

NEPES MAKES SUSTAINABLE FUTURE

ESG REPORT 2023-24



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ESG REPORT 2023-24

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COVER DESIGN

The cover design represents Nepes' commitment to building a sustainable virtuous cycle system that leads from ESG management practice to business growth.

Report Overview

Nepes has been transparently disclosing its sustainability management efforts and key achievements to the public. To actively communicate with stakeholders based on this transparency, Nepes published its first sustainability management report in 2011 and officially released the 2023 ESG REPORT. Moving forward, we plan to actively gather feedback from our stakeholders through this report annually and incorporate it into our management activities.

Report Writing Standards

This report takes into account the GRI (Global Reporting Initiative) standards, core indicators of supply chain K-ESG and, evaluation item of KCGS tailored to our company's size and industry characteristics. The reporting period encompasses environmental and social achievements and management activities from January 1, 2023 to December 31, 2023. Considering the timeliness and importance of information, some data up to the first half of 2024 is included.

Scope of the Report

The financial/non-financial data in this report is based on major domestic business locations of Nepes. Some key information includes affiliate companies, and the respective data specifies its detailed scope through separate annotations.

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CEO MESSAGE



Nepes Corporation CEO & Chairman

Byung-Koo Lee

The year 2023 was a year of uncertainty, with continued high inflation and geopolitical conflicts. On the other hand, it was also a year that heralded major industrial reorganization not only in the semiconductor industry, but in all industries, as the era of artificial intelligence (AI) officially began.

Despite the circumstances, Nepes was able to lay the groundwork for a quantum jump into the AI era through continuous research and new product development. Last year, Nepes completed the construction of a semiconductor test plant and a chemical plant at the Cheongan Campus located in the low-population area of Goesan, Chungcheongbuk-do. With a solid management philosophy and concrete goals, Nepes took a bold step toward the future by developing intelligent semiconductor 'METIS' for edge computing and pioneering the low-power semiconductor market for AI servers.

Since Nepes' 2021 declaration of 'ESG Management as a Way of Life', all employees, including executives, have strived to achieve quantitative and qualitative ESG performance in their respective positions. In this report, we have included the ESG management activities and status of our internal ESG management over the past year. In particular, the Cheongan Campus has reduced carbon emissions by more than sixty tons through solar power generation facilities and participated in an energy saving program organized by the Korea Energy Agency to reduce city gas consumption by 31% as compared to the previous year.

In addition to environmental values, we strived to create social value. Despite the economic recession caused by persistent inflation, we continued to spread the culture of sharing. The 2023 cumulative fundraising amount of 'N-Shared Seeds' exceeded 1.17 billion KRW (\$840,000 USD), and Nepes exceeded the statutory employment rate by actively creating high-quality jobs for workers with disabilities through Nepes Rua, a subsidiary standard business.

Nepes will continue to strengthen its advanced package manufacturing infrastructure for the AI era based on its differentiated technologies and capabilities. We will continue to practice ESG management while strengthening our portfolio centered on eco-friendly energy businesses such as secondary batteries and smart windows. As a company that serves the world, Nepes will strive to create a better future together with our stakeholders. We will also continue active and transparent communication through various channels such as ESG reports and our website.

We look forward to your warm support and interest.

ABOUT NEPES

Nepes stands out as a leading back-end foundry in the core value chain of the system semiconductor industry. Guided by our mission to "serve with our technology and products to the ends of the earth," we leverage advanced technology and corporate culture as our competitive edge, consistently growing as a global top-tier company.



The name 'Nepes' is derived from a Hebrew term for "Eternal Life," symbolizing the company's vision of unwavering vitality and continuous growth.

Company Overview

Company Name	Nepes Corporation
Head Office Address	105, Geumil-ro 965beon-gil Samseong-myeon, Eumseong-gun, Chungcheongbuk-do
CEO	Byung-Koo Lee
Establishment Date	December 27, 1990 (Listing Date: December 14, 1999)
Number of Employees	985
Total Assets	KRW 443.8 billion
Revenue	KRW 327.3 billion

Main Business Units

Semiconductors	Nepes	● Advanced Semiconductor Package (WLP)	Cheongju 1, Cheongju 2, Cheong-an
	Nepes Laweh	● Advanced Semiconductor Package (FOPLP)	Cheong-an
	Nepes Ark	● Semiconductor Test	Cheongju 2, Cheong-an
	Nepes Hayyim	● Advanced Semiconductor Package (FOWLP)	Philippines
	Jiangsu Nepes	● Advanced Semiconductor Package (WLP/DDI)	China
Chemicals	Nepes	● Chemicals for Semiconductors/Displays	Eumseong, Cheong-an
Rechargeable Batteries	Nepes Yahad	● Lead Tab (EV/HEV)	Cheongju 2
Sales Corporations	Nepes Hokmah	○ AI Semiconductor Sales & Marketing	USA
	Nepes US	○ Semiconductor Sales & Marketing	USA

ABOUT NEPES

Chronology

Since its inception, Nepes has continuously grown by taking on challenges in 'difficult yet necessary technologies for customers and the world'. Currently, Nepes supplies the global market with back-end value chains for system semiconductors, from advanced packaging capable of implementing low power, raw material reduction, and high performance in semiconductors, to wafer test and chemicals for semiconductors. With over 30 years of accumulated cutting-edge semiconductor processing technology, Nepes is also preparing to leap as a global top-tier back-end foundry by securing sustainable competitiveness through large-panel packaging technology that maximizes productivity.

1992

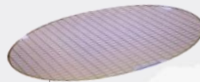
Mass production of chemicals for display & semiconductors


2000

Entry into system semiconductor WLP & test business


2009

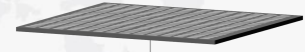
Completion of the 2nd WLP mass production plant


2016

Mass production of rechargeable battery lead tabs


2020

Completion of the world's first FO-PLP dedicated fab


2006

Establishment of Nepes Pte. JV in Singapore


2015

Started mass production of Fan-out WLP

China
Establishment of Jiangsu Nepes


2019

Launch of the test business

Philippines
Acquisition of FOWLP fab


2023

Cheongan Chemical fab Completion

Cheongan Test fab Completion



* Based on Nepes group

ABOUT NEPES

KEY FIGURES

2022 Performance

Revenue
KRW **327** billion

EBITDA
KRW **39** billion

Operational Status

Number of Business Sites
4

Total Number of Employees
985

AEO Certification



A+

Certification Status for Business Sites

QMS-IATF 16949

EMS-ISO 14001

OHS-ISO 45001

ANSI/ESD S20.20-2021

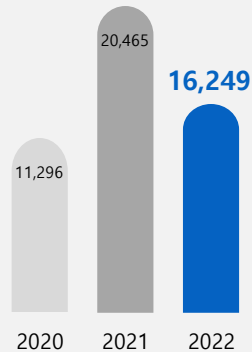
SEC Eco-Partner

SONY Green Partner

AEO(Authorized Economic Operator)

Environmental Safety Responsibility

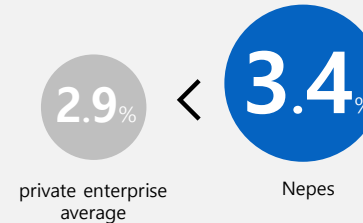
[Amount of Hazardous Chemicals Used(ton)]



[Violations of Environmental Laws /Regulations]

0 cases

Percentage of Workers with Disabilities



Social Responsibility

(Based on Nepes group)

[Social Contribution Amount]

KRW **220** million

[Personal Data Breach Incidents]

0 cases

Training Hours per Person

49
hours/person

Training Cost per Person

KRW **230**
thousand/person

Ethical Responsibility

[Rate of Addressing Unethical Reports]

100%

[Violations of Governance Laws /Regulations]

0 cases

ESG MANAGEMENT SYSTEM

Nepes aspires for sustainable growth in harmony with the world through purpose-driven management.



ENVIRONMENT

- ENVIRONMENTAL MANAGEMENT 09
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ENVIRONMENTAL MANAGEMENT

At Nepes, we are deeply committed to minimizing the environmental impact arising from all corporate activities. Through raising environmental awareness among our members and expanding resource circulation, we strive to practice sustainable environmental management.

Environmental Management Strategy

The environment stands as a paramount value that must be preserved in all sustainable business activities. Nepes places preventing global warming at the top of its management priorities and aims to realize an eco-friendly workplace.

Environmental Management Vision & Mission

VISION

Enhancing corporate social value through sustainable management

MISSION

Realizing an eco-friendly workplace

Core Values of Environmental Management



Collaboration



Ethics



Future Orientation

Environmental Management System

Nepes has established and operates a systematic environmental management system based on the Environmental Management System (ISO 14001) across all business sites. Additionally, we've set up environmental management manuals and processes, and make continuous efforts to minimize the impact of waste and pollutants that could originate from our facilities on the environment.



ISO 14001



Environmental Management Manual (Rev.11)

Environmental Management Policy

All employees of Nepes are diligently practicing the 'Environmental Management Policy' established for the enhancement of human quality of life and the realization of sustainable management as follows.

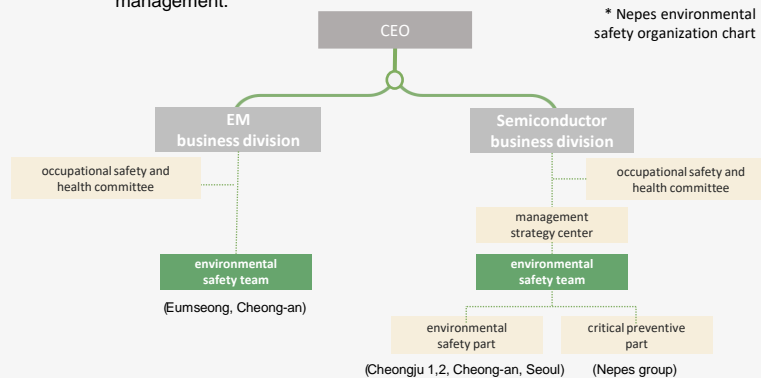
Nepes Environmental Management Policy

- ① We are committed to achieving customer satisfaction management to ensure trustworthiness to our customers and stakeholders.
- ② We strive to comply with domestic environmental regulations and international conventions.
- ③ To achieve continuous environmental improvement, we set environmental goals and specific objectives, review the implementation status regularly, and strengthen and advance the environmental management system.
- ④ We systematically provide regular education and training to ensure all members understand and can implement the environmental management system.
- ⑤ We focus on the efficient use of energy and resources, suppress waste generation, and actively pursue recycling to realize an eco-friendly workplace.

ENVIRONMENTAL MANAGEMENT

Dedicated Environmental Organization

At Nepes, we operate dedicated environmental organizations for each of our corporate entities to support our environmental management efforts. These dedicated organizations aim to establish and operate an environmental management system, laying the foundation for sustainable environmental management.



Environmental law/regulation Management

Nepes prepares quality and environmental management procedures to identify domestic and international environmental safety and health laws and other requirements to contribute to the preservation of environmental and safety health and reduce direct and indirect financial risks to our stakeholders. In addition, we have obtained licenses for business-related atmospheric environment, water quality, hazardous chemicals, waste, and soil environment and comply with regulatory requirements.

Nepes has not been penalized for violations of laws/regulations in environmental information management and operation over the past five years.

Items	2019	2020	2021	2022	2023
Type 1 - Levels of punishment including criminal penalties, fines, surcharges, etc.	0	0	0	0	0
Type 2 - Administrative fines, forfeiture, enforcement fees, etc	0	0	0	0	0

※ Note: When the fine amount exceeds 1% of the operating profit

Violations of environmental laws/regulations

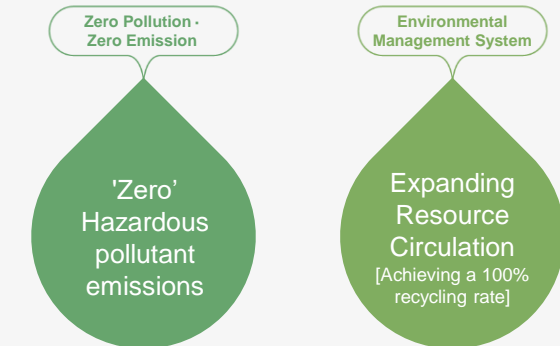
Environmental Management Promotion Plan

Environmental Goals

Initiatives

For the promotion of environmental management, We conduct the necessary professional personnel operations and capability enhancement training for the establishment and execution of our environmental management strategies.

Nepes has set environmental goals of ① achieving 'Zero' hazardous pollutant emissions and ② expanding resource circulation (achieving a 100% recycling rate). We have derived initiatives to achieve these goals and plan to expand the implementation across the entire company.



Consideration	Communication	Cooperation	Capability
Identifying improvement items through a comprehensive environmental assessment	Enhancing environmental awareness through strengthened communication with employees	Improving materials /processes through collaboration with stakeholders	Evaluating and introducing air and water pollution prevention technologies

RESPONSE TO CLIMATE CHANGE

Eco-friendly Business

Nepes will continuously strengthen its portfolio centered on eco-friendly energy businesses based on our differentiated technology and capabilities.

Semiconductor Back-end Technology



Low-power, High-efficiency Semiconductor Back-end Technology

The advanced foundry technology for back-end held by Nepes enables semiconductors to be designed smaller and thinner, minimizing form factor size and enhancing the power efficiency of IT devices. Conventional semiconductor packaging processes use multiple metal wires, which generate high heat dissipation and consequently consume substantial energy to cool the heat produced by the semiconductor.

Since 2000, Nepes has been substituting these metal wires with tiny ball-shaped bumps, increasing thermal management efficiency. We have also developed a subminiature packaging technology by patterning directly on the wafer without using a substrate, enhancing integration.

As the importance of carbon emission reduction is emphasized globally, there is an anticipated high demand for low-power packaging technology. Nepes' wafer-level packaging technology and production system will offer a new solution to the energy efficiency trend required by the semiconductor ecosystem.

Rechargeable Battery



Rechargeable Battery Component Business

Since 2017, Nepes Yahad, a subsidiary of Nepes, develops lead tabs for rechargeable battery parts based on Nepes' unique semiconductor process technology. We developed the lead tab, a component of the rechargeable battery, and have been supplying it to electric vehicles worldwide, including in the US, Europe, and China. The lead tab, a core component of the rechargeable battery which is poised for inevitable growth in line with the global energy transition trend, has been growing robustly each year, positioning itself as a stepping stone for our eco-friendly new business. As the importance of fire safety in electric vehicles is increasingly recognized, Nepes is expanding its market into safety materials and components of rechargeable batteries, further strengthening our eco-friendly business portfolio.

* Based on Nepes group

Smart Film



Smart Window

Nepes has commercialized a smart film based on semiconductor technology applying Polymer Network Liquid Crystal(PNLC) technology. PNLC is a future technology that reduces energy load. By installing it on windows, it can easily implement smart windows and can be used not only in eco-friendly buildings but also in automobiles, displays, and various other fields. Nepes is strengthening the foundation of its eco-friendly business with PNLC, a core technology of the green building ecosystem.

RESPONSE TO CLIMATE CHANGE

Greenhouse Gas (GHG) Emission Management

GHG Emissions

Currently, Nepes' semiconductor business division(Cheongju 2 Campus) operates under the 'Greenhouse Gas-Energy Target Management System', setting target values for tCO₂eq emissions. Cheongju 2 campus emitted 17,018 tCO₂eq, which is less than the 2023 target of 18,097 tCO₂eq. Nepes' total GHG emissions were 26,725 tCO₂eq, which is 2% less than the previous year. In the future, Nepes will strive to establish and manage reasonable emission targets not only at the Cheongju 2 campus but also across all business locations.

Items	2021	2022	2023
Per Unit GHG Emission	6.68	6.52	8.17
Total GHG Emissions (tCO ₂ eq)	23,074	27,189	26,725
Scope1 GHG Emissions (tCO ₂ eq)	1,895	2,336	1,842
Scope2 GHG Emissions (tCO ₂ eq)	21,179	24,853	24,883
Denominator for per-unit utilization (Revenue/0.1 Billion KRW)	3,455	4,171	3,273

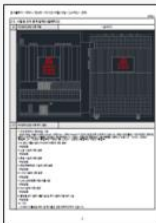
Energy Consumption Management

Energy Consumption

Despite the challenges of business expansion and the continuous addition of production facilities, Nepes manages its energy consumption with the ambitious goal of reducing it each year. In 2023, we consumed a total of 505TJ of energy. This represents a 9% decrease from 2022.

While the annual business expansion inevitably leads to short-term increases in energy consumption, we are committed to practicing energy conservation in the future through proactive reduction activities, including expanding energy recycling and the use of renewable energy sources.

Items	2021	2022	2023
Per Unit Energy Consumption	0.14	0.13	0.15
Total Energy Consumption (TJ)	466	549	505
Denominator for per-unit utilization (Revenue/0.1 Billion KRW)	3,455	4,171	3,273



GHG Emission Verification

The ns2 campus semiconductor division, a GHG emission management facility, annually receives third-party verification opinions on its GHG management. (1st: private verification agencies, 2nd: Korea Energy Agency, Ministry of Trade, Industry, and Energy) The verification statement provides the verification standards, and we undergo timely verification based on the scope of greenhouse gas emissions as verified by the third-party agency.

MITIGATION OF ENVIRONMENTAL IMPACT

Water Resource Management

Water Usage

The water usage in 2023 was 1,170,887 tons, with a 14.5% decrease since 2022. In 2022, short-term increase in water usage was inevitable due to business expansion and production capacity expansion. In spite of this, we were able to reduce usage through goal management. Nepes strives to use resources efficiently, not only by decreasing water usage but also by increasing the reuse rate.

Items	2021	2022	2023
Per-unit Water Usage	314.72	321.49	357.74
Total Water Usage (ton)	1,087,373	1,340,938	1,170,887
Cheongju 1	Industrial water	273,701	359,036
	Residential water	4,133	4,888
Cheongju 2	Industrial water	765,632	930,828
	Residential water	22,311	20,844
Cheong-an	water supply	-	344
Eumseong	groundwater	21,596	24,998
Internal Reuse Amount (ton)	52,560	180,456	129,812
Denominator for per-unit utilization (Revenue/0.1 Billion KRW)	3,455	4,171	3,273

Water Pollutant Emission Management

Nepes inspects and manages all biochemical oxygen demand (BOD), total organic carbon (TOC), and suspended solids (SS) generated at each workplace below the legal limit in accordance with Article 34 of the Enforcement Rules of the Water Environment Conservation Act. Nepes strives to minimize the impact on public water quality, such as rivers and streams, by safely and rigorously managing wastewater generated during the production process.

Water pollutant discharge concentration

Management item	BOD	TOC	SS
Emission amount (ton)	5.1578	10.6915	11.3541

* The 2022 ESG Report indicates average emission concentration. From 2023 and on, absolute emission account is indicated.

Harmful Substance Emission Management

Air Pollutant Emission Management

Nepes manages emissions of nitrogen oxides (NOx), sulfur oxides (SOx), and fine dust (PM2.5) below the legal limit of the Clean Air Conservation Act. We are trying to minimize the environmental impact on the areas surrounding our business facilities.

Air Pollutant Emission Concentration

Management Items	NOx	SOx	Dust
Emission amount (ton)	1.7707	0.3805	0.8061

* The 2022 ESG Report indicates average emission concentration. From 2023 and on, absolute emission account is indicated.

Waste Recycling Rate

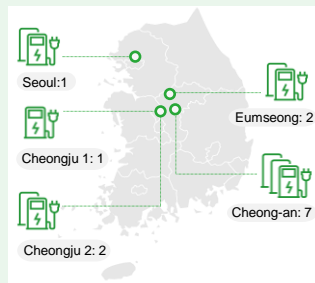
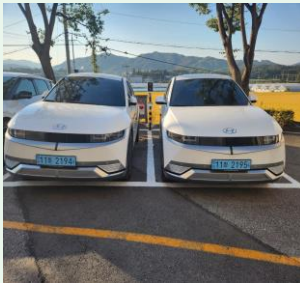
In 2023, the waste recycling rate was 86 percent, the same level as in 2022. Nepes sets annual waste recycling goals and strives to achieve them.

Items	2021	2022	2023
Waste recycling rate	86%	88%	86%
Industrial wastes (ton)	Recycled	328.8	328.0
	Incineration	2.4	7.4
	Landfill	19.1	9.4
Household wastes (ton)	Recycled	181.3	183.3
Designated wastes (ton)	Recycled	1,516.6	1,996.1
	Incineration	10.9	17.9
	Neutralization	289.4	318.3

Environmental Impact Reduction Activities

Transition of Company Vehicles to Eco-friendly Vehicles & Installation of EV Charging Stations

Nepes is converting vehicles owned or leased by the company into eco-friendly vehicles. In 2023, 35% of business vehicles were converted to electric vehicles, and electric vehicle charging facilities (13 locations) are being installed at all sites.



Installation of Solar Panels

In 2022, Nepes Laweh, a subsidiary of Nepes, installed a solar power plant on the Cheongan campus. In 2023, it produced about 128,583 kWh of renewable energy, which reduced CO2 emissions by about 60 tons. The renewable energy produced here was used as lighting power for the wastewater treatment plant.



Plogging Campaign

In 2023, we implemented a plogging campaign where workers pick up trash while walking around the office premises.



Good Cycling Campaign

Collaborating with the Milal Welfare Foundation's 'Goodwill Store', we are promoting job creation for the disabled and resource recycling through product donations.

In 2023, we donated a total of 1,175 items (KRW 3,553,200), including clothing, miscellaneous goods, and household appliances / furniture.



Energy Saving in Daily Life

We promote and practice energy-saving activities that can be easily implemented, such as adjusting the cooling temperature, using stairs, turning off lights in meeting rooms, and turning off lights during lunchtime, minimizing wasted energy.



Nepes Team Leader Ho-seop Gil Wins Commendation from the Minister of Environment (2023.12.29)

Team leader Ho-seop Gil of (Nepes Environmental Safety Team of Semiconductor Division) received a citation from the Minister of Environment in recognition of his contribution to environmental conservation.

[Original Article](#)

SOCIAL



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- HUMAN RESOURCE MANAGEMENT 19
- LABOR RIGHTS 23
- CO-GROWTH 24
- SOCIAL CONTRIBUTION 25
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SAFETY AND HEALTH

Nepes recognizes that the impact of safety and health on human life has a direct causal relationship in all activities including product production and development. We apply it as a top priority in all activities for the establishment, implementation, and maintenance of the safety and health management system.

Safety and Health Management Strategy

Nepes regards the safety of employees, customers, partners, and stakeholders as the highest value. We are setting out the safety and health management strategy and sharing it in a manual throughout the company so that we can work in a safer and healthier workplace.



Safety and Health Management Manual

Safety and Health System

Nepes has established a safety and health policy to effectively establish and operate a safety and health management system for building a workplace without accidents and defects. The main business locations, Cheongju 1st and 2nd Campuses, Eumseong Campus, and Cheong-an Campus, have obtained ISO 45001 certification, the highest international standard in the field of safety and health, and are operating a systematic safety and health system. We also operate a safety and health dedicated organization and professional manpower for each business location and operate a major accident prevention department to respond to major accident prevention.

Safety & Health Management Vision & Mission

VISION

Building a workplace free of accidents and defects through the cultivation of a management culture that respects humanity.

MISSION

Creating a safe and healthy workplace

Safety & Health Management Core Values



Safety



Communication



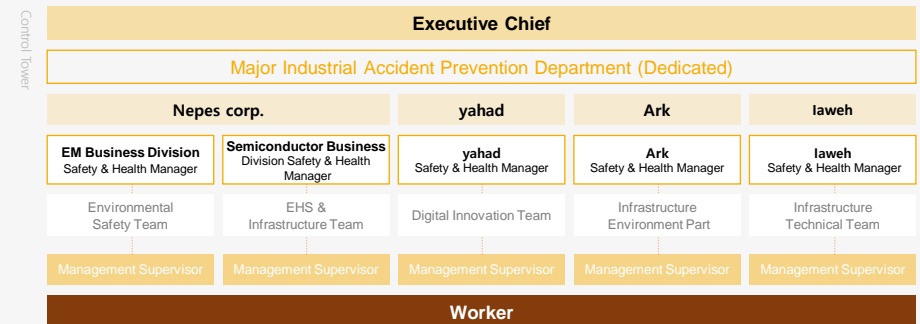
Cooperation

Nepes Safety-Health Management Policy

* Based on Nepes group

- 1 Recognize the health and safety of employees as the top priority in management.
- 2 Consider safety-health as one of the basic elements in management decisions.
- 3 Clearly understand domestic and international safety-health laws and regulations, international agreements, and company regulations, and thoroughly comply with them.
- 4 Establish goals for continuous system improvement and periodically review the implementation status to strengthen and develop the safety-health management system.
- 5 Continuously identify and improve safety-health risk factors to lead in the prevention of safety accidents and the promotion of worker health.
- 6 Establish a communication system with workers and stakeholders to share necessary information and cooperate for mutual benefit, enabling participation in safety-health management activities.

Safety & Health Organization Chart



*The safety and health tasks are operated by each business division, and the major industrial accident prevention tasks are managed comprehensively by the major industrial accident prevention department.

SAFETY AND HEALTH

Safety & Health Management Plan

Nepes aims to establish safety and health goals and establish a safety culture at each business location. Nepes strives to detect risk factors at the business site in advance and establish countermeasures.

Safety & Health Goals

Major/Industrial Accidents

'Zero'
Major Accidents

Safety & Health Goals

Safety
& Health Goals
[Achievement of
80% or more]

Status and Promotion Plan

Nepes conducts a regular risk assessment twice a year. We also regularly gather opinions on safety and health from workers through the Industrial Safety and Health Committee and consultation meetings and receive reports on workplace 'near misses' and information on workplace hazards via QR codes and email. We strive to remove or improve harmful and dangerous factors derived from this process and check the implementation status more than once every six months.

Nepes establishes and implements procedures and standards for managing chemical substances to prevent threats to public health and the environment caused by chemical substances and to respond promptly to accidents caused by chemical substances.

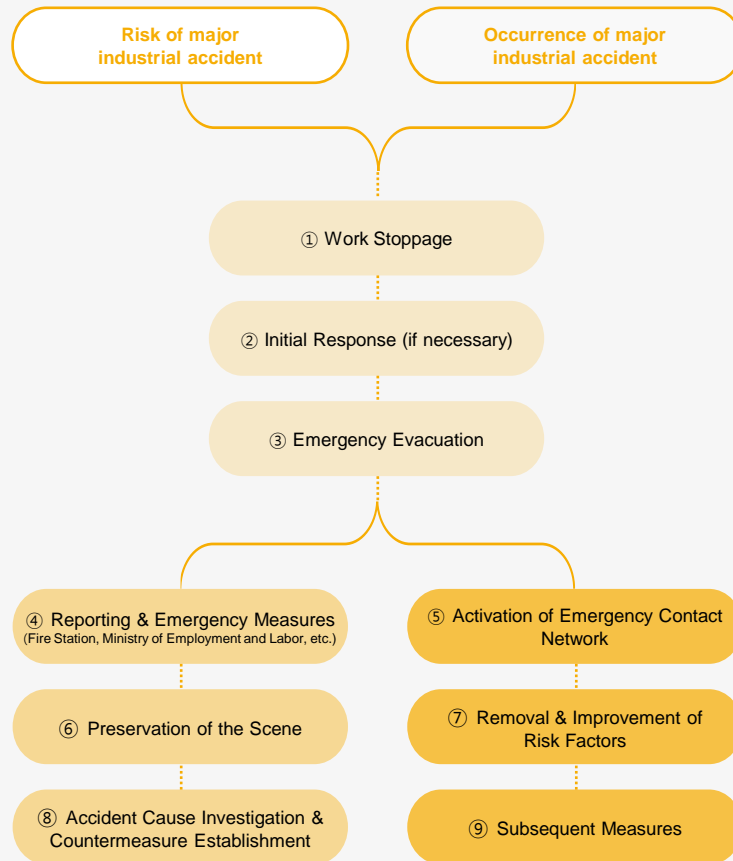
Nepes is also making efforts to establish an emergency response system by regularly conducting emergency response training to protect people, the environment, and property from the threats of accidents and natural disasters and to minimize damage. We are continuously conducting emergency response training based on emergency scenarios such as infectious disease outbreaks, chemical leaks, fires, power outages, etc. We aim to continuously strengthen our emergency response capabilities through continuous accident prevention training and monitoring.

We understand the obligations related to safety and health laws and take necessary measures through internal audits and self-compliance evaluations and check the status of legal compliance through external professional institutions. In addition, based on the Critical Industrial Accident Response Manual and Procedures enacted in 2022, we are striving to take countermeasures such as suspension of work, evacuation of workers, elimination of risk factors, relief of victims of critical industrial accidents, and measures to prevent further damage in the event of a major industrial accident.

We are also allocating and executing a budget for securing and maintaining personnel, facilities, and equipment for safety and health, and for inspecting harmful and dangerous factors for raw materials or products. We are conducting repetitive safety and health training by target and level.

SAFETY AND HEALTH

Response Procedure to Risk or Occurrence of Major Industrial Accident



Subcontractor Safety & Health Management System

Nepes strives to prevent and minimize safety and health accidents through cooperation with subcontractors. In this regard, from 2022, we have established standards for evaluating the safety and health levels of subcontractors and are selecting qualified suppliers accordingly.

In 2023, the industrial accident rate of contractors was 0%. Nepes will continue to evaluate and manage the safety and health capabilities of contractors to realize accident-free workplaces.

Subcontractor Safety & Health Evaluation Procedure



HUMAN RESOURCE MANAGEMENT

Nepes values 'job creation' over 'profit generation' as the company's raison d'être. We offer various training programs to our employees to support the development and advancement of their job competencies, aspiring to become a 'prestigious company' filled with top talents. Additionally, we operate various channels like Junior Board, Reverse Mentoring, and Empathy Part to foster diverse and healthy labor relations, facilitating communication and building mutual trust and respect.

Recruitment

In 2023, the number of Nepes employees was 985, with a 20% decrease since 2022. The number of employees decreased slightly due to temporary job cuts due to sluggish business conditions and transfer among subsidiaries. Nepes, which regards job creation as a corporate value, has expanded recruitment from the second half of the year to 2024, as the industry is expected to improve. As of June 2024, the number of employees has increased to 1,130.

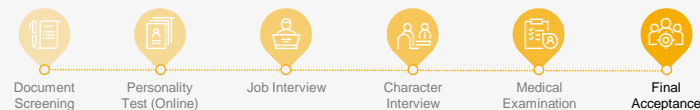
Nepes operates various recruitment channels such as open recruitment and irregular recruitment. All applicants receive equal opportunities in the recruitment process without discrimination based on academic background, gender, religion, etc. This is explicitly stated in our employment rules. Furthermore, we prioritize individuals requiring social consideration, such as the disabled and national veterans, fulfilling our social responsibilities during recruitment.

In particular, we prioritized hiring local residents when we established a new factory in Goesan, a region in Chungbuk experiencing population decline. Additionally, in 2022, we converted dispatched employees to full-time positions, in 2023 raising the percentage of regular employees to 93.9%.

Status of Nepes Members

Year	Number of Employees	Percentage of Regular Employees
2021	1,256	51.0%
2022	1,186	91.8%
2023	985	93.9%

Recruitment Process



Academic Collaboration Agreement List

Specialized High Schools

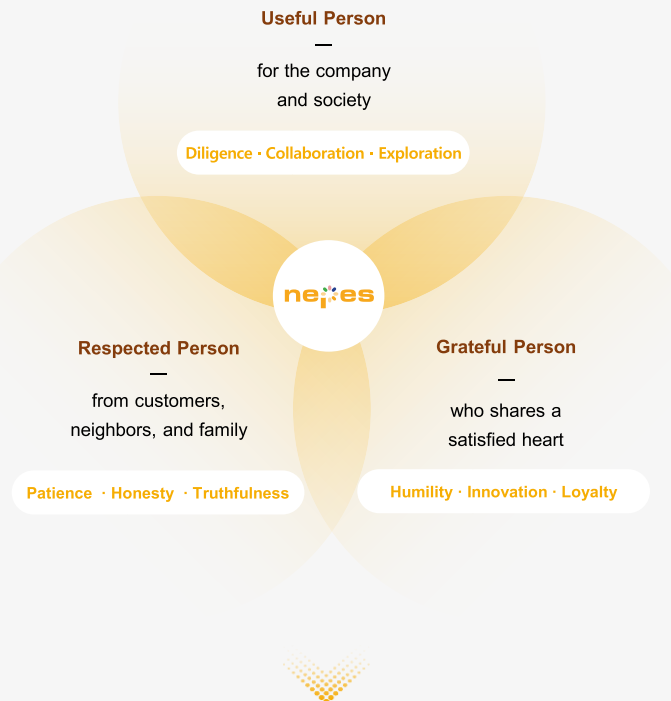
Korean Nano Meister High School,
Samcheok Meister High School,
Angang Electronic High School,
Gyeongju Industrial High School

Universities

Kyungpook National University, Gumi University,
Handong Global University,
Chungbuk National University, Korea
Polytechnics University, Cheongju Campus,
Chungbuk Provincial College, Daelim University

Education Office

Seoul Metropolitan Office of Education,
Gyeongbuk Office of Education,
Chungcheongbuk-do Office of Education



NEPES seeks individuals who are valued, respected, and overflowing with gratitude as its ideal candidate traits. We select those with the character to excel in their work.

HUMAN RESOURCE MANAGEMENT

Talent Development

Nepes operates various development programs to nurture its employees into semiconductor experts and to align them with the Nepes ideal traits: Valued Person, Respected Person and Grateful Person. We have tailored the "Superstar Essential Competency Course" for new employees, by position, and by process. By linking Individual Development Plans (IDP) and Key Performance Indicators (KPIs), we allow our members to participate in education autonomously.

Talent Development Program by Position

* Based on 2024.06 / Nepes group

Staff / Assistant Manager	Office Technical Role (Engineer)			Field Technical Role			Office Technical Role (Support Department)		
	NO	Category	Subject Name	NO	Category	Subject Name	NO	Category	Subject Name
	1	Common Competencies	Reporting & Planning Skills	1	Common Competencies	Reporting & Planning Skills	1	Common Competencies	Reporting & Planning Skills
	2		New Employee Orientation + Job Introduction	2		New Employee Orientation + Job Introduction	2		New Employee Orientation + Job Introduction
	3		Elite Leadership Training	3		Elite Leadership Training	3		Elite Leadership Training
	4		Self-leadership (MBTI, TCI, SCT, Strengths)	4		Self-leadership (MBTI, TCI, SCT, Strengths)	4		Self-leadership (MBTI, TCI, SCT, Strengths)
	5	DT	Tableau Power User Training	5	DT	Tableau Power User Training	5	DT	Tableau Power User Training
	6		RPA Power User Training	6		RPA Power User Training	6		RPA Power User Training
	7	Job Competencies	Core Tool(IATF&APQP)	7	Job Competencies	Semiconductor Equipment Core Technology	7	Job Competencies	Design Thinking
	8		Practical Statistics and Data Analysis	8		Basics of Electrical and Electronics	8		Customer Communication Skills
9	SPC		9	Understanding the Principle of Motors		9	Basics of Accounting and Financial Statements		
10	DOE		10	Understanding Sensor Control		10	Global ESG		
Manager	Office Technical Role (Engineer)			Field Technical Role			Office Technical Role (Support Department)		
	NO	Category	Subject Name	NO	Category	Subject Name	NO	Category	Subject Name
	1	Common Competencies	Reporting & Planning Skills	1	Common Competencies	Reporting & Planning Skills	1	Common Competencies	Reporting & Planning Skills
	2		Elite Leadership Training	2		Elite Leadership Training	2		New Employee Orientation + Job Introduction
	3		Job Skill Enhancement Presentation	3		Job Skill Enhancement Presentation	3		Elite Leadership Training
	4	DT	Tableau Power User Training	4	DT	Tableau Power User Training	4	DT	Tableau Power User Training
	5		Core Tool(IATF&APQP)	5		Field Information System(FDC,RMS)	5		RPA Power User Training
	6	Job Competencies	Basic Statistics and Minitab	6	Job Competencies	Semiconductor Equipment Core Technology	6	Job Competencies	Design Thinking
7	FMFA Practical		7	Smart Factory Improvement Management 1		7	Customer Communication Skills		
8	JMP Application		8	Smart Factory Improvement Management 2		8	Financial Accounting Management		
General Manager	Office Technical Role (Engineer)								
	NO	Category	Subject Name						
	1	Common Competencies	Servant Leadership Training						
	2		Financial Accounting MBA						
	3		Participation in External Seminars & Conferences Related to the Job						
4	A Single Session of In-house Webinar (Video Content Creation)								

Furthermore, we operate online platforms such as the "Nepes Smart AI Academy" and the "n.e.st Media Studio", offering various online education fields, producing smart learning education content, and conducting monthly Nepes webinars.

Furthermore, introductory training is provided to all new hires. This training enhances professional competence and focuses on the company's management philosophy, semiconductor collective education, and character education. Through this, our new employees discover life goals and values, growing into individuals who practice sharing and service. Nepes' training center, "Hotel West of Canaan," located in Goesan-gun, Chungcheongbuk-do, serves as an educational and resting place for our members.



Nepes Training Center
View of Hotel West of Canaan

Training Hours/Cost per Person

Nepes aims to provide Global Top-tier level training to our employees. In 2023, the average training time per person was 49 hours, and the average training cost was 230,000 KRW.

In particular, we are operating a Train The Trainer (TTT) system to enhance the qualitative capacity of our employees, and a total of 57 in-house instructors have been active, 40% more since 2022. In 2024, we aim to train every personnel in charge of the semiconductor division as in-house lecturers, and we are trying to develop the knowledge and skills of in-house lecturers into we aim a curriculum to provide direct education for our members.

2023 Training Hours per Person

49_{hours}

2023 Training Cost per Person

KRW 230_{thousand}

HUMAN RESOURCE MANAGEMENT

nepes way (3.3.7 Life)

Since its establishment, Nepes has realized sustainable growth by building a unique corporate culture that values gratitude as its core value. Through Nepes' unique corporate culture, employees fill their hearts with gratitude, positivity, and harmony, preventing negative thoughts, worries, and resentment from taking root. This culture promotes individual happiness at work and collective growth with the company. Nepes is establishing a culture under the motto "3.3.7 Life", which promotes sharing at least three good things a day, reading for at least 30 minutes a day, expressing gratitude for seven things a day, and singing at least seven songs a day.

Music Classes to Enhance Happiness

To support employee performance and continuous growth, Nepes operates music classes at each business site every morning. By inviting professional singers and musicians active in the community, we sing positive and powerful songs to bring a fresh atmosphere to the workplace. In compliance with the government's distancing policies during the COVID-19 pandemic, online music classes were conducted using video broadcasting platforms. Employees who cannot attend due to remote work can join the music class anytime, anywhere. Additionally, Nepes supports concert attendance for employees and organizes internal music events.

Communication Through Reading, i-training

Nepes organizes weekly group reading sessions where members share insights from books. While gaining knowledge and information from books is essential, sharing insights helps understand colleagues better, leading to innovation and improved performance. Every year, we invite the authors of the i-training books for direct discussions, deepening our understanding beyond just the knowledge from the books. This initiative has facilitated more in-depth discussions and applications of the learned content.

Gratitude Extending to Homes, 100 Thanks

A significant way to experience Nepes' core value of "Gratitude" is through the activity of writing 100 gratitude notes. While daily gratitude activities are meaningful, setting aside a full day to meditate on gratitude deepens one's appreciation. Especially during the family month, employees write 100 notes of gratitude for their families, re-emphasizing their appreciation and spreading the company's core values to their homes.



Promoting a Healthy Work Environment Through Family Rejuvenation and Proper Value Establishment

Father's School/Pre-Marriage School

Believing that a healthy family directly correlates with productivity, Nepes conducts various value education sessions. These sessions emphasize the importance of family, making employees realize the company's care extends to their homes. We also run a Pre-Marriage School for unmarried employees to help prepare for marriage, the first step in the family, and provide parents with children with valuable time to learn how to play a role as a family leader.



i-training Media Day, Author's Special Lecture



Father's School



Writing 100 Gratitude Notes



Pre-Marriage School

HUMAN RESOURCE MANAGEMENT

Pioneering New Avenues for Communication

Nepes continually strengthens communication between management and members, fostering a horizontal communication culture where diverse opinions and suggestions are freely exchanged. To create a horizontal, creative, and autonomous communication culture, we have implemented a four-tiered rank system (Staff, Assistant Manager, Manager, General Manager), and adopted the title 'Star' for all employees.

To address employee grievances, Nepes operates a dedicated Empathy Department. This department conducts one-on-one meetings with both Nepes employees and contractors working at our facilities, ensuring they are cared for emotionally. The Empathy team also manages the 'Junior Board', comprising young professionals below manager level. This board plays a crucial role in expanding internal communication by discussing and suggesting improvements before major policy decisions. We have also introduced 'Reverse Mentoring', where younger employees mentor senior management to minimize communication blind spots.

Furthermore, each business site operates the 'n.e.st' media studio, promoting online communication. Through the 'n.e.st' media studio, messages from the CEO and management are broadcasted live using Microsoft Teams, ensuring equal access to information.



Junior Board



Reverse Mentoring

Employee Benefits System

Nepes offers a diverse range of employee benefits to enhance the quality of life, job satisfaction, morale, and job engagement.

We plan to continually develop various programs to cultivate a healthy and enjoyable workplace.

Life Support	Commuter buses, in-house cafeteria, dormitory and partial housing support, on-site daycare, child education funds, child admission support fund, support for family events, and partnerships with nearby lifestyle service providers.
Leisure Support	Leisure Support such as company training centers and resorts, club activities.
Medical Support	Health check-up support, In-house health center operation.
Other Systems	52-hour work week, flexible work hours (staggered shifts, telecommuting), parental leave, family care leave, 2-hour leave system, and more.

LABOR RIGHTS

Respecting and ensuring the rights of members is a fundamental and core value for sustainable development of Nepes. Nepes adheres to the labor laws of the regions where we operate, ensuring a dignified life through stable employment and fostering a work environment that recognizes diversity such as race, nationality, and disability.

Internal Regulations for Labor Rights

Nepes has set internal regulations for the respect and protection of human rights. These include prohibitions against forced labor, child labor under 15, and discrimination based on race, nationality, gender, or disability.

[Nepes labor rights regulations](#)

Member Diversity

Nepes strives for an organizational atmosphere that recognizes and respects each member's differences. When the diversity and capabilities of members coexist and flourish, the organization can provide better technology and services.

Gender Diversity

Nepes aims to create an environment where everyone can excel and grow as leaders, regardless of gender. As part of that, in 2022, the proportion of female workers was significantly increased by converting 100% of dispatched employees, consisting mostly of female workers, to Nepes. The percentage of female managers of manager level or above has been steadily increasing. The average salary ratio of women, compared to the average salary of the entire organization including executives, was 83%. Nepes actively recruits female talents and strives to enhance and develop their capabilities.

Nepes Gender Distribution of Members (%)

Items	2021	2022	2023
Total	80.6	53.9	55.5
Male			
Senior Manager	11.5	6.2	7.2
Manager	24.4	12.0	14.6
Total	19.4	46.1	44.5
Female			
Senior Manager	0.6	0.3	0.4
Manager	4.2	2.9	3.9

Age Diversity

Nepes has a diverse age range of employees, from those in their 20s to those over 50. We use the title 'Star' for all employees to foster a horizontal communication culture without age bias. We also operate various programs like the Junior Board and Reverse Mentoring.

Nepes Age Distribution of Members (%)

Items	2021	2022	2023
Under 30 years	23.5	26.8	26.5
30-50 years	67.0	59.5	58.8
Over 50 years	9.5	13.7	14.7

Expansion of Employment for People with Disabilities through the Operation of Standard Business Sites for People with Disabilities

In 2022, Nepes established 'Nepes Rua', a standard business facility for people with disabilities. 'Nepes Rua' provides a variety of quality jobs for people with disabilities, such as orchestra performances, in-house cafe and convenience store operations, and IT repairs and sales. 90% of Nepes Rua members are severely disabled. In 2023 the employment rate for the disabled was 3.4%, exceeding the statutory mandatory employment rate of 3.1%.

Labor-Management Council Operation

Nepes continuously strives to build a cooperative relationship based on mutual respect and trust between management and workers. We operate Labor-Management Councils at each Nepes Group company, using them to build consensus on key issues and work environment changes, and to exchange opinions between management and employees.

Human Rights Grievance Channel Operation

Nepes operates a reporting channel to address human rights grievances among stakeholders such as employees and suppliers.

[Nepes Human Rights Grievance Reporting Channel](#)

CO-GROWTH

Nepes strives to build a genuine partnership and trust with its partner companies based on fair trade and win-win cooperation. We aim to realize shared ESG values with our partners and build a sustainable supply chain together.

Establishment and Implementation of Partner Company Code of Conduct

The 'Ethical Guidelines for Partner Companies' encourages voluntary participation from partner companies and includes enhanced content on the protection of rights for partner company workers and the prohibition of using conflict minerals. We have made this code of conduct publicly available on our website to promote and ensure sustainability throughout our supply chain.

[Partner Company Code of Conduct](#)

Partner Company Selection and Evaluation

For supply stability and sustainability, Nepes evaluates and checks the competitiveness of partner companies in terms of quality, delivery, management status, and pricing. Companies that do not meet our requirements are not selected as trading partners. Moreover, after registration, we regularly evaluate and monitor them on ethics, fairness, worker protection, and regulatory compliance.

Responsible Resource Procurement

Nepes complies with regulations regarding the use of conflict minerals such as Gold, Tantalum, Tungsten, and Tin. Conflict minerals refer to products that support armed groups in the Democratic Republic of Congo or neighboring countries (Sudan, Uganda, Rwanda, Burundi, Tanzania, Angola, Central Africa) or cause labor/human rights violations and environmental damage.



Conflict Mineral Non-Use Agreement

We collect a 'Conflict Mineral Non-Use Agreement' from our partner companies during registration. If a partner company uses conflict minerals, they cannot be registered. We encourage our partners to verify the origin of minerals from the list provided by the Responsible Business Alliance (RBA). Moreover, Nepes regularly checks the usage of conflict minerals by our partners.

Operation of the CHAMP Project

CHAMP=(National Human Resource Development Consortium)

Nepes has been actively promoting the CHAMP (National Human Resource Development Consortium) project since 2012, aiming to nurture 10,000 hands-on semiconductor professionals and facilitate win-win cooperation among large, medium, and small enterprises. CHAMP is a training program designed to meet the training demands of SMEs and national strategic industries by providing customized training. As of 2023, Nepes supported a cumulative KRW 3.17 billion and have trained 8,859 semiconductor experts through this program.

Nepes provides seven free custom training programs, including a course on 'Semiconductor Packaging Processes', to 199 partner companies nationwide. We have also built a training environment similar to actual process work to provide education, alleviating the burden of establishing educational infrastructure for SMEs.

Furthermore, in 2023, Nepes conducted two consultation sessions with representatives from partner companies. The aim was to gather feedback on next year's training needs and business suggestions, listening to the voices from the field. Nepes is committed to contributing to the competitiveness of SME talents.



Nepes CHAMP Consultation Session (March 2023, July 2023)

SOCIAL CONTRIBUTION

Nepes is committed to sharing its success with the community through various social contribution activities. By doing so, the company contributes to a society where everyone can live happily and grow together. We aspire to continue sharing happiness with the community and grow together.

Major Activities of Nepes Social Contribution



Close Ties with Local Community

- Academic Organization Development Fund
- Scholarship Support for Middle and High Schools in Chungcheong Province
- Support Kits for Low-Income Marginalized Groups (Cheongju) Hyenung Childcare Center, (Eumseong) Samsung Children's Center
- (Goesan) Regular Donations to the Elderly Welfare Center



Multifaceted Donations

- Domestic/International Emergency Disaster Relief Support
- Culture/Arts Sponsorship
- Sponsorship for Research Institutes/Conferences/Forums
- Hospital/Medical Support
- Goods Sharing/Book Donations/Blood Donations, etc.



Sponsorship for Social Welfare Organizations

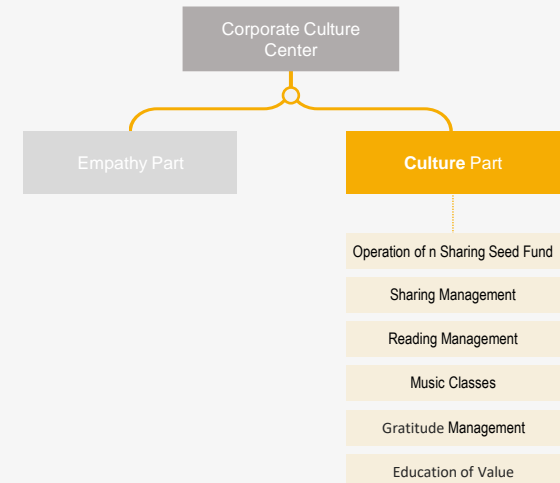
- Korea Red Cross
- Community Chest of Korea
- World Vision
- Chungbuk Association for the Welfare of People with Intellectual Disabilities

Operation of Dedicated Organization for Sharing Management

Under the mission of "actively protecting the highest level of ethical and moral behavioral culture that is exemplary for the development of the nation and society," Nepes operates the 'Corporate Culture Center-Cultural Part', an organization dedicated to sharing management, to build an organizational culture that leads employees to participate in sharing management activities and collectively solve various problems in society.

As part of this, volunteer participation is recognized as a paid business trip, and volunteer performance is reflected in KPI. In addition, we support meetings for volunteers such as World Vision, Yongam Comprehensive Social Welfare Hall, and in-house volunteer clubs. Every year, we select excellent volunteer participants to reward them.

Operation of Dedicated Organization for Sharing Management



SOCIAL CONTRIBUTION



Operation of Rua Orchestra Composed of People with Developmental Disabilities to Promote Employment

The Nepes Rua Orchestra is the first orchestra in Chungbuk composed solely of individuals with developmental disabilities. After preparing for over a year since 2021, we held a business agreement Ceremony in March 2022 with the Employment Agency for the Disabled to promote employment. Subsequently, the inauguration ceremony was held on November 3, 2022, with local community stakeholders, including the Governor of Chungbuk.

In an era emphasizing corporate social responsibility and the importance of ESG management, creating high-quality jobs for the disabled is fulfilling our most significant social responsibility. The job market for people with developmental disabilities is highly limited, and there are significant societal prejudices. The purpose of the Nepes Rua Orchestra is not just to employ those who majored in music but to hire and train those with developmental disabilities who have never been exposed to music, making its impact even more profound.

In 2023, the orchestra has performed 71 times, touring Nepes business sites, performing at local government offices, community organizations, and special education schools, and was granted the joy of winning the Grand Prize at the nation's largest music festival for the developmentally disabled (GMF) held by the Hart-Heart Foundation.

Going forward, the Nepes Rua Orchestra aims to become the best developmental disabilities orchestra in Korea and is committed to fulfilling corporate social responsibility and practicing ESG management.

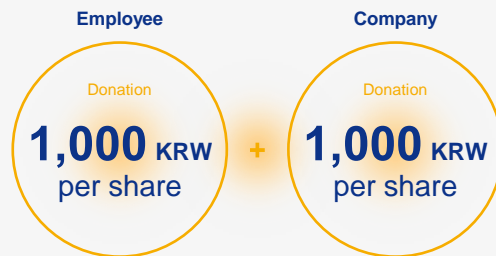
SOCIAL CONTRIBUTION

* Based on Nepes group

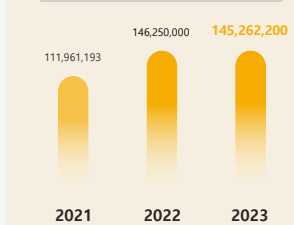
Operation of 'n Sharing Seed' Fund

(Employee Donation Program)

Since 2009, Nepes has been operating the 'n Sharing Seed' fund, continuously conducting sharing activities. 'n Sharing Seed' is a fund accumulated by employees voluntarily deducting a portion of their monthly salary for social contribution activities. Currently, about 40% of all employees participate. The company matches the amount accumulated by employees on a 1:1 basis. In 2023, despite the burden of household economic conditions caused by high inflation, employees voluntarily donated KRW 145,262,200, and total KRW 1,170,473,393 was accumulated. Using the 'n Sharing Seed' fund, Nepes supported international emergency relief activities for the War in Ukraine and recovery efforts for damage from floods in Chungbuk. The fund was also utilized for scholarships for students growing up in challenging environments, medical expenses for disabled children, and other welfare blind spots.



Trend of 'n Sharing Seed' Collection Amount (Over 3 Years/Unit: KRW)



Achievements of the 'n Sharing Seed' Fund in 2023

Category	Donation Recipient	Details of Donation
Regular	Red Cross	Monthly donation of 500,000 KRW
	Hyenung Childcare Center	Monthly donation of 500,000 KRW
	Samsung Child Welfare Center	Monthly donation of 500,000 KRW
	World Vision Child Family Counseling Office/Child Support	Monthly donation of 1,000,000 KRW
	Student Park Joon-Soo Support	Scholarship for Monthly 300,000 KRW /3 years (10,800,000 KRW)
Non-Regular	Goesan-gun Chungcheongbuk-do	Flood recovery annuity 10,000,000 KRW
	Cheongan-gun Repair of old houses	Donation (11,000,000 KRW)
	Korean Christian Academy of Management	Donation (10,000,000 KRW)
	Sponsorship of scholarships to celebrate the 33rd anniversary of Nepes (33 students)	Scholarship (16,500,000 KRW)

Operation of Employee-Participation Volunteer Programs

Community Revival Volunteer Activities

Nepes takes the lead in building a cyclical ecosystem by continuously sharing with our neighboring communities or vulnerable groups. Beyond simple material donations, sponsorships, or one-time volunteer activities, we operate various employee-participation volunteer programs to fulfill our role as a responsible corporate citizen.

Nepes has been conducting volunteer activities for the local communities where our business sites are located. In 2023, activities included making kits for the holidays for elderly living alone, Kimjang (kimchi-making) volunteer activities for local farmers, lunchbox services, gift sharing for Children's Day, and more. Specifically, we have actively participated in improving the local community environment by carrying out residential environment improvement projects, Plogging and the Good Cycling campaign.

Community Revival Volunteer Activities (2023)

Jan Making New Year's Day Gifts for the Elderly
May Gift kit making for Children's Day
August Good Cycling campaign volunteer activities

Sep Making Chuseok gift kits
Nov Kimjang (kimchi-making) for love
Nov Repairing old houses in Cheong-an

Dec Gift packing for OCC
Dec Christmas gift packing



INFORMATION PROTECTION

As the influence of information grows, it is becoming an essential asset for companies. Consequently, there are diverse methods of misuse, damage, leakage, and alteration of information by unauthorized persons. Nepes manages internal security systematically, operates related regulations and guidelines to prevent personal information leaks, and conducts education to enhance members' security awareness. Furthermore, following the implementation of the Information Security Mandatory Disclosure system in 2021, Nepes has been disclosing related content on the KISA Information Security Comprehensive Portal.

Security Management System

Nepes has a dedicated Chief Information Security Officer (CISO) to systematically and intensively protect information. Moreover, we operate various guidelines and plans, including Information Security Organization Operation Guidelines, User Security Guidelines, Personal Information Internal Management Plans, Information Security Policies, and Information Security Pledge. Nepes' internal regulations include the CEO's information security declaration and the Information Security Code of Conduct, which are shared with all members through the groupware system.

Security Activities

To prevent external security threats and internal information leakage, a firewall system has been established. Nepes operates the firewall system by distinguishing between the bandwidth of major networks like office and production site servers. Through this firewall system, the use of portable storage devices like USBs and social networking services (SNS) like KakaoTalk is prohibited without the permission of the information security department. Moreover, Nepes operates security solution systems, including the IPS (Intrusion Prevention System), APT (Advanced Persistent Threat) security solution, and web firewall, to prevent information breaches from external sources.

Personal Information Protection Policy

Nepes retains a Personal Information Internal Management Plan policy to safely process and report the personal information of various stakeholders. When handling personal information, the company ensures that the information is not lost, stolen, leaked, altered, or damaged by implementing administrative, technical, and physical measures.

Main Content of the Personal Information Internal Management Plan

1. Establishment and implementation of the internal management plan
2. Duties and responsibilities of the personal information protection manager
3. Collection/use of personal information
4. Technical and administrative safety measures for each processing stage of personal information
5. Installation/operation of video information processing devices
6. Regular self-audits
7. Response and remedies for personal information breaches

Information Security Education and Training

Every year, Nepes' information security practitioners provide information security training for employees. The content includes information security and business secrets, information security rules, and personal information protection. In 2023, we conducted personal information protection education for a total of 2,456 people. We also share daily IT security trends (Security News) and run monthly security promotion campaigns to enhance employees' awareness of information security.



Information Protection Practice Rules(2024.01)

Information Security Training Content

Information Security and Business Secrets	Definition of information security, methods of business secret leakage, and damages
Information Security Rules	Company-wide protection regulations, user security guidelines, employee badge management, ransomware, phishing emails
Personal Information Protection	Types of personal information, violations of security regulations, and penalties

Nepes, as a company subject to the Information Security Mandatory Disclosure, has been disclosing its information security status on the 'Information Security Comprehensive Portal' since 2021. In 2023, the company invested 5.8% of the total IT investment amount in the information security sector, thereby enhancing physical security.

* Based on 2024.06

Investment in the Information Technology Sector	4,495,067,882 KRW
Investment in the Information Security Sector	261,628,818 KRW
Main Investment Items	Production system improvement, AI utilization, etc.
Information Technology Department Personnel	46.5 Personnel

For the past five years, Nepes has no record of violating laws/regulations related to personal information management and operation, resulting in any penalties.

Category	2019	2020	2021	2022	2023
Number of Personal Information Breaches and Regulations	0	0	0	0	0

Information Security Status

Personal Information Breaches and Regulations

GOVERNANCE

- BOARD OF DIRECTORS 30
- AUDIT SYSTEM 32
- ETHICAL AND LEGAL MANAGEMENT 33

BOARD OF DIRECTORS

Nepes recognizes that an independent and healthy governance structure is the foundation for long-term enhancement of corporate value and the happiness of stakeholders. We are continually striving to establish a more robust governance system.

Composition of the Board of Directors

According to Article 29 of the Nepes Articles of Association, the board consists of directors ranging from three to ten members. To reflect the perspectives of various stakeholders in the corporate management process, more than one-third of the board members are outside directors as of June 2024. According to Article 38 of the Articles of Association, the board decides on statutory and constitutional resolutions, proposals requiring shareholder approval, and other significant business matters.

* Based on 2024.06

Category	Name	Expertise	Major Experience
Chairman of the Board	Byung-Koo Lee	Management	Current: CEO & Chairman Former: LG Semiconductor
Inside Director	Chang-woo Lee	Management	Current: CEO & Chairman
Inside Director	Sang-jae Lee	Semiconductors	Current: Executive Director of Business Development Division Former: Korea City Bank
Outside Director	Hee-gook Lee	Semiconductors	Current: Outside Director at GS Construction Former: LG Group
Outside Director	Won-ho Kim	Medical	Current: Professor at Yonsei University College of Medicine Former: Resident at Severance Hospital

Operation of the Board of Directors

Nepes convenes the board meetings for financial statement approvals, regular shareholder meetings, and investment approvals. According to Article 37 of the Nepes Articles of Association, the CEO or a director designated by the board calls for a board meeting, notifying each director of the meeting date, location, and agenda three days in advance. In case of urgent matters, directors are promptly informed for decision-making.

Category	Main Contents of the Board of Directors Operation Rules
Number of Directors	Article 29 (Number of Directors and Auditors) ① The company shall have between three and ten directors, with at least one-quarter being outside directors.
Composition and Convening of the Board of Directors	Article 37 (Composition and Convening of the Board of Directors) ① The board of directors is composed of directors and decides on significant company matters. ② The board of directors is convened by the CEO or a designated director, notifying each director and auditor three days in advance. However, the convening procedure can be omitted with the consent of all directors and auditors. ③ The chairman of the board of directors shall be the one with the authority to convene the board of directors as stipulated in Paragraph 2. ④ Directors must report the status of their duties to the board of directors at least once every quarter.
Decision-making method of the Board of Directors	Article 38 (Decision-making Method of the Board of Directors) ① The decisions of the board of directors require the attendance and consent of the majority of directors. ② Directors with a particular interest in the board's decision cannot exercise their voting rights. ③ The board of directors can allow directors to participate in decisions through telecommunication means that simultaneously transmit video and audio. In such cases, these directors are considered to have attended in person.
Minutes of the Board of Directors	Article 39 (Minutes of the Board of Directors) ① Minutes must be prepared for board of directors' decisions. ② The minutes should record the agenda, summary of proceedings, results, dissenting opinions, and reasons for dissent. All attending directors and auditors should sign or affix their seal to the minutes.

BOARD OF DIRECTORS

Activities of the Board of Directors

In 2023, Nepes convened the board of directors 10 times and resolved 18 approved items. The board of directors recommends a 100% attendance rate unless there's a special reason, and the attendance rate for 2023's board meetings stood at 82%.

Nepes' board of directors is actively working to achieve a 100% attendance rate in 2024 by employing various channels like online platforms, telecommunication, and email to notify and share meeting dates and agendas more efficiently.

Before each board meeting, the agenda is shared with the board members to provide a comprehensive understanding of its background and necessity. If members have alternative opinions, preliminary coordination ensures smooth board operations.

Category		2022	2023
Attendance Rate	Overall	91%	82%
	Inside Director	95%	88%
	Outside Director	89%	70%
Number of Meetings		13	10
Number of Proposed Items (Approved)		19	18

Director Independence

Major business decisions and task execution of the company are made through the board's review and decision. Nepes also have board operation regulations in place to prevent unilateral management by major shareholders and to protect minority shareholders from potential harm.

Board of Directors Expertise and Diversity

Nepes continuously strives to ensure the expertise and diversity of board members. The three internal directors of Nepes have high expertise in company management and the semiconductor industry, closely related to company operations like management, finance, and marketing.

Nepes is committed to appointing external directors without bias to ensure diversity. The two external directors of Nepes, experts in the semiconductor and medical fields, actively participate in the board with diverse perspectives.

Appointment and Tenure of Directors

According to Articles 30 of the Articles of Association and 382 of the Commercial Act, the directors of Nepes are appointed by a resolution of the shareholders at the general meeting. A director's term cannot exceed three years. However, if the term expires before the regular general meeting regarding the final settlement, the term is extended until the end of that meeting.

Director Remuneration

The remuneration for Nepes directors is executed within the total limit of director compensation approved by the general meeting, according to Article 40 of the Articles of Association. The limit for director compensation approved at the 2023 general meeting stands at KRW 4 billion. The total amount of remuneration paid to directors is approximately KRW 2.5 billion, which includes the salaries paid to executives who resigned during the year.

(Unit: KRW 1 million)

Compensation for Board Members in 2022	Number of Directors	Total Amount Paid	Average Compensation Per Person
Inside Director	3	2,361	787
Outside Director	2	100	50

AUDIT SYSTEM

Nepes operates an audit system capable of monitoring and investigating its accounting, financial status, and overall company operations.

Audit

Nepes' auditor, as a member of the board of directors, attends board meetings and can independently supervise the directors' duties. If necessary, the auditor can receive business-related reports from the company. As of the end of March 2024, Nepes has one auditor, and the duties of the auditor are determined by Article 35 of the Articles of Association.

Auditor's Expertise

Nepes continuously strives to ensure the expertise of its auditor. Jong-hoon Yoon, an auditor of Nepes, is an expert in accounting and finance and has worked for the National Tax Service for over 30 years. His significant roles include serving as the Head of the Busan Regional Tax Office and the Seoul Regional Tax Office.



Category	Auditor
Name	Jong-hoon Yoon
Expertise	Accounting, Finance
Major Experience	Current: Auditor at Nepes Former: Head of Seoul Regional Tax Office

Audit Composition

Audit Support Organization

Department Name	Number of Employees	Position (Years of Service)	Major Activities
Finance & Accounting Team Internal Accounting Team Audit Team	13	Team Leader (1 person), Team Members (12 people) (Average service months: 77)	Support for company management activities, general meetings of shareholders, board of directors, and overall management-related audit tasks

Internal Accounting Control System

Nepes adheres to Article 8 of the "Act on External Audit of Stock Companies" (hereinafter referred to as the "Act"), Article 9 of the Enforcement Decree of the same Act (hereinafter referred to as the "Decree"), and Article 6 of the "Regulations on External Audit and Accounting" (hereinafter referred to as the "External Audit Regulations"). Based on these regulations, we have established policies and procedures necessary for the design, operation, evaluation, and reporting of the internal accounting control system (hereinafter referred to as the "internal accounting control system"). By designing and operating a reasonable and effective internal accounting control system, we aim to enhance the reliability of our financial statements.



Audit Report on Internal Accounting Control System

Responsible Person	Position	Job Responsibilities
Jong-hoon Yoon	Auditor	Evaluation & Reporting of Operational Status
Hyun-kyu Lee	Division Director	Design & Operation of Internal Accounting Control System Design & Operation
Joon-geun Kim	Section Chief	Management & Evaluation of Operational Status of Internal Accounting Control System
Hyo-jin Kwon	Section Chief	Development, Application, & Operation of Information System

Audit Report on Internal Accounting Control System

Nepes' full-time auditor assessed the design and operation of our internal accounting control system for the fiscal year ending on December 31, 2023. As of December 31, 2023, it was determined and reported that our internal accounting control system was effectively designed and operated from a perspective of significance, based on the standard internal accounting control system.

Disciplinary Actions for Violation of Internal Accounting Rules

Violation Date	Violator	Violation Content	Disciplinary Action	Disciplinary Date
-	-	-	-	-

ETHICAL AND LEGAL MANAGEMENT

Nepes recognizes the contemporary importance of ethical and legal management. We aim for a transparent and clean corporate culture, striving to fulfill social responsibilities by respecting our workforce, establishing a fair trade order, and performing our duties ethically and legally.

Practical System for Ethical Management

Nepes aspires for free and fair competition, building mutual trust and collaboration with all stakeholders in the pursuit of mutual benefits related to employee tasks. Additionally, the 'Nepes Ethical Management Regulations', which contains specific ethical management practices and guidelines, is announced on our internal bulletin board. We are committed to preventing unethical incidents and enhancing the ethical awareness of our entire staff through programs and institutional operations.

Code of Ethics

The Nepes Code of Ethics is a condensed version of our ethical management principles, established to maintain the highest professional and personal ethical standards by Nepes employees in their relationships with customers, colleagues, suppliers, competitors, government, and social organizations.

Nepes Code of Ethics

Every Nepes employee:

- ① Complies with all relevant regulations,
- ② Treats everyone involved in their work equally, respecting their rights and dignity,
- ③ Neither seeks nor offers any unfair benefits,
- ④ Refrains from any behavior that may harm the reputation of Nepes or other employees,
- ⑤ Actively upholds the highest levels of ethical and moral conduct, serving as a model for national and societal development.

Ethical Regulations

The ethical regulations consist of responsibilities and duties towards customers, shareholders, employees, and business partners, as well as the state and society. All Nepes employees and business locations conduct their operations based on these regulations. They are also available for viewing on the Nepes website, ensuring that stakeholders can also adhere to them.

Nepes Ethical Management Internal Regulations

1. Ethical Regulations
2. Guidelines for Practicing Ethical Regulations
3. Operating Regulations for Internal Reporting System
4. Partner Company Code of Conduct

Organization and Operation of Ethical Management

Nepes' dedicated ethical management department is guaranteed independence in its operations by the management. It supports transparent business activities by reporting major issues related to ethical management to auditors and the CEO.

Ethical Management Education and Promotion

Nepes conducts continuous ethical management training for all employees. We have designated it as mandatory training for new hires, ensuring that they receive at least one hour of instruction. In January 2023, to enhance employees' awareness and encourage a proactive attitude towards ethical management, we held an online special lecture on the theme "Creating a Healthy Workplace." Starting from 2023, as part of our efforts to boost the will to practice ethical management among employees, we have been introducing explanations and examples of ethical management regulations through our internal bulletin board. Since February 2023, a total of 31 posts have been published, which employees have viewed a total of 16,342 times.

Dedicated Department for Company Regulations

Nepes is committed to fulfilling our obligation to comply with laws and regulations, acknowledging the increasing emphasis on corporate social responsibility and legal compliance. To minimize the impact on the company due to unintended legal violations and to increase each department's compliance rate, we established a department dedicated to company regulations. This department continuously monitors the introduction or modification of laws, and whenever there's a need for updating our regulations, they collaborate with the responsible departments to reduce risks.

ETHICAL AND LEGAL MANAGEMENT

Ethics Reporting System

Ethics Reporting System Operation

Nepes strives to establish an ethical corporate culture and enhance business transparency. We accept reports of unethical behaviors, such as unfair business practices, undue demands, and solicitation or acceptance of bribes, through various channels like mail, phone, and email. For convenience, we have established the 'Ethics Reporting System' on the Nepes Ethical Management website, which also allows for anonymous reporting.

Reporting Channels

Website	www.nepes.co.kr/kr/esg/unethical_information.php
Email	ethics@nepes.co.kr
Tel	043-240-8496
Mail	Nepes, 28116, 587-32 Gwahaksaneop 2-ro Ochang-eup, Cheongwon-gu, Cheongju-si, Chungcheongbuk-do

Protection of Reporters and Report Processing

Nepes strictly protects the identity of the reporter and ensures that they do not face any disadvantages or discrimination due to their report. We operate a whistle blower protection system by revising and updating the internal reporting system regulations. Every year, we monitor for any employment condition differences or disadvantages due to retaliatory actions against the reporter. Any attempts to identify the reporter are strictly prohibited. If such attempts are detected or if any direct or indirect harm is inflicted on the reporter, they can request corrective and protective measures. Individuals responsible for causing harm or disadvantage to the reporter will face disciplinary actions.

The organization in charge of ethics reporting initiates an immediate investigation on received reports if deemed necessary, determining violations of ethical management. The reporter is informed about the results of the investigation and, if necessary, disciplinary measures are reported to the personnel committee. The results of the ethics report investigation and disciplinary actions are publicly disclosed on the company's groupware bulletin board.

Report Processing Procedure

Report Reception	Website/Phone/E-mail/Face-to-face
Report Classification	Decision on the investigating entity based on the rank of the subject and the severity of the matter
Investigation Initiation	Involvement of related departments if necessary
Result Reporting	Review of investigation results, reporting/approving action suggestions, additional investigation if insufficient
Follow-up Actions	Feedback on results (upon request), disciplinary referral if a disciplinary reason arises

Ethical Management Index Evaluation

Response to Ethics Reports

Category	2021	2022	2023
Number of Reports	3	1	1
Case Resolution Rate	100%	100%	100%

Nepes conducts an anonymous survey of its employees at least once a year to diagnose the level of ethical management practice and ethical awareness, aiming to uncover areas of improvement and promote the establishment of ethical management. The evaluation indicators have been developed in-house, referencing the results of the nationwide ethical index evaluation of public institutions under the Ministry of Land, Infrastructure, and Transport. The evaluation items are categorized into Nepes' ethical management infrastructure and operation system, which is a comprehensive ethical management practice system, and the level of ethical awareness, which measures the ethical consciousness of members in various sectors, such as economic and legal responsibilities. Based on the evaluation results, we plan to strengthen ethical management education and promotional activities and activate in-house ethical management practice programs.



Ethical Management Education and Pledge of Practice

When drafting employment contracts for new hires, Nepes ensures that they also draft a pledge to practice ethical management, aiming to foster a consciousness of ethical management.

Violation of Governance Laws/Norms

Over the past five years, Nepes' management has had no record of violating laws or norms, and we continuously strive for transparent business operations.

	2019	2020	2021	2022	2023
Type 1-Punishments include criminal penalties, fines, administrative fees, etc.	0	0	0	0	0
Type 2-Penalties include administrative fines, surcharges, enforcement fines, etc.	0	0	0	0	0

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ESG MANAGEMENT DATA

Environment

GHG Emissions

Items	2021	2022	2023
Per Unit GHG Emission	6.68	6.52	8.17
Total GHG Emissions (tCO2eq)	23,074	27,189	26,725
Scope1 GHG Emissions (tCO2eq)	1,895	2,336	1,842
Scope2 GHG Emissions (tCO2eq)	21,179	24,853	24,883
Denominator for per-unit utilization (Revenue/0.1 Billion KRW)	3,455	4,171	3,273

Energy Consumption

Items	2021	2022	2023
Per Unit Energy Consumption	0.14	0.13	0.15
Total Energy Consumption (TJ)	466	549	505
Denominator for per-unit utilization (Revenue/0.1 Billion KRW)	3,455	4,171	3,273

Waste Recycling Rate

Items		2021	2022	2023
Waste recycling rate		86%	88%	86%
Industrial wastes (ton)	Recycled	328.8	328.0	341.4
	Incineration	2.4	7.4	2.3
	Landfill	19.1	9.4	21.9
Household wastes (ton)	Recycled	181.3	183.3	190.8
	Recycled	1,516.6	1,996.1	1,363.1
Designated wastes (ton)	Incineration	10.9	17.9	15.5
	Neutralization	289.4	318.3	264.4

Water Consumption

Items		2021	2022	2023
Per-unit Water Consumption		314.72	321.49	357.74
Total Water Consumption (ton)		1,087,373	1,340,938	1,170,887
Cheongju 1	Industrial water	Withdrawals	257,933	327,500
		Consumption	273,701	359,036
	Residential water	Withdrawals	4,133	4,888
		Consumption	4,133	4,888
Cheongju 2	Industrial water	Withdrawals	728,840	781,908
		Consumption	765,632	930,828
	Residential water	Withdrawals	22,311	20,844
		Consumption	22,311	20,844
Cheong-an	water supply	Withdrawals	-	344
		Consumption	-	344
Eumseong	groundwater	Withdrawals	21,596	24998
		Consumption	21,596	24998
Denominator for per-unit utilization (Revenue/0.1 Billion KRW)		3,455	4,171	3,273

Water Pollutant Emissions

Management item	BOD	TOC	SS
2022 Emission (ton)	4.39	15.02	13.67
2023 Emission (ton)	5.15	10.69	11.35

Air Pollutant Emissions

Management item	NOx	SOx	Dust
2022 Emission (ton)	0.63	0.07	1.14
2023 Emission (ton)	1.77	0.38	0.80

Hazardous Chemicals Usage

Management item	2022	2023
Consumption (ton)	20,465.99	16,249.07

Chemical emissions

Management item	2022	2023
Emission (ton)	10.67	9.70

ESG MANAGEMENT DATA

Social

New Hiring

Category	Unit	2021	2022	2023
New Hiring	Number	223	337	101

Number of Employees by Employment Contract (Including Contract Employees)

Category	Unit	2021	2022	2023
Employment Contract Status	Regular	640	1,089	925
	Non-Regular	20	97	60
	Contract	596	0	0
	Total	1,256	1,186	985

* Decrease in the number of members due to transfer of subsidiaries in 2023

Member Diversity

Category	Unit	2021	2022	2023
Employee Ratio (By Gender)	Male	80.6	53.9	55.5
	Female	19.4	46.1	44.5
Employee Ratio (By Age)	Under 30 years	23.5	26.8	26.5
	30-50 years	67.0	59.5	58.8
	Over 50 years	9.5	13.7	14.7

* In 2022, the number of total workers changed due to the conversion of Contract employees to Regular employees

Status of Female Managers

Category	Unit	2021	2022	2023
General Manager	%	0.6	0.3	0.4
Manager		4.2	2.9	3.9

* In 2022, the number of female workers changed due to the conversion of Contract employees to Regular employees

Employee Education and Training Status

Category	Unit	2021	2022	2023
Training Hours per person	Hours	55	72	49
Training Cost per person	KRW 10,000	85	44	23

* Since 2022, due to an increase in in-house training, the cost of training per employee decreased

Parental leave Status

Category	Unit	2021	2022	2023
Employees who used a maternity leave	Number	2	3	1
Employees who used a childcare leave		3	4	17
Return to work rate after childcare leave*	%	50	50	85

* Rate of employees who worked for 6 months after returning to work among childcare leave users in the previous year

Voluntary Turnover Status

Category	Unit	2021	2022	2023
Voluntary Turnover	Number	92	146	85

Occupational Accident Status

Category	Unit	2023
Nepes	%	0.1
Subcontractor		0

Percentage of Workers with Disabilities

Category	Unit	2023
Disabilities Employee Ratio	%	3.4

AFFILIATED ORGANIZATIONS & AWARDS

Membership in Major Associations and Organizations

Federation of Middle Market Enterprises of Korea	Korea Semiconductor Industry Association	Nano Technology Research Association
Semiconductor Equipment and Materials International (SEMI)	Chungbuk Semiconductor Industry Promotion Council	ASIC(American Semiconductor Innovation Alliance)
Korea World Class Enterprise Association	The Korean Microelectronic and Packaging Society	UCle(Universal Chiplet Interconnect Express) Consortium
Korean Red Cross Corporate Group RCSV	Chungbuk Economic Forum	

Awards and Honors

Award Date	Award Description	Presented By
1996.11.30	\$10 Million Export Tower	Korea International Trade Association
2005.07.11	Korean Technology Fast 50 Bronze Medal	Digital Times, Deloitte Korea, Korea Credit Information
2005.12.08	Asia Pacific Technology Fast 500	Deloitte
2006.10.19	Venture Business Silver Tower Industrial Award	Ministry of SMEs and Startups, Venture Business Association
2007.03.03	Taxpayer's Day Commissioner Award	National Tax Service
2010.12.06	Presidential Commendation for Large, Medium, and Small Business Cooperation	Ministry of Knowledge Economy, Ministry of SMEs and Startups
2011.11.09	Best Award for Sustainable Management	Ministry of Knowledge Economy, Ministry of SMEs and Startups
2011.11.10	Top 100 Great Companies to Work for in Korea	GWP Korea
2013.03.04	Taxpayer's Day Commissioner Award	National Tax Service
2015.05.29	Global CEO Award in International Management	Asia & Europe Future Society Association
2015.07.01	World Class 300 Company Certification	Ministry of SMEs and Startups
2016.06.28	Korea-China Management Special Award	Korean Marketing Association
2016.12.15	Human Management Grand Prize	Human Development Research Institute
2016.12.28	Next Generation World-Class Product Certification (WLP)	Korea Trade-Investment Promotion Agency
2017.08.21	Korean Small Business Leader Award	Korean Management Association
2017.11.22	President's Commendation for Regional Industrial Promotion	Ministry of Trade, Industry and Energy
2018.10.16	Prime Minister's Commendation for Leading 4th Industrial Revolution Companies	Ministry of Trade, Industry and Energy
2018.12.27	National Competitiveness Award in Manufacturing	Korean Marketing Association
2019.10.02	Selected as Excellent IR Company	Korea IR Association
2021.07.05	2021 Excellent Employment Company Certification	Chungcheongbuk-do
2021.09.18	Selected as Best HRD Company	Ministry of Employment and Labor, Ministry of Trade, Industry and Energy, Ministry of SMEs and Startups, Ministry of Education
2021.11.04	Minister's Award for Excellent Reading Management Workplace	Ministry of Culture, Sports and Tourism
2021.12.15	ESG Management CEO Award	Thanks Share Research Institute
2022.01.10	Selected as Outstanding SME	Ministry of Trade, Industry and Energy
2022.11.09	Selection of Next-Generation World-Class Product (Fan-out Package)	Ministry of Trade, Industry and Energy
2022.11.17	Selected as Top 10 Lighthouse Company	Ministry of Trade, Industry and Energy
2022.11.20	Gold Industrial Medal Award	Ministry of Trade, Industry and Energy
2023.01.12	'Cocoa Fab' is selected as Hall of Fame of Korea Brand 2023	The Institute for Industrial Policy Studies
2023.11.09	Current World-Class Product Certification (WLP)	KOTRA

MAJOR CERTIFICATIONS STATUS

Certified Business Locations	Certification Content
Cheongju 1st & 2nd Campus	QMS-IATF 16949
	EMS-ISO 14001
	OHS-ISO 45001
	SEC Eco-Partner
	AEO(Exporter/Importer)
Eumseong Campus	SONY GP
	ANSI/ESD S20.20-2021
	QMS-IATF 16949
	EMS-ISO 14001
	OHS-ISO 45001
Cheongan Campus	AEO(Exporter/Importer)
	QMS-ISO 9001
	EMS-ISO 14001
	OHS-ISO 45001

GRI INDEX

Disclosure Items			Location		Remarks	
Reporting Theme	Number	Indicator Name	Report	Supply Chain K-ESG	UN SDGs	
The organization and its reporting practices	2-1	Organization details	4	P-1-1	-	
	2-2	Entities included in the organization's sustainability reporting	2	-	-	
	2-3	Reporting Period, frequency and contact point	2	P-1-2/1-3	-	
	2-4	Restatements of Information		-	-	
Activities and workers	2-6	Activities, value chain and other business relationships	4-5/11	-	8.2	
	2-7	Employees	19/23/37	S-1-1, S-3-1	-	
Governance	2-9	Governance Structure and Composition	30	-	-	
	2-10	Nomination and selection of the highest governance body	31	-	-	
	2-11	Chair of the highest governance body	30	-	-	
	2-16	Communication on Critical Concerns	31	-	-	
	2-17	Collective Knowledge of the Highest Governance Body	31	-	-	
	2-19	Remuneration Policies	31	-	-	
Strategy, policies and practices	2-22	Statement on Sustainable Development Strategy	3	-	-	
	2-26	Mechanisms for seeking advice and raising concerns	23,33-34	G-1-2/1-4	-	
	2-27	Compliance with laws and regulations	13/28/34/36-37	E-4-1/4-2 S-3-3/5-4/9-2 G-1-6	-	
	2-28	Membership Associations	38	-	-	
	2-30	Collective Bargaining Agreements	23	S-1-3	-	
Energy	302-1	Energy Consumption within the Organization	12	E-3-2	7.2	
	302-3	Energy Intensity	12	E-3-2	-	
	302-4	Reduction of Energy Consumption	12	E-3-1	-	
Water and Effluents	303-3	Water withdrawal	36	E-6-2	6.4	
	303-4	Water Discharge	13,36	E-6-3	3.9/6.3	
	303-5	Water Consumption	13,36	E-6-2	6.4	
Emission	305-1	Direct (Scope 1) GHG emissions	12,36	E-3-3	-	
	305-2	Energy indirect (Scope 2) GHG Emissions	12,36	E-3-3	-	
	305-4	Greenhouse Gas Emissions Intensity	12,36	E-3-3	-	
	305-5	Reduction of Greenhouse Gas Emissions	12,36	E-3-1	-	
	305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and and Other Significant Air Emissions	13,36	E-5-2	3.9/12.4	

Disclosure Items			Location		Remarks	
Reporting Theme	Number	Indicator Name	Report	Supply Chain K-ESG	UN SDGs	
Effluents and Waste	306-3	Waste Generated	13,36	E-4-3	12.4-12.5	
	306-4	Waste Recycling/Reuse Quantity	13,36	E-4-3	12.5	
Employment	401-1	New employee hires and employee turnover	29/37	-	4.4/8.5	
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	22	-	-	
Occupational Safety and Health	403-1	Occupational health and safety management system	16	S-4-2	-	
	403-2	Hazard identification, risk assessment, and incident investigation	17	S-5-3	-	
	403-5	Worker training on occupational health and safety	17	-	-	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	17	-	-	
	403-8	Workers covered by an occupational health and safety management system	16	-	-	
Training and Education	403-9	Work-related injuries	37	S-5-4	-	
	404-1	Average hours of training per year per employee	37	-	-	
Diversity and Equal Opportunity	404-2	Programs for upgrading employee skills and transition assistance programs	20	-	-	
	405-1	Diversity in Governance Bodies and Employees	23,37	S-3-1/3-3	-	
Diversity and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men	23	S-3-2	8.5	
	405-1	Diversity in Governance Bodies and Employees	19/33-34	G-1-2	5.1	
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	18,24	-	-	

* Based on GRI Standard 2021

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Individuals who participated in the creation of the ESG report

No.	Organization	Department/Team	Name
1	Business Planning	Business Planning Team	Sang-min Lee / Yoon-jung Woo / Tae-yang Kim
2	Environmental Safety Infrastructure	Environmental Safety Team (EM) Environmental Safety Team (Semi) Manufacturing Infrastructure Innovation Team	Hyung-nam Goo / Ji-yeong Bang / Ji-eun Choi Ho-seop Gil / Kyu-ha Lee / Pil-won Seo Ju-yeol Park / Sang-moo Jeong / Sung-gyu Choi
3	Purchasing	Management Support Team(EM) Strategic Purchasing Team (Semi)	Seok-jo Hong Jin-Seop Choi / Young-Tae Kim
4	Business Support	Business Support Team HR Planning Part Recruitment Part Talent Development Part Administration Part	Chi-ho choi Sun-young Kim / Seung-min Kim Tae-jung Kim Ji-young Park Hee-Yeop Na
5	Financial Support	Financial Support Team Financial Accounting Part 1 Capital Part	Hyun-kyu Lee Dae-ho Kim / Hyo-chul Lee Dong-hwan Lee
6	Corporate Culture	Culture Part	Sung-chan Jung / Eun-young Go
7	Information Protection	Infra Security Part	Seung-pyo Lee / Chi-ho Choi
8	Audit and Ethics	HR Planning Team	Mun-kyung Lee