees successfully completed the program, recording a satisfaction score of 90 out of 100.

In addition, internal ESG training was provided at both headquarters and Gyeongju Plant; thus ensuring further internalization of ESG practices throughout our operations. Among the programs offered was the ESG Expert Certification Program, which allows participants to gain recognized expertise in ESG. Four managers acquired official certification through this program.

At the global level, our US subsidiary ITAC implemented the ESG Awareness and Capability Enhancement Program, which included briefings on ESG adoption, current status reviews, and ESG assessment analysis.



Visiting ESG Training at the headquarters and Gyeongju



ESG training at ITAC



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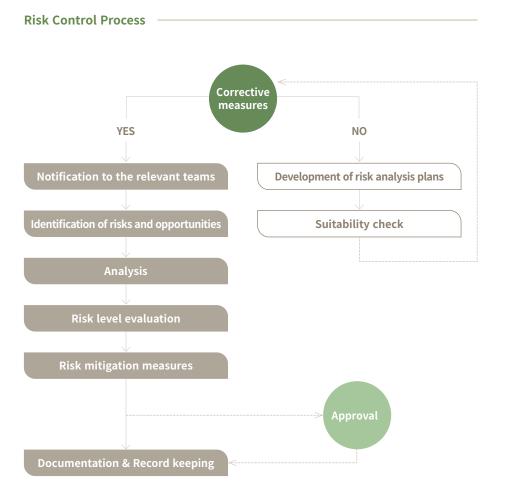
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ESG Management Framework

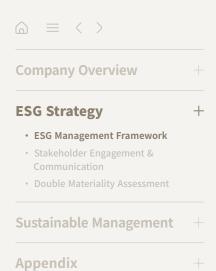
ESG Management Risk Control We identify and manage both financial and non-financial risks across our operations through a structured risk control process. Each department conducts risk assessments, evaluating potential impacts based on the probability and severity of occurrence. Findings from these assessments lead to the development of response measures, which are then implemented and monitored for progress. Looking ahead, we will proactively mitigate risks considering evolving business conditions as well as their social and environmental impacts.

Major Risk Status by Type



Global economic downturn Decline in sales and profits Increase in raw material and oil prices **Financial** Downgrade in credit rating Risks Issues related to information disclosure Intensifying impacts of climate change and environmental issues Serious occupational accidents Human rights violations and labor-related issues **Product quality defects** Non-financial Risks Information leak and cybersecurity breaches

More stringent non-financial regulation(e.g., environment, safety)





ESG Management Framework

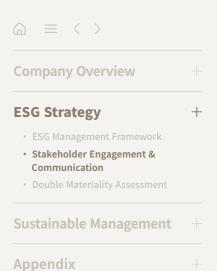
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Risk and Opportunity Analysis Sheet

	C 1					6	Outcome(under current control)			
Category	Subcategory	Category	Risks	Cause of Risks	Risk Implications	Current Management Measures	Probability of occurrence	Severity of the outcome	Risk scores	Risk rating
	Chemical substance management	In-house	Labeling of hazardous chemicals(missing hazard signs for chemical storage)	Signage fell off	Being fined	• All plants	1	2	2	II
	High- pressure gas management	In-house	High-pressure gas accident	Operational negligence	Human injury and property damage	Inspection of high-pressure gas facility	1	3	3	III
	High- pressure gas management	External	Being fined or slapped with an administrative fine	Regulatory noncompliance	Higher management costs and more stringent facility inspections	Enhanced safety inspections and compliance assessments	1	2	2	II
Safety & Health	Safety Control	In-house	Occurrence of personnel accidents	Lack of investment in safety facilities	Occupational accidents and delayed product delivery	On-site safety and health patrol inspections, worksite improvements	1	3	3	III
пеаш	Safety Control	In-house	Occurrence of personnel accidents	Lack of safety awareness	Occupational accidents and delayed product delivery	Posting safety and health-related signage Safety training Sharing information on accident cases Safety and health campaigns	2	3	6	IV
	Health management	In-house	Work-related illnesses	Poor worksite management	Increase in work-related illnesses, employees on leave, and facility management work	Employee health checkups (specialized) Work environment measurement Musculoskeletal hazard assessments Hearing conservation programs Health consultation for persons under observation and persons with abnormal findings Work stress evaluations and risk assessments for cerebro-cardiovascular diseases	1	2	2	II
Fire	Fire safety management	In-house	Fire accidents	Operational negligence	Human injury and property damage	Fire safety inspection and firefighting drills	1	3	3	III
outbreak	Fire safety management	In-house	Fire accidents	Outdated facilities and general facilities	General facilities and damaged facilities	Fire safety inspection	1	2	2	II
	Waste management	In-house	Lack of classification between designated and operational wastes	Lack of classification between designated and operational wastes	Legal sanctions for failure to classify and separate waste	Lack of classification between designated and operational wastes	1	2	2	II
Environment	Waste management	In-house	Waste disposal standards (failure to separate recyclables)	Lack of recycling bins or awareness	Being fined	Installed separate recycling bins Posted signage to promote recyclable separation	2	1	2	II
	Waste management	In-house	Source of waste and pollution of surrounding areas	Lack of cleaning and management	Being issued an administrative fine	Delivered cautions on waste disposal Waste storage site inspection	2	1	2	II
Climate change	Climate action	In-house	Increase in management costs due to domestic and international demands for ESG disclosure	Lack of response to regulations and pressures	Potential damage to corporate reputation, decline in ESG ratings, and restrictions on new customer bids if not addressed	Identification of global trends and responsiveness to customer demands	1	3	3	III
	Climate action	In-house	Cost burden from the mandatory use of renewable energy	Lack of long-term climate strategies and GHG reduction targets	Increased burden with regard to carbon emissions and GHG reduction costs	Monitoring of GHG emissions and development of reduction plans	1	3	3	III

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Stakeholder Engagement & Communication

Stakeholder Engagement System

We define employees, shareholders and investors, customers, local communities, business partners, and government agencies as our key stakeholders. We have fostered an environment that promotes trust-based relationships through active communication with stakeholders and development of engagement policies, enabling them to express their needs and share their views proactively. Accordingly, ILJI TECH is committed to listening actively to its stakeholders and engaging in ongoing dialog with them.

Stakeholders	Communication Channel		ls	Action Plans	
Stakenolders	Areas of interest	Individual Channels	Common Channels	ACTION Plans	
Shareholders and Investors	Improving financial soundness Transparent corporate governance Provision of sustainable management information	General Shareholders' Meeting Board of Directors Management disclosure		Sharing key management status and collecting opinions Transparent disclosure of financial and non-financial performance outcomes Provision of corporate information to facilitate investment decision making	
Employees	Work environment and organizational culture Fair performance appraisals, ensuring employment stability Employee benefits and work environment Prevention of occupational accidents and promotion of employee health	Labor-management council and meetings Collective bargaining Ethics Report Center and E-HR System on intranet and company website In-house employee welfare fund foundation		Promotion of labor-management communication and opinion collection Activities that improve employee benefits and work environment Operation of capacity-building programs by position and rank Operation of an in-house reporting channel	
Customers	Product and service quality and stability Promising future technologies More stringent data security Smooth communication	ESG assessment(conducted by customers) Five-Star Technology Evaluation on Quality, Technology, and Delivery(conducted by customers) OH&S assessment(conducted by customers) Customer's computer network Technology exchange meetings, new technology briefings, and Tech Day		Engaging in customer evaluations Reception of customer requirements and provision of information Securing competitiveness in parts quality Improved communication with customers and quick feedback to customer requests Product quality control and R&D in vehicle body Selection of our technology in Tech Day hosted by HKMC	
Local communities	Job creation in local communities Improvement of living environment of the underprivileged and community development programs	Job fairs Direct communication with local universities and local governments Local community meetings	Company Website Sustainability Report Filing a report	Operation of apprenticeship schools and P-Tech Attending job fairs held at local universities Conclusion of MOU with local governments and local universities Operation of community-building programs and delivering donations	
Partner Companies	Inclusive growth and collaboration with other companies Prevention of unfair practices and corruption in partner companies	Regular partner evaluation Inspection of OH&S practices, product quality, and finance Visiting partner companies to provide guidance, hold seminars and meetings(Dasom Association) Provision of information via computer network		 Inclusive growth programs with business partners(e.g., collaborative payment and financial support) Partner assessment of key items such as OH&S and quality Stable supply chain management Capacity building through training support Prevention of unfair trade practices and corruption Collecting partners' opinions, improving difficulties, and rewarding high-performing companies 	
Government	Legal and regulatory compliance Improved transparency in tax payment Compliance with government policies	Ministry of Employment and Labor(MOEL), Korea Occupational Safety & Health Agency(KOSHA) Business reports Industry-academe collaboration Gyeongbuk Hybrid Technology Institute Gyongbuk Institute of IT Convergence Industry(GITC)		Communication with the government and relevant agencies (participation in government meetings and briefings) Legal and regulatory compliance Industry-academia collaboration for talent development in smart mobility Various collaborations for technology development Acquisition of automotive technologies Participation in joint government projects with universities	

- ESG Management Framework
- Stakeholder Engagement & Communication
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Double Materiality Assessment Process

We identify our impacts on business, environment, and society to draw out key issues. By doing so, we develop sustainable strategies and disclose our activities to stakeholders through ongoing dialog. We identify potential issues by analyzing global ESG disclosure standards and initiatives, monitoring media, and benchmarking against industry peers. Then, we conduct surveys to gather stakeholder opinions and expert analyses to assess our impacts. We aim to identify key issues and corporate risks and opportunities to ensure continuous and proactive response.

Double Materiality Assessment

This evaluation method identifies sustainability-related issues by assessing both inside-out and outside-in corporate impacts from financial and non-financial perspectives.

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potential issues

- Identify issues that are generally considered important from the sustainability perspectives of the company and its stakeholders
- Conduct analysis on the internal and external ESG environment such as international standard, trend, and business directions and benchmarking against industry peers

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possible issues

- Identify issues considered as priority from the sustainability perspectives
- Select possible issues based on relevance, frequency, similarity, and significance

STEP 03

core issues

- Select issues that must be considered from the sustainability perspectives
- Confirm core issues based on feedback collected from employees and external stakeholders, along with relevance evaluation

Impact analysis

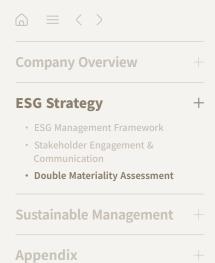
- Conduct survey and assessment on the financial and nonfinancial impacts and risks of core issues by stakeholders
- Validate the assessment results through reviews by internal and external experts

			illipact					Report	
Category	No.	Core ESG issues	Opportunities	Threats	Financial	Social & Environmental	GRI Index	page	
Environment	1	Using less energy and more renewable energy	М	М	L	М	GRI 302	51-52	
	2	Sustainable resource use	М	М	L	L	GRI 301	38	
	3	Workplace safety and health management	М	Н	Н	Н	GRI 403	27-37	
Society	4	Strengthening talent development programs	М	L	Н	М	GRI 404	56-58	
	5	Prohibition of child labor and forced labor	L	М	М	Н	GRI 408, GRI 409	66	
	6	Product safety and quality	Н	Н	Н	Н	-	63-65	
	7	Establishment of policies that respect human rights and promote non-discrimination across all stakeholders	L	L	М	М	GRI 406	77-78	
Management/ Economy/ Governance	8	Response to global management volatility	Н	Н	М	L	-	13, 20-21	
	9	Improved ethics and anti- corruption management practices	L	М	М	М	GRI 205	75-76	

Impact



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Double Materiality Assessment

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Result of DMA

Category	Issue	Risks & Opportunities	Our Response & Mitigation Measures	UN SDGs
	Using less energy and more renewable energy	Carbon emissions from using electricity generated from non- renewable energy in the part production process	 Installation of more renewable energy equipment (solar power panels) in each facility Established the 2045 carbon neutrality roadmap to improve energy efficiency, introduce more eco-friendly vehicles, and manage the product life cycle assessment (LCA) 	7 discourse of discourse 13 cents
Environment	Sustainable resource use	 Heightened stakeholder demand for resource circulation, including water and waste Faster R&D on recycled material use Increased regulations related to resource circulation 	 Introducing policies on sustainable procurement Conserving resources by minimizing waste and launching water-saving campaigns Using semi-permanent material when producing pallets (recycled scrap metal) 	6 CLUM MINITE AND IMPROVINGE AND IMPROVINCE AND IMPROVINCE AND IMPROVINCE AND IMPROVINCE AND IMPROVINCE AND IMP
Society	Workplace safety and health management	 Increased OH&S laws and regulations, including Serious Accidents Punishment Act and Occupational Safety and Health Act Tarnished corporate reputation and costs for regulatory noncompliance when occupational accident occurs 	 Increased OH&S awareness to prevent occupational accidents and prevention of serious accidents Setting a proactive self-regulation system including more stringent on-site safety inspections Advanced emergency response system 	3 GOOD MEATHS AND WILL SHIPE
	Strengthening talent development programs	 Higher needs for support in employees' capacity building Higher corporate competitiveness by fostering talent 	 Identifying employees' capabilities through career development programs (CDPs) and offering training programs Running a job rotation system to offer various opportunities to employees Establishing and operating a career development system for dispatched employees 	4 decirity 8 decirity decirity and the decirity
	Prohibition of child labor and forced labor	 Increased significance of labor due to the nature of the automotive industry Need to manage labor rights related to child labor and forced labor in business partners 	 Prohibition of child labor and forced labor in worksites Labor-related inspection when assessing and managing business partners 	5 mount
	Product safety and quality	Need to manage value chains prior to product manufacturing to ensure quality, safety, customer satisfaction, and customer trust Termination in business, loss of customer satisfaction and trust due to poor product quality	 Quality improvement by ensuring quality related to development, production process, and inspections Ensuring part quality through 3D scanning Increased patent registration through technology development 	9 NUMERIN MONROLLES 12 NUMERICAN INFORMATION INFORMATI
	Establishment of policies that respect human rights and promote non- discrimination across all stakeholders	 Growing stakeholder demand for a culture that respects human rights Increased importance of business activities that prevent human rights violations and provide remedies 	 Establishment of policies that uphold human rights-based management and diversity Prevention and resolution of human rights violations through a grievance-handling channel 	5 mount 10 mounts 16 mg
Business Management & Governance	Response to global management volatility	 Increased risks from abrupt changes in business operations triggered by global political and economic factors (i.e., legal regulations, tariffs) 	Identification of financial and non-financial risks across business management activities and establishment of response measures	12 NOTWOODLY 16 MAY THOSE STREET NO THE STREET NO THOSE STREET NO THE STREET
	Improved ethics and anti- corruption management practices	 Demand for more stringent regulations on ethical business management and prevention of corruption Increased legal and non-financial costs incurred from unethical practices 	 Established 2030 ethical business management targets Trained employees on ethical business management Collected ethics pledges from employees and business partners Announced legal compliance and heightened inspection to prepare for increased anti-corruption risks 	16 MAC MITTED ACCOUNTS OF THE PROPERTY OF THE

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Safety, Health, and Environmental

Management

Background

Many stakeholders resonate with the material importance of environmental protection and workplace safety, and they are increasingly calling on companies to take proactive action. With the enforcement of the Serious Accidents Punishment Act, occupational accidents are no longer viewed merely as on-site issues. They have become matters of legal and social responsibility, directly tied to corporate sustainability.

Environmental, safety, and health considerations are no longer optional. They are now essential factors of corporate competitiveness that determine a company's survival and credibility.

Management Approach

Recognizing the increasing severity of both serious and general accidents at industrial sites, ILJI TECH is overhauling its safety framework organization-wide to realize its vision of becoming a "safe, accident-free company." In particular, we are focusing on enhancing employee awareness of occupational health and safety (OH&S) principles, fostering a safety-first culture on-site, and establishing a system led by administrative managers with the goal of becoming a company free from serious accidents.

We also aim to strengthen our environmental management system to address environmental risks proactively and enhance climate action in pursuit of responsible corporate management.

Key Performance

OH&S Investment

(28% year-over-year increase)

KRW 169 million

Hazard Identification Improvement Rate

92%

Waste Recycling Rate

88%

Introduction of

Green Procurement Policy





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Safety, Health, and Environmental Management System

At ILJI TECH, we prioritize the life and safety of our stakeholders as a core value; we are committed to building a company-wide Safety, Health, and Environmental (SHE) culture involving all employees to establish environmentally driven management. We prevent serious accidents through systematic preventive measures and environment-oriented management. At the same time, we are taking climate action and reducing carbon emissions to strengthen sustainable management.

Basic SHE Principles Principles No one should sustain injuries, suffer loss of bodily function, or die while working. Creating a workplace We are committed to Every individual where everyone can work preserving ecosystems participates in safely shows true respect and protecting the safety, health, and for human dignity, not to environment in all environmental (SHE) mention the best course of our domestic and activities with creativity of action to improve international business and full dedication. productivity. operations. Slogan **Safe Today, Unharmed Tomorrow** Guidelines SHE is essential for all business activities. Every employee places for Action the highest priority on SHE in his/her actions. We strictly comply with all applicable domestic and international laws, as well as company regulations. We ensure the effective operation of our SHE management system and continually strive to create a safe, desirable workplace. Under the motto "Safe Today, Unharmed Tomorrow," we actively promote SHE initiatives aimed at achieving zero accidents and encourage full participation through creative improvement efforts by all members.

Mid-Term SHE Policy and Goals(2028)

Policy

Goals

Safety is the company's competitive edge in achieving zero accident and preventing disasters. Every individual must take ownership of his/her role and actively contribute to fostering a safety-oriented culture/environment.

Category
Goals
Serious accidents/Fire outbreak
None
Lower accident rate
2.7% or less
Fire accidents
None
Establishing an SHE system
Lower carbon emissions and heightened response to climate change
(10% emissions reduction by 2030 and achievement of carbon neutrality by 2045)

2025 SHE-Focused Policy

Policy

Making a safe, accident-free company through a company-wide overhaul of safety practices

Goals

- Continuous strengthening of OH&S system: Accident prevention by achieving zero serious accidents and safety practices(keeping the accident rate at 2.7% or lower)
- Shifting OH&S perceptions and fostering new behavior: Increasing safety knowledge and awareness of all employees
- Establishment and stabilization of an OH&S management system led by the administrative manager





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Safety, Health, and Environmental Management System

SHE Goals in Overseas Operations

Our overseas subsidiaries ILJI Beijing and ITAC align with the headquarters' SHE management principles, having established systematic SHE management systems in accordance with local regulations including China's Safe Production Law and Environmental Protection Law as well as the US Occupational Safety and Health (OSH) Act. Each site sets clear goals not only to prevent fires, occupational accidents, and work-related illnesses but also to promote resource conservation and prevent environmental pollution. These initiatives are actively pursued to ensure regulatory compliance in each country while simultaneously reinforcing the foundation for the sustainable management of our global operations.

ILJI Beijing

ILJI Beijing develops its environmental and safety management goals by breaking down key areas of focus into specific categories and assigning dedicated departments to implement action plans. Progress is monitored to ensure the successful achievement of each target.

Achieve carbon neutrality by 2045

Maintain the recycling rate of designated waste at 90% or above

Complete environmental compliance

Maintain the accident rate at 2.7% or lower in 2025

Zero occurrence of serious accidents

Establish an SHE management system 2025

ITAC

ITAC includes accident rates in its key performance indicators (KPIs) each year to prevent occupational accidents. By tracking the number of accidents against the total work hours, the company quantitatively monitors its safety performance outcomes. The goal for 2024 was to maintain a minimum of 20,000 accident-free work hours per incident.

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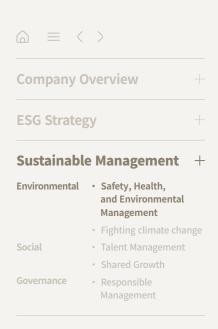
A total of 77 accidents were reported, with 22,926.99 accident-free work hours per accident; thus exceeding the target. This result demonstrates the effectiveness of ITAC's comprehensive safety management system and the growing safety awareness among employees.

Moving forward, ITAC will build on this achievement by strengthening its safety-first culture and pursuing continuous improvements.

Target	Indicators	Notes
S	One injury every 21,810 work hours	Injury occurrence rate fell 10-15%
Α	One injury occurred per 20,862 work hours	Injury incidence rate fell 5-10%
В	One injury every 18,996 work hours	Average
С	Increase in injury incidence per working hour	-

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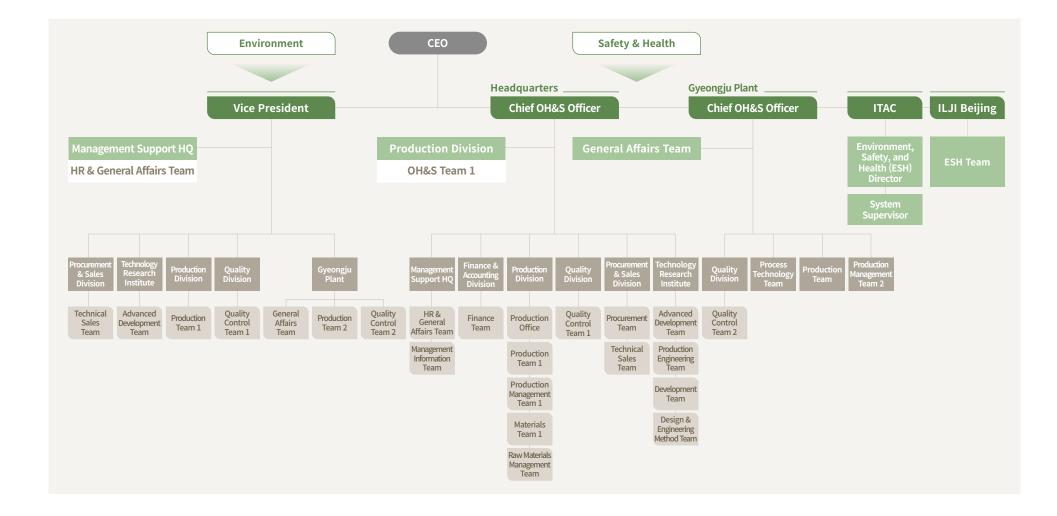
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Safety, Health, and Environmental Management System

Integrated SHE Governance

ILJI TECH has established an integrated governance system for SHE management that involves the top decision maker. This system clearly defines the responsibilities and roles to ensure effective oversight and execution. At the headquarters, environmental and safety-related matters are coordinated through interdepartmental collaboration with feedback from on-site operations actively incorporated via a labor-management council to drive continuous improvement. Overseas subsidiaries in China (ILJI Beijing) and US (ITAC) have also established independent SHE management systems in compliance with local regulations. These operations align their core SHE strategies with those of HQ to ensure effective and consistent management across regions.





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Safety, Health, and Environmental Management System

Description

Supervisory Council

The Supervisory Council convenes on a regular basis to internalize OH&S leadership, strengthen internal cooperation, and facilitate communication on the relevant issues. The council is composed of department supervisors including a dedicated OH&S unit. It operates under the Plan–Do–Check–Act (PDCA) cycle, ensuring systematic decision making, execution, and feedback. Council members discuss organizational policy direction and identify areas for improvement based on outcomes from key activities such as risk assessments, regular inspections, and training programs.

Supervisory
Council
Goals

Key Activities	2022	2023	2024
Council operation (monthly)	Twice/Twice	10 times/10 times	10 times/10 times
On-site inspection (monthly)	Twice/Twice	8 times/8 times	8 times/10 times
Risk assessment inspection	-	Twice	6 times

Supervisory Council Action Plans

Items

Sub-items

items	Sub-items	Description
Development	Council operation (monthly)	 Building a sense of connection between supervisors and OH&S Managers Understanding OH&S activities Discussion on OH&S issues
	Education	Internal/External supervisor trainingRisk assessment training
	Safety inspection (monthly)	Joint supervisor inspection(Assistant Manager, Team Leader)
Process control	Execution of improvement measures	Checking improvements from the previous on-site inspection
	Facility safety assessment	Preliminary safety assessment for new and renovated facilities
	Clarification of roles	 Defining the roles specified in the OH&S Policy (through revision)
	Implementation and OH&S policies and revision of standards	 OH&S policies(strong awareness and execution ability) Viewing OH&S documents(guidelines, procedures, manuals, and regulations)
Routine management	Toolbox meetings (TBM, brief, informal safety meetings held regularly)	Log writing by supervisors(enhancing management logs) Turned it into a booklet in 2023 (supervisor-oriented activities) Added TBM in 2024 Added policies and changed the TBM sheet in 2025
	regularly)	 Added policies and changed the TBM sheet in

Establishing a Structured SHE Management System

We have established a structured system to enhance our SHE management capabilities in line with global standards by introducing internationally recognized certification systems. As part of this effort, we acquired certifications for the Environmental Management System (ISO 14001) and Occupational Health and Safety Management System (ISO 45001); these validate our commitment to environmental protection and workplace safety through a robust management framework.

Domestic ISO14001



Domestic ISO45001



ILJI Beijing ISO14001



ILJI Beijing ISO45001







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Proactive OH&S Initiatives

We implement OH&S initiatives across all stages of our operations through our SHE management system from accident prevention to emergency response. For prevention, we conduct risk assessments, supervisor-led inspections, safety training, and awareness campaigns. Regular on-site inspections help identify and address potential hazards, while we continuously enhance safety by improving risk factors and evaluating supplier safety practices. We are also strengthening our emergency readiness through drills, CPR training, and implementation of the lockout/tagout (LOTO)* system. These efforts lay the foundation for achieving our key SHE goals including zero serious accidents and 50% reduction in overall accident rate.

2024 OH&S Activities and Performance Highlights

Category	Key Activities	Description	Goals	Plan	Performance	Assessment
	OH&S Committee led by top management (OH&S Policy Committee)	 Established corporate OH&S policies and key action plans Participation of the CEO, Chief OH&S Officer, and division heads Quarterly reporting of OH&S performance and follow-up report on guidance 	Faster engagement of top leadership and line management	Quarterly	Three times	A
Enhanced OH&S awareness and readiness	Walk-around inspection by the Chief OH&S Officer (walk-around inspection by top leadership)	 Site inspection by the Chief OH&S Officer Company-wide dissemination of guidelines and corrective actions for noncompliance 	Collection of OH&S- related feedback and implementation of responsive measures	Monthly	12 times	•
	Themed activities of individual division heads, department and site inspections	 Safety inspections of departments and worksites (i.e., direct and indirect departments): Themed inspection 1 Improvement and reporting of results of department and worksite inspection (quarterly) 	Meeting (monthly)	Monthly or more	10 times	A
	OH&S Council of site supervisors (Supervisory Council)	 Executed the OH&S management system led by supervisors Assigned and supported supervisory roles (monitoring and evaluation) 	Reinforced OH&S management	8 times a year	10 times	•
	Awareness activities and OH&S Campaigns	 Company-wide joint labor-management OH&S campaigns, (union participation) OH&S team-led initiatives (prevention of heat-related illnesses during summer) 	Building a safety-first culture	Twice a year	3 times	•
	Establishment of a self-regulatory prevention framework: Risk assessment (RA)	 Revised site RA form based on the Ministry of Employment and Labor (MOEL) guidelines Held a corporate RA briefing and conducted RA in 2Q RA training of supervisors and field workers 	Overhaul of RA	Twice a year	Conducted twice as needed	•
Preventive measures & Prevention	Improving the OH&S Standard (Procedure, Guidelines)	 Developed a response manual for compliance with the Serious Accidents Punishment Act OH&S Management Policy, OH&S Management Policy for outsourced work 	Introduction/Revision of seven items	7 times a year	18 times	•
of serious accidents	Improvement of OH&S inspection	Site inspection report by OH&S Managers (weekly)Managed the improvement rate (regular meetings with key departments)	Daily inspections, weekly reporting	70% or higher PTS improvement rate	92%	•
	Forklift safety control	Installed safety devices in forklifts and other facilities that deliver products (parts) Reported the result of regular inspection on forklift safety devices	Zero collision accidents	Ongoing improvement of hard and soft skills	Installed safety devices (modification control panel in two locations)	
Basic	Horizontal deployment of safety news	 Relaunch of horizontal deployment plans for safety news across all teams Horizontal deployment performance monitoring 	Lower accident rate	100%	75%	A
behaviors	Overhaul of the material safety data sheet (MSDS)	 Overhaul of materials used in each process (full inspection of items on the list) Developed a process map on the materials used, improved storage cabinets, and revised inspection items 	No omitted materials used	Monthly	100%	•

^{*} A safety method to prevent machines from starting during maintenance.

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Proactive OH&S Initiatives

Establishment of a self-regulatory prevention framework: Risk Assessment —

We strictly implement corrective actions based on findings from risk assessments (RA) and maintain records in accordance with Article 36 of the Occupational Safety and Health Act and Article 4.3 of the Enforcement Decree of the Serious Accidents Punishment Act. Regular monitoring and improvement activities are also carried out for the identified risk factors. At domestic facilities, we conduct risk assessments (RA) at least semiannually across two plants and their contractors. The systematic RA process includes conducting briefings, identifying and reviewing risk factors through walk-around inspections, confirming risk levels, establishing and implementing improvement measures, and verifying the effectiveness of such actions.

2024 Risk Factor Identification Status



Identification and Improvement Rate of Risk Factors

Ranking	Items	Risks	Improved Factors	Improvement Rate
1	Risk assessment	82	70	85%
2	Customer inspection	36	36	100%
3	OH&S Staff	33	30	90%
4	Joint inspection with contractors	33	30	90%
5	Walk-around inspection by top management	17	17	100%
6	Supervisor inspection	13	13	100%
7	Fire safety inspection	13	13	100%
8	Quality audit	5	5	100%
	Total	232	214	92%

Corporate Accident Rate Management

We systematically monitor key safety indicators including the accident rate, number of accidents, and Lost Time Injury Frequency Rate (LTIFR) to manage OH&S performance outcomes quantitatively. The accident rate at domestic operations in 2024 was 0.46%, representing a 14.8% increase compared to the previous year. A total of three workplace accidents were reported including one serious incident, prompting a company-wide inspection of the OH&S system and the implementation of corrective measures. The LTIFR for 2024 stood at 2.09%. ILJI Beijing and ITAC also track the accident rate, number of incidents, and LTIFR and actively work to reduce workplace accidents. All indicators are calculated accurately based on data from the Korea Occupational Safety & Health Agency (KOSHA), and we strive to achieve a zero accident rate through continuous monitoring and management by dedicated departments.

ILJI TECH

Category		Unit	2022	2023	2024
Accident rate		%	0.27	0.54	0.46
Number of	Number of injured	cases	1	2	2
accidents	Number of fatalities	cases	0	0	1
LTIFR		%	1.13	1.98	2.09

ITAC(US)

Category		Unit	2022	2023	2024
Accident rate		%		6.95	3.55
Number of	Number of injured	cases	사업	49	25
accidents	Number of fatalities	cases	개시 전	0	0
LTIFR		%		3.32	2.05

ILJI Beijing (China)

C	Category	Unit	2022	2023	2024
Accident rate		%	1.92	2.66	2.33
Number of accidents	Number of injured	cases	6	9	8
	Number of fatalities	cases	0	0	0
LTIFR		%	8.93	12.32	12.82



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Safety

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Improper st orage of unused equipment covering the fire hydrant pit

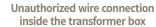
ILJI Beijing's OH&S Inspections and Improvement Measures

Proactive OH&S Initiatives

ILJI Beijing conducts periodic on-site OH&S inspections to identify potential risks early and implement immediate corrective actions to enhance workplace safety. Key inspection areas include the condition of hazardous equipment and overall worksite organization. Recent corrective actions included the removal of fallen cables in the consumables storage area and proper securing of unattended oxygen gas cylinders. To strengthen worksite management capabilities, the officer responsible for safe production and occupational illness prevention acquired a professional certification. Additionally, the company conducts an annual survey to identify and address factors that may contribute to occupational diseases; thus reinforcing its commitment to a healthy work environment.

Before Improvement





After Improvement



Prompt action taken upon identification in inspections, followed by safety training for on-site workers



Notified the responsible department and took corrective measures immediately

ITAC's Early Risk Prevention and Response System

ITAC identifies high-risk factors through regular risk assessments across all processes and work areas. Its early risk management system prioritizes control measures in order of elimination, substitution, and engineering controls. The company has also established a compliance system that addresses both legal and non-regulatory requirements, integrating US federal and state regulations as well as customer and local community expectations to ensure full compliance.

ITAC employs quantitative metrics aligned with its risk management framework to establish and monitor OH&S goals. The company provides regular job-specific training and emergency response drills for new hires and employees involved in high-risk tasks. All training activities are systematically documented and managed. ITAC has developed scenario-based response procedures for incidents such as chemical leaks and fires to prevent emergencies proactively, and they are reinforced through regular drills. In the event of an actual incident, these procedures are reviewed and updated as necessary. The company also conducts routine internal inspections to assess the adequacy and effectiveness of its Environmental, Health, and Safety (EHS) management system, with focus on continuous improvement.

Risk Assessment

	Over Risk		Severity						
Evaluation Chart		Very Low Medium High		High	Very High				
	Evaluation Chart		1	2	3	4	5		
	Very Low	1	1	1.5	2	2.5	4.0		
cale	Low	2	1.5	2	2.5		4.7		
Probability Scale	Medium	3	2	2.5		3.5	5.3		
Pro	High	4	2.5		3.5	4	6.0		
	Very High	5	4.0	4.7	5.3	6.0	6.7		

- Add together then divide by 2 for the Overall Risk Level
- If either number is a 5 then divide by 1.5 instead of 2



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ILJI TECH

Proactive OH&S Initiatives

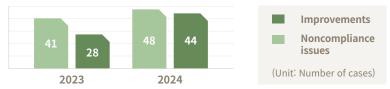
Leadership-Driven Site Safety Inspections

Recognizing that safety is fundamentally shaped by the commitment and leadership of top management, we conduct regular Safety Committee activities featuring leadership-led safety walkdowns to enhance our safety performance actively. The Chief OH&S Officer leads monthly walkdowns, identifying hazards and risks and directing timely corrective actions. In 2024, these efforts yielded an improvement rate of 91%.

To strengthen safety oversight further, the monthly walkthroughs expanded to a semi-monthly system involving not only the Production and OH&S teams but also operations managers from each process. These inspections prioritize areas with reported incidents and zones utilizing robots or hazardous equipment. Inspection findings are promptly communicated company-wide, with corrective measures implemented to mitigate safety risks at the earliest stage.

Notably, following an accident in the robotic process in August 2024, we conducted a special joint labor-management safety inspection. A team of 19 personnel, including the Chief OH&S Officer and the Labor Union Chairperson, conducted a comprehensive risk assessment of the entire line, verified the safety plugs, and discussed specific countermeasures such as piloting lockout-tagout (LOTO) procedures.

Improvements Identified Through Safety Walkthroughs





Walk-around inspection by top management

Establishing a Site-Led Prevention System

ILJI TECH promotes a safety culture led by frontline workers through the operation of toolbox meetings (TBM) and Safety Keeper system.

During TBMs, supervisors identify hazards and risks within each process, communicate safety instructions, and share the results of risk assessments with workers; thus enhancing both leadership and safety awareness on the ground. Starting 2024, we expanded the number of TBM leaders from 7 to 22 and introduced a management system wherein the noncompliance issues identified during each task are recorded in the OH&S log. Under this system, TBM leaders provide direct guidance to workers and implement improvements in areas with identified issues.

To enhance real-time safety management during non-routine tasks, ILJI TECH implemented the Safety Keeper system wherein supervisors continuously monitor the location and condition of workers across each process. They oversee the proper implementation of LOTO procedures and respond immediately when safety issues are identified. Supervisors identify and correct unsafe behaviors on-site through Safety Keeper and share key findings during TBMs, helping establish a realtime risk communication system. These efforts are evolving into a self-directed safety management framework, providing a structural foundation for ILJI TECH's capacity to prevent serious industrial accidents.



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			기록기구의 명료정치 정상학동 문부를 확인하였는지?	-		해당사 해당사		
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정상	관리관독자 직무 (공통)	\vdash	보호구 착용상태를 확인하고 의 착용은로자에게 착용하도록 교육하고 지도 했는가? (한편요 등)					
8		4			H			
		5						
		6	제당학업 시 인천학업방업 (학업계회시, 프순학업 등)의 여행유부를 확인하였는가?					
			제당학업 시 불안전한 형동 및 불안전한 상태의 발견시 제절한 조지 때무를 권료하였는가?					
			KY(위험에지) 제크시트					
	88	+	배형상 하법 시 승인전자의 승인을 득려졌는가? (배형상하법 제가)					
	정소 작업	2	학업 구액의 위험요소(대교리된 관리당에진 무닷컴 등)를 제거 하였는가?					
		3	학업에 맞는 보고구(배임명지당값,보안경,당전막스크 등) 작용을 확인하였는가?					
			학업 중 기계 요착용 명지를 위해 LOTO(항영정지,표지한 부착)을 하였는가?					
	지붕작업		지몽 위에 올라갈 때 처절한 보호구 처몽을 확인하였는가(안전요,안전화,안전화,안전대 등)					
			학업 전 기상 상황(M,세당.는 등) 확인하였는가?					
			2전1조 작업용 준수하였는가?					
비정상작업	예호작업		매즈 작업 시 적절한 보요구 작용을 확인하였는가(보안 중안면보요구,장갑인전회,정강이보요대 등)					
			매조기 날의 안전됐게는 무척되어 있는가?					
			매조기 작업은 오른쪽에서 편쪽명량으로 작업하는가?					
			지하려도 전입 시 2전1조 학업 준수하였는가?					
	지하파트 내부 작업	12	학업 전 안전교육 및 위험요소를 사전 설명하였는가(디끄러링, 이무용, 모리 펌프 착용 시 주의사항 등)					
			배상시 연락 당엽 및 보고 절재·누구에게 어떻게 보고하는지) 사전 설명하였는가?					
	지계차 작업	14	지계자의 제공정지 및 조중정지의 기능은 영요한가?					
		-	지계자의 하여하지 및 유입당지의 기능은 명호한가?				\vdash	
		16	바퀴의 작의에 대로상태는 명표한가?			Н	Н	
			선조동,후의동,양양지시기 및 경보장지(경광동) 기능은 양호한가?	-				

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TBM OH&S log

^{*} Installation of safety locks or warning signage to prevent other personnel from starting machines by mistake during maintenance, cleaning, or repair activities.



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Proactive OH&S Initiatives

OH&S Internalization Training

ILJI TECH provides regular company-wide OH&S training to strengthen safety awareness and improve the preparedness of all employees. In August 2024, all employees participated in a comprehensive training program held at the Big Meeting Room of the R&D Center. The threesession training was organized to accommodate different work schedules, with separate sessions for weekly-shift workers, overnight-shift workers, and managers. The training covered a range of key topics including serious accident response procedures, safety precautions for highrisk tasks, overview of the Occupational Safety and Health Act, fundamentals of risk assessment, and identification of on-site hazards and risks. The program focused on enhancing employees' on-site response capabilities.

To maintain a high level of training operation, the annual training schedule was developed separately for plant and office workers with monthly themes covering occupational safety, industrial health, and emergency response.





OH&S training(HQ/ILJI Beijing)

Internal SHE Auditor Training

To strengthen its OH&S management system and enhance internal audit capabilities, ILJI TECH provides training for auditors in accordance with ISO 14001 and ISO 45001 standards. In 2024, a total of 40 employees participated in the program to acquire auditor certification.



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Task Standardization and Guideline Development

ILJI TECH has standardized high-risk tasks and developed detailed task guidelines for operations requiring special caution, such as those involving hazardous chemicals, fire-producing equipment, potential musculoskeletal risks, and crane operation. These standardized guidelines cover key elements including work procedures, proper use of personal protective equipment (PPE), handling precautions, and risk assessment practices. A total of 26 guidelines have been distributed to all employees and are continuously updated based on feedback from on-site workers to ensure practical relevance and effectiveness.

Digitally Enhanced Safety Control

ILJI TECH integrates digital safety management systems to strengthen workplace safety. To prevent speed-related incidents, we installed digital speed limit signs that display real-time vehicle speeds and applied a speed control function to forklifts. Additionally, forklifts are equipped with Al-powered cameras that automatically detect nearby personnel to prevent collisions. On newly installed production lines, a Human Detection System (HDS) is in place to monitor worker presence in real time and halt operations automatically if workers are detected while equipment is running. We are continuously expanding these digital safety technologies to create a smarter, safer work environment. Going



Implemented speed limits

forward, we remain committed to advancing systems that place worker safety at the core of our operations.



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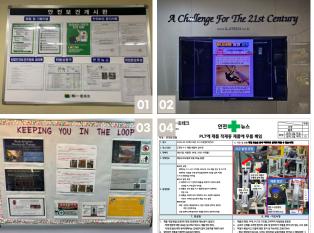
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Proactive OH&S Initiatives

Raising Corporate Awareness through Safety Alerts and Campaigns

ILJI TECH enhances safety communication and raises corporate safety awareness through diverse campaigns and communication channels aimed at strengthening the effectiveness of its OH&S management system. Safety news is regularly and horizontally disseminated across the organization to share the causes of accidents and corresponding countermeasures promptly; thus helping prevent recurrence. Each department collects employee signatures and verifies implementation to track the effectiveness of information sharing. Safety-related materials are also displayed on cafeteria monitors, reinforcing a safety-first mindset and fostering a culture of proactive risk awareness throughout the company.

	Annually	EHS Information	Timing
	Communicated OH&S Items	New and revised laws, regulations, and other relevant requirements	Upon occurrence
		EHS opinions and requests from stakeholders	Upon occurrence
		EHS policy and related requirements(for contractors)	Beginning of each year
		EHS policy(for external stakeholders other than contractors)	Upon request via the company website(available continuously)
		Reviews and actions taken in response to stakeholder requests	Beginning of each year
		EHS management performance outcomes	Beginning of each year
		Material corporate risks(relevant to stakeholders)	Upon occurrence
		Emergency preparedness and response measures	According to emergency response plans



- HQ OH&S bulletin board
- 2 HQ OH&S bulletin board
- 3 ITAC OH&S bulletin board
- Safety news

In addition, we conduct CPR training to equip employees with the ability to respond immediately in the event of a cardiac arrest. Employees who complete hands-on CPR and AED training are designated as Heart Savers and awarded a commemorative badge in recognition of their readiness and commitment.

We also promote voluntary participation in OH&S activities through engaging campaigns such as Bring It On! Safety Golden Bell, Summer Heat Illness Prevention Campaign, and Joint Labor-Management Safety Campaign. These initiatives deepen employees' understanding of safety practices and enhance situational awareness. We encourage employees to take on an active role as key participants in workplace safety through these efforts, laying the groundwork for a strong culture of voluntary safety engagement.







Summer OH&S Campaign









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Proactive OH&S Initiatives

Noise Control

In compliance with Article 125 of the Occupational Safety and Health Act, we regularly measure noise levels within the work environment to manage operational noise effectively. Noise measurements were conducted biannually (in February and November) in 2024, with a hearing conservation program implemented for tasks generating noise levels exceeding 85 dB. Additionally, we are improving the workplace environment by providing earmuffs on-site to protect employees' hearing.

Hearing Conservation Program

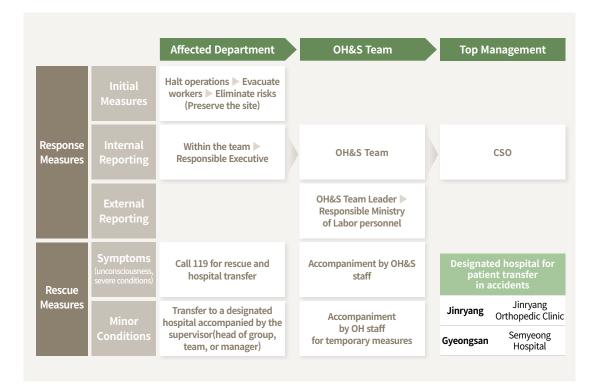
ILJI TECH implements a Hearing Conservation Program to prevent occupational illnesses related to noise exposure and to improve the workplace environment.

We have developed operational guidelines for the program, ensuring compliance under the supervision of the Chief OH&S Officer. Tasks generating noise levels exceeding 85 dB are identified as processes with potential risk of noise-induced hearing loss (NIHL). Workers performing these tasks are required to wear earmuffs to prevent and manage NIHL. Additionally, we monitor employee noise exposure and hearing ability, provide training on noise and hearing management, and instruct the consistent use of earmuffs through a Hearing Conservation Program Evaluation Report.



Advancing the Emergency Response Framework

ILJI TECH has established a comprehensive emergency response system to ensure swift and organized reaction to various emergencies including fires, serious accidents, and medical incidents. Our capabilities are continually enhanced through regular emergency drills. From the moment an incident occurs, we implement predefined procedures such as employee evacuation and risk elimination supported by a robust reporting system between the OH&S Team and the Chief Safety Officer (CSO). We also maintain detailed emergency response scenarios for critical situations like unconsciousness and cardiac arrest. In addition, we provide training on key topics such as health management for high-risk employees, how to use AEDs, and rescue scenario drills to strengthen companywide emergency preparedness. When accidents happen, a transfer system is promptly activated to transport affected individuals to the designated hospitals; thus minimizing the risk of fatalities.







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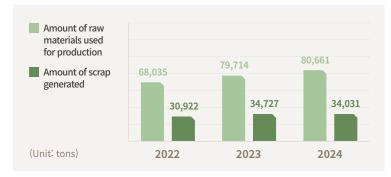
Creating Eco-Friendly Worksites

We have established a company-wide system aimed at minimizing environmental impact by enhancing resource efficiency and reducing the use of harmful materials. Our environmental responsibilities extend throughout our supply chains, encompassing green procurement practices. Building on this, we are committed to creating a sustainable, eco-friendly workplace.

Raw and Auxiliary Material Management

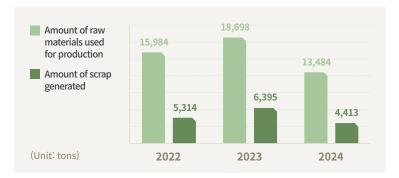
ILJI TECH and ILJI Beijing execute organized plans to manage material use throughout the entire raw material life cycle to reduce excess consumption and promote energy efficiency. We monitor inventory in/out status in real time to maintain optimal stock levels and prevent losses. Additionally, we are enhancing management standards to ensure that materials stored for extended periods retain their quality. Looking ahead, we plan to improve production processes by increasing the ratio of recyclable materials; thus reducing our environmental impact.

Domestic



* Among the scrap materials generated from raw material input for product manufacturing, scrap metal is recycled or reused externally.

ILJI Beijing



Pallet Production and Disposal Management ILJI TECH adopts a sustainable approach to pallet (PLT) production and disposal to promote resource circulation and foster an eco-friendly workplace. To minimize excessive use of disposable resources such as plastic and wood, we manufacture pallets using semi-permanent materials like steel. Discarded pallets are subject to a scrap metal recycling process and reused wherever possible.

We reuse and modify pallets to reduce the need for new materials and enhance resource efficiency across our production processes.



Scrap pallets from discontinued (B/OUT) vehicle models



Discarded scrap pallets



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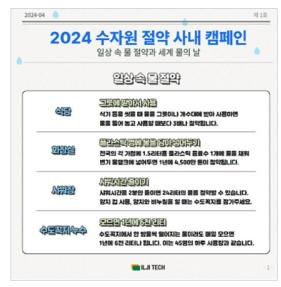
Creating Eco-Friendly Worksites

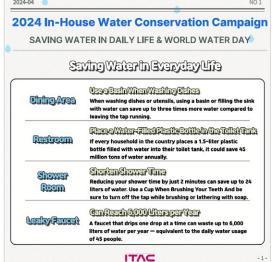
Water Resources Management

We have established a water resource management policy, and we monitor water use across all operations. Although our manufacturing process does not generate wastewater and uses only utility water, we have implemented a wastewater management policy to define our approach to water management clearly.

To promote water reuse and recycling, we have installed cooling towers at all plants; thus significantly increasing our water recirculation rate. We also replace corroded or malfunctioning equipment without delay to prevent unnecessary water loss and ensure efficient water use.

Corporate Water Saving Campaigns ILJI TECH and ITAC have launched a Water Saving Campaign to raise awareness of water conservation and encourage reduced water use both at work and in daily life. Going forward, we will continue to run annual campaigns to highlight the importance of water resources and promote practical water-saving actions.







Hazardous Chemical Management

We manage hazardous chemicals according to established hazardous chemical management standards.

As a vehicle parts producer, we use lubricants, adhesives and cleaning agents. We integrate and manage information on a total of 32 hazardous chemicals according to our Hazardous Chemical Policy and Material Safety Data Sheets (MSDS). Upon receipt and warehousing of hazardous chemicals, we rigorously verify the Raw Material Inspection Report and Certificate of Origin prior to registration and evaluate them accordingly.

(As of June 5, 2025)

Hazardous Chemical Management Status	Component Composition Management Approach and Timing
	Managed substances(21)
35 products	 Substances under special control(2)
55 products	 Special health checkups(15)
82 component	 Work environment measurement(18)
compositions	 Substances with exposure standards(23)
	 Substances with permissible limits(3)

ILJI Beijing operates the management system it has established to protect workers' health and the environment from hazardous chemicals. The company developed the Hazardous Chemical Management Guidelines (I-A07-440) to define clear procedures spanning the entire production value chain from purchase, storage, and use to disposal and leak accident response. These guidelines also specify the roles and responsibilities of the relevant departments.

Specifically, the company obtained MSDS for each chemical, for display at every worksite. Employees are trained on safe handling practices and emergency response procedures to enhance workplace safety. Furthermore, the inventory in/out status of hazardous chemicals is monitored daily, and all hazardous substances are stored in designated areas to prevent accidents.

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Creating Eco-Friendly Worksites

Waste Management

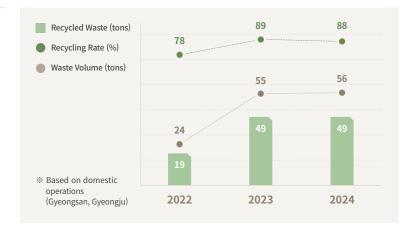
ILJI TECH sets annual waste reduction targets and implements practical measures to achieve them. We maintain monthly management logs to track the quarterly recycling performance and oversee progress effectively. Regular training is provided to waste generators at each plant to ensure proper waste disposal practices, fostering a culture of resource circulation and increase recycling rates. Additionally, we encourage employees to participate in waste reduction efforts by providing personal tumblers and promoting the reuse of office supplies such as paper and IT equipment (e.g., laptops, desktops, printers, and monitors), making sustainable practices easy to adopt in daily life.

ILJI Beijing handles monthly waste through a contractor according to the government of the People's Republic of China's waste management regulations. Each year, the company establishes practical action plans and monitors progress to minimize waste generation. Instead of incinerating waste, the company prioritizes recycling by sorting materials by type and reprocesses the heavy metals generated during production. Meanwhile, ITAC manages waste according to the Waste Management Ordinance enacted in 2024. Through strengthened resource management measures, ITAC has effectively reduced the overall waste volume and associated handling costs. The company promotes the recycling of corrugated cardboard, plastics, and metals for the effective reduction of general and landfilled wastes.

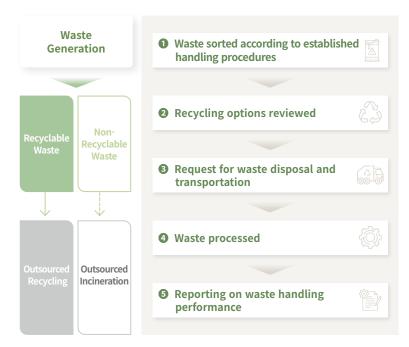
Waste	
Management	
Goals	

ıt	Goals	Performance Indicator	Action Plans			
	Minimizing waste generation	To reduce year-over- year waste generated by	Plan	To analyze the annual waste generation and recycling performance		
			Execution	To increase the ratio of waste recycled and train responsible personnel, reduce the waste volume		
			generated by 10%	Assessment	Monthly and quarterly monitoring of waste volume and recycling rate	
				Improvements	To manage the use of waste oil sludge and conduct follow-up measures to reduce waste	

Recycling Status of Designated Waste



Waste Handling Process ILJI TECH and ILJI Beijing take a structured approach to waste management following an established handling process. Recyclable waste is processed for recycling, with contracted service providers incinerating non-recyclable waste. Both companies monitor waste management activities using internal weighing logs.







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Creating Eco-Friendly Worksites

Air Pollutant Management

Although ILJI TECH does not have facilities that produce air pollutants, it conducts independent inspections on processes that generate air pollutants in keeping with its commitment to creating green workplaces.

ILJI Beijing is establishing a multifaceted management framework to minimize environment impact caused by air pollutants. Key measures include reducing emissions by operating a total of 10 dust collectors, several of which are equipped with activated carbon filters that adsorb and eliminate hazardous substances such as volatile organic compounds(VOCs).

Additionally, the emission concentrations of air pollutants are monitored regularly—at least once every three months—with the results consistently maintained within Beijing's atmospheric standards. Furthermore, the company operates eco-friendly vehicles meeting China's Grade 5 (diesel engine emission standards, which are comparable to Euro 5) standards or higher. Emission levels from these vehicles are continuously monitored to ensure stable compliance with Beijing's environmental regulations.

Cleanup Activity

ILJI TECH employees engage in "jubging," a cleanup activity that combines jogging with trash collection. In the first half of the year, employees cleaned the bicycle path in Namcheon-dong, Gyeongsan City. During the second half, Gyeongju Plant employees took part in monitoring cultural heritage sites while collecting trash along a route spanning Woljeonggyo Bridge, Hyanggyo, Cheomseongdae Observatory, and Hwangridan-gil Street. Moving on, we plan to operate employee engagement programs regularly to promote practical actions and help save the planet.



Jubging Campaign

Biodiversity Management

The major worksites of ILJI TECH are neither located within nor directly adjacent to conservation areas or habitats of protected species. Nonetheless, we conduct regular monitoring of local wildlife and actively promote awareness of ecosystem protection to ensure that our facility operations do not pose threats to biodiversity in accordance with the principles of the Convention on Biological Diversity(CBD).

Introducing Green Procurement Policies

In 2024, we introduced a Green Procurement Policy to encourage the purchase and use of environment-friendly products. By 2030, we aim to increase the percentage of green product purchases by 5% compared to 2023. To achieve this, we prioritize procuring products that carry recognized environmental certifications including the Eco-Label, Excellent Recycled Product Certification, Energy Saving Label, Grade 1 Energy Efficiency Rating, Carbon Footprint Certification, and Forest Stewardship Council (FSC) Certification.

Green Procurement Measures The company must strive to conserve resources, encourage practical actions, and prioritize the procurement of products that carry recognized environmental certifications including the Eco-Label, Recycled Product Certification, Energy Saving Label, and Waste Reduction Product Label.

The company must identify and adopt eco-friendly products to expand green procurement, thereby conserving the environment and natural resources. It should also continue taking corrective actions to minimize environmental impact, contribute to global sustainability efforts, and fulfill its social responsibilities.

The company must strive to adopt green procurement practices and incorporate eco-friendliness and sustainability throughout all business activities from procurement of raw materials and production process to operations, distribution, and waste management.

The company must strive to adopt green procurement practices across all purchasing activities of primary business operations, not only for raw materials but also consumables including facility fixtures and equipment.







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Climate Action Background

Climate change is driving fundamental transformations across the corporate landscape, making the achievement of carbon neutrality and reduction of greenhouse gas emissions critical global imperatives that demand regulatory action. With the enactment of the Framework Act on Carbon Neutrality and the introduction of mandatory ESG disclosures, companies are now required to minimize their environmental impact throughout the entire life cycle of their products and services and to manage emissions across the entire value chain comprehensively. In particular, advancing the energy transition, developing ecofriendly technologies, and ensuring transparent disclosure have become essential priorities to mitigate climate-related risks and build stakeholder trust.

Management Approach Recognizing that climate change has a significant impact on corporate sustainability and long-term competitiveness, ILJI TECH intends to incorporate it as an essential element in business strategy. We have established an environmental management system (EMS) that analyzes climate risks systematically and converts them into manageable strategies. Additionally, we have developed a mid- to long-term roadmap to achieve carbon neutrality and secure execution capabilities. Moreover, we strive for balanced growth between environmental stewardship and business performance by setting company-wide reduction targets, strengthening our governance framework, and expanding collaboration with key stakeholders. Going forward, we will continue to enhance corporate sustainability through proactive climate action and forward-looking management while fulfilling our social responsibilities.

Key Performance

Established **GHG reduction plans**

Conducted

third-party verification of GHG emissions

Renewable energy generated annually

314,457_{KWh}





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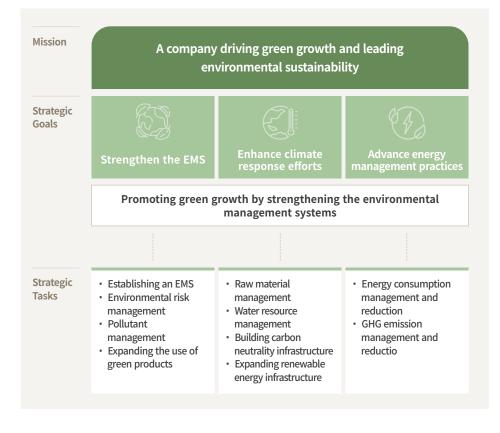


Climate Action Initiatives

ILJI TECH recognizes climate change as a critical factor in business management according to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. In line with this, we have developed a systematic environmental management system (EMS) and a carbon neutrality roadmap. Looking ahead, we plan to achieve sustainable management by pursuing our emissions reduction goals and collaboration with key stakeholders.

Environmental Management System

We have set three strategic goals and detailed initiatives to pursue green growth by strengthening the EMS, enhancing climate response, and advancing energy management practices. Notably, we are managing energy use and reducing GHG emissions as part of our commitment to addressing climate change.



Climate Action Governance

We have established an ESG governance framework to enhance climate change awareness and set company-wide response targets and strategies. To ensure effective operation, we have clearly defined the roles and responsibilities of key entities including the ESG Committee, the CEO, the ESG Management Team (HR & General Affairs Team), and the ESG Working Group.

ESG Committee

The committee reviews major investment, budgeting, and management plans, having been entrusted with the authority and responsibility over general affairs including investment execution and capital procurement. It serves as the highest decision-making body for overall management operations. The committee regularly inspects the implementation status of climate response measures and ensures transparent disclosure to stakeholders.

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CEO

The CEO reviews and approves climate-related policies and investments for strategic decision making and establishment of investment directions. The CEO also reports major climate issues to the Board.

ESG Management Team (HR & General Affairs Team)

The team formulates strategies to manage the impact of climate-related risks and minimize exposure. They also monitor the company's response status to ensure effective implementation.

ESG Working Group

The group executes detailed climate response plans through collaboration and responds to calls by stakeholders such as investors and customers and regulatory bodies.



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Strategy

ILJI TECH continuously monitors the actual and potential impacts of risks and opportunities posed by climate change on its business strategies and financial plans. These risks and opportunities are analyzed according to the risk and opportunity identification process, based on which we develop actionable response strategies tailored to key focus areas. A materiality assessment is conducted annually to evaluate how climate change affects the company internally and externally in the short, medium, and long terms, guiding the formulation of our business response strategy to climate change.

Risks	
Physical Risks Transition Risks	 Opportunities
 Acute(e.g., heat wave, heavy rain) Chronic(e.g., changes in temperature and precipitation levels) Policies and laws Technology Market Reputation 	Resource efficiencyEnergy resourcesProducts & servicesMarketResilience
Identify risks and opportunities impacti	ing the business
Analyze climate scenario	S
Evaluate financial impact	:s
 Cash flow statement, income statement (profit, e Financial statement (assets, liabilities, equity, ca 	•
Formulate response strateg	gies



Create a pool of climate change risks and opportunities

- Analyze TCFD, CDP, major climate-related issues of customers, and industry trend
- · Analyze physical, transition risks and opportunities



Materiality assessment on climate change

- Detailed analysis of risks and opportunities
- Analyze and evaluate risk impact/probability and opportunity feasibility



Identify key risks and opportunities

• Identify major items (core issues) that can affect managerial goals, financial performance, and operational activities



Devise climate strategies

- · Devise response strategies for each risk
- Devise strategies for each opportunity



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Result of Climate-Related Risk and Opportunity Identification

We create a pool of climate-related risks and opportunities after analyzing the TCFD and CDP frameworks, major customer climate issues, and industry trends. We then identify risks and opportunities in key focus areas by assessing their likelihood, potential scale, and scope as well as the company's resilience. This is followed by a priority assessment of their impact and likelihood considering our business strategy, market trends, and competitiveness. This helps determine how these risks and opportunities could affect our key worksites and value chain. As a result, we identified a total of 14 risks and opportunities (3 physical risks, 6 transition risks, and 5 opportunities) with the greatest potential impact and likelihood.

Need to reinforce accident prevention measures as productivity decreases during heat waves due to change in working environment for the long term, it may reduce productivity as it takes time for working environment for the long term, it may reduce productivity as it takes time for working to adjust the change changes the working environment for the long term, it may reduce productivity as it takes time for workings to adjust of working environment for the long term, it may reduce productivity as it takes time for workings to adjust of working environment for the long term, it may reduce productivity as it takes time for workings to adjust the production for long term, it may reduce productivity as it takes time for workings to adjust the production for the long term, it may reduce productivity as it takes time for working to the increase in average temperature. Policial production of carbon reduction technologies of a production for adjust to the company average temperature. It was the production of carbon reduction technology in pursuit of carbon neutrality goals entails initial investment costs, operations. Policial production of carbon reduction technologies or adjust to low-carbon technology in pursuit of carbon neutrality goals entails initial investment costs, operations. Policial production of carbon reduction technology or pursuit of carbon neutrality goals entails initial investment costs, operations. Policial production of carbon reduction of carbon reduction technology in pursuit of carbon neutrality goal production and international demands for ESG disclosure. It be transported to company the pursuit of carbon neutrality and international demands for ESG disclosure. It is establishing an ESG management system, drafting reports, and conducting a third-party assessment international demands for ESG disclosure. It is establishing an ESG management system, drafting reports, and conducting a third-party assessment international demands for ESG disclosure. It is establishing an ESG managemen	Risk	Туре	Key Risks	Basis for Selection as Key Risk	Connection to Value Chain
Risks Chronic Chronic Rising plant operational costs driven by the increasing average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy use increase due to the increase in average temperature Air conditioning costs and energy		Acute	Operation and Production Disruption Due to Heat Waves		All
Resource	•	Chronic	Decrease in labor productivity due to climate change		All
Transition Risks Policies and laws Frechnology For the policies and laws For some greater financial burden on the company Policies and laws For some greater financial burden on the company For salture to deploy emerging technologies in line with the evolving EV industry may reduce market share compared to international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs due to domestic and international demands for ESG disclosure For size in management costs to remain compliant with domestic ESG regulations For size in management costs to remain compliant with domestic ESG regulations For size in management costs to remain compliant with domestic ESG regulations For size in management costs to remain constitution costs to remain compliant with domestic ESG regulations For size in expension expension entitles by enternating port of the production process including highly efficient and low-carbon facilities will lower operations For size in expension of the production process including highly efficient and low-car		Chronic		Rising maintenance costs due to overheating of production facilities	Operations
Policies and laws lincraese in management costs due to domestic and international demands for ESG disclosure 'Establishing an ESG management system, drafting reports, and conducting a third-party assessment international demands for ESG disclosure 'Establishing an ESG management system, drafting reports, and conducting a third-party assessment international demands for ESG disclosure 'Establishing an ESG management system, drafting reports, and conducting a third-party assessment operations Policies and laws Cost burden from the mandatory use of renewable energy 'Establishing an ESG management system, drafting reports, and conducting a third-party assessment of the policies and international demands for ESG disclosure 'Establishing an ESG management system, drafting reports, and conducting a third-party assessment operations control to the policies and international demands for ESG disclosure 'Establishing an ESG management system, drafting reports, and conducting a third-party assessment 'Sie in the policy and RELOO 'Deprations control to the policy of the production of renewable energy obligations and achieve carbon neutrality and RELOO 'If competitors adout grain and preparations and decisions, such may damage the company's reputation and lead to loss of market share for ILJI TECH's operations and decisions, such may damage the company's reputation and lead to loss of trust among external stakeholders—including customers and investors—due to their negative edge; thus potentially leading to loss of market share for ILJI TECH's operations and decisions, such may damage the company's reputation and lead to loss of trust among external stakeholders—including customers and investors—due to their negative perceptions Risk Type Basis for Selection as Key Risk Connection to Value Chain Upstream Operations Upstream Operations Upstream Operations Operations Operations desired ficiency of the production and distribution process including highly efficient and low-carbon facilities will lower operations of renew		Technology	Delayed introduction of carbon reduction technologies		Operations
Transition Risks Policies and laws Power laws Policies and policies and laws Policie		Technology	Lack of EV parts technology		Upstream Operations
Policies and laws Policies and laws Cost burden from the mandatory use of renewable energy	Transition				Operations
Reputation Risk Type Basis for Selection as Key Risk Connection to Value Chain Connection to Value Chain Peritoric Resource Refficiency Resource Refficiency Resource Refficiency Resource Refficiency Resources Resource			, and the second		Operations
Risk Type Resource efficiency process Enhanced efficiency process Use of renewable energy resources Products & services Market Increased access to new markets Increase in annual renewable energy gaining competitive advantage through the reduction of carbon emissions from production expansion to new markets by developing components, following advancements in EVs and hydrogen vehicles Increased access to new markets Identification of new business opportunities by entering the green part market and gradual business expansion Downstream All Positions Provided the reduction of the production of the prod		Market			Operations
Resource efficiency		Reputation		and lead to loss of trust among external stakeholders—including customers and investors—due to their negative	Operations
efficiency process costs and carbon emissions Energy resources Use of renewable energy Operations	Risk	Туре		Basis for Selection as Key Risk	Connection to Value Chain
Products & services Diversifying business activities Market Diversifying business activities Products & services Diversifying business activities Lincrease in revenues by gaining competitive advantage through the reduction of carbon emissions from production Expansion to new markets by developing components, following advancements in EVs and hydrogen vehicles Market Diversifying business activities Lincrease in revenues by gaining competitive advantage through the reduction of carbon emissions from production Expansion to new markets by developing components, following advancements in EVs and hydrogen vehicles Downstream Downstream Pesilience Evolving business models Climate action and swift adaptation to climate change by establishing a risk control process including response			, ,		Upstream Operations
Services Diversitying business activities Expansion to new markets by developing components, following advancements in EVs and hydrogen vehicles Market Increased access to new markets Identification of new business opportunities by entering the green part market and gradual business expansion Downstream Climate action and swift adaptation to climate change by establishing a risk control process including response			Use of renewable energy		Operations
Peciliance Evolving husiness models • Climate action and swift adaptation to climate change by establishing a risk control process including response	Opportunities		Diversifying business activities		Upstream
		Market	Increased access to new markets	Identification of new business opportunities by entering the green part market and gradual business expansion	Downstream
		Resilience	Evolving business models		All



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Response Strategy

ILJI TECH identified and assessed the potential impacts of key climate change risks and opportunities—as compiled in its risk and opportunity pool—on operational goals, financial performance, and business activities. Based on this assessment, we established tailored response strategies for each element. We categorize similar risks and opportunities to formulate feasible and coherent strategies, developing short-, medium-, and long-term improvement measures accordingly. Additionally, we design technology adoption and facility investment plans to manage risks continuously and capitalize on practical opportunities. We are committed to disclosing our response strategies and progress transparently to stakeholders.

Risks Opportunities					
Risks and Opportunities	Response Strategy Tailored to Each Element				
Increase in management costs due to domestic and international demands for ESG disclosure Growing concerns and negative feedback from partners and stakeholders	Internalize the ESG management system	Short-term			
Lack of EV parts technology How the swift deployment of green technologies by competitors affects our market share	Secure core technologies for future mobility	Mid-term			
Delayed adoption of carbon-reduction technologies Cost burden from the mandatory use of renewable energy Enhanced efficiency of the production and distribution process	Set up a GHG reduction roadmap	Short-, medium-, and long-term			
Diversifying business activities Use of renewable energy Evolving business models	Leverage climate change transition opportunities	Mid-term			
 Operation and Production Disruption Due to Heat Waves Decrease in labor productivity due to climate change Rising plant operational costs driven by the increasing average temperature and climate change 	Establish a risk control and monitoring framework	Short-term			



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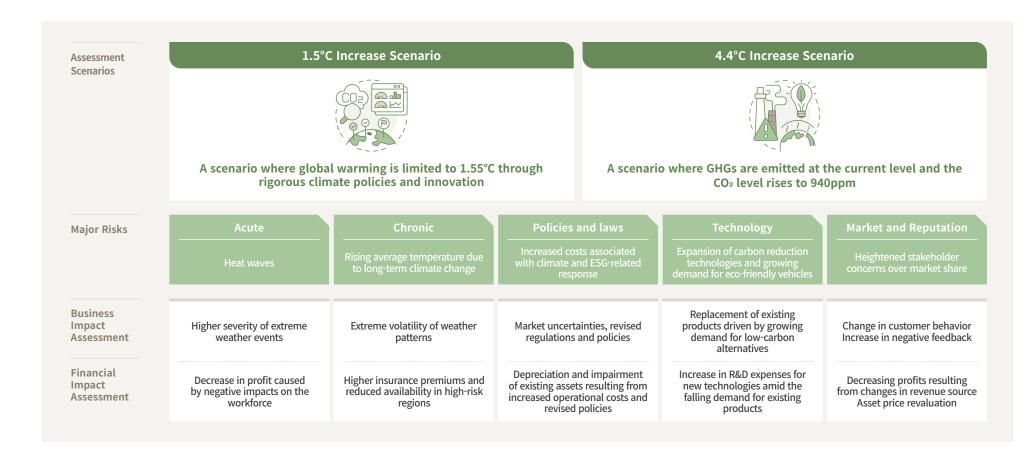


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Risk Management

ILJI TECH identifies and examines climate-related risks and opportunities through scenario analysis. We categorize climate risks into physical risks and transition risks by identifying their sources and analyze how each major risk type poses the greatest threat at specific stages of the value chain. Based on this analysis, we established tailored management and response measures. In the future, we plan to manage them in an organized manner by prioritizing them according to these measures. For the analysis, we divided scenarios into two possible outcomes: One where climate policies and technological advancements succeed; and the other where such efforts fail, resulting in a sharp increase in physical risks.

To ensure the accuracy of the scenario analysis, we made comprehensive assumptions across a wide range of variables: technological progress at varying speeds and costs in areas such as energy, eco-friendly vehicles, and carbon capture; regional differences in economic conditions, climate, and policies affecting our operations and supply chain; and timing of impacts over the short, medium, and long terms.



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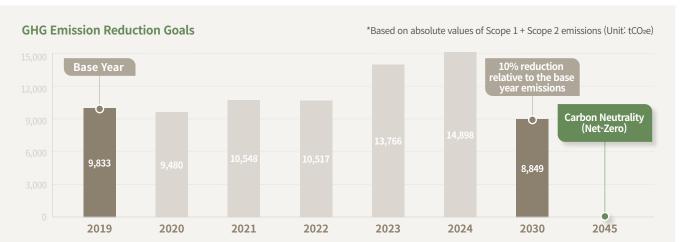
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Metrics & Targets

Climate change-related information involves non-financial factors, making qualitative measurement challenging. However, establishing measurable metrics and implementing systematic management are essential in accurately identifying and managing these issues. In line with its commitment to supporting the transition to a carbon-neutral society proactively, ILJI TECH systematically manages key climate-related metrics including GHG emissions. We also ensure transparent disclosure of our performance and target achievement level.

Establishment of Roadmap to Carbon Neutrality 2045





ILJI TECH is implementing the net-zero targets that it has established, including reduction plans that align with the 2024 Carbon Neutrality Roadmap. We are targeting a "10% reduction of GHG emissions by 2030 compared to the 2019 levels" as part of our commitment to combating climate change and advancing into a low-carbon society.

To reach carbon neutrality by 2045, we will pursue energy transition, improve energy efficiency, shift to green energy sources, and drive innovation across our operations.

2019-30 ✓ Establish a GHG management system

- ✓ Expand renewable energy consumption
- √ Recycle raw materials and waste
- √ Transition to eco-friendly vehicles
- √ Manage energy efficiency
- ✓ Manage and expand product life cycle assessment(LCA) practices
- ✓ Increase green procurement practices
- √ Replace facilities and machinery in plants





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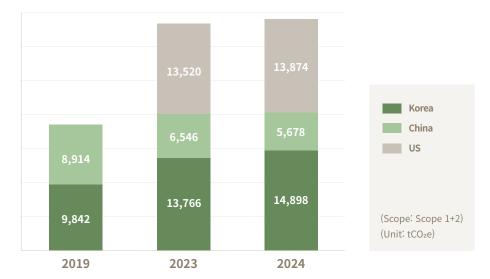




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Third-Party Assessment of GHG Emissions

Viewing GHG emissions management as the starting point of our climate change response, we completed third-party assessment of our GHG emissions for the years 2019, 2023, and 2024. Based on these verified results, we have established phased reduction targets aligned with our carbon neutrality roadmap using the verification data as our base year. Going forward, we plan to conduct verification for our 2022 performance and continue pursuing systematic emissions reductions grounded in qualitative data.



Year	Korea		China	US	Tatal	Sales	GHG Emissions Intensity
fear	Gyeongsan HQ	Gyeongju Plant	(ILJI Beijing)	(ITAC)	Total	(KRW 100 million)	(tCO ₂ e/KRW 100 million)
2019	6,156	3,677	8,914	-	18,747	1,911	9.81
2023	5,991	7,775	6,546	13,520	33,831	3,588	9.43
2024	5,991	8,907	5,678	13,874	34,450	3,228	10.67

^{*} Revised the domestic GHG value for 2023 (Changed the inventory calculation method through third-party assessment from the method using in-house inventory)

Reduction of GHG Emissions

ILJI TECH is actively reducing GHG emissions across its worksites in Korea, China (ILJI Beijing), and US (ITAC Alabama) as part of its ongoing efforts to manage and lower emissions.

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Moving forward, we plan to reduce GHG emissions further by implementing a wide range of measures tailored to the specific working environments of each operation. These efforts include solar power generation, replacement of lighting with LEDs, introduction of interval compressors, and upgrading of coolant pumps in cooling towers.

GHG	
Reduction	
Plans	

	Worksites	Reduction Approach	Description
		Solar power generation (transition	 Deployed solar panels to reduce GHG emissions from purchasing electricity from external suppliers (KEPCO) Realized energy independence through the self-consumption of renewable energy
	Domestic	Replaced compressors at each plant	 Reduced power consumption by activating compressors tailored to the varying demand for compressed air
		Replaced plant lighting with LEDs	 Replaced AC 150W LEDs with more efficient DC 150W LEDs to reduce power consumption
	US (ITAC)	Replaced plant lighting with LEDs	 Replaced fluorescent lighting (32W) with more efficient DC 18W LEDs to reduce power consumption
		Replaced, deactivated,	 Disposed of one existing obsolete compressor and installed a new inverter compressor Reduced power consumption by activating compressors tailored to the varying demand for compressed air

^{*} US-based operations ITAC began business in 2023



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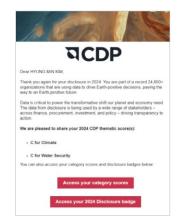


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Participation in the Carbon Disclosure Project

ILJI TECH participates in the Carbon Disclosure Project's (CDP) Supply Chain Program, which discloses corporate environmental data to support informed decision making by its shareholders and investors. In 2024, we received a C rating for climate change and water-related risks. This rating is average among companies globally and within the manufacturing sector, reflecting our awareness of the challenges posed by climate change.

We will continue to analyze climate change scenarios following the TCFD recommendations, conduct risk assessments, develop strategies for transparent carbon data disclosure, and pursue carbon reduction initiatives actively.



Winning the Contract for the Carbon Reduction Support Project

ILJI TECH won the bid for the Carbon Reduction Facility Funding Project aimed at advancing the automotive industry's progress toward carbon neutrality, hosted by the Foundation of Korea Automotive Parts Industry Promotion (KAP). As a result, we received interval-type air compressors that help improve energy efficiency.

Pilot Use of the Life cycle Environmental Impact Assessment Platform

We conducted a trial run of the Life Cycle Assessment (LCA) Platform in a bid to enhance our life cycle-based environmental impact management, and we are working to internalize carbon emission calculation capabilities at the component level. From 2023 to 2025, we provided training on the fundamentals of LCA to our business partners and helped establish a shared understanding of the concept. Beginning 2025, we plan to develop an internal implementation system using the LCA Platform to strengthen our corporate ESG capabilities. These efforts will include integrated database management, evaluation coefficient mapping, and report publication.

From 2026 onward, we plan to link the platform with our SAP system to complete an autonomous LCA operating system capable of responding promptly to customer requests.

R&D on Eco-Friendly Innovations

We are developing components for eco-friendly vehicles by participating in government-supported initiatives and conducting dedicated R&D. We have also carried out R&D on vibration damping materials (VDM) that reduce unnecessary vibrations generated in vehicles. To ensure compliance with the Restriction of Hazardous Substances (RoHS) guidelines, we validated our eco-friendly VDM for safety to both the environment and human health. Additionally, the material offers advantages such as being lightweight, high-performance, and highly adhesive. Looking ahead, we plan to develop components using eco-friendly materials and strive to gain recognition for their superior product performance.

Transition to Eco-Friendly Forklifts

In 2024, we upgraded forklift batteries at our Gyeongsan and Gyeongju plants from lead-acid to lithium-ion batteries; thus enhancing energy efficiency and reducing carbon emissions.







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Replacing forklift batteries with eco-friendly lithium-ion batteries





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Climate Action Initiatives

Introducing Renewable Energy

Since 2023, ILJI TECH has been working to reduce GHG emissions by increasing renewable energy consumption. As part of this effort, we have installed solar panels at our Gyeongsan headquarters and Gyeongju plant. We are also generating revenue by selling electricity produced from these solar panels, along with renewable energy certificates (RECs). Moving forward, we plan to install additional solar panels and enhance our inhouse power generation capacity further.

Category	Worksites	Capacity	Installation Area	Annual Power Generation
	Gyeongsan Plant 1(HQ)	289.44kwp	2,800 m²	325,520KWh
	Gyeongju Plant 1	652.46kwp	3,727m²	787,137KWh
Solar Panel Installation on	Gyeongju Plant 2	324kwp	1,563m²	396,994KWh
the Roof	Gyeongju Plant 3	238kwp	1,146m²	298,182KWh
	Gyeongju Plant 4	1,499kwp	7,084m²	1,965,637KWh
	Total Annual	Power Gene	ration	3,773,470KWh





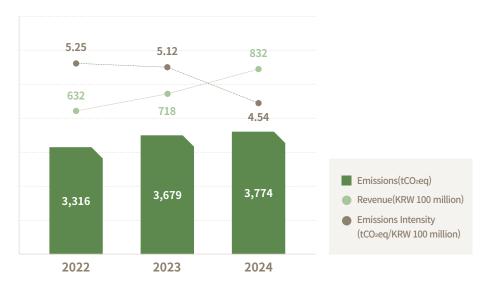
Solar panels in Gyeongsan(HQ)

Solar panels in Gyeongju

Carbon Emission Control for Partner Companies

We continuously monitor the carbon emissions status of our supply chain contractors. In 2024, we conducted a survey of the two-year GHG emissions from 11 major contractors and found that emissions increased 3% compared to the previous year. Such increase was attributable to higher power and fossil fuel consumption, driven by increased sales and production volumes.

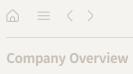
Going forward, we will expand our contractor management scope to include carbon emission data and analysis of causes behind data fluctuations for more effective emissions monitoring.



Category	Unit	2022	2023	2024
Emissions Volume	tCO2eq	3,316	3,679	3,774
Sales	KRW 100 million	632	718	832
Emissions Intensity	tCO₂eq/KRW 100 million	5.25	5.12	4.54

^{*} Values revised due to error in the 2022 revenues





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Climate Action Initiatives

Key Energy-Saving Activities

Category	Worksites	Description	Expected Effects
Operation of variable-speed drive(VSD) compressors		VSD compressors adjust RPM using internal inverters to supply an adequate amount of air and reduce power consumption	Expected to cut power use by 20.56%
•		Reduces power consumption and carbon emissions using VSD compressors	
Transition to lithium-ion electric forklifts		• Higher energy efficiency and reduction of carbon emissions by transitioning to lithium-ion electric forklifts	
Upgrading to LED lighting	All sites	 Replacement of plant lighting with highly efficient LEDs LED lights effectively reduce maintenance costs due to their long lifespan and high efficiency More advantageous in achieving brightness levels that comply with safety and quality standards 	Expected to reduce power consumption by 40% over mercury lights
Centrally controlled HVAC system using IT		 Minimal energy wastage, reduced carbon emissions Improves flexibility and responsiveness through a remote-controlled system 	
		 Efficient power use and reduction in expenses Reduces energy consumption and carbon emissions	Expected to save KRW 257,602,000 annually
Shifting the commercial vehicle fleet to green vehicles	Gyeongsan HQ	 Enhances energy efficiency and reduces carbon emissions Reduces operational costs and creates an eco-friendly corporate image(IONIQ5 and EV9) 	
Improving the energy efficiency of building windows		 The solar heat absorbed through building windows increases cooling load and power consumption. Although we have double-glazed windows, cooling energy loss still occurs. Installed high-performance heat-blocking film on lobby windows to reduce energy use and carbon emissions. 	Saves approx. 124.8 kWh of energy annually
Increase energy savings in restrooms	ITAC (US)	Timer switches were installed in restrooms to turn off lights automatically when not in use	Annual energy savings: Approx. 9,928 kWh
Switching to green vehicles from the commercial vehicle fleet		Purchased 18 hybrid vehicles to reduce energy within the commercial vehicle fleet	















Conversion into green vehicles

Centrally controlled HVAC system using IT

ILJI TECH (Gyeongsan) ESS

ILJI TECH (Gyeongju) ESS

Replaced plant lighting with LEDs





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Talent Management Background

For companies to adapt to rapidly evolving global trends and technologies, fostering talent is essential. Globally recognized ESG guidelines increasingly emphasize the importance of personnel management and require the transparent disclosure of related data. Accordingly, companies are expected to attract talent and provide benefits systems that consider not only the organizational culture but also employees' living conditions outside of work.

Management Approach ILJI TECH runs talent development program that reflects employees' needs to attract and nurture talent. We have also established a direction for our organizational culture that emphasizes fair performance appraisals and rewards for hard work across various activities. Moving forward, we will strive to help employees adapt to the changing management environment and evolving work methods.

Key Performance

Established

four key directions for our organizational culture

Improved our HR system

Won the Grand Prize

at the 27th Gyeongsangbuk-do Industrial Peace Awards





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ILJI TECH

Talent Management Framework

ILJI TECH is a company that works with aspiring talent—individuals who are driven to take on global challenges, take initiative with creativity, and demonstrate strong teamwork. We hire talent through a fair, transparent process to gain a competitive advantage in the global market, and we operate a training system to enhance individual capabilities.

Ideal Talent Profile

ILJI TECH practices consistent talent management by recruiting and developing individuals who embody three core qualities: global business mindset; creative approach to challenges; and organizational commitment.



Talent Management Policy

At ILJI TECH, our talent management is built on three core pillars: fair and reasonable HR practices; performance and competency-based management; and development of creative experts. These principles are embedded throughout our personnel system, from recruitment and development to performance evaluation and rewards.

Fair and reasonable HR practices

Performance and competency-based HR practices

Development of creative experts

ILJI TECH Recruitment System

We recruit new hires under a structured recruitment system to secure a competitive workforce. Our professional recruitment system evaluates both personal competencies and job suitability for office and production roles alike.

Document screening

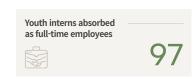
Al-based competency assessment (performance and competency, job suitability)

Al-based competency Final interview (organizational adaptability, work competency)

Securing Diversity and Fairness in Recruitment

We adhere to fair and equitable hiring practices in accordance with the Fair Hiring Procedure Act, prohibiting all forms of discrimination based on disability, gender, religion, or other personal attributes. For individuals with disabilities, we go beyond the government-mandated hiring standards by actively maintaining inclusive recruitment policies.

We also ensure that women face no discrimination in terms of wages or job positions and provide a maternity protection system such as maternal leave and women-only facilities.



(Cumulative total in 2022-2024)





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Talent Management Framework

Performance Appraisal System

ILJI TECH has a performance appraisal system based on performance, ensuring fair and objective evaluations for all employees. We assess both organizational and individual performance against set targets through mid-term evaluations and provide constructive feedback to support continuous employee growth. Different appraisal items are applied across position levels—from entry-level staff to executives—ensuring that all employees develop the capabilities required for their respective roles(i.e., leadership, core competencies, and collaboration skills).

Direction of the Performance Management System

Enhanced leadership

- Increase the responsibility of leaders to drive performance output and motivate teams
- Strengthen the team leader's authority in the evaluation process for the effective fulfillment of roles and responsibilities

Performance Indicator Units- Enhance Individual Linkage

- Improve the top-down alignment of performance indicators to ensure a clear cascade from organization goals to unit objectives and down to individual targets
- Manage unit-specific KPI pools by individual unit—including the HQ and teams—to promote structured performance management

Raise awareness of fairness by leveraging the HR system

- Raise awareness of fair appraisals by improving the promotion system
- Induce fair appraisal by applying different annual salary increase rates based on performance outcomes

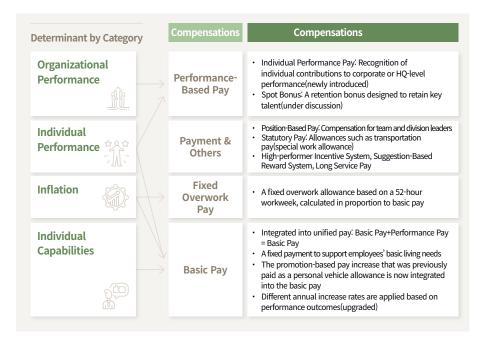
Performance Appraisal Process Set organizational and individual targets

Mid-term evaluation Performance evaluations

Feedback

Reasonable Payment System

ILJI TECH has a payment system linked to employee performance evaluation results, encompassing both basic pay and performance bonuses. We improve the payment system continuously to ensure that compensation is determined fairly based on both organizational and individual performance. Basic pay is adjusted depending on the result of the annual appraisal, with performance-based bonuses provided to motivate employees and reinforce a performance-driven culture.



Living Wage Analysis and Inspection

ILJI TECH conducts regular analyses of employees in domestic operations to ensure compliance with the designated living wage standards for each year. In 2024, we adopted the Typical Family Methodology from WageIndicator's five available approaches to collect and assess living wage information for Gyeongsangbuk-do. As a result, 0% of employees were found to fall below the living wage threshold; thus confirming full compliance with the standard.



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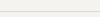
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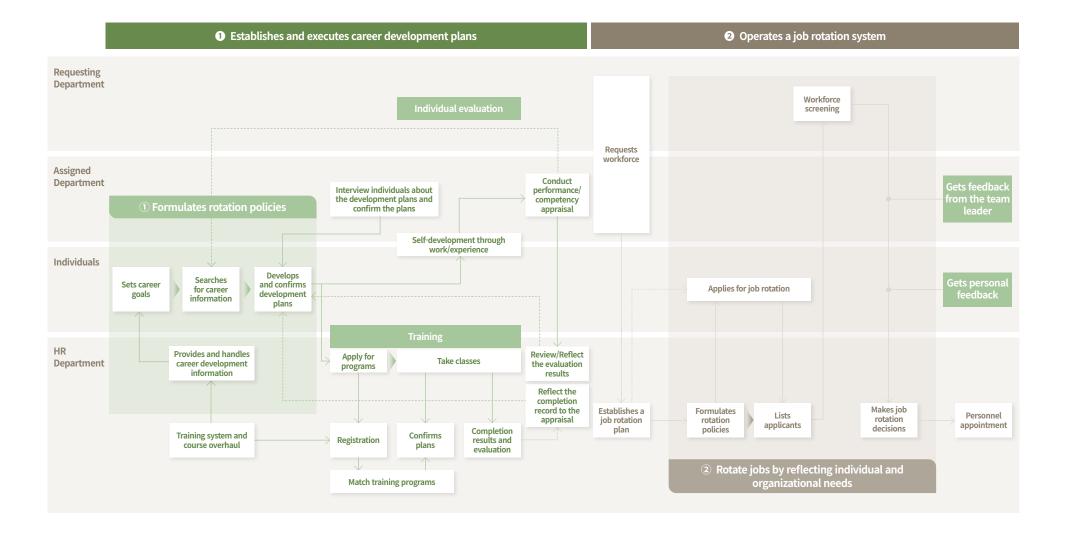


Talent Management Framework

Career Development Path

ILJI TECH fosters talent development under the structured Career Development Path(CDP). We set up CDPs by duty(bottom-up) and by position(top-down) to identify individual career goals and capabilities. We then support individual career development through tailored training programs.

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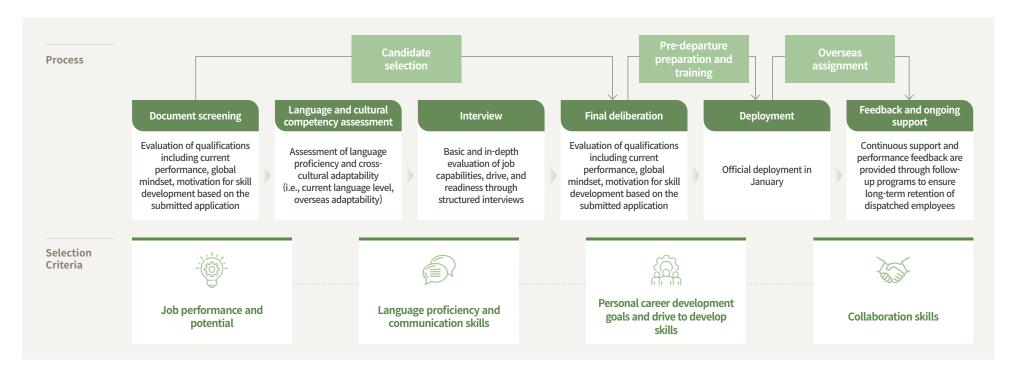
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Talent Management Framework

Career Development of Dispatched Employees

Following business expansion to the US and China, ILJI TECH operates the comprehensive career development system it has established for employees dispatched overseas. When selecting candidates, we evaluate applicants based on their international business competencies, motivation to develop skills, and current capabilities, followed by a thorough interview process. We provide ongoing support for dispatched employees even after relocation, monitoring their adaptation and offering feedback on capability development through regular performance evaluations. By continuously managing CDPs, we are expanding our pool of outstanding global talent.



Job Rotation System

ILJI TECH fosters a virtuous cycle of talent development through strategic talent rotation, taking into account both individual competencies and department-level workforce management. This way, we provide diverse opportunities to employees, empowering them to reach their full potential.

Strategic Rotation	A key talent development system that provides employees with experience in relevant roles from a corporate strategy perspective.	
Job Posting A job rotation system developed to flexibly address temporary labor shortage issues.		
Needs-Based Job Rotation Program A job rotation system designed to address personal circumstances rather than career develop		



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Talent Management Framework

Fostering Talent

Training

Framework

We develop and implement an annual training framework designed to help employees enhance their job skills, leadership abilities, and global competencies considering their specific duties and positions.

Category	Sub-category	Programs	Eligibility	Frequency
	Onboarding training	OJT	Entry-level employees	Quarterly
		Group safety training	Office staff	Semiannuall
		Regular OH&S training	- Office/Production staff	Semiannuall
	Statutory training	Sexual harassment prevention		
		Improving perceptions of people with disabilities		Annually
Mandatory		Data privacy		
	GPC training	Transparency & ethics training	Technology Research Institute/Quality Division/Technical Sales Team	Semiannuall
		Group training	Office staff	Annually
		ESG training		
	Competency training	Job training		15 hours
		Leadership training	Division heads/ Department heads/Team leaders	Annually
Optional	Foreign language training	AI English training	50 people	Continuously
training	Liberal arts training	Guest lectures	Interested employees	Semiannuall

AI & Big Data Expert Development ILJI TECH collaborates with Kyungpook National University (KNU) to cultivate promising talent in the rapidly evolving automotive parts industry, where cutting-edge technologies such as AI and big data are driving innovation. Through the fully government-funded initiative K-Digital Training program, we provide education for KNU students who aspire to join ILJI TECH after graduation. The K-Digital Training program features a university-led academy providing a comprehensive six-month theoretical training focused on AI and big data analysis. The program combines this with practical hands-on training, including lectures from industry professionals and tour of factory lines. We integrate this program into our recruitment process, enabling qualified participants to transition directly to ILJI TECH upon completion.

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Expatriate Career Development With the expansion of international operations, ILJI TECH operates an expatriate career development system designed to cultivate international talent. Notably, expatriates can create three or more CDPs based on this system, providing them with opportunities to pursue overseas assignments following a comprehensive interview process.

Al English Training We provide employees with opportunities to develop foreign language skills essential for global business. English classes utilize AI voice recognition technology to build the confidence of employees in their speaking abilities. Each division selects qualified candidates and rewards high-performing learners to motivate employees to improve their language skills further.

Leadership Training We offered leadership training to managerial-level employees (Division heads/Department heads/Team leaders) to improve their organization management capabilities. Through the training, participants improved their leadership and data-driven decision-making capabilities essential for their roles. We also established smart work units using ChatGPT, offering employees practical opportunities to develop skills such as HR management in the ever-evolving AI era and to demonstrate effective team leadership.

Participants rated the training with a satisfaction score of 4.9 (out of 5.0). Moving forward, we will remain committed to designing and operating training programs that further strengthen organizational management.

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ILJI TECH

Embedding a Strong Organizational Culture

ILJI TECH is building a good workplace built on communication and collaboration, enabling employees to adapt and thrive. We are operating new programs aimed at enhancing corporate culture and fostering a horizontal organizational structure.

Direction of Organizational Culture

Our goal is to cultivate a culture of open communication wherein employees pursue shared objectives while continuously developing their individual capabilities—all within the framework of our creworiented organizational direction.

Communication



- Operate inter-departmental communication programs
- Facilitate networking opportunities for new hires
- · Introduce an anonymous feedback system

Education

· Support for self-development and job-

· Support language programs and

professional certificate acquisition

related training

Responsibility



- Run volunteer and donation programs
- Host campaigns and events that foster social responsibility
- · Post ESG-focused columns

Work Smart



- Use smart equipment
- Adopt collaboration and communication platforms

Major Corporate Culture Programs

ILJI TECH operates various organizational culture programs that foster employee networking and collaboration.

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Inter-departmental Communication Programs	Coffee time sessions offered to selected departments to facilitate bond building and exchange of information	
Networking for New Hires	Opportunities for new employees to connect and communicate, helping them adapt to the company especially at a time when the traditional concept of fellow new hires has diminished due to rolling recruitment	
Anonymou Feedback System	Promotes communication and opinion sharing among employees as the reporting center feature on the company website has been improved and actively used by many employees	
Volunteering & Donations	Volunteer activities and a donation program through collaboration with local communities	
In-house Campaigns	In-house campaigns and events that promote social responsibility	
ESG-focused Columns	Regular posting of ESG column and quiz events on the groupware platform to raise ESG awareness among employees	
Smart Work	Promotes the use of smart monitors and non-face-to-face meetings	
Collaboration & Communication Platform	Streamlines decision-making and facilitates smooth workflow across teams	



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Embedding a Strong Organizational Culture

Work-Life Balance

ILJI TECH operates a range of initiatives aimed at creating a work environment where employees feel happy and secure at work.

At ITAC, employees are provided with a chance to work from home as needed as well as weekly in-house medical consultations in addition to the company's core welfare programs. Our health and wellness programs include expert mental health counseling services, access to 24-hour phone consultation with doctors, \$50 gift card to support proactive healthcare, and preventive checkups.

ILJI Beijing offers a variety of welfare programs such as payment of public housing savings schemes to support the stable living conditions of employees, and payment of high-temperature work compensation to production workers working in hot temperatures between June and August every year.

	Four major social insurances	Support stable work life by providing full coverage under the four major social insurance programs
HEALTH	Health checkups	Offer annual health checkups to ensure that employees stay healthy
	Cafeteria	A high-quality, free cafeteria service featuring special menus on Wednesdays and a variety of event menus
	Children's education expense support	Provide education expense support from middle school through university, helping ease employees' financial burden of education expenses
HOME	Staff rental housing	Offer rental housing near the company for employees relocating from other regions
	Commute bus service	Convenient commute buses in the Daegu and Gyeonsangbukdo regions to facilitate employees' daily travel
	Welcome Kit	Provided to new hires as a warm welcome
	Horizontal culture	Promote open communication as a company with a young workforce
	Integration of IT technologies	Strive to deploy a range of IT technologies such as mobile access to groupware and the HR system
	Birthday gifts	A long-standing tradition of giving birthday gifts to employees
HARMONY	Long-service compensation	Compensation provided to employees for long service on the company's foundation day every five years
	Congratulatory and condolatory allowance and leave	Financial support and leave for major life events such as weddings and funerals available to all employees
	Company library	Has approximately 1,500 books that employees can borrow
	Summer holidays	Provide summer leave and holiday allowances to help employees feel refreshed

Congratulatory and condolatory allowances are for full-time employees after three months, and education support is
 provided after three years of service. All other welfare benefits are offered equally to all employees.

Enhancing the HR System

ILJI TECH has implemented the HR system enhancement project to assess employees' work engagement and satisfaction levels. We conducted a comprehensive survey evaluating employees' understanding of the overall HR system and its detailed components and effectiveness, including employees' satisfaction.

As a result, we identified areas for improvement in talent development and reward system. We then developed and executed detailed improvement plans accordingly.

Assessed Components Overall HR system Employment Duties Positions Assessment Compensation Promotion Engagement level

Areas for Improvement

Strengthen the work competencies of employees by devising measures to foster their growth

Investigate work skills and assess individual skill levels

Justify compensation levels based on positions and roles

Enhance the pay band operation logic and review additional compensations

Advance the talent development system

 Enhance the career development system and create a training system for core talent

HR management that stresses duties and roles utilizing specific skills

Integrate work skills into the HR system and explore ways to improve it



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Embedding a Strong Organizational Culture

ILJI TECH Labor Union

Since its founding in 1989, the ILJI TECH Co., Ltd. Labor Union has remained active to this day. As of December 2024, the union's membership rate among all eligible employees stands at 100%. We continue to strive to maintain and improve employees' terms of employment and to enhance employees' economic and social status through the union.

Labor-Management Council

As of December 2024, the ILJI TECH labor-management council consists of five members each from the labor and management sides. Meetings are held quarterly, with four meetings held in 2024. Through the council, we have discussed issues related to improving the working environment, grievance handling, OH&S, and job site conditions.

Grand Prize at the 27th Gyeongsangbuk-do Industrial Peace Awards

ILJI TECH won the Grand Prize in the employee category at the 27th Gyeongsangbuk-do Industrial Peace Awards. The Gyeongsangbuk-do Industrial Peace Awards is a prestigious honor recognizing employees and companies fostering harmonious labor-union relations and promoting industrial peace through collaborative practices.

We were recognized for our efforts in creating an advanced labor-management culture that encourages collaboration. Moving forward, we will remain committed to enhancing working conditions and cultivating a cooperative labormanagement culture further.



The 27th Gyeongsangbuk-do Industrial Peace Awards

Labor-Management Collaborations

Every year, we host domestic and overseas cultural exploration workshops to promote open dialog and harmony between labor and management. ILJI Beijing organizes team-building events through sports activities and volunteer programs to strengthen collaborative labor-union relations. Looking ahead, we will continue fostering a healthy labor-management culture by engaging with local communities and launching OH&S campaigns.



Labor-management cultural exploration on Jeju Island



Labor-management overseas exploration workshop





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Partnership for Co-prosperity

Background

Securing quality competitiveness and customer satisfaction is essential in the automotive industry. Since this directly impacts end users' health and safety, quality must be ensured throughout the production process to adapt to varying environmental conditions. At the same time, continuous innovation through research and development is crucial to meet customer expectations.

With the increasing importance of supply chain management on the global stage, minimizing negative impacts on the supply chain is imperative.

Management Approach

ILJI TECH has established a quality management system that ensures customer satisfaction and enhances product quality throughout the production process. Accordingly, we have implemented a range of qualityfocused management activities. Additionally, we have established supply chain management policies as well as a code of conduct for contractors' compliance, ensuring adherence to applicable laws, regulations, and principles concerning labor, human rights, and responsible sourcing of minerals.

Key Performance

Maintained compliance with

the IATF16949 standard

Introduced

the responsible sourcing policy

Financial support for partner companies

KRW 200 million

2024 Ulsan Mayor's Cup National Disabled People's Park Golf Tournament

Ranked fourth

in both singles and group tournaments



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ILJI TECH

Quality Management

To realize our quality-oriented management vision of becoming a Global ILJI TECH That Achieves Customer Satisfaction, we are enhancing quality and stability across our production processes and implementing a quality and safety system based on the Plan-Do-Check-Act (PDCA) cycle. We strive to maximize customer satisfaction and build lasting trust through structured, quality-focused management activities. In particular, we are strengthening our R&D and testing capabilities to ensure quality in advance while fostering quality experts to deepen expertise in product quality.

Quality Management Strategy

We are enhancing product quality and cultivating talent as part of our efforts to advance our part technologies, enter new markets, and expand our global business in line with our four strategic directions and eight core strategies aimed at achieving customer satisfaction and ensuring stable quality.



Quality Management System

ILJI TECH acquired the IATF 16949 certification—the global quality management standard for the automotive industry—in 2018, having maintained it since then. ILJI Beijing also acquired the certification to establish a solid quality management framework. We set quality goals, plan targets, and inspect and manage product quality through a structured quality management system applied across all part production processes; thus laying the foundation for a global quality management system.



Headquarters IATF16949

TF16949 ILJI Beijing IATF16949

Dedicated Quality Management Unit

Our quality-focused operations are led by a dedicated quality unit that reports directly to top management. The unit is structured around the following distinct phases, each with clearly defined roles and processes: new vehicle quality, mass production quality, and overall quality management. In the event of a quality issue, a specialized quality task force is formed to identify and deal with areas for improvement.





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Quality Management

Gaining Quality Competitiveness

Addressing issues identified in past models

Reviewing issues identified in past models and incorporating the findings into the development stage of new vehicles to prevent the recurrence of the same quality problems



Securing part quality through 3D scanning

Utilizing 3D scanners during the development stage to enhance part quality and ensure excellent part quality

Securing Development Quality

Inspection agreement and ISIR approval

Submitting the Inspection Agreement and ISIR*, obtaining approval for transfer to mass production

Process audit and initial 100-day mass production mission

Identifying and resolving potential issues in advance through process audits, conducting thorough inspections and part quality management to ensure high-quality output during the first 100 days of mass production

Conducting quality audits

Sharing the identified quality issues and taking corrective actions through daily quality audits, assembly audits, and press audits



Securing Process Quality

Inspecting products from the pilot to the final stages

Recording product inspection results from the initial, intermediate, and final stages of production, tracking the inspection history using a computerized system

Inspection of critical control points

Selecting critical control points for each part, measuring the relevant data, and recording and managing the data of key control points



Performing import inspections

Preventing the use of nonconforming parts in the production process by having import inspectors examine raw materials and incoming components imported by partner companies

Securing Inspection Quality

Ensuring the reliability of testing equipment and managing measuring instruments Ensuring the reliability of measuring instruments by validating the qualifications of inspectors who perform instrument calibration and verification

Welding inspection and reliability testing

Quality validation by conducting diverse tests including non-destructive testing (NDT), weld strength test, cold shut inspection, foam pad and tensile tests

Securing Part Quality Through 3D Scanning

ILJI TECH possesses a range of 3D scanners for quality control and improvement of auto parts in the development stage of new vehicles. Having developed a training manual for measuring equipment, we conduct ongoing training to improve the proficiency of the quality control team in its use. Our goal is to groom all staff members into 3D scanning experts.





Compliance with the Quality Control Process

We have established and operated a systematic quality control process across all stages from part design and development to production and final inspection. At each stage, we manage and monitor quality gates to identify potential issues in the production process in advance and prevent them from occurring.

A deliberation committee reviews anticipated challenges in new vehicle development by addressing previously identified issues. These issues are monitored from the early stages to proactively and continuously strengthen our quality control system.

Quality Management Process

Preliminary inspection

Problem assessment and identification

Identification and integration of improvement areas

Ongoing monitoring



^{*} Initial Sample Inspection Report

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Process Audit for New Vehicle Development

ILJI TECH operates a task force team (TFT) during the new vehicle development stage. A core workforce essential to the project is assembled into the team to enable prompt decision-making and efficient problem resolution. A TFT leader with clear authority and responsibility is appointed to drive project progress proactively. Individual capabilities continue to improve even after project completion, thereby enhancing corporate competitiveness.

Improving Customer Satisfaction with Quality

ILJI TECH holds the prestigious "Quality 5-Star" certification among Hyundai Motor Company's primary partner companies. We identify areas for improvement based on evaluations of quality, technology, and product delivery performance and implement corrective actions. This demonstrates our robust quality control system and proven quality management track record. We will continue to strengthen our competitive edge in global trade through ongoing enhancements to our production system. Our goal is to achieve continuous improvement by actively advancing our quality competitiveness and export capabilities in partnership with Hyundai Motor Company.

Quality Control Assistance to Partner Companies

ILJI TECH has established working groups with partner companies to promote shared growth. We conduct regular qualitative quality checks in collaboration with the Quality Control Team and share and implement best practices across the network.

We also hold regular meetings with partner companies to address challenges related to product quality, supply and demand, environmental issues, and safety in support of overall stability and improvement.



Meeting with partner companies

ILJI TECH plans to conduct monthly quality surveys to enhance communication with customers and improve how it addresses customer complaints.

These surveys have been developed as part of our ongoing efforts to strengthen customer engagement. Going forward, we will proactively monitor and address customer concerns while tracking progress to ensure maximum customer satisfaction.

Cultivating Quality Control Talent

ILJI TECH provides quality-focused management training to enhance both quality and manufacturing process capabilities. Through a structured job rotation program based on the training readiness of each working group, members of the quality control team gain hands-on experience in areas such as new vehicle development, business management, and mass production quality. This approach offers extensive opportunities for individual growth and capability enhancement. In addition, all staff members are groomed into 3D scanning experts, ensuring precision and excellence throughout the new vehicle development process.

Quality Committee

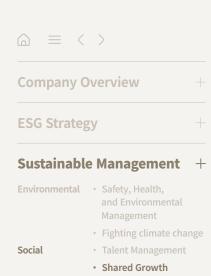
ILJI TECH holds regular Quality Committee meetings to oversee quality performance and drive continuous improvement. The outcomes of these meetings are reported to senior management. We also conduct daily and periodic quality audits, with findings shared across teams to establish corrective actions and implement a wide range of quality control initiatives.



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Regular Quality Committee meeting





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Sustainable Supply Chain

We adhere to international standards for the responsible sourcing of minerals to ensure ethical and sustainable supply chain management. In line with our sustainable supply chain policy, we prohibit the use of minerals sourced from high-risk or conflict-affected regions. We are committed to managing our supply chain and partner companies responsibly across the entire value chain, from mineral extraction and processing to final delivery.

Supply Chain Management Policy

In accordance with the OECD Due Diligence Guidance, we have implemented policies on conflict minerals (responsible minerals) and responsible sourcing, underscoring our commitment to enhancing oversight of responsible mineral procurement. Building on these policies, we strictly avoid using 3TG (tin, tantalum, tungsten, gold) sourced from regions identified as high-risk or conflict-affected. Furthermore, we rigorously manage responsible mineral procurement and supply chain due diligence, with careful attention to social and environmental issues at every stage of our supply chain.





Inspection of all smelters Review of partner companies Major Compliance with international processing 3TG used in our that do not use conflict Conflict conflict mineral policies minerals products Mineral Policies Due diligence conducted **Establishment of policies** Structured supply chain under the OECD Due Diligence reflecting external stakeholder management Guidance requests

Partner Company's Code of Conduct

ILJI TECH has introduced the Partner Company's Code of Conduct to promote transparent supply chain management with its partners and to create sustainable value. We require partner companies to fulfill their social responsibilities and comply with applicable standards across all areas including ethics, environment, labor and human rights, OH&S, and business management. Eight of our major partner companies have already signed the Partner Company's Code of Conduct, demonstrating their commitment and strengthening our compliance system. Going forward, we will continue to obtain signatures from all incoming business partners.

ILJI TECH



Selecting Partner Companies and Managing Assessments

We select new partner companies through an assessment process and conduct regular evaluations to manage ongoing performance. Based on comprehensive assessment results, companies requiring improvement are guided in addressing shortcomings and supported in developing their capabilities. We prioritize and support the growth of high-performing partners to foster mutual success.

Partner Identify potential partner companies Selection **Process** Assess candidate companies' performance (e.g., environment and safety control) Conduct pilot testing

Announce results and register selected partners

Partner Assessment **Standards**

Category	Sub-category		
Quality	Quality Management System, Process Quality Index, claim settlement rate		
Delivery	Delivery rate of overseas plants, flaw claim rate		
FTA	FTA rating of the company		
Finance	Financial credit rating		
Safety	Safety assessment score		
ESG	ESG assessment scores		



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Results

ESG

Criteria

Assessment

ESG Assessment

Process

Findings Areas for Improvement Provide thorough briefings and consulting prior to the Low awareness of ESG assessment among evaluation partner companies Conduct ESG training sessions Difficulty in implementing ESG management (i.e., internal challenges including limited Offer ESG counseling services manpower and budget) Need to motivate companies through ESG Provide incentives to high-performing companies assessment and diagnostic evaluations

Sustainable Supply Chain

ESG Assessment on Partner Companies

ILJI TECH conducts ESG assessments on its partner companies. In 2024, we evaluated 8 companies across 34 components covering environment, social, and governance factors. If we identify gaps in the ESG-related policies and measures of partner companies, we support their corrective actions by providing best practices and guidance. We thoroughly manage risks through supply chain ESG assessments, enabling proactive risk screening. Additionally, we conduct preliminary demand surveys to deepen partner companies' understanding of ESG management and support its implementation. To this end, we plan to provide training and ESG support programs for our supply chain partners. We also aim to incorporate stakeholder feedback into our ESG evaluation criteria to enhance them continuously while expanding assessments to include areas where we can offer further support.

Industry-Specific ESG

Criteria

Environmental(2)

Governance(1)

Social(2)

 Select companies for evaluation and provide guidance

Select companies for evaluation

· Eight companies were evaluated in 2024

Environmental

management policies(3)

Environmental

environmental

Environmental

management

performance(4)

management(3)

· Oversight of

Conduct self-evaluation

- Companies conduct selfevaluations based on the evaluation form
- Prepare and supplement the relevant forms as needed

Governance

Sustainable policies(4)

management(2)

Sustainable

Conduct on-site evaluation

- · ILJI TECH personnel(team of two) conduct on-site inspections
- · Conduct interviews and verify the evidence

Collect feedback

- Share updates on domestic and international ESG and economic
- Collect challenges faced by companies and gather their feedback

Report the outcomes

- · Notify companies of assessment results(check strengths and areas for improvement)
- Conduct a final internal review and report the outcomes

Future Plans

Conduct **ESG** training sessions

Support

website ESG disclosure

Support ESG networking among partner companies

Support the publication of the Sustainability Report

Promote joint social contribution initiatives

Assist with acquiring ESG certifications

Assessment

Social

Social responsibility

local communities.

policies(1)

Stakeholders

(supply chain,

employees)(12)







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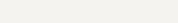
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Shared Growth

ILJI TECH is committed to fair trade practices in all transactions with partner companies. We also maintain regular communication with our partner companies to understand their challenges and needs, explore ways to achieve mutual growth, and provide appropriate support.

Establishing Fair Trade Order with Partner Companies

ILJI TECH concludes fair trade contracts with all partner companies it does business with. When entering into contracts, we implement four key action items to assess the fairness of the terms and identify any unreasonable elements in the contracting process. Through these efforts, we strive to enhance a fair trade environment.

Four Major Subcontracting Practices

Contract-Signing Practices



- · Establish contract-signing infrastructure
- Sign contracts that guarantee the right to self-determination
- Ensure the faithful execution of contracts based on the agreed-upon terms and applicable laws

Establishment and Operation of a Subcontract Deliberation Committee



- Matters concerning the composition of the internal deliberation committee
- Matters concerning the deliberation items handled by the committee
- Matters concerning the operation of the committee

Selection and Management of Partner Companies



- Matters concerning registration of new partner companies
- Matters concerning revisions of registered company data
- Matters concerning the termination of trade with partner companies

Issuance of Documents and Related Support



- Issuance of various documents related to contractor transactions
- · Document retention

Delivering Fair Trade Information

ILJI TECH distributes a monthly fair trade newsletter via the company portal i-SCM to promote fair trade principles that must be observed when doing business with partner companies.

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We also distribute a fair trade manual as well as anti-collusion guidelines and voluntary compliance guidelines to help vendors adopt and implement fair trade practices.

Subcontract Deliberation Committee

ILJI TECH plans to operate an internal deliberation committee composed of a chairperson and seven members according to four major subcontracting practices to ensure fair and transparent trade. The committee reviews the fairness and legitimacy of subcontractor transactions with partner companies. Key agenda items include: preliminary deliberation prior to large-scale subcontracting deals; suitability review of contractor registration and cancellation standards and procedures; registration and deregistration of contractors; suitability review of bidding restrictions related to the deliberation process; handling of complaints from unregistered or deregistered companies; price adjustment matters; and disciplinary action for employees who violated the applicable laws including the Subcontracting Act.

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Shared Growth

Communication System with Partner Companies

ILJI TECH holds an annual meeting designed to promote proactive dialog with partner companies through the partner company council Dasom Association. CEOs from 16 partner companies attended the Dasom Association meeting in 2024, discussing strategies for shared growth. Topics discussed included a review of key performance indicators such as quality and



Dasom Association meeting

OEM delivery compliance rate, shared plans for mutual development, and collection of partner feedback. We also hold quarterly partner meetings to understand the challenges faced by partner companies and explore ways to support them.

Additionally, ILJI Beijing conducts its own quarterly partner meetings to listen actively to partner companies' concerns and needs while establishing shared goals.

Key Operational Performance Transition to smart factories (implementing automated hardware at partner companies)

Dissemination of the Contractor Code of Conduct in compliance with the Serious Accidents Punishment Act

Providing coffee trucks to strengthen the bond with partner companies

Providing watermelons and snacks on Boknal, Korean dog days

Visiting partner companies to provide guidance on enhancing OH&S and ESG practices across the supply chain

Assistance in the Safety Competency Assessment of Second-Tier Suppliers

ILJI TECH conducts regular safety competency assessments to secure its safety capabilities as well as those of its contractors. In the second half of 2024, we focused our second-tier supplier safety assessments on operations with staff sizes ranging from 5 to 50. The assessment evaluated three key areas: establishment of OH&S management plans; effectiveness of these detailed plans; and operation of preliminary risk assessment systems. As a result, we identified areas for improvement including the use of non-standardized hazardous equipment and lack of budget planning.

In response, ILJI TECH provided guidance on OH&S policy implementation, shared best practices, trained the delegated units, and assisted contractors in developing detailed action plans to enhance their autonomous safety competencies. We plan to continue phased support with the goal of raising all contractors' safety competency to Level 3 (score of 70 or higher) or above.

ESG Assessment Criteria

Lv1	Lv2	Lv3	Lv4	Lv5
~59	60~69	70~-79	80~89	90~100
Inadequate	Needs improvement	Moderate	Stable	Good

Inspection Results and Future Plans

Inspected Items	Current Status	Measures
Occupational Health and Safety Management Plans	Insufficient progress toward OH&S goals	Share best practices for implementing OH&S measures and managing performance
Detailed Action Plans	 Lack of action plans (e.g., inspections) Lack of OH&S budget plans (including performance) 	 Guidance on how to establish detailed action plans Provide guidance and share best practices
Preliminary Risk Management	 Insufficient employee feedback collection Lacks safety measures relative to risk levels 	 How to conduct risk assessments and manage OH&S risks Provide guidance on tracking the history of actions taken
Organization & Expertise	Inadequate execution of duties by the CEO, safety managers, and supervisors	Provide guidance on forming a dedicated OH&S unit and fulfilling responsibilities





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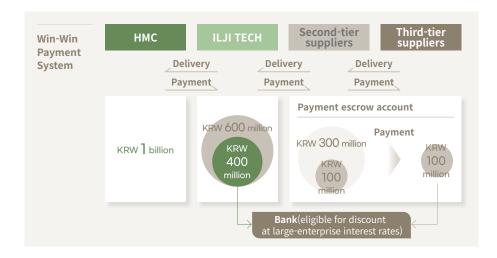
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Financial and Facility Support to Partner Companies

When risks are identified through regular partner company assessments and financial evaluations, ILJI TECH provides emergency financial support following internal deliberation to stabilize management proactively and encourage partner companies' investments. In February 2024, we provided KRW 200 million to address declining production volumes and worsening business conditions among partner companies.

Since 2021, we have consistently paid partner companies for delivered goods through a Win-Win Payment System. Additionally, we support facility investments to ease the initial financial burden on partners and enhance their production capabilities. Through these efforts, we are strengthening our competitive advantage in the automotive industry, fostering shared growth with partner companies, and supporting stable business operations.



Financial
Support
Standards
for Partner
Companies

Category	Partnership Fund	Emergency Business Stability Fund	
Purpose	Strategic facility investment cost, factory site or facility expansion investment cost	When emergency fund is required due to short-term decline in financial liquidity	
Approach	Cash support (zero interest, goods payment in installments)	Cash support (zero interest, goods payment in installments)	

Supporting Partner Companies in Improving Business Practices

ILJI TECH provides training programs and seminars to strengthen the business capabilities of partner companies. We explore the impact of AI model deployment on the automotive industry, share strategies to improve quality and productivity, and encourage open discussions on these topics. We also provide training on origin verification, latest trade trends, and export procedures, helping companies overcome challenges related to overseas trade. Through R&D support and joint initiatives, we encourage technological innovation and support rigorous research and development activities. Looking ahead, we will continue to identify the specific needs of our partner companies and provide tailored training and seminars to help them grow.





FTA training for partner companies

R&D support and collaboration

Providing Coffee Trucks to Partner Companies

Every year, we implement a coffee truck support project to encourage partner companies and strengthen our bond with them. In 2024, coffee was provided to a total of 756 employees—both managerial and production staff—across 18 partner companies.

Moving forward, we will continue this initiative to boost morale and promote a culture of shared prosperity.



Providing coffee trucks to partner companies



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ILJI TECH identifies the needs of local communities to foster shared prosperity and implements a variety of community development initiatives, including volunteer activities. Moving forward, we will strive to fulfill our social responsibility to promote shared growth and help underprivileged groups.

Strategic Direction of Community Development Initiatives

We have made "supporting both the people and the environment" the focus of our volunteer activities. As a company, we conduct regular and ad hoc volunteer activities. When social issues arise in the community, we initiate donation campaigns to support self-sufficiency.

Direction of Community Development Initiatives

Environment

 centric activities for a sustainable future



People

 centric activities for marginalized groups



Sports Event for People with Disabilities

ILJI TECH supports affiliated para-athletes by creating a favorable training environment and providing financial support, enabling them to focus solely on sports without facing barriers. As a result, our para-athlete team was ranked fourth in both solo and group categories at the 2024 Ulsan Mayor's Cup National Disabled People's Park Golf Tournament.

Going forward, we will continue to provide unwavering support to ensure that our paraathletes can compete on equal footing, free from limitations.



2024 Ulsan Mayor's Cup National Disabled People's Park Golf Tournament

Donation Activities for Shared Prosperity with Local Communities

ILJI TECH operates the Compassionate Meal Truck Volunteer Program at local community organizations including senior welfare centers and disability welfare associations.

We provide warm, hearty meals to residents facing economic hardship or living in underserved areas. In addition, we offer donations to support local residents in marginalized regions in realizing stable and sustainable livelihoods.

In the future, we will explore different approaches to supporting local communities and expand our outreach.



Donation to the Home of Angels

Cheongdo Farm Tour Volunteer Program

In the first half of 2025, ILJI TECH employees participated in the Cheongdo Farm Tour Volunteer Program to support local farmers in harvesting crops and promote regional engagement. A team of 16 employees assisted residents with agricultural tasks, gaining first-hand experience of the regional culture. We will continue to plan and operate programs that foster mutual prosperity and strengthen ties with local communities.





2025 Cheongdo Farm Tour Volunteer Program





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Responsible Management

Background

Corporate sustainability must be backed by responsible governance. With public expectations continuing to rise, a growing number of stakeholders are taking interest in corporate management and calling for greater social responsibility. In response, companies must foster an ethical corporate culture, ensure transparency in top-level decision-making, and commit to making responsible, ethical decisions.

Management Approach

ILJI TECH has established an objective, transparent Board of Directors to balance sustainable growth with responsible management for the benefit of society.

We honor compliance pledges and provide training to help stakeholders uphold ethical and lawful business practices. In addition, we are fostering a culture of respect to prevent all forms of discrimination in the workplace.

Key Performance

Board of Directors

Ensured independence, expertise, and diversity

Board meeting attendance rate

100%

Embedding ethical and lawful practices

Ethical training

provided to all employees

Unethical behavior and corruption-related incidents

None



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ILJI TECH

Transparent Governance Practices

At ILJI TECH, the Board of Directors is the highest authority in corporate management as designated by shareholders under applicable laws as well as the Articles of Association. The Board is responsible for making decisions, aligning diverse stakeholder interests, and increasing company value. We have adopted the Corporate Governance Charter—reflecting the evolving global business environment and growing societal expectations—and revised our Board operation policy accordingly. Looking ahead, we remain committed to fulfilling our responsibilities by supervising and deliberating on key management issues from a long-term perspective while faithfully representing the interests of both shareholders and stakeholders.

Introduction of the Corporate Governance Charter —

ILJI TECH formalized corporate governance policies, roles, and responsibilities by adopting and announcing the Corporate Governance Charter. Through this charter, we aim to guarantee the rights and responsibilities of shareholders, Board of Directors, and auditing body while establishing transparent and accountable governance.

Preamble the ILJI TECH Corporate Governance Charter

ILJI TECH (hereinafter referred to as the "Company") is committed to creating social value continuously in accordance with its core principle of respecting human rights, protecting the environment, and fostering trust-based relationships with stakeholders to promote a fulfilling life, thereby enhancing economic and social corporate value while driving continuous growth.

Recognizing that sound governance is essential for transparent and responsible management and is a key driver of corporate trust and value, the Company hereby enacts this Corporate Governance Charter (hereinafter referred to as the "Charter").

Through this Charter, the Company seeks to enhance shareholder interests and protect stakeholder rights by forming and operating independent, expert Board of Directors and audit body. These efforts aim to ensure transparent, accountable governance and establish sustainable, advanced governance.

January 2024



Board Composition

The ILJI TECH Board of Directors represents the interests of both shareholders and stakeholders by deliberating on and resolving key management issues and overseeing overall risks from a mid- to long-term perspective. It is composed of two internal directors and three independent directors, with the CEO serving as the chairperson of the Board.

			Position and Career		Term of	Board Skill Matrix					
Category	Name	Gender	Background	Expertise	Office	Management/ Economics	Finance/ Accounting	Law/ Policies	Leadership	Sustainability	Risk Control
Internal Director	Koo Bon-il	Male	Current: ILJI TECH CEO	General company management	Mar. 09, 2007 - Mar. 27, 2028	•			•	•	•
Internal Director	Koo Jun-mo	Male	Current: ILJI TECH CEO	General company management	Mar. 09, 2007 - Mar. 27, 2028	•			•	•	•
Independent Director	Kim Man-heon	Male	Current: Head Tax Accountant, Tax LLC Rion Former: Chief of the Tax Office, West Daegu, East Daegu, West Incheon, and Gumi	Tax Expert	Mar. 26, 2024 - Mar. 25, 2027		•			•	•
Independent Director	Lee Seok-hwa	Male	Current: Lead Attorney, Mind & Law Law Firm Former: Chairman, Daegu District Bar Association	Legal Expert	Mar. 26, 2024 - Mar. 25, 2027			•			•
Independent Director	Choi Wol-young	Male	Current: Lead Attorney, Beopyeon Law Firm Former: Presiding Judge, Daegu District Court	Legal Expert	Mar. 26, 2024 - Mar. 25, 2027			•			•

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Transparent Governance Practices

2024 Board Activities

The Board holds quarterly meetings and convenes ad hoc meetings as necessary. The Board held a total of 19 meetings in 2024, recording a 100% attendance rate. Agenda items are approved based on the attendance of majority of all directors and the agreement of majority of those present. For matters stipulated by law including Article 398 (Transactions between Directors, etc. and Company) of the Commercial Act, approval requires the vote of over two-thirds of the directors to prevent conflicts of interest. To enhance director engagement, directors may participate in resolutions via communication methods when physical attendance is not possible.

Board Operation Status

Meeting No.	Date Held	Description	Approval Status
1st	Jan. 29, 2024	Joint guarantee for the working capital loan of ILJI TECH Beijing	Approved
2nd	Jan. 31, 2024	Derivative trading loss limit agreement with Hana Bank	Approved
3rd	Feb. 02, 2024	Joint guarantee for the working capital loan of ILJI TECH Beijing	Approved
4th	Mar. 07, 2024	Approval of the consolidated and separate financial statements for the 38th fiscal year	Approved
5th	Mar. 07, 2024	Convening the 38th general meeting of shareholders	Approved
6th	May. 03, 2024	Derivative borrowing from Shinhan Bank	Approved
7th	May. 28, 2024	Debt guarantee for the Chinese subsidiary	Approved
8th	Jul. 03, 2024	Application for interest rate reduction of industrial operating funds loan from the Korea Development Bank(KDB)	Approved
9th	Jul. 04, 2024	Refinancing of facility split loan from iM Bank	Approved
10th	Aug. 06, 2024	Application for trade financing at Woori Bank	Approved
11th	Aug. 14, 2024	Approval of borrowing(Export growth capital loan)	Approved
12th	Aug. 22, 2024	New general fund Ioan at Shinhan Bank	Approved
13th	Sept. 02, 2024	New contract on the exemption limit for the contract performance deposit of OTC derivatives at iM Bank	Approved
14th	Sept. 03, 2024	Refinancing of mature operating funds loan from Korea Development Bank(KDB)	Approved
15th	Sept. 03, 2024	Loan borrowing from Hana Bank	Approved
16th	Sept. 19, 2024	Providing joint guarantee to the Chinese subsidiary	Approved
17th	Sept. 25, 2024	Bond issuance	Approved
18th	Sept. 27, 2024	Providing joint guarantee to the Chinese subsidiary	Approved
19th	Nov. 29, 2024	Approval of borrowing(Export growth capital loan)	Approved

Appointment of Directors

At ILJI TECH, the Board of Directors selects director candidates and appoints them according to the selection procedure of the general meeting of shareholders (GMS) procedures. Candidates undergo a screening process based on the disqualification criteria including qualifications, expertise, and diversity. If no issues are identified during deliberation, the appointment is confirmed as per the submitted agenda.

Securing the Independence, Expertise, and Diversity of the Board

When appointing independent directors under the Board Policy, we ensure their independence by relying on neutral and objective information. We appoint candidates with expertise in diverse areas such as business management, accounting, finance, and legal affairs and operate the Board with strong emphasis on independence, professional competence, and diversity. The Finance & Accounting Division supports independent directors by ensuring continuous and timely delivery of the relevant information.

Committee Under the Board

ILJI TECH operates an Audit Committee composed of three independent directors to ensure proper oversight of accounting functions and corporate management. The committee members attend Board meetings to supervise the performance of directors' duties independently.

They are authorized to request ledgers as well as the relevant documents related to general duties from the appropriate departments. They may obtain reports on matters related to company sales, and they also have the right to access management information through appropriate channels.

Committee Name	Objectives and Activities	Members
Audit Committee	 Audits accounting operations Assesses the internal accounting management system Establishes annual audit plans 	 Kim Man-heon Lee Seok-hwa Choi Wol-young





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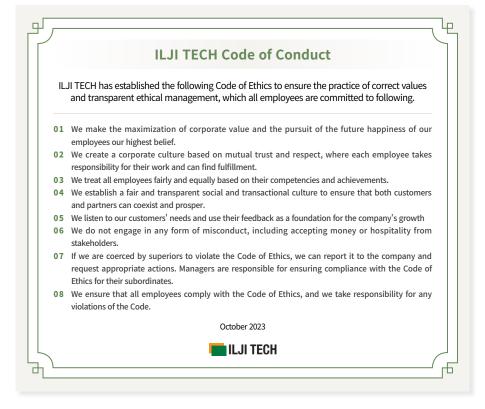


Compliance and Ethics

At ILJI TECH, all employees are committed to acting with integrity in accordance with ethical principles as well as the company's Code of Conduct. Having established an ethical governance framework rooted in this Code, we promote an ethical corporate culture through continuous training and awareness campaigns. Our commitment to ethical management extends beyond our organization to our partner companies as we work together to build a global ethical business ecosystem.

Code of Conduct

ILJI TECH has adopted and implemented a Code of Conduct to promote fair, sound judgment and ethical behavior in the workplace. We have also introduced Ethical Practice Guidelines that embody our corporate ethical values and principles, ensuring that ethical judgment serves as the foundation for any and all decision making across the organization.



Ethical Management System

Having established an ethical management framework, ILJI TECH implements strategic goals and initiatives accordingly. We strive to gain the trust of all stakeholders through these efforts.

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2030 Ethical Business Management Targets

ILJI TECH has set targets for grievance handling and ethical management training to embed ethical business practices throughout the company. We actively pursue these targets and continuously monitor their implementation and progress.





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Compliance and Ethics

Ethical Reporting System

ILJI TECH promptly identifies and addresses unethical conduct through its Reporting Center, an online platform for submitting reports.

Anyone can report unethical behavior anonymously. Whistleblower protection measures are formalized in writing according to the Code of Ethics to ensure strict protection of informants. All report details are kept confidential, and any unfair treatment of informants is strictly prohibited.



Ethical reporting system ad

Ethics Training

As a primary partner company of Hyundai Motor Company, we provide ethics training to all employees to help internalize the Code of Ethics. The training covers key topics including ethical management principles, prevention of unfair trade practices, importance of ethical conduct, and raising of awareness of unethical behavior among employees.



Ethics training for employees

Ethics Pledge

All ILJI TECH employees sign an ethics pledge, committing to upholding the principles of ethics, anti-corruption, integrity, and voluntary compliance with fair trade practices. We also obtain ethics pledge signatures from external stakeholders including partner companies to ensure their active participation in ILJI TECH's ethical business management.



Statement on Compliance Management

ILJI TECH is committed to compliance management to prevent legal risks, and it has implemented compliance management accordingly. We have established clear standards guiding the behavior and decision making of all employees to foster a strong compliance culture. Furthermore, we have implemented internal control standards and provided comprehensive guidelines for employees while rigorously monitoring adherence to compliance requirements.

Inspection of Anti-Corruption Risks

ILJI TECH conducted an anti-corruption assessment across all domestic operations as part of the internal accounting audit. The audit in 2024 covered all facilities, with no significant risks identified. We also reviewed the status of ethical and compliance management among partner companies, reinforcing their commitment to ethical business practices.

Establishing an Internal Control Procedure

We implemented an internal control procedure to identify and mitigate legal risks in accordance with the Commercial Act. We conduct compliance inspections based on internal control standards and take strict actions upon detecting any violations.

Following financial disclosure, we review incidents and contingent liabilities to prevent the misinterpretation of financial statements or footnotes. We also prepare separate drafts to designate authorized approvers and maintain an issuance log to ensure that business-related budgets are executed appropriately and transparently.

Conflict of Interest Prevention

ILJI TECH prohibits any behavior by employees that conflicts with the company's interests in the performance of duties in accordance with Article 12 of the Code of Ethics. The company also outlines specific measures to prevent conflicts of interest, including restrictions against forming relationships of interest.



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Human Rights Management

Based on the principle of respect for people, we strive to cultivate a culture of dignity and mutual respect toward all stakeholders including employees, partner companies, customers, and local communities. We have established human rights-based management by incorporating global standards and guidelines on human rights and labor to prevent and address human rights violations proactively. In addition, we are committed to protecting the rights of diverse stakeholders through our Diversity, Equity&Inclusion(DE&I) policy.

Human Rights Management Policy

ILJI TECH is committed to incorporating human rights management to implement this approach across our domestic and overseas operations proactively. We practice human rights-based management in accordance with our human rights policy and review its implementation status regularly. We also assess human rights impacts and risks related to all operations and employees to drive continuous improvement.

Basic Principles of Human Rights Management

Anti-discrimination

Respect for diversity

Prohibition of forced labor

Prohibition of child labor

Compliance with labor conditions and fostering of a healthy work environment

Freedom of association and protection of collective bargaining rights

Prohibition of workplace bullying, sexual harassment, sexual violence, and inhumane conduct

Fair treatment and career management of employees

Workplace safety and health

Protection of the human rights of local residents

Protection of the human rights and information of customers

Compliance with environmental laws and regulations

Responsible sourcing of raw materials

Management of partner companies and supply chain

DE&I Policy

ILJI TECH is committed to being a company that respects diversity and includes all genders, races, ethnicities, nationalities, social backgrounds, disabilities, and ages among all stakeholders including employees, partner companies, customers, and local communities. ITAC strives to recruit talent from various backgrounds considering diversity, equity, and Inclusion(DE&I). Employment plans and performance indicators are established and managed with DE&I principles in mind. Going forward, we will continue to uphold human rights practices without discrimination.



Go to DF&L Policy

Human rights management system

ILJI TECH sets clear mission, goals, and strategic tasks to implement human rights-based management systematically. We have developed an implementation framework to fulfill our responsibilities and obligations in upholding and promoting human rights in our business.





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Human Rights Management

Human Rights Protection Activities

ILJI TECH prohibits all forms of discrimination in the course of work according to its policies and measures that promote respect for diversity. We identify groups that are vulnerable to human rights violations and implement targeted activities to prevent violations and safeguard their rights. Having established a protection framework for women, minors, juveniles, children, and individuals with disabilities, we actively support initiatives that foster a fair, discrimination-free culture with strong focus on inclusion.

Groups Vulnerable to Human Rights Violations	Human Rights Protection Activities
Women	 Maternity Protection System(a system that supports and accommodates pregnancy and childbirth, including childcare leave) Monitoring of equal wages(prohibition of gender-based discrimination)
Minors, juveniles, children	 Formalize the prohibition of juvenile employment in writing Inspect and monitor minor employment(e.g., field training)
People with disabilities	 Foster a sense of loyalty to the company and inclusion by sponsoring para-athlete teams Comply with the mandatory disabled employment rate

Improving Perception on Human Rights

ILJI TECH provides annual human rights training to all employees to foster a culture mutual respect and prevent human rights-related risks. For areas that are vulnerable to human rights violations, we conduct regular training to ensure that all staff are aware of human rights issues and are supported in complying with the relevant policies.

Category	Eligibility	Training Hours Completed	Number of trainees (Completion rate)
Prohibition of workplace sexual harassment	All employees	1 hr	175(97.8%)
Prohibition of workplace bullying	All employees	1 hr	176(98.3%)
Improving awareness of people with disabilities	All employees	1 hr	177(98.9%)
Human rights management training	All employees	30 min	173(94.5%)





HO training

Gyeongju Plant 1 training

Grievance Handling

ILJI TECH operates a grievance-handling channel to ensure that employees can work in a fair environment where human rights are respected. We investigate and handle cases of abuse such as conduct that violates human rights, and operate a victim protection process to enforce strict measures against such violations.

When grievances are submitted through the Grievance-Handling Committee, cases are managed according to established procedures. Investigations are completed within 20 days of receiving a complaint and conducted through a fair, prompt process. The system is easily accessible to all, and the informant's identity is strictly kept confidential as a top priority. Unfair treatment of informants is prohibited, and outcomes are managed according to set procedures.



Anonymity

Prohibition of retaliation

Fair and prompt handling

Victim relief

Grievance-Handling Procedure

Grievance-

Handling

Investigation of the case

Deliberation by the Grievance-Handling Committee

Notification of the

Case closure





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Information Protection

ILJI TECH establishes and implements technical and managerial protection policies and standards to safeguard the company's and customers' information assets, including core technologies. In response to rising risks of cyber attacks and data leaks, we continuously monitor our data security posture to strengthen defenses. Through regular data security training, we raise awareness of data and cybersecurity for the effective prevention of leaks and threats in the digital transformation era.

Data Security Policy

ILJI TECH has established an expert data security framework in compliance with domestic and international laws and regulations, including the Personal Information Protection Act and the Industrial Technology Protection Act. We adhere to IT management, security management, and system security guidelines to process, save, and store information systems, thereby preventing data security threats.

Data Security Unit

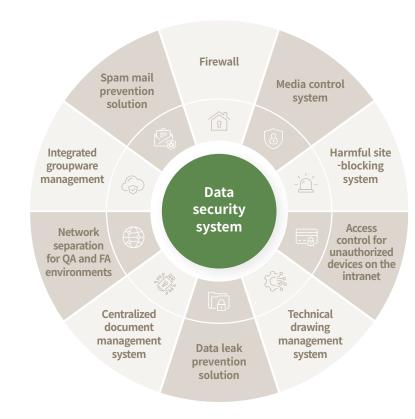
ILJI TECH strengthens data security as well as the protection of core technologies through a dedicated data security unit. The Management Information Team under the direct supervision of the Chief Security Officer (CSO) is responsible for establishing data security strategies and action plans and addressing related issues. We also designate a dedicated response team and a data breach-handling officer to ensure thorough and prompt response to any potential data leaks.

Chief Security Officer(CSO) Management Information Team Leader Data Breach Response Team Management Information Team Responsible department(person in charge of handling the leaked data and administrator of the affected system) **Additional personnel may be designated as needed to analyze the incident, coordinate response efforts, and carry out damage recovery.

Advancing the Data Security System

In addition to the security control policy, ILJI TECH has established network security guidelines and user security guidelines to enhance the corporate data security system. Through these initiatives, we are committed to safeguarding the data of both our employees and external stakeholders.

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Information Protection

Prevention and Response to Data Security Incidents

ILJI TECH inspects data security systems to identify vulnerabilities and take immediate action to address any issues found. We have established a data breach response process aligned with our IT security incident response policy. Our Computer Emergency Response Team (CERT) plays a key role in this process by detecting security incidents, accurately identifying the root causes such as system failures or external attacks, and responding promptly based on thorough analysis. After addressing the incident, the team implements follow-up measures to prevent recurrence and continuously monitors the defense system to strengthen resilience.



Data Security Control for Partner Companies

ILJI TECH builds trust with partner companies by implementing rigorous data security controls in all business interactions. We assess the data security maturity of each partner company, identify areas for improvement, and recommend corrective actions for those lacking adequate systems.

We conducted assessments of a total of 11 companies, and they were all found to meet ILJI TECH's required security standards. Following this, partner companies conduct internal evaluations, with ILJI TECH performing a secondary assessment to track the progress and ensure continuous improvement in data security practices.

Category	Management Items
Management Items	Policy and organization, security activities, awareness raising, risk identification, security checks
Physical Domain	Protection, access, equipment, shooting, monitoring
Technical Domain	Technical policy, breach prevention, leak control, work system, monitoring
Drawing Management Domain	Policy, storage, drawing distribution, security of second-tier suppliers, drawing PC management, drawing security

Data Security Training

We provide annual data security training semiannually to ensure that all employees understand the importance of data security and assume responsibility for protecting information.

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The training was conducted twice in 2024, with a total of 379 employees completing the sessions. The first half focused on cybersecurity and ChatGPT security, covering cyber risks and prevention measures. In the second half, we addressed phishing attack cases and discussed preventive actions in the context of recent social issues.

Inspection and Protection of Written Records

Each year, we inspect the record-keeping practices of each department to manage the documentation history through identification, collection, indexing, viewing, and filing, followed by regular disposal of records.

In 2024, we reviewed 12 inspection items across 15 departments and achieved 100% completion of corrective actions for the identified improvement areas. These efforts are part of our measures to prevent data security incidents such as information leak from office workspaces.

Collection of Personal Data and Consent

ILJI TECH provides mandatory guidance on the collection and use of personal data to the relevant stakeholders during business activities and obtains their consent. Through this process, we collect only the necessary data and manage it under a strengthened data security framework to ensure that no personal information is leaked.

Access to the collected personal data is strictly controlled and limited to authorized personnel.



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Financial Data

Consolidated Financial Statement

(Unit: KRW)

Category	2022	2023	2024
Assets			
Current assets	184,332,791,216	196,257,937,346	267,259,922,124
Cash and cash equivalents	6,641,134,761	17,201,259,205	31,009,594,808
Short-term financial products	2,903,040,000	3,400,000,000	34,154,280,409
Accounts receivable and other current receivables	41,303,201,448	62,122,477,292	75,514,148,888
Current tax assets	0	0	0
Current inventory assets	27,861,318,880	70,834,959,083	73,016,747,333
Other current financial assets	9,335,500,000	831,000,000	776,000,000
Other current assets	96,288,596,127	41,868,241,766	52,789,150,686
Non-current assets	197,008,340,752	331,282,832,285	308,138,226,678
Tangible assets	165,782,071,368	288,695,726,167	278,133,235,268
Intangible assets other than goodwill	401,928,339	32,284,260,353	23,404,491,146
Deferred tax assets	8,173,735,721	0	0
Long-term accounts receivable and other non-current receivables	2,513,696,879	3,091,685,714	1,540,577,047
Other non-current financial assets	9,540,984,263	1,201,728,343	186,571,600
Other non-current assets	10,595,924,182	6,009,431,708	4,873,351,617
Total assets	381,341,131,968	527,540,769,631	575,398,148,802



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Consolidated Financial Statement

(Unit: KRW)

Category	2022	2023	2024
Liabilities			
Current liabilities	281,314,760,272	295,526,966,081	284,834,677,988
Accounts payable and other current liabilities	83,946,781,688	130,442,087,693	105,393,796,43
Current borrowings	87,475,280,000	111,292,210,000	111,550,190,00
Portion of non-current borrowings reclassified as current liabilities due to liquidity	5,019,920,000	1,419,920,000	784,920,00
Current tax liabilities	1,579,114,197	8,150,718,588	2,206,209,20
Other current financial liabilities	14,015,943,520	23,759,321,176	35,901,605,89
Other current liabilities	89,277,720,867	20,462,708,624	28,997,956,44
Non-current liabilities	6,854,455,795	109,347,927,332	140,230,772,66
Long-term borrowings	2,961,380,000	105,094,047,909	136,369,978,98
Other non-current financial liabilities	3,893,075,795	692,832,101	912,459,59
Retirement benefit liabilities	0	0	
Other non-current liabilities	0	3,561,047,322	2,948,334,08
Total liabilities	288,169,216,067	404,874,893,413	425,065,450,64
Equity			
Equity attributable to the owners of the parent company	93,171,915,901	122,665,876,218	150,332,698,15
Capital stock	6,756,750,000	6,756,750,000	6,756,750,00
Capital surplus	5,502,835,652	5,502,835,652	5,502,835,65
Other components of equity	(2,536,587,451)	(4,228,492,157)	3,487,680,55
Retained earnings(accumulated deficit)	83,448,917,700	114,634,782,723	134,585,431,94
Total equity	93,171,915,901	122,665,876,218	150,332,698,15
Total equity and liabilities	381,341,131,968	527,540,769,631	575,398,148,80



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Consolidated Income Statement

(Unit: KRW)

Category	2022	2023	2024
Revenue(Sales)	229,144,511,634	628,485,714,969	757,295,076,969
Revenue(Sales) from the Delivery of Goods	229,144,511,634	628,485,714,969	757,295,076,969
Cost of sales	212,412,528,285	545,982,696,622	657,477,137,186
Gross profit	16,731,983,349	82,503,018,347	99,817,939,783
Selling and administrative expenses	16,115,582,906	47,086,769,941	75,371,338,180
Operating profit(loss)	616,400,443	35,416,248,406	24,446,601,603
Finance income	960,086,447	1,001,666,725	709,529,121
Finance costs	5,406,507,371	10,352,587,350	12,131,246,776
Other income	9,563,068,652	25,089,912,998	17,664,691,453
Other loss	8,351,070,960	6,958,432,210	5,999,675,997
Profit(loss) before income tax	(2,618,022,789)	44,196,808,569	24,689,899,404
Income tax expense(income tax benefit)	6,476,467,937	11,896,766,745	2,181,582,738
Profit(loss) from continuing operations	(9,094,490,726)	32,300,041,824	22,508,316,666
Profit(loss) from discontinued operations	0	0	0
Net profit(loss)	(9,094,490,726)	32,300,041,824	22,508,316,666
Other comprehensive income	2,474,504,122	(2,799,040,447)	6,479,817,870
Items that will not be reclassified as profit or loss (other comprehensive income after tax)	1,283,233,468	(1,052,811,812)	(1,273,901,321)
Items that may be reclassified as profit or loss (other comprehensive income after tax)	1,191,270,654	(1,746,228,635)	7,753,719,191
Total comprehensive income	(6,619,986,604)	29,501,001,377	28,988,134,536
Attribution of net profit(loss)			
Net profit(loss) attributable to the owners of the parent company	(9,094,490,726)	32,300,041,824	22,508,316,666
Net profit(loss) attributable to non-controlling interest			
Attribution of comprehensive income			
Comprehensive income attributable to the owners of the parent company	(6,619,986,604)	29,501,001,377	28,988,134,536
Comprehensive income attributable to non-controlling interest			
Earnings per share(EPS)			
Basic earnings(loss) per share	(688)	2,444	1,703
Diluted earnings(loss) per share	(688)	2,444	1,703



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Non-Financial Performance

Production Status by Site

(Basis for Intensity Calculation)

Category	Metrics	Unit	2022	2023	2024	Remarks
	ILJI TECH Gyeongsan Plant	units	2,838,758	2,492,689	2,141,237	Annual production based on SPOT COMPL(based on POP data)
Domestic	ILJI TECH Gyeongju Plant	units	2,304,001	3,037,683	3,307,459	Annual production based on SPOT COMPL(based on POP data)
	Total	units	5,142,759	5,530,372	5,448,696	
US	ITAC	units	-	3,357,659	3,400,795	ITAC has been aggregating data since its launch in 2023
China	ILJI Beijing	units	162,376	179,358	136,574	

Environmental Performance

Cohomovii	,	Metrics		Domestic Unit		ITA	ITAC¹)		ILJI Beijing		Damarika	
Category	ľ			2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	Energy	Non-Renewable Energy	MWh	23,046	29,930	32,302	33,242	33,786	11,681	10,827	9,504	(Domestic) Fuel consumption included by converting into electricity consumption unit
	Consumption	Renewable Energy	MWh	0	0	0	0	0	0	0	0	
		Total	MWh	23,046	29,930	32,302	33,242	33,786	11,681	10,827	9,504	
	Ву	Electricity	MWh	22,726	29,550	31,892	32,866	33,487	11,483	10,663	9,366	
	Energy Source	Fuel	MWh	319	380	410	376	299	198	164	138	
Energy Consumption	Energy Consumption Intensity	Energy Consumption Per Product	MWh/Unit	0.0044	0.0053	0.0059	0.0098	0.0098	0.0707	0.0595	0.0686	
	Renewable Energy Production	Solar Energy	MWh	2,114	2,355	3,773	-	-	-	-	-	(Domestic) The entire solar power generated is sold through renewable energy certificates (REC) and power- purchase agreements (PPAs)
		Share of Renewable Energy in Total Electricity Consumption	%	9	8	11	-	-	-	-	-	
Raw Material Use	Raw Material	Raw Materials Used for Production	Kg	37,113,232	44,986,189	46,629,407	36,514,152	49,127,518	15,984,934	18,698,860	13,484,338	(Domestic) Revised due to differences in raw material volume used in production (2022-23)
	Consumption (Coils)	Amount of Scrap Generated	Kg	30,922,168	34,727,340	34,031,370	1,817,871	23,781	5,314,700	6,395,220	4,413,960	(Domestic) All scrap metals are recycled or reused in another company
		Total	Kg	68,035,400	79,713,529	80,660,777	38,332,023	49,151,299	21,299,634	25,094,080	17,898,298	

¹⁾ ITAC has been aggregating data since its launch in 2023



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Environmental Performance

Catagory	M	etrics	Unit		Domestic		ITAC	1)		ILJI Beijing		Remarks
Category	IVI	etrics	UIIIL	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
		Non-Recyclable Water	tons	18,698	21,326	22,570	50.05	65.99	84,546	116,370	59,985	
	Water Use	Recycled Water	tons	0	0	0	0	0	0	0	0	
		Total	tons	18,698	21,326	22,570	50.05	65.99	84,546	116,370	59,985	
Water Use		Water Supplied by Third Parties(e.g., municipal water, industrial water)	tons	18,698	21,326	22,570	50.05	65.99	84,546	116,370	59,985	
	Water Use	Underground Water	tons	0	0	0	0	0	0	0	0	
		Sea Water	tons	0	0	0	0	0	0	0	0	
		Surface Water	tons	0	0	0	0	0	0	0	0	
		Scope 1 (Direct emissions)	tCO₂eq	76	189	246	1,721	1,852	62	336.4	224	(Domestic) Conducted the first third-party assessment of greenhouse gas emissions
		Scope 2 (Indirect emissions)	tCO2eq	10,441	13,577	14,652	11,799	12,022	6,672	6,209	5,454	in 2024 and revised the 2023 emissions volume based on findings from the assessment
Greenhouse Gas Emissions		Sum of S1+S2	tCO₂eq	10,517	13,766	14,898	13,520	13,874	6,734	6,546	5,678	
	Intensity of GHG Emissions	GHG Emissions Per Product	tCO₂eq/ unit	0.0020	0.0025	0.0027	0.0098	0.0098	0.0415	0.0365	0.0415	Total GHG emissions volume /Total production volume per business site (Domestic) Annual production volume based on POT COMPL (Based on POP data)
Use of Hazardous Chemical Substances	Consumption of F Substances	Hazardous Chemical	kg	52,220	101,017	144,863	0	62,285	13,990	12,960	11,640	(Domestic) Revised the calculation standards to the emission volume of CO2 gas and propane gas (LPG)
	Waste Generation Volume	General Waste	tons	227	218	235	988	670	-	-	-	(ITAC) Aggregates the total annual generation volume based on the official data provided by partner companies (ILJI Beijing) Figures unavailable as a third party handles waste
Waste		Specified Waste	tons	24	55	56	0	0	17	18	10	
Generation		Total	tons	251	273	291	988	670	17	18	10	
		Incineration	tons	232	224	242	0	14	17	18	10	
	Waste Disposal	Landfill	tons	0	0	0	266	211	0	0	0	
	Traste Disposut	Recycling	tons	19	49	49	722	445	0	0	0	(Domestic) All waste oil liquids and waste paint solids are recycled

¹⁾ ITAC has been aggregating data since its launch in 2023



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Environmental Performance

Category		Metrics	Domestic ITAC [®] ILJI Beijing Unit			Remarks						
Category		Metrics	Offic	2022	2023	2024	2023	2024	2022	2023	2024	Kelliaiks
Eco-Friendly Business	Green Investments	Green Investment Amount	KRW 1 million	1,323	723	122	-	-				(Domestic) e.g., ESS, solar power, commercial electric vehicle fleet, conversion into LED lighting, purchase of inverter compressors
Internalization of	Environmental	Total Training Hours	hours	0	0	0	-	-		- 281	7:	3
Environmental	Training	Total Trainees	persons	0	0	0	-	-		- 145	7:	3
Awareness	Performance	Training Hours Per Person	persons	0	0	0	-	-		- 2		l
Environmental	Violation of Environmental	Number of Regulatory Violations	cases	0	0	0	0	0		0 0)
Compliance Laws and Regulations	Amount of Fines	KRW	0	0	0	0	0		0 0	()	

¹⁾ ITAC has been aggregating data since its launch in 2023

OH&S Performance

Catagory	M	letrics	Unit -	1	Domestic		ITAC	(1)		ILJI Beijing		Remarks
Category	IVI	etrics	Onit	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	Accident Rate		%	0.27	0.54	0.46	6.95	3.55	0.02	0.03	0.02	(Domestic) Based on Korea Occupational Safety & Health Agency (KOSHA) data (ILJI Beijing) Based on the occupational accident report received
Safety Control	Number of Accidents	Number of Injured	1	1	2	3	49	25	6	9	8	(Domestic) Based on Korea Workers' Compensation & Welfare Service data (HQ 2 Gyeongju 1) (ILJI Bejjing) Based on the occupational accident report received
		Number of Fatalities	0	0	0	1	0	0	0	0	0	
	Lost Time Injury Fre	equency Rate(LTIFR)	%	1.13	1.98	2.79	3.32	2.05	8.93	12.32	12.82	(Domestic) (Number of lost- time injuries/Total working hours)*1,000,000 (ITAC) (Number of occupational accidents with actual work loss / Total working hours)*1,000,000
OH&S	Total Training Hour	s	hours	5,067	6,653	5,602	4,000	4,000	660	724	190	(Domestic) Production workers: 3,778 hours, Office workers: 1,824 hours
Performance	Total Trainees		persons	2,036	2,598	2,193	705	705	321	312	165	(Domestic) Based on the cumulative number of trainees
	Training Hours Per	Person	hours /person	2.5	2.6	2.6	5.7	5.7	2.1	2.3	1.2	

¹⁾ ITAC has been aggregating data since its launch in 2023



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Category		Metrics	Unit		Domestic		ITA	C ¹⁾		ILJI Beijing		Remarks
Category		Metrics	Offic	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	Number of Empl	oyees	persons	412	459	466	439	353	188	218	239	(Domestic) Based on the employee roster in the HR system (Different from business reports
	By Form of	Permanent Employees	persons	333	370	394	439	353	124	120	104	
	Employment	Contract Employees	persons	79	89	72	0	0	64	98	135	
	Gender	Male	persons	314	344	369	287	235	113	109	95	
	* Based on	Female	persons	19	26	25	152	118	11	11	9	
	Permanent Employees	Ratio of Female Employees	%	4.6	5.7	5.4	35.0	33.0	9.7	10.1	9.5	
		Executives (Male)	persons	6	7	8	3	3	1	1	0	(Domestic) Excluding Chairmen, Presidents, and Independent Directors
		Executives (Female)	persons	1	1	1	0	0	0	0	0	
		Total	persons	7	8	9	3	3	1	1	0	
	By Rank * Based on	Ratio of Female Executives	%	14.3	12.5	11.1	0	0	0	0	0	
	Permanent Employees	Managers (Male)	persons	93	97	111	13	14	25	24	21	(Domestic) Managers: Personnel at supervisor level or higher
		Managers (Female)	persons	8	9	9	2	2	8	8	8	
Employee Status		Total	persons	101	106	120	15	16	33	32	29	
Status		Percentage of Female Managers and Above vs the Total Number of Managers	%	7.9	8.5	7.5	13.0	13.0	24.2	25.0	27.6	
	By Age Group	Below 30 Years Old	persons	35	42	60	49	32	3	3	2	
	* Based on Permanent	30-49	persons	254	266	266	229	178	117	113	98	
	Employees	50 Years Old and Above	persons	44	62	68	161	143	4	4	4	
		Persons with Disabilities	persons	12	15	15	0	0	2	2	2	
		Percentage of Persons with Disabilities	%	2.9	3.3	3.2	0	0	1.6	1.7	1.9	
		Foreigners	persons	0	0	0	68	67	6	5	4	
	Diversity	Contract Employees (including Contractors and Part-time Workers)	persons	79	89	72	0	0	64	98	135	
		Young Local Workforce	persons	29	21	34	43	28	0	0	0	(Domestic) Excludes those without a registered address in the HR system based on those aged 34 or below living in Gyeongsan-si, Gyeongsangbuk-do Province
	Average Length of Service		years	8 Years and 8 Months	8 Years and 2 Months	8 Years and 4 Months	6 Years and 8 Months	8 Years	7 Years and 6 Months	8 Years and 6 Months	9 Years and 5 Months	(Domestic) Length of service as of the last day of each year (December 31)

¹⁾ ITAC has been aggregating data since its launch in 2023



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Catagory		Metrics	Unit		Domestic		ITAC	C1)		ILJI Beijing		Remarks
Category			Onit	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	New Hires		persons	105	133	95	135	49	3	0	0	
	Condor	Male	persons	91	123	87	96	34	1	0	0	
	Gender	Female	persons	14	10	8	39	15	2	0	0	
		Below 30 Years Old	persons	41	50	34	40	14	0	0	0	
_	By Age Group	30-49	persons	25	45	36	83	23	3	0	0	
Employment		50 Years Old and Above	persons	39	38	25	12	12	0	0	0	
		Total Employees Hired	persons	26	19	52	59	16	0	0	0	(Domestic) Those aged 19-34
	Employment of Young Workforce	Permanent Employee Conversion Rate	%	100	42	75	100	100	0	0	0	(Domestic) Change in standards: (Total young workforce -Number of workforce not absorbed as permanent employees) / Total number of young workforce
		Number of Resignations	persons	65	93	78	295	195	7	2	26	
Total Resignation	Percentage of Resignations	%	15.8	20.3	16.8	51.0	49.0	5.3	1.6	20.0		
		Voluntary Resignations	persons	64	93	78	245	45	5	1	1	
		Non-Voluntary Resignations	persons	1	0	0	50	150	2	1	25	
	Gender	Male	persons	59	86	69	200	122	3	2	22	
	Gender	Female	persons	6	7	9	95	73	4	0	4	
		Below 30 Years Old	persons	26	42	17	120	53	1	0	0	
	By Age Group	30-49	persons	26	15	24	134	98	6	2	26	
Resignation		50 Years Old and Above	persons	13	36	37	41	44	0	0	0	
and		Executives	persons	1	2	-	0	0	0	0	0	
Turnover By Position	By Position	Mid-Level Managers	persons	18	11	13	17	7	0	0	0	(Domestic) Senior Managers, Principal Managers, Team Leaders (Section Chiefs, Managers, Deputy General Managers)
		Junior Managers	persons	23	24	12	5	15	5	1	6	(Domestic) Senior Staff (Assistant Managers)
		Non-Managerial Staff	persons	23	56	53	273	173	2	1	20	(Domestic) Interns, Field Staff, Facility Management Staff
	Resignation of New Hires	New Employee Turnover	persons	17	12	27	176	57	1	0	0	(Domestic) Change in standards: When employees with less than one year of service resign (for personal reasons/job change)
New		New Employee Turnover Rate	%	26.2	12.9	34.6	60	29	0.8	0	0	

¹⁾ ITAC has been aggregating data since its launch in 2023



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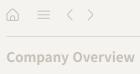


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Catagory		Metrics	Unit		Domestic		ITA	(C1)		ILJI Beijing		Remarks
Category		Metrics	Onit	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	Total Employee I	Benefit Expenses ²⁾	KRW	3,694,587,137	4,414,594,210	4,997,523,367	3,006,776 (USD)	3,154,695 (USD)	2,598,298 (CNY)	2,582,339 (CNY)	1,912,402 (CNY)	
	Average Benefit	Expense Per Employee ³⁾	KRW	8,967,445	9,617,852	10,747,362	4,041(USD)	5,664(USD)	2.20(CNY)	2.25(CNY)	1.91(CNY)	(ILJI Beijing) Includes annual expenses such as cafeteria operation costs, commute buses, health checkups, bonuses, holiday allowances
Employee Benefits		Number of Employees Taking Parental Leave	persons	1	2	0	0	4	0	0	0	(Domestic) Based on the date of applying for parental leave
	Parental Leave Use and Return Rates	Number of Employees Who Returned from Parental Leave	persons	1	1	1	0	4	0	0	0	(Domestic) Based on the date of returning from parental leave
		12-month Retention Rate after Returning from Parental Leave	%	100	100	100	0	100	0	0	0	
		Total Training Hours	hours	7,999	8,194	12,314	2,240	2,280	836	1,165	415	(Domestic) Based on cumulative training hours (Statutory training+GPC+Hunet)
	Total Training	Training Hours per Employee	hours	19	18	26	4	4	4.4	5.3	1.7	
	Status (including	Total Employees Trained (excluding duplicates)	persons	412	459	465	80	80	188	218	239	
Employee Training	statutory nployee training)	Training Participation Rate	%	100	100	100	100	100	100	100	100	(Domestic) Based on completion of statutory training
		Total Employee Training Expenses ⁴⁾	KRW 1 million	0	0	0	2,000(USD)	2,000(USD)	17,800(CNY)	14,200(CNY)	13,000(CNY)	(Domestic) Cannot calculate training expenses because it is conducted as internal training or government subsidies are used
	Statutory Training (e.g., sexual	Training hours	hours	15	15	15	4	4	660	1,005	263	(Domestic) Average training hours per person
	harassment prevention)	Participants	persons	412	459	465	80	80	188	218	239	

¹⁾ ITAC has been aggregating data since its launch in 2023

^{2), 3), 4)} Different currencies used at ITAC (USD) and ILJI Beijing (CNY)



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Catagory	Mot	trics	Unit –		Domestic		ITAC	<u></u>	II	LJI Beijing		Remarks
Category	Me	trics	Unit –	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	Global Partnering Center (GPC) Job	Training Hours	hours	17	17	18	0	0	-	-	-	(Domestic) Average training hours per person
	Training	Participants	persons	107	77	103	0	0	-	-	-	
	Competency	Training Hours	hours	0	0	19	0	0	-	-	-	(Domestic) Average training hours per person
Employee	Training (Hunet) ²⁾	Participants	persons	0	0	175	0	0	-	-	-	
Training	Transparency & Ethics Training ³⁾	Training Hours	hours	0	0	2	0	0	-	-	-	(Domestic) Average training hours per person
	Ethics Training	Participants	persons	0	0	80	0	0	-	-	-	
	ESG/Sustainable	Training Hours	hours	0	0	11	-	2	0	0	0	
	Management- Related Training	Participants	persons	0	0	54	-	56	0	0	0	
	Number of Employ Collective Agreeme	ees Covered by the ent	persons	181	200	200	0	0	118	115	100	
	Collective Agreeme	ent Coverage Rate	%	100	100	100	0	0	95	93	81	
	Number of Employ the Labor Union	ees Eligible to Join	persons	181	200	200	0	0	118	115	100	(Domestic) Based on field staff
	Number of Union N	Members	persons	181	200	200	0	0	118	115	100	(ILJI Beijing) Labor Council
Social Dialog	Percentage of Unio	n Membership	%	100	100	100	0	0	100	100	100	(ILJI Beijing) Labor Council
	Labor-Managemen	t Council Meetings	times	4	4	4	0	0	0	0	0	(ILJI Beijing) Labor Council
	Number of Grievance	ces Filed	cases	0	1	0	0	0	0	0	0	(ILJI Beijing) Labor Council
		ces Handled	cases	0	1	0	0	0	0	0	0	(ILJI Beijing) Labor Council
	Average Response	Time in Days	days	-	37	-	0	0	0	0	0	(ILJI Beijing) Labor Council

¹⁾ ITAC has been aggregating data since its launch in 2023

^{2), 3)} Implemented in Korea since 2024



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Employees

Motrics	Unit		Domestic		Remarks
MECHICS	Offic	2022	2023	2024	Remarks
Total Number of Partner Companies	companies	31	36	36	Materials Team 1 (Total of 23 suppliers related to parts purchase), Development Team (Total of 13 suppliers)
Number of Major Partner Companies	companies	12	13	13	Materials Team 1 (8 press and welding suppliers among all suppliers related to parts purchase), Development Team (5 major suppliers)
Amount Purchased by All Partner Companies	KRW 1 million	52,260	67,618	77,753	Materials Team 1 (Total of 23 suppliers related to parts purchase), Development Team (Total of 13 suppliers)
Amount Purchased by Major Partner Companies	KRW 1 million	40,996	52,942	60,303	Materials Team 1 (8 press and welding suppliers among all suppliers related to parts purchase), Development Team (5 major suppliers)
Competency Training for Employees of Partner Companies	companies (or persons)	17	17	17	Selection of suppliers related to parts purchase
Companies Subject to Risk Assessment	companies	8	8	8	Selection of suppliers related to press parts supply chain
Companies Assessed	companies	8	8	8	
Assessment Rate	%	100	100	100	Assessment rate among 8 companies
	Number of Major Partner Companies Amount Purchased by All Partner Companies Amount Purchased by Major Partner Companies Competency Training for Employees of Partner Companies Companies Subject to Risk Assessment Companies Assessed	Total Number of Partner Companies companies Number of Major Partner Companies companies Amount Purchased by All Partner Companies Amount Purchased by Major Partner Companies Companies Competency Training for Employees of Partner Companies (or persons) Companies Subject to Risk Assessment companies Companies Assessed companies	Total Number of Partner Companies companies 31 Number of Major Partner Companies companies 12 Amount Purchased by All Partner Companies KRW 1 million 52,260 Amount Purchased by Major Partner Companies KRW 1 million 40,996 Companies Companies (or persons) 17 Companies Subject to Risk Assessment companies 8 Companies Assessed companies 8	MetricsUnit20222023Total Number of Partner Companiescompanies3136Number of Major Partner Companiescompanies1213Amount Purchased by All Partner CompaniesKRW 1 million52,26067,618Amount Purchased by Major Partner CompaniesKRW 1 million40,99652,942Competency Training for Employees of Partner Companiescompanies (or persons)1717Companies Subject to Risk Assessmentcompanies88Companies Assessedcompanies88	MetricsUnit202220232024Total Number of Partner Companiescompanies313636Number of Major Partner Companiescompanies121313Amount Purchased by All Partner CompaniesKRW 1 million52,26067,61877,753Amount Purchased by Major Partner CompaniesKRW 1 million40,99652,94260,303Competency Training for Employees of Partner Companiescompanies (or persons)171717Companies Subject to Risk Assessmentcompanies88Companies Assessedcompanies88

Local Communities

Catagory		Metrics	Unit -		Domestic		Remarks
Category		Metrics	Onit -	2022	2023	2024	Relliatks
		Gyeongsan Senior Welfare Center		3.6	3.6	3.6	
Social	Cash	Home of Angels	VDW 1 million	4.0	4.0	4.0	
Contributions	donations Gyeongs	Gyeongsan Council of Disability Welfare Groups	KRW 1 million —	-	2.0	4.0	
	Total		7.6	9.6	11.6		

Customers

Catagory	Metrics	Unit	Į.	Domestic		ITA	C ¹⁾		LJI Beijing		Remarks
Category	Metrics	Onit	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
	Number of Complaints Received	cases	10	13	2	16	12	0	0	0	(Domestic) Customer nonconformity issues (Number of defective incoming goods) (ITAC) HMMA customer nonconformity notification and registration standards
Customer Satisfaction	Number of Complaints Handled	cases	10	13	2	16	12	0	0	0	(Domestic) Number of customer nonconformity issues resolved (Number of defects in incoming goods resolved) (ITAC) Based on corrective actions taken and validation of their effectiveness
	Processing Rate	%	100	100	100	100	100	100	100	100	

¹⁾ ITAC has been aggregating data since its launch in 2023

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Information Protection

Catagory	Metrics	Unit		Domestic		ITA	(C ¹⁾		ILJI Beijin	g	Remarks
Category	Metrics	Offic	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
Data Protection	Staff Required to Undergo Data Protection/Data Breach Prevention Training	persons	193	226	First half of the year: 196 Second half of the year: 183	-	-				
Training	Staff Who Completed Data Protection/Data Breach Prevention Training	persons	193	226	First half of the year: 196 Second half of the year: 183	-	-				
Data Security Breaches	Number of Data Breaches	cases	0	0	0	-	1	(0	()

¹⁾ ITAC has been aggregating data since its launch in 2023

Ethics & Fair Trade

Category	Metrics	Domestic ITAC® ILJI Beijing Unit						─ Remarks			
Category	Metrics	Offic	2022	2023	2024	2023	2024	2022	2023	2024	Remarks
Ethics Training	Ethical Training Hours	hours	0	0	2	-	-	-	-		_ (Domestic) Transparency & Ethics training began in 2024
	Participants	persons	0	0	80	-	-	-	-		-
Fair Trade	Number of Ethics Violations	cases	0	0	0	0	0	0	0	()
Ethics Training	Number of Fair Trade Violations	cases	0	0	0	0	0	0	0	()

¹⁾ ITAC has been aggregating data since its launch in 2023

Violation of Social Laws and Regulations

Catagory	Metrics	Unit –	Domestic		ITAC¹)			ILJI Beijing		Remarks	
Category			2022	2023	2024	2023	2024	2022	2023	2024	Remarks
Status of Noncompliance	Number of Legal and Regulatory Violations	cases	0	0	0	0	0	0	0	0	
with Other Social and Economic Laws	Penalties and Fines Imposed	KRW 10,000	0	0	0	0	0	0	0	0	

¹⁾ ITAC has been aggregating data since its launch in 2023

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Governance Performance

Catagory	Metrics	Unit		Domestic		Remarks
Category	Metrics	OIIIL	2022	2023	2024	Remarks
	Total Meetings Held	times	15	19	19	
	Items Resolved	cases	15	19	19	
Board of	Items Reported	cases	0	0	0	
Directors	Items Revised	cases	0	0	0	
Performance	Pre-Meeting Deliberation Rate	%	0	0	0	
	Percentage of Female Directors	%	0	0	0	
	Average Attendance Rate	%	100	100	100	
Board Status	Internal Directors	persons	2	2	2	
Board Status	Independent Directors	persons	3	3	3	

Distribution of Economic Performance

Category	Metrics	Unit	Domestic			ITAC ¹⁾		Remarks
		Oilit	2022	2023	2024	2023	2024	Remarks
Nation	Corporate Tax	KRW 1 million	3,317	2,469	2,182	704,711(USD)	2,734,778(USD)	
Shareholders	Dividends	KRW 1 million	-	-	1,321	0(USD)	0(USD)	
Partner Companies(All)	Procurement Cost	KRW 1 million	52,260	67,618	77,753	254,635,838 (USD)	244,384,258 (USD)	
Employees	Labor Costs	KRW 1 million	25,162	29,365	33,113	55,941,898(USD)	52,946,792(USD)	

¹⁾ ITAC has been aggregating data since its launch in 2023

Technological Competitiveness

	Catagory	Metrics	Unit -		Domestic		Remarks	
S	Category	Metrics	Offic	2022	2023	2024		
ı	R&D	R&D Investment	KRW 1 million	10,928,651	23,832,318	18,400,389	Based on the year-end business report from DART electronic disclosure	
	R&D	R&D Expenditure vs Sales	%	3.8	4.8	3.8	Based on the year-end business report from DART electronic disclosure	
	Intellectual	Intellectual Properties Owned (Registered)	Number	45	55	65	Based on the year-end business report from DART electronic disclosure	
Propert	Properties	Patents (Registered)	Number	38	48	55	Based on expired patents as of 2024 using data managed by the relevant department	



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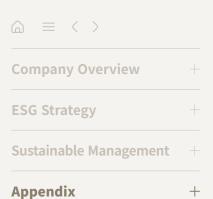
GRI Content Index

Statement of use: ILJI TECH has reported with reference to the GRI Standards for the period [2024.01.01.~ 2024.12.31.]

GRI 1 used GRI 1: Foundation 2021 Applicable GRI Sector Standard(s): N/A

Topic		GRI Disclosure	Page
General Discl			
	2-1	Organizational details	7
GRI 2: The	2-2	Entities included in the organization's sustainability reporting	1
organization and its	2-3	Reporting period, frequency and contact point	1
reporting practices	2-4	Restatements of information	Disclosed in a separate note
	2-5	External assurance	102-103
GRI 2:	2-6	Activities, value chain and other business relationships	11-15
Activities and workers	2-7	Employees	90
Workers	2-8	Workers who are not employees	90
	2-9	Governance structure and composition	73
	2-10	Nomination and selection of the highest governance body	74
	2-11	Chair of the highest governance body	73
	2-12	Role of the highest governance body in overseeing the management of impacts	18, 74
GRI 2:	2-13	Delegation of responsibility for managing impacts	18
Governance	2-14	Role of the highest governance body in sustainability reporting	18
	2-15	Conflicts of interest	74
	2-16	Communication of critical concerns	74
	2-17	Collective knowledge of the highest governance body	Information unavailable/ incomplete
	2-18	Evaluation of the performance of the highest governance body	Information unavailable/ incomplete

Topic		GRI Disclosure	Page
	2-19	Remuneration policies	Business Report p184-185
GRI 2: Governance	2-20	Process to determine remuneration	Business Report p184-185
Governance	2-21	Annual total compensation ratio	Confidentiality constraints
	2-22	Statement on sustainable development strategy	4-5
	2-23	Policy commitments	17, 27, 43, 63, 66, 73, 75, 77
GRI 2:	2-24	Embedding policy commitments	17, 27, 43, 63, 66, 73, 75, 77
Strategy, policies and	2-25	Processes to remediate negative impacts	78
practices	2-26	Mechanisms for seeking advice and raising concerns	78
	2-27	Compliance with laws and regulations	89
	2-28	Membership associations	106
GRI 2: Stakeholder	2-29	Approach to stakeholder engagement	22
engagement	2-30	Collective bargaining agreements	61
Material Topi	cs		
GRI 3:	3-1	Process to determine material topics	23
Material	3-2	List of material topics	23-24
Topics 2021	3-3	Management of material topics	24
Economic Per	rforma	nce(GRI 200)	
GRI 201:	201-1	Direct economic value generated and distributed	82-84, 94
Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	44-47
	201-4	Financial assistance received from government	15



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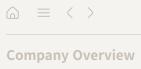


GRI Content Index

Topic		GRI Disclosure	Page
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Wages exceed the statutory minimum wage at all sites
GRI 203: Indirect	203-1	Infrastructure investments and services supported	71
Economic Impacts 2016	203-2	Significant indirect economic impacts	71
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	88
GRI 205:	205-1	Operations assessed for risks related to corruption	76
Anti- corruption 2016	205-2	Communication and training about anti- corruption policies and procedures	76
2010	205-3	Confirmed incidents of corruption and actions taken	76
GRI 206: Anti- competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	89
Environment	al Perf	ormance(GRI 300)	
GRI 301: Materials	301-1	Materials used by weight or volume	85
2016	301-2	Recycled input materials used	85
	302-1	Energy consumption within the organization	85
GRI 302:	302-2	Energy consumption outside of the organization	85
Energy 2016	302-3	Energy intensity	85
	302-4	Reduction of energy consumption	85
	303-1	Interactions with water as a shared resource	39
GRI 303: Water and	303-2	Management of water discharge-related impacts	39
Effluents 2018	303-3	Water withdrawal	86
	303-5	Water consumption	86

торіс		GRI DISCIOSUTE	Page
GRI 304: Biodiversity 2016	304-2	Significant impacts of activities, products and services on biodiversity	41
	305-1	Direct (Scope 1) GHG emissions	86
	305-2	Energy indirect (Scope 2) GHG emissions	86
GRI 305:	305-4	GHG emissions intensity	86
Emissions 2016	305-5	Reduction of GHG emissions	86
	305-6	Emissions of ozone-depleting substances (ODS)	N/A - No emissions generated on site
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A - No emissions generated on site
	306-2	Management of significant waste-related impacts	40
GRI 306:	306-3	Waste generated	40, 86
Waste 2020	306-4	Waste diverted from disposal	40, 86
	306-5	Waste directed to disposal	86
GRI 308: Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	66-67
Social Perfor	mance(GRI 400)	
	401-1	New employee hires and employee turnover	89
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	90
	401-3	Parental leave	90
GRI 403:	403-1	Occupational health and safety management system	27, 29
Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	32
Juicty 2010	403-3	Occupational health services	37, 60

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	Topic		GRI Disclosure	Page
		403-4	Worker participation, consultation, and communication on occupational health and safety	29-30
		403-5	Worker training on occupational health and safety	35
		403-6	Promotion of worker health	35-37
	GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	31-37
		403-8	Workers covered by an occupational health and safety management system	OH&S management system covers all employees across all sites
		403-9	Work-related injuries	87
		403-10	Work-related ill health	87
	GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	90
		404-2	Programs for upgrading employee skills and transition assistance programs	58
		404-3	Percentage of employees receiving regular performance and career development reviews	55
	GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	74
	GRI 406: Non- discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	77
	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A

Topic		GRI Disclosure	Page
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	N/A
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	N/A
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	78
GRI 414: Supplier Social	414-1	New suppliers that were screened using social criteria	67, 88
Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	67
GRI 415: Public Policy 2016	415-1	Political contributions	N/A
GRI 417: Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	No violations reported
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No violations reported

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TCFD 98

TCFD(Task Force on Climate-Related Financial Disclosures)

	Category	Task Force on Climate-related Financial Disclosures	Page		
Governance	Disclose the organization's governance around	A. Describe the board's oversight of climaterelated risks and opportunities.			
Governance	climate-related risks and opportunities.	B. Describe management's role in assessing and managing climaterelated risks and opportunities.	43		
	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	A. Describe the climaterelated risks and opportunities the organization has identified over the short, medium, and long term.			
Strategy		B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	44-47		
		C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.			
	Disclose how the organization identifies, assesses, and manages climate-related risks.	A. Describe the organization's processes for identifying and assessing climaterelated risks.			
Risk Management		B. Describe the organization's processes for managing climaterelated risks.	43, 47		
		C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.			
	Disclose the metrics and	A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.			
Metrics & Targets	targets used to assess and manage relevant climate- related risks and opportunities	B. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas(GHG) emissions, and the related risks.	44, 48-49		
	where such information is material.	C. Describe the targets used by the organization to manage climaterelated risks and opportunities and performance against targets.			



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SASB 99

SASB Index

ILJI Tech discloses relevant information in line with the Auto Parts industry topics under the Sustainability Accounting Standards established by the SASB(Sustainability Accounting Standards Board)

SASB Topic	Code	Description	Reporting Location and Description					
Table 1. Sustainability Disclosure Topics & Metrics								
Energy Management	TR-AP-130a.1	(1)Total energy consumed, (2)Percentage grid electricity, (3)Percentage renewable	85					
Waste Management	TR-AP-150a.1	(1)Total amount of waste from manufacturing, (2)Percentage hazardous, (3)Percentage recycled	86					
Product Safety	TR-AP-250a.1	Number of recalls issued, total units recalled	-					
Design for Fuel Efficiency	TR-AP-410a.1	Revenue from products designed to increase fuel efficiency and/or reduce emissions	-					
Materials Sourcing	TR-AP-440a.1	Description of the management of risks associated with the use of critical materials	66					
Materials Efficiency	TR-AP-440b.1	Percentage of products sold that are recyclable	-					
Materials Efficiency	TR-AP-440b.2	Percentage of input materials from recycled or remanufactured content	85					
Anti-competitive Behavior	TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	93					
Table 2. Activity Metrics								
Number of parts produced	TR-AP-000.A		85					
Weight of parts produced	TR-AP-000.B		-					
Area of manufacturing plants	TR-AP-000.C		-					



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UN SDGs Commitment

		SDGs Goals & Specific	c Goals	Major Activities	
1	1 NO POVERTY	Vulnerable groups' resilience & environmental improvement	End poverty in all its forms everywhere	Donation to promote shared prosperity with local communities	
3	3 GOOD HEALTH AND WELL-BEING	Ensure healthy, happy lives	Ensure healthy lives and promote wellbeing for all at all ages	 Monitoring the progress of OH&S plans Occupational accident and serious accident preventions(e.g., on-site inspections, safety risk assessment) Raising corporate awareness through safety alerts and campaigns On-site noise control(operation of the hearing conservation program) Operation of benefits system for work-life balance 	
4	4 QUALITY EDUCATION	Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	 Transparent and fair employment Operation of career development programs and CDP for dispatched employees Operation of job rotation system 	
5	5 GENDER EQUALITY	Gender Equality	Achieve gender equality and empower all women and girls	Efforts to prohibit discrimination and strengthen human rights protection activities	
6	6 CLEAN WATER AND SANITATION	Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	 Operation of corporate water-saving campaigns Water inspection by replacing obsolete facilities 	
7	7 AFFORDABLE AND CLEAN ENERGY	Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	 Energy conservation activities (e.g., upgrading to LED lighting, replacing the commercial vehicle fleet with green vehicles, improving building energy efficiency) Expansion of renewable energy(solar power) 	
8	8 DECENT WORK AND ECONOMIC GROWTH	Decent Working Condition and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Providing ESG consulting to partner companies	



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UN SDGs Commitment

		SDGs Goals & Specif	ic Goals	Major Activities
10	10 REDUCED INEQUALITIES	Reduced Inequalities	Reduce inequality within and among countries	 Human rights management declaration Training for enhancing human rights awareness Operation of grievance handling system
11	11 SUSTAINABLE CITIES AND COMMUNITIES	Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient and sustainable	Implementation of community development programs
12	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Consumption and Production	Ensure sustainable consumption and production patterns	 Waste recycling R&D on eco-friendly innovations (use of green VDM materials) Raw and auxiliary material management Introduction of sustainable green procurement policies Management of hazardous chemical substances
13	13 CLIMATE ACTION	Climate Action	Take urgent action to combat climate change and its impacts	 Establishment of Roadmap to Carbon Neutrality 2050 Drawing up risks and response measures for climate change Third-party assessment of GHG Emissions Carbon Disclosure Project (CDP) Supply Chain membership Management of carbon emissions by partner companies Pilot use of the lifecycle environmental impact assessment platform
16	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Peace, Justice and Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	 Creating a human rights-based management system by announcing the Human Rights Management Statement Establishing a transparent, ethical management culture by introducing the Code of Conduct
17	17 PARTIMERSHIPS FOR THE GOALS	Partnerships for the Goals	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	 Adoption of the responsible supply chain policy Establishing fair trade practices by introducing Four Major Subcontracting Practices

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2025 ILJI TECH Sustainability Report



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ILJI TECH

Independent Third-Party Assurance Opinion

To: Esteemed Stakeholders of Ilji Tech

1. Introduction

ESG Innovation Network, a non-profit specialized assurance body, has completed an independent third-party assurance activity concerning Ilji Tech's 2025 Sustainability Report. The primary objective of this assurance is to confirm the reliability of the non-financial information disclosed in this report and to assure that the company has addressed its significant sustainability issues with clarity. The ultimate responsibility for all information and assertions contained within this report lies solely with Ilji Tech, which prepared and published it. The assurer is responsible only for the independent assurance opinion derived from the assurance activity performed.

2. Assurance Criteria

This assurance activity was rigorously conducted in accordance with the internationally recognized assurance standard, AA1000 Assurance Standard v3, established by AccountAbility. Specifically, this assurance applied Type 1 and Moderate levels of AA1000AS v3. This implies an evaluation of the application of the four principles of AA1000AS—Inclusivity, Materiality, Responsiveness, and Impact—and a thorough review of the robustness of the information collection procedures and internal management systems. The Moderate level indicates that the assessment was performed based on evidence collected within a limited scope to provide a reasonable level of assurance. Furthermore, during this assurance process, the reporting principles and disclosure requirements of GRI Standards (2021), an international standard for report preparation, were referenced and carefully examined.

3. Assurance Scope

As an independent assurance body, the assurer strictly adhered to the procedures and guidelines of the assurance standard to conduct this assurance. The scope of this assurance was limited to the information and data included within the reporting period from January 1, 2024, to December 31, 2024. Specifically, the following key aspects were included in the assessment:

- Appropriateness of applying the four principles of AA1000AS v3(Inclusivity, Materiality, Responsiveness, Impact)
- Robustness of internal processes and management systems for the collection, analysis, and review of sustainability information
- · Reliability and overall quality of non-financial information disclosed in this report
- Reference to and compliance with GRI Standards(2021)

4. Assurance Methodology

The assurer conducted the assurance activities by applying a systematic methodology as outlined below. First, a comprehensive review was conducted of key sustainability issues that could significantly impact the organization's business operations and are of interest to key stakeholder groups. Second, the procedural validity and appropriateness of the outcomes of the materiality determination process for identifying key issues in this report were thoroughly examined. Third, the assurer assessed and verified the entire process of ESG data management—from raw data collection to aggregation, review, and inclusion in the report. Fourth, to ensure the reliability of key claims and performance data presented in this report, various supporting documents such as internal policies, procedural manuals, meeting minutes, contracts, and reports were cross-checked. Fifth, interviews were conducted with key personnel responsible for core environmental, social, and governance (ESG) performance data to review data generation processes and the current operation of internal management systems, and to evaluate the effectiveness of these systems.

5. Assurance Results

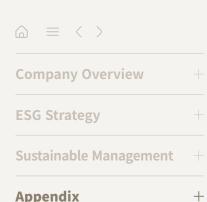
Based on the assurance methodology and activities described above, the assurer provides the following assurance opinion. The assurance provider confirms that no material issues were identified that would lead to the conclusion that the information in this report is unfairly presented with respect to key sustainability issues. Detailed assurance findings are as follows:

Inclusivity Principle(AA1000AS v3)

The assurer considers that Ilji Tech has appropriately applied the Inclusivity principle of AA1000AS v3. Ilji Tech systematically identified a wide range of key stakeholders—including shareholders and investors, employees, customers, local communities, business partners, and government agencies—and effectively operated regular communication channels and various engagement programs to ensure their views and expectations were reflected in the process of identifying and addressing key sustainability issues.

Materiality Principle(AA1000AS v3)

The assurer considers that Ilji Tech has appropriately applied the Materiality principle of AA1000AS v3. Ilji Tech sincerely conducted a Double Materiality Assessment, taking into account



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Independent Third-Party Assurance Opinion

both financial materiality (impacts of corporate activities on the organization) and impact materiality (impacts on the environment and society). As a result, the report effectively reflects issues that are material to Ilji Tech's business characteristics and stakeholders, including energy reduction and expansion of renewable energy, workplace safety and health management, and product safety and quality.

· Responsiveness Principle(AA1000AS v3)

The assurer considers that Ilji Tech has appropriately applied the Responsiveness principle of AA1000AS v3. Ilji Tech has integrated the key sustainability issues identified through the Double Materiality Assessment into its mid-to-long-term strategy and day-to-day operations, demonstrating a systematic approach to addressing various stakeholder expectations and concerns. This reflects a strong commitment to responsible management and continuous improvement.

Impact Principle(AA1000AS v3)

The assurer considers that Ilji Tech has appropriately applied the Impact principle of AA1000AS v3. Ilji Tech has systematically identified and evaluated the positive and negative impacts of its activities and performance not only on the company itself but also on the broader economy, environment, and society. These impacts are transparently disclosed in the report by each key issue.

Reliability of Data and Information

The assurer considers that Ilji Tech has established reliable internal systems and processes for the collection, accumulation, analysis, and review of sustainability-related data and information. The ESG data and information presented in this report are generally reliable, and no material errors or intentional biases were identified during the assurance activities.

Reference to GRI Standards(2021)

The assurer confirms that this report has been prepared with faithful reference to the GRI Standards(2021), and that it appropriately adheres to the GRI reporting principles, required disclosures, and GRI Content Index requirements.



Within the scope that does not materially affect the assurance results, the assurer provides the following recommendation: to enhance employee participation across the entire process of generating and reporting data and information, it is recommended to expand the task force responsible for preparing the report.

7. Independence and Competence

The ESG Innovation Network, the assurance provider for this report, conducted its assurance activities while maintaining full independence from Ilji Tech. The assurer confirms that it has no commercial relationship with Ilji Tech apart from this third-party assurance service, and that there is no conflict of interest. The assurer operates a comprehensive quality management system for assurance activities, including documented policies and procedures. Furthermore, the assurance team possesses extensive experience and deep expertise in sustainability, corporate social responsibility(CSR), and ESG management, and is sufficiently qualified to perform this assurance work effectively based on a solid understanding of international assurance standards.

Hyun Lee

Chair, ESG Assurance Committee ESG Innovation Network

July 2025







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Greenhouse Gas Verification Statement

LRQA Independent Assurance Statement

Relating to ILJI TECHNOLOGY CO., LTD.'s GHG Emissions Inventory for the calendar years 2019, 2023 and 2024

This Assurance Statement has been prepared for ILJI TECHNOLOGY CO., LTD. in accordance with our contract.

Terms of engagement

LRQA was commissioned by ILJI TECHNOLOGY CO., LTD. to provide independent assurance on its GHG emissions inventory for the calendar years 2019, 2023 and 2024(here after referred to as "the report") against the assurance criteria below to a limited level of assurance and materiality of 5% using ISO 14064-3:2019, 'Specification with guidance for verification and validation of greenhouse gas statements'.

Our assurance engagement covered the operations of ILJI TECHNOLOGY CO., LTD.'s domestic sites and its overseas subsidiaries, and specifically the following requirements:

- Evaluating conformance with World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, revised edition1
- Evaluating the accuracy and reliability of data and information for direct GHG emissions(Scope 1) and energy indirect GHG emissions(Scope 2).

The main activities of ILJI TECHNOLOGY CO., LTD. include manufacturing of automotive parts and the GHG emissions have been consolidated using an operational control approach.

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

LRQA's Opinion

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

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 The 2019 GHG emissions of ILJI TECH AMERICA, INC, a overseas subsidiary of ILJITECH Co., Ltd., were not reported.

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

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

LRQA's approach

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

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

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LRQA's standards, competence and independence

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

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

This verification engagement is the only work undertaken by LRQA for ILJI TECHNOLOGY CO., LTD. and as such does not compromise our independence or impartiality.

Dated: 4 April 2025

Tae-Kyoung Kim

LRQA Lead Verifier On behalf of LRQA

2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea LRQA reference: SE000001847



			Scope of GHG emissions(tCO2e)		
Years	Region	Corporate entity (Site)	Direct GHG emissions (Scope 1)	Energy indirect GHG emissions (Scope 2, location-based)	Total
	Korea	ILJI TECHNOLOGY CO., LTD. (Gyeongsan Factory)	75	6,081	6,156
2010	Notea	ILJI TECHNOLOGY CO., LTD. (Gyeongju Factory)	52	3,625	3,677
2019 -	China	BEIJING MACHINERY CO., LTD.	360	8,554	8,914
	United States	ILJI TECH AMERICA, INC	Not reported	Not reported	Not reported
		Total	487	18,260	18,747
	Korea	ILJI TECHNOLOGY CO., LTD. (Gyeongsan Factory)	57	5,934	5,991
2023 -	Korea	ILJI TECHNOLOGY CO., LTD. (Gyeongju Factory)	132	7,643	7,775
2023	China	BEIJING MACHINERY CO., LTD.	336	6,209	6,546
	United States	ILJI TECH AMERICA, INC	1,721	11,799	13,520
		Total	2,246	31,585	33,831
	Korea	ILJI TECHNOLOGY CO., LTD. (Gyeongsan Factory)	61	5,930	5,991
2024 -	Notea	ILJI TECHNOLOGY CO., LTD. (Gyeongju Factory)	185	8,722	8,907
2024	China	BEIJING MACHINERY CO., LTD.	224	5,454	5,678
	United States ILJI TECH AMERICA, INC		1,852	12,022	13,874
		Total	2,322	32,128	34,450

Note 1: Scope 2, Location-based is defined in the GHG Protocol Scope 2 Guidance, 2015





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Affiliated Associations and Groups

Association and Group Name	Description	Year Joined
Daegu-Gyeongbuk Environmental Technology Association	An environmental organization in the Daegu-Gyeongbuk region that supports corporate environmental initiatives, facilitates the exchange of environmental information, and manages activities for full members	2024
Korea Safety Technology Association (KSTA)	A comprehensive safety technology agency responsible for safety training, construction inspections, safety assessments, and consulting services	2024
Dongguk University Gyeongju Hospital	School of medicine	2023
Korean Confederation of Trade Unions Gyeongju Regional Council	Council for the establishment and development of labor-management culture in the Gyeongju region	2023
Gyeongju Human Resources and Labor Management Association	A non-profit organization established to foster a sound labor-management culture within companies	2023
Gyeongsangbuk-do Exporters Association	Collaborates with export agencies in Gyeongsangbuk-do to provide mutual cooperation channels among local export companies, provides information on overseas market expansion, runs export assistance programs, and fosters export companies through capacity-building training	2021
Korea Diecasting Society(KDS)	Improves the quality of diecasting parts and nurtures the diecasting workforce	2021
Automotive Component Test Regional Innovation Center(ACT-RIC)	Assesses and analyzes products from the local automotive parts industry	2021
Gyeongbuk Technopark Foundation	An organization that establishes an organic partnership among the industry, academe, research, and government in the Gyeongbuk region	2021
Safety Managers Association	An association that facilitates information exchange and OH&S activities among members within the jurisdiction of the Daegu Regional Labor Office	2019
Korea Industrial Safety Association	A non-profit public corporation established to promote OH&S in industrial workplaces and prevent industrial accidents	2019
Gyeongbuk PRIDE Company CEO Association	Fosters a healthy industrial ecosystem by establishing a mutually beneficial network among CEOs of leading SMEs in Gyeongsangbuk-do, supporting companies in employment and technology development	2018
Daegu-Gyeongbuk Future Business Leaders Association	An organization dedicated to strengthening member relations, enhancing capabilities, and increasing engagement	2018
Korea Electrical Engineers Association (KEEA)	Promoting R&D on electric power technology, improving power facility quality, and fostering the education, training, management, and welfare of electrical engineers to facilitate the development of national industries	2016, 2018, 2022, 2024
World-Class 300 Companies Association	An organization aiming to foster 300 "World-Class" companies by providing comprehensive support to SMEs and mid-tier companies with growth potential and global expansion ambitions	2016
Fire Safety Council	Information sharing and enhancement of firefighting operations among member companies within the jurisdiction of Gyeongsan Fire Station	2016
Daegu Business Association	An organization dedicated to strengthening member relations, enhancing capabilities, and increasing engagement	2016
Korea Automobile Manufacturers Association(KAMA)	Publications and databases (i.e., automotive-related statistics, reports), monthly journals(with overseas industry news)	2015
Gyeongsan Chamber of Commerce and Industry	An organization dedicated to the improvement and development of commerce and industry, balanced local community development, and regional economic growth	2005



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Certifications

Category	Date Certified(Period)	Description	Issuing and Supervising Authority
Certificate for Outstanding SMEs	May 2024-Apr. 2025	2024 Outstanding SMEs selected by the Ministry of Employment and Labor(MOEL)	MOEL
Company-Specific Certificate of Origin Exporter	Mar. 2023-Mar. 2028	Certified as a company-specific certificate of origin exporter according to Article 12.1 of the Act on the Special Provisions for Common Law Implementation of Free Trade Agreements	Daegu Customs Director
ISO 14001	Jun. 2022-Jun. 2025	An international-standard certification essential for enhancing the Environmental Management System(EMS) and improving environmental performance across all company operations	Korean Standards Association(KSA)
Oct. 2022-Oct. 2025 An international-standard certification that aims to predict and prevent all forms of risks in facilities, ultimate supporting profit creation. It specifies the requirements for the systematic management of OH&S systems.		Korean Standards Association(KSA)	
Authorized Economic Operator (AOE)	Apr. 2020-Apr. 2025	Certification granted to companies demonstrating excellent safety management in import and export, compliant with international trade security standards and facilitation guidelines of the World Customs Organization(WCO)	Korea Customs Service
World-Class 300	Jun. 2016- Present	Selected as a company supported under the World-Class 300 Project	Small and Medium Business Administration(SMBA)

Awards & Recognitions

Date Received	Hosted by	Description
Apr. 2020	Ministry of Interior and Safety(MOIS)	Awarded for contribution to fair trade practices
Oct. 2021	Ministry of Trade, Industry, and Energy(MOTIE)	Awarded for contribution to the development of machinery, robotics, and aerospace industries
Oct. 2021	MOTIE	Awarded for contribution to regional industry development
Jul. 2024	Gyeongsangbuk-do, Yeongnam Ilbo	Won the Industrial Peace Award in the Worker Category 1), recognizing workers and companies who/that have contributed to fostering harmonious labor-management relations based on mutual respect, thereby promoting a peaceful industrial culture
Dec. 2023	Gyeongju Human Resources and Labor Management Association	Certificate of Commendation awarded to model members of the Gyeongju Human Resources and Labor Management Association
Apr. 2024	Gyeongju City	Certificate of commendation for contributions to harmonious labor-management relations and improved productivity

¹⁾ Won the Award in the Worker Category(Labor Union Chairperson Kim Min-chul)

