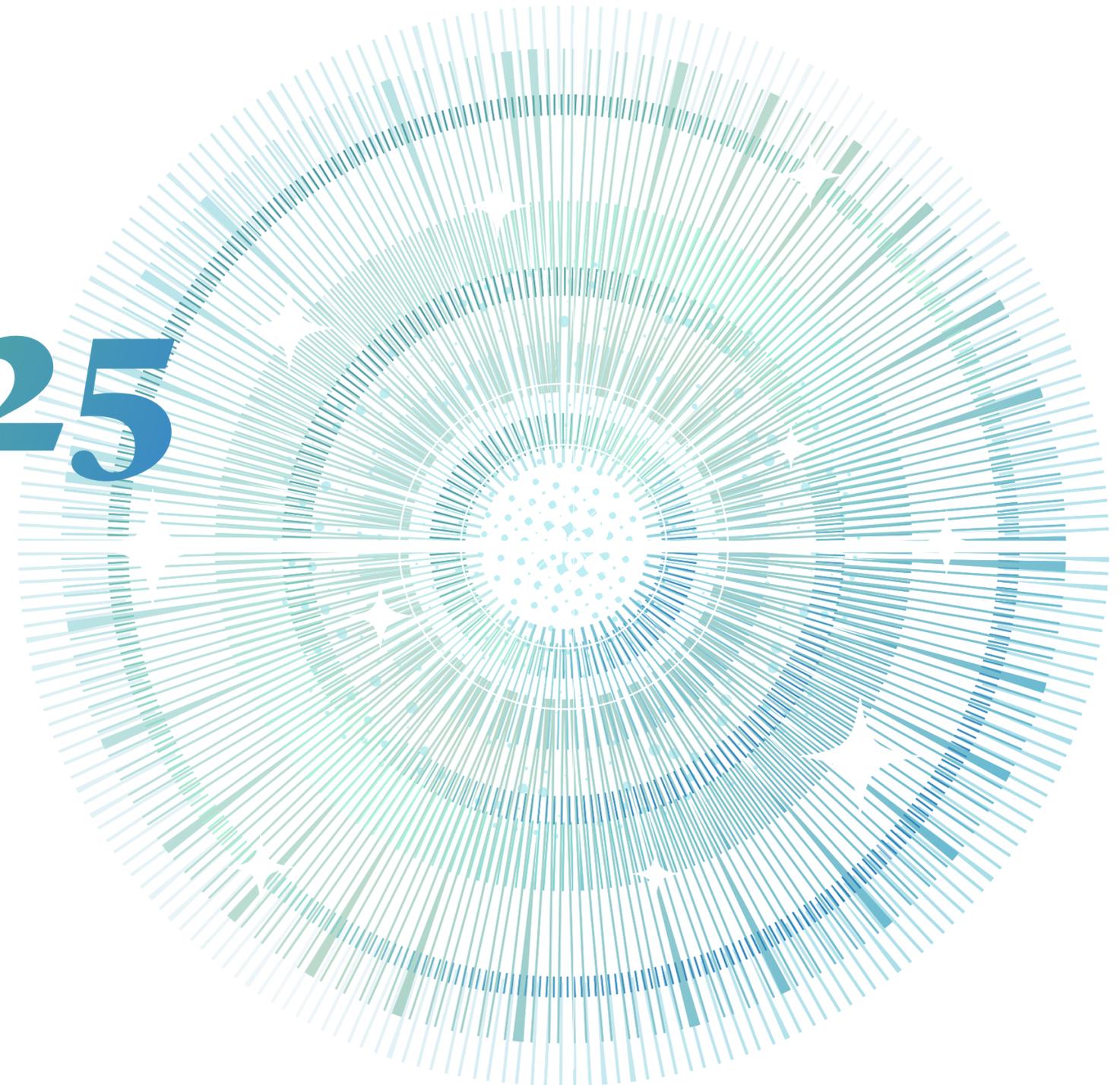


HJSC 2025



SUSTAINABILITY REPORT 2025

Sustainability Report

ABOUT THIS REPORT

Reporting Standards

This report provides a comprehensive overview of the key environmental, social, and governance (ESG) activities and performance achieved by HJSC throughout 2024. The report has been prepared in accordance with the revised GRI (Global Reporting Initiative) Standards 2021, and broadly reflects global sustainability frameworks and initiatives such as the UN SDGs (Sustainable Development Goals), SASB (Sustainability Accounting Standards Board), TCFD (Task Force on Climate-related Financial Disclosures), and ISSB (International Sustainability Standards Board). Through the publication of our third Sustainability Report, the company aims to transparently disclose both financial and non-financial performance based on our ESG management practices to all stakeholders.

Reporting Period and Cycle

The reporting period of this report is from 1st January 2024 to 31st December 2024. In consideration of the timeliness and materiality of information, certain significant activities have also been included up to the first half of 2025. In addition, quantitative performance data is presented based on a three-year dataset, and the publication cycle of the Sustainability Report is annual.

Reporting Boundary

- Financial Reporting : Prepared based on the separate and consolidated financial statements in accordance with K-IFRS (Korean International Financial Reporting Standards).
- Non-financial Reporting: Covers all business sites of HJSC's Construction and Shipbuilding businesses, including the headquarters, domestic and overseas project sites. In cases where the reporting scope or boundary differs, this has been indicated through footnotes or explanatory notes within the relevant sections.

Data Scope

This Sustainability Report applies the separate financial statements of HJSC as the primary data scope. Where data is not based on the given criteria, the specific scope applicable to each indicator has been clearly identified within the relevant sections.

Contact Information

Publication Date	November 2025	Email	hca9000143@hjsc.co.kr
Publisher	ESG Team HJSC Co., Ltd.	Address	Hangang-daero 71-gil 4 (Gakwol-doing) Yongsan-gu, Seoul, South Korea
Phone	+82 (0)2-450-8114	Website	https://www.hjsc.co.kr

HJSC Management Information

HJSC provides management-related information for both internal and external stakeholders through its website and other channels, including access to corporate governance disclosures and various forms of up-to-date business information.



HJSC Website
[\(www.hjsc.co.kr\)](http://www.hjsc.co.kr)



HJSC Corporate Governance Report



HJSC Annual Reports
<https://www.hjsc.co.kr/sustainable/disclosure.asp>

* Click the icons above to access the corresponding website.

HJSC Social Media Channels



HJSC Official YouTube
[@HJSC](#)



Construction Safety YouTube
[@HJ Construction Safety TV](#)



Instagram
[@hjsc.co.kr](#)

Cover Story



HJSC practices sustainable management guided by its slogan, "Beyond Into Green, Beyond Into Great," creating meaningful value while contributing positively to both the environment and society. The cover of the 2025 Sustainability Report reflects the company's commitment to paving the way toward a bright future where the environment, society, and people coexist harmoniously.

Interactive PDF

This report has been published as an interactive PDF, enabling users to navigate between related pages within the document and access linked webpages directly.

 First Page
  Table of Contents
  Previous Page
  Next Page
  URL Hyperlink

Contents

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

01 INTRODUCTION

CEO Message	5
Company Overview	6
Vision & Mission	10
Key Business Segments	11
Proprietary Technologies & Patents	16

03 ENVIRONMENTAL

Climate Change Scenario Analysis	25
Environmental Management	31
Environmental Management Activities & Performance	36
Biodiversity Conservation Activities	40
Eco-friendly Technologies	41

05 GOVERNANCE

Governance	74
Ethical Management & Compliance	79
Information Security	81

02 ESG CORE

ESG Strategy	18
ESG Management Framework	19
Stakeholder Engagement & Response	20
Materiality Assessment	21

04 SOCIAL

Safety & Health Management	47
Human Resources Management	53
Human Rights Management	58
Supply Chain Management	61
Quality & Customer Satisfaction	65
Community Engagement & Social Contribution	71

06 APPENDIX

ESG Data	84
GRI Content Index	103
TCFD Content Index	109
GHG Verification Report	110
Awards / Associations and Certifications	111

INTRODUCTION

- CEO Message
- Company Overview
- Vision & Mission
- Key Business Segments
- Proprietary Technologies & Patents

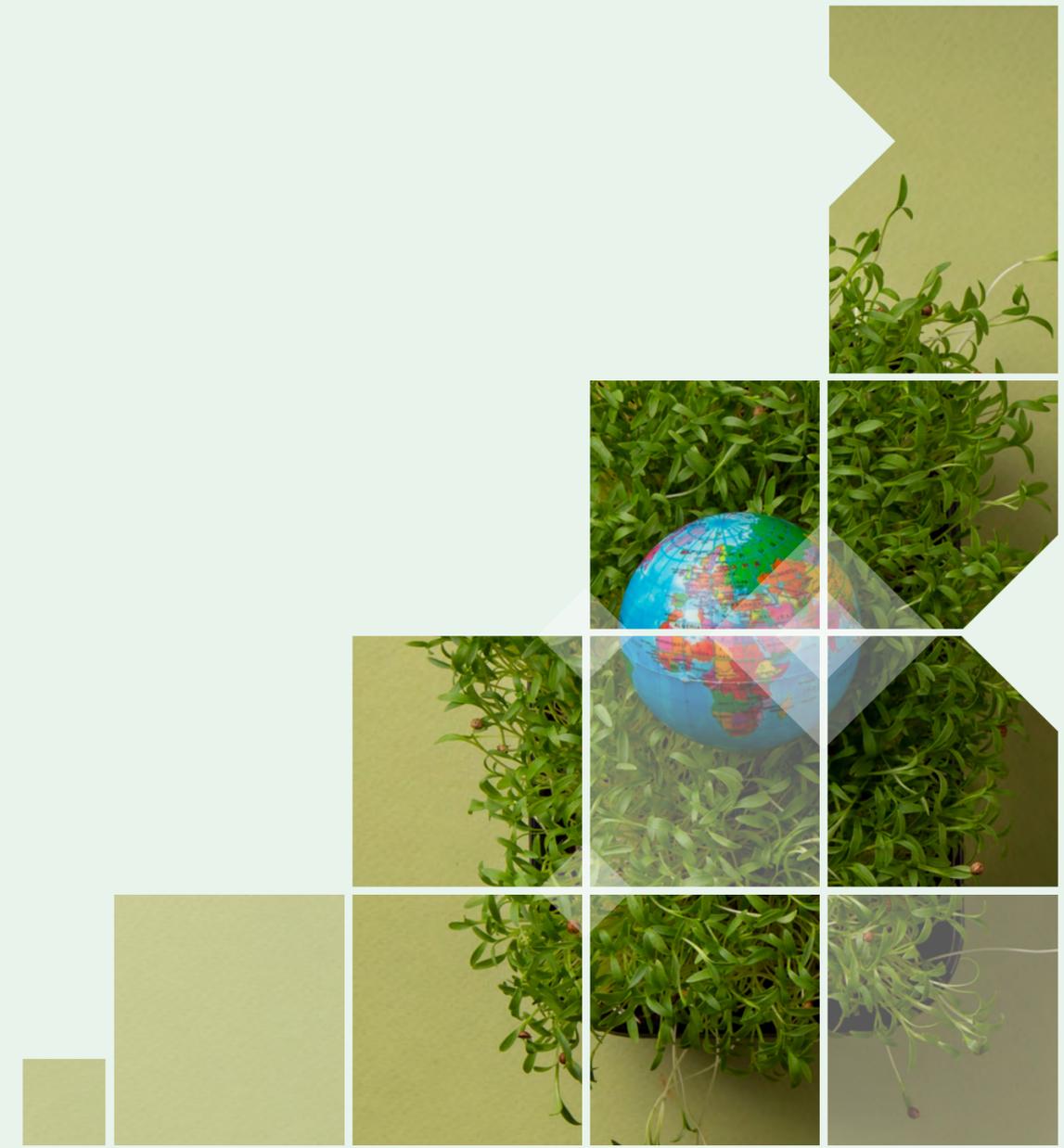
ESG CORE**ENVIRONMENTAL****SOCIAL****GOVERNANCE****APPENDIX**

01 INTRODUCTION

CEO Message	5
Company Overview	6
Vision & Mission	10
Key Business Segments	11
Proprietary Technologies & Patents	16

Since its founding in 1937, HJSC has built trust through continuous innovation in the shipbuilding and construction sectors. We are strengthening our sense of responsibility in how we grow, embedding environmental, social, and governance (ESG) principles across all aspects of our operations.

This report transparently discloses our material issues, performance, and improvement plans in alignment with the GRI, SASB, and TCFD standards. With innovation as our engine and sustainability as our compass, the company is committed to generating long-term value through the low-carbon transition, reinforced safety and human rights practices, and responsible supply chain management.



INTRODUCTION

CEO MESSAGE

Construction



Dear Stakeholders,

Since its establishment in 1968, the Construction Business of HJSC has led the Korean construction industry, building sustainable growth and responsible management as core values. Even amid rapid shifts in the industrial landscape and increasingly complex challenges, we have continued to reinforce ESG(environmental, social, and governance) as a central pillar of our management approach, laying the foundation for long-term and stable growth.

Despite the difficult conditions posed last year by high interest rates, weakened private investment, and volatility in raw material prices, the company successfully secured major infrastructure projects—including the Sae-mangeum International Airport, the Suseo-Gwangju double-track railway, the Namyangju Yangjeong Station area development project, the main venue for the Gangneung ITS World Congress, the manufacturing and installation of ship-to-shore cranes at Busan New Port, and the Cebu New Port construction project in the Philippines. These achievements strengthened our credibility and competitiveness at both domestic and international levels, while securing stable performance and enhancing future growth potential.

However, this year continues to present numerous risk factors, including a prolonged economic downturn, geopolitical tensions, and ongoing policy and societal issues. Persistent uncertainties such as exchange rate and interest rate fluctuations also make the business environment challenging. Even so, the company remains committed to further advancing ESG management, responding to risks in a structured and proactive manner, and executing our sustainability strategy without disruption.

We will particularly focus on the following strategic directions: ▲ expanding eco-friendly construction, ▲ accelerating digital transformation, ▲ establishing a sustainable supply chain, and ▲ enhancing transparency and communication with stakeholders. Through these efforts, and under our ESG vision of "Beyond Into Green, Beyond Into Great," we aim to fulfill our social responsibility as a key partner in building sustainable cities and communities.

We will continue to uphold responsible practices and innovation across environmental, social, and governance areas, earning the trust of our customers and stakeholders while driving sustainable growth and creating long-term corporate value.

Thank you.

CEO of Construction Business **Kim Wan-Sug**

Shipbuilding



Dear Stakeholders,

Since its launch in 1937 as Korea's first shipyard, the Shipbuilding Business of HJSC has played a pivotal role in laying the foundation of the nation's shipbuilding industry and contributing to Korea's rise as a global shipbuilding leader.

Today, the industry is undergoing significant transformation driven by the International Maritime Organization's (IMO) pursuit of "2050 carbon neutrality," alongside growing demand for eco-friendly vessels and the expansion of next-generation markets such as LNG and methanol dual-fuel vessels and ammonia-fueled vessels.

In response, the company is at the forefront of developing high-efficiency, low-emission ship technologies, including LNG dual-fuel vessels and methanol-powered vessels. We are also enhancing productivity and operational stability by establishing smart shipyard infrastructure, such as digital twin systems and material traceability systems.

In addition, we are strengthening our integrated ESG risk management system for subsidiaries and partner companies, while fostering a sustainable shipbuilding ecosystem through transparent information disclosure and active stakeholder communication.

With the publication of our third ESG report this year, the Shipbuilding Business of HJSC aims to advance its ESG vision, "Beyond Into Green, Beyond Into Great," by focusing on:

- ▲ Expanding the design and production share of eco-friendly vessels
- ▲ Advancing the shipyard greenhouse gas reduction roadmap
- ▲ Strengthening sustainable supply chains in collaboration with global clients

Going forward, the company will continue to respond proactively to external challenges, including the climate crisis, accelerating industrial transformation, and tightening global regulations, and will lay the foundation for becoming a true centennial company through ESG-centered responsible management.

Thank you.

CEO of Shipbuilding Business **Yoo Sang-Cheol**

COMPANY OVERVIEW

Company Overview

HJSC has a long history of innovation, continually enhancing customer value through advanced technology, exceptional quality, and outstanding service. Even amid rapid industrial changes and fierce competition, the company has overcome numerous challenges and played a pivotal role in Korea's industrial development through creativity and a spirit of bold challenge. Since launching in 1937 as the nation's first shipbuilding company, HJSC has set multiple domestic and global milestones, establishing itself as a leading shipbuilder with proven competitiveness in the global market based on a diverse portfolio of vessel construction achievements. Likewise, beginning with Korea's first steel-frame building construction in 1968, the company has grown into a comprehensive construction firm recognized for its technological excellence and execution capabilities across architecture, housing, civil engineering, and plant projects. Looking ahead, HJSC will continue to strengthen its world-class competitiveness in both shipbuilding and construction, upholding its pioneering spirit while advancing responsible management and innovation toward a sustainable future.

Company Details

Company Name	HJSC Co., Ltd.	
Establishment Date	10 th July 1937	

Business

Construction

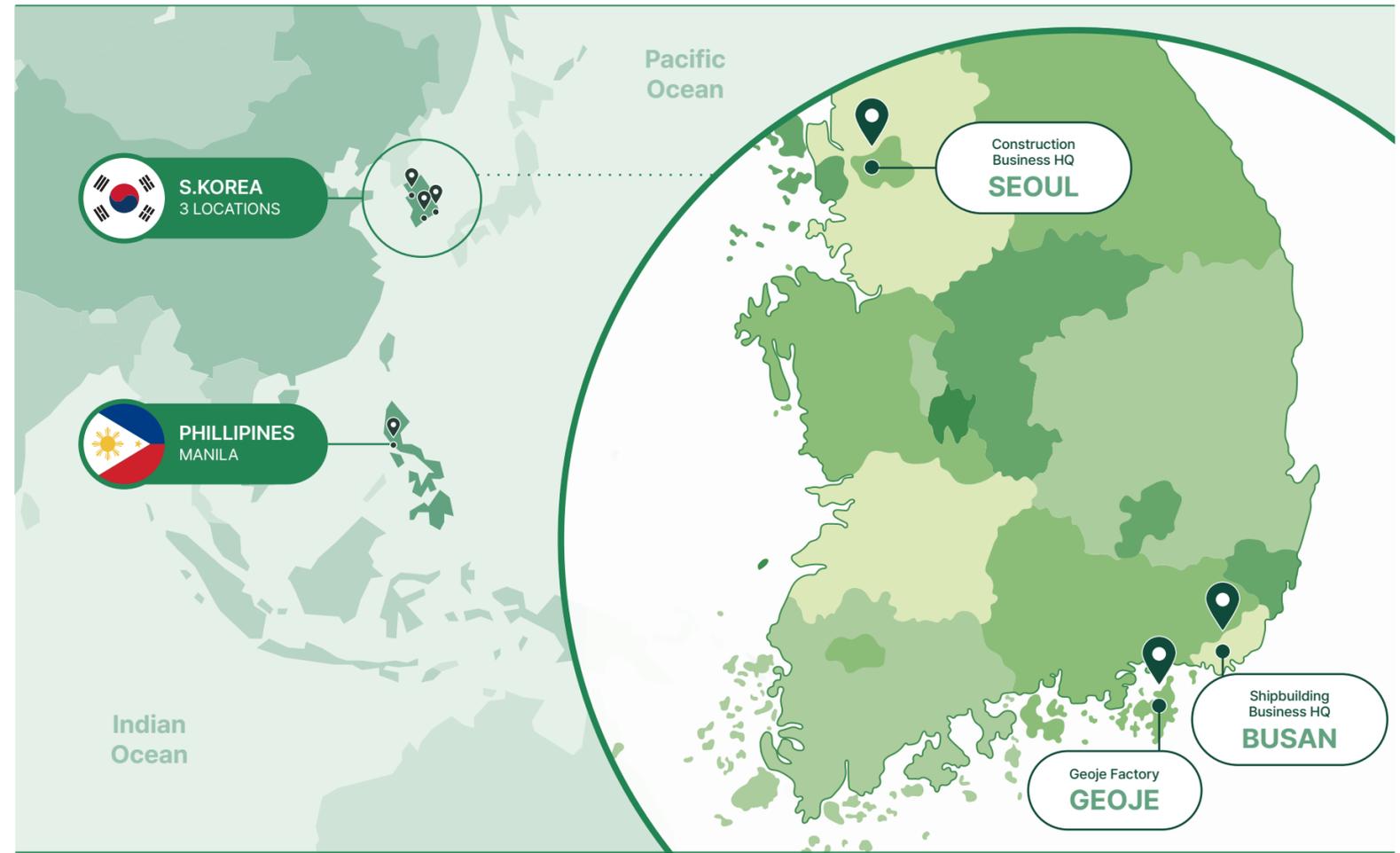
A Pioneer in Korea's Construction History

Shipbuilding

Korea's First Steel Shipbuilder

Products	Airports, Apartments, Railroads, Power Plants, Container Ships, Oil Tankers, Patrol Boats, etc
CEO	Kim Wan-Sug, Yoo Sang-Cheol
Number of Employees	2,069 (as of the end of 2024)
HQ	233 Taejong-ro, Yeongdo-gu, Busan, South Korea
Subsidiary	Incheon North Port Operation Co., Ltd.

Headquarters and Branches



Global Business Sites

Construction Business Headquarters

Construction Business HQ	Manila Branch, Philippines
<p>📍 Hangang-daero 71-gil 4 (Galwol-dong), Yongsan-gu, Seoul, South Korea</p> <p>☎ +82 (0)2-450-8114 🖨 +82 (0)2-450-8101</p>	<p>📍 3rd Avenue corner 26th Street, Bonifacio Global City, Taguig, Metro Manila</p> <p>☎ +63-2-837-8888 🖨 +63-2-837-8839</p>

Strengthening Our Position as a Leader in the Global Construction Market

HJSC's Construction Business is writing a new chapter in the domestic and international construction markets, building upon our accumulated technological capabilities, extensive experience, and our customers' trust. Together with our talented employees, we are continuously strengthening our global competitiveness and expanding our business reach worldwide based on trust.

Shipbuilding Business Headquarters

Shipbuilding Business HQ	Busan R&D Center
<p>📍 233 Taejong-ro, Yeongdo-gu, Busan, South Korea</p> <p>☎ +82 (0)51-410-3114 🖨 +82 (0)51-410-8465</p>	<p>📍 6 Chungjang-daero (Jungang-ro 4-ga), Jung-gu, Busan, South Korea</p> <p>☎ +82 (0)51-410-3114 🖨 +82 (0)51-410-8465</p>
	Geoje Factory
	<p>📍 473-7 Yeonhahaean-ro (Obi-ri), Yeoncho-myeon, Geoje-si, Gyeongsangnam-do, South Korea, HJSC</p> <p>☎ +82 (0)55-951-2113 🖨 +82 (0)70-4707-1007</p>

Leader in the Shipbuilding Industry Aiming for the World's Best Quality Ships

For over 80 years, HJSC's Shipbuilding Business has built world-class, high-quality vessels through its commitment to craftsmanship and innovative quality management systems. Thanks to these consistent efforts, our company has received international recognition for its superior quality and further solidified its reputation as a global shipbuilding leader.

HJSC Financial Performance

2024 OVERVIEW

In 2024, the domestic construction industry experienced a slowdown due to interest rate pressures, uncertainties in project financing (PF), and rising cost burdens, while the shipbuilding industry saw continued growth in high value vessel orders including LNG carriers together with an increase in order backlogs. In this environment, HJSC strengthened its commitment to eco friendly management by advancing environmental data management and improving energy efficiency. The company also expanded talent development based on human rights and inclusion and enhanced cooperation with partners and local communities grounded in a safety first culture. In addition, HJSC reinforced stakeholder trust by improving transparency in board centered decision making and strengthening internal controls.

Revenue by Business Division

[Unit: KRW 100 million]



Key Financial Performance

[Unit: KRW 1 million]

Category	2022	2023	2024
Revenue	1,788,163	2,162,073	1,885,962
Revenue breakdown			
(Construction)	1,447,177 (80.93%)	1,414,035 (65.40%)	1,034,534 (54.85%)
(Shipbuilding)	320,185 (17.91%)	724,765 (33.52%)	824,515 (43.72%)
(Other)	20,801 (1.16%)	23,273 (1.08%)	26,913 (1.43%)
Total profit	96,635	(1,883)	106,261
Operational profit (loss)	6,625	(108,787)	7,252
Net profit (loss)	(50,160)	(114,319)	5,225

* based on consolidated financial statement

ESG Ratings (KCGS - Korea Institute of Corporate Governance and Sustainability)

Since 2021, the company has undergone annual evaluations by KCGS and has transparently disclosed the results on its website. After being upgraded from a B rating in 2022 to an A rating in 2024, the company has maintained its A rating in 2025, demonstrating continuous improvements in its ESG management system and the tangible outcomes achieved.



INTRODUCTION

CEO Message

Company Overview

Vision & Mission

Key Business Segments

Proprietary Technologies & Patents

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

HJSC History

HJSC has prioritized customer satisfaction as its core value since its founding, building a strong foundation of innovative technologies and trusted execution capabilities across all construction sectors including building construction, housing, civil engineering, and plant engineering, as well as in the shipbuilding industry. Since its launch in 1937 as Korea's first shipbuilding company, HJSC has advanced its shipbuilding technologies over nearly 90 years while further strengthening its core business competitiveness through more than 50 years of on-site experience and expertise accumulated in its construction operations, which began in earnest in the late 1960s. Based on this foundation and the company's strong reputation both domestically and globally, HJSC continues to expand its capabilities in executing global projects and driving technological innovation. Looking ahead, the company will leverage its history, technical excellence, and trusted reputation to enhance synergies between its shipbuilding and construction businesses and advance as a global heavy industries company that achieves sustainable growth and builds stronger stakeholder trust.

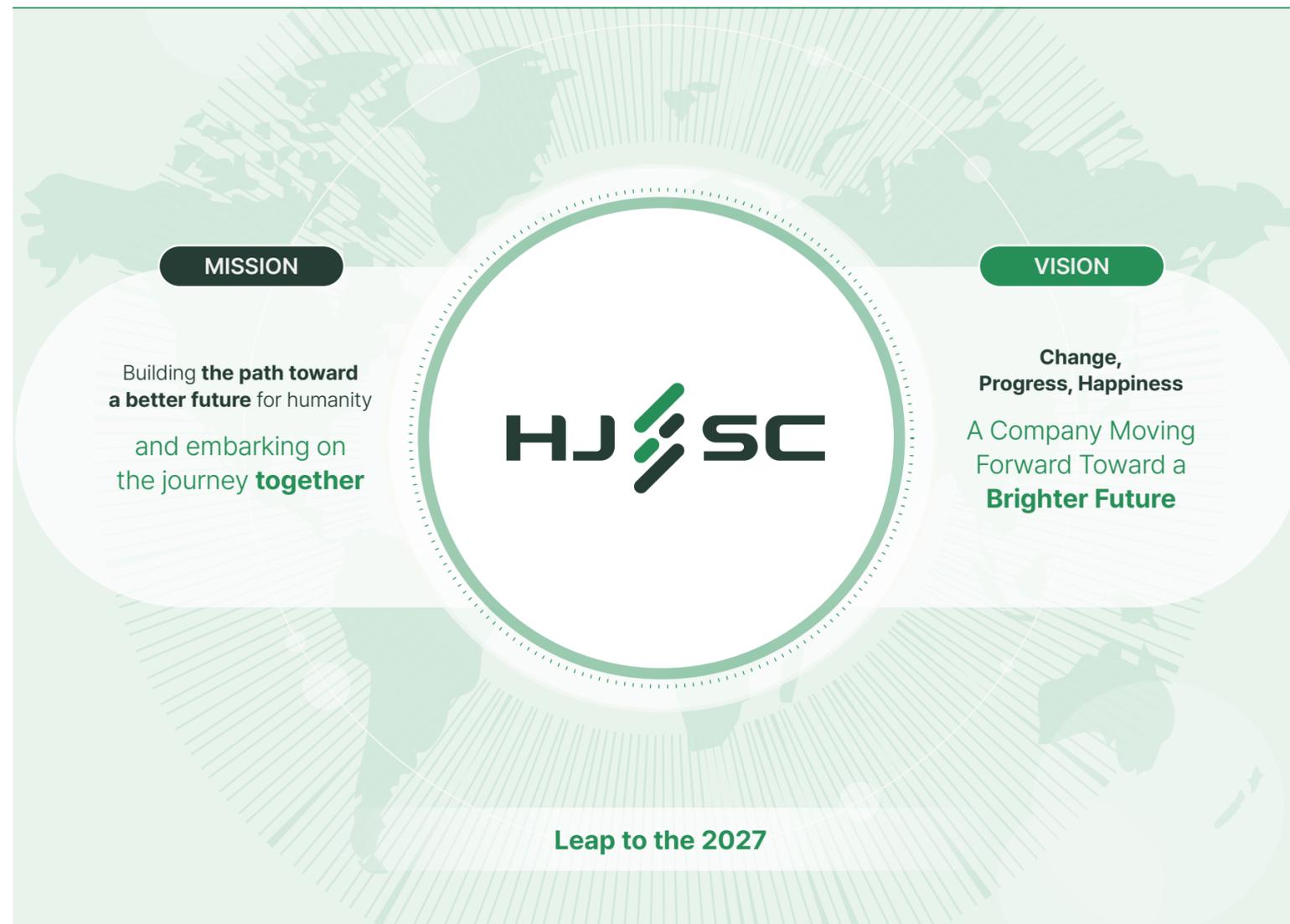
1937~1999	2000~2019	2020~
<p>1937 Established Chosun Heavy Industries Co., Ltd.</p> <p>1949 Korea Shipbuilding & Engineering Corp. (state-run)</p> <p>1967 Established Korea Dredging Corp. (June 1990, name changed to Hanjin Engineering & Construction Co.,Ltd)</p> <p>1968 Established Hanil Development Co.,Ltd Korea Shipbuilding & Engineering Corp. (Privately Owned Company)</p> <p>1976 Presidential Commendation (Promotion of national prestige by overseas expansion)</p> <p>1981 Won Silver Tower Order of Industrial Service Merit (1st Construction Day)</p> <p>1984 Won USD 2 billion Overseas Construction Export Tower Award</p> <p>1989 Korea Shipbuilding Corp. (Name changed to Hanjin Shipbuilding & Construction in June 1990, present-day Shipbuilding Business, incorporated into Hanjin Group)</p> <p>1991 Built an air base for Korean Air in Gimpo</p> <p>1992 Incheon Intl. Airport Construction</p> <p>1995 Built the first membrane-type LNG carrier in Asia (Hanjin Pyeongtaek)</p> <p>1996 Built the world's fastest 5,000TEU carrier (Hanjin London)</p> <p>1997 Contracted for light rail transit construction; Manila, Philippines</p> <p>1998 Built Korea's first cable ship (Segero)</p> <p>1999 Merged Korea Tacoma Shipbuilding Co.,Ltd Merged Hanjin Construction and Hanjin Engineering & Construction Co., Ltd</p>	<p>2000 Ranked 7th in Korea's construction capability evaluation Built Yeongjong Bridge (World's first "Float-mating" method)</p> <p>2001 Won the first Gold Tower Order of Industrial Service Merit for a Korean construction company</p> <p>2003 Participated in the construction of Gyeongbu Expressway</p> <p>2004 World's first "Underwater Welding DAM Shipbuilding Method"</p> <p>2005 Corporate Spin-off (from the former Hanjin Group)</p> <p>2006 Built R&D center in Jungang-Dong, Busan Declaration of Management of Creation & CI the new management philosophy Launched housing brand 'Haemoro'</p> <p>2008 Delivered the 1st vessel from the Subic Shipyard</p> <p>2009 Completed construction of "Incheon Bridge" Achieved annual orders of KRW 2 trillion (Construction Business)</p> <p>2010 Korea's first icebreaking ship, successful icebreaking test in the arctic Won tender for Al Duqm Airport Project, Oman</p> <p>2012 Started construction on hinterland of Incheon North port</p> <p>2013 Contracted for construction of the roadbed facility of Wonju-Gangneung railway</p>	<p>2016 Jeju Island's first housing reconstruction (Haemoro Richhill)</p> <p>2017 World's first LNG bunkering vessel Korea's first experience-focused Busan Film Museum built Won the Grand Prize in Clients Quality Award of Korea Land & Housing Corp. (ASBL Apartment in Mokgam, Siheung)</p> <p>2018 World's largest 21,000TEU Container ship built and delivered Won the Great Train Express (GTX-A) Railway construction project Won the Busan Opera House construction project</p> <p>2019 Construction contract for Incheon Intl. Airport T2 expansion Won the shipbuilding contract for Korea's first multi-purpose water surface cleaning ship</p>
		<p>2020 Sales of units in Dongdaegu Haemoro Square East/West (First project in Daegu) Executed the construction contract for Passenger Terminal II, Incheon Intl. Airport Ranked 3rd in total public contract amounts in Korea in 2020 (KRW 736.2 billion)</p> <p>2021 Executed the contract to build the cutting-edge 3D/4D geographical exploration research ships Awarded the National Incheon Maritime Museum project Ranked 5th in domestic public construction contracts in 2021, with a total contract (KRW 466.4 billion)</p> <p>2022 Name changed from Hanjin Heavy Industries to HJ Shipbuilding & Construction(HJSC) Announced the renewed B.I for Haemoro; Acquired orders for two 5,500TEU eco-container ships Contract for roadbed construction for Janghang Line Renovation Project Phase II Acquired orders for two 7,700TEU LNG dual fuel container ships Acquired the best grade in mutual cooperation evaluation amongst construction enterprises Opened Geoje Factory (Shipbuilding Business) Awarded for Advancing Construction Collaboration (Construction Business)</p>
		<p>2023 Won the contract for Section 1 of the Shinbundang Line Gwanggyo-Homaesil Double Track Railway Project Secured orders for two 9,000TEU methanol-powered container vessels Won the construction contract for the Korea Institute of Energy Technology (KENTECH) campus Developed an eco-friendly 7,500m³-class LNG bunkering vessel Selected as the Best Construction Contractor for two consecutive years in the mutual cooperation evaluation Won the construction contract for Boryeong New Combined Cycle Power Plant Unit 1 Received the Grand Prize at the 2023 Construction Cooperation Promotion Awards Successfully developed an 8,500TEU carbon capture and storage (CCS)-equipped container vessel Published the first Sustainability Report Secured an order for four next-generation high-speed naval vessels (Gumdoksuri-B Batch-II) Construction business received the "Highest Grade (Excellent)" in the Ministry of Land, Infrastructure and Transport's Safety Management Assessment</p>
		<p>2024</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Received an Integrated Grade A rating from the Korea ESG Standards Institute (KCGS)</p> <p>Won the construction contract for the New Cebu International Airport Terminal, Philippines</p> <p>Secured the contract for Section 3-2 of the Metropolitan Rapid Transit (GTX) Line B project</p> <p>Secured an order for four next-generation high-speed naval vessels (Gumdoksuri-B)</p> <p>Won the Navy Environmental MRO Project (including improvement work for 18 oil and water tanks)</p> <p>Won the construction contract for Saemangeum International Airport</p> </div> <div style="width: 45%;"> <p>Received the Minister of Land, Infrastructure and Transport Award at the 2024 Construction Cooperation Promotion Awards (Third consecutive year)</p> <p>Rated "Highest Grade" in the Safety Management Assessment by the Ministry of Land, Infrastructure and Transport (Second consecutive year)</p> <p>Delivered Korea's first dual-fuel LNG-powered container vessel using liquefied natural gas</p> <p>Secured an order for eight 7,900TEU eco-friendly container vessels</p> <p>Selected as the Best Construction Contractor in the Mutual Cooperation Evaluation for three consecutive years</p> </div> </div>
		<p>2025</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Joined BBNP (Biz N Biodiversity Platform), a domestic biodiversity initiative</p> <p>Won the contract for an eco-friendly 18,000m³-class LNG bunkering vessel</p> <p>Won the contract for construction of Section 3 of the Chungbuk Line Expressway</p> <p>Won the modernization project for the Busan Cooperative Fish Market</p> </div> </div>

VISION & MISSION

"Beyond Into Green, Beyond Into Great"

HJSC pursues its mission of creating pathways toward a better future for humanity, guided by its vision of change, growth, and a happier future. The company practices core values centered on change and innovation, challenge and achievement, safety and the environment, and talent and technology. HJSC also embeds principles of mutual respect, efficiency, goal orientation, collaboration, and positivity across its management to reinforce the foundation for sustainable development. Through Beyond Into Green, which reflects our commitment to environmental responsibility and a low-carbon transition, and Beyond Into Great, which represents strengthened competitiveness and social value, we will continue our journey to create meaningful benefits for individuals, families, the company, the nation, and the broader world.

Management Philosophy and Vision



HJSC Core Values

- Change & Innovation**
 Using creativity to break away from existing assumptions and practices and pursuing continuous change to create an innovative future.
- Challenge & Achievement**
 Advancing as a sustainable enterprise by sharing achievements with stakeholders and continuing to invest in the company's growth.
- Safety & Environment**
 Building a corporate culture that places safety and health as the highest priorities in all business operations.
- HR & Technology**
 Strengthening technological competitiveness and developing talent based on the belief that the best people and the best technologies create the best company.

Commitment to Action

- Respect
- Efficiency
- Goal Oriented
- Collaboration
- Positivity

INTRODUCTION

CEO Message

Company Overview

Vision & Mission

Key Business Segments

Proprietary Technologies & Patents

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

CONSTRUCTION

ALWAYS MOVING FORWARD

A Global Top Player Loved by People Around the World

HJSC is advancing toward becoming a global construction company based on its solid reputation both domestically and internationally. By strengthening the competitiveness of its core businesses through more than 50 years of accumulated construction expertise and extensive know-how, the company will further expand its presence not only in Korea but also in the global market.



INTRODUCTION

- CEO Message
- Company Overview
- Vision & Mission
- Key Business Segments**
- Proprietary Technologies & Patents

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

Construction

Buildings | THE WAY OF SPECIALTY

HJSC incorporates sustainability throughout the entire lifecycle of its construction projects, embedding considerations such as energy efficiency, resource conservation, and waste reduction from the planning stage. During construction, the company actively applies materials and methods that support local ecosystem preservation and minimize carbon emissions. At the same time, HJSC places the highest priority on safety and quality, delivering sustainable outcomes that enhance the quality of life for users and local communities.



Daegu EXCO 2nd Exhibition Hall



Gocheok Sky Dome



Courtyard by Marriott Namdaemun

Research·Living Facilities | THE WAY OF LIFE

HJSC develops education, research, and living facilities that integrate advanced technologies and eco-friendly features, actively supporting learning and creative research activities for future generations. These facilities are designed with energy-efficient principles and green certification standards, while ensuring user-centric convenience and safety. As a result, they serve as key hubs for advancing regional technological capabilities and promoting academic achievement.



Incheon National Maritime Museum



Incheon Innovation Complex Corporate Research Center



Dongtan Agricultural and Fishery Distribution Center

Urban Development·Infrastructure | THE WAY OF CONNECTION

HJSC contributes to regional development and national competitiveness through urban development and infrastructure projects, creating sustainable urban environments based on the technical expertise and construction capabilities accumulated through diverse large-scale projects. Its major business areas span transportation infrastructure, residential complexes, and industrial zones, and the company ensures both quality and sustainability by integrating smart technologies and eco-friendly construction methods.



Yeongjong Bridge



Seohae Line Double-Track Railway



Songdo International City (Land Development)

INTRODUCTION

- CEO Message
- Company Overview
- Vision & Mission
- Key Business Segments**
- Proprietary Technologies & Patents

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

Construction

Plant | THE WAY OF PROSPERITY

HJSC applies sustainable construction principles to plant projects, emphasizing resource efficiency and environmental responsibility. Through energy-saving designs, the use of eco-friendly materials, and the installation of high-performance systems, the company minimizes environmental impacts. These sustainable plant projects demonstrate HJSC's long-term vision by simultaneously promoting community harmony, environmental protection, and industrial competitiveness.



Yangsang District Energy



Shinsejong Combined Cycle Power Plant



Busan New Port Phase 2-5 Transtainer Cranes

Airport-Facilities | THE WAY OF TRAVEL

HJSC designs and builds airport infrastructure with a commitment to regional economic development and environmental responsibility, including noise reduction, ecosystem protection, and energy efficiency. By applying eco-friendly design and construction methods, the company delivers airport facilities that reduce environmental impact while maintaining high functionality and efficiency. With its extensive experience and specialized expertise, HJSC will continue to lead eco-friendly airport development and contribute to national competitiveness.



Incheon International Airport Site



Incheon International Airport Runway



Incheon International Airport Cargo Terminal

Housing-Residential Facilities | THE WAY OF LIVING

HJSC's residential brand, Hemoro, provides comfortable and aesthetically harmonious living spaces through precise design and advanced technologies, prioritizing residents' quality of life by emphasizing convenience, safety, and community-centered spatial design. Building on this foundation, Hemoro delivers future-oriented residential environments that thoughtfully balance sustainability, functionality, and design to create homes that support both everyday living and long-term wellbeing.



Daejeon Haemoro The Centra



Daegu Haemoro Square West



Gumi Haemoro River City

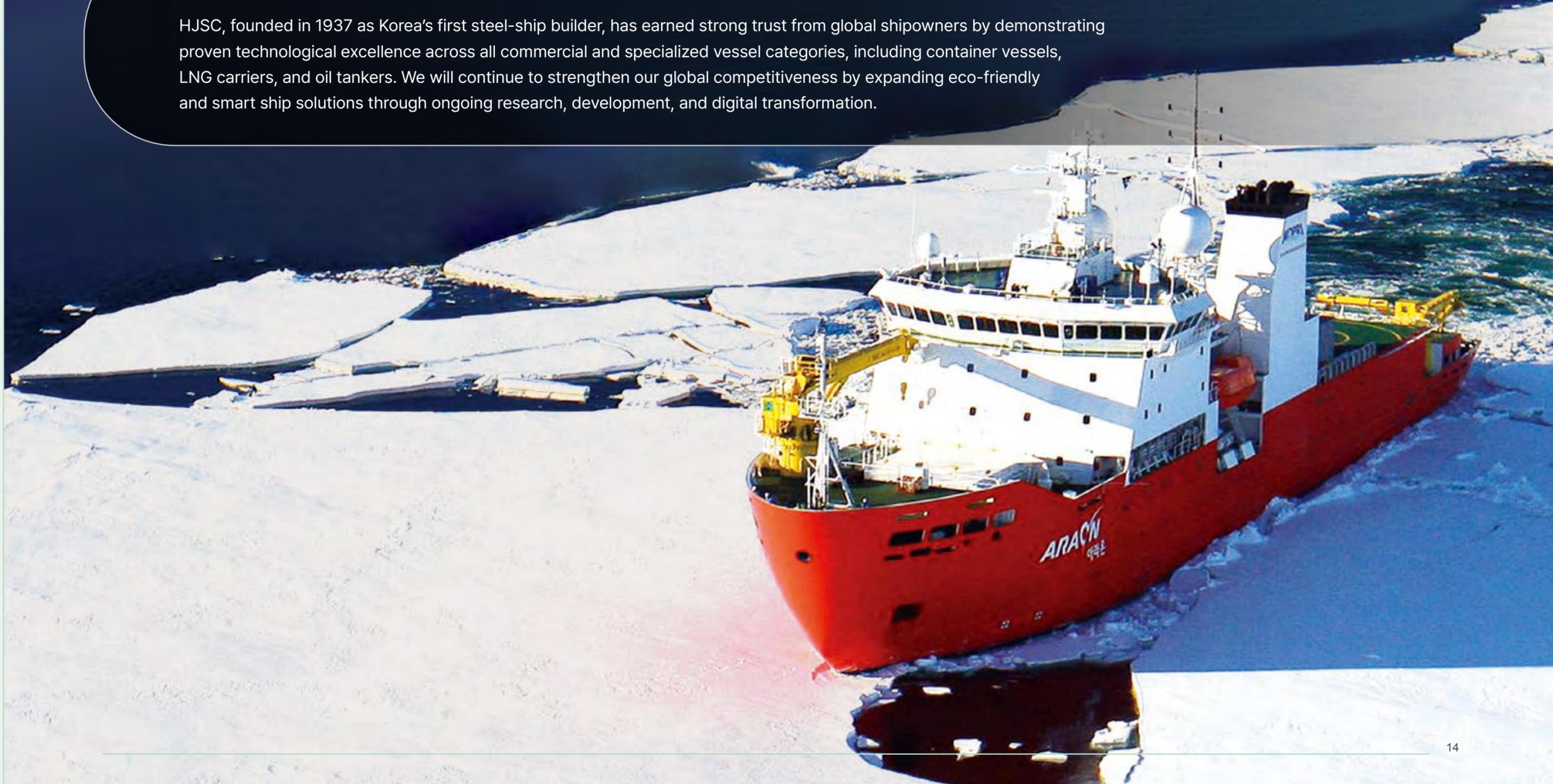
SHIPBUILDING

ALWAYS MOVING FORWARD

INTRODUCTION[CEO Message](#)[Company Overview](#)[Vision & Mission](#)[Key Business Segments](#)[Proprietary Technologies & Patents](#)**ESG CORE****ENVIRONMENTAL****SOCIAL****GOVERNANCE****APPENDIX**

A Global Leader in Building Eco-Friendly and High-Value Vessels

HJSC, founded in 1937 as Korea's first steel-ship builder, has earned strong trust from global shipowners by demonstrating proven technological excellence across all commercial and specialized vessel categories, including container vessels, LNG carriers, and oil tankers. We will continue to strengthen our global competitiveness by expanding eco-friendly and smart ship solutions through ongoing research, development, and digital transformation.



INTRODUCTION

- CEO Message
- Company Overview
- Vision & Mission
- Key Business Segments**
- Proprietary Technologies & Patents

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

Shipbuilding

Commercial Vessels | THE WAY OF TRADE

HJSC builds a wide range of commercial vessels from ultra-large ships to container ships, tankers, gas carriers, and bulk carriers demonstrating globally recognized technological capabilities and strong product competitiveness. Its optimized hull designs, high-efficiency and eco-friendly solutions, and strict quality control have earned strong trust from shipowners worldwide. Moving forward, HJSC will continue to drive technological innovation in high-performance shipbuilding and lead the sustainable development of the global maritime industry.



NAVIOS 7,700 TEU LNG Dual-Fuel Container Ship



LNG Bunkering Vessel



STX KOLT 153,000m³ LNG Carrier

Special-Purpose Vessels | THE WAY OF SPECIALTY

HJSC has designed and built a wide range of high-performance special-purpose vessels to meet the diverse needs of the marine industry and research sector, including submarine optical cable-laying vessels, icebreaking research ships, diving support vessels, large-scale oil recovery ships, and geophysical survey vessels. Each vessel is equipped with specialized functions tailored to its unique mission, demonstrating HJSC's design capability and system-integration expertise, as well as the company's leadership in the domestic and global special-purpose ship market.



Icebreaking Research Vessel ARAON



3D/4D Physical Exploration Research Vessel, Tamhae 3



ENDAM, Multi-Purpose Large Oil Spill Response Vessel

Naval and Combat Vessels | THE WAY OF PROTECTION

Since delivering its first domestic patrol boat in 1972, HJSC has supplied a wide range of naval and auxiliary vessels to domestic and overseas clients, contributing to the Republic of Korea Navy's operational strength through advanced platforms such as large amphibious assault ships, high-speed landing craft, transport ships, and rescue vessels. Building on this expertise, HJSC will continue to support self-reliant national defense and enhance Korea's competitiveness in the global defense industry.



Elite Flagship of the ROKN, Marado



Korean Navy's High-Speed Landing Craft, LSF-II



Korean Navy's New High-Speed Patrol Boat, PKMR

INTRODUCTION

CEO Message

Company Overview

Vision & Mission

Key Business Segments

Proprietary Technologies & Patents

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

Technologies

Construction Business

Business Patents			
No.0783781	Coastal Structure and Construction Method for Preventing Coastal Erosion	No.1139466	Construction Method for Bridge Substructure Foundations
No.1152735	Screw Load Testing Device Designed to Minimize Ground Disturbance	No.1118526	Erection Method for Steel Bridge Towers

New Construction Technologies	
No.680	Method for producing modified asphalt mixtures using a modification-material injection device at moderate temperatures.
No.751	Precast concrete slab method for bridges using reinforcement ribs, hunch details, and wave-shaped connection materials (Rib-Deck Method).
No.795	Tunnel-type soundproofing facility using pipe-truss beams, detachable transverse side soundproof plates, and right-angle groove elements (PosLST Method).
No.800	Construction method for producing synthetic boards (HyFo boards) by bolting together two Z-shaped upper formed steel pipes and one C-shaped lower formed steel plate using high-strength bolts.
No.834	Synthetic lamppost method (isolation system using plates) applying a permanent pseudo-hinge system between wall structures and the foundation.
No.860	Construction method for irregular precast composite panels that integrate slabs with partially projecting steel members (H-shaped and T-shaped steel) inserted along the full length of the precast elements.
No.894	Construction method for assembly-type synthetic-resin tunnel boxes that utilize roof-collected water, combined with an inspection structure composed of underground rainwater-reuse facilities.
No.953	Assembly-type precast concrete joint structure technology using anchor cones and pleated sealing index plates (KC System) to enhance connection performance.

New Safety Technologies	
No.2022-32-1	Construction technology for precast structures such as dams and artificial reefs, using a bidirectional anchor-type steel-wire settling device with enhanced joint seismic performance and pleated sealing index plates.
No.2023-7-1	High-efficiency bridge drainage system combining horizontal and vertical flow plates, trumpet-shaped drainage pipes, and excess-water treatment devices.

Green Technology Certification	
No.GT-22-01406	Technology for underground rainwater utilization facilities composed of assembly-type synthetic-resin tunnel boxes and an integrated inspection structure.
No.GT-25-02404	PC culvert technology with enhanced joint performance and improved watertightness.

Shipbuilding Business

Business Patents			
No.1120889	Welding marking device	No.0631805	Air cushion line's buoyancy air adjustment device
No.1417357	Electro-gas welding device	No.1148243	Ship heating system
No.1177637	Welding Guide Device for LNG Carrier Membrane Structures	No.1121614	Blasting Device and Internal Pressure Control Method

Technical Methods and Achievements			
Vertical Automatic Welding Method	Reduced welding time by 10 times.	Crane Launch Method	Reduced ship launching timeline by approximately 80%.
Underwater Installation Method	Reduced the number of installations in the ship section area from 14 to 5.		
DAM (Dock Alternative Method) Construction	Utilized DAM structures to construct ships with a length exceeding 325m, surpassing the 300m length of a traditional dock.		

Research and Development Achievement		
Equipment and Ship Development	<ul style="list-style-type: none"> Development of high-efficiency, low-vibration propellers using lift surface theory Development of high-performance ship hulls for high-speed container ships using CFD (Computational Fluid Dynamics) Development of automatic plasma welding equipment for LNG carrier cargo tank membranes Development of ice-breaking vessels (polar navigation vessels) 	<ul style="list-style-type: none"> Application of hydrogen technology for marine waste Development of 8,500TEU container ships Development of waste collection and processing vessels Application of carbon capture technology Development of automatic welding equipment for medium and small-sized ship outer panels
Technology Development	<ul style="list-style-type: none"> Structural optimization using FEM (Finite Element Method) analysis Development of core technologies for realizing ballast-free vessels Development of a big data-based container loading suitability verification system Concept study on an ammonia "catch system" for toxic removal 	<ul style="list-style-type: none"> Development of a cloud-based precision megablock analysis system using reality capture technology Concept design of eco-friendly ammonia-fueled vessels Development of safety standards for hydrogen storage tanks and fuel supply systems for vessels Improvement and implementation of a hull-form design database system
Certification and Approvals	<ul style="list-style-type: none"> Acquisition of preliminary approval for 1,900TEU/7,700TEU LNG DF container ship basic design (LR classification) Acquisition of basic design certification for LNG dual-fuel propelled container ship Acquisition of preliminary approval for 700TEU LNG DF container ship basic design (KR classification) Acquisition of preliminary approval for the basic design of a 1,800-ton liquid-hydrogen-fueled fisheries guidance vessel (KR classification) 	<ul style="list-style-type: none"> Acquisition of preliminary approval for the basic design of a 450m³ liquid hydrogen fuel tank (KR classification) Acquisition of preliminary approval for the basic design of a 7.5K LNG bunkering vessel (LR classification) Acquisition of preliminary approval for the basic design of a 49K PC (Ammonia-DF) vessel (KR classification)
Ongoing Research and Development	<ul style="list-style-type: none"> Development of an integrated gas detector monitoring system for confined-space accident prevention Development of natural-fiber-reinforced composites and components with less than 2% processing deformation for rotor sails on large cargo vessels Development of a smart shipyard 	<ul style="list-style-type: none"> Development of an intelligent welding collaborative-robot system using OLRP technology Decarbonization and digitalization of ships Integrated demonstration of core equipment for low-pressure LCO₂ carriers Advancement of LNG-powered vessel technologies

INTRODUCTION

ESG CORE

ESG Strategy

ESG Management Framework

Stakeholder Engagement & Response

Materiality Assessment

ENVIRONMENTAL

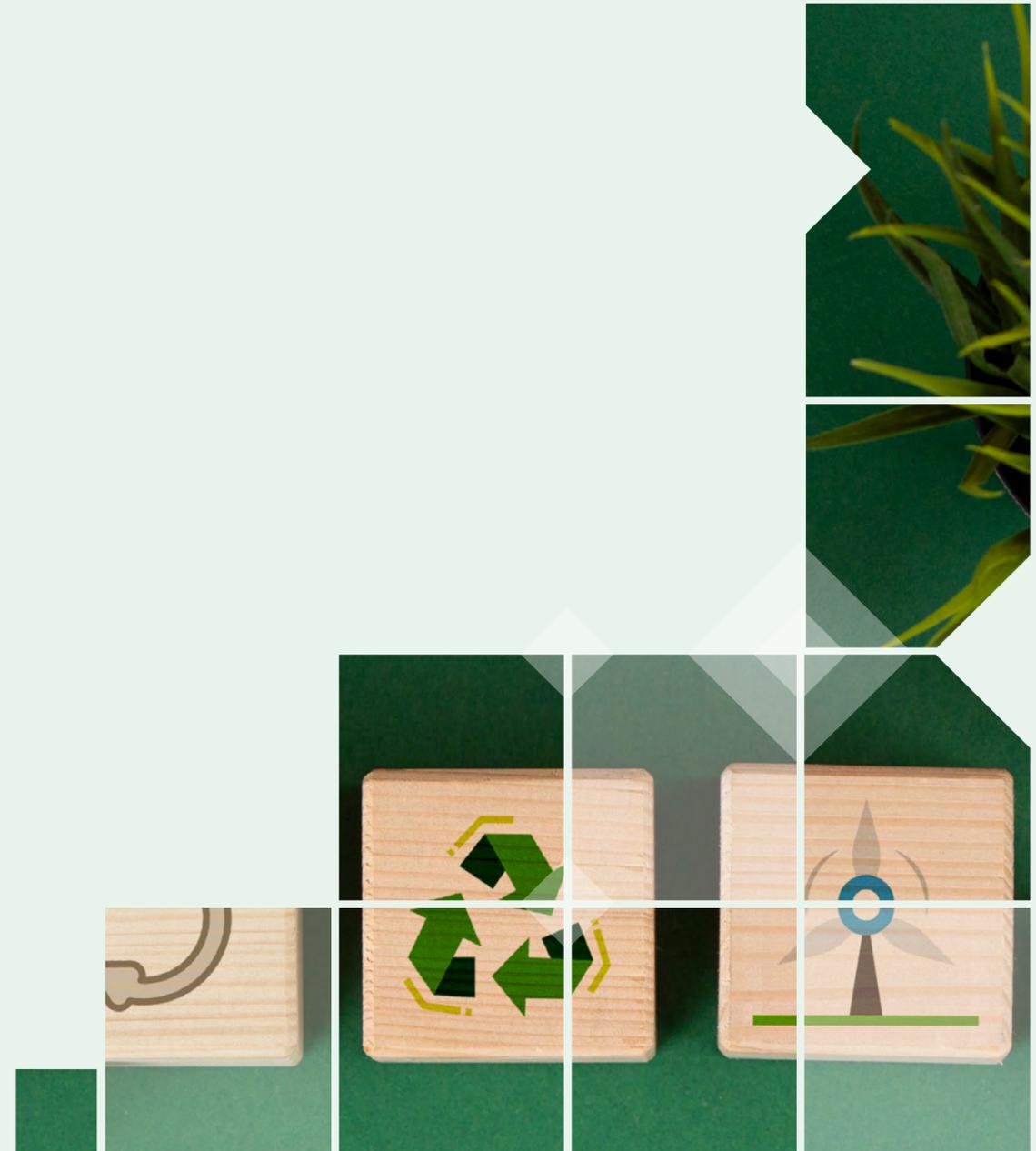
SOCIAL

GOVERNANCE

APPENDIX

02 ESG CORE

ESG Strategy	18
ESG Management Framework	19
Stakeholder Engagement & Response	20
Materiality Assessment	21



ESG Strategy

Introduction

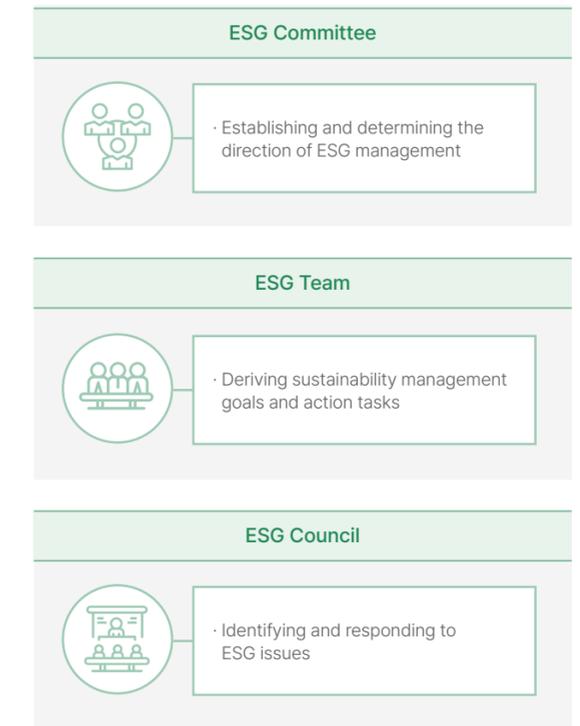
HJSC, a diversified industrial company spanning both construction and shipbuilding, pursues sustainable growth through a structured ESG management framework. In 2025, we enhanced and expanded our goals and action plans across the environmental, social, and governance areas by aligning them with international standards, measurable KPIs, and innovation roadmaps for both our construction and shipbuilding businesses. Moving forward, we will continue to fulfill our responsibilities and create sustainable value through transparent and two-way communication with employees, customers, partners, investors, and the local community.

ESG Vision and Strategy



ESG Company-wide Network

HJSC operates an ESG Committee to ensure the systematic implementation and company-wide integration of ESG management. Through the ESG Team, which oversees detailed responsibilities, we centralize strategy development, task execution monitoring, and performance management. ESG performance data is collected, verified, and managed systematically each year, and detailed ESG indicators are reflected in the Sustainability Report to ensure transparent communication with all employees.



ESG Management Framework

ESG Management Governance Structure

HJSC continues to strengthen its ESG-based sustainable management in 2025. Through the ESG Committee, ESG Team, and related departments, we integrate division-specific goals and execution processes, enhancing consistency and accountability in decision-making. The ESG Team oversees strategy development, performance monitoring, and disclosure, and works closely with onsite organizations to lead integrated data management and enhance the reliability of indicators. This structure aligns all ESG activities in the same direction and supports continuous improvement based on the PDCA cycle. Moving forward, we will further advance our ESG management system grounded in transparent communication and rigorous data governance, reinforcing stakeholder trust.

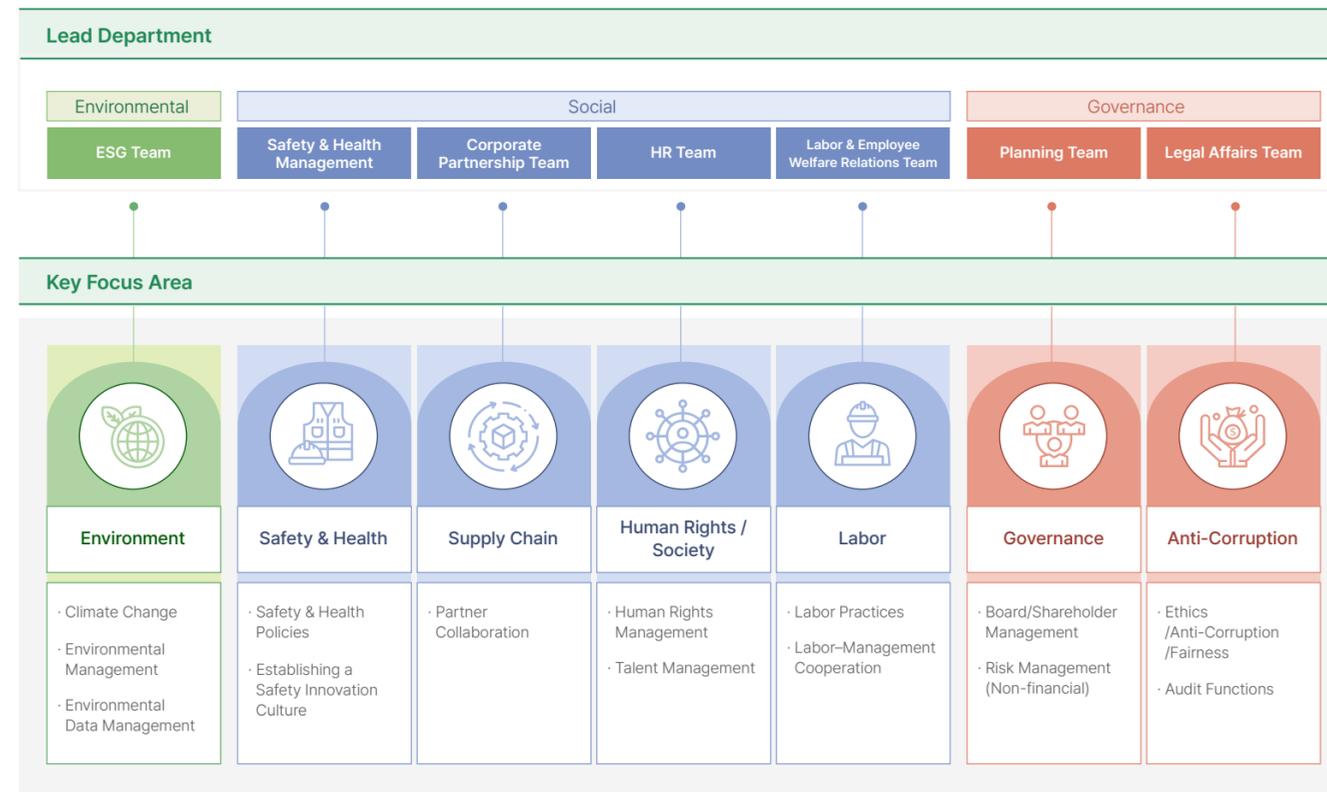
ESG Committee

HJSC operates an ESG Committee under the Board of Directors to promote ESG management strategies and embed them within the organization. The ESG Committee is composed of three Non-Standing Directors and one Director, and it reviews and deliberates key ESG-related issues based on the authority delegated by the Board. It also reports significant matters, including ESG performance, to the Board of Directors, thereby supporting a structured ESG governance system. In 2024, the Committee held a total of five meetings, during which it reviewed and resolved various ESG agenda items, including environmental management, human rights management, and supply chain management.

ESG Organization Structure



ESG Working Council



2024 Board Sustainability Agenda	
· Regular reporting of environmental management performance	· Approval of the safety and health plan
· Appointment of ESG Committee members	· Approval of the 2024 ESG activity plan
· Establishment of human rights management policies	
· Establishment of supply chain sustainability management policies	
· Establishment of fair trade management policies	
· Promotion of key environmental management tasks	
· Establishment of mid- to long-term climate change/carbon-neutrality strategies and targets	

Annual Sustainability Management Process

Step	Details
1	· Establishment of annual sustainability management goals and key action tasks
2	· Finalization of the sustainability management plan and reporting to the Board · Development of division-specific action plans and execution of detailed tasks
3	· Mid- to year-end performance review and monitoring of sustainability KPIs
4	· Comprehensive assessment of goal achievement and implementation status of detailed tasks
5	· Publication of the Sustainability Report to strengthen ESG disclosure
6	· Reporting annual sustainability performance to the Board

Stakeholder Engagement & Response

HJSC's Stakeholders

Following the introduction of the double materiality assessment in 2024, HJSC further strengthened the execution of ESG management in 2025 by regularly reviewing key stakeholder-specific issues and systemizing communication channels. We provide tailored information to major stakeholders including investors, customers, partners, and local communities and continue to expand a cooperation structure built on mutual trust. Moving forward, we will uphold transparent disclosure and responsible engagement to enhance corporate value while contributing to a sustainable future society, fulfilling our role as a trusted partner.



Stakeholders	Clients	Employees	Local Communities	Partnering Companies	Shareholders and Investors	Government and Related Organizations
Definition	Individuals or organizations that use HJSC's products and services	Human capital that makes up HJSC and core partners in sustainable management	Residents and local organizations in areas where HJSC operates or conducts business activities	Business partners providing energy, resources, or services that support HJSC's operations	Stakeholders who provide economic capital and support HJSC's growth	Partners that establish institutional and social infrastructure that promotes corporate growth
Main Interests	<ul style="list-style-type: none"> Quality Delivery time Product price Customer satisfaction 	<ul style="list-style-type: none"> Welfare Eco-friendly management Self-development training 	<ul style="list-style-type: none"> Ethical management Social contribution activities Community investment 	<ul style="list-style-type: none"> Mutual growth Workplace safety Fair trade 	<ul style="list-style-type: none"> Management performance Dividends Share price Management risk 	<ul style="list-style-type: none"> Compliance Faithful tax payment
Communication Channel	<ul style="list-style-type: none"> Website YouTube channel Customer center Instagram 	<ul style="list-style-type: none"> Employee satisfaction surveys Intranet, internal messenger YouTube channel Instagram 	<ul style="list-style-type: none"> Website YouTube channel Civil service center Instagram 	<ul style="list-style-type: none"> Partner conferences Supplier council Customer service center 	<ul style="list-style-type: none"> General shareholders' meeting Meetings and conferences IR Information disclosure 	<ul style="list-style-type: none"> Website Press releases
HJ Response	<ul style="list-style-type: none"> Quality management and quality control systems Enhancement of customer satisfaction Strengthening customer service communication capabilities Providing prompt customer support through social media channels 	<ul style="list-style-type: none"> Reinforcement of compensation systems Protection of employee rights Continuous training programs for talent development 	<ul style="list-style-type: none"> Community partnership activities Environmental cleanup and resource-circulation donation activities Social contribution leveraging shipbuilding and construction expertise 	<ul style="list-style-type: none"> Establishment of supply chain sustainability management policies Strengthening subcontracting law compliance Evaluation of supply chain ESG risk activities Financial/technical/management support 	<ul style="list-style-type: none"> Introduction and operation of electronic voting Establishment of transparent governance Strengthening enterprise-wide risk management 	<ul style="list-style-type: none"> Compliance with relevant laws and regulations Implementation of government policies Participation in industry-academia cooperation and joint research Participation in conferences, seminars, and industry associations

Materiality Assessment

Double Materiality Assessment

HJSC enhanced the identification of ESG key issues through the 2025 double materiality assessment and strengthened alignment with our management strategy. In particular, we improved the objectivity and effectiveness of the assessment by diversifying initiative analyses and refining the issue pool selection process based on internal and external references that reflect domestic and international ESG standards and industry characteristics. Through this approach, we derived an improved set of materiality assessment results and worked to reinforce the execution of our overall ESG management framework.

Double Materiality Overview

The 2025 Double Materiality Assessment analyzed not only financial impacts but also the broader effects of HJSC's business activities on the environment and society. We expanded stakeholder categories to better reflect the characteristics of each group and enhanced objectivity and credibility by incorporating quantitative data-based evaluation and risk measurements. In addition, we broadened the reference frameworks by including TCFD and ISSB, enabling a more detailed review of industry-specific issue guidelines. The core issues identified through this in-depth assessment were used as the foundation for our ESG strategy and reporting framework.



Financial Materiality

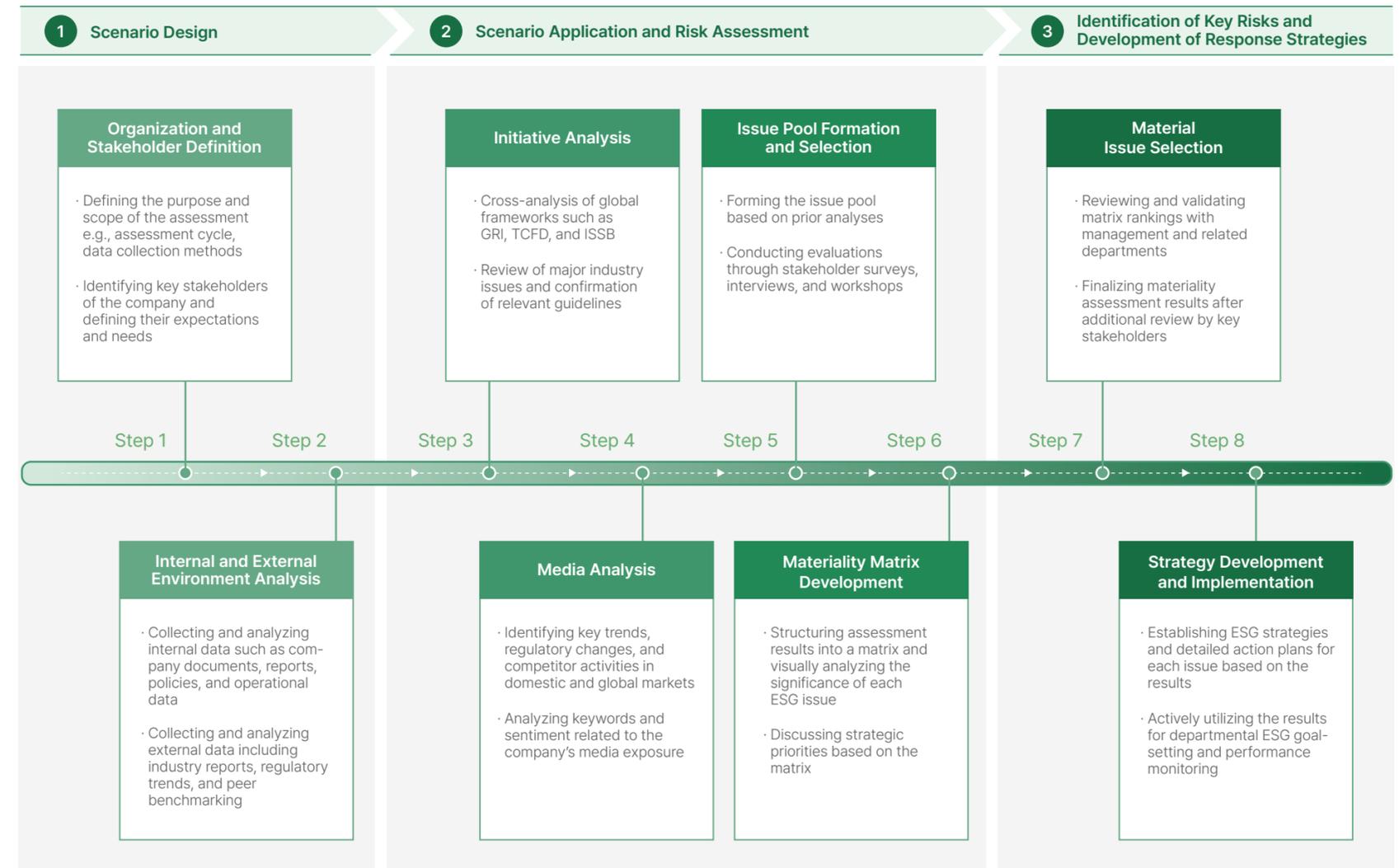
Assessment of how ESG-related issues affect the company's financial performance and internal stakeholders, incorporating systematic analysis of future risks and corresponding response directions.



Environmental and Social Materiality

Assessment of the impacts of the company's activities on the environment and society, with comprehensive consideration of effects on external stakeholders such as customers, local communities, and the environment.

Double Materiality Assessment Process



Materiality Assessment

Double Materiality Assessment

Key Material Issue Items

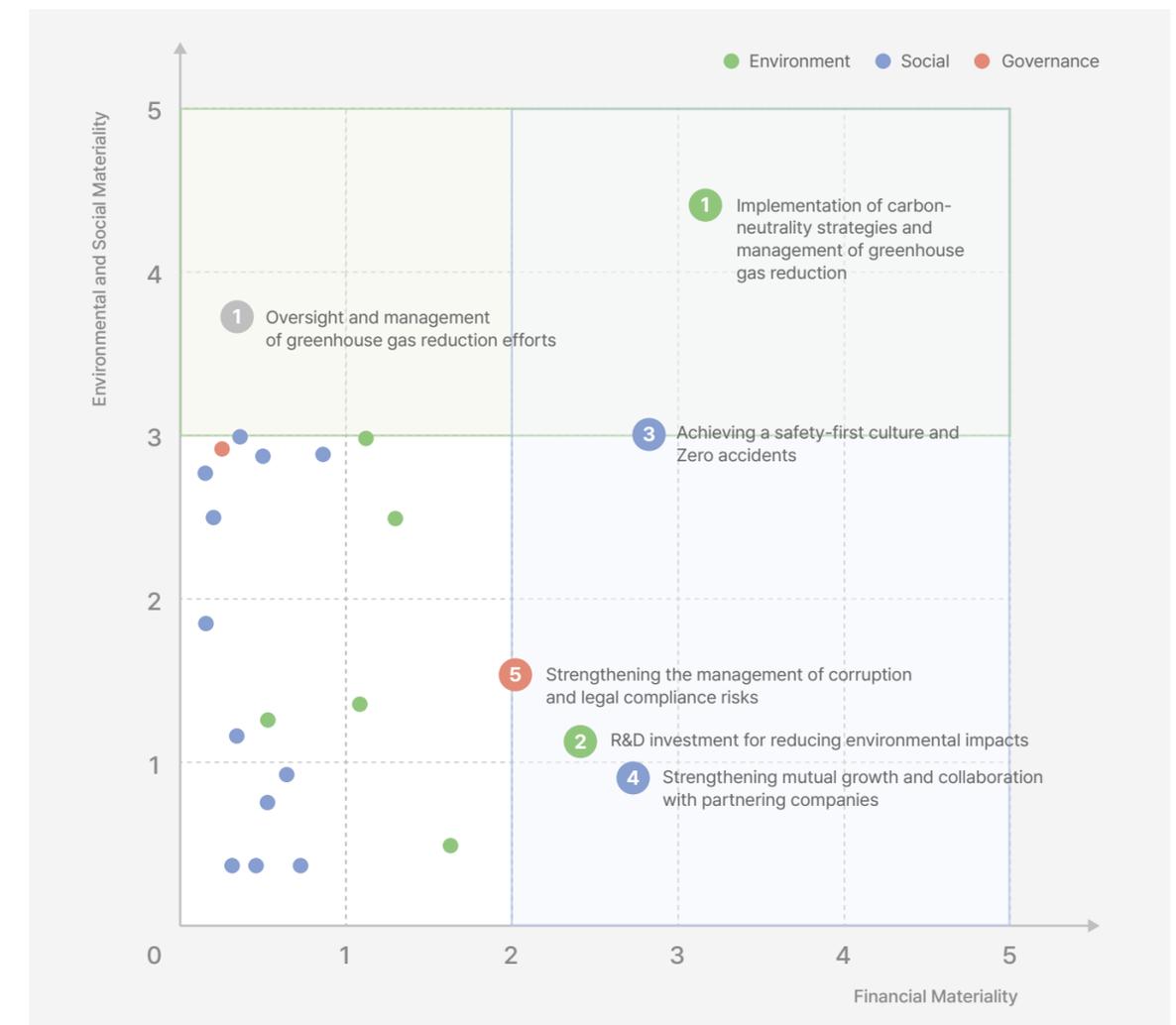
The list of issues identified through the 2025 Double Materiality Assessment is as follows.

Category	Issue List	Key Issues
1 E	Climate change risk analysis and operation of an internal carbon pricing system	
2 E	Performance improvement through eco-friendly product development	
3 E	Strengthening enterprise-wide risk management and onsite management systems	
4 E	Enhancing energy efficiency, REC purchases, and offshore wind-based infrastructure development	
5 E	Oversight and management of greenhouse gas reduction efforts	1
6 E	ISO-based energy efficiency improvement and decarbonization	
7 E	Implementation of carbon-neutrality strategies and management of greenhouse gas reduction	1
8 E	R&D investment for reducing environmental impacts	2
9 S	Achieving a safety-first culture and Zero accidents	3
10 S	Strengthening mutual growth and collaboration with partnering companies	4
11 S	Preventing major accidents through priority site management and strengthened risk monitoring	
12 S	Enhancing economic value through cost reduction and competitiveness improvement	
13 S	Strengthening occupational safety management and preventing risks through assigned safety roles	
14 S	Efforts to achieve Zero serious accidents or reduce incident rates	
15 S	Establishing a performance-based HR system, enhancing career management, and revising criteria	
16 S	Supporting reemployment of retired experts and promoting social contribution activities	
17 S	ISO-based anti-corruption and ethical management system	
18 S	Enhancing operational stability through supplier safety systems and improved subcontracting	
19 S	Preventing defects and failures through process and quality management	
20 S	Overseas infrastructure development and creation of new business opportunities	
21 S	Enhancing inspector skills and improving engineer development for low-carbon vessels and MRO	
22 S	Reinforcing cost management and capability through improved operational skillsets	
23 S	Improving employment rates for persons with disabilities and supporting foreign workers	
24 G	Ensuring fair and non-discriminatory recruitment procedures and additional hiring	
25 G	Strengthening the management of corruption and legal compliance risks	5

* "5. Oversight and management of greenhouse gas reduction efforts" was merged with "8. Implementation of carbon-neutrality strategies and management of greenhouse gas reduction" after the material issue selection process.

Double Materiality Assessment Matrix

Based on the results of the 2025 Double Materiality Assessment, we developed the materiality matrix shown below. The matrix enabled a structured evaluation of various ESG issues and helped identify priorities optimized for our management strategy. As a result, we identified key issues that may significantly affect our strategic direction and stakeholder engagement. These key issues were used as foundational inputs for reporting to the ESG Committee, preparing the Sustainability Report, responding to disclosure standards such as GRI, and establishing our mid- to long-term ESG strategy.



Materiality Assessment

Double Materiality Assessment Results

The 2025 materiality assessment identified key issues including eco-friendly technology development, greenhouse gas emissions management, strengthening occupational safety and health systems, and enhancing governance. These issues were prioritized across our business strategy, risk response, and disclosure framework. In particular, we positioned climate change response and safety management enhancement as central pillars of our sustainability management, continuously advancing related policies and execution plans. Going forward, we will continue to proactively identify and manage ESG key issues based on the materiality assessment results, strengthening company-wide execution and reinforcing stakeholder trust while pursuing sustainable growth.

Five Key Material Issues and Response Plans

The five selected material issues are presented below. We quantified the materiality of each issue, enabling comparison and prioritization, and classified issues as potential or actual to analyze their impact. Based on this analysis, we established concrete response strategies to mitigate and manage the identified impacts. The quantitative evaluation incorporated impact magnitude (environmental, social, and financial), likelihood of occurrence, regulatory considerations, market trends, and stakeholder perspectives to generate scores and thresholds. The resulting priorities were then linked to business strategy and risk management.

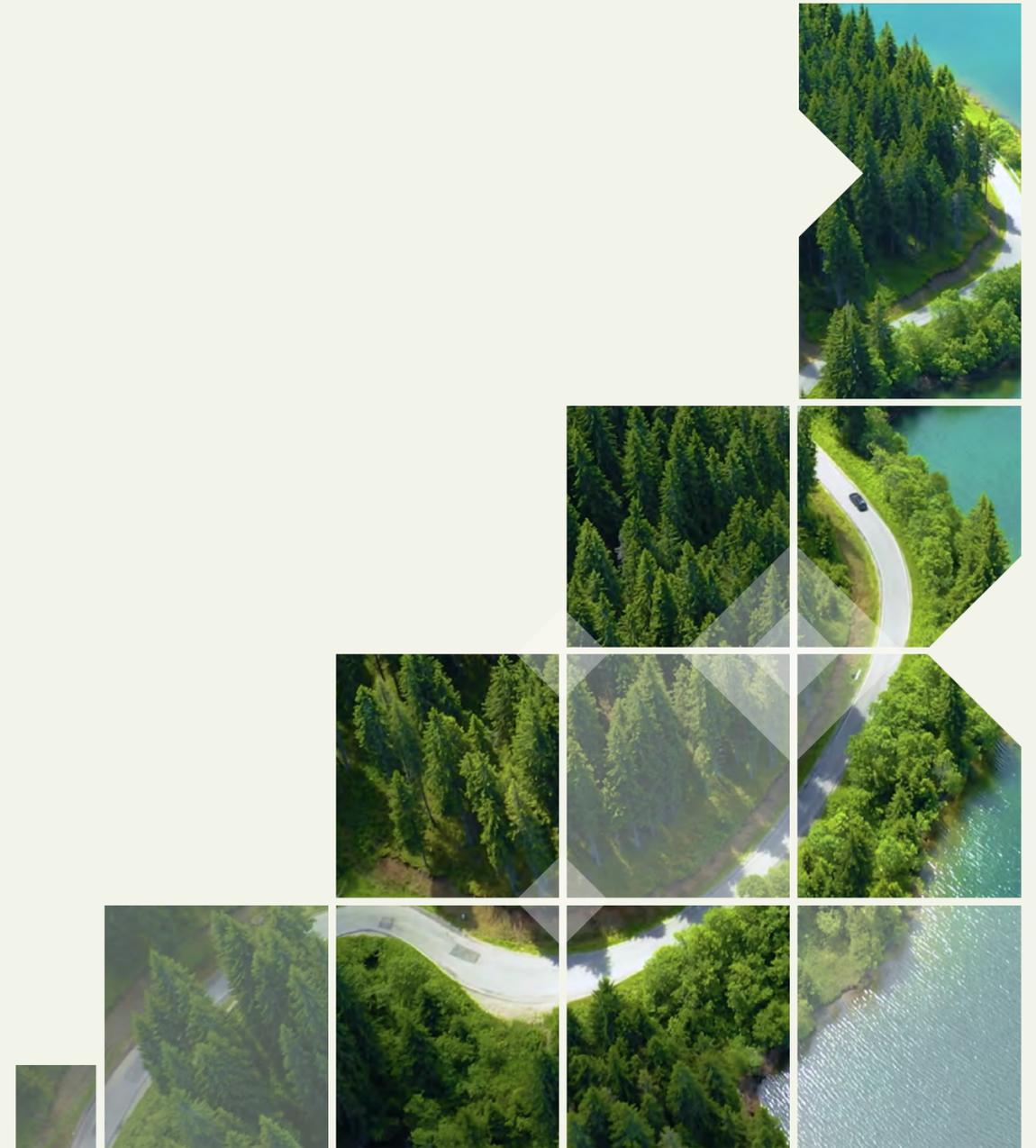
Category	Material Issue	Environment and Social Materiality			Financial Materiality			Changes Compared to 2024	Board Selection	Response Strategy	UN SDGs
		Impact	Risk/Opportunity	Potential/Actual	Impact	Risk/Opportunity	Potential/Actual				
E	Implementation of carbon neutrality strategies and greenhouse gas reduction management	●●●●●	Risk	Potential	●●●●●	Risk	Actual	Continued	✓	<ul style="list-style-type: none"> Reporting and resolution of climate change response and environmental management agenda items at the ESG Committee Managing site-specific greenhouse gas emissions through the operation of a GHG inventory system Completed HJSC's 2024 membership in CDP (Carbon Disclosure Project) 	
E	R&D investment for reducing environmental impacts	●●	Opportunity	Actual	●●●	Opportunity	Actual	Continued	✓	<ul style="list-style-type: none"> Conducting R&D on eco-friendly carbon capture and storage (CCS) ship technologies Expanding research projects, patent applications, and technology development for energy and carbon reduction 	
S	Safety-first management and achievement of Zero accidents	●●●●●	Risk	Actual	●●●	Risk	Actual	Continued	✓	<ul style="list-style-type: none"> Implementing safety and health management system inspections by responsible executives Strengthening onsite inspection activities (including expanded CEO safety inspections) Holding a Zero Serious Accidents Commitment Ceremony 	
S	Strengthening mutual growth and collaboration with partnering companies	●	Risk	Potential	●●●	Risk	Potential	Continued	✓	<ul style="list-style-type: none"> Establishing a sustainable supply chain management policy Strengthening two-way communication and support for partnering companies 	
G	Strengthening the management of corruption and legal compliance risks	●●	Opportunity	Potential	●●●	Risk	Potential	New	✓	<ul style="list-style-type: none"> Introducing and certifying ISO 37001 (Anti-Bribery Management System) by 2025 Operating a continuous integrity pledge program and enhancing ethics and compliance training 	

03 ENVIRONMENTAL

Climate Change Scenario Analysis	25
Environmental Management	31
Environmental Management & Performance	36
Biodiversity Conservation Activities	40
Eco-friendly Technologies	41

HJSC aims to achieve carbon neutrality and build a sustainable industrial ecosystem. We are particularly focused on strengthening our foundation of environmental data management, advancing eco-friendly technologies, and improving energy efficiency.

We practice responsible management across key environmental areas, including greenhouse gas reduction, resource circulation, and biodiversity conservation, and we continue to enhance our role as a leading company in climate change response.



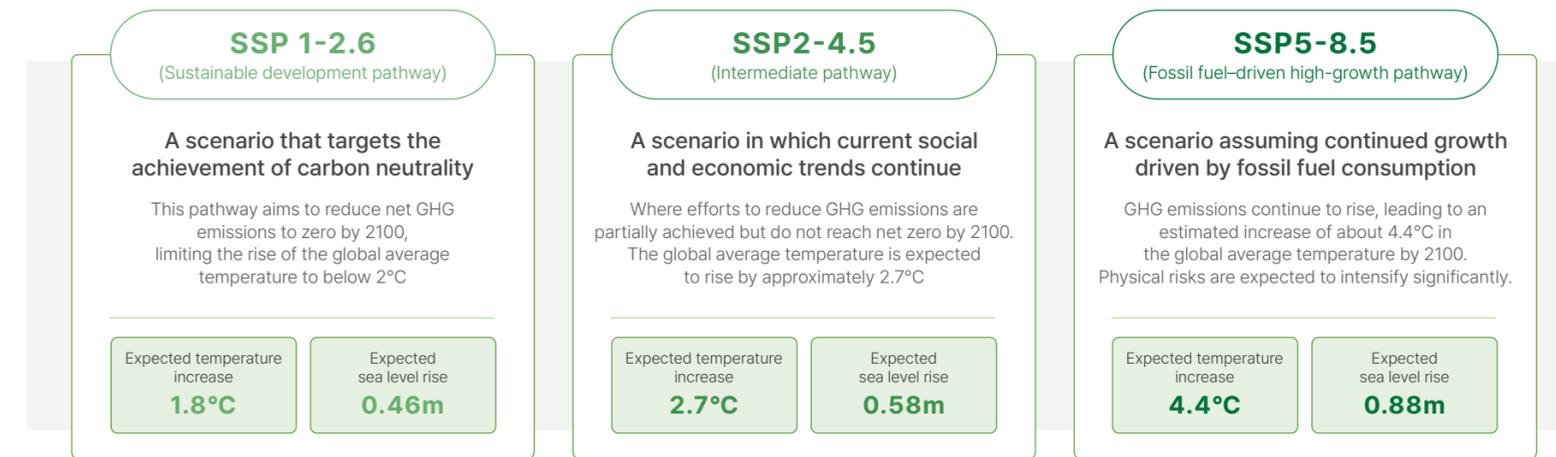
Climate Change Scenario Analysis

Overview

HJSC conducted a climate scenario analysis using internationally recognized pathways to identify physical and transition risks and establish proactive strategies, and we especially referenced the SSP scenarios from the IPCC Sixth Assessment Report (AR6) to assess both financial and non-financial impacts. This analysis supports the strengthening of our sustainable management framework by considering policy and market changes as transition risks, along with physical risks such as extreme weather events and sea level rise.

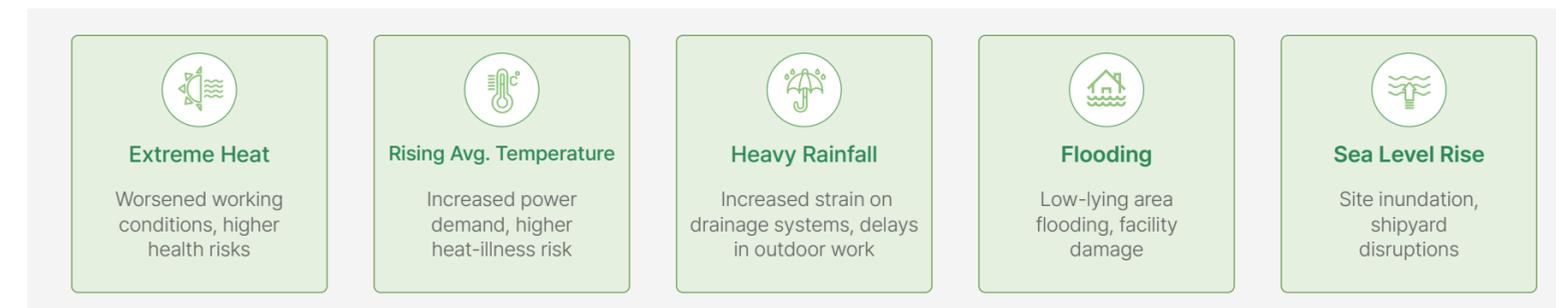
Scenario Selection

To assess the potential impacts of climate change on our business, we applied three SSP pathways covering carbon neutrality, current trends, and fossil-fuel-driven high growth. Projections for sea level rise were based on average values from the Korea Hydrographic and Oceanographic Agency's ocean climate model.



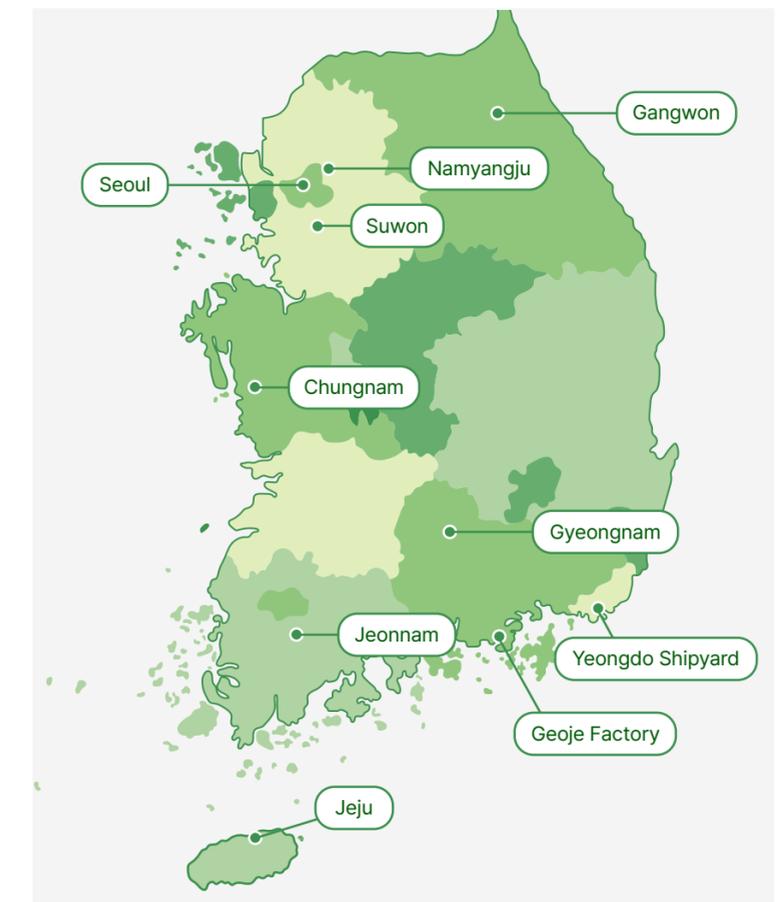
List of Climate-related Hazards

HJSC classified climate-related hazards that may affect our business and assessed their impacts to develop appropriate response strategies.



Scope of Analysis

For the reporting year, HJSC carried out the climate scenario analysis on a total of twelve sites. This included two shipyards, which operate as fixed facilities, and ten construction sites with high revenue and more than two years of remaining project duration.



Climate Change Scenario Analysis

Analysis Process

INTRODUCTION

ESG CORE

ENVIRONMENTAL

Climate Change Scenario Analysis

Environmental Management

Environmental Management & Performance

Biodiversity Conservation Activities

Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX

STEP 1

Scenario Design and Analysis Scope

To analyze the physical and transition risks of climate change, HJSC defined the scenarios, analysis period, evaluation scope, and risk categories based on international standards.

1 Climate Scenario Selection

Physical Risks

Application of IPCC SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios

Transition Risks

Application of scenarios related to strengthened carbon regulations

Period of Analysis

Short term (2025-2027), medium term (2028-2035), long term (2036-2050)

Site Selection

Twelve sites selected, including two sites from shipbuilding and ten construction sites with substantive Scope 1 emissions, revenue figures and has over two years of remaining operations.

2 Risk Category Selection

Physical Risk Factors

Extreme heat
Rising average temperature
Heavy rainfall, flooding
Sea level rise

Transition Risk Factors

Policy · regulatory changes
Technological changes
Market structure changes
Reputation risk

STEP 2

Scenario Application and Risk Assessment

We applied these scenarios to our sites and assessed each risk using quantitative and qualitative methods to determine the overall organizational risk level.

3 Risk Assessment

Physical Risks

- Application of climate scenario data to each site
- Classification of risks into low, moderate, and high based on quantitative criteria

Transition Risks

- Qualitative and quantitative analysis of high and low-carbon scenarios
- Assessment of factors linked to corporate strategy

Estimation of Financial Impacts by Scenario

4 Results Summary

Risk Matrix Development

- Consolidation of risk levels by site, scenario, and time-frame to develop a risk matrix

Integration of Physical and Transition Risk Levels

- Identification of recurring high-risk factors
- Integration of physical and transition risk levels at the organizational level

STEP 3

Key Risk Identification and Response Planning

Based on the results, we identified key risks, developed site-specific response strategies, and analyzed the financial impacts of climate change.

5 Development of Response Strategies

Estimation of Financial Effects by Scenario

- Analysis of key risk types and levels for each site
- Setting of site-specific risk management priorities

Physical Risks

Formulation of response strategies for each physical risk

Transition Risks

Development of response strategies aligned with corporate management strategy

6 Analysis of Financial Impacts and Opportunities

Analysis of Financial Impacts

- Distinguish between direct investment costs for risk mitigation and indirect loss costs
- Summarize financial impacts by risk type

Identification of Opportunity Factors

- Identify business opportunities arising from climate change response
- Define action plans and estimate costs for managing opportunities

*Classification of four transition risk categories based on the TCFD recommendations (policy, market, technology, reputation) and analysis of the impact and magnitude of each category considering industry and supply chain characteristics.

Climate Change Scenario Analysis

Climate Risk Assessment

Results of Physical Climate Risk Assessment for HJ Sites

Based on our physical risk analysis, our major sites were found to be exposed to extreme heat, heavy rainfall, and increasing uncertainty in precipitation patterns, with regions such as Seoul, Suwon, Jeju, and Geoje showing higher medium- to long-term risks related to heat and flooding. While rising temperatures and heavy rainfall were limited to certain areas, extreme heat and flooding present high short-term risks and are likely to intensify over time. We plan to reassess overall risk levels in these regions and implement phased measures. Sea level rise is not expected to significantly affect our sites within the analysis period. Using climate scenarios, we will strengthen short-term responses to protect working conditions and operations, and reinforce long-term business continuity through improved risk management and proactive response processes.

Table of Assessment Result

● Low ● Moderate ● High

Category		Extreme Heat			Rising Average Temperature			Heavy Rainfall			Flooding			Sea Level Rise	
		Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term	Short Term	Mid- to Long-Term
Construction	Gangwon A	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Gangwon B	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Seoul	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Namyangju	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Suwon	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Chungnam A	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Chungnam B	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Jeonnam	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Jeju	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Gyeongnam	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Shipbuilding	Yeongdo	●	●	●	●	●	●	●	●	●	●	●	●	●	●
	Geoje	●	●	●	●	●	●	●	●	●	●	●	●	●	●

Climate Change Scenario Analysis

Climate Risk Assessment

Physical Risks and Financial Impacts

HJSC addresses climate risks by classifying them into physical and transition risks and developing corresponding strategies. Physical risks are divided into acute and chronic types, with tailored measures for each. Step-by-step protocols and workplace reporting procedures are in place for acute risks. Based on this year's scenario analysis, we estimated risk-management costs and reflected them in our budget to strengthen preparedness. Insurance coverage and enhanced preemptive systems help minimize financial losses from facility damage and operational delays. We will continue improving our response framework to ensure business continuity, worker safety, and asset protection.

[Unit: KRW 1 million]

Category	Risk Type	Risk Impacts	Potential Financial Impact	Risk Management Cost	Timeline	Response Strategy
Acute	Extreme weather events such as heatwaves, typhoons, and heavy rainfall	<ul style="list-style-type: none"> Schedule delays and reduced productivity/quality due to shorter working hours - additional equipment and workforce required to recover lost time Potential operational shutdowns and damage to shipyard facilities, equipment, and vessels under construction Increased insurance costs 	13,938	732	Short-term	<ul style="list-style-type: none"> Allocate budgets for climate-related risk mitigation to ensure schedule compliance Strengthen monitoring and advance preparatory measures to minimize construction delays during extreme weather in summer Establish and implement step-by-step action guidelines for climate events, and operate rest facilities for workers
Chronic	Increased climate variability, including shifting precipitation patterns and abnormal heat	<ul style="list-style-type: none"> Potential facility damage and loss of raw and auxiliary materials due to heavy rainfall 	37	16	Long-term	<ul style="list-style-type: none"> Reinforce basic infrastructure and install damage-prevention facilities Establish an emergency response system for climate-related events

Transition Risks and Financial Impacts

Transition risks arising from climate action directly affect business conditions through policy, market, and societal changes. HJSC identified and analyzed transition risks across three TCFD-defined areas and determined material risk factors by considering global supply chain linkages and stakeholder expectations. Key risks include strengthened carbon regulations, pressure to adopt low-carbon technologies, expanded ESG disclosure requirements, and shifts in corporate reputation and investor confidence. We assess the potential costs and feasibility of each risk to set priority-based response strategies and enhance our overall risk management framework.

[Unit: KRW 1 million]

Category	Risk Type	Risk Impacts	Potential Financial Impact	Risk Management Cost	Timeline	Response Strategy
Policy	Stricter greenhouse gas regulations (Target Management System and ETS compliance)	<ul style="list-style-type: none"> Increased costs associated with responding to greenhouse gas regulations and climate policies Consulting, training and seminars, dedicated staffing, external verification of emissions, emission allowance purchases, etc. 	208	147	Mid-to Long-Term	<ul style="list-style-type: none"> Deploy dedicated staff and use external experts to monitor climate policy changes and emissions allowance trends Build processes for future compliance with the Target Management System and the ETS, and maintain reliable baseline GHG data

Climate Change Scenario Analysis

Climate Risk Assessment

Transition Risks and Financial Impacts

[Unit: KRW 1 million]

Category	Risk Type	Risk Impacts	Potential Financial Impact	Risk Management Cost	Timeline	Response Strategy
Market	Increase in raw material costs	<ul style="list-style-type: none"> Increased manufacturing costs from shifting to low-carbon alternatives and eco-friendly materials Rising energy costs due to strengthened carbon-neutrality policies 	23,846	180	Mid-Term	<ul style="list-style-type: none"> Monitor raw material prices and develop annual procurement plans; adopt joint purchasing across sites or with peers Gradually expand the use and procurement of eco-friendly materials
Reputation	Growing media and stakeholder (customer) attention to climate-related issues	<ul style="list-style-type: none"> Increased ESG-related costs to meet evaluation requirements and strengthen corporate credibility and brand image 	68,200	1,820	Short-term	<ul style="list-style-type: none"> Strengthen ESG-related corporate communications and establish company-wide media response guidelines and systems Enhance monitoring of media coverage related to corporate environmental issues

Opportunities and Financial Impacts

Climate change presents risks, but it also offers opportunities to strengthen competitiveness through new markets and new technologies. As the world moves toward carbon neutrality, demand for eco-friendly vessels is increasing, and proactively responding to this trend plays an important role in enhancing our sustainability and profitability. This reporting year, we analyzed opportunity factors related to our products and services, and the key execution strategies identified are as follows.

[Unit: KRW 1 million]

Category	Risk Type	Risk Impacts	Potential Financial Impact	Risk Management Cost	Timeline	Response Strategy
Products and services	Eco-friendly Construction and Shipbuilding	<ul style="list-style-type: none"> Expansion of certifications for green buildings such as Green Architecture and ZEB Strengthening capabilities in low-carbon and eco-friendly construction technologies Continued investment in core technologies for eco-friendly, low-carbon vessels Establishing continuous monitoring within design teams for trends, technologies, and policies in the decarbonized vessel market 	882,821	1,112	Mid-Term	<ul style="list-style-type: none"> Expanded market share through diversification of eco-friendly construction projects Increased revenue driven by higher orders for eco-friendly vessels under IMO emission regulations

Climate Change Scenario Analysis

Water Resource Risk Management

HJSC recognizes the growing importance of securing water resources amid climate change and has conducted an assessment to systematically identify water-related risks across our sites and establish proactive response measures. For this analysis, we used the Aqueduct Water Risk Atlas provided by the World Resources Institute (WRI), reviewing various water risk factors including water stress levels, potential depletion of water resources, changes in rainfall patterns, and flood risks. The sites included in the assessment were selected based on criteria such as operating periods of more than two years, permanent facility status, relatively high contributions to the company's Scope 1 greenhouse gas emissions, and their significance in terms of revenue generation. We assess the water risk levels of each region annually and will develop strategic response plans for potential water shortages or flood-related impacts as climate scenarios evolve.

INTRODUCTION

ESG CORE

ENVIRONMENTAL

Climate Change Scenario Analysis

Environmental Management

Environmental Management & Performance

Biodiversity Conservation Activities

Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX

WRI Water Risk Atlas by Site



HJSC assessed water-related risks for each site using key indicators from the WRI Water Risk Atlas. The assessment categories include quantity risk, quality risk, and transition risk. We will develop response strategies with a focus on high-risk areas based on a comprehensive evaluation that incorporates both quantitative and qualitative indicators for each risk type.

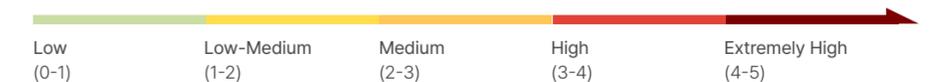
Quantity risk was evaluated using baseline water stress and variability in water availability, which indicated the need for additional measures such as improving water-use efficiency and adopting water-reuse technologies.

Quality risk was assessed based on return-flow ratios and untreated wastewater discharge ratios, and we plan to continuously monitor these indicators to prepare for potential increases in treatment costs and stricter regulatory requirements.

For transition risk, we will consider the potential tightening of water-related regulations and changes in community expectations, and will prepare phased response measures with a focus on high-risk areas.

Exposure to Water Resource Risks by Site

Category		Quantity Risk	Quality Risk	Transition Risk
Construction	Gangwon A	●	●	●
	Gangwon B	●	●	●
	Seoul	●	●	●
	Namyangju	●	●	●
	Suwon	●	●	●
	Chungnam A	●	●	●
	Chungnam B	●	●	●
	Jeonnam	●	●	●
	Jeju	●	●	●
Shipbuilding	Gyeongnam	●	●	●
	Yeongdo	●	●	●
	Geoje	●	●	●

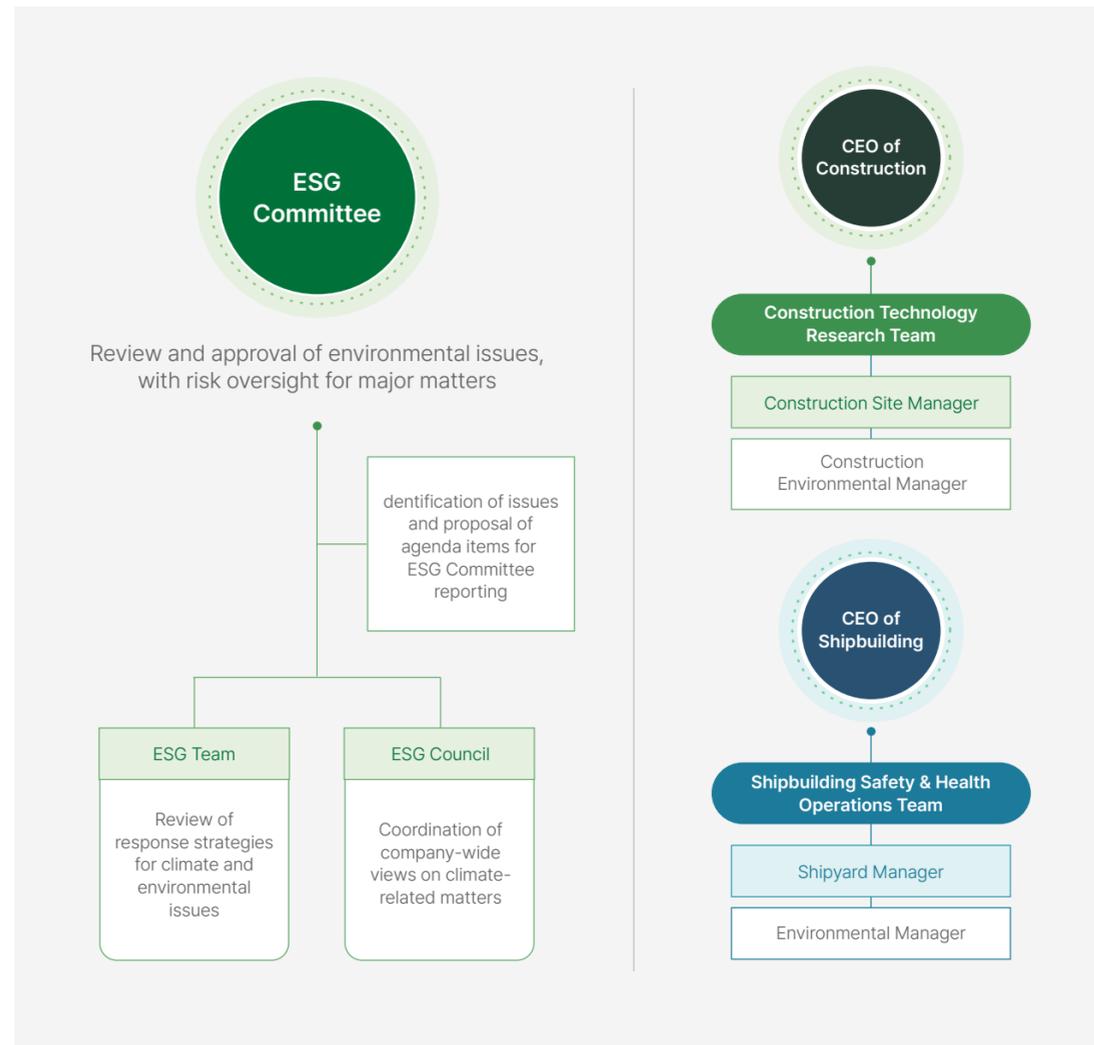


Environmental Management

Environmental Management Governance

HJSC's Board of Directors leads key decision-making and oversees the management of ESG-related risks and opportunities. The Board incorporates stakeholder perspectives to define the company's sustainability direction, while the ESG Team identifies climate-related risks and opportunities and develops response strategies. Major agenda items are reported to the CEO and finalized through review and approval by the ESG Committee or the Board. Progress on climate initiatives is reviewed regularly to ensure effective implementation.

Environmental Governance Structure



Environmental Management Policy

HJSC is committed to achieving carbon neutrality by 2050 and pursuing sustainable growth while fulfilling its economic and social responsibilities. The company strengthens eco-friendly management strategies to minimize environmental impacts across all construction and shipbuilding operations and manages them in a systematic and efficient manner. HJSC also operates an enhanced company-wide environmental management system, regularly reviewing and sharing goals and performance with employees and partners, proactively responding to evolving climate and environmental issues, and driving continuous improvement.



Operation of an ISO 14001-Based Environmental Management System

HJSC operates an integrated management system based on ISO 14001 to systematically manage environmental data. The company has established a system to collect, analyze, and monitor key environmental data, including greenhouse gas emissions, energy use, and waste generation across all sites. This enables efficient and transparent environmental management grounded in reliable data.



Environmental Management System (ISO 14001) Certificate

Environmental Management

Environmental Management Goals and Key Initiatives

Intensifying climate change and environmental regulations present both challenges and opportunities for innovation. HJSC has embedded eco-friendly management as a core value and strengthened environmental responsibility across all business activities. Based on the ISO 14001 environmental management system, we systematically implement environmental preservation initiatives and pursue specific goals such as climate-risk response, renewable energy adoption, resource circulation, and GHG reduction. We also enhance training and programs that enable full employee participation in environmental management, advancing sustainability that balances customer satisfaction and environmental protection.

INTRODUCTION

ESG CORE

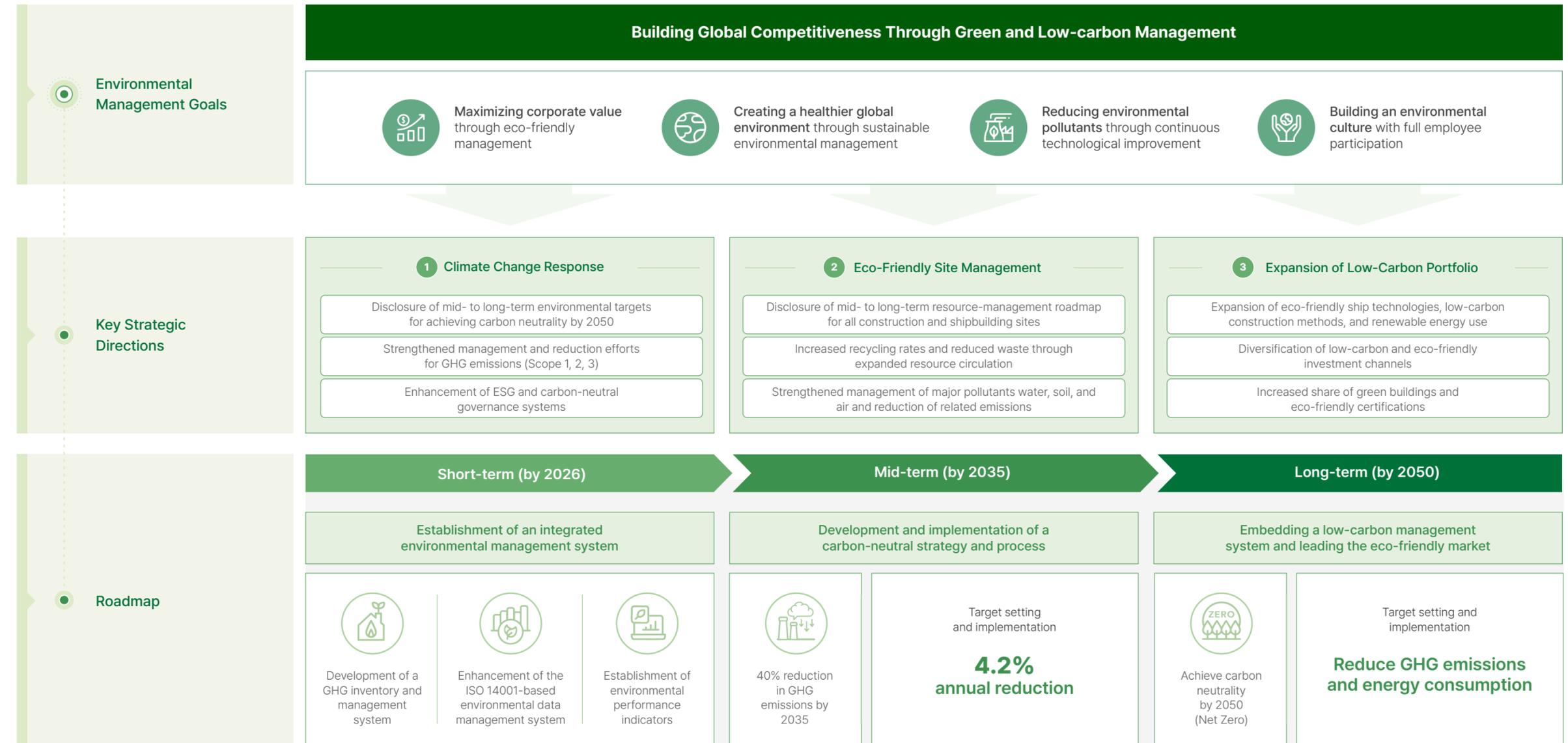
ENVIRONMENTAL

- Climate Change Scenario Analysis
- Environmental Management**
- Environmental Management & Performance
- Biodiversity Conservation Activities
- Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX



Environmental Management

Environmental Management Strategy

HJSC has established mid- to long-term environmental management targets for 2035 and 2050, referencing global environmental initiatives and Korea's Nationally Determined Contributions (NDC). We set clear reduction and efficiency improvement targets for each environmental element and developed phased strategies to strengthen a sustainable management system. We also introduced an intensity-based calculation framework for energy and resource use, enabling year-to-year performance comparison and enhancing transparency and objectivity in performance management. By reviewing key indicators annually, identifying improvement areas, and implementing action-oriented plans, HJSC aims to secure global-level environmental management capabilities and continuously build a strong foundation for the low-carbon transition.

Mid- to Long-term Management Goals and Strategies by Key Environmental Element

Category	Description	Unit	Mid-term (by 2035)		Long-term (by 2050)	
			Target	Implementation Strategy	Target	Implementation Strategy
Greenhouse Gas Emissions	Emission Reduction	%	40	<ul style="list-style-type: none"> Strengthen the effectiveness of internal environmental management standards and support systems. Enhance site-level environmental management capabilities and specify detailed management guidelines. Continuously improve management procedures for major environmental non-compliance risks. Implement performance management to achieve targets for each environmental element. Expand the scope of environmental improvement activities by continuously providing environmental training and raising awareness among employees. Manage PQ credit by continuously strengthening environmental compliance processes. 	NET ZERO	<ul style="list-style-type: none"> Operate all business sites as environmentally friendly workplaces.
Energy Consumption	Energy Use per Unit	TJ per KRW 100 million	0.05		<ul style="list-style-type: none"> Assess environmental impacts throughout construction and shipbuilding processes and carry out continuous reduction initiatives. 	
Water Consumption	Energy Use per Unit	ton per KRW 100 million	16		<ul style="list-style-type: none"> Foster environmental awareness among all employees, encourage voluntary participation, and enhance long-term environmental management capability. 	
Waste	Recycling Rate (Recycled Amount as % of Total Waste Generated)	%	90		<ul style="list-style-type: none"> Build an integrated environmental management system by continuously expanding environmental management support for partner companies. 	
Serious Environmental Regulatory Violations	PQ Credit-related Environmental Deductions	Cases	ZERO		<ul style="list-style-type: none"> Establish an integrated corporate-wide environmental management system by continuously expanding environmental management support across the organization. 	

Analysis of Risk Factors and Response Strategies by Key Environmental Issue

[Unit: KRW 1 million]

Category	Type	Risk Factor	Risk Impact	Potential Financial Impact	Risk Management Cost	Timeline	Response Strategy
Transition Risk	Policy	Continuous strengthening of environmental policies, regulations, and legal requirements (e.g., air emissions, noise/vibration, waste, water pollution)	<ul style="list-style-type: none"> Increase in investment and operating costs for environmental facilities and staffing required to comply with environmental regulations by business type Increase in the number of violations due to strengthened regulations for each environmental issue Deduction of environmental scores in PQ credit evaluations for public project bids(resulting in reduced competitiveness and potential sales decline) Increase in penalty and fine expenses 	3,980	554	Short-term	<ul style="list-style-type: none"> Strengthen employees' environmental management capabilities through regular site environmental inspections /training and continuous improvement of competency levels Advance environmental management processes and management systems Establish and distribute detailed response guidelines based on analysis of site-specific environmental regulations Expand the role, responsibilities, and organizational capacity of the headquarters environmental team to ensure prompt and coordinated support for site operations in response to regulatory issues Enhance partner companies' environmental compliance and management performance(promoting improvements in environmental risk assessment/evaluation systems and support programs)
	Reputation	Increase in community complaints related to environmental issues and heightened media attention	<ul style="list-style-type: none"> Increase in spending required for timely responses to simultaneous environmental complaints and media issues across business sites Increase in direct and indirect costs to improve ESG ratings, external credibility, and corporate image 	442	130	Short-term	<ul style="list-style-type: none"> Strengthen corporate ESG-related communication activities and establish company-wide guidelines & response systems for media engagement

Environmental Management

Environmental Management System

HJSC integrates environmental considerations into all stages of its construction and shipbuilding operations, from design and procurement to construction and operation, and operates a performance evaluation system that systematically manages key risks such as greenhouse gas emissions, energy use, and pollutants. In the construction business, the focus is on applying eco-friendly design, minimizing environmental impacts at each stage, and strengthening on-site environmental management. The shipbuilding business responds to tightening global regulations and customer needs by expanding low-carbon, eco-friendly vessel technologies and solutions that enhance operational efficiency. Based on these efforts, HJSC continually improves its internal environmental management processes and strives to deliver meaningful environmental outcomes that meet stakeholder expectations.

INTRODUCTION

ESG CORE

ENVIRONMENTAL

- Climate Change Scenario Analysis
- Environmental Management
- Environmental Management & Performance
- Biodiversity Conservation Activities
- Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX



Environmental Management

Environmental Management Performance

Environmental Investment Performance

HJSC continues to expand investments in eco-friendly facilities and technology development to advance environmental management and support sustainable growth. This year, the company strengthened its pollution-prevention capabilities by expanding key infrastructure such as dust and overspray reduction systems, noise and vibration control equipment, waste treatment facilities, water pollution prevention systems, and high-efficiency dust collectors. HJSC will continue to enhance its ESG competitiveness by generating tangible outcomes through ongoing environmental investments.

Environmental Investment Amounts

Category	Unit	2022	2023	2024	Notes
Investment in Environmental Facilities	KRW 100 million	37.8	27.7	44.2	Various environmental facilities within construction sites, etc.
Investment in Environmental Technologies		5.9	4.2	3.3	Low-carbon propulsion technologies and eco-friendly fire suppression device development, etc.
Total		43.7	31.9	47.5	-

Eco-friendly Revenue Performance

Category	Unit	2022	2023	2024	Notes
Eco-friendly Revenue [A]	KRW 100 million	656	4,040	4,925	-
Total Revenue [B]		17,881	21,620	18,860	-
Eco-friendly Revenue Ratio [A/B]	%	3.7	18.7	26.1	-

Eco-friendly Revenue Criteria

HJSC applies the Korean Green Taxonomy (K-Taxonomy) to define its eco-friendly business categories as outlined below and discloses revenue performance for these business areas.

Category	Sector	Economic Activity	Description
Construction Business	Urban and Building	New Construction and Remodeling of Zero-Energy Buildings (or Green Buildings)	· Zero-energy building certification · Public buildings: Grade 4 or higher · Others: Grade 5 or higher
Shipbuilding Business	Transport	Construction of Eco-friendly Ships	· Dual-fuel vessels · Hybrid propulsion vessels

Eco-friendly Procurement Performance

HJSC is strategically expanding the use of recycled materials and certified eco-friendly resources to build a sustainable value chain. During the reporting year, the company broadened the use of recycled materials such as recycled aggregates and shot balls, and established eco-friendly material plans from the early design stage to comply with green building certifications and sustainable design guidelines.

Category	Unit	2022	2023	2024
Recycled Aggregate	m3	3,349	7,949	14,195
	KRW 1 million	26.3	55.7	103.0
Recycled Sand	m3	3,485	3,286	307
	KRW 1 million	62.7	58.2	5.0
Steel Grit (Shot Ball)	ton	30	90	120
	KRW 1 million	35.4	104.0	138.0
Eco-friendly Procurement Amount [A]	KRW 1 million	124.0	218.0	246.0
Total Procurement Amount [B]	KRW 1 million	844,122	677,607	564,244
Eco-friendly Procurement Ratio [A/B]	%	0.015	0.032	0.044

Eco-friendly Procurement Criteria

HJSC follows the Ministry of Environment's Green Product Procurement Guidelines and classifies items that meet environmental labeling certifications, GR (Good Recycled) certifications, low-carbon certifications, and internal standards for recycled or recyclable materials as eco-friendly procurement items, and discloses the corresponding procurement performance.

Environmental Label Certified Products

GR (Excellent Recycling) Certified Products

Low-Carbon Certified Products

Others (Recycled Raw Materials & Reusable Materials)

Environmental Management Activities and Performance

INTRODUCTION

ESG CORE

ENVIRONMENTAL

Climate Change Scenario Analysis

Environmental Management

Environmental Management & Performance

Biodiversity Conservation Activities

Eco-friendly Technologies

SOCIAL

GOVERNANCE

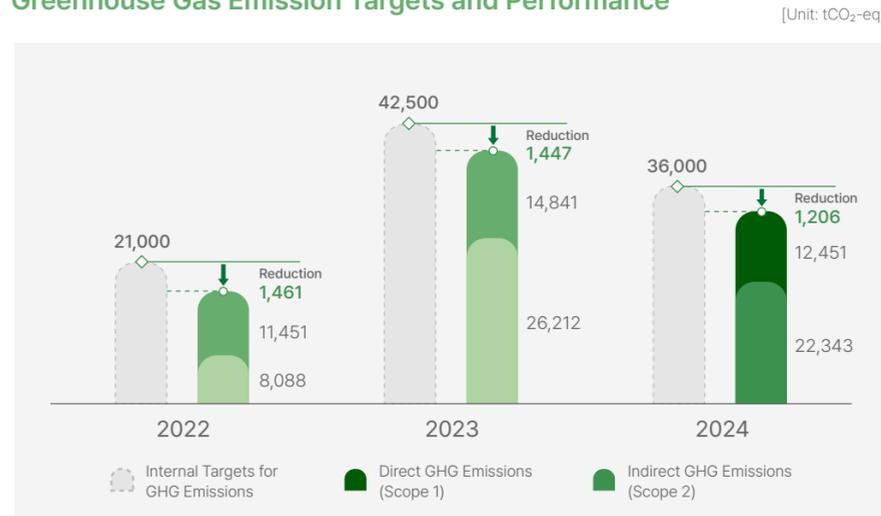
APPENDIX

Greenhouse Gas & Energy

Greenhouse Gas Emissions and Energy Use Status

HJSC sets clear greenhouse gas and energy usage targets and transparently discloses emissions and consumption data to maximize reduction outcomes and actively contribute to climate action. The company is also preparing for designation under Korea's national Target Management System by faithfully fulfilling its greenhouse gas reduction agreements. To enhance transparency and credibility, HJSC voluntarily discloses its Scope 1 and Scope 2 emission targets and actual results for domestic operations.

Greenhouse Gas Emission Targets and Performance

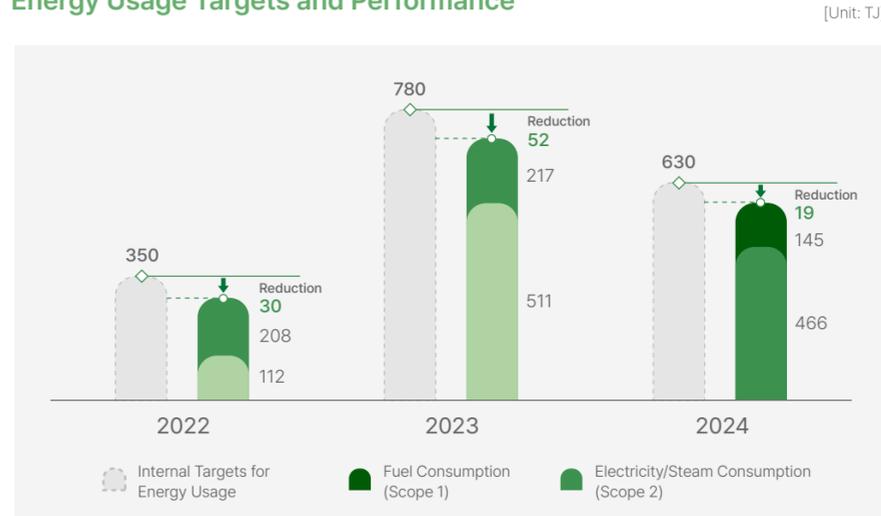


Scope 1, 2 Greenhouse Gas Emissions

Category	2022	2023	2024
GHG Emission Target (Internal)	21,000	42,500	36,000
Direct GHG Emissions (Scope 1)	11,451	14,841	12,451
Indirect GHG Emissions (Scope 2)	8,088	26,212	22,343
Total GHG Emissions (Scope 1 + Scope 2)	19,539	41,053	34,794

* Annual GHG emissions are aggregated by truncating decimals at the site level, so totals may differ from the sum of each category.
 * Disclosure scope: 2022 limited to the shipbuilding business; 2023-2024 covers all domestic sites (shipbuilding + construction), excluding overseas sites.

Energy Usage Targets and Performance



Energy Consumption

Category	2022	2023	2024
Energy Consumption Target (Internal)	350	780	630
Fuel Consumption (Scope 1)	208	217	145
Electricity/Steam Consumption (Scope 2)	112	511	466
Total Energy Consumption (Scope 1 + Scope 2)	320	728	611

* Annual energy consumption is aggregated by truncating decimals at the site level, so totals may differ from the sum of each category.
 * Disclosure scope: 2022 limited to the shipbuilding business; 2023-2024 covers all domestic sites (shipbuilding + construction), excluding overseas sites.

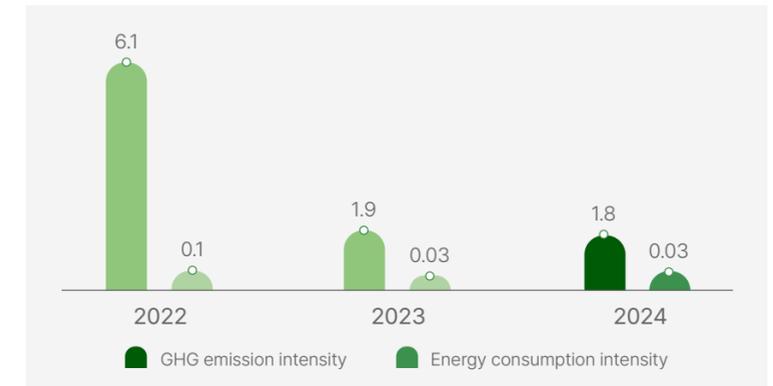
Greenhouse Gas Scope 3 Emissions

HJSC is expanding its emissions disclosure beyond Scope 1 and Scope 2 to include Scope 3 emissions across the entire value chain. The company began calculating and reporting Scope 3 emissions with categories such as employee business travel and commuting, and plans to gradually broaden coverage to additional categories. These efforts enable HJSC to more comprehensively assess the environmental impact of its operations and strengthen the foundation for an enhanced climate-change response strategy.

Scope 3 Emissions by Category

Category	2022	2023	2024
Category 6 (Business travel)	-	599	525
Category 7 (Business travel)	-	-	1,595

Emission Intensity and Consumption Performance



Category	2022	2023	2024	Notes
GHG emission intensity (tCO ₂ -eq per 100m KRW)	6.10	1.90	1.84	Based on revenue
Energy consumption intensity (TJ per 100m KRW)	0.10	0.03	0.03	

Environmental Management Activities and Performance

INTRODUCTION

ESG CORE

ENVIRONMENTAL

Climate Change Scenario Analysis

Environmental Management

Environmental Management & Performance

Biodiversity Conservation Activities

Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX

Waste Management

Resource Circulation and Waste Management

HJSC manages the entire waste lifecycle, from generation to final treatment, in strict compliance with the Waste Control Act. Waste generated at each site is monitored through the national waste management platform, Allbaro System, which tracks site-level volumes and recycling rates. This enables efficient and sustainable resource management across operations. Waste transport and treatment are entrusted to certified specialist partners, and each site operates dedicated storage facilities suitable for different waste types. After proper segregation and sorting, waste is handled by licensed collection and transport companies. All waste is classified as either general industrial waste or designated waste and is collected, stored, transported, and discharged in designated areas according to regulatory requirements. HJSC has also strengthened its recycling efforts. Through ongoing improvement activities, the company achieved a waste recycling rate of 84% in 2024.

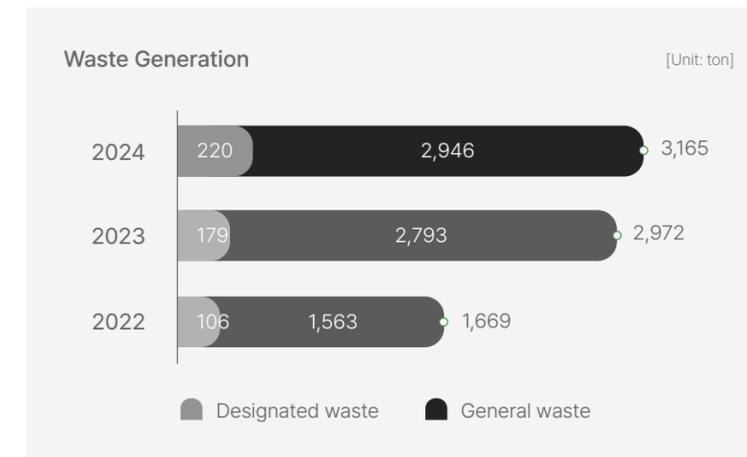


Three Year Waste Treatment Performance



* The above data applies to the shipbuilding business only.

Waste Generation and Recycling Rate Status



* The above data applies to the shipbuilding business only.

Major Waste Generation and Treatment Status

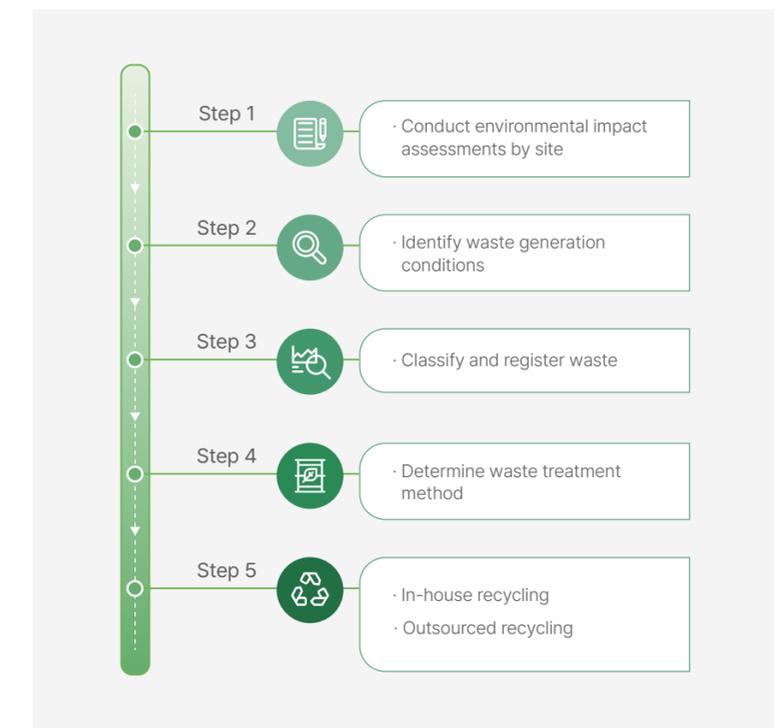
Category	2022	2023	2024
Waste synthetic resin	684	1,428	1,703
Waste slag	316	377	377
Waste sand	313	457	422
Waste wood	250	487	444

* The above data applies to the shipbuilding business only.

Waste Treatment and Management

HJSC ensures safe and efficient waste treatment by partnering with qualified waste management companies and conducting regular evaluations that may result in improvement requests, warnings, or contract termination. Waste is handled by certified treatment providers in accordance with the Waste Control Act and internal management standards. Each site operates dedicated storage facilities to properly sort waste, which is then transported safely by licensed collection and transport companies. All waste movements are recorded through weighbridge measurements and monitored in real time via the integrated waste management system. HJSC classifies waste treatment methods into landfill, recycling, and incineration, and continues to strengthen its management system with a focus on improving recycling rates.

Waste Treatment Process



Environmental Management Activities and Performance

Environmental Impact Management

Air Environment Management

HJSC operates a structured management system to reduce air pollutants, particularly fugitive dust and fine dust, and conducts thorough on-site monitoring through dedicated environmental personnel. Key reduction activities include phased restrictions on outdated construction equipment, water-spraying operations, and process improvements, all applied according to process needs to effectively suppress dust generation. HJSC will continue implementing reduction measures as part of its efforts to improve air quality and respond to climate change.

Environmental Monitoring System

HJSC installs fine dust and noise monitoring devices at all sites and operates real-time monitoring. Measured data are displayed on-site and enable immediate action when thresholds are exceeded. This systematic and transparent information-sharing system helps minimize environmental impact and strengthens stakeholder trust.



Real-time fine dust and noise monitoring

Noise and Vibration Management

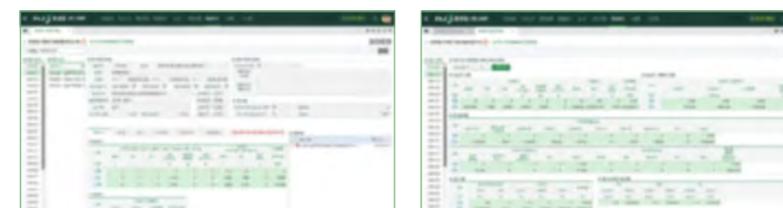
HJSC applies internal noise and vibration standards that are stricter than legal requirements and ensures compliance across all processes. Noise meters and display boards are installed at worksites to maintain levels below regulatory thresholds (65 dB in residential areas and 70 dB in other areas), enhancing the effectiveness of noise control. HJSC also implements a range of reduction measures, including installing noise control facilities, limiting construction vehicle speeds, and improving work methods to minimize construction noise.

Internal Environmental Impact Management Standards

Category	Standards
Fugitive dust management	<ul style="list-style-type: none"> PM2.5 24-hour average $\leq 25 \mu\text{m}/\text{m}^3$ PM10 24-hour average $\leq 50 \mu\text{m}/\text{m}^3$
Noise and vibration management	<ul style="list-style-type: none"> Residential areas: $\leq 60 \text{ dB}$ Other areas: $\leq 65 \text{ dB}$
Water pollution management	<ul style="list-style-type: none"> COD, BOD $\leq 15 \text{ ppm}$ Suspended solids (SS) $\leq 15 \text{ ppm}$

Operation of Environmental Information Management System

We operate an environmental module system that integrates and monitors on-site environmental data such as GHG emissions, waste generation and water consumption, enabling efficient management of environmental information across all sites. The system is based on the ISO 14001 environmental management framework.

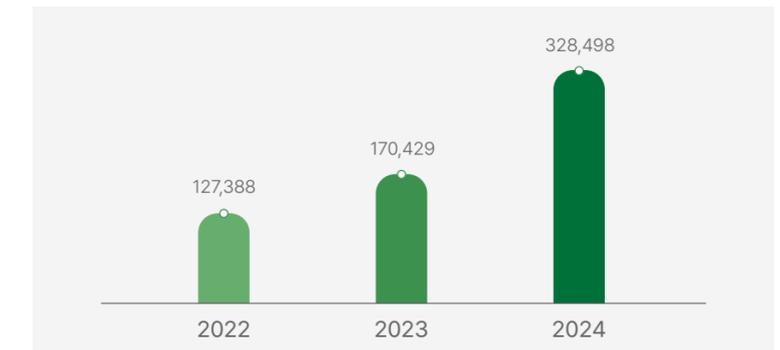


Water Resource Management

HJSC manages water resources systematically to minimize environmental impact and prevent unnecessary water use. Each site regularly reviews its water consumption, and the installation of eco-certified sanitary fixtures is encouraged in office areas. Spring coolers and vehicle-detection spray systems are used to suppress dust while improving water-use efficiency. HJSC also operates a water quality monitoring system and conducts water quality tests in line with internal standards to prevent water pollution.

Water Consumption

[Unit: ton]



* Disclosure scope: 2022–2023 limited to the shipbuilding business
2024 covers all domestic sites (shipbuilding+construction, excluding overseas sites)

Participation in the Carbon Disclosure Project (CDP)

HJSC joined CDP in 2024 to proactively respond to strengthening global environmental regulations and to demonstrate its commitment to sustainability. As part of this initiative, the company completed the disclosure of its carbon emissions and environmental information. HJSC plans to continue annual participation and disclosure activities through CDP to meet the climate-related expectations of diverse stakeholders.

Environmental Management Activities and Performance

Environmental Impact Management

Management of Water Pollutants

HJSC strictly manages wastewater generated during construction activities in accordance with legal discharge standards. Each site operates wastewater treatment facilities to reduce water pollutants before discharge, and effluent quality is regularly checked to ensure compliance with regulatory requirements. Wastewater from temporary site offices is treated through septic tanks or wastewater treatment systems prior to discharge to prevent water pollution. Through these practices, HJSC mitigates potential water pollution risks during construction and site operations.

2 year Water Pollutant Management Status

Category	Legal standard	2023		2024		Notes
		Concentration (ppm)	Discharge volume (ton)	Concentration (ppm)	Discharge volume (ton)	
BOD	10 ppm or 20 ppm or below (depending on site conditions)	0.4~7.4	0.00220	1.4~17.3	0.00103	6 sites
SS	10 ppm or 20 ppm or below (depending on site conditions)	1.8~6.9	0.00193	1.4~18.4	0.00083	6 sites

* Survey Target : Individual wastewater treatment facilities (septic tanks/sewage treatment facilities) within construction sites

Encouraging Employee Participation in Environmental Management

HJSC enhances employee awareness of environmental management by regularly sharing best practices and incident cases from peer companies each month. The company plans to continue supporting employee participation through various campaigns and programs that enable active involvement in environmental initiatives.



Site Environmental Management

HJSC operates its environmental management system based on ISO 14001 certification and an integrated environmental information system to ensure full compliance with environmental laws and regulations, including the Clean Air Conservation Act, Construction Waste Act, Noise and Vibration Control Act, Water Environment Conservation Act, Soil Environment Conservation Act and the Framework Act on Carbon Neutrality. The company's dedicated environmental teams—the Shipbuilding Safety and Health Operations Team and the Construction Technology Research Team—continuously monitor regulatory requirements and establish internal procedures, guidelines and site management standards to support compliance. They provide on-site support, training, inspections and evaluations, and conduct regular environmental education and audits to prevent environmental risks and maintain environmentally responsible worksites.

Environmental Education Programs

<p>Quality and environmental training for all construction sites</p> <p>Employees at construction sites</p> <p>666 persons</p> <ul style="list-style-type: none"> Sharing updates on environmental regulations and key violation cases Providing monthly feedback on site-level environmental data entries in the ERP system 	<p>ESG management and GHG inventory training for construction site managers</p> <p>Site-level management team leaders</p> <p>27 persons</p> <ul style="list-style-type: none"> Introduction to GHG inventories and basic methods for calculating emissions Guidance on collecting supporting data and managing documentation 	<p>ESG management and climate-awareness training for shipbuilding partners</p> <p>Partner CEOs and related employees</p> <p>51 persons</p> <ul style="list-style-type: none"> Introduction of supply chain ESG management Raising awareness of environmental management and climate action
--	--	--

Participation in Domestic Environmental Initiatives

We participate in the Entrepreneurs Roundtable (ERT) and the Business and Biodiversity Platform (BNBP) to support joint efforts in environmental protection and biodiversity conservation. Through these initiatives, we strengthen collaboration with domestic environmental platforms and contribute to resource circulation and ecosystem preservation. HJSC will continue to enhance its environmental management practices and reinforce trust with stakeholders through ongoing participation.

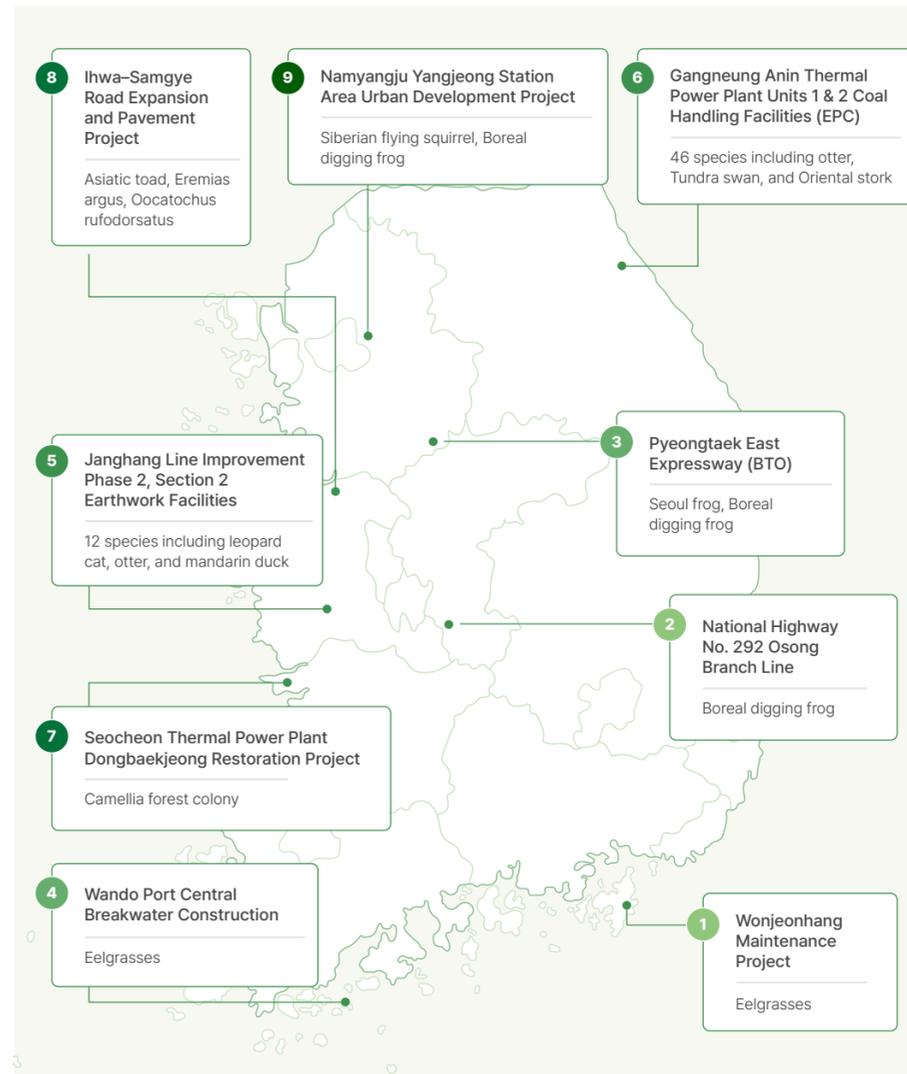


Biodiversity Conservation Activities

Biodiversity Conservation Activities

HJSC recognizes the protection of the natural environment surrounding its workplaces and construction sites, as well as the conservation of biodiversity, as key priorities in environmental management and is strengthening systematic management and on-site implementation efforts. Based on the Environmental Impact Assessment Act, we conduct surveys to identify the presence of endangered flora and fauna before commencing construction and establish conservation and restoration plans tailored to each site's conditions. During the construction phase, we minimize negative impacts on soil, water quality, and local ecosystems by using eco-friendly materials and applying advanced construction methods, and we continue post-construction monitoring and management activities to support the recovery of surrounding ecosystems.

Status of Wildlife Protection Activities



No.	Site	Completion Date	Protected Species	Protective Measures
1	Civil Engineering Wonjeon Port Maintenance Project	2025.10	Eelgrasses	· Creation of alternative habitats · Capture/relocation and monitoring
2	Civil Engineering National Highway No. 292 Osong Branch Line	2026.12	Boreal digging frog	· Monitoring
3	Civil Engineering Pyeongtaek East Expressway (BTO)	2026.09	Seoul frog, Boreal digging frog	· Creation of alternative habitats · Capture/relocation and monitoring
4	Civil Engineering Wando Port Central Breakwater Construction	2025.04	Eelgrasses	· Monitoring · Installation of marine protected species conservation facilities (sea-water circulation openings)
5	Civil Engineering Janghang Line Improvement Phase 2, Section 2 Earthwork Facilities	2027.11	12 species including leopard cat, otter, and mandarin duck	· Monitoring
6	Plant Gangneung Anin Thermal Power Plant Units 1 & 2 Coal Handling Facilities (EPC)	2024.12	46 species including otter, Tundra swan, and Oriental stork	· Monitoring
7	Plant Seocheon Thermal Power Plant Dongbaekjeong Restoration Project	2025.08	Camellia forest colony	· Monitoring
8	Civil Engineering Ihwa-Samgye Road Expansion and Pavement Project	2025.07	Asiatic toad, Eremias argus, Oocatochus rufodorsatus	· Installation of sedimentation basins and ridge weirs for river ecosystem protection · Installation of terrestrial wildlife passages (culvert pipes, passage boxes) · Monitoring
9	Building Construction Namyangju Yangjeong Station Area Urban Development Project	2029.05	Siberian flying squirrel, Boreal digging frog	· Creation of alternative habitats · Monitoring

Eco-friendly Technologies

Key Eco-friendly Technologies in the Construction Business

HJSC recognizes that the decarbonization transition is a central challenge across industries and is continuously committed to developing eco-friendly construction technologies that support carbon neutrality. We are strengthening our R&D capabilities in line with global climate goals and national greenhouse gas reduction policies, and we aim to reduce environmental risks by securing practical technologies that can be applied directly at construction sites. We also view eco-friendly technology development as a key investment area for future competitiveness and are pursuing integrated research initiatives that combine expertise from the construction and shipbuilding sectors. In addition, we are enhancing our sustainable construction capabilities by developing and applying technologies such as rainwater storage and reuse systems, tunnel-type noise reduction facilities, underground rainwater utilization systems, and low-carbon precast concrete box culvert solutions. These technologies improve energy efficiency and resource circularity, contributing to better urban environments and lower greenhouse gas emissions.

INTRODUCTION

ESG CORE

ENVIRONMENTAL

Climate Change Scenario Analysis

Environmental Management

Environmental Management & Performance

Biodiversity Conservation Activities

Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX

Rainwater Treatment and Storage Technology

(Green Certification No. GT-22-01406)



HJSC has developed efficient and safe rainwater storage and reuse technologies to address drought and water quality issues caused by climate change. We build underground storage tanks by assembling standardized blocks outside a building, securing both efficiency and stability through inflow control and natural drainage functions.

Our tunnel box materials enable long-term use and high recyclability, helping reduce carbon emissions, and PC concrete storage tanks achieve approximately 37 percent lower carbon emissions compared to conventional structures. We will continue to advance eco-friendly technologies that improve construction efficiency, reduce costs, and expand applicability to support sustainable growth.

Tunnel-Type Noise Reduction Facility

(New Technology No. 795)



HJSC developed a tunnel-type noise reduction facility (PosLST method) in response to increasing traffic noise driven by urbanization, the growth of multi-family housing, and the expansion of high-speed road networks. The system applies pipe truss beams, detachable side soundproof panels, and perpendicular sound-absorbing units.

We reduce noise effectively by installing sound-absorbing materials on the ceiling of the noise control tunnel, and we lower steel usage through structural weight reduction while improving maintenance efficiency. The detachable panels and sound-absorbing units also simplify installation and offer superior noise reduction performance compared to conventional systems.

Construction Method for Underground Rainwater Utilization Facilities

(New Technology No. 894)



HJSC developed an underground rainwater utilization system that supports effective water management by reducing urban flooding and runoff while helping secure groundwater resources. The technology is the first of its kind in Korea and uses a modular synthetic resin tunnel box and an inspection-type pretreatment tank to capture and reuse roof runoff.

We designed the system to temporarily store rainwater from building roofs and reuse it during dry periods, ensuring a stable water source even when rainfall is limited. Our approach contributes to restoring urban water circulation and supporting more resilient and sustainable cities as climate change increases the frequency of floods and droughts.

Enhanced PC Box Culvert Technology with Improved Jointing and Water Tightness

(Green Certification No. GT-25-02404)



HJSC has developed a precast construction technology that uses bidirectional anchor-type steel strand anchors and corrugated synthetic resin plates for structures such as box culverts and storage tanks. The system improves joint integrity and water tightness, reducing potential damage at connection points. We have demonstrated environmental benefits by enhancing factory production conditions and eliminating waterproofing processes.

Compared with conventional structures, our method reduces carbon emissions by about 71 percent during production and installation. By simplifying construction processes, we also decrease material use and conserve resources, and further reductions in indirect GHG emissions.

Eco-friendly Technologies

Eco-friendly Building Achievements

HJSC actively participates in the design and construction of eco-friendly buildings to support carbon neutrality and maximize energy efficiency. We minimize building energy use and carbon emissions by applying high-performance insulation materials, renewable energy systems, and environmentally friendly building materials. We also reduce environmental impacts during construction by establishing a resource-circulating construction system. Our projects meet domestic and international green building certification standards such as GBCC and ZEB. We will continue to advance sustainable building technologies and contribute to the broader adoption of eco-friendly architectural practices.

New Buildings in 2024

Korea Maritime and Ocean University Building No. 1 BTL



Completion Date August 2024
<div style="display: flex; align-items: center;"> Eco-friendly Cert/Grades </div>
Green Building Excellent (Green Grade 2)
Energy Efficiency Grade Grade 1+++
Zero-Energy Building Grade Level 5

Green Smart BTL (Jinyeong Daeheung)



Completion Date September 2023
<div style="display: flex; align-items: center;"> Eco-friendly Cert/Grades </div>
Green Building Excellent (Green Grade 4)
Energy Efficiency Grade Grade 1+++
Zero-Energy Building Grade Level 4

지난 실적

Green Smart BTL(Ungdong)	Hongdae Art & Design Valley	Busan New Port West Container Terminal (Phase 2-5)	Taeon Pyeongcheon LH District 3 Apartment Complex	19-HA-00 Unit Headquarters Building	Incheon Geomdan AA5BL Apartment Complex
					
Green Building Standard(Green Grade 4) Energy Efficiency Grade Grade 1+++ Zero-Energy Building Grade Level 4	Green Building Excellent(Green Grade 2) Energy Efficiency Grade Grade 1++	Green Building Standard Energy Efficiency Grade Grade 1+++	Energy Efficiency Grade Grade 1 	Energy Efficiency Grade Grade 1++ Zero-Energy Building Grade Level 4	Energy Efficiency Grade Grade 1++

Eco-friendly Technologies

Key Eco-friendly Technologies in the Shipbuilding Business

HJSC recognizes that decarbonization in the maritime industry and climate change response are global priorities, and we are continuously committed to advancing eco-friendly shipbuilding technologies. As international attention to carbon neutrality and alternative marine fuels grows, we focus on securing low-carbon and zero-carbon vessel technologies that align with IMO greenhouse gas regulations, the EU ETS, and FuelEU Maritime. We are currently pursuing multiple initiatives, including concept design and AIP acquisition for ammonia-fueled vessels, development of safety standards for hydrogen storage and fuel supply systems, and research on carbon capture and storage systems for ships. Through strategic collaboration with domestic and international research institutions and industry partners, we are accelerating sustainable technological innovation in shipbuilding. Our strengthened capabilities in eco-friendly technologies and low-carbon vessel development position us to play a leading role in supporting carbon neutrality across the global shipping market.

INTRODUCTION

ESG CORE

ENVIRONMENTAL

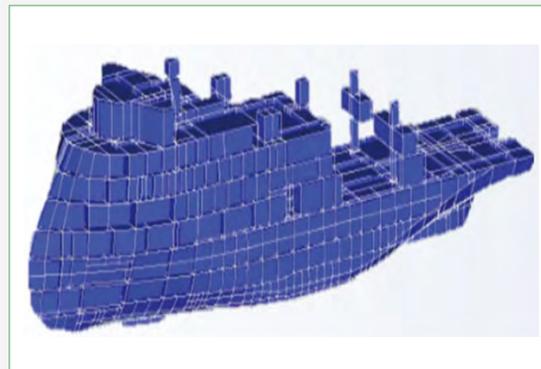
- Climate Change Scenario Analysis
- Environmental Management
- Environmental Management & Performance
- Biodiversity Conservation Activities
- Eco-friendly Technologies

SOCIAL

GOVERNANCE

APPENDIX

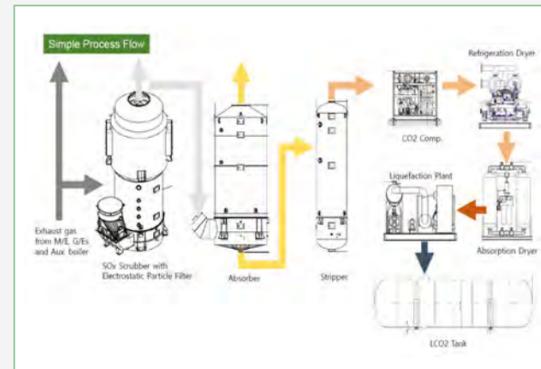
Underwater Radiated Noise Control Technology



HJSC recognizes that underwater noise generated during vessel operation can negatively impact the marine environment by causing stress, hindering reproduction, and reducing populations of marine species. To address this, we developed and applied underwater radiated noise reduction technology that meets the DNV Silent-R and Silent-S standards for research survey vessels, improving survey performance while supporting the sustainability of marine ecosystems and protecting underwater environments.

Through detailed numerical analysis, we identified the major noise sources and effectively reduced onboard vibration and noise by improving hull structures and applying elastic mounts. For the propeller, which is the dominant source of underwater noise, we introduced a low-noise design and verified its performance through sea trials.

Design Technology for Container Ships Equipped with Carbon Capture Systems



HJSC has successfully developed an 8,500 TEU eco-friendly container ship equipped with a carbon capture and storage system through a joint development agreement with Wärtsilä, a leading global marine engine manufacturer. This technology enables the capture of carbon dioxide emitted from ships, stores it in liquid form, and allows for offloading, providing a proactive response to the emission reduction targets of the International Maritime Organization.

Through this design, we can achieve high-efficiency carbon capture even when using conventional petroleum-based fuels rather than methanol on vessels of the same class. The technology offers the advantage of reducing carbon dioxide emissions beyond the levels achieved by existing ships.

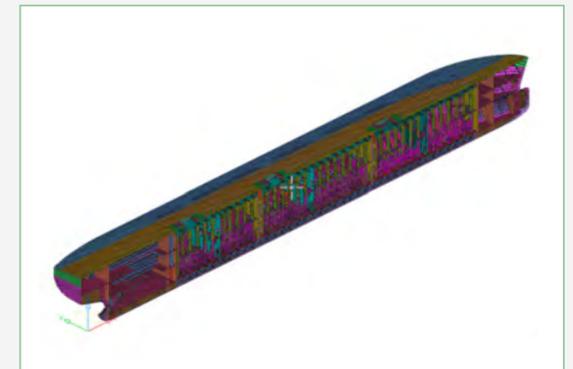
LNG Dual-Fuel Vessels and Methanol-Fueled Vessels



HJSC has developed a high-efficiency eco-friendly LNG-fueled vessel equipped with dual-fuel engines that use both LNG and heavy fuel oil, enabling compliance with increasingly stringent IMO emission regulations such as the 0.5 percent sulfur cap. This technology also meets diverse owner requirements and rapid changes in the market.

We have additionally completed the development of methanol-fueled vessel construction technology, using methanol as a cleaner alternative to LNG with easier temperature and pressure control and lower operational risks. As of 2024, we have secured and delivered orders for multiple vessels including two 7,700 TEU LNG dual-fuel vessels, six 5,500 TEU and two 9,000 TEU vessels with methanol-fueled ready.

45,000 m³ Class LPG/ Ammonia Carrier



HJSC obtained Approval in Principle from Lloyd's Register in the United Kingdom for the basic design of a 45,000 m³ medium-size LPG and ammonia carrier, expanding our gas carrier lineup following the 38,000 m³ LPG carrier and the 88,000 m³ very large ammonia carrier.

We improved operational flexibility by applying low-temperature steel Type A tanks and structural optimization, enabling the vessel to carry multiple liquefied gases including LPG, ammonia, and VCM. We also strengthened safety by incorporating ammonia-specific measures such as leak detection and automatic ventilation. The design complies with LR technical and safety requirements and the IMO IGC Code, enhancing our global competitiveness.

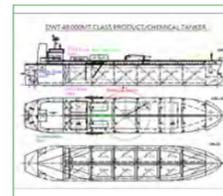
Eco-friendly Technologies

Overview of Shipbuilding Technologies

HJSC is strengthening its technological competitiveness across the shipbuilding, offshore, and defense industries through continuous innovation and cross-sector research collaboration. We are focusing on advancing eco-friendly vessel technologies such as ammonia carriers, as well as developing high-performance naval equipment and automation systems to secure next-generation shipbuilding and defense capabilities and enhance global competitiveness. We will continue to reinforce our technology-driven innovation capacity and contribute to the sustainable development of Korea's shipbuilding and defense industries.

Technical Development Details

Development of Concept Design for Ammonia-Fueled Eco-Friendly Vessels



A concept design for a 49K PC vessel powered by ammonia, a next-generation eco-friendly fuel capable of meeting IMO environmental regulations, was completed. Technical challenges such as ammonia's toxicity and low energy density were addressed by establishing a flexible dual-fuel propulsion system that satisfies both safety and regulatory requirements. The final 49K ammonia-fueled PC concept design obtained Approval in Principle from the classification society.

Development of Safety Standards for Marine Hydrogen Storage and Supply Systems



In response to strengthened regulations on ship emissions, particularly carbon dioxide, safety standards were developed to address potential issues associated with using hydrogen as a zero-carbon marine fuel. Structural and material requirements for storage systems handling liquid, gaseous, and solid hydrogen were evaluated, and the suitability assessment was completed. Based on this work, Approval in Principle was obtained for a liquid hydrogen storage tank and a liquid hydrogen-fueled fisheries guidance vessel.

Reduction of NOx from Main Engines and Generators



Ammonia solution or urea solution is injected into the exhaust gas, where a catalytic reaction converts emissions into water (H₂O) and nitrogen (N₂). This system reduces the significant amount of carbon monoxide produced by engines and helps prevent air pollution. It has been applied to large multipurpose pollution control vessels and marine seismic research vessels.



Next-Generation Eco-Friendly Hybrid Propulsion Vessel

HJSC developed a 1,900-ton hybrid national fisheries guidance vessel equipped with a combined propulsion system that enables short-distance, engine-off operation using battery power. This approach improves energy efficiency compared with conventional propulsion methods and contributes to reducing marine and air pollution.



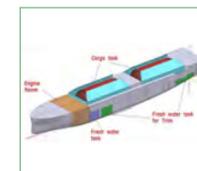
5K LNG Bunkering Vessel

With the growing number of vessels using LNG as an eco-friendly fuel, market demand for small LNG bunkering vessels has increased. In response, the optimal design and construction technology for a 5K-class LNG carrier-bunkering vessel was successfully developed.



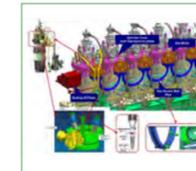
Intelligent Automated Hull Blasting System

This eco-friendly automated system improves pre-treatment quality, shortens processing time, and reduces workplace contamination during surface preparation for hull construction, including coating quality enhancement and removal of contaminated areas on steel plates.



Development of 7.5K LNG Bunkering Vessel (LBV)

This design places the engine room in the forward section of the vessel to shift the center of gravity and maintain balance even in lightship conditions. Instead of using a traditional ballast water tank, a fresh water tank for trim adjustment is utilized to ensure stability in both ballast and loaded conditions.



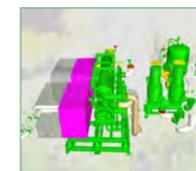
Concept Study for LPG Fuel Conversion

To meet IMO environmental regulations requiring marine fuel sulfur content of 0.5 percent or less, a core design technology was developed to convert vessels to use LPG, an eco-friendly fuel that is easier to store and more cost-efficient to retrofit compared with LNG.



SOx Scrubber Retrofit

This technology enables compliance with the IMO 0.5 percent sulfur limit by installing or retrofitting SOx scrubbers on the exhaust systems of vessels currently operating on heavy fuel oil.



Application of Eco-Friendly Antifreeze

Propylene glycol, an eco-friendly antifreeze that is non-toxic and commonly used as a food additive, was applied as an alternative substance in the chilled water system that supplies air conditioning within living spaces onboard.



Research on Ballast-Free Ship Technology

In line with strengthened IMO regulations and marine pollution prevention requirements, an eco-friendly ballast-free system was developed for a 7,500 m³ LNG bunkering vessel. By improving the existing ballast water management system, the vessel can maintain stability and operate safely without taking in or discharging ballast water.

Eco-friendly Technologies

Overview of Shipbuilding Technologies

Technical Development Details

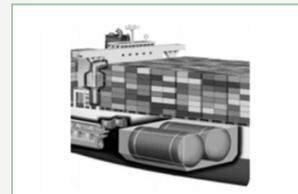
Ballast Water Treatment System

A ballast water treatment system was applied to minimize impacts on the marine ecosystem by removing suspended solids and impurities from ballast water. The system uses UV sterilization and fine filtration before the discharge of ballast water, ensuring vessel stability during cargo loading and unloading operations.

Concept Study on an Ammonia

Toxicity Mitigation Catch System Ammonia, a zero-carbon fuel expected to play a key role in the transition to carbon-free vessels after LNG and methanol, requires strict safety controls due to its high toxicity and corrosiveness. As a result, ammonia after-treatment systems, known as Catch Systems, have emerged as essential safety equipment for ammonia-fueled ships. This study examined the current development status of ammonia Catch Systems and conducted a concept review of their application to marine vessels.

Development in Progress



Development of a Low-Carbon Container Vessel with TYPE C LNG Fuel Tank (In Progress)

In response to the growing demand for eco-friendly gas-fueled vessels following the IMO's strengthened sulfur oxide emission regulations, we are proactively developing technology for independent TYPE C fuel tanks. This technology provides a competitive solution for the eco-friendly container ship market, enabling both an expansion of newbuild orders and improved pricing competitiveness compared with conventional LNG fuel tanks.



Integrated Demonstration of Core Equipment for Low-pressure LCO₂ Carriers (ongoing government project)

To achieve global 2050 Net Zero targets, the development of low-pressure LCO₂ carriers is essential for transporting large volumes of captured CO₂ safely and efficiently by sea. This project aims to establish an integrated demonstration platform for key equipment, including reliquefaction systems, vaporizers, and valves that currently depend heavily on overseas suppliers. By advancing the localization of these core technologies, the project supports the development of CCUS marine logistics infrastructure and strengthens the future competitiveness of the shipbuilding and offshore industries.

Development of Eco-friendly Composites and Components for Rotor Sails on Large Vessels to Cut Emissions (ongoing government project)

Rotor sails made with environmentally friendly lightweight composites using natural fiber-reinforced polymers (NFRP) are emerging as an effective solution for improving fuel efficiency and significantly reducing greenhouse gas emissions in large vessels. We are participating in a government-led project to replace conventional CFRP and GFRP materials used in rotor sail components with NFRP, an eco-friendly alternative. Through this initiative, we aim to accelerate the green transition of the marine equipment industry and contribute to building a sustainable maritime industrial ecosystem.

Hydrogen-Based Marine Debris Collection Vessel Development (Industry-Academia Collaboration Project)

This eco-friendly vessel collects and processes floating marine debris using a cryogenic crushing method that freezes plastics with the cold energy generated during LNG vaporization. The ship is equipped with a dual-fuel engine that operates on both natural gas and conventional fuel, producing hydrogen onboard. This hydrogen powers a fuel cell system that generates electricity for the propulsion motor and accommodation areas. An integrated technology framework enabling these combined functions has been successfully developed.

Technology Collaboration

Following its own advancements in eco-friendly vessel technologies, HJSC is expanding business opportunities through technical collaboration with partners and clients.

Technology Development & Collaboration

<p>Collaboration with Hanwha Systems to expand overseas naval vessel exports</p> <p>MOU Signed</p>	<p>Eco-friendly ammonia carrier</p> <p>Development Completed</p>
<p>Technical collaboration with Korean Air on naval unmanned aerial systems</p> <p>MOU Signed</p>	<p>Equipment localization for high-speed landing craft with KAI</p> <p>Development Completed</p>

External Activities

HJSC strengthens its position in the market by participating in domestic and international exhibitions, showcasing our technological achievements, and engaging with external stakeholders.

Exhibition Participation

- 2025 International Maritime Defense Industry Exhibition
- 2024 International Maritime Safety Expo
- 2024 International Offshore & Marine Plant Exhibition

- Safety & Health Management
- Human Resources Management
- Human Rights Management
- Supply Chain Management
- Quality & Customer Satisfaction
- Community Engagement & Social Contribution

04 SOCIAL

Safety & Health Management	47
Human Resources Management	53
Human Rights Management	58
Supply Chain Management	61
Quality & Customer Satisfaction	65
Community Engagement & Contribution	71

HJSC upholds a company-wide “Safety First” principle and continues to strengthen its occupational safety and health system. Based on respect for human rights, we are expanding programs for diversity, inclusion, and talent development, while creating tangible social value through partnerships with suppliers and local communities.

We also aim to enhance supply chain management and reinforce our social responsibility by engaging regularly with stakeholders and incorporating their feedback into our business activities.



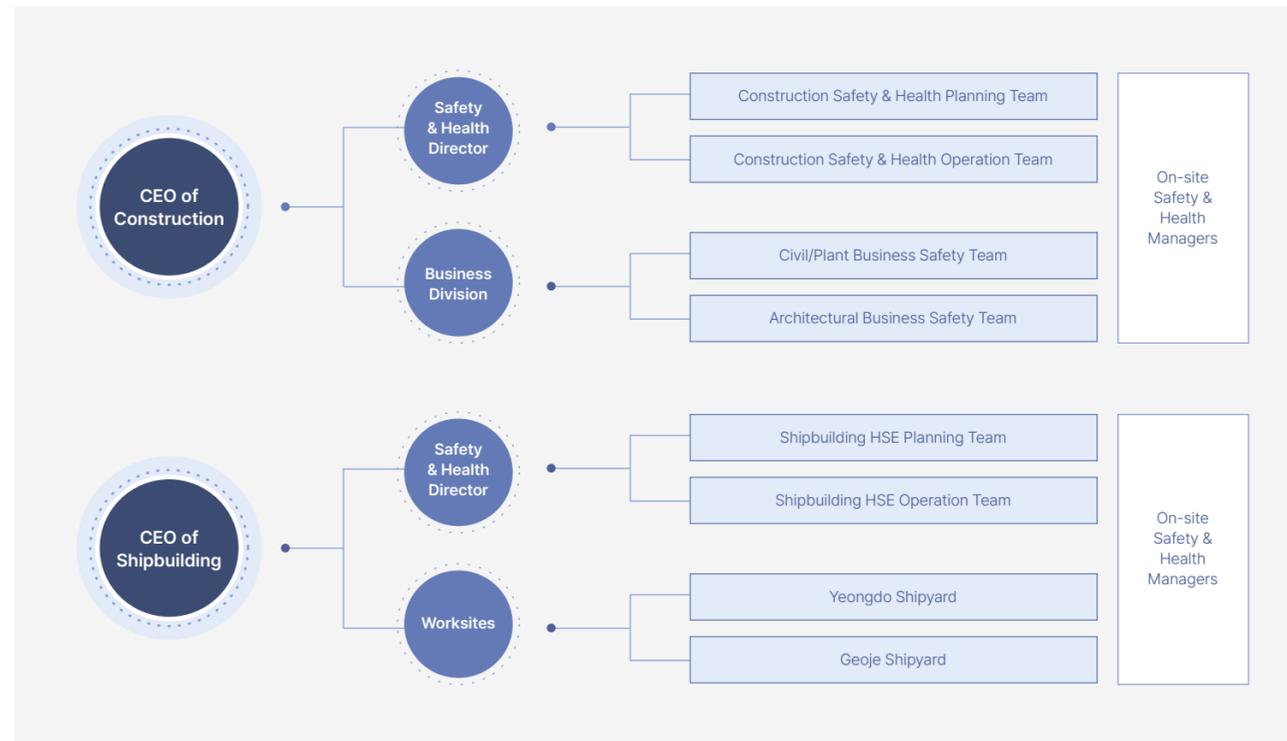
Safety & Health Management

Safety & Health Governance

Governance Structure

HJSC adopts "Safety First" as a core management principle, with the CEOs of both the Construction and Shipbuilding businesses holding ultimate responsibility for safety and health. Each business operates a dedicated safety organization reporting directly to the CEO, overseeing compliance with the Serious Accident Punishment Act, managing the safety and health management system, setting annual goals and KPIs, and monitoring key risks and performance. Major safety issues and improvement tasks are reported regularly and incorporated directly into management decision-making, enabling us to continuously advance a company-wide, prevention-focused safety and health management system.

Safety & Health Organization Structure



Each team handling safety and health reports directly to the CEO, consisting of the Safety & Health Planning and Operations Team together with on-site safety managers in an integrated system. The Planning Team oversees accident prevention planning, safety and health management system operations, compliance with the Serious Accident Punishment Act, and related training and evaluations. The Operations Team handles compliance inspections, accident investigations, recurrence-prevention measures, and follow-up on corrective actions. On-site safety managers strengthen practical safety performance by managing high-risk tasks, conducting daily inspections, and maintaining communication with workers.

Executives Overseeing the Safety & Health Management System

Based on the CEO's commitment to safety and health, we operate a safety and health management system led by the Chief Safety Officers (CSOs) of the Construction and Shipbuilding businesses. To strengthen accountability at the business unit level and share major issues, we hold biweekly safety and health management meetings, ensuring that on-site conditions are reflected promptly through regular communication with site managers. We also conduct meetings with partner-company CEOs to discuss safety management measures and promote a cooperative, shared safety culture.

Safety & Health Decision-Making Body

The Board of Directors serves as the highest decision-making body overseeing our safety and health management system. Each year, we report the annual safety and health plan to the Board for review and approval. These reports include not only the plan itself but also the operational status of the safety and health management system and key risk information. Based on this, the Board continuously reviews and monitors performance and target achievement, reinforcing safety and health accountability across our overall management activities.

Category	Date	Agenda	Remarks
1st Board Meeting of 2024	2024.01.25	· Approval of the 2024 Construction Safety & Health Plan · Approval of the 2024 Shipbuilding Safety & Health Plan	Approved
1st Board Meeting of 2025	2025.02.03	· Approval of the 2025 Construction Safety & Health Plan · Approval of the 2025 Shipbuilding Safety & Health Plan	Approved

Safety & Health Management

Safety & Health Management Strategy

HJSC has established an effective safety and health strategy aimed at achieving “Zero Serious Accidents,” centered on strengthening on-site execution and enhancing the safety capabilities of partner companies. The company systematically implements this strategy through a preventive, risk-based assessment approach and a continuous cycle of training and inspections, ensuring full compliance with relevant regulations.

Operation of the Safety & Health Management System

HJSC applies the Safety and Health Management System (KOSHA-MS, ISO 45001) across all worksites and continuously improves the system to maintain a safe and pleasant working environment. With a goal of achieving “Zero Serious Industrial Accidents,” the company is strengthening its safety and health framework and actively implementing a wide range of preventive measures to protect workers’ safety and well-being.

Safety & Health Management Policy



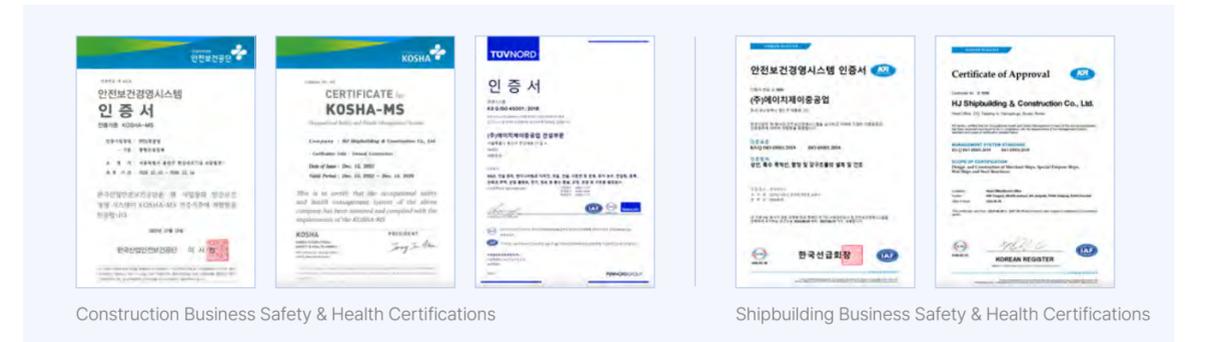
Safety & Health Performance

<p>2024 MOLIT* Safety Management Evaluation</p> <p style="font-size: 1.5em; font-weight: bold; color: #003366;">Excellent</p> <p style="font-size: 0.8em;">(Highest Rating for Two Consecutive Years)</p>	<p>Fatality Rate (Construction Business)</p> <p style="font-size: 1.5em; font-weight: bold; color: #003366;">0.00%</p> <p style="font-size: 0.8em;">(Two Consecutive Years)</p>	<p>Serious Accidents</p> <p style="font-size: 1.5em; font-weight: bold; color: #003366;">0 cases</p> <p style="font-size: 0.8em;">(Five Consecutive Years)</p>
---	---	--

* MOLIT - Ministry of Land, Infrastructure and Transport

Safety & Health Certifications

Both the Construction and Shipbuilding Businesses have obtained safety and health certifications, establishing safety and health management systems that meet international standards. These certifications reinforce management’s commitment to safety, strengthen a voluntary safety management framework, and promote continuous safety improvement through active worker participation and effective communication.



Key Safety & Health Committees

	Category	Frequency	Purpose
Construction Business	Occupational Safety & Health Committee	Once per Quarter	· Composed of employer and employee representatives to receive improvement proposals for maintaining and enhancing worker safety and health
	Safety & Health Council	Once in Two Weeks	· Formed by contractors and subcontractors during risk assessments to receive safety and health suggestions or improvement requests
Shipbuilding Business	Occupational Safety & Health Committee	Once per Quarter	· Discussion of key safety and health issues and required safety-related investments
	Partner Company Council		· Identifying partner company challenges, establishing improvement measures, and implementing follow-up actions
	Regular Meeting on Scaffold Installation/Removal	Once a Month	· Regular consultations to address unsafe conditions or behaviors during scaffold installation and removal
	Regular Meeting on Painting/Coating Work		· Regular meetings to ensure compliance with safety rules for painting/coating work and gather feedback

Safety & Health Management

Safety & Health Goals and Policy

HJSC recognizes the safety and health of everyone we work with as the highest priority in our management philosophy, and we practice safety and health management together with all employees.

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

Safety & Health Management

Human Resources Management

Human Rights Management

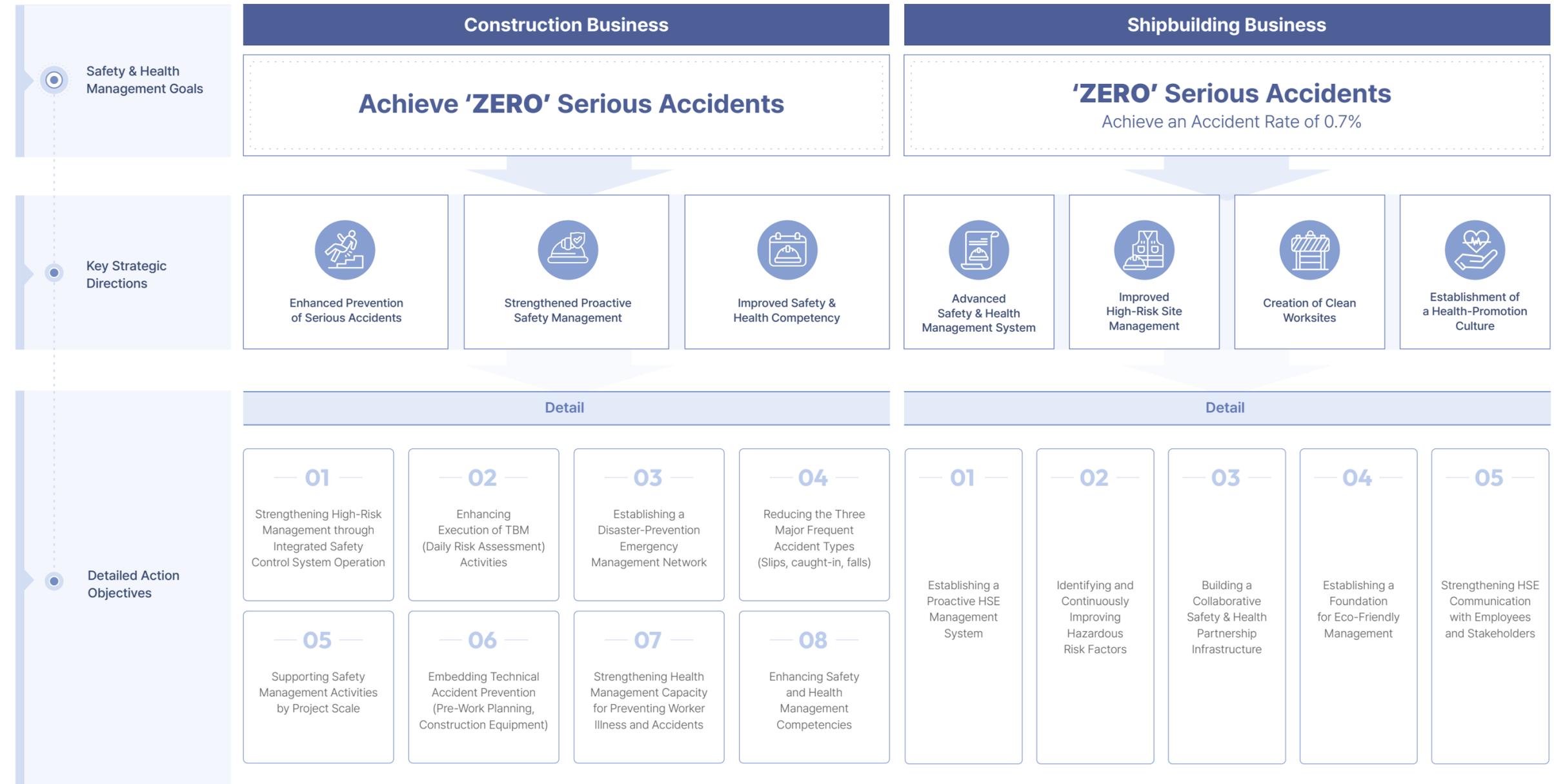
Supply Chain Management

Quality & Customer Satisfaction

Community Engagement & Social Contribution

GOVERNANCE

APPENDIX



Safety & Health Management

Employee Feedback System

HJSC prioritizes employee safety and health and actively incorporates on-site feedback into management decisions. The company communicates closely with both employees and partner firms to maintain a safe and healthy work environment, collecting opinions through bodies such as the Safety and Health Council, the Occupational Safety and Health Committee, and joint labor-management inspections. Concerns and suggestions raised on-site are reviewed by relevant departments and translated into concrete improvement actions, which are monitored quarterly and shared across the organization to enhance overall safety performance. Through training and campaigns that encourage voluntary participation, HJSC promotes a strong safety culture and supports the establishment of a sustainable safety and health management system.

Safety and Health Promotion Policy

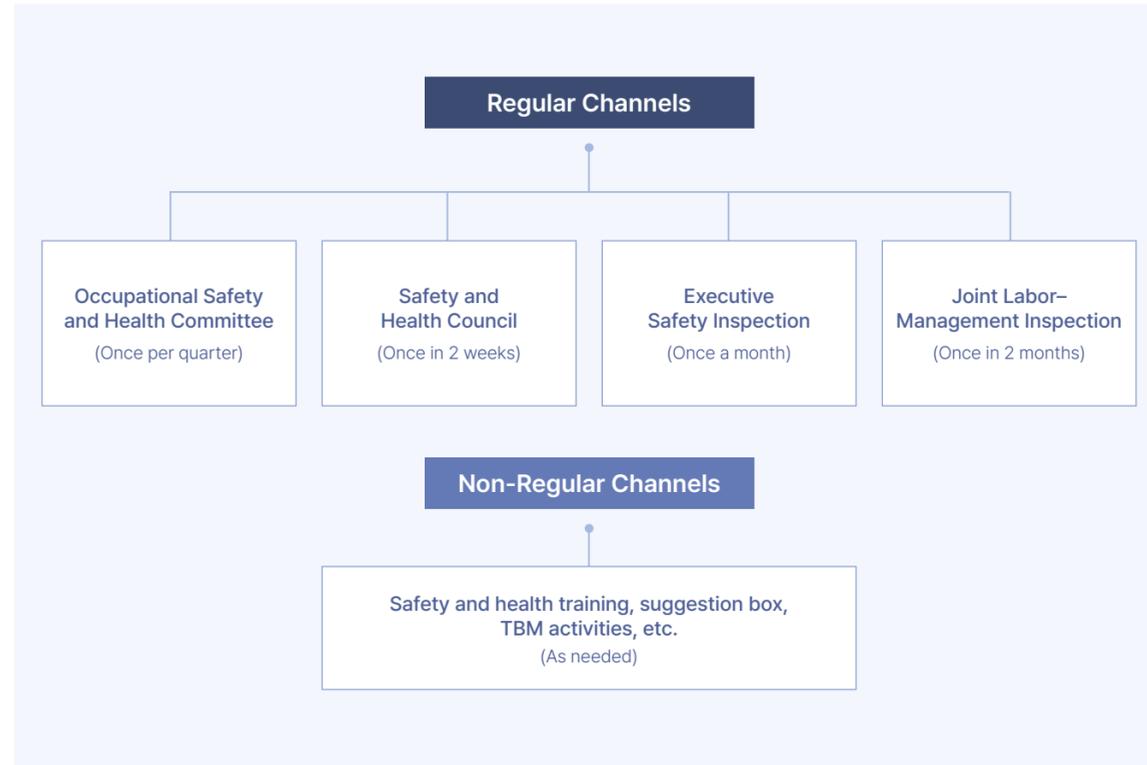
Category	Monthly	Quarterly	Every 2 Months	Report
Site	<p>Safety and Health Council</p> <ul style="list-style-type: none"> Composed of contractors and subcontractors Presentation of worker opinions by subcontractor Submission of safety and health proposals and improvement requests In accordance with Article 64 of the Occupational Safety and Health Act Industrial accident prevention measures for subcontracted work 	<p>Occupational Safety and Health Committee</p> <ul style="list-style-type: none"> Composed of worker and employer representatives Receiving proposals to maintain and improve worker safety and health Reporting corrective actions and results In accordance with Article 24 of the Occupational Safety and Health Act - Committee meetings 	<p>Joint Labor-Management Safety Inspection</p> <ul style="list-style-type: none"> Applicable to construction projects exceeding KRW 12 billion Applied as a labor-management consultative body when Occupational Safety and Health Committees are in operation In accordance with Article 82 of the Enforcement Rules of the Occupational Safety and Health Act - Joint safety and health inspections for subcontracted work 	<p>Employee Feedback Reporting</p> <ul style="list-style-type: none"> Reporting consolidated employee feedback Quarterly reports (Mar/Jun/Sep/Dec) Results of suggestions and improvement actions (example) Registration in the safety database Attach scanned meeting minutes (retain for 5 years)
Headquarters	<p>Executive Safety Inspection</p> <ul style="list-style-type: none"> On-site inspections by the CEO and executives Accompanied by partner CEOs, site managers, and worker representatives Safety and health meetings to collect worker feedback 	<p>Regional Council of Safety and Health Managers</p> <ul style="list-style-type: none"> Council of safety and health stakeholders Receiving proposals for Occupational Safety and Health system improvements Sharing risk assessment findings and near-miss cases 		<p>Report to the Management Representative</p> <ul style="list-style-type: none"> Collecting and reporting employee feedback Reporting improvement and suggestion items Sharing results company-wide



Safety & Health Management

Employee Feedback System

Feedback Collection Channels



Category	Frequency	Purpose
Partner Council	Once a month	· Listening to partner companies' concerns, establishing improvement measures, and taking necessary actions
Safety Hotline	Ongoing	· Providing a constant channel for safety and health feedback, such as through QR-code access
Occupational Safety and Health Committee	Once per quarter	· Reviewing and approving key safety and health issues to prevent industrial accidents between labor and management
Safety and Health Officers Council	Once a month	· Improving safety and health concerns and collaboration needs raised by production departments

Identification and Management of Key Safety and Health Risks

Safety and Health Inspections

Category	Frequency	Purpose	Detail		
			Identified Cases	Resolved Cases	Action Completion Rate(%)
Safety & Health Inspection by the Safety and Health Management Representative	Once a month	Joint inspection with the CEO and production-line managers	178	178	100
Joint Inspection with Partner Companies	Once in two months	Joint inspection with the CEO, production-line managers, and partner company representatives	143	143	100
Labor-Management Joint Inspection	Twice a month	Joint inspection with the labor union and safety/health officers from production departments	228	228	100
Internal Inspection by the Safety and Health Management Office	Ongoing	Ad-hoc internal safety inspections by the dedicated safety and health team	573	573	100

* The above data applies to the Shipbuilding Business only.

Operation of Safety and Health Committees

Category	Frequency	Purpose
Occupational Safety and Health Committee	Once per quarter	· Discussing major safety and health issues and required safety and health investments
Partner Company Council	Once a month	· Sharing key safety issues with partner companies, identifying difficulties, and reviewing improvement measures
Weekly (Monthly) Safety and Health Meeting	Once in two weeks	· Reviewing risk factors in production processes and discussing major safety and health issues
Safety and Health Working-Level Council		· Council for safety and health officers to review on-site difficulties and cooperation needs
Regular Scaffolding Installation/Removal Meeting	Once a month	· Regular meeting to improve unsafe conditions and behaviors related to scaffolding installation/removal
Regular Coating/Painting Work Meeting		· Discussing working conditions, compliance with key safety rules, and related decisions for coating/painting work

Safety & Health Management

Safety and Health Enhancement Activities and Performance

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

Safety & Health Management

Human Resources Management

Human Rights Management

Supply Chain Management

Quality & Customer Satisfaction

Community Engagement & Social Contribution

GOVERNANCE

APPENDIX

Key Safety and Health Management Inspections

Safety and Health Management Leadership

- Weekly safety management meetings
- Ensuring company-wide safety conditions
- Setting and executing safety budgets

Ensuring Safety and Health in Subcontracting

- Building a safety qualification system for partners
- Running safety meetings with partners
- Safety improvement programs

Pre-elimination of Hazardous Risks

- Increasing employee participation
- External compliance inspections
- Support for initial/vulnerable site safety
- Integrated improvement of risk assessments

Verification of Safety System Implementation

- Management review reporting
- Video content development
- Worker feedback and actions
- Digitalized prevention measures

2024 Safety Inspection Details

Category	Executive Inspection	Risk Assessment Review	Equipment Safety Check	Legal Compliance Check
Construction Business	210 cases	82 cases	437 cases	205 cases

Category	Safety Manager Inspection	Labor-Management Joint Inspection	Internal Management Inspection	Partner Joint Inspection
Shipbuilding Business	12 cases	12 cases	155 cases	6 cases

Safety and Health Training

HJSC provides mandatory safety and health training as well as job-specific customized programs for all employees, and we strictly monitor compliance. We also strengthen our risk-management capabilities by offering specialized training such as Serious Accident Punishment Act (SAPA) compliance practice, accident-response drills, and on-site safety management. In 2024, we expanded the use of digital content and hands-on programs, improving training effectiveness by continuously delivering safety guidelines and campaign videos through "HJ Construction Safety TV." We will continue to enhance our training system to embed a strong safety culture and prevent workplace accidents.

Construction Business

[Unit: persons]

Category	Eligible Participants	Participants
Safety and Health Manager Training	HJSC managing staff	215
Online Employee Training	HJSC + partner companies	1,087
Employee Training	HJSC + partner companies	867
Site Manager Safety and Health Training	HJSC site managers	170

Shipbuilding Business

[Unit: persons]

Category	Eligible Participants	Participants
Regular Safety and Health Training	HJSC office staff	351
	HJSC + partner companies	1,530
Supervisors	HJSC + partner companies	188
Special Training for Certification Management	HJSC + partner companies	750
Onboarding Safety Training	HJSC new hires	446

- Safety & Health Management
- Human Resources Management
- Human Rights Management
- Supply Chain Management
- Quality & Customer Satisfaction
- Community Engagement & Social Contribution

Human Resource Management

Human Resource Management Governance

Governance Structure

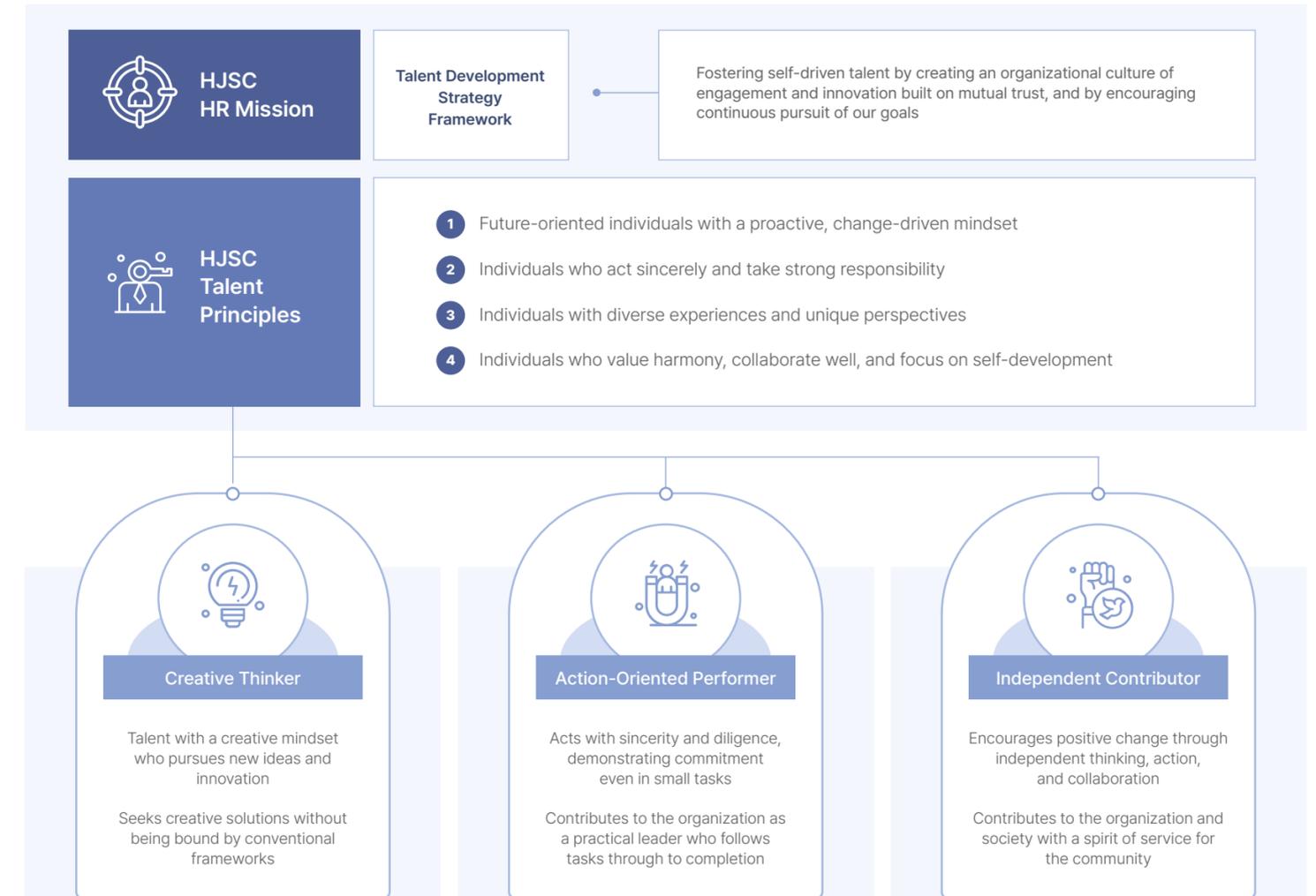
HJSC systematically manages all aspects of human resource management through the HR Team, Labor Relations Team, On-site Management Team, and Technical Training Center. Our HR teams oversee key HR functions such as policy administration, talent development and training, and organizational culture enhancement, while maintaining structured management through annual planning and performance reporting. We also promote sustainable human resource growth by setting goals for the following year based on performance monitoring.

Organization Structure



Talent Management Strategy

HJSC focuses on identifying and developing future-oriented talent in line with our three core talent principles. In 2025, we strengthened training and development programs to nurture employees with passion and a spirit of challenge, and expanded structured support to help our people fully realize their capabilities. We also foster continuous learning and enhance job expertise, providing diverse opportunities for employees to unlock their potential and contribute to the company's sustainable growth.



Human Resource Management

Transparent and Fair Recruitment Process

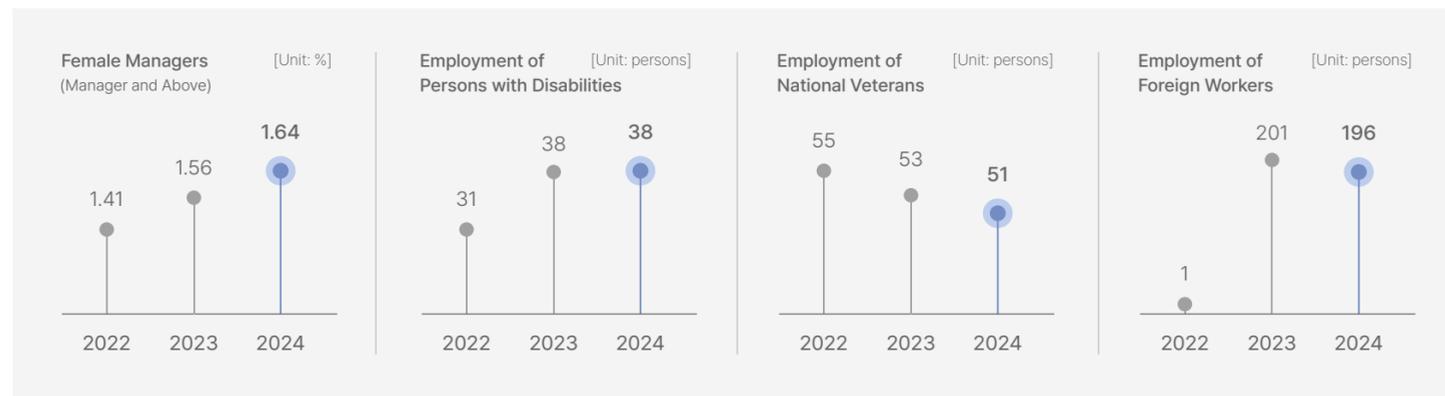
HJSC selects talent based on competency and job suitability to ensure fairness and transparency, assessing applicants through clear evaluation criteria and a multi-stage interview process to provide equal opportunities to all candidates.

Recruitment Process



Providing Equal Opportunities Through Inclusive Recruitment Policies

HJSC ensures an inclusive recruitment culture where individuals from diverse backgrounds and capabilities can participate in the hiring process without discrimination. We operate systems that enable all applicants regardless of gender, age, disability, or nationality to demonstrate their competencies in a respectful environment, and we fully comply with relevant regulations to expand opportunities for legally protected groups such as persons with disabilities and national veterans. We also enhance fairness in interviews by applying objective evaluation criteria and establishing a candidate-centered assessment culture.



Construction Business – “HJ Sports Team”

The Construction Business launched the “HJ Sports Team” in 2023, comprising athletes with disabilities and supporting them with table tennis as the team’s main sport. By hiring three table-tennis athletes on 1st December 2023, and providing benefits equivalent to other contract employees, HJSC practices inclusive employment and social responsibility while strengthening its ESG management through the operation of the team.

Shipbuilding Business – “HJ Dream Sports Team”

The Shipbuilding Business established the “HJ Dream Sports Team” in 2024, becoming the first shipbuilding company in Busan to operate a sports team for athletes with disabilities. The athletes, who have outstanding records in national para-athletic and weightlifting competitions, represent a meaningful milestone as the first disability sports team within the Busan shipbuilding industry.



HJ Sports Team



HJ Dream Sports Team



Human Resource Management

Transparent and Fair Recruitment Process

Employee Development Programs

HJSC operates training programs to cultivate technical talent and strengthen employee capabilities in response to the evolving construction market environment and to enhance value creation. We will continue expanding job-related training to improve work efficiency and support employees in growing through self-development, thereby contributing to the company's sustainable growth.

Job Training Details

Training Category	Training Content
Shipbuilding Technician Training (External Program)	<ul style="list-style-type: none"> · Training for certification holders · Certification exam preparation and training · Renewal training for technical certifications · Other job-related training
Construction Technician Training (External Program)	<ul style="list-style-type: none"> · Initial and basic training for construction technicians · Advanced and promotion training in design, construction, and quality management · Professional engineer certification support and renewal training
Welding Training for Foreign Workers	<ul style="list-style-type: none"> · Practical welding training for foreign welders in shipbuilding · Welding skill enhancement and certification attainment
Quality Management Development Ontact Program	<ul style="list-style-type: none"> · ISO 9001 quality management system updates and application cases · Practical training on quality management plan preparation and defect resolution
Construction Administration Practical Course	<ul style="list-style-type: none"> · Subcontract management · Claim management · Contract amount adjustment · Document-writing skill enhancement
Construction Insurance Enrollment and Claims	<ul style="list-style-type: none"> · Risk and claim handling in construction sites · Key considerations for construction insurance enrollment

Training Category	Training Content
Utilizing ChatGPT Trends	<ul style="list-style-type: none"> · Practical use cases of ChatGPT · Basic terminology and how to use ChatGPT · Tips for using ChatGPT
New Employee Onboarding Program	<ul style="list-style-type: none"> · Foundational training for job application · Basic competency and team-building development · Job-specific training
New Employee Advanced Program	<ul style="list-style-type: none"> · Enhancing sense of belonging, teamwork, and creative/strategic thinking through team missions · Understanding generational differences to overcome intergenerational gaps
New Employee Refresher Program	<ul style="list-style-type: none"> · Improving communication and organizational adaptability · Sharing success and failure cases from the first year
Experienced Employee Orientation	<ul style="list-style-type: none"> · Understanding company history, systems, and values · Team-building missions, etc.
Intergenerational Communication Improvement Program	<ul style="list-style-type: none"> · Understanding MZ generation and causes/resolution of generational conflict · Interviews for intergenerational communication

Human Resource Management

Performance-Oriented Organizational Culture

Introduction of a New Evaluation System

HJSC introduced a new HR evaluation system in 2023 to fairly assess employee performance and competencies, and we link these results to our overall HR practices, including rewards, promotion, and development. The outcomes derived from organizational goal-setting, performance evaluations, and competency assessments serve as key criteria for our performance-based HR management and support for employee growth.



Clear Goal Setting

HJSC uses Key Performance Indicators (KPIs) as a core tool for managing organizational performance, providing clear direction for achieving targets and enhancing operational efficiency. Through our KPI-based evaluation system, employees understand how their individual performance aligns with organizational outcomes, enabling us to drive sustainable results and strengthen corporate value.



Organizational Culture Enhancement

HJSC continuously operates a variety of communication channels to promote effective interaction among employees. Through our intranet platform, "HJ Square," we provide a direct channel for employees to share their opinions with management, while our official YouTube and Instagram accounts deliver key company updates, employee interviews, and on-site activities using visual storytelling. We also publish an internal newsletter that transparently communicates the CEO's messages, the company's strategic direction, recent achievements, and news. Going forward, we will continue to enhance and expand our communication channels to foster a more open and horizontal organizational culture and to build a communication environment that resonates with all employees.

Official Communication Channels

<p>Internal Intranet "HJ Square"</p>	<p>Official Instagram Account "HJSC"</p>
<p>Official YouTube Channel "HJSC"</p>	<p>HJSC Internal Magazine</p>

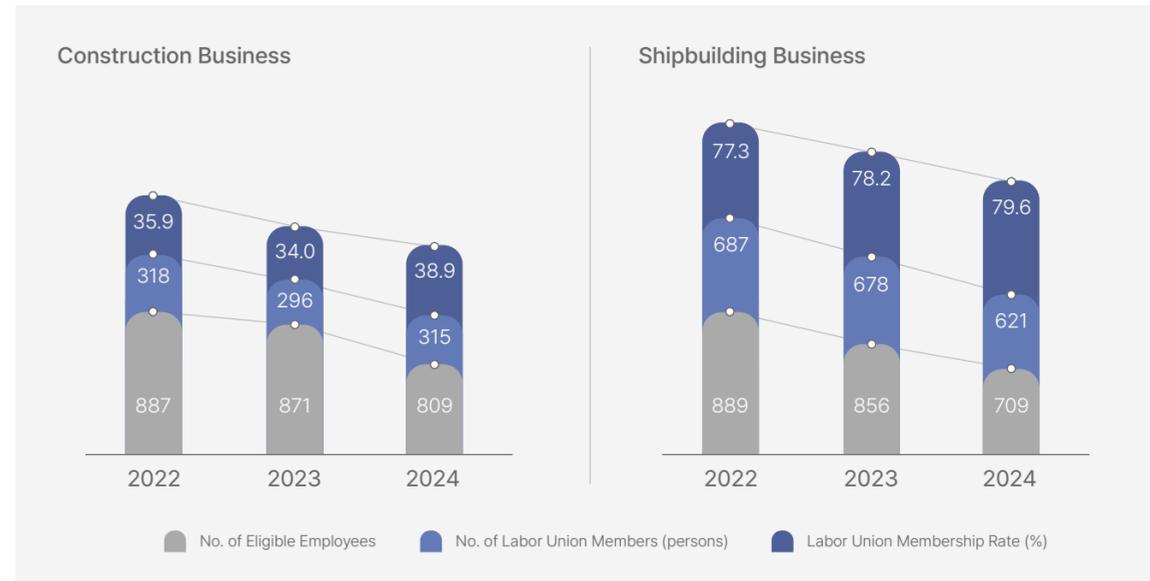
Human Resource Management

Protection of Employee Rights

Labor-Management Partnership

HJSC promotes mutual interests and supports corporate development by fostering trust between the company and employees through respectful and sincere dialogue. We operate labor-management councils for both the construction and shipbuilding businesses, holding regular meetings every March, June, September, and December. When necessary, we convene additional meetings to address newly raised agenda items, and we follow the principle of immediately notifying the labor union of any changes to working conditions or employee-related matters. We have maintained a cooperative relationship without labor disputes for 12 consecutive years since 2012. Going forward, we will continue to strengthen a stable and collaborative labor-management culture grounded in trust, while contributing to broader sustainable societal development.

Labor Union Status



Fair Performance Evaluation

HJSC strictly prohibits any form of gender-based discrimination in employee treatment or working conditions. We apply consistent evaluation standards across our compensation and promotion systems to ensure that employees are fairly rewarded and advanced based on their performance.

Family-Friendly Company Certification

HJSC was certified as a "Family-Friendly Company" by the Ministry of Gender Equality and Family in 2021 in recognition of our strong support for childbirth and child-care, implementation of flexible work arrangements, and efforts to foster a family-friendly workplace culture. We have maintained this certification to date, and we will continue to advance practical and effective programs for our employees and their families, striving to become a "Leading Family-Friendly Company," a designation granted to organizations that sustain certification for over 12 years.



Employee and Family Support Programs

HJSC provides a range of welfare programs to support a stable working environment for employees and their families. We help our people maintain a healthy work-life balance and work to offer effective solutions to broader social challenges such as career interruptions among women and childcare responsibilities.

Family Welfare Program	Living Stability Support	Health Management Support	Other Welfare Support
<ul style="list-style-type: none"> · Child education assistance · Congratulatory/condolence allowances and leave · Resort(condo, hotel) support · Parental leave · Reduced working hours during child-rearing period · Reduced working hours for family care · Maternity leave (pre- and post-childbirth) · Paternity leave · Wedding anniversary leave 	<ul style="list-style-type: none"> · Relocation expense support · Personal pension/group accident insurance · Company loan program · High school tuition support · College tuition support 	<ul style="list-style-type: none"> · Comprehensive health check-ups · Medical expense support · Spousal health check-ups · Family medical expense support · In-house medical clinic · Smoking cessation clinic 	<ul style="list-style-type: none"> · Long-service awards · Support for family events · In-house cafeteria and commuter bus · Work uniform support · Snack support · Support for in-house clubs

Human Rights Management

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

- Safety & Health Management
- Human Resources Management
- Human Rights Management**
- Supply Chain Management
- Quality & Customer Satisfaction
- Community Engagement & Social Contribution

GOVERNANCE

APPENDIX

Human Rights Management Governance

Governance Framework

HJSC has established a structured human rights management system to respect fundamental employee rights and prevent human rights risks. Our ESG Committee serves as the highest decision-making body overseeing human rights-related policies and implementation, with significant matters reported to the Board of Directors for timely action. We also foster close collaboration among relevant departments to embed human rights management into our corporate culture, ensuring that respect for and protection of human rights are practiced across the entire organization.

Organizational Structure



*The above data applies only to the construction business.

Reporting Agenda Items to the Board of Directors and Committees

Category	Date	Agenda Item	Remarks
ESG Committee	2024.06.24	Establishment of Human Rights Management Policy	Approved

Strategies and Activities

Human Rights Management Policy

HJSC places human rights at the core of all business activities and adheres to international standards such as the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. We operate a human rights risk management system based on our Human Rights Charter, conducting regular reviews and improvements to prevent potential human rights violations in advance. We also share our findings transparently with stakeholders, reinforcing trust-based management. Moving forward, we will continue to expand human rights training and awareness initiatives for employees to firmly embed a culture of respect for human rights throughout the organization.



Human Rights Risk Management

HJSC recognizes its responsibility and obligations in human rights management and has established internal systems and structures to ensure effective implementation. We conduct regular assessments and improvements of human rights risks and transparently share the outcomes with relevant stakeholders.

Human Rights Risk Management System



Human Rights Management

Strategies and Activities

Human Rights Grievance Handling Process

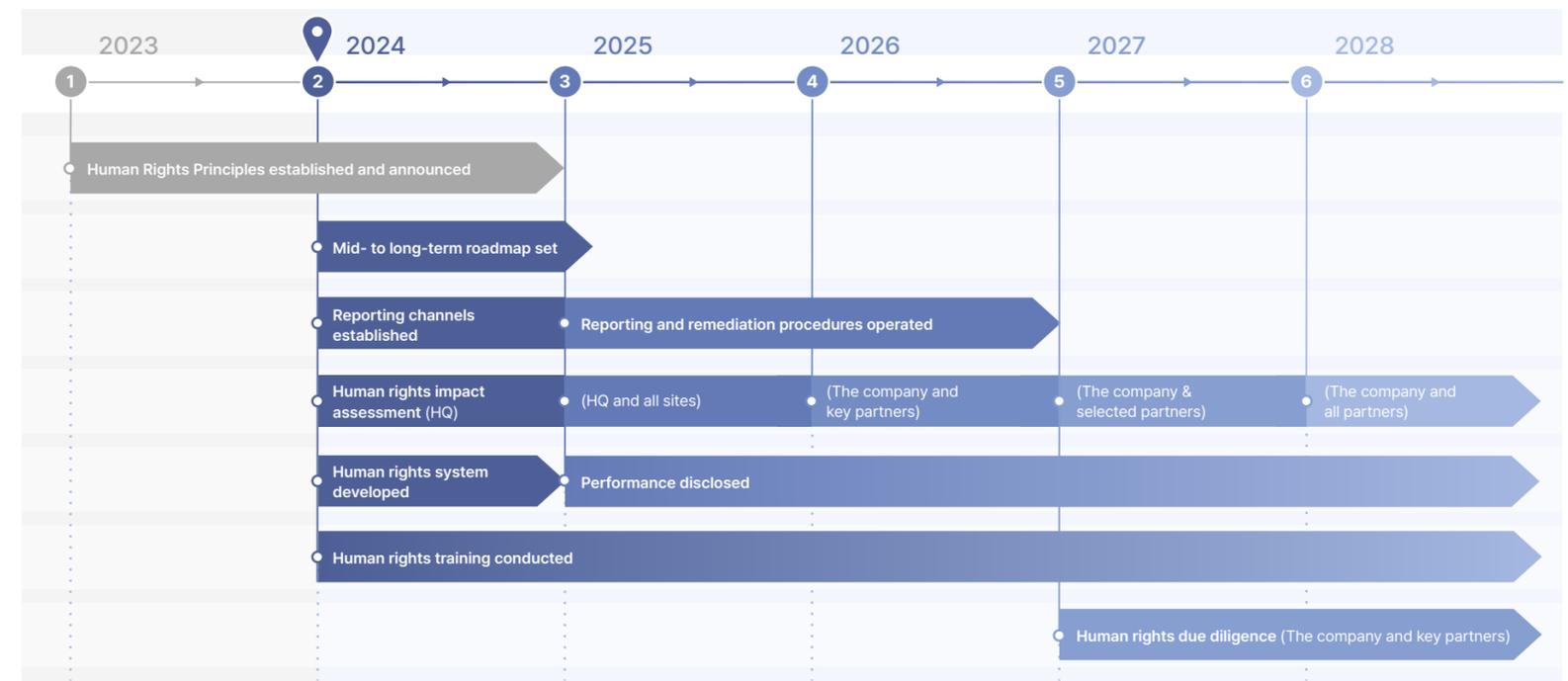
HJSC operates reporting channels to prevent human rights violations such as workplace bullying and sexual harassment and to ensure swift action when incidents occur. Individuals can submit reports through internal or external channels, either with their real name or anonymously, and all reports are handled with strict confidentiality. The reporting channels are independently managed by the Audit Office under the CEO, with key matters reported to the Audit Committee. Only authorized personnel have access to submitted reports, and necessary actions including disciplinary measures are promptly taken in cooperation with the HR department based on investigation results. Through this system, we manage human rights risks and ensure appropriate responses to any violations of human dignity.



Human Rights Indicators and Target Management

HJSC has established a mid to long term roadmap to build a structured human rights management system. The roadmap includes plans to gradually expand the scope of human rights impact assessments and human rights management surveys, enabling us to identify and prevent potential human rights risks across our business operations. The results of these assessments inform the development of improvement tasks and action plans, forming a foundation for strengthening respect for human rights not only among employees but also across all stakeholder groups. Going forward, we will continue to advance our human rights management system through regular evaluations and monitoring and transparently disclose our progress as part of our commitment to corporate social responsibility.

Human Rights Management Roadmap



2024 Human Rights-Related Reports and Resolution Rate

Reporting Channels	Number of Reports Received	Number of Cases Resolved	Resolution Rate
Online and Offline	6	6	100%

Human Rights Management

Strategies and Activities

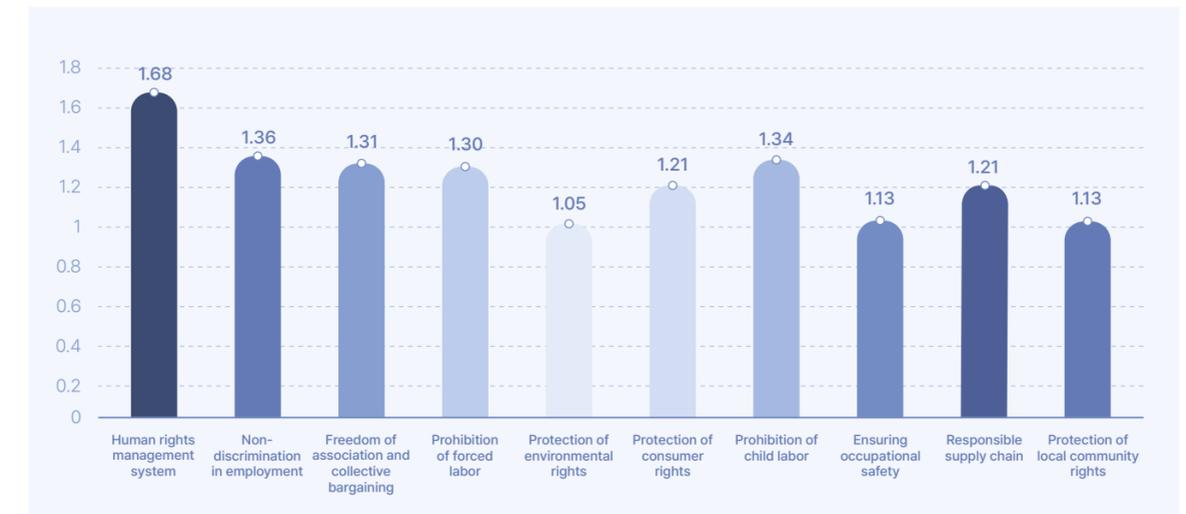
Human Rights Impact Assessment

HJSC conducts human rights impact assessments using the National Human Rights Commission of Korea's standard indicators to systematically review our policies, procedures, and systems. In 2024, we evaluated 38 items across 10 categories to assess employee awareness of human rights and identify areas for improvement. Based on these results, we are currently enhancing related systems and processes. Starting in 2025, we plan to expand the scope of these assessments to include partner companies and local communities while further refining our evaluation indicators. This will enable us to identify potential human rights risks across our operations, supply chain, and surrounding communities in advance and reflect necessary improvements in our management practices. The 2024 assessment confirmed the need for improvements in areas such as the human rights management framework, non-discrimination in employment, and responsible supply chain practices. We will use these findings to establish and implement specific improvement measures, minimizing the risk of human rights violations and strengthening a culture of respect for human rights throughout the organization.

Human Rights Impact Assessment Scope and Key Items

Assessment Target	Key Impact Areas	Assessment Items	Relevant Stakeholders
Our employees, partner companies, local communities	Human rights management system	Respect for human rights	Employees
	Non-discrimination in employment	Non-discrimination for full-time, temporary, and foreign workers	Employees
	Freedom of association and collective bargaining	Freedom of association and bargaining rights	Employees
	Compliance with working hours (Prohibition of forced labor)	Compliance with working hours, prevention of forced labor by subsidiaries and suppliers	Employees, subsidiaries, suppliers, partner companies
	Ensuring occupational safety	Workplace safety, protection for pregnant workers and persons with disabilities, provision of required equipment and training	Employees
	Responsible supply chain management	Prevention of human rights violations in suppliers and subsidiaries	Subsidiaries, suppliers, partner companies
	Prevention of workplace human rights violations	Prevention of workplace harassment, protection for workers with disabilities, prohibition of sexual harassment and assault	Employees
	Grievance resolution procedures	Grievance-handling process	Employees, suppliers, partner companies

Human Rights Impact Assessment Results



* The above data is limited to HJSC employees.

Implementation of Human Rights Protection Training

HJSC provides annual online human rights training for all employees to strengthen human rights protection and foster a safe organizational culture. The program covers key topics such as human rights ethics, workplace sexual harassment prevention, disability awareness, and workplace bullying prevention, supporting employees in enhancing human rights awareness and practicing a culture of respect.

Human Rights Training Completion Status

Category	Unit	2022	2023	2024
Total Number of Trainees	Persons	2,006	2,187	2,073
Training Hours	Hours	6,018	9,681	11,243
Completion Rate	%	100	100	100

* Human rights training overview: Human rights ethics training, workplace sexual harassment prevention training, disability awareness training, and workplace bullying prevention training

- Safety & Health Management
- Human Resources Management
- Human Rights Management
- Supply Chain Management
- Quality & Customer Satisfaction
- Community Engagement & Social Contribution

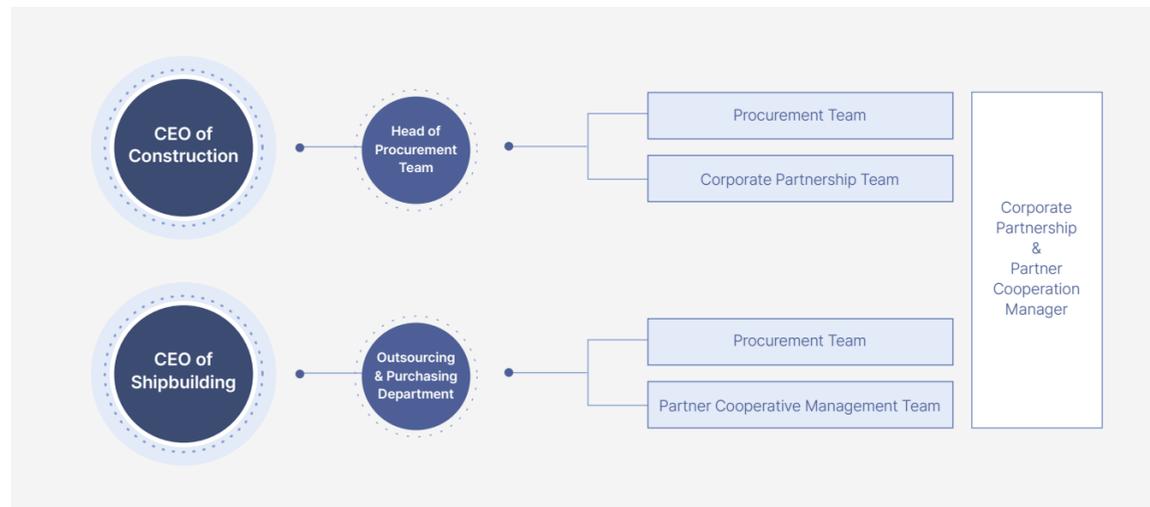
Supply Chain Management

Supply Chain Management System

HJSC manages supply chain-related risks primarily through our Procurement Team and Corporate Partnership Team. The Procurement Team oversees overall supply chain risk management, while specific risks are assigned to the appropriate units: safety, environmental, and quality-related incidents are handled by the relevant departments, and issues such as collusion or violations of ethical management are handled by the Audit Office.

Supply Chain Management Organization

HJSC recognizes suppliers as collaborative partners and respects their autonomy and independence. We aim to promote ESG values across the construction and shipbuilding industries to help establish a sustainable industrial ecosystem. Our Partnership Growth Team oversees fair trade and shared growth initiatives and leads various programs to strengthen partnerships and advance mutually beneficial supplier relationships.



Reporting to the Board and Committees

HJSC regularly reports major supply chain management issues to the ESG Committee. The ESG Committee is composed of a majority of external experts, including outside directors with professional experience in areas such as law, and is responsible for reviewing key agenda items and reporting them to the Board of Directors.

Category	Date	Agenda Items	Remarks
ESG Committee	2024.06.24	<ul style="list-style-type: none"> Establishment of the Supply Chain Sustainability Management Policy Establishment of the Fair Trade Management Policy 	Approved

Supply Chain Management Policy and Strategy

HJSC promotes shared growth with partner companies based on principles of ethics and compliance and implements key strategies focused on collaboration, fair trade, and competitiveness to enhance sustainability across the supply chain. This policy applies not only to suppliers directly contracted with us but also to all stakeholders who influence our value chain over the long term. We aim to minimize ESG risks that may arise throughout the entire process of delivering products and services to end customers and to advance responsible management practices across the supply chain.



Partner Cooperation	Fair Trade	Competitiveness Enhancement
<ul style="list-style-type: none"> Operation of a system for preventing and monitoring legal violations Training on subcontracting-related regulations for employees Transparent supplier selection and evaluation system 	<ul style="list-style-type: none"> Use of standard contract forms Operation of four key fair trade practices 	<ul style="list-style-type: none"> Strengthening supplier growth and competitiveness Operation of shared growth programs Operation of supplier communication channels

Supply Chain Management

Supply Chain Risk Management

HJSC has established a system to identify and address ESG risks in advance throughout the entire supplier process, including registration, selection, and evaluation. Through this approach, we aim to enhance transparency and safety across the supply chain and support the realization of sustainable business practices.

Supply Chain Risk Management Process



Risk Assessment at the Supplier Registration Stage

During the registration process for new partner companies, HJSC conducts thorough safety reviews and assessments led by our dedicated safety team, restricting registration for those that do not meet our standards. We also perform a comprehensive evaluation of various management indicators, including construction capability, financial soundness, and quality management, to identify and eliminate potential risks before initiating any business transactions.

Selection of Partner Companies for Bidding

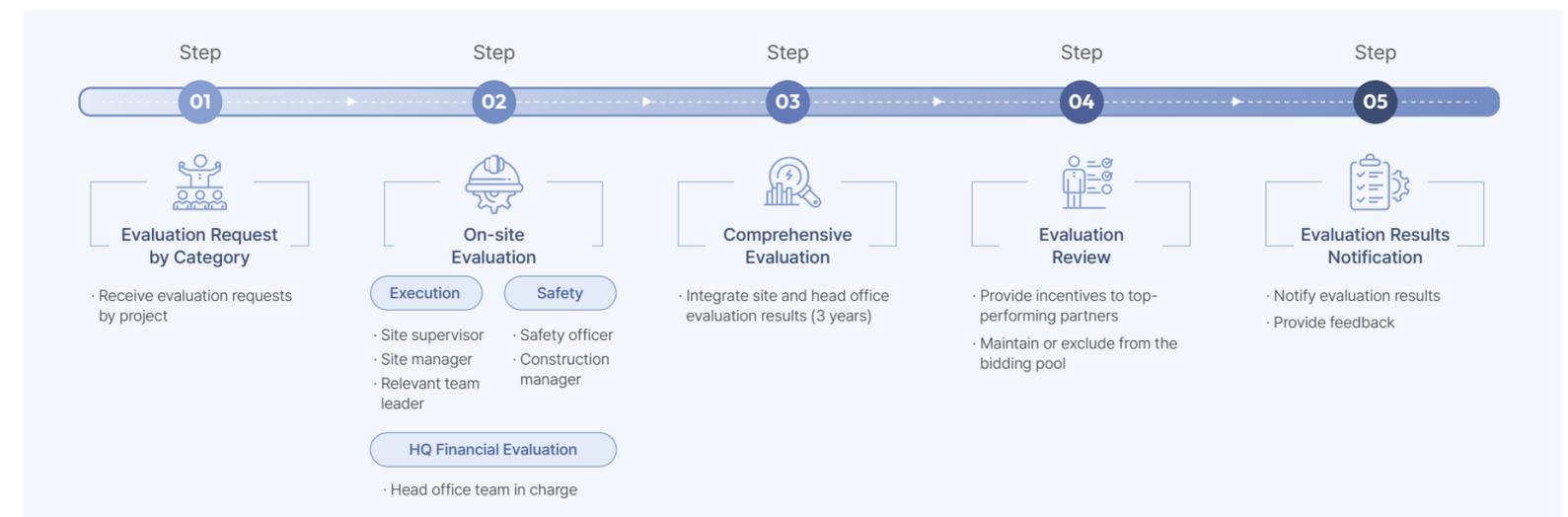
HJSC establishes bidding criteria by work type and item to ensure that registered partner companies can participate fairly in the bidding process. We comprehensively consider factors such as the complexity of on-site construction and the capabilities of each partner company to select the most suitable partners. Through this process, we prevent quality deterioration and ethical risks that may arise from excessive competition or unfair practices, and foster a healthy and competitive environment among our partners.

Partner Company Evaluation

HJSC systematically evaluates the performance of partner companies at the end of each project. Evaluations are conducted both at the project site and headquarters level. On-site assessments focus on factors such as safety and health management, compliance, quality management systems and capabilities, adherence to ethical management, and environmental management. At the headquarters level, the evaluation centers on the partner company's financial soundness and business stability. The results of these evaluations are used to inform the selection of partners and identify improvement requirements for future projects, thereby supporting the ongoing development and risk prevention of our partners. To promote ESG management, we also provide incentives to partners with outstanding ESG performance and give preference to those with patents and new technologies, encouraging innovation and enhanced competitiveness.

Category	Evaluation Timing	Description
Site Evaluation	Upon Completion	<ul style="list-style-type: none"> Evaluation of construction and safety management capabilities Assessment of construction quality, defect management, cooperation, and environmental management at project completion
HQ Evaluation	Upon Completion	<ul style="list-style-type: none"> Evaluation of the partner company's financial soundness Review of defect occurrence and management level Comprehensive evaluation including awards, disciplinary records, and overall contribution

Partner Evaluation Process



Supply Chain Management

Supply chain management activities and outcomes

Key Achievements of the Shared Growth Program

Category	Type	Purpose	2024 Performance
Financial Support	Direct Financial Support Program for Partner Companies	<ul style="list-style-type: none"> More than 70% of contract stamp duty for electronic contracts is supported Shortening payment periods and increasing the proportion of cash payments 	<ul style="list-style-type: none"> 2024 Support results: 109 companies supported 2024 Cash payment ratio for construction payments : 95.1%
Technical Support	Establishment of Payment Settlement System	<ul style="list-style-type: none"> Since the introduction of the electronic procurement system in 2009, the entire payment settlement process has been computerized to maximize convenience for partner companies, and user manuals have been provided to ensure that even beginners can easily use the system. 	
	Support for Partner Companies' Project Execution	<ul style="list-style-type: none"> Strengthening partner companies' execution capabilities through on-site safety inspections and technical support 	
Human Resource Development Support	Support for Partner Companies' Training	<ul style="list-style-type: none"> Safety and health training for partner companies: Various safety and health training programs provided for partner company employees 	
Promotion of Sustainable Management	Support for Partner Companies' ESG	<ul style="list-style-type: none"> ESG training and consulting for partner companies 	
		<ul style="list-style-type: none"> We share the concept of ESG management and our company's ESG initiatives with employees from about 40 partner companies to spread ESG management and encourage participation. We invite ESG consulting experts to present case-based explanations of the importance of partner participation in ESG management, and hold discussions with each partner company on concrete action plans for establishing and integrating ESG strategies, supporting their active participation in ESG management. 	
Others	Patents/New Technologies	<ul style="list-style-type: none"> Partner companies holding patents and new technologies are given top priority in related contracts, thereby laying the foundation for sustainable mutual growth with our company. 	
	Joint Acquisition of New Technologies	<ul style="list-style-type: none"> HJSC consistently engages in joint development of new technologies with partner companies and provides financial support for technology development. 	
	Meetings with Local Governments and Local Companies	<ul style="list-style-type: none"> We actively participate in meetings with local governments and partner companies in our core region of Busan, making continuous efforts to strengthen the capabilities of local companies. 	
	Support for Partner Companies' Market Access	<ul style="list-style-type: none"> By recommending selected outstanding partner companies, based on regular evaluations, to project owners of businesses in which we participate, we provide them with both opportunities to join projects and register as new suppliers. 	

Construction Business: Ministry of Land, Infrastructure and Transport Award

HJSC received the Ministry of Land, Infrastructure and Transport Award for Construction Cooperation Promotion in 2022 and 2024, and the Grand Prize in 2023. We achieved the highest rating for three consecutive years in the industry's mutual cooperation evaluation, reflecting our commitment to partnership and safety. We will continue to strengthen the foundation for sustainable, collaborative growth with our partners.



2024 20th Construction Cooperation Promotion Awards Ceremony

Supply Chain Management

Supply chain management activities and outcomes

Voluntary Protection of Local Partner Companies and Fair Procurement Practices

HJSC has signed agreements with local public institutions and major construction companies to strengthen cooperation and revitalize Busan's construction economy. We support local builders through administrative assistance and expanded project participation.

Attending the launch ceremony of the Busan Shipbuilding Industry Public-Private Council for Shared Growth



HJSC participated in the Busan Shipbuilding Industry Public-Private Council to address local industry issues, support next-generation technology development, and advance the shipbuilding ecosystem in Busan. Joining efforts to monitor policy implementation and explore strategies for shared growth in the shipbuilding sector. The launch event was attended by HJSC's CEO Yoo Sang-cheol, Busan's Deputy Mayor Kim Kwan-hee, and representatives from 16 public and private organizations, including ship equipment, design, research, finance, and related institutions.

Co-Growth Agreement between Jeju Province, Construction Associations, and Major Construction Companies



Operation of Grievance Channels for Partner Companies

HJSC operates grievance and feedback channels for partner companies to maintain transparent and sustainable relationships. We hold monthly partner councils and operate a communication window within our e-procurement system to actively listen to concerns and requests for improvement from our partners.

Category	Working conditions	Other support	Partner support	Total	Remarks
Employee requests	1 case	2 cases	1 case	4 cases	-
Improvement implemented	1 case	2 cases	1 case	4 cases	-
	100%	100%	100%	100%	-

Implementation of improvements for all submitted opinions

100%

Grievance Handling Channel Process



Partner Code of Conduct

HJSC has established and mandated a "Partner Code of Conduct" to help all partner companies build sustainable management systems and grow together. The code defines requirements for fulfilling social responsibilities, as well as the principles of conduct and value standards to be upheld in business activities. It consists of 27 items across 5 sections and is designed to support partners in practicing responsible management based on ESG values.



- Safety & Health Management
- Human Resources Management
- Human Rights Management
- Supply Chain Management
- Quality & Customer Satisfaction
- Community Engagement & Social Contribution

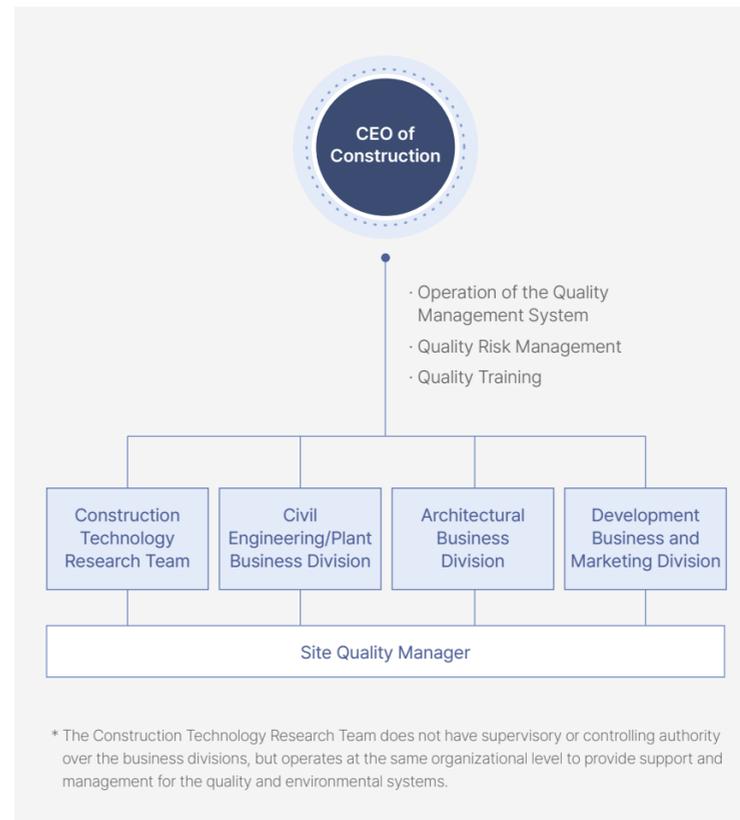
Quality and Customer Satisfaction

Governance in the Construction Business

Governance Structure

HJSC has established standards and guidelines for quality management and strengthened monitoring to operate a robust quality management system. The Construction Technology Research Team oversees the operation, certification, training, and both internal and external communication of the quality management system. Based on this, we have built a company-wide quality management framework and implemented it across all business divisions. By ensuring consistent management and support at both site and headquarters levels, we continuously enhance and advance our quality management system.

Organization Structure



Quality Management Strategy

HJSC places the highest value on customer satisfaction and trust, and we are committed to continuously improving the quality of our products and services. Based on our quality management system, we encourage company-wide participation and the spread of a quality-oriented culture, strengthening new quality management practices and processes to enhance our corporate competitiveness. By advancing our technological capabilities and efficiency, we improve productivity and quality, aiming to achieve customer satisfaction and consistently increase our corporate value.

Quality Management Vision and Strategy



Quality and Customer Satisfaction

Quality Management Activities

Quality Management Goals and Risk Management

HJSC is continuously advancing our quality management system. We use ISO-based checklists to assess and manage quality levels, and focus on acquiring certifications and strengthening global-quality capabilities to support international business expansion. Through these efforts, we are improving overall company-wide quality and enhancing our competitiveness.

Advancement of the Quality Management System

HJSC ensures systematic quality management by clearly defining the responsibilities and roles related to quality tasks. This approach strengthens the establishment of policies and guidelines, system operation, performance measurement, and quality risk management. Each business division applies these principles at the field level to continuously maintain and improve quality standards.



Operation of the Quality Improvement Case System

HJSC operates an internal IT system (ERP) where quality improvement cases identified at each site are entered and shared with all employees to systematically manage and widely disseminate quality improvement activities. Data accumulated by site is comprehensively analyzed to identify quality degradation factors in advance and prevent recurrence. Sharing improvement cases through our ERP system also promotes the spread of best practices and collaboration between sites, leading to organization-wide learning and enhanced quality competitiveness. Through this data-driven quality management process, we are achieving continuous quality innovation and further advancing our quality management system.



Construction improvement case system (ERP)

On-site Quality Inspections

HJSC enhances construction site quality through regular ISO 9001 inspections by the Construction Technology Research Team and on-site quality patrols at the business division level. Systematic process management helps prevent defects, reduce rework costs, and meet client requirements, strengthening trust in site quality. These inspections also support risk management and contribute to a foundation for sustainable operations.

Category	Number of sites	Average score	Findings	Number of actions taken	Action rate
Construction	23	79.9	292	292	100%
Civil engineering	18	81.3	354	354	100%
Plant	5	78.8	88	88	100%

*Data limited to ISO 9001 (Quality Management System) compliance inspections

Strengthening Quality Management System through ISO Certification

HJSC has obtained ISO certification for our quality management system and rigorously maintains it through periodic follow-up and renewal audits. By complying with internationally recognized quality standards, we ensure consistent quality across all products and services, and we further advance our quality management capabilities through ongoing improvement activities.



ISO 9001:2015 Quality Management System

Quality and Customer Satisfaction

Quality Management Activities

Proactive Quality Inspections

HJSC operates a data-driven proactive quality inspection system to identify and prevent quality risks at construction sites at an early stage. We conduct advance diagnostics of key processes through non-destructive testing of welds, concrete compressive strength tests, and other methods, immediately reflecting the results in on-site management and quality improvement activities. This approach reduces the likelihood of quality incidents, ensures safety and reliability, and supports the creation of a more sustainable construction environment.



Operation of the Quality Communication System

HJSC operates a quality communication system between headquarters and sites using an internal IT platform. Employees from sites nationwide participate to share on-site feedback, which is used to identify timely improvement tasks and share them with relevant departments. By providing real-time quality information, we increase the responsiveness of our sites and enhance company-wide quality management. In addition, our participation in relevant industry associations helps to further expand our quality management capabilities externally.



Recording quality-related suggestions

Notification of ERP system changes

Real-time sharing & updates on regulation changes (e.g. notices from the Ministry of Land, Infrastructure and Transport)

Customer Satisfaction

We regard customer satisfaction as a core value for achieving competitive advantage and sustainable growth. From the start of construction to post-occupancy aftercare, we maintain consistent quality and do our best to deliver products and services that exceed customer expectations. Through customer-oriented services and systematic quality management activities, we strengthen corporate credibility and brand value. To this end, we implement various improvement measures, such as proactive quality inspections and enhanced quality control for materials and equipment, ensuring a safe and highly satisfying residential environment.

Organization Structure

At HJSC, the Housing Project Management Team in the Development Business Division is responsible for on-site quality measurement, evaluation, and support, while the Customer Service Center in the Architectural Business Division is in charge of service quality and customer satisfaction. This structure enables collaboration between headquarters and sites to provide highly reliable services.



Customer Satisfaction Response System



- Safety & Health Management
- Human Resources Management
- Human Rights Management
- Supply Chain Management
- Quality & Customer Satisfaction
- Community Engagement & Social Contribution

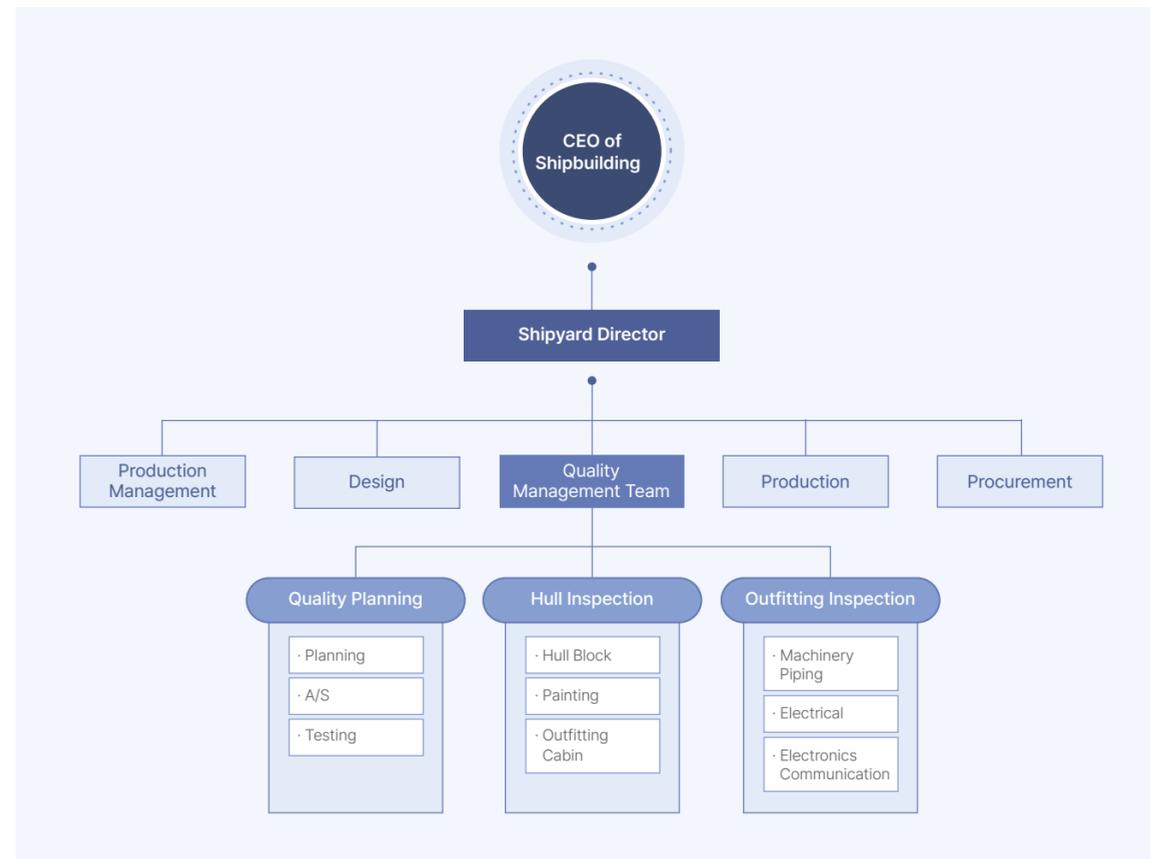
Quality and Customer Satisfaction

Shipbuilding Business Governance

Governance System

HJSC has established a Quality Management Team reporting directly to the Shipyard Director at the Yeongdo Shipyard to enhance the expertise and efficiency of the shipyard's quality management system. The Quality Management Team is responsible for developing quality policies, operating systems, monitoring performance, and managing risks. Through regular quality evaluations, the Shipyard Director and key department heads review operational results and discuss improvement tasks and mid- to long-term strategies. This approach enables us to detect and address quality issues early and systematically establish execution strategies to achieve global standards of quality competitiveness. The head of the Quality Management Team reports key issues and results directly to the Shipyard Director, supporting prompt decision-making and ensuring consistency and continuous improvement in our company-wide quality management system.

Organization Structure



Quality Management Strategy

HJSC places the maximization of customer satisfaction as the top priority of our quality management strategy. To achieve this, we have established a quality management system based on ISO 9001 and STD-0005-1 standards and are committed to delivering products and differentiated quality services that exceed customer expectations. This system fully reflects the requirements of international standards and aims to meet the needs of customers and stakeholders by ensuring effective implementation, continuous improvement, and prevention of nonconformities. The quality management system manual applies to all departments including marketing, procurement, design, manufacturing, inspection, delivery, and after-sales service, ensuring a company-wide quality management framework.

Quality Management Strategic Framework



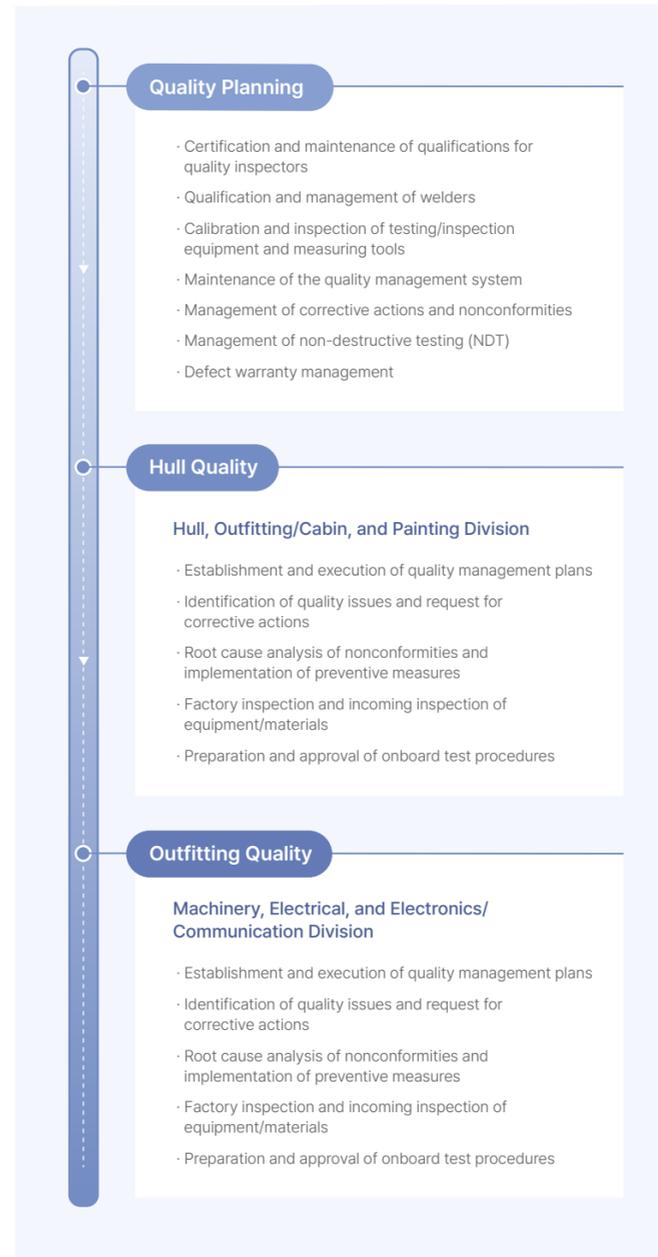
Status of Quality-Related Certifications



Quality and Customer Satisfaction

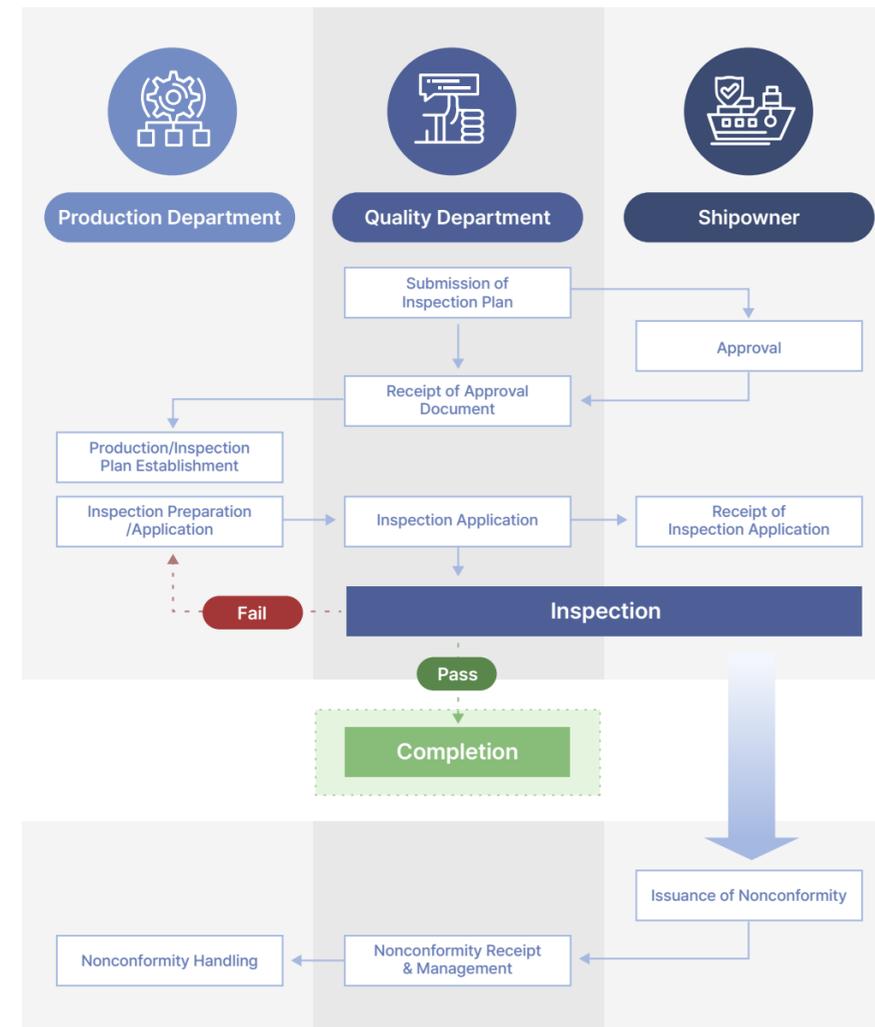
Quality Management Activities

Quality Management Team Tasks



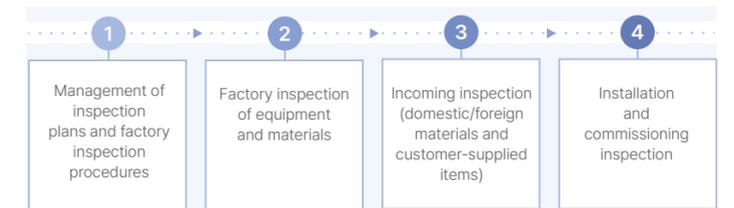
Quality Management Activities and Inspection Process

HJSC sets a quality plan before shipbuilding and conducts systematic inspections at each stage, including material, in-process, and commissioning checks. We block nonconforming products through factory and incoming inspections and ensure reliability through self-inspections and customer-attended reviews. All results are promptly shared, recorded, and managed to strengthen transparency and support continuous improvement.

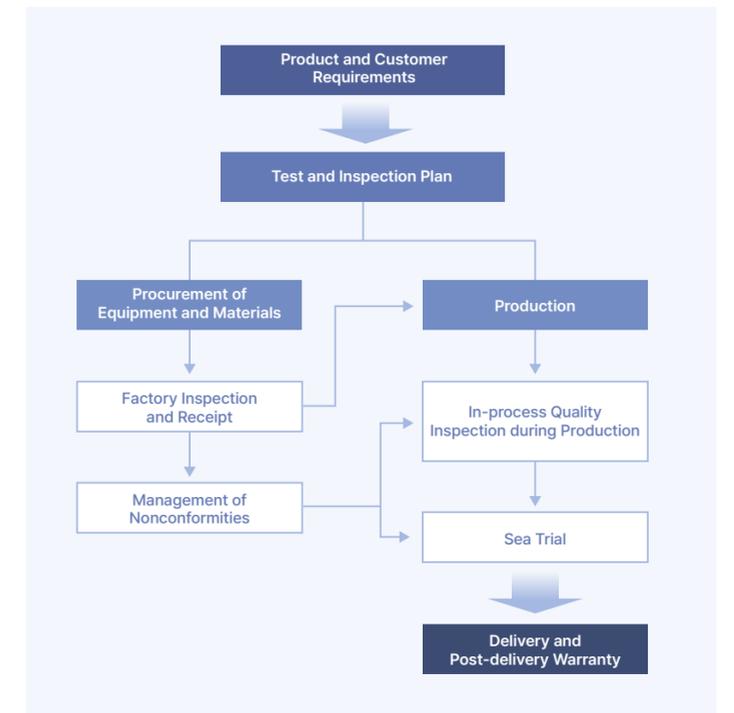


Quality Activities for Equipment and Materials

HJSC systematically establishes, implements, analyzes, and documents quality plans throughout the shipbuilding process, ensuring that high-quality materials and components are supplied on time and that nonconforming items are prevented from entering the process. This comprehensive approach provides a solid foundation for building ships with the highest quality standards.



Quality Activities for Production

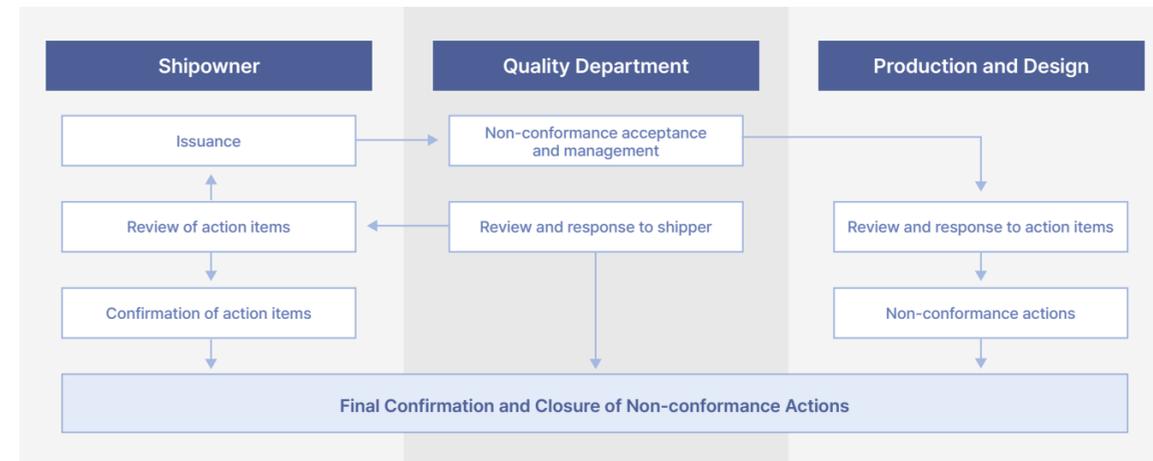


Quality and Customer Satisfaction

Quality Management Activities

Management of Nonconformities

We systematically manage nonconformities and customer complaints that may arise during the ship-building process, aiming to prevent recurrence and eliminate potential root causes, thereby driving continuous quality improvement.



Quality and Customer Satisfaction

HJSC operates a systematic organization to meet quality standards and prioritizes customer satisfaction. We effectively manage quality throughout the shipbuilding process to deliver high-performance vessels that meet customer requirements and provide products that satisfy their expectations.

Customer Satisfaction

HJSC objectively measures customer satisfaction for delivered vessels and continuously strengthens its customer-centered service system.



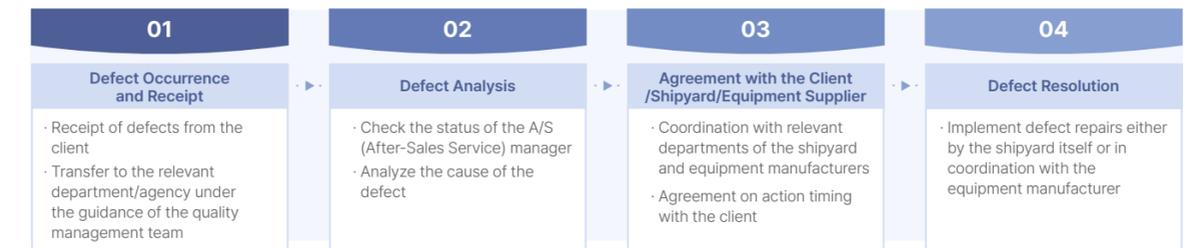
Customer Claims

We operate a systematic warranty claims process to manage the quality of delivered vessels during the warranty period to ensure customer assurance.



Post-building Quality Management Measures

We maintain a systematic post-delivery quality management procedure to ensure customer satisfaction after ship delivery. Claims raised by customers are received and reviewed under our warranty process, with responsibilities analyzed and appropriate actions taken in cooperation with relevant departments. If the shipyard is responsible, we coordinate with the customer to determine the method and scope of repairs. If a supplier is responsible, we file a claim with the supplier and request warranty service or corrective actions.



Category	Owner	Quality Management Team	Production, Materials, Design, & Suppliers	Work Details
Defect Management Procedure	1 Claim Submission	2 Claim Receipt		A/S claims raised by customers are received through the official QM email account.
		3 Request for Resolution Plan		QM reviews the claim details and requests relevant departments to review and propose corrective actions.
		4 Cause Analysis & Judgment		QM analyzes the defect judgment and cause to determine the responsible party.
		5 Defect Action		Based on the cause of responsibility, actions are taken after consultation with the supplier, led by the proposing party.
		6 Verification of Action Results		The results of the corrective actions are verified to confirm whether the claim is closed.
		7 Defect Type Analysis and Customer Satisfaction Survey		QM conducts defect type analysis and customer satisfaction surveys.
	Internal Improvement	8 Request for Quality Improvement		
9 Implementation of Improvements and Prevention of Recurrence				

Community and Social Contribution

Responsibility and Organizational Structure

HJSC has established Social Contribution Committees in both the Shipbuilding and Construction Divisions to ensure fairness and transparency in our social contribution activities. When executing donations or sponsorships, committee members engage in pre-discussions to evaluate feasibility and follow a consensus procedure before making the final decision. The committees are composed solely of employees and make decisions by comprehensively considering the appropriateness, purpose, and transparency of the donation targets. Through this, HJSC strengthens trust with the community and fulfills our corporate social responsibilities.

Social Contribution Strategy Framework

Under the social contribution mission of "Building Together, Growing Together," we practice social responsibility with the vision of promoting community co-prosperity and supporting future generations. Our goal is to achieve sustainable community development and create a safer society. Social contribution activities are transparently managed by Social Contribution Committees in both the Shipbuilding and Construction Divisions. Through voluntary employee participation, matching donations, and collaboration with local welfare organizations and partner companies, we create tangible social value.



Donation Process



Community and Social Contribution

Shared Growth in the Community

Support Agreement for Mid-Career Internships

The Shipbuilding Business has signed an agreement with the city of Busan, five partner companies, and the Senior Employment Support Center to support "New Middle-Aged Internship Programs" at the Yeongdo Shipyard. This agreement aims to promote the reemployment of retired professionals and alleviate the labor shortage in the local shipbuilding industry. Key elements include facilitating re-employment of HJSC's middle-aged retirees with partner companies and providing internship subsidies to encourage long-term employment.



Busan Shipbuilding Public-Private Council

This council was created to address challenges in the local shipbuilding industry and drive next-generation technological advancement. Focusing on design, materials, and policy consulting, it promotes ecosystem development and shared growth. Through participation, HJSC supports community co-prosperity and strengthens the industry's competitiveness.



Employee Volunteer Activities

Selected as 'The Best Good Workplace'

HJSC was selected as 'The Best Good Workplace' by the Community Chest of Korea for contributing over 2 billion KRW over 20 years. We will continue to uphold responsible sharing and promote local community co-prosperity.



Environmental Cleanup Activities

HJSC regularly conducts environmental cleanup activities in areas directly related to local living environments, such as marine areas, rivers, and roadsides. By having our employees actively participate in waste collection and pollution removal, we contribute to maintaining a pleasant environment for the community and preserving a sustainable local ecosystem.



Donation to the Community Chest of Korea

HJSC donated KRW 50 million raised through voluntary employee participation to the Community Chest of Korea. The donated funds will be transparently used to support vulnerable groups in the Yeongdo area, including livelihood, medical, and heating assistance.



Neighbor Love Gift Packages

HJSC provided 1,000 gift packages with daily necessities to low-income and vulnerable households in Yeongdo-gu, funded by voluntary employee donations. Over 200 employees participated in the event, assisting with packaging and sharing warm care with the local community.



INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

Governance

Ethical Management & Compliance

Information Security

APPENDIX

05 GOVERNANCE

Governance	74
Ethical Management & Compliance	79
Information Security	81

HJSC upholds a transparent and accountable governance structure built on the trust of all stakeholders. We maintain a board-led decision-making framework in accordance with the Articles of Incorporation and relevant regulations, and we ensure balanced oversight of the company’s strategy, long-term priorities, and major ESG matters.

We strengthen internal controls and fair-trade compliance, and we enhance market trust by disclosing decisions and performance in a timely and accurate manner.



Governance

Board of Directors

HJSC continues to enhance the independence, expertise, and diversity of its Board to ensure fair deliberation of major matters, strengthen stakeholder trust, and build a foundation for sustainable growth. We operate the Board as the company's central decision-making body and align its activities with our ESG management framework to promote responsible governance and long-term value creation.

Board Governance

HJSC oversees corporate strategy and ESG issues through a Board composed of a majority of independent directors, operating under the principles of independence, expertise, and diversity. We ensure transparent and accountable governance by reviewing key ESG matters, including safety and environmental issues through the ESG Committee, which reports directly to the Board. We strengthen stakeholder trust by disclosing our governance structure and major decisions in a timely manner through our sustainability report, corporate website, and business report. We will continue to pursue long-term growth and corporate value through a Board system grounded in checks and balance.



HJSC Corporate Governance Overview Webpage
(www.hjsc.co.kr)

Functions and Roles of the Board

HJSC regards the Board as the company's highest decision-making and oversight body, responsible for resolving key matters in accordance with applicable laws and the Articles of Incorporation and for independently supervising management's execution of duties. We approve corporate strategy, review performance, and oversee financial soundness, internal controls, and compliance. We also manage ESG risks and opportunities across safety, environment, and human rights. We protect shareholder rights and balance stakeholder interests, and we ensure transparent and accountable governance by conducting prior review of significant matters through Board committees. Building on this framework, we pursue sustainable performance and long-term value creation.

Board Composition

HJSC operates its Board with five directors, consisting of two internal directors and three outside directors. We elect the Board Chair in accordance with the Articles of Incorporation and Board regulations. In March 2024, Kim Wan-Sug, CEO of the Construction, was appointed Chair through a separate vote. Earlier, in September 2021, Yoo Sang-Cheol was appointed CEO of the Shipbuilding. These appointments were made to strengthen strategic alignment and facilitate effective communication between the Board and management, supported by industry expertise and on-site experience. We promote efficient decision-making by allowing one of the CEOs to serve concurrently as Board Chair, while ensuring transparency and checks and balance through a Board structure in which outside directors form the majority and through prior review by Board committees. Directors serve a one-year term and may be reappointed through a resolution at the general shareholders' meeting.

Board Composition

[as of September 2025]

Category	Name	Gender	Position	Date of Appointment*	Term End	Expertise	Key Experience
Internal Director	Kim Wan-Sug	Male	Board Chair, CEO of Construction, Chair of the Management Committee	2025.03 (2024.03)	Mar 2026	Management, Industry	CEO of Construction, HJSC
	Yoo Sang-Cheol	Male	Chair of the Outside Director Recommendation Committee, CEO of Shipbuilding, member of ESG Committee	2025.03 (2021.09)	Mar 2026	Management, Industry, Finance, ESG	CEO of Shipbuilding, HJSC
Outside Director	Chun In-Beom	Male	Chair of the ESG Committee, member of the Audit Committee, member of the Management Committee, member of the Outside Director Recommendation Committee	2025.03	Mar 2026	Administration/ Law, Financial Management/ Accounting	Former Senior Representative of United Nations Command Military Armistice Commission
	Shim Ho	Male	Chair of the Audit Committee, member of the ESG Committee, member of the Management Committee, member of the Outside Director Recommendation Committee	2025.03	Mar 2026	Financial Management/ Accounting, Finance, ESG	Former Collaboration Professor of Department of Civil and Environmental Engineering, Hanyang University
	Choi Seon-lm	Female	Member of the Outside Director Recommendation Committee, member of the Audit Committee, member of the ESG Committee	2025.03 (2021.09)	Mar 2026	Industry, ESG	Professor of Fashion Design Department, Seoul Institute of the Arts

* For reappointments, the initial date of appointment is indicated in parentheses.



HJSC Corporate Governance Report(2024)

Governance

Board of Directors

Board Independence, Expertise, and Diversity

HJSC operates a transparent nomination, recommendation, and vetting process to strengthen the independence and fairness of Board composition. Director appointments are approved at the general shareholders' meeting, and the Outside Director Recommendation Committee evaluates and recommends candidates after a thorough review of their qualifications and independence, which are then submitted to the Board. We also review candidates' relationships with the company, concurrent positions, and any business ties to minimize potential conflicts of interest and secure independence.

We enhance decision-making expertise by appointing outside directors with diverse backgrounds in finance, law, shipbuilding, construction, and ESG, and we maintain a policy to ensure gender diversity through the inclusion of female directors. Notably, outside director Shim Ho serves on the ESG Committee and provides strategic guidance based on his expertise in environmental matters, supporting the strengthening of the company's ESG capabilities.

We will continue to expand the Board's independence, expertise, and diversity to uphold transparent governance and responsible decision-making, enhancing stakeholder trust and supporting sustainable long-term growth.

Board Skill Matrix

⊙ : Chair ○ : Member

Category	Name	Board Committee				Board Skills Matrix					
		Audit Committee	External Director Recommendation Committee	Management Committee	ESG Committee	Industry	Finance	ESG	Business Management	Accounting	Administration & Law
Internal Director	Kim Wan-Sug			⊙		✓			✓		
	Yoo Sang-Cheol		⊙		○	✓	✓	✓	✓		
Outside Director	Chun In-Beom	○	○	○	⊙			✓		✓	✓
	Shim Ho	⊙	○	○	○		✓	✓		✓	✓
	Choi Seon-Im	○	○		○	✓		✓			

Support for Outside Directors

HJSC provides comprehensive support to enable external directors to supervise and advise management with independence and professional judgment. We share advance materials and relevant operational information in a timely manner to facilitate in-depth discussions and effective decision-making. We enhance the expertise and ESG competency of outside directors by offering internal and external training sessions at least twice a year, and we strengthen their protection by maintaining Directors and Officers (D&O) liability insurance at the company's expense to mitigate legal risks associated with their duties. Through this support, outside directors perform their oversight and advisory roles objectively and contribute to transparent and responsible governance.

Training for Outside Directors

Date	Training Type	Key Content
2024.03.07	Internal Training	Major business updates and Board activities
2024.10.17	External Training	Briefing on corporate legal matters for listed companies, provided to internal and outside directors

Support from External Experts for Outside Directors

HJSC strengthened the Board's independent and professional judgment by formalizing, through a Board resolution in May 2024, a provision that allows outside directors to seek advice from external experts in areas such as law, accounting, finance, and ESG. We cover all advisory costs and manage them in accordance with internal guidelines to ensure fairness and transparency. Through this system, the Board engages in deeper deliberation and makes responsible decisions on complex management matters and significant ESG issues.

2024 Board Resolutions

Meeting No.	Date	Agenda
7th	2024.05.24	Amendment to Board regulations (provision for engaging external experts when needed)

Governance

Board of Directors

Board Committees

HJSC operates four Board committees, the Audit Committee, Outside Director Recommendation Committee, Management Committee, and ESG Committee to enhance the professionalism and efficiency of Board decision-making. We maintain the independence and objectivity of the Audit Committee by composing it entirely of the outside directors, while the Outside Director Recommendation Committee reviews and recommends director candidates through a transparent and sound process. We also operate the Management Committee and ESG Committee independently, enabling in-depth review of key management matters and ESG issues. These committees report their findings to the Board, supporting transparent and responsible decision-making. Through active committee operations, we strengthen the expertise and reliability of Board governance and reinforce a sustainable management framework.

Composition and Roles of Board Committees

Committee	Composition	Chair(Position)	Key Roles
Outside Director Recommendation Committee	3 outside directors, 1 internal director	Yoo Sang-Cheol (Internal Director)	Review and recommend candidates for outside director positions
Management Committee	2 outside directors, 1 internal director	Kim Wan-Sug (Internal Director)	Review management and financial matters delegated by the Board
Audit Committee	3 outside directors	Shim Ho (Outside Director)	Oversee accounting and audit-related matters
ESG Committee	3 outside directors, 1 internal director	Chun In-Beom (Outside Director)	Review ESG management issues and other non-financial matters

Outside Director Nomination Process



Support for Strengthening Board Capabilities

HJSC supports the Board by providing structured pre-review, document preparation, and issue briefings through dedicated Board support functions, enabling outside directors to conduct in-depth deliberation and offer professional advice at Board and committee meetings. We share meeting materials in a timely manner to allow sufficient review, and we maintain a system that allows outside directors to seek external expert advice when necessary in accordance with Board regulations.

Status of Board Support Organization

Department	Headcount	Key Responsibilities
Board Support Team	3	<ul style="list-style-type: none"> Review agenda items, organize Board meetings and prepare explanatory materials Request departmental inputs Support requests from outside directors

Outside Director Nomination Principles

HJSC manages a pool of outside director candidates through the Outside Director Recommendation Committee, which reviews independence, qualifications, and conflicts of interest. Final candidates are submitted to the Board and appointed at the shareholders' meeting. Outside directors provide independent oversight and advice on major issues, strengthening Board checks and balances and enhancing stakeholder value.

2024 Activities of the Outside Director Committee

Date	Agenda
2024.03.07	Recommendation of outside director candidates
2024.03.29	Appointment of Committee Chair for the Outside Director Recommendation Committee

Governance

Board of Directors

Operation of the Audit Committee

HJSC held six meetings of the Audit Committee in 2024, during which the Committee reviewed 19 agenda items. We complied with quorum requirements with full attendance by all Committee members at every meeting (100% attendance rate). Composed entirely of outside directors, the Committee meets the appointment requirements under the Commercial Act and actively performs key audit functions, including accounting audits, business audits, internal control reviews, and risk management oversight. We also maintain an independent audit department as a dedicated support function to assist the Committee's activities and training. In accordance with Committee regulations, the appointment of the head of the internal audit department is determined through consultation between the Audit Committee and the CEO. Through this structure, we secure the independence, expertise, and effectiveness of audit functions and strengthen transparent governance across HJSC.

Audit Committee Activities in 2024

Meeting No.	Agenda	Attendance	Note
1st	External audit communication (Q1)	100%	-
	2023 Internal Accounting Control System Operations Report	100%	Report
	2023 Audit Report	100%	Report
	2023 Legal Support Team Operations and 2024 Plan	100%	Report
	Review of the legality of convening the 17th Ordinary General Shareholders' Meeting and its agenda items	100%	Resolution
	Approval of the 2024 Audit Plan	100%	Resolution
2nd	Evaluation and approval of the 2023 Internal Accounting Control System operations	100%	Resolution
	Submission and approval of the 2023 Audit Report	100%	Resolution
3rd	Appointment of the Audit Committee Chair	100%	Resolution
4th	External audit communication (Q2)	100%	-
	Q1 financial statements	100%	Report
	2024 Internal Accounting Control System Inspection Plan	100%	Report
	Approval of the post-evaluation of compliance with auditor appointment requirements	100%	Resolution
5th	External audit communication (Q3)	100%	-
	Interim financial statements	100%	Report
	2024 Internal Accounting Control System Inspection Plan	100%	Report
6th	2024 H1 Audit Results and H2 Audit Plan	100%	Report
	External audit communication (Q4)	100%	-
	Q3 financial statements	100%	Report

Board Activities and Performance

HJSC operates its Board in line with the Articles of Incorporation and Board regulations. Meeting schedules are set in advance, and directors are notified at least seven days prior. Agenda items pass with a majority attendance and approval. In 2024, the Board held 12 meetings, resolved 48 items, and achieved 100% attendance. Major resolutions are disclosed transparently through the business report and related filings.

Board Operations Overview

Category	Unit	2022	2023	2024
No. of Board Meetings	meetings	13	17	12
Total Agenda Items	items	37	54	48
Attendance Rate	%	95	97	100

Board Remuneration

HJSC sets and pays director remuneration, including retirement benefits, within limits approved at the shareholders' meeting and through Board resolutions. The annual cap is approved by shareholders, and the Board determines individual pay based on duties, responsibilities, and performance. Payments are made monthly. We disclose calculation criteria, total amounts, and payment status in compliance with laws and the Articles of Incorporation, ensuring transparency through our business report and website.

[Unit: KRW 1 million]

Category	Number of Persons	Total Remuneration	Average per Person
Internal Directors	2	873	291
Outside Directors	4	160	40
Total (Board & Audit Committee)	5	1,033	147

* Internal Directors exclude Audit Committee members; Outside Directors include Audit Committee members.

Governance

Board of Directors

Board Review of ESG Materiality

HJSC incorporates materiality assessment results into Board reporting and operates a system for monitoring execution. In 2025, key ESG issues included carbon-neutrality and GHG reduction, R&D for environmental impact mitigation, safety-first and zero-accident goals, stronger supplier partnerships, and improved corruption and compliance risk management. We review KPIs, standards, and roadmaps for each issue and assign continuous improvement tasks. The ESG Committee embeds these priorities into company strategy and operations, supporting responsible decision-making and sustainable value creation.

ESG Committee Activities in 2024

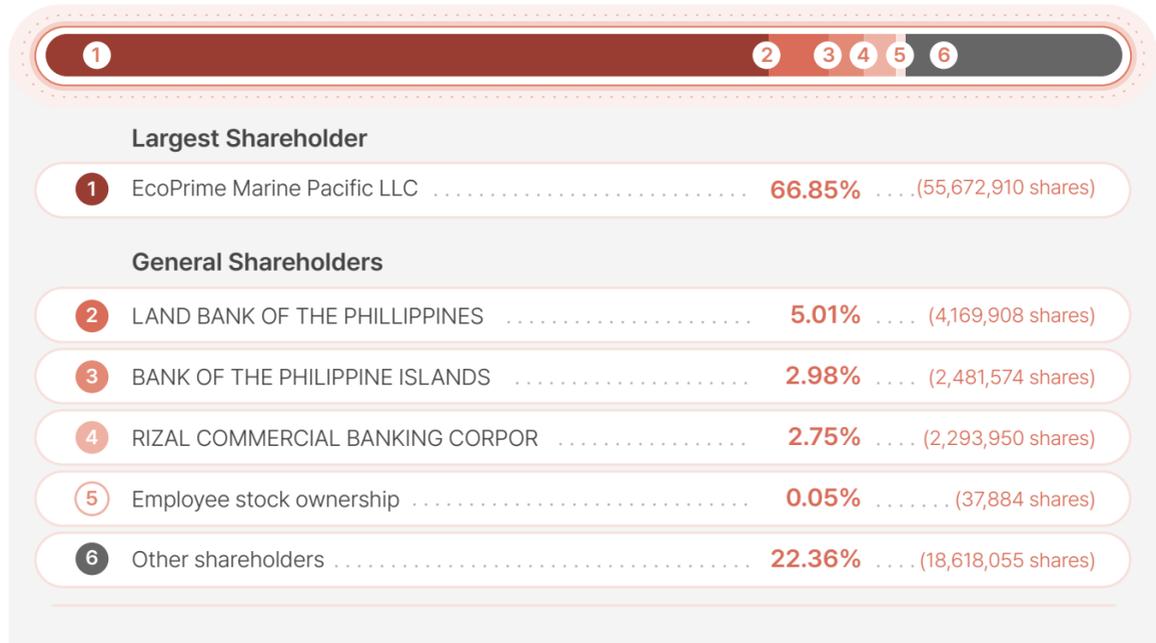
Date	Agenda	Note
2024.03.29	Regular report on environmental management performance	Report
	Appointment of ESG Committee Chair	Resolution
	Approval of the 2024 ESG Activity Plan	Resolution
2024.05.24	Establishment of mid- to long-term strategy and targets for climate change and carbon neutrality response	Resolution
	Establishment of key environmental factor management targets and promotion strategies	Resolution
2024.06.24	Report on corporate governance	Report
	Establishment of human rights policy	Resolution
	Establishment of supply chain sustainability management policy	Resolution
2024.09.27	Establishment of fair trade compliance policy	Resolution
	Report on mid-year ESG evaluation results	Report
2024.12.12	Report on results of 2024 external ESG ratings	Report
	Report on publication of the 2024 Sustainability Management Report	Report
	Regular report on environmental management performance	Resolution
	Strengthening response to climate change and carbon neutrality risk issues	Resolution
	Proposal for Key Environmental Management Initiatives	Resolution

Shareholder Structure

HJSC enhances shareholder protection and participation by adopting written voting and electronic voting systems and by strengthening trust through regular disclosures and diverse communication channels. As of 31st December 2024, HJSC had 83,268,340 issued common shares. The largest shareholder, EcoPrime Marine Pacific LLC, held 66.85% of total shares, securing stable management control. Foreign ownership is supported by approximately 10% shareholdings from major Philippine state-owned and private financial institutions, including Land Bank of the Philippines, Bank of the Philippine Islands, and Rizal Commercial Banking Corporation. The employee stock ownership association also holds a portion of shares, contributing to stability through employee participation.

We will continue to enhance transparency in shareholder composition, strengthen shareholder rights and protections, and improve corporate value and trust through ongoing communication.

Shareholder Composition



* Shareholding ratios may fluctuate depending on market trading. The above shareholder composition is based on data as of 31st December 2024.

Ethical Management and Compliance

Ethical Management

Ethics and Compliance Framework

HJSC establishes ethical management as a core principle of corporate operations and fosters a fair and transparent organizational culture. We operate a Code of Ethics (Employee Code of Conduct) that defines the standards of behavior and value-based judgment expected of employees and stakeholders, and we apply it throughout all business activities. We enhance effectiveness through training, communication, and periodic reviews and improvements, strengthening execution and expanding stakeholder trust while fulfilling our corporate responsibilities. Policies and progress related to ethical management are disclosed transparently on our corporate website.

Whistleblowing and Reporting System

We operate continuous reporting and consultation channels for improper demands, misconduct, and other unethical behavior. All reports are handled confidentially, and retaliation or disadvantages against whistleblowers are strictly prohibited, with firm corrective action taken in the event of violations. Reports move through verification, investigation, and appropriate corrective or disciplinary measures. In 2024, a total of four reports were filed, leading to investigations and resulting in disciplinary action for seven individuals. We continue to strengthen the integrity and transparency of the reporting system to promote a fair and ethical corporate culture across HJSC.

Status of Whistleblowing Cases and Disciplinary Actions

Category		Units	2022	2023	2024
Number of Reports Filed		cases	2	3	4
Number of Disciplinary Actions	Warning	persons	2	0	0
	Minor Disciplinary Action (Reprimand, Salary Reduction)	persons	1	1	2
	Major Disciplinary Action (Suspension, Dismissal)	persons	0	2	5
	Total	persons	3	3	7

Code of Ethics

- 1 We recognize the fundamental principles of transparent and ethical management and strictly comply with applicable laws, procedures, and internal regulations to establish a fair and transparent business environment.
- 2 We perform our duties with integrity and professionalism, acting responsibly in all roles and adhering to fair and sound business practices.
- 3 We uphold high ethical standards, comply with all relevant laws and social norms, and strive to practice responsible corporate citizenship.
- 4 We do not solicit or accept any improper benefits from partners or stakeholders, nor do we engage in bribery, coercion, or any form of corrupt behavior.
- 5 We respect fair and free competition, comply with market rules, and pursue just and legitimate profits through ethical business conduct.
- 6 We do not misuse our position to seek undue advantage from partners and conduct all transactions transparently and fairly, supporting mutual growth and sustainable cooperation.
- 7 We respect all employees and ensure fair treatment based on capability and performance, fostering an environment where employees can fully demonstrate their potential.
- 8 We strive to grow as a sound and responsible company, protecting shareholder value, contributing to national development, and fulfilling our broader social responsibilities.
- 9 We prevent product, technology, and document fraud, safeguard customer trust, and ensure transparency and fairness in all business processes.

Full Version of the HJSC Code of Ethics

Ethical Management and Compliance

Compliance

Anti-Corruption Policy

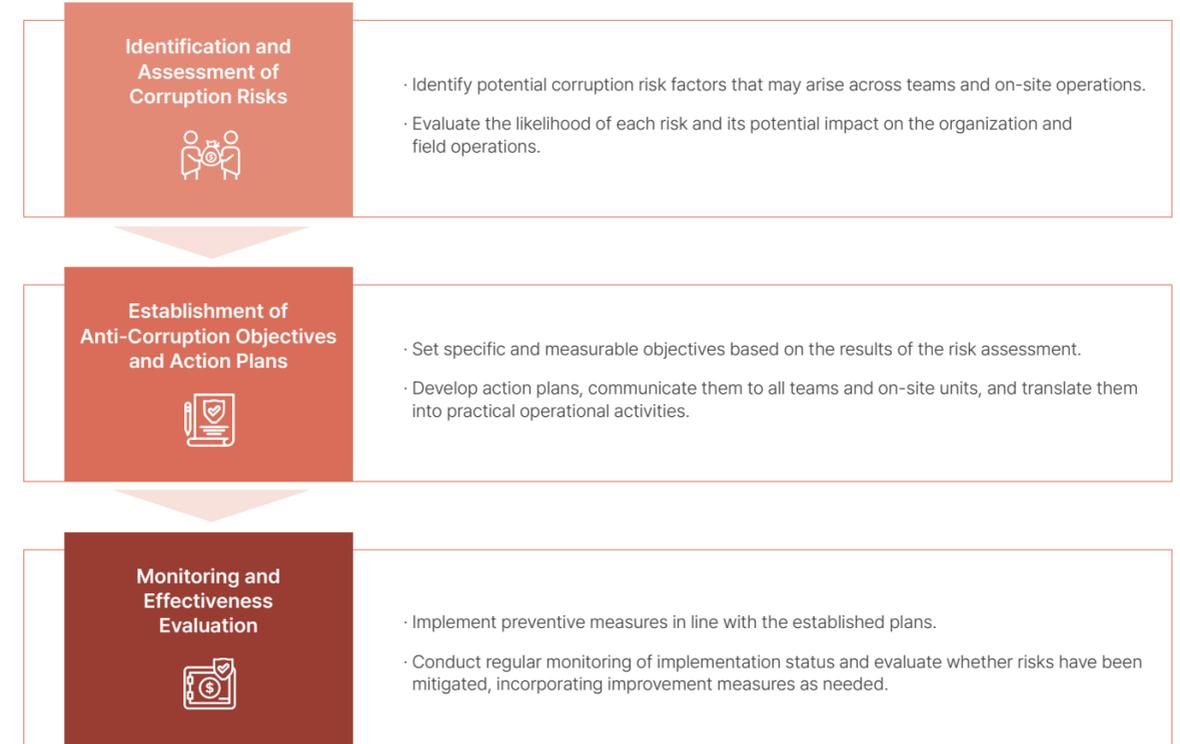
HJSC has established and operates an anti-corruption management policy to strengthen its ethical and compliance culture. We apply principles of legal compliance, prohibition of bribery and improper solicitation, and conflict-of-interest management across the company by embedding them into our Employee Code of Conduct. We also promote a transparent corporate culture and strengthen stakeholder trust by conducting regular training, internal reviews and audits, and operating anonymous reporting channels to support systematic and effective anti-corruption practices.

Anti-Bribery Management Policy

HJSC applies its Anti-Bribery Management System to promote ethical, transparent, and responsible business practices across all operations. All employees are required to understand and comply with the following anti-bribery principles.

- 1 Employees are prohibited from engaging in any bribery, including offering, giving, requesting, or receiving improper benefits or valuables.
- 2 Employees must comply with all applicable laws, internal regulations, and domestic and international standards related to anti-bribery.
- 3 Employees shall not engage in any form of bribery or improper solicitation during business activities and must conduct all transactions fairly and transparently.
- 4 We continuously improve anti-bribery processes and ensure that all functions and departments establish and meet their respective anti-bribery objectives.
- 5 Employees must immediately report any suspected or actual bribery or misconduct, and no retaliation or disadvantage shall occur as a result of such reporting.
- 6 We assign independent responsibility and authority for overseeing anti-bribery compliance and preventing related violations.
- 7 Employees who violate this policy or fail to take appropriate action despite recognizing a violation may be subject to disciplinary measures in accordance with company regulations.
- 8 We ensure that this policy is clearly communicated and accessible to all employees and stakeholders.

Anti-Corruption Risk Management Process



2025 Company Anti-Corruption Goals

HJSC has set a company-wide goal of achieving zero corruption incidents in 2025, following the successful achievement of zero cases in 2024.

Company-wide corruption incidents
To Achieve
ZERO

Obtained ISO 37001 Anti-Bribery Management System certification



Information Security

Information Security Management System

HJSC complies with all relevant regulations and continuously manages its information security framework to protect personal data and strengthen cyber-threat response capabilities. We conduct information security vulnerability assessments at least once a year on Windows, Linux, network equipment, security devices, and DBMS in accordance with KISA's Detailed Guide for Technical Vulnerability Analysis and Assessment. We also ensure robust information protection by undergoing regular evaluations by external professional audit institutions to verify our cyber incident response capabilities and system security.

Information Security Incident Response System

HJSC responds promptly to information security incidents by activating an immediate response team in accordance with internal security management regulations and implementing urgent mitigation measures. We detect abnormal signs early through real-time monitoring and log analysis, and we conduct thorough root-cause investigations to establish preventive measures against recurrence. We strengthen preventive controls in collaboration with relevant departments and engage external security experts when necessary. Regular training and exercises are provided to employees to ensure preparedness for information security incidents. Through this response framework, we act swiftly and effectively in the event of an incident and safeguard the safety of our employees and stakeholders.

Personal Information Breach Response Process



External Audits

Audit Entity	Scope	Frequency	Target
Audit Firm	IT audit (internal control review)	Twice a year	Construction/Shipbuilding I.T Teams
Government Agency	Integrated inspection for defense technology protection	Once a year	Shipbuilding I.T Team

Cybersecurity Incident Response Activities

HJSC conducts annual simulation exercises based on the Defense Industry Security Directive Article 89 and the Industrial Technology Protection Guidelines Article 34 to enhance protection of key information assets and minimize damage in the event of a cyber intrusion. We continue to advance our comprehensive incident response framework through these exercises. On 23th December 23 2024, we conducted a drill simulating an APT and phishing email attack impersonating the National Tax Service. When users received suspicious emails, they immediately reported them to the security response team, which implemented step-by-step network isolation and security measures in accordance with the company's cyber incident response procedures. We will continue strengthening training to improve employee awareness regarding suspicious emails and unknown sources, and further enhance our cybersecurity incident response capabilities.

Results of 2024 Phishing Simulation Exercise

Category	Board Committees			Cybersecurity Measures	
	Emails Received	Link Clicked	Credential Exposure	Reports Filed	Emails Deleted
Number of Users	324	17	25	103	179

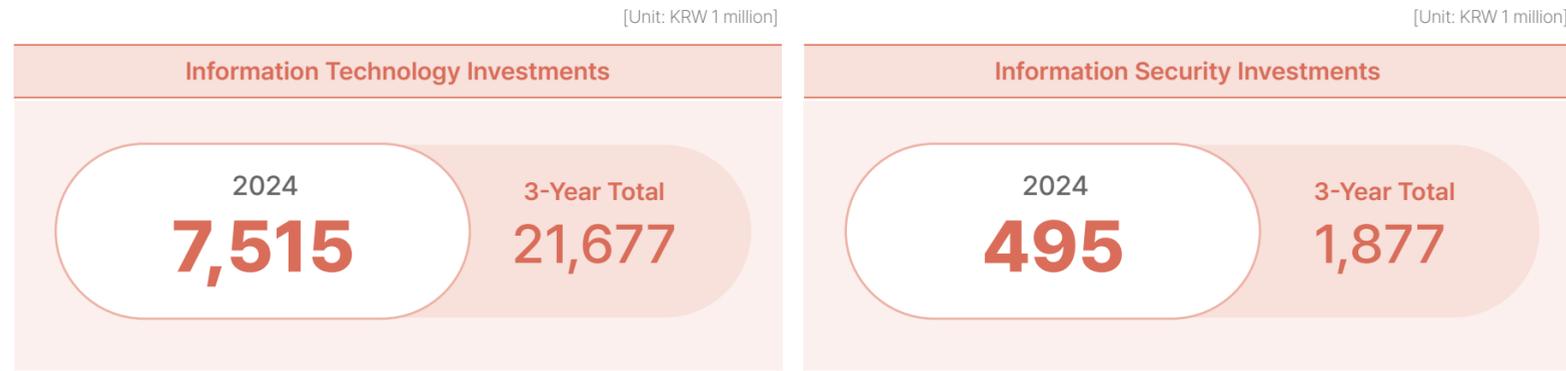
Training Results
<ul style="list-style-type: none"> The cybersecurity incident response system was activated immediately following the report of a phishing email at 16:15. Although the email had been opened and a hacking risk existed, early network isolation prevented any damage. Reporting and response actions were carried out in full compliance with the company's cybersecurity incident response procedures. To minimize exposure, an urgent notice on how to respond to phishing emails was distributed through the management system. The cybersecurity incident response system operated effectively, and the overall training outcome was assessed as "Good." We will continue strengthening measures for handling emails from unknown sources and enhancing cybersecurity awareness through ongoing training.

Information Security

Information Protection Activities

Information Security Investments

HJSC continuously invests in information security systems to protect the information assets of our stakeholders. We conduct ongoing inspections across all systems and maintain major security solutions and infrastructure by performing regular updates to ensure they remain at the latest version.



Information Security Activities

HJSC has established and regularly monitors a range of information security systems to prevent security incidents and respond to emerging threats. We operate an integrated security monitoring system to block intrusions, prevent cyber-attacks, & conduct vulnerability assessments. Through our Data Loss Prevention(DLP) system, we continuously monitor potential information leakage risks across the organization. We also conduct quarterly security compliance checks to embed information protection practices into daily operations.



Personal information protection violations (2021-2024)
ZERO cases

- 01 Participation in the Cyber Threat Analysis and Sharing system (C-TAS)
- 02 Security updates applied to address system vulnerabilities
- 03 System vulnerability assessment activities
- 04 Implementation of IT system access control solutions
- 05 Backup and restore training for core business systems
- 06 Enrollment in personal information protection liability insurance
- 07 Email-based cyberattack simulation training
- 08 Security awareness training for both IT administrators and general employees
- 09 Personal information handling and privacy protection training
- 10 External technical training for IT security personnel
- 11 Group-wide Notice on Information Security Precautions and Required Practices
- 12 Suspicious email monitoring and group-wide alerts for phishing attempts or malware risks

Details of Information Security Investments

Construction Business

Implementation of system access control solutions

Deployment of Zero-Day Attack Response (ZDR) solutions

Establishment of APT (Advanced Persistent Threat) email attack detection and replacement systems

Shipbuilding Business

Next-generation firewall

Network segmentation system

DLP system

DRM system

EDR system

24/7 information security monitoring

Internet Information Disclosure

HJSC discloses its information security status in accordance with Article 13 of the Act on the Promotion of Information Security Industry. We provide the following information publicly, and detailed contents are available on our corporate website.



[주]에이치제이중공업 정보보호 현황		
「정보보호산업의 진흥에 관한 법률」 제13조, 같은 법 시행령 제8조 및 「정보보호 공시에 관한 고시」에 따라 다음 사항에 대해 공시합니다.		
작성 기준일 : 2024. 12. 31		
1. 정보보호 투자 현황	정보기술부문 투자액(A)	7,515,419,674원
	정보보호부문 투자액(B)	498,546,937원
	주요 투자 항목*	해킹 이메일 방어시스템 재구축 등
	B / A 특기사항*	6.6%
	총임직원	2,430.1명
	정보기술부문 인력(C)	36.5명
	내부인력	0명

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

06 APPENDIX

ESG Data	84
GRI Content Index	103
TCFD Content Index	109
GHG Certification	110
Awards / Associations and Certifications	111



ESG Data - Economic Performance

Economic Value Creation Status

Consolidated Statement of Income	Unit	2022	2023	2024
Sales	KRW 100 million	17,882	21,621	18,860
Cost of sales		16,915	21,640	17,797
Gross profit		966	(19)	1,063
Selling and administrative expenses		900	1,069	990
Operating profit (loss)		66	(1,088)	73
Other income		118	537	442
Other expenses		171	148	102
Share of profit (loss) of associates		4	(10)	(88)
Financial income		76	178	316
Financial expenses		609	503	587
Profit (loss) before income tax		(516)	(1,034)	33
Income tax (benefit)		(15)	109	(19)
Net profit (loss)		(502)	(1,143)	52

Consolidated Statement of Financial Position	Unit	2022	2023	2024
Current assets	KRW 100 million	14,303	17,274	10,732
Non-current assets		11,374	11,632	11,312
Total assets		25,677	28,906	22,044
Current liabilities		14,182	21,258	15,551
Non-current liabilities		7,645	4,239	3,059
Total liabilities		21,827	25,497	18,610
Capital stock		4,164	4,164	4,164
Retained earnings (accumulated deficit)		(14,082)	(15,326)	(14,628)
Other equity items		3,268	4,069	3,397
Non-controlling interests		(1)	1	(1)
Total equity		3,850	3,409	3,434

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

ESG Data - Environmental Performance

Environmental Performance

- The scope of HJSC's environmental performance disclosure covers domestic business sites.
- Domestic greenhouse gas emissions and energy consumption data include information from construction and shipbuilding headquarters, as well as construction sites.
- Where particular attention is required for certain reporting scopes and boundaries, separate notes are clearly provided for stakeholders' reference.
- If data has not been calculated, the relevant item is indicated with a "-".

Climate Change

Climate Change				Unit	2022	2023	2024
Climate Change	Climate change indicators and target management - greenhouse gas emissions	Scope 1&2 emissions	Internal greenhouse gas emission target		21,000	42,500	36,000
			Direct greenhouse gas emissions (scope 1)	tCO ₂ -eq	11,451	14,841	12,452
			Indirect greenhouse gas emissions (scope 2)		8,088	26,212	22,343
			Total greenhouse gas emissions (scope 1 + scope 2)		19,539	41,053	34,795
			Emission intensity ¹⁾	tCO ₂ -eq/ KRW 100 million	6.10	1.90	1.84
			Performance against greenhouse gas emission target	%	93.0	96.5	96.7
		Scope 3 emissions ²⁾	Total		-	599	2,120
			Category 6 (business travel)	tCO ₂ -eq	-	599	525
			Category 7 (employee commuting)		-	-	1,595

1) In the case of emission intensity, it is calculated based on HJSC's sales revenue.

2) For Scope 3 greenhouse gas emissions, 'Category 6 (Business Travel)' has been included since 2023, and 'Category 7 (Employee Commuting)' has been included since 2024.

Energy Consumption

Climate Change				Unit	2022	2023	2024
Energy Consumption	Total energy consumption	Internal energy consumption target		TJ	350	780	630
		Total			320	728	611
		Intensity (energy intensity)	TJ/KRW 100 million	0.100	0.034	0.032	

ESG Data - Environmental Performance

Climate Change

Energy Consumption

Climate Change				Unit	2022	2023	2024
Energy Consumption	Direct energy consumption (scope 1)	Total		TJ	-	181	145
		Intensity (energy intensity) ¹⁾		TJ/KRW 100 million	-	0.0084	0.0077
		By type	Gasoline		-	1.90	0.70
			Diesel		-	122	101.03
			Automotive LPG		-	0	0.01
			City gas (LNG)		-	10.91	10.74
			LPG (propane)	TJ	-	4.90	1.90
			Kerosene		-	7.25	4.65
	B-A oil			-	0.45	0.93	
	B-C oil		-	33.78	25.04		
	Indirect energy consumption (scope 2)	Total			-	548	467
		Intensity (energy intensity)		TJ/KRW 100 million	-	0.03	0.02
		By type	Electricity	TJ	-	548	467
	Heat/Steam			-	0	0	
Carbon intensity	Total energy			61.1	56.4	56.9	
	Direct energy	tCO ₂ -eq/TJ		35.8	20.4	20.4	
	Indirect energy			25.3	36.0	36.6	

1) Emission intensity is calculated based on sales revenue, and for 2022, all values are marked as "-" due to unavailability of data.

ESG Data - Environmental Performance

Environmental Management

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

Environmental Management				Unit	2022	2023	2024	
Environmental Management Risk Management	Environmental law violations ¹⁾		Total amount of fines	KRW	0	0	0	
			Number of lawsuits filed	case(s)	0	0	0	
			Number of non-monetary sanctions	case(s)	0	0	0	
Water resources	Water resource management	Water withdrawal ²⁾	Total water withdrawal by source	Mega liters	127,388	170,429	328,588	
			Municipal water		127,388	170,429	243,702	
			River water		0	0	60,886	
			Recycled water		0	0	18,014	
			Groundwater		0	0	5,986	
		Classification of total withdrawal	Freshwater	127,388	170,429	328,588		
			Other than freshwater	0	0	0		
			Total withdrawal from water-stressed areas	0	0	0		
		Water consumption ²⁾			ton	127,388	170,429	328,588
		Environmental Management Activities and Performance	Raw and subsidiary material ²⁾		Ready-mixed concrete	m ³	298,222	220,688
Aggregate	25,008				33,396		58,755	
Recycled aggregate (recycled material)	3,349				7,949		14,195	
Recycled sand (recycled material)	3,485				3,286		307	
Cement	42,069				10,583		10,536	
Asphalt concrete	ton				9,734	628	1,785	
Rebar	41,900				28,087	16,310		
Gypsum board	m ²				657,962	499,878	243,258	
Steel plate	ton				41,241	77,208	55,933	
Section steel					5,533	11,402	8,223	
Cable					km	419	1,254	1,354
Steel grit (recycled material)	ton	30	90	120				

1) Cases refer to instances where HJSC was prosecuted for violations of environmental laws and received penalties of fines or higher; administrative fines imposed on business sites are excluded.

2) The data scope covers HJSC on a separate (standalone) basis.

ESG Data - Environmental Performance

Environmental Management

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

Environmental Management				Unit	2022	2023	2024
Environmental Management Activities and Performance	Waste	Waste management performance	Total	ton	1,669	2,972	3,165
			Intensity ¹⁾	ton/KRW 100 million	0.52	0.41	0.38
			Recycling	ton	1,318	2,459	2,647
			Recycling rate	%	79.0	82.7	83.6
			Incineration		38	56	96
			Landfill		313	457	422
			Waste sludge		313	457	422
			Waste oil-based paint		75	151	193
			Waste synthetic resin		684	1,428	1,703
			Waste wood		250	487	444
			Waste mineral oil		29	29	27
			Slag		318	377	377
			Dust		0	44	0
			Waste generation by type	ton			
		Recycling		1,318	2,459	2,647	
		Incineration		38	56	96	
		Landfill		313	457	422	
		Consignment	Waste oil-based paint		64	151	142
			Waste synthetic resin		661	1,374	1,665
			Waste wood		250	487	444
			Waste mineral oil		25	27	19
Slag			318	377	377		
Dust			0	44	0		
Recycling by waste type	General waste		1,563	2,793	2,946		
	Designated waste		106	179	220		
	Workplace waste	General waste		1,563	2,793	2,946	
		Designated waste		106	179	220	

1) Emission intensity is calculated based on sales revenue.

ESG Data - Environmental Performance

Biodiversity

Biodiversity			Unit	2022	2023	2024
Strategy	Biodiversity risk management and improvement activities	Number of protected species in areas affected by the organization (ICUN Red List criteria)	species	20	20	20
		- Critically endangered species		0	0	0
		- Endangered species		2	2	1
		- Vulnerable species		3	3	3
		- Near threatened species		4	4	4
		- Least concern species		11	11	12
		Number of protected species in areas affected by the organization (Domestic criteria)		22	22	27
		- Critically endangered species (class I)		3	3	2
		- Endangered species (class II)		10	10	13
		- Marine protected species		1	1	1
		- Natural monuments		8	8	11
		- Rare and endemic plants		0	0	0

Eco-friendly Corporate Activities and Enhanced Disclosure

Eco-friendly Corporate Activities and Enhanced Disclosure			Unit	2022	2023	2024
Eco-friendly Disclosure ¹⁾	Eco-friendly sales performance	Eco-friendly sales amount	KRW 100 million	656	4,040	4,925
		Total sales amount		17,881	21,620	18,860
		Eco-friendly sales ratio		%	3.669	18.686
	Eco-friendly purchasing performance	Eco-friendly purchasing performance (resource-circulated materials)	KRW 100 million	1.24	2.18	2.46
		Total purchase amount		8,441	6,776	5,642
		Eco-friendly purchase ratio		%	0.015	0.032

1) The data scope covers HJSC on a separate (standalone) basis.

ESG Data – Social Performance

Social Performance

- The scope of HJSC's social performance disclosure covers domestic business sites.
- Where particular attention is required for certain reporting scopes and boundaries, separate notes are clearly provided for stakeholders' reference.
- If data has not been calculated, the relevant item is indicated with a “-”.

Occupational Safety and Health Management

Occupational Safety and Health Management			Unit	2022	2023	2024
Safety and Health Training	Construction Business	Safety and health training programs	number	3	3	4
		Number of participants in safety and health training	persons	3,173	2,461	2,334
	Shipbuilding Business	Safety and health training programs	number	5	5	5
		Number of participants in safety and health training	persons	10,484	20,651	3,265

Safety Inspection

Occupational Safety and Health Management			Unit	2022	2023	2024
Safety Inspection	Construction Business	Management inspection	times	233	213	210
		Risk assessment operation inspection		97	105	82
		Construction machinery safety inspection		423	688	437
		Regulatory compliance inspection		231	254	205
	Shipbuilding Business	Management (CEO) inspection		10	12	12
		Labor-management joint inspection		12	12	12
		Management office self-inspection		38	29	155
		Joint inspection with partner companies		6	6	6

ESG Data – Social Performance

Occupational Safety and Health Management

Workplace Safety Incidents

Occupational Safety and Health Incidents		Unit	2022	2023	2024		
Workplace Safety Incidents	Construction Business	Ratio of workers covered by the occupational safety & health management system	%	100	100	100	
		Number of fatalities	persons	0	0	0	
		Fatality rate	‰	0	0	0	
		Work-related illnesses (employees)	persons	0	0	0	
		Work-related illnesses (partner companies)		0	0	0	
		Injury rate (employees)	Number of occupational injuries	case(s)	0	0	1
			Number of persons injured in occupational accidents	persons	0	0	1
			Occupational injury rate ¹⁾	%	0	0	0
		Shipbuilding Business	Number of workers covered by the occupational safety & health management system ¹⁾	persons	981	1,150	1,065
	Ratio of workers covered by the occupational safety & health management system		%	100	100	100	
	Number of fatalities		persons	0	1	0	
	Fatality rate (per 10,000 persons)		‰	0	6,711	0	
	Work-related illnesses (employees)		persons	0	0	0	
	Work-related illnesses (partner companies)			0	0	0	
	Injury rate (employees)		Number of occupational injuries	case(s)	7	12	14
Number of persons injured in occupational accidents			persons	7	12	14	
Occupational injury rate ²⁾			%	0.71	1.04	1.32	
Work-related illnesses (partner companies)	Number of occupational injuries	case(s)	2	18	17		
	Number of persons injured in occupational accidents	persons	2	18	17		
	Occupational injury rate	%	0.26	1.21	1.23		

1) Based on the daily average number of workers, as referenced from KOSHA (Korea Occupational Safety and Health Agency).
 2) Calculated as the ratio of accident victims per 100 workers.

ESG Data – Social Performance

Human Resource Management

Employee Composition

Human Resource Management		Unit	2022	2023	2024		
Employee Composition	Number of employees	Total	persons	2,054	2,197	2,069	
		Number of male employees		1,985	2,124	1,998	
		Ratio of male employees	%	96.6	96.7	96.6	
		Number of female employees	persons	69	73	71	
		Ratio of female employees	%	3.4	3.3	3.4	
	Number of employees by contract type	Executives ¹⁾ (A)	Male		49	43	41
			Female		0	0	0
		Permanent employees ²⁾ (B)	Male		1,794	1,729	381
			Female	persons	48	53	20
		Fixed-term employees	Male		142	352	1,617
			Female		21	20	51
	Number of workers not classified as employees but under organizational management ³⁾			872	1,222	1,537	
	Employee ratio by age group (A) + (B)	Total	persons	1,842	1,782	1,668	
		Under 30	Number of employees	persons	79	88	61
			Employee ratio	%	4.3	4.9	3.7
		30–50	Number of employees	persons	1,088	994	919
			Employee ratio	%	59.1	55.8	55.1
		Over 50	Number of employees	persons	675	700	688
Employee ratio	%		36.6	38.0	38.6		

1) Executives are defined as non-registered executives at the level of Managing Director or above.

2) Permanent employees: Calculated as the number of employees excluding executives.

3) Number of workers not classified as employees but under organizational management: Based on "outsourced workers" as reported in the business report.

ESG Data – Social Performance

Human Resource Management

Employee Composition

Employee Composition				Unit	2022	2023	2024
Employee Composition	Number of employees by position ¹⁾ (A) + (B)	General manager	Male	persons	384	499	561
			Female		0	0	0
		Deputy general manager	Male		535	516	477
			Female		2	5	5
		Manager	Male		232	185	148
			Female		24	25	26
		Assistant manager	Male		55	45	47
			Female		11	8	5
		Staff	Male		458	438	384
			Female		10	15	15

1) Number of employees by position: Includes executives and permanent employees.

New Hires

Human Resource Management			Unit	2022	2023	2024	
New Hires	New hires ¹⁾	Total	persons	182	59	26	
		Number of male hires		177	52	25	
		Ratio of male hires		%	97.25	88.14	96.15
		Number of female hires		persons	5	7	1
		Ratio of female hires		%	2.75	11.86	3.85
		Under 30		persons	28	36	2
	30–50	147	16		22		
	Over 50	7	7		2		
	Number of new hires by age group						

1) New hires include entry-level, experienced, and status-converted employees.

ESG Data – Social Performance

Human Resource Management

Employee Turnover

Human Resource Management			Unit	2022	2023	2024
Employee Turnover	Number of employee turnovers	Total	persons	145	96	130
		Male		144	94	127
		Female		1	2	3
	Turnover rate	Total	%	7.87	5.39	7.79
		Male		7.82	5.27	7.61
		Female		0.05	0.11	0.18
	Voluntary turnover rate ¹⁾			6.13	4.04	5.34
	Number of employee turnovers by age group	Under 30	persons	18	11	11
		30~50		85	30	66
		Over 50		42	55	53
	Turnover rate by age group	Under 30	%	12.41	11.46	8.46
		30~50		58.62	31.25	50.77
Over 50		28.97		57.29	40.77	

1) Voluntary turnover rate includes only resignations due to "career change," and excludes retirements due to mandatory retirement age or dismissals.

Talent Development

Human Resource Management			Unit	2022	2023	2024
Talent Development (HR Department-led)	Training	Number of trainees	Total number of completers	5,667	8,851	3,039
			Male	4,680	8,296	9,661
			Female	987	555	426

ESG Data – Social Performance

Human Resource Management

Talent Development

Human Resource Management				Unit	2022	2023	2024
Talent Development (HR Department-led)	Training	Training hours	Total training hours	hr	14,525	30,776	24,134
			Training hours per person		3	3	8
			Male		11,464	27,252	22,591
			Female		3,061	3,524	1,543
	Training costs	Total training costs	KRW 1 million	134	152	152	
		Training cost per person		0.02	0.02	0.05	
	Human rights training	Status of completion of sexual harassment prevention and human rights training	Total training hours	hr	6,018	9,627	11,243
			Completion rate		%	100	100

Performance Evaluation and Compensation

Human Resource Management		Unit	2022	2023	2024
Performance Evaluation and Compensation	Ratio of male employees receiving regular performance evaluation	%	100	100	100
	Ratio of female employees receiving regular performance evaluation		100	100	100
	Ratio of employees (staff–assistant manager) receiving regular performance evaluation		100	100	100
	Ratio of managers receiving regular performance evaluation		100	100	100
	Ratio of senior managers (deputy general manager–general manager) receiving regular performance evaluation		100	100	100

ESG Data – Social Performance

Human Resource Management

Parental Leave

Human Resource Management		Unit	2022	2023	2024
Parental Leave	Status of maternity leave	Total	20	16	23
		Male	17	16	15
		Female	3	0	8
		Return rate after maternity leave	%	100.00	100.00
	Total number eligible for parental leave (A)	Total	382	352	277
		Male	368	337	262
		Female	14	15	15
	Number of employees who used parental leave (B)	Total	20	16	23
		Male	17	16	15
		Female	3	0	8
	Number of employees who returned after parental leave (C)	Total	13	15	23
		Male	11	12	19
		Female	2	3	4
	Number of employees who remained employed for 12 months after returning from parental leave (D)	Total	17	13	12
		Male	10	11	9
		Female	7	2	3
	Return rate of employees who used parental leave (C/B)	Total	65.00	93.75	100.00
		Male	64.71	75.00	126.67
Female		66.67	0.00	50.00	

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

ESG Data – Social Performance

Human Resource Management

Parental Leave

Human Resource Management			Unit	2022	2023	2024
Parental Leave	Return-to-work retention rate after parental leave (12 months) (D/B)	Total		85.00	81.25	52.17
		Male	%	58.82	68.75	60.00
		Female		233.33	0.00	37.50

Labor-Management Relations

Human Resource Management				Unit	2022	2023	2024
Labor-Management Relations	Construction Business	Labor union	Number of eligible employees	persons	887	871	809
			Number of union members		318	296	315
			Unionization rate		35.9	34.0	38.9
		Collective agreement coverage rate ¹⁾	29.7	28.2	31.3		
		Minimum notice period for operational changes ²⁾	days	Prior consultation specified			
		Labor-management council	Number of council meetings	times	4	4	6
	Number of agenda items		case(s)	4	4	6	
	Shipbuilding Business	Labor union	Number of eligible employees	persons	889	856	780
			Number of union members		687	678	621
			Unionization rate		77.3	79.2	79.6
		Collective agreement coverage rate ¹⁾	39.4	31.0	58.4		
		Minimum notice period for operational changes ²⁾	days	Immediate notification (collective agreement article 14)			
Labor-management council		Number of council meetings	times	0	1	0	
	Number of agenda items	case(s)	0	13	0		

1) Collective agreement coverage rate: The ratio of employees covered by a collective agreement among all employees (this does not mean the unionization rate).

2) Minimum notice period for operational changes: Refers to the minimum notice period for significant operational changes (such as restructuring, shutdowns, or mergers) to employees, and whether provisions for minimum notice and negotiation are specified in the collective agreement.

ESG Data – Social Performance

Human Rights Management and Employee Diversity

Employee Diversity

Human Rights Management and Employee Diversity			Unit	2022	2023	2024	
Gender Diversity	Total female employees	Number	persons	69	73	71	
		Ratio	%	3.36	3.32	3.43	
	Female employees by position	Female managers (manager or above)	Number	persons	26	30	34
			Ratio	%	1.27	1.37	1.64
		Female executives (assistant vice president or above)	Number	persons	0	0	0
			Ratio	%	0	0	0
Minority Groups	Foreign nationals	Number		1	201	196	
	Persons with disabilities	Number	persons	31	36	38	
	National veterans	Number		55	53	51	

Human Rights Management and Employee Diversity			Unit	2022	2023	2024
Compensation ¹⁾	Total annual compensation	[Construction] Total	KRW 1 million	83,654	88,328	85,324
		[Construction] Male		81,642	86,108	83,105
		[Construction] Female		2,011	2,220	2,219
		[Shipbuilding] Total		71,170	81,350	80,850
		[Shipbuilding] Male		69,700	79,600	79,196
		[Shipbuilding] Female		1,471	1,750	1,654

1) Salary information for employees is based on disclosures in the business report.

ESG Data – Social Performance

Human Rights Management and Employee Diversity

Human Rights Management and Employee Diversity			Unit	2022	2023	2024
Compensation ¹⁾	Average salary per person	[Construction] Male	KRW 1 million	79	84	86
		[Construction] Female		50	55	53
		[Shipbuilding] Male		74	77	74
		[Shipbuilding] Female		51	59	62
	Average remuneration for internal directors		KRW 1 million	291	520	291
	Average remuneration increase rate for internal directors		%	59.79	44.04	(78.69)
	Average remuneration for employees		KRW 1 million	76	80	78
	Average remuneration increase rate for employees		%	0.50	4.90	(2.16)

1) Salary information for employees is based on disclosures in the business report.

Supply Chain Management

Supply Chain Management		Unit	2022	2023	2024
Status of Suppliers	Number of outsourcing/material partners ¹⁾	companies	794	819	681
	Total value of outsourcing contracts	KRW 100 million	7,987	8,521	9,080

1) Based on new employment contracts in Korea as of the end of December of the reporting year.

ESG Data – Social Performance

Supply Chain Management

Supply Chain Management			Unit	2022	2023	2024
Status of Subcontractor Partners Evaluated for Environmental and Safety Risks	Environmental impact assessment	Number of companies assessed for environmental impact		562	891	693
		Number of companies identified with actual/potential negative environmental impact	case(s)	0	0	0
		Companies agreed to corrective actions		0	0	0
		Percentage of companies agreed to corrective actions	%	0	0	0
		Companies with contracts terminated for actual or potential environmental impact	case(s)	0	0	0
		Percentage of companies with contracts terminated for actual or potential environmental impact	%	0	0	0
	Occupational health & safety training	Number of companies assessed for social impact		562	891	693
		Number of companies identified with actual/potential negative social impact	case(s)	0	0	0
		Companies agreed to corrective actions		0	0	0
		Percentage of companies agreed to corrective actions	%	0	0	0
		Companies whose contracts were terminated due to actual/potential negative social impact	case(s)	0	0	0
		Percentage of companies with contracts terminated for actual or potential social impact	%	0	0	0

1) Based on new employment contracts in Korea as of the end of December of the reporting year.

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

ESG Data - Governance Performance

Governance Performance

- The disclosure scope for governance performance at HJ Shipbuilding & Construction is based on the business report and the corporate governance report.
- If any reporting boundaries or scopes require special attention, relevant notes are provided separately for stakeholder reference.
- If any data is not calculated, the corresponding item is marked as "-".

Board of Directors

Board of Directors				Unit	2022	2023	2024
Board Composition and Operation	Governance structure and committee composition	Board of directors	Total number of board members	persons	7	6	6
			Number of outside directors on the board		4	4	4
		Board operation performance	Number of agenda items where outside directors raised opposing or amendment opinions	case(s)	0	0	0
			Number of board meetings held	times	13	17	12
			Number of resolutions passed	case(s)	32	43	35
		Board diversity	Number of female board members		persons	1	1
	Number of male board members		6	5		5	
	Number of board members aged 30–50		0	0		0	
	Number of board members aged over 50		7	6		6	
	Outside director candidate recommendation committee	Total number of members		persons	5	5	5
		Number of outside directors in the committee			4	4	4
		Attendance rate of outside directors in the committee			%	Committee not held	94

ESG Data - Governance Performance

Board of Directors

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

Board of Directors			Unit	2022	2023	2024
Board Composition and Operation	Audit body	Total members of the audit committee	persons	4	4	4
		Number of outside directors in the audit committee		4	4	4
		Number of audit committee meetings held		6	8	6
		Attendance rate of outside directors in the audit committee	%	92	95	100
		Audit fees paid to external auditors	KRW 1 million	750	890	500
		Non-audit fees paid to external auditors		-	-	-
		Members of the audit committee who meet accounting or financial expert requirements	persons	2	2	2
	Number of subcommittee meetings under the board	Audit committee	times	6	8	6
		Outside director candidate recommendation committee		Committee not held	3	2
		Management committee		Management committee not held	1	1

Board of Directors			Unit	2022	2023	2024
Board Compensation Status	Number of members	Registered directors (excluding outside directors and audit committee members)	persons	3	2	2
		Outside directors (excluding audit committee members)		-	-	-
		Audit committee members		4	4	4
	Total compensation	Registered directors (excluding outside directors and audit committee members)	persons	874	1,560	873
		Outside directors (excluding audit committee members)		-	-	-
		Audit committee members		144	156	160
	Average compensation per person	Registered directors (excluding outside directors and audit committee members)	KRW 1 million	291	520	291
		Outside directors (excluding audit committee members)		-	-	-
		Audit committee members		36	22	40

GRI Content Index

GRI 1 : Foundation 2021

GRI Standard 2021	Remarks	
GRI 1 : Foundation 2021	Overview	HJSC reports data from January 1, 2024, to December 31, 2024, based on the revised GRI Standards 2021 (including some information from 2025).
	Applied GRI Standard	GRI 1 : Foundation 2021
	Applicable GRI Sector Standards	As of the 2025 reporting date, no GRI Sector Standard has been published that is applicable to HJSC's industry.

GRI 2 : General Disclosures 2021

GRI Standard 2021	Indicator	Description	Page/Non-Reporting Reason
GRI 2 : General Disclosures 2021	2-1	Organizational details	2, 6
	2-2	Entities included in the organization's sustainability reporting	2, 6
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	Indicated as a footnote on each page
	2-5	External assurance	110
	2-6	Activities, value chain and other business relationships	6-8, 12-15
	2-7	Employees	92-93
	2-8	Workers who are not employees	92
	2-9	Governance structure and composition	74-75
	2-10	Nomination and selection of the highest governance body	74-75
	2-11	Chair of the highest governance body	103
	2-12	Role of the highest governance body in overseeing the management of impacts	74, 76
	2-13	Delegation of responsibility for managing impacts	74, 76
	2-14	Role of the highest governance body in sustainability reporting	75
	2-15	Conflicts of interest	74, 77
	2-16	Communication of critical concerns	78
	2-17	Collective knowledge of the highest governance body	75
	2-21	Annual total compensation ratio	77

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

GRI Content Index

GRI 2 : General Disclosures 2021

GRI Standard 2021	Indicator	Description	Page/Non-Reporting Reason
GRI 2 : General Disclosures 2021	2-22	Statement on sustainable development strategy	5
	2-23	Policy commitments	32, 49, 59, 61, 65, 68, 71
	2-24	Embedding policy commitments	32, 49, 59, 61, 65, 68, 71
	2-25	Processes to remediate negative impacts	50, 59, 64, 81
	2-26	Mechanisms for seeking advice and raising concerns	50, 59, 64, 81
	2-27	Compliance with laws and regulations	79-80
	2-28	Membership associations	114
	2-29	Approach to stakeholder engagement	20
	2-30	Collective bargaining agreements	57, 97

GRI Standard 2021

GRI Standard 2021	Indicator	Description	Page/Non-Reporting Reason
Material Topics			
GRI 3 : Material Topics 2021	3-1	Process to determine material topics	21-23
	3-2	List of material topics	21-23
	3-3	Management of material topics	23
Economic Performance			
GRI 201 : Economic Performance	201-1	Direct economic value generated and distributed	84
	201-2	Financial implications and other risks and opportunities due to climate change	25-30
Indirect Economic Impact			
GRI 203 : Indirect Economic Impact	203-1	Infrastructure investments and services supported	71-72
	203-2	Significant indirect economic impacts	71-72

GRI Content Index

GRI Standard 2021

GRI Standard 2021	Indicator	Description	Page/Non-Reporting Reason
Anti-corruption			
GRI 205 : Anti-corruption	205-1	Operations assessed for risks related to corruption	80
	205-2	Operations assessed for risks related to corruption	80
	205-3	Confirmed incidents of corruption and actions taken	80
Anti-competitive Behavior			
GRI 206 : Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not Applicable
Material			
GRI 301 : Material	301-1	Materials used by weight or volume	87
	301-2	Recycled input materials used	87
	301-3	Reclaimed products and their packaging materials	Not Applicable *
* Due to the nature of the construction and shipbuilding industries, our company does not produce renewable products or packaging materials sold to end consumers.			
Energy			
GRI 302 : Energy	302-1	Energy consumption within the organization	36, 85-86
	302-2	Energy consumption outside of the organization	36, 85-86
	302-3	Energy intensity	85-86
Water and Effluents			
GRI 303 : Water and Effluents	303-2	Management of water discharge-related impacts	39
	303-3	Water withdrawal	87
Biodiversity			
GRI 304 : Biodiversity	304-1	Operational sites in or near biodiversity-rich/protected areas	40, 89
	304-2	Significant impacts of activities, products, and services on biodiversity	40
	304-3	Habitats protected or restored	40
	304-4	IUCN Red List species and national conservation list species affected	40, 89

GRI Content Index

GRI Standard 2021

GRI Standard 2021	Indicator	Description	Page/Non-Reporting Reason
Emission			
GRI 305 : Emission	305-1	Direct (Scope 1) GHG emissions	36, 85
	305-2	Energy indirect (Scope 2) GHG emissions	36, 85
	305-3	Other indirect (Scope 3) GHG emissions	36, 85
	305-4	GHG emissions intensity	85
	305-5	Reduction of GHG emissions	36
	305-6	Emissions of ozone-depleting substances (ODS)	No emissions
	305-7	NOx, SOx, and other significant air emissions	Not Applicable
Waste			
GRI 306 : Waste	306-1	Water discharge by quality and destination	37
	306-2	Waste by type and disposal method	37
	306-3	Significant spills	88
	306-4	Transport of hazardous waste	88
	306-5	Water bodies affected by water discharges and/or runoff	88
Supplier Environmental Assessment			
GRI 308 : Supplier Environmental Assessment	308-1	New suppliers screened using environmental criteria	61, 100
	308-2	Negative environmental impacts in the supply chain and actions taken	61-64
Employment			
GRI 401 : Employment	401-1	New employee hires and employee turnover	93
	401-2	Benefits for full-time employees not provided to temporary or part-time employees	57
	401-3	Parental leave	96
Labor/Management Relations			
GRI 402 : Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	97
Occupational Health and Safety			
GRI 403 : Occupational Health and Safety	403-1	Occupational health and safety management system	47-52
	403-2	Hazard identification, risk assessment, and incident investigation	47-52
	403-3	Occupational health services	47-52

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

GRI Content Index

GRI Standard 2021

GRI Standard 2021	Indicator	Description	Page/Non-Reporting Reason
Occupational Health and Safety			
GRI 403 : Occupational Health and Safety	403-4	Worker participation, consultation, and communication on OHS	48, 50-51
	403-5	Worker training on OHS	52, 90
	403-6	Promotion of worker health	52, 90
	403-7	Prevention and mitigation of OHS impacts linked by business relationships	47-52
	403-8	Workers covered by an occupational health and safety management system	91
	403-9	Work-related injuries	91
	403-10	Work-related ill health	91
Training and Education			
GRI 404 : Training and Education	404-1	Average hours of training per year per employee	90, 94-95
	404-2	Programs for upgrading employee skills and transition assistance programs	55
	404-3	Percentage of employees receiving performance and career development reviews	95
Diversity and Equal Opportunity			
GRI 405 : Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	74, 98
	405-2	Ratio of basic salary and remuneration of women to men	98
Non-discrimination			
GRI 406 : Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	79
Child Labor			
GRI 408 : Child Labor	408-1	Operations and suppliers at significant risk for child labor	58
Forced or Compulsory Labor			
GRI 409 : Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for forced or compulsory labor	58
Security Practices			
GRI 410 : Security Practices	410-1	Security personnel trained in human rights policies or procedures	60
Rights of Indigenous Peoples			
GRI 411 : Rights of Indigenous Peoples	411-0	Incidents of violations involving rights of indigenous peoples	Not Applicable

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

GRI Content Index

GRI Standard 2021

GRI Standard 2021	Indicator	Description	Page / Non-Reporting Reason
Local Communities			
GRI 413 : Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	72
	413-2	Operations with significant actual and potential negative impacts on local communities	Not Applicable
Supplier Social Assessment			
GRI 414 : Supplier Social Assessment	414-1	New suppliers screened using social criteria	99-100
	414-2	Negative social impacts in the supply chain and actions taken	62-64
Public Policy			
GRI 415 : Public Policy	415-1	Political contributions	114
Customer Health and Safety			
GRI 416 : Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	Not Applicable
	416-2	Incidents of non-compliance concerning health and safety impacts of products/services	Not Applicable
Marketing and Labeling			
GRI 417 : Marketing and Labeling	417-1	Requirements for product and service information and labeling	Not Applicable
	417-2	Incidents of non-compliance concerning product/service information and labeling	Not Applicable
	417-3	Incidents of non-compliance concerning marketing communications	Not Applicable
Customer Privacy			
GRI 418 : Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and data loss	82

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

TCFD Content Index

TCFD Indicator

Category	Description	Page / Non-Reporting Reason
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	26, 31, 74-75, 78
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	31, 74-75, 78
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	22-23, 25-30
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	28-29
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	27-29
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	21, 26
	b) Describe the organization's processes for managing climate-related risks.	25, 31-40
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	18-19, 31-34
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	21, 25-26, 30
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	36, 85
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	32-33

GHG Verification Statement (Shipbuilding Business)

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

EVC-25-031

온실가스 배출량 검증의견서

(주)에이치제이중공업
부산광역시 영도구 태종로 233

1. 검증 목표

한국표준협회가 진행하는 온실가스 배출량 검증(이하 '검증'이라 한다) 목표는 다음과 같습니다.

- 검증 범위 내 온실가스 배출량 검증에 대한 산정과 기준 및 절차와 적합성 확인
- 조직의 온실가스 배출량 또는 흡수량 관련 선언의 타당성 확인
- 조직의 온실가스 배출량 또는 흡수량 관리의 효과적 이행 여부 확인
- 조직의 온실가스 배출량 또는 흡수량 산정을 위한 실행, 관리 및 개선 프로세스 적합성 확인

2. 검증 범위

한국표준협회는 (주)에이치제이중공업이 선언한 온실가스 직접배출(Scope1), 간접배출(Scope2)에 대한 제한적 보증 수준의 검증을 수행하였습니다.

- 보고대상 : 조선부분 영도조선소 및 기술연수원
- 보고경계 : 직접배출(Scope1), 간접배출(Scope2)
 - Scope1 : 고정연소, 이동연소, 공정배출(폐기물 소각), 기타 배출
 - Scope2 : 외부 구매 전력
- 보고년도 : 2024년 1월 1일 ~ 2024년 12월 31일

3. 검증 기준 및 지침

한국표준협회는 ISO 14064-3:2019에 규정된 절차에 따라 검증을 수행하였습니다.

- 산정기준
 - KS I ISO 14064-1:2018
 - 온실가스 배출권거래제의 배출량 보고 및 인증에 관한 지침(환경부고시 제2025-64호)
 - 2006 IPCC Guidelines for National Greenhouse Gas Inventories
 - WRI(World Resources Institute) Greenhouse Gas Protocol

4. 보증 수준 및 책임

한국표준협회는 귀 사의 온실가스 배출량에 대하여 온실가스 관리 강화를 위한 "제한적 보증 수준"의 검증을 제공합니다.

- 현장검증 : (주)에이치제이중공업 영도조선소 방문
- 검증방법
 - 온실가스 배출량 담당자 및 현장 담당자 인터뷰
 - 보고기간 중 온실가스 배출량 산정에 사용된 관리시스템과 데이터 검토
 - 내부문서 및 기초자료의 추적 검토

(주)에이치제이중공업은 온실가스 배출량 관련 정보 및 증빙자료에 대해 공정하게 자료를 제공해야 하며, 한국표준협회는 온실가스 배출량에 대한 보증 업무에 한정합니다.



EVC-25-031

GHG Emission Verification Opinion

HJ Shipbuilding & Construction Co., Ltd.
233 Taejong-ro, Yeongdo-gu, Busan, Republic of Korea

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted limited assurance verification of HJ Shipbuilding & Construction Co., Ltd.'s Scope1 and Scope2 GHG statement.

- Reporting Target : Yeongdo Shipyard, Technology Training Institute
- Boundary : Scope1(Direct emissions), Scope2(Indirect emissions)
 - Scope1 : Stationary combustion, Mobile combustion, Process emission, Other emission
 - Scope2 : Externally purchased power
- Year : January 1, 2024 to December 31, 2024

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- Calculation criteria
 - KS I ISO 14064-1:2018
 - Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System Ministry of Environment No. 2025-64)
 - 2006 IPCC Guidelines for National Greenhouse Gas Inventories
 - WRI(World Resources Institute) Greenhouse Gas Protocol

4. Level of assurance verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to Yeongdo Shipyard of HJ Shipbuilding & Construction Co., Ltd.
- Method of confirmation
 - Interview with greenhouse gas emissions manager and field staff
 - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
 - Tracking review of internal documents and basic data

HJ Shipbuilding & Construction Co., Ltd. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.



Awards / Associations / Certifications

Awards

Award Name	Organizing Body	Award Details	Date
2025 Korea Residential Service Award	Money Today	Grand Prize in Eco-Friendly Category	2025.05
2024 Shipbuilding Industry Safety & Health Cooperation Assessment	Ministry of Employment and Labor	Received Highest Grade	2025.04
Civil Engineering Day	Ministry of Land, Infrastructure and Transport	Awarded in Technical Category	2025.04
Overseas Construction Tower Award	Ministry of Land, Infrastructure and Transport	E-Tower for Overseas Construction	2025.04
Minister's Commendation (Ministry of Science and ICT)	Ministry of Science and ICT	Contribution to Science & Technology Promotion	2025.02
2024 Bank of Korea Governor's External Award	Bank of Korea	Contribution in Local Economy Category	2024.12
2024 Safety Management Level Assessment	Ministry of Land, Infrastructure and Transport	Received Highest Grade	2024.12
LH Customer Quality Grand Prize	LH (Korea Land & Housing Corporation)	Contribution to Residential Quality Improvement	2024.12
2024 AsiaToday Green Construction Award	Asia Today	Grand Prize in Eco-Friendly Landscaping Category	2024.10
Prime Minister's Commendation	Government of Korea	Contribution to Shipbuilding & Marine Industry Development	2024.09
Minister's Commendation (Ministry of Trade, Industry and Energy)	Ministry of Trade, Industry and Energy	Contribution to Shipbuilding & Marine Industry Development	2024.09
Korea Offshore & Shipbuilding Association Commendation	Korea Offshore & Shipbuilding Association	Contribution to Shipbuilding & Marine Industry Development	2024.09
Prime Minister's Commendation	Government of Korea	Contribution to Electric Power Industry Advancement	2024.09
Minister's Commendation (MOLIT)	Ministry of Land, Infrastructure and Transport	Contribution to Road Infrastructure Development	2024.07
Minister's Commendation (MOLIT)	Ministry of Land, Infrastructure and Transport	Contribution to Early Opening of GTX-A (Suseo-Dongtan)	2024.06
Prime Minister's Commendation	Government of Korea	Contribution to Railway Industry Advancement	2024.06
Minister's Commendation (MOTIE)	Ministry of Trade, Industry and Energy	Contribution to Completion of Yangsan Convergence Industrial Complex	2024.06
President's Commendation (Korea National University of Transportation)	Korea National University of Transportation	Contribution to University Development (Minister-Level)	2024.06
Minister's Commendation (MOTIE)	Ministry of Trade, Industry and Energy	Contribution to Special Shipbuilding	2024.05
Chief of Naval Operations Appreciation Plaque	Ministry of National Defense	Contribution to Special Shipbuilding	2024.05
Yeongdo-gu Mayor's Commendation	Yeongdo District, Busan	Model Employee Award	2024.05
Presidential Commendation	Government of Korea	Contribution to Busan New Port Construction	2024.04

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

Awards / Associations / Certifications

Awards

Award Name	Organizing Body	Award Details	Date
2023 Construction Safety Management Level Evaluation	Ministry of Land, Infrastructure and Transport	Very Excellent (Highest Grade)	2023.12
Minister's Commendation (MOF)	Ministry of Oceans and Fisheries	Contribution to the development of marine and fisheries operations, including port development	2023.11
2023 Construction Cooperation Promotion Award	eDaily Construction Economy, Construction Watch Council	Grand Prize & Chairperson's Award of the Fair Economy Committee	2023.11
2023 Industrial Accident Prevention Merit Award	Ministry of Employment and Labor	Minister's Award	2023.07
2023 Industrial Accident Prevention Merit Award	Ministry of Employment and Labor	Presidential Commendation	2023.07
2023 Urban Renewal Housing Brand Award	Newsday	Outstanding Mid-Sized Enterprise Award (Chairman's Award, Newsday)	2023.06
2023 MoneyToday Residential Service Award	Money Today	Grand Prize in Green Home Category	2023.05
23rd fn Housing/Construction Power Brand Award	Financial News	Most Desirable Apartment Award	2023.05
Asia Economy Apartment Brand Award	Asia Economy	Award in Green Smart Category	2023.05
Minister's Commendation (MOLIT)	Ministry of Land, Infrastructure and Transport	Construction Safety Best Practice Contest Award	2022.12
Proud Construction Professional Award	Busan Metropolitan City	Contribution to local construction industry development and competitiveness enhancement	2022.12
Excellent Construction Technician Certificate	Busan Metropolitan City	2022 Excellent Construction Professional of Busan	2022.12
Minister's Commendation (MOF)	Ministry of Oceans and Fisheries	Contribution to seafarer policy advancement	2022.12
Governor's Commendation (Jeollanam-do)	Jeollanam-do Provincial Government	Contribution to marine industry development	2022.12
Commendation	LH Korea Land & Housing Corporation (Daejeon-Chungnam Regional HQ)	Excellent Safety Management Award	2022.10
2022 Construction Cooperation Promotion Award	eDaily Construction Economy, Construction Watch Council	Minister of Land, Infrastructure and Transport Award	2022.10
Outstanding Shipbuilding & Marine Professional Award	Korea Offshore & Shipbuilding Association	Outstanding Shipbuilding Professional	2022.09
Minister's Commendation (MOTIE)	Ministry of Trade, Industry and Energy	Merit Commendation	2022.09
Special Award for Production Innovation	Korea Offshore & Shipbuilding Association	Merit Commendation	2022.09
President's Commendation (Korea Expressway Corporation)	Korea Expressway Corporation	Excellence Award at the 7th Quality Management Capability Contest	2022.09
Commendation	Defense Facilities Agency	Outstanding Safety Management Site	2022.07
Commendation	Ministry of Land, Infrastructure and Transport	Contribution to railway industry development	2022.06

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

Awards / Associations / Certifications

Awards

Award Name	Organizing Body	Award Details	Date
2022 Myungyeon Jeondang Housing Brand Award	Newsday	Award in Design Category	2022.05
22nd fn Housing/Construction Power Brand Award	Financial News	Most Desirable Apartment Award	2022.05
Asia Economy Apartment Brand Award	Asia Economy	Award in Smart Home Category	2022.05
Minister's Commendation (MOLIT)	Ministry of Land, Infrastructure and Transport	Contribution to Road Technology Development	2022.03
2021 Construction Worker Participation Safety Management Level Evaluation	Ministry of Land, Infrastructure and Transport	Very Excellent (Highest Grade)	2022.01
Minister's Commendation (MOLIT)	Ministry of Land, Infrastructure and Transport	Contribution to Early Opening of Jeokgi Tunnel	2021.12
2021 Safety Management Grand Award	Ministry of Employment and Labor, Maeil Business Newspaper	Grand Prize	2021.12
Construction Site Best Practice Contest	Administrative City Construction Agency	Grand Prize	2021.12
2021 Partner Company Safety Management Level Evaluation	Korea Midland Power Co. (KOMIPO)	Excellent Award	2021.12
Minister's Commendation (MOTIE)	Ministry of Trade, Industry and Energy	Merit Commendation	2021.09
Outstanding Shipbuilding & Marine Professional Award	Korea Offshore & Shipbuilding Association	Outstanding Shipbuilding Professional	2021.09
2021 Industrial Accident Prevention Merit Award	Ministry of Employment and Labor	Steel Tower Industrial Order of Merit	2021.07
2021 Industrial Accident Prevention Merit Award	Ministry of Employment and Labor	Minister's Award	2021.07
Minister's Commendation (MOLIT)	Ministry of Land, Infrastructure and Transport	Contribution to Road & Transport Development	2021.05
21st fn Housing/Construction Power Brand Award	Financial News	Most Desirable Apartment Award	2021.05
Quality Excellence Certificate	Korea Land & Housing Corporation (Incheon Regional HQ)	Quality Management Certificate	2021.04

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications

Awards / Associations / Certifications

Associations

Association Name		
Korea Construction Association	Korean Society for Electrical Engineering	Busan Environmental Corporation Association
Korea Housing Association	Korean Geotechnical Society	Korea Ocean Engineering Society
Overseas Construction Association	Korean Environmental Engineers Association	Korea Offshore & Shipbuilding Association
Korea Construction Management Association	Korea Structural Engineers Association	Busan Medical Association
Korean Institute of Electrical Engineers	Korea Spatial Information Society	Busan Port Development Institute Association
Korea Information & Communications Contractors Association	Korea Architectural Engineers Association	Korea Industrial Convergence Association (KWJS)
Korea Road Association	Korea Offshore Plant Engineering Association	Korean Ship Design Research Association
Korea Railway Association	Korean Electrical Engineers Association	Corporate Safety & Health Council (Korea Industrial Safety Association)
Korea Railway Construction Association	ERT New Entrepreneurship Council	Korea Fire Protection Association
Korea Fire Facility Association	Korea Marine Industry Association	Busan Scientific Technology Association
Korea Transportation New Technology Association	Korean Shipowners' Association (SNAK)	Korea Shipbuilding & Marine Equipment Environment Center (KOSME)
Korea Engineers Association	Korean Academy of Science and Technology	Korea Maritime Workers' Union (Busan Branch)
Korea Specialized Construction Association	Korea Industrial Technology Promotion Association (KOITA)	Busan Maritime Safety & Security Association
Korean Mechanical Equipment Construction Association	Korea Safety Managers Association	Seoul Radiation Safety Association
Construction Safety Manager Association	Korea Radiation Safety Institute	National Information Security Committee
Korea Safety & Health Association	Ministry of Trade, Industry and Energy Emergency Response Committee	Korea Wood Culture Association
Korean Institute of Electrical Technicians	Korea Port Logistics Safety Association	Korea Harbor Facilities Protection Association
Corporate & Biodiversity Platform (BNBP)		

* HJSC strictly complies with the Political Funds Act and does not engage in lobbying activities or make contributions to interest groups or any other political organizations. The organizations and associations listed on this page are partner institutions joined solely to enhance our industry knowledge and strengthen networking, and they are not related to political funding.

Awards / Associations / Certifications

Certifications

Certifications Details	Organizing Body	Company Name	Date
ISO 37001	Korea Quality Foundation	HJSC Construction Business	2025.10.17
National Defense Quality Management System	Defense Agency for Technology and Quality	HJSC	2023.06.26
Corporate Affiliated Research Institute Certification	Korea Industrial Technology Association	HJSC Construction Business	2023.03.22
ISO 14001	Korea Quality Foundation	HJSC Construction Business	2021.12.30
ISO 9001	Korea Quality Foundation	HJSC Construction Business	2021.12.09
ISO 45001	TNK Certification	HJSC Construction Business	2022.12.04
ISO 9001	Korean Register	HJSC	2022.11.24
KOSHA-MS	KOSHA(Korea Occupational Safety and Health Agency)	HJSC Construction Business	2022.01.24
KOSHA-MS	KOSHA(Korea Occupational Safety and Health Agency)	HJSC	2022.01.20
ISO 45001	Korean Register	HJSC	2022.01.13
ISO 14001	Korean Register	HJSC	2022.01.13
Family-Friendly Company	Ministry of Gender Equality and Family	Hanjin Heavy Industries & Construction	2021.12.01
Excellent Labor-Management Culture Company	Ministry of Employment and Labor	Hanjin Heavy Industries & Construction	2018.08.06
Noise Measurement Specialist	Korean Register	HJSC	2017.06.13
Noise Measurement Specialist	DNV	HJSC	2016.03.13
Corporate Affiliated Research Institute Certification	Korea Industrial Technology Association	HJSC	2022.01.14

INTRODUCTION

ESG CORE

ENVIRONMENTAL

SOCIAL

GOVERNANCE

APPENDIX

ESG Data

GRI Content Index

TCFD Content Index

GHG Certification

Awards / Associations and Certifications



Beyond Into **Green**, Beyond Into **Great**

<https://www.hjsc.co.kr>