

DL E&C Environmental Management Policy

DL E&C Environmental Management Policy

1. Environmental Management Philosophy

Recognizing the importance of environmental issues for sustainable growth, we are committed to protecting our environment and making improvements.

2. Environment & Energy Policy

Under our founding principles for which we act to "Create a Comfortable and Abundant Life" and "Promote Infinite Growth and Development," we have introduced the following policies on environment and energy to support Sustainable Green Construction.

- ◆ Establish measures to prevent environmental pollution and improve energy performance throughout the project.
- ◆ Comply with the domestic and overseas environment and energy laws and regulations and set strict internal standards.
- ◆ Conduct training to improve the environmental capabilities and energy performance of employees and suppliers.
- ◆ Develop eco-friendly technologies to create new environmental values.
- ◆ Conserve resources and improve energy efficiency through purchases and design of green products that focus on energy-saving and energy efficiency.
- ◆ Respond to climate change and improve energy efficiency through GHG emission and energy reduction activities.

We disclose this policy to stakeholders, set goals on environmental protection and energy conservation, and make continuous improvements in the management system through monitoring and review.

3. Scope of Application

At DL E&C, all staff of our headquarters, domestic and overseas business sites, and subsidiaries perform their work under our environmental policies. Furthermore, we encourage our suppliers, contractors, and joint ventures to ensure full compliance.

4. Organization

We expanded and reorganized the Governance Committee into the ESG Committee to ensure consistent and continuous environmental management. The ESG Committee deliberates in advance on major non-financial issues such as Environment (E), Society (S),

and Governance (G), key management decisions affecting shareholders' value among those requiring the resolution of the board of directors.

5. Environmental Management Policies

We engage in the following activities to reduce the environmental impact that occurs in the course of our business operation and expand its scope to our supply chain and suppliers.

◆ Eco-friendly Management of Production Activities/Business Facilities

We are committed to minimizing our environmental impacts such as waste, scattering dust, noise and vibration, and wastewater generated from our business activities and facilities for sustainable operation. We are planning environmental management by selecting construction processes and installing pollution prevention facilities to minimize environmental impacts while identifying environmental aspects and conducting impact analysis before starting construction. We have also established and managed standards and processes such as training, document and record management, as well as internal audit.

◆ Development of Products and Services

Recognizing the risks and opportunities in various environmental issues such as climate change and pollution, we are committed to minimizing our environmental impact through R&D activities when developing products and services. We are promoting the development of various eco-friendly technologies to meet consumers' needs for improving the quality of living and the Ministry of Land, Infrastructure and Transport's mandatory road map for zero energy construction. We are also focusing on designs with a high level of efficiency and eco-friendliness to realize zero-energy houses.

◆ Waste Management

We manage all stages of waste generation, storage and treatment to improve our recycling and reduce emissions. Separate storage is installed for different types of waste on our sites, and disposal is performed through licensed waste disposal companies. Furthermore, we have established and operated a smart waste management system, such as monitoring disposed wastes in real time by waste electronic handover system and providing information on local recycling service companies to the site.

◆ Management of Suppliers, Service Providers and Contractors

Recognizing the importance of cooperation between large and small businesses, we are committed to promoting mutual growth through continuous communication and support. To help our suppliers improve their environmental management, we operate the

D-EEP (DL-Environment Enhancement Program for Suppliers) for suppliers selected by construction type. Furthermore, we are working on reducing environmental risks throughout the supply chain by conducting assessments on our suppliers regularly. To strengthen their overall ESG management capabilities, we identify areas of weakness through current status analysis.

◆ Distribution and Logistics

At DL E&C, we prevent environmental pollution that may occur during transportation according to the guidelines. When selecting logistics suppliers, we make sure their logistics process is eco-friendly by reviewing their procedures. When it comes to chemical substances imported or exported for use at domestic/overseas sites, their MSDS is identified, and business procedures are established and managed so that chemical substances can be safely delivered to each site in accordance with local laws.

◆ Response to Climate Change

In response to climate change, we engage in various energy efficiency activities, setting carbon reduction targets and mid/long-term goals while monitoring GHG emissions. These activities are incorporated into each action group for active implementation.

◆ Due Diligence on Mergers and Acquisitions

We are taking a proactive approach to dealing with environmental risks by conducting due diligence on the mergers and acquisitions. The media assessment has been introduced and managed, and the results are reflected as important factors in mergers and acquisitions.

6. Environmental Management Strategy

In support of sustainable operations, we assess and analyze our environmental impacts in all areas of business activities, identify risks and opportunities, and reflect them in our business strategies. In order to identify environmental impacts at a company-wide level with a focus on the development of eco-friendly technologies and designs, green purchase, construction methods and process management, and green business promotion. We also take effective measures to prevent negative factors and drive global-level performance.

1) Reduction of GHG emissions

- Develop new carbon-negative projects and operate energy management systems
- Promote Green Habit lifestyles

- 2) Increase the recycling rate of waste and water resources
 - Promote Green Smart Construction based on BIM, IoT and AI
 - Develop Green Biz Models (e.g., Green Remodeling)

- 3) Increase purchase and production of green products
 - Establish environmental management programs for suppliers
 - Secure key Green Technologies