

2026

ILJI TECH Sustainability Report

About This Report

Report Overview

Through its third 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.

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.

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, 2025. To enhance stakeholder understanding, it also addresses material issues extending through June 2026. Furthermore, the report includes a three-year overview of key environmental, social, and governance (ESG) performance indicators to enable trend analysis over time.

External Assurance

This report has been independently verified by third-party assurance provider BSF (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 125 of this report.

Reporting Scope

The scope of this report covers all domestic and overseas business sites of ILJI TECH with respect to financial performance. For non-financial aspects, the report primarily focuses on domestic business sites—specifically the headquarters and the Gyeongju business site—considering the scale, nature, and impact of these facilities. Select data from our overseas business sites, ITAC (U.S.) and Beijing ILJI (China), are also included where relevant.

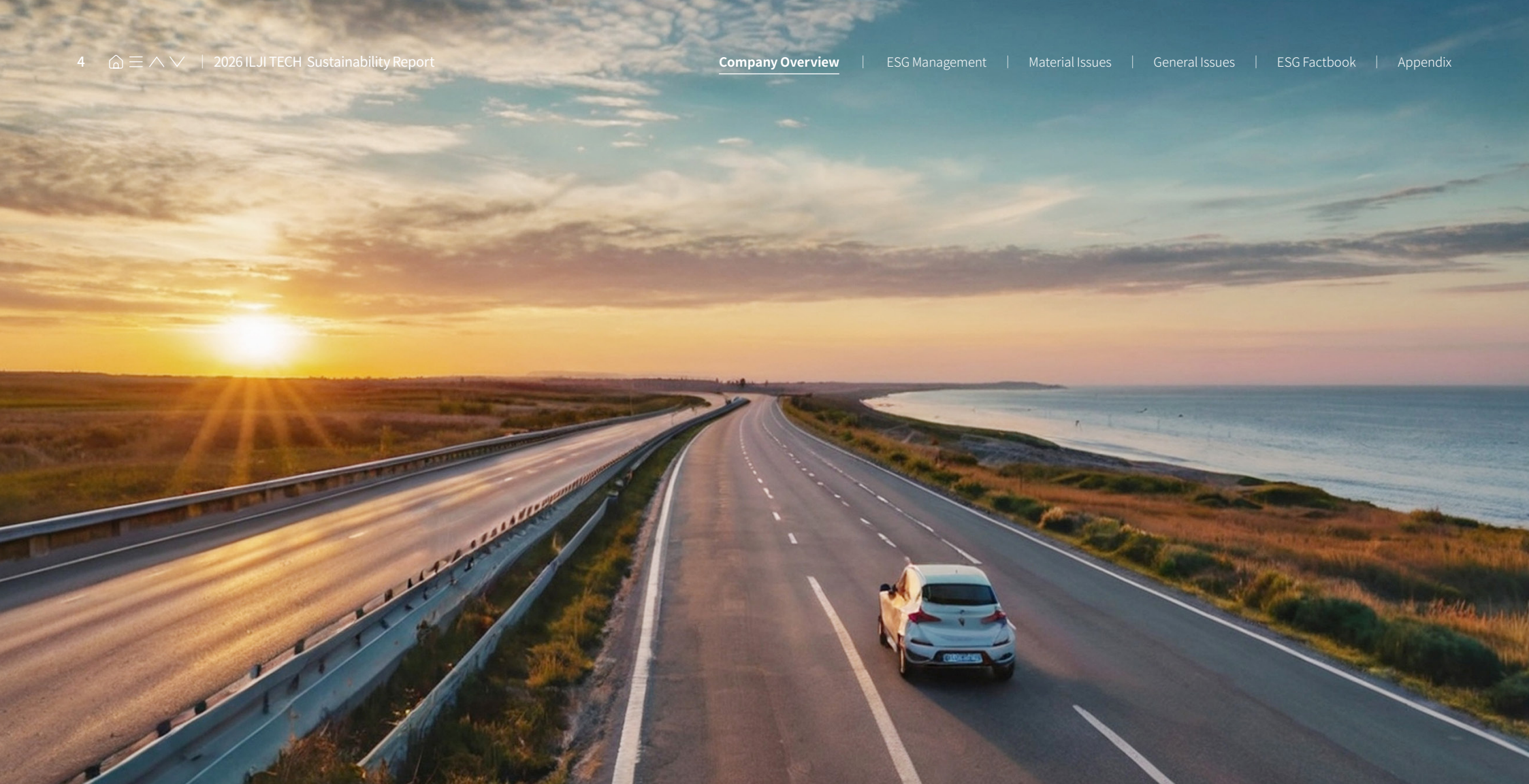
Contact Information

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)
Email	iljipm@iljitech.co.kr

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CEO Message



Dear respected stakeholders,

Based on its unrivaled technological capabilities in the manufacturing of automotive body parts and cutting-edge molds, ILJI TECH continues to take decisive strides forward amidst an uncertain business environment.

Despite the volatility of the global market and rapid shifts in technological paradigm, ILJI TECH pursues sound management and technological advancement, achieving solid revenue growth. Based on these achievements, we now aim to enhance the technology intensity of our manufacturing bases in Korea and consolidate our production capabilities to reinforce our unique technological standing in the global automotive market. In particular, as a core partner in the automotive body parts industry, we are proactively responding to the future strategies of our clients and securing differentiated value.

First, we are focusing on the research and development of new engineering methods and strengthening R&D investment competitiveness.

To practice knowledge-based technology management beyond simple manufacturing, ILJI TECH is strengthening its R&D investment competitiveness throughout the entire process, from design to mold manufacturing and welding assembly. In particular, the numerous patents and intellectual property rights secured in the fields of original new technologies and new engineering methods, such as processing technology for high-strength steel automotive body parts and hot stamping, are cumulatively serving as our unique and powerful growth engine in the rapidly changing mobility market. This advancement in R&D centered on original technologies will become our unique core competency in responding promptly to the demands of the global market, providing optimal parts solutions to clients, and leading the future market paradigm.

Second, we are setting the standard for the energy transition era by integrating our climate change response into our management system.

We recognize climate risk as a core challenge beyond a mere environmental issue, in that it demands strategic management initiative. To this end, we have

established climate change response governance and conducted risk analysis, thereby strengthening climate change response capabilities across our overall business operations. In accordance with our 2045 Carbon Neutrality Roadmap, we are optimizing energy use within our business sites, while leading carbon emission reduction efforts across the product life cycle by advancing our lightweight technologies in line with the trends of the eco-friendly mobility market.

Third, we are upholding the value of being the most trusted company by internalizing site-centered health and safety.

At ILJI TECH, we recognize that technological innovation must be completed and complemented by the protection of employee safety and human rights. By deeply embedding the health and safety management system in our on-site operations, we are maintaining zero-accident business sites that proactively manage potential risks. We are confident that creating an environment where all members can safely demonstrate their high-precision manufacturing capabilities is the right way to reward our stakeholders with the highest quality and trust.

Instead of resting on its current achievements, ILJI TECH will establish a new standard in the mobility parts industry based on its unrivaled R&D capabilities and innovative smart working environment. We will remain dedicated to the pursuit of a sustainable future where business grows together with society by creating technological value acknowledged in the global market.

Thank you.

June 2026

ILJI TECH Co., Ltd. CEO **Junmo Koo**



ILJI TECH Profile

Introduction of ILJI TECH

Established in 1986, ILJI TECH is a company specializing in automotive body parts and press molds, contributing to the enhancement of competitiveness in the global automotive industry driven by technological development and production innovation. Engaged in the production of automotive body parts and mold manufacturing as core businesses, we possess manufacturing capabilities that encompass the entire process, ranging from design to mold manufacturing and mass production. Since the establishment of the Technology Research Institute in 1996, we have advanced our R&D capabilities and established a stable production system through process improvement and quality innovation. Moreover, guided by the management philosophy of 'Quality First, Strengthening Technological Competitiveness,' we have laid the foundation to produce high-quality products in a stable manner. Centered on domestic business sites, we also operate overseas business sites such as Beijing ILJI in China and ITAC in the United States, establishing an overseas production and supply system.

Company Overview

	Company name	ILJI TECH Co., Ltd.
	CEO	Chairman: Bonil Koo CEO: Junmo Koo
	Foundation date	November 24, 1986
	Business areas	Automotive parts manufacturing
	HQ address	50, Gongdan 4-ro, Jinryang-eup, Gyeongsan-si, Gyeongsangbuk-do, Republic of Korea
	Employee status	Total: 971 Domestic Business Sites: 459 / Business Sites ¹⁾ : 512

1) Overseas Business Sites: ITAC, Beijing ILJI

ILJI VISION

Vision

A Challenge For The World Best

A Customer-Centric Company Driven by Technology and People

Core Value



Innovation

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



Diligence

We serve our customers and partners with dedication and accountability.



Responsibility

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

Mission For Vision

Businesses' expansion & Customer diversification

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

Digital transition

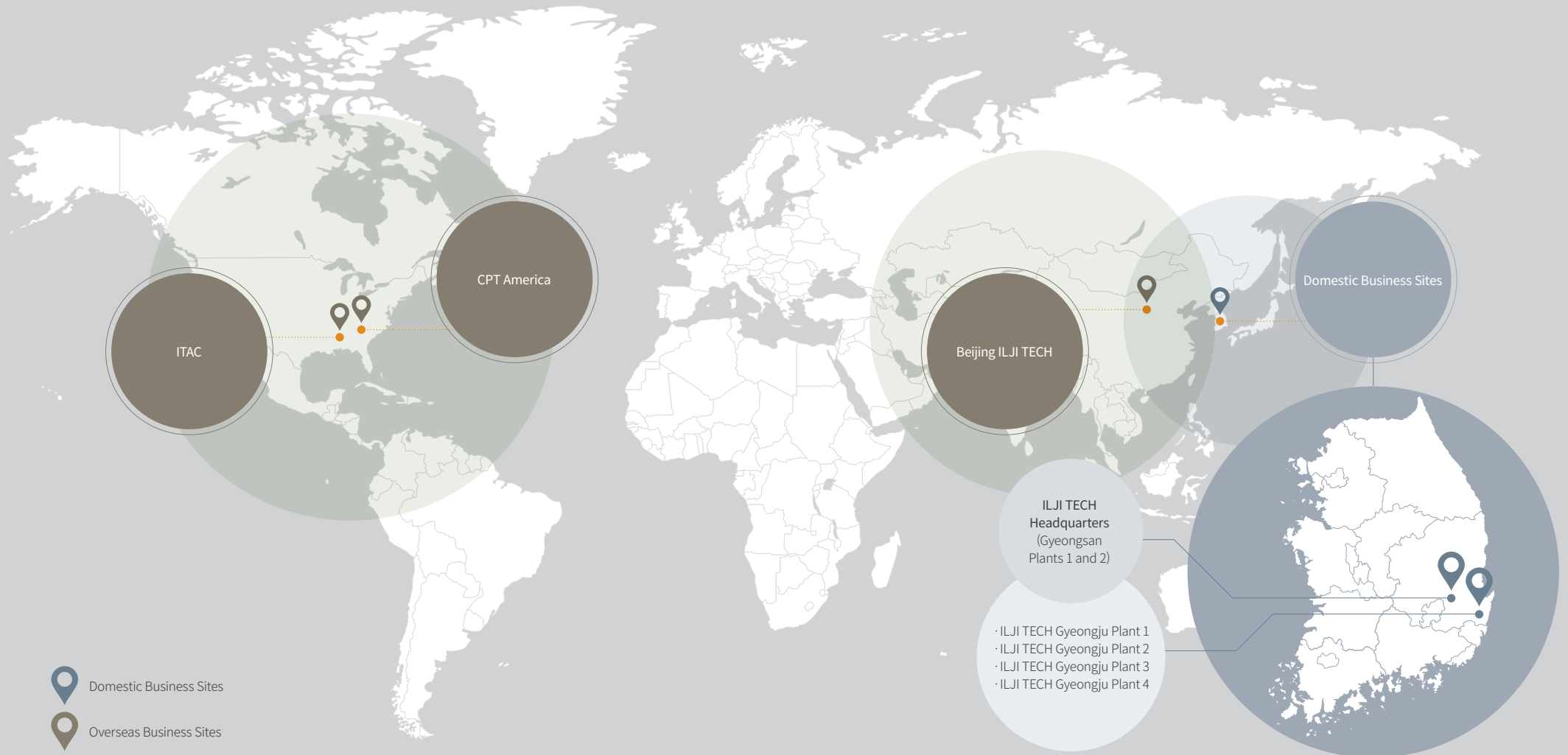
A company leveraging advanced technologies such as AI and big data to make informed decisions and maximizing operational efficiency

Talent development & Organizational innovation

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

ILJI TECH Profile

Global Network



- ILJI TECH Gyeongju Plant 1
- ILJI TECH Gyeongju Plant 2
- ILJI TECH Gyeongju Plant 3
- ILJI TECH Gyeongju Plant 4

ILJI TECH Profile

Key Financial Indicators

Total assets	Sales revenue	Operating profit	Net Income
 KRW 6,464 billion	 KRW 8,551 billion	 KRW 480 billion	 KRW 457 billion
2025 6,464	2025 8,551	2025 480	2025 457
2024 5,754	2024 7,573	2024 245	2024 225

Production Status by Site

Republic of Korea	US	China
 5,476,527 units	 3,447,183 units	 1,165,885 units
2025 5,476,527	2025 3,447,183	2025 1,165,885
2024 5,448,696	2024 3,400,795	2024 136,574

Key Figure

Growth Potential (Year-over-Year Sales Growth Rate)	R&D Expenses (R&D Expenses/Sales Revenue)	Credit Rating (Apr. 2025 NICE Investor Service, a Korean credit rating agency)
 113%	 3.1%	 BBB-

ILJI TECH Profile

Company History



Photo related to the founding of Shin-Ah Precision, October 1986



May 2004, Received the Order of Industrial Service Merit - Bronze Tower (Presidential Award) at the National SME Convention



June 2016, Selected as World Class 300



Establishment of US subsidiary ITAC

Founding & Development 1986 ~ 2002

- Oct. 1986 Established Shin-Ah Machinery Co., Ltd.
- Sept. 1987 Registered as an official partner of Hyundai Motor Co., Ltd.
- 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 SMEs

Challenges & Creation 2003 ~ 2013

- Sept. 2003 Constructed a new mold plant
- May 2004 Awarded the Order of Industrial Service Merit - Bronze Tower in recognition of exemplary performance as an SME
- 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)

Innovation & Growth 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)

New Leap Forward 2021 ~ 2026

- 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
- Dec. 2025 CDP A Rating Achieved / ITAC ESG Management Excellence Award
- Jan. 2026 2025 Supplier of the Year Award

ILJI TECH Business

Upper Body

The upper body, one of ILJI TECH's primary production parts, is the upper structure that forms the passenger compartment and exterior of the automotive. Comprised of components such as pillars (A/B/C/D) and side panels, it is a core part that determines the overall Body in White (BIW) rigidity in combination with the under body.

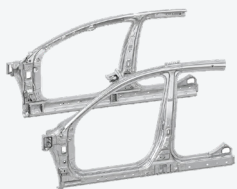
BIW | Body in White

Upper Body

- BIW refers to the automotive body, which serves as the framework of an automotive, immediately prior to the painting process.
- It is the most essential stage of component configuration that determines the structural rigidity and safety of the automotive.

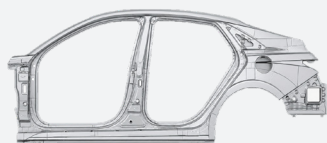


REINF ASSY-SIDE COMPL



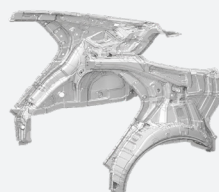
- Protects the passenger compartment against side impacts
- Forms door mounts and secures rigidity of the automotive body
- Blocks the inflow of external noise, dust, and water

PNL ASSY-SIDE OTR



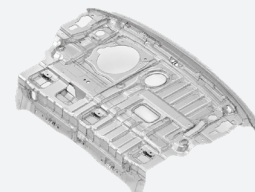
- Determines the exterior design, skin panel
- Blocks the inflow of external noise, dust, and water
- Composed of rear bumper and garnish mount

PNL ASSY-RR PACKAGE TRAY COMPL



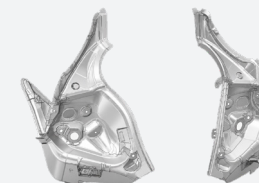
- Protects the passenger compartment against rear-side impacts
- RR shock absorber mount, secures rigidity of the automotive body
- Blocks the inflow of external noise, dust, and water

PNL ASSY-RR C/LAMP HSG COMPL



- Separates the trunk and the passenger compartment
- Rear speaker mount, secures rigidity of the automotive body
- Dedicated part for Sedan [4DR] design models

PNL ASSY-RR C/LAMP HSG COMPL



- Composed of rear lamp mount
- Composed of upper rear bumper mount
- Composed of T/GATE gas lift and trunk lid mount

ILJI TECH Business

Under Body

The under body, one of ILJI TECH's primary production parts, is a floor structure at the lower part of the automotive. It is an automotive body framework that constitutes the bottom of the passenger seats, the lower part of the engine compartment, and the trunk floor. As a core part directly linked to passenger safety in the event of a collision, it is designed to ensure durability for the fastened chassis components and load, playing the role of withstanding impacts on the lower.

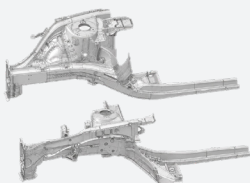
BIW | Body in White

Under Body

- BIW refers to the automotive body, which serves as the framework of an automotive, immediately prior to the painting process.
- It is the most essential stage of component configuration that determines the structural rigidity and safety of the automotive.

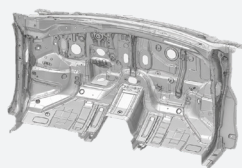


PNL ASSY-F/APRON & MBR COMPL



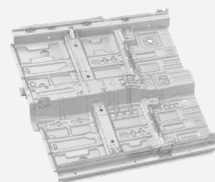
- Forms the engine compartment, composed of FR shock absorber mount
- Protects the engine compartment and passenger compartment against frontal impacts, and secures rigidity of the automotive body

PNL ASSY-COWL & DASH COMPL



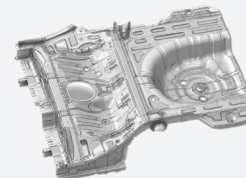
- Composed of steering accelerator and brake pedal mount, this part separates the engine compartment from the passenger compartment
- Protects the passenger compartment against impacts, secures rigidity of the automotive body
- Blocks the inflow of external noise, dust, and water

PNL&MBR ASSY-CTR FLR COMPL



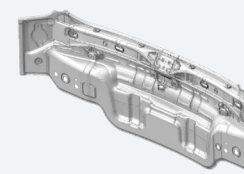
- Protects the first-row passenger compartment against impacts
- first-row seat mount, secures rigidity of the automotive body
- Blocks the inflow of external noise, dust, and water

PNL&MBR ASSY-RR FLR COMPL



- Protects the second-row passenger compartment against impacts
- second-row seat mount, secures rigidity of the automotive body
- Forms the trunk floor and blocks dust, water, and noise

PNL ASSY-BACK COMPL



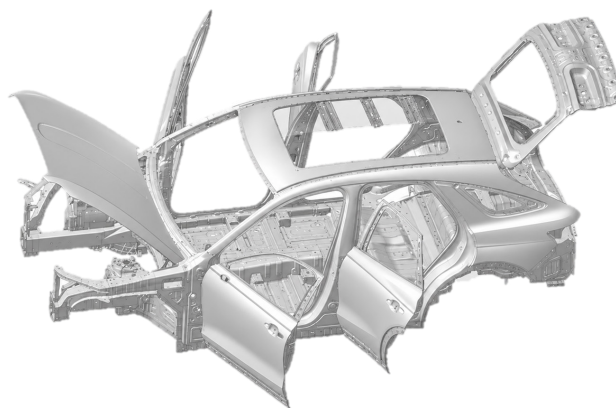
- Protects the passenger compartment against rear impacts
- Composed of lower rear bumper mount
- Blocks the inflow of external noise, dust, and water

ILJI TECH Business

Moving Parts

The moving parts, one of ILJI TECH's primary production parts, refers to the exterior parts of the automotive that move for opening and closing after assembly, such as doors, tailgates, trunks, hoods, and sunroofs. The airtightness of the openings and the quality of gaps and flushness are managed with extreme attention to details. These parts require a smooth operational feel and a precise level of assembly from the early stages of development.

Moving Parts



PNL ASSY - HOOD



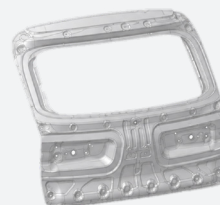
- Engine compartment cover (British: Bonnet)
- Covers the engine compartment to protect the engine and major components, and blocks the inflow of external dust, water, and noise

PNL ASSY - SUN ROOF



- Automotive roof, determines the exterior design
- Designed to be opened and closed by configuring the roof cover with glass

PNL ASSY - TAIL GATE



- Cover of the automotive rear cargo compartment
- Determines the rear design, rear lamp assembly
- Blocks the inflow of external noise, dust, and water

PNL ASSY - FR DOOR, L/R



- Entrance to first-row seats
- Protects first-row occupants against side impacts
- Blocks the inflow of external noise, dust, and water

PNL ASSY - RR DOOR, L/R



- Entrance to second-row seats
- Protects second-row occupants against side impacts
- Blocks the inflow of external noise, dust, and water

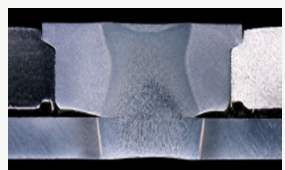
ILJI TECH Business

Advancing Mobility Technologies through Research and Development

As a primary partner of Hyundai Motor Company and a recipient of the prestigious “Quality 5-Star” certification, ILJI TECH has secured high quality competitiveness throughout the entire process of automotive body part production, including mold manufacturing, design and analysis, machining, and welding assembly. Through ongoing R&D investments, we are advancing core mobility technologies such as lightweighting, dissimilar material joining, and damping materials. In particular, based on forming and joining technologies that are aligned to the characteristics of various materials such as steel and aluminum, we have secured dissimilar material joining technologies such as REW, EASW, SPR, and clinching. Furthermore, through AMA CLAD technology, we enhance material lightweighting and cost reduction effects. Damping material technology strengthens the NVH reduction performance of automotive body parts. Based on these technological capabilities, ILJI TECH will respond to market changes in EVs and sustainable mobility, and will continue to develop next-generation automotive body parts.

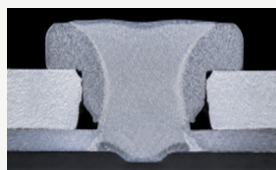
Dissimilar Material Joining

REW (Resistance Element Welding)



A welding method that joins dissimilar materials by press-fitting a steel element into the upper aluminum material and applying an electric current, utilizing the electrical resistance between the element and the lower steel material

EASW (Element Arc Spot Welding)



A welding method that joins dissimilar materials by press-fitting a steel element into the upper aluminum material and applying an electric current through a central wire to bond the aluminum material with the lower steel material

SPR (Self Piercing Rivet)



A joining method that mechanically fastens dissimilar materials by press-fitting a rivet into them

Clinching



A joining method that mechanically fastens dissimilar materials by punching and pressing them together without using a separate rivet

Damping Material Structure 3-Layered Sandwich Panel

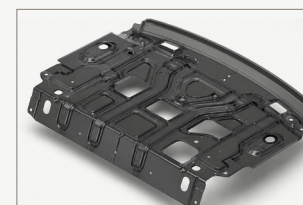


A sandwich structure with a viscoelastic material inserted between metal surfaces, improving NVH performance by absorbing the noise and vibration generated from automotive parts

○ -Excellent × -Poor △ -Average

	Steel	Steel Damping Panel	Aluminum Damping Panel
Noise and vibration isolation effect	×	○	○
Contribution to automotive lightweighting	×	×	○
Suitability for parts processing	○	×	×
Economic efficiency	○	△	△

AMA CLAD

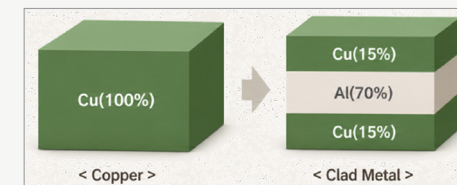


AMA CLAD
1PCS Package Tray

- 1 Development of 1PCS Structure
Integration of 2PCS structure into a single 1PCS structure
- 2 Cost Reduction of Over 30%
Reduced number of parts and improved process efficiency
- 3 Improved Rigidity
Enhanced rigidity and durability through the application of AMA CLAD composite material

By developing the existing 2PCS-structure part into an integrated 1PCS structure, the assembly process is streamlined, achieving a cost reduction effect of over 30%

Material



6% weight reduction / 3% cost reduction

► Equal or lower material input costs

ILJI TECH Business

Applying Core Technologies and Strengthening Manufacturing Competitiveness

ILJI TECH strengthens the performance and quality competitiveness of mobility parts by applying lightweighting and damping material technologies to actual automotive body parts. Through a sandwich structure utilizing aluminum damping materials, we have secured lightweighting and high-frequency noise and vibration control performance. This technology is applied to major parts such as the NE EV ICCU Cover and PV5 Inverter Upper Cover. Furthermore, we are enhancing manufacturing efficiency and work safety by implementing an unmanned process for the automotive body part assembly lines. Based on an automated system that utilizes 3D and 2D vision and industrial robots, we strive to mitigate worker safety risks and continuously advance our manufacturing foundation to improve productivity, stabilize quality, and reduce costs. With such outstanding technological competitiveness, ILJI TECH received recognition for its automotive parts technology applied with aluminum damping materials and multiple materials at the 20th Korea Green Energy Awards.

Application of Vibration Damping Material Technologies

Development of Aluminum Damping Materials for NE EV ICCU Upper & Side Covers



Hyundai Kia-Ionic EV

- Achieved lightweighting by applying an aluminum sheet and composite resin sandwich structure
- Control of high-frequency noise and vibration
- Secured reliability in responding to environmental and processing conditions based on excellent adhesion

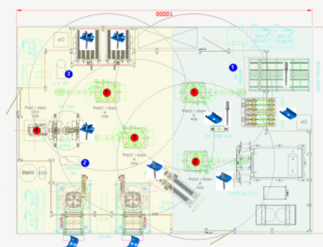
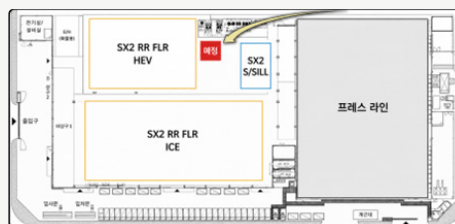
Clad Damping Material Manufacturing Technology Based on Secondary Processing of Raw Material



PV5

- Applied parts: Inverter upper cover
- Supply type: Aluminum damping patch part

Unmanned Process for Automotive Body Part Assembly Lines



- Applied 3D/2D vision and industrial robots to the processes for automotive body parts welding and assembly
- Implemented automatic sorting, transfer, loading, welding, quality inspection, and stacking of unaligned bulk parts
- Mitigated worker safety risks associated with reliance on manual labor and high-temperature welding environments
- Developed a robot-based unmanned process to improve productivity, stabilize quality, and reduce costs

Grand Award at the 20th Korea Green Energy Awards

Award Details

Field	Green Energy Infra
Company Name	ILJI TECH
Technology	Automotive parts applying aluminum damping materials and multiple materials

Outline of Awarded Technology

- Development of functional aluminum damping material
- World's first application to mass-produced EV parts
- Applied to mass production of Hyundai EVs

※ 일지테크 알루미늄 제진소재 양산... 현대차-기아 전기차에 납품

7000년 설립된 자동차 자재 및 부품 전문 기업 일지테크는 구별 없는 강판, 다공소재, 복합 기술을 중심으로 국내외 완성차 업체에 핵심 부품을 공급해 온 중견기업이다. 자동차 산업의 전동화 추세로 제진소재의 수요가 급증하면서, 일지테크는 이러한 시장 요구에 대응해 기능성 알루미늄 제진소재 독자 개발하고, 이를 납품해 생산 부문의 효율성을 높였다. 특히, 알루미늄 제진소재는 발수성이 뛰어나 부식 방지를 위한 국산 소재를 개발하고, 이를 납품해 생산 부문의 효율성을 높였다. 특히, 알루미늄 제진소재는 발수성이 뛰어나 부식 방지를 위한 국산 소재를 개발하고, 이를 납품해 생산 부문의 효율성을 높였다.

제진소재는 자동차의 무게 중심을 낮추고, 차체의 강성을 높여 주행 안정성을 높인다. 특히, 알루미늄 제진소재는 발수성이 뛰어나 부식 방지를 위한 국산 소재를 개발하고, 이를 납품해 생산 부문의 효율성을 높였다.

일지테크는 현대차, 기아, 그리고 PGM 등 국내외 완성차 업체에 제진소재를 납품하고 있다. 특히, 알루미늄 제진소재는 발수성이 뛰어나 부식 방지를 위한 국산 소재를 개발하고, 이를 납품해 생산 부문의 효율성을 높였다.



2026 녹색·에너지 대賞



ESG Management

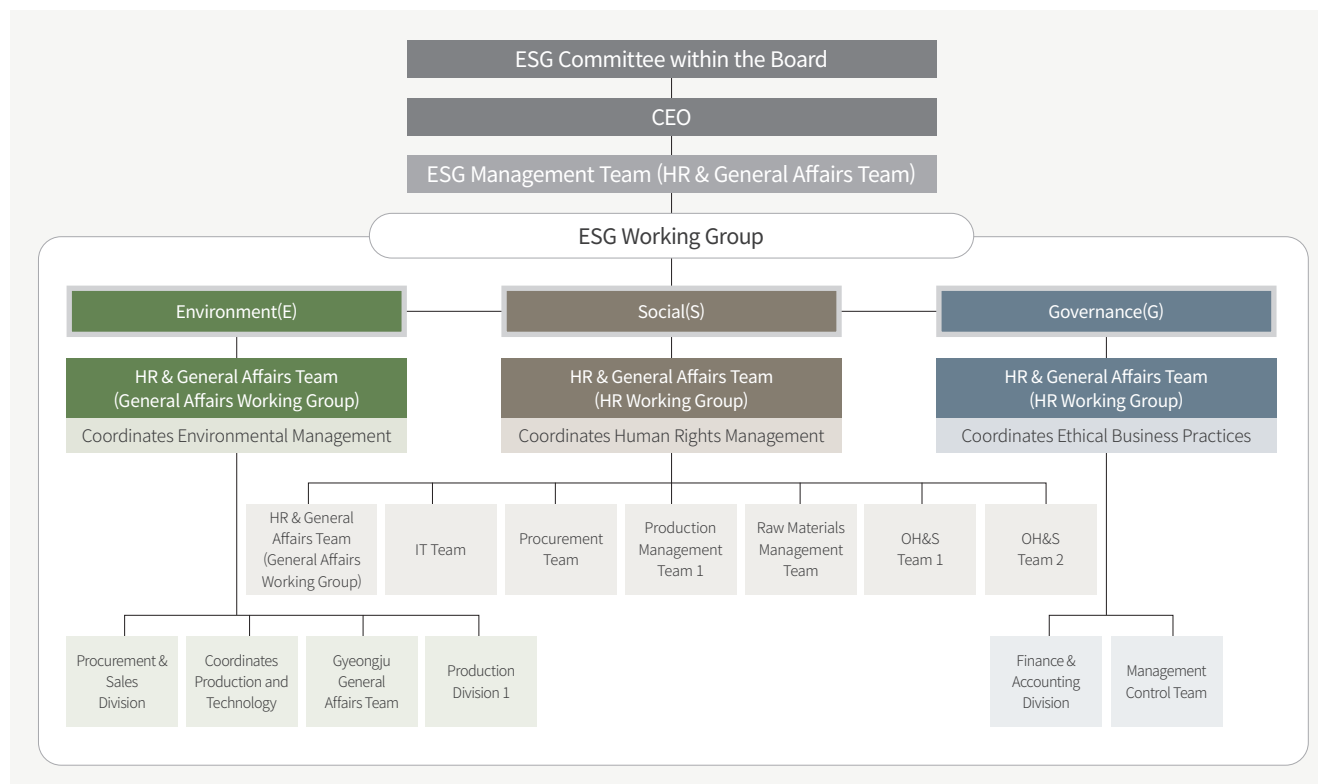
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ESG Management Framework

Governance

ESG Management Implementation Governance

ILJI TECH pursues organized, company-wide ESG management governance. Under the leadership of the CEO, we have established ESG management strategies and continue to make key decisions. The ESG Management Team directly under the CEO serves as a working-level organization overseeing core ESG issues. Additionally, we are operating lead departments and working groups for each ESG pillar, environmental, social, and governance, to enable seamless collaboration and performance management among departments. An ESG Committee deliberating on and resolving key ESG-related matters reinforces our company-wide management system and responsibility. Moreover, our overseas business sites like ITAC and Beijing ILJI formed a dedicated ESG organization under the direct supervision of the Corporate Head in 2024, designating responsible departments in charge of each ESG domain to carry out ESG management systematically.



Establishing the ESG Committee

ILJI TECH established an ESG Committee under the Board of Directors in 2024 and is operating the committee for organized ESG management. The ESG Committee, composed of three independent directors as of December 2025, inspected key ESG issues and submitted reports twice in 2025, including one report each in the first and second half of the year. The committee considers ESG policies, strategies, goals, performance, risks, and opportunities to ensure systematic management and execution of ESG management.

Main Roles

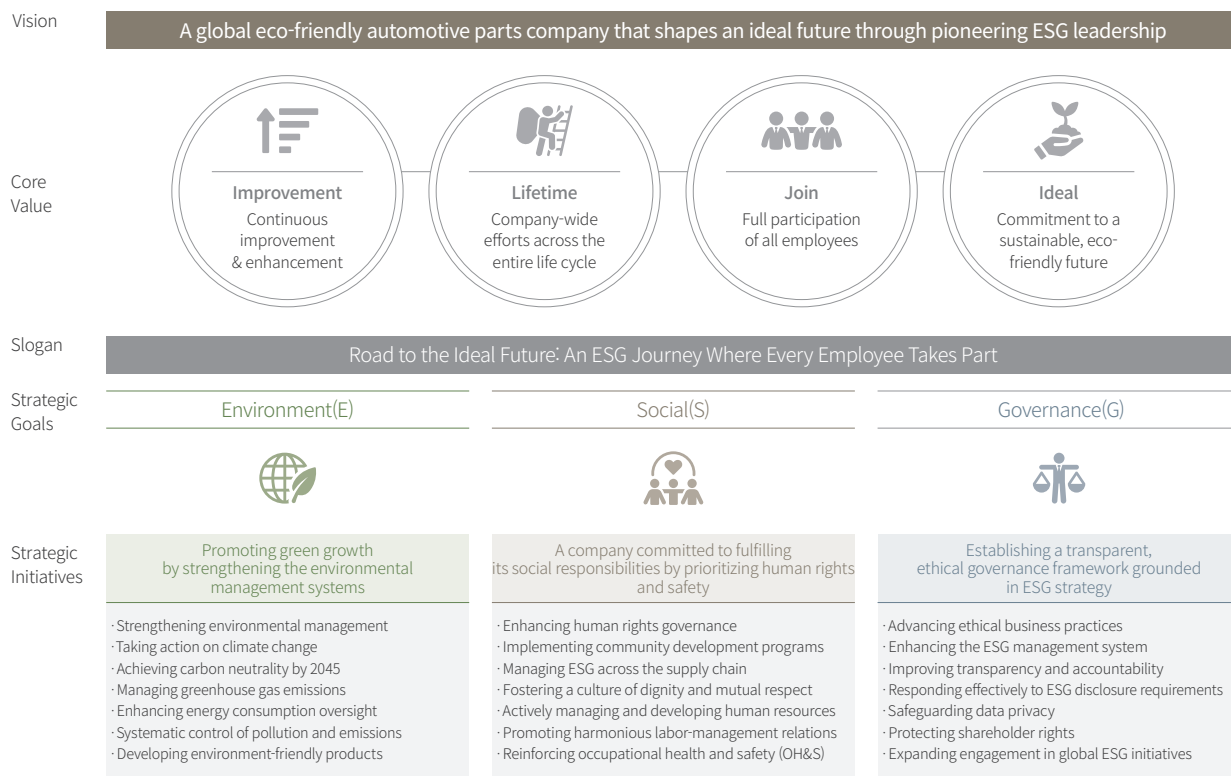
01	Deliberates, resolves, and grants final approval on ESG policies and mid- to long-term strategies
02	Reviews ESG goals and performance outcomes
03	Approves major investments and regulatory response
04	Assesses ESG risks and opportunities
05	Approves key ESG disclosures including the Sustainability Report

ESG Management Framework

Strategy

ESG Management Strategy

Guided by the vision of building a sustainable future through pioneering ESG leadership, ILJI TECH has established core values, an ESG slogan, and strategic goals, carrying out ESG management based on the strategic initiatives across each ESG domain. Our overseas business sites are also operating an ESG response system that incorporates policy environments in the respective region and site-specific characteristics. ITAC establishes ESG policy response and greenhouse gas reduction plans each year and continually strengthens the foundation for implementing ESG by disclosing key ESG information on its website. Beijing ILJI responds to the ESG policies driven by the Chinese government in accordance with the ESG Management Promotion Implementation Plan (2024-2027) and discloses important environmental information on energy savings and waste management.



ESG Management Practice Declaration

At a company-wide level, ILJI TECH has developed and announced the ESG Management Practice Declaration to raise employees' understanding of ESG management and to promote its implementation. This declaration recognizes that ESG management is a critical factor for sustainable organizational growth and the achievement of business objectives, and highlights the purpose of embedding these throughout the organization. Accordingly, based on the policies and directives of each ESG domain, such as health and safety, environmental management, and ethics, our employees share a commitment to ESG management and adopt them as the behavioral standards and criteria for decision-making when performing their duties. In the future, ILJI TECH will continue to expand the scope and level of ESG management, contributing to the creation of a sustainable future.

ESG Management Practice Declaration

All executives and employees of ILJITECH recognize that ESG management is directly linked to sustainable organizational growth and the achievement of management goals. As such, we hereby declare the following as the standards for actions and value judgments to actively practice sound and responsible ESG management

- First,** We actively pursue eco-friendly management for a clean and bright future generation, striving to address the climate crisis and achieve carbon neutrality by 2045.
- Second,** We engage in active communication with all domestic and international stakeholders, fulfilling our social responsibilities and obligations as a member of the global community.
- Third,** We respect and protect human rights, create safe workplaces, and establish a positive organizational culture to enhance employee satisfaction.
- Fourth,** We strengthen transparent management by complying with laws and establishing fair governance structures, while expanding ethical and compliance management practices.

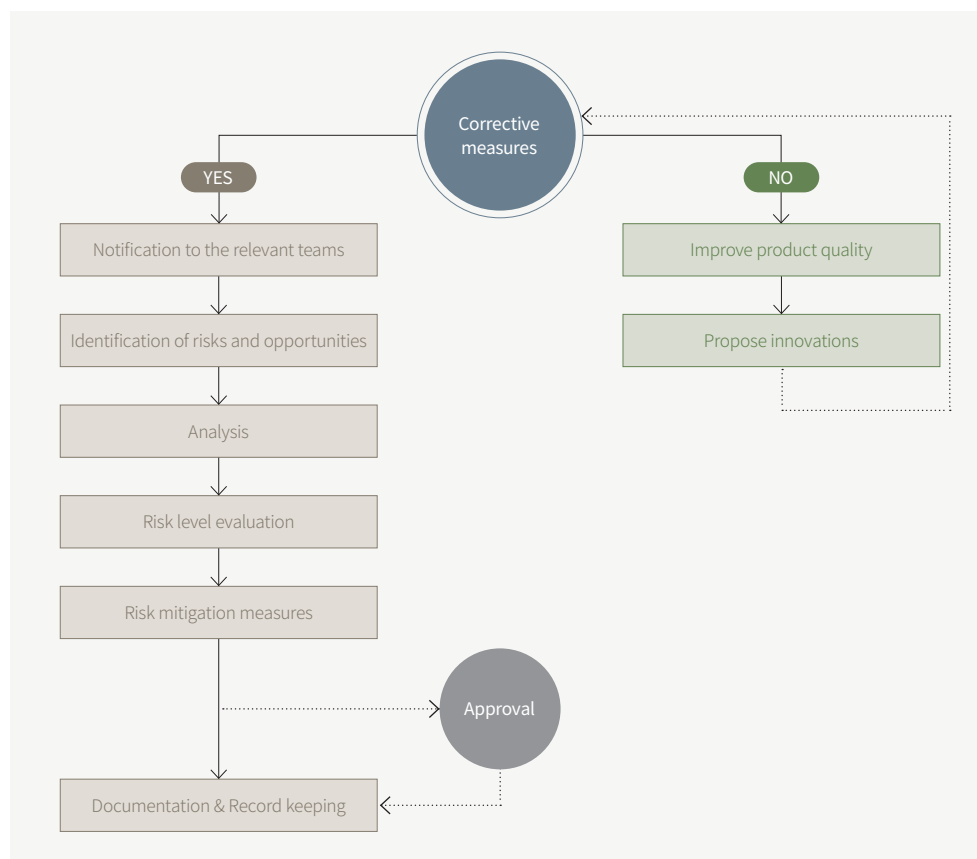
ESG Management Framework

Risk Control

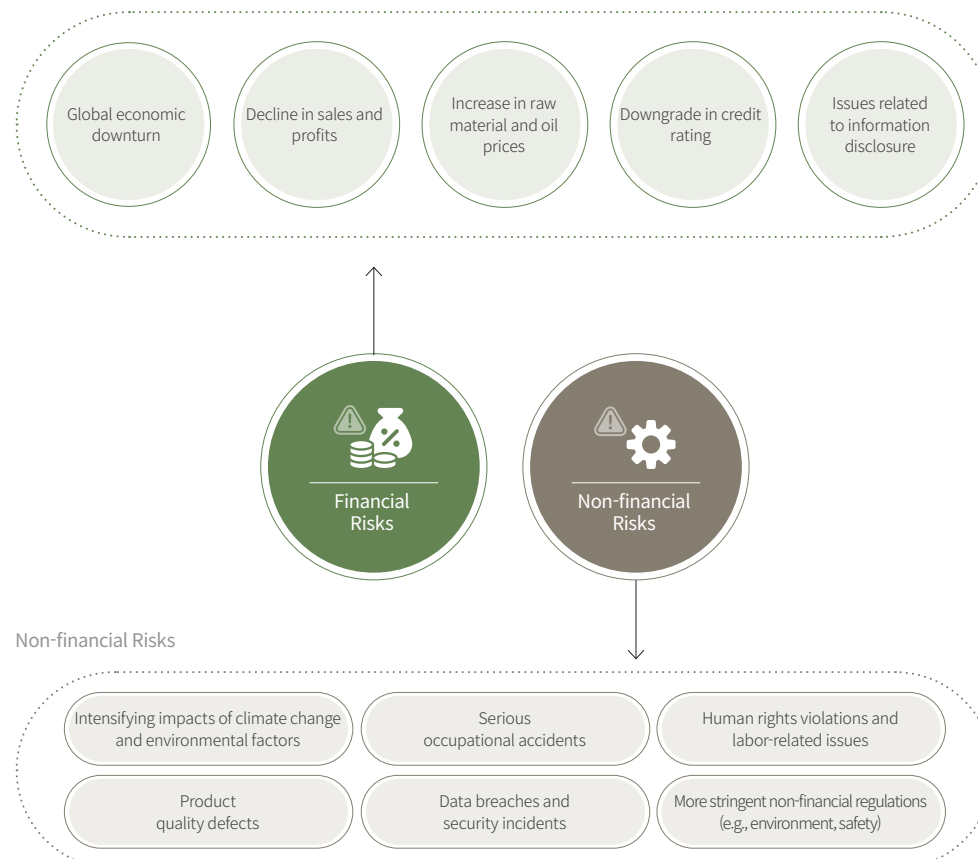
ESG Management Risk Control

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.

Risk Control Process



Major Risk Status by Type



ESG Management Framework

Risk Control

Risk and Opportunity Analysis Sheet

Category	Subcategory	Category	Risks	Cause of Risks	Risk Implications	Current Management Measures	Outcome(under current control)			
							Probability of occurrence	Severity of the outcome	Risk scores	Risk rating
Safety & Health	Chemical substance management	In-house	Failure to post/display Material Safety Data Sheets	Lack of management and facility deterioration	Being fined	· All plants	1	2	2	II
	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 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
	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 outbreak	Fire safety management	In-house	Fire accidents	Operational negligence	Human injury and property damage	· Fire safety inspection and firefighting drills	1	3	3	III
	Fire safety management	In-house	Fire accidents	Outdated facilities and general facilities	General facilities and damaged facilities	· Fire safety inspection	1	2	2	II
Environment	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
	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 fined	· 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

ESG Management Framework

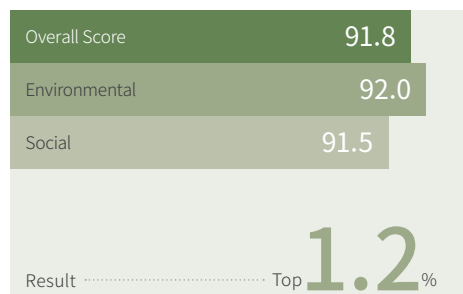
Activities

ESG Management Assessment

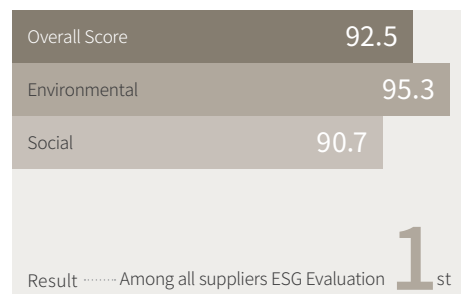
To respond to the ESG demands of global clients and stakeholders, ILJI TECH actively participates in major ESG assessments. In the 2025 Hyundai Motor Group Supply Chain ESG Evaluation, both our domestic business sites and our overseas business site, ITAC, achieved excellent ratings, ranking in the top 1% within the automotive parts industry, gaining recognition for their outstanding ESG management capabilities and the level of sustainable management execution. Furthermore, in the EcoVadis assessment, we acquired a Silver rating corresponding to the top 15%. In the CDP assessment, we obtained a Climate Change grade of A, strengthening our capabilities for disclosure response in the fields of climate change and water resource management. In particular, the A grade in the CDP Climate Change category is an outstanding result at the top 2% level globally, an achievement that underscores ILJI TECH's systematic response to climate change and its level of information disclosure. In the future, we plan to continue deriving improvement tasks based on the assessment results and advancing the ESG management system.

2025 Hyundai Motor Group Supply Chain ESG Evaluation Results¹⁾

Domestic Business Sites



ITAC



EcoVadis



Silver Grade, corresponding to top 15%

CDP



Climate Change
Top 2% in the world

Embedding ESG-Focused Management

ILJI TECH conducted ESG management training for all employees to raise awareness regarding the necessity of ESG management from a business perspective, promote and internalize a company-wide, integrated ESG management strategy, and strengthen its capabilities to respond to external ESG assessments. Domestic business sites in Korea conducted training twice in total, in the first and second halves of 2025. In the first half of 2025, domestic business sites in Korea provided training on basic ESG concepts, global regulatory trends, ESG trends in the automotive industry, supply chain management, Scope 3, and EcoVadis assessment response, with a total of 42 participants including plant managers, division heads, team leaders, and ESG representatives from each department. Additionally, in the second half of the year, training was conducted for employees, independent directors, and partner companies on key ESG issues such as climate change, energy saving, waste management, human rights, fair trade, anti-corruption, and supply chain ESG response, and there were a total of 192 participants.

Moreover, ITAC provided training to a total of 80 participants in 2025 to enhance ESG awareness and capabilities. This training was carried out as a program to share the basic concepts and current status of ESG management, responses to major assessments, and directions for ESG practices within business sites. ILJI TECH continuously expands the target audience for training to increase the understanding of ESG at domestic and overseas business sites and to strengthen the practical capabilities of employees.



ESG Training at Domestic Business Sites



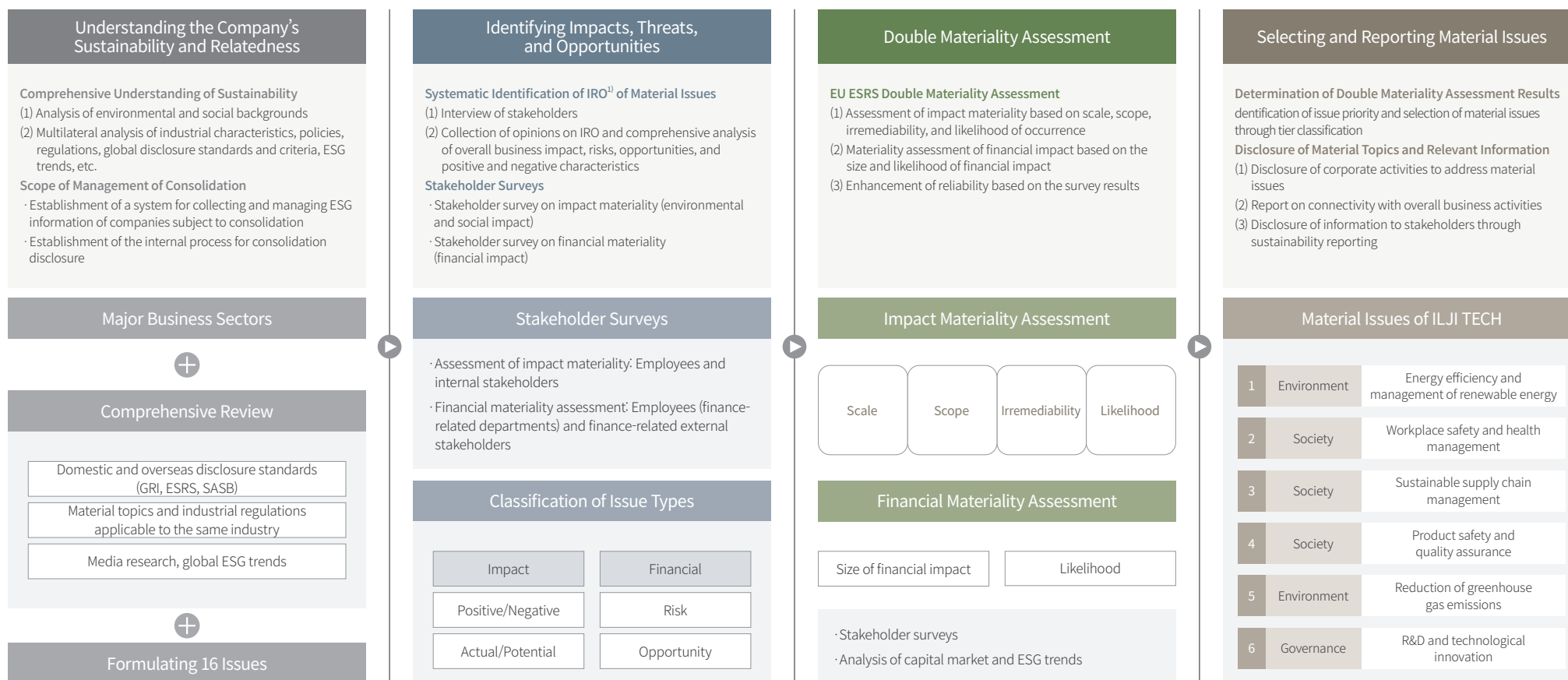
ESG Training at ITAC

¹⁾ 2025 Hyundai Motor Group's Supply Chain ESG Evaluation Results: Results from '2025 Hyundai Motor Group Supply Chain ESG Due Diligence' for domestic business sites and '2025 Hyundai-Kia Supplier ESG Evaluation' for ITAC

Double Materiality Assessment

Double Materiality Assessment Process

ILJI TECH systematically identifies sustainability management issues that may arise from overall business operations and evaluates their impact on stakeholders and the company. Double materiality assessment is a concept that takes into account both the impact of corporate business activities on the environment and society (impact materiality) as well as the financial effects ESG issues have on the company (financial materiality). In this process, we complied with the Global Reporting Initiative (GRI) 2021 and the Implementation Guidance provided in the European Sustainability Reporting Standard (ESRS) proposed by the European Financial Reporting Advisory Group (EFRAG). Furthermore, we conducted an IRO1 analysis by reflecting the business characteristics, regulatory changes, and global disclosure requirements, thereby deriving key material issues. The key material issues determined by double materiality assessment are utilized in the organizational risk management process, and we disclose our performance to stakeholders transparently through the sustainability report. In addition, the double materiality assessment Process and material issues are verified by a specialized third-party assurance provider.

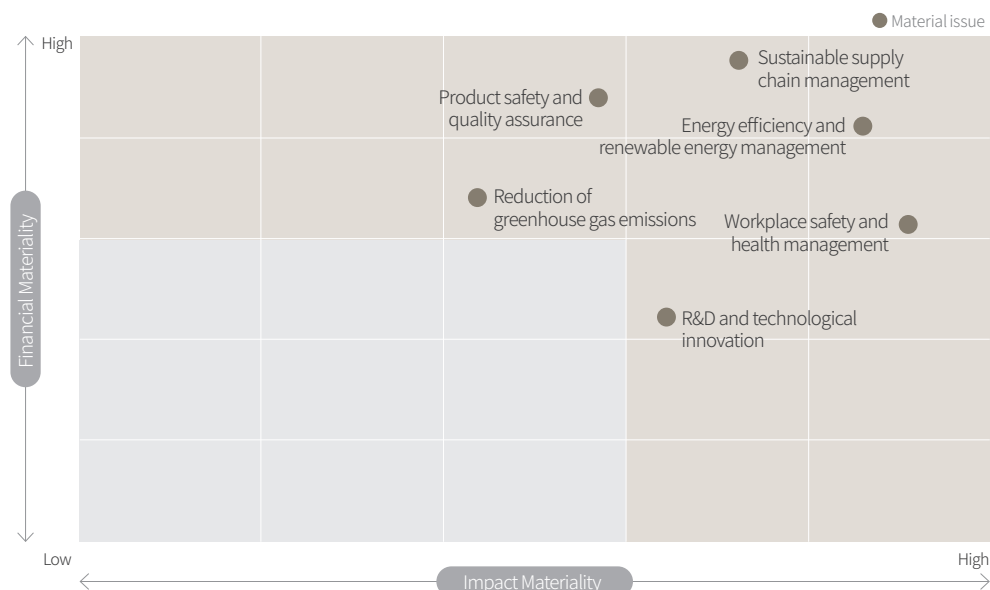


1) IRO: Impact, Opportunity, Risk
(Environmental and social impacts of a company on the external environment (Impact), and effects of the external environment on a company's financial performance (Risk, Opportunity))

Double Materiality Assessment

Double Materiality Assessment Results

Through the double materiality assessment method, we derived six material issues by comprehensively analyzing impact materiality, which affects business management, and financial materiality, which affects corporate financial factors. As a result of assessing impact for each issue, energy efficiency and renewable energy management was the issue that ranked highest in both impact and financial materiality, followed by workplace safety and health management. Through regular materiality assessments, ILJI TECH identifies the factors affecting sustainability and the degree of their impact, proactively manages the selected material issues, and shares its performance through transparent communication with stakeholders.



No.	Category	Issue	Impact Materiality	Financial Materiality	Materiality Assessment Result
1	Environment	Energy efficiency and management of renewable energy	●●●	●●●	●●●
2	Society	Workplace safety and health management	●●●	●●●	●●●
3	Society	Sustainable supply chain management	●●●	●●○	●●○
4	Society	Product safety and quality assurance	●●○	●●●	●●○
5	Environment	Reduction of greenhouse gas emissions	●●○	●●●	●●○
6	Governance	R&D and technological innovation	●●●	●●○	●●○

Material Issues for 2026		
Environment: 2 issues	Society: 3 issues	Governance: 1 issue
· Energy efficiency and renewable energy management · Reduction of greenhouse gas emissions	· Workplace safety and health management · Sustainable supply chain management · Product safety and quality assurance	· R&D and technological innovation

Double Materiality Assessment

Analyzing Material Issue IRO

In accordance with the double materiality assessment standards, ILJI TECH comprehensively analyzes the impact the company’s business activities have on the environment and society (impact materiality) as well as the financial impact that environmental and social factors have on the company (financial materiality). For each issue, we evaluated the degree, likelihood, and time scope of the impact, and derived material issues by reflecting the characteristics of the automotive parts industry and the interests of key stakeholders.

Material Issue	Category	Impact Materiality				Financial Materiality	
		Impact		Impact Identification		Impact	Impact Identification
Energy efficiency and renewable energy management	Environment	Responding to climate change and fostering a low-carbon society by continuously improving the efficiency of energy use and expanding the use of renewable energy		Actual	Positive	Increased burden of operating costs due to the rise in fossil fuel-based energy prices and tightened regulations	Risk
Workplace safety and health management	Society	Protecting the safety and health of employees by creating a safe working environment within business sites and strengthening the safety and health management system		Actual	Positive	Direct financial losses, such as massive fines, compensation, and punitive penalties, incurred in the event of safety accidents within business sites due to the strengthening of occupational safety regulations, such as the Serious Accidents Punishment Act	Risk
Sustainable supply chain management	Society	Building a sustainable supply chain to secure corporate stability and competitiveness, and managing the supply chain based on cooperation and fair trade with partner companies		Actual	Negative	Reducing uncertainties in raw material supply and logistics costs by proactively managing risks across the entire supply chain through ESG assessments and technical support for partner businesses	Opportunity
Product safety and quality assurance	Society	Gaining and maintaining customer trust by enhancing the product safety and quality management system, and promoting continuous quality improvement		Actual	Positive	Reducing potential losses related to recall costs and defect repairs by lowering the defect rate through the advancement of a global-level quality management system	Opportunity
Reduction of greenhouse gas emissions	Environment	Aiming to achieve Net-Zero by 2045 through reduction of greenhouse gas emissions and systematic management of climate risk		Actual	Negative	Increased burden of carbon taxes and penalties due to tightened global carbon regulations, and a tangible risk of revenue loss resulting from supply chain exclusion or order restrictions if the decarbonization demands of major clients are not met	Risk
R&D and technological innovation	Governance	Strengthening core technological competitiveness through continuous R&D and acquisition of new technologies, and promoting technological innovation to respond to future industrial changes		Potential	Positive	Expanding market share and securing new revenue sources through the development of lightweight parts for eco-friendly vehicles and high value-added new products	Opportunity

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	Areas of Interest	Communication Channels		Action Plans
		Individual Channels	Common Channels	
 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 - Gyeongbuk Institute of IT Convergence Industry (GITC)		- Communication with the government and relevant agencies (participation in government meetings and briefings) - Legal and regulatory compliance - Industry-academe collaboration for talent development in smart mobility - Various collaborations for technology development - Acquisition of automotive technologies - Participation in joint government projects with universities



Material Issue

Strengthening Climate Change Response	026
Workplace Safety and Health Management	036
Sustainable Supply Chain Management	045
Product Safety and Quality Assurance	051
R&D and Technological Innovation	056

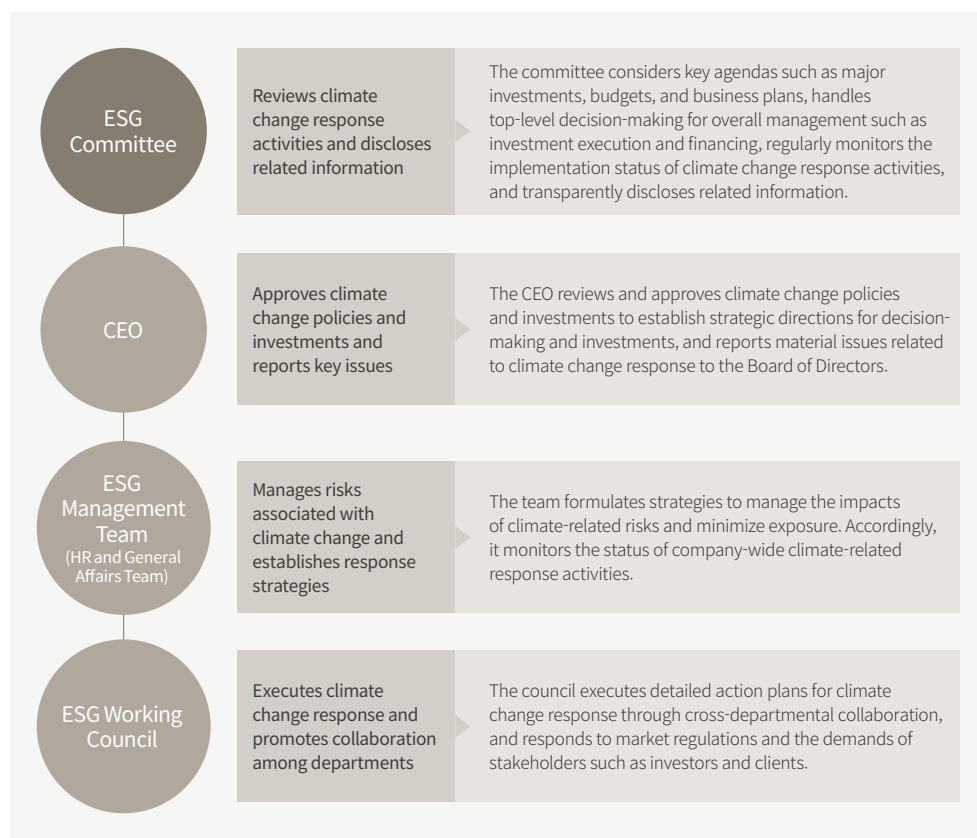
Strengthening Climate Change Response

Climate Change Response Framework

Climate Change Response Governance

ILJI TECH has established ESG governance to raise awareness of climate change response, set company-wide goals, and implement strategic responses. We clearly define roles and responsibilities centered around the ESG Committee, CEO, ESG Management Team (HR & General Affairs Team), and the ESG Working Council. The ESG Committee, the highest decision-making body on ESG-related matters, oversees major decisions regarding overall climate change response, while the CEO is responsible for core decision-making such as formulating response strategies and reviewing and approving investments. The ESG Management Team establishes climate-related risk management and response strategies, and executes and monitors related activities. The ESG Working Council carries out detailed execution tasks and drives response activities based on cross-departmental collaboration.

Climate Change Response Organization



ESG Committee Board of Directors Report

- 2025.01.10**
 - Establishing and advancing 2025 ESG strategy (Draft)** Approved
 - Preparing the foundation for Scope 2 reduction and implementing ESG assessment for the supply chain
 - Internalizing ESG and advancing the assessment response system
 - Promoting 2025 ESG assessment and publishing sustainability report** Approved
 - Analyzing ESG assessment items and establishing a response system
 - Publishing the sustainability report based on an ESG data management system
- 2025.07.11**
 - ESG in-house training plan (Draft)** Approved
 - Regularizing ESG training and expanding training for partner companies
 - Formulating the training curriculum and establishing evaluation and feedback systems
 - Promoting solar power facility installation (Draft)** Approved
 - Installing solar power facilities and reducing carbon emissions based on electricity consumption
 - Securing technological stability and managing carbon reduction performance"
- 2026.01.20**
 - Concretizing ESG elements within headquarters KPIs and introducing KPI-linked indicators related to climate change** Approved
 - Deriving improvement tasks based on ESG assessment results and reflecting them in KPIs
 - Creating new KPIs for climate change response and establishing a management system
 - Adjusting the schedule for 2026 Sustainability Report and modifying medium- to long-term strategy** Approved
 - Adjusting the report publication schedule and responding to third-party assurance
 - Reestablishing medium- to long-term strategic directions for carbon reduction

Strengthening Climate Change Response

Climate Change Response Strategy

Carbon Neutrality Strategy of ILJI TECH

Based on its '2045 Carbon Neutrality Roadmap,' ILJI TECH has established medium- to long-term reduction targets and action plans for the implementation of Net-Zero, and is promoting them in phases. To contribute to climate change response and the transition to a low-carbon society, we have set a medium-term target to "reduce greenhouse gas emissions by 10% by 2030 compared to 2019." We are executing initiatives systematically across key areas, including greenhouse gas and energy management, expanded resource circulation, improvement of production processes and equipment, development of eco-friendly products and technologies, and supply chain management. In particular, during Phase 1 (2019-2030), we are laying the foundation for emission reductions with special emphasis on establishing a greenhouse gas management system, enhancing energy efficiency, expanding the use of renewable energy, transitioning to eco-friendly processes, and expanding product LCA management. During Phase 2 (2031-2045), we plan to drive the achievement of carbon neutrality by 2045 by expanding the scope to the reinforcement of greenhouse gas emissions management, achievement of RE100, expansion of resource recycling, advancement of eco-friendly product development and LCA, and management of partner emissions.

2045 Carbon Neutrality Roadmap

		Phase 1 Key Initiatives 「2019 ~ 2030」	Phase 2 Key Directions 「2031 ~ 2045」
 Greenhouse gas and energy management	Greenhouse gas management	Establishing a greenhouse gas management system	Advancing the management of greenhouse gas emissions
	Energy efficiency	Managing energy efficiency	Achieving RE100
	Renewable energy	Increasing the use of new and renewable energy	-
 Resource circulation and environmental management	Management of resources and waste	Strengthening the management of raw materials and waste	Expanding the recycling of raw materials and waste
	Green purchasing	Expanding green purchasing	-
 Production process and equipment innovation	Equipment improvement	Replacing equipment and machines in plants	-
 Eco-friendly products and technologies	Products and vehicles	Transitioning to eco-friendly vehicles	Developing eco-friendly products
	Product impact	Managing and expanding product LCA	Advancing life cycle assessment (LCA)
 Supply chain and partner management	Supply chain	Managing the supply chain and partner companies on the carbon neutrality roadmap	Managing greenhouse gas emissions of partner companies

Strengthening Climate Change Response

Climate Change Response Strategy

Process for Identifying Climate Change Risks and Opportunities

ILJI TECH continuously monitors the actual and potential impacts of climate-related risks and opportunities on its business strategy and financial planning, and manages them based on a systematic identification and assessment process. To derive the risks and opportunities associated with climate change, we establish a pool that reflects external standards such as the TCFD, CDP, and client requirements, as well as major climate change issues. Based on this, we analyze and categorize them into physical risks (acute and chronic), transition risks (policy, legal, technology, market, and reputation), and opportunities (resource efficiency, energy source, products and services, market, and resilience). Subsequently, to evaluate the impact of the identified risks and opportunities on our finance and business, we conduct climate scenario analyses and financial impact assessments, thereby deriving core issues subject to management. Furthermore, we conduct an annual materiality assessment that comprehensively reflects the short-, medium-, and long-term internal and external impacts climate change has on the company. Based on the assessment results, we establish and implement actionable response strategies.

Climate Change Risk and Opportunity Identification and Assessment Process



Strengthening Climate Change Response

Climate Change Response Strategy

Financial Impact Assessment Based on Scenario Analysis

ILJI TECH identifies and reviews climate-related risks and opportunities through climate scenario analysis. Based on the assessment results, we analyze the causes of climate-related risks and manage them by categorizing them into physical risks and transition risks. We analyzed the impact of major risks in each category across the overall value chain, and established management and response plans for phases with a high degree of impact. The scenario analysis applied two scenarios: a case where climate policies and technological advancements are smoothly implemented, and another case where implementation of climate policies is delayed or physical risks are magnified. Furthermore, we enhanced the reliability of the analysis by setting key assumptions categorized by technological variables such as the deployment rate and cost of energy technologies, eco-friendly vehicles, and carbon capture technologies, regional variables such as the economic, climate, and policy environments of the regions where our business sites and supply chain are located, and short-, medium-, and long-term impact points. In the future, we plan to gradually refine our management level considering priorities based on the derived response plans.

GHG Reduction Plans

Assessment Scenarios	1.5°C Increase Scenario A scenario where global warming is limited to 1.5°C through rigorous climate policies and innovation			4.4°C Increase Scenario A scenario where GHGs continue to be emitted at the current level, causing the CO ₂ concentration to rise to 940ppm by 2100	
Major Risks	Acute	Chronic	Policies and laws	Technology	Market and Reputation
	Heat waves	Rising average temperature due to long-term climate change	Increased costs associated with climate and ESG-related response	Expansion of carbon reduction technologies and growing demand for eco-friendly vehicles	Heightened stakeholder concerns over market share
Business Impact Assessment	Higher severity of extreme weather events	Extreme volatility of weather patterns	Market uncertainties, revised regulations and policies	Replacement of existing products driven by growing demand for low-carbon alternatives	Change in customer behavior Increase in negative feedback
Financial Impact Assessment	Decrease in profit caused by negative impacts on the workforce	Higher insurance premiums and reduced availability in high-risk regions	Depreciation and impairment of existing assets resulting from increased operational costs and revised policies	Increase in R&D expenses for new technologies amid the falling demand for existing products	Decreasing profits resulting from changes in revenue source Asset price revaluation

Strengthening Climate Change Response

Climate Change Response Strategy

Double Materiality Assessment on Climate Change

Double Materiality Assessment refers to an assessment to identify a company's material issues, and it is a procedure that simultaneously identifies and assesses the materiality of the impacts corporate activities have on the environment and society, as well as the materiality of the risks and opportunities environmental and social issues present to the company's financial performance. It plays a crucial role in identifying major climate issues associated with the company's strategic direction and shaping climate change response strategies. We aim to respond proactively to global regulatory trends, such as the EU CSRD's double materiality mandate and fulfilling the GRI constituents in the sustainability report. By incorporating the material climate change issues derived through this into formulation of future strategy, ILJI TECH intends to strengthen its business sustainability and competitiveness.

The assessment is based on major international sustainability disclosure standards and frameworks, including the GRI Standards, TCFD, CSRD, SASB, and CDP, and we also referenced the ESG Reports of Hyundai Motor and Kia Motor. Internal stakeholders, including employees, and external stakeholders, such as clients, partner companies, local communities, municipalities, investors, government, and institutions, participated in the assessment.

Assessment Standards

Major international
sustainability disclosure
standards and frameworks

GRI Standards

TCFD

CSRD

SASB

CDP

Assessment Process

Identifying issue pool

Creating the ESG issue long list

- ① Analyzing metrics from international disclosure standards and frameworks
- ② Analyzing major issues raised by clients and partner companies
- ③ Reflecting industrial characteristics and existing risks such as business sites

Identifying and engaging stakeholders

Creating ESG issue short list

- ① Media research
 - 3-year media analysis
- ② Analyzing material issues from the past
- ③ Requests from external stakeholders
 - Clients, partner companies.
 - ESG experts

Implementing double materiality assessment

Analyzing social and environmental impact and financial impact

- ① Assessment of social and environmental impact - Comprehensive assessment of scale, scope, irremediability, and likelihood
- ② Assessment of financial impact
 - Comprehensive assessment of scale, likelihood, and time scope

→ Calculating the final IRO1) value for each topic

Mapping materiality assessment results

Determining Priorities

- ① Selecting top priority issues and additional issues among 50 topics (deriving 17 issues in total)
- ② Selecting 10 final issues among 17 issues and establishing a response strategy

1) IRO: Impact, Opportunity, Risk

Environmental and social impacts of a company on the external environment (Impact), effects of the external environment on a company's financial performance (Risk, Opportunity)

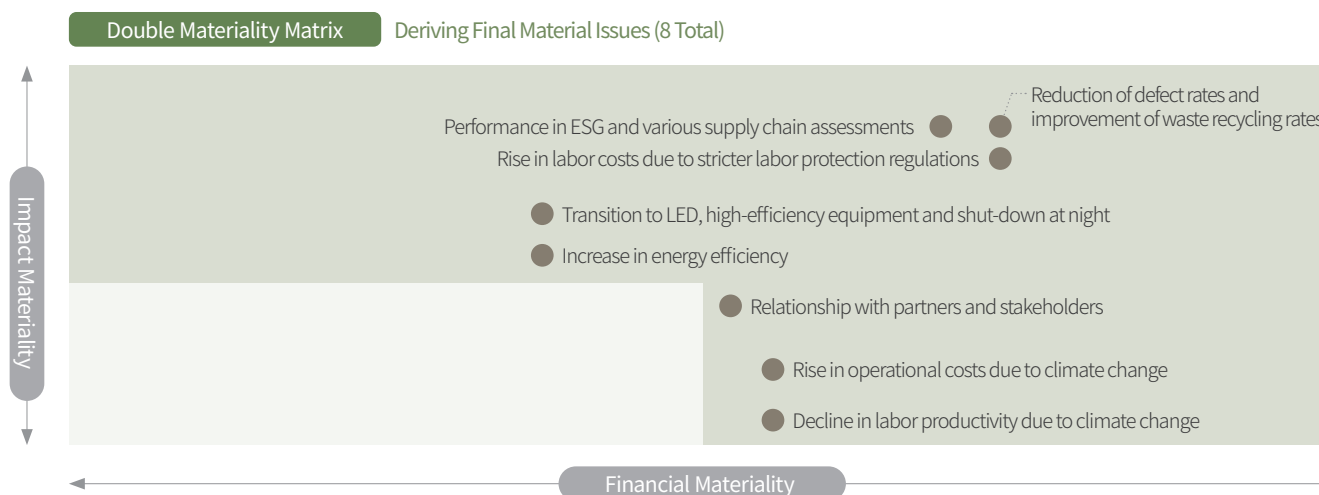
Strengthening Climate Change Response

Climate Change Response Strategy

Climate Change Double Materiality Assessment Results

Through the double materiality assessment for 2025-2026, ILJI TECH calculated the Impacts, Risk, and Opportunity (IRO) value for 50 topics spanning the environmental, social, and governance domains. By comprehensively analyzing impact materiality affecting corporate management and financial materiality affecting financial performance, we derived eight final material issues. Among these, 'reduction of defect rates and improvement of waste recycling rates' and 'increase in labor costs due to stricter labor protection regulations' obtained the highest scores in the results of impact and financial materiality assessment. Further, the material issues derived from each of the Environmental (E), Social (S), and Governance (G) domains through the double materiality assessment were reclassified as physical risks, transition risks, and opportunities from the perspective of climate change response, and will be managed accordingly. The reasons for selection and the response strategies for each issue can be found on the following page.

Category	Risk and Opportunity Cost
Environment	1. Rise in operational costs due to climate change
	2. Increase in energy efficiency
	3. Rise in costs due to increase in raw material prices
	4. Increase in waste treatment costs due to stricter laws and regulations
	5. High efficiency press and welding lines
	6. Transition to LED, high-efficiency equipment and shut-down at night
	7. Efficient transportation methods
	8. Reduction of defect rates and improvement of waste recycling rates
	9. Energy optimization based on smart factory
	10. Heavy snow and cold wave
Society	1. Decline in labor productivity due to climate change
	2. Rise in labor costs due to stricter labor protection regulations
	3. Delay in production and delivery due to disruptions in the global supply chain
Governance	1. Entry barrier to export markets
	2. ESG and various supply chain assessment performance
	3. Relationship with partners and stakeholders
	4. Resilience to future regulatory changes



Material Climate Change Issues		
Environment: 4 issues	Society: 2 issues	Governance: 2 issues
1. Rise in operational costs due to climate change 2. Increase in energy efficiency 3. Transition to LED, high-efficiency equipment and shut-down at night 4. Reduction of defect rates and improvement of waste recycling rates	1. Increase in operational costs due to climate change 2. Rise in labor costs due to stricter labor protection regulations	1. Performance in ESG and various supply chain assessments 2. Relationship with partners and stakeholders

Strengthening Climate Change Response

Climate Change Response Strategy

Deriving Climate Change Risks and Opportunities

ILJI TECH continuously monitors the impacts that climate-related risks and opportunities, identified through the double materiality assessment, have on its business operations and value chain. Regarding physical risks, such as increased plant operating costs and decline in labor productivity due to the rise in average temperatures caused by climate change, we are responding proactively by increasing the use of renewable energy and improving the work environment. At the same time, we pursue cost reduction and enhancement of competitiveness by actively utilizing opportunities such as transitioning to LED and high-efficiency equipment and stabilizing processes.

Type	Details of Risk and Opportunity		Reason for Selection and Impact	Response Strategy
Physical risks	Chronic	S1. Decline in labor productivity due to climate change	Possibility of deterioration in work environments and a long-term decline in labor productivity due to rising average temperatures and climate change, and effectiveness of work environment improvement plans to ensure worker safety and health	· Preventing deterioration in the work environment by expanding cooling operations driven by the increased generation of renewable energy
	Chronic	E1. Rise in operational costs due to climate change	Increase in plant operating costs due to rising maintenance expenses and expanded cooling operations caused by the increase in average temperatures from climate change	· Offsetting the additional increases in operating costs and energy consumption on account of expanded plant cooling operations by increasing the use of renewable energy
Transition risks	Reputation	G3. Relationship with partners and stakeholders	Degree of negative reactions from partners and stakeholders due to unethical practices or environmental impact issues	· Eliminating unethical practices and adverse environmental impacts by conducting internal impact assessments
	Technology	E2. Increase in energy efficiency	Increased investment burden for replacement of equipment and efficiency improvements	· Planning to replace equipment after securing government subsidies related to smart factory initiatives
	Policy and regulation	S2. Rise in labor costs due to stricter labor protection regulations	Possibility of additional costs incurred on account of labor protection laws and regulations, such as work environment improvements and reduced working hours	· Controlling the rise in labor costs through the utilization of automation technologies
Opportunities	Resource and energy efficiency	E6. Transition to LED, high-efficiency equipment and shut-down at night	Energy reduction in auxiliary equipment and elimination of downtime losses (opportunity)	· Replace aging transformers at Head Office Plants 1 and 2 with high-efficiency hybrid transformers · Promote the installation of rooftop solar power generation facilities at Gyeongsan Plant 1 · Replace inverter-type VSD compressors and install inverter-controlled cooling water circulation pumps at the Gyeongsan site
	Finance and reputation	G2. Good performance in ESG and various supply chain assessments	Enhancement of order competitiveness and brand value	· Maintaining and improving CDP and Hyundai Motor Group ESG Supply Chain Evaluation scores · [Results in 2025] - CDP: A - HMG ESG Supply Chain Evaluation: Top 1.2%
	Resource and energy efficiency	E8. Reduction of defect rates and improvement of waste recycling rates	Reduction in rework and waste through process stabilization, savings in raw materials, and decreased disposal costs and increased revenue driven by the expanded recycling of scrap metal	· Promoting process stabilization initiatives at ITAC and other business sites

Strengthening Climate Change Response

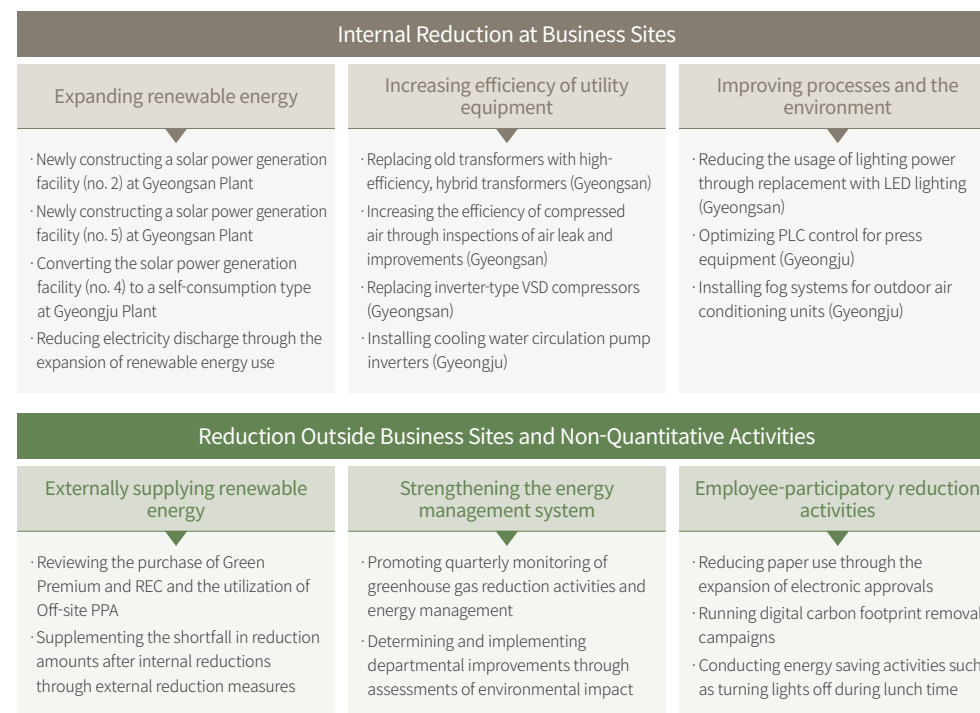
Managing Climate Change Risks

Greenhouse Gas Emissions Reduction Plan and Targets

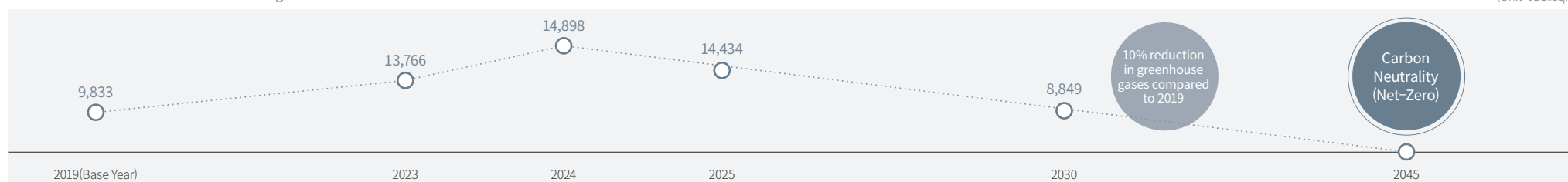
Based on its '2045 Carbon Neutrality Roadmap,' ILJI TECH is establishing medium- to long-term targets and phased reduction plans to systematically manage and reduce greenhouse gas emissions. As part of efforts to contribute to climate change response and the transition to a low-carbon society, the company has set a medium-term target to reduce greenhouse gas emissions by 10% by 2030 compared to 2019 for its two business sites in Gyeongsan and Gyeongju. We are implementing internal reduction activities in phases, such as expanding the adoption of renewable energy, maximizing the efficiency of utility equipment, and improving processes and the environment. Outside business sites, we aim to supplement the shortfall in reduction amounts after internal reductions by reviewing the purchase of Green Premium and Renewable Energy Certificates (RECs) and the utilization of Off-site PPAs. Furthermore, we are promoting an energy-saving culture based on employee participation by concurrently carrying out non-quantitative reduction activities, such as monitoring greenhouse gas reduction activities and energy management, deriving improvement tasks based on environmental impact assessments, expanding electronic approvals, and running campaigns for the removal of digital carbon footprint.

In addition to establishing greenhouse gas reduction targets for Scope 1 and Scope 2 emissions, ILJI TECH has developed and operates a management framework for Scope 3 (other indirect emissions). In 2025, the Company quantified emissions across seven Scope 3 categories (Categories 1–7) and enhanced the reliability of the data through third-party verification conducted by an external specialized institution. Compared to 2024, emissions from purchased goods and services, capital goods, and fuel- and energy-related activities (Categories 1–3) increased, while emissions from upstream transportation and distribution, waste generated in operations, business travel, and employee commuting (Categories 4–7) decreased. In particular, the volume of designated waste generated in Korea decreased from 90 tons in 2024 to 62 tons in 2025. The Company manages waste emissions through the establishment of reduction targets and regular performance reviews. Based on these analyses, ILJI TECH plans to establish an absolute Scope 3 emissions reduction target and progressively enhance its greenhouse gas management system across the entire value chain.

Greenhouse Gas Emissions Reduction Plan



Greenhouse Gas Emissions Reduction Targets¹⁾



1) Based on absolute values of Scope 1 + Scope 2 emissions

Strengthening Climate Change Response

Managing Climate Change Risks

Greenhouse Gas Emissions Reduction Activities

To achieve its 2030 greenhouse gas reduction targets, ILJI TECH is promoting various reduction activities in phases, such as expanding the use of renewable energy, improving utility equipment efficiency, and improving lighting at its domestic business sites and its overseas business site, ITAC, in the U.S. domestic business sites we completed replacing conventional transformers with hybrid transformers at Head Office Plants 1 and 2, achieving an annual power savings of approximately 2.21 million kWh alongside a carbon emissions reduction effect of about 940 tCO₂eq per year. In addition, at Gyeongju Plants 1 and 2, we reduced consumption of lighting power by replacing 162 aged LED lights in three phases in 2025. We are mitigating energy waste caused by loss of compressed air by conducting air leak inspections and internal maintenance at Head Office Plants 1 and 2. Furthermore, we are currently installing new solar power generation facilities with a capacity of approximately 497 kW on the roof of Gyeongsan Plant 1. Upon completion, we expect an additional reduction of about 295.6 tCO₂eq per year. In terms of transitioning to eco-friendly vehicles, we are driving the reduction of Scope 1 emissions from our corporate vehicles by introducing hydrogen electric vehicles. At ITAC, an overseas business site in the U.S., we have completed the full replacement of 7,258 existing 32W fluorescent lights with 18W LED lights, reducing consumption of lighting power by approximately 43.8% and thereby drastically enhancing energy efficiency within the business site.

Greenhouse Gas Emissions Reduction Activities



Strengthening Climate Change Response

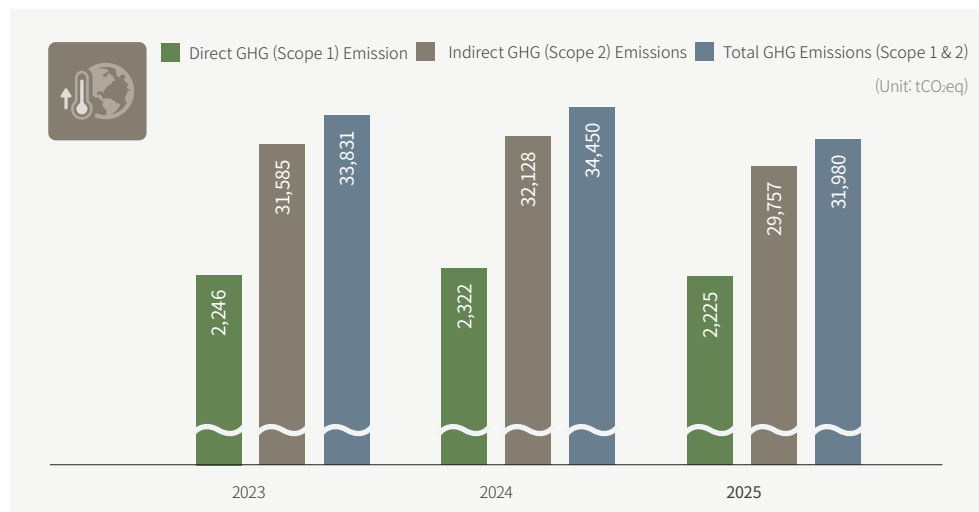
Metrics and Targets

Managing Greenhouse Gas Emissions

With the goal of achieving carbon neutrality by 2045, ILJI TECH promotes various activities to reduce greenhouse gas emissions, calculating Scope 1 and Scope 2 emissions across all business sites, including domestic sites and overseas sites (ITAC and Beijing ILJI). Although emissions increased from 33,831 tCO₂eq in 2023 to 34,450 tCO₂eq in 2024, we achieved a downward trend with 31,980 tCO₂eq in 2025, showing a decrease of approximately 2,470 tCO₂eq compared to the previous year.

Looking at the breakdown by business site, Gyeongsan Plant saw a reduction of approximately 465 tCO₂eq in Scope 2 emissions year-over-year due to power loss savings from the replacement of transformers with hybrid transformers. China Plant (Beijing ILJI) reduced emissions by roughly 699 tCO₂eq due to decreased energy consumption driven by production efficiency, and ITAC in the U.S. reduced emissions by approximately 1,306 tCO₂eq through a full replacement with LED lighting. On the other hand, emissions at Gyeongju Plant increased slightly due to expanded energy consumption from an increase in production volume.

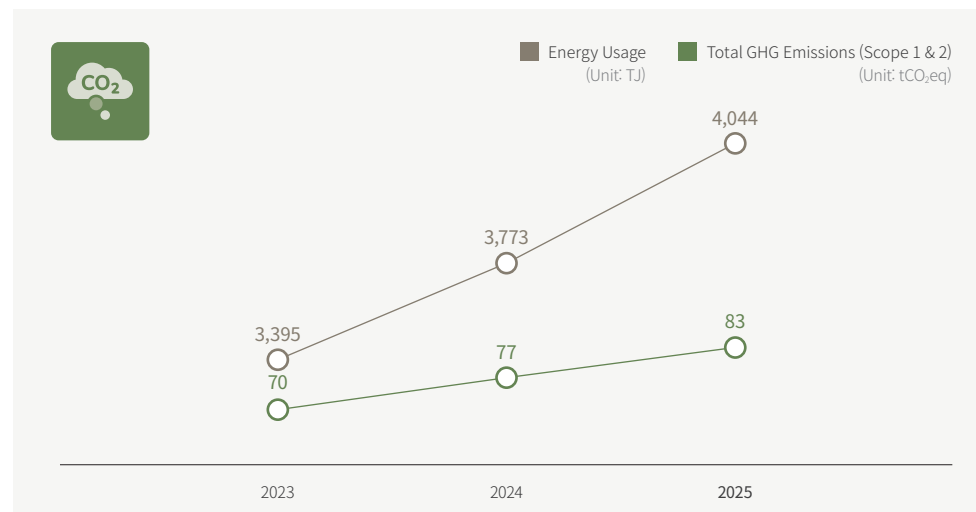
While expanding activities with proven reduction performance to all business sites, ILJI TECH plans to continue its efforts to achieve the carbon neutrality targets by proactively promoting additional reduction measures such as improving equipment efficiency and introducing renewable energy for business sites where emissions increased.



Managing Energy Usage and Greenhouse Gas Emissions of Partners

ILJI TECH manages emissions related to its partner supply chain by categorizing them into energy consumption and greenhouse gas emissions. As a result of a three-year data analysis for 11 major partner companies from 2023 to 2025, it was revealed that both energy consumption and greenhouse gas emissions had increased. These results were identified to be the impact of the expanded sales and production volumes of our partner companies.

Accordingly, ILJI TECH will continuously monitor emissions data of partner companies, analyze the factors causing fluctuations, and establish improvement measures and action plans for emission reduction.



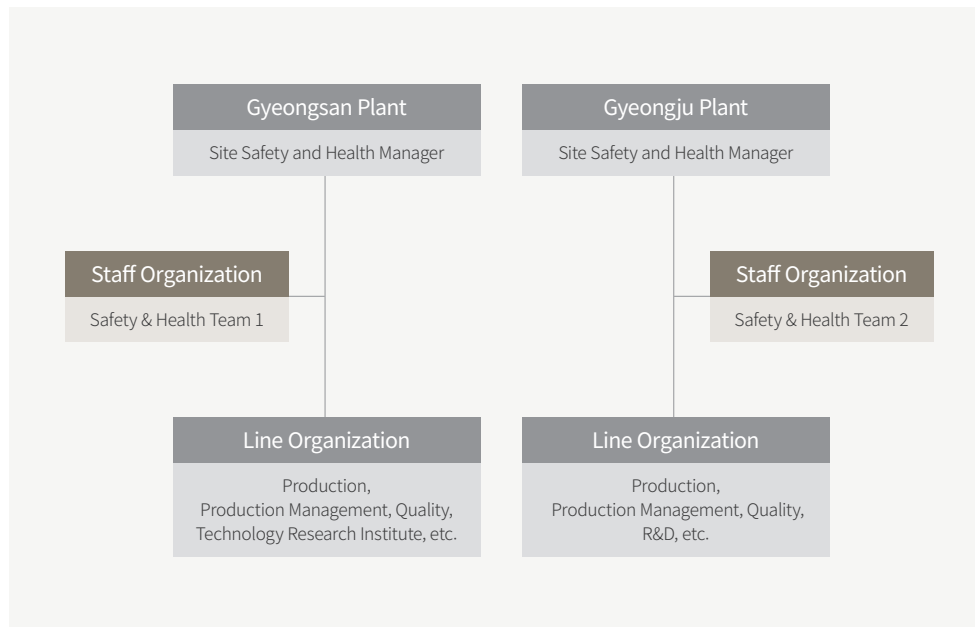
Workplace Safety and Health Management

Health and Safety Management System

Health and Safety Management Organization

ILJI TECH has established a health and safety management system centered around the Chief Security Officer (CSO), promoting safety management to create a safe and healthy working environment for employees across all business sites. The Head Office (Gyeongsan Head Office) and the Gyeongju Plant carry out safety and environmental management activities in collaboration with the Production Division and related departments, under the leadership of the respective health and safety officers and dedicated organizations. They reflect on-site feedback and incorporate it into improvement activities through the labor-management consultative body. In addition, our global business sites, ITAC and Beijing ILJI, operate separate organizations in charge of environment, health, and safety management, carrying out safety management activities tailored to the characteristics of each business site based on ILJI TECH's health and safety management system.

Health and Safety Management Organization Chart



Establishing a Health and Safety Management System

To secure health and safety management capabilities that meet global standards, ILJI TECH has established an international standard-based management system and is implementing it across all business sites. Domestic business sites and the overseas site (Beijing ILJI) have acquired the international standard certification for health and safety management system (ISO 45001), verifying the conformity and operational level of their health and safety management systems through external certification.

In accordance with ISO 45001 standards, we operate management processes such as risk identification and assessment, proactive management for prevention of accidents, setting and implementation of health and safety targets, and regular inspections and improvement activities, through which we systematically manage safety risks within the workplace. Additionally, by maintaining certification and conducting post-audits, we ensure the continuous improvement and operational stability of our management system.

Health and Safety Management System Certification



Domestic Business Sites
ISO 45001 certification



Beijing ILJI
ISO 45001 certification

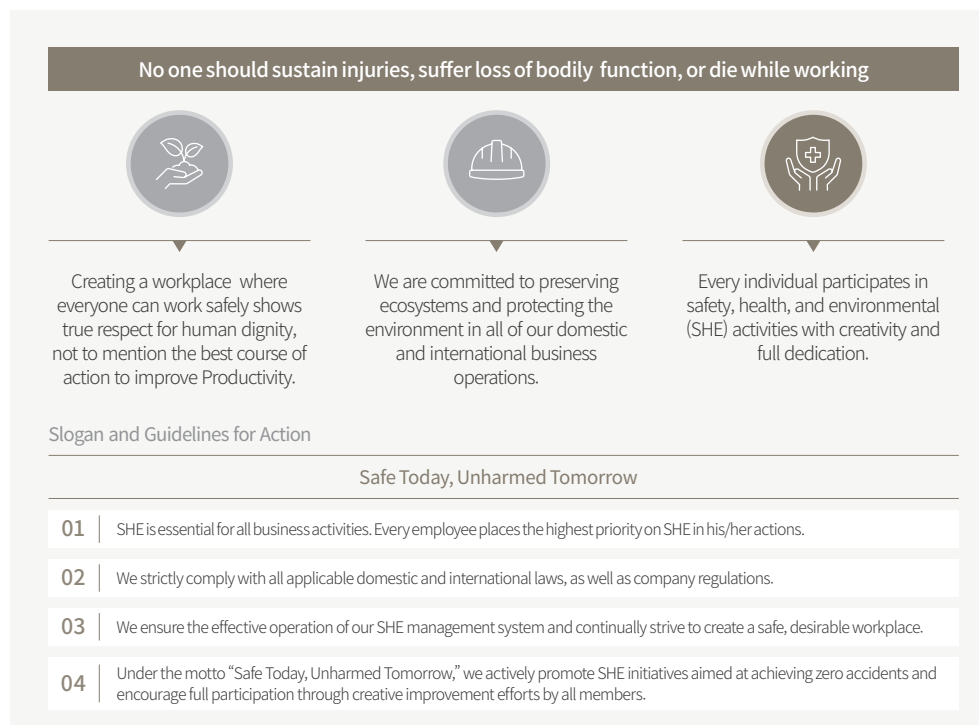
Workplace Safety and Health Management

Health and Safety Management System

Health and Safety Management Principles and Goals

Based on the health and safety principle that “No one should be injured or lose their physical functions or lives while working,” ILJI TECH safeguards the lives and safety of all stakeholders as its highest priority. Under this principle, we foster an environment, health, and safety culture with the involvement of all employees, promoting management activities that consider safety and the environment across all business sites. To this end, we have integrated health and safety management as a core element of corporate management, implementing regulatory compliance, proactive risk management, health and safety management system operation, and continuous improvement activities at all domestic and global business sites. In addition, by building an accident prevention-centric management system based on the voluntary participation of employees in safety activities, we are promoting a culture of safety alongside our partner companies and stakeholders. ILJI TECH has set the goal of achieving zero serious accidents (jamming, collision, fall, etc.) and fire accidents. By continuously enhancing the level of health and safety management, we aim to achieve our medium- to long-term health and safety goals by 2030. Through these efforts, we plan to foster a safe and healthy working environment and reinforce our company-wide safety management system.

Basic SHE Principles



Medium-Term Health and Safety Policy and Goals



1) Including serious near misses

2) Specified accidents: Accidents caused by bypassing safety devices, failure to switch off equipment, inadequate guarding, and heavy objects; and forklift-related accidents

Workplace Safety and Health Management

Health and Safety Management Activities

Health and Safety Management Activities and Performance

Based on its environment, health, and safety management system, ILJI TECH conducts activities across all stages, from accident prevention to emergency response. In terms of proactive prevention, we strive to prevent accidents through risk assessments, supervisor inspections, safety training, and campaigns. Moreover, we periodically inspect and mitigate risk factors through on-site inspections, the improvement of hazardous and dangerous factors, and contractor safety evaluations. In addition, we strengthen our capabilities for responding to actual situations through emergency response drills, CPR training, and the operation of the LOTO¹⁾ system. These activities serve as the basis for achieving the clear goals set by our company, such as zero serious accidents and a 50% reduction in accident rate.

2025 Health and Safety Activities and Performance

Activity		Implementation		Task	Evaluation
I. Focused Activity	Health and safety activities led by the top management	· Organizing Health and Safety Policy Committee meetings (once/half-year)	Maintenance		0
		· Top Health and Safety Walk-Around Council (twice/month): Inspection of all processes		Incomplete or delayed measures in the accident-occurring process (P6 line)	0
		· Joint inspection by the CSO and on-site supervisor (55/60, improvement rate 92%)			
	Prevention of serious accidents	· Horizontal dissemination of safety news (74% horizontal deployment rate across all departments)	Enhancement	Management of omitted departments, delayed counting	0
		· Forklift safety measures: Structural safety devices		Continuous installation of audiovisual warning devices	-
		· Installation of audiovisual warning devices in five sections with collision risk			
		· LOTO operation and advancement	New	Development of continuous monitoring tools for operating the Safety Keeper (supervisor) system	0
		· Improvement of robots and press process door interlocks (140 points)			
		· Installation of LOTO padlocks (43 points for robots and press processes)			
		· Safety Keeper operation and monitoring (once/month)			
	Serious Accidents Punishment Act response system	· Serious accident response drill (firefighting and simulation of typical industrial accidents)	Enhancement	Review of rescue equipment for accidents in confined spaces	0
		· Work in confined spaces, safety experience and joint firefighting drill (Gyeongsan Fire Station)			
		· Consulting to verify implementation of safety measures in response to the Serious Accidents Punishment Act		Reflection of guidance matters in 2026 activities	0
II. Strengthening the Foundation	Safety management system	· Inspection by external institution, twice/year (Korea Industrial Safety Association)			
	Health and safety activities led by supervisors	· ISO45001 certification surveillance audit (internal audit, certification maintenance)	Maintenance		0
	Health and safety walk-around inspections	· Regular, ongoing supervisor council activities (once/month)	Enhancement	Confirmation of uncertainties in the sharing of health and safety logs and RA details with bottom-tier employees	0
		· Advancement of health and safety daily logs (2023-revision ver3)			
	TBM activities for hazard identification and risk assessment	· Management of on-site inspection improvement rate (ongoing RA)199/214 (93%)	Maintenance	Consideration of type change in accordance with CSO's priority adjustment (schedule adjustment)	0
		· Improvement of health and safety label design, visualization (plant entrance doors)			
		· Risk assessment (consultation with external institution: Korea Industrial Safety Association)		Unification of A system and technique (unified at Gyeongju Plant)	-
		· Strengthened TBM activity 『TBM Safety Caravan』	New	Management of TBM record feedback and expansion of office work supervisors	0
		· Reorganization of training system (training programs)	Enhancement		-
		· Development of training tools and improvement of the training environment			
		· Management of basic safety behaviors and safety rule violations: 30 violations	New		0
	Activities to raise health and safety awareness among employees	· Establishment of guidelines, adjustment of rule grade, night mystery inspection			
		· Health and safety campaigns for employees			
		· Health and Safety Golden Bell, prevention of summer heat-related illnesses (granting breaks, providing sports drinks upon visit, recording sensory temperature, testing plant temperature lowering measures)	Enhancement	Review of effectiveness of temperature lowering measures	0
		· Reorganization of obsolete health and safety regulations (guidelines, procedures)		Application as practical tools instead of perfunctory revisions	0
		Established: 2 Revised: 33 Abolished: 2			
III. KPI	Management of outsourced construction and partner companies	· Sharing health and safety indicators and activity videos (once/month)	New		0
		Management of accident rate, injury severity rate, and composite accident index (once/month)			
		· Stabilization of outsourced construction management procedure			
	Activities to prevent recurring accidents	· Pre-work safety meeting (work officer), zero omissions in safety work approval documents	Enhancement	Establishment and reinforcement of safety work approval documents at Gyeongju Plant	0
		· Safety evaluation on Tier 2 partner companies (average score of 61 points or higher)		Expanded evaluation and support for Tier 2 partner companies	
III. KPI	Management of composite health and safety efficiency KPI (performance F/U)	· Continued advancement and evaluation of Tier 2 evaluation tools (8 press companies)			
		· Implementation evaluation: Subcontractors (SIMPAC Global, Samil, Pulmuone)			
		· Safety guidance: Yoochang, IJS, K&C, packaging operations			
III. KPI	Management of composite health and safety efficiency KPI (performance F/U)	· Half (zero) cutting accidents: 2 cases/6 cases of cutting accidents		Review of knee cutting accident measures	0
		· Hand (wrist, finger) cutting accidents 0 cases / leg (knee) 2 cases		Reasonable provision of anti-cutting gloves (aged)	
		· Management of industrial accident (serious accident) rate: Accident rate below 2.7, zero serious accidents		Achievement of 1.6% accident rate (Gyeongsan and Gyeongju total)	0
III. KPI	Management of composite health and safety efficiency KPI (performance F/U)	· Accident severity rate (management of lost work days)	New	Achievement of zero serious accidents	0

1) LOTO (Log Out/ Tag Out): Lock-out/tag-out procedure, energy isolation and lockout marking

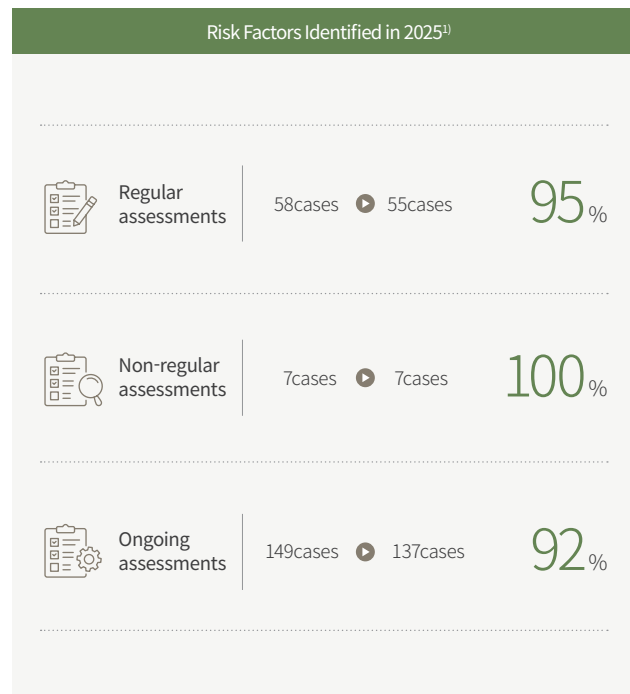
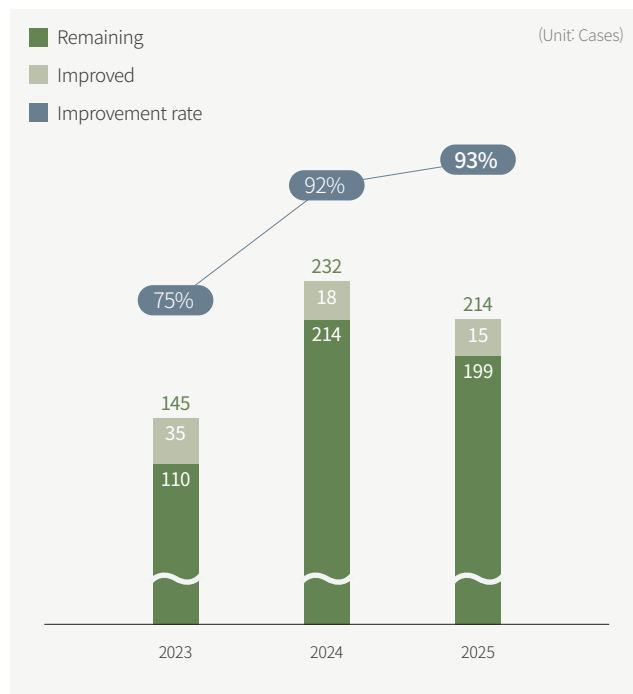
Workplace Safety and Health Management

Health and Safety Management Activities

Risk Assessment (RA)

In accordance with Article 36 of the Occupational Safety and Health Act and Article 4, Paragraph 3 of the Enforcement Decree of the Serious Accidents Punishment Act, ILJI TECH strictly implements measures and preserves records regarding the results of risk assessments. We also regularly promote activities to identify and mitigate risk factors. We conduct risk assessments at least twice a year targeting the Gyeongsan and Gyeongju Plants as well as subcontractors' facilities. The assessment procedure is carried out systematically by holding briefing sessions, collecting feedback on hazardous factors and conducting walk-around inspections, determining the level of risk, establishing and implementing improvement measures, and inspecting the implementation of assessments. In 2025, we identified a total of 214 risk factors and achieved a 93% improvement rate at the Gyeongsan Plant, while the supervisor-centric TBM and health and safety log system operated at the Gyeongju Plant achieved zero serious accidents and an accident rate of 1.2 (target: 2.7).

Identification of Risk Factors and Improvement Status



1) Risk Factors Identified in 2025: Gyeongsan Plant

Managing Company-Wide Accident Rate

To quantitatively manage its health and safety performance, ILJI TECH operates an integrated monitoring system based on key safety indicators such as accident rate, number of accidents, and Lost Time Injury Frequency Rate (LTIFR). In 2025, the accident rate at the Head Office in Korea was 0.4%, an improvement of 6% compared to the previous year, demonstrating a downward trend for two consecutive years. Additionally, the total number of accidents was tallied at 1 case, a decrease of 2 cases compared to the previous year, and the LTIFR was 1.00%. Furthermore, by additionally managing detailed indicators such as the frequency rate, severity rate, and composite accident index, we manage the company-wide safety performance more multilaterally and precisely. Our overseas business sites, Beijing ILJI and ITAC, are also strengthening activities to prevent and reduce industrial accidents by continuously managing key safety indicators such as the accident rate, number of accidents, and LTIFR. To ensure reliability, all indicators are calculated based on data disclosed by the Korea Occupational Safety and Health Agency. Through a systematic management process and continuous monitoring by a dedicated organization, we strive to strengthen our efforts to realize accident-free business sites.

ILJI TECH Accident Rate

Category		Unit	Korea	ITAC	Beijing ILJI
Accident rate		%	0.40	2.25	0
Number of cases	Number of injuries	Cases	1	21	0
	Number of fatalities	Cases	0	0	0
LTIFR ²⁾		%	1.00	2.15	0
Injury Frequency Rate ²⁾			1.00%		
Injury Severity Rate ³⁾			0.01%		
Composite Accident Index ³⁾			0.11		

2) LTIFR: Lost Time Injury Frequency Rate, an indicator that shows the frequency of injuries that resulted in labor loss over a certain number of labor hours

3) Domestic Business Sites

Workplace Safety and Health Management

Health and Safety Management Activities

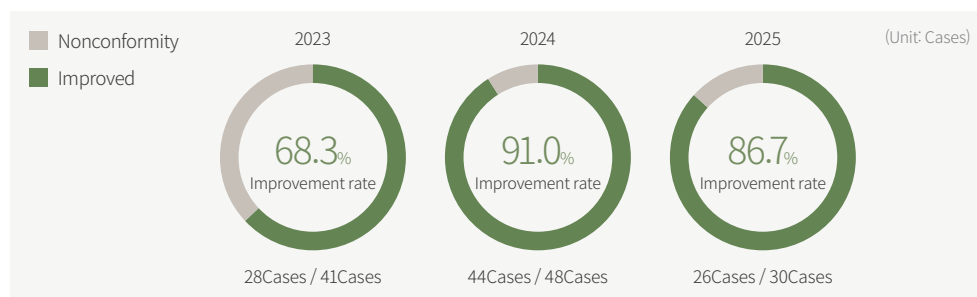
Leadership-Based On-Site Safety Inspections

Based on the understanding that safety is determined by the commitment and leadership of the top management, ILJI TECH is driving practical safety improvements by regularizing the management-led Top Walk-Around Safety Council. This council is operated in a way where the CSO directly inspects risk factors every month and enforces improvements. As a result of these efforts, an improvement rate of 87% was achieved in 2025. The Top Health and Safety Walk-Around Council inspects all processes twice a month. With the participation of not only the Production Team and Health and Safety Team but also on-site managers for each process, the council intensively inspects accident-prone areas and places where robots and hazardous and dangerous machinery are used. The inspection results are shared company-wide for on-site improvements, proactively blocking safety risks.

Furthermore, in 2026, we plan to strengthen the horizontal deployment system to eradicate similar accidents across all business sites, including Gyeongju Plant, and expand site-centric safety management activities led by the top management.

Although ITAC does not operate a separate top management patrol system, when a serious safety issue occurs, it reviews the relevant details and discusses improvement directions through the Weekly Manager Meeting. Areas requiring improvement derived from regular inspections are managed item-by-item. It verifies whether measures from previous inspection results have been completed, and manages the implementation of improvements by continuously tracking and communicating incomplete items. Additionally, issues occurring for each equipment or area, such as emergency stop buttons, are classified and managed as individual items of corrective action instead of taking batch measures, thereby enhancing the execution of improvements for risk factors at each site.

Improvement on Walk-Around Inspections



Building Site-Driven Prevention System

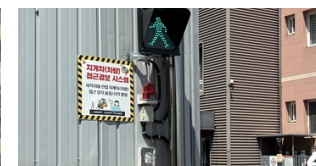
ILJI TECH has established a site-centric safety management system based on the Tool Box Meeting (TBM) system with worker participation. Through TBM activities, we identify hazard and risk factors for each process prior to commencement of work and strengthen prevention-centric safety management activities by sharing safety rules and risk assessment results. In particular, we advanced the on-site safety management system in 2025 by clarifying the criteria for non-routine work permits in connection with the supervisor work logs. Moreover, by introducing a management system for violations of safety rules, we inspected and managed a total of 30 violation cases in 2025, thereby strengthening the safety discipline and management level of the work sites. Through this, we are continuously advancing the prevention-centric safety management system that spans the entire process before, during, and after work.

Digital-Based Safety Management System

To ensure worker safety, ILJI TECH is gradually introducing and advancing a digital-based safety management system focusing on the prevention of forklift collision accidents. We separate the movement paths of vehicles and pedestrians by applying vehicle detection sensors, traffic lights, door LEDs, road markings, and guide signs to major movement paths, entrances, and forklift moving zones within business sites, and by establishing a loop sensor-based detection system. In addition, we have strengthened visual-centric safety devices so that pedestrians can immediately recognize the approach of a forklift. We strive to enhance the accident prevention effect even in noisy environments by transitioning the existing auditory-centric warning method to a visual-based one. Along with this, we are strengthening a visual-centric safety management system tailored to the characteristics of business sites through phased advancement, such as the introduction of AI cameras and smart mirrors (2023), installation of warning lights (2024), and application of traffic lights and door LEDs (2025). In the future, we will further advance the digital-based safety management system by expanding application mainly in indoor workplaces, visualizing movement paths based on line lights, prioritizing application in high-risk zones, and installing additional voice alarms.



Entrance door LED at domestic business sites



Forklift collision prevention system



Forklift Speedometer lights at ITAC

Workplace Safety and Health Management

Health and Safety Management Activities

Health and Safety Training

To enhance safety awareness among employees and strengthen incident response capabilities, ILJI TECH operates systematic health and safety training by categorizing trainees into on-site workers and office workers.

For domestic business sites, we conduct monthly regular collective training for on-site workers in accordance with the Occupational Safety and Health Act. We provide practical, site-centric training based on a curriculum that reflects risk factors for each process, such as risk assessments, LOTO, and incident case response. For office workers, we raise basic health and safety awareness and strengthen incident response capabilities through semiannual online training.

Moreover, to strengthen professional health and safety capabilities, we conduct ISO 14001/45001 internal auditor training to advance the operational maturity of our health and safety management system and enhance our internal audit capabilities systematically.

Health and Safety Training Status in 2025



1) Participation rate: Excluding employees on leave

2) Cumulative participants in the first and second halves of 2025

3) Participation rate: Including retired employees

Reorganizing the Health and Safety Training System and Work

ILJI TECH is undertaking improvement efforts to standardize work and the training systems across domestic and global business sites. Domestic business sites promoted the overhaul of a site-centric training system to improve the degradation of training effectiveness caused by the previous rest-area-centric training and lack of expertise. By establishing a new integrated training center and utilizing the expertise of professional instructors and external institutions, we strengthened the quality and consistency of the training, and enhanced training engagement and understanding by introducing visualization-based training materials. Additionally, by fully revising 13 health and safety regulations and 15 guidelines and reflecting additional directives, we achieved 100% of our KPI targets, thereby reorganizing the health and safety management standards linked to the training system on a company-wide level. Furthermore, ITAC has established a total of 150 types of guidelines, and conducts Job Safety Analyses (JSAs) for major production processes, documenting risk factors and control measures for each phase of work. Through this, it proactively identifies risk factors associated with each process, such as cuts, jamming, collision, noise, welding sparks, musculoskeletal burdens, and chemical exposure, and strengthens work safety by concurrently implementing engineering controls and administrative measures like LOTO training, 3C and 5S organizing, and making it mandatory to wear protective equipment. Through these efforts, we have advanced the regular training system for on-site workers, improved training quality, and further consolidated the foundation for establishing a health and safety culture within the organization.

Results of Training System Improvement in 2025

Lack of training location	Incapability of instructors	Lack of quality training materials
 New integrated training center (Big Meeting Room) New integrated training center that can accommodate up to 100 persons	 Applying supervisor training rotation system All supervisors participating as instructors and Health and Safety Team supporting prior training	 Preparing visualized training materials Securing regular training materials through production of PPT and video training content

Improvement Direction for 2026

On-Site OJT	Incapability of instructors	Training of subcontractworkers
 Conducting safety training linked to actual on-site practices	 Introducing a professional in-house instructor certification system and supporting training	 Reorganizing training for subcontract workers 1) Tools for visualized training 2) Reasonable training process

4) Subcontract workers: Including foreigners

Workplace Safety and Health Management

Health and Safety Management Activities

Creating a Safe Working Environment

To enhance the effectiveness of the company-wide health and safety management system, ILJI TECH is strengthening communication with employees and raising safety awareness through various communication channels and campaigns.

The Safety News Horizontal Deployment System, an ongoing system in operation, prevents the recurrence of similar accidents by promptly sharing the causes and countermeasures when an accident occurs. Each department manages the effectiveness of this dissemination systematically through individual signatures and implementation checks. In addition, the disseminated materials are continuously shared via monitors in the main building and the cafeteria to promote a safety culture throughout the organization.

Annual Health and Safety Communication Items

Details	Stakeholders	Cycle
Health and safety policy, goals, risk factors, compliance issues	Clients, visiting customers, employees	Annual
Taking opinions from workers (opinion survey sheets, QR, suggestion boxes)	Internal, partner employees	Annual, ongoing
Occupational Safety and Health Committee	Employee representatives	Once/quarter
Top Safety Council	On-site supervisors, honorary industrial safety officers, CSO	Once/quarter
Supervisor Council	On-site supervisors	Once/quarter
Information related to emergency preparedness and response	Employees	Following emergency response plan
Sharing serious accident cases (serious accident siren of the Ministry of Employment and Labor)	On-site supervisors, team leaders, group heads	Ongoing
Safety news (sharing accident cases company-wide)	Employees	Upon occurrence



Head Office Health and Safety Bulletin Board



Head Office Health and Safety Video



ITAC Health and Safety Bulletin Board



Safety News

Health and Safety Campaign Activities

ILJI TECH operates various campaign activities aimed at enhancing the health and safety awareness of employees to strengthen the company-wide health and safety management system and foster a safety culture.

In 2025, we carried out participatory safety culture initiatives targeting domestic business sites, centered on the Health and Safety Golden Bell and the Heat-Related Illness Prevention Campaign. The Health and Safety Golden Bell assessed employees' health and safety knowledge based on regular training content, contributing to fostering a culture of voluntary learning and spreading a safety culture. The Heat-Related Illness Prevention Campaign enhanced workers' awareness and practical commitment to preventing heat-related illnesses through on-site participatory activities, including a visiting ice campaign, provision of sports drinks, guidance on hydration and preventive measures, and leaflet and quiz events.

Furthermore, ITAC continuously broadcasts various safety-related content to enhance safety awareness using the TVs in the break rooms within the workplace, and it conducts regular monthly refresher training to reinforce safety goals. Through these efforts, ILJI TECH is pursuing the establishment of a safety culture based on the voluntary participation of employees, and plans to expand experiential activities going forward.

Safety Golden Bell

2024	2025
· Duration: 30 minutes	· Duration: 40 minutes
· Targets: On-site workers	· Targets: Office and on-site workers
· Participants: 150 persons	· Participants: 154 persons



Heat-Related Illness Prevention Campaigns

Good Point	Campaign Activities
Outreach campaigns · Moisture intake · Preventing heat-related illnesses	① Visiting ice campaign conducted twice ② Provision of sports drinks and hydration guidance for on-site workers ③ Operation of a safety booth, distribution of heat-related illness prevention leaflets, and quiz event
Inserting quiz event into leaflets · Voluntary knowledge acquisition	



Workplace Safety and Health Management

Workplace Noise Control

Managing Noise in the Working Environment

ILJI TECH operates a systematic monitoring and management framework to minimize the health impact from noise generated within the workplace. We conduct regular measurements of the working environment at least twice a year through a measurement agency designated by the Ministry of Employment and Labor, and continuously manage the exposure levels of each process as data. In particular, based on noise levels, we subdivide processes exceeding 85 dB(A) into Management Targets and those exceeding 90 dB(A) into Focused Management Targets, promoting tailored improvement activities. By concurrently implementing preventive equipment maintenance alongside engineering and administrative measures for noise reduction, we make every effort to create a pleasant working environment. In addition, our overseas corporate, ITAC, operates a Hearing Conservation Program to prevent hearing loss caused by exposure to hazardous noise. It strictly implements the provision of hearing protection equipment, regular examinations, safety training, and history management for workers exposed to 85 dB(A) or higher based on an 8-hour Time-Weighted Average (TWA). Moreover, it enhances the effectiveness of noise reduction activities through non-regular inspections when equipment and process changes occur.

Hearing Protection Program

ILJI TECH systematically operates a Hearing Conservation Program to prevent occupational diseases and protect noise-exposed workers from health hazards. We continuously monitor individual hearing changes through special health examinations and regular hearing tests. For individuals requiring observation (C) and those with occupational disease findings (D) based on the examination results, we prevent deterioration of health by conducting in-depth health consultations and tailored post-health guidance. In addition, to enhance the effectiveness of protective measures, we provide personalized hearing protection equipment and continuously check proper wearing through on-site inspections. Going beyond the simple provision of protective equipment, we are strengthening practical training on selecting appropriate protective equipment and the correct wearing methods. We are also promoting a safety culture by conducting training on the hazards of noise and the importance of hearing protection for all employees. Furthermore, we strive to create a sustainable working environment by analyzing the operational results of the program and reflecting them in on-site improvement activities. ITAC also operates the Hearing Conservation Program. We are strengthening the worker health protection system at global business sites by conducting regular hearing tests for all employees.



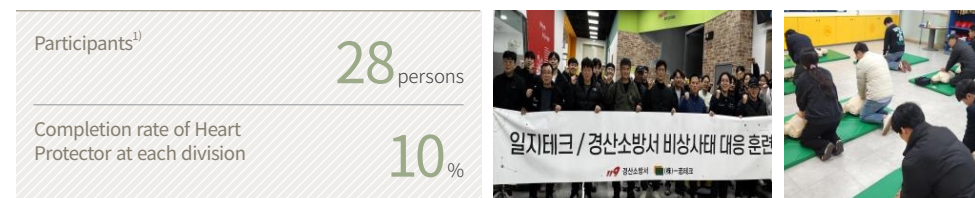
Advancing Emergency Response System

ILJI TECH has established an emergency response process to enable employees and workers respond swiftly and systematically to various emergencies, such as fires, serious accidents, and illnesses, and is strengthening its response capabilities through regular training. We have built a response system capable of immediate actions, such as worker evacuation and risk removal, and we are operating a reporting system that connects communication from the initial onset of an incident up to the Health and Safety Team and the CSO. Additionally, we continuously enhance the response capabilities across the organization through response drills in cooperation with relevant departments. In particular, in 2025, we advanced our emergency response system focusing on confined space response drills and first aid training, taking high-risk working environments into consideration. Confined space drills were conducted with a practical focus, including measurement of gas concentration, ventilation, usage of rescue equipment, and lifesaving procedures, targeting designated confined spaces such as firefighting water tank rooms. We placed emphasis on preventing asphyxiation accidents and improving initial response capabilities. Additionally, first aid training was structured to enable immediate response in the event of an emergency by combining training and practice centered on saving lives, such as CPR and AED usage. We also reinforced our response personnel by expanding the number of persons capable of using AEDs within the organization. With at least one participant from each division, a total of 28 workers (9 on-site workers, 19 office workers) completed this training, achieving the result of more than 10% of the personnel in each team completing the first aid training.

Confined Space Training

Confirmation of warning signs in confined spaces	Measurement of gas concentration in confined spaces	Injection of fresh air into confined spaces
Occurrence of victims – first aid practice	Victim evacuation using stretchers	Implementation of first aid training (CPR)

First Aid Training



1) Participants: 19 office workers + 9 on-site workers

Workplace Safety and Health Management

Global Business Sites Health and Safety Management Goals

Beijing ILJI

ILJI TECH applies the same health and safety management principles to its global business sites as it does domestically, and has established a systematic health and safety management framework based on local laws and regulations, such as the Work Safety Law of China. In addition, by establishing and implementing measures and targets for the prevention of fires, industrial accidents, and occupational diseases, as well as for resource conservation and prevention of environmental pollution across all domestic and overseas business sites, we comply with the legal requirements of each country and continue efforts to strengthen the foundation for sustainable global management. Moreover, Beijing ILJI systematically defines health and safety management items and clearly designates responsible departments, carrying out initiatives to achieve its targets and monitoring its performance continuously.

Beijing ILJI Health and Safety Management Goals



ITAC

ITAC has established a highly effective health and safety management system based on the Occupational Safety and Health Act of the U.S. It sets and continuously implements targets for the prevention of fires, industrial accidents, and occupational diseases, as well as for strengthening the foundation of sustainable global management. To prevent workplace accidents, it sets the annual accident rate as a Key Performance Indicator (KPI), and manages safety performance quantitatively by tracking the number of accidents against total working hours. In 2025, it set a target of maintaining a minimum of 22,926 accident-free working hours, and the actual result exceeded the target by recording an average of 34,525 accident-free working hours per incident, despite having 54 incidents reported. This result proves the effectiveness of ITAC’s comprehensive safety management system and the heightened safety awareness of its employees. Going forward, ITAC will strengthen its safety culture continuously with the goal of achieving zero serious accidents and reducing accidents.

ITAC Health and Safety Management Goals



Global Business Sites Health and Safety Management Activities

Risk Prevention and Response System at ITAC

ITAC conducts regular risk assessments across all processes and business areas to identify high-risk factors, and operates a prevention-centric risk management system that prioritizes elimination, substitution, and engineering controls. It manages the company-wide compliance level by implementing a system to identify legal and non-regulatory requirements that reflect not only U.S. federal and state regulations but also the requirements of customers and local communities. In preparation for emergencies, it conducted a fire drill and a tornado drill as part of its regular emergency exercises in September 2025. Based on the drill results, it identified deficiencies, such as the failure to hear alarms in certain areas and instances of personnel failing to evacuate, and is promoting improvement activities. ITAC regularly conducts job-specific training and emergency response drills for new employees and high-risk workers, systematically documenting and managing all training records. It also promotes continuous improvement through regular internal audits to evaluate the adequacy and effectiveness of the environment, health, and safety (EHS) management system.

Risk Assessment at ITAC

ITAC operates the Hazard Identification, Risk Assessment & Determining Controls Procedure to identify and control health and safety hazards and risk factors that may arise from business activities, processes, facilities, and the activities of partner companies and visitors. The EHSMS Task Force Team oversees the risk assessments, analyzes the risk level based on severity and likelihood, and determines the priority of necessary improvements by considering existing control measures concurrently. In addition, it reflects routine and non-routine work, human behavioral factors, equipment and materials, change management, and legal requirements as assessment factors. ITAC strives to mitigate risk levels to an acceptable level by reviewing control measures in the order of elimination and substitution, engineering measures, procedural and administrative management, and the wearing of protective equipment.

ITAC Risk Assessment

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

Sustainable Supply Chain Management

Supply Chain Management Policy

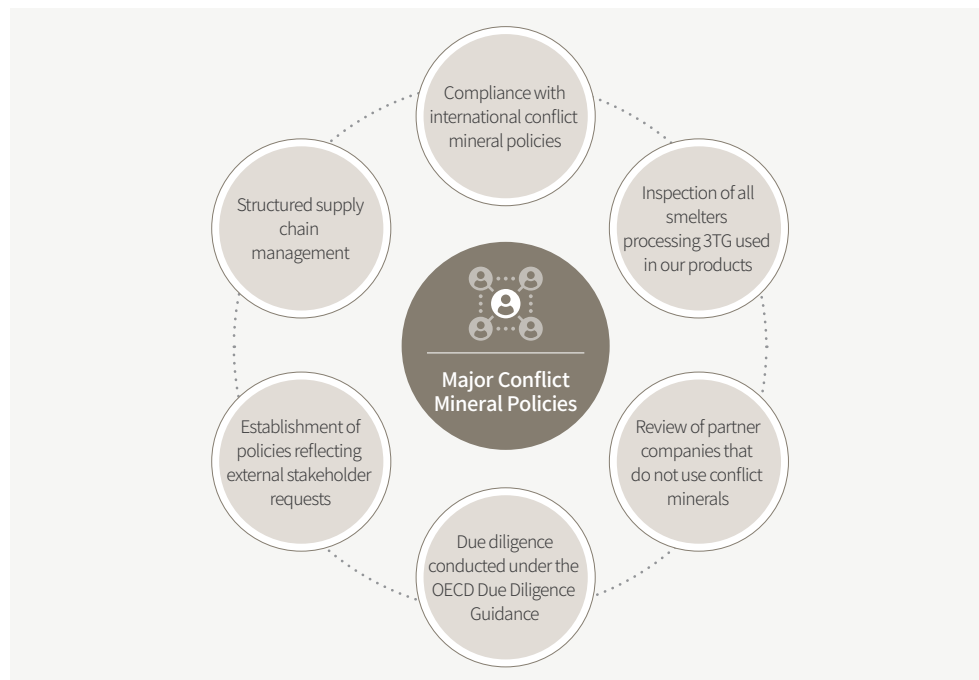
Supply Chain Management Policy

Reflecting the OECD Due Diligence Guidance, ILJI TECH has established a Conflict Mineral (Responsible Mineral) Policy and a Responsible Procurement Policy. We clearly define the basic principles for responsible minerals management. Based on these policies, we restrict the use of 3TG (tin, tantalum, tungsten, and gold) sourced from conflict-affected and high-risk areas.

Additionally, we promote responsible procurement of raw material by considering the social and environmental impacts that may occur across the entire supply chain, continuously managing related risks through supply chain due diligence activities.



Major Conflict Mineral Policies



Partner Code of Conduct

ILJI TECH has enacted the Partner Code of Conduct to transparently manage the supply chain and create sustainable value together with partner companies. We require our partner companies, as business partners of ILJI TECH, to fulfill their social responsibilities in the areas of ethics, the environment, labor and human rights, health and safety, and overall management systems, and to conduct their business in accordance with globally acceptable standards. In addition, we requested eight major partner companies to sign the Partner Code of Conduct to ensure compliance, and successfully obtained signatures from all of them, thereby consolidating the compliance system. Going forward, we plan to expand the collection of signatures for the Partner Code of Conduct to newly onboarding partner companies. Furthermore, ITAC is also strengthening the ESG management system across the global supply chain by operating the signature procedure for the Partner Code of Conduct targeting major U.S. partners and by successfully completing the signing.



Partner Code of Conduct

 Ethics management	· Transparent management and anti-corruption · Prevention of conflicts of interest · Prevention of unfair trade practices · Prevention of counterfeit parts	· Compliance with export restrictions · Information protection · Intellectual property protection · Responsible material procurement
 Environmental management	· Environmental management · Reduction in energy consumption and greenhouse gas emissions · Wastewater management	· Management of air pollutants · Waste management · Management of chemical substances · Biodiversity protection
 Labor/Human rights	· Anti-discrimination and respect for diversity · Humane treatment · Wage and welfare benefits	· Legally mandated labor hours · Prohibition of child labor · Prohibition of forced labor · Guarantee of freedom of association
 Health/Safety	· Establishment of a health and safety management system · Management of occupational safety · Emergency response	· Management of industrial accidents and diseases · Safety diagnoses · Health management
 Management system	· Disclosure of corporate statements · Appointment of persons in charge · Risk inspection · Training and communication	· Information management · Operation of a grievance handling system · Management of transaction partners (subordinate partner companies) · Compliance with standards

Sustainable Supply Chain Management

Supply Chain Management Policy

Creating a Fair Trade Environment

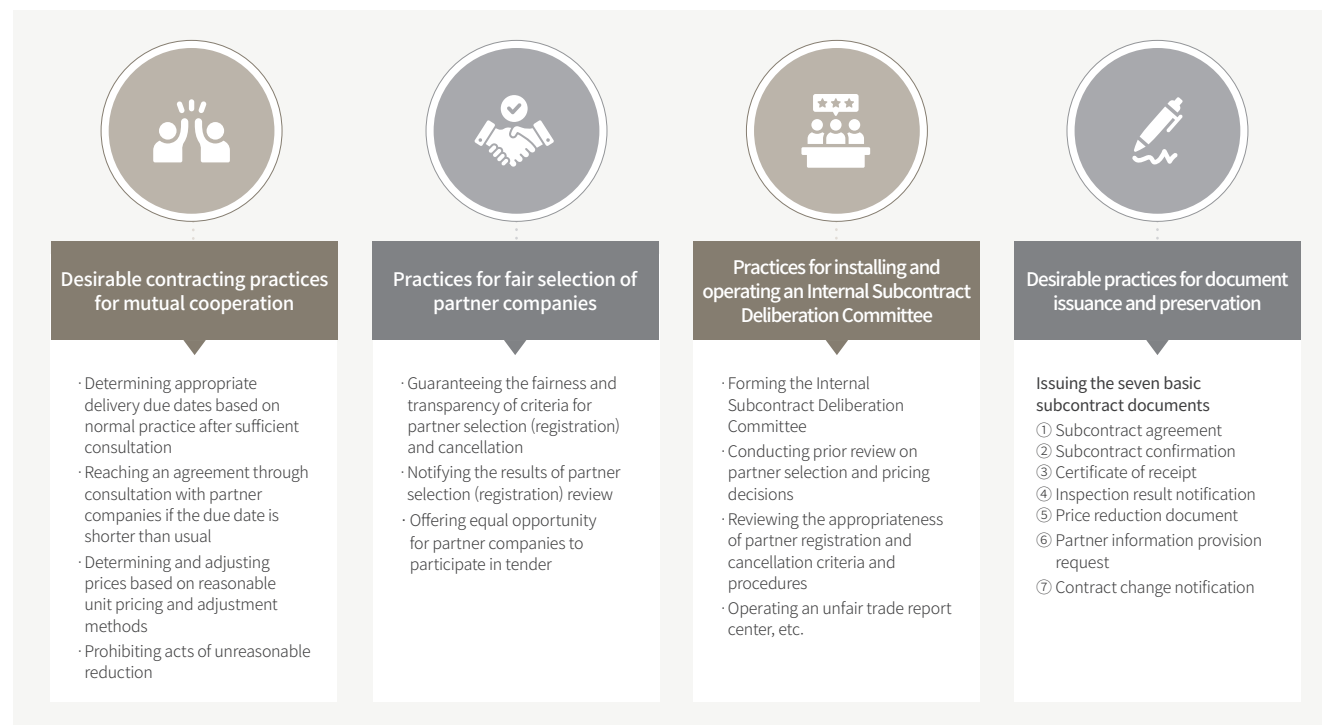
To maintain a relationship of trust with partner companies, ILJI TECH manages its transactions to ensure that no disadvantages occur in the process. We strive to create a fair business environment by complying with relevant laws and regulations, such as the Fair Trade Act and the Subcontracting Act, as well as the Four Fair Trade Practices. In addition, we share fair trade principles with employees by distributing a monthly fair trade newsletter through our in-house portal (i-SCM), and we support the promotion of fair trade awareness across the supply chain by providing partner companies with a fair trade manual, anti-collusion guidelines, and guidelines for voluntary compliance.



Four Practices for Mutual Cooperation Among Partners

ILJI TECH signs fair trade agreements with all partner companies and strives to establish a fair trade order based on mutual cooperation. When concluding contracts with partner companies, we manage the process to ensure fairness by inspecting the appropriateness of contract terms, the fairness of transaction procedures, and the rationality of payment standards, all based on the Four Fair Trade Practices. Additionally, we ensure transparency and fairness in the partner selection and transaction processes and operate an internal review procedure for subcontracting transactions to examine the appropriateness of transaction conditions and procedures. Moreover, we take all measures to prevent unfair trade practices and support the embedment of fair trade principles throughout the supply chain by strictly complying with related procedures, such as the use of standard contracts and the issuance and preservation of documents.

Four Practices for Mutual Cooperation



Sustainable Supply Chain Management

Supporting Shared Growth in the Supply Chain

Internal Subcontract Review Committee

To foster a fair and transparent business environment, ILJI TECH plans to operate an Internal Deliberation Committee composed of a chairperson and seven members in accordance with the Four Subcontracting Practices. The Internal Deliberation Committee assumes the role of reviewing the fairness and legality of overall subcontracting transactions with partner companies. Major matters for deliberation include the prior review of large-scale subcontracting transactions, assessing the appropriateness of criteria and procedures for partner registration and cancellation, deliberating on new partner registration and cancellation, reviewing the appropriateness of tender restriction procedures, handling appeals from unregistered or deregistered partners, deliberating on price determination adjustments, and taking disciplinary action against employees who violate relevant laws such as the Subcontracting Act.

Prevention of Subcontracting Act Violations and Ensuring Compliance

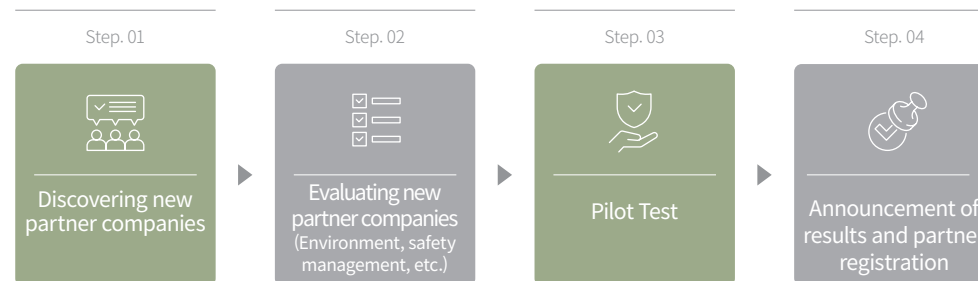


Managing Partner Selection and Evaluation

ILJI TECH operates a phased procedure from the identification of new partner companies to their selection and registration, and reviews major criteria such as cost and safety management comprehensively during partner selection. In addition, after verifying the suitability of the partner selection through 1st and 2nd phase evaluations, we proceed with reporting the results and registering the partner. Even after registration, we conduct regular annual evaluations to ensure an ongoing business relationship and maintain the partner management system.

Partner evaluations are conducted based on major considerations such as quality, delivery deadline, finance, on-site safety, and ESG performance, and are assessed by comprehensively reflecting the level of quality management, rate of on-time delivery, financial soundness, level of safety management, and level of ESG management. Based on the evaluation results, we issue improvement requests and provide guidance and assistance with capacity building for partner companies requiring improvement, while providing incentives and support to excellent partner companies to encourage the enhancement of partners' competitiveness.

Partner Selection Procedure



Quality	Deadline	Finance	On-site safety	ESG
- Assessment of quality management - Process quality index - Claim compensation rate	- Overseas plant payment rate - Defect claim costs	- Credit rating of partner companies - Evaluation of partner companies' financial soundness	Safety inspection improvement rate of partner companies	ESG assessment

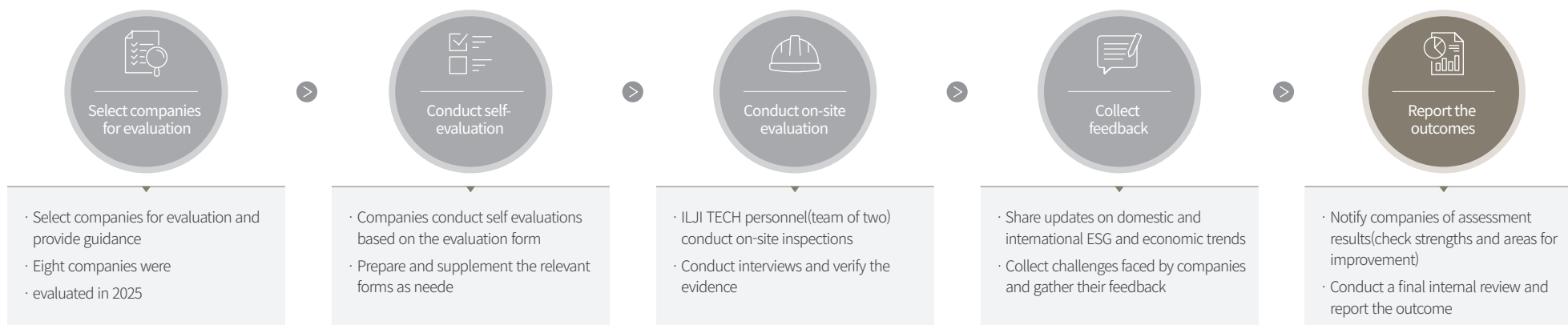
Sustainable Supply Chain Management

Supporting Shared Growth in the Supply Chain

Partner ESG Assessment

ILJI TECH conducts regular ESG assessments for partner companies. In 2025, these assessments were carried out on a total of eight partner companies. The assessment is conducted based on a total of 34 criteria that reflect detailed elements across each of the environmental, social, and governance domains. Based on the assessment results, we support partner companies with inadequate ESG-related policies and management systems in improving performance by providing best practices and guidelines. We also monitor in advance and prioritize the management of risks identified through the supply chain ESG assessments. In addition, to enhance our partners' understanding of ESG and support their voluntary implementation of ESG management, we are planning training and support programs based on preliminary needs assessments. Moreover, we plan to refine the ESG assessment criteria by reflecting stakeholder feedback and to gradually expand the scope of the assessment from the perspective of partner support.

ESG Assessment Process



ESG Assessment Criteria

	Common Criteria	Industry-Specific Criteria
Environmental	· Environmental management policies · Oversight of environmental management · Environmental management performance	Environmental
Social	· Social responsibility policies · Stakeholders	Social
Governance	· Sustainable policies · Sustainable management	Governance

ESG Assessment Results

Assessment Results	Improvement Activities
Low awareness of ESG assessment among partner companies	· Provide thorough briefings and consulting prior to the Evaluation · Conduct ESG training sessions
Difficulty in implementing ESG management	· Offer ESG counseling services
Need to motivate companies through ESG assessment and diagnostic evaluations	· Provide incentives to high-performing companies

Future Plans

 Conduct ESG training sessions	 Support ESG networking among partner companies	 Promote joint social contribution initiatives
 Support website ESG disclosure	 Support the publication of the Sustainability Report	 Assist with acquiring ESG certifications

Sustainable Supply Chain Management

Supporting Shared Growth in the Supply Chain

Supporting Safety Capability Evaluations for Tier 2 Partners

To secure its partner companies' safety capabilities, ILJI TECH conducts regular safety capability evaluations. In the second half of 2025, we conducted safety inspections of Tier 2 partners, focusing on workplaces with 5 to 49 employees. The inspections were executed based on three criteria: whether a health and safety management plan has been established, the effectiveness of detailed action plans, and the preliminary risk assessment system. As a result of the inspections in 2025, areas requiring improvement, such as the non-standardized use of hazardous and dangerous machinery and the failure to establish budget plans, were identified for some partner companies. Accordingly, ILJI TECH has been assisting its partners in voluntarily enhancing their safety management capabilities through guidance on implementing health and safety policies, sharing best practices, providing training for designated organizations, and establishing detailed action plans. In the future, we will continue to provide phased support with the goal of upgrading the safety capabilities of all partner companies to Lv. 3 (70 points or higher).

Safety Capability Evaluation Items



Lv.1	Lv.2	Lv.3	Lv.4	Lv.5
① Score 0-59 points	① Score 60-69 points	① Score 70-79 points	① Score 80-89 points	① Score 90-100 points
② Result Lack of activity	② Result Need improvement	② Result Improvement in progress	② Result Satisfactory	② Result 90-100 points

Supporting partner safety capability evaluation



9 companies

Supporting Partner Level-Up

ILJI TECH conducts training programs and seminars to support partner companies in enhancing technological competitiveness. In 2025, we conducted training for three partner companies on clad metal manufacturing methods, damping material parts manufacturing technologies, and introduction and industrial application of manufacturing AI. This training was carried out jointly with the partner companies for the purpose of strengthening the capacity to respond to global mobility development, focusing on improving R&D capabilities and expanding technology application. Additionally, through the training, we aim to enhance the technological understanding of partner companies and encourage their participation in R&D activities. Going forward, we plan to expand technological cooperation by continuously operating technical training and seminars that reflect our partners' needs.

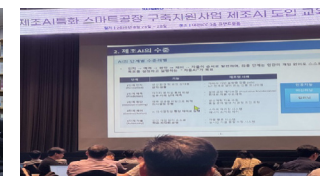
Partner Support Status



Training on clad manufacturing methods



Training on damping material parts manufacturing technologies



Training on industrial application trends of AI models

Supporting partner level-up



3 companies

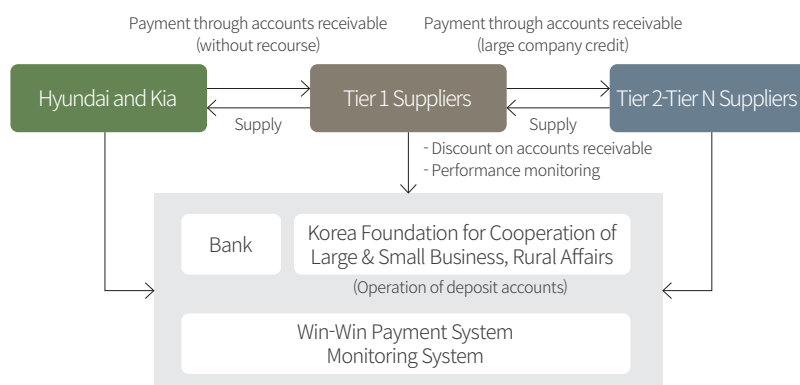
Sustainable Supply Chain Management

Supporting Shared Growth in the Supply Chain

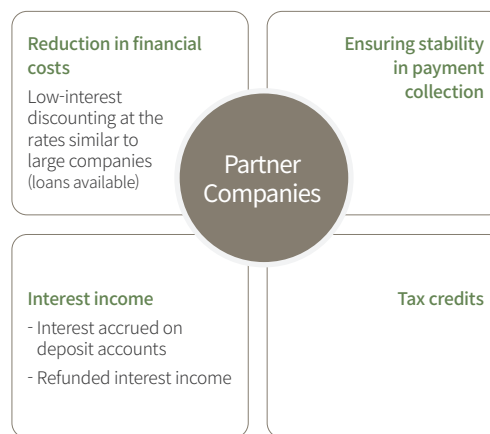
Supporting Partner Finance and Equipment

ILJI TECH continuously monitors the financial status of partner companies to support their business stabilization and investments. If risks are identified during regular and financial evaluation processes, we provide emergency financial support based on internal deliberation. In February 2025, to address a decrease in partner production volume and the deterioration of business conditions, we provided funds amounting to KRW 200 million. In addition, we have been utilizing the Win-Win Payment System since 2021 to pay our partner companies, thereby supporting partners in securing financial liquidity. Furthermore, to alleviate the initial investment burden of partner companies and enhance their production capabilities, we are concurrently providing equipment support. Through such support, we strive to establish a stable operational foundation for partner companies, pursue mutual growth and promote the strengthening of competitiveness in the automotive industry.

Win-Win Payment System Process



Effects of Win-Win Payment System (Partner Companies)



Financial Support Standards for Partner Companies

Category	Partnership Fund	Emergency Business Stability Fund
Purpose	Strategic facility investment cost, plant 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)

Partner Communication System

To strengthen communication with partner companies, ILJI TECH's council holds an annual meeting with partner companies, the Dasom Association. At the 2025 Dasom Association meeting, the CEOs of 16 partner companies attended to review key indicators such as quality and OEM on-time delivery rates, and shared opinions on the direction and execution plans for mutual growth. Additionally, through quarterly partner roundtables, we collect the difficulties and improvement requests shared by partners and discuss support measures. Beijing ILJI, our overseas business site, is also strengthening its foundation for cooperation by operating quarterly roundtables to reflect partner companies' opinions and needs and to set common goals.

Key Operational Performance



Product Safety and Quality Assurance

Quality Management System

Quality Management Promotion Organization

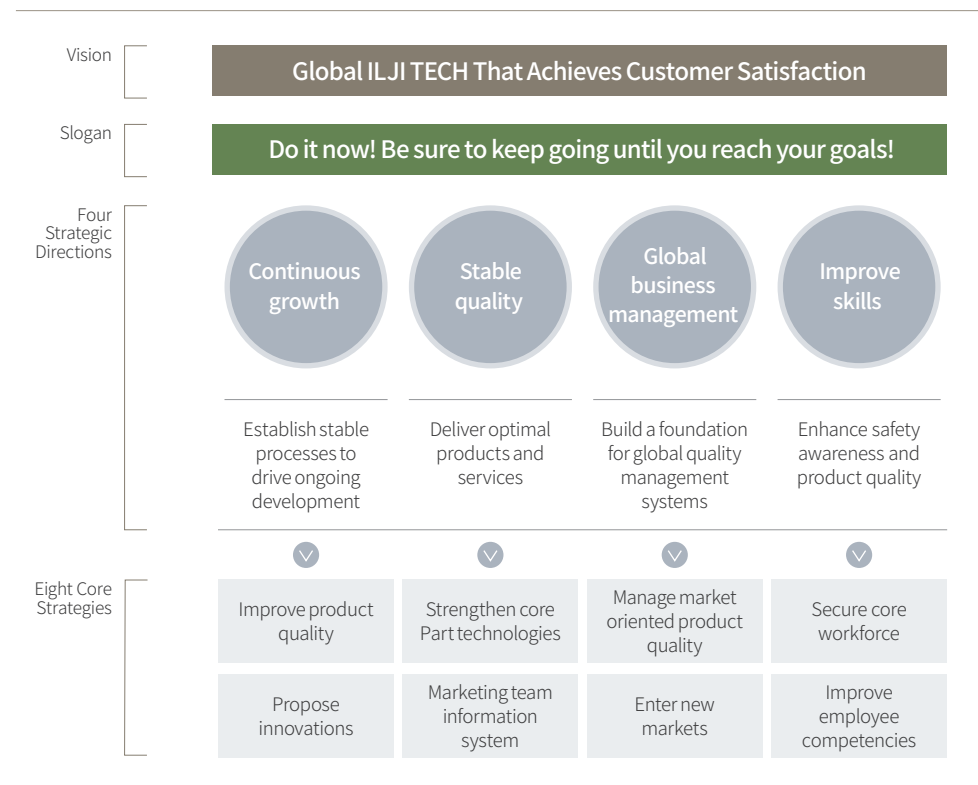
ILJI TECH operates a specialized quality organization centered around the Quality Division under the top management to oversee the quality management system. The Quality Division is divided into new vehicle quality, mass production quality, and quality management functions, performing quality control tasks tailored to the characteristics of each phase. The new vehicle quality organization is responsible for ensuring quality during the development phase, while the mass production quality organization executes quality stabilization and improvement activities during the production process. Additionally, the quality management organization is in charge of establishing company-wide quality standards and operating the quality system, thereby strengthening the consistency and continuous improvement of the quality management framework. Furthermore, when quality issues arise, we systematically promote quality improvement activities by conducting consultations among relevant departments through the Quality Council and deriving improvement tasks.

Dedicated Quality Management Unit



Quality Management Strategy

Based on the vision of Customer Satisfaction Global ILJI TECH, ILJI TECH has established a medium-to long-term strategy to strengthen quality competitiveness. Centered around four strategic directions (sustainable growth, quality stability, global competitiveness, and capacity building), we are promoting eight core strategies, including quality improvement, securing the competitiveness of core parts, market-oriented quality management, and securing key personnel. Through these, we are systematically promoting the enhancement of parts technology competitiveness, entry into and expansion of new markets, advancement of quality levels, and talent cultivation.



Product Safety and Quality Assurance

Quality Management System

Quality Management Process

ILJI TECH has established and operates a quality management process across all phases of parts design, development, production, and quality control. We operate a phased process that establishes targets at the organizational and individual levels, inspects quality management activities through interim reviews and performance evaluations, and reflects feedback based on those results. In addition, through phased GATE management and monitoring, we review quality issues that may occur during the product manufacturing process and carry out proactive prevention activities. We manage major quality issues based on past occurrence history, and reflect them by deriving anticipated problems and improvement matters preemptively during the new vehicle development process through deliberation committees. Through this, we continue to improve our quality management level.

Quality Management Process



Establishing Quality Management System

ILJI TECH has maintained the IATF 16949 certification, a quality management standard for the automotive industry, since 2018, and is operating a company-wide quality management system based on this. Not only the Head Office in Korea but also the overseas business sites, ITAC and Beijing ILJI have acquired the IATF 16949 certification and apply a quality management system of the same standard. Across the entire process from parts design to development, production, and shipment, we carry out activities for establishing quality targets, quality planning, inspections, and improvements, thereby maintaining the consistency of quality management standards. Based on such a quality management system, we have laid the foundation for securing global-level quality competitiveness.



Domestic Business Sites
IATF16949



Beijing ILJI
IATF16949



ITAC
IATF16949

Product Safety and Quality Assurance

Quality Management Activities

Activities to Strengthen Quality Competitiveness

ILJI TECH promotes activities to strengthen its quality competitiveness throughout the development, process, and inspection phases. In the development phase, we analyze past quality issues and reflect them in the new vehicle development process, and proactively verify the quality level prior to mass production based on inspection consultations and ISIR approval procedures. In addition, we seek to stabilize initial quality of mass production through process audits and initial mass production management activities. In the process phase, we conduct regular quality audits (general, assembly, press, etc.) to inspect and improve potential quality issues, continuously managing process quality data through first article inspections and critical control point inspections. In the inspection phase, we verify the quality of raw materials and parts through incoming inspections, management of measuring instruments, and reliability tests, and ensure the quality reliability of our products through various tests, such as non-destructive testing and tests of durability and strength.



Securing Development Quality

01 | 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

02 | Inspection agreement and ISIR approval

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

03 | 03. 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



Securing Process Quality

01 | Conducting quality audits

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

02 | 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

03 | 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



Securing Inspection Quality

01 | 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

02 | 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

03 | 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

1) ISIR: Initial Sample Inspection Report

Product Safety and Quality Assurance

Quality Management Activities

Inspection of New Vehicle Development Process

ILJI TECH operates a Task Force Team (TFT) in the new vehicle development phase. By integrating key personnel necessary for executing new vehicle projects, we enable rapid decision-making and problem-solving, managing projects centered around a dedicated leader. The leader is granted clear responsibilities and authority to manage the project progress proactively. In addition, the experience and capabilities accumulated during the project execution process lead to enhanced individual expertise, which in turn increase overall organizational competitiveness.

Enhancing Quality Satisfaction of Clients

ILJI TECH is a company that holds the Quality 5-Star among Tier 1 suppliers of Hyundai Motor Company. We derive improvement tasks based on the results of evaluation regarding the quality, technology, and delivery levels of suppliers, and carry out improvement activities reflecting the results. This demonstrates that ILJI TECH's quality management system and quality management performance are at an excellent level, and we have secured global trade competitiveness through the stable operation of our production system. Additionally, we plan to continuously strengthen quality competitiveness and export capabilities based on our cooperation with Hyundai Motor Company in the future.



Quality 5-Star Certification of Hyundai Motor Company

Selected as Excellent Quality Partner Companies of Genesis

As a Genesis supplier, ILJI TECH implements line differentiation and improvement activities to improve the quality of Genesis vehicle models and to enhance the quality mindset in response to the Genesis line differentiation policy of clients. As a result of these efforts, we were selected as an excellent supplier in 2025 and have maintained the certification for two consecutive years.



Fostering Quality Talent and Strengthening Quality Management

ILJI TECH operates a systematic training and talent fostering system to strengthen quality and process execution capabilities. While conducting job-specific training for quality-related employees, we support the improvement of practical capabilities by providing diverse work experiences in areas such as new vehicles, management, and mass production quality through rotational assignments for each W/G. In addition, to secure precision quality during the new vehicle development process, we strive to cultivate 3D scanning experts across all employees. Along with these efforts, we establish job-specific work manuals, create and utilize training materials based on the manuals, and systematically manage operations of annual GPC training and mandatory courses to standardize work and enhance training effectiveness. In particular, we strive to strengthen job understanding and early adaptation capabilities of new employees through training held twice a year. Furthermore, ITAC actively encourages the enhancement of employees' quality awareness and quality improvement activities through the QC Rewards system.

Quality Talent Training

GPC training for employees



1 time a year

GPC training for new employees



2 time a year

Strengthening quality management at ITAC



QC Rewards

Product Safety and Quality Assurance

Quality Management Activities

Quality Support Activities for Partner Companies

To strengthen the foundation of sustainable cooperation with partner companies, ILJI TECH operates a Mutual Cooperation W/G. In connection with the Quality Management Team, the W/G reviews qualitative quality levels and shares improvement cases to expand on-site application. In addition, to ensure regular communication with partner companies, we hold quarterly roundtable meetings. In 2025, we operated a total of four roundtable meetings and completed improvements for 13 difficulties identified through these meetings. Based on these activities, we proactively identify major issues and jointly seek solutions, conducting cooperative activities continuously to improve quality competitiveness, supply stability, and the level of environmental and safety management.

Domestic Business Sites

Number of partner roundtable meetings held



4 times

Number of difficulties resolved



13 cases



Partner roundtable meeting

Operating the Quality Council

For the systematic management and continuous improvement of quality performance, ILJI TECH operates a Quality Council. We held 12 regular monthly meetings of the Council in 2025. Based on this regular operation, we continuously review pending quality issues and ensure the consistency and systematic nature of management. During these meetings, major quality matters, pending issues, and improvement progress are shared with the management. Based on these, we review the company-wide direction for quality management.

Regarding quality issues, we concurrently conduct daily and regular quality audits to inspect the causes of problems and derive improvement tasks. We enhance overall quality levels continuously through various quality management activities, such as monitoring the implementation of improvement activities, establishing recurrence prevention measures, and strengthening on-site inspections.

Furthermore, our overseas business site, ITAC, operates a Quality TFT composed of maintenance, production, and quality supervisors to swiftly analyze quality issues and discuss improvement measures. It promotes site-centric quality improvement activities through daily meetings.

Domestic Business Sites

Operating cycle of Quality Council



1 time a month

Number of Quality Council meetings held



12 times



Operating Quality Council

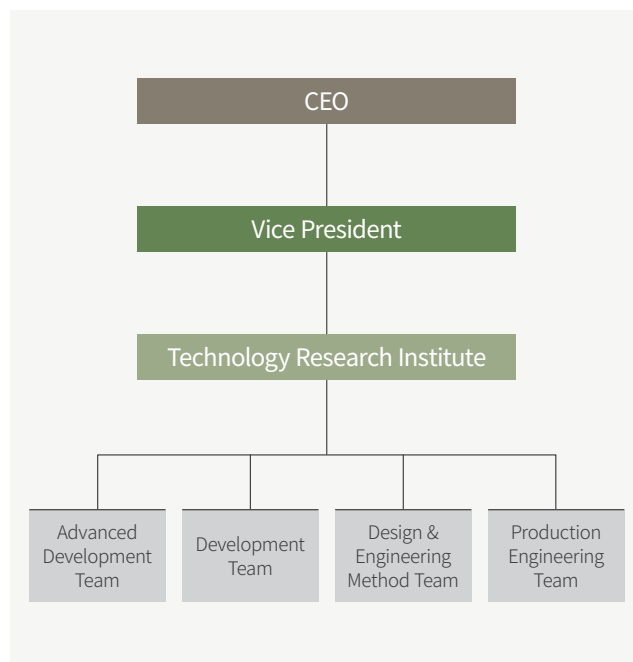
R&D and Technological Innovation

R&D Management System

R&D Management Organization

ILJI TECH operates a Technology Research Institute to achieve technological innovation in the areas of new technologies and new engineering methods through continuous investments and efforts in R&D. As a Tier 1 supplier holding Hyundai Motor Company's Quality 5-Star, we make our utmost efforts for development of new technologies and technological innovation. Within the Technology Research Institute, we have divided design and development into the Research Design Division and the R&D Division, respectively, to conduct professional and high-quality research.

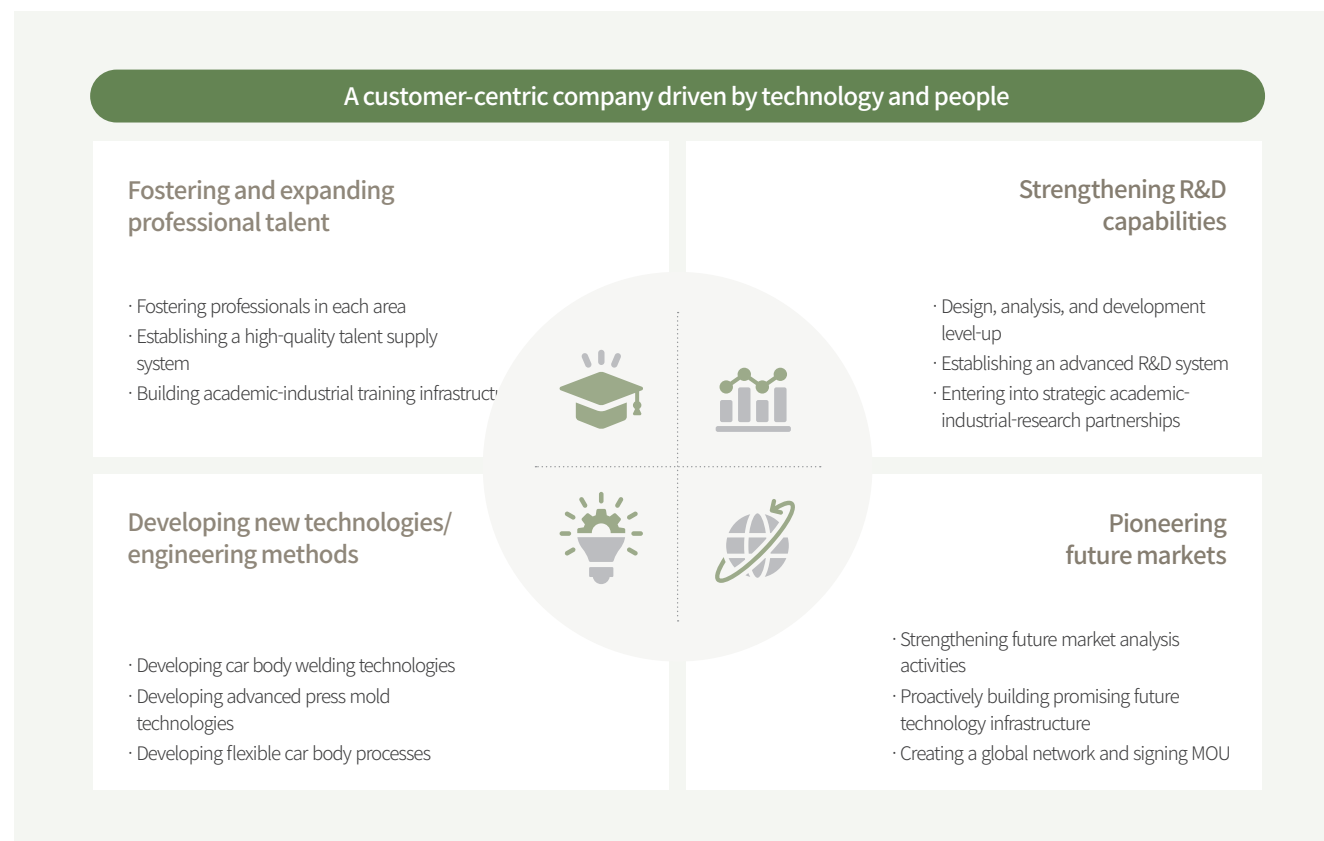
R&D Management Organization Chart



R&D Strategy

ILJI TECH develops its R&D strategies with the vision of becoming a customer-centric company driven by technology and people. In order to leverage diverse and broad ideas, we aim to cultivate and expand our specialized workforce, and to strengthen our R&D capabilities together with these professionals. Furthermore, we will pioneer future markets by developing new technologies and new engineering methods, aiming to grow into a company with a diverse customer base through the highest quality competitiveness and new technologies.

ILJI TECH R&D Strategy



R&D and Technological Innovation

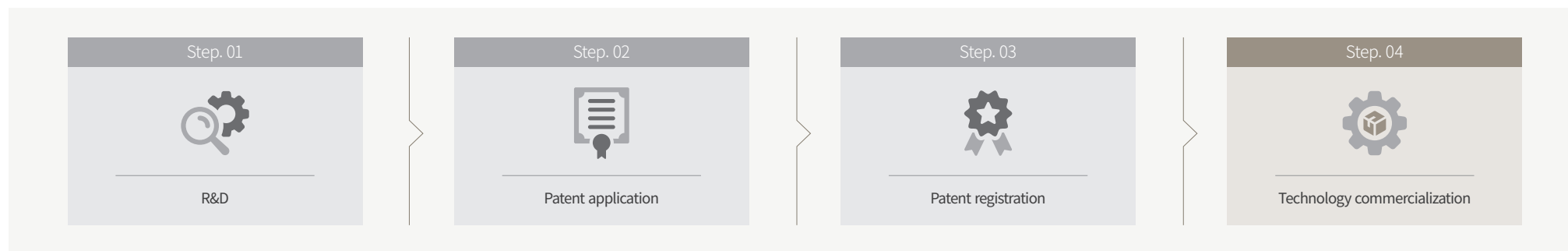
R&D Management Activities

Managing Intellectual Property Rights Based on R&D

Based on its R&D strategy and R&D execution framework, ILJI TECH systematically converts its achievements in technological innovation into intellectual property rights, manages them comprehensively, and strengthens technological competitiveness continuously. Core technologies secured during the R&D phase are turned into legal rights through patent applications and registrations. Under systematic management, intellectual property rights are applied to products and processes, creating a virtuous cycle that leads to business competitiveness.

In particular, we are securing technological differentiation by managing and strengthening our patent portfolio in core manufacturing technology areas centered around car body and joining technologies. Further, we have expanded into electrification and process technologies as part of ongoing efforts to expand our future mobility response capabilities. Going forward, ILJI TECH plans to maximize the commercialization of its technological assets and value creation by advancing its intellectual property management system linked to the R&D strategy.

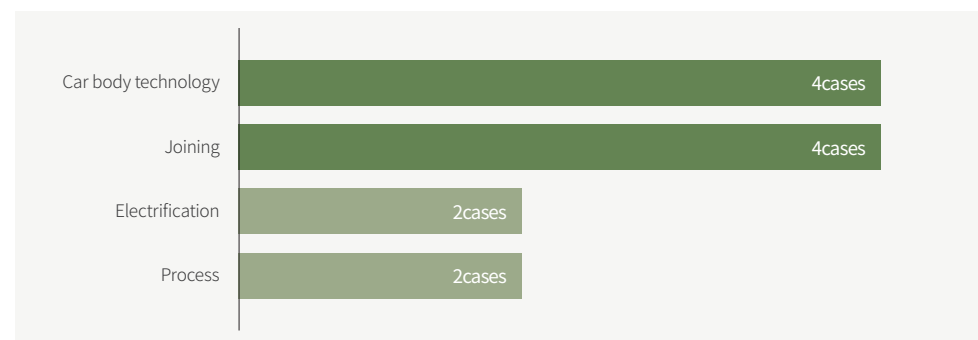
Process for Turning Intellectual Property Rights into Assets



Patent Registration Status



Classification by technology area¹⁾



1) Classification by technology area: Newly registered in 2025-2026

R&D and Technological Innovation

R&D Management Activities

Intellectual Property Right Management Status

ILJI TECH has continuously expanded its intellectual property portfolio, and newly registered a total of 12 patents and filed 7 patent applications from 2025 to the first half of 2026. Registered patents serve as the foundation for strengthening technological competitiveness by securing rights to core technologies, while patent applications are managed as technological assets with potential to be converted into intellectual property rights in the future.

Patent Registration Status

Patent Name	Registration Date	Area
Welding method for dissimilar-material components	2025.02.03.	Joining
A bending instrument equipped with a multi-cell core designed for bending irregular asymmetric pipes	2025.05.13.	Car Body
A bending instrument equipped with a multi-core designed for bending irregular asymmetric pipes	2025.05.13.	Car Body
A bending instrument with a roller designed to bend irregular and asymmetric pipes	2025.06.11.	Car Body
Welding method for dissimilar-material components	2025.06.11.	Joining
A laser welding device and method thereof	2025.08.25	Joining
A battery module case for electric vehicles of air cooling method	2025.09.29	Electrification
Rivet joining assembly method	2025.10.01	Joining
A battery cooling device for electric vehicles	2025.12.23	Electrification
A bending device for aluminum extruded materials and method thereof	2025.12.03	Car Body
A bottom electrode device for projection welders	2026.03.20	Process
An unmanned welding device for directional automotive parts	Being issued	Process

Patent Application Status

Patent Name	Application Date	Application No.	Area
Resistance spot welding method for vibration damping materials	2025.11.11	10-2025-0169665	Joining
A spatter reduction device for resistance spot welding	2025.10.31	10-2025-0162216	Joining
A gusset welding device	2025.10.31	10-2025-0162220	Joining
An automation system for gusset welding	2025.10.31	10-2025-0162219	Process
A joining guide device for welding bolts	2025.10.31	10-2025-0162218	Joining
A stringer mold device for aircraft parts	2025.12.30	10-2025-0215010	Process
A stringer forming device for aircraft parts	2025.12.30	10-2025-0215011	Process

R&D and Technological Innovation

R&D Management Activities

Government Projects

With a view to strengthening its business competitiveness, ILJI TECH participates in government projects and secures support in various areas such as R&D, workforce and labor costs, reshoring, and exports. In 2025, we executed a total of 20 government projects, through which we secured technological competitiveness and prepared the foundation for new businesses. Additionally, through reshoring-related support, we are concurrently pursuing business growth and creation of social value, such as strengthening our domestic production base and contributing to job creation.

Participation in Major Government Projects

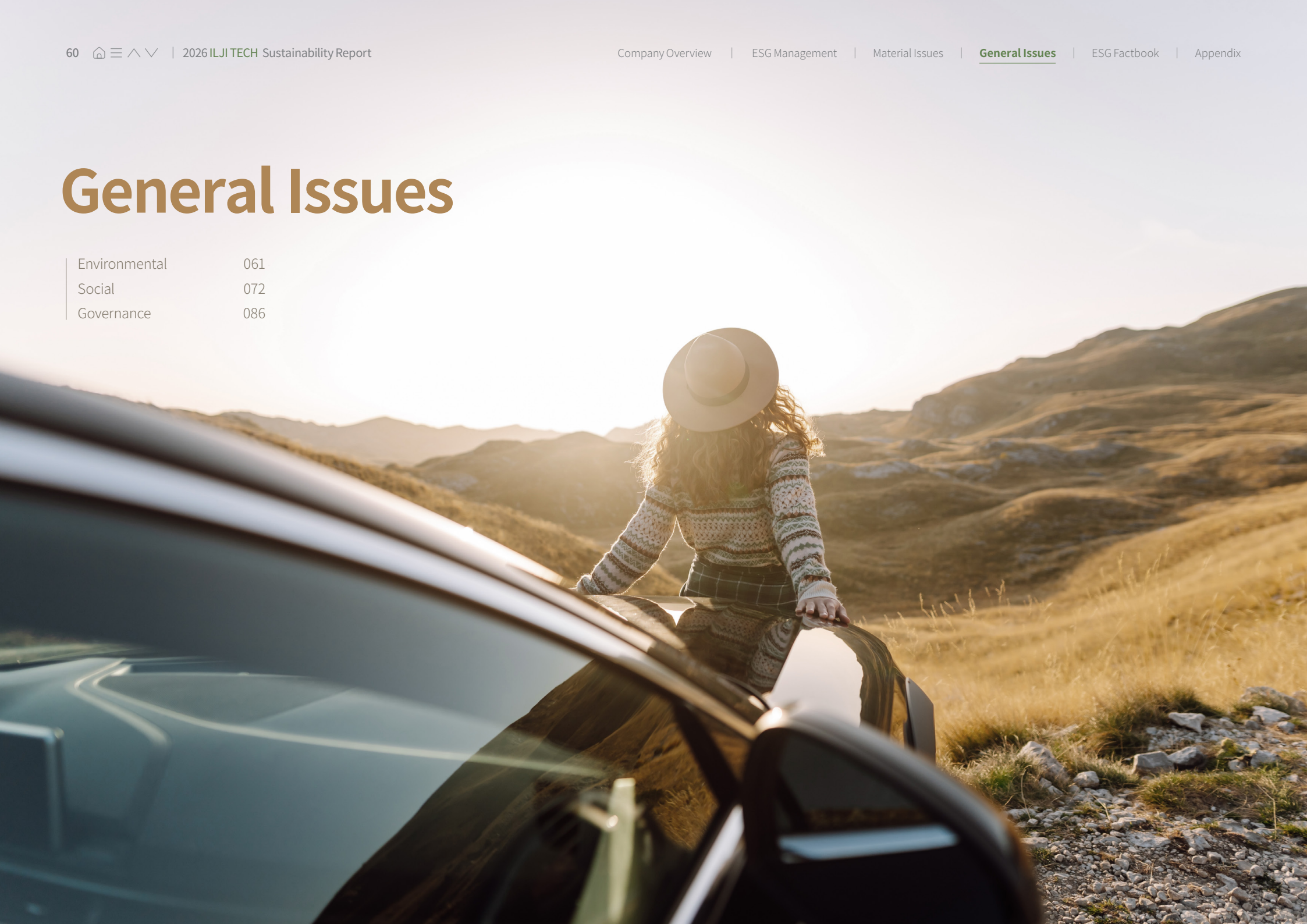
 Labor Costs	· Link up Innovative Small Giants of Gyeongbuk with Jobs for Gen Z! · Gyeongbuk Future Vehicle Parts & Youth Meister Level-Up · Senior Internship · Incentives for automotive parts companies in 2024	· Mutual Cooperation Expansion Support Project for Automotive Parts Business · Incentives for jobs for youth (2024) · Incentives for jobs for youth (2025) · Incentives for automotive parts companies in 2025
 R&D	· K-Carbon Flagship Development Project · Material and Parts Technology Development Project	· Gyeongbuk Regional Innovation Cluster Project · Manufacturing Innovation Support Project Utilizing Robots
 Reshoring	· Reshoring investment subsidy (second phase) · Reshoring employment grant	
 Export Expenses & Others	· Global Support Project for Mid-sized Companies · 2025 Gyeongbuk PRIDE Company Export Capability Level-up Program · 2025 Export Company Trade Competitiveness Enhancement Project	· Senior-Friendly Company · Dormitory Rent Support Project · Health Checkup Support Project

Cumulative Government Project Amount in 2025



General Issues

Environmental	061
Social	072
Governance	086



Environmental



Environmental Management	062
Environmental Management and Resource Circulation	064

Amid the accelerating transition to carbon neutrality in the automotive industry, ILJI TECH is advancing its environmental management system driven by the mission of growing as a company that achieves green growth and takes the lead in fostering a sustainable environment. By mitigating climate change through energy and greenhouse gas management and strengthening the resource circulation system, we are reducing the environmental impact across all business operations.

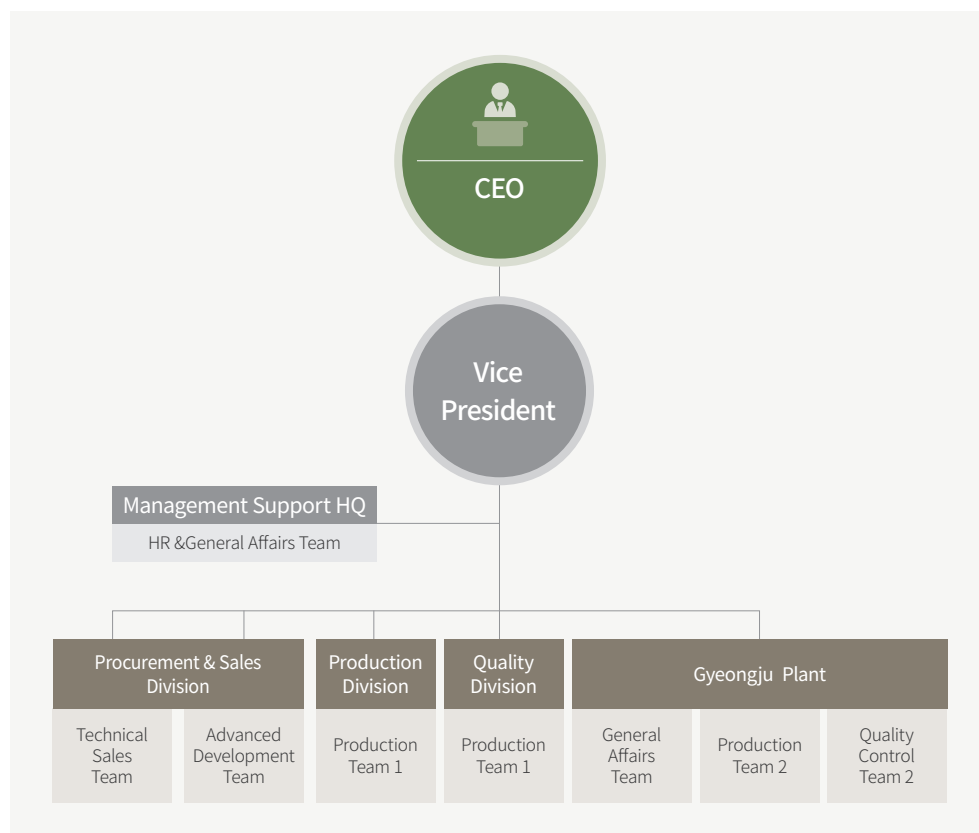
Environmental Management

Environmental Management System

Environmental Management Governance

ILJI TECH has established a framework for dedicated environmental management governance involving top decision-makers, and is operating an integrated management system with clearly divided responsibilities and roles.

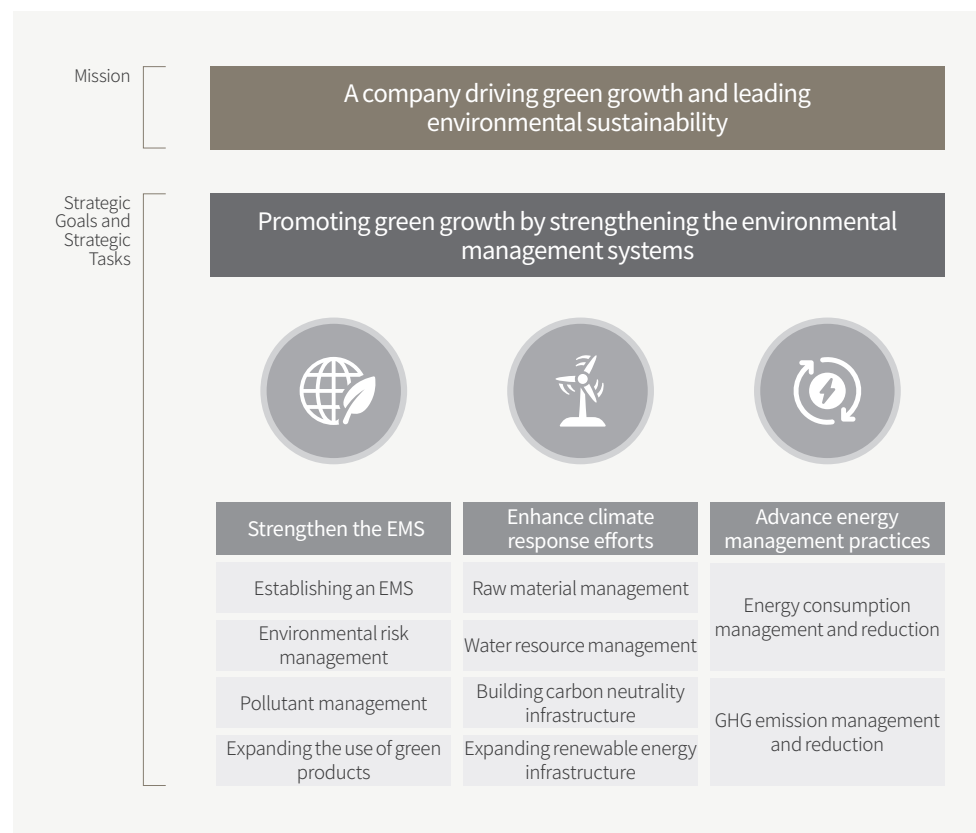
Environmental Management Organizational Chart



Environmental Management Goals and Strategy

For systematic environmental management, ILJI TECH has established three strategic goals and detailed strategic tasks: strengthening the environmental management system, enhancing climate change response, and promoting green growth through advanced energy management. In particular, we are conducting energy management and greenhouse gas reduction activities in response to climate change.

[Environmental Management Policy](#)



Environmental Management

Environmental Management System

Environmental Management Policy

Following its environmental policy, ILJI TECH strictly complies with environment-related laws and regulations across all its business activities, and based on this, promotes various activities for environmental protection and sustainable development. In addition, we prioritize the mitigation of environmental impact throughout the entire business process and fulfill our social and ethical responsibilities by establishing a global environmental policy to realize a sustainable society. Furthermore, all employees are fulfilling their responsibilities and roles with the goal of achieving a carbon-neutral society.

Environmental Management Policy

- 1 Consideration of environmental and climate change impacts: Throughout all corporate activities, the company recognizes eco-friendly and low-carbon management as a core value and fulfills its responsibility through proactive environmental management.
- 2 Compliance with environmental laws and regulations: A process is established to ensure strict compliance with domestic and international environmental laws, agreements, and requirements, aiming for continuous improvement in environmental impacts throughout product production, use, and disposal.
- 3 Minimizing environmental pollution and reducing greenhouse gas emissions: The company sets goals to minimize environmental pollution and reduce greenhouse gas emissions, while striving to protect biodiversity and preserve the natural environment.
- 4 Risk identification and improvement for sustainable environmental management: Risks related to sustainable environmental management and climate change are identified and improved, while systematic education and training are conducted to strengthen execution capabilities.
- 5 Active participation of all employees: All employees voluntarily participate in activities to reduce energy usage, conserve resources, and promote recycling across the entire scope of business operations.
- 6 Transparency and trust building: The company ensures transparency by disclosing its eco-friendly management activities to stakeholders and builds social trust through coexistence with the local community.

Establishing an Environmental Management System

To realize environmental management that meets global standards for domestic business sites and Beijing ILJI, ILJI TECH operates an environmental management system based on international standards. Accordingly, we have acquired and maintained the ISO 14001 (environmental management system) certification, internalizing the environmental management system across all business activities. In the future, ILJI TECH plans to continuously advance its global-level environmental management foundation and operational system by rigorously managing the environmental management system certifications acquired at its domestic and overseas business sites.

Environmental Management System Operation Policy

- 1 The Company continuously improves its internal management system with the goal of obtaining ISO 14001 certification, the international standard for environmental management systems, across all business sites.
- 2 The Company conducts annual conformity assessments by an independent third-party verification body as well as internal audits. The results of these assessments are reported to top management and reflected in the establishment of environmental strategies and objectives.

Environmental Management System Certification



Domestic Business Sites
ISO14001



Beijing ILJI
ISO14001

Environmental Management and Resource Circulation

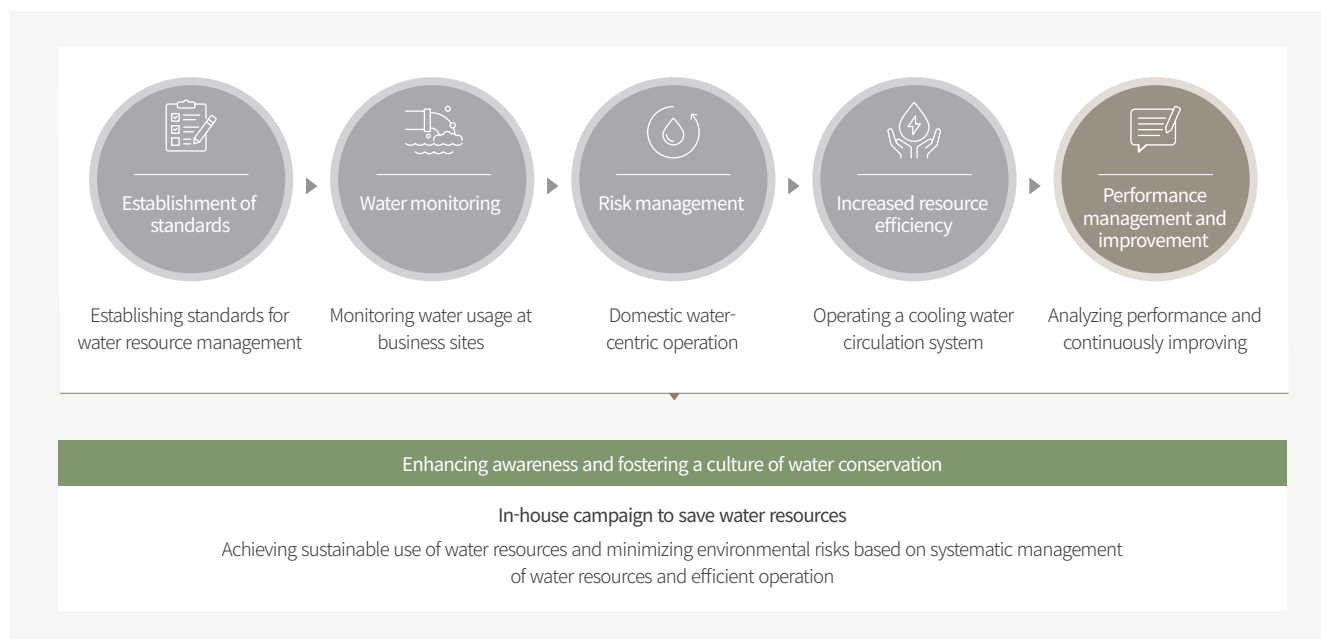
Environmental Management Activities

Managing Water Resources

ILJI TECH has established standards for water resource management and is monitoring water usage across all business sites. Due to the nature of its processes, operations primarily utilize domestic water, having a structure that generates no process wastewater. We have established separate management standards for this to ensure the clarity and consistency of our water resource management system. In addition, to utilize water resources efficiently within business sites, we have built a cooling tower-based cooling water circulation system in all plants, actively expanding water reuse and recycling. Our overseas business site, ITAC, also operates a cooling tower system to drive water reduction activities based on recirculation of cooling water.

Furthermore, to raise water conservation awareness among employees, we conduct an annual in-house water conservation campaign, reinforcing the importance of water resource protection among employees.

Water Resource Management Process



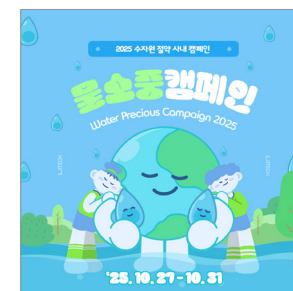
Water Resource Campaigns

ILJI TECH is strengthening the effectiveness of water resource management by concurrently implementing water resource risk management and reduction activities based on employee participation. In 2025, we operated the Water Precious Campaign across all domestic and global business sites, encouraging the daily practice of water conservation and enhancing awareness regarding the protection of water resources.

The campaign presented water-saving action guides focused on key usage areas such as the cafeteria, restrooms, shower facilities, and water facilities. By communicating the effects of reducing water usage through specific figures, we encouraged voluntary participation of employees.

Through these efforts, ILJI TECH is expanding its water resource management system beyond the operational level to embed it into the organizational culture, and plans to strengthen company-wide water reduction activities through the continuous operation of campaigns.

ILJI TECH Water Resource Campaigns



Water resource campaign at domestic business sites



Water resource campaign at ITAC

Environmental Management and Resource Circulation

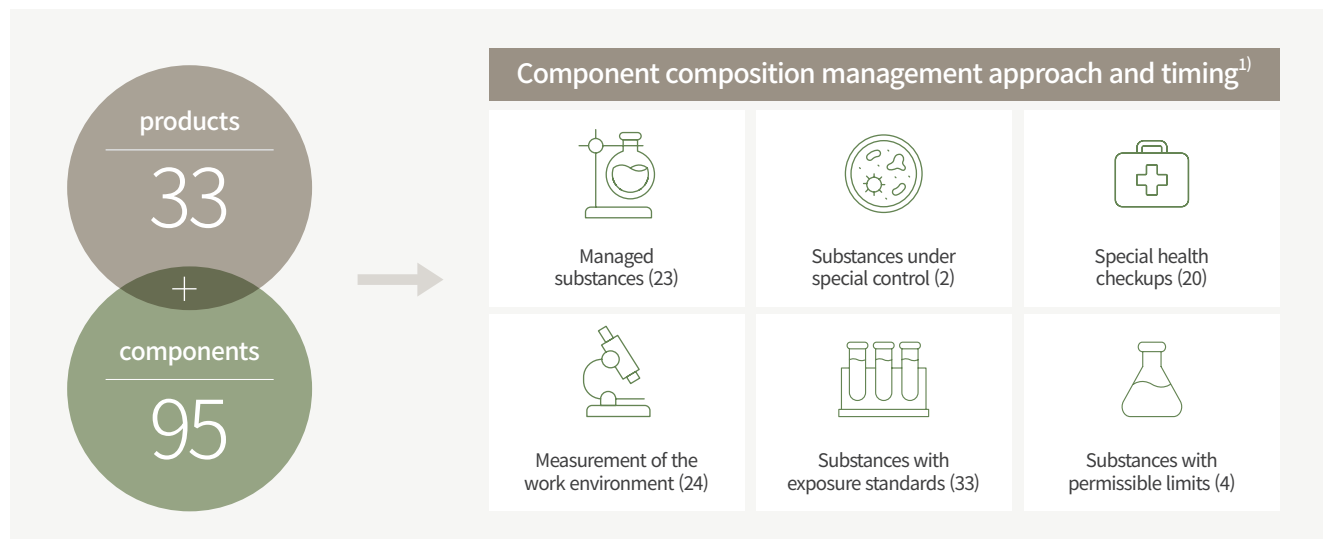
Environmental Management Activities

Managing Hazardous Chemical Substances

ILJI TECH systematically manages hazardous substances in accordance with hazardous chemical management standards. We use lubricants, adhesives, and cleaning and washing agents in the production process of automotive body parts. Based on hazardous chemical management regulations and Material Safety Data Sheets, we comprehensively manage information on 35 types of hazardous chemicals and utilize this information to prevent safety accidents. Additionally, upon warehousing hazardous chemicals, we verify raw material inspection reports and certificates of origin, carrying out registration and evaluation according to regulations.

Hazardous Chemical Substance Management Status

As of April 2026



Beijing ILJI operates a hazardous chemical management system to protect workers and the environment. In accordance with the Hazardous Chemical Management Guidelines (I-A07-440), the system clearly defines the procedures for the entire process from purchasing to disposal and leak response, as well as the roles of each department.

Moreover, ITAC operates a Hazard Communication Program based on the OSHA Hazard Communication Standard (29 CFR 1910.1200). For hazardous chemicals used and stored within the workplace, a safety specialist prepares and manages a master list, updating it when necessary and reviewing it annually. In addition, information for each chemical includes items such as product name, manufacturer, classification, department of use, standard container specifications, SDS date, and remarks. ITAC manages a total of 218 products systematically based on the SDS list.

1) Figures may include duplicate counts where a given component falls under multiple management criteria.

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 forward, we plan to operate employee engagement programs regularly to promote practical actions and help protect the environment.

Managing Air Pollutants

Although ILJI TECH does not have facilities that emit air pollutants, it conducts self-inspections of processes that may cause air pollution to create an eco-friendly workplace. Global business sites are also managed systematically. To minimize the environmental impact caused by air pollutants, Beijing ILJI operates dust collection equipment and takes measures to reduce pollutants generated during processes. For certain equipment, it applies activated carbon filters to adsorb and remove hazardous substances like volatile organic compounds (VOCs). In addition, through regular quarterly inspections, Beijing ILJI manages emission concentrations to comply with the environmental standards of Beijing. When operating freight vehicles, low-emission vehicle standards are applied to contribute to the reduction of air pollutants.

Environmental Management and Resource Circulation

Environmental Management Activities

Biodiversity Management and Implementation Framework

ILJI TECH has designated the HR & General Affairs Team as the overarching organization for the effective implementation of the Biodiversity Protection Policy, and operates a management framework where the environmental management departments at the Head Office and each business site supervise biodiversity-related risk inspections and preservation activities. In addition, important matters such as key policy changes, budget approvals, and protection planning are reviewed through governance structures including the Board of Directors and the ESG Committee. Additionally, ILJI TECH continuously manages the biodiversity impacts of its business sites and neighboring areas based on an implementation framework that progresses from identifying biodiversity risks, analyzing and evaluating biodiversity impact, and preserving, restoring, and expanding biodiversity, to monitoring.

Biodiversity Management Organization



Biodiversity Implementation Framework



Biodiversity Protection Policy

ILJI TECH operates the Biodiversity Protection Policy to proactively identify the risk of biodiversity degradation and prevent risks of degradation and loss. This policy applies to all business sites, including domestic business sites and global business sites like ITAC and Beijing ILJI, prioritizing the ecological characteristics and relevant laws and regulations of each country and region. In 2025, we conducted a biodiversity impact assessment at the ITAC site based on this policy and inspected the protected areas near the site as well as the factors of dependency and impact on natural capital. In the future, ILJI TECH plans to continue minimizing its impact on biodiversity during business operations and, when necessary, persistently promote biodiversity preservation activities in cooperation with external experts and stakeholders.

Declaration of Biodiversity Protection Policy

ILJI TECH (hereinafter referred to as the "Company"), as a manufacturer of automotive body parts and molds, establishes this policy to proactively identify the risks of biodiversity degradation that may occur during the course of business operations, prevent the risks of degradation and loss, and systematically promote the preservation and restoration of biodiversity. This Biodiversity Protection Policy is enacted with reference to international frameworks such as the Convention on Biological Diversity, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, and the IUCN Guidelines for Applying Protected Area Management Categories.

Basic Principles

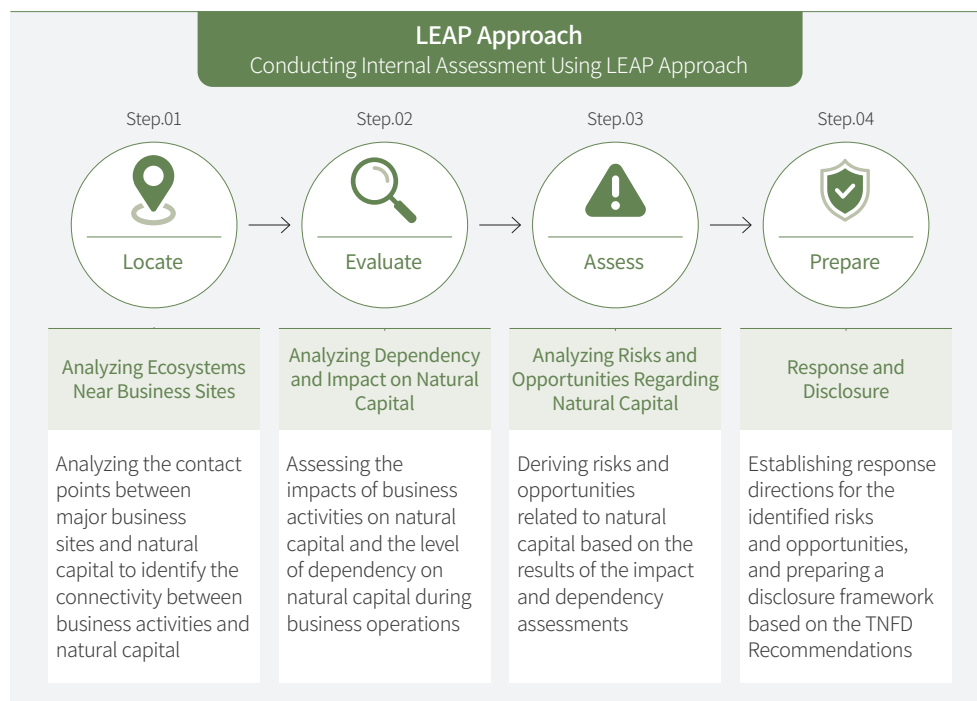
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|--|---|
| 1. Zero degradation and Loss | Minimizing biodiversity degradation and loss caused by business activities, and pursuing zero degradation and loss in the long term |
| 2. Avoiding Sensitive Areas | Excluding the installation and operation of new facilities in legally protected areas and the habitats of endangered species |
| 3. Active Restoration | Continuously promoting biodiversity enhancement activities, such as habitat expansion and environmental improvement |
| 4. Intensive Management of Endangered Species | Prioritizing the protection of endangered and endemic species, and implementing measures to minimize impacts |
| 5. Stakeholder Cooperation | Enhancing the execution capability of management activities by cooperating with local communities, experts, and NGOs |

Environmental Management and Resource Circulation

Environmental Management Activities

Procedure for Assessing and Protecting Biodiversity Impact

When required by laws and regulations or when stakeholders, such as local communities, raise reasonable concerns regarding biodiversity degradation and loss, ILJI TECH has been conducting biodiversity assessments by considering the natural environmental characteristics of the countries and regions where its business sites are located. In 2025, we referenced global assessment methodologies such as the Locate, Evaluate, Assess, Prepare (LEAP) Approach of the TNFD Recommendations and SBTs for Nature to analyze the dependencies on natural capital and environmental impacts of our domestic and overseas business sites and their neighboring areas and to inspect biodiversity-related risks and the necessity for management. Based on the assessment results, ILJI TECH is strengthening its response framework to minimize biodiversity degradation and loss.



Locate: Analyzing Ecosystem Near Business Sites

To identify the locational relationship between its domestic and overseas business sites and protected areas nearby, ILJI TECH utilized biodiversity-related databases and analysis tools, including the UN Biodiversity Lab, KBA, Ecological Zoning Map, IUCN Categories, and USFWS IPaC. Through this, we confirmed the distribution of protected areas, ecologically sensitive areas, and major habitats around our business sites, and identified the biodiversity sensitivity of each business site.

Identified Area	Domestic business sites (Gyeongsan, Gyeongju), overseas business site (ITAC)
Identification Methods	Utilizing the UN Biodiversity Lab, Ecological Zoning Map, Environmental Spatial Information Service, KBA1), IUCN Global Ecosystem Typology, Ramsar Sites Information Service, and the National Heritage Conservation and Management Map to identify the distribution of Key Biodiversity Areas, protected areas, ecosystem types, Ramsar wetlands, and nationally designated and World Heritage sites near domestic and overseas business sites
Results	Reviewed the distribution of wetlands designated by the Ramsar Convention and UNESCO World Cultural and Natural Heritage sites near all business sites, and identified that no such relevant wetlands or heritage sites are distributed within the respective areas

Business Site	Sensitivity	Protection Grade	Details
Domestic Business Sites (Gyeongsan, Gyeongju) — Based on Ecological Zoning Grade and IUCN Category			
Gyeongsan Plants 1, 2	Medium	Grade 2 / IV ²⁾	500m ↑ Grade 2, separate management area / same distance as the IV region
Gyeongju Plant 1	High	Grade 12 / IV	Grade 1 located within 150m / 3km or longer distance from the IV region
Gyeongju Plant 2	High	Grade 12 / IV	Grade 1 located within 150m / 3km or longer distance from the IV region
Gyeongju Plant 3	High	Grade 12 / IV	Grade 12 within 500m / 3km or longer distance from the IV region
Gyeongju Plant 4	High	Grade 12 / IV	Grade 2 250m, Grade 1 1km / 2.5km or longer distance from the IV region
Overseas Business Site (ITAC Alabama, U.S.) — Based on IUCN Category			
ITAC Alabama	Low	VI ³⁾	Forest and recreation zone for biodiversity preservation
	Low	IV ²⁾	Wild animal management zone, habitat preservation
	Low	V ⁴⁾	Regional natural park for tourism and preservation

1) KBA: Key Biodiversity Areas

2) Habitat and Species Management Area – Categorized into six categories according to management goals

3) Managed Resource Protected Area – Categorized into six categories according to management goals

4) Protected Landscape/Seascape – Categorized into six categories according to management goals

Environmental Management and Resource Circulation

Environmental Management Activities

Evaluate: Analyzing Dependency and Impact on Natural Capital

To systematically identify the natural capital dependencies and ecosystem impacts of the businesses operated by its domestic and U.S. business sites, ILJI TECH conducted an assessment utilizing the ENCORE analysis tool. During the assessment process, a total of 21 items were analyzed, including 14 items for dependency on natural capital and 7 items for impact on natural capital. Through this assessment, we inspected the elements where our business operations depend on ecosystem services and the impacts they may have on the environment.

Dependency on Natural Capital (14)

Item	Grade	Service Type
Water supply	Low	Supply service
Global climate regulation	Very Low	Regulating and maintenance service
Rainfall pattern regulation	Very Low	Regulating and maintenance service
Local climate regulation	Low	Regulating and maintenance service
Air filtration	Very Low	Supply service
Soil erosion prevention	Medium	Regulating and maintenance service
Solid waste remediation	Low	Supply service
Water purification	Medium	Regulating and maintenance service
Water flow regulation	Medium	Supply service
Flood mitigation	Medium	Regulating and maintenance service
Storm mitigation	Medium	Supply service
Noise attenuation	Very Low	Regulating and maintenance service
Dilution by atmosphere and ecosystem	Low	Supply service
Regulation of sensory impacts other than noise	Very Low	Regulating and maintenance service

Impact on Natural Capital (7)

Item	Grade	Service Type
Noise and light pollution	Medium	Supply service
Greenhouse gas emissions	Very Low	Regulating and maintenance service
Air pollutant emissions	Low	Regulating and maintenance service
Waste emissions	Low	Regulating and maintenance service
Land use	Low	Supply service
Water and soil pollutant emissions	Medium	Regulating and maintenance service
Water use	Low	Supply service

Assess: Analyzing Risks and Opportunities Regarding Natural Capital

Based on the ENCORE analysis results, ILJI TECH comprehensively assessed the risk factors related to biodiversity and water resources for each business site. The assessment results confirmed that both our domestic business sites and overseas business site, ITAC, have an overall risk level of Low or Medium, indicating that significant risks related to biodiversity and water resources from our existing business operations are limited.

■ Extremely high 4.2–5.0 ■ High 3.4–4.2 ■ Medium 2.6–3.4 ■ Low 1.8–2.6 ■ Extremely low 1.0–1.8

Business Site	Biodiversity (Physical)	Biodiversity (Reputation)	Water Resource (Physical Risk)	Water Resource (Regulatory Risk)	Water Resource (Reputation Risk)	Overall
Domestic Business Sites (Gyeongsan, Gyeongju)						
Gyeongsan Plants 1-2	3.00	2.25	2.82	1.60	2.29	2.39
Gyeongju Plants 1-4	3.80	2.87	2.94	1.77	3.28	2.93
Overseas Business Site (ITAC Alabama, U.S.)						
ITAC Alabama	3.25	2.56	2.65	1.38	2.75	2.52

Prepare: Response and Disclosure

Based on the results of the biodiversity impact assessment, ILJI TECH is establishing management directions for each business site and promoting response activities to minimize biodiversity degradation and loss. Building upon the biodiversity risk analysis results of our domestic and ITAC sites, we are continuously monitoring potential risks related to natural capital. In the future, we will further advance our natural capital risk identification, assessment, response, and disclosure systems in alignment with global disclosure frameworks such as the TNFD. Additionally, when necessary, we will cooperate with external experts to inspect the current biodiversity state near our business sites and strengthen our environmental impact management and reduction activities at each business site.

Avoid

- Domestic business sites: Maintaining the principle of excluding new facilities for the Gyeongju business site, which was assessed as having high ecological sensitivity
- ITAC: Mandating preliminary environmental impact assessments when pursuing new business or expansion

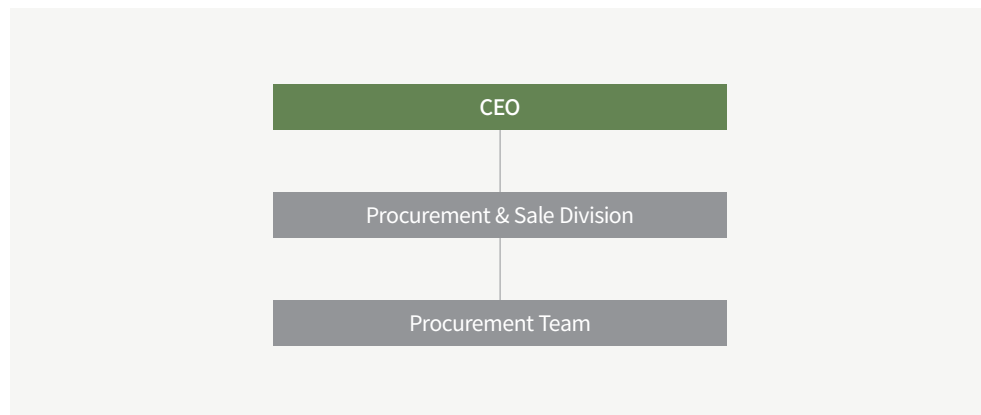
Environmental Management and Resource Circulation

Environmental Management Activities

Operating Green Procurement Policy

ILJI TECH established a Green Procurement Policy in 2024 and operates it to expand the procurement and use of eco-friendly products. In addition, we manage green procurement systematically; we have formulated action plans and established a management system with the Procurement Team as the managing department. Based on this, we have set a goal to improve the ratio of green products by 5% by 2030 compared to 2023. Furthermore, we are expanding green procurement by prioritizing eco-label certified products, excellent recycled products, products with energy-saving mark and first-grade energy efficiency, carbon footprint certified products, and Forest Stewardship Council (FSC) certified products.

Green Procurement Management Organization Chart



Action Plan and Goals



**Green
Procurement
Goals**

- The company prioritizes green procurement across all business activities and determines alternatives by monitoring the procurement list regularly.
- The managing department provides regular training for employees to raise their awareness regarding green procurement.
- The company strives to increase the ratio of green products among procurement items by 5% by 2030 compared to 2023.

Executing and Advancing Supply Chain Parts LCA

To strengthen the management of carbon emissions within the supply chain, ILJI TECH conducted an LCA for HMG supply chain parts in 2025 and analyzed the carbon emissions for the entire process from procurement of raw material to manufacturing and delivery, targeting two major parts produced at Gyeongju Plant.

As a result of the analysis, we confirmed that most carbon emissions occur at the raw material phase and laid the foundation for supply chain carbon management by building part-specific emission data based on the SCEMS. In line with this, we formed a dedicated TFT for building and internalizing an LCA management database, and are operating a management process through the assignment of R&R for each department and annual self-assessments. In the future, we plan to advance process-wise data management, and will promote company-wide standardization by publishing an LCA Management Guideline in 2026.

Furthermore, our overseas business site, ITAC, also completed an LCA on parts in 2025, strengthening the supply chain carbon emission management system at the global site level.

Eco-Friendly R&D and Activities

ILJI TECH is promoting the development of eco-friendly automotive parts through internal R&D efforts and participation in government projects. In particular, we are contributing to the improvement of product performance by developing vibration damping materials that reduce noise and vibration generated in automobiles. These materials have secured eco-friendliness in compliance with the Restriction of Hazardous Substances (RoHS), and their safety for the environment and human body has been verified. In addition, our materials feature lightweight, high-performance, and excellent adhesive properties, thereby contributing to the strengthening of technological competitiveness based on eco-friendly materials. Going forward, we plan to enhance product performance and technological competitiveness by continuing the development of parts made of eco-friendly materials.

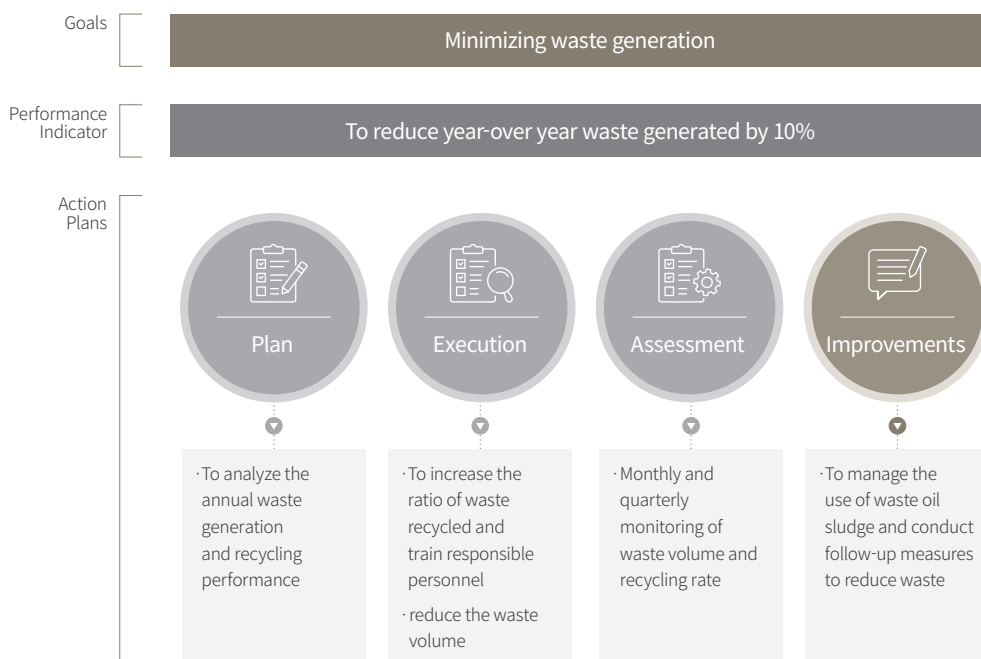
Environmental Management and Resource Circulation

Resource Circulation

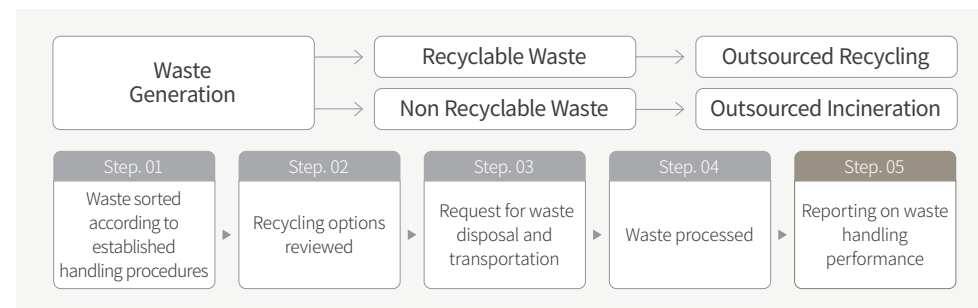
Waste Management

ILJI TECH establishes annual waste reduction targets and manages waste emission status by maintaining monthly management logs and reviewing recycling performance on a quarterly basis. In addition, we promote waste reduction activities through providing training for waste management personnel at each factory and through encouraging resource circulation practices among employees. The waste generation volume increased to 62 tons in 2025 compared to the previous year, but the recycling volume also increased proportionately, resulting in a slight improvement in the rate of recycling. Based on this, we plan to continuously drive waste reduction and recycling expansion. We are also managing our global business sites systematically. In accordance with local regulations, Beijing ILJI manages its waste emissions, entrusts its disposal, and implements waste separation centered on recycling. ITAC operates resource management and recycling processes according to revised standards, driving waste reduction and cost savings. Moreover, it is engaged in activities to reduce internal waste generation, such as recycling scrap paper and IT equipment and reusing cups, office supplies, and the Safety Team's PPE. In addition, it strives to enhance employees' awareness of waste management and strengthen its management capabilities through training on sealer waste separation.

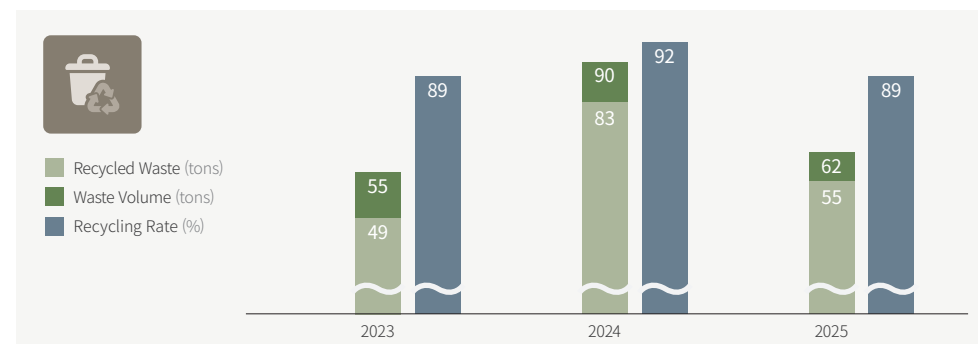
Waste Management Goals



Waste Handling Process



Recycling Status of Designated Waste¹⁾



1) Based on domestic operations (Gyeongsan, Gyeongju)

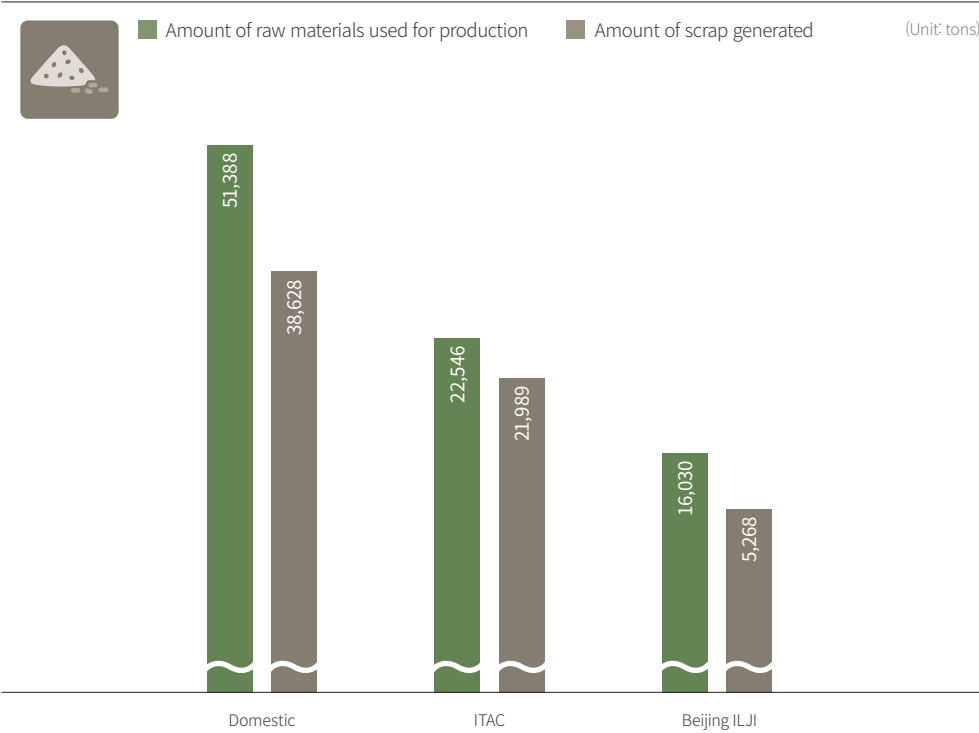
Environmental Management and Resource Circulation

Resource Circulation

Managing Raw and Auxiliary Materials

ILJI TECH operates a systematic management framework for the entire process of raw material use to reduce the wastage of resources and increase the efficiency of raw and auxiliary material usage across its domestic and global business sites, namely ITAC and Beijing ILJI. To maintain appropriate inventory levels and prevent material losses and to ensure the quality stability of long-term stored materials, we constantly manage inbound and outbound statuses while also strengthening storage and inspection standards. Going forward, we will gradually expand the application of recyclable materials and improve resource efficiency in the production process to mitigate environmental impacts.

2025 Raw and Auxiliary Material Management Status



Managing Pallet Production and Disposal

ILJI TECH is introducing sustainable methods throughout the manufacturing and disposal management of delivery pallets (PLTs) to promote resource circulation and foster eco-friendly business sites. When manufacturing PLTs, we utilize not only durable materials such as steel but also recyclable materials such as wood. After use, we encourage the conversion of materials back into raw materials through a process for disposal of scrap metal. In addition, we minimize the use of unnecessary new resources by recycling and modification of PLTs, thereby improving resource efficiency throughout production.

At domestic business sites, we systematically classify and manage obsolete PLTs whose use has ended, concurrently conducting disposal and recycling. Out of a total of 740 EA of PLTs stacked in the outdoor PLT storage yard, 468 EA (corresponding to approximately 63%) were selected for disposal in 2025 and are being handled sequentially. Through this, we are simultaneously securing storage space and improving resource circulation efficiency.

At its overseas operation, ITAC, the same resource circulation management framework is applied. It newly manufactured 81 EA of PLTs for the MX5a process and disposed of 844 EA of delivery PLTs for LFA, ADA, DN8A, and CN7A in 2025, thereby upgrading aged and obsolete assets and enhancing resource efficiency.

Through such integrated domestic and overseas management activities, ILJI TECH is strengthening the life cycle management of delivery pallets. We plan to continuously expand an operation system centered on reuse and recycling to advance the eco-friendliness of our production system based on resource circulation.

Domestic Business Site PLT Classification Criteria (Unit: EA)

Category	① B/OUT	② A/S, KD	③ Event (Development)	Total [PLT]
Disposal	76	311	81	468
	16%	67%	17%	100%

Category	① B/OUT	② A/S, KD	③ Event (Development)	Total [PLT]
Storage and Recycling	33	197	42	272
	12%	73%	15%	100%



Social



Based on the conviction that people are our most important asset, ILJI TECH strives to foster talent management that supports the growth of each and every member and create an organizational culture that respects human rights and diversity. Moreover, we will continue to expand shared growth activities so that employees and local communities can grow together.

Talent Management	073
Shared Prosperity with Local Communities	082
Human Rights Management	083

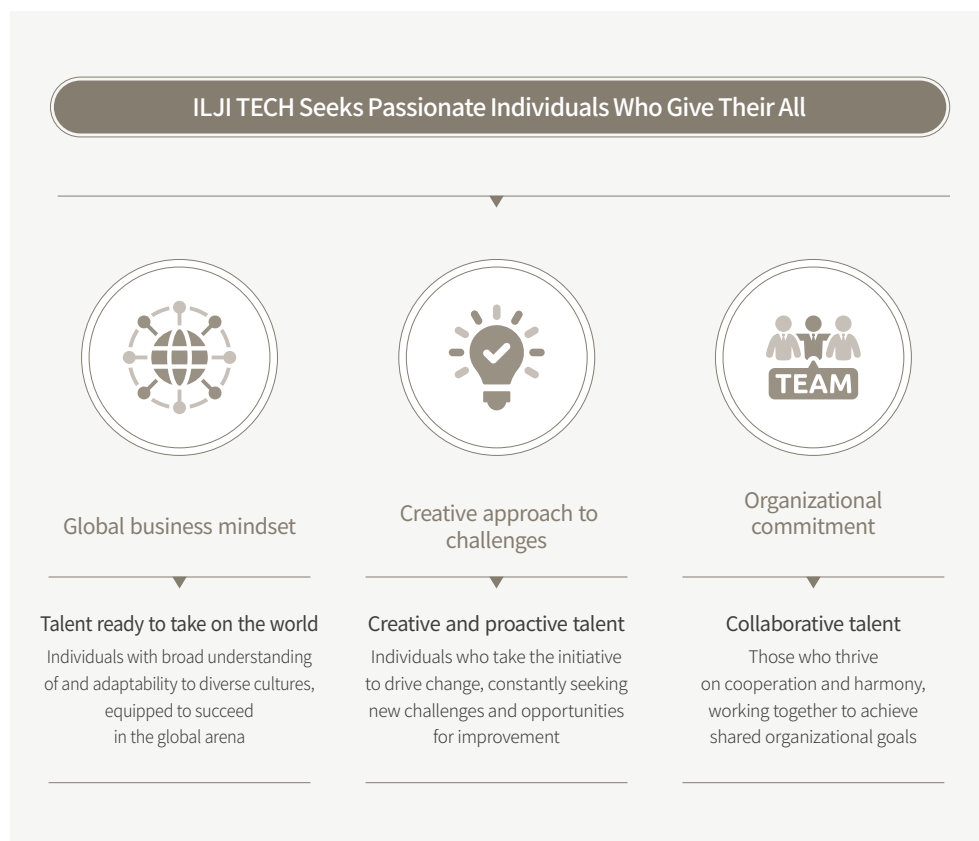
Talent Management

Talent Recruitment System

Recruitment Policy

ILJI TECH pursues consistent talent management to recruit and nurture employees based on three ideal talent types: internationalization-oriented, creativity-oriented, and organization-oriented. Human resources are the most important value and asset for ILJI TECH. We seek innovative talent to lead the future.

Ideal Talent Profile



ILJI TECH Recruitment System

ILJI TECH conducts recruitment according to a systematic recruitment procedure to secure competent individuals. We apply a specialized recruitment process that considers individual capabilities and job suitability for office and on-site positions. In this regard, we operate a fair and transparent recruitment procedure without any discrimination based on characteristics such as gender, age, academic background, region of origin, disability, race, or religion. All applicants are guaranteed equal opportunities and are evaluated solely based on job competency and suitability. Accordingly, we evaluate all applicants fairly based on the following recruitment procedure.

Recruitment System



New Employee Recruitment Status



1) Newly recruited: Cumulative total in 2022-2025
 Transitioned to full-time employees: Cumulative number of youth interns who transitioned to full-time employment between 2022 and 2025

2) Converted to full-time employees: Cumulative number of employees who transitioned from contract employees to full-time employees between 2022 and 2025

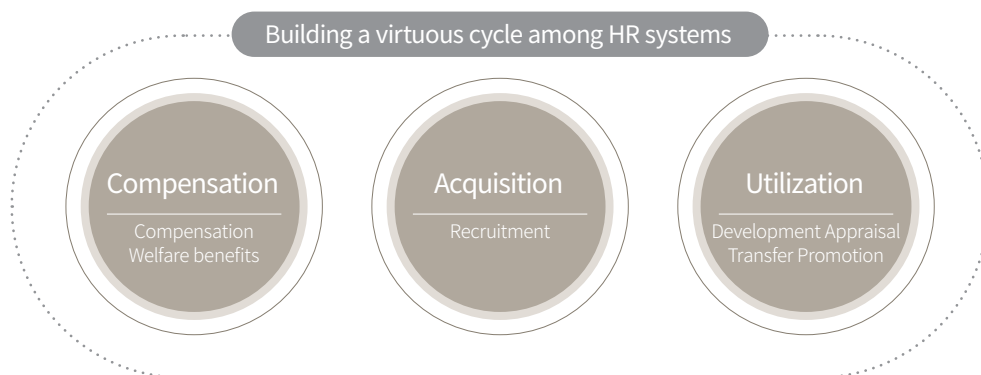
Talent Management

Talent Management System

HR System

ILJI TECH has set fair and reasonable operation of human resources, performance- and ability-centered HR, and the cultivation of professionals with creative thinking as the core policies of talent management. These policies are reflected and operated across the processes for recruitment, development, appraisal, and compensation of employees. Based on an HR system with a virtuous cycle that connects talent acquisition through recruitment to development, appraisal, and compensation, we strive to achieve mutual growth by aligning the capabilities and performance of our members with organizational competitiveness.

HR Evaluation



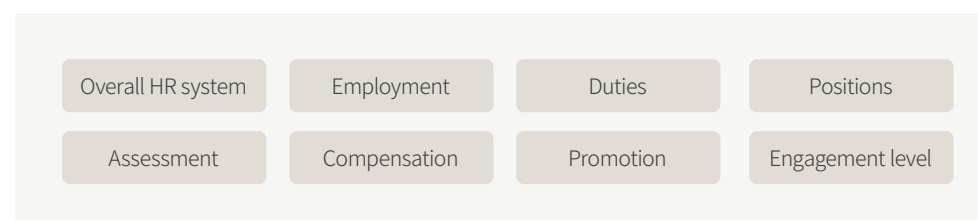
Talent Management Policy



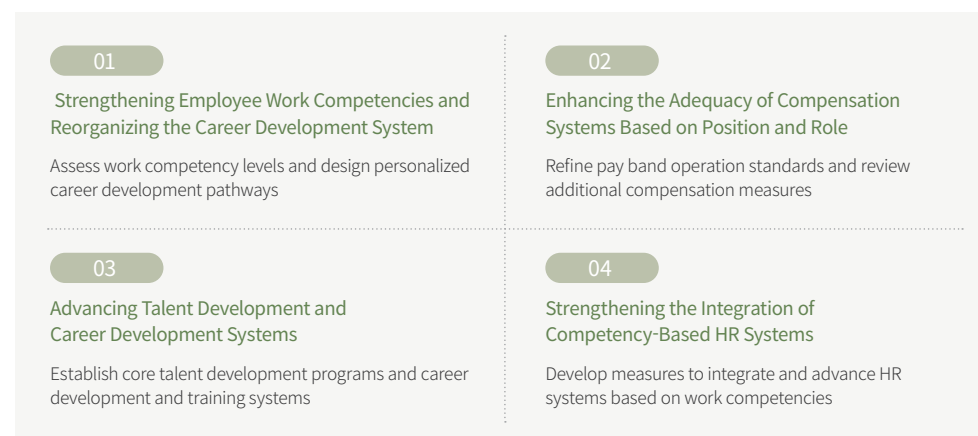
Improving HR System

ILJI TECH conducted an HR system improvement project to review our employees' work engagement and satisfaction and to enhance the effectiveness of the HR processes. We conducted a survey targeting employees to evaluate their understanding, effectiveness, and satisfaction regarding the overall HR system and detailed items. As a result, we determined areas requiring improvement in some sectors, such as talent development and compensation system. Accordingly, we have formulated detailed improvement plans and are promoting the advancement of the HR system in a phased manner.

Assessed Components



Areas for Improvement

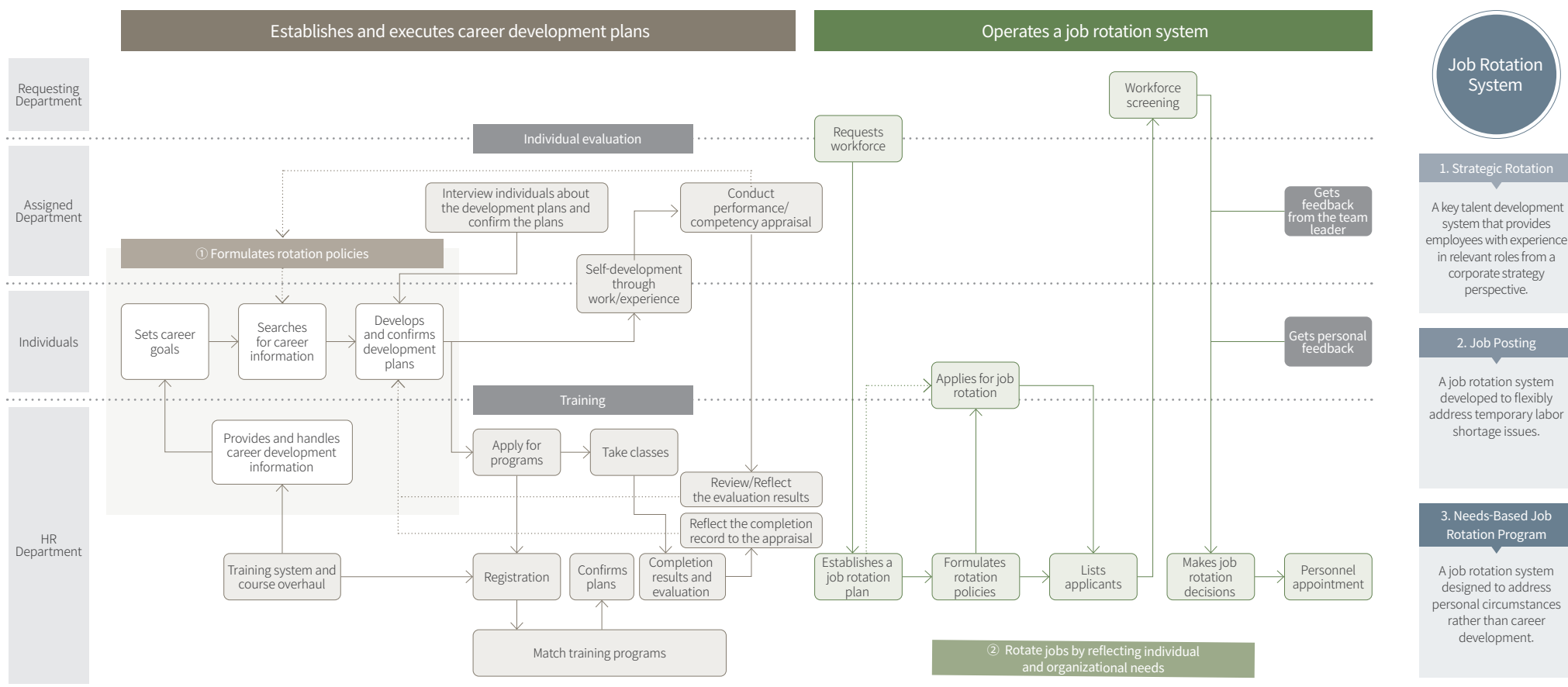


Talent Management

Talent Fostering and Capability Development

Managing Career Development and Job Rotation

To support our employees with growth and competency enhancement, ILJI TECH operates Career Development Path (CDP) management and job rotation systems in connection. Based on career development paths for each position level, we provide training courses that reflect individual career goals and possessed competencies, thereby ensuring that systematic competency development takes place. In addition, through the job rotation system, we promote personnel placement that considers employees' competencies as well as the workforce demand of the organization. We also support individual employees' expansion of expertise and work understanding by providing opportunities for diverse job experiences. Through this, we make sure to maintain balance between individual growth and the organization's efficient operation of the workforce.



Talent Management

Talent Fostering and Capability Development

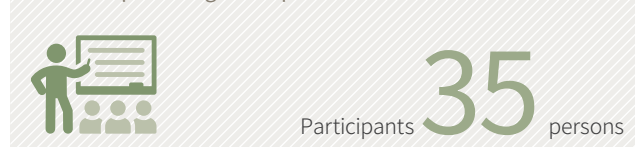
Company-Wide Training Programs

ILJI TECH operates various training programs to improve employees' capabilities, strengthen job expertise, and enhance ethical consciousness and ESG awareness. We offer training tailored to the characteristics of each job and position level, including onboarding training for new employees. We also conduct training related to job duties, leadership, ESG, and ethics and compliance for all employees. In particular, leadership training is operated for managerial positions (senior managers and higher) with the aim of strengthening on-site organizational management capabilities, focusing on the required competencies for each position and the enhancement of data-driven decision-making capabilities. Furthermore, through Smart Work training utilizing ChatGPT, we are strengthening practical abilities to respond to changes in the AI-based working environment and the capability to exercise leadership within the organization. Going forward, we will continuously plan and operate training programs to respond to the changing business environment and increase the efficiency of organizational operations.

Company-Wide Training Programs (Mandatory)



Leadership Training Participation Status



Talent Development Programs

In response to the automotive parts industry environment where AI and big data-based technologies are gaining momentum rapidly, ILJI TECH collaborated with Kyungpook National University to operate a K-Digital Training course to develop competitive talent. This course was a program fully funded by the national government and was conducted for university students wishing to seek employment at ILJI TECH. Operated in the form of a university-led academy, this course provided theoretical education related to AI and big data analysis for six months and was structured to enhance practical understanding through special lectures by industry professionals and field trips to plant equipment lines. Furthermore, in February 2026, we recruited 12 individuals suitable for ILJI TECH from among the program participants.

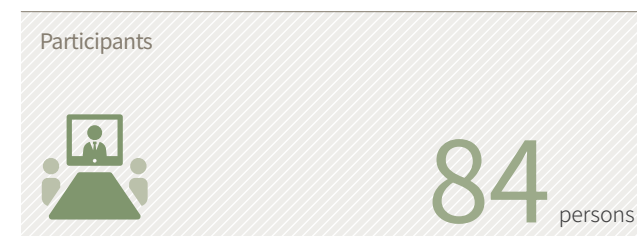
Recruitment



Self-Development Programs

ILJI TECH provides various learning opportunities for employees to strengthen the foreign language capabilities required for global business practices. In particular, to increase practical skills in English, we operate an English learning program that utilizes AI voice recognition technology, systematically selecting learning candidates from each division. In addition, we strengthen motivation for participation in learning and capability improvement programs by rewarding outstanding learners.

English Education Participation Status



Top Performers in English Education Program

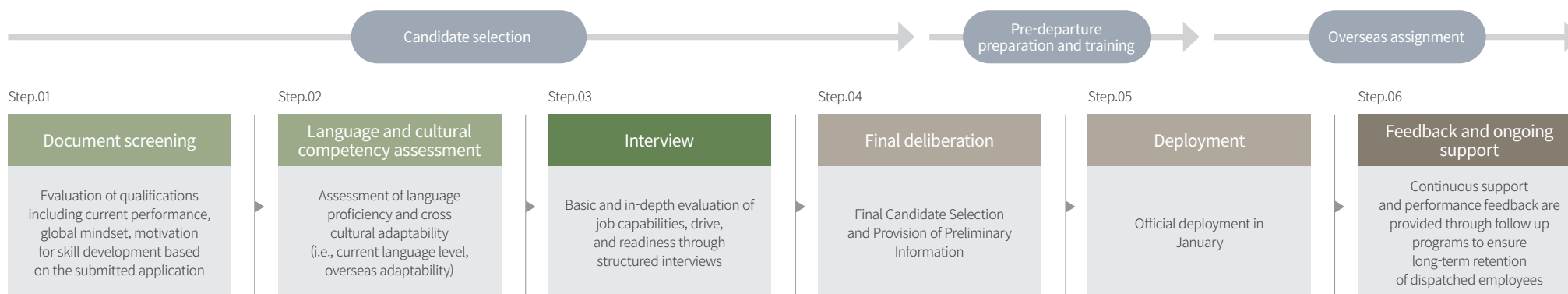
Talent Management

Talent Fostering and Capability Development

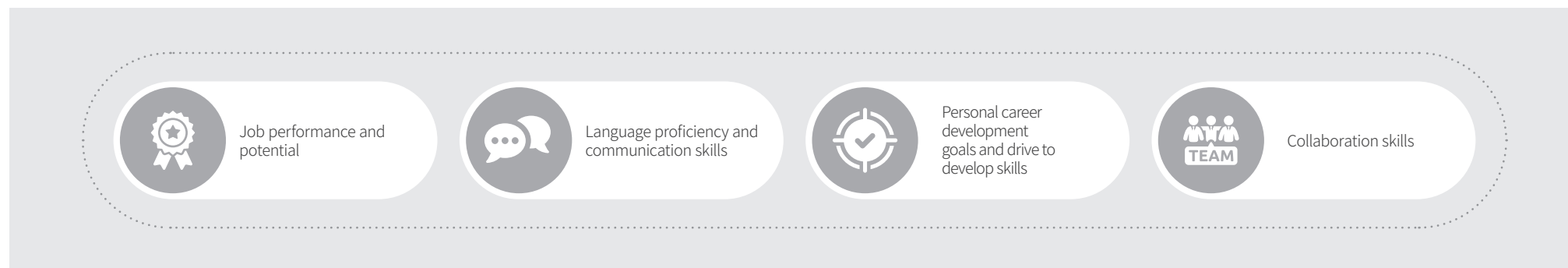
Career Development of Dispatched Employees

ILJI TECH has established and operates a career development system for employees dispatched overseas in accordance with the expansion of its overseas business sites in the U.S. and China. In the process for selection of employees to be dispatched, we comprehensively evaluate the applicants' global competencies, willingness to grow, and possessed capabilities, and also verify their suitability through in-depth interviews. Additionally, even after overseas dispatch, we operate a systematic follow-up management program to monitor local adaptation status and provide feedback on competency improvement based on performance appraisals. Along with these efforts, we are expanding the pool of outstanding talent equipped with global competencies through continuous management of career development paths.

Dispatched Employees Selection Process



Selection Criteria



Talent Management

Performance Appraisal

Performance Appraisal System

ILJI TECH conducts fair appraisal of employees based on a performance-centered appraisal system. We manage performance against organizational and individual targets through interim reviews, and support the continuous growth of employees by providing feedback on appraisal results. In addition, we operate a system that differentially applies appraisal items by reflecting the roles and responsibilities of each position level, thereby enabling the balanced strengthening of core competencies required for each position level, such as leadership, common skills, and team behavioral competencies.

Direction of the Performance Management System

Enhanced leadership	Performance Indicator Units- Enhance Individual Linkage	Raise awareness of fairness by leveraging the HR system
· 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	· 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 fair appraisals by improving the promotion system · Induce fair appraisal by applying different annual salary increase rates based on performance outcomes

Performance Appraisal Process



Living Wage Analysis and Inspection

ILJI TECH regularly manages living wage compliance to guarantee the basic standard of living for employees and to establish a fair compensation system. In 2025, we calculated the living wages for the Gyeongsangbuk-do region by applying the Typical Family Methodology of IDH and reviewed the wage levels of all employees based on it. As a result, the ratio of employees below the living wage was confirmed to be 0%, verifying that we are providing compensation above an appropriate level to all employees. Additionally, we continuously maintain the adequacy of wage levels by monitoring living wage compliance status regularly and managing related indicators. Furthermore, ITAC the U.S. business site also maintains 0% ratio of employees below the living wage level. Based on the IDH Typical Family Methodology, it calculates the living wages using the MIT Living Wage Calculator and AIDT wage data by job group, operating a living wage management system that reflects regional characteristics, such as performing comparison and analysis against the living wage level of Alabama State.

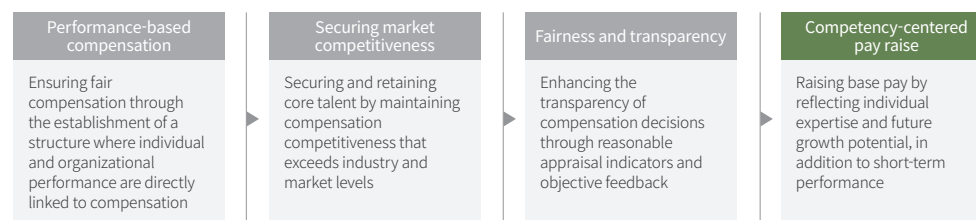
Reasonable Payment System

ILJI TECH operates a fair compensation system based on job value and performance to support employees with competency enhancement and performance creation. By continuously advancing our compensation system in response to the rapidly changing business environment, we secure outstanding talent and promote the sustainable growth of the organization. Moreover, our overseas business site, ITAC, operates the Employee of the Month program, a system of rewarding outstanding performers, fostering a culture of motivation within the organization.

Major Components of the Payment System

Category	Description	Aim
Base pay	Determined by comprehensively considering the roles and responsibilities of the position and individual capabilities, with differential pay raise applied each year based on the results of annual performance appraisals	Ensuring living stability and strengthening expertise
Incentive	Provision of performance-based incentives according to organizational (division/company-wide) performance and individual contributions (profit sharing, spot bonus, etc.)	Inspiring the achievement of business goals and establishing a performance-driven culture
Allowance and welfare	Payment of allowances based on the responsibilities of position performance and operation of flexible welfare benefit programs	Improving work engagement and supporting work-life balance

Core Principles of Payment Decisions



ITAC Employee of the Month

Talent Management

Work-Life Balance

Embedding the Organizational Culture

Based on the CREW organizational culture direction, which signifies an organization that cooperates to achieve common goals, ILJI TECH fosters its organizational culture focusing on four core areas: Communication, Responsibility, Education, and Work Smart. Through execution programs in each area, we make efforts to strengthen communication among organizations and departments and heighten employees' sense of responsibility. At the same time, we enhance work efficiency and organizational adaptability continuously by supporting job competency development and a smart working environment.

Direction of Organizational Culture



Major Programs

Inter-departmental Communication Programs	Operates regular exchange sessions between designated departments to strengthen bonds among employees and foster a culture of collaboration through natural information sharing
Networking for New Hires	Operates a communication program for new hires to address the gap in peer networks resulting from expanded rolling recruitment, supporting their adaptation to the organization
Anonymous Feedback System	Enhances the reporting center feature on the company website to promote active communication and diverse opinion-sharing among employees
Volunteering & Donations	Practices corporate social responsibility through volunteer activities and donation programs in partnership with local communities
In-house Campaigns	Builds employee empathy and expands participation through in-house campaigns and events centered on social responsibility
Support for Self-development and Job-related Training	Supports training programs to enhance job expertise and provides systematic opportunities for capability development, laying the foundation for sustained growth
Support for Language Programs and Certificate Acquisition	Supports language skill improvement and job-related certification to strengthen global competitiveness and individual capabilities
Smart Work	Expands the use of smart equipment and non-face-to-face meetings to improve work efficiency and establish a flexible work culture
Collaboration & Communication Platform	Utilizes a collaboration and communication platform to streamline decision-making and facilitate smooth workflow, enhancing organizational productivity

Talent Management

Work-Life Balance

Welfare Benefits

ILJI TECH operates an organized welfare benefit system to ensure that all employees can maintain work-life balance and work stably. Welfare benefits are classified into three areas, Health, Home, and Harmony, and diverse support provided to promote employee health, ensure living stability, and enhance soundness of the organizational culture. We operate welfare benefits through various programs: four major social insurances, health screenings, and in-house cafeteria for promoting employee health (Health); tuition support for children, company rental apartments, and commuter bus support for living stability (Home); and welcome kits, organizational culture programs, operation of clubs and libraries, and various rewards and leaves for strengthening communication and bonding within the Company (Harmony).

HEALTH		HOME		HARMONY	
Four major social insurances Support stable work life by providing full coverage under the four major social insurance programs		Children's education expense support Provide education expense support from middle school through university, helping ease employees' financial burden of education expenses		Support for In-house Club Activities Supports in-house club activities to strengthen communication and bonding among employees	
Health checkups Offer annual health checkups to ensure that employees stay healthy		Staff rental housing Offer rental housing near the company for employees relocating from other regions		Horizontal culture Fosters a horizontal organizational culture built on open communication across all levels	
Cafeteria A high-quality, free cafeteria service featuring special menus on Wednesdays and a variety of event menus		Commute bus service Convenient commute buses in the Daegu and Gyeongsangbukdo regions to facilitate employees' daily travel		Welcome Kit Offers welcome gifts to celebrate new hires joining the company	
				Long-service compensation Operates a recognition program for long-tenured employees	
				Birthday gifts Provides gifts to celebrate employees' birthdays	
				Support for Congratulatory/Condolence Money and Leave Provides congratulatory/condolence money and leave for employees' family events	
				Integration of IT technologies Establishes a mobile-based work system environment for greater accessibility	
				Summer holidays Provides summer vacation support for employee rest and recovery	
				Company library Operates an in-house library to support employees' self-development	

Talent Management

Work-Life Balance

ILJI TECH Labor Union

ILJI TECH has stably operated the ILJI TECH Labor Union to date since its establishment in 1989. As of December 2025, all 195 eligible employees are members, maintaining a 100% membership rate. In addition, through the operation of the labor union and the labor-management council, we regularly discuss major labor-management issues such as improving labor conditions and welfare benefits, workplace safety and working environments, and wage and collective bargaining agreements. Through these efforts, we strive to enhance the economic and social status of workers and build win-win labor-management relations.

Targets



195 persons

Membership rate



100%

Labor-Management Council

Beyond collective bargaining, ILJI TECH is systematically strengthening communication and cooperation between labor and management through the labor-management council. The labor-management council consists of five members each from the management and workers, and is operated based on fairness and transparency. It regularly discusses major issues such as handling employee grievances, improving the working environment, and enhancing welfare benefits. Furthermore, in 2025, the council discussed various agendas, including ESG policies and training, improvements in working conditions and benefits, improvements in workplace safety and facility environment, labor-management cooperation activities, and wage negotiations, and derived improvement measures accordingly. In addition, at its overseas business site ITAC, a separate labor-management communication channel called the Round Table Meeting is held annually. In 2025, a total of 11 sessions were held to gather the opinions of workers at the local business site and expand the cooperative foundation for improving the working environment and strengthening communication within the organization.

Meetings held in 2025



4 times

Attendance



100%

Round Table Meetings held



11 times

Labor-Management Cooperation Activities

ILJI TECH promotes various labor-management cooperation activities every year to facilitate smooth communication and harmony within the organization. We operate domestic and overseas cultural tours and workshops to nurture a creative and active labor-management culture based on vitalizing exchanges among employees. During the summer season, we concurrently carry out activities to improve the working environment, such as providing beverages and coffee to boost worker morale. Moreover, we continuously identify and operate programs in which both labor and management can participate, striving to create a systematic and healthy labor-management culture.



① Labor-Management Council workshop in the first half of the year



② Labor-Management Council overseas visiting workshop



③ Coffee delivery service for the labor union

Shared Prosperity with Local Communities

Social Contribution Activities

Direction for Social Contribution

ILJI TECH has established a direction for social contribution centered on the environment and people, and promotes social contribution activities systematically based on this direction. Through environment-centric activities, we practice our responsibility for a sustainable future. Through human-centric activities, we contribute to supporting vulnerable social groups and fostering shared growth with local communities. These activities are conducted in connection with our CI both regularly and non-regularly, deployed in various forms such as volunteer work and charity activities with the voluntary participation of employees.

Direction for Social Contribution



Social Contribution Programs

ILJI TECH continuously provides supportive training environments and financial assistance to its affiliated athletes with disabilities so that they can focus on their sport under stable conditions. With support from ILJI TECH, they participated in the 2025 Gyeongsangbuk-do Disabled Sjoelen Association President's Cup Together Sjoelen Contest and won second place in the team event.

In addition, to support neglected residents in the local community in maintaining stable living conditions, we practice sharing activities such as delivering donations to the House of Angels. Furthermore, 18 employees participated in volunteer activities to support crop harvesting for local farms in the Cheongdo region, promoting shared growth with the local community.

Moreover, our global business site, ITAC, also promotes social contribution activities that reflect the characteristics and needs of the region in which it operates — such as donating bicycles to local children — thereby practicing ongoing shared growth with the local community.

Major Social Contribution Programs of ILJI TECH

Social welfare project



Gyeongsangbuk-do Disabled Sjoelen Association President's Cup Together Sjoelen contest

Local community volunteer activities



Cheongdo farm tour volunteer activity



Volunteer Activity for abandoned dogs

Local community charity activities



Donation to House of Angels



Donation to Gyeongsan City Sports Council for the Disabled



ITAC bicycle donation

Human Rights Management

Human Rights Management Promotion Framework

Human Rights Management Policy

Under the top decision-maker, ILJI TECH actively implements human rights management, led by the HR & General Affairs Team, which serves as the organization overseeing human rights. We have declared our human rights policy to implement robust management, and our domestic and overseas corporations are driving human rights management based on this policy.



Human Rights Policy

Diversity and Inclusion Policy

ILJI TECH operates a diversity and inclusion policy to ensure that all employees are respected without discrimination based on gender, age, nationality, disability, religion, employment type, and other factors. We guarantee fair opportunities throughout the entire HR process, including recruitment, placement, evaluation, compensation, and training, and continuously strive to foster an organizational culture of mutual respect and inclusion among employees.



Diversity and Inclusion Policy

Human Rights Management Promotion Strategy

ILJI TECH is promoting human rights management systematically by establishing relevant missions, goals, and strategic tasks. We fulfill our responsibilities and obligations regarding human rights management by building an internal execution framework. For the practical implementation of human rights management, ILJI TECH has derived three strategic goals and 12 strategic tasks. By verifying the status of human rights implementation periodically, we will strive to faithfully fulfill our social responsibilities based on human rights.



Human Rights Management

Human Rights Risk Management

Human Rights Protection Activities

ILJI TECH prohibits all forms of workplace discrimination in accordance with the diversity policy and guidelines. We identify human rights-vulnerable groups and conduct activities to prevent human rights violations and protect human rights for each target. We operate protection systems for women, minors, young workers, children, and disabled persons, and we actively provide support to create a fair and non-discriminatory culture.

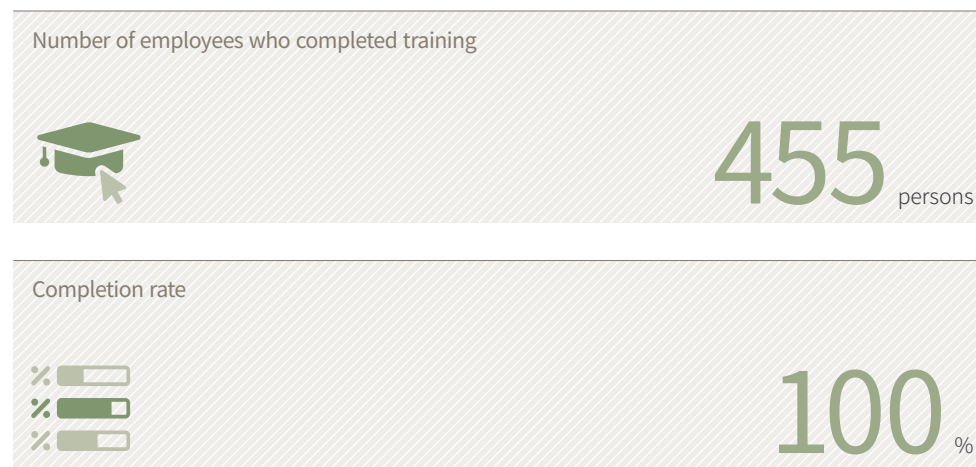
Human Rights Protection Activities by Target Group



Enhancing Human Rights Awareness

ILJI TECH conducts annual human rights training for all employees to foster a culture of respect for human rights and prevent human rights risks. By conducting periodic training in areas where human rights violations are a concern, we support all employees in recognizing and complying with human rights.

Human Rights Training Participation Status

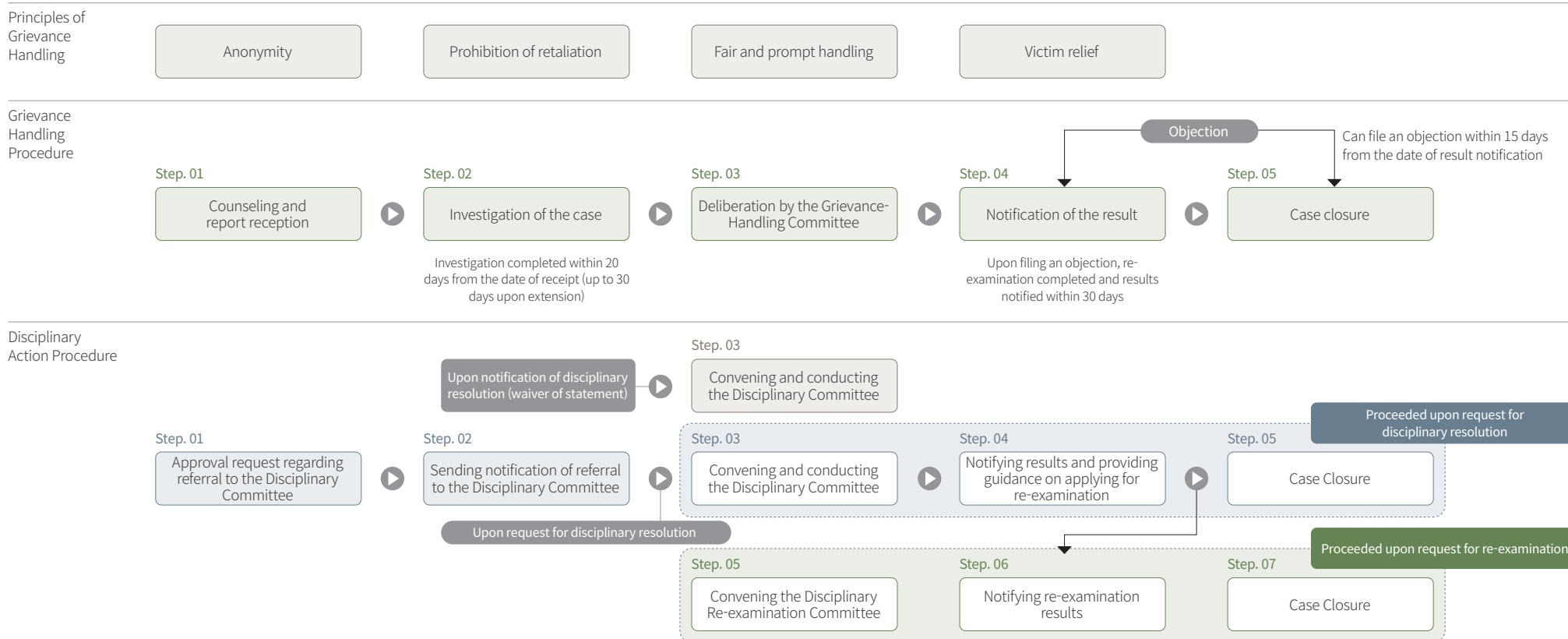


Human Rights Management

Human Rights Risk Management

Grievance Handling

ILJI TECH operates grievance handling channels so that employees can work in an environment where equality is maintained and human rights are respected. We respond strictly to human rights violations and misconduct by carrying out established processes of investigation, handling, and victim protection. Cases received through the Grievance Handling Committee are handled fairly and promptly in accordance with the grievance handling guidelines. In principle, investigations are completed within 20 days from the date of receipt. The reporting channels are designed for easy access by anyone, and anonymous reporting is guaranteed to protect informants. Further, we strictly prohibit any disadvantageous treatment or retaliation against persons who report misconduct. Furthermore, ITAC, our U.S. business site, operates a grievance handling channel on its website to establish a global-level grievance response system. Based on this framework, zero grievances were reported in 2025, demonstrating a stable organizational culture.





Governance

Upholding trust and integrity as its business foundation, ILJI TECH will meet stakeholders' expectations and build a sustainable future by advancing corporate governance centered on the Board of Directors, internalizing company-wide ethics and compliance management, and establishing an organized information protection system.



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Ethics and Compliance Management	090
Information Protection	093

Board of Directors

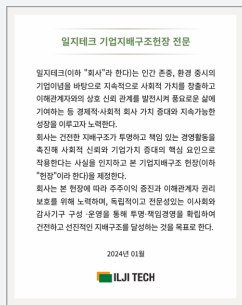
Board of Directors Composition

Roles of Board of Directors

In accordance with relevant laws and the Articles of Association, the Board of Directors of ILJI TECH is delegated the highest decision-making authority regarding corporate management by shareholders. It holds the responsibilities and roles as the highest decision-making body to gather and coordinate the diverse interests of stakeholders and enhance corporate value. Based on the Corporate Governance Charter enacted to reflect the global business environment and societal demands, the Board supports the management in practicing responsible management. When there are problems in the standards and methods applied to the management's business activities, the Board also ensures that rational business judgments are made by pointing out issues and demanding corrective actions. Furthermore, the Board resolves matters delegated by the general meeting of shareholders, basic policies of company management, and important matters regarding business execution. It also performs the role of supervising the execution of duties by directors and the management.



Corporate Governance Charter



Preamble of ILJI TECH Corporate Governance Charter

Composition of Board of Directors

The Board of Directors of ILJI TECH, the highest decision-making body, is structured to ensure that independent and professional perspectives are reflected. The Board consists of a total of five members, including two internal directors and three independent directors. To support professional and prompt decision-making, the CEO concurrently serves as the Chairperson of the Board. The Board selects candidates for all directors on the BOD, who then undergo the appointment procedure at the general meeting of shareholders. The Board members comprise diverse experts in corporate management strategy, accounting and taxation, and law.

Board Composition

As of May 2026

Category	Name	Gender	Position	Career Background	Term of Office	Expertise
Internal Director	Bonil Koo		CEO	· (現) ILJI TECH CEO	2007.03.09 ~ 2028.03.27	General company management
	Junmo Koo		CEO	· (現) ILJI TECH CEO	2007.03.09 ~ 2028.03.27	
Independent Director	Manheon Kim	Male	Chair of the Audit Committee	· (現) Head Tax Accountant, Tax LLC Rion · (前) Chief of the Tax Office, West Daegu, East Daegu, West Incheon, and Gumi	2024.03.26 ~ 2027.03.25	Tax Expert
	Seokhwa Lee		-	· (現) Lead Attorney, Mind & Law Law Firm · (前) Chairman, Daegu District Bar Association	2024.03.26 ~ 2027.03.25	Legal Expert
	Wolyoung Choi		-	· (現) Lead Attorney, Beopyeon Law Firm · (前) Presiding Judge, Daegu District Court	2024.03.26 ~ 2027.03.25	

Board of Directors

Board of Directors Operation

Board Operation Status

ILJI TECH holds regular Board of Directors meetings and, when necessary, convenes extraordinary meetings to review major management issues promptly. The Board members are provided with relevant materials in advance to ensure sufficient review of relevant agenda items, ensuring the appropriateness and transparency of decision-making. A total of 20 Board meetings were held in 2025, performing deliberations and resolving major management agenda items such as the approval of financial statements, convening of the annual general meeting of shareholders, capital increases, and investments and decision-making related to overseas subsidiaries.

Key Board of Directors Activities in 2025

Meeting No.	Date Held	Name of Agenda	Approval
1st	03.13.2025	Borrowing operational funds from NH NongHyup Bank	Approved
2nd	03.13.2025	Request for reduction of loan interest rate from Hana Bank	Approved
3rd	03.13.2025	Approval of the consolidated and separate financial statements for the 39th fiscal year	Approved
4th	03.13.2025	Convening the 39th general meeting of shareholders	Approved
5th	05.12.2025	Loan borrowing from Shinhan Bank	Approved
6th	05.22.2025	Capital increase and subsidiary establishment of ILJI TECH AMERICA INC.	Approved
7th	05.29.2025	Increasing the limit of secured loan on credit sales from Shinhan Bank	Approved
8th	05.30.2025	Debt guarantee (IM Bank) for the Chinese subsidiary	Approved
9th	06.04.2025	Loan for CPT AMERICA LLC, U.S.	Approved
10th	06.27.2025	Changes to capital increase schedule for ILJI TECH AMERICA INC.	Approved
11th	07.03.2025	Loan borrowing from Shinhan Bank	Approved
12th	07.22.2025	Loan borrowing from Hana Bank	Approved
13th	08.21.2025	Decision on equity acquisition for CPT AMERICA LLC	Approved
14th	08.21.2025	Replacement of matured operational funds and availing of new operational fund loan from Korea Development Bank	Approved
15th	08.25.2025	Borrowing from Export-Import Bank	Approved
16th	09.10.2025	Providing joint guarantee (IBK) to the Chinese subsidiary	Approved
17th	09.15.2025	Loan borrowing from Woori Bank	Approved
18th	09.29.2025	Loan for CPT AMERICA LLC, U.S.	Approved
19th	09.26.2025	Providing joint guarantee (Woori Bank) to the Chinese subsidiary	Approved
20th	12.15.2025	Providing joint guarantee (Hana Bank) to the Chinese subsidiary	Approved

Board Expertise and Diversity

To secure the expertise and diversity of the Board, ILJI TECH comprehensively considers diverse backgrounds without placing restrictions on gender, nationality, age, religion, or educational background when appointing directors. In particular, independent directors are appointed after close evaluations on the qualifications and expertise of candidates through a verification process, and external experts with professional knowledge and experience in different areas such as academia, law, and taxation are selected as candidates.

Board Skill Matrix

Category	Internal Directors		Independent Directors		
	Bonil Koo	Junmo Koo	Manheon Kim	Seokhwa Lee	Wolyoung Choi
Management/Economics	●	●			
Leadership	●	●			
Finance/Accounting			●		
Law/Policies				●	●
Risk Management	●	●	●	●	●
ESG	●	●	●		

Transparency and Independence of Director Appointment

ILJI TECH appoints directors through a transparent process where the Board selects candidates, followed by final appointment at the general meeting of shareholders. Along with this procedure, if there is a shareholder proposal in accordance with relevant laws and regulations, it is submitted as an agenda item at the general meeting of shareholders within the lawful scope and reflected in decision-making. Additionally, to strengthen the independence of the Board, independent directors constitute a majority of all directors. All Board committees are composed of independent directors, and the committee chairs are also assumed by independent directors to ensure that the check-and-balance function against the management operates effectively.

Current Status of the Independent Director Support Organization

Name	Number of Employees	Position (Years of Service)	Description
Financing & Accounting Division	1 person	Director (30 years)	· Supporting duties related to Board operations · Supporting duties of independent director

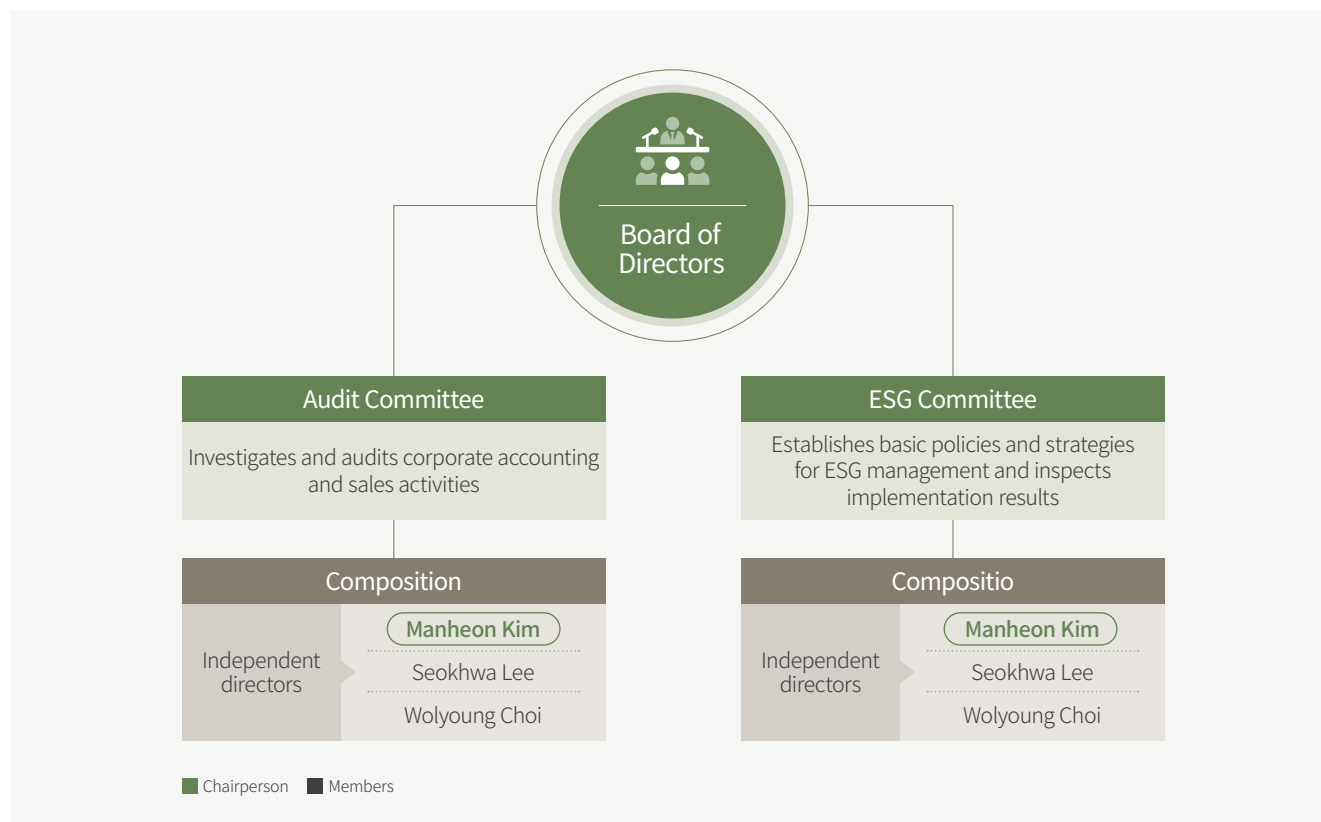
Board of Directors

Board of Directors Operation

Board Committees

In accordance with the Articles of Association, ILJI TECH has established and operates two Board committees: the Audit Committee and the ESG Committee. The Audit Committee was established pursuant to relevant laws, ensuring independence of audit operations by having all its members consist of independent directors. In addition, the ESG Committee was newly established in 2024 to respond systematically to ESG management, strengthening related decision-making and oversight functions.

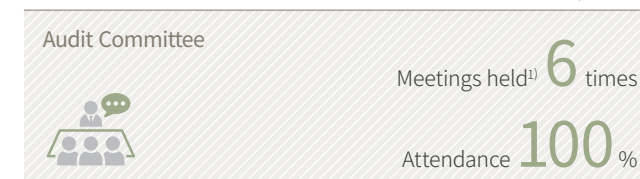
Board Committees



Audit Committee

Based on Article 36-2 of the Articles of Association, ILJI TECH places the Audit Committee within the Board of Directors. The Audit Committee is composed entirely of independent directors who have expertise in the fields of accounting, finance, and law, thereby ensuring the committee's independence and expertise. Members of the Audit Committee may request business reports from directors at any time, and also possess the authority to investigate the financial status of the company and its subsidiaries or request related reports.

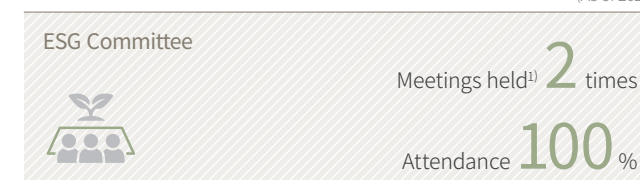
(As of 2025)



ESG Committee

To secure the expertise and diversity of the Board, ILJI TECH pursues diversity regardless of gender, nationality, age, religion, or educational background when appointing directors. In the case of independent directors, individuals possessing expertise are appointed through a professional verification procedure regarding the qualifications of candidates. Further, external experts with professional knowledge and abundant experience in respective areas such as academia, law, and taxation are selected as candidates.

(As of 2025)



1) Meetings held: Between 2025 and February 2026

Ethics and Compliance Management

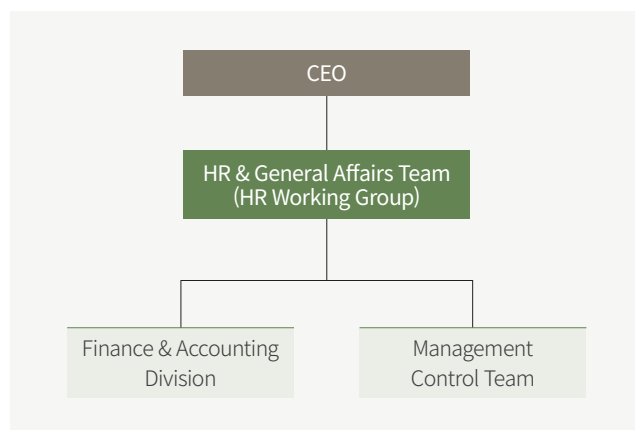
Establishing an Ethics and Compliance Management System

Ethics and Compliance Governance

ILJI TECH has established and operates an ethics and compliance governance structure to ensure fair and responsible performance of duties. Key matters are reviewed and managed primarily by the Board of Directors, while the HR & General Affairs Team (HR Working Group) oversees planning and implementation support. We also collaborate with related departments, including the Finance & Accounting Division and the Management Control Team, to strengthen the execution of ethics management activities and spread a culture of ethics and compliance throughout the organization.

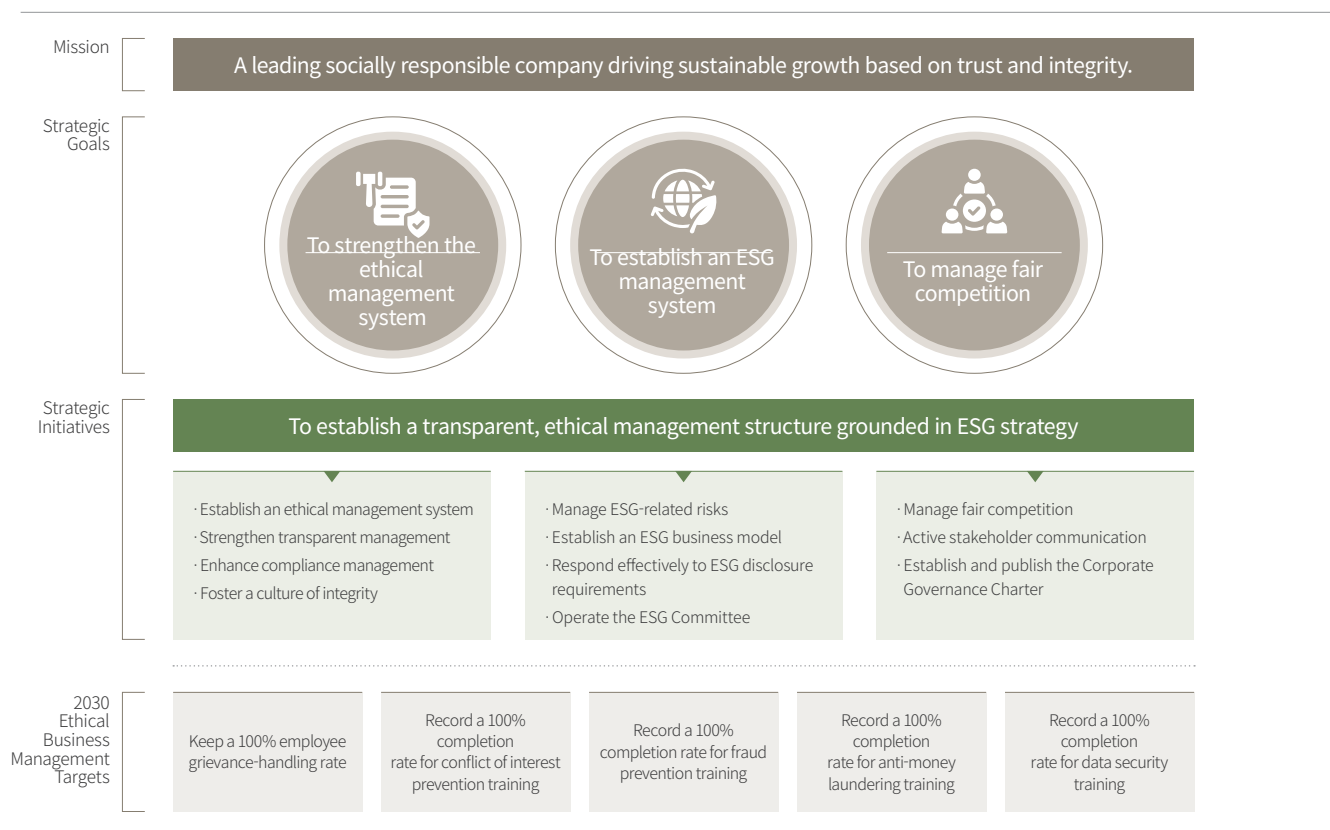
In addition, ILJI TECH established the Ethical Code of Conduct and Ethical Guidelines Implementation Guide in January 2024, which serve as the value judgment and behavioral standards that all employees must comply with in all management activities. ILJI TECH discloses these codes and guidelines on its website to ensure that ethics management policies are applied consistently company-wide, while also strengthening external transparency.

Ethics and Compliance Management Organization



Ethics and Compliance Management Framework

ILJI TECH has established an ethics management framework to ensure that all employees comply with laws and ethical guidelines and perform their duties transparently and fairly. We have established and are executing missions, strategic goals, and initiatives for ethics management, and we strive to achieve our 2030 goals to promote systematic ethics management. We intend to oversee the company-wide ethics management system by strengthening the framework, establishing an ESG management system, and managing fair competition, while continuously conducting training for employee grievances and compliance.

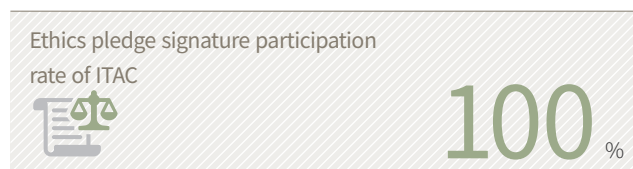
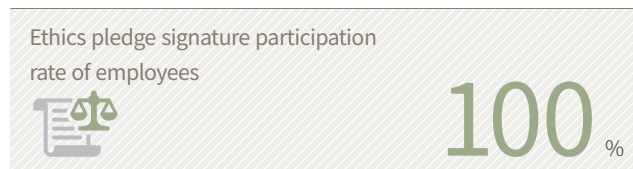


Ethics and Compliance Management

Ethics and Compliance Management Activities

Ethics and Compliance Management Practice Pledge

ILJI TECH has enacted a Code of Ethics that sets down the ethical values and principles that the company must uphold so that duties can be performed based on fair and correct judgments and actions. By declaring our commitment to compliance management to prevent legal and regulatory risks, we present the standards of conduct and value judgment that all employees must follow. Based on this, we practice ethics and compliance management while establishing independent internal control standards to provide relevant guidelines for our employees. Furthermore, we actively encourage participation in ILJI TECH's ethics management by obtaining ethics practice pledge signatures from all employees as well as external stakeholders, including partner companies.

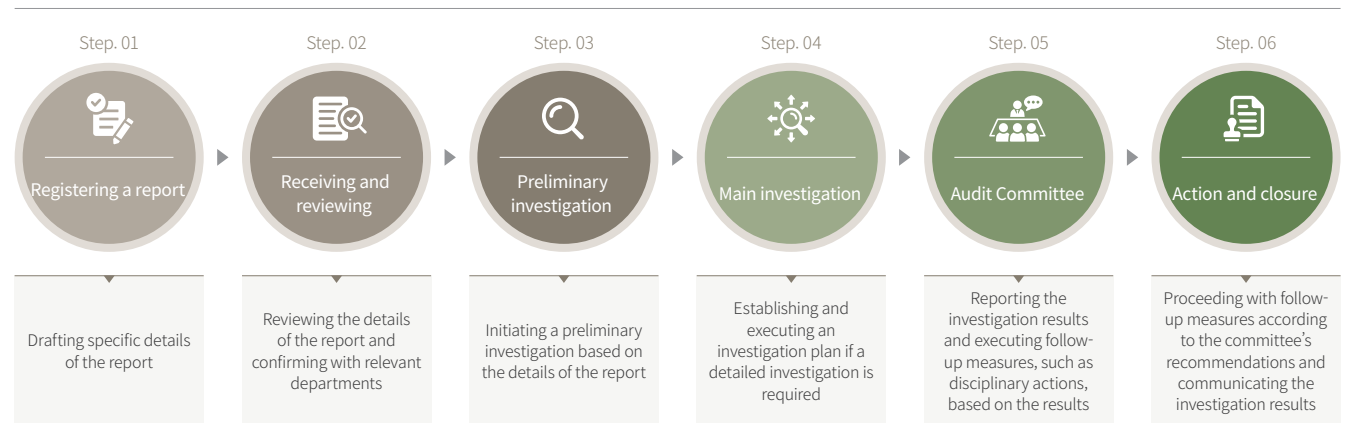


ILJI TECH Reporting Center

ILJI TECH operates the ILJI TECH Reporting Center, an online reporting channel, to enable all employees and external stakeholders, including partner companies, to report unreasonable or unethical behaviors. The online reporting channel is operated on the ILJI TECH website, allowing anyone to report unethical behaviors anonymously. Furthermore, in accordance with our ethics regulations, we thoroughly protect whistleblowers by stipulating measures for whistleblower protection. The contents of the reports are kept confidential, and any disadvantageous treatment against the reporter is strictly prohibited. Additionally, our overseas business site, ITAC, operates a separate reporting website to establish a whistleblowing system where employees and external stakeholders can submit reports.

 [ILJI TECH Reporting Center](#)

Handling Procedure at ILJI TECH Reporting Center



ILJI TECH Reporting Center



ITAC Whistleblowing Center

Ethics and Compliance Management

Ethics and Compliance Management Activities

Ethics and Compliance Training

ILJI TECH conducts ethics management training for all employees annually to actively integrate ethics management into its organizational culture and ensure duties are performed in compliance with laws and regulations and in accordance with ethical standards. Our employees are strengthening their ethical competencies through training on ethical management theory, prevention of unfair trade, and the necessity of an ethics management culture. Through these efforts, ILJI TECH continuously strives to foster a company-wide culture rooted in ethics and compliance.



Ethics training for employees



Ethics training for employees

Spreading an Anti-Corruption and Integrity Culture

To strengthen the prevention of corruption and the implementation of ethics management among partner companies, ILJI TECH conducts anti-corruption and integrity pledges as well as ethics pledges with partner companies. In addition, through Article 12 of the Code of Ethics, we prohibit employees from engaging in actions that conflict with the interests of the company during the performance of their duties, and establish conflict-of-interest prevention principles to ensure that inappropriate relationships are not formed. Based on this, we are establishing a fair and transparent corporate culture and sound trade practices.

Fair Trade Agreement

ILJI TECH annually concludes Fair Trade Agreements with Tier 2 partners and primary contractors in accordance with the administrative rules of the Fair Trade Commission. In addition, we advise the formation of fair trade agreements during transactions between Tier 2 and Tier 3 partners, striving to spread a culture of fair trade and shared growth throughout the supply chain. Moreover, to ensure that business is conducted in a mutually fair and equal relationship with all partner companies, we execute contracts in accordance with the Standard Subcontract Agreement published by the Fair Trade Commission.

Master Subcontract Agreement

In connection with transactions of automobile parts or components thereof (hereinafter referred to as "Parts"), ILJI TECH Co., Ltd. (hereinafter referred to as "Party A") and [] (hereinafter referred to as "Party B") hereby enter into this Basic Agreement as follows.

Article 1 (Basic Principles)

- ① Transactions shall be conducted in accordance with the principle of mutual benefit and good faith.
- ② Party A and Party B shall comply with the Act on Fair Transactions in Subcontracting, the Monopoly Regulation and Fair Trade Act, and other relevant laws and regulations in performing this Agreement.

Article 2 (Basic Agreement and Individual Agreements)

- ① This Basic Agreement (hereinafter referred to as the "Basic Agreement") stipulates the basic matters concerning the subcontracting of manufacturing of Parts between Party A and Party B (excluding simple personnel dispatch agreements that do not constitute subcontracting transactions), and shall apply to individual transaction agreements (hereinafter referred to as "Individual Agreements") for which no separate arrangements are made. Party A and Party B shall comply with both this Basic Agreement and the Individual Agreements.
- ② The Individual Agreement shall specify matters such as the manufacturing year and month, item name, specifications, quantity and unit price, delivery and place of delivery, inspection method and timing, and the subcontract payment and its method and date of payment, and shall be signed and sealed by both Party A and Party B. Provided, however, that part of the contents of the Individual Agreement may be supplemented in advance through an attached agreement as mutually agreed by Party A and Party B.
- ③ In cases where deliveries occur frequently such that an Individual Agreement cannot be concluded for each transaction, the Individual Agreement shall be deemed established when Party A delivers a purchase order (including an electronic purchase order) stating the transaction details set forth in Paragraph 2. Provided, however, that this shall not apply where Party B expresses its intent to refuse within 10 days from the date of receipt of the purchase order.
- ④ Where Party A and Party B wish to amend the contents of the Basic Agreement or any Individual Agreement, they shall do so by mutual consultation.

Article 2-2 (Amendment of Agreement)

- ① Where it is deemed necessary by Party A and Party B, or at the request of Party A's customer, and the terms of this Agreement are void or impossible to perform, such terms may be modified or deleted to the minimum extent necessary in order to comply with applicable laws and regulations; provided, that where such terms are deemed severable, the remaining provisions of this Agreement shall continue in full force and effect.



Establishing Internal Control Procedures

Based on the Commercial Act, ILJI TECH conducts inspections in accordance with internal control procedures to prevent legal and regulatory risks related to its business. We monitor conformance with compliance control standards and take strict action when violations occur.

To prevent the possibility of misstatement in financial statements or notes, we identify and review subsequent events and contingent liabilities every quarter after the financial information reporting period. We designate separate drafters and authorized approvers and manage disbursement ledgers to ensure that business-related expenses are executed according to their purpose.

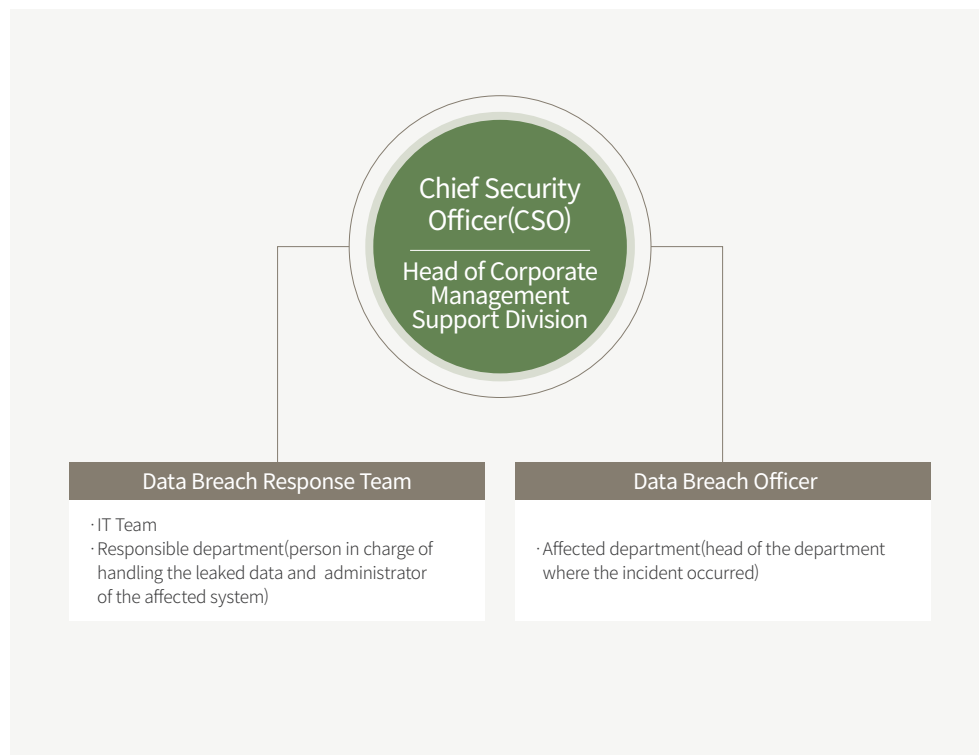
Information Protection

Information Protection Management System

Information Protection Management Organization

ILJI TECH is strengthening measures for information protection and core technology protection through a dedicated information protection organization. The IT team under the CSO is in charge of information security, establishing the company-wide strategic direction for information protection and execution plans, and discussing security-related issues. In order to address any occurrence of infringement incidents, we have designated a response team and an officer in charge of handling infringement incidents, ensuring thorough preparedness for information security incidents.

Data Security Management Unit



Information Protection Management Regulations

ILJI TECH has established and operates an information protection management system in compliance with relevant laws and regulations, such as the Personal Information Protection Act and the Act on Prevention of Divulgence and Protection of Industrial Technology. Based on administrative, physical, and technical security frameworks, we manage the security of our overall computing networks and systems, and prevent information leaks and cyber threats through regular monitoring and inspections. Additionally, we strive to strengthen our information protection capabilities by conducting security training and raising employee awareness, and maintain a stable information protection environment by proactively identifying and blocking threats throughout the entire information processing lifecycle.

Furthermore, reflecting the requirements for inspecting the implementation tasks for partner security improvements, we revised our security management regulations and strengthened our internal information asset risk management system in June 2025 by reorganizing related systems and forms, such as classification of information assets, risk management, importance assessment, risk analysis and assessment, and risk handling methods.

Composition of Security Management Regulation



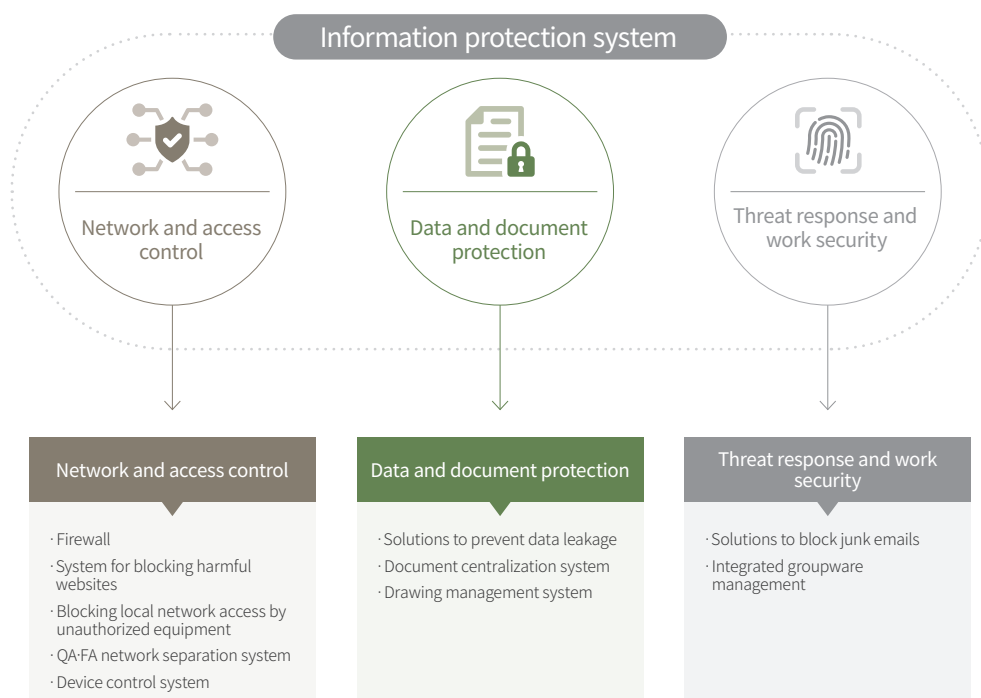
Information Protection

Information Protection Management Activities

Information Protection System

ILJI TECH has advanced its company-wide information security system by establishing guidelines for network security and user security in addition to security management regulations. Through this, we are protecting the information of employees and external stakeholders. Moreover, we are preparing to acquire the ISO 27001 information security management system certification, through which we will ensure the highest level of expertise and establish an organized system for our information protection system.

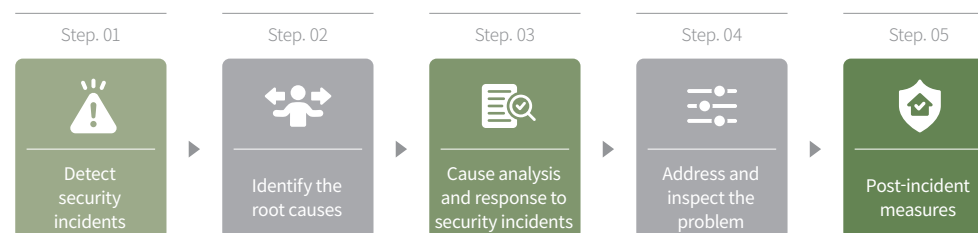
Information Protection System



Managing Information Protection Incidents

ILJI TECH conducts inspections to identify vulnerabilities in the information security system, and when vulnerabilities are identified, they are addressed immediately. In addition, we have established a security incident response process in accordance with the IT security incident response regulations. The IT Team detects security incidents, accurately identifies the causes of occurrence such as system failures or hacking, and responds based on a cause analysis. Even after resolution, we formulate follow-up measures and conduct monitoring to prevent the recurrence of identical security incidents.

Information Security Incident Management Process



Managing Information Protection of Partner Companies

To strengthen security capabilities across the entire supply chain, ILJI TECH has set information security as a top priority during its transactions with all partner companies. Based on a systematic process for security management, we regularly diagnose and assess the security levels of our partner companies. Additionally, we are building a mutually growing security ecosystem by providing practical improvement roadmaps for identified vulnerabilities.

Furthermore, by distributing tailored training content to raise security awareness among employees of our partner companies, we are building a seamless supply chain security system.

Information Protection

Information Protection Management Activities

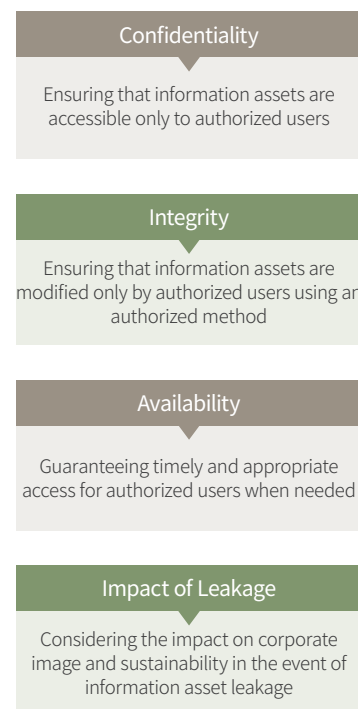
Information Protection Risk Management

ILJI TECH has established and operates information protection risk management procedures to systematically protect information assets and manage security risks to an acceptable level. After identifying the information assets held, we evaluate their importance based on criteria such as confidentiality, integrity, availability, and impact of leakage, and analyze the usage environment, vulnerabilities, and anticipated threat types for each asset to derive threat scenarios. We then assess risk levels based on scope of application, likelihood of occurrence, and cascading effects, and establish appropriate risk handling measures such as avoidance, transfer, reduction, and acceptance in accordance with the evaluation results. In addition, we document and report the results of risk handling and, where necessary, reassess risk levels to continuously strengthen the effectiveness of our information protection management system.

Information Asset Risk Management



Criteria for Information Asset Importance Evaluation



Managing Information Protection Incidents

ILJI TECH conducts inspections to identify vulnerabilities in the information security system, and addresses vulnerabilities immediately upon discovery. In addition, we have established a security incident response process in accordance with the IT security incident response regulations. The Security Incident Response Team (CERT) detects security incidents and accurately identifies the causes of occurrence, such as system failures or hacking, responding accordingly based on cause analysis. Even after resolution, we establish follow-up measures and conduct monitoring to prevent the recurrence of identical security incidents.

Record Inspection and Protection

ILJI TECH conducts annual inspections on the status of records management by department, managing the history through the identification, collection, indexing, viewing, and filing of documents, and executing periodic document disposal.

We inspected 12 items across 16 departments in 2025 and completed 100% of the improvement actions for any deficiencies. Through this process, we strive to prevent information security incidents, such as information leakage in the office spaces where our employees work.

Information Protection

Information Protection Management Activities

Information Protection Training for Employees

ILJI TECH conducts training to enable all employees recognize the importance of information protection and prevent security incidents. The information protection training is divided into training sessions for information protection and personal information protection, focusing on raising security awareness company-wide. Additionally, we strengthen tailored training and management for managers and personnel exposed to high levels of information security risks, and continuously strive to establish an organized information protection management system. In 2025, we strengthened employees' understanding and practical capabilities regarding information protection by conducting training on guidelines for responding to hacking emails and the Personal Information Protection Commission's 2025 Protect Personal Information LOCK Campaign for employees at our domestic business sites. Our global business site, ITAC, also operates separate information protection training. In the future, we plan to gradually expand the training across all global business sites based on an information protection training framework linked to the Head Office.

Information Protection Training¹⁾

Rules for responding to hacking emails

Training objectives

To provide practical training for creating a safe working environment and preventing security incidents at ILJI TECH, and to strengthen security knowledge in each work area

Targets

Employees of Head Office and Gyeongju Plant, information protection managers

Date

June 25 – July 1, 2025

Training content

- 1) Cases of hacking email
- 2) How to prevent and manage emails
- 3) How to respond to hacking emails

Participants

- 1) Head Office: 148 persons
- 2) Gyeongju Plant: 43 persons

Personal Information Protection Training¹⁾

2025 Personal Information Protection Commission Protect Personal Information LOCK Campaign

Training objective

To train all employees to recognize and practice the importance of personal information protection, and to identify the latest trends and acquire specialized knowledge

Targets

Employees of Head Office and Gyeongju Plant, information protection managers

Date

December 23, 2025 – January 13, 2026

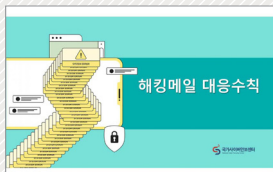
Training content

- 1) How to protect personal information within the workplace
- 2) How to protect personal information when using generative AI

Participants

- 1) Head Office: 129 persons
- 2) Gyeongju Plant: 46 persons

Hacking email response rules



Total number of participants: **191** persons

Personal Information Protection Commission's 2025 Protect Personal Information LOCK Campaign



Total number of participants: **175** persons

1) Information protection training, personal information protection training: Targeting domestic business sites



ESG Factbook

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ESG Factbook

Economic

Consolidated Financial Statement

Category	2023	2024	2025
Assets			
Current assets	196,257,937,346	267,259,922,124	390,240,118,205
Cash and cash equivalents	17,201,259,205	31,009,594,808	134,529,464,620
Short-term financial products	3,400,000,000	34,154,280,409	70,000,000
Current financial assets at fair value through profit or loss	680,000,000	511,200,000	686,000,000
Accounts receivable	62,122,477,292	75,514,148,888	91,462,327,252
Short-term receivables	14,758,944,549	18,429,301,003	24,157,411,063
Accrued income	71,609,589	65,700,820	25,778,199
Short-term loans	151,000,000	264,800,000	375,600,000
Advance payments	23,908,863,186	28,225,005,759	64,157,070,623
Prepaid expenses	322,527,807	1,735,746,020	293,678,199
Short-term lease deposits	96,962,880	88,494,000	0
Current tax assets	0	0	4,772,019,953
VAT receivables	2,709,333,755	4,244,903,084	0
Inventory assets	70,834,959,083	73,016,747,333	69,710,768,296
Non-current assets	331,282,832,285	308,138,226,678	256,175,937,677
Non-current financial assets at fair value through profit or loss	967,689,643	0	0
Non-current financial assets at fair value through other comprehensive income	234,038,700	186,571,600	217,284,520
Other non-current assets	3,062,769,957	3,317,844,714	3,282,864,059
Property, plant and equipment	288,695,726,167	278,133,235,268	233,224,260,780
Intangible assets	32,284,260,353	23,404,491,146	14,557,435,183
Right-of-use assets	843,776,841	641,761,386	1,081,706,759
Deferred tax assets	0	0	779,628,265
Lease deposits	899,785,714	146,477,047	1,237,215,829
Long-term receivables, net	2,191,900,000	1,394,100,000	0
Net defined benefit assets	2,102,884,910	913,745,517	1,795,542,282
Total assets	527,540,769,631	575,398,148,802	646,416,055,882

ESG Factbook

Economic

Consolidated Financial Statement

Category	2023	2024	2025
Liabilities			
Current liabilities	295,526,966,081	284,834,677,988	314,810,976,282
Current borrowings	111,292,210,000	111,550,190,000	109,504,400,000
Portion of non-current borrowings reclassified as current liabilities due to liquidity	1,419,920,000	784,920,000	3,125,000,000
Trade payables	76,388,794,795	56,126,039,801	89,463,042,232
Other payables	54,053,292,898	49,267,756,635	57,902,234,539
Advances received	20,462,708,624	22,355,415,791	14,499,034,931
Current lease liabilities	796,891,888	530,478,574	1,057,787,834
Withholdings	467,656,132	732,892,685	381,223,157
Provisions	0	6,642,540,658	0
Accrued expenses	21,087,728,356	32,708,050,238	31,970,914,094
Current income tax liabilities	8,150,718,588	2,206,209,206	5,063,294,295
Rental deposits received	1,407,044,800	1,930,184,400	1,844,045,200
Non-current liabilities	109,347,927,332	140,230,772,660	139,794,243,627
Long-term borrowings	105,094,047,909	121,369,978,984	121,972,082,779
Long-term accrued expenses, net	638,167,653	801,708,385	1,037,965,174
Bonds payable	0	15,000,000,000	15,000,000,000
Lease liabilities	54,664,448	110,751,210	44,023,687
Deferred Tax Liabilities	3,561,047,322	2,948,334,081	1,740,171,987
Total liabilities	404,874,893,413	425,065,450,648	454,605,219,909
Equity			
Equity attributable to the owners of the parent company	122,665,876,218	150,332,698,154	191,810,835,973
Capital stock	6,756,750,000	6,756,750,000	6,756,750,000
Capital surplus	5,502,835,652	5,502,835,652	5,502,835,652
Other components of equity	(4,228,492,157)	3,487,680,558	906,333,048
Retained earnings	114,634,782,723	134,585,431,944	178,644,917,273
Non-controlling interest	0	0	0
Total equity	122,665,876,218	150,332,698,154	191,810,835,973
Total equity and liabilities	527,540,769,631	575,398,148,802	646,416,055,882

ESG Factbook

Economic

Consolidated Income Statement

Category	2023	2024	2025
Revenue(sales)	628,485,714,969	757,295,076,969	855,062,638,987
Cost of sales	545,982,696,622	657,477,137,186	691,817,955,356
Gross profit	82,503,018,347	99,817,939,783	163,244,683,631
Selling and administrative expenses	47,086,769,941	75,371,338,180	115,220,476,119
Operating profit(loss)	35,416,248,406	24,446,601,603	48,024,207,512
Other income	25,089,912,998	17,664,691,453	36,897,843,139
Other loss	6,958,432,210	5,999,675,997	26,956,597,234
Finance income	1,001,666,725	709,529,121	3,281,111,422
Finance costs	10,352,587,350	12,131,246,776	10,442,456,450
Profit(loss) before income tax	44,196,808,569	24,689,899,404	50,804,108,389
Income tax expense(income tax benefit)	11,896,766,745	2,181,582,738	5,132,409,533
Profit(loss) from continuing operations	32,300,041,824	22,508,316,666	45,671,698,856
Profit(loss) from discontinued operations	0	0	0
Net profit(loss)	32,300,041,824	22,508,316,666	45,671,698,856
Attribution of net profit(loss)			
Net profit(loss) attributable to the owners of the parent company	32,300,041,824	22,508,316,666	45,671,698,856
Net profit(loss) attributable to non-controlling interest	0	0	0

ESG Factbook

Economic

Consolidated Income Statement

Category	2023	2024	2025
Other comprehensive income	(2,799,040,447)	6,479,817,870	(2,872,248,437)
Items that will not be reclassified as profit or loss (other comprehensive income after tax)	(1,052,811,812)	(1,273,901,321)	(266,944,849)
Remeasurements of defined benefit plans (other comprehensive income, net of tax)	(1,114,176,801)	(1,236,354,845)	(290,900,927)
Investments in equity instruments (other comprehensive income, net of tax)	61,364,989	(37,546,476)	23,956,078
Items that may be reclassified as profit or loss (other comprehensive income after tax)	(1,746,228,635)	7,753,719,191	(2,605,303,588)
Foreign currency translation differences	(1,746,228,635)	7,753,719,191	(2,605,303,588)
Total comprehensive income	29,501,001,377	28,988,134,536	42,799,450,419
Attribution of comprehensive income			
Comprehensive income attributable to the owners of the parent company	29,501,001,377	28,988,134,536	42,799,450,419
Comprehensive income attributable to non-controlling interest	0	0	0
Earnings per share(EPS)			
Basic earnings(loss) per share (unit: KRW)	2,444.0	1,703.0	3,457.0
Diluted earnings(loss) per share (unit: KRW)	2,444.0	1,703.0	3,457.0

Non-financial Data

Production Status by Site (Basis for Intensity Calculation)

Category	Metrics	Unit	2023	2024	2025	Remarks
Domestic	ILJI TECH Gyeongsan Plant	units	2,492,689	2,141,237	2,074,208	Annual production based on SPOT COMPL(based on POP data
	ILJI TECH Gyeongju Plant		3,037,683	3,307,459	3,402,319	
	Total		5,530,372	5,448,696	5,476,527	
US	ITAC		3,357,659	3,400,795	3,447,183	
China	Beijing ILJI		179, 358	136,574	1,165,885	

ESG Factbook

Environmental

Greenhouse Gas Emissions

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
				2024	2025	2023	2024	2025	2023	2024	2025	
Greenhouse Gas Emissions	Scope 1 (Direct emissions)	tCO ₂ eq	189	246	289	1,721	1,852	1,768	336	224	168	Other indirect emissions (Scope 3) were measured for domestic operations only
	Scope 2 (Indirect emissions)		13,577	14,652	14,145	11,799	12,022	10,801	6,209	5,454	4,812	
	Sum of S1+S2		13,766	14,898	14,434	13,520	13,874	12,569	6,546	5,678	4,979	
	Other Indirect GHG Emissions (Scope 3)		-	209,021	245,444	-	-	-	-	-	-	
	Cat1. Purchased Goods and Services		-	196,236	231,014	-	-	-	-	-	-	
	Cat2. Capital Goods		-	1,154	2,638	-	-	-	-	-	-	
	Cat3. Fuel- and Energy-Related Activities Not Included in Scope 1+2		-	1,338	3,839	-	-	-	-	-	-	
	Cat4. Upstream Transportation and Distribution		-	8,765	6,539	-	-	-	-	-	-	
	Cat5. Waste Generated in Operations		-	24	14	-	-	-	-	-	-	
	Cat6. Business Travel		-	194	179	-	-	-	-	-	-	
	Cat7. Employee Commuting		-	1,309	1,222	-	-	-	-	-	-	
Greenhouse Gas Emissions Intensity	GHG Emissions Per Product	tCO ₂ eq/unit	0.0025	0.0027	0.0026	0.0040	0.0041	0.0036	0.0365	0.0416	0.0043	

ESG Factbook

Environmental

Energy Consumption

Category	Unit	Domestic			ITAC			Beijing ILJI			Remarks	
		2023	2024	2025	2023	2024	2025	2023	2024	2025		
Non-Renewable Energy Consumption	Total Non-Renewable Energy	MWh	29,930	32,302	34,284	34,920	35,991	35,400	10,827	9,504	8,858	Domestic: Fuel consumption included by converting into electricity consumption unit
	Electricity		29,550	31,892	33,899	32,866	33,487	33,351	10,663	9,366	8,663	
	Fuel		380	410	385	376	299	230	164	138	195	
	Heating		-	-	-	1,678	2,205	1,819	-	-	-	
Energy Consumption Intensity	Energy Consumption Per Product	MWh/unit	0.0053	0.0059	0.0063	0.0104	0.0106	0.0103	0.0604	0.0696	0.0076	
Renewable Energy Production	Total Renewable Energy Production	MWh	2,355	3,773	3,902	-	-	-	-	-	-	The entire solar power generated is sold through renewable energy certificates (REC) and power purchase agreements (PPAs)
	Solar Energy		2,355	3,773	3,902	-	-	-	-	-	-	
	Share of Renewable Energy in Total Electricity Consumption	%	8	11	11	-	-	-	-	-	-	

Raw Material Use

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Raw Material Consumption	Total Raw Material	kg	79,910,296	81,146,947	90,015,752	-	50,235,816	44,535,286	25,094,080	17,898,298	21,298,173	Raw material usage(coil)
	Raw Materials Used for Production		45,132,885	47,115,577	51,387,842	-	26,073,816	22,546,286	18,698,860	13,484,338	16,030,013	
	Amount of Scrap Generated		34,777,411	34,031,370	38,627,910	-	24,162,000	21,989,000	6,395,220	4,413,960	5,268,160	Domestic: all scrap metal is recycled and reused by external companies

Water Use

Category	Unit	Domestic			ITAC			Beijing ILJI			Remarks	
		2023	2024	2025	2023	2024	2025	2023	2024	2025		
Water Withdrawal	Total Water Withdrawal	tons	21,326	22,570	24,455	50.05	65.99	42.99	13,728	7,544	7,288	
	Water Supplied by Third Parties		21,326	22,570	24,455	50.05	65.99	42.99	13,728	7,544	7,288	
Water Consumption	Total Water Consumption		21,326	22,570	24,455	50.05	65.99	42.99	1,828	1,344	1,590	
	Water Supplied by Third Parties		21,326	22,570	24,455	50.05	65.99	42.99	1,828	1,344	1,590	
Recycled Water	Total Recycled Water		0	0	0	0	0	0	-	-	-	
	Water Supplied by Third Parties		0	0	0	0	0	0	-	-	-	

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Environmental

Waste Generation

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
General Waste	Total General Waste	tons	218	241	273	988	670	520	-	-	-	ITAC: Annual total usage was aggregated based on official data provided by partner companies Beijing ILJI: Unable to verify third-party processing.
	Incineration		86	100	100	0	14	0	-	-	-	
	Recycling		132	141	173	722	445	353	-	-	-	
	Landfill		0	0	0	266	211	167	-	-	-	
Specified Waste	Total Designated Waste Generated		55	90	62	0	0	0	18	10	9.4	Domestic: all liquid waste oil and solid waste paint are recycled
	Incineration		6	7	7	0	0	0	18	10	9.4	
	Recycling		49	83	55	0	0	0	0	0	0	
			0	0	0	0	0	0	0	0	0	

Use of Hazardous Chemical Substances

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Hazardous Chemical Substances	Consumption of Hazardous Chemical Substances	kg	101,017	144,863	177,250	0	0	0	12,960	11,640	15,875	Domestic operations: The calculation basis was revised to reflect CO ₂ gas and propane gas (LPG) emissions. ITAC: As CO ₂ gas and propane gas are not classified as hazardous substances in the United States, hazardous substance usage is reported as zero.

ESG Factbook

Environmental

Environmental Performance

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ESG Factbook

Social

Workforce Composition

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Number of Employees			459	466	459	439	353	331	218	239	181	Domestic: based on the employee roster in the internal HR system (different from the Business Report)
By Form of Employment	Permanent Employees	persons	370	394	394	439	353	331	120	104	90	
	Contract Employees		89	72	65	0	0	0	98	135	91	
By Gender	Male		344	369	367	287	235	222	109	95	83	Reporting basis by gender: permanent employees
	Ratio of Male Employees	%	94.3	94.6	93.1	65.0	67.0	67.1	89.9	90.5	92.2	
	Female	persons	26	25	27	152	118	109	11	9	7	
	Ratio of Female Employees	%	5.7	5.4	6.9	35.0	33.0	32.9	10.1	9.5	7.8	
By Rank	Total Executives	persons	8	9	10	3	3	4	1	0	0	Reporting basis by position: permanent employees
	Male Executives		7	8	9	3	3	4	1	0	0	
	Ratio of Male Executives	%	87.5	88.9	90	100	100	100	100	0	0	
	Female Executives	persons	1	1	1	0	0	0	0	0	0	
	Ratio of Female Executives	%	12.5	11.1	10	0	0	0	0	0	0	
	Total Managers	persons	106	120	124	15	16	22	32	29	23	
	Male Managers		97	111	115	13	14	18	24	21	17	
	Ratio of Male Managers	%	91.5	92.5	92.7	87.0	87.0	82.0	75.0	72.4	73.9	
	Female Managers	persons	9	9	9	2	2	4	8	8	6	
	Ratio of Female Managers	%	8.5	7.5	7.3	13.0	13.0	18.0	25.0	27.6	26.1	
	Total Non-managerial Employees	persons	256	265	260	421	334	305	91	75	67	
	Male Non-managerial Employees		240	250	243	271	218	200	84	74	66	
	Ratio of Male Non-managerial Employees	%	93.8	94.3	93.5	64.4	65.3	66.0	92.3	98.7	98.5	
	Female Non-managerial Employees	persons	16	15	17	150	116	105	7	1	1	
	Ratio of Female Non-managerial Employees	%	6.2	5.7	6.5	35.6	34.7	34.0	7.3	1.3	1.5	

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Social

Workforce Composition

	Category	Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
By age	Under 30	persons	-	-	-	49	32	39	3	2	1	Reporting basis by age: permanent employees
	30-50		266	266	254	229	178	157	113	98	79	
	50 and above		62	68	93	161	143	135	4	4	10	
Average Length of Service	Average Years of Service	years	8 years 2 months	8 years 4 months	10 years 4 months	6 years 8 months	8 years	8 years 4 months	8 years 6 months	9 years 5 months	10 years 6 months	Domestic: years of service are calculated as of December 31 each year
Diversity	Employees with Disabilities	persons	15	15	12	0	0	0	2	2	2	Local youth: employees aged 34 or under residing in Gyeongsangbuk-do; employees without a registered address in the HR system are excluded
	Percentage of disabled	%	3.3	3.2	2.6	0	0	0	1.7	1.9	2.2	
	Foreign Employees	persons	0	0	0	68	67	65	5	4	3	
	Local youth		persons	34	32	43	28	27	0	0	0	

New hires

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Total New Hires		persons	133	95	69	135	49	133	0	0	0	Includes non-regular employees
Gender	Male		123	87	63	96	34	101	0	0	0	
	Female		10	8	6	39	15	32	0	0	0	
By age	Under 30		50	34	26	40	14	68	0	0	0	
	30–50		45	36	25	83	23	48	0	0	0	
	50 and above		38	25	18	12	12	17	0	0	0	
Youth employees	Total No. of Employees		19	52	39	59	16	68	0	0	0	ITAC: under 30 years old
	Regular Employee Conversion Rate	%	42	75	44	100	100	100	0	0	0	

ESG Factbook

Social

Employee Turnover

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Total Employee Turnover		persons	93	78	72	295	195	160	2	26	2	Includes non-regular employees. Domestic: 18 employees were fixed-term contract workers
By Type	Voluntary Turnover	persons	93	78	54	245	45	112	1	1	2	
	Involuntary Turnover	persons	0	0	18	50	150	48	1	25	0	
	Turnover Rate	%	20.3	16.8	15.7	51.0	49.0	48.0	1.6	20.0	2.2	
Gender	Male	persons	86	69	64	200	122	118	2	22	2	
	Female	persons	7	9	8	95	73	42	0	4	0	
By age	Under 30	persons	42	17	25	120	53	56	0	0	0	
	30–50	persons	15	24	24	134	98	68	2	26	1	
	50 and above	persons	36	37	23	41	44	36	0	0	1	
By position	Executives	persons	2	0	0	0	0	1	0	0	0	
	Managers	persons	35	25	9	22	22	20	1	6	2	
	Non-managerial Employees	persons	56	53	63	273	173	139	1	20	0	

Employee Compensation

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Average Total Compensation per Employee			65,546,396	69,166,164	76,068,111	33,719	51,342	53,124	7,865	7,882	10,110	Compensation ratio: based on permanent employees Unit for ITAC employee compensation: USD Unit for Beijing ILJI employee compensation: CNY
Executive Compensation	Average Base Salary of Male Executives		100,432,920	119,485,011	140,333,379	99,914	282,010	164,761	0	0	0	
	Average Total Compensation of Male Executives		137,387,470	146,542,328	166,643,448	109,398	285,188	171,096	0	0	0	
	Average Base Salary of Female Executives		96,000,000	104,500,020	130,000,080	0	0	0	0	0	0	
	Average Total Compensation of Female Executives		109,566,660	133,066,600	156,566,750	0	0	0	0	0	0	
Manager Compensation	Average Base Salary of Male Managers	KRW	44,885,397	47,961,473	50,411,382	54,129	80,642	82,381	9,589	8,578	9,523	
	Average Total Compensation of Male Managers		66,676,352	71,395,992	77,227,614	61,079	87,295	93,163	12,692	12,034	15,530	
	Average Base Salary of Female Managers		41,816,229	44,134,500	45,352,578	58,614	64,184	66,992	4,348	4,404	4,937	
	Average Total Compensation of Female Managers		61,394,771	66,232,341	67,915,951	69,065	76,289	78,561	7,413	8,025	9,773	
Non-managerial Employee Compensation	Average Base Salary of Male Non-managerial Employees		28,651,172	30,208,455	32,764,074	31,282	47,254	46,801	3,056	3,115	3,183	
	Average Total Compensation of Male Non-managerial Employees		63,305,579	67,178,860	73,429,423	33,750	51,365	51,597	6,303	6,175	8,697	
	Average Base Salary of Female Non-managerial Employees		30,015,770	33,451,613	36,290,353	25,765	35,961	40,769	2,997	3,049	3,089	
	Average Total Compensation of Female Non-managerial Employees		46,616,336	52,339,756	57,686,609	28,130	39,578	45,544	5,053	5,294	6,442	

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Social

Compensation Ratio

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Overall Gender Compensation Ratio		%	81.4	88.3	88.9	79.5	70.6	82.6	65.6	73.1	66.9	Compensation ratio: based on permanent employees
Executive Compensation	Ratio of Female to Male Compensation		79.8	90.8	94.0	0	0	0	0	0	0	
Manager Compensation	Ratio of Female to Male Compensation		92.1	92.8	87.9	113.1	87.4	84.3	58.4	66.7	62.9	
Non-managerial Employee Compensation	Ratio of Female to Male Compensation		73.6	77.9	78.6	83.4	77.1	88.3	80.2	85.7	74.1	

Employee Benefits

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Total Employee Benefits Expenses		KRW million	4,414	4,997	4,986	3,006,776	3,154,695	3,527,153	2,470,692	2,007,584	1,759,691	ITAC employee benefit expense unit: USD Beijing ILJI employee benefit expense unit: CNY
Average Employee Benefits Expenses Per Employee			9.6	10.7	10.9	4,041	5,664	10,656	7,345	8,962	10,474	
Parental Leave	Number of Employees Taking Parental Leave	persons	2	0	3	0	4	0	0	0	0	Domestic: Based on the date of parental leave application
	Number of Employees Returning from Parental Leave			1	0	0	4	0	0	0	0	
	Retention Rate After 12 Months of Returning from Parental Leave	%	100	100	0	0	100	0	0	0	0	Of the three employees in 2025, one left the company and two remain on parental leave

ESG Factbook

Social

Employee Training

Category	Unit	Domestic			ITAC			Beijing ILJI			Remarks
		2023	2024	2025	2023	2024	2025	2023	2024	2025	
Overall Training Status	Total Training Hours	hours	8,194	12,314	13,827	2,240	2,280	1,165	415	287	Domestic: based on cumulative hours (statutory mandatory training + GPC + Hunet + leadership training + English training + employee well-being lectures + transparency and ethics training)
	Total Training Expenses	KRW million	0	0	18	2,000	2,000	2,000	14,200	13,000	
	Training Hours Per Employee	hours	18	26	30	4	4	4	5.3	1.7	
	Total Employees Trained (excluding duplicates)	persons	459	465	458	80	80	80	218	239	
	Training Participation Rate	%	100	100	100	100	100	100	100	100	
Statutory Mandatory Training	Training hours	hours	15	15	15	4	4	4	1,005	263	Domestic: average training hours per employee
	Number of participants	persons	459	465	458	80	80	80	218	239	
Global Partnering Center (GPC) Job Training	Training hours	hours	17	18	17.9	0	0	0	-	-	Domestic: average training hours per employee
	Number of participants	persons	77	103	73	0	0	0	-	-	
Competency Training (Hunet)	Training hours	hours	0	19	20	0	0	0	-	-	Domestic: average training hours per employee
	Number of participants	persons	0	175	179	0	0	0	-	-	
Transparency & Ethics Training	Training hours	hours	0	2	2	0	0	0	-	-	Domestic: average training hours per employee
	Number of participants	persons	0	80	83	0	0	0	-	-	
ESG/Sustainable Management-Related Training	Training hours	hours	0	11	8 hours in the first half / 3 hours in the second half	-	2	4	0	0	20
	Number of participants	persons	0	54	48 participants in the first half / 192 participants in the second half	-	56	80	0	0	21

ESG Factbook

Social

Social Dialogue

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Collective Agreement	Number of Employees Covered by Collective Agreements	persons	200	200	195	0	0	0	115	100	87	
	Collective Agreement Coverage Rate	%	100	100	100	0	0	0	93	81	97	
Labor Union	Number of Employees Eligible for Labor Union Membership	persons	200	200	195	0	0	0	115	100	87	Domestic: based on production employees
	Number of Labor Union Members		200	200	195	0	0	0	115	100	87	
	Labor Union Membership Rate	%	100	100	100	0	0	0	100	100	100	
Labor-Management Council Meetings		Times	4	4	4	11	11	11	0	0	0	[Labor-Management Council Meetings] Domestic: Labor-Management Council ITAC: Roundtable Meeting
Grievances Received	Number of Grievances Filed	cases	1	0	0	0	0	0	0	0	0	
	Number of Grievances Addressed		1	0	0	0	0	0	0	0	0	
	Average Response Time	days	37	-	-	0	0	0	0	0	0	

ESG Factbook

Social

Health & Safety Performance

	Category	Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Work-related injuries	Lost Time Injury (LTI)	cases	2	3	1	4	3	4			0	As of 2025, a total of four lost-time injuries (LTIs) occurred, and the total hours worked were 1,864,355 hours. The resulting lost-time injury frequency rate (LTIFR) was calculated as follows: Calculation: $(4 \div 1,864,355) \times 1,000,000 = 2.15$ Domestic operations: Based on data retrieved from the Korea Occupational Safety and Health Agency (KOSHA). Beijing ILJI: Based on received workplace accident reports.
	LTIFR		1.98	2.79	1.00	3.32	2.05	2.15	12.32	12.82	0	
		%										
	Accident rate		0.54	0.46	0.4	6.95	3.55	2.25	0.03	0.02	0	
	Total Employee Working Hours	hours	1,014,938	1,026,263	999,509	1,204,697	1,463,386	1,864,448	646,978	589,168	545,938	
	Number of injuries	persons	2	3	1	49	25	21	9	8	0	
	Number of fatalities			1	0	0	0	0	0	0	0	
Safety Training Performance												[2025] Domestic operations: 3,688 training hours for production employees and 1,812 training hours for office employees at the headquarters Domestic operations: 1,888 training hours for production employees and 513 training hours for office employees at the Gyeongju plant → Domestic operations: 5,576 training hours for production employees and 2,325 training hours for office employees
	Total Training Hours	hours	6,653	5,602	7,901	4,000	4,000	4,000	724	190	74	
	Total Number of Trainees	persons	2,598	2,193	3,258	705	705	705	312	165	67	Domestic operations: Based on cumulative headcount (Headquarters: 2,146 persons / Gyeongju plant: 1,112 persons)
	Training Hours Per Employee	hours	2.6	2.6	2.4	5.7	5.7	5.7	2.3	1.2	1.1	

ESG Factbook

Social

Partners

Category		Unit	Domestic			Remarks
			2023	2024	2025	
Shared Growth	Total Number of Partner Companies	companies	36	36	37	As of 2025, Materials Team 1 managed a total of 23 suppliers related to parts procurement, while the Development Team managed a total of 14 suppliers.
	Amount Purchased by All Partner Companies	KRW million	67,618	77,753	82,382	
	Number of Major Partner Companies	companies	13	13	13	As of 2025, Materials Team 1 managed 8 press and welding suppliers among all suppliers related to parts procurement, while the Development Team managed 5 key suppliers.
	Amount Purchased by Major Partner Companies	KRW million	52,942	60,303	62,773	
	Competency Training for Employees of Partner Companies	companies or persons	17	17	17	Selection of Parts Procurement Suppliers
Supply Chain Risk Assessment	Companies Subject to Risk Assessment	companies	8	8	8	Selection of Eight Suppliers in the Press Parts Supply Chain
	Companies Assessed		8	8	8	
	Assessment Rate	%	100	100	100	Evaluation rate: percentage of the eight suppliers assessed

Social Contribution

Category		Unit	Domestic			Remarks
			2023	2024	2025	
Total Social Contribution Donations		KRW million	9.6	11.6	11.6	
Social Contribution Donations	Gyeongsan Senior Welfare Center		3.6	3.6	3.6	
	House of Angels		4.0	4.0	4.0	
	Gyeongsan Council of Disability Welfare Groups		2.0	4.0	4.0	
Employee Volunteer Activities	Number of Volunteer Activities	Times	-	2	2	
	Number of participants	persons	-	34	34	
	Volunteer Hours	hours	-	4	16	

ESG Factbook

Social

Local Communities

Category		Unit	Domestic			Remarks
			2023	2024	2025	
Total Contributions to Associations			4.35	5.35	5.55	Association contributions: domestic disclosure
Contributions to Associations	Daegu-Gyeongbuk Environmental Technicians Association	KRW million	0.25	0.25	0.25	
	Korea Safety Technology Association(KSTA)		0.4	0.4	0.4	
	Safety Managers Association		0.2	0.2	0.4	
	Gyeongbuk PRIDE Company CEO Association		1.5	1.5	1.5	
	World Class 300 Companies Association		2.0	3.0	3.0	
Total Sponsorships to Organizations			15.3	16.7	15.6	Organizational sponsorships: domestic disclosure
Sponsorships to Organizations	Gyeongsan Chamber of Commerce and Industry		15.3	16.7	15.6	Chamber of Commerce Membership Fees

Customer

Category	Unit	Domestic			ITAC			Beijing ILJI			Remarks	
		2023	2024	2025	2023	2024	2025	2023	2024	2025		
Customer Satisfaction	cases	Number of Complaints Received	13	2	1	16	12	10	0	0	0	Domestic: Customer nonconformities (number of incoming defects) ITAC: Based on HMMA customer nonconformity notifications and registrations”
		Number of Complaints Handled	13	2	1	16	12	10	0	0	0	Domestic: Number of corrective actions for customer nonconformities (number of improvements made for incoming defects) ITAC: Based on the establishment of corrective action plans and verification of their effectiveness
		Processing Rate	%	100	100	100	100	100	100	0	0	0

Status of Non-Compliance with Other Social and Economic Laws

[illegible]

ESG Factbook

Governance

Board Structure

Category		Unit	Domestic			Remarks
			2023	2024	2025	
Board of Directors Performance	Total Meetings Held	cases	19	19	20	
	Items Resolved		19	19	20	
	Items Reported	Items	0	0	0	
	Items Revised		0	0	0	
	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	
	Independent Directors		3	3	3	

Distribution of economic performance

Category		Unit	Domestic			Unit	ITAC			Unit	Beijing ILJI			Remarks
			2023	2024	2025		2023	2024	2025		2023	2024	2025	
Nation	Corporate Tax		2,469	2,182	4,659		704,711	2,734,778	503,575		-	-	-	The 2023 and 2024 figures were revised based on the amounts reported in the corporate income tax returns.
Shareholders	Dividends	KRW million	-	1,321	1,981	USD	0	0	0	CNY	-	-	-	
"Partner Companies (All)"	Procurement cost		67,618	77,753	82,382		254,635,838	244,384,258	245,752,298		-	-	-	As of 2025: Materials Team 1 (23 suppliers related to parts procurement) and Development Team (14 suppliers in total)
Employees	Labor cost		29,365	33,113	33,937		55,941,898	52,946,792	48,757,480		-	-	-	

ESG Factbook

Governance

Technological Competitiveness (Domestic)

Category		Unit	Domestic			Remarks
			2023	2024	2025	
Research and Development	R&D Investment	KRW thousand	23,832,318	18,400,389	19,297,256	
	R&D Expenditure vs Sales	%	4.8	3.8	3.1	
“Intellectual Properties	“Intellectual Properties Owned (Registered)	cases	55	65	62	
	Patents (Registered)	cases	48	55	52	

Ethics & Fair Trade

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Ethics Training	Ethics Training Hours	hours	0	2	2	-	-	0	-	-	-	
	Participants	persons	0	80	83	-	-	0	-	-	-	
Ethical Management	Number of Ethics Violations	cases	0	0	0	0	0	0	0	0	0	
Fair Trade	Number of Fair Trade Violations	cases	0	0	0	0	0	0	0	0	0	

Information Security

Category		Unit	Domestic			ITAC			Beijing ILJI			Remarks
			2023	2024	2025	2023	2024	2025	2023	2024	2025	
Data Protection Training	Staff Required to Undergo Data Protection Training	persons	226	First half: 196 / Second half: 183	First half: 191 / Second half: 195	-	-	0	-	-	-	
	“Staff Who Completed Data Protection Training”	persons	226	First half: 196 / Second half: 183	First half: 191 / Second half: 195	-	-	0	-	-	-	
Data Security Breaches	Number of Data Breaches	cases	0	0	0	-	1	0	0	0	0	



Appendix

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GRI Standards Index

Statement of use ILJI TECH has reported its ESG management performance for the period from January 1 to December 31, 2025, with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

Applicable GRI sector Standards As of June 2026, the publication date of this report, there are no applicable GRI Sector Standards for ILJI TECH.

Universal Standards

GRI Standards	Disclosure	Content	Page	Remarks
General Disclosures 2021				
GRI 2 : The Organization and Its Reporting Practices	2-1	Organizational details	6-8	
	2-2	Entities included in the organization's sustainability reporting	2, 7	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	103, 104	Information restated due to the correction of data errors and recalculation following changes in calculation criteria
	2-5	External assurance	123	
GRI 2 : Activities and Workers	2-6	Activities, value chain and other business relationships	10-14	
	2-7	Employees	106	
	2-8	Workers who are not employees	106	
GRI 2 : Governance	2-9	Governance structure and composition	87, 89	
	2-10	Nomination and selection of the highest governance body	87-88	
	2-11	Chair of the highest governance body	87	
	2-12	Role of the highest governance body in overseeing the management of impacts	16	
	2-13	Delegation of responsibility for managing impacts	16	
	2-14	Role of the highest governance body in sustainability reporting	16	
	2-15	Conflicts of interest	88	
	2-16	Communication of critical concerns	88	
	2-17	Collective knowledge of the highest governance body	88	
	2-18	Evaluation of the performance of the highest governance body	-	Disclosure omitted from this report due to difficulties in disclosure
	2-19	Remuneration policies	Business Report p.200-202	
	2-20	Process to determine remuneration	Business Report p.200-202	
	2-21	Annual total compensation ratio	-	Confidential information
	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	45, 63, 66, 83	
GRI 2 : Strategy, Policies and Practices	2-24	Embedding policy commitments	45, 63, 66, 83	
	2-25	Processes to remediate negative impacts	18-19, 28, 33-34, 39-40, 85, 91, 94-95	
	2-26	Mechanisms for seeking advice and raising concerns	85, 91	
	2-27	Compliance with laws and regulations	104	
	2-28	Membership associations	123	
	2-29	Approach to stakeholder engagement	24	
GRI 2 : Stakeholder Engagement	2-30	Collective bargaining agreements	111	

GRI Standards Index

Universal Standards

GRI Standards	Disclosure	Content	Page	Remarks
Material Topics 2021				
GRI 3: Material Topics	3-1	Process to determine material topics	21	
	3-2	List of material topics	22-23	
GRI Standards	Disclosure	Content	Page	Remarks
Energy Efficiency and Renewable Energy Management				
GRI 3: Material Topics	3-3	Management of material topics	26-35, 103	
GRI 302: Energy	302-1	Energy consumption within the organization	35, 103	
	302-3	Energy intensity	103	
	302-4	Reduction of energy consumption	103	
Occupational Safety and Health Management				
GRI 3: Material Topics	3-3	Management of material topics	36-44, 112	
GRI 403: Occupational Health and Safety Management	403-1	Occupational health and safety management system	36	
	403-2	Hazard identification, risk assessment, and incident investigation	39-40	
	403-3	Occupational health services	40-44	
	403-4	Worker participation, consultation, and communication on occupational health and safety	42	
	403-5	Worker training on occupational health and safety	41	
	403-6	Promotion of worker health	43	
	403-7	“Prevention and mitigation of occupational health and safety impacts directly linked by business relationships”	40-44	
	403-9	Work-related injuries	112	

GRI Standards	Disclosure	Content	Page	Remarks
Sustainable Supply Chain Management				
GRI 3: Material Topics	3-3	Management of material topics	45-50	
GRI 308: Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	48-50	
Product Safety and Quality Assurance				
GRI 3: Material Topics	3-3	Management of material topics	51-55	
Non-GRI				
Reduction of Greenhouse Gas Emissions				
GRI 3: Material Topics	3-3	Management of material topics	51-55	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	35, 102	
	305-2	Energy indirect (Scope 2) GHG emissions	35, 102	
	305-3	Other indirect (Scope 3) GHG emissions	102	
	305-4	GHG emissions intensity	102	
	305-5	Reduction of GHG emissions	33-34	
Research and Development and Technological Innovation				
GRI 3: Material Topics	3-3	Management of material topics	56-59	
Non-GRI				

GRI Standards Index

GRI 200: Economic

GRI Standards	Disclosure	Content	Page	Remarks
Topic Disclosures				
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	98-101	
	201-2	Financial implications and other risks and opportunities due to climate change	30 ~ 32	
	201-4	Financial assistance received from government	59	
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	82	
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	92	
	205-3	Confirmed incidents of corruption and actions taken	114	

GRI 300: Environmental

GRI Standards	Disclosure	Content	Page	Remarks
Topic Disclosures				
GRI 301: Materials	301-1	Materials used by weight or volume	103	
	301-2	Recycled input materials used	103	
GRI 303: Water and Effluents	303-1	Interactions with water as a shared resource	64	
	303-3	Water withdrawal	103	
	303-5	Water consumption	103	
GRI 306 : Waste	306-2	Management of significant waste-related impacts	70	
	306-3	Waste generated	70, 104	
	306-4	Waste diverted from disposal	70, 104	
	306-5	Waste directed to disposal	70, 104	

GRI 400: Social

GRI Standards	Disclosure	Content	Page	Remarks
Topic Disclosures				
GRI 401: Employment	401-1	New employee hires and employee turnover	106-107	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	80	
	401-3	Parental leave	109	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	109	
	404-2	Programs for upgrading employee skills and transition assistance programs	76	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	105-106	
	405-2	Ratio of basic salary and remuneration of women to men	108	
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	85	
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	111	
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	82	
GRI 414: Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	47-49	

SASB Index

Auto Parts

Topic	Code	Description	Page
Table 1. Sustainability Disclosure Topics & Metrics			
Energy Management	TR-AP-130a.1	(1) Total energy consumed	p. 103
		(2) Percentage of grid electricity	p. 103
		(3) Percentage of renewable energy	p. 103
Waste Management	TR-AP-150a.1	(1) Total amount of waste from manufacturing	p. 104
		(2) Percentage hazardous	p. 104
		(3) Percentage recycled	p. 104
Product Safety	TR-AP-250a.1	Number of recalls issued	-
		Total units recalled	-
Fuel Economy & Emissions in Use-phase	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	p. 71
Materials Efficiency	TR-AP-440b.1	Percentage of products sold that are recyclable	-
	TR-AP-440b.2	Percentage of input materials from recycled or remanufactured content	p. 103
Anti-competitive Behavior	TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	p. 114
Table 2. Activity Metrics			
Number of Parts Produced	TR-AP-000.A	Number of parts produced	8, 101
Weight of Parts Produced	TR-AP-000.B	Weight of parts produced	-
Area of Manufacturing Plants	TR-AP-000.C	Area of manufacturing plants	-

TCFD & UN SDGs Index

TCFD

Category	Description	Page
Governance	Board's oversight of climate-related risks and opportunities	26
	Management's role in assessing and managing climate-related risks and opportunities	26
Strategy	Climate-related risks and opportunities the organization has identified over the short, medium, and long term	30 ~ 34
	Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	30 ~ 34
	Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	29
	The organization's processes for identifying and assessing climate-related risks	33 ~ 34
Risk Management	The organization's processes for managing climate-related risks	33 ~ 34
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	19, 30 ~ 34
	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	30 ~ 34
Metrics and Targets	Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions and the related risks	35, 102
	Targets used by the organization to manage climate-related risks and opportunities and performance against targets	35

UN SDGs

UN SDGs	Page
 Goal 3 Ensure healthy lives and promote well-being for all at all ages	79 ~ 80
 Goal 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	75 ~ 77
 Goal 5 Achieve gender equality and empower all women and girls	83 ~ 84
 Goal 6 Ensure availability and sustainable management of water and sanitation for all	64
 Goal 7 Ensure access to affordable, reliable, sustainable and modern energy for all	33 ~ 35
 Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	73 ~ 74
 Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	82
 Goal 10 Reduce inequality within and among countries	90 ~ 92
 Goal 12 Ensure sustainable consumption and production patterns	65, 69 ~ 71
 Goal 13 Take urgent action to combat climate change and its impacts	26 ~ 35
 Goal 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss	66 ~ 68
 Goal 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels	82

Membership Status and Major Awards

Association and Organization Memberships

Association/Organization	Description	Year Joined
Daegu-Gyeongbuk Environmental Technicians Association	As an environmental organization in the Daegu-Gyeongbuk region, it supports business environmental operations, facilitates environmental information exchange, and engages in activities for regular association members	2024
Korea Safety Technology Association (KSTA)	A comprehensive safety technology organization responsible for safety training, construction inspections, safety assessments, and consulting services	2024
Dongguk University Gyeongju Hospital	College of Medicine	2023
Korean Confederation of Trade Unions Gyeongju Regional Council	A council for the Establishment and Development of Labor-Management Culture in the Gyeongju Region	2023
Gyeongju Human Resources and Labor Management Association	A nonprofit organization established to foster a sound labor-management culture in companies	2023
Gyeongsangbuk-do Exporters Association	By collaborating with export-related organizations in Gyeongsangbuk-do, the association provides mutual cooperation channels among local export companies, offers information on overseas market development, supports various export assistance programs, and fosters export companies through export capacity-building training	2021
Korea Diecasting Society (KDS)	Improving the quality and productivity of diecasting parts and developing the diecasting workforce	2021
Automotive Component Test Regional Innovation Center (ACT-RIC)	Testing, evaluation, and analysis of products from the local automotive component industry	2021
Gyeongbuk Technopark Foundation	Establishment of an organic collaboration system among industry, academia, research institutes, and government in the Gyeongbuk region	2021
Safety Managers Association	An organization for information exchange and the enhancement of safety management tasks among members within the jurisdiction of the Daegu Regional Labor Office	2019
Korea Industrial Safety Association	A nonprofit public corporation established to promote safety and health in industrial workplaces and prevent industrial accidents	2019
Gyeongbuk PRIDE Company CEO Association	Establishing a mutual cooperation system among the CEOs of the best small and medium-sized enterprises (SMEs) in Gyeongsangbuk-do, supporting job creation, and assisting technology development companies to foster a healthy industrial ecosystem	2018
Daegu-Gyeongbuk Future Business Leaders Association	Fostering camaraderie among members, enhancing capabilities, and increasing activity	2018
Korea Electrical Engineers Association (KEEA)	Promoting the research and development of power technology, improving the quality of power facilities, and fostering the education, training, management, and welfare of electrical engineers to contribute to the development of the national industry	2016, 2018, 2022, 2024
World Class 300 Companies Association	An organization that aims to foster 300 “World Class” companies by providing a package of support measures for SMEs and mid-sized enterprises with growth potential and the desire to expand into global markets	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	Fostering camaraderie among members, enhancing capabilities, and increasing activity	2016
Korea Automobile Manufacturers Association (KAMA)	Publications, Internet Database (automotive-related statistics and reports), and monthly journals, including overseas industry news	2015
Gyeongsan Chamber of Commerce and Industry	An organization dedicated to the improvement and development of commerce and industry, as well as the balanced development of the local community and the growth of the regional economy	2005

Membership Status and Major Awards

Certifications

Certification	Description	Certification Period	Issuer
Certificate of Strong Small and Medium-sized Enterprises (Strong SME Certificate)	2024 Strong SMEs Selected by the Ministry of Employment and Labor	May. 2024 ~ Apr. 2025	Ministry of Employment and Labor
Certificate of Origin Certification Exporter by Company	Certification of Origin Certification Exporter by Company in accordance with Article 12, Paragraph 1 of the "Act on the Special Provisions for Common Law Implementation of Free Trade Agreements"	Mar. 2023 ~ Mar. 2028	Daegu Customs Director
ISO 14001	Environmental Management System, an international standard certification for management activities aimed at improving environmental performance throughout all processes of a company's operations	Jun. 2022 ~ Jun. 2025	Korean Standards Association (KSA)
ISO 45001	Occupational Health and Safety Management System, an international standard that specifies the requirements for systematically managing workplace safety and health by predicting and preventing various risks that may occur in the workplace, ultimately contributing to the company's profitability	Oct. 2022 ~ Oct. 2025	Korean Standards Association (KSA)
AEO (Authorized Economic Operator) Certificate for Outstanding Export/Import Safety Management Companies	Certification of Outstanding Export/Import Safety Management Companies in Compliance with the World Customs Organization's International Standards for Trade Safety and Facilitation	Apr. 2020 ~ Apr. 2025	Korea Customs Service
World Class 300	Selection of Companies for the World Class 300 Project Support Program	Jun. 2016 ~ Present	Small and Medium Business Administration (SMBA)

Awards

Award Date	Award Details	Awarding/Organizing Institution
Jul. 2024	Awarded the Industrial Peace Award in the Worker Category	Gyeongsangbuk-do, Yeongnam Ilbo
Apr. 2024	Certificate of Commendation for Contribution to Labor-Management Harmony and Productivity Improvement	Gyeongju City
Dec. 2023	Certificate of Commendation for Model Members of the Gyeongju Human Resources and Labor Management Association	Gyeongju Human Resources and Labor Management Association
Oct. 2021	Merit Award for Contribution to the Development of the Machinery, Robotics, and Aerospace Industries	Ministry of Trade, Industry and Energy
Oct. 2021	Regional Industry Development Merit Award	Ministry of Trade, Industry and Energy
Apr. 2020	Fair Trade Merit Award	Ministry of the Interior and Safety

Independent Third-Party Assurance Statement

The Management and Stakeholders of ILJI TECH CO., LTD

Overview

The BSF Co., Ltd. (hereinafter referred to as “BSF” or the “Assurer”) was requested to verify the 2026 Sustainability Report of ILJI TECH CO., LTD. (hereinafter referred to as “ILJI TECH”). The management of ILJI TECH is responsible for managing the relevant information contained within the scope of assurance. The Assurer’s responsibility is to review whether the data within the defined scope of assurance are free from material misstatement due to fraud or error, form a conclusion based on the evidence obtained, and issue an independent assurance opinion statement to the management and stakeholders.

Verification Scope and Criteria

The Report covers ILJI TECH’s ESG-related organizational performance and activities for the period from January 1 to December 31, 2025. The assurance engagement applied the internationally recognized AA1000 AS(Assurance Standard) v3 (2020) and was conducted in accordance with AA1000AS using a Type 1 approach at a Moderate level of assurance. Accordingly, the Assurer assessed ILJI TECH’s adherence to the four principles set out in the AA1000 AccountAbility Principles (2018)—Inclusivity, Responsiveness, Materiality, and Impact—and confirmed that the Sustainability Report was prepared in accordance with the GRI Standards, an internationally recognized sustainability reporting framework. The materiality criterion was based on the expert opinion of the assurance team. The scope of assurance included evaluating compliance with the reporting requirements of the GRI Standards 2021. The Assurer further reviewed and confirmed that the Topic Standards of the GRI Standards 2021 linked to the material topics identified through the materiality assessment are as follows.

| GRI Standards Application Level |

- GRI Standards 2021 Disclosure Principles
- Universal Standard
 - GRI 1-Foundation
 - GRI 2-General
 - GRI 3-Material Topics
- Topic-Specific Standard
 - Economic Performance 201, 203, 205
 - Environmental Performance 302, 303, 305, 306
 - Social Performance 401, 403, 405, 406, 407, 414

Verification method

The report verification method was performed as follows.

- Review the data provided by ILJI TECH
- Identify the sustainability strategy implementation process and systems for implementation
- Conduct an interview with the responsible person of the report
- Review the process of generating, collecting, and reporting specific data for performance information

Verification Result

The assurance team reviewed the contents of the draft Report and provided comments. The final version of the Report was subsequently reviewed to confirm that the recommended revisions and improvements had been appropriately reflected. Based on the assurance procedures performed, the assurance team concluded that the Sustainability Report of ILJI TECH was prepared in accordance with the GRI Standards. No inappropriate matters were identified with respect to adherence to the principles set out in the AA1000AP(2018).

The assurance team’s conclusions regarding each principle are as follows.

Independent Third-Party Assurance Statement

| AA1000AP Four Principles |

The Principle of Inclusivity

ILJI TECH defines its key stakeholder groups as employees, customers, communities, government and local authorities, and provides various participation and communication channels to facilitate stakeholder engagement. Key concerns identified through stakeholder engagement are also reflected in the materiality assessment process, thereby enhancing stakeholder participation in the development of the company's key policies.

The Principle of Materiality

ILJI TECH has established strategies related to sustainable management and a process for identifying reporting issues. By applying a double materiality assessment, the company considered both the economic, environmental, and social impacts of major ESG issues and their financial impacts. Based on the assessment, 6 material issues were identified, and the relevant process is disclosed in the Report.

The Principle of Responsiveness

ILJI TECH has established a management process for the material issues identified through the materiality assessment. The assurance team also confirmed that ILJI TECH operates an ESG Task Force through which decisions are made on current ESG issues.

The Principle of Impact

ILJI TECH provides detailed disclosures on the background for selecting material topics that reflect stakeholder interests and expectations, as well as the status of their implementation. To effectively manage the environmental and social impacts of its business activities and support better decision-making, ILJI TECH reports the results of its analysis of impacts, risks, and opportunities, together with response strategies for each issue. Through this process, the company analyzes and identifies the value created for its stakeholders.

Reliability and quality of specific sustainability performance information

In addition to assessing adherence to the four principles, the assurance team conducted a reliability assessment of economic, environmental, and social performance information related to sustainability performance. Interviews were conducted with the relevant personnel, and the reliability of the information and data was confirmed through data sampling, supporting documents, external sources, and public databases. The assurance team did not find any concerns in the sustainability performance information.

Eligibility and independence

The Assurer consists of ESG experts, and BSF which was commissioned to be verified by ILJI TECH, is an AA1000 licensed verification body of Accountability UK. This verification was conducted by sufficient knowledge of ESG and expertise in verification and has no profit-making interest in ILJI TECH's business activities other than providing third-party verification services.



AA1000
Licensed Report
001-002/V3-ETNWL

June 2026, Seoul, South Korea

CEO **EunHee Cho**



Greenhouse Gas Verification Statement

Verification Opinion Statement

GHG Emissions Verification ILJI TECHNOLOGY CO., LTD.

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of ILJI TECHNOLOGY CO., LTD.¹⁾ (hereinafter 'Company') for 2022, 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters): 50 Gongdan 4-ro, Jillyang-eup, Gyeongsan-si, Gyeongsangbuk-do, Republic of Korea

Verification Purpose

The purpose is to provide an independent verification opinion on the company's voluntary GHG emissions inventories.

Verification Scope

The scope of verification covers all facilities and emission sources at four sites²⁾ under the operational control and organizational boundary of company during 2022, 2025.

2) Head office (Gyeongsan Plant), Gyeongju Plant, China Plant, America Plant

Verification Criteria

The verification was carried out at the request of the company using:

- ISO 14064-1:2018, ISO14064-3:2019
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Rule for emission reporting and certification of greenhouse gas emission trading Scheme (Notification No. 2025-64 of Ministry of Environment)
- Greenhouse Gas Management Manual for Hyundai Motor Company and Kia Suppliers

Verification Approach

The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the limited verification level. The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

- 1) GHG emissions Company were properly calculated according to the verification standards.
- 2) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found. The materiality assessment result of GHG emissions has met the agreed-upon criterion of less than 5%.
- 3) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Appendix. 2022, 2025 Emissions Calculation Results

Organization | ILJI TECHNOLOGY CO., LTD.

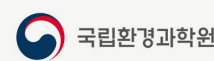
Emission calculation period | January 1st to December 31st, 2022 / January 1st to December 31st, 2025

Year	Sites	Scope 1	Scope 2	Total
2022	Gyeongsan Plant (Head Office)	59.196	5,862.883	5,922
	Gyeongju Plant	56.879	4,958.832	5,015
	China Plant	408.607	6,737.861	7,146
	Subtotal			18,083
2025	Gyeongsan Plant (Head Office)	55.888	5,502.528	5,558
	Gyeongju Plant	233.436	8,642.123	8,875
	China Plant	167.949	4,811.502	4,979
	America Plant	1,767.800	10,800.939	12,568
	Subtotal			31,980
	Total			50,063

March 26, 2026

Ji Young Song

CEO Ji-Young Song
Korean Foundation for Quality



Greenhouse Gas Verification Statement

Verification Opinion Statement

GHG Emissions Verification ILJI TECHNOLOGY CO., LTD.

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 3 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of ILJI TECHNOLOGY CO., LTD.) (hereinafter 'Company') for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address (based on headquarters) : 50, Gongdan 4-ro, Jillyang-eup, Gyeongsan-si, Gyeongsangbuk-do, Korea

Verification Purpose The purpose is to provide an independent verification opinion on the company's Scope3 emissions.

Verification Scope The verification covered seven emission categories²⁾ selected by the company during 2025.
2) Category 1, 2, 3, 4, 5, 6, 7

Verification Criteria The following criteria and coefficients used by the company were applied.

Criteria

- ISO 14064-1:2018, ISO14064-3:2019
- GHG Protocol Corporate Standard
- WBCSD/WRI, Corporate Value Chain (Scope 3) Accounting and Reporting Standard

Coefficient

- Environmental Product Declaration evaluation coefficient (2021)
- USEEIO v1.3 by NAICS-6
- UK Government GHG Conversion Factors for Company Reporting(2025)

Level of Assurance The verification has been conducted in accordance with the verification principles and standards of the 'ISO14064-3:2019' under the limited verification level.

Verification Limitation

GHG emissions verification involves inherent limitations that may arise depending on the organization's data characteristics, calculations and estimates, sampling method, and limited assurance level. Additionally, this verification does not include responsibility for the accuracy of the original data provided by the company.

Conclusion

Based on the criteria and guidelines stated above, KFQ's verification opinion is as follows.

1. GHG emissions of the company for 2025 were properly calculated based on the materials provided, and no material errors or omissions that could affect the verification opinion were identified.
2. The criteria and process established by the company for calculating GHG emissions were transparently documented in the internal calculation process to prevent potential misunderstandings.
3. Accordingly, KFQ provides a verification opinion that is "Unmodified".

Appendix. 2025 Scope 3 Emissions Calculation Results

Organization | ILJI TECHNOLOGY CO., LTD.

Emission calculation period | The emission calculation period is from January 1st to December 31st, 2025.

Scope 3 Emissions verification Results

Unit : tCO₂e_q

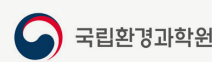
Category		Total emissions
1	Purchased goods & services	231,014.03
2	Capital goods	2,637.56
3	Fuel and Energy-related activities not included in Scope 1+2	3,838.88
4	Upstream transportation and distribution	6,539.25
5	Waste generated in operations	13.77
6	Business travel	178.56
7	Employee commuting	1,221.70
Total		245,443.75

* Because total emissions from each site are rounded, the company's total emissions may differ from the actual values by ± 1 tCO₂e_q.

June 18th, 2026

Ji Young Song

CEO Ji-Young Song
Korean Foundation for Quality



ILJI TECH Sustainability Report