



# **About this report**

As a "Solution Provider for Sustainable Tomorrow," SOLUM is committed to integrating ESG principles into our business, with a strong focus on the environment and humanity. This report, our second of its kind, highlights our ESG commitment, including the efforts we have made and the progress we have achieved. We will continue to publish a sustainability report annually to enhance communication with our stakeholders and ensure transparent, active engagement in ESG initiatives.

## About this publication

Publication date June 2025

**Department** ESG Management Part

Address 2354, Yonggu-daero, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea

Website https://www.solum-group.co.kr/

## **Reporting Principles**

This report was prepared according to the Global Reporting Initiative (GRI) Standards 2021 and the International Sustainability Disclosure Standards (ISSB). We have incorporated the international standards of ISSB IFRS S1/S2 and the climate disclosure recommendations from the KSSB Disclosure Draft, including the Sustainability Accounting Standards Board (SASB), for SOLUM's material issues. All financial information in this report adheres to K-IFRS.

## **Reporting Period**

This report details our quantitative and qualitative performance for January 1 to December 31, 2024. We have also included information on activities undertaken during the first half of 2025, considering the appropriateness and materiality of changes in regulations and trends. For ESG-related performance (targets and indicators), we have incorporated the last three years of identifiable and verifiable data. Our Sustainability Report will be published annually in June.

## **Reporting Scope**

This report encompasses the quantitative and qualitative performance of SOLUM's Korean headquarters (located in Yongin-si, Gyeonggi-do) and its four overseas production facilities. Information regarding affiliates is limited to quantitative performance. Any discrepancies in reporting scope are detailed in the footnotes

## **Assurance**

To ensure the reliability and accuracy of this report's process and information, BSI Korea, an independent verification provider, performed a third-party assurance. This assurance followed a Type-2 assurance level according to AA1000AS (v3). The full verification can be found on pages 99–101 of the Report.

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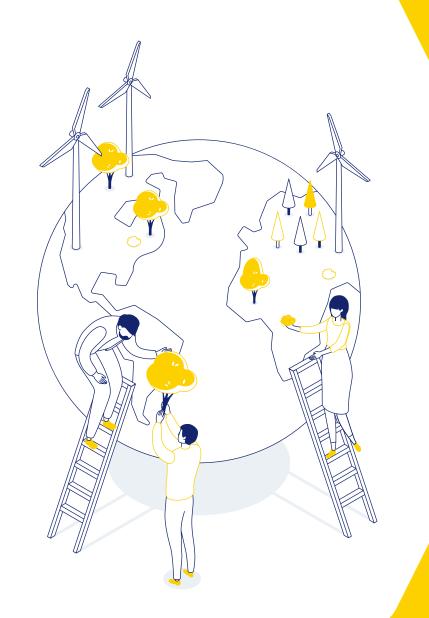
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# **CEO Message**



CEO Jun Sung-ho A A &



#### Dear stakeholders.

From all of us at SOLUM. I would like to extend our heartfelt thanks for your continued support and trust.

Last year truly marked a period of "introspection and transformation" for us. We confronted the fact that relying solely on our existing business portfolio would not secure the exceptional sustainable growth we need. This prompted us to ask some fundamental questions about our future, leading us to make the decision to pursue bold structural innovation and embrace new challenges. Accordingly. SOLUM is now evolving beyond being merely a manufacturer to becoming a "solution provider." We are reorganizing all our businesses into platform- and solution-based models that create customer value, rather than simply focusing on producing individual products like ESL, power, and displays. We are also expanding our business into new areas, including electric vehicles (EVs), artificial intelligence (AI) data centers, digital advertising platforms, and other sustainable. future-oriented industries. All this transformation centers on "ESG management." ESG is not a choice for us; it is in fact a prerequisite for our survival and growth. We are taking action, not simply making announcements, to make ESG second nature in everything we do.

#### Above all, ESG represents "responsibility in business."

SOLUM is committed to prioritizing shareholder returns and responsible management as fundamental objectives. To this end, we plan to progressively implement a practical return policy, including our inaugural dividend payout. Concurrently, we will enhance shareholder value and foster transparent communication with the market through the introduction of an electronic voting system and regular investor relations (IR) activities. These initiatives underscore our determination to fulfill our responsibility for long-term corporate value beyond shortterm performance, while simultaneously demonstrating our practical commitment to the "G" (Governance) aspect of ESG.

## ESG also serves as our growth strategy, directly aligning with our technological trajectory.

Climate change is a critical factor determining the sustainability of

manufacturing businesses. In this regard, our responsible approach to climate change directly informs our technological strategy. At SOLUM, we are designing technology that allows low-power ESL products to drastically reduce energy consumption, thereby inherently helping our customers decrease their carbon emissions. We are consistently working to minimize our environmental footprint by improving energy efficiency in our production processes and increasing our use of ecofriendly materials. Starting this year, we plan to take more systematic action to address climate change comprehensively. This includes advancing our greenhouse gas (GHG) emissions-management system, establishing clear reduction targets, and integrating these efforts into our internal systems. We will continue our companywide commitment to carbon neutrality to become an ESG leader that tackles environmental challenges through technological innovation.

## ESG, for us, is more than just a concept; it is the principle of sustainable management deeply embedded in SOLUM's strategy and organizational culture.

We do not view ESG as a mere compliance exercise, but rather as the fundamental standard guiding all our decisions and, indeed, as part of our corporate DNA. By comprehensively considering environmental, social, and economic factors in our business practices, we are sharpening our long-term competitiveness, extending well beyond short-term performance metrics. To achieve this, we are significantly strengthening our governance, with the ESG Committee and ESG Working Group at its core. Simultaneously, we are actively creating new, technology-driven business opportunities. Our goal is to build a sustainable future, bolstered by the unwavering trust of our stakeholders.

#### The year 2025 marks a pivotal moment for us - it is the year we consolidate and actively put our ESG management into practice.

We no longer see ESG as a separate initiative; it is now intrinsically woven into our strategy, our technology, and every aspect of how we operate. We invite you to join us on this journey as we strive to achieve our vision: "Creating Solutions for a Sustainable Tomorrow." We truly value your continued support and look forward to becoming your trusted partner for a sustainable future. Thank you!

We cultivate a strong

entrepreneurial mindset.

CEO Message | Com

Company Overview | Business Overview

# **Company Overview**

## **About Us**

SOLUM specializes in the R&D and manufacturing of electronic-device components. Since spinning off from Samsung Electro-Mechanics in 2015, we have focused on sharpening our technological edge and advancing the quality of our flagship products, including power modules, tuners, and electronic shelf labels (ESLs). To establish ourselves as a global leader in electronic parts manufacturing and smart solutions, we have continually pushed our boundaries in technological prowess and innovation. Moving forward, we will continue our efforts to deliver a wide array of high value-added, state-of-the-art components, simultaneously expanding into the green energy and healthcare sectors to position SOLUM as a leader in the global market.

Company name	SOLUM
CEO	Jun Sung-ho
Founding Date	July 2015
Address	2354 Yonggu-daero, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea
Core Business	Manufacturing of electronic products and components, ICT business
Employees	Total of 3,958 (including 465 at our headquarters in Korea, as of 2024)

(Unit: KRW 1 million)

Sales 1,594,442

Operating Profit 69.087

Net Income **37.688** 

#### **Core Values**

Innovativeness

Usefulness	Our customers are at the heart of every business decision we make.	We address problems quickly by stepping into our customers' shoes, and we go the extra mile to ensure an unbeatable customer experience.
Excellence	"Good enough" is not in our vocabulary.	We relentlessly drive ourselves to improve and innovate, constantly refining our technology and enhancing our service.
	NA/ Iti at	Through mutual trust in our expertise, we consistently

brainstorm new ideas and stretch our limits to advance

our technology further than ever before.

## Chronology

#### SOLUM is continuously pushing its limits. Increased Production capacity (2017~2019) SOLUM's launch (2015~2016) Global expansion (2020~2021) New business expansion (2022~present) July 2015 SOLUM founded Became the first in Korea to Sept. 2020 Opened production subsidiary in India Mar. 2022 Launched SOLUM Sensor June 2024 Opened sales subsidiary in Brazil 2017 Aug. 2015 Established production subsidiary in China commercialize 3in1 boards Sept. 2024 Opened sales subsidiary in Nov. 2020 Acquired production subsidiary in Mexico subsidiary Nov. 2015 Opened U.S. sales subsidiary. Feb. 2017 Began manufacturing adaptors at the Achieved KRW 1 trillion in sales Sept. 2022 Successfully developed ultra-Dec. 2020 Oct. 2024 Opened sales subsidiary in Dec. 2015 Opened European sales subsidiary. Vietnam production subsidiary Feb. 2021 Listed on the Korean Stock Exchange thin sensor semiconductors (KOSPI) Certified as a venture enterprise Apr. 2017 Began manufacturing SMPS at the Jan. 2023 Ranked 2nd globally in ESL sales Vietnam Feb. 2016 Opened production subsidiary in Vietnam production subsidiary Oct. 2021 Received the Prime Minister's Prize for May 2023 Opened sales subsidiary in Japan Aug. 2018 Completed construction of Vietnam Vietnam new technology developers (for smart Dec. 2023 Opened sales subsidiary for production subsidiary, Plant 2 Central and South America Apr. 2016 Opened research subsidiary in India specialized power and related technology) July 2016 Awarded the USD 10 Million Export Tower Nov. 2021 Launched SOLUM Healthcare Achieved record-breaking sales in the venture enterprise category subsidiary of KRW 1.9 trillion Oct. 2016 Completed construction of Vietnam Dec. 2021 Opened production subsidiary in the Apr. 2024 Opened sales subsidiary in production subsidiary, Plant 1 United States Singapore

#### **Global Network**

Since its entry into the global market in 2015, SOLUM has expanded its presence to 19 cities across 16 nations worldwide. Our global network now includes our headquarters and two subsidiaries in Korea, alongside four production subsidiaries, eight sales subsidiaries, one research subsidiary, three overseas offices, and two overseas branches spread across the globe. We are consistently evolving into a leader in digital innovation. We will continue to lead the global market and sharpen our competitive edge, aiming to become the world's top-tier strategic partner through strong collaboration with our overseas subsidiaries and offices.

Headquarters	1	Republic of Korea (Yongin, Gyeonggi-do)
Subsidiaries	2	Republic of Korea (Yongin, Gyeonggi-do)
Production subsidiaries	4	Vietnam, China, Mexico, India
Sales subsidiaries	8	Europe, USA, Japan, Mexico, Singapore, Brazil, Vietnam, Australia
Research subsidiary	1	India
Overseas offices	3	Thailand, Dubai, Taiwan
Overseas branches	2	UK, France



SOLUM headquarters



Vietnam production subsidiary









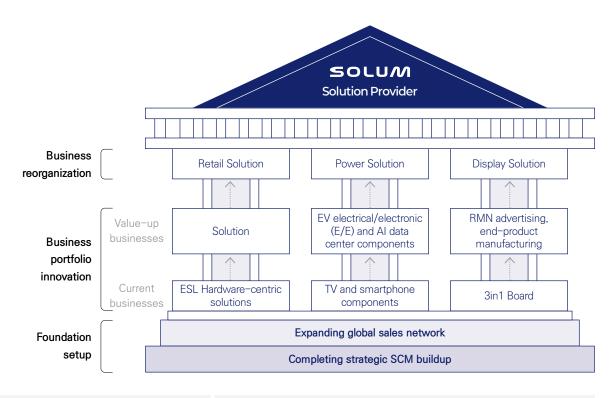


China production subsidiary Mexico production subsidiary

# **Business Overview**

## **Smart & Sustainable Value**

Since shifting our business focus from products to solutions, SOLUM has been consistently delivering sustainable value to our customers' operations. Leveraging over half a century of accumulated technological prowess in power and electronic device components, we have developed highly efficient, low-power products. We are now expanding our platform and solution-based businesses in the ESL, power, and display sectors, moving beyond traditional production. By providing smart solutions that enhance customers' operational efficiency, reduce energy consumption, and even boost sales, we are ushering in a sustainable future hand-in-hand with our clients. We are vowed to fulfill our vision to become a "global No. 1 solution provider" and usher in a healthier and more prosperous world by constantly evolving technologies and discovering new businesses. We are committed to realizing our vision of becoming the world's No. 1 solution provider, building a healthier, more prosperous world through continuous technological innovation and new business development.





## **Business Highlight**

SOLUM is committed to continuous technological innovation, and securing future growth engines to deliver customized solutions to our customers. We proactively develop solutions from a customer-centric perspective, aiming to enhance customer value and build systems with unparalleled quality and productivity. With electronic components and ICT businesses as our mainstays, we are expanding into future industries such as EV electrical/electronic components, Al data centers, and comprehensive retail solutions. Simultaneously, we are enhancing the competitiveness of our existing products, consistently striving to innovate beyond the expectations of both domestic and international customers.

#### 2024 Business Performance

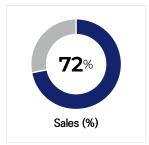
Operating profit

#### Electronic components

- Power modules (SMPS for TVs, adapters, servers, lights, EV chargers)
- · WiFi 3in1 boards, digital signage, tuners, sensors

KRW 1.1487 trillion Sales

KRW 24.4 billion



**ICT** 

- Electronic shelf labels (ESLs)
- IoT products

KRW 445.8 billion Sales

KRW 44.6 billion Operating profit



#### Ramping up development of new head-up display (HUD) technology

- · Implementing a mirrorless projection method
- Achieving miniaturization and wide viewing angle
- · Promoting global finished vehicle projects



# Unit (ICCU) modules for EVs and expansion of EV business

Development of high-power density Integrated Charging Control

- · Undertaking national projects jointly with Hyundai Mobis and others
- Diversifying E/E component portfolio for EVs



#### Obtained global certification for power modules for 30kW and 50kW EV chargers

· Certifications obtained in Europe (CE). North America (UL), and Korea (KC)



### Developing wireless BMS for ESS and launching global commercialization

· Business agreements signed with leading domestic and international businesses



## Development of Al-based retail solution Solum Solution Platform (SSP)

- Integrating digital signage and ESLs
- · Creating solutions for optimal store efficiency and profitability



## Expanding Global ESL Supply Deals and Sales Networks

- Total of 26 sales hubs across 16 nations
- · Expanding coverage to include both Western and Eastern Europe
- · Reinforcing marketing capabilities in Japan and Southeast Asia



## **Products**

**POWER & ENERGY HEALTHCARE** DISPLAY **ESL SENSOR** 

SOLUM's Power & Energy Solution is dedicated to creating a sustainable future through highefficiency and eco-friendly technologies. We provide smart, energy-saving solutions across diverse sectors, including EVs. Al data centers, and smart lighting, while proactively responding to volatile market demands.

In the EV charging solution sector, we champion eco-friendly mobility with our advanced power modules and battery management systems (BMS). Our power modules boast over 95% energy efficiency and ultra-low standby power of less than 10~15W. Our Liquid Cool model features self-diagnosis and remote monitoring capabilities, significantly simplifying maintenance and management. Furthermore, it supports the CCS standard, ensuring compatibility with a wide range of EV models.

For our server power solution division, we have strategically shifted our business focus. Instead of supplying single products to server manufacturers, we are now developing power modules specifically designed for GPU Racks, targeting high-performance AI data center customers. Notably, SOLUM has proactively applied water-cooling technology to server power supplies, enhancing both eco-friendliness and space efficiency. We also plan to develop 3.2kW watercooled server power and 72kW power shelves with global customer supply scheduled to begin in 2026. In the lighting solution sector, we are developing a smart streetlight business primarily focused on the B2G (public procurement) market. Our smart street lighting systems are capable of detecting real-time traffic flow, cutting energy consumption by up to 80 percent, and significantly improving urban efficiency and safety.

We are committed to continuously creating value through sustainable, technology-based energy-efficiency innovation. We will continue to expand our presence in the global market as a leading eco-friendly energy-solution provider.

#### **POWER & ENERGY Products**





30kW Power

Module





50kW Power Module Liquid Cool



EV AC Charger



Charger

#### **Lighting Solution**



**Smart Street Lights** 



Retail Lights



Industrial Lights



Stadium Lights

#### Lifestyle



Adapter



Duo Charger



Smart Warmer

#### Server Power Supply



Server Power Supply CRPS(Common Redundant Power Supply)

## **Products**

**POWER & ENERGY DISPLAY HEALTHCARE ESL SENSOR** 

#### **POWER & ENERGY Approach**

**EV Power Solution** 

- Developing power modules for EV chargers
- · Developing ICCU (high power density bidirectional charging modules) for EVs

Server SMPS

- Developing power modules for conventional servers
- Developing water-cooled server power (3.2kW class) and 72kW class power shelves for AI data centers

**ESS Solution** 

 Developing and commercializing battery management system (BMS) for energy storage systems (ESS)

**Lighting Solution** 

• Developing B2G-based lighting solutions, such as smart streetlights

Establishing the foundation for global EV charging infrastructure expansion

Developing growing interest in the global data infrastructure market

Expanding into sustainable energy-storage technologies with enhanced efficiency, output, and cost-effectiveness

Broadening partnerships with public institutions (B2G) in Europe and private lighting companies in the USA

#### **Current SOLUM POWER business**

Power modules for low-power devices

- 3in1 boards
- SMPS for TVs and displays
- LED drivers and SMPS for lighting

Adaptors

- For laptop and monitor charging
- For cellphone charging

**High Power High Density Business** expansion

Need for new growth engines that keep up with the latest trends

#### E/E business

## "Boasting the only high power solution technology in Korea"

#### Power modules for EV chargers

Supplying modules to five major players in Korea & "I" company in Europe Korea's first to obtain 30kW KC/CE/UL Korea's first to obtain 50kW KC/CE certification



30kW/50kW Power Module

#### Power converter for EVs

Developed ICCU high power density modules for EVs

Collaborated for national projects (MOBIS) PT controller, OBC, LDC, V2X, ICCU



ICCU, OBC, LDC





PT controller

## **Products**

**POWER & ENERGY** DISPLAY **HEALTHCARE ESL SENSOR** 

SOLUM's display solutions, based on digital signage technology, are designed to effectively convey information across various industries. From advertising and retail to public spaces, our displays help businesses enhance their brand value. We offer a range of high-resolution screens in diverse sizes. These displays are not only capable of real-time control and updates via our central Content Management System (CMS), but they also significantly optimize operational efficiency. We are committed to sustainability by integrating ultra-low power technology to reduce energy consumption, and practice eco-friendly management. We are also actively expanding our business into end-product manufacturing and the retail advertising platform business, leveraging our unique 3in1 board technology. To maximize advertising impact in stores, we utilize eye tracking-based retail media network solutions. Furthermore, we are preparing to enter the EV and small-to-medium sized vehicle markets with our developing small head-up display technology. Ultimately, our goal is to evolve display technology beyond simple hardware. We are dedicated to developing displays into an integrated solution platform that not only generates profit but also genuinely innovates customer experiences.

#### **DISPLAY Approach**

#### **Board Business**



· 3in1 board production

## Set Business



- Manufacturing a total of 21 kinds of finished signage products
- Developing CMS internalization
- · Preparing to address European cyber security issues



- · Operating RMNdedicated CMS
- · Managing Al-powered display
- Triple-layer content security solutions

#### Retail Network Media Solution

Signage CMS



- Measuring market visitor traffic
- Building a data commerce business model based on media ad effectiveness and conversion rates

## **Display Products**

#### 3in1 Board





#### SIGNAGE

#### Advertisement Display



Elevator media



Digital post





Subway car advertising Video wall (outdoor ads)

#### Retail Display







Cosmetics stores



Department stores



Restaurants, cafes

#### HUD





## **Products**

**POWER & ENERGY ESL HEALTHCARE** DISPLAY **SENSOR** 

SOLUM's electronic shelf label (ESL) solutions are revolutionizing retail by replacing traditional paper labels with digital ones. This significantly boosts in-store operational efficiency and provides realtime product information. Powered by e-paper display, our ESLs are adopted across a wide range of industries, including retail, logistics, smart factories, and healthcare, thereby dramatically enhancing convenience and data accuracy.

Our ESLs come in diverse sizes and designs, allowing businesses to perfectly optimize them for any store environment. They can store up to seven pages of information, offering flexible management of product details, promotions, and inventory status. Notably, our Newton series boasts fast tag assignment and LED response speeds of under five seconds. With IP68-level waterproofing and dustproofing, coupled with excellent durability that ensures stable operation even in extreme low temperatures (down to -25°C), the Newton series provides robust solutions optimized for various retail settings. Moving beyond our Newton-centric ESL product strategy, we are evolving our ESL business into retail integrated solution based on the Solum Solution Platform (SSP), anticipating the post-Newton era. The SSP is a comprehensive platform that goes beyond simple price tagging. It integrates ESL, digital signage, Vision Al, and IoT technologies to optimize store operations, analyze customer behavior, and enable customized marketing. This holistic approach simultaneously improves store profitability and operational innovation. At SOLUM, we are redefining ESL. It is no longer just a digital price tag; it is a smart retail solution platform designed to encompass and enhance overall store operations and profitability.

### ESL Approach

SoluM Solution Platform

SMART SHELF

2030 market size: USD 16.66 Billion CAGR: 14.31%

**ADVANCED ANALYTICS** 

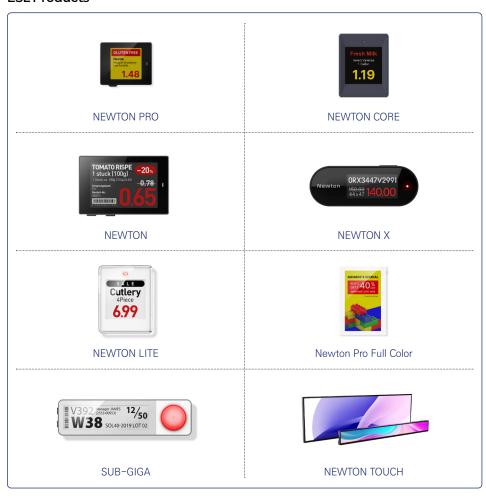
2030 market size: USD 72 Billion CAGR: 27.4%

MONETIZATION

2030 market size: USD 43.14 Billion CAGR: 9.94%

Projected 2030 market size

#### **ESL Products**



## **Products**

**HEALTHCARE POWER & ENERGY DISPLAY SENSOR ESL** 

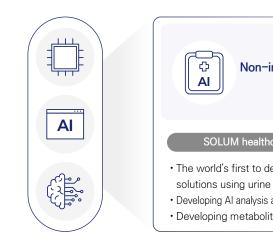
At SOLUM, we are deeply committed to healthy and sustainable human life. This commitment has driven us to develop innovative Al-based healthcare solutions. Our vision is a "long and healthy life with precious people," and we are evolving into a healthcare partner that seamlessly integrates into our customers' lives.

SOLUM Healthcare, our subsidiary, is focused on diagnostic medical devices, and particularly non-invasive early cancer detection using urine. We plan to expand our reach to become an Al-based personalized healthcare platform. By creating total healthcare solutions that encompass diagnosis, prevention, and treatment, we aim to build a sustainable healthcare environment accessible to everyone, anytime, anywhere, as part of their daily lives.

We are resolute in our pursuit of a future where everyone can thrive. We will realize this by assuming a leadership role in setting global healthcare standards, advancing eco-friendly technologies, and enhancing medical accessibility, ultimately forging a connection between technology and humanity through empathetic innovation.



## **Healthcare Approach**



## **SOLUM Healthcare**

Non-invasiveness, High diagnostic accuracy, Establishing a new standard in

Al-driven cancer diagnostics

#### SOLUM healthcare technological competitiveness

- The world's first to develop non-invasive, early cancer diagnosis
- Developing Al analysis algorithm capable of high-accuracy diagnosis
- Developing metabolite-based biomarkers and analysis methods



First mover in early cancer detection through urine analysis

Clinical trials underway with Korea's top four hospitals

Trailblazing a global market for early detection of intractable cancers

## **Products**

**POWER & ENERGY DISPLAY HEALTHCARE SENSOR ESL** 

SOLUM is developing an innovative sensor platform that delivers personalized health solutions by combining real-time bio-signal measurement with Al-based analysis. Our platform simultaneously measures electroencephalography (EEG) and photoplethysmogram (PPG) non-invasively, using advanced Al algorithms to analyze stress, sleep quality, activity levels, and more, in detail. This allows us to provide optimal health feedback. In particular, it can directly improve 'users' health by alleviating stress and enhancing sleep quality through stimulating and controlling brain waves with sound and light. We are also expanding our product portfolio with next-generation bio-signal measurement technologies, including proximity sensors, shortwave infrared sensors (SWIR), continuous glucose monitoring sensors (CGMS), and optical glucose sensors. This marks our full-scale entry into the global healthcare market. We are committed to continuously creating new life care experiences based on health data, bringing together innovative sensor technologies and Al analysis.



#### **SENSOR Products**

Sensor IC



#### Proximity sensor IC

By utilizing a Vertical Cavity Surface-Emitting Laser (VCSEL) with a narrower beam angle than traditional LEDs, we have optimized the module structure, resulting in a remarkably compact design.

## Body temperature sensor IC



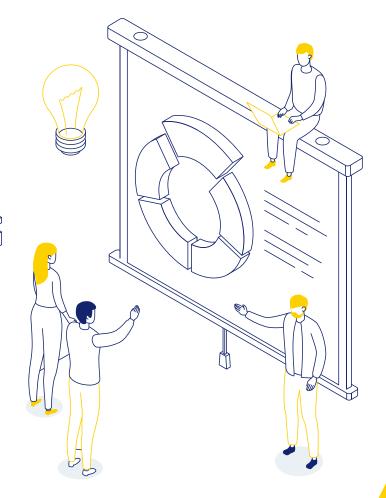
Our non-contact IR photoelectric temperature sensor delivers safe and accurate temperature readings. Moreover, it comes as a fully integrated single module, eliminating the need for any external packaging.

#### PPG sensor IC



As a pulse measurement sensor, this device monitors blood flow using light. This enables users to track their individual health metrics, such as heart rate, on demand.

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- ESG Management System
- Double Materiality Assessment
- Stakeholder Engagement and Communication



ESG Highlight | ESG Management System | Double Materiality Assessment | Stakeholder Engagement and Communication

# **ESG Highlight**



#### ISO 14067

(Carbon Footprint of Products)

ESL products from Vietnam production subsidiary



#### ISO 50001

(Energy Management System)

Vietnam and Mexico production subsidiaries



## Consumption of power generated by solar panels 329,574kWh

Mexico production subsidiary



## **Green Purchase Certification**

China production subsidiary



## **Energy monitoring system** (SCADA)

Vietnam production subsidiary





#### IATF 16949

Overview

(Automotive Quality Management System)

Vietnam and Mexico production subsidiaries



Quality management system in healthcare and medical areas

ISO 13485 (Medical Device Quality management System) Vietnam production subsidiary



## **Green Product** Management System

(GPMS)



## **Authorized Economic Operator** (AEO)

Vietnam production subsidiary



#### Overseas CSR activities

Empresa Socialmente Responsable (Mexico) providing support for vulnerable groups (Vietnam) Supporting employment for people with physical disabilities (China) support for children's lunches (India)



# "Excellent" grade in the fair trade agreement

compliance evaluation



## **ESG Special Prize**

2024 Supplier of the Year (Samsung Electronics)



#### ISO 22301

(Business Continuity Management System)



## 100% attendance at the **ESG Committee**

Facilitating decisions on SOLUM's ESG policies and related matters



## Officially appointed compliance supporters

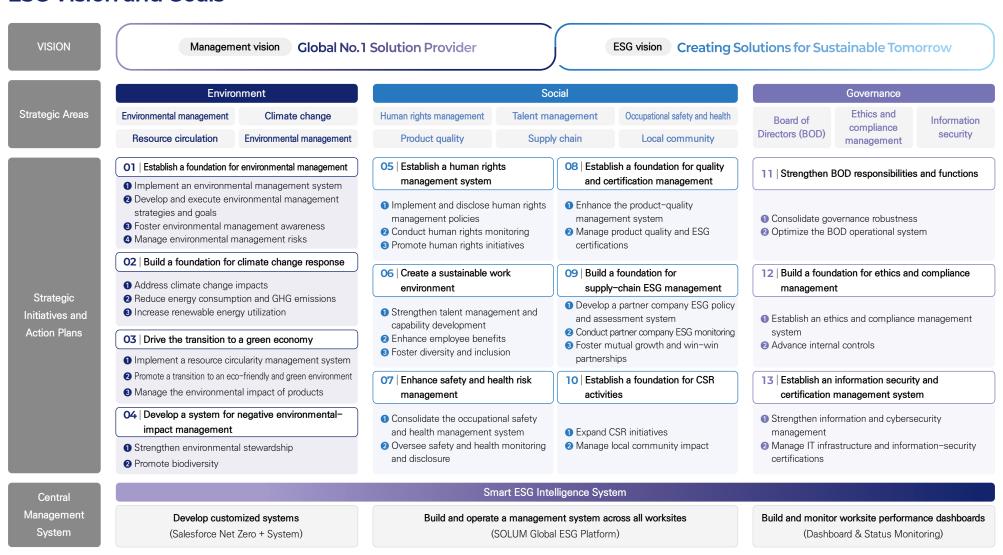
Enacted and implemented compliance control standards





# **ESG Management System**

## **ESG Vision and Goals**



## **FSG Vision and Goals**

## ESG Strategy: Implementation Plan

#### Environment



#### Social



## Governance



#### 01 | Establish a foundation for environmental management

- · Define roles and responsibilities for environmental management
- Enhance and disclose environmental management guidelines
- Promote eco-friendly CSR initiatives
- Develop plans for environment-related certifications
- Address and resolve environmental law violations

#### 02 | Establish a foundation for climate-change response

- · Disclose climate-change response systems and performance
- Report energy consumption and GHG emissions
- Set targets for energy consumption and GHG emissions reduction across all worksites
- · Increase the use of renewable energy

#### 03 Establish a foundation for going green

- Increase resource circularity monitoring
- Disclose information on eco-friendly and green purchasing
- Implement product LCA

#### 04 Develop a system for negative environmental impact management

- · Build an environmental management monitoring system at all worksites
- · Establish a framework for biodiversity disclosure

#### 05 | Establish a human rights management system

- · Implement and disclose human rights management policies
- · Establish a human rights management monitoring
- · Develop and implement a human rights education plan

### 08 | Establish a foundation for quality and certification management

- Monitor and upgrade the quality-management manual
- · Establish an integrated certification management system for product quality and ESG

#### 09 Build a foundation for supply-chain ESG management

- Develop a partner company ESG management policy and assessment system
- Create a process for partner companies for managing and monitoring conflict minerals
- · Conduct a pilot partner company ESG assessment
- · Develop and implement ESG training programs for partner companies

#### 10 | Establish a foundation for community contribution activities

- Develop and implement community contribution strategies and programs
- · Operate local community dialogue channels

#### 11 Strengthen BOD responsibilities and functions

- · Enact and revise BOD-related regulations, and disclose BOD operations and outcomes
- · Develop a BOD training plan and enhance the substantive operation of the ESG Committee
- · Disclose a plan for increasing corporate value (midterm dividend payout rates, shareholder return policy, etc.)

#### 12 Build a foundation for ethics and compliance management

- Reorganize an ethics and compliance management system, and develop and implement an educational plan
- Appoint compliance support personnel and obtain ISO 37001 certification for the headquarters

#### 13 | Establish an information security and certification management system

- Review information and cybersecurity response status, and establish an incident management process
- · Develop a plan for obtaining IT infrastructure and information security-related certifications

## 06 | Create a sustainable work environment

- · Review and update HR policies
- Enhance disclosure related to human capital and employee benefits
- Operate and disclose DEI policies and systems

## 07 | Enhance safety and health risk management

- · Develop and implement a safety and health education plan
- Obtain ISO 45001 certification for the headquarters
- · Expand support for employee safety and health, and disclose relevant information

**ESG Management** 

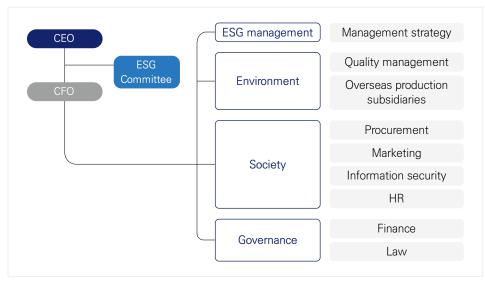
ESG Highlight | ESG Management System | Double Materiality Assessment | Stakeholder Engagement and Communication

## **ESG Governance**

## **ESG Organizational System**

In March 2024, SOLUM announced its commitment to ESG management, marking our first step toward a sustainable future. To clearly define our vision and mid- to long-term strategies, which encompass our core corporate values, we established the ESG Committee under the BOD. We are also strengthening our overall ESG management system to achieve tangible results by creating a dedicated ESG Management Part and ESG Working Group. To meet our substantive ESG goals, we have set key performance indicators (KPIs) and aim for consistent growth. We will do this through regular performance reviews and by identifying areas for improvement. We are pushing ourselves hard to build a system where all departments work together organically, helping us to achieve our ESG vision: to become a "solution provider for a sustainable tomorrow."

## **ESG Organizational Chart**



#### **FSG Committee**

At SOLUM, our ESG Committee is comprised of two outside directors and one internal director. With sustainable management as our goal, we are systematically implementing ESG policies and managing related risks. The ESG Committee is tasked with making decisions on ESG strategies and policies, as well as reviewing our shareholder return policy and the material impact of ESG on our business practices. In doing so, the ESG Committee plays a vital role in enhancing our corporate sustainability and transparency.

#### **ESG Committee Structure**

As of Dec. 31, 2024

Position		Name	Term
ESG Committee Chair	Outside director	Hong Joon-kee	Mar. 29, 2019~ Mar. 29, 2025
ESG Committee member	Internal director (CEO)	Jun Sung-ho	July 2, 2015 ~ Mar. 30, 2027
ESG Committee member	Outside director	Lee Gyu-yeon	Mar. 29, 2019 ~ Mar. 29, 2025

## ESG management inauguration ceremony



**ESG Management** 

ESG Highlight | ESG Management System | Double Materiality Assessment | Stakeholder Engagement and Communication

## **ESG** Governance

## **E:LUM (ESG Working Group)**



E:LUM, a portmanteau of "ESG" and "SOLUM," refers to SOLUM's dedicated working-level group for ESG initiatives. This group consists of specialized staff members who are signed to different focus areas — Environmental, Social, or Governance — and work together to shape and advance the company's ESG strategies and goals. E:LUM members are responsible for managing information disclosure, responding to external evaluations, and regularly operating the ESG framework within the company. The headquarters consolidates and verifies ESG data submitted by overseas subsidiaries, ensuring comprehensive company-wide management. We are committed to providing solutions that meet customer demand and proactively integrating ESG principles into our operations, making them a core practice for both our domestic and international stakeholders.





#### E:LUM Milestone

2023		Nov.	<ul> <li>SOLUM's ESG working group was launched and held initial workshops</li> <li>Established SOLUM's ESG reporting goals and monitored their progress</li> <li>Participated in external ESG training (Korea Listed Companies Association, Samsung Electronics' partner companies training)</li> </ul>
		Dec.	E:LUM monitored SOLUM's overseas subsidiaries (Vietnam) Identified SOLUM's internal ESG initiatives (in-house video campaigns, CSR activities for urban-rural partnerships)
2024		Mar.	<ul> <li>Conducted a survey for a double ESG materiality assessment and disclosed the results</li> <li>Celebrated the company-wide ESG management announcement ceremony and released the ESG management guidelines</li> <li>Provided internal ESG system training at the headquarters</li> </ul>
		Apr.	Participated in in-person greenhouse gas (GHG) education
		June	Released SOLUM's first Sustainability Report     Created an ESG section on the company website
		Sept.	Held ESG system training for overseas production subsidiaries
		Dec.	Produced ESG advertising videos
2025	þ	Jan.	SOLUM's ESG working group was officially appointed
		Feb.	• E:LUM's regular meetings commenced
		Mar.	Held the inaugural ESG Committee meeting
		Apr.	Identified key ESG tasks and developed a corresponding roadmap

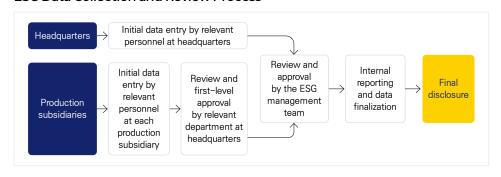
ESG Highlight | ESG Management System | Double Materiality Assessment | Stakeholder Engagement and Communication

## **ESG Governance**

## **ESG Data Management System**

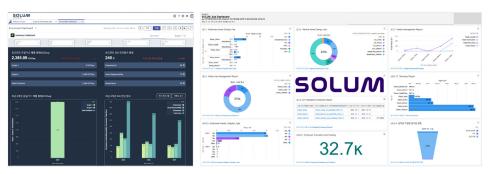
SOLUM has implemented an integrated ESG management system to bolster its sustainable management framework. This system is designed to help us systematically respond to evolving information disclosure regulations. Based on the Salesforce Net Zero Cloud platform, the system enables our on-site teams to continuously manage ESG data. It is a customized solution that reflects the uniqueness of our overseas manufacturing subsidiaries, specific customer requirements, and the practical needs of our frontline personnel. The system pulls together fragmented ESG data and visualizes it through dashboards, significantly boosting the efficiency of our strategy development. We collect ESG data across detailed environmental, social, and governance (ESG) categories, and then manage each part regularly by assigning specific data collecting cycles and responsible personnel. For our manufacturing subsidiaries, initial data is entered at their local level and then rigorously reviewed by dedicated teams at headquarters. This process ensures the accuracy and reliability of our data. This structured review and internal control process guarantees data credibility from the initial source all the way through to final reporting. This system provides a robust foundation for proactively strengthening our ESG management, allowing us to effectively meet both disclosure obligations and global regulatory requirements.

#### **ESG Data Collection and Review Process**



#### ESG Data Items Collected

Area	Items	Data collecting cycle	
Environment	<ul><li>Fixed assets, movable assets, energy consumption</li><li>Waste, water</li><li>Air pollutant emissions</li></ul>	Every month (20th)  - Based on data from the previous month	
Social Social	<ul> <li>Employees • Talent development</li> <li>Social contribution</li> <li>Labor union • Safety and health</li> <li>Diversity and inclusion</li> <li>Information security</li> </ul>	Each quarter (Feb., May, Aug., Nov.) – Based on data from the previous quarter	
Governance	<ul> <li>Board of Directors (BOD) activities and Committee operation</li> <li>Jeong-Do Management (corruption)</li> </ul>	Every year (Feb.)  - Based on data from the previous year	



SOLUM ESG data management system (Salesforce Net Zero Cloud)

ESG Highlight | ESG Management System | **Double Materiality Assessment** | Stakeholder Engagement and Communication

# **Double Materiality Assessment**

## **Double Materiality Assessment Concept**

A materiality assessment is the process by which a company identifies key ESG issues, and is also referred to as an importance assessment. A double materiality assessment goes beyond the single materiality assessment to simultaneously assess the impact of the company's business activities on the external environment and society (impact materiality) and the impact of external factors on the company's financial performance (financial materiality). SOLUM conducts a double materiality assessment to gather diverse opinions from internal and external stakeholders to identify key ESG issues and manage them across the company.

#### Impact Materiality

This refers to the significance of positive or negative impacts a company's business activities have on society and the environment. These are assessed from an "inside-out" perspective, considering effects across the short, medium, and long term.



#### Financial Materiality

This refers to the significance of positive or negative impacts that external sustainability-related factors have on a company's financial conditions.

These are assessed from an "outside-in" perspective.

## **Double Materiality Assessment Process**

#### 1. Issue Pool Composition

- ESG assessment and disclosure analysis
- ESG policy trends analysis
- Review of industry-specific ESG-related international initiatives and guidelines, including GRI, SASB, TCFD, KCGS, DJSI, and MSCI
- Internal and external environment analysis
- Review of key issues from the previous year
- Analysis of 2024 media and business reports
- Material issues identified by nine domestic and international peer companies Benchmarking
- Taking into account the company's unique characteristics, a total of 21 key issues were identified: Eight environmental, 10 social, and three governance-related.

#### 2. Double Materiality Assessment and Analysis

#### Impact Materiality

#### Financial Materiality

- Analysis of environmental, social, and economic performance and ESG-related news articles (Analysis period: Jan. 1 ~ Dec. 31, 2024)
- Survey period: Feb. 11 ~ Feb. 21, 2025 Survey respondents: 178 (Internal: 146, External: 32)
- · Current state analysis based on environmental and social impact surveys of internal
- Current state analysis based on environmental and social impact surveys of external stakeholders
- · Expert assessment of environmental and social impacts

- Current state analysis based on financial impact surveys of internal stakeholders
- · Current state analysis based on financial impact surveys of external stakeholders
- · Financial assessment of ESG risks
- Expert assessment of financial impact

#### 3. Identification of Key Issues

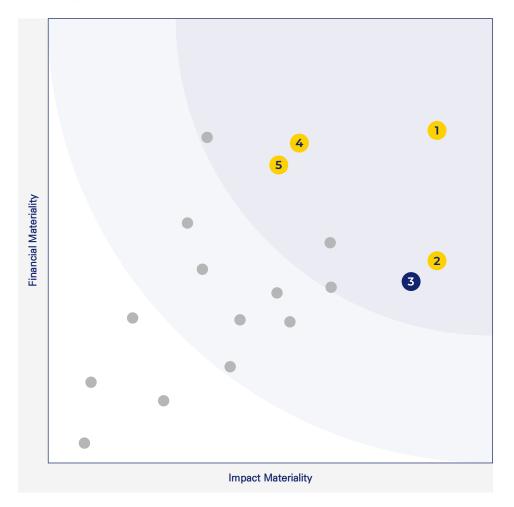
- · Prioritization of issues and development of a materiality matrix based on the analysis of environmental/social and financial impacts
- · Finalization of five key material issues
- · Finalization after expert validation and integrated review of alignment with the company's management strategy, including scope and boundaries of sustainability

Impact HIGH ● MID ◎ LOW ○

Overview

# **Double Materiality Assessment Result**

Based on key assessment and disclosure criteria, an analysis of domestic and international media, and employee surveys, SOLUM has identified five issues with significant environmental, social, and financial impacts on its operations.



							_
Rank	Area	Issue name	Impact	Financial	R	elevance	Report
Harrix	71100	100do Hamo	Materiality	y impact	GRI	SASB	Page
1	S	Product safety and quality	•	•	416-1 416-2	TC-HW-10a.1~4 TC-HW-440a.1	55-59
2	S	Human resource management	•	©	401-1, 2 404-1, 2	-	46-48
3	G	Enhancing business competitiveness	•	•	-	-	8-15
4	S	Occupational safety and health	•	•	403-1~10	-	49-54
5	S	Information security	©	•	418-1	TC-HW-230a.1	65-68

ESG Highlight | ESG Management System | **Double Materiality Assessment** | Stakeholder Engagement and Communication

# **Double Materiality Assessment Result**

## Material Issue Management Methods

To manage these five material issues, SOLUM identifies the risk factors for each ESG issue and systematically addresses them by setting ESG strategies and long-term goals.

Rank	Issue	Issue Background and Importance	Approach and Management Method	Activities and Outcomes
1	Product Safety and Quality	Product safety and quality directly affect building customer trust A highly material issue for both domestic and international stakeholders, making it a priority for brand value and market competitiveness	Upgrading the product-safety management process map system     Expanding global product-safety sales certifications     Enhancing product quality through our voice of customer (VOC) response system	First among Korean manufacturers to obtain both EV power module (U.S. sales certification) and CE (European sales certification)     Obtained ISO 13485 and IATF 16949 certifications     Obtained AEO (Authorized Economic Operator) certification     Developed a healthcare organization management system
2	Human Resource Management	Securing top talent and capacity-building can enhance organizational competitiveness as a whole     An environment that ensures diversity and inclusion drives creativity and innovation, fostering a sustainable organizational culture.	A company-wide education and training system will be established and implemented.  Special lectures by external experts will be given in order to gain an insight into the latest technological trends.  Enhancing the language training system by expanding in-house foreign language tests and second-language education  Introducing a training program to improve interviewer competency, including Behavioral Event Interview (BEI) techniques and Do's & Don'ts training.	Established a three-stage career development system (Specialist - Expert - Master) to support employee growth and job expertise.     Operating employee referral and job posting systems     Offering a sabbatical program has been offered for long-term employees, with 21 days of paid leave after seven years of service, and one month of paid leave after 15 and 30 years of service, respectively, since 2023     Introduced the applicant tracking system (ATS): opened a dedicated recruitment site.
3	Enhancing Business Competitiveness	Technological innovation and customer-centric strategy are keys to ensuring unparalleled competitiveness in the volatile global market. The capacity to respond to changes in a timely fashion is a requisite for long-term existence and growth.	Reinforcing technological innovation and R&D     Advancing product efficiency and quality control     Expanding market presence and global strategies	Electronic parts sales have increased for two consecutive years     Developed Al-based retail solution by combining digital signage and ESG     Expanded ESL supplies to Asian nations, including Japan, Thailand, and Malaysia     Named the best partner at the KT Partner's Day Awards
4	Occupational Safety and Health	Employees' health and safety directly affect productivity as well as work satisfaction.     A safe work environment is a foundation for the sustainable growth of an organization and prevents legal risks.	Improving safety issues based on the discussions of the safety and health governance body     Managing hazardous and risky factors through risk evaluation     Providing safety and health training and creating a health management environment for employees	Held four Industrial Safety and Health Committee meetings All manufacturing subsidiaries are certified under the Occupational Health and Safety Management System (ISO 45001) Improved safety management by reducing risk levels at research centers and other facilities through risk assessments
5	Information Security	The protection of customer privacy and corporate core data is essential for maintaining trust.  Security capabilities to guard against external cyber threats and internal leaks ensure the stability of continuous business operations.	Applying IT and data security policy for each subsidiary and conducting on-site inspections     Focusing on server-failure response training and improvement measures management	Established a security management system centered on information protection body consisting of compliance and Information Protection Committee     Obtained information security management system ISO 27001     Created a four-level security system environment in the new headquarters building

ESG Highlight | ESG Management System | **Double Materiality Assessment** | **Stakeholder Engagement and Communication** 

# **Stakeholder Engagement and Communication**

Overview

Communication Channel	Issues of Interest	Actions Taken in Response				Communication Channel	Issues of Interest	Actions Taken in Response
Labor-management Council, labor union Website Meet management (CEO communication channel: Soldam) In-house communication channel Whistleblowing system (compliance, ethics)	Safe and healthy work environment  Laducation and career development  Employment and benefits  Labor-management relationship  A workable workplace	Work environment management in the worksites     Improving organizational culture with trust and communication     Comprehensive health checkups for all employees     Educational support for employees' children (K–12)     Quarterly meetings of the Labor–management ("Hamseong") Council     Operation of a fully flexible working hours system	Employees		Shareholders / investors	General Meeting of Shareholders  Non-Deal Roadshows, investor meetings  Earnings announcement Investors Forum  IR website  "SOLUM e-Allimi" mailing service	Business performance     Risk management     Information disclosure     ESG information     (environment, social, governance)	Announcement of business performance and outlook     Disclosure of corporate governance information     Collecting feedback from shareholders and investors
Roundtable discussions     Website	Fair trade     Workers' human rights protection     Environment and occupational safety and health improvement     Environmental and social issues	Monetary and technical support     Greenhouse gas (GHG) reduction management     Responsible management of the work environment     Grievance handling	Partners	Stakeholders	Local Community	• Website	Local hiring, local economic vitalization, etc.     Indirect economic impact (including investment, employment, and other ripple effects)     Environmental production in the local community     Social contribution activities, including donations and volunteering	Education and employment—related social contribution     Driving programs
Customer satisfaction survey     SOLUM website/newsroom     Sustainable management website     Sales channel     Product environment report	Product and service quality Use of safe products Environmental impact throughout the entire product lifecycle Product information accuracy Transparent communication	Focus on quality and safety management system     Provision of product information by nation     VOC management     Designation of dedicated due diligence officers at both corporate and business unit levels	Customers		Press	Press releases  Websites  Newsroom, etc.	Key product details and business strategies     Eco-friendly initiatives/ESG performance     Future investment plans	Participation in CES and other global exhibitions and product launches     Holding Media Day events     Interviews and planned promotional activities

# ESG Performance

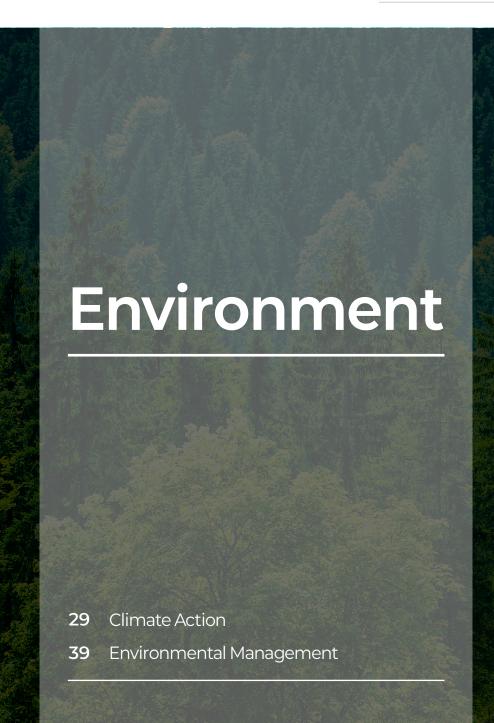
28 Environment

**43** Social

**71** Governance



**Environment** | Social | Governance



# **Climate Action**

## Governance

#### Climate Action Governance

To minimize climate change related risks across all its business practices, SOLUM operates with a robust climate-action governance framework. The ESG Committee, reporting to the BOD, is responsible for setting climate action strategies. This involves thorough discussions and reviews of key issues with the ESG Management Part and the ESG Working Group before final decisions are made. The ESG Management Part plays a central role in this governance structure. They identify risks and opportunities arising from climate change and then develop both mitigation and adaptation strategies. Additionally, they collaborate closely with the ESG Working Group to identify and implement tasks necessary to achieve strategic targets. As the primary execution body, the ESG Working Group implements tasks aligned with the climate action strategies. They also manage the progress of detailed initiatives, ultimately contributing to the successful achievement of our climate goals.



Impact High Medium Low

## Risk Management

## **Identifying Climate Risk**

As part of its climate action efforts, SOLUM identified risks associated with climate change and conducted a climate scenario analysis for its key production subsidiaries. We utilized the Climate Impact Explorer, developed by Climate Analytics<sup>1)</sup>, to compare low-emission scenarios (NGFS Net-zero 2050<sup>2)</sup>) and NGFS Low Demands<sup>3)</sup> with a high-emission scenario (NGFS Current Policy<sup>4)</sup>), all provided by the Network for Greening the Financial System (NGFS<sup>5)</sup>). For physical risks, we analyzed acute risks like heatwaves and cyclones (tropical depression), as well as chronic risks, such as surface water flooding and temperature changes, to pinpoint climate-related vulnerabilities. Transition risks were identified through an internal analysis of external factors, including shifts in policy and technology, market conditions, and reputational considerations.

## **Roles and Responsibilities**

Notes and Nesponsibilities					dot Tingii	modium - Low
Diele		ivemplee	Description	Impact		
Risks	Examples		Description	Short term	Mid term	Long term
	Acute risks	Heatwaves	Expenses for facility investments due to heatwaves	•	•	•
Physical Risks	Acute fisks	Cyclones	Costs associated with recovering from damage caused by heavy rainfall and strong winds	•	•	•
Filysical Hisks	Chronic risks	Temperature rise	Decline in productivity and increased investment expenses due to rising temperatures	•	•	•
		Surface water overflow	Expenses for recovering from flood damage caused by overflowing surface water	•	•	•
	Polic	ies and laws	Cost incurred in accordance with carbon-emissions policy, etc.	•	•	•
Transition risks -	Technological changes		Cost for developing eco-friendly products	•	•	•
	Market		Cost increases due to energy price rises	•	•	•
	Reputation		Decline in sales and investment due to decline of reputation among customers	•	•	•

- 1) Climate Analytics: An international climate science and policy institute dedicated to promoting and supporting climate action worldwide
- 2) NGFS Net-zero 2050: A pathway that aims to achieve global carbon neutrality by 2050, thereby limiting the increase in the global average temperature to below 1.5°C above pre-industrial levels.
- 3) NGFS Low Demand: A pathway that aims to achieve carbon neutrality by 2050 by significantly reducing energy demand through widespread energy conservation efforts and improved energy efficiency.
- 4) NGFS Current Policy: A pathway that projects intensified global warming because it assumes no additional climate policies beyond those already enacted
- 5) Network for Greening the Financial System (NGFS): A global network comprised of central banks and financial supervisory bodies. Its purpose is to support the management of climate-related financial risks and facilitate the transition to a sustainable economy.

Environment | Social | Governance

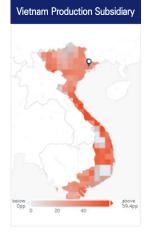
# **Risk Management**

## Climate Scenario Analysis

## Physical Risk ➤ Acute Rrisk ➤ Heatwaves

China Production	on Subsidiary
	A
Opp 0 10 20	30 40 above 40.1pp

Year	Heatwave Expo	sure Rate (pp <sup>1)</sup> )	Analysis Besylts
rear	Current policies	Net-zero 2050	Analysis Results
2025	2.40	2.40	
2030	3.01	3.01	According to the heatwave
2035	4.70	3.88	risk analysis for China, the
2040	5.76	3.88	NGFS Current Policies scenario
2045	6.89	3.88	showed a 25.52pp increase by
2050	8.20	3.88	2100, which is 23.54pp higher
2055	9.73	3.01	than the NGES Net-zero 2050
2060	11.25	3.01	scenario at 1.98pp.
2065	12.48	3.01	• • • • • • • • • • • • • • • • • • • •
2070	14.87	3.01	Our production facility in
2075	17.23	2.40	China faces an average level
2080	19.62	2.40	of heatwave risk, highlighting
2085	20.51	2.40	the importance of continuous
2090	21.84	2.40	monitoring and long-term
2095	23.65	1.99	management of this issue.
2100	25.53	1.99	-



ESG Management

Year	Heatwave Expo	osure Rate (pp) Net-zero 2050	Analysis Results
2025	13.83	13.83	
2030	15.57	15.57	According to the heatwave
2035	18.37	17.24	risk analysis for Vietnam, the
2040	19.22	17.24	NGFS Current Policies scenario
2045	21.19	17.24	showed a 53.36pp increase by
2050	23.28	17.24	2100, which is 41.81pp higher
2055	24.92	15.57	than the NGES Net-zero 2050
2060	26.58	15.57	scenario at 11.55pp.
2065	28.63	15.57	***
2070	33.61	15.57	Our production facility in
2075	39.59	13.83	Vietnam faces a high level of
2080	45.21	13.83	heatwave risk, highlighting
2085	48.24	13.83	the importance of continuous
2090	48.99	13.83	monitoring and long-term
2095	51.30	11.55	management of this issue.
2100	53.36	11.55	-

roduction	Subsidiary
30	
•	
10 20	above 42.5pg

Year Heatwave Expo		417	Analysis Results
roui	Current policies	Net-zero 2050	7 that your 1100ates
2025	8.45	8.45	According to the heatwave
2030	10.30	10.30	risk analysis for India, the
2035	13.92	12.24	NGFS Current Policies scenario
2040	15.14	12.24	
2045	16.32	12.24	showed a 29.15pp increase by
2050	16.86	12.24	2100, which is 22.41pp higher
2055	17.44	10.30	than the NGFS Net-zero 2050
2060	18.40	10.30	scenario at 6.74pp.
2065	19.42	10.30	While our production facility
2070	21.58	10.30	in India faces a high heatwave
2075	23.45	8.45	risk, our analysis confirmed that
2080	24.98	8.45	the region where it is located
2085	25.13	8.45	o a constant of the constant o
2090	24.89	8.45	experiences relatively lower
2095	26.93	6.74	heatwave exposure compared
2100	29.15	6.74	to other parts of India.



Year	Heatwave Expo	osure Rate (pp) Net-zero 2050	Analysis Results
2025	6.69	6.69	According to the heatwave
2030	7.88	7.88	risk analysis for Mexico, the
2035	10.74	9.35	· · · · · · · · · · · · · · · · · · ·
2040	12.10	9.35	NGFS Current Policies scenario
2045	13.57	9.35	showed 21.83 pp increase by
2050	15.02	9.35	2100, which is 16.59pp higher
2055	16.73	7.88	than the NGFS Net-zero 2050
2060	18.27	7.88	scenario at 5.24pp.
2065	19.19	7.88	While our production facility in
2070	19.63	7.88	Mexico faces a high heatwave
2075	19.78	6.69	risk, our analysis confirmed that
2080	20.24	6.69	the region where it is located
2085	21.10	6.69	experiences relatively lower
2090	21.79	6.69	
2095	21.94	5.24	heatwave exposure compared
2100	21.83	5.24	to other parts of Mexico.

1) pp: percentage point



## Climate Scenario Analysis

## Physical Risk ➤ Acute Risk ➤ Cyclones



	Year	Annual Estima	ated Loss (%)	Analysis Popults
		Current policies	Low demands	Analysis Results
	2025	4.22	4.22	
	2030	5.62	5.62	According to the cyclone-risk
	2035	7.86	6.65	analysis for China, the NGFS
	2040	9.44	6.65	
	2045	10.90	5.62	Current Policies scenario
	2050	11.77	5.62	showed 19.05% by 2100,
	2055	12.85	4.22	which is 18.19pp higher than
	2060	13.95	4.22	the NGFS Net-zero 2050
	2065	15.04	2.82	scenario at 0.86%.
	2070	15.94	2.82	Our production facility in
	2075	16.65	1.89	China faces an average level
	2080	17.45	1.89	of cyclone risk, highlighting
į	2085	17.91	1.89	the importance of continuous
	2090	18.30	0.86	'
	2095	18.71	0.86	monitoring of this issue.
	2100	19.05	0.86	



Year	Annual Estima		Analysis Results
	Current policies	Low demands	<u> </u>
2025	4.24	4.24	According to the cyclone-risk
2030	5.68	5.68	analysis for India, the NGFS
2035	8.16	6.80	
2040	9.99	6.80	Current Policies scenario
2045	11.76	5.68	showed 26.07% by 2100, which
2050	12.84	5.68	is 25.23pp higher than the
2055	14.32	4.24	NGFS Net-zero 2050 scenario at
2060	15.93	4.24	0.84%.
2065	17.53	2.80	While our production facility
2070	19.04	2.80	in southeastern India faces a
2075	20.37	1.85	high cyclone risk, our analysis
2080	21.89	1.85	confirmed that the region
2085	22.91	1.85	where it is located experiences
2090	23.89	0.84	· ·
2095	25.00	0.84	relatively lower cyclone impact
2100	26.07	0.84	compared to other parts of India.



Year	Annual Estima	ated Loss (%)	Analysis Results
rear	Current policies	Low demands	Analysis nesults
2025	3.64	3.64	
2030	4.82	4.82	According to the cyclone-
2035	6.60	5.65	risk analysis for Vietnam,
2040	7.81	5.65	the NGFS Current Policies
2045	8.89	4.82	scenario showed 12.23% by
2050	9.50	4.82	2100, which is 11.47pp higher
2055	10.20	3.64	than the NGES Net-zero 2050
2060	10.84	3.64	scenario at 0.76%.
2065	11.48	2.46	
2070	11.89	2.46	Our production facility in
2075	12.13	1.66	Vietnam faces an average level
2080	12.39	1.66	of cyclone risk, highlighting
2085	12.45	1.66	the importance of continuous
2090	12.44	0.76	monitoring of this issue.
2095	12.37	0.76	
2100	12.23	0.76	



Year	Annual Estima	ated Loss (%)	Analysis Results
Teal	Current policies	Low demands	Analysis nesults
2025	27.66	27.66	
2030	37.58	37.58	According to the cyclone-
2035	56.38	45.82	risk analysis for Mexico, the
2040	70.96	45.82	NGFS Current Policies scenario
2045	85.76	37.58	showed 235.10% by 2100,
2050	95.11	37.58	which is 229.89pp higher
2055	108.69	27.66	than the NGES Net-zero 2050
2060	124.06	27.66	scenario at 5.21%.
2065	139.43	17.84	
2070	155.07	17.84	Our production facility in
2075	169.28	11.53	Mexico faces a high level of
2080	185.72	11.53	cyclone risk, highlighting the
2085	197.32	11.53	importance of continuous
2090	208.70	5.21	monitoring and long-term
2095	222.02	5.21	management of this issue.
2100	235.10	5.21	

# **Risk Management**

## Climate Scenario Analysis

## Physical Risk ➤ Chronic Risk ➤ Temperature Rise



Year	Daily Maximum Temperature (°C)		Analysis Desylte	
rear	Current policies	Net-zero 2050	Analysis Results	
2025	1.22	1.22		
2030	1.35	1.35	According to the temperature-	
2035	1.60	1.48	rise risk analysis for China, the	
2040	1.72	1.48	NGFS Current Policies scenario	
2045	1.85	1.48	showed a 3.45°C increase by	
2050	2.00	1.48	2100, which is 2.37℃ higher	
2055	2.14	1.35	than the NGES Net-zero 2050	
2060	2.29	1.35	scenario at 1.08°C.	
2065	2.42	1.35		
2070	2.59	1.35	Our production facility in China	
2075	2.74	1.22	faces a high risk from rising	
2080	2.91	1.22	temperatures, highlighting	
2085	3.04	1.22	the importance of continuous	
2090	3.18	1.22	monitoring and long-term	
2095	3.31	1.08	management of this issue.	
2100	3.45	1.08	-	



Voor	Year Daily Maximum Temperature (°C)		Analysia Pasulta
rear	Current policies	Net-zero 2050	Analysis Results
2025	0.84	0.84	
2030	0.96	0.96	According to the temperature-
2035	1.18	1.08	rise risk analysis for India, the
2040	1.29	1.08	NGFS Current Policies scenario
2045	1.40	1.08	showed a 2.58℃ increase by
2050	1.52	1.08	2100, which is 1.85°C higher
2055	1.62	0.96	than the NGFS Net-zero 2050
2060	1.71	0.96	scenario at 0.73°C.
2065	1.79	0.96	
2070	1.89	0.96	Our production facility in India
2075	2.00	0.84	faces a high risk from rising
2080	2.11	0.84	temperatures, highlighting
2085	2.21	0.84	the importance of continuous
2090	2.33	0.84	monitoring and long-term
2095	2.46	0.73	management of this issue.
2100	2.58	0.73	



Daily Maximum Temperature (°C)		Analysis Results	
Current policies	Net-zero 2050	Analysis nesults	
0.88	0.88		
0.96	0.96	According to the temperature-	
1.13	1.05	rise risk analysis for Vietnam, the	
1.22	1.05	NGFS Current Policies scenario	
1.29	1.05	showed a 2.33℃ increase by	
1.39	1.05	2100, which is 1.54℃ higher	
1.50	0.96	than the NGFS Net-zero 2050	
1.60	0.96	scenario at 0.79°C.	
1.69	0.96		
1.80	0.96	Our production facility in	
1.92	0.88	Vietnam faces a high risk from	
2.02	0.88	rising temperatures, highlighting	
2.10	0.88	the importance of continuous	
2.14	0.88	monitoring and long-term	
2.23	0.79	management of this issue.	
2.33	0.79		
	Current policies  0.88  0.96  1.13  1.22  1.29  1.39  1.50  1.60  1.69  1.80  1.92  2.02  2.10  2.14  2.23	Current policies         Net-zero 2050           0.88         0.88           0.96         0.96           1.13         1.05           1.22         1.05           1.29         1.05           1.39         1.05           1.50         0.96           1.60         0.96           1.89         0.96           1.92         0.88           2.02         0.88           2.10         0.88           2.14         0.88           2.23         0.79	

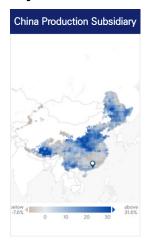


Year	Daily Maximum Temperature (°C)		Analysis Results
rear	Current policies	Net-zero 2050	Allalysis Hesuits
2025	1.04	1.04	
2030	1.18	1.18	According to the temperature-
2035	1.48	1.35	rise risk analysis for Mexico, the
2040	1.62	1.35	NGFS Current Policies scenario
2045	1.76	1.35	showed a 3.22℃ increase by
2050	1.90	1.35	2100, which is 2.32℃ higher
2055	2.03	1.18	than the NGES Net-zero 2050
2060	2.16	1.18	scenario at 0.90°C.
2065	2.31	1.18	
2070	2.44	1.18	Our production facility in Mexico
2075	2.58	1.04	faces a high risk from rising
2080	2.70	1.04	temperatures, highlighting
2085	2.83	1.04	the importance of continuous
2090	2.93	1.04	monitoring and long-term
2095	3.08	0.90	management of this issue.
2100	3.22	0.90	

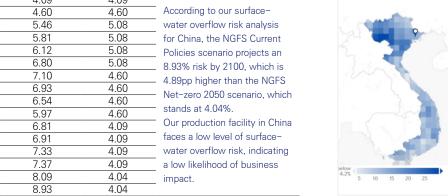


## Climate Scenario Analysis

## Physical Risk ➤ Chronic Risk ➤ Surface Water Overflow



Year	Surface Water Overflow (%)		Analysis Posults	
rear	Current policies	Net-zero 2050	Analysis Results	
2025	4.09	4.09		
2030	4.60	4.60	According to our surface-	
2035	5.46	5.08	water overflow risk analysis	
2040	5.81	5.08	for China, the NGFS Current	
2045	6.12	5.08	Policies scenario projects an	
2050	6.80	5.08	8.93% risk by 2100, which is	
2055	7.10	4.60	4.89pp higher than the NGFS	
2060	6.93	4.60	Net-zero 2050 scenario, which	
2065	6.54	4.60	· · · · · · · · · · · · · · · · · · ·	
2070	5.97	4.60	stands at 4.04%.	
2075	6.81	4.09	Our production facility in China	
2080	6.91	4.09	faces a low level of surface-	
2085	7.33	4.09	water overflow risk, indicating	
2090	7.37	4.09	a low likelihood of business	
2095	8.09	4.04	impact.	
2100	8.93	4.04	•	





	Year	Surface Water Overflow (%)		Analysis Results	
Teal		Current policies	Net-zero 2050	Analysis nesults	
	2025	10.45	10.45	According to our surface-	
	2030	11.89	11.89	water overflow risk analysis	
	2035	15.49	14.01	for India, the NGFS Current	
	2040	15.98	14.01	<i>'</i>	
	2045	16.55	14.01	Policies scenario projects a	
	2050	17.77	14.01	31.32% risk by 2100, which is	
	2055	18.36	11.89	21.27pp higher than the NGFS	
	2060	19.41	11.89	Net-zero 2050 scenario, which	
	2065	20.57	11.89	stands at 10.05%.	
	2070	22.39	11.89	Our production facility in India	
	2075	23.12	10.45	faces an average level of	
	2080	24.24	10.45	surface-water overflow risk.	
	2085	24.80	10.45	highlighting the importance of	
	2090	26.28	10.45		
	2095	28.55	10.05	continuous monitoring of this	
	2100	31.32	10.05	issue.	



Year	Surface Water Overflow (%)		Analysis Results	
Teal	Current policies	Net-zero 2050	Analysis nesults	
2025	-0.05	-0.05	According to our surface-	
2030	1.21	1.21	water overflow risk analysis	
2035	4.21	2.24	for Vietnam, the NGFS Current	
2040	5.47	2.24		
2045	6.92	2.24	Policies scenario projects a	
2050	6.76	2.24	15.27% by 2100, which is	
2055	7.31	1.21	16.05pp higher than the NGFS	
2060	8.38	1.21	Net-zero 2050 scenario, which	
2065	9.28	1.21	stands at -0.78%.	
2070	8.78	1.21	Our production facility in	
2075	9.13	-0.05	Vietnam faces an average level	
2080	10.19	-0.05	of surface-water overflow risk.	
2085	12.66	-0.05	highlighting the importance of	
2090	13.99	-0.05		
2095	15.12	-0.78	continuous monitoring of this	
2100	15.27	-0.78	issue.	



Year	Surface Water Overflow (%) Current policies Net-zero 2050		Analysis Results
2025	-0.89	-0.89	
2030	-0.62	-0.62	According to our surface-
2035	0.25	-0.32	•
2040	1.41	-0.32	water overflow risk analysis
2045	1.56	-0.32	for Mexico, the NGFS Current
2050	0.20	-0.32	Policies scenario projects a
2055	-1.80	-0.62	-0.88% risk by 2100, a figure
2060	-2.10	-0.62	identical to the NGFS Net-
2065	-1.88	-0.62	zero 2050 scenario.
2070	-0.76	-0.62	Our production facility in
2075	-0.07	-0.89	Mexico faces a low level of
2080	1.03	-0.89	surface-water overflow risk.
2085	1.33	-0.89	indicating a low likelihood of
2090	1.23	-0.89	
2095	0.46	-0.88	business impact.
2100	-0.88	-0.88	



## **Greenhouse Gas and Energy Reduction**

## **Expanding Transition to Renewable Energy**

SOLUM is actively working to reduce its indirect greenhouse gas (GHG) emissions by transitioning the electricity used in its product manufacturing processes to renewable energy sources. In 2024, our Mexico production subsidiary installed an in-house solar-power generating station, which produced 329,574 kWh of power, successfully reducing over 98.85 tCO2eq of GHG emissions. Meanwhile, our China production subsidiary purchases renewable energy-based electricity using the Green Electricity Certificate (GEC). In 2024, it secured 5,200 MWh of renewable electricity, converting 49% of its total electricity consumption to renewable sources. This represents a significant expansion compared to the previous year, doubling the 2,600 MWh (26.8%) purchased in 2023. Driven by this commitment to renewable energy conversion, we are developing and systematically implementing action strategies across various departments. These strategies cover areas such as energy consumption and carbon reduction, as well as establishing robust business systems, all aimed at fostering sustainable management.



China Production Subsidiary

from the previous year

Overview

Renewable energy purchase increased by

100%

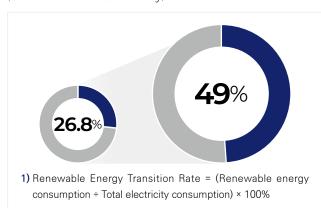
Mexico Production Subsidiary

Solar-energy capacity

329,574 kWh

## Renewable energy transition rate<sup>1)</sup>

(China Production Subsidiary)



#### 2024 GEC

(China Production Subsidiary)



#### Solar PV installed

(Mexico Production Subsidiary)



**ESG Management** 

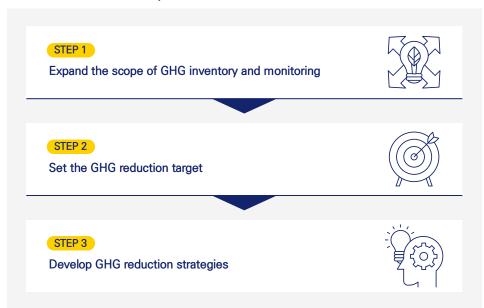


## **Greenhouse Gas and Energy Reduction**

#### **GHG Reduction Strategy and Roadmap**

SOLUM is implementing a phased approach to achieve carbon neutrality. We have pinpointed the energy and GHG emission sources across all our subsidiaries and have created a detailed GHG emissions inventory by carefully calculating our output. Through our ESG data management system, we are actively monitoring our energy consumption and GHG emissions. Looking ahead, we intend to forecast our mid- to long-term GHG emissions, evaluate potential reductions, and develop solid GHG reduction strategies complete with an implementation roadmap.

## **GHG Reduction Roadmap**



## Promoting Energy Conservation and a Green Culture

At SOLUM, we are actively involved in various in-house initiatives, aiming to embed a green culture into our everyday routines through voluntary actions.

Category	Activity Description	Method and Impact
Green Culture Initiatives among Employees	Switching to recycled paper business cards company-wide     Utilizing smart warmers     Implementing a paperless payment system     Turning off computer monitors when leaving the office     Running campaigns for proper recyclable disposal	Encouraging employees' participation through our groupware system and in- house signage
Putting energy conservation into action	Vietnam Production Subsidiary     Turning off air conditioners during non-work hours     Controlling room temperatures and humidity     Turning off facility power when production is suspended     Focusing on high-efficiency energy use	Energy conservation activities centered around our worksites
Facility Improvements	Introducing high-efficiency substation equipment at headquarters     Replacing all fluorescent lights with LED lights	Reduced power loss and improved energy efficiency
Product environmental impact management	Pursuing carbon footprint certification for ESL products	Established a foundation for systematic management of environmental impact at the product level

## SOLUM's ESG campaign signs on display





**Environment** | Social | Governance

### Strategy

### Reduction of GHG Emissions from Products

### **Expanding Carbon Footprint Certification for Products**

SOLUM has successfully obtained carbon footprint certifications for eight of its products — specifically four models of NEWTON PRO ESL and four models of NEWTON CORE ESL — through a comprehensive analysis of their environmental impact throughout their entire lifecycle. We evaluate energy consumption, resource utilization, and GHG emissions across all stages, encompassing raw material acquisition, processing, and transportation of raw materials, production, product transportation, and final disposal. These evaluations are fundamental to our commitment to developing sustainable products and providing transparent environmental information. Our lifecycle assessments have been thoroughly verified in strict accordance with international standards (ISO 14044). Furthermore, our carbon footprint certifications were secured in compliance with ISO 14067 standards to ensure their utmost credibility and reliability. SOLUM's ESL products are engineered for exceptional longevity, boasting a 10-year lifespan without requiring battery replacement. This design minimizes additional GHG emissions during the product's usage phase. At the end-of-life stage, we apply waste-treatment guidelines established in the UK and Europe to enhance recyclability. For any unavoidable waste, we calculate emissions based on assumed landfilling or incineration scenarios. Crucially, our product batteries are specifically designed for post-treatment recyclability, thereby eliminating the need for landfilling or incineration. Carbon footprint assessment transcends mere numerical analysis; it represents a vital process for designing inherently sustainable products and continually improving our resource circulation systems. As part of our ongoing commitment, we plan to pursue carbon footprint certification for an additional three models of NEWTON PRO ESL, six models of NEWTON CORE ESL, and four models of Power Rail.

### **ESL Lifecycle Stages**











### Carbon Footprint-certified ESL Products

#### NEWTON PRO ESL











**NEWTON CORE ESL** 







2.9 inch

4.2 inch

4.2 inch

7.5 inch

### **Index and Goals**

### **GHG Emissions Management**

SOLUM is committed to robust GHG emissions management. We systematically identify and inventory both Scope 1 and 2 GHG emission sources across all our operations, encompassing the headquarters and affiliates, including SOLUM Sensor and SOLUM Healthcare. To enhance the reliability and comprehensive applicability of our GHG emissions management, we have expanded our organizational boundaries to integrate all overseas production subsidiaries and local worksites, thereby developing a unified, company-wide management system. The GHG emissions data calculated at each worksite undergoes annual thirdparty verification to ensure accuracy and objectivity. The results of this verification are transparently disclosed to external stakeholders through our annual ESG report. Moving forward, our strategic objective is to establish a comprehensive full value-chain carbon-management system that will include Scope 3 emissions, extending our efforts beyond Scope 1 and Scope 2 to cover our entire supply chain.

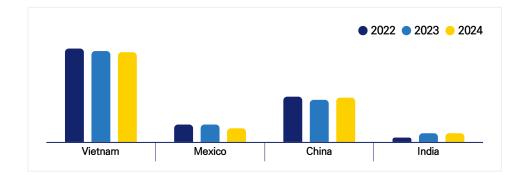
### GHG Emissions from the Headquarters and Subsidiaries in Korea

Category	Three-year Period	2022	2023	2024
	Total emissions	1,034.635	1,036.795	1,126.274
SOLUM	Scope 1 emissions	69.091	81.988	119.476
	Scope 2 emissions	965.544	954.806	1,006.798
SOLUM Sensor	Total emissions	6.692	13.959	10.152
	Scope 1 emissions	0.045	0.055	0.041
	Scope 2 emissions	6.647	13.903	10.111
COLLIM	Total emissions	5.229	6.325	8.500
SOLUM Healthcare	Scope 1 emissions	0.097	0.119	0.087
	Scope 2 emissions	5.132	6.206	8.412

#### ● Scope 1 ● Scope 2 **SOLUM Headquarters SOLUM Sensor SOLUM Healthcare** 2024 2022 2023 2024 2022 2023 2024 2022 2023

#### GHG Emissions from SOLUM Overseas Production Subsidiaries

Category	Three-year Period	2022	2023	2024
	Total emissions	20,152.2	19,354.3	19,054.7
Vietnam	Scope 1 emissions	577.5	472.2	365.5
	Scope 2 emissions	19,574.6	18,882.1	18,689.2
	Total emissions	2,142.9	2,095.8	1,634.6
Mexico	Scope 1 emissions	99.4	140.4	74.8
	Scope 2 emissions	2,043.5	1,995.4	1,559.8
	Total emissions	6,355.5	5,498.2	5,987.9
China	Scope 1 emissions	92.0	92.7	80.1
	Scope 2 emissions	6,263.5	5,405.5	5,907.9
	Total emissions	982.7	1,225.0	1,210.1
India	Scope 1 emissions	29.7	43.4	63.9
	Scope 2 emissions	953.0	1,181.5	1,146.2

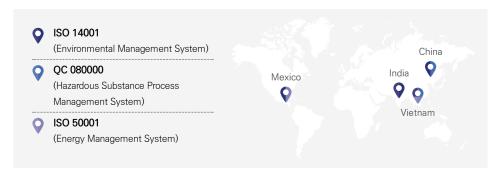




### **Environmental Management System**

### **Environmental Compliance**

To proactively respond to increasingly stringent environmental regulations, SOLUM has implemented an environmental risk-management system across all production subsidiaries. This includes obtaining environmental management system certifications and thoroughly managing resource use and pollutant emissions. We have adopted international standards (ISO) to minimize potential environmental pollution and developed an ESG certification roadmap to ensure full compliance. All our efforts are focused on systematically managing environmental risks. Our headquarters and subsidiaries do not operate air or wastewater discharge facilities, placing us at a relatively low risk of environmental pollution. Nonetheless, we are undergoing carbon footprint verification as part of our commitment to manufacturing and selling eco-friendly products. Our overseas production sites—in Vietnam, China, Mexico, and India—have also adopted ISO 14001 to monitor environmental risks, managing pollutants and waste by material type. In addition, we operate the Green Product Management System (GPMS) to systematically track hazardous substances in our products and across our supply chain. We also evaluate our partner companies' compliance with environmental standards as part of the certification process. SOLUM remains committed to environmental stewardship by operating green manufacturing sites and developing renewable energy products, with a goal of maintaining zero environmental regulation violations as we work toward a more sustainable future.



### **Environmental-Impact Reduction Management**

### Air-Pollutant Management

SOLUM has minimal involvement in direct air—pollutant emissions, as our headquarters and affiliates do not operate product manufacturing facilities. However, at our overseas production sites, we have established internal standards that are stricter than legal requirements to reduce pollutants generated during the manufacturing process. To address increasingly stringent global environmental regulations, we regularly monitor emissions and inspect facilities to ensure transparency and operational reliability. All related data is systematically collected and managed through our internal management system. We continue to invest in eco–friendly technologies and facilities to minimize our environmental impact, and foster a culture of sustainable manufacturing.

### Air-Pollutant Emissions by Production Subsidiary

Unit: Kg, mg/Nm<sup>3</sup>

Category	Three-year Period	2022	2023	2024
	Nitrogen oxides (NOx)	294	358	331
	Sulfur oxides (SOx)	136	172	201
Vietnam <sup>1)</sup>	Hazardous air pollutants (HAP)	_	9	2
	Particulate matter (PM)	430	546	699
	Carbon monoxide (CO)	276	298	278
Mexico	Volatile organic compounds (VOCs)	2,357	2,062	2,358
IVIEXICO	Total suspended particulates (TSP)	536	1,393	266
China	Volatile organic compounds (VOCs)	271	256	200
China	Tin and tin compounds	25	31	2

<sup>1)</sup> Our Vietnam production subsidiary measures and manages air pollutant emissions in mg/Nm<sup>3</sup>.

### Wastewater Management

SOLUM has minimal involvement in direct wastewater discharge or pollution, as our headquarters and domestic affiliates do not operate manufacturing facilities in Korea. However, our overseas production subsidiaries strictly comply with local regulations for enhanced wastewater management. In particular, our Vietnam production subsidiary operates an on-site wastewater treatment plant and regularly monitors water consumption to consistently reduce domestic wastewater discharge. Meanwhile, our production sites in Mexico and China do not generate any wastewater discharge.

### **Environmental-Impact Reduction Management**

### **Waste Discharge Reduction**

At SOLUM, we have implemented a comprehensive system for waste reduction and resource circulation management. We constantly track the waste generated at all our facilities, both in Korea and internationally, and we strictly adhere to all packaging material recycling regulations.

In Korea, we actively support resource conservation and circular practices through our recycling efforts. We analyze recyclable materials and pay the necessary fees to the Korea Packaging Recycling Cooperative as part of our commitment. For any products that cannot be recycled, we apply waste charges to ensure environmental accountability. Our overseas production subsidiaries also follow systematic waste-management practices. We have established internal regulations to ensure compliance with the environmental laws of each country where we operate. In particular, our production subsidiary in Vietnam carefully vets waste-treatment service providers before final selection and conducts monthly monitoring of waste emissions and disposal processes to minimize environmental impact. At SOLUM, waste reduction is not just a responsibility — it is a fundamental part of our commitment to sustainable growth. We will continue to enhance our environmental stewardship by improving resource efficiency, increasing the use of recyclable materials, and contributing to the development of a circular economy.

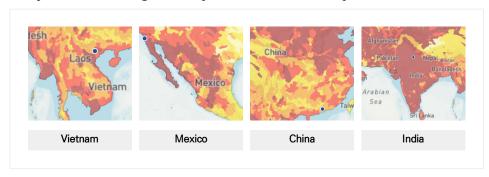
### Water Resource Management

To ensure the sustainable and efficient use of water in our manufacturing processes, we monitor and manage water intake at several of our overseas production subsidiaries, with plans to expand this practice to all sites. According to the Water Risk Atlas published by the World Resources Institute (WRI), our production subsidiary in China faces a moderate level of water risk. Our facilities in Vietnam, Mexico, and India, which have been assessed at the highest risk level, are proactively implementing measures to manage water resources more efficiently. We remain committed to responsible waterresource management by actively addressing water-related risks in each region where we operate.

### Waste Discharge by Overseas Subsidiary



### Analysis of Water Usage Risks by Production Subsidiary

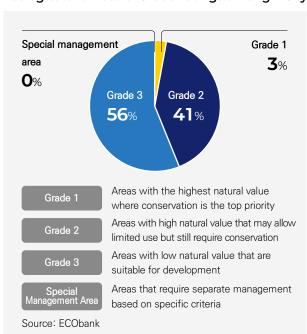


### **Biodiversity**

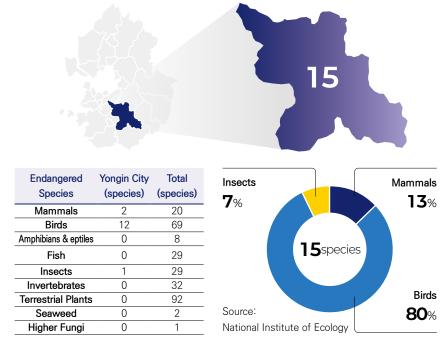
### **Our Commitment to Biodiversity**

SOLUM recognizes the critical importance of biodiversity, especially as sustainable development becomes increasingly central to global priorities. We are committed to pursuing sustainable growth strategies that minimize the ecological impact of our business operations. In 2024, we conducted a biodiversity survey in Yongin, Gyeonggi-do, where we operate, to identify endangered species and other wildlife requiring protection. The survey also served to gather baseline data for ongoing ecosystem maintenance. Moving forward, we plan to expand our biodiversity efforts to additional sites worldwide and develop a more systematic company—wide management approach. Our commitment goes beyond policy-making — we actively monitor our overseas subsidiaries to ensure compliance with local laws, particularly those concerning World Heritage Areas and IUCN Category I-IV protected areas. We also plan to collaborate with external experts and institutions to create more effective biodiversity protection strategies. SOLUM will continue to preserve ecosystems through corporatelevel initiatives, participate in habitat protection and environmental improvement programs, and maintain a responsible balance between sustainable business operations and environmental stewardship.

### Ecological and Natural Grade Ratings of Yongin City



### Endangered Wildlife in Yongin City (as of 2023)



Endangered Wildlife in Yongin City						
Category I						
Mammals	Mammals One species Lutra lutra					
Birds One species Haliaeetus albicilla						

Category II (Endangered)					
Mammals	One species	Prionailurus bengalensis			
		Platalea leucorodia			
		Aegypius monachus			
		Gallicrex cinerea			
	11 species	Falco peregrinus			
		Accipiter soloensis			
Birds		Accipiter nisus			
		Falco Subbuteo			
		Circus cyaneus			
		Accipiter gentilis			
		Cygnus cygnus			
		Charadrius placidus			
Insects	One species	Cybister chinensis			

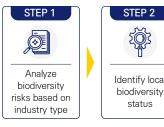


### **Biodiversity**

### **Identifying Biodiversity Risks**

SOLUM is actively working to monitor biodiversity-related risks and develop strategies for their systematic management. To thoroughly assess our dependence on, and impact on, biodiversity, we have adopted the TNFD (Taskforce on Nature-related Financial Disclosures) guidelines. Based on this assessment, we found that our business activities currently have minimal direct negative impact on biodiversity. We identified the areas surrounding our production subsidiaries in Vietnam, Mexico, China, and India as key zones for biodiversity risk management, utilizing the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) tool. We identified the density and level of risk of hotspots—areas expected to experience significant negative impacts from business activities—by assessing ecosystem risks caused by the depletion of natural capital at the locations of key manufacturing subsidiaries. These hotspots are regions with concentrated depletion of natural capital resources such as air, water, soil, and biodiversity. Since the areas around our production subsidiaries in India and China show a high concentration of hotspots, we acknowledge these risks and will develop improvement plans accordingly. In response, we will prioritize these regions for risk identification and the development of mitigation strategies. At SOLUM, we remain committed to minimizing the ecological impact of our operations. We will prioritize areas with elevated biodiversity risks, take proactive improvement measures, and continuously assess the environmental impacts of our global operations. Our pursuit of innovative, practical solutions to ensure harmony between business and the natural environment will continue.

### **Biodiversity Risk Analysis Process**

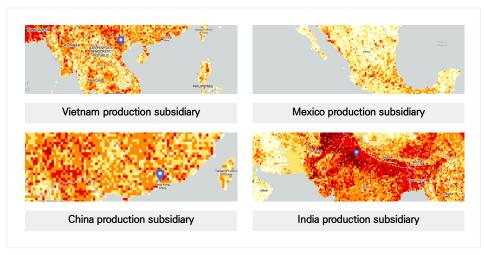








### Hotspot Analysis by Production Subsidiary



### Biodiversity Dependency and Impact of the Electronic Components Manufacturing Industry

Category	Relevant Indicator	Level
	Tap water	Medium
Dependency	Flow control	Medium
Dependency	Soil and sediment retention	Low
	Climate regulation	Very Low
	Pollutant emissions	High
	Noise and light pollution	Medium
Impact	Solid waste	Low
	Water usage	Low
	GHG emissions	Very Low

Source: ENCORE(Exploring Natural Capital Opportunities, Risks and Exposure)

# Social Human Rights Management Human Resource Management Occupational Safety and Health 49 Product Safety and Quality Supply Chain Information Security

Social Contributions



Appendix

# **Human Rights Management**

### **Human Rights Management Policy**

### **Basic Principles of Human Rights**

At SOLUM, we are committed to nurturing a safe work environment, built on respect and open communication among all employees. Our ultimate goal is to cultivate a positive organizational culture. We actively integrate international human rights standards derived from the United Nations (UN) and the International Labor Organization (ILO) into our business practices. To ensure the protection of the human rights of all our stakeholders—including employees, customers, partners, and local communities—we have established 14 core principles for human rights management. These principles serve as our ESG foundation, guiding us to proactively prevent human rights violations, and consistently monitor our protective policies.

### Fourteen Core Principles for Human Rights Management



### **Human Rights Management Activity**

### **Human Rights Awareness Training**

SOLUM regularly provides human rights training to foster a culture where all employees respect human rights in their daily lives. The annual training includes legally mandated courses on topics such as prevention of workplace sexual harassment, disability awareness, data privacy protection, and prevention of workplace bullying. Our training aims to promote awareness of human rights and strengthen a healthy, inclusive organizational culture. Looking ahead, we plan to further enhance our human rights training by focusing on the prevention of human rights violations, and fostering a valuesbased culture centered on human rights, in alignment with our ethical management programs.

### **Human Rights Training Outcomes**

Training Period	Course	No. of Trainees
lune 10 Oct 9, 2024	Sexual harassment prevention, privacy data protection,	471
June 10 ~ Oct. 8, 2024	disability awareness, workplace bullying prevention, retirement pension	471

### **Human Rights Breach Reporting Process**

SOLUM operates an open reporting channel for human rights breaches to help prevent violations and ensure prompt responses when they occur. This channel is available to all SOLUM stakeholders—including employees, partners, and customers—and the identity of the reporter is strictly protected. All reports are reviewed and directed to the appropriate departments based on their nature and are handled through our internal review process. We take necessary actions and transparently communicate the results to the reporter. In collaboration with our Legal Affairs Team, we carry out various human rights protection initiatives, including our internal reporting program, which is incorporated into our "compliance support" framework.



**ESG Management** 

### **Human Rights Management Activity**

### Promoting our DEI Initiative

At SOLUM, we are committed to achieving sustainable growth through an organizational culture that embraces differences, and respects the diverse backgrounds and values of our members. From the recruitment stage onward, we ensure that no one is discriminated against based on their background, race, nationality, gender, age, or disability. We uphold fair and equitable principles in all hiring and HR practices. In 2024, we took a significant step forward by introducing a Diversity, Equity, Inclusion (DEI) policy centered on these three values and shared it across our global offices, including headquarters, to promote company—wide awareness and build a foundation for implementation. Each subsidiary complies with the labor laws of the country where it operates and provides compensation above the minimum wage. We are also consistently strengthening institutional frameworks to ensure employee well—being and protect human rights.

### Commitment to Diversity, Equity, and Inclusion

At SOLUM, we believe that a culture rooted in the values of diversity, equity, and inclusion (DEI) is a driving force behind continuous innovation. Guided by the belief that our employees are our most important asset, we have established a DEI policy to foster an organizational culture where diverse talents are empowered to think creatively and take on challenges.

SOLUM does not discriminate on the basis of gender, race, ethnicity, nationality, cultural background, disability, age, sexual identity, political or religious beliefs, or social status, without justifiable reason. We are committed to creating an inclusive work environment where employees from all backgrounds can thrive and contribute to a diverse and respectful workplace. Beyond our internal efforts, we also strive to be a company that embraces and respects the diversity and inclusion of our customers, partners, local communities, and all stakeholders.

### Labor-management ("Hamseong") Council

SOLUM respects the rights to collective bargaining and collective action in accordance with the Constitution, labor laws, and the core principles of the ILO. We are committed to fostering a labor-management culture built on mutual trust and cooperation. Our labor-management council, known as the "Hamseong Council," embodies this commitment. Comprising four employee representatives and four management representatives, the Council meets quarterly under the leadership of the CEO. It engages in in-depth discussions on business direction, organizational culture, HR policies, and employee benefit programs. Employee representatives are elected by members of the labor union and all decisions made by the Council are applied equally to all employees.

### **Grievance-Handling Program**

SOLUM operates a grievance-handling program to actively listen to grievances of employees, and respond promptly to their concerns. In the first half of 2024, we hosted a lunch meeting attended by HR executives, labor representatives from the "Hamseong Council" responsible for grievance handling, HR staff, and employees from various departments — who freely shared their thoughts and opinions. The grievance-handling program serves as an effective communication channel, enabling the company to promptly reflect employee feedback in company policies and workplace improvements. Moving forward, we plan to expand and diversify our communication channels to ensure employee voices are heard and addressed more effectively.

### nvironment | **Social** | Governance

## **Human Resource Management**

### **Talent Recruitment**

### **Our Ideal Talent**

At SOLUM, we view passionate, forward–thinking individuals as the key drivers of our growth and the foundation for achieving our vision of becoming "the best strategic partner." We believe that our technological excellence and global competitiveness begin and grow with people. Talent is our most valuable asset, and we are committed to providing our employees with structured opportunities to realize their full potential. We are especially focused on attracting promising individuals who embody the four core values we uphold—ownership, innovation, passion, and a future–oriented mindset—as we pursue sustainable growth and strengthen our organizational competitiveness.

### Our Ideal Talent: Embodying Four Core Values

#### Ownership

An individual who takes ownership



#### Innovation

An individual who thrives on innovation and change



#### **Passion**

An individual driven by passion and unafraid to challenge himself/herself



#### **Future**

An individual who envisions a better future and takes action to achieve it



### **Recruitment Programs**

SOLUM runs a variety of recruitment programs, including rolling hiring, to attract high-potential individuals who will drive new business initiatives and technological innovation. Candidates applying for open positions are interviewed by department heads and team members to assess both technical expertise and cultural fit. To secure future leaders, we also operate an industry-academia scholarship program for master's and Ph.D. students, as well as an advanced researcher program for individuals with advanced degrees. In addition, we encourage our employees to recommend outstanding candidates through the employee referral program, and we offer internal mobility opportunities through our internal job posting program. Successful referral hires and the employees who refer them are rewarded with incentives. For fairness, all applicant information for internal openings is kept confidential until the hiring decision is finalized.

To streamline and enhance the recruitment process, we use an Applicant Tracking System (ATS) and have launched a dedicated careers website to improve applicant engagement and communication. Leveraging the ATS, we analyze various recruitment metrics—such as candidate sourcing trends, time—to—hire, and stage—by—stage conversion rates—to refine our hiring strategies. At the final stage, reference checks are conducted to ensure alignment with our organizational culture. Looking ahead, we plan to strengthen our employer brand by incorporating Behavioral Event Interview (BEI) techniques, "Do & Don't" training, and interviewer development programs to improve the quality and consistency of our recruitment process.

### **New and Specialized Researchers**

Application review (Technical and behavioral) Final interview (CEO interview) Final selection Checkup

#### Senior-level New Hires

Application review (Technical and behavioral) Final interview (CEO interview) Reference check Final selection checkup

Environment | Social | Governance

### HR Management

### **Employee Evaluation and Compensation**

At SOLUM, we are committed to growing together with our employees and organization through a fair and systematic performance management culture. We conduct annual HR evaluations for all employees, incorporating both self-assessments and multisource feedback to ensure objectivity and openness. Evaluation results are directly reflected in each employee's annual salary. In addition, we provide special incentives to high-performing employees as a clear reward for their dedication and achievements. We also operate a performance-based pay system and incentive programs, distributing rewards based on employees' performance against company management targets. The funding for these incentives is determined using Economic Value Added (EVA) as a benchmark, ensuring fair compensation linked to the company's tangible growth. To strengthen the credibility and effectiveness of our evaluation system, we plan to focus on enhancing our evaluators' feedback and coaching skills, as well as implementing action-learning initiatives.

#### **Employee Annual Compensation Structure**

		Component		Calculation Date		
		Base salary	Basic salary	1st to end of each month		
Contract	Monthly	(Bonus Basis)	Fixed overtime pay	11th of previous month to 10th of		
Salary	salary	Me	current month			
		Additional pay based on individual		As of the first day of		
		qualifications (e.g	the current month			
C	Р	erformance-Base	January of the			
Group Performance	(K	(PI achievement a	following year			
Base	Performan	ice incentive (exce	peding profit targets)	January ~ February of		
5436	i Gilolillali	ance incentive (exceeding profit targets)		the followi		the following year

Appendix

### **Employee Training**

SOLUM provides a variety of training programs to strengthen employees' job expertise and global competency. To enhance job-specific skills, we offer systematic training across various fields such as circuit design, software, quality, manufacturing, sales, marketing, and design. We also provide support for high-quality external training opportunities through partnerships with professional institutions such as Korea University of Technology and Education, Ajou University, and the Korea Electronics Technology Institute. In addition, we provide an environment where employees can learn freely anywhere and anytime utilizing Hunet, a professional online education provider. We also operate language-training programs to help employees improve communication skills with global clients. In addition to in-person classes at the headquarters, we have adopted video call-based instruction and Al-powered language-learning systems to support both online and offline learning in various languages, including English and Spanish. In addition, we have established a competency development framework to strengthen core skills such as leadership, communication, and self-management. We also offer special lectures on emerging technologies such as Al and big data to build a foundation for sustainable growth.

### **Education and Training Programs**

		Regular Training (leadership/general work skills)					Specialized Training (job capabilities)					
Capability Level	Mandatory Training	Requir	ed Competencies		Education Categories		Level	Development	Quality/ Production/ Manufacturing	Procurement/ Logistics/Sales/ Marketing	Support	Self- learning
LV 3(Over 8 years of experience▲) SM	Sexual harassment prevention Personal information	Change awareness Leading by example	Guidance of others Conflict management		New managers (Teamwork, leadership, negotiation)	Executive leadership (Vision Sharing, value realization)	Advanced		0 10	Procurement	Legal	Cill
LV 2(3~8 years of experience) SE~SM	protection Occupational safety and health	Strategic thinking Cost concept	Goal management Professionalism	New employee orientation (Understanding the	Promotion training (Professionalism, goal management)		Intermediate	Development	Quality Production Manufacturing	Logistics Sales Marketing	-	Self- directed learning
LV 1(0~3 years of experience) SS	Retirement pension Disability awareness	Self-management Reporting skills	Time management Customer awareness (courtesy)	organization, integration, followership)			Beginner			aa	Strategy	





### **Employee Benefits**

SOLUM offers a variety of programs designed to support employees' work-life balance through flexibility and autonomy. Most notably, we have implemented a fully flexible working hours system that allows employees to adjust their working hours according to their personal schedules, as long as total working hours are met. Employees with long-term service are eligible for up to 30 days of paid sabbatical leave in their 7th, 15th, and 30th year of employment. To encourage full use of annual leave, we also designate recommended vacation days throughout the year. Additionally, we provide group accident insurance that covers employees, their spouses, and children, offering financial support for medical expenses alongside private health insurance. Our new office building, SOL Square, opened in 2025, is designed to promote work-life balance by offering healthcare services and lifestyle amenities that support employees' well-being.

### **Parenting and Family Care Support**

SOLUM offers a range of family-friendly programs to help employees stay focused at work while maintaining a stable and fulfilling family life. To ease the financial burden of education, we provide tuition support for employees' children - from kindergarten through university. In particular, we offer full tuition coverage for employees with children who have disabilities. All employees, regardless of gender, are entitled to take parental leave and reduce their working hours during childcare periods. Through our fully flexible working hours system, employees can adjust their schedules to fit their personal needs—for example, starting work after taking their children to school. We also offer various family care benefits, including paid leave and financial support for major family events, helping employees maintain a healthy and harmonious work-life balance.

### **Cultivating a Vibrant Organizational Culture**

At SOLUM, we are committed to fostering a healthy organizational culture built on open communication and meaningful connections. To support this, we run a variety of initiatives, including a wide range of employee clubs. From futsal and bowling to tennis, table tennis, screen golf, and even shooting, these in-house clubs help strengthen emotional bonds and promote camaraderie among colleagues. Participation is open to all employees, and anyone is welcome to start a new club. To encourage voluntary engagement, we provide monthly activity budgets to support these groups. We also offer lifestyle-focused benefits that bring added joy to everyday life, such as birthday gifts for all employees and annual discounts at partner resorts.



#### Breakfast, Lunch, and Dinner Service

We provide healthy and delicious meals, just like home-cooked food.



#### In-house Cafeteria

Employees can enjoy freshly brewed coffee anytime at our in-house café.



### Sabbatical Leave for Long-term

Employees(up to one month)

To recognize the dedication of our long-serving employees, we offer up to one month of paid sabbatical leave.



#### **Tuition Support for Children**

We offer financial support for employees' children, covering tuition from kindergarten through university.



#### Comprehensive Health Checkups

We support regular health checkups for employees and their spouses to promote long-term well-being.



#### **Corporate Resort Access**

Employees can enjoy company-affiliated resort facilities at discounted rates.



#### Group Personal Accident Insurance (GPAI)

We offer financial protection for employees and their families-including spouses and children-by covering medical expenses through group accident insurance.



#### In-house Clubs

We actively support hobby and recreational clubs to encourage employee engagement and connection outside of work.



#### Family Event Support

We provide support for major life events, including congratulatory and condolence leave, financial gifts, and floral arrangements. In the event of bereavement, funeral assistance such as personnel support and supplies is also provided.



#### **Private Pension Support**

To help employees plan for a secure retirement and safeguard against future uncertainties, we contribute monthly to their personal pension plans.



#### Casual Dress Code

To encourage a free and creative work environment, we have adopted a casual dress code that eliminates unnecessary formality.



#### Holiday Gifts

We show appreciation for our employees' dedication by providing holiday gifts on New Year's Day and Chuseok (Korean Thanksgiving).



Appendix

# **Occupational Safety and Health**

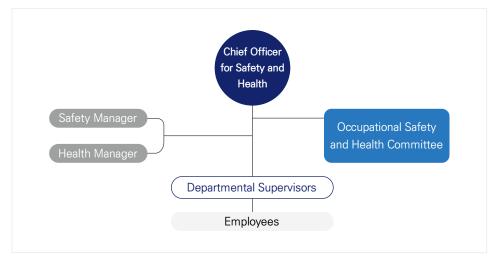
### Occupational Safety and Health Management System

Overview

### Occupational Safety and Health Management Governance

SOLUM has established a structured occupational safety and health system, with the CEO serving as the designated officer in accordance with the Industrial Safety and Health Act. The Occupational Safety and Health Committee, which reports directly to the CEO, meets quarterly. In 2024, the Committee convened four times to address key workplace issues and identify areas for improvement. We have also appointed a team of specialists, including safety and health managers, who conduct regular risk assessments and in–depth safety inspections. Identified hazards are addressed promptly through corrective actions. Major facilities and equipment are inspected, repaired, or replaced according to a set schedule. Each department assigns a supervisor to reinforce a field–oriented safety management system, with a strong focus on on–site implementation and accountability.

### Occupational Safety and Health Committee Organizational Chart



### Occupational Safety and Health Committee Activities

Date	Committee Agenda				
	First-half occupational safety and health training				
Mar. 18, 2024	2024 health checkup				
	Safety and health meeting for departmental supervisors				
	• 2024 workplace environment assessment				
June 25, 2024	On-site general health checkup for 2024				
	• Safety, health, and fire prevention plan for the summer season				
	Completion of on-site general health checkup for 2024				
Oct. 16, 2024	Second-half occupational safety and health training (mandatory training)				
	Detailed safety inspections and risk assessments				
	Planning of 2025 health checkups				
Dec. 23, 2024	• Completion of second-half occupational safety and health training (mandatory training)				
	• Upcoming risk assessment and safety inspection for the new headquarters building				



Social | Governance

### Occupational Safety and Health Management System

### Occupational Safety and Health Management Guidelines

SOLUM has established comprehensive Occupational Safety and Health Management Guidelines are to ensure a safe working environment for all employees and partner companies. We place the highest priority on employee health and safety, proactively identifying and addressing potential hazards and risks through continuous improvement. This policy applies equally to our employees and partner companies. To ensure its effective implementation, we provide active support, oversight, and management. At SOLUM, we recognize that maintaining a safe and healthy workplace is a fundamental responsibility. Through these efforts, we aim not only to prevent workplace accidents but also to enhance the overall quality of life for our employees.

### Occupational Safety and Health Management Guidelines

All employees at SOLUM recognize safety and health as their top responsibility and are committed to continuous improvement and practices to create a safe and comfortable working environment, thus preventing accidents and enhancing the quality of life. Based on this understanding, the following measures are fully implemented:

- 1 Comply with safety and health regulations and pursue continuous improvement.
- 2 Strive to establish a safety culture and create a healthy and safe working environment.
- 3 Actively support education and training to enhance the understanding of safety and health among all employees.
- 4 Actively participate in safety and health activities and diligently fulfill the responsibilities and duties assigned.
- 6 Communicate sincerely with stakeholders and adopt transparent information disclosure to fulfill corporate social responsibilities.

### Obtaining Occupational Safety and Health Management System Certification

SOLUM has obtained ISO 45001 certification—the international standard for occupational health and safety management—at its key production subsidiaries. Built on this advanced system, we are actively identifying and addressing potential hazards in our workplaces while continuously improving working conditions. Our production facilities in Vietnam, Mexico, and Dongguan, China, are currently ISO 45001 certified, demonstrating our global commitment to workplace safety and health. At SOLUM, we remain dedicated to further enhancing our work environment and health and safety practices for the well-being of all our employees.

#### ISO 45001 Certification







Mexico

China Vietnam



### Occupational Safety and Health Management System

### Occupational Safety and Health Management System Overseas

SOLUM faithfully complies with laws on occupational safety and health in the regions where we operate around the world by establishing an environment, health, and safety (EHS) system in our key production subsidiaries. Each production subsidiary develops its own safety and health plans regarding training and education, accident response, and management processes for employee safety and risk prevention. We have also built a system to strengthen our implementation capacity, while clearly defining roles and responsibilities in safety and health, and reinforcing our field-centric autonomous management system.

Our India production subsidiary has set occupational safety and health goals and policies, conducted first aid and fire response training, and used incident investigation checklists to analyze causes and enhance response capabilities. It has also established a material information and safety management system while proactively identifying risks and opportunities at the workplace. The Vietnam production subsidiary carries out safety audits and emergency response drills in line with its annual EHS plan and ensures stable equipment operation through a structured equipment management process. The Mexico production subsidiary has built a safety and health system that complies with legal requirements by maintaining ISO 45001 based manuals and preparing reports related to accidents and fire incidents. The China production subsidiary operates a structured incident and occupational injury reporting system, carries out continuous improvement activities based on safety and environmental KPIs, and fosters a safety culture throughout the organization through training plans and the operation of the safety and environment committee. Based on the outcomes of these activities at our overseas subsidiaries, we regularly monitor on–site issues and work to maintain a balanced, globally aligned standard of occupational safety and health.

### Industrial Safety and Health Committee Organizational Chart in our China Production Subsidiary



# Industrial Safety and Health Targets and Management Initiatives in our India Production Subsidiary



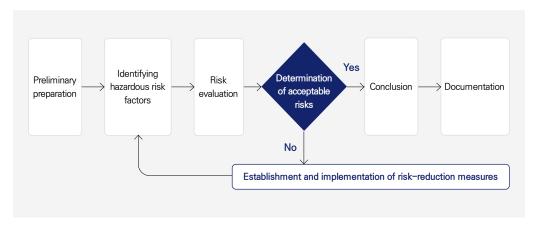
**ESG Management** 

### Occupational Safety and Health Operation and Management

### Risk Assessment

To systematically manage potential hazards and risks at our worksites, we at SOLUM have established internal standards outlining the methods, procedures, and frequency of risk assessments. We also engage external experts to conduct regular assessments. In addition, we carry out routine internal risk assessments and gather case studies of near-misses1) within each department to support accident-prevention efforts. Improvement measures based on risk-assessment findings and case-study analyses are regularly reviewed to ensure their practicality. When needed, we plan to allocate additional budget and personnel to support on-site, actionable improvements. In 2024, we conducted a comprehensive safety and risk assessment at our headquarters' research institute, along with a safety inspection of all electrical facilities. We are also implementing an EHS assessment covering 35 items aligned with the standards of the Responsible Business Alliance (RBA). Our overseas production subsidiaries are similarly conducting risk assessments and performing basic monitoring to identify and address areas for further improvement.

#### **Risk Assessment Procedure**



1) Near-misses: Incidents where an accident or injury almost occurred but was narrowly avoided

### **SOLUM Risk Assessment Report**

㈜솔루엠 반도체연구소	㈜솔루엠 스마트솔루션연구소	㈜솔루엠 파워연구소	㈜솔루엠 품질혁신팀
2024년 정기 위험성평가	2024년 정기 위험성평가	2024년 정기 위험성평가	2024년 정기 위험성평가
2024. 11	2024. 11	2024. 11	2024. 11
SOLUM	SOLUM	SOLUM	SOLUM
recitate preside.	Satiss produ		Seixton provider.

### Risk Assessment Results by Work Site

Worksites	Risk Categories	Improvement Measures	Risk level before improvement	Risk level after improvement
Semiconductor Research Institute	• Working environment	Conduct safety     training	5.6	2.8
Smart Solution Research Institute	• Task- specific hazards	Install and display warning, prohibition, and instruction signs     Provide and require the use of personal protective equipment     Encase exposed electrical wires within	5.6	2.9
Power Research Institute	Electrical     hazards     Mechanical     (equipment-		2.2	
Global Quality Management Division	related) hazards	protective conduits	4.0	2.7



### Occupational Safety and Health Operation and Management

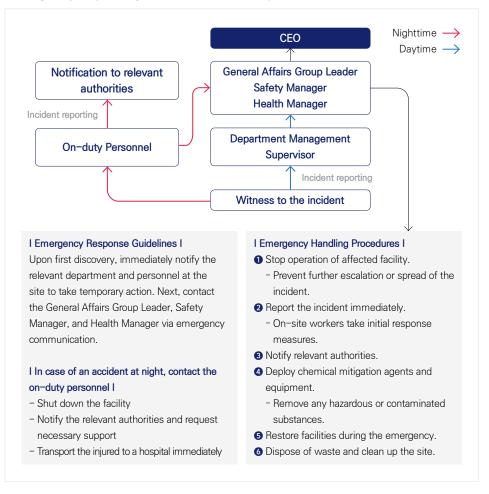
### **Employee Feedback Channels for Health and Safety**

At SOLUM, we collect a wide range of employee feedback on occupational health and safety through our Occupational Safety and Health Committee, in accordance with the Industrial Safety and Health Act. In order to encourage open communication, we have implemented an online safety reporting system, allowing employees to freely share their safety-related concerns and suggestions during their daily work. All feedback received through this channel is promptly reviewed, and appropriate actions are taken. We also monitor the entire implementation process to ensure followthrough. By taking practical, employee-driven actions, SOLUM is committed to building a safe and healthy work environment that our employees can genuinely experience.

### **Emergency Response System**

SOLUM has established an emergency response system to proactively address various emergencies that may occur across all its sites, aiming to minimize human casualties and property damage. This system includes detailed procedures required under the Serious Accidents Punishment Act, such as first aid, rescue operations, prevention of secondary damage, work suspension, and employee evacuation. To ensure swift and consistent responses during emergencies, we have developed clear first-aid guidelines and emergency response procedures, which are shared with on-site workers and relevant departments to guide their actions. In addition, we conduct emergency-response drills semi-annually to regularly verify the effectiveness and functionality of the system in real-life situations.

### **Emergency Reporting Procedures and Response Guidelines**



### Occupational Safety and Health Training

To raise awareness and prevent workplace accidents, SOLUM developed a comprehensive training plan covering safety, health, environment, and energy (SHEE), and provides tailored training programs for employees. In 2024, SHEE training was conducted for 71 new hires and 16 supervisors. We also held regular training sessions in the spring and fall, respectively, with 426 and 459 employees completing the training. Aimed at strengthening employees' ability to respond to safety-related issues, the training includes a wide range of topics such as emergency response, Material Safety Data Sheets (MSDS), and proper use of safety equipment. Our overseas production subsidiaries also provide safety and health training in accordance with local regulations, thus contributing to the establishment of a globally consistent safety culture.

### Occupational Safety and Health Training Outcomes<sup>1)</sup>

Training Period	Course Title	Target Group	No. of Participants	
Mar. 11 ~	Occupational safety and health training		•	
Apr. 10, 2024	(first half, manufacturing)	office and sales employees	426	
Nov. 11 ~	Occupational safety and health training	-ff:	459	
Dec. 20, 2024	(second half, manufacturing)	office and sales employees		
Mar. 11 ~	Occupational safety and health training	Supervisors	16	
Apr. 10, 2024	(manufacturing)	(office and sales employees)	10	
Nov. 11 ~	Occupational safety and health training	New hires	12	
Dec. 20, 2024	(manufacturing)	New filles	12	
Aug. 26 ~	Occupational safety and health training	New hires	18	
Sept. 25, 2024	(manufacturing)	New filles	10	
June 03 ~	Occupational safety and health training	New hires	5	
Jul. 02, 2024	(manufacturing)	new files		
May 10 ~	Occupational safety and health training	New hires	6	
June 09, 2024	(manufacturing)	INEW IIIES		

<sup>1)</sup> Safety and Health Training: The above results reflect training conducted at the Korea headquarters, and include mandatory legal training required under domestic manufacturing industry regulations

### **Employee Health Management**

We, at SOLUM, provide a variety of employee benefits and proactive, prevention-focused health-management programs to support the health and safety of our workforce. Comprehensive health checkups are offered every two years for employees in their 30s and annually for those in their 40s and older. Employees in their 20s and younger also receive general health screenings, ensuring that all employees are covered regardless of age. We also offer group medical expense insurance that partially reimburses inpatient and outpatient medical costs within a set limit. In addition, we regularly develop and conduct safety and health training programs to enhance employees' awareness and practices. To promote well-being and a positive workplace culture, we support employee-led inhouse clubs and encourage active participation in physical and social activities.

### No. of Comprehensive Health Screening Recipients<sup>2)</sup>



2) The comprehensive health screenings are conducted for employees and their family members at the Korea headquarters.

**ESG Management** 

# **Product Safety and Quality**

### **Product Safety**

### **Product Safety Management Process**

SOLUM has established a Process Map for a systematic product safety management process in order to improve product safety. This Process Map is designed based on the Plan-Do-Check-Act (PDCA) cycle and encompasses the entire process—from planning and execution of product safety assessment to monitoring and implementing improvement measures. We conduct safety analyses throughout our manufacturing processes, identify potential risks based on the findings, and take corrective actions. This allows us to address issues promptly and continuously enhance our product safety management system through ongoing monitoring and inspections.

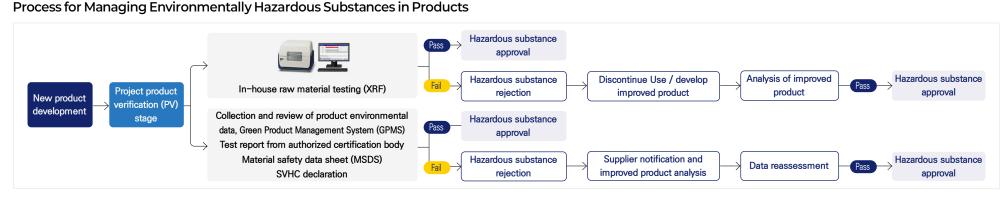
### Product Safety Management Process Map



### Hazardous Substance Management in Products

### Hazardous Substance Analysis and Management

SOLUM takes the issue of hazardous substances in products very seriously and is committed to minimizing their impact on both the environment and human health. Our headquarters and overseas manufacturing subsidiaries are equipped with X-Ray Fluorescence (XRF) analyzers, enabling us to rigorously inspect all components for hazardous substances. We conduct preliminary screenings during the early stages of product development and perform lot-based analyses during production. To ensure accuracy and reliability, we apply the "homogeneous material" standard, which refers to materials consisting of identical substances. To comply with product-safety impact-assessment requirements, we analyze 100% of our products and components for hazardous substances. When new Substances of Very High Concern (SVHCs) are designated, we obtain certificates of compliance from all relevant suppliers for affected components and conduct a thorough review. In addition, we proactively investigate the use of lead-free alternative components in order to prevent potential risks in advance. SOLUM has established a robust management system that ensures all components meet the relevant standards—even before international regulations such as the EU Restriction of Hazardous Substances (RoHS) came into effect.





### Hazardous Substance Management in Products

### Hazardous Substance Management System

To effectively manage hazardous substances within the supply chain, SOLUM operates the Green Product Management System (GPMS). This system systematically collects and manages information on hazardous substances contained in the parts we receive. Through the GPMS, we monitor and manage data on hazardous substances from more than 1,000 suppliers. We thoroughly assess the environmental impact and regulatory compliance of all parts based on hazardous-substance analysis reports, NSDS, and SVHC declarations. All information collected from suppliers is registered in the GPMS to ensure transparent tracking of hazardous substances and enable prompt responses to any issues that might arise. When parts containing hazardous substances are identified, we immediately discontinue their use and replace them with eco-friendly alternatives. We are fully committed to complying with international environmental regulations such as RoHS and REACH. To maintain the integrity of our management system, we conduct regular internal audits and external verifications. We at SOLUM will continue to operate our hazardous substance management system transparently and responsibly, working toward a sustainable supply chain that prioritizes consumer safety.

### GPMS(Green Product Management System)



### **Product Safety and Transparency**

#### **Global Certification**

**ESG Management** 

SOLUM is the first Korean EV power-module manufacturer to obtain both Underwriters Laboratories (UL) and Communauté Européenne (CE) certifications, officially validating the product's global safety standards. The product underwent rigorous testing for electrical and mechanical safety in accordance with key safety standards such as UL 2202, EN IEC 61851-1, and 61851-23. It was verified to maintain safety under various environmental conditions ranging from -40°C to 60°C, even in the event of potential hazards such as overvoltage, electric shock, or fire during the charging process. In addition, by complying with the electromagnetic compatibility standard EN IEC 61851-21-2, the product minimizes electromagnetic interference (EMI), ensuring stable operation without affecting nearby electronic or communication devices during charging. Our Vietnam manufacturing subsidiary has also acquired AEO certification, officially recognizing it as a compliant and secure manufacturing base that meets international standards for legal compliance and safety management in import and export operations.

### Enhancing Customer Confidence through Product Guidance

SOLUM builds customer trust by providing transparent and reliable product information. To ensure correct usage and efficient management, our products are accompanied by clear safety instructions and user guides. We are committed to supporting our customers in using our products safely and with confidence. For example, we have integrated our existing ESL safety instructions and user manuals into a single, easyto-understand document—the "ESL Tag Guidelines"—designed to offer clearer, more accessible guidance.

### **ESL Tag Guidelines**





### **Quality Management**

### **Quality Management Guidelines**

At SOLUM, we are dedicated to delivering top-quality products to our customers in a stable and cost-effective manner, guided by our quality principle: "Zero defect delivery through compliance with rules and processes and field-oriented improvement activities." Each of our subsidiaries develops its own quality- management guidelines to enable tailored quality control. All employees are well-versed in these guidelines and are encouraged to actively participate in the execution of our quality-management practices. To ensure customer confidence, we have also established a detailed product-development process, with defined workflows for each milestone to ensure reliability from the early stages.

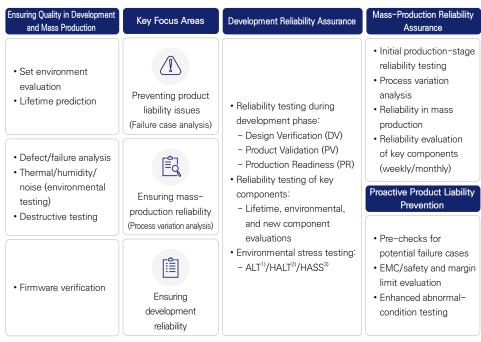
### **Quality Management System Certification**

To proactively meet customer needs and adapt to market changes, SOLUM has secured ISO 9001 (Quality Management System) certification for all its domestic and international manufacturing subsidiaries. Our production subsidiaries in Vietnam and Mexico have also achieved IATF 16949 (International Automotive Task Force) certification, significantly boosting our standing in the global automotive supply chain, IATF 16949, a standard jointly developed by the IATF and ISO Technical Committee, is the unified quality system standard for the global automotive industry. Furthermore, we have adopted ISO 17025 certification to enhance the technical competence and operational reliability of our testing and inspection processes. This supports our growing expertise in product testing, calibration, and environmental and reliability assessments. Our safety certification team continuously monitors new and updated standards, while regular internal training and evaluations ensure we consistently improve our product safety assurance and compliance capabilities.

### **Quality Management Process**

SOLUM places strong emphasis on quality control throughout both the product development and mass production stages by implementing a robust production and quality-management process. We conduct thorough failure analysis to proactively prevent product liability issues and ensure reliability across development and manufacturing. Through these continuous improvements, we reinforce our commitment to delivering stable, high-quality products that customers can trust.

### **Production and Quality Management Process**



- 1) ALT: Accelerated Life Test 2) HALT: Highly Accelerated Life Test
- 3) HASS: Highly Accelerated Stress Screening

Appendix

### **Quality Management**

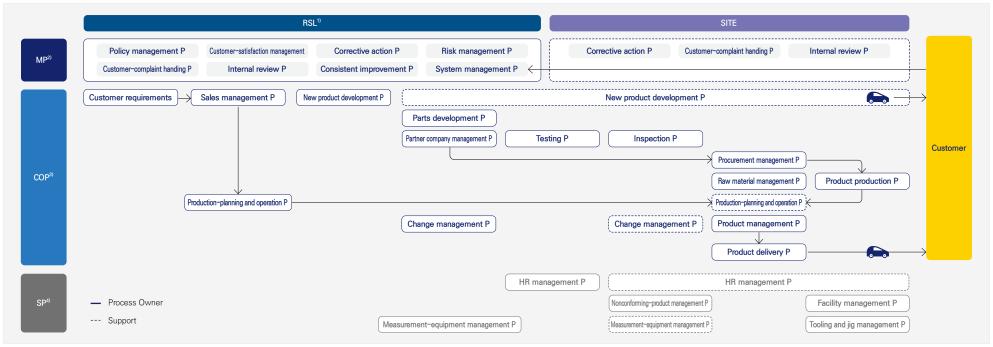
### **Expanding Quality Management**

### Automobile Quality Management System

To remain competitive in the global automobile industry and address evolving customer expectations, we operate a quality-management system based upon IATF 169949. This standard is designed to drive continuous improvements in product- and process-quality, enhance productivity, and increase customer satisfaction by focusing on defect prevention, variation reduction, and waste minimization. At SOLUM, these principles are integrated into every stage of our operations—from development and production, through to final delivery—ensuring unwavering quality. This commitment reinforces our standing as a trusted global partner. We are dedicated to the ongoing enhancement of both product and process quality, thereby consistently meeting the high standards our customers expect and depend upon.

**ESG Management** 

### Quality Management System Based on IATF 16949



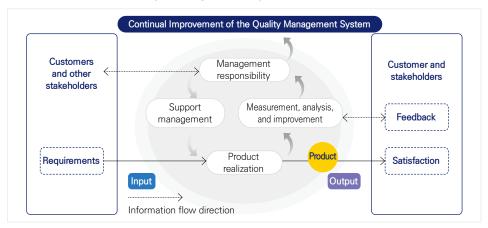
# Quality Management

### **Expanding Quality Management**

### Establishing a Healthcare Quality Management System

SOLUM has secured ISO 13485, the quality management system designed exclusively for medical devices, which require a higher level of safety compared to general products. This certification defines the quality-management system requirements across the entire lifecycle of medical devices, including specification, design and development, production, storage, distribution, installation, servicing, and disposal. To prevent quality-related incidents and prioritize user safety, SOLUM actively works to minimize risks associated with product defects in medical devices. For the effective operation, maintenance, management, and improvement of the quality-management system, we apply a risk-based approach in accordance with ISO 149711). During product development and process management, we identify and assess risks by evaluating the severity and likelihood of potential hazards. Based on these evaluations, we implement risk controls according to five key measures, thereby ensuring the continuous improvement of our quality management system and enhancing product safety and reliability.

### ISO 13485-based Quality Management System

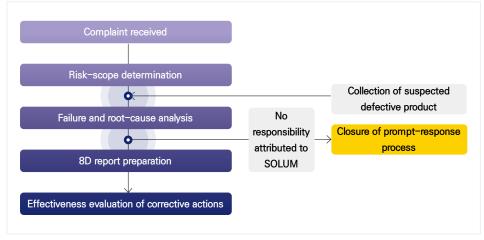


### Voice of Customer (VOC) Response System

SOLUM operates a structured Voice of the Customer (VOC) response process to minimize customer impact and maintain trust in the event of product defects or safety issues. Our VOC process includes a prompt response mechanism tailored to each situation, along with a Return Material Authorization (RMA) process that enables quick retrieval and replacement of products. This helps reduce customer inconvenience and supports quality improvement. To effectively capture and reflect customer feedback, we operate an integrated VOC system. All VOCs are shared with relevant departments after root cause analysis and appropriate corrective actions are taken. In 2024, we implemented a Quality Management System (QMS) to systematically collect, analyze, and manage customer claims data. We remain committed to enhancing customer satisfaction and continuously improving product quality.

### **VOC Prompt Response Process**







# **Supply Chain**

### **Partner Company Management System**

### Partner Company Code of Conduct

Since 2021, SOLUM has been operating the 'Supplier Code of Conduct'. In early 2024, we revised it by reflecting international standards, such as the core principles of ILO, OECD, and the Responsible Business Alliance (RBA). Our Supplier Code of Conduct consists of five key areas, namely: labor and human rights; occupational health and safety; the environment; ethics; and management systems. It requires all partner companies to comply with these standards. Through this Code, we ensure that all business partners uphold their social responsibilities by maintaining safe working environments, respecting the dignity and rights of workers, and operating in an environmentally responsible and ethical manner.

### **Supplier Code of Conduct Structure**

#### Prohibition of discrimination Grievance mechanism Working hours · Wages and benefits • Prevention of workplace • Freedom of association and Labor and • Prevention of forced labor harassment and abuse collective bargaining Human and human trafficking · Prohibition of child labor Education and training Rights Use of third-party · Protection of adolescent workers Zero tolerance for retaliation employment agencies Protection of student workers · Prohibition of bonded labor Occupational health and · Health and safety permits · Working and living Health and safety management • Emergency preparedness conditions Safety · Incident management and response • Training and communication Regulated substances · Hazardous waste management Noise control at site boundaries **Environment** Environmental permits and Wastewater management Resource-consumption · Air-emissions control management reporting Responsible sourcing of · Information disclosure Whistleblower protection **Ethics** materials · Protection of intellectual • Community engagement Business integrity property Responsible management Risk assessment and · Electronic Industry Management · Documentation and record keeping Citizenship Coalition management Systems · Audits and assessments · Conflict minerals (EICC) Compliance

### Partner Company ESG Management System

Recognizing partner company ESG management as a critical component of our overall ESG strategy, we established a company-wide partner company ESG management plan in 2024. We are developing a procurement-led process to systematically identify and proactively address ESG risks within our supply chain. To further strengthen our resilience, we obtained ISO 22301 (Business Continuity Management System) certification. This standard provides a structured framework to assess the potential impact of disruptions on business operations and build organizational resilience through effective response capabilities. With this system in place, we are able to maintain smooth business operations, even in the face of unexpected incidents or crises, while fostering a sustainable and trusted supply chain for our stakeholders and society.

### Partner Company ESG Management





### Partner Company Safety Environment Assessment

At SOLUM, we have developed a 12-item assessment checklist to systematically monitor our partner companies' occupational safety and health management capabilities. We use this checklist to rigorously evaluate new partner companies, only partnering with those who score 80 points or higher out of 100 for a year. Our assessment system encourages partner companies to proactively engage in occupational safety and health activities, ultimately raising their standards for industrial disaster prevention and management. We also regularly assess our partner companies' processmanagement status and overall performance. In 2024, we plan to complete assessments of 72 partner companies, and we will increase this number in 2025. Our overseas production subsidiaries are also expanding their occupational-safety and environment assessments for partner companies, aligning with established standards and systems. For example, our Vietnam production subsidiary conducts an EHS assessment comprising 35 items that reflect RBA standards. They report these results and conduct on-site monitoring to the headquarters. In the first half of 2025, we launched a comprehensive EHS-innovation initiative. This initiative aims to improve safety in high-risk areas, reduce hazardous substances, conserve energy, and strengthen fire-response systems. Through centralized control-room operations and systematic management of high-priority areas, we are dedicated to building a sustainable and safe working environment.

### On-Site Audits by the Global EHS Office





### 12-Point Occupational Safety & Environmental Inspection Checklist

01 Installation of local exhaust ventilation systems in chemical handling areas



02 | Management and maintenance of local exhaust ventilation systems



O3 | Provision and proper use of personal protective equipment (PPE) when handling chemicals



04 | Workplace environment monitorina



05 Use of prohibited/restricted substances in processes and registration of chemical substances



O6 Chemical handling management (storage areas, designated waste storage areas)



07 | General and special health checkups (as applicable)



08 EHS training



09 | MSDS<sup>1)</sup> for chemical substances



10 Risk assessment procedures



11 | Basic compliance with EHS standards



12 | Management of subcontractors (including leadership commitment)



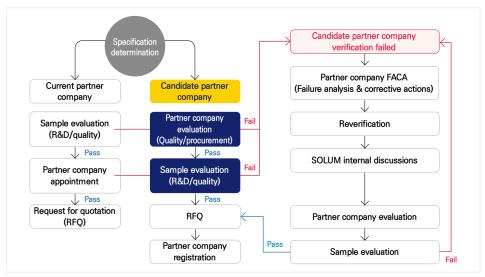
1) MSDS: Material safety data sheet

### Partner Company Management System

### Partner Company Selection Process

At SOLUM, we select our partner companies through a rigorous, multi-step review process that involves our development, quality, and procurement departments. We ensure that all partner companies meet our occupational safety and quality standards before we move forward. New candidates, in particular, can only become officially registered and contracted partner companies after successfully passing this review. This means our partner company selection and contract-management procedures are quite strict and thorough. We only sign contracts once we have confirmed that partner companies fully understand all requirements, have no outstanding issues, and agree to clearly defined terms. These terms include responsibilities, payment conditions, and nondisclosure clauses, all designed to ensure transparent and trustworthy transactions. Based on these standards and procedures, we have selected and finalized 37 suppliers as our official parts suppliers in 2024.

### Parts Partner Company Selection Process

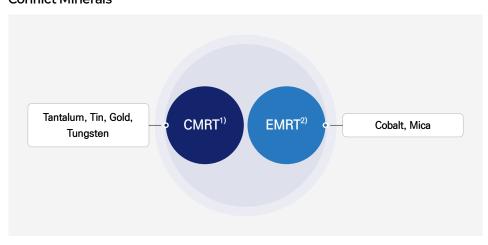


### Addressing Conflict-Minerals Regulations on the Global Stage

SOLUM recognizes the importance of preventing the illegal extraction and trading of natural resources, as well as the associated risks of human rights violations, child labor, and environmental destruction. To address these concerns, we have established a conflict-minerals management policy as part of our responsibility to the global community. Our policy strictly prohibits the extraction, transport, and trade of minerals linked to human rights abuses, as well as any involvement in corruption, money laundering, or bribery. If conflict minerals are found to be involved, we take immediate action to restrict their use and demand corrective measures. Through these proactive efforts, we improve transparency across our supply chain and ensure responsible sourcing.



#### Conflict Minerals



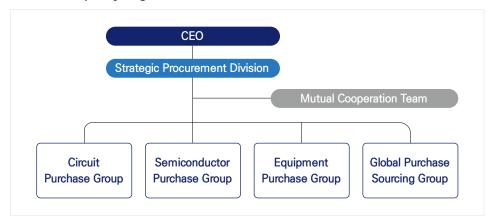
1) CMRT: Conflict Minerals Reporting Template 2) EMRT: Extended Minerals Reporting Template

### **Partner Company Engagement**

### **Shared Growth Management System**

At SOLUM, we place the highest priority on building long-term, mutually beneficial relationships with our partner companies. Our goal is to enhance their self-reliance and competitiveness-not just through one-time support, but through sustainable, ongoing collaboration. To this end, we operate a dedicated team focused on mutual growth and cooperation, actively supporting our partner companies in their efforts toward sustainable management. In particular, we strictly adhere to a 100% cash payment policy for all partner companies, helping them maintain financial stability. This approach gives partner companies greater financial certainty when procuring raw materials and equipment, helping them to maintain stable cash flow and business continuity. Our commitment to fair and sustainable partnerships has been widely recognized. From 2021 to 2023, SOLUM received an "Excellent" rating in the annual Fair Trade Agreement Implementation Assessment conducted by the Korea Fair Trade Commission, and in 2024, we achieved the highest "Outstanding" rating, underscoring our dedication to shared growth with our partner companies.

### Mutual Prosperity Organizational Structure



### **Shared Growth Support Programs**

SOLUM is committed to the sustainable growth of its partner companies. We offer ESG training for their executives and management, strengthening our partnerships through tailored technical support and education. To boost R&D capabilities and foster mutual prosperity with our global partner companies, we hosted our first-ever Global Partner Company Partners Day in 2024. This event gathered 15 semiconductor and E-Paper parts partner companies from the United States. Japan, Europe, Taiwan, and China. During the day, we shared our vision and business roadmap, held in-depth development meetings by division, and unveiled new products, all of which helped solidify our strategic partnerships. Beyond this, SOLUM provides a variety of practical support programs designed to enhance our partner companies' management stability and competitiveness. For instance, to help expand sales channels in Vietnam, we organized an export promotion seminar with 12 participating companies, including TransOn and Atum. To alleviate the pressure of rising global raw material prices, we have put in place a price indexation system that is linked to delivery costs. We also improve partner companies' cash flow by offering early payment support during holidays. A clear example of our commitment to timely financial assistance came in 2024 when we provided KRW 50 million in emergency aid to a partner company impacted by Typhoon Yagi.

### Global Partner Company Partners Day Vietnam Market Entry Seminar





### **Partner Company Engagement**

### Partner Company Grievance Handling

SOLUM is committed to addressing a wide range of partner company related issues—such as fair trade, mutual growth, ethical management, and partnership support—by appointing the Head of the Management Support Division as Chair of the Partner Company Grievance Committee. Partner Companies can submit grievances through our official website, and all submissions are promptly reviewed to ensure practical resolution and active support. To build stronger trust with our partner companies, we clearly communicate our goals and expectations for collaboration and provide regular performance updates and feedback to maintain open, consistent dialogue. We also hold regular Hamseong Council meetings, attended by the SOLUM CEO, senior executives, and partner company representatives. In 2024, four Council meetings were held. These sessions provide a platform to share business updates, introduce new products, gather partner company input, and offer training on ethics and compliance. Through these ongoing efforts, we aim to promote mutual growth, enhance competitiveness, and resolve issues through meaningful communication. We will continue to listen to our partner companies and cultivate sustainable partnerships built on mutual trust and respect.

### Partner Company Grievance Handling

### Hamseong Council Regular Meeting





### Partner Company Grievance Handling Organizational Structure



# **Information Security**

### **Information Security Management System**

### Information Security System

SOLUM is committed to building a world-class information-security system through a standardized company-wide approach. To achieve this, we have developed a comprehensive information-security implementation roadmap and strategic protection plans. We ensure business continuity by obtaining international ISO certifications and conducting regular security assessments. Any areas identified for improvement are promptly implemented to strengthen our security practices. To proactively counter external threats, we operate a real-time security-monitoring system that preemptively blocks access to high-risk sites, thereby preventing data leaks. We also have emergency-response plans in place for potential hacking incidents or service disruptions, and we conduct regular drills to sharpen our response capabilities. By analyzing potential operational and resource disruptions in advance, we have established a robust foundation to respond to security threats both effectively and reliably.

### nformation Security Implementation Roadmap

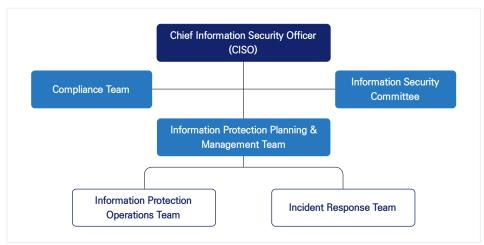
Planning Phase	Risk assessment	Setting security objectives	Stakeholder engagement	Definition of roles and responsibilities
Strengthening Phase	Establishment of an integrated security strategy	Establishment of security policies and procedures	Security architecture design	Budget allocation
Implementation Phase	Implementation of access-control systems	Deployment of video-surveillance systems	Introduction of intrusion- detection systems	Enhancement of data protection
Operation/Optimization Phase	Security personnel training	Establishment of monitoring and response systems	Development of performance indicators	Continuous improvement

### Information Security Governance

SOLUM has established the SOLUM Information Security Committee to address a wide range of information–security needs, and to strengthen awareness and collaboration across all levels of the organization—from executive leadership to frontline staff. The Committee reports directly to the CEO and includes members from various departments, including Compliance, IT, General Affairs, and R&D, creating a structure that fosters cross–functional cooperation on security matters.

Led by the Information Protection Team, SOLUM has developed a one-stop security-management system that covers the establishment and revision of security policies, adoption of the latest security solutions, acquisition of relevant certifications, real-time monitoring, and incident response. In the first half of 2025, we plan to conduct on-site visits to implement IT and information security policies tailored to each subsidiary. Through this initiative, we aim to build a unified global information-security framework, and enhance operational efficiency across the entire organization.

### Information Security Organization Chart



nvironment | **Social** | Governance

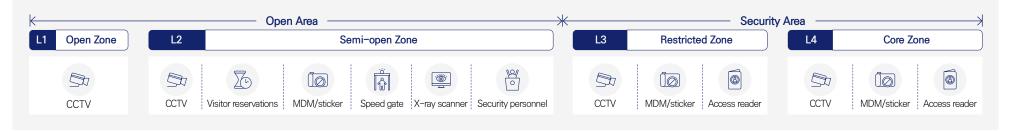
### **Information Security Management System**

### Three Core Information Security Objectives

### **Physical Security Measures**

SOLUM pays special attention to the physical security of its new headquarters building. In order to protect internal information, we have created a systematic security environment in which access to email services and cloud storage using personal corporate accounts has been blocked. Also, access—control systems have been implemented to enhance the security of key facilities. In particular, critical areas are equipped with CCTV and surveillance devices, while the server room is safeguarded with fire—detection sensors and automatic fire—suppression systems to prevent data breaches and incidents. To further secure the handling of confidential documents, we have adopted SECUPRINT, a secure printing system that prevents unauthorized document leakage. Additionally, we operate a four—level security system that integrates physical and information security across the new headquarters. The system classifies spaces into four zones—open, semi-open, restricted, and core—and applies customized security measures based on each zone's sensitivity. For areas requiring higher security, such as restricted and core zones, access card readers have been installed to ensure that only authorized personnel are permitted entry, thereby maximizing security.

### Physical Security Measures by Zone



### **Technical Security Measures**

For systematic operation of the information–security policy, SOLUM applies encryption technologies during data storage and transmission, while implementing firewalls and regularly updating antivirus software to control access to internal networks and manage user permissions. For secure remote access, we utilize Virtual Private Network (VPN) and Two–Factor Authentication (2FA). System logs are continuously monitored to detect and respond promptly to any unusual activity. To ensure security in mobile environments, we have adopted Mobile Device Management (MDM), thereby further enhancing protection. In the second half of 2025, we plan to adopt Microsoft Office 365 and implement Microsoft's security policies to strengthen compliance with security–related regulations.

### Administrative Security Measures

At SOLUM, the information-security team is dedicated to educating employees and raising awareness to ensure they understand the company's information-security policies and apply them in their daily work. All employees receive the security policies and guidelines for the new headquarters, and specialized training is provided for on-site security personnel. Newly implemented policies are communicated through company-wide announcements to support effective adoption and strengthen overall security awareness. These policies include restrictions such as prohibiting the use of personal email accounts, blocking access to external storage services like Google Drive, and limiting the use of certain Large Language Model (LLM) services—such as DeepSeek—due to the high risk of information leakage.



### **Information Security Activities**



### Enhancing Information Security Disclosure and Management Activities

Since 2023, SOLUM has transparently disclosed key information on investments, personnel, certifications, and security initiatives - in accordance with the Information Security Disclosure System under the Information and Communications Network Act. Details on our IT and information-security investments, dedicated security workforce, major certifications, and related activities are publicly available through the Korea Internet & Security Agency (KISA) Information-Security Disclosure Portal. We regard the protection of information assets as a core corporate value and are committed to operating a robust information-security management system. As part of this commitment, we announced the "SOLUM Declaration on Information-Security Management Activities" to ensure that all employees recognize the importance of information security and actively contribute to maintaining it.

#### SOLUM Declaration on Information-Security Management Activities

Protecting information assets is essential to the success of our business. The management of SOLUM Co., Ltd. ("SOLUM") is responsible for safeguarding these assets and continuously enhancing our information-security management system. To fulfill this responsibility, management must take appropriate measures to protect SOLUM and its operations from a wide range of threats, including human error, destruction, cyberattacks, personal data breaches, service interruptions, and natural disasters. As we face risks such as system hacking, unauthorized access and data leaks, malicious software infections, and various operational, technical, and administrative issues, SOLUM must remain vigilant and proactive in building, operating, and maintaining secure information systems. The potential loss of critical information assets can lead to significant legal, social, and ethical consequences, underscoring the growing need for comprehensive and preventive measures. SOLUM's information assets must be protected based on their sensitivity, value, and criticality. Our security policies apply to all business processes and cover the full lifecycle of information—including its storage, processing, and transmission. Protective measures encompass limiting access to information strictly to authorized personnel, providing regular training to employees, and conducting periodic security audits. The Chief Information Security Officer (CISO) is responsible for allocating sufficient time and resources to ensure effective information protection. If any part of the information-security management system is found to be lacking, corrective action must be taken immediately to reduce the risk of security incidents. Disciplinary measures may be implemented when necessary. Achieving our information-security objectives requires the active participation and cooperation of all employees. Staff must be equipped with proper training and reference materials. Each site's informationsecurity department is responsible for establishing and managing all internal policies, guidelines, and procedures necessary to protect SOLUM's information assets. As the CEO, I hereby declare SOLUM's firm commitment to responsibly implementing a strong and effective information-security management program. We are dedicated to ensuring that our organizational, physical, technical, and human safeguards—together with the collective efforts of our employees—support the efficient and secure operation of our business.

> May 17, 2024 Jun Sung-ho, CEO of SOLUM

### **Expanding Information Security Certifications**

SOLUM is continuously strengthening its security capabilities by acquiring a wide range of global certifications to establish an internationally recognized informationsecurity framework. We have obtained SOC 2 Type-2 certification, which assesses the adequacy of internal controls based on the standards of the American Institute of Certified Public Accountants (AICPA), as well as ISO/IEC 27001 certification for our information-security management system (ISMS). In addition, we hold certifications such as ISO/IEC 27017 and the Cloud Controls Matrix (CCM) Version-4 for cloudspecific security controls, along with GDPR compliance for the protection of personal data in accordance with European regulations. In 2025, we plan to pursue additional cybersecurity certifications. With the revision of the EU's Radio Equipment Directive (RED), we are preparing to meet new legal requirements that mandate enhanced cybersecurity for network-connected products. We are actively conducting department-level seminars and preparing necessary documentation with the goal of achieving certification under the updated regulations.

### ISO 27001 (Information Security Management System) Certification





### **Information Security Activities**

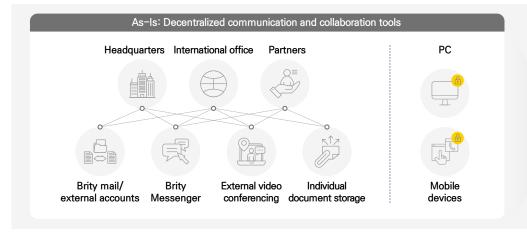
### Information Security Infrastructure & Solution Investments

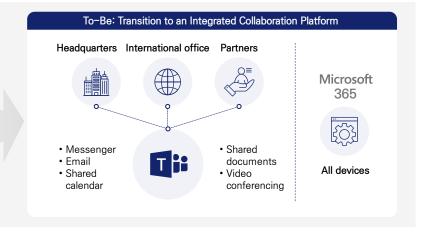
SOLUM is actively expanding its infrastructure investments to strengthen information security. We are enhancing the security of our information, documents, and overall infrastructure by adopting MS Office 365. This transition has unified our previously fragmented communication and collaboration systems, creating an integrated MS Office 365 environment. This not only streamlines internal collaboration but also allows for the seamless sharing and utilization of information, thereby significantly boosting our operational productivity. To counter information and document security threats posed by external cloud usage, we have implemented document centralization and email security systems to prevent the leakage of critical data. We have also advanced our document–security framework through features like export approval systems, conditional access policies, and mobile security. Furthermore, we conduct post–audit monitoring for document security and have deployed Microsoft Purview Information Protection (MPIP) to establish a robust document–protection solution across the organization. By applying group–specific security policies and building an end–to–end security solution, we are also progressing with our next–generation ERP project for the SAP ERP transition.

### **Proactive Risk Management**

To ensure the success and sustainability of new business initiatives, SOLUM proactively assesses potential risks and develops appropriate response strategies. We leverage certifications like ISO and CyberVadis to effectively manage information security, privacy risks, and global legal compliance for our customers around the world. Furthermore, we have implemented a robust Business Continuity Management System (BCMS). This includes conducting Business Impact Assessments (BIAs) and evaluating risks related to task and resource disruptions. These assessments are crucial for developing our Business Continuity Plans (BCPs), which guide our response to potential IT system breaches and failures. We also conducted contingency response training (CP), particularly for server equipment failures. During these training sessions, we simulate emergency scenarios to thoroughly test our response plans, reviewing each component step by step. Any identified areas for improvement are then refined and re-tested, thereby ensuring that we can effectively recover from a real incident.

### Securing Information through MS Office 365 Unified Collaboration





Environment | Social | Governance

### **Social Contributions**

### **Social Contribution Activities**

# Expanding Employment Opportunities for People with Disabilities in Arts and Culture

SOLUM provides ongoing support to 'Art Museum VERSI', located in Yongin-si, Gyeonggi Province, to promote the artistic and commercial activities of persons with disabilities. VERSI aims to create stable and sustainable jobs for those in underprivileged communities. The museum operates the VERSI Art Festival and Living Museum, focusing on discovering and nurturing the pure artistic talents of artists with mental impairments. From the design stage, the museum incorporated the concept of Barrier-Free accessibility to ensure that socially disadvantaged groups can enjoy art without discrimination. It has been created as an inclusive space that is easily accessible to people with disabilities as well as those with limited mobility, such as the elderly and children. In addition, SOLUM offers free admission to its employees, thereby contributing to the realization of greater social value.

#### Art Museum VERSI





### **Local Community Engagement**

SOLUM actively engages with local communities through a partnership with 'Hakil Village' in Yongin-si, Gyeonggi Province, as part of our efforts to promote mutual growth with rural areas. We provide employees with opportunities to participate in a variety of handson rural experiences, including eco-friendly farming and ecological activities. We also purchase eco-friendly agricultural products directly from our partner village and offer them to employees at prices lower than those in the market. To further support the village's economy. we host seasonal events such as strawberry picking, traditional Korean sauce making, sweet potato harvesting, and natural skincare workshops. In addition, in 2025, SOLUM donated 360 smartphone chargers to wildfire-affected areas and underserved communities through social welfare organizations. These efforts strengthen our ties with local communities and demonstrate our commitment to corporate social responsibility through disaster relief and support for vulnerable populations.

### Rural Experience Programs at Hakil Village





### Creating a Community-Centered Cultural Complex

In 2025, Sol Square, SOLUM's new headquarters, opened in Yongin-si, Gyeonggi Province. Designed for both SOLUM employees and local residents, Sol Square offers essential lifestyle infrastructure including medical facilities, a supermarket, restaurants, and cultural community spaces—all within a three-minute walking distance. The complex is planned to house a medical center focused on everyday healthcare needs, including a 24/7 pediatric clinic open on holidays, as well as ENT, dermatology, orthopedics, dentistry, and pediatric dentistry services. In addition, it will feature a 230-square-meter premium supermarket, a variety of unique pop-up stores, and a curated selection of high-end restaurants. Through Sol Square, SOLUM aims to enhance the quality of life for local residents and lay the foundation for sustainable growth where business and community thrive together.

### Sol Square



### **Social Contribution Activities**

### **Overseas Social Contribution Activities**



Our Vietnam production subsidiary supports local healthcare services by providing meals to patients at a hospital in Vinh Phuc Province. The company also awards university scholarships twice a year, and delivers gifts to 15 underprivileged families during the Lunar New Year to strengthen connections with the local community. Additionally, employees affected by natural disasters such as typhoons receive financial assistance twice a year, as part of our ongoing commitment to employee welfare.



Scholarship for students at Vietnam University



Meal support for patients at a hospital in Vinh Phuc Province



Our Mexico production subsidiary engages in a range of CSR initiatives, including maintaining cleanliness and safety in designated public spaces and supporting nearby schools through facility upgrades. The company also provides regular aid to orphanages and nursing homes, thereby contributing to the well-being of vulnerable members of the community. In recognition of these efforts, the subsidiary was awarded CSR certification in 2024.



CSR certification



Over the past three years, our India production subsidiary has allocated more than 2% of its average net income to active community engagement. In the Karnataka region (Bengaluru and Hubli) and Uttar Pradesh (Vrindavan), we provide lunches to about 1,200 children, helping improve child welfare and the educational environment in underserved areas.

### Support for social contribution activities

Unit: KRW

No. of Beneficiary Children	Total Donation Amount
200	5,172,000
500	12,930,000
500	12,930,000
1,200	31,032,000
	500 500

# Governance

72 Governance

77 Jeong-Do Management (Ethics and Compliance)



### Governance

### **BOD Management**

### **Board Structure**

As of the date of this report, SOLUM's Board of Directors (BOD) consists of five members: three internal directors and two outside directors. In accordance with BOD regulations, the CEO serves as the Chairperson, and all directors hold equal voting rights. To ensure fair decision—making, directors with conflicts of interest on specific agenda items are excluded from voting on such matters. The BOD is responsible for setting the company's overall management direction and for reviewing and approving major business decisions. The participation of outside directors with diverse expertise plays a key role in providing effective oversight and promoting balanced decision—making. SOLUM remains committed to strengthening the expertise and independence of its Board to support sustainable growth and responsible corporate governance.

BOD Structure

As of Dec. 31, 2024

Category	Name	Gender (Age)	Position	Date of Appointment	Expected Term Expiration	Term Expiry Date	Area of Expertise	Role/Reason for Appointment
Internal Director (CEO) ESG Committee Member	Jun _Sung-ho	Male (Age 65)	BOD Chief	July 2, 2015	Mar. 30, 2027	CEO of SOLUM Vice President, Digital Module Division, Samsung Electro-Mechanics Head of CIS, Samsung Electronics	General management	Has a deep understanding of the manufacturing industry, backed by hands- on experience and expertise gained at Samsung Group; and is recognized as an outstanding expert in technology and R&D, with extensive experience in the electrical and electronics sector.
Internal Director	Ban Hui- gwon	Male (Age 58)	Director	Mar. 29, 2023	Mar. 29, 2026	Head of Management Support     Headquarters, SOLUM     President, SOLUM USA     Head of Management Support Team, LCR/     DM Division, Samsung Electro-Mechanics	Management support	Appointed as an internal director based on extensive hands-on experience in various roles, including Head of Management Support at Samsung Electro-Mechanics and President of SOLUM USA, as well as expertise in accounting and taxation as a certified AICPA.
Internal Director	Yu Dong- gyun	Male (52)	Director	Mar. 29, 2023	Mar. 29, 2025	<ul> <li>Head of Business Division, SOLUM</li> <li>Principal Researcher, Power Development, Samsung Electro-Mechanics</li> </ul>	Power business	Appointed as an internal director for his deep understanding and expertise in power products—one of the company's core businesses—based on practical experience as a principal researcher in power development at Samsung Electro–Mechanics.
Outside Director  ESG Committee Chair	_ Hong Jun-gi	Male (Age 66)	Director	Mar. 29, 2019		CEO, Kyungdong Navien CEO     CEO, Coway	Corporate management	Appointed as an outside director for his broad and in-depth knowledge of corporate operations, based on his experience as CEO of Kyungdong Navien and Coway. He is expected to contribute to enhancing the company's business competitiveness and strengthening its foundation for future growth.
Outside Director  ESG Committee  Member	_ Lee Gyu- yeon	Male (Age 61)	Director	Mar. 29, 2019	1/lar /9 /11/5	Executive director, Korea Exchange (KRX)     Advisor, Lee & Ko	Legal & regulatory affairs	Appointed as an outside director for his professional legal knowledge and regulatory expertise gained through his experience as executive director and a member of the corporate review committee of the KRX stock market, and advisor at Lee & Ko. He is expected to contribute to effective board governance, shareholder protection, and enhancement of corporate value.
Fulltime Auditor	Yi Yong-tae	Male (Age 62)	Audit	Mar. 29, 2019	Mar 29 2025	<ul> <li>Head of Compliance Support Office, Seoul Semiconductor</li> <li>Managing Director, Compliance Support Team, Samsung SDI</li> </ul>	Accounting and operational audits	Currently, there is no separate standard in place for the appointment of auditors. However, all matters stipulated by laws and the Articles of Incorporation are fully observed. Candidates are recommended following strict deliberation by the BOD and then appointed at the General Meeting.

# **BOD Management**

### **BOD and BOD Committee Activities**

### **BOD Activities**

In 2024, SOLUM held a total of 61 BOD meetings, including six regular meetings and 55 extraordinary meetings. All agenda items were approved. Except for eight absences each by outside director Hong Jun-gi and internal director Ban Hwi-gwon, all directors attended the meetings. Meeting agendas were notified one day in advance of each meeting date, and in the case of holidays, notices were provided on the preceding business day to ensure consistency in operations. With a high attendance rate, the BOD has demonstrated swift and efficient decision—making, practicing responsible management for the company's sustainable growth. Going forward, SOLUM will continue to prioritize transparency and fairness while further strengthening collaboration between management and the BOD.

### **BOD Activities**









### **BOD Committee Activities**

**ESG Management** 

At the 7<sup>th</sup> Annual General Meeting held in March 2022, SOLUM amended its Articles of Incorporation to allow for the establishment of various BOD committees, including the Management Committee, Executive Committee, and Compensation Committee. The composition, authority, and operation of each committee are determined by a resolution of the BOD. In March 2024, SOLUM announced its commitment to ESG management at the Annual General Meeting. Following a board resolution, the ESG Committee was established as a BOD committee. The ESG Committee consists of three members—two outside directors and one internal director—and is responsible for reviewing and systematically managing the company's environmental, social, and governance policies and ESG-related initiatives to support sustainable management.

### Key Roles of the ESG Committee



- Review of major strategies and policies related to ESG
- Review of shareholder return policies and key matters related to shareholder rights
- Review of other ESG-related matters that may have a significant impact on the company's management, as deemed necessary by the Committee
- Other matters delegated by the BOD

### **ESG Committee Activities**

Date	Agenda
May 17, 2024	Establishment and revision of SOLUM's ESG policies and regulations
June 25, 2024	Planning and reporting for the publication of SOLUM's ESG Report

Appendix

# **BOD Management**

### **BOD** Expertise

SOLUM is committed to strengthening the diversity and expertise of its BOD. The current BOD consists of five members, including two outside directors-representing 40% of the BOD-which exceeds the legal requirement of at least one-quarter outside directors. Outside directors play a key role in monitoring management and helping maintain sound corporate governance. Comprising experts from various fields, the BOD engages in in-depth discussions to support rational and effective decision-making. As the BOD is responsible for determining key business matters, all directors are provided with relevant materials and information in advance of each meeting to enable thorough and productive deliberation. To further enhance the BOD's capabilities, SOLUM offers a range of training programs. We provide regular and ad-hoc training sessions at our headquarters for both internal and outside directors and encourage participation in external programs such as those organized by the Korea Listed Companies Association.

### **BOD Training**

Date	Training Organized by	Participants	Topics				
Jan. 29, 2024	SOLUM		Internal control improvements				
Mar. 7, 2024	Bae, Kim & Lee	Outside director (Hong Jun-gi,	<ul> <li>ESG trends and regulatory development</li> <li>ESG risks and management strategies</li> <li>ESG opportunities and responses</li> </ul>				
June 25, 2024	SOLUM	Lee Gyu-yeon)	ESG report publication				
Oct. 30, 2024	SOLUM		Overview of key business operations				

### **BOD** Independence

SOLUM is committed to strengthening the independence of both internal and outside directors by strictly complying with the qualifications outlined in relevant laws and the company's Articles of Incorporation. To ensure transparency in the BOD appointment process, detailed information about nominated candidates—including their nominator, relationships with major shareholders, and any prior transactions with the company—is disclosed through an electronic public filing at least two weeks before the Annual General Meeting (AGM). There are no restrictions based on gender or region when nominating directors. All candidates are given equal opportunity during the selection process. To further ensure the independence of management and corporate governance, one fulltime auditor performs audit duties in accordance with Article 32 of the Articles of Incorporation. The auditor participates in Board meetings and independently monitors the directors' activities. When necessary, the auditor may request business-related reports from subsidiaries and has access to relevant management information. In 2024, the auditor completed two training sessions focused on internal control improvements, ESG trends, and risk-management strategies. These programs are designed to enhance the auditor's capabilities and support the effective execution of audit responsibilities.



Environment | Social | Governance

# **Compensation Policy**

### **BOD Compensation Policy Standards**

SOLUM stresses the BOD and audit's independence and responsible management by implementing transparent and fair compensation policies. Our registered internal directors are comprised of three internal directors and two outside directors. The compensation for directors and the auditor is determined at the AGM, operating within the limits set by Article 33 of our Articles of Incorporation. External directors receive a fixed salary that aligns with industry averages. This compensation is all-inclusive, covering expenses, such as transportation for attending board meetings, without additional allowances or expense reimbursements. Furthermore, we do not provide individual incentive mechanisms, maintaining a structure that guarantees independent decision making.

	Category		Compensation Policy Standards
Registered Director (excluding external director and		Salary	In accordance with the Executive Compensation Regulations (as resolved by the BOD), compensation is determined by taking into account the executive's position, the nature of delegated duties, and performance outcomes.
Audit Committee)		New Year's Day/Chuseok bonus	A fixed annual salary equivalent to 1/14 of the annual compensation is paid in full each month.
	£\$\$4}	Incentives	Performance based bonuses may be granted based on the company's annual business performance, including revenue and operating profit margin. The maximum amount of the bonus is determined by the BOD in accordance with the established evaluation criteria.
Outside Director (excluding Audit Committee)	nana III	Salary	For outside directors, compensation is determined based on the nature of their duties, in accordance with the Outside Director Compensation Regulations.
Audit		Salary	For auditors, compensation is determined similarly, based on the nature of delegated duties, in accordance with the Auditor Compensation Regulations.

### Performance Evaluation and Compensation for Outside Directors

SOLUM applies a specialized operational framework designed to guarantee the independence and responsible decision-making of its outside directors. We foster an environment that actively encourages outside directors to voice their perspectives and engage in collaborative decisions, thereby enabling them to effectively fulfill their roles in management oversight and advisory capacities. Notably, the compensation for outside directors is not linked to performance-evaluation outcomes, and their activities are transparently reported through regular disclosures. This approach allows us to consistently monitor their roles and contributions within the Board of Directors, underscoring their accountability in business operations. Reappointment is determined by a comprehensive assessment of their business relevance, specialized expertise, and overall responsibility. Candidates are nominated by the BOD, with their final selection confirmed at the AGM. Our objective is to achieve sustainable growth while rigorously maintaining the independence of our outside directors. We will therefore continue to seek enhanced methods of support for outside directors, in strict adherence to pertinent laws and guidelines.

# **Shareholder Policy**

### Shareholder Structure (Including Minority Shareholders)

At SOLUM, our top priority is ensuring balanced rights for all shareholders. As of the end of 2024, our largest shareholder is Jun Sung-ho, CEO of SOLUM, who owns a 14.31% stake in the company. The total number of issued shares is 50,005,551, and the details of major shareholders holding 5% or more, along with minority shareholders, are provided in the table below. We, at SOLUM, strictly comply with the Commercial Act and relevant laws to ensure that all shareholders are equally able to exercise their voting rights.

		Shareholder		Shares Owned					
Category	No. of Minority Total No. of Shareholders Shareholders		Ratio (%)	Shares Held by Minority Shareholders	Total No. of shares issued	Ratio (%)			
Minority Shareholders	43,184	43,236	99.88	28,729,275	50,005,551	57.45			

### Shareholder-friendly Policy

SOLUM prioritizes shareholder value and emphasizes its trust-based shareholder friendly policy. Until 2024, we had conducted four rounds of share buybacks worth KRW 40 billion. Upon each decision, we promptly disclosed all relevant details to all shareholders through the Financial Supervisory Service's DART system. In addition, we plan to introduce an electronic voting system in 2026 to facilitate stakeholders 'more convenient participation in shareholder voting. To further enhance shareholder value, we are also developing a sustainable dividend policy, and aim to gradually increase its dividend payout ratio.



- Strengthen existing businesses and expand new business areas to improve profitability (ROE, PER)
- Improve financial structure through efficient resource-management and liquidity-enhancement activities



- Introduce electronic voting system starting in 2026
- · Post quarterly IR materials on the company website
- · Conduct regular online and offline IR activities for investors
- Disclose corporate value enhancement plans (scheduled within 2025) and conduct regular progress evaluations

### Overview of the AGM

**ESG Management** 

SOLUM ensures transparent decision-making on key business issues at the AGMs in accordance with relevant laws and the company's Articles of Incorporation, prioritizing all shareholders' rights. To achieve this, we disclose the date, venue, agenda items, and other details via the Financial Supervisory Service's DART system at least two weeks prior to the AGM for shareholders to exercise their rights based on transparent information.

Categ	gory	9 <sup>th</sup> AGM	10 <sup>th</sup> AGM				
Annual General	Meeting Held		Yes				
Date of Board I Convoc		Mar. 7, 2024	Mar. 12, 2025				
Notice Date of	Convocation	Mar. 7, 2024	Mar. 12, 2025				
Dates of	AGMs	Mar. 26, 2024	Mar. 28, 2025				
The period between	•	19 days prior to the AGN	M 15 days prior to the AGM				
Ven	ue		Headquarters/Yongin City				
Shareholder Notific Details of		Notice of Convocation sent, company website announcement, Electronic Disclosure System (DART) posting					
Notice of the AGM	Implemented		Yes				
Understandable to Foreign Shareholders	Notification method	Foreign shareholder voting service via the Korea Securities Depo- (KSD)					
	Board attendance	Five	out of five members attended				
	Audit Committee attendance		Present				
Details	Key shareholder comments	Individual shareholders on shareholder return policy	Some individual shareholders raised concerns about the causes of the stock price decline and requested countermeasures.     Many individual shareholders opposed proposals such as the adoption of cumulative voting, citing lack of expertise and concerns about potential abuse.				



# **Ethics and Compliance Management**

### Code of Fthics

SOLUM has established a Code of Ethics and Code of Conduct to build trust with stakeholders and define clear ethical standards for employee behavior. In 2025, we revised our ethics policies to raise awareness of corruption and reinforce preventive measures—ultimately strengthening both our tangible and intangible competitive advantages. We are also continuously enhancing our internal systems and training programs to ensure the effective implementation of ethical management. Moving forward, we remain committed to practicing principled management, preventing corruption, and growing as a trusted and responsible company.

### Structure of the Code of Ethics



SOLUM Code of Ethics												
Article 1   Basic Ethics for Employees	Article 4   Ethics Toward Shareholders and Investors											
Article 2   Ethics Toward Customers	Article 5   Ethics Among Employees											
Article 3   Ethics Toward Competitors and Business Partners	Article 6   Ethics Toward the Nation and Society											

### **Ethics and Compliance Activities**

SOLUM is actively implementing practical, action-oriented initiatives to establish and embed an effective ethics and compliance management system. In March 2025, we officially appointed a compliance officer and established compliance control standards, thereby strengthening the foundation for responsible corporate governance. In May 2025, we plan to hold an Ethics Management Proclamation Ceremony with participation by all employees. During the event, the CEO will personally read the Code of Ethics and the Code of Conduct, an external expert will deliver a session on ethical management, and all participants will sign an ethics pledge—reinforcing ethical awareness and fostering a culture of integrity across the organization. In addition, we are working toward obtaining ISO 37001 (Anti-Bribery Management System) certification this year to objectively assess our ethical management practices in accordance with anticorruption standards and to further elevate employees' ethical standards. Through these efforts, SOLUM is continuously enhancing a practical and sustainable ethics and compliance management system.

### **Ethics Violation Reporting System**

SOLUM operates an ethics-violation reporting system that allows a wide range of stakeholders to report fraudulent or unethical behavior. We strictly protect the identity of whistleblowers in accordance with our whistleblower protection policy. All reports are subject to thorough investigation, followed by appropriate corrective actions to prevent recurrence. Starting in 2025, we plan to enhance the system by launching a dedicated reporting website and introducing a reward program for whistleblowers. We will also implement a formal system for reporting and managing unethical conduct, encouraging active participation from both employees and stakeholders. Through these efforts, we aim to further embed a strong culture of ethical management across the organization.

### Ethical Management Violation Reporting System



Stakeholders, including SOLUM employees, partner company employees, and clients, can report or suggest improvements regarding employees' misconduct or unethical practices.



The whistleblower must report based on facts and under his or her real name, thus ensuring complete confidentiality, to encourage reporting.



Illegal business conduct, internal mismanagement, accounting fraud, obstructing, concealing, or assisting the above violations, and other illegal or unethical activities.

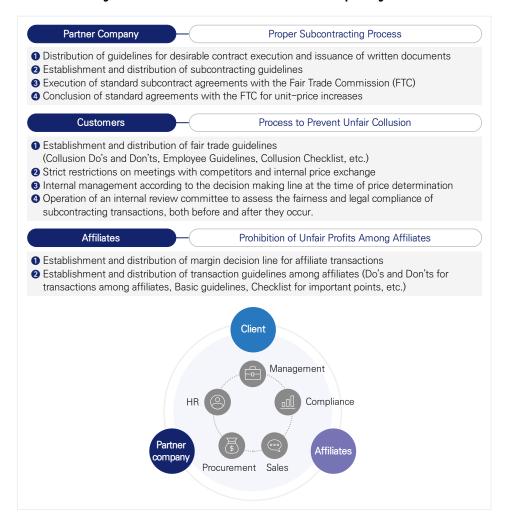


Email: cichoi@solu-m.com, euisung.yoon@solu-m.com Address: 7/F, SOL Square, 2354 Yonggu-daero, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea Telephone Number: 031-8006-8407, 031-8006-8592

**ESG Management** 

# **Fair Trade**

### A virtuous Cycle of Fair Trade and Mutual Prosperity



### Fair Trade and Compliance Training for Partner Companies

SOLUM is committed to fostering a culture of transparent and fair trade, and as part of this effort, we provide fair trade and compliance training for our partner companies. In 2024, a total of 14 partner companies—including those that have signed a fair trade agreement—participated in the training. During the session, we shared updates on our business operations and discussed various strategies to support sales growth. To help our partner companies operate their factories more efficiently, we introduced equipment technologies and shared practical application case studies, aiming to strengthen their operational capabilities. We plan to hold this training regularly, twice a year, as part of our efforts to build a culture of fair trade based on mutual cooperation and trust, and to grow together with our partner companies. To put fair trade principles into practice, we conduct an annual Fair Trade Agreement Compliance Assessment. In 2024, we earned the highest rating of "Outstanding," and were recognized as a best-practice company in subcontracting. In addition, we were selected as Samsung Electronics' 2025 Partner Company of the Year and received a special ESG award, acknowledging our transparent and responsible business practices. By obtaining ISO 22301 certification (Business Continuity Management System), we are proactively preparing to maintain uninterrupted business relationships with our partner companies even during crisis situations, thereby supporting the development of a sustainable and resilient fair trade environment.

### 2024 Partner Company Meetings and Training Sessions





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# **ESG Data**

# **Economic Performance Data**

### **Consolidated Financial Statements**

Unit: KRW

2023 Category 2022 2024 [Current Assets] 855,701,311,202 653,057,000,914 604,792,948,813 **Ouick Assets** 272,796,934,391 256,895,374,200 259,763,309,780 Inventories 567,491,895,393 267,942,214,783 329,184,567,255 Other Financial Assets 7.697.220.661 122.791.600.932 7.247.085.431 Other Current Assets 7,715,260,757 5,427,810,999 8,597,986,347 [Non-current Assets] 178,600,728,888 285,587,553,470 377,937,866,804 12,877,000,000 13,482,678,308 Investments **Tangible Assets** 134,037,399,346 227,297,769,151 313,949,143,283 Intangible Assets 12,710,305,088 13,339,638,073 15,239,444,079 Leased (Right-of-use) Assets 10,493,206,524 9,335,082,843 7,907,435,508 Other Non-current Financial Assets 1,650,687,904 7,964,789,865 11,947,987,307 14,773,273,538 Other Non-current Assets 19,709,130,026 15,411,178,319 **Total Assets** 1,034,302,040,090 938,644,554,384 982,730,815,617 [Current Liabilities] 679.009.558.651 505.168.682.791 529.170.284.044 [Non-current Liabilities] 65,298,535,166 33,543,583,917 19,207,448,386 **Total Liabilities** 744,308,093,817 538,712,266,708 548,377,732,430 [Capitalization] 25,002,775,500 25,002,775,500 25,002,775,500 [Capital surplus] 76,722,346,792 76,161,916,037 1,489,824,952 [Capital Adjustments] (22,684,216,000) (21,641,687,649) 36,233,163,497 [Accumulated Other Comprehensive Income] (4,952,381,670) (16,178,374,468) (3,543,638,276) [Retained Earnings] 216.895.837.094 336.855.462.862 374,504,058,197 433,686,183,870 Equity Attributable to Owners of Parent 290,984,361,716 400,200,092,282 Non-controlling Interests (990,415,443) (267,804,606) 666,899,317 Stockholders' Equity 289,993,946,273 399,932,287,676 434,353,083,187

Unit: KRW

Category	2022	2023	2024
Sales	1,694,543,907,800	1,951,087,864,184	1,594,442,254,779
Operating Income (Loss)	75,604,636,414	154,515,562,835	69,087,394,974
Net Income (Loss)	45,444,083,487	119,406,604,562	37,687,785,051
Profit (Loss), Attributable to Owners of Parent	47,316,389,961	120,357,591,528	39,515,509,849
Profit (Loss), Attributable to Non-controlling Interests	(1,872,306,474)	(950,986,966)	(1,827,724,798)
Basic Earnings Per Share	954	2,464	812
Diluted Earnings per Share	954	2,463	812
Number of Companies Included in the Consolidation	12	13	18

# **Environmental Performance Data**

# Energy Consumption<sup>1)</sup>

Consentian	Unit		Korea			Vietnam			Mexico			China			India	
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total Energy Consumption <sup>2)</sup>	TJ	21.5	21.6	23.2	106.3	100.9	107.3	26.0	25.5	21.0	42.0	36.4	39.5	5.2	6.6	6.8
Direct Energy Consumption Subtotal	TJ	1.0	1.2	1.8	8.7	6.8	5.2	1.4	2.0	1.1	1.5	1.5	1.3	0.4	0.6	1.0
Gasoline	L			51,954.8			9,661.9			24,588.9			27,750.3			2,214.8
Diesel	L			974.7			127,044.4			7,826.1			68.6			19,266.1
LNG	Nm <sup>3</sup>			1,289.6			2,458.1						8,647.5			3,885.9
Indirect Energy Consumption Subtotal	TJ	20.4	20.4	21.4	97.6	94.1	102.1	24.5	23.5	19.9	40.5	34.9	38.2	4.8	6.0	5.8
Electricity	kWh			2,186,990.8			28,351,356.0			5,528,817.9			10,602,793.0			1,607,163.6
Energy Intensity <sup>3)</sup>	TJ/KRW 100 million	0.002	0.002	0.003	0.010	0.010	0.012	0.127	0.099	0.006	0.012	0.018	0.016	0.007	0.006	0.006

<sup>1)</sup> Energy consumption indicators are based on the headquarters and its subsidiaries in Korea (headquarters Gumi Warehouse, SOLUM Sensor, SOLUM Healthcare) and production sites in Vietnam, Mexico, China, and India.

Overview

### GHG Emissions<sup>1)</sup>

Consention	Unit		Korea			Vietnam			Mexico			China		India		
Separation	Unit	2022	2023	2024	2022	2023	20242)	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total GHG emissions (Scope 1+2)	tCO₂eq	1,046.6	1,057.1	1,144.9	20,152,2	19,354.3	19,054.7	2,142.9	2,095.8	1,634.6	6,355.5	5,498.2	5,987.9	982.7	1,225.0	1,210.1
Direct GHG emissions (Scope 1) <sup>3)</sup>	tCO <sub>2</sub> eq	69.2	82.2	119.6	577.5	472.2	365.5	99.4	140.4	74.8	92.0	92.7	80.1	29.7	43.4	63.9
Gasoline	tCO <sub>2</sub> eq	_	_	114.2			21.2	_	_	54.0	_		61.0			4.9
Diesel	tCO <sub>2</sub> eq	_	_	2.6	_	_	337.0	_	_	20.8	_	_	0.2	_	_	50.5
LNG	tCO <sub>2</sub> eq	_	_	2.8	_	_	7.2	_	_	_	_	_	18.9	_	_	8.5
Indirect GHG emissions (Scope 2)4)	tCO <sub>2</sub> eq	977.3	974.9	1,025.3	19,574.6	18,882.1	18,689.2	2,043.5	1,995.4	1,559.8	6,263.5	5,405.5	5,907.9	953.0	1,181.5	1,146.2
Electricity	tCO <sub>2</sub> eq	977.3	974.9	1,025.3	19,574.6	18,882.1	18,689.2	2,043.5	1,995.4	1,559.8	6,263.5	5,405.5	5,907.9	953.0	1,181.5	1,146.2
GHG emissions intensity <sup>5)</sup>	tCO <sub>2</sub> eq/KRW 100 million	0.112	0.110	0.131	1.989	1.990	2.197	10.483	8.155	0.506	1.791	2,671	2.383	1.344	1.146	1.108
Scope 1 emissions intensity	tCO <sub>2</sub> eq/KRW 100 million	0.007	0.009	0.014	0.057	0.049	0.042	0.486	0.546	0.023	0.026	0.045	0.032	0.041	0.041	0.060
Scope 2 emissions intensity	tCO2eq/KRW 100 million	0.105	0.101	0.117	1.932	1.942	2.115	9.996	7.609	0.483	1.765	2.626	2.351	1.303	1.105	1.050

<sup>1)</sup> GHG emissions indicators are based on the headquarters and its subsidiaries in Korea (headquarters, Gumi Warehouse, SOLUM Sensor, SOLUM Healthcare) and production sites in Vietnam, Mexico, China, and India.

<sup>2)</sup> Gasoline, diesel, LNG, and electricity data are collected from 2024. 3) Energy intensity = total energy consumption ÷ sales (sales in each company's separate financial statements)

<sup>2)</sup> Used the revised GHG emission factors for 2024. 3) Gasoline, diesel, LNG, and electricity data are collected from 2024. 4) Local electricity emission factors are applied for the calculation of indirect GHG emissions from electricity use

<sup>5)</sup> GHG emission intensity = total GHG emissions ÷ sales (sales on separate financial statements for each company)

Overview

# **Environmental Performance Data**

# Air Pollutant Emissions Management 1)2)

Commention	Unit		Korea			Vietnam <sup>3)</sup>			Mexico			China	
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total Air Pollutant Emissions	Kg, mg/Nm <sup>3</sup>	-	_	-	1,136	1,382	1,511	2,893	3,456	2,624	296	287	202
Nitrogen Oxides (NOx)	Kg, mg/Nm <sup>3</sup>		_	_	294	358	331		_			_	_
Sulfur Oxides (SOx)	Kg, mg/Nm <sup>3</sup>		_	_	136	172	201		_				_
Hazardous Air Pollutants (HAP)	Kg, mg/Nm <sup>3</sup>		_	_		9	2		_				_
Particulate Matter (PM)	Kg, mg/Nm <sup>3</sup>				430	546	699		_				
Carbon Monoxide (CO)	Kg, mg/Nm <sup>3</sup>		_	_	276	298	278		_				_
Volatile Organic Compounds (VOCs)	Kg, mg/Nm <sup>3</sup>		_	_		_	_	2,357	2,062	2,358	271	256	200
Total Suspended Particulate (TSP)	Kg, mg/Nm <sup>3</sup>		_					536	1,393	266			
Tin and its Compounds (Tin Compounds)	Kg, mg/Nm <sup>3</sup>						_		_		25	31	2

<sup>1)</sup> Air-pollutant emissions management indicators are based on our offices and subsidiaries in Korea (headquarters, SOLUM Sensor, SOLUM Healthcare), as well as our production subsidiaries in Vietnam, Mexico, and China.

### Water Management<sup>1)</sup>

Communications	11.5	Korea			Vietnam <sup>2)</sup>				Mexico		China		
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total Water Withdrawal	ton	2,533	948	1,208	74,805	63,223	63,125	4,600	3,637	3,465	49,292	52,480	47,021
Water Withdrawal by Source Type	ton	2,533	948	1,208	74,805	63,223	63,125	4,600	3,637	3,465	49,292	52,480	47,021
Surface Water	ton		_	_			_		_	_			-
Water Supply <sup>3)</sup>	ton	2,533	948	1,208	74,805	63,223	63,125	4,600	3,637	3,465	49,292	52,480	47,021
Total Water Consumption	ton	2,533	948	1,208	74,805	63,223	63,125	4,600	3,637	3,465	49,292	52,480	47,021

<sup>1)</sup> Water management indicators are based on our Korean entities (headquarters, SOLUM Sensor, and SOLUM Healthcare) and our production subsidiaries in Vietnam, Mexico, and China.

<sup>2)</sup> The data is compiled based on the air pollutants each subsidiary manages in accordance with local regulations.

<sup>3)</sup> Air-pollutant emissions at our Vietnam production subsidiary are managed in mg/Nm<sup>3</sup>.

<sup>2)</sup> The water used by each entity is discharged as domestic wastewater. At the Vietnam production subsidiary, the reported discharge volume includes a portion of domestic wastewater, in accordance with local regulations.

<sup>3)</sup> The water used in Vietnam, Mexico, and China was identified as being supplied by third parties. Accordingly, the 2022 and 2023 baseline data for these regions have been corrected to reflect municipal water supply.

# **Environmental Performance Data**

# Waste Management<sup>1)</sup>

0	11.5		Korea			Vietnam			Mexico			China	
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total Amount of Waste Generated	ton	35	24	37	2,384	1,784	1,667	565	520	412	124	87	112
Total Amount of General Waste Generated	ton	35	24	37	2,326	1,717	1,598	551	506	389	99	70	87
Landfill	ton	21	24	23	8	20	30		_		_		_
Incineration	ton		_	_	621	453	565		_	_	_		_
Recycling	ton	13	_	14	1,696	1,244	1,003	551	506	389	99	70	79
Others	ton		_	_	0.5	0.1	_	_	_		-	_	8
Total Amount of Designated Waste Generated	ton		-	_	58	67	69	14	14	23	25	17	25
Landfill	ton		_	_			_			7	5	1	3
Incineration	ton		_	_	58	67	69		_	7	20	16	22
Recycling	ton		_	_	_	_	_	_	_	_	-	_	_
Others	ton		-	_		_	_	_		9	_		-
Waste Recycling Rate	%	39	0	38	71.1	69.7	60	97.4	97.3	94	80.1	80.8	71

<sup>1)</sup> Waste management indicators are based on our headquarters in Korea and production subsidiaries in Vietnam, Mexico, and China.

# Workplace Environmental Management<sup>1)</sup>

Commention	11-4	Unit Korea			Vietnam <sup>2)</sup>			Mexico			China		
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Investment in Environmental Safety <sup>3)</sup>	KRW 1 million	105	105	341	505	135	746	-	_	169	64	54	62
No, of Environmental Regulation Violations	Cases			_	_	_	_	_	_		_		_
Environmental Management System (ISO 14001) <sup>4)</sup>	Cases	_	_	_	1	1	1	1	1	1	1	1	1
No. of Certified Work Sites	Sites	_	_	_	1	1	1	1	1	1	1	1	1
Certification Rate	%	_	_	_	100	100	100	100	100	100	100	100	100

<sup>1)</sup> Workplace environmental management indicators are based on the Headquarters in Korea and production subsidiaries in Vietnam, Mexico, and China. 2) The 2022 and 2023 environmental safety investment data for Vietnam have been revised due to a change in the data-calculation methodology. 3) Environmental safety investments for the Vietnam and China production subsidiaries were converted to KRW using the average annual exchange rate (standard rate) published by Hana Bank.

<sup>4)</sup> The Environmental Management System (ISO 14001) data are based on manufacturing sites.

# **Social Performance Data**

# Human Resource Management<sup>1)2)</sup>

Concession	Unit		Korea			Vietnam		Mexico <sup>3)</sup>			China		
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total No. of Employees (Regular + Contract)	Persons	524	484	485	3,047	2,045	1,856	528	498	370	537	423	399
No. of Employees	Persons	524	484	468	3,047	2,045	1,856	528	498	370	537	423	399
Male	Persons	419	388	375	736	556	558	286	266	211	304	230	231
Female	Persons	105	96	110	2,311	1,489	1,298	242	232	159	233	193	168
No. of Contract Employees <sup>4)</sup>	Persons	10	12	17	0	0	0	0	0	0	0	0	0
Regular Employees	%	98.1	97.5	96.5	100	100	100	100	100	100	100	100	100
Contract Employees	%	1.9	2.5	3.5	0	0	0	0	0	0	0	0	0
No. of Regular Employees	Persons	514	472	468	3,047	2,045	1,856	528	498	370	537	423	399
Male	Persons	414	380	369	736	556	558	286	266	211	304	230	231
Female	Persons	100	92	99	2,311	1,489	1,298	242	232	159	233	193	168
Employees by Age	Persons	514	472	468	3,047	2,045	1,856	528	498	370	537	423	399
29 years and younger	Persons	91	69	30	1,592	938	660	209	210	124	226	152	100
Male	Persons	58	44	19	463	297	220	108	108	71	148	91	60
Female	Persons	33	25	21	1,129	641	440	101	102	53	78	61	40
30 ~ 49 years or younger	Persons	328	312	318	1,444	1,092	1,167	284	256	210	302	260	277
Male	Persons	263	247	235	265	250	328	156	139	119	147	128	154
Female	Persons	65	65	83	1,179	842	839	128	117	91	155	132	123
Over 50 years	Persons	95	91	127	11	15	29	35	32	36	9	11	22
Male	Persons	93	89	121	8	9	10	22	19	21	9	11	17
Female	Persons	2	2	6	3	6	19	13	13	15	0	0	5
Employees by Position <sup>5)</sup>	Persons	524	484	485	3,047	2,045	1,856	528	498	370	537	423	399
Pro (staff)	Persons	429	392	417	2,901	1,912	1,713	482	450	331	497	391	310
Male	Persons			313	_		470			177			175
Female	Persons			104	_		1,243			154			135
Manager (Managerial Staff)	Persons	65	65	38	145	132	142	45	47	39	40	32	88
Male	Persons			35			87			34			55
Female	Persons			3			55			5			33
Executive	Persons	30	27	30	1	1	1	1	1	0	0	0	1
Male	Persons			27	_		1			0			1
Female	Persons	_	-	3		-	0	_	-	0	_	-	0

<sup>1)</sup> Human resource management indicators are based on the Korean entity (headquarters) and production subsidiaries in Vietnam, Mexico, and China. 2) The number of employees is calculated based on internal HR standards as of the end of each year. 3) At the Mexico production subsidiary, it is common for local employees to resign at the end of the year to spend time with their families and reapply for employment at the beginning of the following year. 4) Contract employees are primarily responsible for administrative and development support tasks. 5) Gender data for the employee status by position level has been compiled starting from 2024.

ESG Data | ESG Index | Awards and Memberships | Certifications | GHG Verification Statement | Third-party Report Verification Statement

# **Social Performance Data**

# Human Resource Management<sup>1)2)</sup>

Companyion	11.5		Korea	Korea		Vietnam		Mexico			China		
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total No. of Retirees3)	Persons	86	48	58	2,251	1,796	1,635	1,111	857	418	1,382	650	51
Voluntary Turnover	Persons	86	48	52	2,251	1,796	1,635	1,111	857	418	1,382	650	51
Non-voluntary Turnover <sup>4)</sup>	Persons	0	0	6	0	0	0	0	0	0	0	0	0
Retirees by Age <sup>4)</sup>	Persons	86	48	58	2,251	1,796	1,635	1,111	857	418	1,382	650	51
29 years or younger	Persons	18	12	14	1,325	990	1,056	487	443	201	794	422	20
Male	Persons	0	0	7	0	0	430	0	0	97	0	0	17
Female	Persons	0	0	7	0	0	626	0	0	104	0	0	3
30 ~ 49 years or younger	Persons	47	31	30	926	804	575	590	398	203	588	226	31
Male	Persons	0	0	24	0	0	177	0	0	105	0	0	23
Female	Persons	0	0	6	0	0	398	0	0	98	0	0	8
Over 50 years	Persons	21	5	14	0	2	4	34	16	14	0	2	0
Male	Persons	0	0	14	0	0	3	0	0	9	0	0	0
Female	Persons	0	0	0	0	0	1	0	0	5	0	0	0
No. of New Hires	Persons	95	49	99	2,313	794	1,446	1,143	838	322	1,425	565	157
No. of Regular New Hires	Persons	87	45	77	2,313	794	1,446	1,143	838	322	1,425	565	157
No. of Non-regular New Hires <sup>4)</sup>	Persons	0	0	22	0	0	0	0	0	0	0	0	0
No. of New Hires by Age	Persons	95	49	99	2,313	794	1,446	1,143	838	322	1,425	565	157
29 years or younger	Persons	37	9	29	1,461	515	1,010	511	449	173	852	380	82
Male	Persons	25	3	13	430	183	453	306	272	97	585	218	64
Female	Persons	12	6	16	1,031	332	557	205	177	76	267	162	18
30 ~ 49 years or younger	Persons	53	36	64	850	279	434	598	373	142	572	185	74
Male	Persons	43	29	51	119	68	157	354	222	75	374	127	59
Female	Persons	10	7	13	731	211	277	244	151	67	198	58	15
Over 50 years	Persons	5	4	6	2	0	2	34	16	7	1	0	1
Male	Persons	5	4	5	1	0	2	28	12	5	1	0	1
Female	Persons	0	0	1	1	0	0	6	4	2	0	0	0
Average Monthly Salary of Employees													
Ratio of Female to Male wages <sup>4)5)</sup>	%	60.0	67.0	64.3									

<sup>1)</sup> Human resource management indicators are based on the Korean entity (headquarters) and production subsidiaries in Vietnam, Mexico, and China.

<sup>2)</sup> The number of employees was calculated based on internal HR standards as of the end of the reporting year.

<sup>3)</sup> At the Mexico production subsidiary, it is common for local employees to resign at the end of the year to spend time with their families and reapply for employment at the beginning of the following year.

<sup>4)</sup> Gender data for involuntary turnover, age-specific turnover, newly hired non-regular employees, and the ratio of female to male wages have been compiled starting from 2024.

<sup>5)</sup> Ratio of lowest-paid employee wage to the legal minimum wage = (average wage per female employee ÷ average wage per male employee) × 100

Overview

# **Social Performance Data**

# Talent Development<sup>1)</sup>

Companying	1124		Korea			Vietnam <sup>2)</sup>			Mexico			China	
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Total Training Hours for Regular Employees	Hours	8,939	8,315	10,965	9,479	4,769	8,205	5,260	3,675	1,545	41,380	21,225	11,997
Male	Hours	7,211	6,752	8,459	N/A	N/A	4,241	3,155	2,105	850	26,979	12,507	8,371
Female	Hours	1,728	1,563	2,506	N/A	N/A	3,964	2,105	1,570	695	14,402	8,718	3,627
Total Training Hours by Age Group	Hours	9,099	8,544	10,965	N/A	N/A	33,716	5,260	3,675	1,545	41,380	21,225	11,998
29 years and under	Hours	1,722	1,408	640	N/A	N/A	14,648	2,370	1,970	820	23,787	13,111	5,948
30 ~ 49 years or younger	Hours	5,748	5,620	7,690	N/A	N/A	18,975	2,785	1,630	695	17,557	8,060	5,970
50 years and older	Hours	1,629	1,516	2,636	N/A	N/A	93	105	75	30	36	54	80
Total Training Hours by Position	Hours	9,099	8,544	10,965	N/A	N/A	33,716	5,260	3,675	1,545	41,380	21,225	11,997
Pro	Hours	7,502	6,964	9,648	N/A	N/A	22,304	5,260	3,675	1,545	40,924	20,923	11,693
Part managers, group managers	Hours	1,069	1,148	818	N/A	N/A	11,387	0	0	0	456	302	304
Executives	Hours	528	432	499	N/A	N/A	24	0	0	0	0	0	0
Legally Required Training Hours for Regular Employees <sup>3)4)</sup>	Hours	8,224	7,552	8,658	N/A	N/A	8,841	0	0	981	36,912	16,088	6,200
Male	Hours	6,624	6,080	6,825	N/A	N/A	3,789	0	0	337	24,368	9,552	4,896
Female	Hours	1,600	1,472	1,833	N/A	N/A	5,052	0	0	249	12,544	6,536	1,304
Non-Mandated Training Hours for Regular Employees	Hours	715	763	2,307	N/A	N/A	27,874	5,260	3,675	1,305	4,468	5,137	5,797
Average Training Hours per Person	Hours/ persons	20.8	19.5	22.5	N/A	N/A	4.1	5.0	5.0	3.0	20.0	19.3	6.7 <sup>5)</sup>

<sup>1)</sup> Talent development indicators are based on the Korean entity (headquarters) and production subsidiaries in Vietnam, Mexico, and China.

<sup>2)</sup> For the Vietnam production subsidiary, data on total training hours for regular employees in 2022-2023 were not collected due to calculation errors. From 2024, the calculation methodology has been revised.

<sup>3)</sup> Mandatory training hours include legally required occupational safety and health training.

<sup>4)</sup> The Mexico production subsidiary does not have legally mandated training hours. However, training is provided for newly hired employees assigned to the production floor.

<sup>5)</sup> Simple average per quarter

# **Social Performance Data**

### DEI<sup>1)</sup>

0	11.5		Korea			Vietnam			Mexico			China	
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Gender Diversity Among Regular Employees	%	100	100	100	100	100	100	100	100	100	100	100	100
Male	%	80.0	80.2	78.8	24.2	27.2	30.1	54.2	53.4	57.0	56.6	54.4	57.9
Female	%	20.0	19.8	21.2	75.9	72.8	69.9	45.8	46.6	43.0	43.4	45.6	42.1
Gender Diversity Among Executives	%	100	100	100	100	100	100	100	100	100	100	100	100
Male	%	100	96.3	90	36	28	100	100	100	0	0	0	100
Female	%	0	3.7	10	64	72	0	0	0	0	0	0	0
Employees on Parental Leave <sup>2)</sup>													
Total No. of Employees on Parental Leave	Persons	6	2	4	129	131	148	18	24	8	18	13	4
Male	Persons	4	1	3	0	0	0	8	12	5	11	6	1
Female	Persons	2	1	1	129	131	148	10	12	3	7	7	3
Total No. of Employees Returning from Parental Leave	Persons	5	1	2	126	101	148	18	24	8	18	13	4
Male	Persons	3	1	2	0	0	0	8	12	5	11	6	1
Female	Persons	2	0	0	126	101	148	10	12	3	7	7	3
Total Parental Leave Return Rate	%	83.3	50	50	97.7	77.1	50	100	100	100	100	100	100
Male	%	75	100	67	0	0	0	100	100	100	100	100	100
Female	%	100	0	0	97.7	77.1	100	100	100	100	100	100	100
Hire of People with Disabilities (Di	rect Hire)3)												
Total Number of employees with Disabilities	Persons	2	2	2	0	0	0	4	4	4	0	0	0
Male	Persons	2	2	2	0	0	0	1	1	1	0	0	0
Female	Persons	0	0	0	0	0	0	3	3	3	0	0	0
Disability Employment Rate	%	0.4	0.4	0.4	0	0	0	0.8	0.8	1.1	0	0	0
Male	%	0.5	0.5	0.5	0	0	0	0.3	0.4	0.5	0	0	0
Female	%	0	0	0	0	0	0	1.2	1.3	1.9	0	0	0

<sup>1)</sup> The DEI indicators are based on data from the Korean headquarters and production subsidiaries in Vietnam, Mexico, and China.

2) Data on parental leave eligibility is collected individually through the system, making it difficult to provide consolidated figures.

<sup>3)</sup> At the Vietnam production subsidiary, data on persons with disabilities was collected only from those who self-identified their status.

# **Social Performance Data**

# Occupational Safety and Health<sup>1)</sup>

Consention	Unit		Korea			Vietnam			Mexico			China	
Separation	Unit	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Occupational Health and Safety M	lanagement Syst	tem (ISO 45001)	2)										
No. of Certified Worksites	Number	-	-	-	1	1	1	-	1	1	1	1	1
ISO 45001 Implementation Rate	%		_		100	100	100	_	100	100	100	100	100
Work-Related Injuries and Illness	es (employees)												
Employee Accidents	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Employee Illnesses	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Occupational Illness Frequency Rate (OIFR)	Cases/1 million hours	0	0	0	0	0	0	0	0	0	0	0	0
Product Quality and Safety			_										
Number of Product Safety Regulation Violations	Cases	0	0	0	0	0	0	0	0	0	0	0	0

<sup>1)</sup> The occupational health and safety indicators are based on data from the Korean headquarters and production subsidiaries in Vietnam, Mexico, and China.

# Information Security<sup>1)</sup>

Congration	Unit	Korea		Vietnam			Mexico			China			
Separation	Offic	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Information Security Training													
No. of Information Security Training Sessions	Sessions	1	1	TBD	_	_	_	_	_	_	_	_	_
No. of Training Participants <sup>2)</sup>	Persons	424	432	TBD	_	_	_	_	_	_	_	_	_
Information Protection													
Investment in Information Protection	KRW 100 million	1.49	4.08	TBD	-		-	_	_	_	_		-
No. of Customer Complaints Related to Personal Information Violations or Data Loss	Cases	0	0	TBD	_	_			_	_	-	_	_

<sup>1)</sup> The information security indicators are based on data from the Korean headquarters.

<sup>2)</sup> The Occupational Health and Safety Management System (ISO 45001) data is based on manufacturing sites.

<sup>2)</sup> The number of training participants for 2022 and 2023 has been revised due to changes in data aggregation standards.

# Strengthening Board-centric Governance<sup>1)</sup>

Committee	I I I I I I		Korea		
Separation	Unit	2022	2023	2024	
BOD Operations					
No. of Board Meetings Held	Number	56	51	61	
Average Attendance Rate of Board Members	%	100	99.6	94.8	
No. of Resolutions Passed by the BOD	Number	64	56	67	
No. of Objections or Proposed Revisions by Outside Directors	Number	1	0	0	
Average Tenure of BOD Members	Months	47	49	61	
BOD Composition <sup>2)</sup>				_	
Total No. of BOD Members	Persons	4	5	5	
No. of Executive Directors	Persons	2	3	3	
No. of Outside (Non-executive) Directors	Persons	2	2	2	
No. of Female Directors	Persons	0	0	0	
No. of Other Non-executive Directors	Persons	0	0	0	
No. of Directors with Industry Expertise	Persons	4	5	5	
Board Expertise	%	100	100	100	
Status of ESG Committee					
Total No. of Committee Members	Persons	_	3	3	
No. of Committee Meetings Held	Times		1	2	
No. of Agenda Items Reported	Cases		1	2	
No. of Agenda Items Approved	Cases		1	2	

<sup>1)</sup> Strengthening board-centric governance indicators are based on the Korean headquarters.
2) There are no restrictions regarding gender, region, etc. for BOD member qualifications.

# Jeong-Do Management<sup>1)</sup>

Consention	Unit		Korea	
Separation	Unit	2022	2023	2024
Corruption Risk at Workplace				
No. of Reported Violations of Ethics Management	Cases	_	1	_
No. of Resolved Ethical Violation Cases	Cases		1	_
Confirmed Cases of Corruption and Actions Taken	Cases			_
Confirmed Disciplinary Actions and Measures	Cases			
No. of Partner Company Contracts Terminated Due to Corruption Reports	Cases			_
No. of Partner Company Contracts Not Renewed Due to Corruption Reports	Cases		1	
No. of Partner Company Contracts Terminated After Completion of Corruption-related Actions	Cases			
No. of Partner Company Contracts Not Renewed After Completion of Corruption-related Actions	Cases	_	_	_
Percentage of Business Sites Evaluated for Corruption Risk	%		100	_
No. of Corruption-Risk Sites <sup>2)</sup>	Sites		1	_
Discrimination & Harassment				
No. of Reported Cases Related to Discrimination or Harassment	Cases	1	_	_
No. of Training Sessions on Discrimination or Harassment	Times	2	2	_
No. of Training Participants	Persons			_
Legal Violations				
No. of Legal Violations	Cases	_	_	_
Total Amount of Fine due to Legal Violations	KRW 100 million			_
Employee Grievances (Korea)				
No. of Grievances Filed	Cases	_	_	_
Grievance Response Rate	%			

<sup>1)</sup> Jeong-Do management indicators are based on the Korean headquarters.

<sup>2)</sup> The number of corruption-risk sites has been tracked since 2023.

Overview

# **ESG Index**

# **GRI Index**

Statement of use	SOLUM reports information related to its ESG management from Jan. 1 to Dec. 31, 2024, in accordance with the GRI Standards 2021, the international standards for sustainability reporting.
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Applicable GRI Sector Standard(s)	As of June 2025, when this sustainability report is published, there are no applicable GRI Sector Standards for SOLUM.

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	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered; percentage recycled	
Supply Chain Management			-
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority nonconformances and (b) other nonconformances	-
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	55-56, 62

# **TCFD Index (Climate-related Disclosure)**

Topics	Disclosures	Report Page
Governance	<ul> <li>a) Description of the BOD's oversight of climate-related risks and opportunities</li> </ul>	
	b) Description of management's role in assessing and managing climate- related risks and opportunities	29
Strategy	a) Description of the climate-related risks and opportunities the organization has identified over the short, medium, and long term	29-34
	b) Description of the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	29-34
	c) Description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	29-37
Risk Management	a) Description of the organization's processes for identifying and assessing climate-related risks	29-30
	b) Description of the organization's processes for managing climate- related risks	35-42
	c) Description of how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	29-30
Metrics and Targets	Disclosure of the metrics used by the organization to assess climate- related risks and opportunities in line with its strategy and risk- management process	30-34
	b) Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	38
	c) Description of the targets used by the organization to manage climate- related risks and opportunities, and performance against targets	29, 38

# **ESRS Index**

### **ESRS 2 General Disclosures**

Indicators	Disclosures		
ESRS 2 Ger	neral Disclosures		
BP-1	General basis for preparation of sustainability statements	2	
BP-2	Disclosures in relation to specific circumstances	82, 83, 88	
GOV-1	The role of the administrative, management and supervisory bodies	20-21, 72-74	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	20-21, 73	
GOV-5	Risk management and internal controls over sustainability reporting	77	
SBM-1	Strategy, business model, and value chain	6-15, 18-19	
SBM-2	Interests and views of stakeholders		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	24-25	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	23-26	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	93-94	
MDR-A	Actions and resources in relation to material sustainability matters	24-25	
MDR-M	Metrics in relation to material sustainability matters		
MDR-T	Tracking effectiveness of policies and actions through targets		

### **Environmental Indicators**

Indicators	Disclosures		
ESRS E1 - C	limate Change		
E1-1	Transition plan for climate change mitigation	29-30	
E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		
E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	30	
E1-3	Actions and resources in relation to climate change policies	35–37, 39–40	
E1-5	Energy consumption and mix	35, 81	
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	38, 81	
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E2-2	Actions and resources related to pollution	39-40, 55-56	
E2-4	Pollution of air, water and soil		
ESRS E3 Wa	tter and Marine Resources		
E3-2	Actions and resources related to water and marine resources	39-40	
E3-4	Water consumption	82	
ESRS E4 Bio	diversity and Ecosystems		
E4.IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	41-42	
E4-5	Impact metrics related to biodiversity and ecosystems change	41-42	
ESRS E5 Res	source Use and Circular Economy		
E5-2	Actions and resources related to resource use and the circular economy	37	

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# **ESRS Index**

# **Social Indicators**

Indicators			
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S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	45, 53	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	53	
S1-6	Characteristics of the undertaking's employees	84-85	
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S1-9	Diversity metrics	87	
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S2-2	Processes for engaging with value chain workers about impacts	59, 64	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns		
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	61-63	

Indicators	Disclosures	
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S4-2	Processes for engaging with consumers and end-users about impacts	59
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	57-59
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	55-59

### **Governance Indicators**

Indicators	Disclosures		
ESRS G1 Bu	siness Conduct		
G1.GOV-1	The role of the administrative, supervisory and management bodies	72-74	
G1-1	Business conduct policies and corporate culture		
G1-2	Management of relationships with suppliers		
G1-3	Prevention and detection of corruption and bribery		
G1-4	Confirmed incidents of corruption or bribery		

Key Initiatives

Report Page

# **UN Global Compact**

		UN Global Compact 10 Principles	Report Page
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	44-45
	Principle 2	make sure that they are not complicit in human rights abuses.	44 43
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	
	Principle 4	the elimination of all forms of forced and compulsory labour;	45-48
	Principle 5	the effective abolition of child labour; and	40 40
	Principle 6	the elimination of discrimination in respect of employment and occupation.	
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges;	
	Principle 8	undertake initiatives to promote greater environmental responsibility; and	9-15, 39-42, 55-56
	Principle 9	encourage the development and diffusion of environmentally friendly technologies.	
Anti- corruption	Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.		77, 89

# **UN SDGs**

**UN SDGs Goals** 

1 NO POVERTY	No Poverty	Financial and service support for marginalized local communities and areas affected by natural disasters	69-70
3 GOOD HEALTH AND WELL-SERVICE	Good Health and Well-being	Comprehensive health checkups and meals provided for employees     Creation of economic value through employment     Fostering a great place to work through employee satisfaction initiatives     Management of pollution and hazardous substances in workplaces and products	25, 39, 48, 54, 55–56
4 QUALTY SOCIATION	Quality Education	<ul> <li>Employee training programs (job-related, language, competency development)</li> <li>Industry-academia scholarship program for identifying and nurturing talent</li> <li>Scholarship donations to top universities by the Vietnam manufacturing subsidiary</li> </ul>	25, 46-47, 70
7 AFFORMALE AND CLEAN ENERGY	Affordable and Clean Energy	<ul><li>Expansion of renewable energy use</li><li>Promotion of energy-saving practices and culture</li></ul>	29, 35-36
8 DECENT WORK AND ECONOMIC GROWTH	Decent Work and Economic Growth	<ul> <li>Implementation of the Applicant Tracking System (ATS)</li> <li>Employee-welfare benefits, parenting and family care support</li> <li>Global Partners Day and Vietnam market-entry seminars</li> </ul>	25, 46-48, 63-64
9 INCUSTRY, IMPOUNTION AND INFRASTRUCTURE	Industry, Innovation, and Infrastructure	<ul> <li>Retention of core technologies and continuous R&amp;D</li> <li>Operation and management of GPMS</li> <li>Investment in information–security infrastructure solutions</li> </ul>	10-15, 25, 55-56, 67-68
11 SUSTAINABLE CHIES AND COMMUNITIES	Sustainable Cities and Communities	Climate-risk analyses and environmental impact assessments     Enhancing urban sustainability through products like EV chargers and smart streetlights	25, 35-36, 39-40
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Consumption and Production	<ul> <li>Purchase of electricity based on renewable energy</li> <li>Operation and management of GPMS</li> <li>Sustainable supply-chain management</li> </ul>	35, 55-56, 60-62
13 CLIMATE ACTION	Climate Action	Carbon footprint certification and transition to renewable energy     Development of eco-friendly products and sites to enhance environmental sustainability in urban areas	31-42

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# **Awards and Memberships**

# **Awards**

Jan. 25, 2024	Mar. 28, 2024	Mar. 29, 2024	Feb. 2025	Mar. 2025
Fair Trade Agreement Award (Korea Fair Trade Commission)	Excellence Award for Outstanding Partner Company of the Year (Samsung Electronics)	Commendation from the Minister of Trade, Industry and Energy for Contributions to Trade Agreements at the Vietnam Production Site (Ministry of Trade, Industry and Energy)	KT Partners Day Outstanding Partner Company	ESG Special Prize (Samsung Electronics)

# Memberships



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# Certifications



# **GHG Verification Statement**

# Scope

- Direct GHG emissions (Scope 1) and indirect emissions (Scope 2) of domestic & overseas business sites in 2024
- Target Business Sites:
- Domestic: Headquarters (357 Guseong-ro, Yongin-si, Gyeonggi-do, Yongin Technovalley Building A, #601; Building B, #309), SOLUM Sensor (Building C, #105), SOLUM Healthcare (Building B, #702), Gumi (office and warehouse)
- Overseas: SOLUM Vietnam, SOLUM Dongguan (China), SOLUM India, SOLUM Mexico

# **GHG Criteria & Protocols used for Verification**

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

- ISO 14064-1:2018 & ISO 14064-3:2019
- · Guideline for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme
- BSI GHGEV Manual

### **Data Verified**

Annual direct (Scope 1) and indirect (Scope 2) GHG emissions in 2024

Direct emissions (Scope1)	Indirect emissions (Scope2)	Emissions in 2024
119.476	1,006.798	1,126
0.041	10.111	10
0.087	8.412	8
365.452	18,689.214	19,054
63.871	1,146.229	1,210
80.068	5,907.876	5,987
74.802	1,559.773	1,634
703.797	28,328.413	29,029
	119.476 0.041 0.087 365.452 63.871 80.068 74.802	0.041     10.111       0.087     8.412       365.452     18,689.214       63.871     1,146.229       80.068     5,907.876       74.802     1,559.773

# **Verification Opinion**

BSI Group Korea's verification opinions on the result of carrying out verification in accordance with the GHG criteria and protocols mentioned above are as follows.

- Verification of Scope 1 & 2 greenhouse gas emissions for domestic & overseas business sites of SOLUM was performed with a limited assurance level, and the quality of the data conforms to important international principles for greenhouse gas verification.
- · No material misstatement during the verification process for emissions was found, and no evidence could be found that the activity data and relevant evidence were not properly managed.
- Therefore, the BSI Group Korea Verification Team provides a verification opinion that is "appropriate".

For and on behalf of BSI: Issue: 30/05/2025

Overview

# **Third-party Report Verification Statement**

# To: The Stakeholders of SOLUM

### Overview

The British Standards Institution (hereinafter referred to as the "Assurer") was requested to verify the SOLUM's 2025 Sustainability Report (hereinafter referred to as the "Report"). The Assurer is independent to SOLUM and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the SOLUM's report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the SOLUM. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate. SOLUM is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to SOLUM only. The Assurer is responsible for providing SOLUM's management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of SOLUM. The Assurer will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the independent assurance opinion statement may be read.

### Scope

The scope of engagement agreed upon with SOLUM includes the following:

- Report contents during the period from January 1st to December 31st 2024 included in the Report, some data of 2025 are included.
- · Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- · Confirmation of the Report's compliance with the AA1000 Accountability Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

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

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

### Assurance Level and Type

The assurance level and type are as follows;

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

### Description and sources of disclosures covered

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

### Universal Standards

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers),

2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices),

2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

#### **Topic Standards**

201-1&2, 205-1&3, 206-1, 301-1&3, 303-3, 304-1~1,2&4, 305-1,2,4&7, 306-1~4, 401-1~3, 403-1~10, 404-1&2, 405-1&2, 406-1, 416-1&2, 418-1

### Methodology

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

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

Overview

### Limitations and approach used to mitigate limitations

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

### Competency and Independence

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

### **Opinion Statement**

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain SOLUM's approach to the AA1000 Assurance Standard and to provide confidence in its selfdeclaration of compliance with the GRI Standards.

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

### Conclusions

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

### Inclusivity: Stakeholder Engagement and Opinion

SOLUM has identified customers, employees, partners, shareholders/investors, and local communities as key stakeholders. The company has established and operates various communication channels and engagement cycles tailored to each stakeholder group. Through its stakeholder engagement process, Solum collects expectations and diverse opinions from core stakeholder groups, incorporates the resulting key issues into sustainability-related decision-making, and transparently discloses this process in its sustainability report.

### Materiality: Identification and reporting of material sustainability topics

SOLUM has established a double materiality assessment process to formulate sustainability strategies and identify key reporting issues. This process includes a comprehensive analysis of ESG evaluation and disclosure standards, such as GRI, SASB, TCFD, KCGS, DJSI, and MSCI, along with a review of prior-year key issues, media research, and industry benchmarking. Through this methodology, Solum has identified a pool of 21 key issues, which were further refined using an Impact Materiality Assessment (evaluating environmental and social impact) and a Financial Materiality Assessment (assessing financial impact). As a result, five core material issues were selected and disclosed in the sustainability report.

# Responsiveness: Responding to material sustainability topics and related impacts

SOLUM has established a "Material Issue Management Plan" to systematically address the key material issues identified through its double materiality assessment. This plan allows the company to analyze the background and significance of each material issue, define its organizational approach and management strategies, and report on major activities and outcomes for each issue in its sustainability report.

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

SOLUM has established a process to identify and evaluate the impact on organizations and stakeholders related to key material issues. The results of the analysis of impact, risk, and opportunity factors for key material issues are used in decision-making to establish response strategies for each issue, and the process is disclosed through reports.

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

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

### Type 2 Disclosures

201-1&2, 205-3, 301-1&3, 303-3, 304-1,2&4, 305-1,2,4&7, 306-1~4, 401-1~3, 403-1~10, 404-1&2, 405-1&2, 406-1, 416-1&2, 418-1

### Recommendations and Opportunity for improvement

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

- Corporate governance operating processes are essential strategies from an ESG perspective. This is crucial for ensuring corporate transparency and credibility, managing ESG risks, responding to global regulations, and enhancing sustainable corporate value. As the board of directors is the highest decision-making body in corporate management that determines core strategies, clearly defining the selection criteria for board members and the appointment process for directors with diverse capabilities will help strengthen trust with stakeholders.
- · It is positive that SOLUM establishes climate change response strategies through its climate change response governance and discloses detailed implementation status results in its report. Climate change has long-term impacts on corporate operations, supply chains, and market environments. In the climate change risk analysis process, if we identify risks and opportunities for each impact, analyze additional financial implications, and reflect them in detailed implementation strategies, we can respond more effectively to climate change risks.

### **GRI-reporting**

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



Issue Date: 09/06/2025

For and on behalf of British Standards Institution (BSI):

BSI representative



Lead Assurer(LCSAP)



Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea

Seonghwan Lim

Hold Statement Number: SRA 828148

