

BEYOND CABLE

TOWARD SUSTAINABLE WORLD

2024 GAON CABLE Sustainability Report

GAON
GAON CABLE

About this Report

| Overview

Gaon Cable is publishing its 2024 sustainability report in an effort to transparently communicate to our stakeholders the company's work toward creating financial and non-financial value and the related performance. This report includes the company's activities and related performance in regard to business management, the environment, society, and governance. In addition, footnotes are included to enhance transparency for our stakeholders by explaining revisions to financial and non-financial data, such as changes in aggregation criteria or reporting boundaries. Our sustainability report was first published in 2022, followed by the next report in 2023, and will be published on a regular basis so that information on the progress in these efforts can be shared with stakeholders.

| Reporting Guidelines

This report has been prepared in accordance with the GRI Standards 2021 and fulfills the AA1000 Accountability Principles of Inclusivity, Materiality, Responsiveness, and Impact.

| Reporting Period

The reporting period for this report is from January 1, 2023, to December 31, 2023, and for some significant qualitative achievements, it includes results up to the first half of 2024. Quantitative achievements disclose data for three years from 2021 to 2023 to keep track of performance trends.

| Reporting Scope and Boundary

The scope of this report is limited to Gaon Cable Co., Ltd., and the report discloses non-financial performance of its head office and domestic worksites : the Gunpo Plant (Power Cable Production Division) and the Jeonju Plant (Telecommunications Cable Production Division). Financial information is based on consolidated standards and in accordance with K-IFRS. In cases where the reporting scope of some data differs, the scope is separately indicated through annotations.

Financial data is reported based on consolidated accounting standards. (Footnotes are included for the data reported on a separate basis.)
Environmental data includes information from the head office and domestic worksites : the Gunpo Plant (Power Cable Production Division) and the Jeonju Plant (Telecommunications Cable Production Division).
Social data is calculated as of December 31, 2023 and encompasses information from the head office and domestic worksites : the Gunpo Plant (Power Cable Production Division) and the Jeonju Plant (Telecommunications Cable Production Division). For key information, data up to the first half of 2024 is also included.
Governance data includes information from the head office and domestic worksites : the Gunpo Plant (Power Cable Production Division) and the Jeonju Plant (Telecommunications Cable Production Division).

| Verification of Report

For the accuracy, objectivity, and reliability of this report, a review was conducted by the independent verification agency Korean Standards Association (KSA). In addition, financial data in the report has been audited by an independent auditor. The independent assurance statement is included in the Appendices of this report.

| Additional Information

This report, available in both Korean and English, can be viewed or downloaded from the company website. For inquiries, please contact us at:

Contact	Gaon Cable Business Management & Planning Team Tel 82-31-8068-3878 Email ESG@gaoncable.com
Issuer	Gaon Cable 12th Fl. LS Tower, 127 LS-ro, Dongan-gu, Anyang-si, Gyeonggi-do, South Korea
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OVERVIEW

OVERVIEW

ESG MANAGEMENT

ESG PERFORMANCE

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CEO Message



“We are committed to fulfilling our corporate social responsibilities by supporting sustainable development and contributing to achieving carbon neutrality guided by our ESG vision, 'Beyond Cable, Toward Sustainable World'”

Dear Gaon Cable Stakeholders,

Founded in 1947, Gaon Cable has played a pivotal role in establishing South Korea's power grid and connecting the nation's infrastructure. Over the past 70 years, our company has contributed to the development and modernization of South Korea's electric and telecommunication networks, providing reliable, high-quality cable solutions.

With the recent emergence of electric vehicles, renewable energy, and advanced telecommunication networks, sustainable power has become even more critical. In response, our company is making every effort to lead sustainable development of the power industry through cutting-edge technology and continuous investment in research and development.

In 2022, we reinforced our commitment to Environmental, Social, and Governance (ESG) principles by declaring our ESG vision and strategies. We regularly publish sustainability reports to transparently share our progress. With various initiatives across ESG domains, we aim to fulfill our vision of Beyond Cable, Toward a Sustainable World.

In the Environmental (E) sector, Gaon Cable has set targets to achieve net zero emissions and has been implementing phased measures to reduce our carbon footprint.

Looking ahead to 2030, we are developing a robust business model for ESG management that aligns with the mid- to long-term ESG plan we established in 2022. Our strategic focus includes product development related to green and renewable energy sources that support sustainable practices.

In the Social (S) sector, we are committed to achieving shared growth with our partners and ensuring workplace safety by eliminating critical accidents.

Our efforts have been concentrated on customer-centric management, promoting employee growth, and actively contributing to local communities. This approach aims to cultivate a corporate culture that benefits all stakeholders.

In the Governance (G) sector, our focus is on enhancing transparency and reinforcing ethics and compliance management.

Through the ESG Committee, we will discuss key issues, achievements, and risks related to ESG, disclose non-financial aspects, and strive to continuously share information with stakeholders. Additionally, we will continue to prioritize ethics and compliance management and are actively reviewing the potential adoption of Compliance Program (CP).

All Gaon Cable employees are dedicated to achieving shared growth with our stakeholders. We appreciate your support and interest in our efforts towards a sustainable future.

Thank you.

Chung Hyun, the CEO of Gaon Cable

Company Overview

Gaon Cable, Korea's first cable company

Since the establishment in 1947 as Korea's first cable company, Gaon Cable has contributed to national development through consistent supply of cables. Gaon Cable has accumulated considerable expertise and technology over the decades that allow us to manufacture high quality products including HV/EHV and MV/LV cables, data cables, and optical communication cables. In 2004, the company was renamed Gaon with the establishment of the LS Group. Since then, the company has been concentrating its efforts for sustainable growth by fostering high value-added businesses, developing technologies, and increasing its overseas presence. In addition, under the 'reliable partnership management' policy, we are constantly working to maximize customer value as a trusted partner promoting shared growth with our customers.

Vision and Core Values

Building on the trust we have established with our customers over the past 70 years since becoming Korea's first cable company, Gaon Cable is committed to driving sustainable growth for the next century. As part of these efforts, we announced our vision, 'Global Top 10 Company Beyond Cable,' in 2017 to grow as a leading international company by embracing challenges and promoting innovation.

· VISION ·

Beyond Cable

Global Top 10 Company, Beyond Cable

· CORE VALUES ·


GROWING EXCELLENCE
Our employees ensure superior performance and strengthen their expertise in their fields by tracking industry trends, acquiring professional knowledge, and mastering new technologies.


AIM FOR CUSTOMER
Our employees always try to think from the customer's perspective and act quickly to provide the best products and solutions that satisfy our customers.


OPEN COMMUNICATION
Our employees freely exchange opinions and come up with the best possible solutions to achieve the best results through collaboration across the organization.


NEVER-END INNOVATION
Our employees do not settle for the status quo, but instead improve how we work and create value to promote the organization's steady and long-term growth.



This is what we are becoming.

Connection lies at the center of all that we do. We provide products that allow effective connections with devices, data, and people in order to bring about positive change and add value to the world. Instead of settling for our achievements as a domestic market leader, we are constantly challenging ourselves to innovate and become a top-ten global company offering our customers the best possible value.



This is how we work.

All of the employees at Gaon are equipped with expertise in their fields and remain committed to providing customers with the best products and solutions through constant innovation, cooperation, and open communication.

Management Philosophy

LSpartnership is LS Group's corporate philosophy of 'Creating Greater Value Together'. LSpairtnership means that LS employees, who possess integrity and the highest level of expertise, achieve outstanding results through mutual respect and collaboration, continuously growing alongside all partners. LSpairtnership was created with the participation of all members of LS Group and provides the philosophy upon which employees should act. It serves as a driving force that will bring about a new future.



LS is a trusted business partner.
LS employees work together to produce better results.

Company Information

Company Name Gaon Cable Co., Ltd.	CEO Chung Hyun	Date of Establishment Sep. 24, 1947
Head Office 120, LS-ro 45beon-gil, Gunpo-si, Gyeonggi-do, South Korea	Worksites Plants in Gunpo and Jeonju, seven regional offices, and two overseas branches	Primary Products Power Cables, Data Cables, Optical Cables

General Information

Total assets (on a consolidated basis) 801.8 billion KRW	Sales revenue (on a consolidated basis) 1.4986 billion KRW	Operating profit (on a consolidated basis) 801.8 billion KRW	Employees (permanent workers) 468 people
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Credit Ratings

Korea Investors Service (Corporate bond) A	Korea Investors Service (Commercial paper) A2	NICE Investors Service (Corporate bond) A	NICE Investors Service (Commercial paper) A2
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History

›1947~1976



›1977~1995



›1996~2003



›2004~현재



Establishment and Pioneering The Cable Industry

- **Sep. 1947** · Establishment of Kukje Electric Wire (the first cable company in Korea)
- **Mar. 1957** · The first in Korea to produce PVC wires and communication cables
- **Oct. 1963** · Exported 3,000 USD worth of bare copper wires to Vietnam (the first in Korea)
- **Apr. 1972** · Formed a technological partnership with Showa Cable of Japan (introducing rolling mills)
- **Aug. 1973** · Completed the construction of a power cable production plant in Gunpo-si
- **July. 1976** · Manufactured XLPE CV power cables

Challenges and Growth

- **July. 1977** · Lucky Goldstar Group took over Kukje Electric Wire jointly with Taihan Electric Wire
- **Nov. 1981** · 1 Trillion Won Export Award
- **Oct. 1986** · Opened an R&D center at the Gunpo Plant
- **June. 1987** · Launched an initial public offering (IPO)
- **June. 1988** · Completed the construction of a communications cable plant in Jeonju-si
- **Apr. 1990** · Constructed the world's second KCR line (continuous casting and rolling facility)
- **Nov. 1993** · Received a Fifty Million Dollar Export Tower award
- **Dec. 1995** · Obtained ISO 9001 and 9002 certifications

Internal Growth and Development

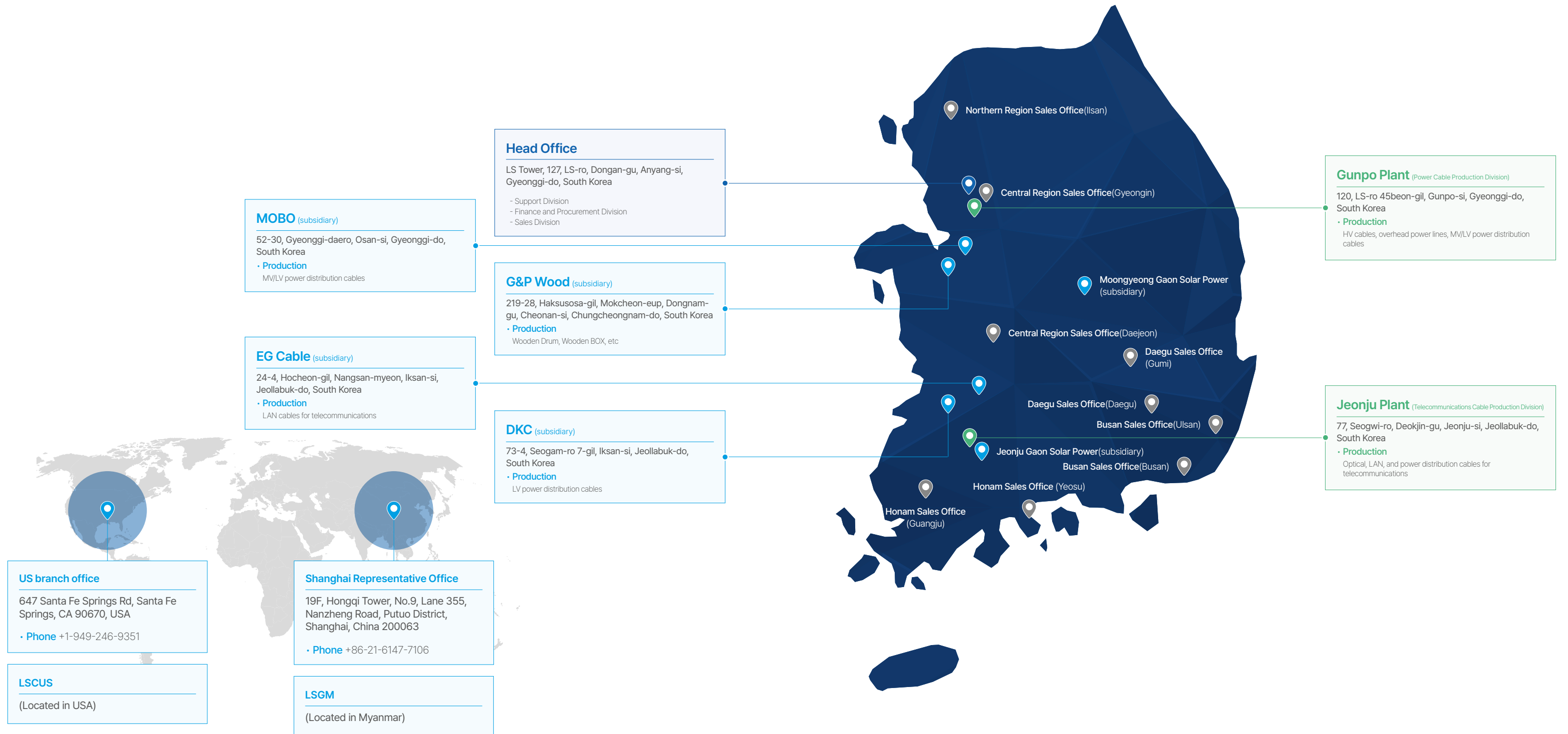
- **Mar. 1996** · Renamed Heesung Cable
- **Sep. 1997** · Celebrated the company's 50th anniversary
- **1998** · Developed OPGW (optical fiber composite overhead ground wire)
- **2000** · Developed and produced UTP (unshielded twisted pair) cables
- **2001** · Began manufacturing optical fiber
- **Nov. 2002** · Acquired ISO 14001 certification (Gunpo Plant)

Innovation and Leaping Forward

- **2004** · Incorporated into LS Group and renamed Gaon Cable
- **Apr. 2005** · Obtained ISO 14001 certification (Jeonju Plant)
- **Dec. 2011** · Reached the 1 trillion KRW sales mark
- **Aug. 2013** · Incorporated MOBO as a subsidiary
- **Apr. 2017** · Made capital investments in LSCUS
- **Sep. 2017** · Marked the company's 70th anniversary
- **Nov. 2018** · Completed the construction of LSGM (LS-Gaon Cable Myanmar)
- **July 2019** · Relocated the head office (from Seoul to Anyang)
- **Mar. 2020** · Established EG Cable
- **June 2020** · Acquired DKC
- **June 2022** · Published the first Sustainability Report
- **June 2022** · Announced Gaon Cable's ESG vision
- **Dec. 2022** · Achieved 1 trillion KRW in sales and 28 billion KRW in operating profit
- **July 2023** · Established an overseas branch in the US

Network

● Head office ● Subsidiary ● Plant(Power Cable/Telecommunications Cable Production Division) ● Sales Office



Business Brochure

Our Key Businesses



Power Transmission and Distribution

To support safe and stable energy networks, we provide all kinds of power cables for transmitting electricity generated at nuclear, thermal, and wind power plants to commercial buildings, factories, and households with minimum energy loss.

Our products

- HV/EHV XLPE cables, overhead transmission lines, OPGW (optical fiber composite overhead ground wire), overhead distribution lines, and MV/LV cables



Buildings/Homes

For power distribution and telecommunications/control systems in residential, public, and commercial buildings, we provide high-quality cables taking into consideration product stability and safety along with construction convenience and economic benefits.

Our products

- **Electric power** : Control/instrumentation cables, fire protection cables, and insulation cables
- **Telecommunications** : LAN cables, optical cables, hybrid cables, coaxial cables for CATV, OTC (optical termination cable), LAN components, CPEV (city pair polyethylene PVC) cables, industrial ethernet cables, and optical components
- **Other Solutions** : ACF (aluminum clad flex) cables, threadless conduits, and SWS (smart wiring system)



Plants

For power supply and telecommunications/control systems in factories, we provide high-quality cables taking into consideration product stability and safety as well as construction convenience and economic benefits.

Our products

- **Electric power** : Overhead transmission lines, MV/LV cables, HV/EHV XLPE cables, OPGW (optical fiber composite overhead ground wire), control/instrumentation cables, fire protection cables, and insulation cables
- **Telecommunications** : LAN cables, optical cables, hybrid cables, coaxial cables for CATV, OTC (optical termination cable), LAN components, CPEV (city pair polyethylene PVC) cables, industrial ethernet cables, and optical components
- **Other Solutions** : ACF (aluminum clad flex) cables, threadless conduits, and SWS (smart wiring system)



Railways

We provide contact wires, messenger wires, and power/telecommunications/signal cables for railway lines and train stations.

Our products

- **Electric power** : Overhead transmission lines, MV/LV cables, HV/EHV XLPE cables, OPGW (optical fiber composite overhead ground wire), control/instrumentation cables, fire protection cables, and railway cables
- **Telecommunications** : Optical cables, hybrid cables, OTC (optical termination cable), and optical components
- **Other Solutions** : ACF (aluminum clad flex) cables, threadless conduits, and SWS (smart wiring system)



Ports and Airports

We provide a range of cable products for power and telecommunications infrastructure for ports and airports.

Our products

- **Electric power** : MV/LV cables, control/instrumentation cables, and fire protection cables
- **Telecommunications** : LAN cables, optical cables, hybrid cables, coaxial cables for CATV, OTC (optical termination cable), LAN components, CPEV (city pair polyethylene PVC) cables, industrial ethernet cables, and optical components



Wind Farms

We provide cables for transmitting and distributing power generated from wind farms and telecommunication and control cables that support the stable operation of wind farms.

Our products

- **Electric power** : MV/LV cables, control/instrumentation cables, and fire protection cables
- **Telecommunications** : LAN cables, optical cables, coaxial cables for CATV, OTC (optical termination cable), LAN components, industrial ethernet cables, and optical components



Ships and The Sea

We provide power, control, instrumentation, and telecommunications cables for ships and offshore structures that meet product requirements such as fire resistance, flame retardancy, flexibility, and resistance to oil and mud.

Our products

- LAN cables, LAN components, optical cables, OTC (optical termination cable), optical components, and industrial ethernet cables



Broadband Networks

We provide a variety of telecommunications cables and accessories for high-speed broadband networks allowing communications and massive data transmission regardless of distance.

Our products

- OPGW (optical fiber composite overhead ground wire), optical cables, optical components, OTC (optical termination cable), and hybrid cables

Business Brochure

Smart Solutions / Electric Power: New Technologies & Products

Smart Solutions

Intelligent power distribution solutions



ACF (Aluminum Clad Flex) cable

This is a protective-polyester-film-coated braided wire rod cable with high-strength aluminum interlocking armor.



SWS (Smart wiring system)

Smart wiring systems are being widely applied in the US and Europe. We have developed One-touch Link, a smart wiring system specifically designed for domestic environments that complies with NEC 604 and IEC 61535.

Smart conduit system



Threadless conduit

This protects cables used for power distribution. There is no need for thread turning when using connectors, simplifying cable installation.



GP connectors

These have been optimized for installation of power distribution through constructability, safety, durability, and cost efficiency.

Industrial Solutions

EV charging cable and connectors



Slow-charging connectors

This is a non-public fixed-type EV charger that supports both 7kW and 11kW charging capacities.



EV charging cable

This is a non-public fixed-type EV charger that supports both 7kW and 11kW charging capacities.

Electric power: New Technologies & Products

Rolling stock cable (HV/LV, shield, and Ethernet Cat5E/Cat7 cables)

Product overview

We have developed cables used for connecting power to rolling stock or related electric devices.

Product structure and shape



High voltage cable 1800V

This is a highly flexible 1800V power cable used for connecting power to rolling stock or related electric devices.



Low voltage cable

This is a 600V power cable used for connecting power to rolling stock or related electric devices.



Shield cable

This is a 600V shield cable for control signals used to connect power to rolling stock or related electric devices.



Ethernet Cat5/Cat7 cable

This Cat 5E / Cat7 cable is used for Ethernet communications in rolling stock.

Power cable diagnoses (New technologies)

Development background

Considering that most of the installed underground power transmission lines in South Korea are XLPE cables that have been used for over 40 years, accidents caused by electric treeing could lead to casualties and serious economic losses. To prevent such incidents, we have developed technologies for diagnosing cables and accurately predicting their lifespans.

Technology concept

Cable diagnosis technology is categorized into diagnosing live and neutral wires within the cable system, analyzing collected cable samples, and examining specimens.

The conditions of cables are examined through electrical testing (㉠ partial discharge, ㉡ VLF PD, ㉢ VLF TD, ㉣ AC internal voltage, ㉤ infrared corona, ㉥ ultrasonic, ㉦ insulation resistance, and ㉧ current leakage), physical property testing (㉠ structure/dimensions ㉡ tensile strength/elongation, ㉢ heat deformation, and ㉣ hot set), and chemical analysis (㉤ DSC, ㉥ OIT, ㉦ TGA, and ㉧ FT-IR).

Product lifespan is predicted using long-term AC withstand voltage V-t, VLF TD (Very Low Frequency Tan Delta), and Arrhenius accelerated aging methods. Based on the results, the optimal timing for cable replacement can be determined.

Technological advantages

Power cable diagnosis technology allows us to perform regular diagnoses on outdated cable lines, collect environment-specific data on cables in use, conduct comprehensive analyses, and determine the optimal timing for cable replacement. This proactive approach helps prevent potential cable-related accidents.



Testing for predicting the residual lifespan of cables

ESG MANAGEMENT



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Gaon

We declare our proactive commitment to
ESG management to go

"Beyond Cable and Contribute Toward a Sustainable World."

Declaration of ESG Management

Growing Together,

We will promote a workplace where corporate social responsibility is fulfilled.

We will create a corporate culture where the safety and wellbeing of our employees are ensured.

We will implement ESG values across our supply chain based on Win-Win partnerships and shared responsibilities.

Advanced Governance,

We will establish an unbiased and transparent decision-making process.

We will establish an ESG management system for implementation.

We will strengthen compliance by pursuing ethical management.

Open Communication,

We will proactively communicate with our stakeholders to enhance trust.

We will expand channels for communication with our stakeholders.

We will promote the growth and development of local communities to fulfill our corporate responsibility.

New Eco Innovation,

We will contribute to sustainable development through eco-innovation.

We will pursue sustainable management by advancing eco-business.

We will proactively respond to the risks and opportunities created by climate change.

“

**We will contribute to creating a more sustainable world
by promoting ESG Management.**

”

June 2024

The employees of Gaon Cable

ESG Management Highlights

Environment

Social

Governance

Promoting ESG through environmental protection events

We conducted open storage yard cleanups at our plants as part of our EGS efforts. Employees participating in the program collected and safely disposed of over 2,000 liters of waste using forklifts. We will continue to pursue a variety of environmental cleanup activities utilizing forklifts ranging from 2 to 25 tons, which are not readily accessible to the general public or other organizations.

In addition, we undertook cleanup activities around the Jeonju Industrial Complex to improve the environment for neighboring companies such as Huvis and Jeonju Paper. Moving forward, we aim to initiate projects contributing to environmental protection and the development of the local community in alignment with our ESG management principles.

GHG emissions reduction rate	42% Gunpo Plant (Electric power) ¹⁾
Energy consumption reduction rate	41% Gunpo Plant (Electric power) ¹⁾
Green equipment investment	845,087,808- Gunpo Plant (Electric power) 172,430,800- Jeonju Plant (Telecommunications)
Cases of violating environmental laws and regulations	0 Case

1) Plant subjected to the GHG emissions and energy target management system.

Enhancing communication with stakeholders

We operate a range of programs to promote communication between employees and the CEO. In 2023, we conducted an enterprise-wide business planning workshop that established a common ground for our goals and enhanced communication among employees. Programs such as Happy Inside and Teams for Change aim to strengthen mutual understanding and communication within teams and divisions. In addition, the GCC (Gaon Culture Changer) is appointed by division to develop and implement activities that promote organizational vitality.

Identifying risks in human rights management and establishing management processes

We have established Gaon Cable's Declaration of Human Rights Management and policies based on the UN Guiding Principles on Business & Human Rights, with the aim of respecting and protecting the rights and interests of our stakeholders. Accordingly, we have implemented management processes to mitigate relevant risks through monitoring, identification, and responsive actions. Soon in the future we plan to enhance our human rights management system to include our partner companies, leading the way in human rights management within the cable industry.

Lost-Time Incident Rate (LTIR)	ZERO
Industrial accident Frequency Rate	ZERO
Labor-management council meetings for harmonious labor-management relations	Quarterly
Financial support for our suppliers	Monetary support of 134 billion KRW and non-monetary support of 18.5 billion KRW

Protecting shareholders' rights

As part of our efforts to enhance shareholder trust and protect shareholder rights, we have advanced the notice period for convening the general meeting of shareholders by 7 days compared to 2022 (from 15 days to 22 days). Committed to adhering to a three-week notice period, this change aims to protect shareholders' rights and expand their opportunity to participate in the general meeting. Additionally, detailed information regarding the meeting agenda and instructions for casting electronic ballots are posted on the company website, facilitating convenient exercise of shareholders' voting rights.

Strengthening external training

We provide outside directors with external training to enhance their expertise. These programs cover relevant regulations, and key issues pertaining to their job duties, supporting them fulfilling their roles and responsibilities and making informed decisions. Additionally, we provide specialized training on internal audits and internal accounting management to audit committee members, emphasizing their roles and responsibilities and striving to enhance the transparency of corporate management.

Violations of laws and regulations	0 Case
Participation rate in ethics training	100%
Percentage of the resolved cases received from the Cyber Reporting Channel	100%

ESG Management Framework

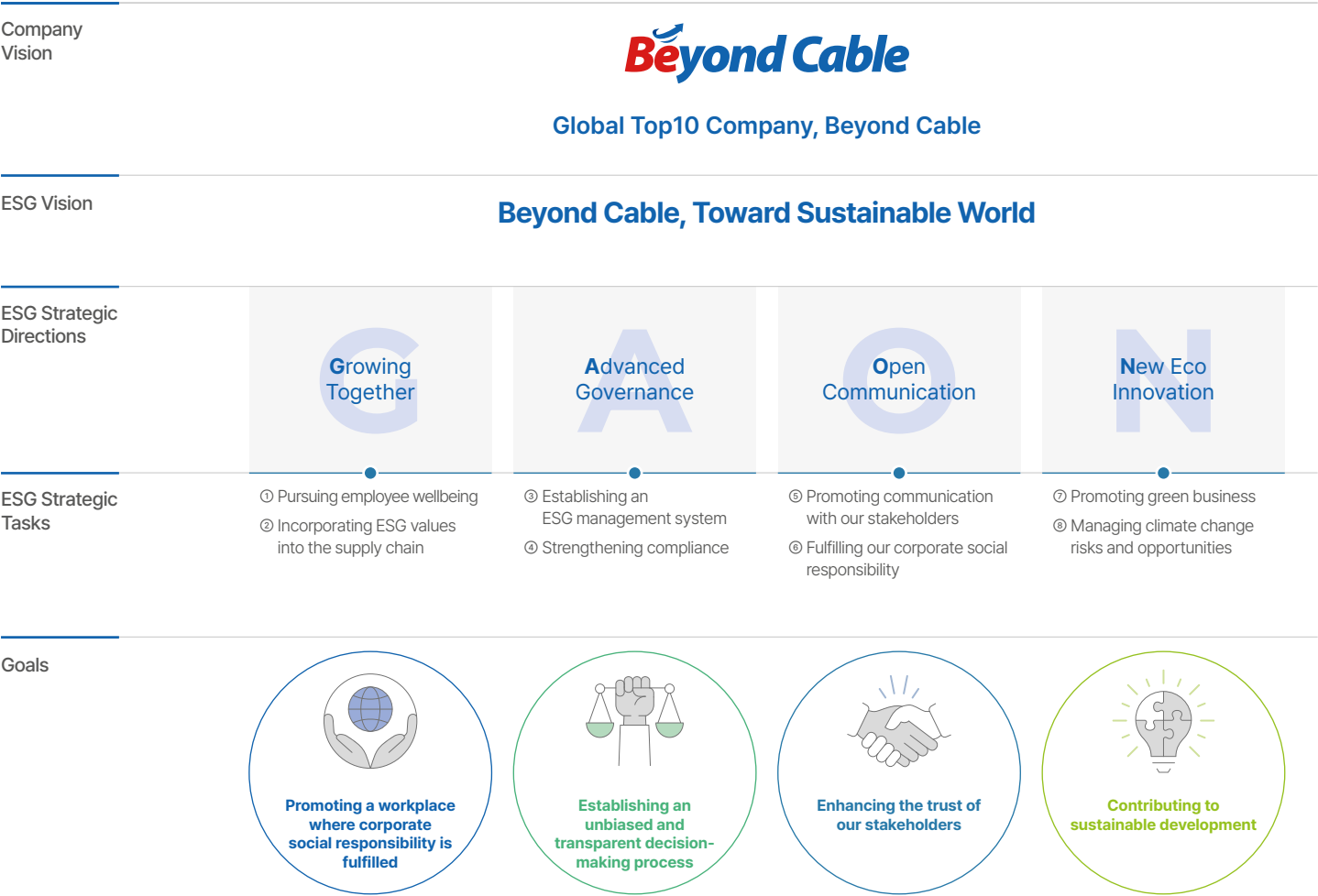
ESG Management

Gaon Cable, based on the ESG leadership of its top management, is systematically pursuing short-term and long-term ESG strategies to create sustainable value. The company continually seeks ways to enhance corporate value from an ESG perspective.

Organization	Process	Communication
· Operating a dedicated ESG team · Leading the ESG Management Committee · Establishing and overseeing ESG targets across business divisions	· Identifying improvement areas by evaluating the company's ESG initiatives and conducting environmental analysis · Developing an enterprise-wide road map of improvement tasks · Monitoring implementation status through an consultative body	· Enhancing ESG information disclosure channels, such as sustainability reports and the company website · Engaging in LS Group's sustainable management consultative body · Participating in activities organized by ESG-related associations

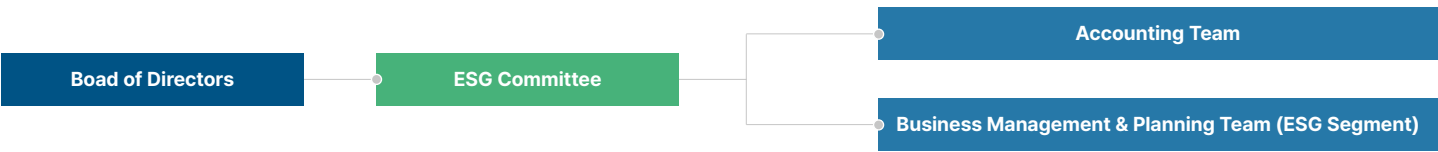
ESG Strategy System

In 2022, we have drawn up our ESG vision and related strategies to lay a foundation for our implementation of ESG management. Our vision, Beyond Cable Towards a Sustainable World is based on four strategic directions and eight tasks. The four strategic directions begin respectively with G, A, O, and N and reflect our commitment to society, governance, stakeholders, and the environment.



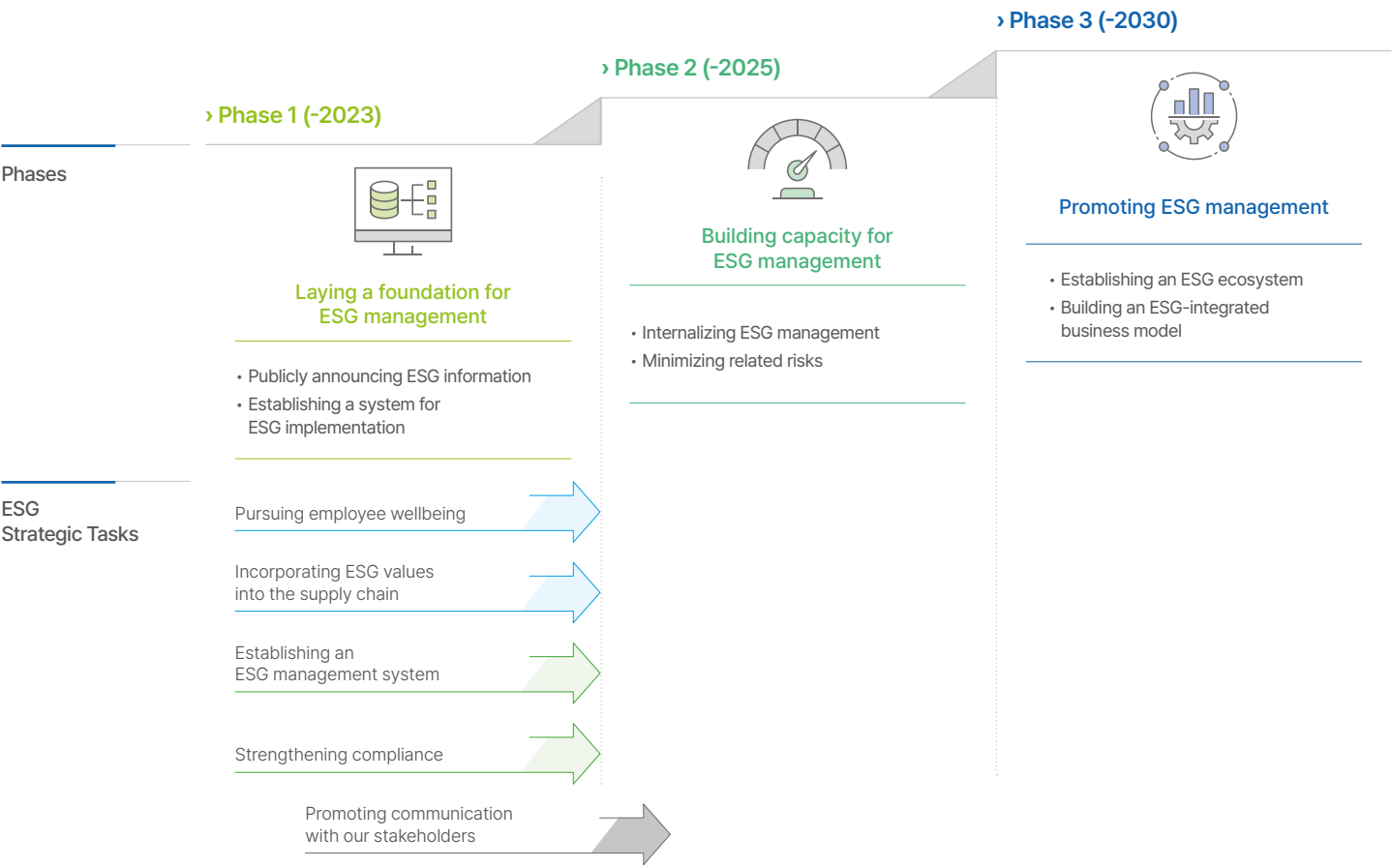
ESG Management System

In 2022, we expanded the Internal Trading Committee and reorganized it into the ESG Committee to allow a systematic and strategic approach to ESG. The committee convenes quarterly meetings, with ad-hoc meetings scheduled as needed. The committee reviews issues related to ESG policies-focusing on environmental promotion, safety, and shareholder value-ethics management, publication of sustainability reports, dividends, donations, and internal trading between subsidiaries. To support the operational efficiency, a dedicated ESG team (part of the Business Management & Planning Team) manages day-to-day operations and in addition, the Accounting Team takes responsible for organizing committee meetings and administrative tasks.



ESG Strategy Implementation Roadmap

A roadmap was set to promote the implementation of our ESG strategic tasks with three phases. We will make continuous efforts to ESG management by carrying out each plan for action according to the roadmap.



Communication with Stakeholders

Efforts are being made to strengthen communication as part of our business management. We have categorized our stakeholders into six groups, including employees, customers, suppliers, local communities, the government, and shareholders and investors, in order to identify their requirements through suitable communication.

	Employees	Customers	Suppliers	Local Communities	Government	Shareholders/Investors
						
Definition	Developing, producing, and selling products as member of a company	Making purchase decisions based on product and service information	Supplying parts and materials for production	Residents in the vicinity of our operations who are affected by our activities	Enacting laws related to the cable industry and implementing regulations on business operations	Providing financial capital to support the company's operations and maintain growth momentum.
Issues of interest	• Talent nurturing • Human rights protection • Performance-based compensation • Labor-management relations • Worksite health and safety • Employee welfare – Work-life balance • Employee capacity building • Promoting communication among employees and teams	• Eco-friendly products • Quality Control • Product safety • Enhanced customer satisfaction • Communication with customers • Data security	• Shared growth • Transparent supply chain network management processes	• Social contribution • Job creation • Reduction of waste and wastewater • Reduction of air pollutant emissions • Management of harmful chemicals • Biodiversity protection	• Response to climate change issues • Anti-corruption and ethical management • Reduction of air pollutant emissions • Transparent management information disclosures • Job creation • Response to and participation in government policies	• Sound corporate governance • ESG management system • Economic performance • Technological innovation • Financial and non-financial risk management
Communication channels	• Company Intranet • Occupational Safety and Health Committee • Safety consultation body • In-house compliance management bulletin board • Cyber Reporting Channel • Ethical management section on the company website • In-house green management bulletin board • Training programs • Labor-management consultation	• Management information disclosure system • Meetings with customers (questionnaires) • Business reports • Company website	• Supplier satisfaction surveys • Meetings with suppliers • Procurement system	• Social contribution programs • Communication with local residents • Supporting the vulnerable groups	• Public hearings • Meeting • Seminars • Press release	• Corporate IR activities • Business reports • General shareholders' meetings • Management information disclosure system

Communication with Stakeholders

Communicative Organizational Culture - Promoting Member Communication

We strive to create a flexible organizational environment through a variety of activities that promote communication, including meetings with management. These programs are designed to share and address issues that require coordinated efforts and to bridge gaps in opinions within the organization. In 2023, we conducted an enterprise-wide business planning workshop that established a common ground for our goals and enhanced communication among employees. Programs such as Happy Inside and Teams for Change focus on strengthen mutual understanding and communication within teams and divisions. In addition, employee retention programs are operated to help new hires better communicate within their teams.

Program	Details
Meetings with management	Meetings to freely discuss current issues and solve on-site problems
Teams For Change	Meetings to identify obstacles within or between teams and come up with ideas to address them
Employee retention program	Program designed to help new hires better communicate within their teams and promotes cooperation between teams
Happy Inside workshop	Workshop aim to enhance communication among employees within divisions and outline leadership actions to foster organizational vitality
Business planning workshop	Workshop designed to share enterprise-wide business plans, explore ways to achieve them, and promote communication among members



Happy Inside



Business Plan Workshop



Retention Program

Innovating an Organizational Culture

We carry out a wide range of activities to improve the work environment and enhance employee engagement and performance. Every year, we conduct an organizational competence diagnosis and share the CEO's organizational culture direction based on employee needs. Additionally, we encourage employees to take advantage of sandwich days to enhance work engagement through rest, and to establish an organizational culture that fosters creativity and individuality by allowing a casual dress code.

Special Case.

Special Case. Gaon Culture Changer (G.C.C.)

We appoint a Gaon Culture Changer (G.C.C.) for each division. The G.C.C. is responsible for developing and implementing activities that enhance organizational vitality and promote communication within divisions. Their roles also include proposing measures to management and relevant teams to improve an organizational culture and acting as facilitators of change. This program supports our efforts to build a culture of communication by improving work processes and environments.



GCC Phase 3 Kickoff



GCC Organizational Activation Event

Labor-Management Relations Grounded in Communication and Trust

We strive to address a range of issues faced by labor and management through sharing information on our business operations, built on mutual respect and trust. Based on mutual respect and trust, we strive to address a range of issues faced by labor and management through sharing information on our business operations. Monthly management briefing sessions are conducted to share the company's performance, production plans, and key safety issues, enhancing transparency. Furthermore, labor-management workshops and working-level meetings provide opportunities to foster mutual trust, complemented by a variety of programs aimed at resolving conflicts and enhancing trust.

Labor-Management Communication

A variety of communication activities are conducted to promote the labor-management partnership.

Classification	Participants	Frequency	Details
Management briefing sessions	All employees	Monthly	In 2023, twelve sessions were conducted to share important information on business operations.
Labor-management working-level meetings	Heads of divisions and teams from the employer side, and officials of the union from the employee side	Quarterly	In 2023, labor and management met four times to resolve the issues they faced.
Labor-management workshops	The union's executive committee and the General Affairs Team	Semi-annually	The workshops, conducted in the first and the second half of 2023, included programs aimed at addressing labor-management conflicts and enhancing mutual trust.



Management Presentation

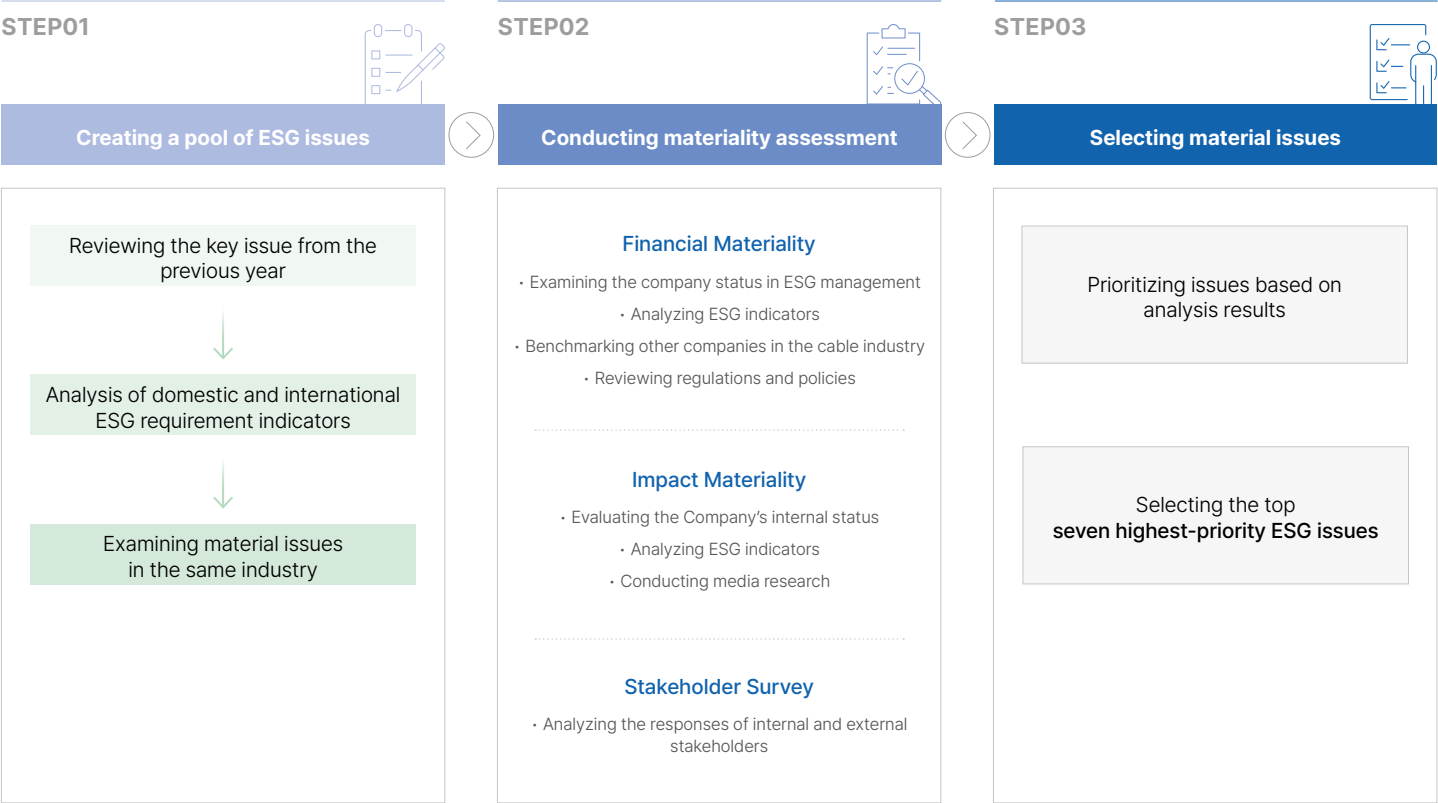


Labor-Management Council

Materiality Assessment

We have conducted a Double Materiality Assessment to effectively integrate ESG management activities by considering environmental and social impacts, financial impacts, and identifying various issues of interest from both internal and external stakeholders. Double Materiality Assessment considers both the impact of a companies' business activities on society and the impact of social and environmental elements on the companies' financial status. As a result, we have evaluated our financial and impact materiality and identified material issues for ESG management.

Material Issue Selection Process



Materiality Assessment

Management Approaches for Material Issues

We identified seven highest-priority material issues from a pool of twenty ESG issues through a double materiality assessment, considering both financial and impact materiality. These material issues are reported to the ESG Management Committee as they are crucial to our ESG activities.

In addition, the results of materiality assessment and our management approaches are disclosed in this report to enhance transparency and meet stakeholder requirements.

Material Issues	Risks and Opportunities	Management Approaches	KPIs	2023 Performance
Ethical and Compliance Management	- Increasing corporate social responsibility in response to stakeholder requirements for ethical and compliance management - Employees' non-compliance with laws, regulations, and ethics rules	- Operating a dedicated compliance organization to monitor and address potential violations of laws and regulations - Facilitating employee grievance resolution processes through the company website, complemented by comprehensive compliance training	- Zero sanctions, fines, or penalty fees for violating laws and regulations - Completion rate of ethics and anti-corruption training	- Zero cases of violating legal or voluntary rules - Evaluation of ethics and compliance management, with zero reported cases of violations
Minimizing Impact on the Environment	- Requirements for managing environmental impact of air pollution, particulate matters, and harmful chemicals - Requirements for managing environmental impact by reducing water use and discharging less waste - Requirements for implementing a circular resource system through recycling	- Expanding investments and activities to meet pollutant discharge criteria - Improving processes to reduce water usage and pollutant discharge - Engaging employees in activities aimed at minimizing environmental impact on local communities - Increasing utilization of recycled resources	- Reduction in waste discharge - Increase in the use of recycled materials - Rate of replacing harmful chemicals	Domestic worksites (Gunpo Plant (Electric power) and Jeonju Plant (Telecommunications)) Waste recycling rate: 89%
Conducting Eco-friendly Business	- Increasing demand for the development of green businesses and expanded investments in green technologies - Growing demand to produce eco-friendly and sustainable products	- Conducting environmental impact assessments of our products - Increasing investments in the development of green products. - Manufacturing eco-friendly products and expanding our green product portfolio.	- Investment in green technology - Manufacturing of green products	- Investment in green technology at the Gunpo Plant (Electric power): Increased by 138,145,523 KRW - Investment in green technology at the Jeonju Plant (Telecommunications): Rose by 134,530,800 KRW
Product Safety and Quality Management	- Financial and non-financial impact due to product quality and non-compliance with safety rules - Stakeholder requirements for safety and quality - Managing the input of raw materials and the use of resources	- Conducting safety performance evaluations for our telecommunications, power, and control cables, and obtaining fire testing certifications - Enhancing our quality management and assurance systems	- Reducing accidents related to product quality and safety - Decreasing customer complaints	- The Gunpo Plant (Electric power) saw a decrease of 36 accidents, a 44% reduction from the previous year. - The Jeonju Plant (Telecommunications) addressed all of customer complaints received.
Workplace Safety and Health Management	- Tightening of laws and regulations, such as the Serious Accidents Punishment Act and the Occupational Safety and Health Act, aimed at enhancing workplace safety - Increased legal and administrative compliance risks associated with occupational safety - Growing interest in workplace health and safety issues - Potential negative impacts, such as environmental accidents and occupational diseases	- Performing risk assessments for all processes, equipment, operations, and chemicals at worksites - Ensuring compliance with legal and administrative requirements related to occupational safety - Providing employees with emergency response drills and safety training to foster a safety-conscious culture - Undertaking onsite safety inspections to prevent environmental accidents	Zero critical accidents	Zero cases of critical accidents (fatalities)
Implementing Actions on Climate Change	- Increased global interest in responding to climate change, exemplified by many countries announcing plans for carbon neutrality - Growing need for companies to manage climate change risks, driven by international perceptions and expectations regarding carbon neutrality	- Developing and implementing mid- and long-term goals as part of our Net Zero 2050 - Addressing climate change by establishing a recourse recycling ecosystem - Promoting energy conservation and cost reduction initiatives at worksites	- Net zero emissions - GHG emissions reduction - Optimizing energy usage	- Gunpo Plant (Electric power)¹⁾: Reduced GHG emissions by 42% - Gunpo Plant (Electric power): Cut energy consumption by 41%
Supply Chain ESG Management and Partner Collaboration	- Increasing stakeholder concerns regarding potential negative impacts on supply networks and society - Risks associated with supplier issues, including disasters, environmental concerns, safety, and corruption	- Managing ESG risks within the supply chain through the code of conduct for suppliers - Formulating supplier policies that encompass human rights, labor practices, health and safety standards, environmental protection, and ethics management	Zero violations of the Fair Trade Act and the Serious Accidents Punishment Act	Zero cases of violations of the Fair Trade Act and the Serious Accidents Punishment Act

1) The plant is subject to the GHG emissions and energy target management system.

ESG PERFORMANCE



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ENVIRONMENT

Green management is our top priority in business operations.

Recognizing the critical importance of addressing climate change issues, we are dedicated to implementing systematic management processes aimed at achieving our Net Zero 2050 roadmap. Moreover, we are steadfast in our commitment to environmental protection, societal advancement, and the provision of eco-friendly products, while minimizing our ecological footprint. To this end, we actively reduce pollutants, wastes, and chemical, manage water resource responsibly, and optimize resource usage. Our ongoing efforts aim to safeguard the environment and foster a sustainable society for future generations.

Strengthening Environmental Management and Monitoring

Minimizing Impact on the Environment

Conducting Eco-friendly Business

Implementing Actions on Climate Change

E

nvironment



ENVIRONMENT

Strengthening Environmental Management and Monitoring

We have established a framework for systematic environment management strategies that focus on environmental protection and societal advancement through green business operations. Our commitment includes manufacturing eco-friendly products, minimizing carbon footprints, and assessing and addressing climate change risks. Furthermore, we are proactively reducing GHG emissions, managing water resource and wastes, optimizing resource utilization, expanding the use of new and renewable energy, and engaging in social contribution activities.

ROADMAP

Goal

[**Strengthening our environmental management system for environmental protection and societal advancement**]

Strategies

- Complying with environment-related laws and regulations at worksites
- Working on continuous improvement of our environment management system
- Minimizing pollutant discharge through proactive communication with in-house and external suppliers
- Developing and implementing mid- and long-term goals towards achieving environment management policies

2023

2024-2025

2030

- Establishing and implementing an environment management system
- Conducting activities to mitigate environmental risks

- Cutting GHG emissions at worksites with the use of green energy
- Reducing carbon footprints by developing green products
- Monitoring and assessing compliance with related laws and regulations

ENVIRONMENT

Environmental Management Implementation System

Environmental Management Organization

We have been operating an organization for environmental management. Decision-making authority is granted to the CEO, and the HSE Team is responsible for enterprise-wide management of environmental issues. In particular, the team formulates implementation measures that align with our environmental management direction, and develops policies to ensure compliance with relevant laws and regulations. In 2024, environmental management issues, including climate change and GHG emissions targets, will be reviewed at board meetings.

| Organizational structure



Environmental Management Policy

We are operating a joint quality and environmental management that minimizes customer complaints, environmental impact and risks related to our activities, products, and services, and that maintains a product quality that meet customer requirements. At the same time, we are pursuing shared growth with our customers and with society by contributing to local communities through eco-friendly products and HSE activities.

Our actions for environmental protection

To support a clean and healthy earth, we consider reducing the impact of our business on the environment to be a top priority and take action to protect the environment. In this regard, we proactively pursue the following:

1. Establish, comply with, and implement environment-related rules and guidelines appropriate for the company.
2. Build, operate, and constantly improve our environmental management system.
3. Minimize discharged pollutants through active communication with all stakeholders, including in-house and external suppliers.
4. To act on the above, set goals and refine them accordingly.

Vision and Strategy

In an effort to reduce our emission of pollutants caused by waste, harmful compounds, product defects, and energy use and to minimize industrial accidents and occupational disease, we have implemented ‘fair replacement’ strategies such as recycling and HSE process improvement. Customer satisfaction surveys are regularly conducted and the results are reflected in product upgrades. Our production process is operated in accordance with HSE-related laws, regulations, and requirements. Moreover, we have obtained ISO 14001 certification and have received re-certification and renewal respectively through the annual audit and triennial renewal processes¹⁾

1) Obtained ISO 14001 certification in 2002 and have re-certified and renewed it since



Environmental Management Initiatives

Engaging Employees in Environmental Management Efforts

We conduct an annual environmental impact assessment for each worksite. The results are shared with the employees at the worksite and they are encouraged to collaborate in making any necessary improvements. In addition, an idea suggestion system is in place to help employees contribute to promoting a culture of environmental responsibility. Separate waste collection and recycling campaigns are organized as part of employee awareness-raising. Clean-up activities are conducted in the areas surrounding our worksites, further benefiting the local communities. As part of the environmental training for our employees and suppliers offered in 2023, we provided environment management programs on air and water quality and waste, shared environment management performance, examined environmental management status and violations, and presented guidance checklists. We have also formulated internal rules on reducing pollutants and have been monitoring the pollutants generated at our worksites. Moreover, measurement of air and water pollution is being conducted regularly in cooperation with specialized external agencies.

| Environmental training in 2023

	Gunpo Plant (Electric power)
Frequency	Biannually
Details	- Environmental management status - Legal compliance requirements for air and water quality - Checklist for guidance - Worksite waste management (recycling)
Methods	Onsite training and lectures
Participants	First half: 90 employees Second half: 90 employees

	Jeonju Plant (Telecommunications)
Frequency	Two sessions (two hours)
Details	- Environmental management status - List of applicable laws and regulations - Checklist for guidance - Waste separation and management
Methods	Onsite training and lectures
Participants	• First session: 176 (135 employees and 41 from suppliers) • Second session: 180 (135 employees and 45 from suppliers)

| Green social contribution activities in 2023

We re-use industrial water in order to protect the ecosystems around our worksites and then send it to wastewater treatment companies to minimize any discharged pollutants. We will continue our efforts at environment protection by engaging in further clean-up activities.



Gaon Cable Environmental Cleanup Activities

ENVIRONMENT

Environmental Regulations and Response Strategies

We proactively identify laws and regulations¹⁾ regarding environment management and assess their compliance.

1) The Clean Air Conservation Act, the Water Environment Conservation Act, and the Wastes Control Act

| Environmental management indicators ¹⁾

Laws	Requirements	Response activities
The Clean Air Conservation Act	Reducing air pollution Improving air quality	- Zero environment-related civil complaints - Conducting self-measurement tailored to the characteristics of each worksite through a professional agency - Reducing GHG emissions to meet the requirements of the GHG emissions and Energy Target Management System (achieving the government targets) - Installing IoT in air discharge facilities for real-time monitoring
The Water Environment Conservation Act	Preventing water pollution Managing aqua-ecosystem	Conducting self-measurement tailored to the characteristics of each worksite through a professional agency
The Wastes Control Act	Waste Reduction and Eco-friendly Waste Management	Increasing the volume of recycled waste at worksites

1) HSE team members in managerial positions (excluding production employees) are working intensively to meet KPI targets.

Legal Compliance

For legal compliance, we review domestic and international laws and regulations and keep track of their revisions.

Classification		Unit	2021	2022	2023
Jeonju	Targets	Case(s)	0	0	0
	Performance	Case(s)	0	1	0
Gunpo	Targets	Case(s)	0	0	0
	Performance	Case(s)	0	0	0



Environmental Risk Management and Monitoring

We regularly monitor and measure the environmental and safety health impacts of our key operations and activities. This includes tracking environmental and safety health performance, calibrating monitoring devices, assessing environmental impact characteristics, and evaluating regulatory compliance. Monitoring devices are calibrated annually or as needed if issues arise, and regulatory compliance evaluations are conducted once a year. We maintain and manage our environmental and safety health performance by setting and achieving annual environmental and safety health goals.



HSE performance tracking	Calibration of monitoring devices	Evaluation of the characteristics of environmental impact	Legal compliance assessment
Evaluation items	Evaluation Cycle (Gunpo Plant)	Evaluation items	Evaluation Cycle (Jeonju Plant)
Air pollutants	2 times/month	Air pollutants	2 times/month
Water pollutants	2 times/year	Water pollutants	-
Calibration of monitoring devices	1 time/year	Calibration of monitoring devices	1 time/year
Legal compliance assessment	1 time/half-year	Legal compliance assessment	1 time/year

E

nvironment

ENVIRONMENT

Minimizing Impact on the Environment

We operate green worksites to minimize environmental impact, earn the trust of stakeholders, and create social value. To achieve this, we set specific targets for reducing pollutants, wastes, and chemicals, and take actions for their implementation. Looking ahead, we remain dedicated to building green worksites through effective water resource management and reduced energy consumption.

ROADMAP

Goal

Operating green worksites to minimize environmental impact

Strategies

- Enhancing waste management practices
- Strengthening control over pollutant discharges
- Reducing chemical usage to a minimum

2023-2025

- Increasing recycling rates up to 80% at worksites by strengthening our waste management systems
- Establishing pollutant discharge targets at our worksites and implementing measures to achieve them
- Gunpo Plant (Power)
Waste Emission Target: 1153.21 tons
- Jeonju Plant (Telecommunications)
Waste Emission Target: 704 tons

2026-2030

- Managing performance aligned with pollutant discharge targets and conducting improvement measures
- Reducing carbon emissions through facility upgrades at worksites

2030-

- Achieving a recycling rate of over 80% through improved waste disposal practices
- Reducing environmental burdens by identifying and utilizing alternative materials

ENVIRONMENT

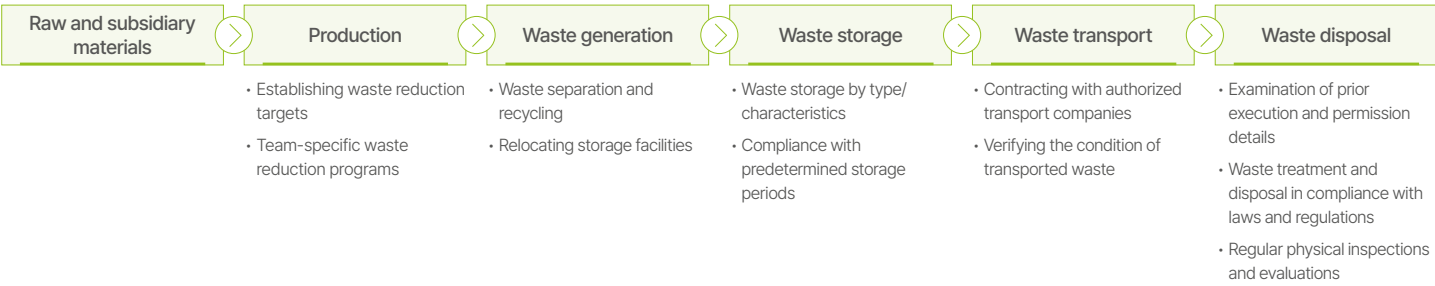
Actions to Reduce Environmental Impact

Waste Discharge Management

The largest share of waste at our worksites is attributed to PE and PVC generated during the pre-pressure and extrusion processes. We collaborate with various companies to recycle such waste, and in the case of plastic waste, some of the products made from recycling are exported. To prepare for any potential issues with exporting recycled waste, such as the revision of laws in the importing countries, we have identified and partnered with specialized recycling companies to help manage the waste generated at our worksites. In 2023, the Gunpo Plant set a target of 1,153.21 tons of waste but discharged 1,213 tons. Meanwhile, the target of the Jeonju Plant had a target of 704 tons and released 692 tons. Overall, the volume of wastes generated in 2023 decreased by 1.06% compared to the previous year.

Waste Disposal Management

We dispose specially designated and general waste by obtaining permissions from the Han River Basin Environmental Office and the Gunpo Office. Waste for disposal is registered and reported in the government's Allbaro system. The volume of generated waste is reported to the system on an annual basis to oversee the amount of waste and increase the recycling rate, thereby reducing our environmental impact. In 2023, the total waste amounted to 1,905 tons. Recycled wastes reached 1,704 tons and the recycling rate reached approximately 89%.



| Waste management performance

Classification		Unit	2021	2022	2023
Gunpo Plant (Power Production Division)					
Designated waste	Recycling	ton	5	3	0
	Disposal (incineration)	ton	77	206	65
General waste	Recycling	ton	895	942	1,016
	Disposal (incineration)	ton	176	163	133
	Total	ton	1,154	1,314	1,213
Jeonju Plant (Telecommunications Production Division)					
Designated waste	Recycling	ton	0	0	0
	Disposal (incineration)	ton	10	2	4
General waste	Recycling	ton	556	702	688
	Disposal (incineration)	ton	76	0	0
	Total	ton	642	704	692

Strengthening Recycling Efforts

To fulfill our responsibility as a producer of plastic products and packaging, we signed a voluntary agreement on plastic waste collection and recycling with the Ministry of Environment and have been proactively participating in its EPR (Extended Producer Responsibility) programs. We also took the initiative regarding the re-use of plastics and signed agreements with recycling companies to effectively recycle the PVC, PE, and PP used in cable manufacturing. In addition, we joined the Korea Packaging Recycling Cooperative (KPRC) to help promote the recycling of plastic packaging.

Air Pollutant Management

Our company policy is more stringent than legal requirements, as we manage air pollutants by rigorously measuring them according to our own strict in-house standards. Air pollutant emissions are gauged twice per month at the Gunpo plant. For facilities where the installation of air pollution prevention equipment is exempted, measurements are taken annually. The air pollutants we produce are mainly NOx and dust¹⁾, and the emission volume is reported to the Gunpo Office on a half-yearly basis. To reduce pollutants, we will further our efforts at green production.

1) Other pollutants such as SOx are not detected in the air pollutants emitted by our operations.



Water Resource Management

Water resources are used in each plant for cooling water in the cable extrusion process or in the electrolytic copper smelting furnaces, and for the daily use of employees. In the product manufacturing process, industrial water used for cooling in the extrusion process and the melting furnace is fully recycled. Additionally, if this industrial water becomes contaminated, the wastewater is sent to contracted companies for waste treatment. Efforts are being made at each worksite to reduce water intake and as a result, intake decreased by 12% from 2022 and 17% compared to 2021.

Wastewater Discharge Management

Wastewater generated from the production processes at each worksite is treated in wastewater systems, re-used, and then sent to contracted companies for waste treatment. As part of our efforts at quality management, the amount of wastewater and water pollutant discharged is measured biannually. Although none of our worksites are located in or near water source protection areas, restricted zones, other special management zones, or biodiversity protection areas, we are working continuously to reduce water contamination by sending re-used water to wastewater treatment companies instead of simply discharging it.

Hazardous Chemicals Management

We have systematically managed the storage, transportation, and handling of hazardous chemicals that threaten the environment and occupational health and safety. In particular, to thoroughly control chemicals that adversely affect human health or environmental safety, we defined responsibilities and authorities for managing hazardous chemicals. In addition, MSDS (Material Safety Data Sheets) are shared at worksites and educational sessions on chemicals management are provided to related teams so that employees can use chemicals after clearly understanding how to use them safely. Moreover, off-site risk assessment is conducted to allow employees to quickly respond to any chemical-related accidents. Additionally, we plan to minimize the use of chemicals by continuously seeking and replacing current products with alternatives that use smaller quantities of chemicals or are completely harmless.

ENVIRONMENT

Conducting Eco-friendly Business

We are committed to implementing sustainable development. By focusing on eco-friendly business operations, we dedicate ourselves to protecting global ecosystems and contributing to a better future for our customers and society. Investing in environmental equipment and facilities and offering green products and services allow us to pursue sustainability in our business, provide customers with better choices, and contribute to environmental preservation efforts. We are committed to continuously expanding its portfolio of eco-friendly products, promising to provide sustainable solutions based on a sense of responsibility towards the environment.

Our Eco-friendly Business Operations

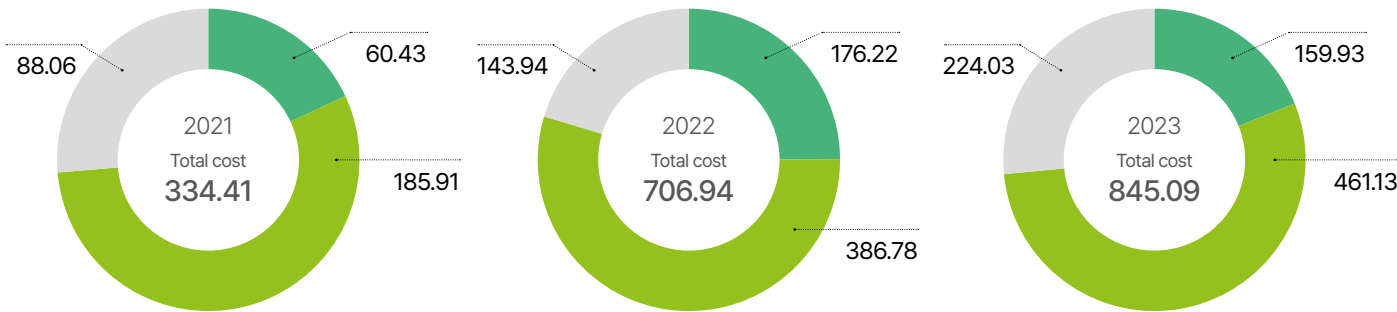
We have been replacing the filters of activated charcoal on an annual basis to enhance the efficiency of our air pollution prevention equipment. In addition, IoT installations in these systems enable real-time monitoring through the continuous emission monitoring system Green Link, allowing us to promptly respond to any potential issues. We remain committed to mitigating environmental risks through these efforts.

| Annual environmental investment costs (Gunpo)

Environmental risk management cost

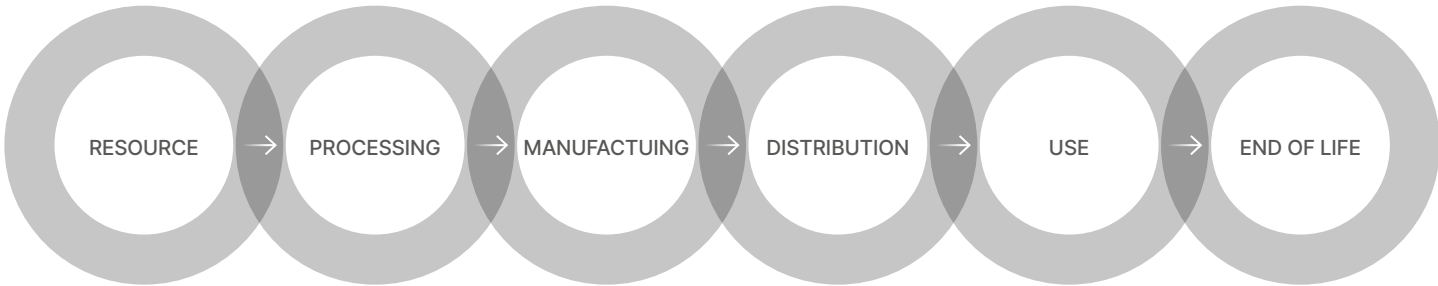
Waste disposal cost

Environmental impact reduction cost

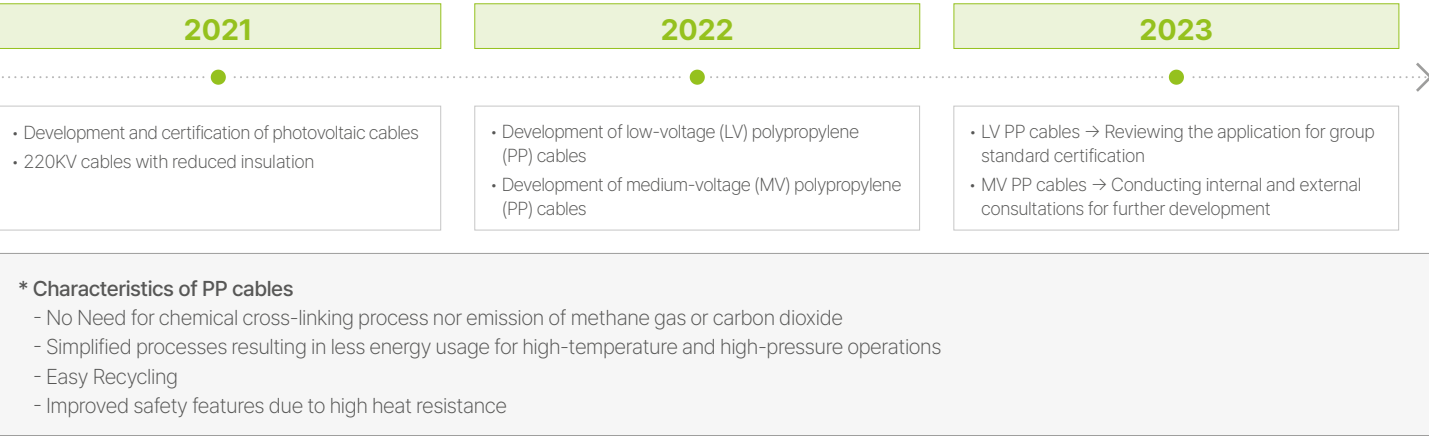


Full Product Lifecycle Management

To understand and document environmental impacts across the entire product lifecycle from raw materials to product use and disposal, we identify, check, review, evaluate, and register the direct and indirect environmental impact of each product manufacturing process. In particular, we closely monitor the latest trends in HSE-related laws and regulations and customer requirements and try to reflect them in product design and production.



| Eco-friendly product development timeline



| Eco-friendly product development count

Classification	2021	2022	2023
Telecommunications	-	1	1
Electric power	2	2	4

Sales of Eco-friendly Products

Gaon Cable classifies products that do not generate environmentally harmful pollutants during the manufacturing-consumption-disposal process and prevent the emission of toxic gases in the event of a fire, as eco-friendly products. The sales performance of these eco-friendly products is tracked and managed accordingly.

Sales Performance of Eco-friendly Products

We will continue to develop and market high-quality green products that meet customer demand. In particular, we will increase our percentage of green product sales in consideration of the overall environmental impact of the cable industry.

| Sales performance of eco-friendly products

Unit: in million KRW

Classification	2023
Telecommunications	14,020 (Decline in optical cable exports)
Electric power	115,402

As a cable manufacturer, Gaon Cable is doing its utmost to provide products and services that meet customer requirements so that we can satisfy our customers, contribute to local communities, and improve HSE through green products. We obtained KEIT's Eco-Label certification, demonstrating the environmental improvement of our products through the reduction of harmful materials.

International Certification for Solar PV Cables

Production of Eco-Friendly Products (HF-CO) Cables

UTP Cat.6 cable

Characteristics	Effects
C-W filler removed	Environmental impact Reducing carbon emissions by 20% which is generated during manufacturing a box of category-6 cables (300 m)¹⁾ 51kgCO₂e Carbon Emissions 20%↓ 40kgCO₂e
Reduced outer diameter	- A non-filler structure allows the reduction of waste generated during installation. - A C-W filler using PE has been removed, reducing waste, and increasing convenience for workers.
Sheath material change	- The outer diameter has been reduced by 20% compared to the previous model, minimizing the space required for installation. - Sheath material changes have minimized the harmful materials generated in the combustion process. - LSZH²⁾: A low-smoke, non-toxic polymeric substance composed of carbon, hydrogen, and oxygen - It generates less smoke, lowering the risk of suffocation and improving visibility during fire evacuations. - In line with the EU Construction Products Regulation (CPR) - UTP Cat.6 cables meet CPR safety requirements by using LSZH materials in production.

2) LSZH (Low smoke zero halogen), and PE+EVA

Established a virtuous cycle by selecting recyclable waste materials through material verification and producing recycled products through collection, processing, and recycling companies.

Fiber S/P

- materials : ABS

Case

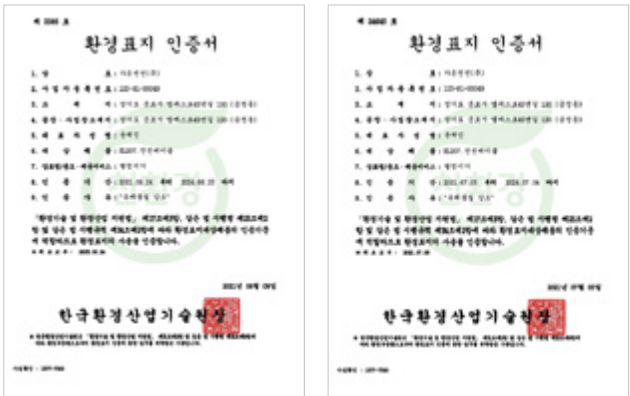
- materials : PF



① Carbon emissions reduction : 62,040kgCO₂e per year Fiber S/P(ABS) : 57,641kgCO₂e Case(PP) : 4,398kgCO₂e	② Waste decrease : 22 tons per year Fiber S/P(ABS) : 20ton Case(PP) : 2ton	③ Cost saving : 11 million KRW per year Disposal cost saving : 3.5 million KRW Gain on sale of waste : 7.5 million KRW
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XLPE emits methane gas during the manufacturing process. On the other hand, PP is recyclable and has the same electric and mechanical characteristics but produces fewer impurities. Moreover, it can be used continuously at a higher temperature (110°C) than XLPE (90°C). This easy-to-operate product with outstanding water-tree¹⁾ resistance is allowed us to be registered as a qualified supplier of PP (polypropylene) cables for Korea Electric Power Corporation (KEPCO) which is expected to play a role in increasing sales.

1) Water tree: It refers to an aging phenomenon that can occur in the insulation of high-voltage electrical cables. It is characterized by the formation of tree-like structures within the insulation material.

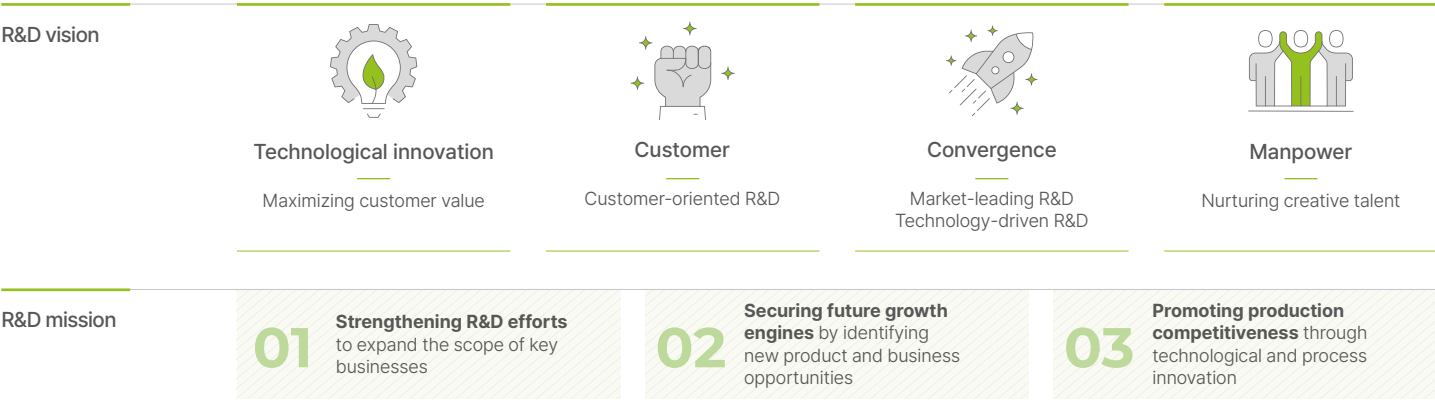


ENVIRONMENT

R&D Framework

R&D Vision and Mission

To create a sustainable future, we strive to secure future growth engines under a vision of setting a direction through new technology/products, innovation in product development, and new business creation. In particular, we concentrate our efforts on strengthening our market position through technological innovation and market-leading, technology-driven R&D, laying a foundation for sustainable management.



R&D Strategy

We are dedicated to creating a high value-added business model through innovation by expanding our scope from cables to solutions and non-cable products and establishing cooperative networks. Furthermore, we strive to minimize environmental impacts to ensure a sustainable future.



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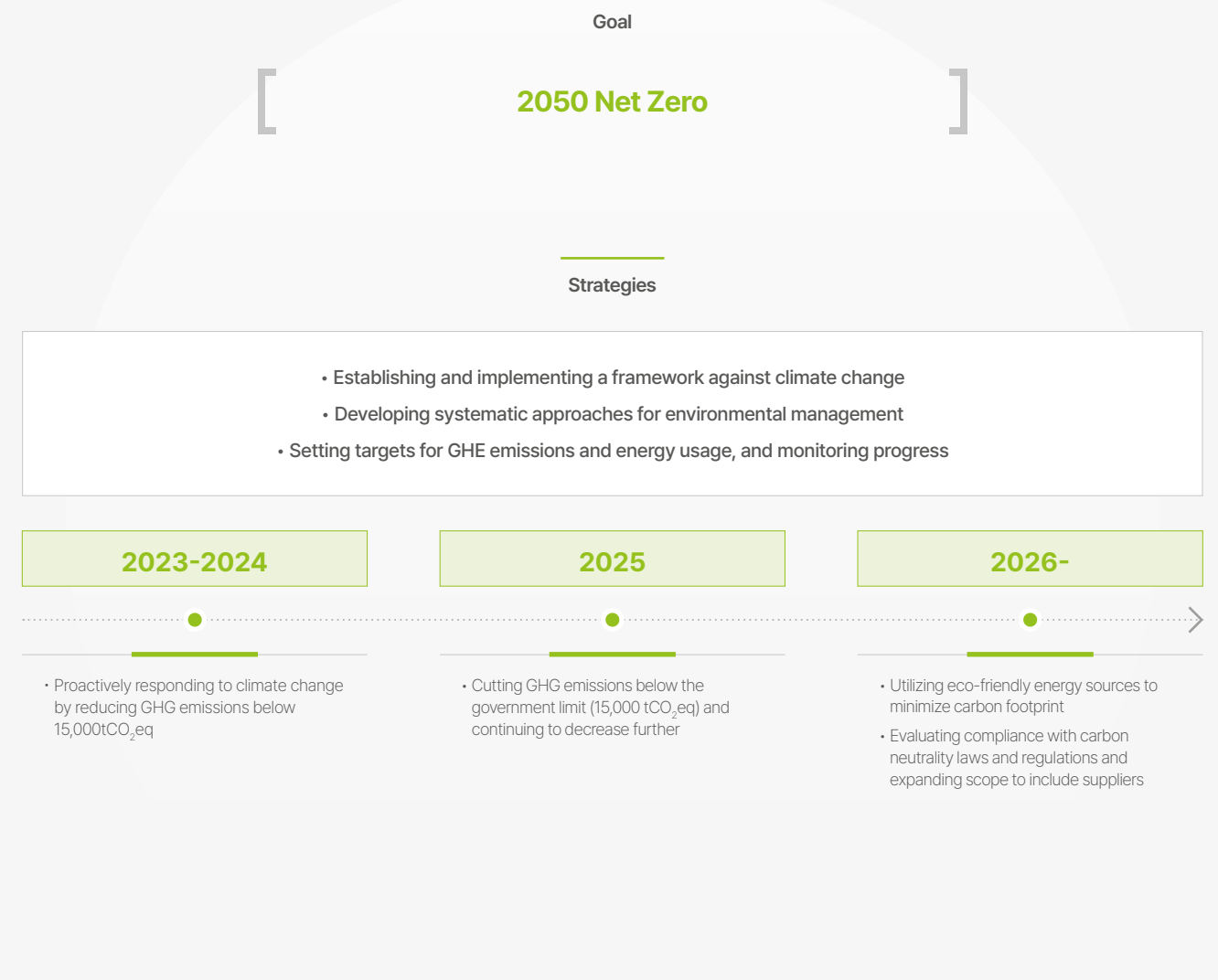
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ENVIRONMENT

Implementing Actions on Climate Change

In light of the increasing severity of abnormal climate phenomena, addressing climate change has become an urgent and important task that demands global cooperation. We are acutely aware of the seriousness of these challenges and are committed to responding proactively. To this end, we are dedicated to systematically developing environmental strategies that align with our 2050 Net Zero goals and to identifying and mitigating associated risks. Along with this, we are actively promoting the adoption of renewable energy sources, such as waste heat boilers and solar power generation, to transition to eco-friendly business practices.

ROADMAP



ENVIRONMENT

Climate Change Response System

| Environmental management structure



Managing Climate Change Risks and Opportunities

Whenever internal and external environmental issues arise, the Board of Directors conducts a thorough risk and opportunity assessment. Additionally, if environmental risk factors are identified during the assessment, immediate investment opinions are provided, and investment decisions are made through the Board's review.

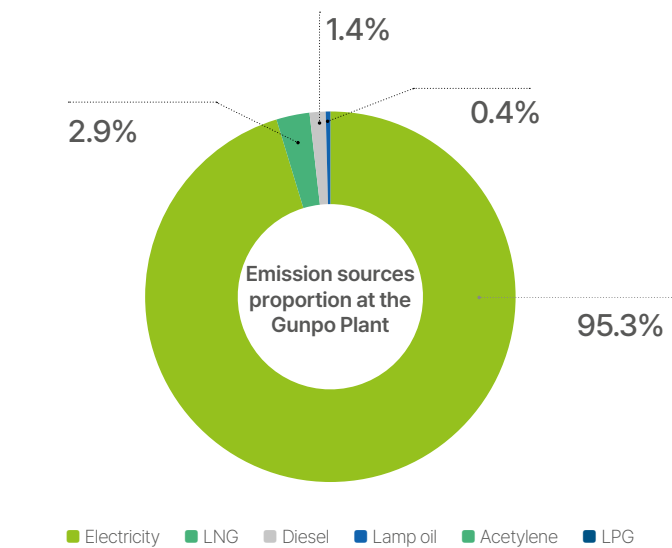
Climate Change Response Activities

Developing and Implementing GHG emissions Targets

Since 2018, the Gunpo Plant has been reducing greenhouse gas (GHG) emissions through targeted emission management. The majority of our GHG emissions stem from the use of electricity and liquefied natural gas (LNG). To minimize the consumption of electricity, we have continuously upgraded equipment, including lighting systems and motors. For reducing LNG usage, we have removed gas heaters and upgraded our equipment at the same time. We aim to reduce GHG emissions to below 15,000 tCO₂eq and will make various efforts to manage GHG autonomously, beyond government regulations.

GHG Emissions Target Management System

We have been designated as a company under the GHG Emissions Target Management System and receive target allocations from the government for greenhouse gas emissions generated by product production. To reduce greenhouse gas emissions, we are undertaking various activities, such as removing gas heaters, installing LED lights, and installing inverters to reduce electricity consumption.



Gunpo Plant in 2023 ¹⁾

- GHG emissions target : 16,933 tCO₂eq
- Actual GHG emissions : 9,413 tCO₂eq

¹⁾ The plant is subject to the GHG emissions and energy target management system.

※ For greenhouse gas and energy data pertaining to the Jeonju Plant, please refer to the Appendix of this report.

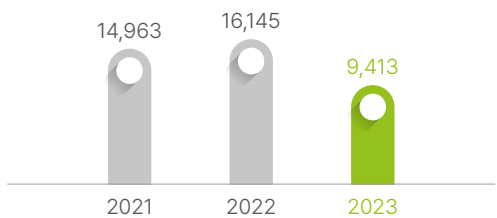
42% decrease from the previous year

GHG Emissions Management

At Gaon Cable, only our Gunpo Plant is subject to the government's GHG emissions Target Management System. Reduction activities are being conducted there in line with the goals set by the government. Scope 1 and 2 GHG emissions are calculated, verified by a third party, and reported to the government on an annual basis, ensuring that we meet our greenhouse gas emissions targets.

| GHG emissions¹⁾

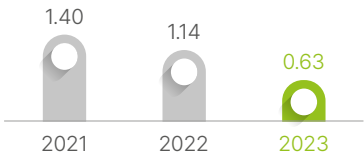
(Unit: tCO₂eq)



¹⁾ Scope 1&2
²⁾ GHG emissions/Sales

| Greenhouse Gas Emissions Intensity²⁾

(Unit: tCO₂eq/billion KRW)

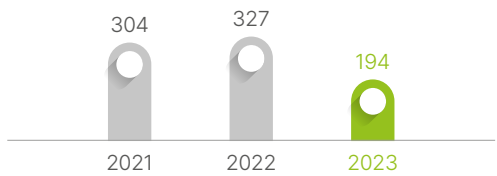


Reduction of GHG Emissions and Energy Consumption

The main energy sources used at the Gunpo Plant are electricity and city gas. To reduce GHG emissions and energy consumption, we have removed the gas heaters within the company and installed high-efficiency electric heaters to reduce greenhouse gas and energy consumption. Additionally, we are carrying out equipment improvement activities for high-energy processes.

| Energy Consumption

(Unit: TJ)



Gunpo Plant in 2023²⁾

- Energy consumption target : 356 TJ
- Actual Energy consumption : 194 TJ

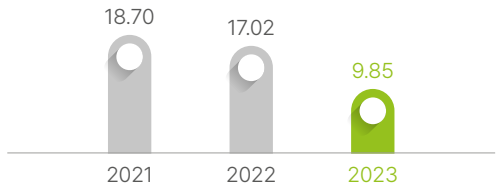
¹⁾ Target Facilities for Greenhouse Gas and Energy Target Management System

¹⁾ Energy consumption/Sales
²⁾ The plant is subject to the GHG emissions and energy target management system.

41% reduction from the previous year

| Energy Intensity¹⁾

(Unit: TJ/ Ten billion KRW)



SOCIAL

We are dedicated to creating an ESG ecosystem that amplifies our social impact.

Ensuring workplace safety is a primary concern, and we continuously work towards cultivating positive work environments for our employees. We also pursue mutual growth with our partners and aim to stabilize our supply chain through responsible management practices. Additionally, we are committed to upholding and respecting human rights for all stakeholders and promoting talent development policies to enhance the professionalism of our team members. Furthermore, we strive to deliver the highest quality service to our customers by strictly adhering to information security and quality standards. We are devoted to evolving with the local community and meeting our social responsibilities as a progressive company.

Workplace Safety and Health Management

Supply Chain ESG Management and Partner Collaboration

Enhancing Human Rights Management

Strengthening Human Resource Management

Social Contribution and Engaging with Local Communities

Information Protection and Security

Product Safety and Quality Management

Social

SOCIAL

Workplace Safety and Health Management

At Gaon Cable, workplace safety and health are top priorities. We have established and announced a comprehensive safety and health management policy. In alignment with this policy, we systematically develop and implement safety initiatives, ensuring that both employees and suppliers achieve their safety goals.

ROADMAP

Goal

Achieving zero safety-related accidents at our worksites.

Strategies

- Establishing and implementing a Workplace Safety and Health Management
- Strengthening the responsibility and accountability for workplace safety and health
- Fostering an environment that supports safety and health activities among employees
- Building a Safety and Health System for suppliers

2023-2024

- Operating win-win cooperation programs in partnership with the Korea Occupational Safety and Health Agency (KOSHA) to benefit the offices of five in-house suppliers and four subsidiaries

2025

- Publishing a safety and health management manual and implementing collaborative projects to benefit both in-house and external suppliers
- Fostering an environment that empowers employees to take initiative in their own safety and health activities
- Performing safety and health assessments for suppliers twice a year and keeping the safety and health manual up-to-date

2026-

- Monitoring updates to safety and health laws and regulations to ensure compliance and continuously enhance our safety and health system
- Performing collaborative safety and health inspections with suppliers

SOCIAL

Safety and Health Management Promotion System

Safety and Health Implementation System – Led by the HSE Team

As part of the efforts at ESG management and ensuring the safety of worksites, the HSE team was reorganized into electric power and telecommunication sections in 2021. The HSE system at each worksite will be regularly checked and improved to quickly respond to safety issues and minimize any related risks. In 2024, safety-related issues and safety check results will be reported and shared at the BOD meetings.

| Health and Safety Organizational Structure



Occupational Health and Safety Committee

An occupational safety and health committee is operated at each worksite. Key health and safety issues are jointly reviewed and resolved by representatives of labor and management through this committee. The committee is composed of an equal number of seven members from the company's safety and health management representatives and seven honorary industrial safety supervisors from the labor union. The committee meets on a quarterly basis to consider and vote on key considerations, such as industrial safety prevention plans, drafting and amending safety and health management regulations, and improving risk factors. Decisions made through voting are shared as internal announcements.

Health and Safety Management Policy

For systematic implementation of safety-related activities, we have announced a safety and health management policy that reflects the commitment of our employees at worksites. Activities are being conducted in line with this policy to ensure that our stakeholders, including employees, and in-house and external suppliers, can reach their safety goals.

GAON Our safety and health management policy

Conducting worksite risk assessments involving all employees
Achieving the goal of zero serious accidents at worksites

With health and safety management as a highest-priority core value in all of our business activities, we have implemented a related system and applied the following policies to protect our employees and create a safe work environment:

1. Safety goals have been set and the related implementation plans are regularly reviewed and refined.

2. A healthy culture of safety has been established in which all of our employees clearly understand and strictly comply with all safety and health-related laws, regulations, and company guidelines.

3. Potential risks are regularly identified and assessed. Preventive measures and mitigation efforts are always in progress.

4. Proactive communication with our employees and needed support are provided to preemptively address any potential safety issues and promote a safe and pleasant work environment.

January 2, 2024

CEO of Gaon Cable Chung Hyun

Health and Safety Management System

| Integrated Management through ISO 45001 Certification

We renewed our ISO 45001 certification in 2020 as part of our establishment of an integrated safety management system¹⁾. ISO 45001 is the ISO standard for a health and safety management system to protect the physical and mental health of workers and reduce occupational injuries and disease.

We formulated a set of HSE regulations and uploaded them to our intranet to share with all employees so they can participate in occupational safety monitoring.

1) Employees Subject to ISO 45001 System: All Employees Within the Workplace



ISO 45001

• **Social** | **Workplace Safety and Health Management** | Supply Chain ESG Management and Partner Collaboration | Enhancing Human Rights Management | Strengthening Human Resource Management | Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

Safety Management Activities

Safety Supervisors

To identify and address risk factors that could lead to accidents, unannounced inspections are conducted at our worksites and subsidiaries by two external safety experts with over 25 years of experience each who have been appointed as safety supervisors. This safety supervisor system is expected to help promote a culture of safety at worksites.

Safety Diagnoses at Worksites

A variety of activities are in place according to the Occupational Health and Safety Act to identify and address risk factors and establish a safety management system. As part of these efforts, safety diagnoses were conducted by the Korea Industrial Safety Association and the Honam Industrial Safety Center at all of our worksites in Gunpo and Jeonju. In 2023, we shared diagnostic results and improvement measures for each department and partner company, successfully addressing all 506 identified improvement items. This was achieved through the establishment of mid- to long-term investment plans targeting potential factors for major accidents. Moving forward, Gaon Cable plans to enhance its safety management level by conducting continuous safety inspections, including major accident prevention consulting.

Special Note

In 2023, Gaon Cable conducted a safety diagnosis of its workplaces to evaluate the effectiveness of measures to mitigate safety and health risks. As a result, the capabilities of safety management personnel improved, and satisfaction levels were high.

Safety Management at Construction Sites

For safety management at our construction sites, HSE teams are partnering with a specialized agency to conduct inspections and provide support to the sites. Inspection results are reported to the CEO.

Health and Safety Programs

We conduct monthly meetings and semiannual risk assessments to prevent serious accidents at Gaon Cable and its suppliers. In order to eliminate risk factors and minimize risk, an annual risk evaluation is made by a specialized third-party safety management agency. The results are shared with all employees and improvement measures are taken for any issues identified. In addition, our employees and the agency perform monthly joint inspections to continuously improve our safety practices.

Employee Safety Training

We provide safety training programs for our employees. New hires are given eight hours of training and there are regular six-hour programs held for all employees on a quarterly basis. For employees engaged in high-risk work, such as operating loading equipment (forklifts and cranes), handling hazardous materials, and welding, 16-hour training sessions are conducted by a third-party agency according to the Occupational Safety and Health Act. In addition, management supervisors operate daily on-site inspections and any risk factors identified are shared with employees on a regular basis. Meanwhile, as part of the efforts at the prevention of industrial accidents, we inform our employees of any revisions to the health and safety management rules and regulations and share the results of related activities.

Employee Health Checkups and Follow-Ups

We provide annual health checkups to our employees. Those aged 35 and older are subject to comprehensive checkups. Special health checkups are conducted for employees engaged in jobs with potential exposure to harmful materials, first before they are assigned and then regularly on a quarterly basis. Health checkups are provided by third-party clinics. As we have established partnerships with health clinics near our worksites, our employees can avail themselves of discounts for flu shots and checkups for their family members, as well as access to clinic lounges.

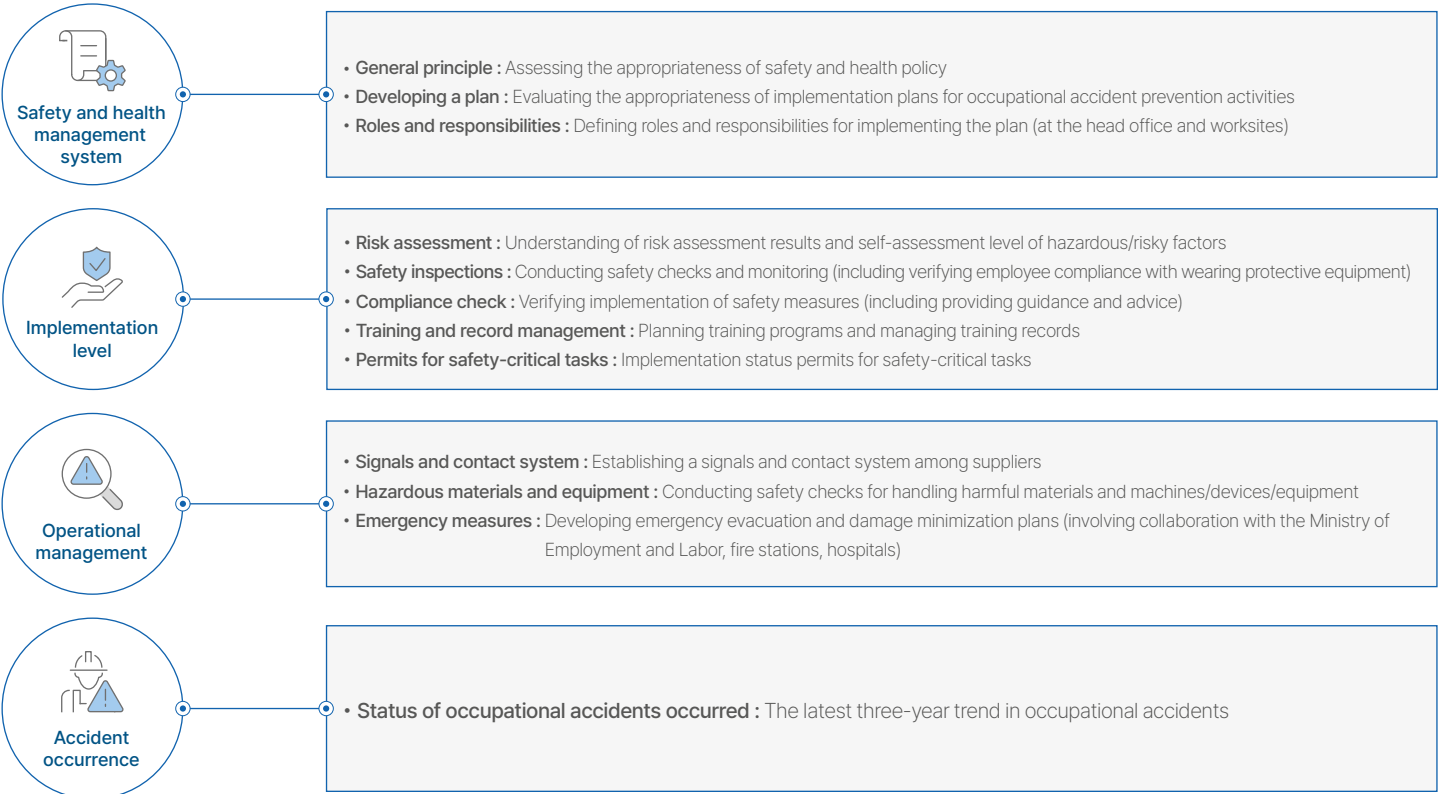
SOCIAL

Support for Supplier Safety Management

Safety Management Monitoring of In-House Suppliers

We support our in-house suppliers (three offices at the Gunpo Plant and two offices at the Jeonju Plant) by providing them with safety management monitoring by external agencies. We evaluate suppliers’ performance in terms of health and safety on a semi-annual basis. If they fail to meet pre-defined criteria, their contracts with Gaon Cable are terminated. This helps raise their awareness of safety, identify risks, and conduct improvement activities.

Supplier health and Safety Evaluation Items and Criteria



Occupational Accident Rate of Employees from Suppliers

2021	2022	2023
0%	0%	0%

Win-Win Cooperation Programs

We operate Win-Win cooperation programs with five in-house and four external suppliers for capacity-building and awareness-raising in regard to safety and health management, ultimately preventing industrial accidents. In addition, logistical and human resource support, including joint campaigns and provision of health and safety equipment, is provided to them in order to create safer workplaces.

• **Social** | **Workplace Safety and Health Management** | Supply Chain ESG Management and Partner Collaboration | Enhancing Human Rights Management | Strengthening Human Resource Management | Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

Operating an In-House Supplier Consultation Body

We operate an in-house supplier consultation body to strengthen our supplier management for industrial accident prevention. Safety issues are discussed in monthly safety management meetings and support is provided to help address them. Key issues are safety management training and support related to forklifts and cranes. In 2022, we started to cover the expenses incurred by in-house suppliers for safety management agencies and repairs so that they can independently conduct safety activities. In addition, we conduct monthly meetings with suppliers to help prevent serious accidents at worksites. During these meetings, we share any identified risk factors and collaborate on implementing improvement measures.

Moreover, a similar consultative body will be set up for our subsidiaries in order to support their safety management. As part of our Win-Win cooperation programs in 2023, we provided support allowing suppliers to engage in third-party consulting for enhancing their health and safety management. In addition, we plan to establish a 'safety communication box' to address any concerns of employees of both in-house and external suppliers at Occupational Safety and Health Committee meetings and consultative body sessions for our subsidiaries.

Supplier Inspection and Support Activities

We operate an internal subcontracting review committee to ensure a sustainable supply network. The committee is composed of three members, chaired by the responsible executive and is designed to promote a culture of fair transactions based on an MOU on mutually beneficial cooperation between large enterprises and SMEs and fair transactions in subcontracting. During the regularly-scheduled committee meetings (held at least once per month), we conduct reviews of contract signings and ensure compliance with relevant laws and regulations. Additionally, we assess the progress of measures taken in response to violations and ensure the proper archiving of all related documents in accordance with pre-defined rules.

Meanwhile, we conduct environmental safety assessments in terms of management, technology, quality, cost, delivery, and collaboration and have developed comprehensive plans for supporting our suppliers. No environmental or social factors that could negatively impact suppliers were found in 2023. In that year, we participated in the win-win cooperation projects organized by the Korea Occupational Safety and Health Agency (KOSHA). We supported these initiatives by facilitating third-party consulting focused on risk evaluation and the implementation of accident prevention systems. Building on this, in 2024 we plan to support nine suppliers through joint campaigns and the provision of health and safety equipment. In addition, consulting service will be provided to help these suppliers conduct their own risk evaluations and establish a self-regulatory system focused on risk assessment.



Conducting Safety Inspections



Providing Safety Management Explanations



Safety Inspection Meetings



Social

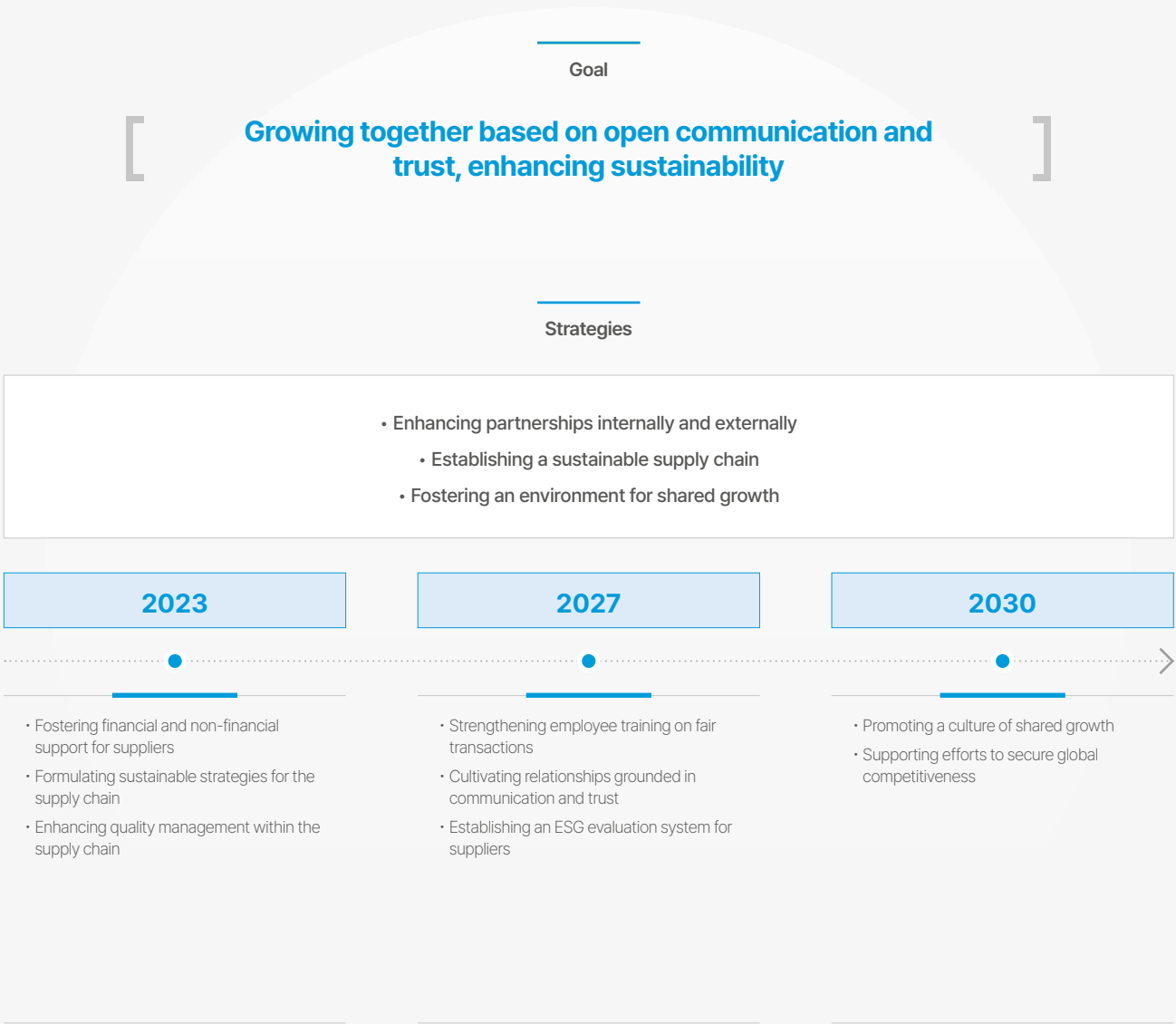
• **Social** | Workplace Safety and Health Management | **Supply Chain ESG Management and Partner Collaboration** | Enhancing Human Rights Management | Strengthening Human Resource Management
| Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

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Supply Chain ESG Management and Partner Collaboration

We pursue shared growth with our suppliers based on the belief that we are 'Happier Together.' To this end, we are committed to establishing a responsible management system, promoting open communication and cooperation, supporting suppliers in building their capacities, and maintaining a stable supply network.

ROADMAP



SOCIAL

Supply Chain Management System

ESG Management Policy for Suppliers

We are closely cooperating with our suppliers to support them in expanding their sustainable management capacity and elevating their awareness of sustainability. To this end, we have established a sustainable business model and formulated processes, norms, and guidelines to protect the supply chain environment, fulfill our corporate social responsibility, and respect and implement ethical business practices. Moving forward, we will base our ESG management on shared growth with our suppliers, operating in a sustainable manner, and creating social value.



• **Social** | Workplace Safety and Health Management | **Supply Chain ESG Management and Partner Collaboration** | Enhancing Human Rights Management | Strengthening Human Resource Management | Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

GAON Supplier Code of Conduct

GAON Supplier Code of Conduct encourages all suppliers to not only strictly comply to law and regulations applicable to corporate business management. It also emphasizes adherence to ethical standards, labor and human rights practices, safety and health guidelines, and robust business management systems. Compliance with this code enables suppliers to earn societal respect and fosters opportunities for shared growth.

Labor	Voluntary employment; protection of minor workers; working hours; wages and benefits; humane treatment; prohibition of discrimination/ harassment; and freedom of association
Health and safety	Occupational safety; emergency response plans; occupational accidents and diseases; occupational hygiene; labor; facility safety management; sanitation; and health and safety communication
Environment	Acquisition of environmental permits; pollution prevention and resource saving; regulations on hazardous substances, solid waste, air emissions, and materials; water resource management; and energy consumption and greenhouse gas emissions
Ethics	Integrity; prevention of unfair competitive advantages; information disclosure; intellectual property; fair trade and competition; identity protection; resource management; and privacy protection
Management system	Corporate commitment to compliance; duties and responsibilities of management; laws; risk assessment and management, training; audit and evaluation; and supply chain participation and accountability measures

1) For details, please refer to our e-Procurement system (<http://g-pro.gaoncable.com>).

Four Guidelines for Fair Business Transactions

To promote a culture of fair business transactions, we have four guidelines posted on our e-Procurement system (<http://g-pro.gaoncable.com>). We use a standard KFTC (Korea Fair Trade Commission) form for subcontractor agreements, and all of our suppliers are required to sign a pledge of ethical management. An internal subcontracting review committee consisting of a chairperson and the heads of the Procurement Team and the Internal Audit & Consulting Team is operated and conducts preliminary reviews to check the legality of contracts.

In addition, we have formulated guidelines on sound contracting practices to promote reasonable and unbiased transactions. It covers the establishment of contract-signing infrastructure such as setting method selection criteria, operating a vendor proposal submission system, and implementing Partner Relationship Management (PRM). It also ensures full self-determination in contract-signing and the faithful fulfillment of contracts under applicable laws.



SOCIAL

Supply Chain Management Activities

We operate an internal subcontracting review committee to ensure a sustainable supply network. The committee is composed of three members, chaired by the responsible executive and is designed to promote a culture of fair transactions based on an MOU on mutually beneficial cooperation between large enterprises and SMEs and fair transactions in subcontracting. The committee meets regularly at least once a month to operate in accordance with regulations, reviewing the fairness of contract conclusions, the legality of relevant laws such as the Subcontracting Act, measures for violations of relevant laws, and document retention.

Meanwhile, we conduct environmental safety assessments in terms of Management, Technology, Quality, Cost, Delivery, Collaboration and have developed comprehensive plans to support our suppliers. No environmental or social factors that could negatively impact suppliers were found in 2023.

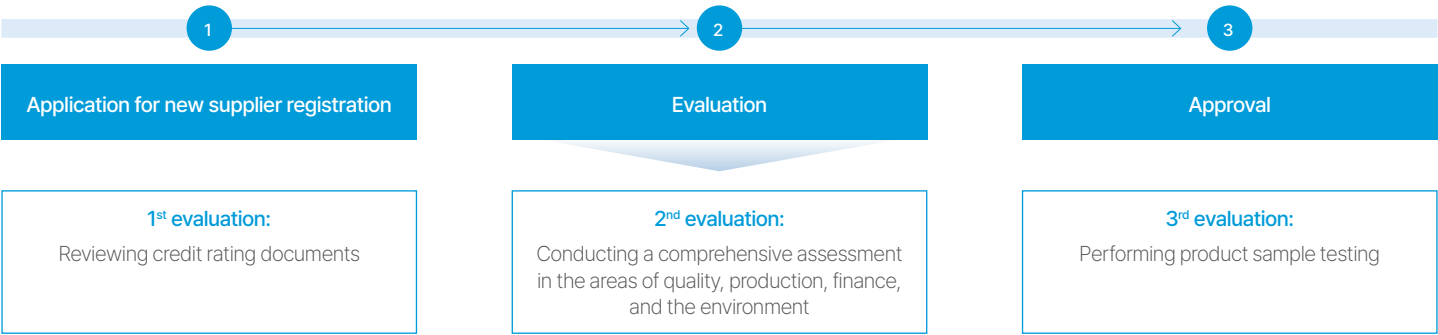
Additionally, in 2023, we participated in the safety and health cooperation project between large and small-to-medium enterprises, organized by the Korea Occupational Safety and Health Agency to support partner firms with consulting services for technology and risk assessments, as well as for the establishment of prevention systems.

Employee Training for Fair Business Transactions

Annual training on ethical management is provided to all employees through our online platform called the E-campus. In 2023, a total of 239 office employees completed our program on fair business transactions. As a result of these efforts, no cases requiring legal action for unfair trade acts were reported for the year. Our code of ethics and implementation guidelines clearly state the prohibitions on giving and receiving gifts, entertainment, or money and we will continue our efforts at transparent and fair business transactions.

Supplier Selection

We ensure fairness in the selection of partners by conducting the entire procurement process, from registration to final selection, through our e-Procurement system (<http://gpro.gaoncable.com>). Additionally, Gaon Cable adheres to a principle of competitive bidding, except in special cases such as customer requests and jointly developed products. For partners wishing to do business with Gaon Cable, a comprehensive evaluation is conducted through a three-step process: first, a document review; second, an on-site inspection covering quality, production, finance, and environmental factors, with results notified in writing; and third, a sample test of the product, with the final decision on trade feasibility also communicated in writing.



Regular Evaluation and Contract Renewal Review

Suppliers are evaluated on quality, delivery, and price according to our internal supplier management rules.

• **Social** | Workplace Safety and Health Management | **Supply Chain ESG Management and Partner Collaboration** | Enhancing Human Rights Management | Strengthening Human Resource Management | Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

Supplier Quality Management

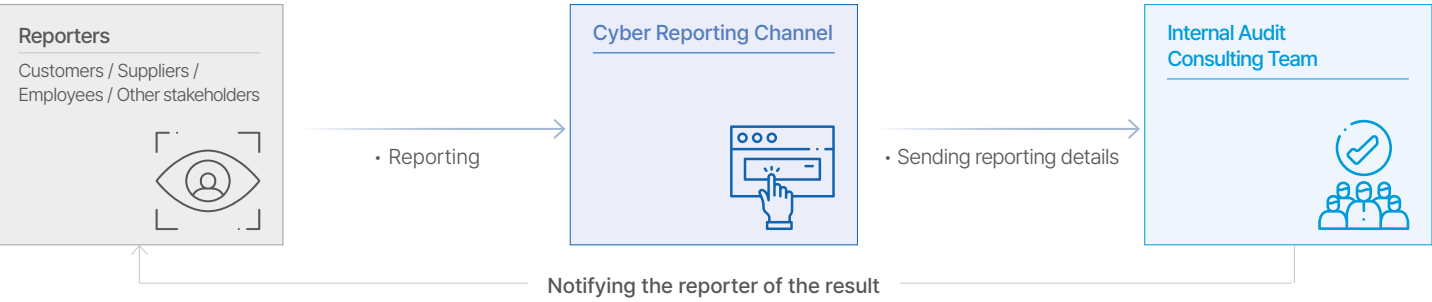
A quality certification system is being operated through which suppliers can register their materials and structures. In addition, quality inspections are being made at our suppliers. In 2024, we aim to pursue organizational growth and customer satisfaction by rectifying deteriorated quality standards through the verification of basic quality standards compliance.

| Supplier quality management timeline



Protecting Suppliers’ Rights and Interests

We operate the Cyber Reporting Channel to protect the rights and interests of suppliers against unfair business management or acts by our employees. The channel can be accessed via our website (gaoncable.com) or e-Procurement system (<http://gpro.gaoncable.com>).



| Supplier complaint processing status

2021		2022		2023	
In progress	Completed	In progress	Completed	In progress	Completed
0	0	0	0	0	0

SOCIAL

Co-Growth with Suppliers

Financial Support

To help suppliers improve their cash flow, we operate financial support systems, including direct loans, Win-Win cooperation loans, and a Win-Win payment scheme. In addition, to help subcontractors secure cash flow, payment is made within 50 days, 10 days shorter than 60 days specified in the Subcontracting Act.

Direct Support

We have created a fund worth 1 billion KRW to extend direct interest-free loans to suppliers so they can enhance their equipment investment and product development.

2021	2022	2023
1 billion KRW	1 billion KRW	1 billion KRW

Joint Support

We support our suppliers in accessing Win-Win cooperation loans against a deposit we have made with IBK (Industrial Bank of Korea). In 2023, suppliers were provided with loans of 2.3 billion KRW.

2021	2022	2023
2.1 billion KRW	2 billion KRW	2.3 billion KRW

Win-Win Payment

We signed loan agreements with IBK and Shinhan Bank that allows our secondary and tertiary suppliers to access secured loans for credit sales using the credit of Gaon Cable.

2021	2022	2023
42.4 billion KRW	101.7 billion KRW	130.7 billion KRW

Non-Financial Support

We continue to provide our suppliers with non-financial support, such as free product testing and of confirmation of purchase agreement letters.

Free Test Support

If suppliers request product testing for items they cannot test on their own, we provide free testing and send them the results. Where possible, we share with them the know-how required for the tests.

2021	2022	2023
13 cases	16 cases	14 cases

Export Support

We issue letters of confirmation of purchase agreement for items that are delivered to us from suppliers and then exported, providing them with indirect support for their exports.

2021	2022	2023
6.9 billion KRW	9.8 billion KRW	18.5 billion KRW

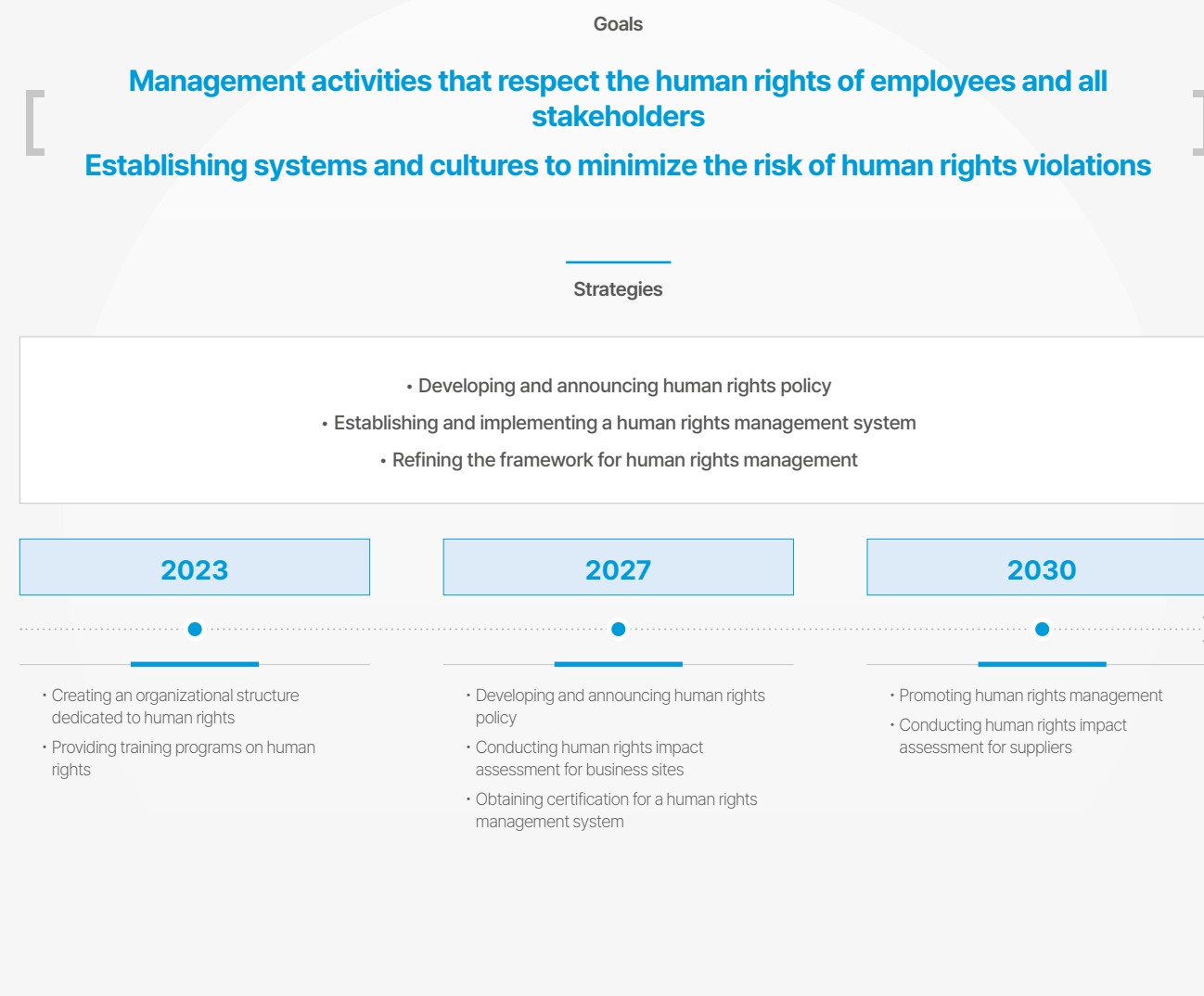
Social

SOCIAL

Enhancing Human Rights Management

We are committed to protecting human rights for the wellbeing of our stakeholders. We strive to prevent any violations of human rights in our business operations and promote mutual respect among employees, thereby creating a positive work environment. To safeguard and uphold human rights, we have implemented human rights management system and identified and addressed risks.

ROADMAP



SOCIAL

Human Rights Management Enhancement System

Human Rights Management Implementation System

We have developed a human rights management policy and Gaon Cable's declaration on human rights management, aligning them with the UN Guiding Principles on Business and Human Rights. The aim is to comply with international standards and domestic law and regulations to respect the rights and interests of all stakeholders. We strictly prohibit discrimination based on gender, race, religion, disabilities, place of birth, or political opinions, and we enforce a zero-tolerance policy against child and forced labor. To create a culture of respect for human rights, we provided regular training programs on human rights to our employees. In addition, we have implemented and continually monitor processes to manage human rights risks among our workforce. Should any violations be identified, appropriate punitive measures are taken. Furthermore, as part of our commitment to promoting human rights management, we conduct human rights impact assessments on our employees, customers, and suppliers to identify and mitigate risks. We are committed to refining our human rights management system further as part of our corporate social responsibility efforts.

| Basic Principles on Human Rights Management

01. Prohibition of Discrimination

Gaon Cable respects the diversity of our employees and does not discriminate based on race, religion, disabilities, place of birth, or political opinions.

Definition	Applicable stakeholders
Prohibition of Discrimination, respecting diversity	Employees, subsidiaries, and suppliers

02. Guaranteeing Freedom of Association and Collective Bargaining

Gaon Cable ensures employees' right to organize a labor union and does not disadvantage them based on union membership or activities. We guarantee the right to collective bargaining and faithfully implements the outcomes of such negotiations.

Definition	Applicable stakeholders
Guaranteeing three labor rights and respecting the results of collective bargaining	Employees, subsidiaries, and suppliers

03. Prohibition of forced labor

Gaon Cable does not engage in any form of forced labor with our employees.

Definition	Applicable stakeholders
Prohibition and prevention of forced labor	Employees, subsidiaries, and suppliers

04. Prohibition of child labor

Gaon Cable complies with the minimum employment age requirements of each country and, when legally employing young workers, we provide special considerations for ensuring their access to education opportunities and their safety.

Definition	Applicable stakeholders
Prohibition of minor employment	Employees, subsidiaries, and suppliers

05. Responsible management of the supply network

Gaon Cable takes appropriate measures to ensure that its subsidiaries and suppliers implement human rights management practices.

Definition	Applicable stakeholders
Preventing human rights violation at subsidiaries and suppliers and managing related risks	Employees, subsidiaries, and suppliers

06. Ensuring industrial safety

Gaon Cable complies with industrial health and safety laws and regulations, providing employees with safe and hygienic working environments. Employees working in environments requiring high attention and caution receive specific safety training and are provided with necessary safety equipment. In cases of workplace accidents or occupational diseases, we implement appropriate follow-up actions and preventive measures.

Definition	Applicable stakeholders
Preventing critical occupational accidents, fostering safe working environments, and providing safety training	Employees, subsidiaries, and suppliers

07. Protecting the human rights of local residents

Gaon Cable respects and protects the rights to life, individual safety, property ownership, and freedom of movement for local residents in the areas where we operate our business, ensuring their human rights are not violated.

Definition	Applicable stakeholders
Protection of human rights for local residents	Local communities

08. Guaranteeing environmental rights

Gaon Cable has established an environmental management system that adheres to preventive approaches to environmental issues. Under the system, we develop emergency plans to prevent, mitigate and control serious environmental damages and disasters.

Definition	Applicable stakeholders
Establishing an environmental management system and adhering to preventive approaches to environmental issues	Local communities

09. Protecting consumer rights

Gaon Cable provides products and services that ensure the health and safety of our customers. We do not engage in exaggeration or misleading practices in the advertisement and marketing of our products and services. In addition, we respect customer privacy and strictly protect the personal information collected and stored.

Definition	Applicable stakeholders
Protection of consumers' human rights	Customers

Human Rights Management Policy

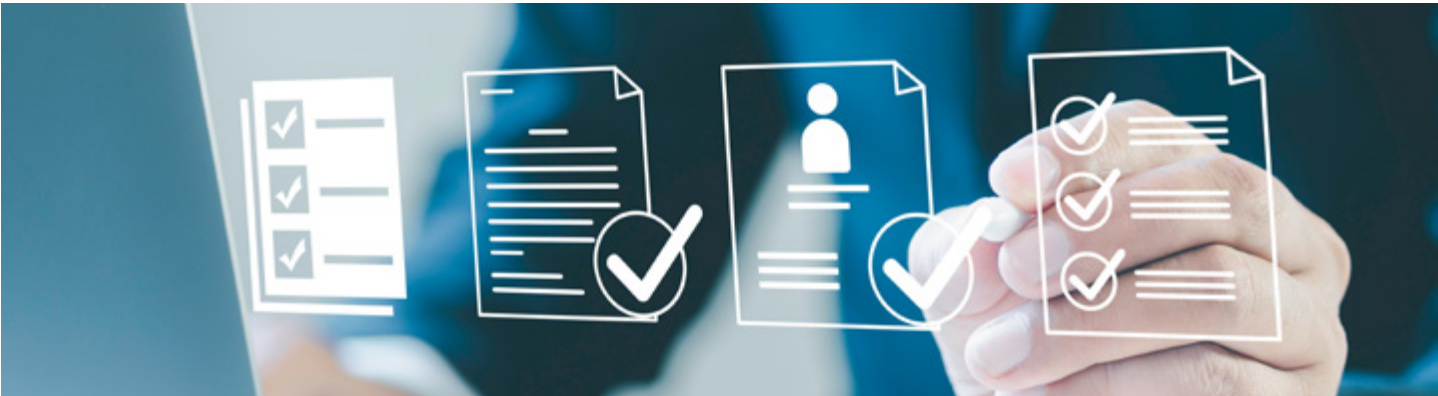
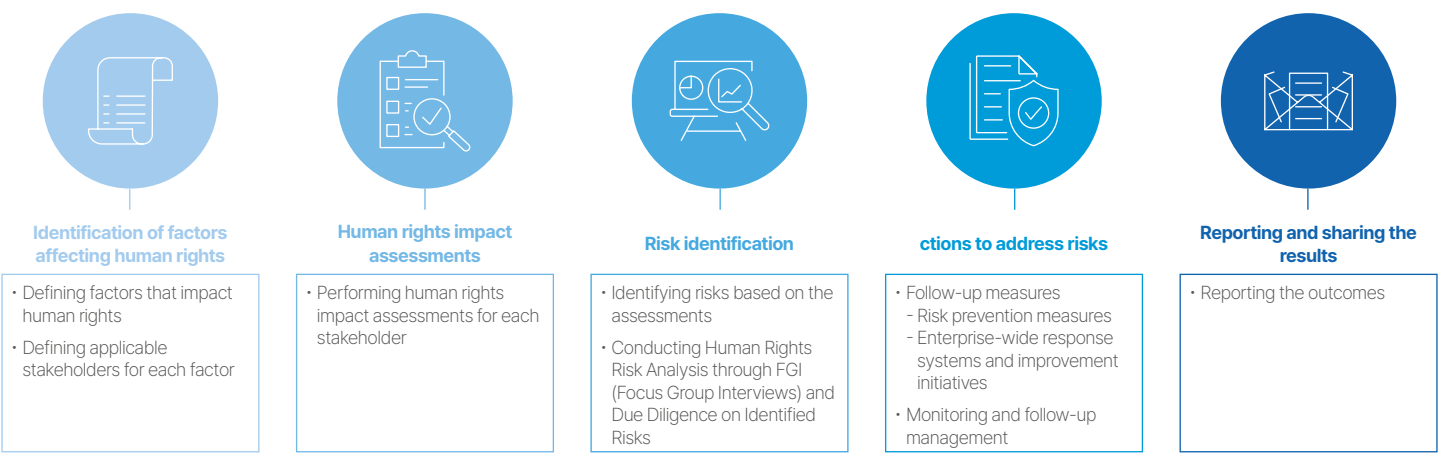
We have established the following human rights management policies to respect and protect the rights and interests of our stakeholders, including employees, customers, suppliers, and local communities, from potential risks stemming from our business activities:

| Human Rights Management Policy

- 1 Respects and protects the rights and interests of our stakeholders. To this end, we comply with pertinent international standards and domestic laws and regulations, identify potential risks, and take appropriate measures to address them.
- 2 Refines our human rights management system and conducts related training and exchange activities to elevate human rights within the organization.
- 3 Promotes transparency and accountability under this policy and minimizes the risk of human rights violations. To this end, an open communication channel accessible to all stakeholders is operated so that any reported issues can be promptly and properly processed and addressed.

Human Rights Management Risk Identification and Management Process

We conduct human rights impact assessments for our employees, customers, suppliers, and local communities to identify, respond to, and mitigate existing and potential human rights risks. Moving forward, we aim to expand our scope of human rights risk identification and management to include our suppliers, thereby leading human rights management practices in the cable industry.



SOCIAL

Human Rights Management Activities

Prohibition of Discrimination against Employees

Human rights management is one of our fundamental values and the LS Code of Ethics clearly states that there should be no discrimination against employees. No employer should discriminate against workers or provide discriminatory treatment in relation to employment, promotion, compensation, or welfare benefits. All employees are provided equal opportunities, and rewards are given based solely on their performance. We operate support systems to prevent any unfair acts, such as a grievance channel, cyber reporting channel, and appeals to employee performance evaluation results. In addition, a system is in place through which employees suffering from workplace bullying or sexual harassment can receive counseling from an external agency.

There were no cases of discrimination received through the Cyber Reporting Channel in 2023. In addition, we will conduct human rights impact assessments at all of our worksites to check the implementation status of the policy.

Education on Human Rights Protection

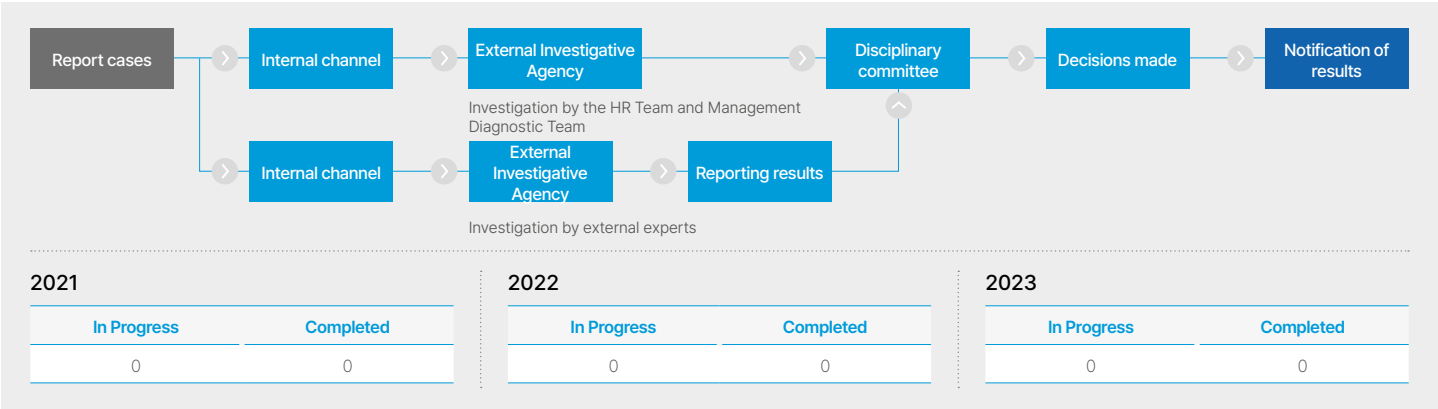
Gaon Cable conducts human rights protection training for employees to prevent potential human rights violations in advance and to establish a culture of respect for human rights, aiming to foster a healthy organizational culture. In 2023, a total of 434 employees participated in programs for improving awareness of people with disabilities and prevention of sexual harassment. Program details are also posted on the company bulletin board for sharing with all of our employees in an effort to raise awareness of human rights.

| Human rights protection training completion status in 2023

Programs	Office employees	Production employees	Total
Training on the prevention of sexual harassment at work	239	195	434
Training for improving awareness and inclusivity for people with disabilities	239	195	434
Training on the prevention of workplace harassment	239	195	434

Human Rights Grievance Handling Channels and Processes

We provide both internal and external channels for employees to report grievances. Employees can choose between these channels based on the nature of their cases, with anonymity guaranteed throughout the both processes. The Human Resources Team handles reports received through the internal channel, conducts investigations, and implements punitive and corrective measures as necessary. For reports submitted via the external channel, independent experts conduct the investigations and provide recommendations. Based on these recommendations, the necessary punitive and corrective measures are then carried out through our internal processes.



• **Social** | Workplace Safety and Health Management | Supply Chain ESG Management and Partner Collaboration | **Enhancing Human Rights Management** | Strengthening Human Resource Management | Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

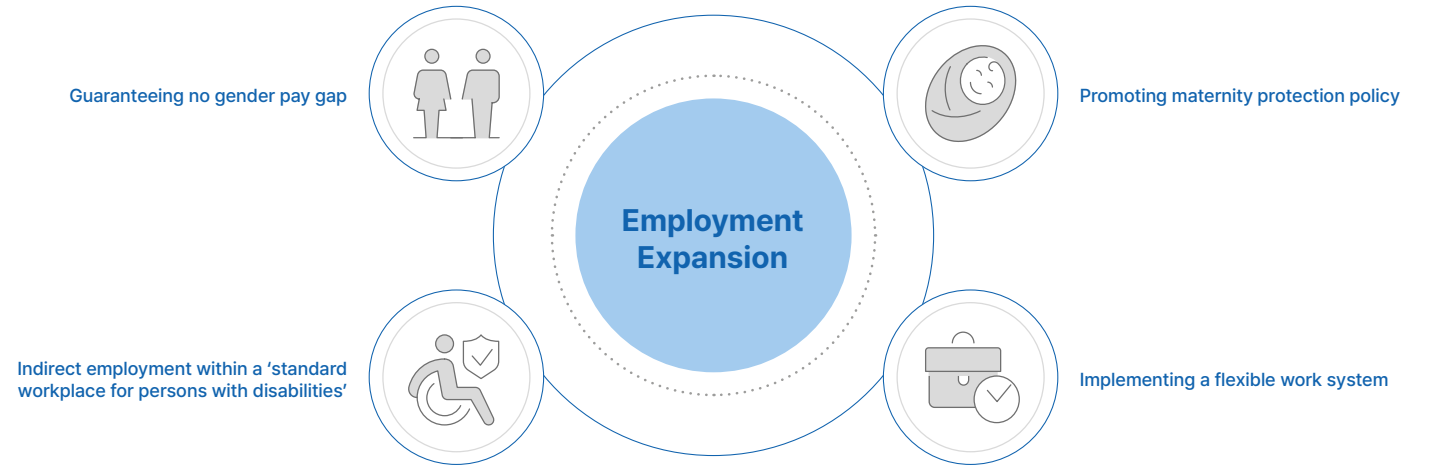
Workplace Diversity

We are actively promoting workplace diversity by recruiting employees with diverse backgrounds and experiences. Due to the characteristics of the cable manufacturing industry, female employees are a minority at the company, accounting for 7.9% of all employees. Our goal is to increase the percentage of female workforce to 10% within three years through various initiatives. These efforts include ensuring no gender pay gap, promoting maternity protection measures such as maternity and parental leave, and strengthening our flexible work system.

Category	2023	2024 target	2025 target
Percentage	7.9%	9%	10%

Expansion of Employment Opportunities for People with Disabilities through Indirect Employment with Standard Workplace for the Disabled, Butyi Co., Ltd

As employees in the cable manufacturing industry are required to be more careful about their safety and health, the proportion of our employees with physical disabilities is relatively low. However, we hire those who with physical disabilities. We have been contributing to supporting people with disabilities through indirect employment in cooperation with Butyi since 2018. The company was established to provide stable jobs to the socially vulnerable, including the disabled, according to the 'subsidiary-type standard business system' of the Korea Employment Agency for the Disabled and the Act on Employment Promotion and Vocational Rehabilitation for Disabled Persons.





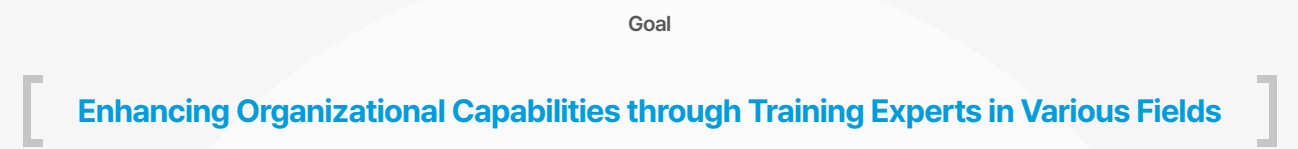
Social

SOCIAL

Strengthening Human Resource Management

Gaon Cable is refining our talent nurturing policy and creating sustainable value to achieve shared growth with our employees. We are committed to fostering talent by setting clear targets for employee capacity building and strengthening our HR development system. In addition, we aim to cultivate a culture of continuous learning to enhance expertise and achieve organizational goals. Moving forward, we will continue to innovate our organizational culture to meet the evolving needs of all employees.

ROADMAP



2023

- Implementing programs to strengthen job capabilities
- Enhancing leadership programs
- Improving performance management programs for team leaders
- Operating programs to foster global competitiveness
- Establishing a performance management system

2024-

- Enhancing programs for collaboration between teams
- Improving leadership development programs
- Promoting accessibility through employee-friendly infrastructure
- Strengthening employer branding to attract top talent
- Increasing the employment of women and people with disabilities

SOCIAL

Talent Development Implementation System

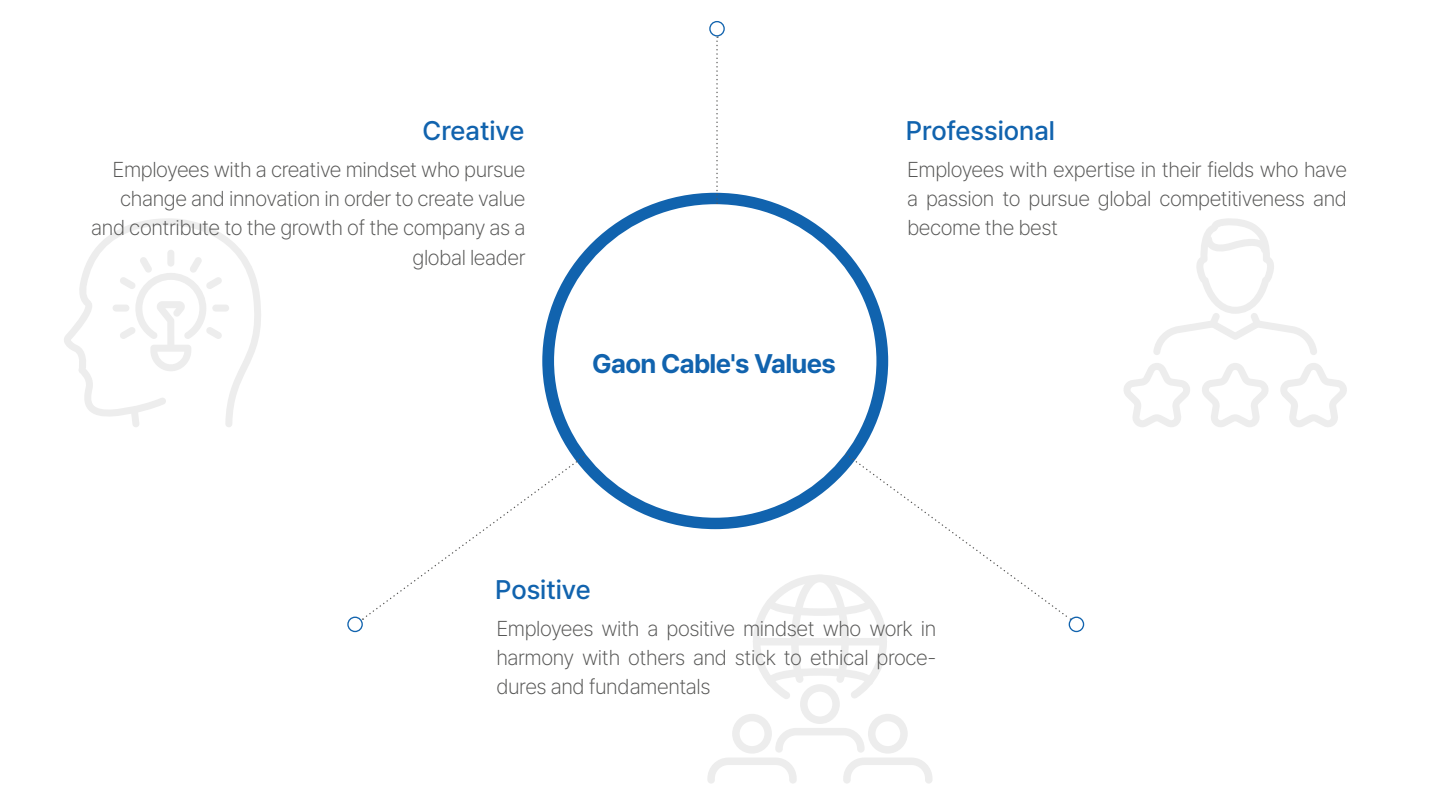
Our Human Development System

UPGRADE PEOPLE & CULTURE			
New hires	Leaders	Experts	Global talents
Understanding company's core values and corporate culture and acquiring basic working-level knowledge • Introductory courses at the LS Group level and the company level, a LS Future Camp • One-to-one mentoring and intensive on-the-job training (OJT)	Supporting the development of core capabilities, such as leadership, to cultivate future leaders • Training support tailored to individual development plans • Leadership programs • Courses for executives • Core talent programs	Strengthening expertise in one's fields • Support for Participation in External Training and Seminars • Expert courses by job role Operation of Professional Development Programs • LS MBA programs • PMP, CPSM, and PHR certifications	Capacity building for becoming global leaders • Support for Overseas Residency Programs and Participation in International Exhibitions and Seminars • Overseas benchmark training • Online language programs

Our Values and Recruitment Process

Our recruitment process reflects LS Partnership, the LS Group's corporate philosophy for finding positive, creative, and professional people. A job-based application form, occupational value survey, and AI interviews are used as part of this process. We also maintain a year-round recruitment program. In compliance with the Fair Hiring Procedures Act, applicants are not discriminated against based on physical condition or marital status and there is no nepotism in hiring.

| Gaon Cable's Values: Positive, Creative, Professional



• **Social** | Workplace Safety and Health Management | Supply Chain ESG Management and Partner Collaboration | Enhancing Human Rights Management | **Strengthening Human Resource Management** | Social Contribution and Engaging with Local Communities | Information Protection and Security | Product Safety and Quality Management

HR Training Programs

Future Leaders Development Program

To achieve our mid- and long-term management goals, we need active employees with business insight and leadership skills. To this end, a variety of leadership programs are being developed and operated to nurture future leaders who can bring vitality and inspire change in the organization.

LCP (Leadership Challenge Program)

The Leadership Challenge Program is designed to strengthen participants' capacity for business operation, organization management, and leadership. In 2023, one manager participated in this program, gaining the opportunity to develop the essential competencies as a future leader.

New Team Leader Course/Team Leader Candidate Course

In 2023, to facilitate quick organizational control and performance enhancement through the leadership of new appointees, we provided leadership training to three new team leaders. Additionally, to cultivate future organizational leaders, we offered the Development Center program to three team leader candidates. This program included self-assessment, future career development, and leadership development courses.

| The Outcomes of Leadership Programs

The outcomes of our leadership programs have been significant. Through these leadership training programs in 2023, we successfully increased sales and profits in the American market and secured future orders and delivery schedules by obtaining technical support and certifications. Additionally, we made previously unsuitable factory sites available for cable manufacturing. By changing our working methods, we secured new clients and established an annual contract with Hyundai Motor, ensuring a stable supply of orders.

Establishment of Gaon Cable Leadership Model and Assessment

We have implemented strategies and changes that emphasize self-development and management, aiming to nurture employees and motivate them to achieve results. As part of these efforts, we have identified exemplary leadership standards that contribute to meeting performance goals and desirable leader behaviors. We then conducted leader assessments to analyze the status of our leaders and establish a direction for their development.

Driving strategies and changes • Customer value as a top priority • Adapting to future environments • Strategic thinking and collaboration • Leading changes	Achieving performance through actions • Setting challenging goals • Decision-making and execution • Collaboration across the enterprise • Achieving results	Self-development and management • Self-reflection and continuous learning • Active listening • Horizontal communication • Emphasizing principles	Nurturing and motivating talents • Presenting a growth vision • Fostering talents and supporting their development • Recognition and motivation • Unbiased performance management

Team Leader Performance Management Training

To ensure transparent and fair evaluations, we conducted performance management training for evaluators. The training program included role-playing exercises to practice giving feedback and minimizing evaluation errors. Additionally, the program provided a platform for evaluators to share challenges related to evaluations and goal setting, fostering communication and growth as effective evaluators.

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Human Resource Programs

Team Leader Conference

Forty-eight team leaders participated in this online program and gained an opportunity to learn practical knowledge required for their work, develop management insight, and prepare themselves as leaders producing results.

| Participation in the 2023 Future Leaders Development Program

Programs	Participants
LCP (leadership Challenge Program)	1
Training for newly-appointed team leaders	3
Leadership School for team leaders	2
Online special lectures	44
Training for team leader candidates	3
Team Leader Conference	44



Global Competency Enhancement Program

To strengthen our global competitiveness, we select employees to be dispatched to overseas subsidiaries and provide them with training. There are also programs for those returning to Korea. Language programs are in place to hone the foreign language skills that employees require in their work.

Establishment of Expatriate Development and Repatriation Support System

We are operating language courses and reading programs for employees applying for overseas dispatch. For those who are selected to go abroad based on the pre-defined criteria, on-the-job training is provided to help them adapt quickly to their work and produce results at our overseas subsidiaries. When they return to Korea, an on-boarding program is operated to help them readjust and convert their overseas experience into assets.

Intensive Foreign Language Courses

To strengthen global competencies, we conduct Intensive courses that include business etiquette and relevant foreign language training. We actively support the enhancement of necessary global skills by providing an environment where participants can focus solely on education for 30 days, away from their regular work duties, to intensively improve their language abilities.

Work Competency Enhancement Program

Based on the understanding that corporate development starts with human resource development, efforts are being made to enhance the work capacities and competitiveness of our employees. A range of capacity-building programs that meet the unique needs of individual employees are provided at the company and LS Group levels. They include an introductory course for new hires, leadership courses by position, cyclical growth training, and online programs on foreign languages, job roles, and 'book learning'.

On-Site Manager Training

To improve productivity through effective on-site organizational culture management, we conducted leadership and communication training for 19 field managers, including section chiefs and team leaders. The training focused on working with the MZ generation, conflict management within the organization, and leadership skills. Through these programs, we are enhancing the leadership capabilities of our field managers, fostering a collaborative and communication-centered organizational culture.

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Agility Training

To build an organizational culture that responds quickly and agilely to market changes, we provided training on agile working methods to 50 employees, including staff and assistant managers. This training focused on changing their mindset towards work, learning and applying agile tools, and implementing these practices in their current roles. Through this program, managers learned to make quick decisions and provide flexible feedback in response to customer requirements, thereby enhancing their ability to continuously evolve the organizational culture.

Production Expertise Development Course

As we recognize that the growth of our company begins with human resource development, we are committed to strengthening the job capabilities and competitiveness of our employees. To thrive in environments characterized by VUCA (volatility, uncertainty, complexity, and ambiguity), we aim to nurture production experts skilled in systematic thinking across productivity, quality, and cost. In line with this goal, we have launched a six-month course designed to develop production engineers. This program is based on the 70-20-10 business model, which posits that individuals acquire 70% of their knowledge from challenging experiences and assignments, 20% through developmental relationships, and 10% via coursework and training. Throughout the program, participants are tasked with addressing real manufacturing issues through mid- and long-term projects. They also engage in weekly tasks, refining their approaches based on coaching feedback.

| Results achieved through the training

After taking the course, participants actively applied what they had learned to improve manufacturing competitiveness. These efforts to address inefficiencies included minimizing inventory waste, increasing production efficiency, preventing excessive stock, and reducing defect rates. As a result, customer complaints dropped by 44% in 2023 compared to the previous year¹⁾, bring significant changes to our worksites.

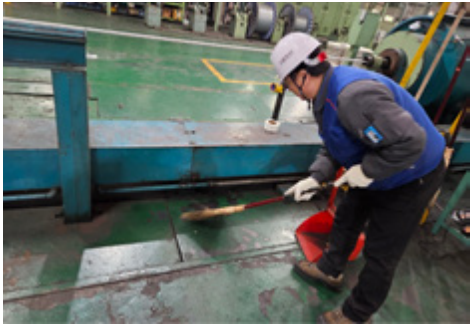
1) Gunpo Plant



Program supporting engineer development



Production expert meeting



Plant clean-up activity

Microsoft365 Training (Digital Transformation Program)

We offered Microsoft365 training as part of our initiative to innovate our work practices and foster agility in response to changes. Approximately 50 employees and assistant managers participated in this one-night, two-day course focused on utilizing and applying Microsoft 365 effectively at their worksites. The training provided practical insights into leveraging Microsoft 365 tools to enhance productivity and adapt to evolving digital environments.

Introducing Our New E-Library

Recognizing the constraints of physical books in terms of time and space, we have launched an e-library to encourage voluntary and selective learning among our employees. The e-library offers a wide range of content covering topics such as job skills, liberal arts, leadership, global issues, and academic papers. This initiative aims to support employees in enhancing their job capabilities and fostering personal development. Contents in the e-library are updated weekly, ensuring employees have access to the latest information that they can apply directly to their work.



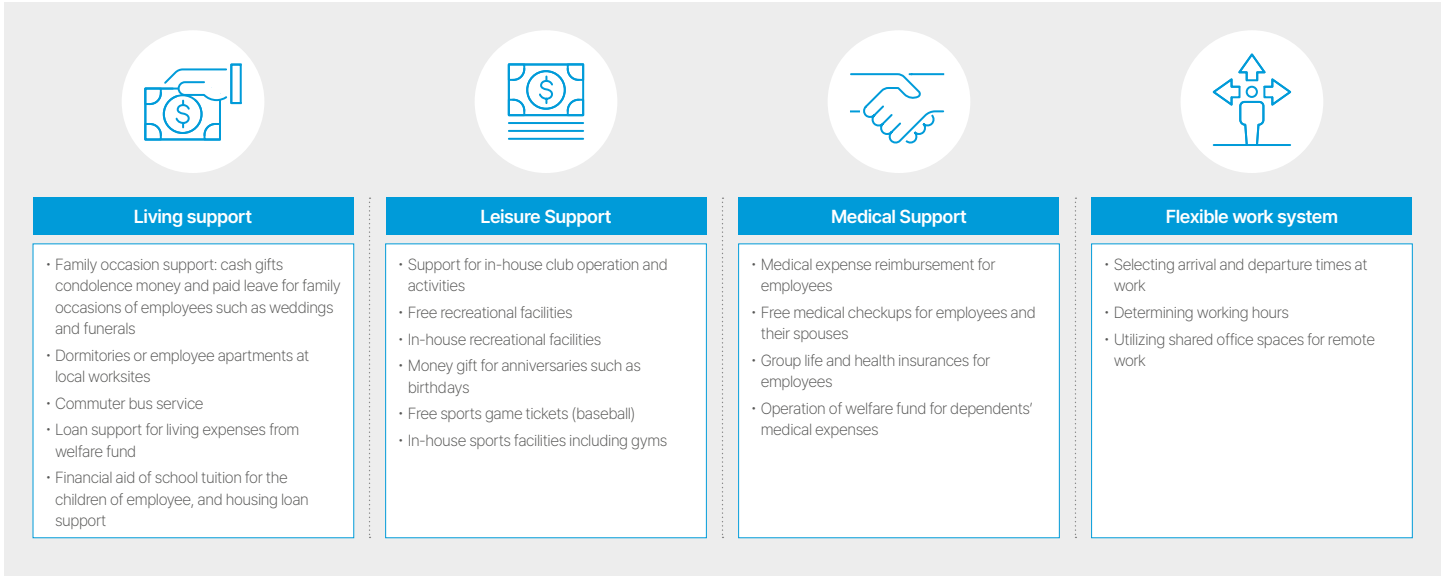
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Welfare and Benefits Systems

We operate a welfare system that covers three areas: living support for employees' economic stability, leisure support to allow them to refresh themselves and restore their energy, and medical support for themselves and their families, thus allowing them to take pride in the company and concentrate on their work.

Since 2019, we have encouraged them to take advantage of sandwich days. In addition, employees are allowed to select their arrival and departure times at work, determine their working hours, and utilize shared office spaces, fostering an organization with vitality and positive working environments.

| Welfare and Benefits



Retirement Pension System

Since 2011, a retirement pension system has been operated for all employees. They can choose between DB (defined benefit) and DC (defined contribution) plans. Every year, we provide employees with detailed information on the operation of our retirement pension to help them carefully craft their retirement plans.

Programs to Support Prospective Employees

To ensure our employees can enjoy a happy and stable life after retirement, we offer the 'Bravo, My Life' program provided by the LS Group. It features a lifetime design service that assists soon-to-retire employees in identifying resources that align with their goals for the future. It also supports them in planning asset management strategies for their life after retirement.

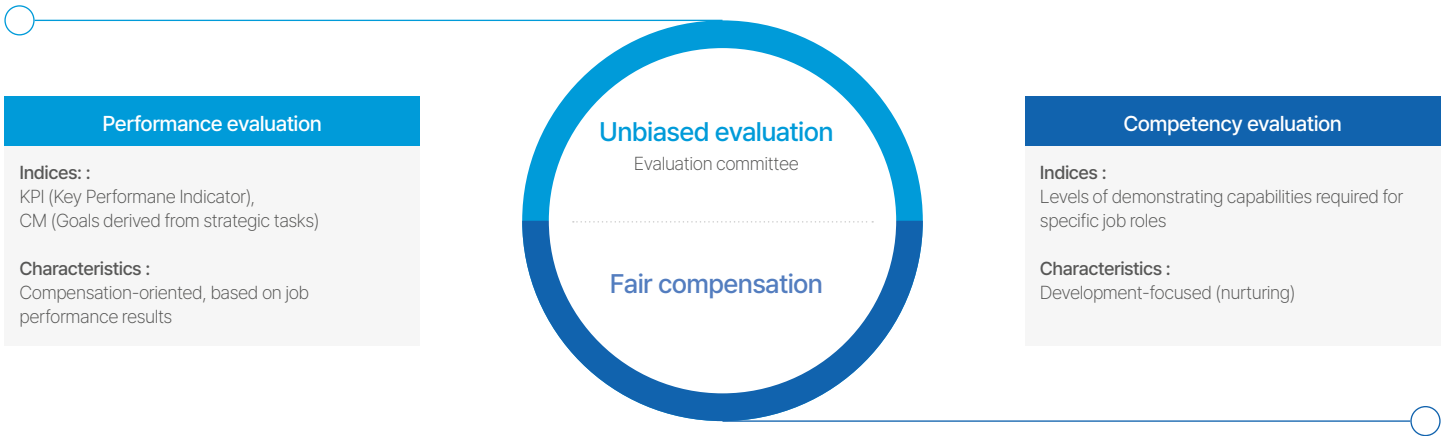
Gyms at Our Worksite

Gyms are maintained at our worksites to help our employees stay fit so that they can concentrate on their work in good health.

Employee Performance and Compensation

Fair Performance Evaluation System

We operate a performance and competency management system to achieve outcomes as we align the company's goals with those of individuals. Once management policy and key tasks have been set at the company level to ensure each functional organization and team achieves its management goals, employees create a development plan for achieving the competencies required in reaching performance targets in the defined key tasks. Their progress and status are frequently checked to help them reach their targets. There are two types of evaluation: performance evaluation that determines whether the targets identified through KPIs and strategic tasks have been fulfilled and competency evaluation according to job roles and responsibilities. The results are used to determine promotion, incentives, and training for employees.



Regular Performance Feedback

We disclose our evaluation criteria and carefully follow a pre-defined process. In order to evaluate performance in a fair and objective manner, progress checks (twice per year) and performance feedback are provided. The results are released to the pertinent employees, teams, or divisions in order to ensure transparency, and people are allowed to raise any objections to the results. By doing so, employees become more receptive to evaluation results.

Compensation System

Compensation for Outstanding Performance

We operate a compensation system reflecting employee performance. Compensation is provided based on the evaluation results of group and individual performances in the form of annual base salary, management incentives, individual incentives, and performance incentives. To encourage and motivate employees with outstanding achievement, performance incentives are granted to them upon accomplishment. Meanwhile, the best teams and members are selected and rewarded every year with Best Team and Best People Awards. In 2023, we established the Frontier Award to motivate employees with extraordinary achievement through rewards. In addition, we continuously refine our compensation system by restructuring reward criteria and amounts.

Incentives for Long-Term Service

As part of the efforts to secure talented human resources over the long term, employees serving for 10, 15, 20, 25, and 30 years are offered monetary incentives.

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Training Framework for HR Development

	Value	Leadership	Competency	Global	Misc.
Executives	Organizational vitality • Core value	Insight Forum	DT Academy	Foreign language intensive course	Legal compulsory education (prevention of sexual and workplace harassment; improving awareness of people with disabilities)
General managers		New Executive Program			
Deputy general managers		LCP			
Managers		Program for team leaders			
Assistant managers		Leadership Conference			
Rank-and-file employees		Leadership School (8 courses)			
		Program for newly-promoted team leaders	Production	Support	Safety at work / Ethics / Privacy protection
		Training for team leader candidates			
		HPI Talent development program	Sales	Support	LS Family Happiness • Dream Camp for children • Dad Camp
		Required promotion preparation course			
		Winning Growth	Capacity building	OJT for employees to be dispatched to overseas subsidiaries	
		Lv4			
		Lv3	Accounting/Planning course for new hires Accounting/Planning improvement course McKinsey templates	In-house and external language programs	
		Lv2			
		Lv1	Commissioned training from external agencies		
		Fourth-year			
	Future Camp	Executive Seminar	Job role basics (sales, production, purchasing)	Training courses for employees to be dispatched to overseas subsidiaries	
	Experienced Employees				
	Introductory course for new hires (career) Introductory course for new hires (non-career)				

Social

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Social Contribution and Engaging with Local Communities

Based on our belief in 'Happier Together,' we are committed to fulfilling our corporate social responsibility by contributing to social and individual development, and achieving shared growth with local communities. To this end, we conduct a range of campaigns and initiatives aimed at creating social value and proactively addressing issues within local communities.

ROADMAP



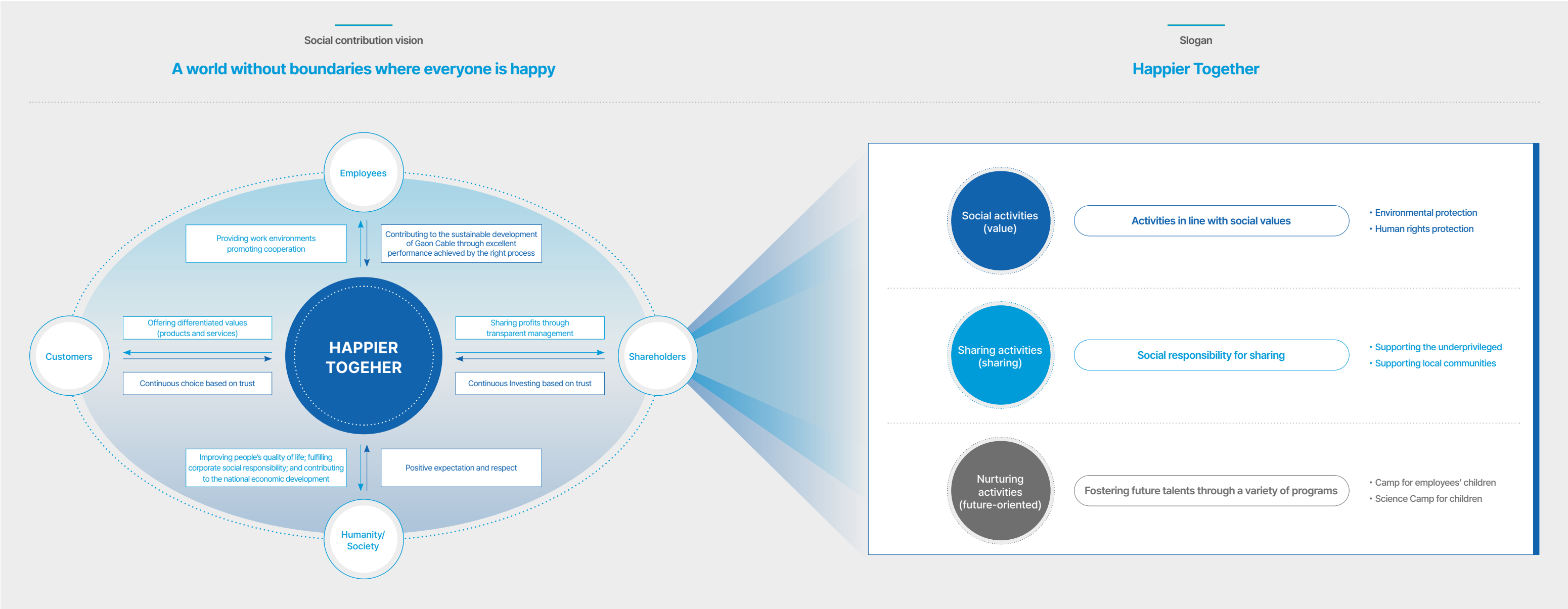
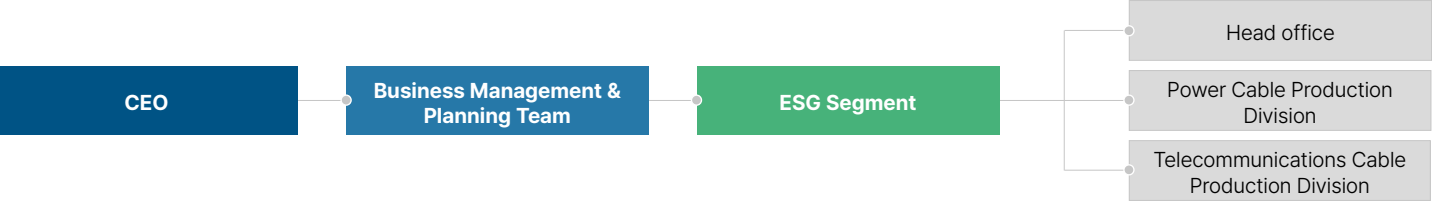
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Strategic System for Social Contribution

We have been conducting a wide range of activities to contribute to society, promote green activities, and foster talented individuals to transcend the barriers between people, regions, and generations and create a happy world together.

Based on our belief in ‘Happier Together,’ we will fulfill our corporate social responsibility and obligation to share social values and create a better world.

Organizational Chart for Social Contribution Initiatives



SOCIAL

Social Contribution Activities for Local Communities

As a member of our local communities, we are making every effort to promote shared growth and fulfill our corporate social responsibility by conducting a variety of beneficial activities. In particular, we will identify improvement points by considering the impact of our business activities on local communities. Moving forward, we will increase our social contribution activities and investments every year in line with our ESG management to benefit a wide range of stakeholders.

Additionally, we are committed to growing together with the local community by establishing collaborative and supportive relationships with various associations and organizations within the community. We work with diverse groups within the community to communicate and cooperate effectively, and we will continue to strive to create a society where we thrive together as members of the community.

| Social contribution activities for local communities in 2023

Programs	Description
Community environment clean-up	We conducted open storage yard cleanups at our plants as part of our EGS efforts. Employees participating in the program collected and safely disposed over 2,000 liters of waste using forklifts.
Fund-raising for the needy	We support the underprivileged living near the Gunpo Plant through a partnership with the local Gunpo-si government. This initiative involves employees donating small amounts (less than 1,000 KRW) from their monthly salaries to collectively contribute to those in need.
Activities at the Gunpo Chamber of Commerce and Industry	We provide both direct and indirect support for local companies through our membership in the Gunpo Chamber of Commerce and Industry. We actively participates in many of the Chamber of Commerce and Industry initiatives aimed at fostering shared growth with the local community. In recognition of Gaon Cable's contribution to local economic development, the Gunpo Chamber of Commerce and Industry has awarded Kim the Gyeonggi-do Province Governor's Commendation.
Supporting the Korean Crime Victim Support Association in Anyang	We regularly support the Korean Crime Victim Support Association in Anyang, an agency under the Ministry of Justice as part of our efforts to assist socially vulnerable individuals in local communities.
Participation and support for the publication of a Gunpo living culture archive book	We participated in a Gunpo-si archival book project aimed at preserving the history of a former industrial complex in the city. This initiative was carried out in cooperation with neighboring companies including Nongshim and Jevisco. The completed book is now housed at our head office.
Clean-up activities, free meals, and coal briquette delivery	Our Jeonju Plant launched its first social contribution activities in 2024. Our employees there will continue to volunteer regularly, focusing on clean-up activities, providing free meals, and delivering coal briquettes. In 2025, we aim to increase participation in briquette delivery by involving production employees and expand the scope of activities in coordination with the Jeonju-si local government and the industrial complex council.
Spring clean-up activities in the Jeonju Industrial Complex	As a company located in the Jeonju Industrial Complex, we have cleaned the areas surrounding the complex, providing a clean environment for neighboring companies such as Huvis and Jeonju Paper, as well as for local residents.
Environmental cleanup in the industrial complex	We have conducted cleanup activities in neighboring areas of the industrial complex to improve the environment in local communities.
Free meals for the elderly	We treated the elderly to meals and created a community at the Deokjin-gu Senior Welfare Center. Meanwhile, the Gunpo Plant has supported healthy meals on an annual basis for seniors at the neighboring senior citizen's center. Last summer, we provided fifty servings of samgye-tang, a Korean ginseng chicken soup, to the center to offer the elderly a nutritious meal to boost their energy during hot days
Coal briquette delivery support	We plan to have coal briquettes delivered to child breadwinners through the Jeonju Coal Briquette Bank so that they can stay warm during winter.

• **Social** | Workplace Safety and Health Management | Supply Chain ESG Management and Partner Collaboration | Enhancing Human Rights Management | Strengthening Human Resource Management | **Social Contribution and Engaging with Local Communities** | Information Protection and Security | Product Safety and Quality Management



Recognition from Gunpo Chamber of Commerce and Industry for Gaon Cable's contribution to local economic development



Collaboration in the local community archiving program: Participation and support for the publication of the Gunpo living culture archive book



Spring clean-up activities in the Jeonju Industrial Complex: Cleaning the areas surrounding the Jeonju Industrial Complex to improve the environment in Palbok-dong



Providing samgye-tang, Korean ginseng chicken soup to senior citizen's center in 2023



Environmental cleanup activities at Gaon Cable: CSR campaign for achieving sustainable growth



Labor-management council in 2023



Management briefing in 2023



Environmental cleanup activity

| The cost of investments in social contribution

(Unit: Thousand KRW)

2021	2022	2023
30,880	48,800	48,800

Social

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Information Protection and Security

Our top priorities are information security and privacy protection to achieve the goal of zero security incidents. To maintain a high level of security in rapidly changing environments, we have implemented an enterprise-wide information security management system to earn societal trust. In addition, we are committed to strict compliance with laws, regulations, and policies, systematically managing and addressing related risks, and enhancing our overall security posture.

ROADMAP

Goal

Refining and stabilizing the information security system

Strategy

• Enhancing enterprise-wide security credibility and competitiveness

2023

2025

2026-

- Implementing a security solution for detecting web shell tampering
- Revising privacy protection rules

- Utilizing AI technology to manage risks, establishing comprehensive security policies, evaluating the security posture of subsidiaries, addressing any identified vulnerabilities, and broadening the coverage of the security system
- Enhancing physical security through stricter access control measures, the use of security stickers, and effective management of restricted areas
- Implementing new security solutions (managing server access control and upgrading outdated systems, including backup and Endpoint security)

- Establishing an OT (production network) security management system
- Conducting security diagnosis and blind mock-hacking

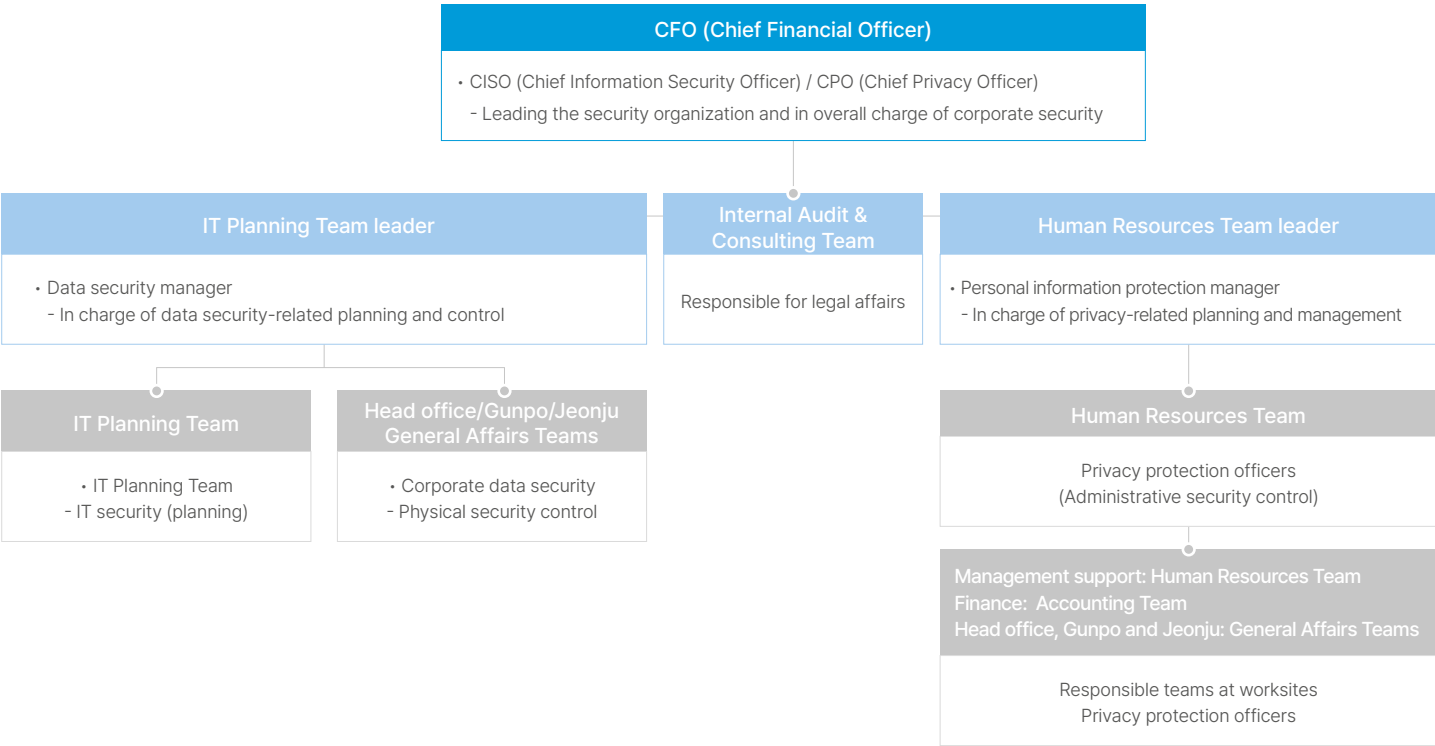
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Information Security Management System

We operate a data security management system and have appointed the Chief Financial Officer as the Chief Information Security Officer (CISO) in order to strengthen the role and the related responsibilities. The appointed individual has over five years of job experience as a general manager in the data security area. The IT Planning Team is responsible for related planning and control.

In addition, we update our data security regulations, detailed rules, and information asset ID data in accordance with related laws and regulations and the Group's standards. Employee training is provided to raise awareness of data security.

I Corporate-wide information security organization



Information Security Initiatives

Information Security Training and Campaign

We provide security training to new hires and annual corporate security and privacy programs to all employees. In addition, response drills for email hacking are conducted biannually to help raise employees' security awareness of hacking and spam emails. Employees who do not pass the drills should undergo additional online security training. Cautionary words are inserted into all emails received from external sources so that employees can take precautions against email-based hacking attempts.

Programs	Participants
Information protection training	228
Training for personal information controllers	11 (HR and General Affairs Teams)
Response drills for email hacking (biannually)	236

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Privacy Protection

For the safe management of personal information in line with the Personal Information Protection Act, database access control and data encryption are applied to prevent any unauthorized access.

In addition, we attend quarterly Group and LS C&S security consultation meetings to review and address key issues and improvement points in accordance with related laws and regulations.

Corporate Information Protection

To prevent information leakage, we encrypt electronic documents, manage the history of printouts, and archive key documents in a separate electronic storage with only limited access allowed. In addition, access is controlled using surveillance cameras and speed gates, and only authorized employees have an access to server rooms.

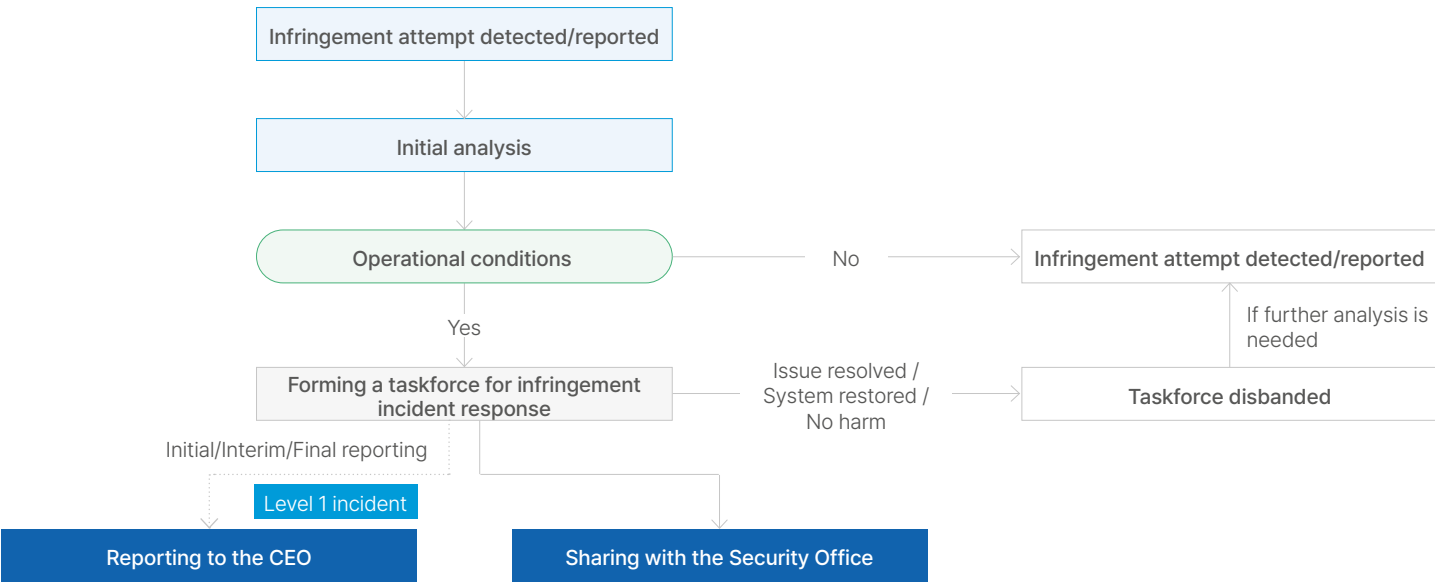
Strengthening Data Security through Diagnosis

To enhance information security, biennial security diagnoses are operated at the Group level. Blind mock hacking is conducted, and vulnerabilities in our infrastructure are diagnosed. Improvement measures are implemented based on the results. The results of this implementation are reported to a CISO and security manager and reflected when planning security activities.

Response System for Data Security Infringement

If personal information or classified company information is leaked, lost, or stolen, a security steering committee is set up and the breach is investigated in cooperation with the Group's Security Strategy Team and step-by-step measures for minimizing the damage are taken. In addition, response drills for data breach incidents are conducted.

As part of the efforts at protecting the rights of information owners and providing appropriate damage relief, we are considering purchasing an insurance policy against hacking. We publicly disclose information on the company's data security on an annual basis.



I Percentage of investments in data security

Compared to the Total IT Budget

2021	2022	2023
13.5%	14.3%	11.4%

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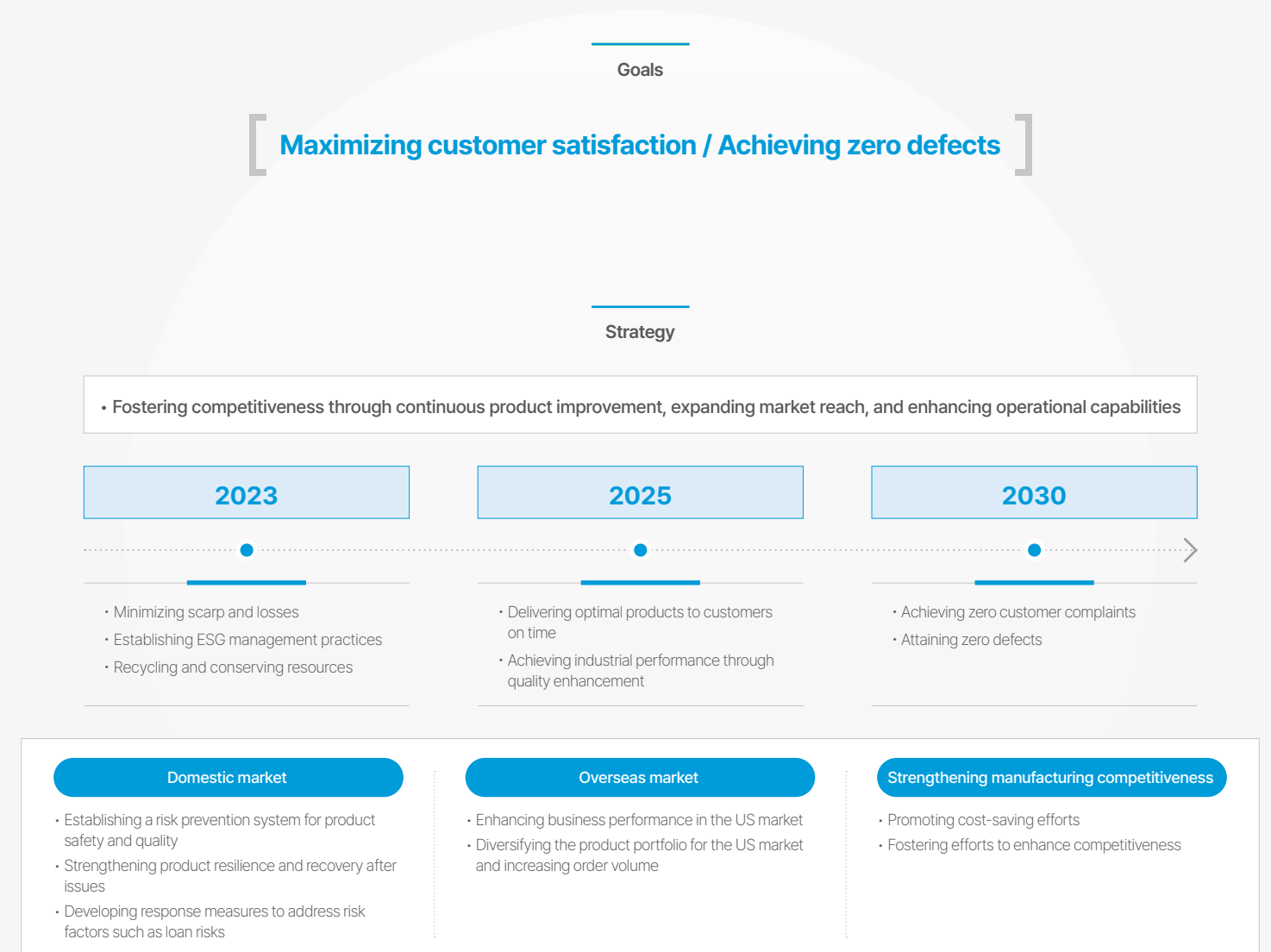
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| Social Contribution and Engaging with Local Communities | Information Protection and Security | **Product Safety and Quality Management**

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Product Safety and Quality Management

We have established a quality policy based on ISO 9001, KS Q9001, TL 9000, and ISO 14001. We measure performance indicators to ensure our products are optimal and delivered to customers on time. Our goals include continuous product improvement, expanding market reach, and enhancing operational capabilities to achieve zero defects and elevate customer satisfaction.

ROADMAP



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Product Safety and Quality Management System

Companies with Customers

Implementation of a quality, health, environment, and safety management system

We minimize risks such as customer complaints and environmental impacts stemming from organizational activities, products, and services. To continuously enhance products that meet customer requirements, we effectively implement a quality, health, environment, and safety management system.

Customer satisfaction and legal compliance

We conduct regular customer satisfaction surveys and use the results to evaluate and enhance our products, while ensuring compliance with health, environment, and safety laws, regulations, and requirements across our organizational activities, products, and services.

Continuous improvement

We develop, implement, and evaluate our goals and targets to enhance quality and minimize environmental impacts and risks across organizational activities, products, and services, aiming for continuous quality improvement.

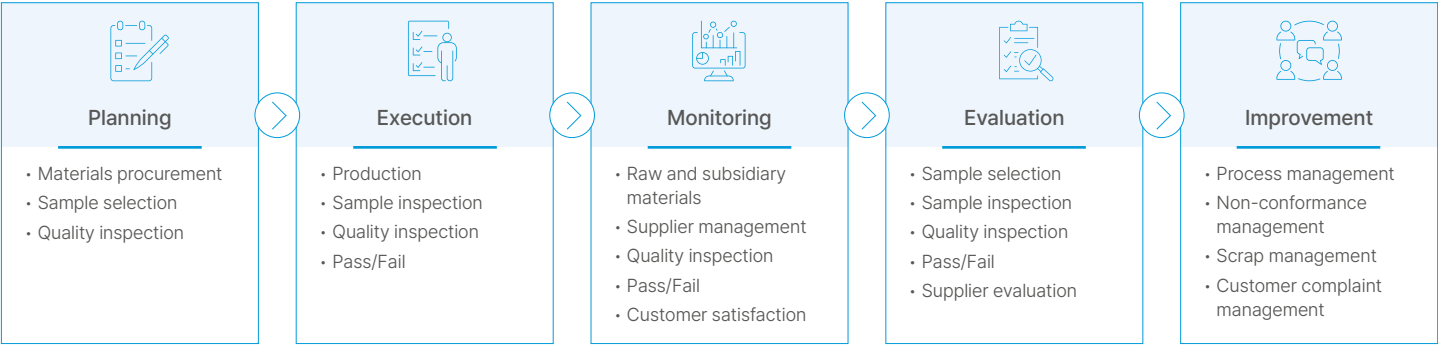
Training and stakeholder communication

We provide regular training and education to support employees in understanding our quality, health, environment, and safety management policies and their responsibilities. In addition, we aim to facilitate efficient stakeholder communication within the organization to ensure effective use of relevant information.

Quality Management System

We are doing our utmost to meet customer needs by manufacturing and supplying quality products. To this end, we operate a quality management system that encompasses the entire process from procurement to production, quality control, and customer complaint management by acquiring international certifications such as ISO 9001 and TL9000 and conducting self-inspections (during production) and QA (for finished goods).

I Quality management system (QMS)



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I Quality Management Index

We track internal nonconforming amounts, PPM, customer complaints, materials and OEM defects, and failure costs. Our teams are actively collaborating to improve performance in these areas.

Jeonju Plant (Telecommunications)

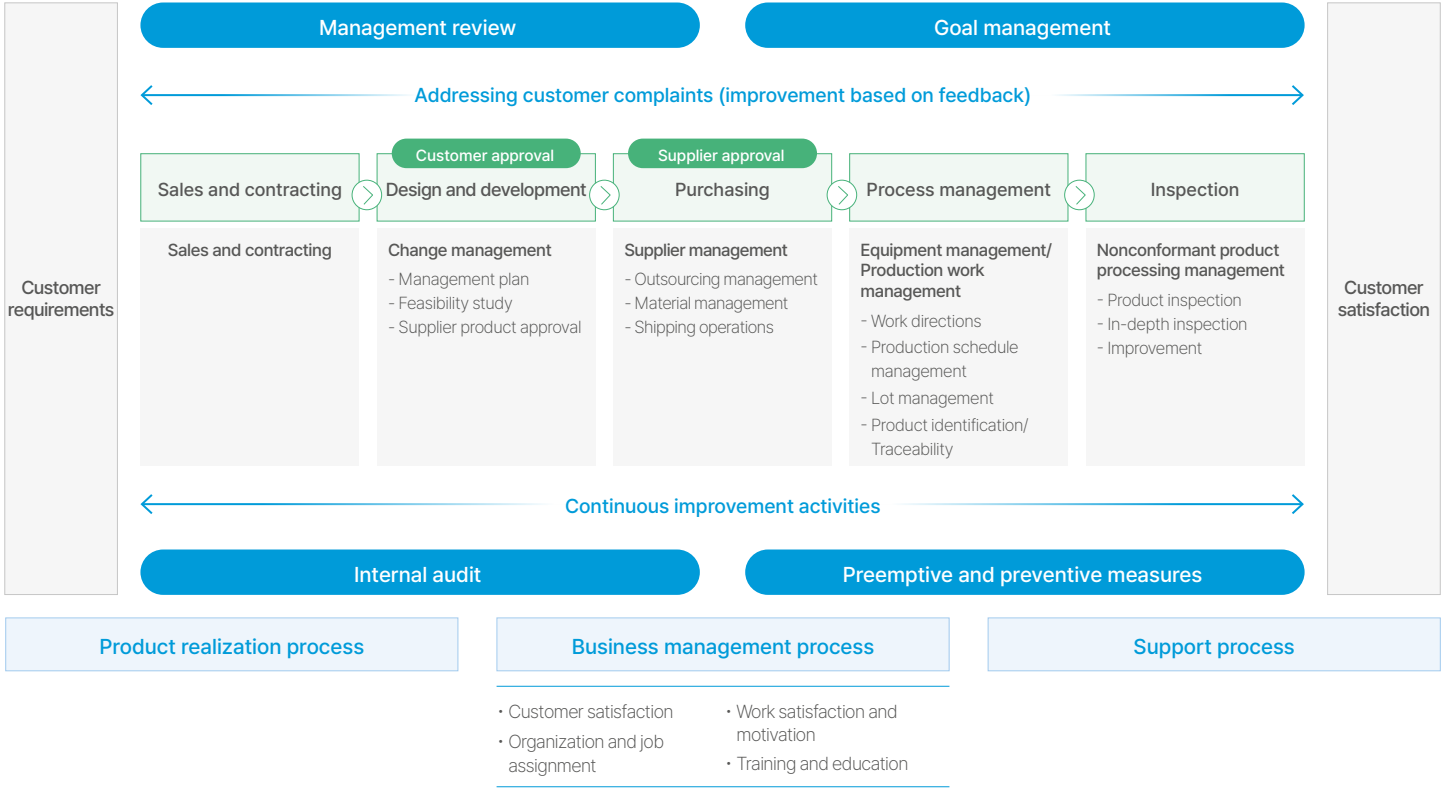
Classification										
Nonconformance rate			Customer complaints			Materials and OEM defects		Failure costs		
Total			Total					Total		
Finished products	L A N	102ppm	Claims	L A N	0 case			Finished products	L A N	6.902 million KRW
	Optical telecommunications cable	393ppm		Optical telecommunications cable	0 case	Internal	0 case		Optical telecommunications cable	9.559 million KRW
Intermediate products	L A N	178ppm	Customer complaints	L A N	0 case	External	2 cases	Intermediate products	L A N	14.994 million KRW
	Optical telecommunications cable	727ppm		Optical telecommunications cable	0 case	Internal	0		Optical telecommunications cable	17.698 million KRW
LAN total		280ppm	After-service (A/S) activities	L A N	0 case	External	32.951 million KRW	Internal failure costs		49.153 million KRW
Optical telecommunications cable total		1,120ppm		Optical telecommunications cable	0 case	Material defect costs	32.951 million KRW	Claims	L A N	0.085 million KRW
Nonconformance rate total		469ppm							Optical telecommunications cable	19.282 million KRW
								Customer complaints	L A N	1.680 million KRW
									Optical telecommunications cable	0
								After-service (A/S) activities	L A N	0
									Optical telecommunications cable	0
								External failure costs		21.047 million KRW

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Quality Assurance Management System

We have a quality assurance system in place to guarantee that customers can rely on the quality of our products. A barcode system has been implemented to allow us to track each process through lot numbers by product or process. For optical cables, a total inspection is conducted by cable drum to prevent any shipment of non-conforming products. We will continue our efforts at securing product quality that meets customer needs through this system.

1) A system that assigns IoT numbers to products at each stage, allowing verification of the worker, machinery, process, production date, and materials used.



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Enhancing Product Safety

We are dedicated to developing a comprehensive plan and detailed implementation measures aimed at maintaining and strengthening product safety standards. Our goal is to maximize customer satisfaction by continuously monitoring and evaluating product safety. These efforts are integral to our key decision-making processes.

Activities for Enhancing Enhanced Product Safety

We have our products rigorously tested and certified to ensure their safety. Specifically, we have obtained and maintained the EU's CE Construction Product Regulation (CPR) certification. CE CPR ensures that construction materials and components meet specific performance requirements and quality standards. To obtain this certification, products undergo performance evaluation, fire testing (EN 50399) for telecommunications, power, and control cables, and conformance tests to verify that they possess the necessary characteristics and are suitable for their intended purposes. In addition, onsite evaluations are conducted to ensure compliance with ISO 9001 requirements, which verify product performance. Based on these evaluations, a Declaration of Performance (DoP) is issued.

I Standard conformance certifications



I CPR (Construction Product Regulation) certification



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Product Quality Certification and Guarantee

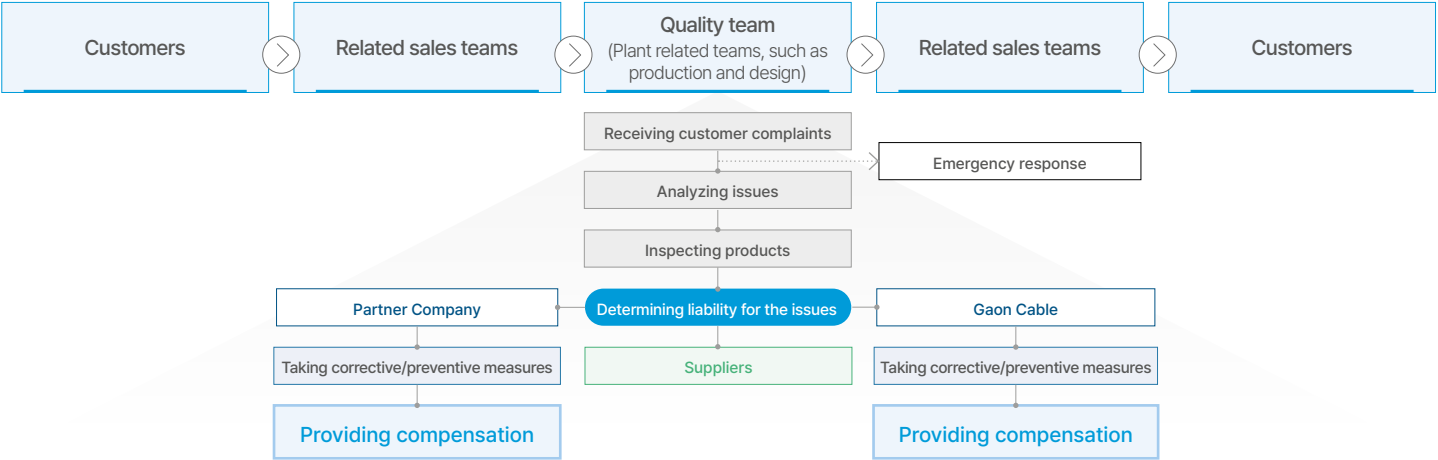
To provide customers with safe and quality products, quality inspections are conducted in accordance with domestic and international certification standards. We will continue to exert efforts towards ensuring the safety and quality of our products.

Type	Certification	Region	Details
System certification	ISO 9001	Global	A quality management system
	ISO 14001		An environmental management system
	ISO 45001		An occupational health safety management system
	TL 9000		A quality management system specifically designed for the ICT industry
Product certification	KS certification	Domestic	Korean industrial standards
	KC certification for electronic products		A mandatory certification according to the Electrical Appliances and Consumer Products Safety Control Act
	Korea Eco-Label		A national certification for high-quality and eco-friendly products
	Organization standards certification		Standards that define symbols, terminology, performance, procedures, methods, and technology
	Type approval of railroad components		A certification related to contact wire production capacity, system and quality
	KC certification		A mandatory certification related to the safety, health, environment, and quality of optical telecommunications cables and integrated wiring component (Gaon Cable obtained this certification for 29 products.)
	C-Check	Europe	A comprehensive certification issued by product certification agencies authorized by the Korea Accreditation System in accordance with the Framework Act on National Standards and KS Q ISO/IEC 17065
	CE certification		European Union's (EU) mandatory certification for regulating the goods sold within the European Economic Area (EEA)
	CPR certification		A certification to meet test specifications according to EU Regulation No. 305/2011
	TUV		An internationally accredited German agency providing testing and certification in accordance with international standards and its own guidelines
	UL and cUL	North America	Product safety standards
	ETL		A certification for the safety of electrical and electronic products
	AEIC		An organization established in 1885 providing standard certification for industrial-purpose high-voltage underground cable design and equipment
	Type test for HV/EHV cables	Netherlands	A type test certification for HVEHV cables (KEMA)
	PSE (Product Safety Electrical)	Japan	A safety certification system
	JIS (Japanese Industrial Standards) certification		A standard certification system
	TR CU	러시아	An integrated certification system implemented in 2015 by the Eurasian Economic Union to address technical regulations specific to the 'list of products subject to integrated conformance assessment' agreed upon by member countries of the customs union(The certification document bears an EAC (Eurasian Conformity) mark)

• **Social** | Workplace Safety and Health Management | Supply Chain ESG Management and Partner Collaboration | Enhancing Human Rights Management | Strengthening Human Resource Management | Social Contribution and Engaging with Local Communities | Information Protection and Security | **Product Safety and Quality Management**

Customer Satisfaction Enhancement Activities

We strive to maximize customer satisfaction and build long-term relationships based on trust. We achieve this by operating a platform for customer communication and establishing processes to address their complaints. A dedicated team manages customer complaints, and analyses are conducted to identify and prevent product issues from recurring.

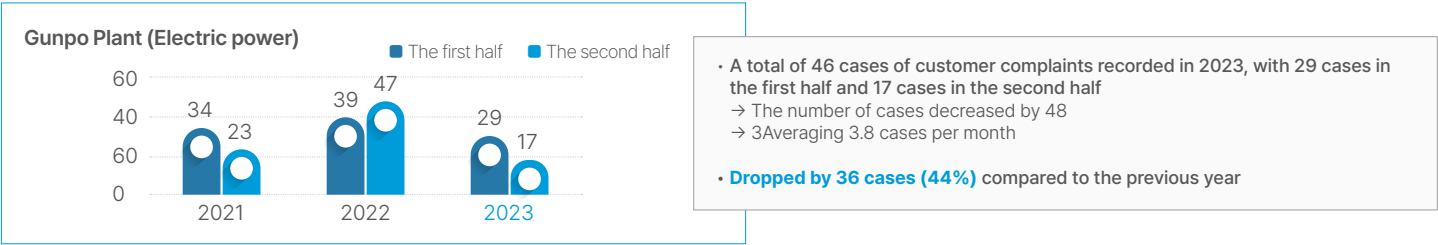


Customer Satisfaction Survey

To enhance customer satisfaction, we visited our customers and conducted a survey using a questionnaire covering a variety of areas, including quality and service. The results indicated high levels of customer satisfaction. In addition, we actively incorporate customer feedback to address issues such as twisted cables and unsatisfactory packaging. Moving forward, we will continue to use customer satisfaction surveys to further improve our product quality.

| Customer complaints and grievances processed in 2023

We compiled and addressed a comprehensive list of customer complaints received through the Sales Team.



Jeonju Plant (Telecommunications)

Customer complaint liability	Cases	Liability distribution breakdow	omplaint details
Customers	10	27%	Water infiltration, installation issues, and optical connection defects
Gaon Cable	13	35%	
Inadequate properties	(1)		Optical 144C 1C solid wire
Sheathing/Cable exterior	(6)		Connection point input, sheathing pinholes, and color defects
Printing	(1)		Unmatched serial numbers
Misc.	(5)		Defective drums, inattentive product loading, and cable kinks
Suppliers	14	38%	Errors in delivery, design, and outsourced work, short length, printing defects, and port signal defects
Total	37	100%	

GOVERNANCE

Sound governance provides a foundation for companies to achieve sustainability.

Therefore, we are committed to establishing sound governance through ESG-based approaches in our business management. This involves identifying and proactively addressing risks. We advocate for transparent and robust business management practices, safeguard shareholders' rights, and build trust with our stakeholders. In addition, we implement an enterprise-wide ethical management system to enhance risk management and fulfill corporate social responsibility.

Establishing ESG System

Ethical and Compliance Management

Managing Financial and Non-financial Risks



GOVERNANCE

Establishing ESG System

We are committed to establishing transparent and sound governance based on LS Group's corporate philosophy of 'Greater Value Together' and conducting responsible business operations for sustainable future. We actively engage our Board of Directors and undertake various activities to protect shareholders' rights and interests. Our independent expert committees, composed of professionals from diverse backgrounds, strive to enhance shareholder and corporate value. Moving forward, we will continue our effort to create sustainable value through ESG management.

ROADMAP



GOVERNANCE

Committee within the Board of Directors

In March 2016, Gaon Cable established an Audit Committee through its regular general meeting of shareholders and board of directors, appointing three outside directors as audit committee members. This committee reviews and makes decisions on the agenda delegated by the board and conducts financial and operational audits. During the inspections, it may request that relevant teams submit books and documents and the committee on sales. It may also gain access to management information as required.

To review the appropriateness of inter-subsidiary transactions and promote transparency, an Internal Trading Committee was launched in June 2018. This committee of independent directors conducts preliminary reviews of large volumes of internal transactions and approves the holding of concurrent office by directors and transactions on their accounts in accordance with Article 11.2 of the Monopoly Regulation and Fair Trade Act. In August 2022, the Internal Trading Committee was expanded and reorganized into the ESG Committee to allow a systematic and strategic approach to ESG and establish a groundwork for sustainable growth. The Committee may request the investigation of documents related to internal trading, if necessary. As for cases of violations of laws and company rules and regulations, the Committee asks the BOD to take corrective measures.

In this way, Gaon Cable ensures the independence of the committees within the Board of Directors by organizing the major committees stipulated in the articles of incorporation with a focus on outside directors.



Board of Directors ESG Management Promotion System

At Gaon Cable, the ESG Committee is responsible for overseeing ESG management. To support the operational efficiency, a dedicated ESG team, part of the Business Management & Planning Team manages day-to-day operations. In addition, the Accounting Team is responsible for organizing committee meetings and administrative tasks.

We have an enterprise-wide system in place for reporting issues related to ESG in accordance with the committee operation standards set forth in Article 6 of the ESG Committee Operation Regulations. The chairperson may convene a committee meeting as necessary. Additionally, committee members have the option to request a meeting by announcing agenda items and providing a reason for the request. If the chairperson does not convene the meeting, the member who made the request has the authority to convene the meeting independently.

Immediately following a regular Board of Directors (BOD) meeting, the ESG Committee and the Audit Committee, with the attendance of their respective members, respectively conduct a review and make decisions regarding the relevant agenda items. At the ESG Committee, discussions are held on matters pertaining to key ESG issues, which are subsequently reported and approved during Board meetings.

The ESG Committee operates with the objective of achieving a balance between pursuing short-term achievements and sustainable long-term strategies for the company. It encompasses several key responsibilities, including approving the company's ESG strategic directions and policies, reporting on ESG-related activities, and conducting a preliminary review of internal transactions.

Committee	Committee	Chair (position)	Responsibilities
Audit Committee	Three independent directors	Woo Yong-sang (Independent director)	Financial and operational audits
ESG Committee	Three independent directors One executive director	Woo Yong-sang (Audit Committee Chair)	The review of the sustainability strategy and the evaluation of internal transaction appropriateness

Date	Internal training details	Participants
11/21/22	Instructions on the 2022 accounting settlement and external audit	Woo Young-sang, Lee Jae-yeol, Won Young-jin
11/21/23	ICFR operation status and Audit Committee operational guidelines	Woo Young-sang, Lee Jae-yeol, Won Young-jin
05/03/24	Corporate internal auditor training course (external)	Woo Young-sang, Lee Jae-yeol, Won Young-jin

GOVERNANCE

Corporate Governance

Composition of the Board of Directors (BOD)

A board of directors is in place at Gaon Cable to achieve steady growth of the company and protect the rights and interests of stakeholders. The BOD features six board directors consisting of two executive directors, three independent directors, and a non-executive director. To strengthen responsible management and expertise, we have appointed our CEO, Chung Hyun, as the Chairman of the Board. Directors transparently make decisions in strict compliance with commercial laws and articles of association.

| Composition of the Board of Directors (BOD)

(As of March 31, 2024)

Type	Name	Job position/ Career	Covered by D&O liability insurance	Date of first appointment	Note	Gender
Executive director	Chung Hyun	Former Management Support Division Head at Gaon Cable Current CEO at Gaon Cable	O	2023.03.23	Inside	Male
	Kim Myung-kyun	Former Accounting Team leader at Gaon Cable Current CFO at Gaon Cable	O	2018.03.27	Inside	Male
Non-executive director	Lee Sang-ho	Former Director at Cyprus Investment, Inc. Current CFO at Gaon Cable	O	2022.03.24	Outside	Male
Independent director	Woo Young-sang	Former Assistant Professor at the Catholic Univ. of Korea Current Associate Professor at Ehwa Women's Univ.	O	2021.03.25	Outside	Male
	Lee Jae-yeol	Former National Security Bureau Chief at the Korean Nat'l Police Agenc	O	2023.03.25	Outside	Male
	Won Young-jin	Former Electric System Division Head at KEPCO	O	2023.03.23	Outside	Male

Appointment of Directors

Candidates are selected by the board based on their experience and expertise in industrial environments, finance, and law. Directors are appointed at the general meeting of stakeholders. The six members of the board of directors are entitled to give advice and present their opinions on the company's business management.

Independence of the BOD

To effectively support the supervisory role played by the BOD and to ensure its independence and objectivity, not only the criteria set out in commercial law but also pertinent global guidelines are strictly applied in candidate selection by the independent director recommendation committee and in the appointment of independent directors by the board. These independent directors are responsible for safeguarding the rights and interests of stakeholders based on a sense of ethics, professionalism, and integrity. To ensure independent decision-making, they must be unaffiliated with the management or controlling shareholders. In addition, the Commercial Act stipulates that no director shall, without approval from the board of directors, engage in for his or her own account or on behalf of a third party any transactions in the same line of business as the company, or become an unlimited liability member or director of any other company in the same industry. In this way, Gaon Cable verifies the independence of outside directors through stricter independence requirements than those stipulated by relevant laws when appointing outside directors.

Diversity and Expertise on the BOD

To ensure expertise, diversity, and efficiency in business management and to promote sustainable growth, our BOD is composed of experienced directors with expertise in a wide range of areas including the cable industry, academia, and finance. Director Won Young-Jin, who was appointed in 2020, served as a division head of KEPCO, and Director Woo Yong-sang, who was appointed in 2021, is a financial accounting expert with a CPA certificate. To foster the expertise of independent directors, we provide training on laws, regulations, and key issues relevant to their roles. This support helps them make well-informed decisions. Meanwhile, auditors receive specialized job training on internal audits and Internal Control over Financial Reporting (ICFR). This training emphasizes their roles and responsibilities and aim to enhance transparency in corporate management.

Moreover, the number of directors has been expanded from four to six to allow a more balanced decision-making process with greater diversity. In addition, we rigorously verify the independence of both current independent directors and new candidates.

| Board Skills Matrix

(As of Mar. 31, 2024)

	Category	Chung Hyun	Kim Myung-kyun	Lee Sang-ho	Woo Young-sang	Lee Jae-yeol	Won Young-jin
Competency Areas	1. Industry and economy	●	●	●	●	●	●
	2. Business and risk management	●	●	●			
	3. Finance and accounting		●	●	●		
	4. Climate change and sustainability	●			●		
	5. Technology, digital and innovation					●	●
	6. Laws and public policy	●				●	●
General information	Appointment date	2023	2018	2022	2021	2020	2020
	Special committees	BOD Chair, ESG Committee member	Board Director	Board Director	Board Director, ESG Committee Chair and, Audit Committee Chair	Board Director, ESG Committee member and, Audit Committee member	Board Director, ESG Committee member and, Audit Committee member
	Age	58	55	56	54	65	65
	Gender	Male	Male	Male	Male	Male	Male

GOVERNANCE

Key Decisions of the BOD

BOD Meetings

The BOD Meetings are held on a regular basis according to the pre-established annual plan, and any matters outside the plan are resolved by convening a special board meeting In 2023, nine board meetings were held in which a total of 26 items were resolved.

Board of Directors Bylaws

The purpose of these bylaws is to define what is considered necessary for the efficient operation of the BOD at Gaon Cable. Matters concerning the BOD shall be governed by these regulations, except for those prescribed by law or otherwise.

Article 8

1. The BOD convenes both regular and special meetings.

2. Regular meetings are held on a quarterly basis but may be subject to change as circumstances may dictate.

3. Special meetings are called as needed.

Article 10

Notifications of the convening of meetings shall be made to each Director or Auditor in writing or orally at least one week prior to regular meetings and three days prior to special meetings.

BOD meetings	Unit	2021	2022	2023
Number of meetings	Session	5	7	9
Number of resolved items	case	16	13	22
Average participation rate	%	100	96	89
Average participation rate of independent directors	%	100	95	96



BOD Operations

(As of March 31, 2024)

Meeting	Date	Agenda	Approved/Disapproved
1	02/08/2023	Approval of the 75th Financial statements (including the statement of appropriated retained earnings) and consolidated financial statements	Approved
		Approval of the 75th business report	Approved
		Resolution on the convocation of the 75th regular general meeting of shareholders	Approved
		Resolution of the agenda at the 75th regular shareholders' meeting	Approved
		Introduction of electronic voting and recommendation to exercise voting rights by proxy	Approved
		Amendment to the personnel management regulations for executive officers	Approved
		Repaying and refinancing borrowings	Approved
		Approval of SCR outsourcing processing transaction	Approved
		Approval of director concurrent position	Approved
		Report on the operation status of the internal accounting control system	Reported
2	03/23/2023	Report on the operation status assessment of the internal accounting control system	Reported
		Appointment of a BOD chairperson	Approved
		Appointment of a CEO	Approved
		Appointment of ESG Committee members	Approved
3	05/10/2023	Payment of special bonuses for executive officers	Approved
		Business performance report for the first quarter of 2023	Reported
		Acquiring shares in another entity	Approved
5	07/05/2023	Approval of director concurrent position	Approved
6	08/09/2023	Business performance report for the first half of 2023	Reported
7	10/18/2023	Decision on paid-in capital increase	Approved
8	11/20/2023	Approval of the 2024 business plan	Approved
		Amendment to the personnel management regulations for executive officers	Approved
		Approval of the appointment of executive personnel	Approved
		Approval of the acquisition of Jeonju Solar SPC	Approved
9	12/14/2023	Approval of MV expansion investment and lease	Approved
		Participation in paid-in capital increase by a specially related person	Approved

GOVERNANCE

BOD Performance Evaluation and Compensation

We annually review and evaluate the operational status of the board of directors. Based on this assessment, directors' remuneration is paid within the limits approved by the shareholders' meeting. Remuneration is divided into base salary and performance bonuses. The evaluation criteria for internal directors' remuneration include financial performance from the previous year, efforts to implement management policies, contributions to management goals, and non-financial performance such as leadership. We comprehensively assess these indicators to determine directors' remuneration. In 2023, the remuneration limit at 4 billion KRW was approved in the meeting.

(unit: KRW)

Type	Name	2021 remuneration	2022 remuneration	2023 remuneration
Executive director	Chung Hyun	-	-	507,314,700
	Kim Myung-kyun	294,248,000	321,778,000	393,479,590
Non-executive director ¹⁾	Lee Sang-ho	-	-	-
Independent director	Woo Young-sang	27,000,000	36,000,000	36,000,000
	Lee Jae-yeol	36,000,000	36,000,000	36,000,000
	Won Young-jin	36,000,000	36,000,000	36,000,000

1) Not Eligible for Remuneration

Shareholders and Capital Structure

Protecting Shareholders’ Rights and Interests

To ensure sound and transparent governance, a variety of activities are conducted to protect the rights and interests of our shareholders. They are informed of the regular general shareholders’ meeting, including its venue and agenda. In 2023, as part of our efforts to enhance shareholder trust and rights, we provided shareholders with advance notice of the regular general shareholders’ meeting 22 days in advance, which is 7 days earlier than the previous year’s notice period of 15 days. This allowed them sufficient time to review the agenda. In addition, detailed information regarding the meeting agenda and instructions for casting electronic ballots are posted on the company website, facilitating convenient exercise of shareholders’ voting rights. Meanwhile, dividend payments are made within the range provided in commercial law and considering investment for corporate growth, shareholder value, and the current business environment.

The annual dividend amount is determined at the Board Meeting in January or February. This amount is published to shareholders before the announcement of a regular general shareholders’ meeting. We will continue our efforts at maximizing shareholder value through dividend payments to the extent that it does not impact investment resources and corporate financial structure in consideration of changes in internal and external business environments.

| Shareholder status¹⁾

(unit: share)

Shareholder type	Name	Number of shares owned	Percentage of shareholding	Note
Shareholders owning more than 5% of total shares	LS C&S	3,587,234	48.75	The largest shareholder

(unit: share)

Shareholder type	Shareholders			Shares owned		
	Number of minority shareholders	Total number of shareholders	Percentage	Number of shares owned	Total number of shares issued	Percentage
Minority shareholders	9,328	9,334	99.44	3,188,777	7,357,946	43.34

1) As of December 31, 2023





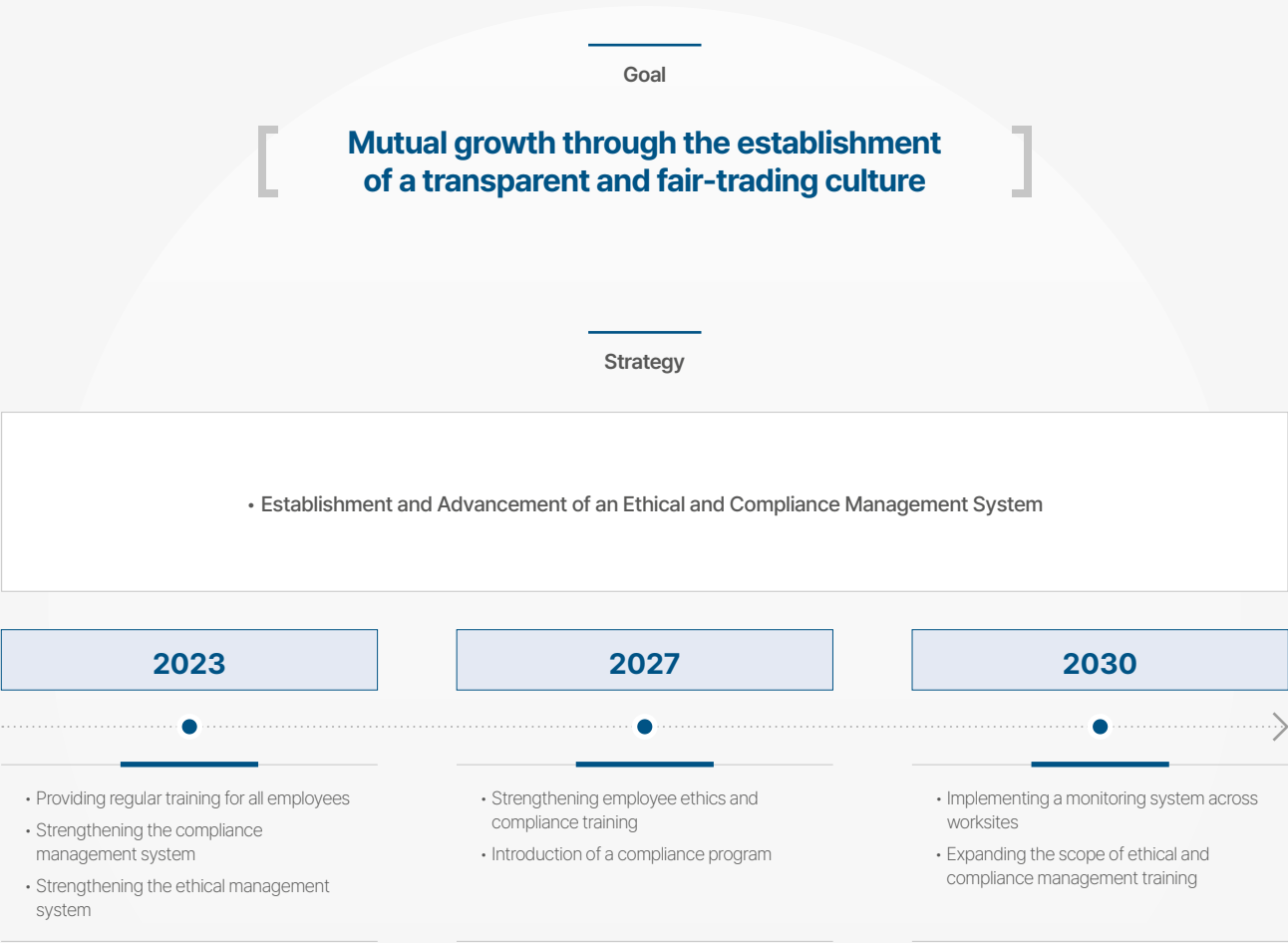
Governance

GOVERNANCE

Ethical and Compliance Management

Ethical and compliance management are core values for us, as they are crucial in gaining trust from our stakeholder, including customers, employees, stockholders, and suppliers. We aim to establish a robust, enterprise-wide system that promotes fair and transparent business operations and fulfills our corporate social responsibility. Furthermore, we strive to foster an organizational culture built on trust, which is essential for sustainable development and growth.

ROADMAP



GOVERNANCE

Ethical and Compliance Management System

Ethical Management System

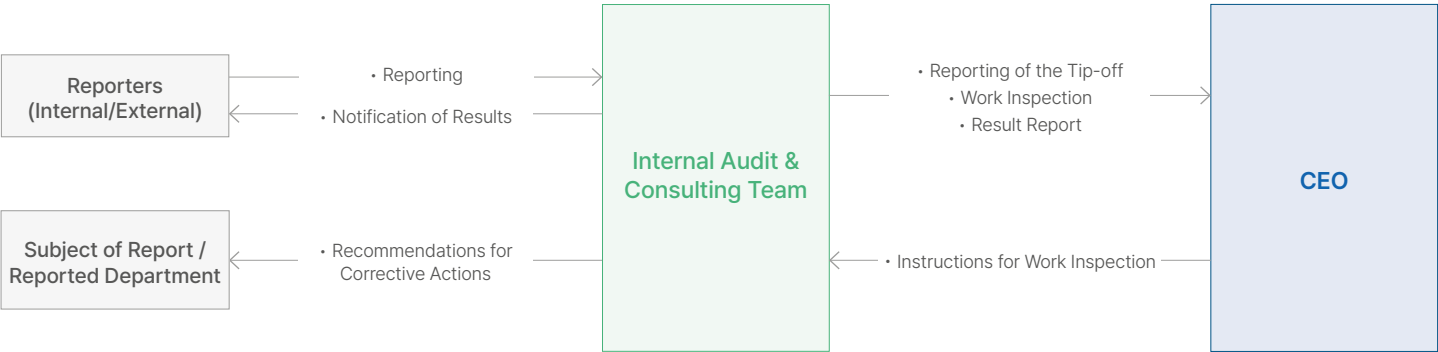
Gaon Cable recognizes the fulfillment of corporate economic and legal responsibilities, as well as the ethical responsibilities demanded by societal norms, as fundamental obligations. We will prioritize adherence to corporate ethics as the highest value in our business management activities.

| Corporate Social Responsibilities

	Economic Responsibilities	Legal Responsibilities	Ethical Responsibilities	Philanthropical Responsibilities
Details	Maintaining Corporate Sustainability through Profit Generation	Conducting Business Activities within the Rules Established by Society through Laws	Ethical Management Activities Aligned with Standards Formed by Societal Norms, Though Not Legally Mandated	Engaging in Activities Unrelated to Direct Business Operations, Such as Cultural Activities, Donations, and Volunteering
Management Classification	Compliance Management		Ethics Management	

Compliance Management System

The Internal Audit & Consulting Team, which is under the direct control of the CEO, supports compliance behavior by employees by providing compliance management training. Information on related laws and regulations and case studies is available through an online bulletin board.



Ethical Code of Conduct and Practice Guidelines

We have Code of Ethics and related implementation guidelines in place to promote a culture of ethics at the company level. It is composed of six chapters, including attitude towards shareholders and investors, attitude towards customers, attitude towards competitors and suppliers, responsibilities toward employees, responsibilities toward society, and basic ethics. They are posted on the company website to stress the importance of ethical management.

| Practice of Ethical Management



| Guidelines for the Practice of Ethical Management

Attitude Towards Shareholders and Investors • Protection of Shareholders' Rights and Interests • Equal Treatment • Active Information Provision	Attitude Towards Customers • Respecting Customers • Protecting Customers	Attitude Towards Competitors and Suppliers • Fair Competition with competitors • Fair Transactions with Suppliers
Responsibilities Toward Employees • Fair Treatment • Creating a Positive Work Environment	Responsibilities Toward Society • Complying with Laws and Regulations • Contributing to National and Social Development • Environmental Protection	Basic Employee Ethics • Establishing a Healthy Corporate Culture • Prohibition of Conflict of Interest Activities • Prohibition on the Use of Inside Information

GOVERNANCE

Ethical and Compliance Management Activities

Ethical Management Programs

We operate a range of ethical management programs to help promote ethics in our organization. In 2024, we will strive to create a fair society together with our employees through an enhanced ethical management program.

Programs	Target	Frequency	Note
Ethical management	All employees	Quarterly	Available online or specifically for new hires
Work diagnoses	All worksites	Biannual	Gunpo and Jeonju Plant Production Teams

Ethics and Compliance Management Training Programs

We provide training programs to raise employee awareness of ethics that can be applied in their work. These programs are designed to prevent any wrongful acts and irregularities and include: understanding of ethical management; how to report fraudulent or otherwise unethical acts and the reporting process; and case studies related to the Improper Solicitation and Graft Act.

In order to enhance employee awareness of ethics and compliance, the Internal Audit & Consulting Team conducts annual online training programs dedicated to these areas. In addition, more than two sessions of introductory courses on the prevention of collusion and corruption in the workplace are provided for newly-hired career and non-career employees.

Topics	Program details	Compliance management training in 2023		
		Participants	Details	Note
Ethical management	- Understanding ethical management - Ethical job performance and leadership - Sustainable management	Newly-hired career and non-career employees	Introductory courses (three sessions) - Jan. 30 - Jul. 24 - Oct. 4	Offline
Improper Solicitation and Graft Act	An overview, legal subjects, and case studies	All employees	Ethical management training (Nov. 15)	Online

Pledge for Ethical Management

Newly-hired career and non-career employees sign a pledge to implement ethical management, and training is provided to raise awareness on ethics.

| In-house compliance and ethical management bulletin board

Ever since we were fined by the Fair Trade Commission for collusive bidding, a separate in-house online bulletin board on ethical management has been operated to prevent improper solicitation or collusive bidding. In addition, to support transparent business operations and facilitate the reporting of illegalities and corruption, we keep an ethical management section on our website. This section introduces the company's ethical management and code of ethics along with the Cyber Reporting Channel.

Anti-Corruption Risk Management System

We strive to identify and prevent any potential risks related to corruption by upholding a sound and strong culture of compliance. In 2023, anti-corruption diagnoses were conducted at the Jeonju and Gunpo Plants to identify any violations of laws, including the Monopoly Regulation and Fair Trade Act. After the evaluation at our worksites, where no violations or risks were found, no specific measures or responses were deemed necessary. Nevertheless, we remain committed to strengthening compliance efforts across all our worksites.

• Governance | Establishing ESG System | Ethical and Compliance Management | Managing Financial and Non-financial Risks

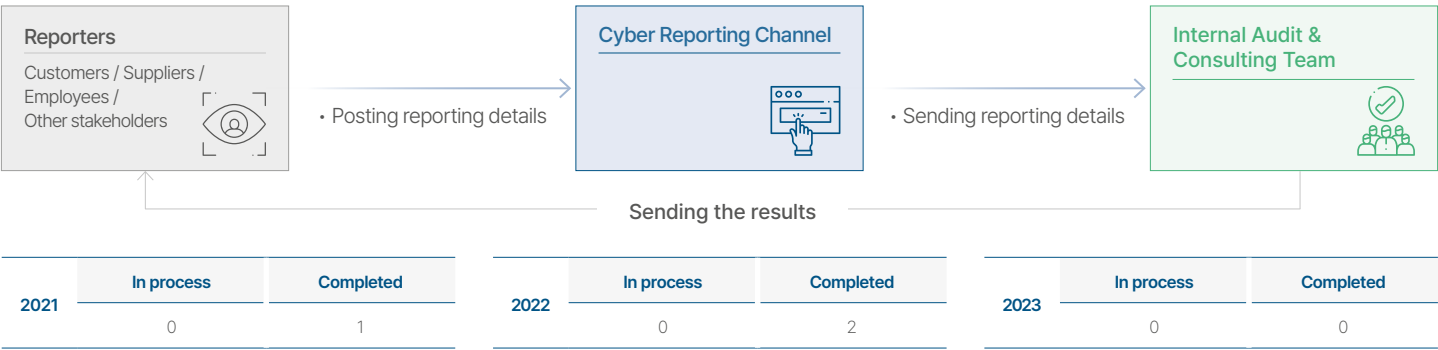
Ethics/Compliance Reporting Channels

We are operating a variety of reporting channels regarding ethics and compliance. We keep personal information and reporting details of all reporters confidential. Even when reports are made anonymously, we investigate the case and provide a response as quickly as possible.

Cyber Reporting Channel

Our Cyber Reporting Channel on the company website allows employees and stakeholders including suppliers make suggestions and report any unethical activities they witness or disadvantages they suffer so that ethical and transparent management can be promoted.

| Reporting Process



Reporter Protection Policy

We operate a protection program under which any information that could identify someone who files a report is kept strictly confidential. If someone who reports an ethics violation is disadvantaged, whether in their performance ratings or promotion, due to any possible information disclosure, corrections or compensation will be made.

Protection of reporters	• In principle, the protection of reporters is guaranteed if they provide their real names and credible evidence. All reporting details, including the identities of the reporters and any related stakeholders, are strictly safeguarded to ensure confidentiality.
Protection details	• Reporters' identities, evidence provided by reporters, collected information related to the report, and information implicating suspected individuals
Protection policies	- Reporting details, including the identities of reporters, are strictly protected and processed confidentially. Only a limited number of employees from the Internal Audit & Consulting Team have access to these details. Thy are all pledged to confidentiality. - If it is determined that reporters have faced any disadvantages or penalties as a result of their reporting, appropriate restoration or compensation will be provided. - If the report involves corruption or irregularities in which the reporters themselves might be implicated, these circumstances will be considered as mitigating factors during the evaluation process.

Internal Control over Financial Reporting (ICFR)

We maintain Internal Control over Financial Reporting (ICFR) designed to increase the transparency and soundness of our business operations. Our internal accounting control system is reviewed annually. As our ICFR will be subject to inspection from 2022, external auditors will conduct substantive audits through document inspections, re-execution of controls, observation, and questionnaires. The ICFR review in 2024 will be divided into design evaluations¹⁾ and operational evaluations.²⁾ Starting from 2024, inspections will be conducted through an internal accounting control management system based on the LS consolidated financial statement.

1) Design evaluations: Inspecting the appropriateness and completeness of the design of control activities that prevent and detect financial statement-related errors and fraud
2) Operational evaluations: Inspecting whether control activities are conducted in line with the RCM (Risk & Control Matrix)

Governance

GOVERNANCE

Managing Financial and Non-Financial Risks

We proactively identify potential risks during our business operations and develop response strategies to effectively manage and address them. We categorize risks into financial, non-financial, operational, and strategic types, and implement specific response systems for each to maximize efficient risk management.

ROADMAP

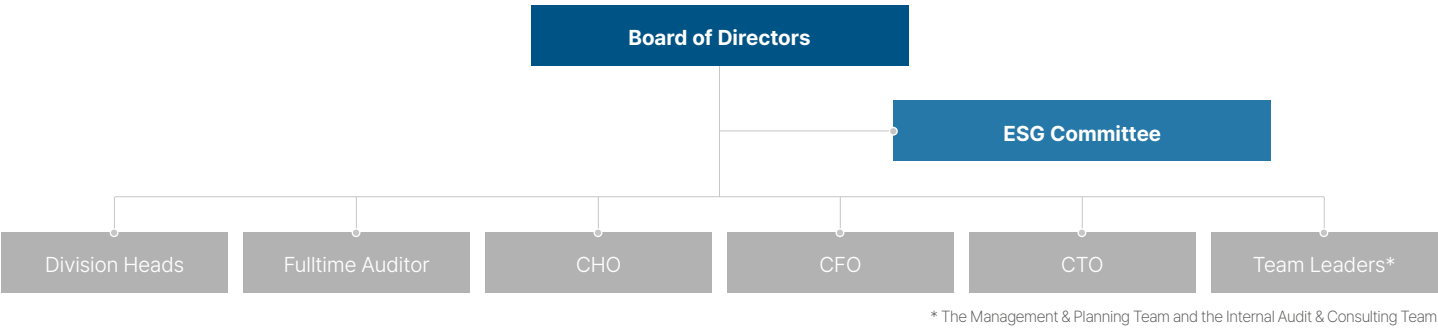


GOVERNANCE

Managing Financial and Non-Financial Risks

To identify and effectively manage risks stemming from uncertainties in the business environment, risk management activities are conducted by three groups: the execution team, the general management team, and the company-wide risk management committee. The Business Management & Planning Team is a general management team that provides support to execution teams in their response to the occurrence of risks. The Risk Management Committee makes decisions on response measures. This committee is led by the CEO as the chair and the CSO as the Chief Risk Officer (CRO). It operates in close cooperation with the general management team and execution team to proactively respond to any potential risks.

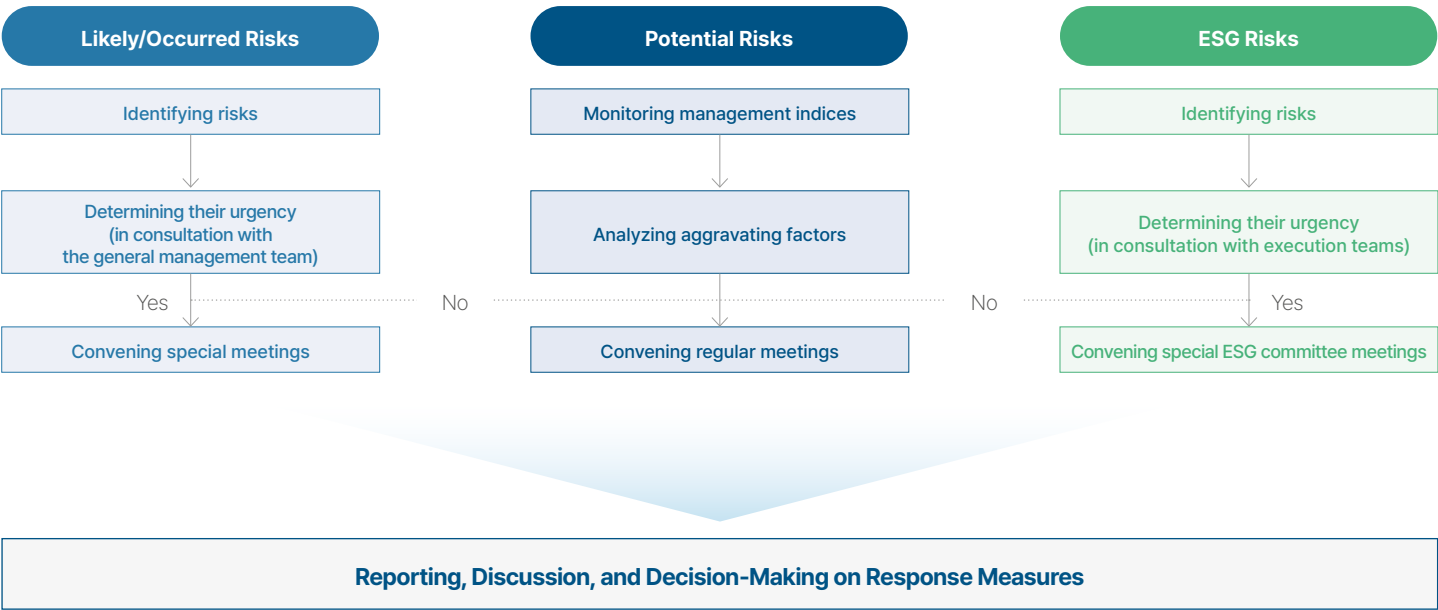
| Enterprise-Wide Risk Organization Structure



Risk Management Process

We consider management goals and business environment comprehensively to identify risks that could threaten the achievement of the company's objectives. We assess the scale of these risks based on their potential impact. If the expected scale of a risk exceeds 50 million KRW, it is reported to the Enterprise Risk Management Committee, where response strategies are discussed. To effectively manage risks, potential risks are regularly monitored and aggravating factors are analyzed. The results are discussed and decisions are made on response measures in the quarterly committee meetings. If there are risks that have led to or are highly likely to have definite losses, their urgency is determined in consultation with a general management team and special meetings can be convened.

In addition, we have grouped risks by type into financial, non-financial, operational, and strategic risks. They are sorted by time of occurrence into occurred risks, likely risks, and potential risks, according to which appropriate measures can be systematically taken.



| Risk Management Areas

Classification	Risks	
Type	Financial risks	The possibilities of financial losses caused by fluctuations in the benchmark interest rate, stock prices, commercial interest rates, liquidity, and credit rating, and of disposal/write-off/valuation losses of working assets such as long-term inventories and non-performing loans
	Non-financial risks	ESG management-related risks that involve compliance, ethics, technology, R&D, regulations, and new investments
	Operational risks	Potential losses due to error, irregularities, inefficiency stemming from employee, work process, or systems-related issues
	Strategic risks	The possibilities that a company's strategy may fail
Time of occurrence	Occurred risks	Risks that have led to definite loss and the reflection of the loss in accounting is inevitable
	Likely risks	Risks that have not led to a definite loss but are highly likely to occur
	Potential risks	Risks that are less likely to occur but still need to be monitored

Tax Risk Strategy

Complying with tax laws and managing tax-related risks are essential for achieving sustainable management. In this regard, we have faithfully paid taxes in strict accordance with domestic and international tax laws and the regulations in countries where we operate, including South Korea, China, and Myanmar. Furthermore, we have been monitoring trends in domestic and foreign tax laws and government policies in order to identify tax-related risks. We also disclose all tax information: income tax expenses, deferred tax, and valid tax rates are published on annual audit reports and DART (dart.fss.or.kr), an e-disclosure system of the Financial Supervisory Service. In addition, tax and any related penalty information can be found in our business reports. We will continue to take a transparent approach to addressing tax-related risks.

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Certifications and Membership Associations

Certifications



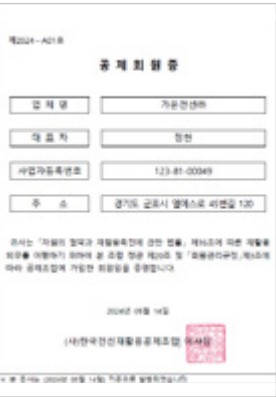
ISO 14001



ISO 45001



Korea Fire Safety Institute
(Fire safety management)



Korea Electric Wire Recycling Cooperative



Korea Fire Safety Institute
(Hazardous materials safety management)



Standard conformance certifications



Status of Membership in Associations

Association Name		Association Name	
Korea Electric Wire Industry Cooperative	Geumjung Neighbor Care	Korea Fire Safety Institute	Korea Electrical Manufacturers Association
Seongwang-hoe	Korean Institute of Illumination and Electrical Installation Engineers	Korean Institute of Electrical Engineers	Korea Electrical Contractors Association
Korea International Trade Association	Korean Standards Association	CIREC Korean National Committee	International Copper Association
Korea Chamber of Commerce and Industry	Jeonju Chamber of Commerce and Industry	CIGRE Korea	Korea Ocean Grid Industry Association
Korea Trade Insurance Cooperation	Jeonju Industrial Complex Business Council	Korea Industrial Technology Association	Korea Customs Logistics Association
Korea Electric Engineers Association	Jeonju Business Environmental Council	National Council of Research Directors	Korea Cable Recycling Cooperative
Korea Mech. Const. Contractors Association	Korea Environmental Conservation Institute	Chief Technology Officer (CTO) Club	Korea Industrial Safety Association
Gunpo Chamber of Commerce and Industry	Jeonju Wanju Industrial Complex Fire Safety Council	Korean Society for New and Renewable Energy (KSNRE)	Samsung E&A Suppliers Council
Anyang Crime Prevention Support Center	Jeonju Industrial Complex Health and Safety Managers Council	Korea Electric Association	Korea Listed Companies Association

ESG Data

Financial Performance

Consolidated Statement of Financial Position

	76th	75th	74th
Assets			
Current assets	545,333,236,859	491,767,369,545	401,943,906,435
Cash and cash equivalents	71,011,595,564	55,693,314,415	26,713,367,880
Trade receivables	288,289,346,840	252,797,446,736	229,277,143,312
Short-term financial instruments	49,737,219,093	34,528,417,578	28,573,893,163
Short-term loans	1,363,740,000	1,240,850,000	1,019,950,000
Current tax asset	2,304,500	0	0
Non-trade receivables	4,230,040,332	1,279,708,495	1,831,568,467
Advance payments	1,092,579,760	75,180	1,204,600
Pre-paid expenses	704,272,919	703,651,868	870,726,548
Short-term guarantee deposits	1,869,755,160	1,526,571,585	1,058,182,564
VAT refundable	0	2,176,543,478	918,099,020
Derivative instrument assets, current	5,868,705,564	7,263,727,307	4,156,230,401
Firm commitment assets, current	0	7,949,578,719	490,630,391
Inventories	121,163,677,127	126,607,484,184	107,032,910,089
Non-current assets	256,472,295,356	260,565,075,465	257,022,522,381
Long-term financial instruments	70,826,502	70,826,502	71,826,502
Financial assets at fair value through profit or loss	89,720,000	89,720,000	71,820,000
Financial assets at fair value through other comprehensive income	1,024,411,015	973,944,115	991,855,215
Investments in associates	0	7,610,061,552	13,055,169,697
Long-term accrued revenue	9,848,794	9,310,526	8,772,258
Long-term loans	659,670,000	660,720,000	914,320,000
Tangible assets	239,530,220,924	235,335,436,372	232,885,163,948
Investment property	3,032,843,135	773,364,116	51,743,463
Intangible assets	2,676,974,602	2,168,596,433	3,097,754,973
Long-term pre-paid expenses	3,831,051,711	5,547,840,529	5,518,298,548
Long-term deposits	1,386,000,000	0	0
Deferred tax assets	97,782,072	39,483,333	33,685,912
Non-current portion of derivative assets	2,142,541,462	1,625,077,104	54,001,091
Defined benefit assets	1,920,405,139	5,660,694,883	268,110,774
Total assets	801,805,532,215	752,332,445,010	658,966,428,816

The 76th fiscal year As of Dec. 31, 2023
The 75th fiscal year As of Dec. 31, 2022
The 74th fiscal year As of Dec. 31, 2021

(Unit : KRW)

	76th	75th	74th
Liabilities			
Current liabilities	376,758,134,591	319,323,694,193	246,544,293,099
Trade payable	202,972,188,906	200,327,471,840	159,133,234,461
Short-term borrowings	60,483,426,773	31,136,498,131	55,203,212,996
Current portion of long-term borrowings	42,463,938,000	45,855,500,000	7,223,875,000
Current portion of debentures	29,993,927,147	0	0
Current portion of lease liabilities	1,922,184,902	1,992,881,598	1,919,578,166
Accounts payable	13,663,340,646	10,394,142,752	9,586,821,024
Advance payment	1,763,291,412	1,502,525,309	2,413,307,181
Withholdings	440,074,610	416,310,492	337,853,280
Accrued expense	9,751,680,556	10,773,166,758	5,438,334,139
Dividends payable	3,101,082	3,041,532	2,541,312
Current tax liabilities	8,422,078,042	5,043,450,562	350,154,532
VAT payable	793,326,611	384,217,466	161,318,327
Current derivate liabilities	3,929,191,305	8,398,272,402	755,196,993
Firm commitment liabilities, current	147,004,159	3,078,664,984	3,797,619,786
Contract liabilities, current	9,380,440	17,550,367	221,245,902
Non-current liabilities	94,035,954,624	129,938,194,998	144,306,845,395
Long-term borrowings	47,077,400,000	66,205,140,000	82,423,088,000
Debentures	0	29,953,892,264	29,914,727,168
Deferred tax liabilities	25,648,979,014	27,117,965,111	29,089,792,542
Leasehold deposits received	106,900,000	102,400,000	102,400,000
Non-current lease liabilities	4,955,157,858	4,573,139,504	1,066,761,545
Provisions	133,865,032	86,043,561	85,497,266
Non-current derivative liabilities	586,007,899	1,430,319,407	1,142,500,831
Firm commitment liabilities, non-current	0	0	6,747,570
Provisions for long-term employee benefits	15,527,644,821	469,295,151	475,330,473
Total liabilities	470,794,089,215	449,261,889,191	390,851,138,494
Shareholders' Equity			
Equity attributable to owner of parent	331,011,443,000	303,070,555,819	268,115,290,322
Capital	36,789,730,000	31,794,630,000	20,801,735,000
Additional paid-in and other capital	44,118,361,469	36,477,933,227	24,255,399,887
Capital adjustments	-1,574,879,457	-1,574,879,457	-1,574,879,457
Other accumulated comprehensive income	-3,605,839,607	-3,784,482,125	-4,658,353,417
Retained earnings	255,284,070,595	240,157,354,174	229,291,388,309
Non-controlling interests	0	0	0
Total equity	331,011,443,000	303,070,555,819	268,115,290,322
Total liabilities and equity	801,805,532,215	752,332,445,010	658,966,428,816

ESG Data

Financial Performance

The 76th fiscal year: Jan. 1, 2023 to Dec. 31, 2023
The 75th fiscal year: Jan. 1, 2021 to Dec. 31, 2022
The 74rd fiscal year: Jan. 1, 2021 to Dec. 31, 2021

Consolidated Statement of Comprehensive Income

(Unit : KRW)

	76th	75th	74th
Sales	1,498,606,544,413	1,416,454,404,337	1,070,383,204,799
Cost of sales	1,385,917,013,494	1,327,920,806,471	1,008,608,967,466
Gross profit	112,689,530,919	88,533,597,866	61,774,237,333
Selling, general and administrative expenses	68,969,491,926	60,071,029,175	45,202,459,445
Operating profit	43,720,038,993	28,462,568,691	16,571,777,888
Other revenues	15,318,226,079	46,544,562,913	32,880,394,121
Other expenses	12,554,096,166	48,726,010,850	36,578,253,954
Financial income	16,056,517,749	32,542,725,758	9,630,288,385
Financial expenses	26,291,812,289	39,185,955,334	12,516,013,709
Loss from investments in associates	-7,855,820,579	-6,341,016,309	-1,229,220,267
Net income before tax	28,393,053,787	13,296,874,869	8,758,972,464
Tax expense	10,494,711,524	2,832,985,534	2,904,543,552
Net income	17,898,342,263	10,463,889,335	5,854,428,912
Other comprehensive income/loss	-2,437,561,574	2,926,988,402	1,057,275,128
Items that may be reclassified to profit or loss	139,833,472	952,923,603	1,447,199,671
Gain or loss on valuation of derivatives	-105,925,555	57,015,439	284,434,250
Change in equity in associates	245,759,027	895,908,164	1,162,765,421
Items not reclassified to profit or loss	-2,577,395,046	1,974,064,799	-389,924,543
Financial assets at fair value through other comprehensive income	38,809,046	-79,052,311	147,797,598
Remeasurement of net defined benefit liability	-2,616,204,092	2,053,117,110	-537,722,141
Total comprehensive income	15,460,780,689	13,390,877,737	6,911,704,040
Net income (loss) attributable to:			
Owners of the parent company	17,898,342,263	10,463,889,335	5,854,428,912
Non-controlling interests	0	0	0
Total comprehensive income attributable to:			
Owners of the parent company	15,460,780,689	13,390,877,737	6,911,704,040
Non-controlling interests	0	0	0
Earnings per share			
Diluted earnings (loss) per share (unit: KRW)	2,907	2,458	1,489

ESG Data

Financial Performance

Consolidated Statement of Changes in Equity

	Equity		
	Owners' equity		
	Capital stock	Capital surplus	Other equity
Jan. 1, 2021 (Beginning capital)	20,801,735,000	24,255,399,887	-1,574,879,457
Net income	0	0	0
Remeasurement of net defined benefit liability	0	0	0
Other comprehensive income - Financial assets at fair value through profit or loss	0	0	0
Gain or loss on valuation of derivatives	0	0	0
Change in equity in associates	0	0	0
Total comprehensive income	0	0	0
Paid-in capital increase	0	0	0
Annual dividends	0	0	0
Business combination	0	0	0
Dec. 31, 2021 (Closing capital)	20,801,735,000	24,255,399,887	-1,574,879,457
Jan. 1, 2022 (Beginning capital)	20,801,735,000	24,255,399,887	-1,574,879,457
Net income	0	0	0
Remeasurement of net defined benefit liability	0	0	0
Other comprehensive income - Financial assets at fair value through profit or loss	0	0	0
Gain or loss on valuation of derivatives	0	0	0
Change in equity in associates	0	0	0
Total comprehensive income	0	0	0
Paid-in capital increase	10,992,895,000	12,222,533,340	0
Annual dividends	0	0	0
Business combination	0	0	0
Dec. 31, 2022 (Closing capital)	31,794,630,000	36,477,933,227	-1,574,879,457
Jan. 1, 2023 (Beginning capital)	31,794,630,000	36,477,933,227	-1,574,879,457
Net income	0	0	0
Remeasurement of net defined benefit liability	0	0	0
Other comprehensive income - Financial assets at fair value through profit or loss	0	0	0
Gain or loss on valuation of derivatives	0	0	0
Change in equity in associates	0	0	0
Total comprehensive income	0	0	0
Paid-in capital increase	4,995,100,000	8,565,095,270	0
Annual dividends	0	0	0
Business combination	0	-924,667,028	0
Dec. 31, 2023 (Closing capital)	36,789,730,000	44,118,361,469	-1,574,879,457

(Unit : KRW)

Equity				
Owners' equity			Non-controlling interests	Total equity
Other accumulated comprehensive income	Retained earnings	Total owners' equity		
-6,253,350,686	226,333,310,938	263,562,215,682	0	263,562,215,682
0	5,854,428,912	5,854,428,912	0	5,854,428,912
0	-537,722,141	-537,722,141	0	-537,722,141
147,797,598	0	147,797,598	0	147,797,598
284,434,250	0	284,434,250	0	284,434,250
1,162,765,421	0	1,162,765,421	0	1,162,765,421
1,594,997,269	5,316,706,771	6,911,704,040	0	6,911,704,040
0	0	0	0	0
0	-2,358,629,400	-2,358,629,400	0	-2,358,629,400
0	0	0	0	0
-4,658,353,417	229,291,388,309	268,115,290,322	0	268,115,290,322
-4,658,353,417	229,291,388,309	268,115,290,322	0	268,115,290,322
0	10,463,889,335	10,463,889,335	0	10,463,889,335
0	2,053,117,110	2,053,117,110	0	2,053,117,110
-79,052,311	0	-79,052,311	0	-79,052,311
57,015,439	0	57,015,439	0	57,015,439
895,908,164	0	895,908,164	0	895,908,164
873,871,292	12,517,006,445	13,390,877,737	0	13,390,877,737
0	0	23,215,428,340	0	23,215,428,340
0	-1,651,040,580	-1,651,040,580	0	-1,651,040,580
0	0	0	0	0
-3,784,482,125	240,157,354,174	303,070,555,819	0	303,070,555,819
-3,784,482,125	240,157,354,174	303,070,555,819	0	303,070,555,819
0	17,898,342,263	17,898,342,263	0	17,898,342,263
0	-2,616,204,092	-2,616,204,092	0	-2,616,204,092
38,809,046	0	38,809,046	0	38,809,046
-105,925,555	0	-105,925,555	0	-105,925,555
245,759,027	0	245,759,027	0	245,759,027
178,642,518	15,282,138,171	15,460,780,689	0	15,460,780,689
0	0	13,560,195,270	0	13,560,195,270
0	-155,421,750	-155,421,750	0	-155,421,750
0	0	-924,667,028	0	-924,667,028
-3,605,839,607	255,284,070,595	331,011,443,000	0	331,011,443,000

ESG Data

Financial Performance

Consolidated Statement of Cash Flows

	76th	75th	74th
Cash flows from operating activities	19,382,899,758	25,464,636,189	-11,282,515,897
Net income	17,898,342,263	10,463,889,335	5,854,428,912
Non-cash adjustments	38,321,697,107	14,420,935,722	36,653,917,483
Tax expense	10,494,711,524	2,832,985,534	2,904,543,552
Provision for current year severance and retirement benefits	1,900,371,722	2,626,171,778	2,470,068,519
Depreciation (tangible, intangible assets and investment properties)	8,311,008,090	8,388,157,768	8,069,297,171
Bad debt expense	1,884,449,768	2,151,890,865	1,696,925,887
Other bad debt expense (reversal)	0	-5,440	-165,862,346
Gain or loss on disposition of trade receivables	1,336,547,519	1,237,807,183	742,307,035
Gain or loss on discounting of trade receivables	30,404,982	58,386,377	-5,262,571
Gain on foreign currency transactions	-2,838,349,798	-4,617,947,321	-962,104,917
Loss on foreign currency transactions	3,193,534,950	6,685,657,166	4,271,059,217
Gain on disposition of tangible assets	-1,373,167,802	-22,131,190	-108,356,333
Loss on disposition of tangible assets	12,372,667	49,983,804	14,117,112
Impairment losses on tangible assets	82,053,900	689,132,771	0
Loss on disposition of intangible assets	0	20,180,760	0
Impairment losses on intangible assets	0	0	3,171,772,782
Loss on investments in associates	7,855,820,579	6,341,016,309	1,229,220,267
Gain on value of derivatives	-8,324,307,882	-18,046,091,905	-7,849,016,356
Loss on value of derivatives	8,293,981,850	15,139,655,034	654,791,647
Gain on value of firm commitments	-190,392,401	-21,772,070,031	-3,726,619,442
Loss on value of firm commitments	805,708,797	7,164,862,301	21,619,866,148
Recovery of loss on value of inventory	164,205,485	165,160,125	-38,538,225
Product warranties (reversal)	-6,043,561	546,295	1,185,562
Miscellaneous revenues	-1,835,087	-18,757,349	-519,352,208
Miscellaneous losses	0	0	836,701,670
Dividend income	-47,709,160	-48,836,450	-38,816,000
Interest income	-662,658,075	-242,617,697	-103,023,824
Interest expense	7,400,788,597	5,637,799,035	3,889,013,136
Reversal of provisions	200,443	0	-1,400,000,000
Net change in working capital	-29,112,684,934	1,357,808,472	-52,362,061,481
Trade receivables	-50,269,136,134	-34,798,402,163	-70,359,546,811
Non-trade receivables	-2,949,329,440	551,865,411	1,471,723,642
Deposits	1,055,146,210	-381,173,178	-1,058,182,564
Advance payments	-2,477,934,580	1,129,420	15,571,100
Pre-paid expenses	133,668,745	119,537,969	-349,583,265
Pre-paid VAT	2,647,642,657	-1,258,444,458	-505,772,879
Inventories	5,995,619,338	-19,739,734,220	-36,683,644,485
Trade payables	2,160,208,035	44,410,555,874	77,892,378,776
Non-trade payables	2,270,049,546	787,236,958	-1,374,451,067
Advances from customers	253,046,096	-910,781,872	1,982,342,113
Withholdings	23,764,118	78,457,212	-62,043,087

The 76th fiscal year: Jan. 1, 2022 to Dec. 31, 2023
The 75th fiscal year: Jan. 1, 2021 to Dec. 31, 2022
The 74rd fiscal year: Jan. 1, 2020 to Dec. 31, 2021

(Unit : KRW)

	76th	75th	74th
Accrued expense	-1,216,984,553	5,212,759,835	1,005,937,641
VAT withheld	-199,411,562	222,899,139	-2,167,191,274
Derivative assets and liabilities	-4,377,995,026	6,234,245,088	11,538,409,167
Firm commitment assets and liabilities	4,402,601,498	6,422,557,030	-25,997,535,493
Current contract liabilities	-8,169,927	-203,695,535	195,091,648
Long-term employee benefit liabilities	15,055,566,993	-6,035,322	0
Provisions	2,782,677	0	-4,276,701,670
Payment of severance benefits	-1,669,328	-465,168,716	-328,862,973
Contributions to other plan assets	-1,612,150,297	-4,920,000,000	-3,300,000,000
Payment of income taxes	-7,724,454,678	-777,997,340	-1,428,800,811
Cash flows from investing activities	-13,425,533,070	-5,427,266,880	-11,167,312,419
Decrease in financial assets at fair value through other comprehensive income	0	600,000	0
Increase in loans	-390,000,000	-225,000,000	-1,380,000,000
Decrease in loans	268,160,000	257,700,000	313,184,245
Gains and losses from business combinations	-6,025,411,464	0	0
Acquisition of investments in associates	0	0	-555,150,000
Acquisition of tangible property	-10,211,714,061	-6,659,144,610	-9,376,266,241
Disposition of tangible property	2,452,237,241	22,759,400	230,115,551
Acquisition of intangible propert	0	-32,800,000	-42,500,000
Disposition of intangible property	-449,428,699	932,000,000	0
Increase in leasing deposits	-140,196,586	-63,789,000	-665,004,500
Decrease in leasing deposits	364,746,000	50,546,000	235,000,000
Dividends received	47,709,160	48,836,450	38,816,000
Interest received	658,365,339	240,024,880	66,311,621
Repayment of government subsidies	0	0	-31,819,095
Decrease in long-term financial instruments	0	1,000,000	0
Cash flows from financial activities	9,361,782,246	8,951,771,807	39,034,190,589
Paid-in capital increase	13,560,195,270	23,215,428,340	0
Borrowing of short-term loans	397,215,026,004	437,069,603,368	385,680,767,448
Repayment of short-term loans	-367,274,006,372	-461,077,174,931	-365,379,532,725
Issuance of corporate bonds	0	0	29,882,088,400
Repayment of corporate bonds	0	0	-20,000,000,000
Borrowing of long-term loans	20,000,000,000	25,032,000,000	39,611,314,000
Repayment of current portion of long-term loans	-44,355,500,000	-6,223,875,000	-22,616,000,000
Increase in leasehold deposits	4,500,000	0	0
Payment of lease liabilities	-2,061,148,681	-1,995,663,403	-2,034,093,379
Dividend payments	-155,362,200	-1,650,540,360	-2,357,917,000
Interest payments	-7,571,921,775	-5,418,006,207	-3,752,436,155
Increase (decrease) in cash and cash equivalents	15,319,148,934	28,989,141,116	16,584,362,273
Effect of exchange rate changes on cash and cash equivalents	-867,785	-9,194,581	-361
Beginning cash and cash equivalents	55,693,314,415	26,713,367,880	10,129,005,968
Closing cash and cash equivalents	71,011,595,564	55,693,314,415	26,713,367,880

ESG Data

Economic Performance (Economic Data)

R&D Investments

Category	Unit	2021	2022	2023
R&D cost	KRW	788,923,000	699,279,000	2,355,171,000
R&D spending as a percentage of sales	%	0.07	0.05	0.18

Subsidized R&D Spending

Category	Unit	2021	2022	2023
Government subsidies for national projects	KRW	4,128,575	154,606,355	200,000,000

Financial Status

Category		Unit	2021	2022	2023
Assets	Current assets	KRW	401,943,906,435	491,767,369,545	545,333,236,859
	Non-current assets		257,022,522,381	260,565,075,465	256,472,295,356
	Total		658,966,428,816	752,332,445,010	801,805,532,215
Liabilities	Current liabilities	KRW	246,544,293,099	319,323,694,193	376,758,134,591
	Non-current liabilities		144,306,845,395	129,938,194,998	94,035,954,624
	Total		390,851,138,494	449,261,889,191	470,794,089,215
Shareholders' Equity	Capital	KRW	20,801,735,000	31,794,630,000	36,789,730,000
	Additional paid-in and other capital		24,255,399,887	36,477,933,227	44,118,361,469
	Capital adjustments		- 1,574,879,457	-1,574,879,457	-1,574,879,457
	Retained earnings		229,291,388,309	240,157,354,174	255,284,070,595
	Other accumulated comprehensive income		-4,658,353,417	-3,784,482,125	-3,605,839,607
	Total		268,115,290,322	303,070,555,819	331,011,443,000
	Liabilities + Shareholders' Equity		KRW	658,966,428,816	752,332,445,010
Capital adequacy ratio (Shareholders' equity / Assets)		%	41	40	41
Debt ratio (Liabilities/ Shareholders' equity)		%	146	148	142
Total investment in affiliates as a percentage of equity capital		%	14	10	11

Product Manufacturing

Category	Unit	2021	2022	2023
The number of products manufactured by product category (telecommunications)	items	21	21	23
The number of products manufactured by product category (electric power)	items	8	8	8

Business Performance

Category	Unit	2021	2022	2023
Sales	KRW	1,070,383,204,799	1,416,454,404,337	1,498,606,544,413
Cost of sales	KRW	1,008,608,967,466	1,327,920,806,471	1,385,917,013,494
Gross profit	KRW	61,774,237,333	88,533,597,866	112,689,530,919
Operating profit (loss)	KRW	16,571,777,888	28,462,568,691	43,720,038,993
EBITDA	KRW	23,403,110,186	35,608,496,704	52,070,924,402
Net income (loss) before tax	KRW	8,758,972,464	13,296,874,869	28,393,053,787
Tax expense	KRW	2,904,543,552	2,832,985,534	10,494,711,524
Net income	KRW	5,854,428,912	10,463,889,335	17,898,342,263
By worksite	The number of employees	422	448	468
	Sales	1,070,383,204,799	1,416,454,404,337	1,498,606,544,413
	Net income (loss) before tax	8,758,972,464	13,296,874,869	28,393,053,787
	Operating profit	16,571,777,888	28,462,568,691	43,720,038,993
	Tangible assets other than cash and cash equivalents	232,885,163,948	235,335,436,372	239,530,220,924
	Deferred corporate tax	22,838,879,628	23,259,224,828	22,145,271,971
	Corporate tax expense	2,859,585,280	3,159,277,022	10,449,655,925
	Tax payments	(1,390,827,228)	(603,585,670)	(7,413,199,254)

Economic Value Creation and Allocation

Category	Unit	2021	2022	2023
Sales	KRW	1,070,383,204,799	1,416,454,404,337	1,498,606,544,413
Operating expenses	KRW	1,053,811,426,911	1,387,991,835,646	1,454,886,505,420
Employee salaries and benefits	KRW	46,895,482,372	52,602,159,621	68,814,777,127
Payments to shareholders and investors	Total dividend payments	2,357,917,000	1,650,540,360	155,421,750
	Interest expenses	3,295,662,924	5,058,333,940	7,166,127,505
	Income taxes (the government)	2,904,543,552	2,832,985,534	10,494,711,524
	Raw material cost(suppliers)	843,039,832,111	1,060,913,434,320	1,001,251,062,790
	Donations (local communities)	53,910,860	75,341,872	91,942,333
	Total	3,022,741,980,529	3,927,579,035,630	4,041,467,092,862

Anti-Trust and Anti-Competitive Conduct

Category	Unit	2021	2022	2023
Fines	Total amount	0	0	0
	Percentage of fines to sales	0	0	0
Corruption and bribery	Corruption and bribery cases	0	0	0

ESG Data

Environmental Performance (Environmental Data)

※ The scope of Gaon Cable's environmental performance disclosure includes the Gunpo Plant (Power Production Division) and the Jeonju Plant (Communication Production Division)

Environmental Investments and Management

Category		Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division					
Environmental investment ¹⁾	Actual	KRW	334,405,787	706,942,285	845,087,808
	Planned		367,911,880	751,400,000	978,435,000
	Investment execution rate	%	90.9	94.1	86.4
Environmental management	Direct costs of reducing environmental impact (including improvements to the working environment and maintenance costs)	KRW	59,439,296	164,776,903	144,277,637
	Indirect costs of reducing environmental impact (including employee training and monitoring costs)		993,000	11,444,700	15,650,340
	Waste treatment and recycling (including associated costs)		185,911,390	386,776,597	461,127,101
	Costs of environmental risk management (regulatory compliance and accident prevention)		88,062,101	143,944,085	224,032,730
Green certifications	ISO and eco-label certifications	cases	2	2	2
Green products and services	Purchase amount	KRW	0	0	0
	Sales amount ²⁾	million KRW	77,400	107,000	115,402
	The development and introduction of eco-friendly technology	cases	2	2	4
Jeonju Plant / Telecommunications Cable Production Division					
Environmental investment	Actual	KRW	0	37,900,000	172,430,800
	Planned		0	65,000,000	260,524,000
	Investment execution rate	%	0	58	66
Environmental management	Direct costs of reducing environmental impact (including improvements to the working environment and maintenance costs)	KRW	0	6,900,000	68,919,000
	Indirect costs of reducing environmental impact (including employee training and monitoring costs)		0	183,100	0
	Waste treatment and recycling (including associated costs)		0	87,537,300	93,833,100
	Costs of environmental risk management (regulatory compliance and accident prevention)		0	8,440,000	9,678,700
Green certifications	ISO and eco-label certifications	certifications	1	1	1
Green products and services	Purchase amount	KRW	0	0	0
	Sales amount ¹⁾	million KRW	5,794	23,199	14,020
	The development and introduction of eco-friendly technology	cases	0	1	1

1) Revised due to a typo in the sustainability reports in 2021 and 2022

2) 22.9KV FR CNCO-W, HF-CO, HF-IX

Violations of Environmental Laws and Regulations (the amount of fines)

Category		Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division					
The number of violations of legal obligations/regulations		case	0	0	0
The amount of penalties related to the above		KRW	0	0	0
Outstanding unpaid penalties resulting from environmental non-compliance or violations as of the end of the year		KRW	0	0	0
Jeonju Plant / Telecommunications Cable Production Division					
The number of violations of legal obligations/regulations ¹⁾		case	0	1	0
The amount of penalties related to the above ¹⁾		KRW	0	800,000	0
Outstanding unpaid penalties resulting from environmental non-compliance or violations as of the end of the year		KRW	0	0	0

1) Revised due to a typo in the sustainability reports in 2021 and 2022

Scope1 and 2 GHG Emissions

Category		Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division					
Scope1 emissions			5,068	5,702	529
Scope2 emissions		tCO ₂ eq	9,896	10,444	8,884
Scope 1 and 2 emissions			14,963	16,145	9,413
Sales (consolidated statement of comprehensive income) ¹⁾		thousand KRW	1,070,383,205	1,416,454,404	1,498,606,544
Emissions intensity ¹⁾²⁾		tCO ₂ eq/hundred million KRW	1.40	1.14	0.63
GHG emissions generated for the year compared to the target		tCO ₂ eq	2,647	787 ¹⁾	2,454
Jeonju Plant / Telecommunications Cable Production Division					
Scope1 emissions			71	77	81
Scope2 emissions		tCO ₂ eq	6,688	6,745	6,442
Scope 1 and 2 emissions			6,759	6,822	6,523
Sales (consolidated statement of comprehensive income)		thousand KRW	162,757,104	192,410,906	197,000,000
Emissions intensity ²⁾		tCO ₂ eq/hundred million KRW	4.16	3.55	3.31
Domestic worksites (in Gunpo and Jeonju)					
Scope 1 emissions total			5,140	5,779	610
Scope 2 emissions total		tCO ₂ eq	16,584	17,189	15,326
Scope 1 and 2 emissions total			21,723	22,968	15,936

1) Revised due to a typo in the sustainability reports in 2021 and 2022

2) Emissions (tCO2eq) / Sales (hundred million KRW)

ESG Data

Environmental Performance (Environmental Data)

Energy Consumption and Intensity

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
a) Purchase and consumption of non-renewable fuels ¹⁾	TJ	97	109	8
b) Purchase of non-renewable electricity	TJ	207	218	186
c) Renewable energy	TJ	0	0	0
Total energy consumption	TJ	304	327	194
Production performance ²⁾	kt	70	79	79
Sales (consolidated statement of comprehensive income) ³⁾	thousand KRW	162,757,104	192,410,906	197,000,000
Energy intensity ^{3) 4)}	TJ/ten billion KRW	18.66	1702	9.85
Jeonju Plant / Telecommunications Cable Production Division				
a) Purchase and consumption of non-renewable fuels ⁵⁾	TJ	1	1	1
b) Purchase of non-renewable electricity ³⁾	TJ	140	140	134
c) Renewable energy	TJ	0	0	0
Total energy consumption ³⁾	TJ	141	142	135
Production performance ⁶⁾	MT	4,955	4,582	4,230
	F.KM	924,360	1,319,329	1,177,755
Sales (consolidated statement of comprehensive income)	thousand KRW	162,757,104	192,410,906	197,000,000
Energy intensity ⁷⁾	TJ/billion KRW	0.87	0.74	0.69
Domestic worksites (in Gunpo and Jeonju)				
a) Purchase and consumption of non-renewable fuels, such as nuclear fuel, coal, oil, and natural gas ⁸⁾	TJ	98	110	9
b) Purchase of non-renewable electricity	TJ	347	358	320
c) Renewable energy	TJ	0	0	0
Total energy consumption	TJ	445	469	329

1) Purchase and consumption of non-renewable fuels, such as nuclear fuel, coal, oil, and natural gas
2) Combined total of copper and cable production
3) Revised due to a typo in the sustainability reports in 2021 and 2022
4) Energy consumption (TJ) / Sales (ten billion KRW)
5) Purchase and consumption of non-renewable fuels, such as nuclear fuel, coal, oil, and natural gas
6) Divided into LAN and optical cables
7) Energy consumption (TJ) / Sales (billion KRW)
8) Purchase and Consumption of Non-Renewable Fuels (Nuclear Fuel, Coal, Oil, Natural Gas, etc.)

Water Consumption

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Water usage target		35,000	35,000	35,000
Public supply		27,964	30,512	30,610
Industrial supply (surface water)	m³	33,794	22,982	17,429
Total		61,758	53,494	48,039
Water reuse volume		61,758	53,494	48,039
Jeonju Plant / Telecommunications Cable Production Division				
Water usage target		10,000	15,000	15,000
Public supply		9,826	12,250	10,954
Industrial supply (surface water)	m³	4,232	5,712	4,048
Total		14,058	17,962	15,002
Water reuse volume		14,058	17,962	15,002
Domestic worksites (in Gunpo and Jeonju)				
Public supply		37,790	42,762	41,564
Industrial supply (surface water)	m³	38,026	28,694	21,477
Total		75,816	71,456	63,041
Water reuse volume		75,816	71,456	63,041

Waste Discharge and Recycling Rate

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Designated waste	Recycling	5	3	0
	Disposal (incineration)	77	206	64.77
General waste	Recycling	895	942	1015.95
	Disposal (incineration)	176	163	132.55
	Total	1,154	1,314	1,213
Jeonju Plant / Telecommunications Cable Production Division				
Designated waste	Recycling	0	0	0
	Disposal (incineration)	10	2	4
General waste	Recycling	556	702	688
	Disposal (incineration)	76	0	0
	Total	642	704	692
Domestic worksites (in Gunpo and Jeonju)				
Total waste generation	ton	1,796	2,018	1,905
Total recycled amount		1,457	1,647	1,704
Recycling rate	%	81	82	89

ESG Data

Environmental Performance (Environmental Data)

Domestic Raw Material Usage ¹⁾

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Plastic usage for power cables ²⁾	ton	13,647	15,794	18,333
Jeonju Plant / Telecommunications Cable Production Division				
Plastic usage for telecommunications cables	ton	7,680,448	7,883,493	7,197,233

1) Annual plastic shipment performance
2) Revised due to a typo in the sustainability reports in 2021 and 2022

Domestic Plastic Packaging Recovery and Recycling Performance

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Plastic packaging shipments ¹⁾	kg	28,202	55,158	69,634
Required recycling amount ¹⁾		27,405	33,470	56,361
Recycled amount ¹⁾	%	97	61	81
Jeonju Plant / Telecommunications Cable Production Division				
Plastic packaging shipments ¹⁾	kg	11,378.65	10,721.89	7,484

1) Revised due to a typo in the sustainability reports in 2021 and 2022

Raw Material Usage (Domestic and Overseas)

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Non-renewable raw materials ¹⁾	Plastic	15,901,276	18,586,344	21,868,684
	Copper	0	0	0
Renewable raw materials	Renewable plastic	30,700	0	0
Jeonju Plant / Telecommunications Cable Production Division				
Non-renewable raw materials ¹⁾	Plastic	7,680,448	7,883,493	7,197,233
	Copper	4,956,220	4,582,008	4,230,000
Renewable raw materials	Renewable plastic	0	0	0
Domestic worksites (in Gunpo and Jeonju)				
Non-renewable raw materials ¹⁾	Plastic	23,581,724	26,469,837	29,065,917
	Copper	4,956,220	4,582,008	4,230,000
Renewable raw materials	Renewable plastic	30,700	0	0

1) Revised due to a typo in the sustainability reports in 2021 and 2022

Air Pollutant Emission Levels

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Nox	ton	0	0	3.42
Sox		0	0	0
Dust ¹⁾		5.92	60.53	28.03
VOCs		0	0	0
Total ¹⁾		5.92	60.53	31.45
Jeonju Plant / Telecommunications Cable Production Division				
Nox	ton	0	0	0
SOx		0	0	0
Dust		0	0	0
VOCs		0	0	0
Total		0	0	0

1) Revised due to a typo in the sustainability reports in 2021 and 2022

Emissions of ozone-depleting substances

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Emissions of ozone-depleting substances from production, import and export (CFC-11 equivalent ton)	ton	0	0	0
Jeonju Plant / Telecommunications Cable Production Division				
Emissions of ozone-depleting substances from production, import and export (CFC-11 equivalent ton)	ton	0	0	0

ESG Data

Environmental Performance (Environmental Data)

Discharged Water Pollutants

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Water pollutants discharged to waters	ton	0	0	0
BOD	kg	0	0	0
COD		2.6 ¹⁾	0	0
SS		2.6 ¹⁾	4.1 ¹⁾	4
TOC		0	4.1 ¹⁾	2.4
Total ¹⁾		5.2	8.2	6.4
Jeonju Plant / Telecommunications Cable Production Division				
Water pollutants discharged to waters	ton	0	0	0
BOD	kg	0	0	0
COD		0	0	0
SS		0	0	0
TOC		0	0	0
Total		0	0	0

1) Revised due to a typo in the sustainability reports in 2021 and 2022

Hazardous Chemicals and Chemicals Management

Category	Unit	2021	2022	2023
Gunpo Plant / Power Cable Production Division				
Emissions of Hazardous Chemicals	Propanol	19.24	18.64	0
Discharged chemicals	Lead and its compounds	4,477.9	22	57.66
	Copper and its compounds	44,147.94	57,053.24	55,272.22
Total		48,625.84	57,075.24	55,329.88
Jeonju Plant / Telecommunications Cable Production Division				
Emissions of Hazardous Chemicals	Propanol	0	0	0
Discharged chemicals	Lead and its compounds	0	0	0
	Copper and its compounds	0	0	0
Total		0	0	0
Domestic worksites (in Gunpo and Jeonju)				
Emissions of Hazardous Chemicals	Propanol	19.24	18.64	0
Discharged chemicals	Lead and its compounds	4,477.9	22	57.66
	Copper and its compounds	44,147.94	57,053.24	55,272.22
Total		48,625.84	57,075.24	55,329.88

ESG Data

Social Performance (Social Data)

Employee Status

Category		Unit	2021	2022	2023
The number of employees		persons	421	448	468
By age	under 30	persons	60	73	65
	30's		107	115	127
	40's		146	158	171
	50's		87	75	65
	60's and older		21	27	40
By gender	Domestic (Head office)	Male	115	125	141
		Female	21	26	25
	Domestic (Gunpo Plant / Power Cable Production Division)	Male	142	149	162
		Female	4	6	8
	Domestic (Jeonju Plant / Telecommunications Cable Production Division)	Male	132	136	126
		Female	5	5	4
	Overseas ¹⁾	Male	2	1	2
		Female	0	0	0
By region	Domestic (Head office)		137	152	168
	Domestic (Gunpo Plant / Power Cable Production Division)		146	155	170
	Domestic (Jeonju Plant / Telecommunications Cable Production Division)		136	151	166
	Overseas ¹⁾		2	1	2
By employment type	Regular employees	Male	373	393	375
		Female	26	33	35
		Total	399	426	410
	Contract employees	Male	18	18	56
		Female	4	4	2
		Total	22	22	58

1) 2021: Shanghai Branch, Myanmar; 2022: Shanghai Branch; 2023: Shanghai Branch, U.S. Branch

Employee Recruitment Status

Category		Unit	2021	2022	2023
By age	under 30	persons	26	31	27
	30's		12	24	31
	40's		4	4	9
	50's		1	0	9
	60's and older		2	4	2
	Total		45	63	78
By gender	Domestic	Male	41	58	72
		Female	4	5	6
	Overseas	Male	0	0	0
		Female	0	0	0
	Total	Male	41	58	78
		Female	4	5	6
By region	Domestic		45	63	78
	Overseas		0	0	0
	Total		45	63	78

Employee Turnover Status

Category		Unit	2021	2022	2023
By age	under 30	persons	10	18	20
	30's		11	17	18
	40's		8	5	4
	50's		3	2	8
	60's and older		14	12	-
By gender	Male	persons	43	51	44
	Female		3	3	6
By region		persons	46	54	50
Total turnover		%	11.2	12.1	10.7
Voluntary turnover		%	6	8.7	10.3
Average length of service		years	14.1	3.1	4.7

ESG Data

Social Performance (Social Data)

Remuneration and Compensation

Category		Unit	2021	2022	2023
Gender	Male	KRW	65,447,342	66,216,614	68,841,261
	Female		45,531,759	47,063,764	47,333,333
	Gap in average wages by gender	%	30	29	31
	Gap in median wages by gender		1.5	10	4
The ratio of starting wage by gender to minimum wage by region where our worksites are located	Domestic	Minimum wage	28,476,000	29,995,160	30,743,480
		Starting wage of male employees	40,167,400	43,000,000	45,000,000
		Starting wage of female employees	40,167,400	43,000,000	45,000,000
Basic salary and compensation ratio of female employees to male employees according to each employee category at our worksites	By employment type	Regular employees	65	72	66
		Contract employees	33	44	121
		Part-time employees	0	0	0
	By age	under 30	93	96	88
		30's	89	103	87
		40's	95	97	95
		50's	110	111	190
		60's and older	0	0	0
	The number of employees enrolled in pension support	DB (defined benefit)	305	335	359
		DC (defined contribution)	63	63	54

Employee Diversity

Category			Unit	2021	2022	2023
Female employees	By age	under 30	persons	20	21	19
		30's		7	13	15
		40's		1	1	2
		50's		2	2	1
		60's and older		0	0	0
		Total		30	37	37
		Percentage	%	7.1	8.3	7.9
Female managers ¹⁾	By age	under 30	persons	0	0	0
		30's		2	5	4
		40's		1	1	2
		50's		0	0	1
		60's and older		0	0	0
		Total		3	6	7
		Percentage	%	1	1	1
Female executives		persons	0	0	0	
Employees with disabilities ²⁾	By gender	Male	persons	4	4	5
		Female		4	3	3
		Total		11	11	8
		Percentage		%	2.6	2.5
	By age	under 30	persons	0	0	0
		30's		0	1	2
		40's		5	4	3
		50's		2	2	2
60's and older			1	0	1	
Military veteran employees	By gender	Male	persons	6	5	3
		Female		1	1	1
		Total		7	1	4
		Percentage		%	1.7	1.3
	By age	under 30	persons	1	1	0
		30's		2	2	2
		40's		0	0	0
		50's		4	2	1
60's and older			0	0	1	

1) Manager level or higher
2) Based on the actual number of employees with disabilities

ESG Data

Social Performance (Social Data)

Non-Employee Status

Category			Unit	2021	2022	2023	
Non-employees ¹⁾	Gunpo Plant (Power Cable Production Division)	Male	persons	50	49	44	
		Female		7	7	6	
	Jeonju Plant (Telecommunications Cable Production Division)	Male		36	42	44	
		Female		5	4	5	
	Total number of males			86	91	88	
	Total number of females			12	11	11	

1) There are differences between the annual report and the sustainability report due to changes in aggregation criteria.

Labor Practices

Category		Unit	2021	2022	2023
Jeonju Plant (Telecommunications Cable Production Division)					
The ratio of employees subject to labor union and collective bargaining ¹⁾	Employee union membership	persons	91	86	78
	Number of employees covered		138	144	150
	Union membership rate	%	65.9	59.7	52.0
	Prior notice period for changes in management	days	180	180	180
Jeonju Plant (Telecommunications Cable Production Division)					
The ratio of employees subject to labor union and collective bargaining ¹⁾	Employee union membership	persons	89	90	84
	Number of employees covered		138	144	130
	Union membership rate	%	64.5	62.5	64.6
	Prior notice period for changes in management	days	180	180	180
The number of total employees subject to collective bargaining		persons	180	176	162
The percentage of total employees subject to collective bargaining ^{2) 3)}		%	43	39	35

1) Only production employees can join the labor union.
2) Based on All Business Sites (Head Office, Gunpo Plant, Jeonju Plant)
3) Revised due to a typo in the sustainability reports in 2021 and 2022

Employee Training

Category			Unit	2021	2022	2023
Total number of employees participating in training			persons	230	256	280
Total training hours			hours	27,927	29,692	35,453
Total training hours for male employees			hours	24,891	25,737	30,818
Total training hours for female employees			hours	3,036	3,955	4,635
Average training hours per employee	Average hours per employee ¹⁾		hours	66	66	76
	By gender	Male		64	63	72
		Female		101	107	125
	By employment type	Regular employees		126.6	120.8	129.0
		Contract employees		56.4	55.7	78.0
	Total training cost			KRW	253,657,984	293,074,260
Average training cost per employee	Average cost per employee		KRW	1,102,860	1,144,821	1,498,960
	By gender	Male		1,223,133	1,238,988	1,593,990
		Female		358,675	569,357	854,880
	By employment type	Regular employees		1,166,054	1,187,509	1,504,270
		Contract employees		311,085	504,503	780,000
The percentage of all employees who received regular performance and career development evaluations	By gender	Male	%	87	84.2	85.0
		Female		13	15.8	15.0
		LGBTQ		0	0	0
	By employment type	Regular employees		98	98.2	99.5
		Contract employees		2	1.8	0.5
		Part-time		0	0	0
	By age	under 30		19	21	15
		30's		31	33	34
		40's		40	38	42
		50's		9	7	9
		60's and older		1	0	0.5
	Training hours			hours	1,771	1,521
Trainees			persons	408	441	434
Percentage of employees who received training			%	97	98	93

1) Revised due to a typo in the sustainability reports in 2021 and 2022

ESG Data

Social Performance (Social Data)

Training on Policies and Procedures regarding Human Rights

Category	Unit	2021	2022	2023
Training hours	hours	1,771	1,521	1,302
Trainees	persons	408	441	434
Percentage of employees who received training	%	97	98	93

Workplace Safety

Category		Unit	2021	2022	2023
Gunpo Plant (Power Cable Production Division)					
Industrial accidents	The number of cases	cases	1	2 ¹⁾	0
	Occurrence rate	%	0.67	1.34	0
LTIFR (Lost Time Injury Frequency Rate)	Employees	persons	0	0	0
	Suppliers		0	0	0
TRIFR (Total recordable injury frequency rate)	Employees	persons	0	0	0
	Suppliers		0	0	0
Number of work-related deaths	Employees	persons	0	0	0
	Suppliers		0	0	0
Total working hours	Power Cable Production Division	hours	360,000	360,000	360,000
Jeonju Plant (Telecommunications Cable Production Division)					
Industrial accidents	The number of cases	cases	0	0	0
	Occurrence rate	%	0	0	0
LTIFR (Lost Time Injury Frequency Rate)	Employees	persons	0	0	0
	Suppliers		0	0	0
TRIFR (Total recordable injury frequency rate)	Employees	persons	0	0	0
	Suppliers		0	0	0
Number of work-related deaths	Employees	persons	0	0	0
	Suppliers		0	0	0
Total working hours	Telecommunications Cable Production Division	hours	324,000	319,200	360,000

1) Correction of 2022 Data

Employees using Parental Leave

Category			Unit	2021	2022	2023
Employees on parental leave	Employees eligible for parental leave	Male	persons	110	89	98
		Female		0	0	2
		Total		110	89	100
	Employees who took parental leave	Male	persons	0	6	7
		Female		0	0	2
		Total		0	6	9
Employees returning to work after parental leave	Male		persons	0	4	3
	Female			0	0	0
	Total			0	4	3
Employees who have worked for more than 1 year after returning to work	The number of employees	Male	persons	2	1	4
		Female		0	0	0
		Total		2	1	4
	Percentage	Male	%	100	100	100
		Female	%	0	0	0

Employee Welfare

Category	Unit	2021	2022	2023
Employee welfare costs	KRW	4,228,407,550	4,915,985,149	5,286,098,772

ESG Data

Social Performance (Social Data)

The number of Employees who received Regular Performance Evaluation

Category			Unit	2021	2022	2023
Employees subject to regular performance evaluation and career development reviews			persons	210	222	250
Percentage of employees subject to regular performance evaluation and career development reviews	By gender	Male		87.1	84.2	86.8
		Female	%	12.9	15.8	13.2
		LGBTQ		0.0	0	0
	By employee type	Office employees	%	100	100	100
		Non-office employees		0	0	0
	By employment type	Regular employees		98.1	98.2	96.0
		Contract employees	%	1.9	1.8	4.0
		Part-time		0.0	0	0
	By age	under 30		18.6	21	17
		30's		31.0	33	32
		40's	%	40.0	38	36
		50's		9.0	7	13
		60's and older		1.4	0	2

Total number of Complaints related to Social Impact received through Formal Mechanisms

Category		Unit	2021	2022	2023
The number of resolved complaints related to product issues	Telecommunications Cable Production Division	cases	53	36	37
	Power Cable Production Division		57	86	46
The number of pending complaints related to product issues	Telecommunications Cable Production Division	cases	0	0	0
	Power Cable Production Division		0	0	
The number of complaints related to suppliers	The number of pending grievances related to health and safety	cases	0	0	0
	The number of resolved grievances related to health and safety		0	0	0
	The number of pending grievances related to other issues		0	0	0
	The number of resolved grievances related to other issues		0	0	0
	The percentage of resolved grievances	%	100	100	100
	The number of pending grievances	cases	0	0	0
	The number of resolved grievances		0	0	0

Social Contribution

Category		Unit	2021	2022	2023
Investments for social contributions	Social contribution expenses	KRW	30,880	48,800	48,000
	Participants per year	persons	39	45	76
Participation in social initiatives	Total participation hours	hours	72	78	184
	Partipation hours per employee	hours	1.8	1.7	2.5

Data and Cyber Security

Category		Unit	2021	2022	2023
Information security violations or cyber security incidents		cases	0	0	0
information security violations or incidents related to customer personal information		cases	0	0	0
Total amount of fines or penalties paid due to information security violations or cyber security incidents		KRW	0	0	0
Complaints regarding infringement on customer privacy or personal information		cases	0	0	0
Investment cost related to data security and protection		KRW	298,461,490	301,309,606	260,439,371

Supply Chain (suppliers)

Category		Unit	2021	2022	2023
Total number of suppliers managed by the organization ¹⁾		suppliers	412	416	416
Monetary value provided to suppliers	Direct loans		10	10	10
	Win-Win cooperation loans	million KRW	21	20	23
	A Win-Win payment scheme		424	1,017	1,307

1) Suppliers with a transaction amount of 10 million KRW or more

ESG Data

Governance Performance (Governance Data)

BOD Structure

Category		Unit	2021	2022	2023
Composition	Executive director	persons	3	3	3
	Independent directors		3	3	3
	Total		6	6	6
Gender diversity	Male	persons	6	6	
	Female		0	0	0
Presence of Social Minorities Among Board Members	Classification	Y/N	N	N	N
Board term	Chung Hyun	Year/Month/Day	-	-	2026.03.23
	Kim Myung-kyun		2024.03.25	2024.03.25	2027.03.27
	Lee Sang-ho		-	2025.03.24	2025.03.24
	Woo Young-sang		2024.03.25	2024.03.25	2027.03.26
	Lee Jae-yeol		2023.03.19	2023.03.19	2026.03.23
	Won Young-jin		2023.03.19	2023.03.19	2026.03.23
BOD effectiveness	The average attendance rate	%	100	96	89
	The average attendance rate of independent directors		100	95	96
	The number of independent directors with low attendance (lower than 75%)	persons	0	0	0
BOD expertise	The number of independent and non-executive directors with work experience in the cable industry	persons	2	2	2
	The number of Audit Committee members with expertise in accounting and finance such as CFA and CPA		1	1	1
The number of job roles held by each member	Chung Hyun	job roles	-	-	2
	Kim Myung-kyun		1	3	3
	Lee Sang-ho		-	6	5
	Woo Young-sang		1	1	3
	Lee Jae-yeol		1	1	2
	Won Young-jin		1	1	2

BOD Activities

Category		Unit	2021	2022	2023
The number of BOD meetings held		sessions	5	7	9
Activities of independent directors	The number of agenda items on which independent directors presented opposition or amended opinions	items	0	0	0
The number of subcommittee meetings held	The number of Audit Committee meetings held	sessions	5	7	4
	The number of ESG meetings held ¹⁾		5	2	4
Frequency of ESG-related agenda review	The environment	sessions	0	0	0
	The frequency the BOD is notified of climate change-related issues		0	0	0
	Society		0	0	0
	Governance		0	0	0
The number of critical matters reported		sessions	5	7	9

1) The Internal Trading Committee was reorganized it into the ESG Committee in 2022.

ESG Data

Governance Performance (Governance Data)

Remuneration and Ownership Structure

Category		Unit	2021	2022	2023
CEO remuneration	Total compensation per year	KRW	565,901,200	646,974,700	507,314,700
	Year-over-year growth rate		14	14	-22
	Annual total compensation rate	%	11	10	13
	Total annual compensation increase rate		14	14	-22
Remuneration of all employees except for the CEO's	Median	KRW	64,527,550	65,456,710	66,644,790
	Average		63,902,337	65,424,002	67,491,325
	Percentage change in median total compensation per year	%	6	1	2
Remuneration of all employees except for the CEO's	Median	%	877	988	761
	Average		886	989	752
The ratio of CEO's total annual compensation to median total annual compensation of all employees (excluding CEO compensation)		%	1140	1012	1314
Median annual total compensation increase for CEO and annual total compensation growth for all employees (excluding CEO)		%	233	1400	-1100
Annual remuneration for executive directors/other non-executive directors	Chung Hyun	KRW	-	-	507,314,700
	Kim Myung-kyun		298,516,000	321,778,000	393,479,590
	Lee Sang-ho ¹⁾		-	-	-
	Woo Young-sang		27,000,000	36,000,000	36,000,000
	Lee Jae-yeol		36,000,000	36,000,000	36,000,000
	Won Young-jin		36,000,000	36,000,000	36,000,000
The average remuneration of employees (the Gunpo Plant / Power Cable Production Division)	Male	million KRW	60.00	60.00	61.00
	Female		41.00	47.00	46.00
	The remuneration ratio of female to male employees	%	68	78	75
The average remuneration of employees (the Jeonju Plant / Telecommunications Cable Production Division)	Male	million KRW	69	67	72
	Female	million KRW	31	39	40
	The remuneration ratio of female to male employees	%	45	58	56
The average remuneration of employees (Head office)	Male	million KRW	75	78	80
	Female	million KRW	47	49	54
	The remuneration ratio of female to male employees	%	63	63	68

1) No Remuneration Paid to Other Non-Executive Directors

Corporate Code of Conduct and Ethical/Compliance Management

Category		Unit	2021	2022	2023
Code of Conduct compliance rate	BOD members	%	100	100	100
	Employees ¹⁾		100	100	100
The ratio of ethics/compliance management training provided	BOD members	%	33	33	33
	Office-based technical employees ²⁾		100	100	100
	All employees		52	52	56
Total training hours for ethics/compliance management		hours	2	2	3
The number of trainees for ethics/ compliance management	BOD members	persons	2	2	2
	Regular employees		215	232	236
	Contract employees		3	-	1
	All employees		220	234	239

1) Regular employees

2) Applicable to office-based technical employees only

Ethical/Compliance Management Evaluation and Reports of Violations and Measures taken

Category		Unit	2021	2022	2023
Worksites evaluated for corruption risk	The number of worksites	worksites	1	2	2
	The percentage of evaluated worksites	%	33	67	67
Confirmed cases of corruption and measures taken	The number of confirmed corruption cases	cases	0	0	0
Legal actions against unfair trade practices such as anti-competitive behavior and monopoly			0	0	0

ESG Data

Governance Performance (Governance Data)

Violation of Legal or Voluntary Regulations

Category		Unit	2021	2022	2023
Violation of laws and regulations and fines imposed	Unfair trade practices such as anti-competitive behavior and monopoly	KRW	0	0	0
		cases	0	0	0
	Violation of bribery or corruption laws	KRW	0	0	0
		cases	0	0	0
	Violations related to domestic marketing activities	KRW	0	0	0
		cases	0	0	0
	Violations of customer information protection	KRW	0	0	0
		cases	0	0	0
	Violations of product information provision	KRW	0	0	0
		cases	0	0	0
	Violation of environmental laws and regulations	KRW	0	0	0
		cases	0	0	0
Number of violation cases of legal and voluntary regulations concerning the health and safety impacts of products and services	Cases of financial penalties or punitive measures	cases	0	0	0
	Cases of warning notices		0	0	0
	Violation cases of voluntary regulations		0	0	0
	Total		0	0	0
Cases of non-monetary sanctions	Cases of other social and economic sanctions	cases	0	0	0
	Total		0	0	0

Shareholder Composition

Category		Unit	2021	2022	2023
Shareholder composition	LS C&S	%	46.56	47.51	48.75
	Gaon Cable		5.51	3.61	3.12
	Employee's stock ownership association		0.00	0.00	0.00
	Minority shareholders		42.64	46.28	43.34
	Misc.		5.29	2.60	4.79
	Total		100	100	100
The ownership percentage of the largest shareholder and specially related parties combined		%	52.07	51.12	51.87

GRI standards 2021 Index

Statement of use	Gaon Cable reports data based on GRI Standards 2021 for the period from January 1, 2023, to December 31, 2023. Some significant achievements include activities up to the first half of 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Currently unavailable (as of the publication date in June 2024, the standard for Electronics applicable to Gaon Cable has not been released)

Disclosure	Indicators	Page	Remarks
GRI 2: General Disclosures 2021	2-1	Organizational details	9~10, 13~14
	2-2	Entities included in the organization's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	-
			Changes such as aggregation criteria and reporting boundaries are noted in the footnotes
	2-5	External assurance	175~176
	2-6	Activities, value chain and other business relationships	13~14, 69~76
	2-7	Employees	155, 158
	2-8	Workers who are not employees	159
	2-9	Governance structure and composition	114~118
	2-10	Nomination and selection of the highest governance body	114~118
	2-11	Chair of the highest governance body	114~120
	2-12	Role of the highest governance body in overseeing the management of impacts	27~28, 114~120
	2-13	Delegation of responsibility for managing impacts	27~28, 114~120
	2-14	Role of the highest governance body in sustainability reporting	27~28, 114~120
	2-15	Conflicts of interest	114~120
	2-16	Communication of critical concerns	119~120
	2-17	Collective knowledge of the highest governance body	117~118
	2-18	Evaluation of the performance of the highest governance body	121
	2-19	Remuneration policies	121
	2-20	Process to determine remuneration	121
	2-21	Annual total compensation ratio	167
	2-22	Statement on sustainable development strategy	7~8
	2-23	Policy commitments	9~10, 23~24, 42~46, 65, 71~72, 79~80, 85, 95~96, 101~102, 105, 107, 125~126, 131~132
	2-24	Embedding policy commitments	9~10, 23~24, 42~46, 65, 71~72, 79~80, 85, 95~96, 101~102, 105, 107, 125~126, 131~132
	2-25	Processes to remediate negative impacts	35~36, 45~46, 59~60, 80, 81, 110, 131~132
	2-26	Mechanisms for seeking advice and raising concerns	74, 128
	2-27	Compliance with laws and regulations	169
	2-28	Membership associations	135~136
	2-29	Approach to stakeholder engagement	29~30
	2-30	Collective bargaining agreements	159
GRI 3: Material Topics 2021	3-1	Process to determine material topics	33~34
	3-2	List of material topics	33~34

Disclosure	Indicators	Page	Remarks
Establishment of ESG Management System			
GRI 3: Material Topics 2021	3-3	Management of material topics	27~28
	2-22	Statement on sustainable development strategy	7~8
GRI 2: General Disclosures 2021	2-23	Policy commitments	9~10, 23~24, 42~46, 65, 71~72, 79~80, 85, 95~96, 101~102, 105, 107, 125~126, 131~132
	2-24	Embedding policy commitments	9~10, 23~24, 42~46, 65, 71~72, 79~80, 85, 95~96, 101~102, 105, 107, 125~126, 131~132
Strengthening Ethical and Compliance Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	124~128
	205-1	Operations assessed for risks related to corruption	128, 168
GRI 2: General Disclosures 2021	205-2	Communication and training about anti-corruption policies and procedures	168~169
	205-3	Confirmed incidents of corruption and actions taken	128, 169
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	128, 168
Minimization of Environmental Impact			
GRI 3: Material Topics 2021	3-3	Management of material topics	48~50
GRI 301: Materials	301-1	Materials used by weight or volume	151
	301-2	Recycled input materials used	151
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	50, 150
	303-3	Water withdrawal	50, 150
GRI 306: Waste 2020	306-2	Management of Major Waste-Related Impacts	49
	306-3	Waste Generation	49, 150
	306-4	Management of Undisposed Waste	49, 150
	306-5	Management of Disposed Waste	49, 150
Eco-friendly Business Operations			
GRI 3: Material Topics 2021	3-3	Management of material topics	51~56
NON-GRI	-	No standard on related topics	51~52
Product Safety and Quality Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	104~110
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	169
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	169

GRI standards 2021 Index

Disclosure		Indicators	Page	Remarks
Workplace Safety and Health Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	64–68	
	403-1	Occupational health and safety management system	65	
	403-2	Hazard identification, risk assessment, and incident investigation	65–68	
	403-3	Occupational health services	65–68	
GRI 403: Occupational Health & Safety	403-4	Worker participation, consultation, and communication on occupational health and safety	65–66	
	403-5	Worker training on occupational health and safety	66	
	403-6	Promotion of worker health	65–66	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	67–68	
	403-8	Workers covered by an occupational health and safety management system	65, 67	
	403-9	Work-related injuries	161	
	403-10	Work-related ill health	161	
Strengthening Climate Change Response				
GRI 3: Material Topics 2021	3-3	Management of material topics	58–60	
GRI 302: Energy	302-1	Energy consumption within the organization	59–60, 149	
	302-3	Energy intensity	59–60, 149	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	59–60, 148	
	305-2	Energy indirect (Scope 2) GHG emissions	59–60, 148	
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	152–153	
Supply Chain ESG Management and Partner Collaboration				
GRI 3: Material Topics 2021	3-3	Management of material topics	70–76	
NON-GRI	-	No standard on related topics	75–76	Monetary value provided to partners
Strengthening Human Rights Management				
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	78–82, 158	
Strengthening Human Resource Management				
GRI 401: Employment	401-1	New employee hires and employee turnover	85, 156	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	89, 162	
	401-3	Parental leave	162	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	160	
	404-2	Programs for upgrading employee skills and transition assistance programs	87–88, 94, 160	

SASB

Topic	Accounting Metric	Category	Unit of Measure	Code	Page
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ)	RT-EE-130a.1	149
	Amount of hazardous waste generated, Percentage recycled		Percentage (%)		
Hazardous Waste Management	Number and aggregate quantity of reportable spills, Quantity recovered	Quantitative	Metric tonnes (t), Percentage (%)	RT-EE-150a.1	150
Product Safety	Number of recalls issued, Total units recalled	Quantitative	Number	RT-EE-250a.1	169
	Total amount of monetary losses as a result of legal proceedings associated with product safety		Presentation currency	RT-EE-250a.2	
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%) by revenue	RT-EE-410a.1	-
	Percentage of eligible products, by revenue, certified to an energy efficiency certification		Percentage (%) by revenue	RT-EE-410a.2	
	Revenue from renewable energy-related and energy efficiency-related products		Presentation currency	RT-EE-410.3	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-EE-440a.1	108
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behaviour	Discussion and Analysis	n/a	RT-EE-510a.1	169
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Presentation currency	RT-EE-510a.2	
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	Quantitative	Presentation currency	RT-EE-510a.3	

Activity Metric	Category	Unit of Measure	Code	Page
Number of units produced by product category	Quantitative	Number	RT-EE-000.A	145
Number of employees	Quantitative	Number	RT-EE-000.A	155

Independent Assurance Statement

Dear Management and Stakeholders of GAON CABLE

Introduction

Korean Standards Association ("KSA") was commissioned by GAON CABLE("the Company") to perform a third-party Assurance Engagement of ‘2024 GAON CABLE Sustainability Report’("the Report"). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. the Company has sole responsibility for the content and performance contained in this Report.

Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of the Company apart from undertaking a third-party assurance on the Report. KSA has no other contract with the Company that may undermine credibility and integrity as an independent assurance agency.

Assurance Standards: AA1000AS v3

Assurance Level and Type: Moderate, Type1

Note1: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.
Note2: Type1 assurance has a narrower scope of engagement than Type2 assurance because it is limited to only adherence with the four principles of AA1000AP.

Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of the Company during the reporting period. While the Company's environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

- in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
- in accordance with GRI Standards 2021

Topic Standards 205-1, 205-3, 206-1, 301-1~2, 302-3, 303-1, 303-3, 305-1~2, 305-7, 306-2~5, 401-1~3, 403-1~7, 404-2, 405-1, 416-1~2
- Company-specific Indicators: Monetary value provided to partners, Environmental investment (facility investment), Number of eco-friendly product, Eco-friendly product sales performance

Assurance Methodology

KSA used the following methods to gather information, documents, and evidence with respect to the assurance scope.

- Confirmation of stakeholder participation and materiality assessment process by the sustainability expert.
- Verification of environmental information disclosure data and information by the environmental expert.
- Examination of internal documents and basic materials.

Assurance limitations

KSA assumed that the data and evidence provided by the Company were complete and sufficient. KSA provided limited assurance through data inquiry and analysis as well as limited sampling methods.

Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA were not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA present our opinions of the ‘2024 GAON CABLE Sustainability Report’ as follows.

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

- Has the Company engaged its stakeholders in strategically responding to sustainability?
KSA believes the Company is aware of the importance of stakeholder participation and is making an all-out effort to establish a process that will increase their participation. The Company has selected stakeholders including employees, customers, partner companies, communities, government, shareholders and investors to receive diverse feedback and opinions.

Materiality

- Has the Company included material information in the Report to help stakeholders make informed decisions?
KSA is not aware of any significant omissions or exclusions of data that are material to stakeholders. KSA verified that the Company conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

Responsiveness

- Has the Company appropriately responded to stakeholder requirements and interest in this Report?
KSA verified that the Company responded to stakeholders' needs and interests by reflecting stakeholders' opinions in the Report. KSA is not aware of any evidence that the Company's response to significant issues of stakeholders was reported inappropriately.

Impact

- Has the Company appropriately monitored its impact on the stakeholders?
KSA verified that the Company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the Company appropriately publishes its findings in the Report.

June 2024

Myung Soo Kang

KSA Chairman & CEO



The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and as an assurance provider of the Korean government's greenhouse gas energy target management system.

GHG Verification Statement

The Gaon Cable plant in Gunpo

Scope

- GHG emissions in 2023 and emissions sources at the aforementioned worksite
- Emissions sources falling under Scope 1 (direct) and Scope 2 (indirect) as described in Chapter 4, “Setting Operational Boundaries,” in the WRI/WBCSD Greenhouse Gas Protocol

Verification data

Scope 1(direct) and Scope 2 (indirect) GHG emissions during 2023 are as follows:

Worksite	2023년		
	Direct emissions(Scope1) (tCO ₂ e/yr)	Indirect emissions(Scope2) (tCO ₂ e/yr)	Total quantity(tCO ₂ e/yr)
The Gaon Cable plant in Gunpo	529	8,884	9,413
Total (tCO ₂ e/yr)	529	8,884	9,413

* A difference in total emissions may occur due to rounding below the decimal point.

GHG emissions-related criteria and guidelines used for verification

Upon the request of Gaon Cable, verification was conducted based on the following criteria and guidelines:

- Guidelines on GHG Target Management and Operations (Ministry of Environment Notification No. 2024-22)
- WRI/WBCSD Greenhouse Gas Protocol – Revised in 2015
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- BSI Greenhouse Gas Validation and Verification (KM007, Rev.20) – Revised in August 2023

BSI Group Korea's standard non-disclosure principles apply to all verification-related activities.

Verification opinion

As a result of a verification according to the criteria and procedures stated above, the opinion by BSI is as follows:

- This verification was conducted to provide an assessment with a level of reasonable assurance in accordance with the Guidelines on GHG Target Management and Operations (Ministry of Environment Notification No. 2024-22).
- We present an unqualified opinion: No critical issues were found with the calculation of GHG emissions, and related records are deemed to have been appropriately maintained.
- From a qualitative perspective, the data aligns with key international principles for GHG emissions verification.

2024년 6월 13일
BSI representative

Managing Director Korea, **SeongHwan Lim**



