Hanwha Vision's
Sustainability Report 2024

Hanwha Vision

About This Report

Report Overview

Hanwha Vision publishes an annual Sustainability Report that transparently presents the economic, social, and environmental values and achievements generated by its business activities. To ensure transparent communication with stakeholders, a materiality assessment is conducted during the report's preparation process to identify material issues. The 2023 report faithfully covers Hanwha Vision's sustainability initiatives and accomplishments related to these issues.

Reporting Period

This report covers Hanwha Vision's economic, social, and environmental performance and activities from January 1, 2023, to December 31, 2023. In some cases, information from the first half of 2024 is included. To illustrate trends, quantitative performance data of the past three years (2021, 2022, and 2023) is also provided.

Reporting Scope

This report primarily focuses on Hanwha Vision's headquarters, with some data also including performance metrics of overseas production and manufacturing facilities (Vietnam). Any differences in the scope of this report are noted separately for readers' reference.

Reporting Standards

This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, a sustainability reporting framework. It follows the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and incorporates indicators from the Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (UN SDGs). Financial performance data is reported according to the K-IFRS (Korean International Financial Reporting Standards) consolidated standard.

Report Verification

To ensure reliability, this report has undergone verification by an independent third-party institution, BSI (British Standards Institution). The verification was conducted based on the international standard AA1000AS. Detailed verification statements and opinions are provided in the Appendix.

Report Inquiries

This report is available in both Korean and English on the Hanwha Vision website for viewing or downloading. For inquiries regarding this report, please contact the Business Management Team of the Management Support Division.

Hanwha Vision Co., Ltd.

Department	Management Support Division, Business Management Team
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Address	6, Pangyo-ro 319beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, South Korea
Publication Date	December 2024

Interactive User Guide

The 2024 Hanwha Vision Sustainability Report is available as an interactive PDF to enhance reader convenience, including navigation and search functions.

🏠 You can navigate to the cover page of this Report.

☰ You can navigate to the Contents page of this Report.

🔗 You can access the information that is disclosed on external websites.

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Overview

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CEO Message

Dear Stakeholders, As CEO of Hanwha Vision,
I would like to express my sincere gratitude for the interest in and support for Hanwha Vision.

In 2023, despite the global economic downturn and various business challenges, Hanwha Vision broke the KRW 1 trillion mark in sales for the second consecutive year. In a difficult business environment marked by reduced investments and inventories our sales grew 4% compared to the previous year. This achievement reflects our commitment and dedication to our proactive expansion of our preemptive sales activities and our clear strategy of focusing on a diverse solution portfolio.

In line with this economic growth, Hanwha Vision has committed to proactively addressing sustainability and ESG management to foster a positive impact on society and the environment around us. As a "Great Challenger" that constantly innovates and pushes boundaries, we will continue our mission to drive ESG management, considering both the environment and the community, in order to take our full corporate responsibility.

To meet the high environmental standards of our customers, we strictly manage and supervise relevant environmental verification processes. We work to minimize hazardous materials in alignment with global environmental and ESG regulations, transparently sharing relevant information with customers and stakeholders.

We remain committed to ongoing community outreach and social responsibility. In the areas of safety and health, human rights, and mutual growth, we identify new goals and make improvements annually. In particular, to ensure sustainable supply chain management, we conduct annual partner evaluations, support improvement efforts, and rigorously fulfill our clients' ESG requirements.

By upholding compliance and ethical management, we lead by example in fulfilling corporate principles and responsibilities, striving to maintain transparent operations. Through strong governance, Hanwha Vision aims to incorporate ESG principles into all aspects of our management in order to generate long-term corporate values.

Each year, we share Hanwha Vision's direction for ESG management and accomplishments with stakeholders through our Sustainability Report. In doing so, we look back on the previous year and proactively engage with stakeholders to plan ahead.

As a sustainable business that specializes in video surveillance, Hanwha Vision has been growing every year based on a flexible and efficient management system. To keep up this momentum, Hanwha Vision has been leading innovation and change, continuously taking on new challenges. In the process, we are placing ESG management at the core of our efforts to achieve sustainable growth, while listening closely to the voices of our diverse stakeholders. With your interest and support, we will continue to strive for further progress.

We look forward to your encouragement and support on this journey.

Thank you.

CEO **Ahn, Soonhong**

Company Profile

About Hanwha Vision

As a global vision solutions provider, Hanwha Vision has positioned itself as a leading global video security company, based on its world–class expertise in optical design, manufacturing, and video processing technologies over the past 30 years. We played key roles in ensuring safety and security worldwide thanks to our high–performing and reliable products and solutions, combined with industry–leading cybersecurity policies. As a responsible member of our society, Hanwha Vision will remain committed to addressing economic, environmental, and social challenges through our business, technologies, and social initiatives, driving meaningful change. Boosting competitiveness based on innovation and realizing the value of sharing, we aim to become a new vision solution provider.

Overview

Company name	Hanwha Vision Co., Ltd.
CEO	Soonhong Ahn
Headquarters	6, Pangyo–ro 319–gil, Bundang–gu, Seongnam–si, Gyeonggi–do, South Korea
Established	Entered the video security business in 1990 (Spin–off Date: April 1st, 2018)
Employees	2,223 (as of year–end 2023, including overseas employees)
Business areas	Manufacturing and sales of video security devices and video recorders

2023 Financial Performance (Consolidated Statement)

(Unit: KRW million)

Revenue	Operating Profit	Pre–tax Profit
1,046,687	153,336	147,389

Business Activities

R&D

· Analysis of technology and market trends · Ensuring product quality and safety · Providing product information · Listening to and addressing feedback or VOC (Voice of Customer) · Responding to quality and cybersecurity upgrade issues	· Exchange of Non–Disclosure Agreements (NDAs) · Sharing mid–to–long–term product roadmaps · Collaboration on part specification approvals and commercialization development · Collaboration to improve key manufacturing processes and market quality issues	· Government project feasibility studies · Application for and execution of national project collaborations · Participation in policy discussions · Operation of mutual growth programs with small and medium–sized enterprises	· Monitoring regulatory trends · Developing a regulatory response roadmap · Preparing for commercialization and sample readiness · Conducting certification testing and obtaining certifications · Managing records of regulatory compliance status
Customers (General Consumers, business partners)	**Component Development Companies** (Component development and supply companies)	**Government** (Ministry of Information and Communications, Ministry of SMEs and Startups, etc.)	**Regulatory Agencies** (FCC, UL, ISO, cybersecurity and other certification bodies)
· Cooperation for mutual benefits · Fair trade		· Strengthening national competitiveness · Mutual growth with small and medium–sized enterprises · Compliance with national policies	· Compliance management · Transparent information disclosure

Procurement	**Manufacturing**	**Logistics & Transport**	**Service**	**Management**
· Supplier credit evaluations · Biannual supplier association meetings (business updates, best practices, quality improvement ideas)	· Facility safety inspections/improvements · Finished product manufacturing (domestic) · Process outsourcing (Vietnam) · Product quality and manufacturing efficiency	· Planned shipping execution · Inventory for overseas subsidiaries · Order–based transport	· Customer call intake and consultation · Dispatch and repair	· Organizational culture enhancement · Human/physical resource management for sustainable practices
Domestic suppliers	**External processing partners** (domestic/Vietnam)	**Int'l Transport & Warehouse Partners**	**Call Centers & Service Points**	**Employees**
· Domestic supplier risk management · Risk stabilization · Quality operations alignment	· Quality enhancement · On–time supply · Technical capability improvement	· Transport efficiency · Environmental impact reduction · Team trucking operations	· Minimizing customer inconvenience · Prompt response and resolution · Maximizing customer satisfaction	· Enhancing corporate value

Company Profile

Company Profile

Hanwha Spirit

At the heart of Hanwha's growth lies the Hanwha Spirit of "trust and loyalty." Building on this foundation, we have established the core values of "Challenge, Dedication, and Integrity" as the guiding principles for all employees, thoughts and actions, strengthening our sense of unity as members of Hanwha. These core values serve as the driving force behind the innovation of our corporate culture aimed at achieving our vision.

Hanwha Vision Core Values

Technology & Solutions
A company that resolves individual, corporate, and social problems through advanced vision solutions and adds new value to create new growth

Innovation
A company that finds answers to a better tomorrow through challenges and innovations that do not dwell in the present

Growth
A company that aims for sustainable growth for ourselves and our customers by investing generously in the future and working with trusted partners

Sustainability
A company that contributes to a sustainable environment for individuals and society through our technologies, solutions, and services

Hanwha Core Value

Challenge
Break away from complacency and pursue excellence based on change and innovation

Dedication
Treasure the relationships with colleagues, the company, and customers and commit to achieving a greater goal

Integrity
Adhere to principles, be impartial, and take pride
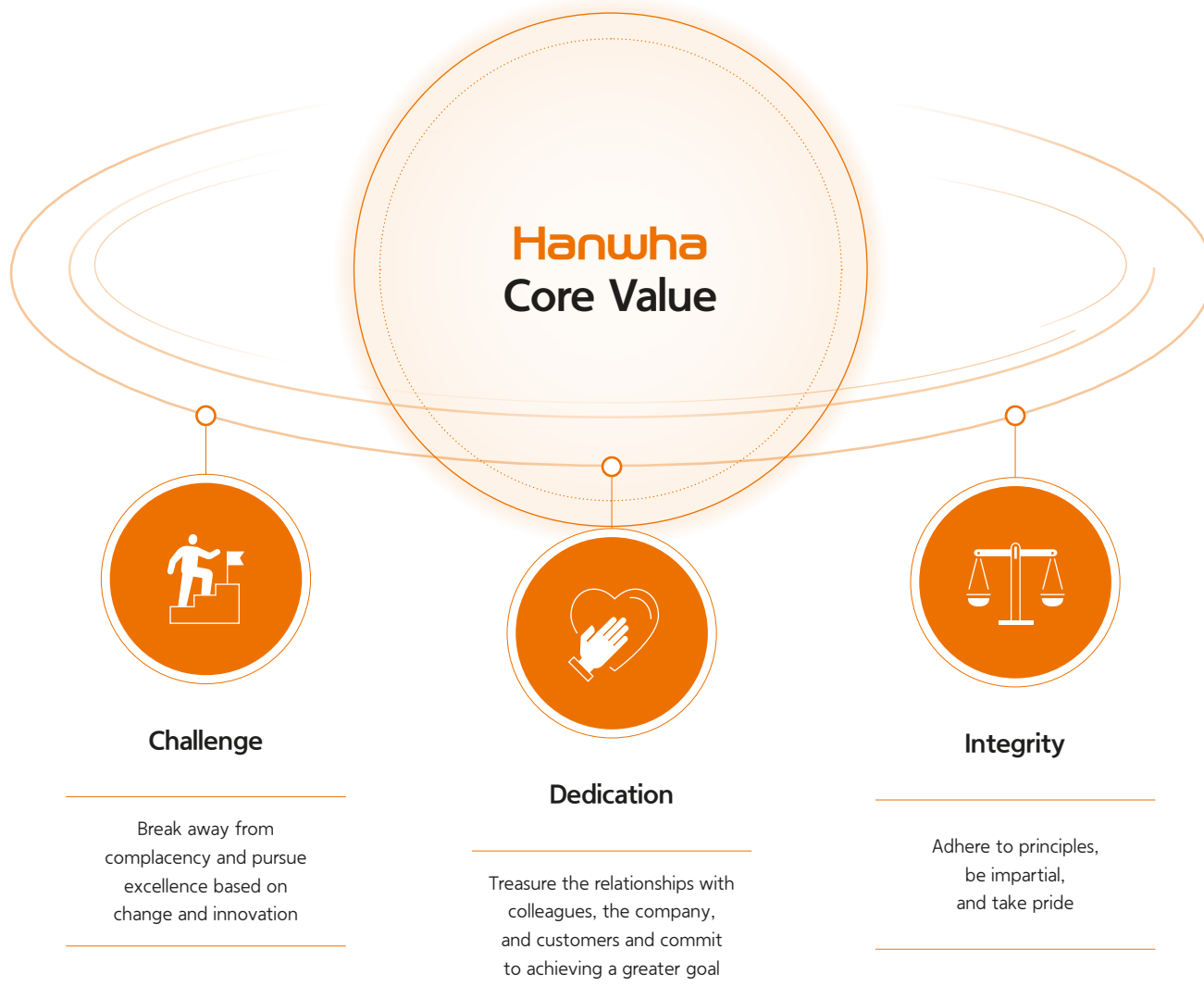
Company Profile

Our History

1990~2009

2009
- Established Hanwha Vision China in Tianjin and Shanghai

2008
- Launched the world's first 37x PTZ camera

2005
- Developed an advanced automatic intruder tracking system

2004
- Developed the Winner 3 Analog ISP chip

2001
- Established Hanwha Vision Europe

1997
- Released the world's highest-performing ultra-low-light security camera

1993
- Developed Korea's first auto-iris lens for CCTV

1990
- Entered the video security business, established Hanwha Vision America

2011~2020

2020
- Celebrated 30th anniversary of our video security business
- Launched P series AI camera
- Launched Wisenet7 SoC, obtained UL CAP (international cybersecurity certification) for the Wisenet7 series

2019
- Received the UK government's official cybersecurity certification "Secure by Default"
- Launched the world's first 55x IR PTZ camera

2018
- Established a Hanwha Vision Vietnam, a manufacturing facility

2017
- Launched Wisenet5 SoC and X series camera
- Received CES cybersecurity certification from the UK government

2016
- Established Hanwha VIsion Middle East

2015
- Launched Hanwha Techwin

2013
- Launched Wisenet3 SoC and camera series

2012
- Launched the world's first 37x IR PTZ camera

2021~Present

2024
- Joined the UN Global Compact (UNGC) for corporate social responsibility
- Launched the industry's first dual-lens BCR camera
- Obtained ISO 37301 certification, the first compliance management system certification in Korea's video security industry

2023
- Changed company name to "Hanwha Vision"
- Launched SolidEDGE, the world's first SSD-equipped camera
- Established Hanwha Vision Mexico
- Designated as a CVE® Numbering Authority (CNA)
- Obtained ISO 27001, the international standard for information security
- Achieved cumulative production of 10 million units at the Vietnam factory
- Published Hanwha Vision's first Sustainability Report

2022
- Launched IP audio system

2021
- Released X series of AI cameras
- Launched AI NVR and AI integrated solutions
- Developed AI-based infectious disease response solution

Global Network

As of the end of 2023, Hanwha Vision operates 5 subsidiaries and 16 Branch/offices worldwide.

Hanwha Vision Europe

Hanwha Vision Korea (Headquarters)

Hanwha Vision America

Innovation Center

Hanwha Vision Vietnam

Hanwha Vision Middle East FZE

Hanwha Vision Australia

Hanwha Vision Mexico

Subsidiaries	United States (New Jersey), Mexico (Mexico City), United Kingdom (London), United Arab Emirates (Dubai), Vietnam (Bac Ninh)
Branches/ Offices	France (Paris), Germany (Frankfurt), Italy (Milan) Spain (Madrid), Denmark (Aarhus), Turkey (Istanbul) Australia (Melbourne), Singapore, Qatar (Doha), Saudi Arabia (Riyadh), Poland (Szczecin), Czech Republic (Prague), South Korea (Busan, Daegu, Daejeon, Gwangju)

Business Overview

Hanwha Vision Device Solutions

Camera Solutions

Cameras are used to gather a diverse range of video information. We have two main lineups based on video transmission type: network and analog. In the network lineup, products are categorized into P, X, Q, and T series depending on their features, performance, and purpose.

- P Series: Premium single-sensor and multi-sensor cameras equipped with a range of advanced AI features
- X Series: Mid-to-high-end cameras offering excellent image quality and essential AI functions
- Q Series: Cost-effective cameras that provide high-quality video with basic analytics
- T Series: Special-purpose cameras, including multispectral thermal imaging and explosion-proof cameras

Audio System Solutions

IP network-based audio systems enable quick and efficient message delivery. When integrated with video security systems, they can serve as a customized security solution adaptable to a variety of environments.

- Enables two-way communication through integration with IP microphones
- Product lineup suitable for both indoor and outdoor installations
- Compatible with various VMS systems, such as Wave, Milestone, and Genetec

Video Storage Solutions

Video information collected by cameras is stored on recorders, enabling integrated management software or dedicated monitoring software to make both real-time monitoring and review of recorded footage and events possible.

- Simultaneously processes multiple high-resolution camera feeds, providing efficient storage and search functions
- Offers a variety of recorders for both network and analog cameras
- Provides a PC viewer and mobile app for remote monitoring
- AI-based object detection for real-time event confirmation and storage

Installation Solutions & Peripheral Devices

Solutions for product installation, connection, and expansion. These systems adapt flexibly to various installation environments, saving customers time and costs while enhancing the value and utility of our products.

- Variety of camera installation accessories for different installation sites
- Wide range of peripheral devices, including encoders, decoders, monitors, controllers, switches, and HDDs

Business Overview

Hanwha Vision Software Solutions

WAVE/SSM(VMS)

A software solution for integrated management and monitoring at small to medium-sized sites, maximizing the operational efficiency of a range of products, including cameras, recorders, encoders, decoders, speakers, and intercoms. It provides integration capabilities with access control and other external systems, making it possible to build a comprehensive system.

- Supports integrated management and monitoring of small to medium-sized or dispersed sites
- Enables integrated monitoring of dozens to hundreds of cameras, recorders, speakers, and more
- Provides features for stable system operation, including failover, failback, and auto-recovery backup based on server clustering
- Supports alarm and remote monitoring functions in addition to monitoring, storage, search, and backup

OnCloud(VSaaS)

Cloud-based Video Surveillance as a Service (VSaaS) enables easy video monitoring, event search, and playback from any location with internet access. It connects with both proprietary and third-party cameras through Direct-to-Cloud Cameras and Cloud Gateway Appliances, offering differentiated functionality.

- Integrated management dashboard for service (device/user/license/location)
- Supports Z camera wall, IVA (line crossing, intrusion, vehicle), and PTZ control
- Quick and easy video search with powerful filter-based options
- Various alarm and notification methods (mobile/web/email)
- Simple creation and sharing of incident reports
- Video backup during temporary network disconnection (SD Failover)
- ONVIF camera support through Cloud Gateway Appliance

DMPro

Monitors the operational status of hundreds to thousands of devices (cameras, switches, etc.) and allows for firmware management and fault resolution. Provides monitoring for general cameras (with DM Bridge), Direct-to-Cloud cameras, and WAVE servers.

- 24/7 uninterrupted device management via centralized dashboard
- Real-time alerts to administrators and engineers upon detection of anomalies, with automated ticket assignment and task management for enhanced maintenance convenience
- Remote firmware management and update scheduling (auto/manual/scheduled)
- Provides device warranty and license information for greater convenience in sales and management

SightMind

An AI metadata-based business intelligence dashboard service that enables video surveillance cameras to be used beyond security, supporting applications in business, customer and site management, customer management, and situational awareness, ultimately reducing operational costs.

- Offers 23 customizable widgets, including AI analysis functions like People Counting, Vehicle Counting, Queue Management, and Heatmap, enabling diverse dashboard representations with graphs and trend charts
- Real-time event monitoring with alerts for Slip & Fall, Stopped Vehicle, Traffic Jam, etc.
- Generates a variety of reports based on widget data configured by the user

FLEX AI

Enables users to create AI models tailored to specific needs through customer-driven object learning, applying trained algorithms to AI cameras for targeted tracking.

- Custom model trainer based on AI learning
- Allows tracking of non-standard objects via an easy-to-use interface
- Applicable to various object tracking scenarios, with improved accuracy through iterative training

Business Overview

Hanwha Vision Logistics and Access Control Solutions

Logistics Solution

Hanwha Vision's logistics solution utilizes video-based analysis to enhance parcel tracking, safety management, and centralized monitoring within logistics centers.

- World's first dual-sensor fixed barcode recognition camera: Manages parcels efficiently by providing simultaneous barcode recognition and high-definition video information with a single camera

- Vision Logistics Tracking Software: Integrates CCTV footage and logistics systems into a single software platform for streamlined management

- Packing Video Management: Enables quick claim resolution by matching operation records with recorded footage in case of incidents

- Dock Safety Solution: Utilizes Edge AI-based cameras to ensure worker safety and optimize dock operations

Access Control Solution

Our access control solution is adaptable for various environments, from small to large facilities, enabling efficient access management and maximizing security.

- Access Management: Manages user access with advanced security authentication technologies to prevent unauthorized entry

- Access is controlled according to user privileges, with real-time management of access records

- Visitor Management: Manages external visitors efficiently by strengthening security through pre-registration, identity verification, and tracking of visitor records, while simplifying visitor entry processes for an improved user experience

- Integrated Management Solution: Seamlessly integrates with VMS (Video Management System) to allow real-time video monitoring and unified access control management. This promotes efficient collaboration between security systems and enables rapid response and access record management during incidents

- Flexible Scalability: Highly scalable, allowing for system expansion or integration with existing systems as needed, enabling tailored solutions to meet various customer requirements

Business Overview

SPECIAL Cybersecurity Technologies

Hanwha Vision is committed to protecting customer assets and privacy, having obtained certifications such as Korea's TTA certification and global cybersecurity certifications like UL CAP and FIPS, to meet the needs of security-sensitive governments, agencies, and corporations. Additionally, Hanwha Vision addresses seven key cybersecurity concerns and provides solutions through YouTube.

Seven Cybersecurity Concerns and Solutions

Key Concern 1

Can video security devices be infected with malware, leading to hacking of sensitive data?

If malware is embedded in firmware, critical information can be leaked externally. Hanwha Vision's Wisenet7 chipset, secure boot, and similar products and features prevent firmware infected with malware from running, helping to preemptively address this issue.

Key Concern 2

Can data be leaked during communication between video security products?

For secure communication between security devices, mutual authentication and encrypted communication are necessary. Hanwha Vision products are designed to authenticate devices during inter-device communication, protecting critical data from leakage and damage.

Key Concern 3

Can third parties read or modify my video data?

Without encryption, video data generated by cameras may be vulnerable to unauthorized access, modification, or leakage. Hanwha Vision products safeguard video data using ZIP encryption for data transmission, SD memory storage, and PC backups.

Key Concern 4

Can malicious software run on my security device via firmware or open platform apps?

Malware can be embedded in firmware and open platforms, requiring caution. Hanwha Vision products verify security during firmware booting and updates by checking tampering, and they use digital signatures to validate open platform apps.

Key Concern 5

Is passing internal security standards or tests enough to guarantee cybersecurity?

Internal standards alone do not provide sufficient assurance. Hanwha Vision undergoes reputable cybersecurity safety certifications, ensuring an objective evaluation of our products' security.

Key Concern 6

Do users need to configure product security settings themselves?

Rather than relying on user configuration, products should be securely designed from the start. Hanwha Vision addresses root causes of security vulnerabilities in the design stage and incorporates them as basic security features. A network hardening guide is also available for heightened security levels.

Key Concern 7

What should I do if a security vulnerability is discovered in a product?

Hanwha Vision operates S-CERT, a dedicated cybersecurity team of expert, to minimize customer inconvenience and prevent further risks. When a vulnerability is identified, S-CERT resolves it as quickly as possible and posts a security vulnerability report on the Hanwha Vision website. Regular security testing and penetration testing by external agencies help proactively eliminate risks of exposing sensitive customer information due to security vulnerabilities.

S-CERT Contact Information: secure.cctv@hanwha.com

ISC West 2024

Hanwha Vision participates in security exhibitions such as the World Security Expo (SECON) and ISC West to showcase its advanced security technologies to internal and external stakeholders. At ISC West 2024, held in the first half of the year, Hanwha Vision presented its latest cloud and AI-based video security solutions, highlighting its unique solutions and technological capabilities that lead the global video security market, and strengthening its competitiveness in the North American market.

Cloud Solutions

Reflecting Hanwha Vision's long-term growth strategy of "transitioning to a platform-centric solutions provider," our cloud solutions include features that enable customers to manage video data effectively, tailored to their specific needs and preferences.

AI-based Solutions

Hanwha Vision introduced a range of AI-integrated solutions, not only for new products but also within existing ones. These solutions demonstrated the role of AI technologies in camera-based monitoring environments and business operations, featuring precise detection, efficient bandwidth, and powerful search functions.

ESG Highlights

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HANWHA VISION'S Approach to Sustainability

ESG Philosophy

Under Hanwha Group's ESG vision of "Realizing sustainable development that enhances the value of human life," Hanwha Vision strives to create economic, environmental, and social values as a responsible corporate citizen and pursues sustainable change. Based on our ESG direction, Hanwha Vision aims to achieve long-term value and build a future in which everyone can grow together.

ESG Vision	Realizing sustainable development that enhances the value of human life		
ESG Direction	Establishing ESG management execution systems and governance	Strengthening ESG capabilities and enhancing management systems	Leading global ESG management through the spread of ESG values
Hanwha Vision Key ESG Management Indicators	Environmental	Social	Governance

Environmental

Compliance with International Environmental Standards

- Compliance with RoHS Directive in EU
- ISO 14001 certification

Eco-friendly Products

- Verification conducted from product development and design stages
- Encouraging the purchase of environmentally certified products

Green Procurement

- Eco-friendly products by Hanwha Vision with environmental labeling

Social

Flexible Organizational Culture and Systems

- Establishing a flexible organizational culture

Safety and Trust-Based Systems

- ISO 45001 certification
- ISO 9001 certification

Mutual Growth and Cooperation

- Support for product development and market entry through programs for large and small business collaboration

Governance

Compliance Management Program

- Establishing a compliance management system
- Distribution of compliance regulations and manuals

Compliance Operations

- Establishing Compliance Committee, Compliance Officer, and relevant departments

HANWHA VISION'S Approach to Sustainability

Synergy of Technology and Energy

Hanwha Vision's technology continuously evolves in alignment with trends and directions in the security industry, centered around the values of a sustainable future. Through advanced technology research and future strategies, we strive to conserve the environment and the planet's resources while bringing beneficial changes to customers and society.

Conventional camera
(Up to 8 cameras)

8CH AI Box
using the most recent NVIDIA platform and Orin SOC

AI-powered VMS interconnection
without changing existing systems

Strengthening
Crime prevention

Conventional model

Q series AI Dual light Camera

Only IR mode

White Light mode

BCR CCTV BCR

All in one

Conventional

Dual sensor BCR camera

Separate BCR and CCTV devices
High installation and maintenance costs

BCR and CCTV Integrated System
Simplify installation and reduce maintenance costs

1 AI Box

Hanwha Vision's AI Box is an innovative device that adds AI functionality to existing cameras. By installing only the AI Box without replacing any cameras, users can economically leverage the latest technology, reducing energy and resource consumption required for producing and installing new cameras and extending the lifespan of the cameras they have. This significantly contributes to resource conservation and electronic waste reduction. Integrated with existing Video Management Software (VMS), the AI Box provides robust cybersecurity, preemptively blocking unauthorized access and hacking attempts to safeguard customer data and privacy.
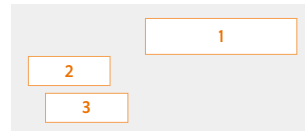
2 Q AI Dual light Camera

Hanwha Vision's Q AI Dual Light Camera is equipped with AI technology that enables object identification in low-light conditions. Supporting both infrared (IR) and white light, it captures color information accurately even in environments without lighting. By combining AI-based triggers such as Motion Detection (MD), Intelligent Video Analytics (IVA), and change detection, it can selectively activate white light alarms to proactively prevent crime, enhancing the camera's functionality. The Q AI Dual Light Camera not only improves video quality in dark settings but also contributes to energy efficiency and social responsibility, such as crime prevention.

3 Dual Sensor BCR Camera

Hanwha Vision has developed the world's first Dual Sensor BCR Camera, offering an innovative logistics solution. This camera combines the barcode reader (BCR) and CCTV functions, which previously required separate installations. This simplifies installation and maintenance, thereby reducing resource usage and power consumption during the installation process, while also lowering carbon emissions and energy use during the device's manufacturing and transportation phases. Through such technological innovation, we aim to promote sustainability in our business operations.
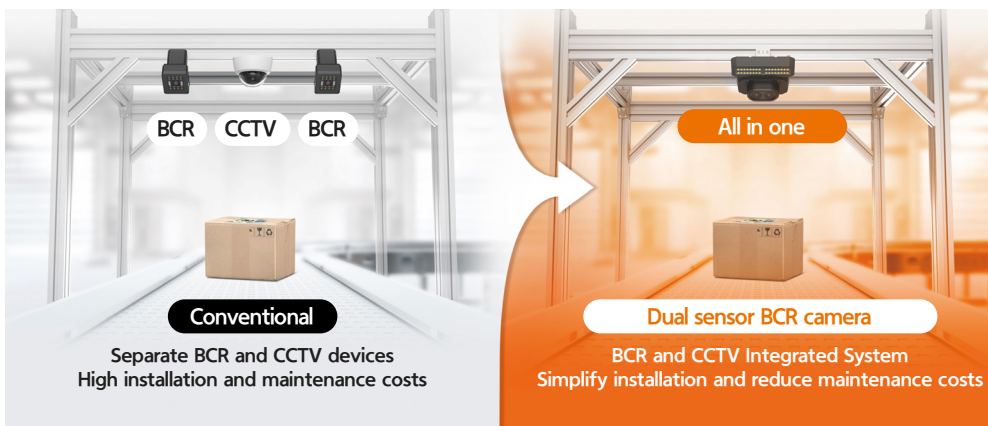
2023 ESG Key Performance

ESG Key Figures

E   S   G

Energy usage reduced by	Waste recycling rate of	Employee benefits expenditures	Number of board meetings held	Average attendance rate of board meetings
0.11 TJ	**47.6**%	KRW **9.82** billion	**12** meetings	**94**%
Wastewater discharge reduced by	Customer complaint resolution rate of	Occupational safety training time	Percentage of female managers	No. of compliance violations
2,249 Ton	**100**%	**20,312** hours	**14.5**%	**0** cases
Waste emissions reduced by	No. of environmental law violations	No. of information protection violations	Executive compliance index	Number of fair trade violations
5.5 Ton	**0** cases	**0** cases	**105.7**/100	**0** cases

Double Materiality Assessment

Double Materiality Assessment Process

Hanwha Vision conducted a double materiality assessment to identify and prioritize issues that significantly impact our business activities. This assessment evaluates both the Social–environmental impacts of business activities on external stakeholders (Impact Materiality) and the financial impact of external factors on financial value (Financial Materiality). Social–environmental impacts were assessed considering global ESG disclosure standards and guidelines, media, and surveys from internal and external stakeholders, while financial impacts were evaluated by examining ESG initiatives related to finance, best practices and trends within the industry, and stakeholder survey results. Through this process, we identified 10 material ESG issues, transparently disclosed related activities, achievements, and plans in our Sustainability Report, and plan to deeply integrate these issues into our corporate management activities.

Step1. Forming an ESG issue pool

Step2. Measuring impacts through double materiality assessment

Step3. Deriving results

Analyze and consider recent disclosure and assessment trends

- Review benchmark companies domestically and internationally
- Review disclosure initiatives
- Review assessment indicators
- Incorporate global initiatives

Confirm issue pool

- Identify a pool of 20 issues within the environmental, social, and governance areas

Impact materiality analysis (Social–environmental impacts)

- Analyze global ESG disclosure standards and guidelines
- Media research
- Analyze internal management status, ESG regulations, and policies
- Stakeholder surveys

Financial materiality analysis

- Analyze finance–related ESG initiatives
- Analyze ESG assessment requirements
- Benchmark leaders in the industry
- Stakeholder surveys

Validity assessment of material issues

- Conduct validity assessments and adjust weightings based on input from the ESG management organization

Finalizing the 10 material issues

- Identify and finalize the 10 material issues

Double Materiality Assessment

Double Materiality Assessment Results

Through the double materiality assessment, we evaluated the environmental, social, and financial impacts of each ESG issue and identified material issues. As a result, 10 material issues with both significant Social–environmental impacts and high financial materiality were selected as Hanwha Vision's 10 material issues. Our response activities and achievements related to these issues are detailed in this report.

● High Impact   ● Moderate Impact

10 Material ESG Issues		Issue Description	Social–environmental Impact		Financial Impact		Double Materiality		Page(s)	GRI
			Impact characteristics (Positive/Negative)	Social–environmental impact	Impact characteristics (Opportunity/Risk)	Financial impact	Assessment Results	Ranking (Y/y change)		
Environmental	Climate action	Climate risk management, carbon neutrality practices, greenhouse gas emissions management	Negative	7.7	Risk	7.3	●	7 (▽4)	25~28	302–1 302–3~4
	Establishment of environmental management system	Establishment of environmental management governance, environmental management system, creation and implementation of related policies (e.g., green procurement, conflict minerals ban)	Positive	4.6	Opportunity	8.4	●	8 (New)	29	–
	Development of eco–friendly technologies and products	R&D for eco–friendly technologies and products, portfolio expansion, and improvement of product efficiency	Positive	9.6	Opportunity	8.6	●	2 (▲8)	16	–
Social	Information security	Protection of digital assets, security of sensitive data and personal information, internal information security training	Positive	7.3	Risk	10.0	●	3 (▽2)	51~52	418–1
	Product quality management and customer satisfaction	Efforts to enhance product quality, management of quality issues, listening to customer VOC, and complaint resolution	Positive	10.0	Opportunity	9.4	●	1 (▲1)	46~48	416–2
	Safety and health management	Establishment and operation of safety management systems, industrial accident management, and employee safety and health training	Positive	6.3	Risk	9.7	●	4 (▲3)	31~35	403–1~6 403–8~10
	Human rights and diversity	Promotion of human rights management, enhancing employee diversity equity and inclusion; and anti–discrimination efforts	Negative	5.2	Opportunity	7.4	●	9 (▽1)	36~42	405–1~2 406–1
Governance	Integrated risk management	Management of financial and non–financial risk areas, establishment of risk response systems	Negative	7.4	Opportunity	7.9	●	6 (New)	58~59	–
	Ethics and compliance	Establishment and operation of compliance management systems	Negative	6.5	Risk	9.5	●	5 (▲1)	55~58	205–1~3
	Stakeholder communication	Stakeholder group management, listening to stakeholder opinions, corporate information disclosures, and ESG performance reporting	Positive	6.1	Opportunity	5.3	●	10 (New)	22	–

Double Materiality Assessment

Status of Key Issue Management

We manage key issues by choosing three issues that are most related to our business among the 10 material issues.

	ISSUE 1 Climate Action	**ISSUE 2** Safety and Health Management	**ISSUE 3** Ethics and Compliance
Governance	Hanwha Vision's Board of Directors takes the role of overseeing and being responsible for environmental management across all areas of the business. In addition, in response to climate change, Hanwha Vision has designated dedicated environmental managers at its Pangyo R&D Center and Vietnam subsidiary to systematically manage environmental impacts.	Hanwha Vision has established an Environmental Safety and Health (ESH) organization under the CEO to ensure management responsibility for safety and health obligations, systematizing the execution of safety and health legal duties at the organizational and workplace levels. The ESH organization oversees reporting and decision-making on safety and health issues across all business operations, thereby working to prevent accidents.	Hanwha Vision has designated a compliance officer and established a compliance department under the CEO to oversee issues related to ethics and compliance, carrying out inspections and reports to ensure responsible compliance management. Additionally, policies, standards, and regulations are in place to prevent corruption across all subsidiaries and affiliates, domestically and internationally.
Strategy	Hanwha Vision Vietnam subsidiary operates an environmental management system based on ISO 14001. Having established relevant environmental regulations, we are complying with our environmental management processes based on internal audits and third-party verification. Solar panels are installed at the headquarters and Hanwha Vision Vietnam, reducing annual power consumption and greenhouse gas emissions. Other initiatives include constructing a Comprehensive Disaster Prevention Center to improve energy efficiency.	Hanwha Vision has established and operate a safety and health management policy. We strive to prevent safety and health accidents and improve emergency response capabilities by establishing safety and health operating principles. We also operate a program to foster a "voluntary safety culture" to establish a safety culture within the company, conducting safety slogan campaigns, risk prediction quizzes, and safety inspection patrol activities.	Hanwha Vision has established an ethics and compliance mission along with practical guidelines for ethical conduct. A compliance program is operating to identify, inspect, and manage key compliance areas, promoting voluntary legal compliance. To embed a culture of compliance, we provide mandatory legal education, compliance training tailored to job levels, and employee participation programs.
Risk Management	Hanwha Vision conducts environmental impact assessments to identify environmental factors embedded in all business processes. The environmental impacts of newly introduced or modified equipment and materials are evaluated, and appropriate actions are taken when necessary. We also strive to provide accurate environmental information by quantifying the amount of greenhouse gases emitted by establishing a life cycle assessment (LCA) process.	Hanwha Vision conducts risk assessments to proactively identify and prevent safety and health risks. Through regular and ad hoc evaluations, we continuously address on-site risk factors and prevent major accidentsby conducting near-miss incident investigations twice a year. Additionally,we have established emergency management regulations to strengthen response systems for fires, accidents, and natural disasters.	Hanwha Vision evaluates the effectiveness of our compliance controls to monitor adherence to compliance standards. Objective quantitative criteria are established for each compliance item to ensure fair evaluations, and the resulting compliance index for executives and managers is reported to the Board of Directors. Additionally, Hanwha Vision operates a compliance consultation/reporting channel to manage cases of unfair practices and corruption.
Metrics and targets	**Target** Reduce annual power consumption by **1%** compared to the previous year **Metrics** Renewable energy usage of **1,274.6 MWh** energy **reduction of 0.11 TJ**	**Target** **Achieve** "Risk Zero Company" status **Metrics** **20,312 hours** of industrial safety training	**Target** **Minimize** compliance violation risk **Metrics** **0** compliance violations, **0** compliance reports

Double Materiality Assessment

Management of Material Issues

In addition to the three core material issues, Hanwha Vision is also engaged in efforts to address the remaining seven key issues, taking into account their environmental and social contexts and impacts.

Material Issues		WHY	HOW	Our Response
Environmental	Establishment of environmental management system	Companies are reducing risks in the supply chain and production processes by prohibiting the indiscriminate use of raw materials, minimizing their loss of natural capital and their environmental impact, and applying strict management standards to fulfill their environmental responsibilities.	Hanwha Vision promotes a green procurement strategy across all stages, from production to consumption, and disposal. We simplify materials to facilitate recycling and ensure that products can be easily disassembled and dismantled for disposal. Additionally, we attach environmental labels to transparently disclose the environmental characteristics of our products.	• Obtain Environmental Management System (ISO 14001) certification • Establish Green Procurement Policy • Attached Environmental Labels to Products
	Development of eco–friendly technologies and products	To address climate change and achieve sustainable growth, there is a growing trend of strengthening R&D in eco–friendly clean technologies. As awareness shifts toward seeing these efforts as essential for minimizing negative environmental impacts and reducing business risks, customers and investors are showing a rising preference for eco–friendly products, which has become a critical factor in gaining a competitive market advantage.	Our R&D center develops sustainable products and incorporates eco–friendly elements throughout our business model, including production processes. Recently, we have developed AI products and low–light technologies to reduce energy and resource consumption, which enhances energy efficiency.	• Operate R&D Center • Develop eco–friendly, clean technologies
Social	Information security	With the increasing digitalization of daily life, information leaks and cyber security breaches are on the rise. In response, countries worldwide are strengthening laws and systems related to information security. It has also become essential for companies to enhance information security to protect customer and corporate data.	As a comprehensive security solutions provider, Hanwha Vision takes responsibility for social safety with our video technologies and strives to proactively respond to security threats. We have obtained certification for the UL CAP, a cybersecurity safety standard from the reputable U.S. standards organization UL, and have also obtained the TTA Security Certification for public institutions in Korea, thus securing official recognition for our comprehensive security processes.	• Operate dedicated Information Security Team • Obtain Information Security Management System (ISO 27001) certification • Conduct information security awareness activities • Implement information security inspections and training for partners
	Product quality management and customer satisfaction	In today's global economy, where consumers have a wide array of choices, it has become vital for companies to quickly and accurately understand customer needs and deliver products and services that exceed expectations. To improve customer satisfaction, companies are continuously enhancing their quality management systems and proactively incorporating customer feedback to optimize their products and services.	Hanwha Vision's approach to quality management prioritizes not only organizational and production efficiency but also considers the needs of our customers from their perspective. Collaborating with diverse stakeholders, Hanwha Vision aims to develop products necessary for the future. We hold quality management meetings, operate internal audit teams, and conduct customer satisfaction surveys to assess and address quality and service, thus ensuring the highest standards of quality.	• Hold quality management meetings • Establish quality manual based on ISO 9001 Quality Management System • Operate internal audit office • Conduct customer satisfaction surveys • Provide training for service representatives
	Human rights and diversity	Human rights and diversity issues are now core components of ESG management. Legal requirements for human rights protection and diversity are increasing, and by fostering an inclusive environment where all employees are treated fairly, companies can drive long–term growth.	Hanwha Vision complies with labor standards recommended by the International Labour Organization (ILO) and all labor principles and laws ratified by the countries where we do business. To foster a non–discriminatory corporate culture, Hanwha Vision operates a human rights grievance channel and offers programs to support next–generation women leaders, as well as employees with disabilities and international employees.	• Operate Smart Grievance Center • Provide support program for foreign employees
Governance	Integrated risk management	By integrating the management of environmental, social, governance, and financial risks, companies can proactively prepare for unpredictable crises. There are growing expectations for companies to practice risk management to ensure financial stability and promote long–term growth.	Hanwha Vision has established a company–wide risk management system. Each department proactively manages and prevents risks closely related to their operations, while high–risk areas are effectively addressed through an enterprise response task force via regular risk reviews.	• Conduct periodic risk assessments • Review internal transactions
	Stakeholder communication	With the rise of mandatory ESG disclosures for large corporations and increased regulations domestically and internationally, communication with stakeholders has become even more crucial. Transparently disclosing performance and goals can strengthen a company's transparency and trustworthiness.	Hanwha Vision communicates closely with key stakeholders, including customers, employees, communities, and partner companies, through a variety of channels. We strive to incorporate stakeholder feedback into our overall business.	• Publish sustainability reports • Hold stakeholder meetings and operate Voice of Customer (VOC) programs

Stakeholder Communication

Hanwha Vision communicates closely with key stakeholders (customers, employees, communities, and partner companies) who are directly or indirectly connected to our business. We strive to incorporate stakeholder feedback across all areas.

Customers

Communication Channels
- Customer site visits and technical support (as needed)
- Sales channels (as needed)
- Customer satisfaction surveys (annually)
- Customer VOC and Contact Center (as needed)
- Hanwha Vision website and social media channels (as needed)

Interest
- Product, solution, and service quality
- Accurate information provision
- Safe product usage
- Latest technology and trends
- Environmental impact of the value chain

※Consolidated

Revenue | KRW **1,046,687** million

Employees

Communication Channels
- GWP (Great Workplace) leadership
- Executive–employee meetings, town hall meetings (quarterly)
- Organizational culture diagnostic survey (quarterly)
- Labor union and Works Council meetings (quarterly)
- Grievance and reporting channels (as needed)

Interest
- Employee capacity development
- Employment and employee benefits
- Training and career development
- Healthy labor–management relations
- Employee rights and diversity

Average employee salary | KRW **133** million

Local Communities

Communication Channels
- Website and social media channels (as needed)
- Employee volunteer group (as needed)
- Local volunteer organizations and regional associations (as needed)
- Social contribution activities (as needed)

Interest
- Community development
- Social contribution activities
- Environmental protection near business sites

Donations | KRW **1,576** million

Partner Companies

Communication Channels
- Partner consultation bodies and meetings (quarterly)
- Partner VOCs (as needed)
- Fair trade and anti–corruption reporting channels (as needed)

Interest
- Establishment of a fair trade and mutual cooperation ecosystem
- ESG management in the supply chain

Partner procurement expenditures | KRW **163,201** million

ESG Performance

03

Environmental

Hanwha Vision is strengthening its environmental management through a rigorous system based on ISO 14001 certification. In response to climate change, we are enhancing energy efficiency and expanding our use of renewable energy. To minimize our environmental impact, we are engaged in wastewater and waste management and working to reduce our emissions of air pollutants. Additionally, during product development, Hanwha Vision promotes the efficient use of resources by simplifying materials and practicing green procurement. Through these wide-ranging environmental efforts, we are pursuing sustainable growth and practicing eco-friendly management in alignment with global standards.

Climate Action

Climate Action System

Governance

The Hanwha Vision management team recognizes the significant impact of climate change–related issues on business as we progress toward a sustainable future. The Board of Directors discusses response strategies for all environmental matters, including greenhouse gas emissions and energy use. Hanwha Vision has appointed dedicated environmental officers at the Pangyo R&D Center and Hanwha Vision Vietnam to oversee environmental management initiatives and performance.

Environmental officers are responsible for ensuring compliance with domestic and international environmental regulations, assessing stakeholder requirements, setting and implementing environmental goals, and overseeing the environmental management system.

To promote Hanwha Vision's environmental policies, new employees receive in–person training, and annual environmental performance is regularly reported to management. Moving forward, the Board will regularly discuss environmental issues from a business perspective and oversee the implementation of our climate action strategies.

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        ┌─────────────────────────────┐
        │  Hanwha Vision Management   │
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                      │
        ┌─────────────────────────────┐
        │    Environmental officers   │
        └─────────────────────────────┘
                      │
          ┌───────────┴───────────┐
  ┌───────────────┐      ┌───────────────┐
  │    Pangyo     │      │ Hanwha Vision │
  │  R&D Center   │      │    Vietnam    │
  └───────────────┘      └───────────────┘
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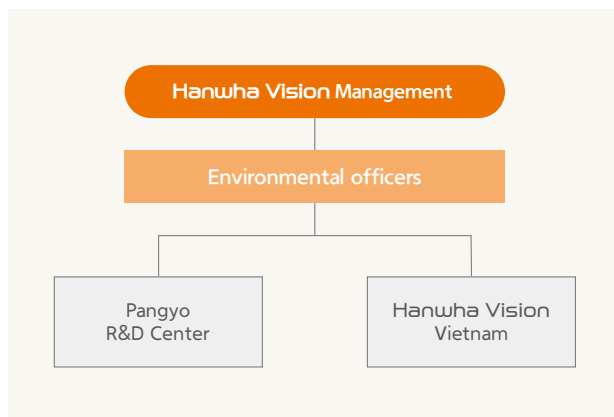
Greenhouse Gas Reduction Activities

Development of the Life Cycle Assessment (LCA)[1] Process

Hanwha Vision conducts a life cycle assessment (LCA)[1] to quantitatively analyze a product's environmental impact across all stages of its life cycle, from raw material extraction to manufacturing, disposal, and recycling. Using the carbon footprint assessment methodology developed for key product lines, we continuously provide environmental data to our customers. In the future, we plan to expand our range of products with carbon footprint assessments and strengthen our internal capabilities to produce more precise measurements.

1) Life cycle assessment (LCA): A quantitative analysis and evaluation method assessing the environmental impact of a product or service throughout its entire life cycle — from raw material extraction to manufacturing, distribution, usage, and disposal.

Use of Renewable Energy

To reduce greenhouse gas emissions, Hanwha Vision is transitioning the existing power sources at our domestic and international business sites to renewable energy. A 20.5kW solar power system was installed on the rooftop of the Pangyo R&D Center, providing it with eco–friendly power. Additionally, solar panels on the rooftops of the offices, work sites, stores, and parking structures at Hanwha Vision Vietnam reduce annual greenhouse gas emissions by approximately 947 tons of CO_2. Currently, about 17–24% of the electricity used at Hanwha Vision Vietnam comes from renewable energy, and we plan to explore further ways to increase this proportion.

Facility Improvements for Energy Reduction

Hanwha Vision Vietnam invests annually in facility improvements to reduce its energy consumption. In 2023, we installed sensors to automatically turn on and off some area lights and replaced low–efficiency fixtures with high–efficiency fixtures that consume less power, reducing our energy use by 0.11 TJ.

Environmental Impact Assessments

Hanwha Vision conducts annual environmental impact assessments to identify inherent environmental factors across all business activities, products, and service offerings. When new equipment or materials are introduced or changes occur, the impacts on air, water, soil, waste, and energy consumption are re–evaluated. We also examine abnormal conditions to identify "significant environmental aspects" that could have substantial environmental impacts.

Specifically, the Vietnam manufacturing subsidiary objectively confirms overall environmental impacts through internal audits and third–party verification as part of the environmental management system, with continuous improvements based on these findings.

Solar panels at Pangyo site   Solar panels at Hanwha Vision Vietnam

Climate Action

Compliance with Environmental Regulations

Environmental Compliance System

With the increasing emphasis on environmental risk management from global, governmental, and local stakeholders due to stricter environmental regulations, Hanwha Vision monitors and adheres to domestic and international regulations. To comply effectively, we acquire updates on regulations as they are issued, monitor newly enacted or revised laws weekly, and assess risks and opportunities related to regulatory compliance in specific fields. Compliance at each of our sites is regularly evaluated, and response strategies are integrated into our annual management plan.

Regulatory Compliance Strategy

Continuous updates on regulations	→	Assessment of applicability and compliance	→	Evaluation of compliance status	→	Annual plan development

Compliance with EU REACH Regulations

Hanwha Vision complies with major European Union REACH obligations, ensuring that product–related information is provided in accordance with Article 33 of the REACH regulations. We are committed to voluntarily implementing the registration obligation for intentional discharges.

While our products, such as cameras and recorders, are finished goods not subject to mandatory registration of unintentional release substances, they do contain SVHC (Substances of Very High Concern) below the 0.1% threshold. We transparently provide information on this SVHC content to consumers upon request.

Compliance with RoHS Regulations

Hanwha Vision complies with EU RoHS, disclosing environmental information on products under these regulations.

RoHS Declaration

Internalizing Environmental Management

Energy–Saving Initiatives by Employees

Hanwha Vision promotes energy–saving campaigns among employees by encouraging them to turn off the lights during lunch breaks and after hours. Stickers on all switches remind employees to "Turn off when not in use," fostering active participation in energy–saving efforts. In line with government policy, office temperatures are adjusted in the summer, while our "Cool Biz" initiative allows employees to wear short sleeves and shorts for comfort. Every year, Hanwha Vision also observes Earth Day by turning off all factory and exterior lights for 60 minutes.

Enhancing Energy Efficiency

A significant portion of Hanwha Vision's energy use comes from facility and internal power consumption. To monitor energy use, a Comprehensive Disaster Prevention Center has been established to manage power peaks, reduce loads on energy–intensive equipment, and lower our internal power consumption to prevent unnecessary energy waste. We also implement on–site energy conservation activities such as selling off idle equipment, replacing obsolete equipment, replacing high–efficiency LEDs, installing power timers, applying building exterior insulation film, and installing insulated piping for utility chillers. These initiatives have enabled Hanwha Vision Vietnam to achieve its target of reducing total energy consumption by 1% year–over–year.

Shared Commuting Vehicles

To help employees reduce greenhouse gas emissions from driving, Hanwha Vision provides shared commuter vehicles, including shuttle buses. Routes are established and adjusted based on employee commuting needs, ensuring that the commuter vehicles operate efficiently.

Environmental

Climate Action

Water Resource Management

Wastewater Management

Hanwha Vision recognizes the importance of limited water resources and manages the entire process from water use to legal treatment and discharge in consultation with local governments. The Pangyo R&D Center generates a small amount of wastewater during development processes, which is treated through outsourcing, while Hanwha Vision Vietnam operates its own wastewater treatment facility. To comply with water quality regulations, Hanwha Vision Vietnam maintains its own "Water Treatment Guidelines and Standards." The facility conducts regular water quality inspections to thoroughly monitor and prevent potential water pollution during discharge. The wastewater treatment process has been improved by incorporating probiotics into the existing biochemical treatment, minimizing and reducing the amount of sludge generated by approximately 5m^3 compared to previous processes.

Creating a Culture of Water Saving

We monitor water usage at our production sites and work to improve water efficiency. Employees receive training on saving water, and facility upgrades support these efforts by reducing water pressure, lowering water use in toilets, and decreasing the amount of water used for defrosting food in the cafeteria.

Waste

Waste Management

Hanwha Vision selects licensed waste disposal companies through a pre−assessment process, prioritizing those that have adopted eco−friendly technologies. When selecting contractors, a key criterion is the strength of their environmental contribution in waste disposal.

Recycling

To mitigate the negative environmental impact of waste generated during production, Hanwha Vision recycles raw materials, such as packaging and wooden pallets. In collaboration with our component suppliers, we encourage the use of recyclable paper materials in our packaging specifications and utilize packaging materials made from over 50% recycled cardboard.

Recyclable waste generated on−site undergoes a secondary sorting process before disposal to minimize waste volume as much as possible.

Annual Waste Recycling Figures

■ Waste recycling volume (Unit: Ton)
-●- Waste recycling rate (Unit: %)

	2021	2022	2023
Volume	336.8	323.4	321.3
Rate	47.3	47.5	47.6
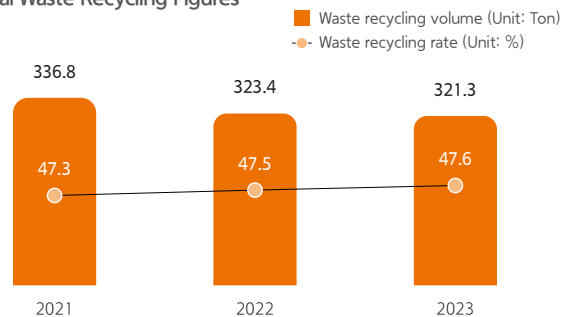
Simplification of Materials

From the product development stage, Hanwha Vision designs products to meet EU WEEE[1] standards, ensuring a recycling rate of 70% and a recovery rate of 80%. Products are designed for easy disassembly to facilitate recycling by the user at the disposal stage.

1) WEEE: Waste Electrical & Electronic Equipment Directive, 2002/96/EC, a European Community directive on the disposal of electrical and electronic waste.

WISENET X PLUS
2메가픽셀 / 5메가픽셀 모듈러형 네트워크 카메라

Examples of material simplification in products

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Environmental

Climate Action

Management of Environmental Pollutants

Air Pollutant Emissions Management

At our Vietnam manufacturing facility, minor emissions of air pollutants are generated from seven SMD[1] production facilities. To address this, a pollutant reduction system equipped with activated carbon filters has been installed, taking into account the characteristics of the raw materials and chemicals used. This system purifies contaminated air before it is released into the atmosphere. Quarterly monitoring, systematic inspections of the exhaust system, and regular replacement of the activated carbon filters ensure that emissions stay strictly below Vietnam's legal threshold.

1) SMD (Surface mount Devices)

Enhanced Safety Management of Hazardous Chemicals

To manage chemicals systematically, Hanwha Vision has appointed a Chemical Accident Response Command Center and assigned designated chemical managers. Every year, we provide legally approved training to improve the expertise of our chemical managers, handlers, users, and those involved in transportation and storage.

Awareness training is conducted annually for all employees who deal with chemical safety, while intensive training is given to new hires. Additionally, an annual chemical accident response drill is held to prepare employees for emergencies such as leaks and spills, and at our sites we maintain emergency equipment and materials for responding to chemical accidents.

Principles of Hazardous Chemical Management

For major product lines, Hanwha Vision fulfills the substance information disclosure obligations under Article 33 of the REACH regulation and voluntarily registers intentional emissions when necessary. For products such as cameras and recorders, which are classified as finished goods with no intentional emissions, SVHC content remains below the 0.1% threshold by weight, and thus, they are exempt from registration.

Hazardous Chemical Pre-assessment

Hanwha Vision conducts a pre-assessment of chemicals before introducing them in order to ensure environmental protection and the health and safety of workers. Before purchasing, all chemical users must request a review from the environment and safety managers, who verify the legal requirements and grants approval for use. Users are then instructed on compliance requirements per relevant regulations to manage chemicals accordingly.

Procedures for Hazardous Chemical Management

1 Prior Approval

Prohibition on purchase of non-approved chemical materials
• Review of legal and internal standards by the personnel in charge before product introduction
• Mitigation of regulatory compliance risks by reporting use before and after introduction

2 Facility Management

Management of chemical handling facilities
• Compliance with legal standards for storage, usage, and holding facilities
• Regular inspections to manage accident risks

3 Material Improvement

Improvement of materials with high hazard or accident risks
• Identification of target substances and review of substitutes
• Comparative analysis of hazards and risks → Substitute for safer alternatives

4 Environmental Improvement

Improvement of environments where chemicals are used
• Installation of local exhaust systems to improve workplace ventilation
• Horizontal expansion to improve similar environments

Resource Circulation

Raw Material Management and Green Procurement

Eco-friendly Procurement Strategy and Direction

Hanwha Vision is pursuing a range of initiatives to provide more eco-friendly products to customers and strengthen its global purchasing competitiveness. Through cooperative management with partner companies and transparent procurement practices, Hanwha Vision aims to create market-leading products and services.

To fulfill our corporate social responsibilities and meet the environmental demands of the market, we have put in place a verification process at the development and design stages to ensure that no harmful substances are included in products. We have also institutionalized the submission of hazardous substance information for materials supplied during parts procurement and evaluates environmental management capabilities when selecting partners and procuring supplies. Additionally, Hanwha Vision encourages the purchase of environmentally certified products for raw materials consumed in production and has simplified materials to improve recyclability. We are also registered with recycling agencies in European countries to enable proper collection and processing.

Green Procurement Policy

Hanwha Vision is committed to minimizing impacts on human health and the environment and using limited resources efficiently to maintain a high quality of life and environmental standards. We have implemented a green procurement policy to fulfill our responsibilities as an eco-friendly business.

Green Procurement Policy

1

We prioritize the environment by adopting a sustainable corporate environmental management system, contributing to a clean environment where human beings can enjoy healthy lives.

2

We are committed to minimizing environmental pollutants throughout the product life cycle, from raw material extraction to disposal, focusing all efforts on the production of eco-friendly products.

3

We contribute to the shared well-being of the community by expanding environmental management through green purchasing with our suppliers and clients.

Environmental Management System Certification

Hanwha Vision integrated an environmental management system into its operations from the establishment of its manufacturing facilities to minimize its environmental impact. Our Vietnam subsidiary, based on this approach, has obtained ISO 14001 certification, an international standard. Solar power generation facilities using renewable energy were installed for use in the manufacturing process, enabling more environmentally friendly production. Clean production activities, including reducing environmental pollutants from process development and operation, contribute to our eco-friendly achievements.

ISO 14001 Certification (Vietnam manufacturing subsidiary)

ECO Mark Environmental Label

For products with outstanding environmental characteristics, Hanwha Vision attaches a self-declared environmental label to help consumers easily recognize the product's eco-friendly features. Labels are affixed to lead-free products, products with reduced harmful substances, and packaging that meets our internal eco-design standards, providing customers with transparent environmental information.

Types of ECO Marks

eco	Pb-Free Product
	RoHS Compliant
	Eco Information
	· Halogen-free flame retardant · Lead-free solder technology · 20% weight reduction compared to Product A · 15% improvement in recyclability

Social

Hanwha Vision fulfills its social responsibilities to drive sustainable growth and practices a management philosophy that prioritizes safety and quality. We create social value by fostering mutual growth with our employees, partners, and the community, while strengthening our ESH (Environment, Safety, and Health) management system to ensure a safe and healthy working environment for all stakeholders. Additionally, we enhance personal data protection and strengthen corporate trust through our information security management system. Committed to providing customers with top-quality products and services, Hanwha Vision practices strict quality management across all production stages based on our ISO 9001-certified quality management system. These efforts form a vital foundation for Hanwha Vision's reputation as a trusted company in the global market and our pursuit of sustainable growth.

Safety and Health Management
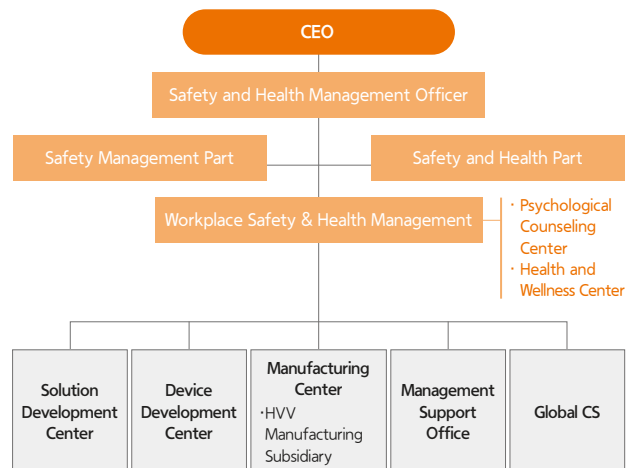
Safety and Health Management System

Governance

Hanwha Vision places safety and health management, a core aspect of business, as a top priority. To achieve our goal of Risk Zero Company status, we have established a safety and health organization and management system.

The safety and health organization is divided into an executive team that supports management in its safety and health obligations, and operational units at each site responsible for legal safety and health tasks. Regular reports on the implementation of safety and health practices are submitted to management, ensuring the safety and health of all employees across all business activities.

To gather employee feedback and prevent serious accidents, Hanwha Vision operates an Industrial Safety and Health Committee. Comprised of an equal number of representatives from among workers and management, the committee met quarterly in 2023 (four times total) to discuss and collaborate on safety and health initiatives.

Safety and Health Organization Chart

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                    CEO
                     │
     Safety and Health Management Officer
                     │
    ┌────────────────┴────────────────┐
 Safety Management Part      Safety and Health Part
                     │
    Workplace Safety & Health Management ──┬─ · Psychological
                     │                     │    Counseling
                     │                     │    Center
                     │                     └─ · Health and
                     │                          Wellness Center
  ┌──────┬──────┬────┴─────┬──────┬──────┐
Solution  Device  Manufacturing  Management  Global CS
Development Development Center    Support
Center    Center    ·HVV          Office
                    Manufacturing
                    Subsidiary
```

Safety and Health Management System

Safety and Health Management System Certification | Hanwha

Vision's Vietnam manufacturing subsidiary has obtained ISO 45001 certification for its safety and health management system. The system undergoes an annual audit by a third-party certification body to evaluate its implementation. This process helps identify and improve internal issues, ensuring the ongoing effectiveness of the safety and health management system. Moving forward, we remain committed to minimizing workplace accidents and illnesses through the attentive operation of this system.

Safety and Health Management Policy | Hanwha Vision revised

its safety and health management policy in 2024, prioritizing safety and a healthy work environment. We provide continuous training to ensure all employees understand and implement the policy, while complying with domestic and international safety and health laws and conventions to fulfill our corporate social and ethical responsibilities.

To support the safety and health of our partner companies, Hanwha Vision proactively assists in establishing and maintaining their safety and health management systems. As a trusted company, Hanwha Vision has implemented enhanced internal standards across all operations in the belief that creating a safety culture in which all employees take active part is the key to a safe and healthy workplace.

We share this safety and health policy widely with all stakeholders by posting it at business sites and on our website to promote awareness and adherence.

ISO 45001 Certification
(Vietnam manufacturing subsidiary)

Hanwha Vision Safety and Health Management Policy 🔗

Safety and Health Management Policy

1 Safety and Health First
· We place safety and health as a top management priority and strive to create a safe and healthy work environment.
· We provide continuous training to ensure that all employees understand and practice the safety and health management policy.

2 Safety and Health Compliance
· We comply with national and international laws and conventions related to safety and health and fulfill our corporate social and ethical responsibilities.
· As a trusted corporation, we establish and enforce the enhanced internal standards to all work and faithfully adhere to it.

3 Enable Safe and Healthy Workplace
· We create a culture of voluntary participation of all employees in safety and health management activities through active communication.
· We provide continuous safety and health education to employees and periodically conduct risk assessment and emergency response drills to prevent accidents and disasters.
· We strive to prevent illness through minimizing exposure to hazardous environments at work and operating wellness programs.

4 Practicing Win-Win management
· We actively support our partner companies in establishing a safety and health management system by establishing a continuous cooperation system.

Hanwha Vision Co., Ltd.   CEO **Ahn soonhong**

Safety and Health Management

Vision and Strategy

To achieve "Risk Zero Company" status, Hanwha Vision has established safety and health operational principles. First, we focus on preventing environmental and safety incidents and enhancing our emergency response capabilities. We are reinforcing our risk assessments to reduce accidents while continuously monitoring regulations and conducting regular emergency response drills.

Second, Hanwha Vision fosters an advanced safety culture by promoting communication between labor and management on safety and health matters. We emphasize adherence to basic safety guidelines and support partner companies in improving their own safety management standards.

Looking forward, we aim to enhance our expertise in safety and health operations, improve communication with on-site teams, and closely management all related matters to build safe workplaces of the highest standard.

Safety and Health Objectives

Based on the Safety and Health Operational Principles, Hanwha Vision has established six key objectives to reduce on-site safety and health incidents and to enhance our risk response capabilities:

1	Global safety and health management
2	Implementation of standardized management and training
3	Operation of safety inspections and prevention systems
4	Strengthening of workplace environment management
5	Promotion of worker health
6	Enhancement of safety awareness

Mid-to-Long-Term Goals

Hanwha Vision has established three primary mid-to-long-term goals to drive continuous improvement in safety and health management:

Achieve **100**%
emergency response training across all sites by 2027

Zero serious accidents

Maintain an accident rate **30**% below industry average

Safety and Health Operational Principles

MISSION

Risk Zero Company

Safety and Health Operational Principles

Improvement of Accident Prevention and Response Capabilities
· Strengthening risk assessments to reduce accidents
· Enhancing regulation management and monitoring
· Conducting emergency response drills

Advancement of Safety Culture
· Compliance with basic safety guidelines
· Strengthening safety and health communication between labor and management
· Supporting partner companies in improving safety standards

Safety and Health Management

Safety Incident Management System and Reporting Process

In the event of an industrial or serious accident, Hanwha Vision conducts safety incident investigations to determine negligence and accident causes, then develops preventative measures to avoid recurrence. Systematic management is maintained through incident reporting and case distribution. To operate the safety and health management system effectively and monitor key risks, Hanwha Vision has implemented a safety assessment and reporting process. Regular evaluations are conducted twice a year, covering legally mandated responsibilities of safety and health managers and supervisors, detailed implementation measures, and results of incident responses. The 2023 evaluation score was 93.7, which is used to assess the competency of those evaluated and drive substantial improvements in safety management.

Safety Incident Investigation Process

1. Incident Occurrence
· Report the incident and take emergency measures
· Emergency response for property damage or regulatory violations

2. Incident Report
· Report the incident according to the reporting chain
· Identify how and why the incident occurred
· Report to external agencies as required

3. Incident Investigation
· Form an incident investigation committee and conduct an investigation
· Analyze detailed causes of the incident and establish preventive measures

4. Incident Investigation Report
· Report the investigation findings to management
· For serious accidents, submit an accident investigation report per the Occupational Safety and Health Act

5. Incident Analysis
· Conduct an incident analysis and distribute findings to relevant departments

6. Record Management
· Maintain records related to the incident and manage as part of safety education

Standard Safety and Health Management

To ensure safe business operations, Hanwha Vision has established internal standards for safety and health tasks, which are shared with employees via internal systems. These standards apply to all employees and undergo regular reviews and revisions to reflect workplace characteristics. As of 2023, Hanwha Vision operates 29 task standards, including the overarching safety and health manual, safety and health management regulations, and risk assessment operation regulations.

Hazardous Factor Management in the Workplace

Hanwha Vision reviews and identifies hazardous factors in the workplace to ensure the safety and health of employees by avoiding or adjusting hazardous materials and equipment before use. We prioritize acquiring information on equipment safety beforehand and emphasize worker training and guidance. Safety and health requests from employees are continuously gathered and tracked to maintain a record of improvement actions.

Safety Risk Management

Hanwha Vision aims to identify and manage hidden risks across its operations to ensure a safe workplace. We have established emergency management protocols to respond systematically to fire incidents, accidents, and natural disasters and are strengthening our preemptive checks and responses. Additionally, regular and ad hoc risk assessments are conducted in collaboration with employees and safety experts to identify and improve on-site hazards, contributing to enhanced workplace safety.

Risk Assessment and Improvement

Hanwha Vision has developed operational rules for risk assessments that take into account risk levels and the timing of assessments. Semi-annual risk assessments across all sites identify and classify potential hazards, assess risk levels by hazard type, and implement improvement measures to prevent accidents.

Each team, comprising supervisors, employees, and safety and health managers, uses a customized risk assessment form to evaluate risks and classify hazard levels.

Assessment results are shared with all employees, who are trained to recognize potential hazards. Specific improvement plans and schedules are developed and implemented for high-risk items to steadily reduce on-site risks.

Risk Assessment Process

1 Prepare for Assessment
· Develop an implementation plan
· Conduct risk assessment training

2 Identify Hazards and Risk Factors
· Collect on-site information
· Evaluate likelihood of occurrence
· Estimate potential harm

3 Perform Risk Assessment
· Determine risk levels
· Gather input from the assessment team

4 Establish Improvement Measures
· Identify priorities
· Develop mitigation measures

Risk Assessment Results

Category	2021	2022	2023
Processes Evaluated (cases)	66	120	108
Improvement Items (cases)	10	15	12
High-Risk Processes (cases)	–	–	–

Safety and Health Management

Establishing a Safety Culture

Accident Prevention Activities

Safety check Day | The fourth Wednesday of every month is designated as "Safety check Day" to encourage on-site safety awareness. Each month, a different safety and health inspection theme is selected and announced in advance. Inspections are overseen by supervisors to progressively identify and improve any on-site issues.

Thematic Audit | To prevent safety and health incidents that could arise from climate change, business closures, or other circumstances, we conduct specific themed inspections throughout the year. For example, flood and typhoon readiness checks are conducted in July and August, fire prevention checks in November, and inspections before major holidays like the Lunar New Year and Chuseok.

Laboratory Safety Diagnosis | At least once a year, we collaborate with external professional diagnostic agencies to re-evaluate our safety and health management system and, with professional expertise, assess our sites for any non-compliance issues. We plan to continue these external assessments to identify and improve areas where management has been lacking and to enhance on-site working conditions.

Near-Miss Accident[1] Prevention | Hanwha Vision holds semi-annual activities to voluntarily share and address cases where accidents have nearly occurred due to employee inattention or equipment malfunction. In 2023, we identified and addressed 85 near-miss cases.

1) Near-Miss Incident: An incident in which an accident nearly occurred due to employee inattention or equipment malfunction but resulted in no direct harm or damage.
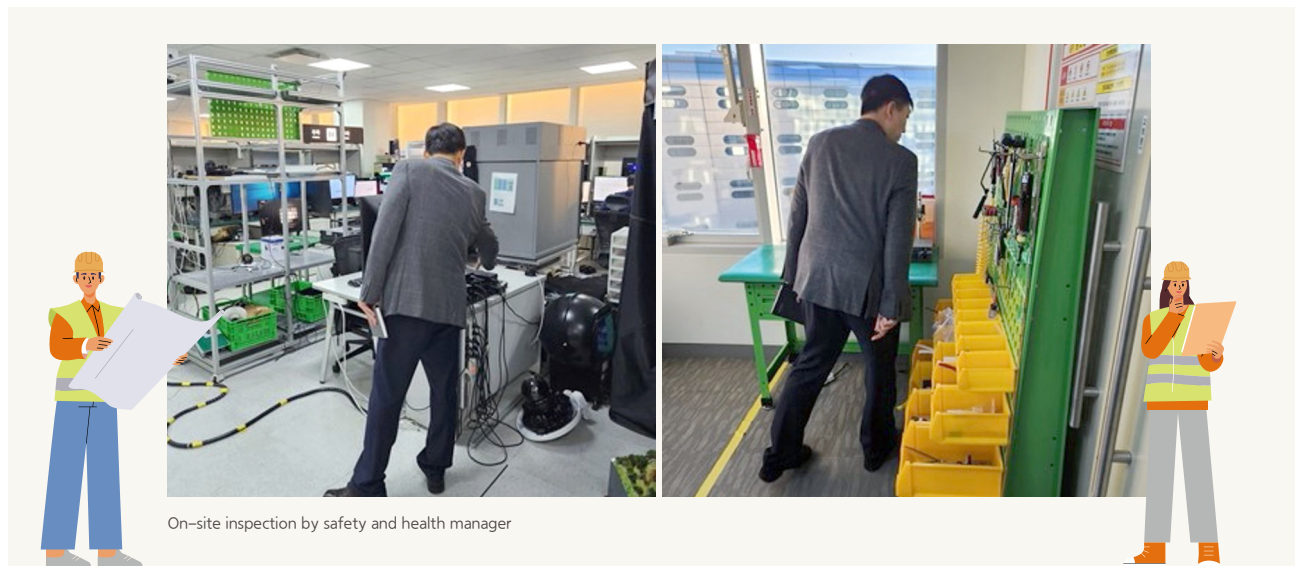
On-site inspection by safety and health manager

Fostering a Culture of Safety

Hanwha Vision uses its internal system and bulletin boards to share and convey safety and health information among employees.

Through the internal online bulletin board, we select and distribute safety messages related to work and daily life.

Additionally, the results of our focused safety inspections are shared on the internal "Workplace" system, where we record improvement outcomes in order to maintain systematic tracking.

At our Vietnam manufacturing subsidiary, we regularly hold safety events on topics tailored to life in Vietnam, such as motorcycle traffic safety, emphasizing the importance of safety in day-to-day life.

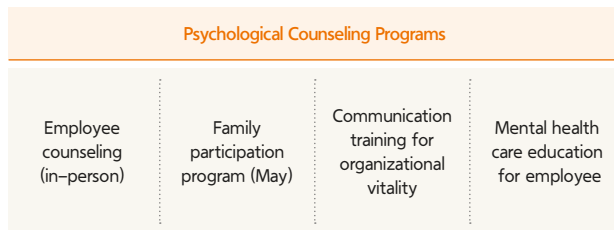| Frequency	Safety Inspection Items
Monthly	· Safety Inspection Day (4th week, Wednesday) · Off-site facility inspections (Yongin/Suwon) · Health care performance reporting (Health/Maeumnuri Counseling, Musculoskeletal Center)
Quarterly	· Occupational Safety and Health Committee · Company-wide regular safety and health training (online) · Inspections/evaluations of major suppliers
Semi-annually	· Semi-annual reports to management on the Serious Accidents Punishment Act – Reports to the Board of Directors (December) · Regular risk assessments · Near-miss incident reviews · Chemical inventory checks · Inspections of local exhausts/safety gear · Evaluations of safety and health systems at daycare centers and suppliers
Annually	· Line evaluations (supervisors) · Establishment of safety and health plans (to achieve "zero accidents") · Outsourced lab inspections · Budget planning for safety and health (October) · Supervisor training (May) · Inspection and evaluation of the Vietnam subsidiary (July)
Other	· Fire drills (November) · Thematic inspections (pre-holiday, storm/flood preparedness) · Cross-inspections with affiliates

Safety and Health Management

Employee Health Management

Psychological Counseling Office | At Maeumnuri Counseling, our in-house psychological counseling office, we work to support employees' psychological well-being and work-life balance. This office is equipped to address concerns arising from company life, drawing upon an understanding of the nature of each job and our organization.

Maeumnuri contributes to organizational vitality by running leadership programs and reflects our family-friendly philosophy by designing annual programs for employees and their children.

In 2023, the counseling office conducted a total of 544 individual sessions, focusing on upholding its core mission and providing high-quality services.

Psychological Counseling Programs			
Employee counseling (in-person)	Family participation program (May)	Communication training for organizational vitality	Mental health care education for employee

Counseling Office — Family participation program

Employee Health Promotion | Through regular in-house checkups, we help employees stay on top of their health while also providing customized health improvement programs. These programs give priority to employees identified as high-risk. To prevent and treat issues like forward head posture and herniated discs caused by prolonged PC use, we operate an on-site rehabilitation center. Guided exercise helps individuals with identified issues to balance and strengthen their muscles, improving lifestyle and posture while preventing further injury. Other initiatives include walking campaigns and diet and exercise programs for those diagnosed with metabolic issues.

Emergency Response Capabilities | Hanwha Vision provides CPR training under professional instruction, enabling employees to recognize and respond to emergency situations within the workplace. Supervisors are prioritized for training to ensure preparedness in emergencies involving respiratory or cardiac issues, with 13.4% of domestic employees completing the training in 2023. We plan to regularly offer this training to ensure all employees are prepared to perform CPR.

Rehabilitation Center exercise guidance

CPR training

Work Environment Safety Management

Safe Work Environments | Hanwha Vision inspects and identifies hazardous materials in advance, avoiding or supplementing any materials or equipment that could harm worker safety and health. We share safety information on hazardous equipment with employees ahead of time, while providing regular health monitoring, including specialized health examinations.

Safety Management for Key Suppliers | We regularly visit the worksites of our main partners to assess their occupational safety and health management systems using a structured checklist for each item. Based on the evaluation results, we develop improvement measures, provide semi-annual on-site guidance, and support our partners in establishing robust safety systems and preventing workplace accidents.

Emergency Response | To prevent emergencies and respond to them, Hanwha Vision has established processes to identify and assess health and safety risks. We conduct these assessments annually or when necessary. Each department designates a representative trained in emergency response. Additionally, annual drills such as fire evacuations and electric shock response are conducted to enhance our emergency response capabilities.



Photos of Hanwha Vision fire drills

Social

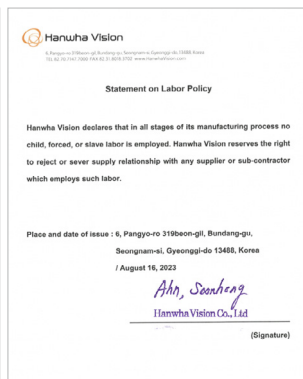# Human Rights and HR Management

Human Rights Management

Human Rights Management System

Hanwha Vision adheres to all labor principles and laws ratified by the jurisdictions in which we do business, including the International Labour Organization (ILO) guidelines prohibiting child labor and forced labor, and ILO standards for health, safety, and working hours. We are dedicated to fostering a corporate culture in which employees and all stakeholders are respected. In cases where national or regional labor laws differ from our internal regulations, Hanwha Vision complies with local laws.

Furthermore, if a partner company is found to have violated principles related to child labor or forced labor, our policy is to demand immediate corrective action. If such actions are not taken, business relations are terminated.
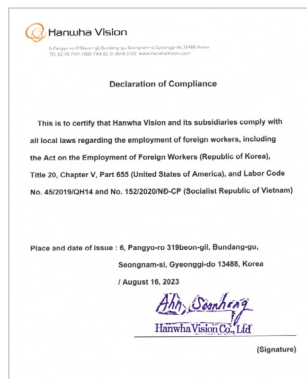
Compliance Commitment Statement   Labor Policy Statement

Protecting Human Rights

To protect employee rights and promote a healthy organizational culture, Hanwha Vision operates an in-house online reporting channel, the Smart Grievance Center. In cases of workplace harassment, sexual harassment, or other rights violations, offenders are disciplined according to policy. When grievances are reported through the Smart Grievance Center, Hanwha Vision promptly implements protective measures for the victim to prevent further harm and, after confirming the facts, works proactively with them to resolve the issue.

Smart Grievance Center Operating Process

| Case Intake | · Cases such as harassment, workplace bullying, and other grievances |

▼

| Investigation | · Investigation of reported incidents
· Examination of related issues |

▼

| Problem Resolution | · Disciplinary actions
· Strengthening of preventive measures
· Feedback on actions taken |

Employee Human Rights Training

Hanwha Vision conducts mandatory annual training to prevent workplace sexual harassment and harassment in general. In addition, senior management, including the CEO and department heads, receive specialized human rights training, enabling them to convey our commitment to human rights to their teams.

Disability Awareness Training

Hanwha Vision provides annual training to employees to promote awareness and understanding of disabilities, ensuring full participation. In 2023, all employees, excluding those on leave or stationed overseas, completed this training.

Disability Awareness Training

Human Rights and HR Management

Talent Management System

Talent Development System

Hanwha Vision's ideal employee embodies a great challenger with the mindsets of ownership, exceptional distinction, and adaptability. We support employees in leading change and delivering exceptional performance in the VUCA[1] era. Hanwha Vision has established a training system aimed at promoting the value of each employee and enhancing their job–specific, global, and leadership competencies.

1) VUCA: Volatile, Uncertain, Complex, and Ambiguous

Talent Development at Hanwha Vision

☐ Training   ▨ System

	Value	Job Skills				Global		Leadership		
Common	Onboarding of new/experienced employees	Online courses (monthly)					Team leaders	New team leader training	Interview skills training	Leadership coaching
	▼	Job/Language CoP – Learning groups						Middle manager leadership training		
	Mentoring (3 months)	External training	Software skill training	Product training	Academic training for STEM majors	Language curricula for a globally competitive workforce	Team members	Promotion training for directors/managers		
	▼					Native language training for A–Players		Promotion training for assistant managers/senior assistants		
	Retention training (After 1 year)					Training for expat candidates (Pre–assignment)				

Talent Development Strategy

We firmly believe that talent is our most valuable asset in driving sustained performance and future growth. We are committed to acquiring and nurturing top talent.

Talent Development Strategy at Hanwha Vision

Value	Leadership	Job Competence	Global Competence
Plan and operate new employee onboarding programs (New Hire Onboarding Program) aimed at establishing a vision by enhancing employees' sense of belonging and role recognition as members of the company	Plan and operate educational programs to strengthen leadership skills that align with the values of Hanwha Vision, enabling leaders to guide the organization and its members	Support job training geared toward recognizing changes in job trends and strengthening skills, including online training, external education, and organizing learning groups	Develop online language training programs and establish learning groups to enhance global competencies
· Increase loyalty through organizational understanding, strengthen internal motivation · Enhance job value through understanding of departmental tasks · Improve organizational adaptability through mentoring and activation programs with senior/junior colleagues · Establish personal vision based on individual strengths	· New team leader training: Understand the role of team leaders · Team leader performance management training: Understand organizational performance management and evaluation methods, develop interview and coaching skills · Promotion training for assistant managers/senior assistants: Recognize roles and foster leadership · Promotion training for directors/managers: Recognize roles and foster leadership	· Register for online job training and external courses · Job CoP – Form learning groups to strengthen job competencies	· Register for online language courses · Language CoP – Form learning groups to strengthen global competencies

Social

Human Rights and HR Management

Training System for Fostering Experts

Hanwha Vision supports employees in developing into masters of their respective roles by providing a variety of learning methods and content, including online, offline, and CoP (Community of Practice) options. The training system is structured into several tracks: Common Competency, Job Competency, Global, and Leadership.

Common Competency Track

New/experienced employee onboarding, retention training, etc.

New Hire Onboarding Program | Hanwha Vision runs a variety of onboarding programs for new employees, including introductory training. Programs include TA (Transactional Analysis)[1] diagnostics, introduction to departmental roles (tasks), team-building activities, experiential learning, and mentoring. These programs are expected to facilitate new employees' adaptation to the organization and deepen their understanding of departmental roles.

1) TA: Transactional Analysis, a method for analyzing social exchanges and relationships.

Training for Experienced Hires | We provide experienced hires with product training to help them understand our product lineup, along with software training, such as Git[1] (for development roles) and Docker[2] training. This support aims to increase employees' understanding of the company, boost their confidence in utilizing their skills, and help them adapt smoothly to the organization.

1) Git: A snapshot-based distributed version control system for tracking file changes and coordinating work among multiple users.
2) Docker: A type of server virtualization technology and an open-source container management platform that helps categorize programs into containers to enable individual execution.

Job Competency Track

Online and external training support, Communities of Practice (CoP)

Employee Capacity Development Program | We offer online and external training programs to secure our technological competitiveness and improve individual and organizational competencies. Employees are encouraged to set self-directed learning paths and plans, while taking advantage of opportunities for online and offline courses.

Academic Training in Science and Engineering | To attract top talent as our AI business expands, we support master's programs in AI graduate studies through our Science and Engineering Academic Training system. This initiative offers growth opportunities to excellent R&D personnel, aiming to build loyalty within the company.

Loyalty Program for Top R&D Talent | Hanwha Vision selects 13 next-generation R&D talents to attend major events in the United States and Europe, offering them exposure to global technology trends and innovative ideas. Additionally, the chosen talents can further enhance their expertise and competencies through dedicated R&D project assignments.

Guide to Science and Engineering Academic Training program

Leadership Track

Promotion program, training for new team leaders, leadership program for team leaders, 1-on-1 coaching program for team leaders

Leadership Workshop Program | We conduct separate workshops for each leadership level, enabling leaders to understand Hanwha Vision's business strategy and recognize their roles within the organization.

Leadership Capacity Building Program | Hanwha Vision provides leaders with leadership assessments, 1-on-1 meetings, and group coaching sessions to enhance their leadership capabilities.

Global Track

Support for phone English/AI tutors, Communities of Practice, language training support for expat candidates

Language Training for a Global Workforce | Hanwha Vision offers language training programs (1:1 video classes, e-learning, etc.) for employees who need to enhance their global competencies in their roles, supporting the development of their international capabilities.

Core Talent (A-Player) Development | We select and nurture high-performing and high-potential core talent (A-Players) through a development program that prepares them for critical roles within the organization, such as succession to key positions and overseas assignments.

Training for Expatriate Candidates | To ensure effective operations at our global locations (subsidiaries/offices) and facilitate successful overseas assignments, Hanwha Vision provides ongoing training for candidates to develop their capabilities before deployment.

Human Rights and HR Management

Talent Acquisition and Development

Branding for Talent Acquisition

Our social media presence helps attract high-potential talent and build a positive brand image. These channels provide insights into our values, corporate culture, and recruitment procedures.

Hanwha Vision Social Media

Job sites ···· LinkedIn ···· Facebook ···· Instagram ···· YouTube
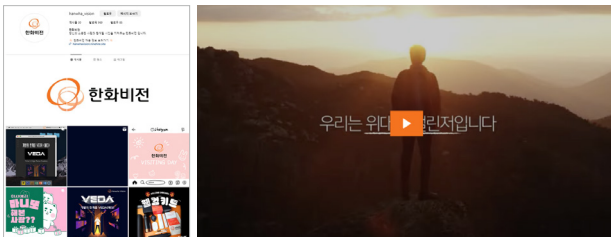
Fair HR Practices

We enforce fair and equitable HR practices, prohibiting discrimination based on gender, race, age, religion, disability, or social status in hiring, promotion, salary, and training opportunities.

Hiring People with Disabilities | In collaboration with the Korea Employment Agency for Persons with Disabilities, Hanwha Vision reaches out into the community to recruit skilled development personnel. We participate in the Smart IT Advanced Training (SIAT) program to train and recruit staff for development and quality assurance. We also support the Happiness Foundation's designer training and employment program. Additionally, three new employees with disabilities joined Hanwha Vision in 2023, including members of the national disabled sports team.

Key Recruitment Activities

Skills-Based Talent Acquisition | Hanwha Vision emphasizes core competencies in hardware and software research and development. In interviews, hardware applicants give presentations focusing on their specific responsibilities, while software candidates complete coding tests to assess their foundational skills.

Direct Sourcing | Hanwha Vision conducts Direct Sourcing recruitment, where hiring managers proactively reach out to candidates to secure top talent suited to the business. Before starting the recruitment process, they work with current employees to discuss the target position and define criteria for the ideal candidate. Based on these criteria, they use appropriate recruitment platforms to identify and bring in talent that best fits the role's requirements.

Employment-Linked Internship Program | To recruit top talent, Hanwha Vision offers an internship program for graduates or soon-to-be graduates. Participants enhance their skills and adaptability through team-led projects. In 2023, 25 interns transitioned to full-time roles, strengthening employment continuity.

ATS[1] (Applicant Tracking System) | Hanwha Vision uses an ATS to ensure a consistent, positive experience for all applicants. The system automates routine tasks and provides applicants with a personalized, transparent recruitment process.

1) ATS (Applicant Tracking System): A system for managing applicant processes.

Academy Partnerships | Hanwha Vision partners with specialized academies like SSAFY, Code States, and the Korea Employment Agency for Persons with Disabilities to recruit development talent. This enables candidates to adapt quickly to workplace requirements even without prior experience.

VEDA Academy | Vision's Edge Device Academy (VEDA) helps attract top talent by offering a unique curriculum focused on device software development, targeting college students. Hanwha Vision aims to graduate 100 students annually, with top graduates receiving a coding test exemption during recruitment.
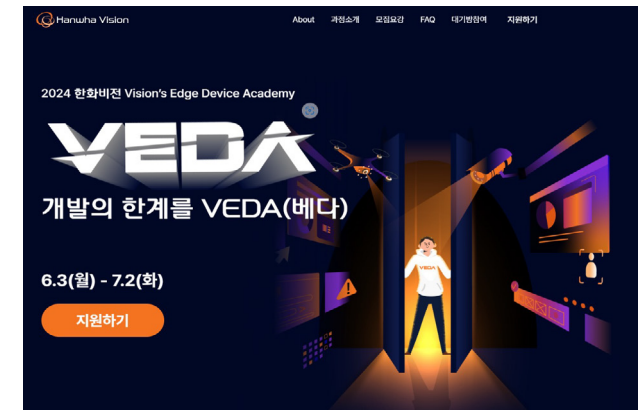
Vision's Edge Device Academy (VEDA)

Human Rights and HR Management

Communities of Practice (CoP)

To foster knowledge sharing and enhance organizational capabilities, Hanwha Vision operates a Community of Practice (CoP) program. CoP consists of voluntary learning groups formed by employees seeking to develop their skills. The program aims to strengthen global and professional competencies by organizing learning groups, selecting subject matter experts, and consistently supporting them as in-house trainers.

Recruitment of Learning Group Members
· Formation of language/skill learning groups
· Selection and training of in-house instructors for specific skills
· Recruitment of learning group members

Learning Group Workshop
· Group introductions and communication
· Guidance on learning group operations
· Weekly study plans and goal setting

Study Sessions
· Duration: 3 months
· Weekly or biweekly study sessions

Knowledge Sharing Sessions
· Knowledge sharing and final presentations by learning groups
· Selection and recognition of outstanding groups

Training Satisfaction Survey (Net Promoter Score)

To ensure that our training programs are effective, we conduct satisfaction surveys. For leadership training programs targeting team leaders, we assess and track the programs in terms of satisfaction, comprehension, recommendation, and applicability. For programs aimed at fostering a positive company culture, we evaluate satisfaction on the basis of participation rather than application of specific skills.

Survey results are used to align future training with learner needs, aiming to provide courses that offer real, practical benefits to employees.

Training Satisfaction Survey Results

February 2024 Life Planning Training for Peak-Wage Employees

Satisfaction	Comprehension	Recommendation	Applicability
4.82	4.36	4.77	4.95

July 2024 Team Leader Leadership Training

Satisfaction	Comprehension	Recommendation	Applicability
4.72	4.68	4.67	4.65
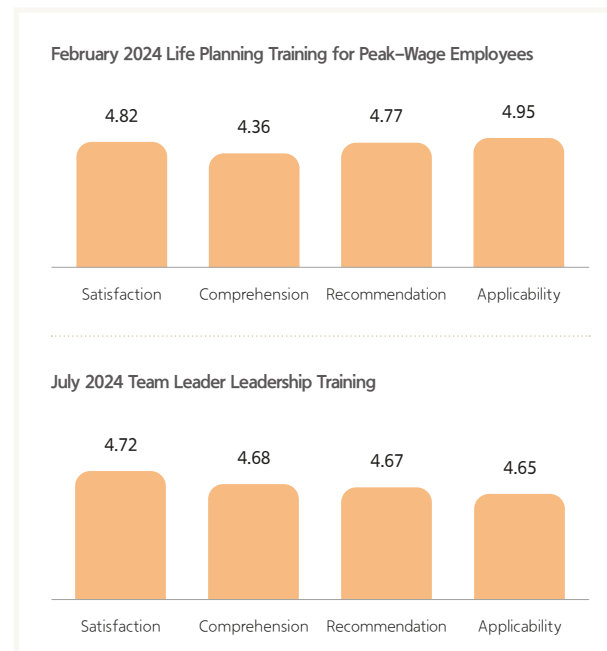
* Survey responses based on 5-point Likert scale

Performance and Compensation

Fair Performance Evaluation System

Hanwha Vision provides all employees with a fair evaluation system by establishing individual operational goals aligned with corporate and departmental objectives. Progress is managed and feedback provided continuously, ensuring transparency and equal evaluation standards for everyone, regardless of gender or rank. Evaluations are conducted on a five-grade scale, and an appeal process ensures transparency in the compensation system, all of which serves to enhance employee motivation.

Fair Compensation System

Our compensation structure includes a base salary and regular bonuses for holidays (Lunar New Year and Chuseok travel allowances). Additionally, we award bonuses tied to individual performance and company achievements (performance incentives, profit sharing). This performance-based reward system ensures fair compensation for high-performing employees, while fostering motivation and long-term growth aspirations.

Award System

Hanwha Vision grants awards to individuals and teams that contribute significantly to profits, sales, or any area where recognition aligns with our core values. In 2022, seven teams and four individuals received awards, and in 2023, eight teams and two individuals were recognized during the company's anniversary celebration.

창립 제71주년 기념식

2023 Hanwha Vision Dedicaion/Integrity Awards

Human Rights and HR Management

Employee Benefits

Hanwha Vision has implemented a range of employee benefit programs to address common concerns, including personal and family health, child education, and retirement planning. To alleviate financial burdens, we provide tuition assistance for the children of our employees from kindergarten through college, covering full entrance and tuition fees for college students.

Additionally, as the number of employees reaching their peak earning years increases, we offer education on life planning. This program aims to provide employees with a sense of stability, while promoting a culture of trust and mutual support within the organization.

Hanwha Vision's Customized Benefits System

Category	Benefits
Family-Friendly	Flexible working hours, child education support, life event support, on-site daycare, paternity leave, personal pension support
Health Management	Medical expense support, health check-ups, wellness room operation, fertility treatment support
Leisure	Condo access, club activities, summer vacation, sabbatical leave, benefits points
Self-Development	Self-development leave, in-house/external/online training support

Support System for Foreign Employees | Hanwha Vision offers tailored support for foreign employees, including accommodations and annual round-trip airfare for family members (spouse and children) to their home country. We also provide educational subsidies for the children of employees to help families adjust to life abroad.

Organizational Culture

Building a Family-Friendly Culture

Work-Life Balance Support System | To promote work-life balance, we provide options for shortened working hours for employees raising children (4-hour and 6-hour shifts), as well as family care leave, family care work-hour adjustments, and extended leave for expectant and current parents. Additionally, we exceed the legal requirements by offering two hours of reduced work time throughout the entire pregnancy period, and up to 90 days of fertility leave annually. Employees are also given a "Mom's Package" as a congratulatory gift upon pregnancy, and both male and female employees may request a gift certificate or name selection service as a baby gift upon childbirth.

Family Day Program | To foster a sense of belonging and loyalty among employees, our Family Day program organizes events for spouses and children. Through these initiatives, we strive to create a family-friendly workplace culture.

Family-Friendly Certification | Family-Friendly Certification is awarded to companies that effectively operate family-friendly policies. Since 2021, Hanwha Vision has maintained this certification by meeting requirements regarding working hours, maternity protection, paternity leave, and more.

Family Day

Mom's Package

Corporate Culture Improvement Initiatives

Flexible Work Hours | Since 2016, Hanwha Vision has operated a flexible work hour system, allowing employees to manage their own start and end times, thereby improving quality of life and focusing on performance-based evaluations.

Good Place Campaign | Hanwha Vision promotes a culture of respect among employees through the Good Place Campaign, which encourages professional workplace etiquette. The Clean Office Day initiative also supports a positive workplace by promoting attitudes and practices that contribute to a pleasant work environment.

Departmental Workshops | Hanwha Vision conducts annual departmental workshops to foster a lively team environment. Workshops include agenda discussions and activities designed to strengthen camaraderie among colleagues. We also organize interdepartmental workshops to facilitate communication and mutual understanding, especially between teams requiring collaboration. These activities help prevent siloed thinking and encourage a more cooperative work atmosphere.

Good Place Campaign

Social

Human Rights and HR Management

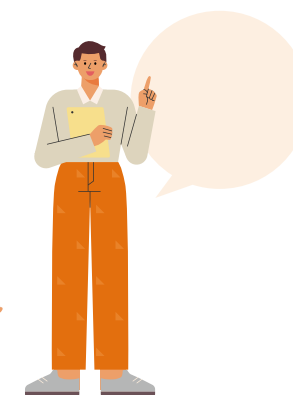## Employee Communication

Building Trustful Labor Relations

Hanwha Vision adheres to the three core labor rights protected under the Korean Constitution — freedom of association, collective bargaining, and collective action — ensuring the basic rights of employees. To maintain and improve working conditions, we engage in annual wage and collective bargaining with sincerity. The 2023 wage negotiations, grounded in mutual understanding and cooperation, resulted in both a wage increase and improvements to the peak wage system, exemplifying harmonious labor relations. Additionally, quarterly labor–management meetings are held to share updates on business performance and safety, while regular labor union meetings provide a forum for gathering and responding to employee feedback.

Enhancing Internal Communication

Zerotalk Program | Zerotalk serves as a consistent channel for listening to our employees and their VOCs (Voice of Customers). Through a dedicated email account, Zerotalk continuously receives employee feedback (VOCs) and addresses it with input from related departments. Monthly summaries of this feedback are shared through the Vision Letter, which fosters a culture of listening and responsiveness to employees' concerns.

Zerotalk Program

[제로톡9] 10개 VOC : 에어컨(난방)/벽TV/사내중식/시설보수/헬스장가입 [1]
안녕하세요, 토끼띠와 함께 돌아온 '제로톡'입니다! 직원분들 목소리에 바로 답변 드릴 수 있는 건 그
제로톡　2023.01.02 14:03　View 685

[제로톡8] 9개 VOC : 사내카페/셔틀버스/업무시스템(HR)/시설보수/주차인프라/헬스장 등 [3]
안녕하세요, 가을과 함께 찾아온 '제로톡'입니다! 직원분들 목소리에 바로 답변 드릴 수 있는 건 드리
제로톡　2022.10.19 16:07　View 697

[제로톡7] 10개 VOC : 사내카페/동호회/정수기/철봉/1층 인터넷 + 이전 내용 Update// [2]
안녕하세요, 제로톡입니다! 지난 5주간, 직원분들 목소리를 듣고, 바로 대응도 하면서 답변도 아래와
제로톡　2022.08.23 11:32　View 792

[제로톡6] 15개 VOC : 헬스장/에어컨/미화/소동/회의실/퇴직금/화장실/시스템 등..
안녕하세요, 제로톡입니다! 지난 3주간, 직원분들 목소리를 듣고, 바로 대응도 하면서 답변도 아래와
제로톡　2022.07.18 20:15　View 797

Great Workplace (GWP) Program | Our Great Workplace program (GWP) encourages two–way communication with employees. GWP leaders, selected from each team, serve as Voice of the People (VOP) messengers, conveying team members' concerns and suggestions to management. Additionally, they participate in weekly, monthly, and team/part meetings to discuss a range of agendas and propose ideas for creating a better workplace, thus fulfilling a collaborative role within the organization.

Vision Crew Program | To foster employee–led communication within the company, we have implemented the Vision Crew program. Comprised of employees who volunteer, Vision Crew members propose initiatives to create a more enjoyable workplace, produce online content, and serve as a bridge for communication among employees.

Townhall Meetings | Twice a year, Hanwha Vision holds Townhall Meetings to share company strategy, vision, and encourage open dialogue within each division and center. These meetings review our organizational goals, celebrate accomplishments, and provide an opportunity for employees to share feedback, which adds to our culture of transparency and engagement.

Supplier Management

Mutual Growth System

Hanwha Vision operates mutual growth roadmap with the aim of establishing a sustainable business ecosystem that progresses from "building a foundation for mutual growth" to "improving supplier competitiveness" and "enhancing sustainable growth."

Revenue expansion

Sustainable management

Fostering Small and Medium-sized Enterprises

Quality improvement

Cost competitiveness

Technical Support for Quality
· Guidance on quality improvement
· Establishment of a complete-process system
· Enhancement of Quality School operations
· Diagnosis and assessment of process risk levels

Sharing Manufacturing Innovations
· Mutual exchange of innovative methods
· Creation of platforms for sharing equipment
· Support for joint cost-saving projects
· Technical training support
· Operation of a Manufacturing Innovation Council

Business Support
· Payments made three times a month in cash

Foundation for mutual growth ▸ Improving supplier competitiveness ▸ Enhancing sustainable growth

Establishing fair trade/ subcontracting systems
· Building a company-wide fair trade culture

Creative Support Programs
· Promoting localization and encouraging transactions between partners

Fostering top-quality competitiveness
· Platform for sharing expertise from the parent company
· Achieving quality/technology excellence

Broadening/advancing mutual growth
· Strengthening self-reliance in partner markets
· Expanding support for 2nd and 3rd-tier partners

Mutual Growth Collaboration Program

Cooperation Network (Win-Win Cooperation Council) | To promote communication and synergy with our suppliers, we operate a Win-Win Cooperation Council, which holds regular general meetings and business briefings. In 2023, two official meetings were held in June and November in Korea and Vietnam. The sessions included business briefings, presentations on best practices from suppliers, and an awards ceremony for suppliers that demonstrated outstanding quality.

Additionally, a range of communication channels are provided to address the practical concerns of our suppliers and continuously improve these partnerships.

Win-Win Cooperation Council

Selection of Suppliers with Outstanding Quality
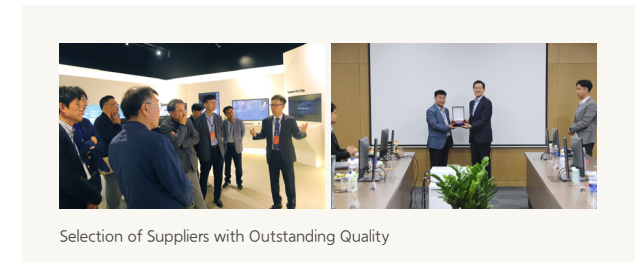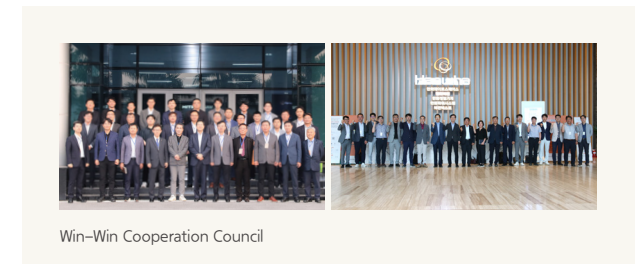
Financial Support for Suppliers | To improve the financial health of suppliers, we have improved their payment conditions by paying in full in cash, shortening the payment periods, and making early payments before major holidays.

Supplier Management

Supply Chain Management

Supplier Selection and Evaluation

As a partner for business success, Hanwha Vision selects and manages suppliers based on transparent and fair evaluation criteria. Each year, a regular evaluation of key suppliers is conducted based on quality performance (QStep), delivery performance, cost-saving achievements, and compliance management. In 2023, fire safety assessments were added to the supplier evaluation process to support the fire safety management systems of our key component suppliers.

Suppliers are classified into five tiers based on evaluation results, and those receiving lower grades are encouraged to improve through collaboration with relevant departments. In 2023, 43% of suppliers received an overall grade of A or higher, an improvement from 31% the previous year.

Supply Chain Evaluation Process

Evaluation of new registrations
· Register potential partners
· Conduct qualification and registration evaluations
· Perform credit evaluation through a credit rating agency

Regular evaluations
· Conduct evaluations in quality, technology, purchasing, performance, and fire safety
· Check for cases of compliance breaches
· Review AEO certification and mutual growth awards

Managing evaluation results
· Notify of evaluation results and request improvement plans
· Monitor completion of improvements

Compliance with Fair Trade Regulations

To ensure compliance with subcontracting laws, Hanwha Vision has adopted and abides by the four main fair trade guidelines established by the Fair Trade Commission.

Four Main Fair Trade Guidelines

Best practices for contract conclusion

Supplier selection and management

Internal review committee for subcontracting transactions

Issuance and retention of written documentation

Enhanced Safety Management for Suppliers

Hanwha Vision requires suppliers to uphold social responsibility standards and has established a management process for this purpose. Suppliers are required to prepare and submit safety work plans before undertaking work at heights or in confined spaces, or work involving lifting/crane equipment, excavation/demolition, and welding. We place special emphasis on preventing fatal fire accidents. We have conducted on-site inspections and guidance since 2022 to ensure compliance with fire safety regulations among major domestic and international component suppliers.

Open Procurement Service: Supplier Hub

Our Supplier Hub website is part of the Hanwha Vision open procurement service, and shares necessary information on supplier selection, registration, and contract processes. Additionally, through our VOC channels, a Voice of Suppliers platform is in place to receive feedback and concerns from suppliers. Guided by the spirit of "Going Further Together," Hanwha Vision shares its vision with suppliers and offers customized support to promote mutual growth.
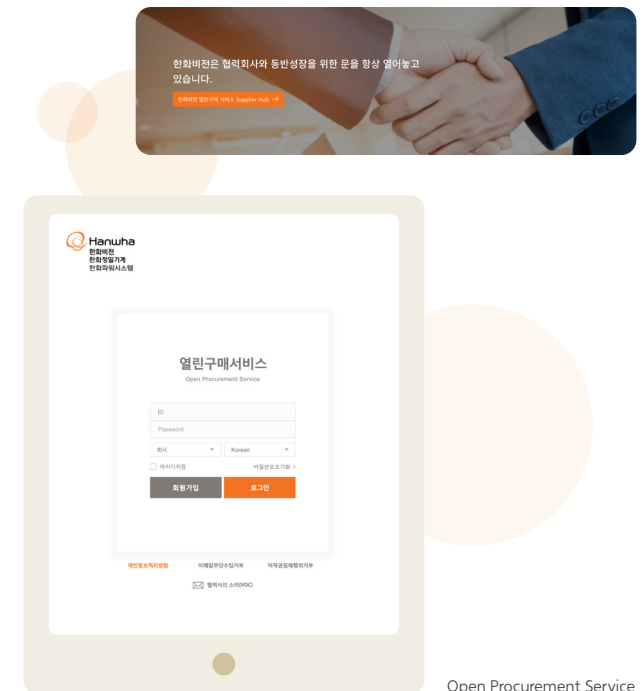
Open Procurement Service

Supplier Management

Sustainable Procurement

Conflict Minerals

To fulfill our corporate social responsibility, we are committed to refraining from purchasing or using materials that contain minerals sourced from conflict areas. We continue to expand our conflict minerals policy through education and outreach initiatives with our suppliers.

Strategic Materials Management

Our corporate social responsibility extends to international security and global peace, which we practice by adhering to relevant laws, including the Foreign Trade Act. We faithfully implement the compliance program of the Korea Strategic Trade Institute and adhere to the Strategic Materials Autonomous Compliance Program for Exporters.

Significance of Strategic Material Export Control

Security	Contributing to international peace and national security
Diplomacy	Ensuring international transactions do not escalate into intergovernmental disputes
Business Protection	Preventing trade retaliation and supporting safe exports for businesses
Trade	Promoting transparency in strategic material trade

Statement on the Implementation of Autonomous Export Control of Strategic Materials

Hanwha Vision Co., Ltd. declares its commitment to implementing autonomous export control of strategic materials, recognizing that this responsibility contributes to international security and the maintenance of world peace, and is integral to our sustainable business practices. We affirm the following:

First, we recognize that compliance with strategic materials export control systems is essential for fulfilling the corporate responsibility towards international security and peace. We strive to instill this understanding among all employees.

Second, we work proactively to establish the necessary organizational structures and systems within the company to autonomously manage strategic materials.

Third, we fully cooperate with the government's strategic materials export control policies and make every effort to prevent illegal exports and any violations related to strategic materials.

AEO[1] Certification

As a global manufacturer and importer/exporter of video security equipment, Hanwha Vision has acquired AEO certification to provide safer and higher-quality products and services to domestic and international partners.
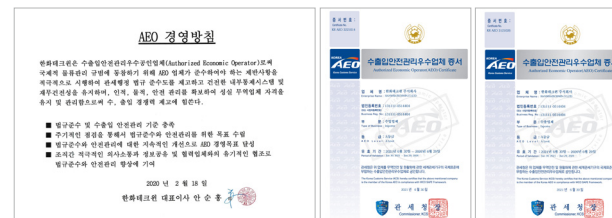
AEO Management Policy 🔗   AEO Certificate

1) AEO (Authorized Economic Operator): Certified companies with excellence in export/import safety management, approved by customs authorities based on compliance with legal and safety standards.

Procurement Code of Conduct

Hanwha Vision, grounded in a culture of integrity, strives to maximize company interests by continuously creating new value. We practice reciprocal, ethical purchasing with our partners, abiding by promises and legal standards. To achieve "Value Creation," "Mutual Purchasing," and "Ethical Purchasing," we have established a Procurement Code of Conduct and commit to diligent practice and compliance.

Procurement Pledge

First, we approach our work with pride and a proactive attitude as leaders in generating profit for the company.

Second, we uphold a sound professional ethic that does not, under any circumstances, accept any wrongdoing that is inconsistent with good business practices. We abide by ethics and the law and maintain our objectivity.

Third, we always consider how to best support our customers, striving to respond creatively and proactively to change.

Fourth, we listen to our suppliers with an open mind, respecting their dignity and striving for smooth communication.

Fifth, with honesty and sincerity, we continuously strive for improvement and self-development, and upholding the law and etiquette to maintain our dignity as purchasers.

Quality Management

Quality Management System

Quality Management Implementation System

We have designated our ISO 9001:2015–based quality management system as our highest internal work standard. Led by the CEO, we strive not only to satisfy our customers but to delight them. We have appointed a Global CS Director as the quality management representative to ensure close oversight, and each month, a CEO–led quality management meeting is held to review quality/service–related KPIs, root causes, and action plans for major market/process quality issues, and thereby continually improve the quality of our products on the market.

Our quality vision is "Delighting our customers with perfect quality solutions and services." This drives our dual objectives of "enhancing Edge Device verification/service" and "building response systems for solution evaluations & platform services."

This commitment to quality is shared publicly on our website, affirming to both employees and customers our dedication to perfect quality.

Vision for Quality Policy

Delighting our customers with perfect quality solutions and services

Enhancing Edge Device verification/service, building response systems for solution evaluations & platform services

Quality Management System

To achieve our Vision for Quality Policy, we delineate each department's responsibilities clearly and further stabilize quality through regular Plan–Do–Check Cycle management. A comprehensive quality verification system is in place, spanning every stage from product planning to sales, supported by digital systems such as ERP (SAP), PLM (development management system), MES (manufacturing management system), CRM (sales/service management system), OPS (supplier/procurement management system), and SCM (enterprise supply chain management system). These interconnected systems facilitate real–time management, analysis, and monitoring.

Quality issues and improvement requests submitted by customers are transmitted in real–time through the CRM system to the relevant departments for prompt resolution, with weekly cross–department meetings conducted to address root causes and measures for each issue.

Through these systems, serial numbers enable us to trace development, modifications, purchases, and production history, and thereby identify the source of any issues for corrective action. When a quality issue arises in the market, it is escalated to the CEO based on severity, ensuring customer–first actions that minimize the impact on both the customer and the company.

Quality Information System

CRM Market Quality	OPS Supplier Quality	PLM Development Quality	HSM Operational Standards

SCM Logistics Management	MES Process/ Shipping Quality	SAP Master Data/Costs

Quality Management System Certification |

To deliver the highest quality products to our customers, we have obtained ISO 9001 certification for our quality management system. By conducting internal and follow–up/renewal audits every year, we are able to review and improve our quality assurance processes and systems across all stages, from product planning to development, manufacturing, marketing, and service.

ISO 9001 Certification

Internal Auditor Expertise Program |

To strengthen our quality management system, we provide formal qualifications to internal auditors by having them complete the Internal Auditor Expert Program at a professional institution, which has grown our team to 16 qualified auditors. These auditors undergo annual pre–audit training, and their qualifications are maintained based on accumulated audit experience. The team includes members from diverse departments such as product planning, marketing, development, manufacturing, and quality, which ensures comprehensive checks are conducted across every process stage.

Developing Sustainable Products

At our R&D Center in Pangyo Techno Valley, Gyeonggi Province, we are developing a range of vision technology–based solutions while establishing future technology strategies focused on AI and cloud services. At the Innovation Center in the U.S., we are committed to developing essential technologies for future business, such as AI and cloud computing. Having established a global AI R&D system at our headquarters, U.S. Innovation Center, and the AI Data Lab, we have acquired full–stack AI capabilities — ranging from AI strategy formulation, data processing, and commercialization to the development of future key technologies — which is accelerating our R&D efforts toward a sustainable competitive advantage.

Quality Management

Key Activities for Quality Management

Quality Verification for Hardware Reliability

Hanwha Vision verifies product quality from the initial design and review stages of new product development to ensure excellence from the customer's perspective. Reliability testing is conducted at each stage of development, including design verification, development verification, and pilot production verification.

The reliability design and verification processes account for the product's full life cycle (PLC, Product Life Cycle), from dispatch to transport, storage, installation, operation, and replacement.

Testing environments include vibration/drop tests, high–temperature/high–humidity storage, compatibility in installation, environmental stress tests during operation, waterproof testing, lightning and electrostatic discharge tests, accelerated life tests, and component stress analysis. These efforts are conducted to ensure product functionality under extreme conditions, following international standards such as IP66/IP67 and IK10.

Hardware Quality Verification Process
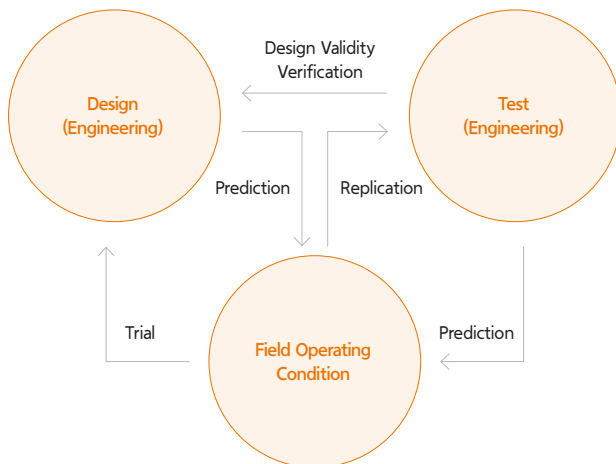
Verification of Software and Solution Services

For software stability, Hanwha Vision enhances the completion of software design by conducting unit tests at every stage — from analyzing customer requirements and designing systems to architecture design, module design, and coding. To promptly address customer needs, we bring verification specialists directly into the development process of our cloud and solution services, which enables on–the–spot testing.

Hanwha Vision also holds a robust database of situational data across a diverse range of environments to ensure the performance quality of the AI functions we integrate into new products. Automated testing tools are used to establish AI performance levels that significantly outperform our competitors.

Mass Production Quality and Stabilization

Operating production lines in Korea and Vietnam, Hanwha Vision ensures consistent quality in mass–produced products by maintaining standardized processes and a manufacturing evaluation system. From component inspection and approval of incoming parts to mass production assessments for new models and inspections during processing and at dispatch, every step is managed meticulously to ensure flawless product manufacturing.

Alongside such step–by–step verification, we conduct regular audits and training across our manufacturing lines to elevate our fundamental quality standards.

We also enhance support for our major component suppliers by holding periodic quality councils and process audits, and recognizing our outstanding suppliers every year through an award program.

Mass Production Quality Stabilization Process

Supplier Assurance
- New approval
- Regular audits
- On–site management

Supplier audits

Regular supplier evaluations

Component Quality
- First sample approval
- Supplier audit
- Incoming inspection

Process monitoring

Reliability verification

New Model Quality
- Mass production assembly evaluation
- Initial quality stabilization
- Timely launch

Evaluation efficiency

Supplier/corporate support

Market Quality
- Customer VOC improvement
- Accident prevention/rapid Action
- Recurrence prevention

Monitoring

Cost efficiency

Shipping Quality
- Process patrol
- Mass production reliability
- Shipping product inspection

Defect improvement

Reliability verification

Process Quality
- SMD process
- PBA process
- Main production process

Function/performance test

Visual inspection

Quality Management

Enhancing Customer Value

VOC (Voice of Customer) Management

Hanwha Vision systematically manages customer feedback through a VOC system, which purposefully integrates customer, sales, and partner input. VOCs from both domestic and international sources are categorized as defect–related, improvement–related, or other. Weekly meetings are held with relevant departments, including development, quality, and manufacturing, to promptly address VOCs and provide timely feedback to customers by monitoring lead times.

The processing and information–sharing procedures for VOCs utilize an automated email notification feature, which efficiently communicates market quality updates to related departments and customers. This approach helps to improve customer satisfaction and potentially drive additional sales.

VOC Management Process

Registration → Intake/ Reporting/ Progress → Verification/ Specification review → Root cause/ Action plan → Customer response/ Completion

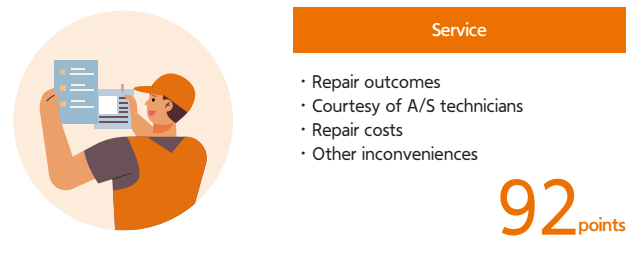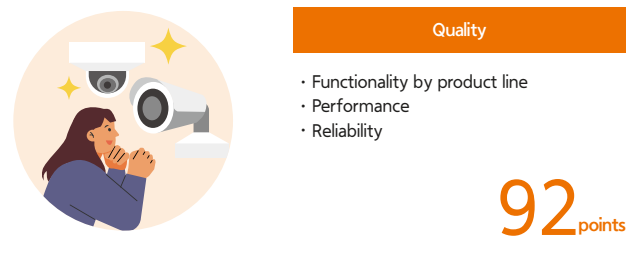### Training for Service Representatives

We provide in–depth training to our service center technicians and partner representatives. Evaluations of designated service centers include an award program for top performers, and regular training sessions are also provided for overseas service technicians and partners. Additionally, our new service center in the U.S. offers an online training platform. Through this training, we strive to deliver high–quality maintenance services and respond swiftly to complaints, aiming for greater service satisfaction.

Customer Satisfaction Survey

We conduct satisfaction surveys for the customers who use our products and services, which enables us to objectively score and benchmark satisfaction levels in quality and service relative to our competitors. Through regular satisfaction surveys, we identify improvement areas and analyze them for trends that can enhance customer satisfaction.

One notable improvement has been the implementation of a Repair Tracking feature that enables customers to track repair progress in real time. In 2023, survey results indicated that Hanwha Vision's product quality and service received a score of 92, representing a 14% outperformance of our competitors' average score of 81.

2023 Customer Satisfaction Survey Results

Quality

· Functionality by product line
· Performance
· Reliability

92 points

Service

· Repair outcomes
· Courtesy of A/S technicians
· Repair costs
· Other inconveniences

92 points

VOC Improvement Cases

CASE #1

VOC Type	Defect
Complaint	The layout screen of the AI–based Automatic Number Plate Recognition (ANPR) displayed information other than license plate numbers differently depending on the system version.
Cause	During the development of the Smart Security Manager (SSM) system, relevant information was set not to display in the monitoring tab.
Solution	Added display code in the SSM system to ensure ANPR information is also shown in the monitoring tab.

CASE #2

VOC Type	Defect
Complaint	Issues such as screen loading and switching delays occurred when connecting one of the CCTV recorders, an NVR (Network Video Recorder)[1], to a KVM switch[2].
Cause	It was found that delays were caused by creating channel profiles during multi–channel layout switching, which impacted communication and response times.
Solution	Adjusted the system to utilize profile information of virtual channels through other registered channels, thereby reducing wait times and enabling quicker layout changes.

1) NVR (Network Video Recorder): A CCTV recorder compatible with IP cameras.
2) KVM Switch: A device that allows control and monitoring of multiple devices through a single set of keyboard (K), video/monitor (V), and mouse (M).

Corporate Social Responsibility

CSR System

Hanwha Vision is committed to creating a "Happy Tomorrow" for all by practicing corporate social responsibility based on the philosophy of "Going Further Together." These activities are aligned with the UN SDGs (United Nations Sustainable Development Goals). With our leadership's commitment and the active participation of employees, we consistently engage in activities that benefit the local community.

Governance | In order to undertake structured social contribution activities, Hanwha Vision has designated a social contribution officer within the Management Support division. Community-oriented projects are funded through voluntary donations from employees. In developing our annual social contribution plans, we encourage employees to serve their communities. At year-end, outstanding volunteers are recognized, which further encourages them to volunteer.

Vision and Mission | Our philosophy of corporate social responsibility, "Going Further Together," supports the vision of "Creating a Happy Tomorrow Together." This approach is rooted in Hanwha's founding principle of "Serving the Nation Through Business" and our ethos of "Spirit and Loyalty." Hanwha Vision emphasizes the idea of moving "Further together" rather than "alone, faster." In this way, we maintain a strong commitment to social responsibility as a corporate citizen.

VISION

"Creating a Happy Tomorrow Together"
Hanwha envisions a "happy tomorrow" where everyone moves "further together."

MISSION

A happy life our employees make together

A society growing together through sharing and caring

A bright and healthy future created through eco-friendly values

CSR Slogan

Energy for life
Energy that builds tomorrow

+

"Further Together"
Sharing, social investment

=

Sharing energy for life

Corporate Social Responsibility Programs

Local Community	Children and Youth	People with Disabilities and Seniors
• Environmental cleanup activities	• "The Vision I Made"	• Happy Table Program
• Donations of goods	• Flea market with employees	• Seasonal nutritional meals
• Blood donation campaigns		

Aligned with UN SDGs

| 1 NO POVERTY / 3 GOOD HEALTH AND WELL-BEING | 1 NO POVERTY / 4 QUALITY EDUCATION | 3 GOOD HEALTH AND WELL-BEING / 10 REDUCED INEQUALITIES |

Corporate Social Responsibility

Key Social Contribution Activities

Local community

Environmental Cleanup: Plogging Day | Hanwha Vision holds a Plogging Day each quarter to clean up around areas were people frequently go to smoke. This is part of our anti–smoking awareness campaign, and over 20 employees volunteer each session. Additionally, the Vietnam subsidiary organizes a similar cleanup event around its factory during Environmental Month in June, engaging around 60 employees.

Employee Donation Drive | Each October, Hanwha Vision and four other resident companies at the Pangyo R&D Center hold an employee donation event. Donated items are sorted, cleaned, and given to the Goodwill Store, which employs individuals with disabilities, to support job creation for people with disabilities in the local community.

Blood Donation Campaign | Each quarter, Hanwha Vision and other resident companies at the Pangyo R&D Center organize a blood donation campaign to help with the blood supply shortages in Korea exacerbated by the country's low birth rates, aging population, and malaria restrictions. This initiative aims to contribute to the blood supply and convey a warm love as a member of the society living together.

Support for Children and Youth

"The Vision I Made" | Hanwha Vision has introduced the "The Vision I Made" program to provide cultural experiences for underprivileged children in the local community, promoting their emotional development and working to bridge the cultural divide. In winter, the program also supplies warm clothing (padded jackets) to children from low–income families to support their health and reduce their financial burden. This program will expand to two sessions per year in 2024.

Flea Market with Employees | At the end of 2023, Hanwha Vision hosts an Employee Flea Market in collaboration with resident companies at the Pangyo R&D Center. Proceeds from donated items are used to support young fencing athletes in Seongnam, providing them with gear such as fencing uniforms and shoes. Hanwha Vision plans to continue supporting youth in the local community.

Support for People with Disabilities and Seniors

Happy Table | In collaboration with the Seongnam Welfare Center for the Disabled, Hanwha Vision operates the Happy Table program, providing side dishes twice a week and special meals four times a year to low–income households with disabilities. This initiative aims to improve the diet, health, and overall quality of life of disabled individuals.

Seasonal Nutritious Meals | Partnering with the Sujeong Central Senior Welfare Center, Hanwha Vision offers the Seasonal Nutritious Meals program, delivering weekly side dishes and thrice–yearly special meals to elderly residents living alone. The program includes in–person deliveries, which serve as social visits that reduce feelings of loneliness, alleviate isolation, and promote emotional well–being among seniors.

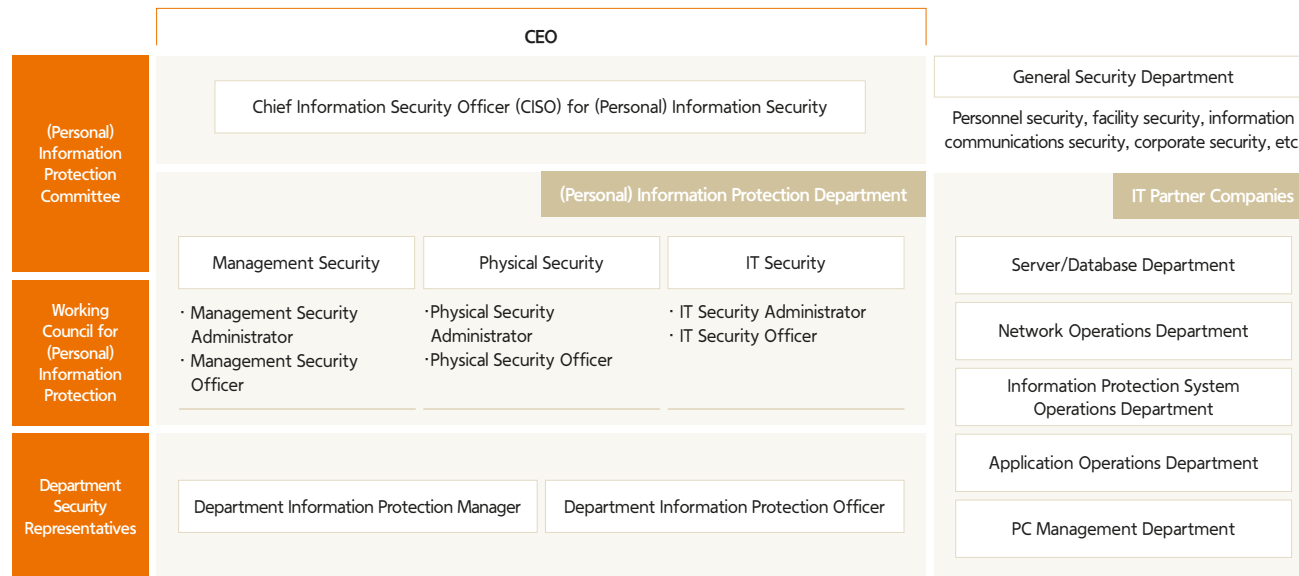Community Activities

Support for Children and Youth

Support for People with Disabilities and Seniors

Information Security

Information Security System

Governance

Hanwha Vision is committed to protecting individual rights and privacy by implementing strict information security policies and regulations. The information security governance system is divided into three main areas: management security, physical security, and IT security. The Chief Information Security Officer (CISO) role is assigned to the head of the Management Support Office, who leads continuous security activities through regular meetings of the Working Council for Information Protection and the Information Protection Committee to review and report ongoing initiatives.

(Personal) Information Protection Committee	CEO
	Chief Information Security Officer (CISO) for (Personal) Information Security

CEO

Chief Information Security Officer (CISO) for (Personal) Information Security

General Security Department

Personnel security, facility security, information communications security, corporate security, etc.

(Personal) Information Protection Committee	(Personal) Information Protection Department	IT Partner Companies
	Management Security · Management Security Administrator · Management Security Officer	Physical Security · Physical Security Administrator · Physical Security Officer	IT Security · IT Security Administrator · IT Security Officer	Server/Database Department
Working Council for (Personal) Information Protection				Network Operations Department
				Information Protection System Operations Department
Department Security Representatives	Department Information Protection Manager	Department Information Protection Officer	Application Operations Department
			PC Management Department

Information Security Policies

As we shift from traditional product sales to becoming a vision solutions provider, Hanwha Vision emphasizes the critical importance of information protection at all levels. This is communicated through our Information Security Declaration and is enforced by a structured information security management system based on guidelines, standards, and procedures. Furthermore, we adhere strictly to regulations through our comprehensive privacy policy.

Hanwha Vision Privacy Policy 🔗

Information Security Management System

Information Security Management System

As Hanwha Vision transitions towards IT and software-centered business strategies, information security risks continue to grow and diversify. To address these, a comprehensive information security management system has been implemented. We maintain ISO 27001 certification as a validation of our robust information security standards.

Furthermore, we are continuously updating our internal and external regulations (such as information security guidelines and privacy policies) to reflect the latest trends and to proactively adapt to a range of environmental changes.

Information Security Management System Certification

Collaborating closely with Hanwha Systems, Hanwha Vision achieved the globally recognized ISO 27001 Information Security Management System[1] certification in October 2023, ensuring systematic management and protection of our key assets and systems.

This includes a standardized checklist for overseas branches based on ISO 27001 security controls, covering administrative (policies, personnel and asset security, incident management), physical (security zones, personnel control, facility and equipment protection), and technical (access control, data security, encryption) security measures.

1) ISO 27001 Information Security Management System: An international standard for enhancing organizational security levels through a PDCA-based life cycle framework.

Information Security

Key Information Security Activities

Assessment of Information Security Levels

We conduct annual assessments of our information security levels to ensure adherence to our information security management systems and relevant legal requirements. Improvement plans are set based on the assessment results, and implementation is monitored to maintain high information security standards. The assessment scale is scored out of 5, where a score between 4.1 and 5.0 signifies a consistent internalization of information security best practices. In 2023, Hanwha Vision's score rose by 0.07 points, reaching 4.19.

Prevention of Information Security Incidents

Hanwha Vision operates an Integrated Security Operations Center (SOC) at the Jukjeon IDC, staffed with expert personnel to detect and respond to security events continuously. Server and database access is strictly regulated and granted only when a valid purpose is confirmed through a pre-application process, with periodic reviews to maintain oversight. Additionally, twice-annual vulnerability checks, phishing response training, and an annual penetration test are conducted. To increase employee awareness, security updates and trends are shared regularly through groupware bulletin boards.

Employee Information Security Training and Notices

Embedding Information Security Awareness

Hanwha Vision promotes information security awareness among employees through phishing response training, targeted security checks, and audits of non-work-related software installations. In 2024, these efforts are being expanded to include international locations.

Regular updates on current security issues and incident cases are also shared via groupware to reinforce the importance of data protection. New employees receive specialized training focused on policies and practices for preventing data leakage, alteration, and destruction — critical security values at Hanwha Vision.

2023 Employee Information Security Activities

Phishing response training

Twice a year

Themed information security inspections

Monthly

Non-work-related software installation audit

Monthly

New employee information security training

Completed by **90** employees

Information Security Mid- to Long-Term Vision

Hanwha Vision is shifting from an internal system/product-centric information security approach aligned with a traditional product-focused business model to a product/service-centric security strategy in support of our transformation into a solutions provider.

In 2024, the focus has been on preparing for this shift by establishing dedicated security regulations for cloud services, as well as applying and internalizing unified regulations across dispersed development teams.

By 2025, the goal is to validate and enhance trust in Hanwha Vision's security levels through certifications from external third-party institutions. We will also initiate monitoring and inspection activities tailored to our overseas offices and remote work environments in line with our global sales operations.

Starting in 2026 and beyond, Hanwha Vision aims to offer consistent information security control and monitoring capabilities across all international and remote workplaces, ensuring robust security regardless of location.

Long-Term Roadmap for Information Security

2024
· Establish cloud-specific security regulations
· Apply and internalize regulations within development teams

2025
· Obtain information security certifications to enhance reliability
· Implement monitoring and inspection for overseas offices

2026
· Strengthen information security controls and monitoring for overseas and remote work locations

Governance

Hanwha Vision operates a solid governance structure to ensure transparent and accountable management. The Board of Directors, as the company's highest decision–making body, reviews and approves significant management issues with a focus on maximizing long–term company value. In addition, we maintain rigorous transparency and fairness in accounting through external audits and internal controls. By strengthening our ethics and compliance framework, we uphold high ethical standards in all management activities. Hanwha Vision provides a range of training programs to raise employee awareness of compliance, ensuring trustworthiness and sustainability through fair transactions and transparent operations. Furthermore, we comprehensively manage financial and non–financial risks to establish a stable foundation for growth. Through these efforts, Hanwha Vision aims to maintain sustainable growth within an evolving global landscape, solidifying our position as a future–ready company.

Board of Directors

Composition and Role of the Board

As Hanwha Vision's highest decision–making body, the Board of Directors deliberates and resolves critical management issues, including business policy, core management objectives, and decisions on ESG risks and opportunities.

Board composition

Position	Name	Gender	Specialization	Key Experience	Board Term
Internal Director / CEO / Board Chair	Ahn Soonhong	Male	Corporate Management	Current) CEO of Hanwha Vision Previous) Head of Sales & Marketing at Hanwha Techwin Previous) Head of Hanwha Techwin America	2018.04.01 (2019.09.23) ~ 2026.04.01
Internal Director	Lee Sang–won	Male	Development	Current) Head of Development Center at Hanwha Vision Previous) Head of SW Development at Hanwha Techwin	2022.10.31 ~ 2026.03.25
Internal Director	Hong Sun–jae	Male	General Corporate Management	Current) Head of Management Support at Hanwha Vision Previous) Team Leader, Strategy Team 2 at Hanwha Corporation	2023.10.31 ~ 2025.10.30
Auditor	Park Ji–cheol	Male	Finance	Current) Head of Finance at Hanwha Aerospace	2023.10.31 ~ 2025.10.30

Operation of the Board of Directors

Hanwha Vision adheres to its Articles of Incorporation and the Board's operational regulations, holding regular board meetings every two months, with additional special meetings convened as necessary. In 2023, the Board convened a total of 12 times, with an average attendance rate of 94%, thoroughly deliberating and resolving 23 agenda items. Notable ESG–related issues discussed included the "Occupational Safety and Health Plan Report."

Board Operation Status

Period	Meetings held
2023	**12**

Avg. attendance rate of all directors	Agenda items
94%	**23** (19 resolutions, 4 reports)

Audit Organization

With approval from the Auditor Selection Committee, Hanwha Vision appoints an external auditor to regularly monitor the effectiveness and operational status of its internal accounting management system. Through regular audits by an independent external auditor, we ensure the fairness and transparency of our financial information. The Board and auditors also hold regular meetings to review audit details and quality. Audit opinions for fiscal year 2023 and the past three years were "Unqualified," with no additional issues reported.

Ethics and Compliance

Ethics and Compliance Management System

We recognize that embedding compliance management into our organizational culture is a critical component of sustainable management. To promote voluntary adherence to regulations, we have established a mission, policies, standards, and guidelines, and diligently conduct education, audits, evaluations, and systems management.

Ethical Management Mission

We are committed to creating a fair and transparent company.	We improve organizational structures and systems to maximize efficiency.	We are dedicated to increasing company value.
· Establishing a clean, corruption-free corporate culture · Providing regular anti-corruption training to support a proactive audit framework	· Reducing waste in inefficient processes · Eliminating operational gaps caused by departmental self-interest	· Offering management consulting in weak areas and sharing success stories · Introducing proactive audit measures to diagnose and prevent potential issues early on

Guidelines for the Code of Conduct

Use of Company Assets
· Use of company assets for unauthorized purposes
· Leakage of information and personnel resources
· Embezzlement and misuse of funds

Selection of Business Partners and Fair Trade
· Selection of business partners
· Transactions with partners
· Equity investments

Receiving Gifts and Hospitality
· Gifts
· Entertainment and hospitality
· Provision of conveniences

Document and Accounting Manipulation, False Reporting
· Manipulation and alteration of documents or figures
· False reporting

Prohibition on Unlawful Solicitations and Gift-Giving
· Unlawful solicitation activities
· Providing gifts or benefits

Other Basic Employee Ethics
· Prohibition of sexual harassment
· Prohibition of financial transactions and gift exchanges between employees
· Proper use of social media (Social Media Guidelines)

Ethics and Compliance Policy

We have established a Code of Conduct based on our management philosophy of fair business practices and Hanwha Vision's compliance management principles. Additionally, detailed guidelines have been developed to ensure that all employees, including those in domestic and overseas subsidiaries, branches, and affiliated entities, make correct business decisions and ethical judgments, and adhere to both domestic and international anti-corruption laws and related regulations. These guidelines are available in Korean and English on our internal compliance support system for employees to access at any time.

Hanwha Vision Employee Code of Conduct	Hanwha Vision Anti-Corruption Compliance Regulatioans
Hanwha Vision Compliance Control Standards	Hanwha Vision Anti-Corruption Compliance Implementation Rules

Compliance Consultation/Reporting

Hanwha Vision operates a channel for employees to report any unfair business practices, misuse of authority, or corruption. The reporting channel can be accessed through the Hanwha Vision main website, and reports can be submitted via email. It is our policy to respond to reports as promptly as possible by phone or email. The identity of the reporter and the details of the consultation/report are strictly protected.

Reporting Channels

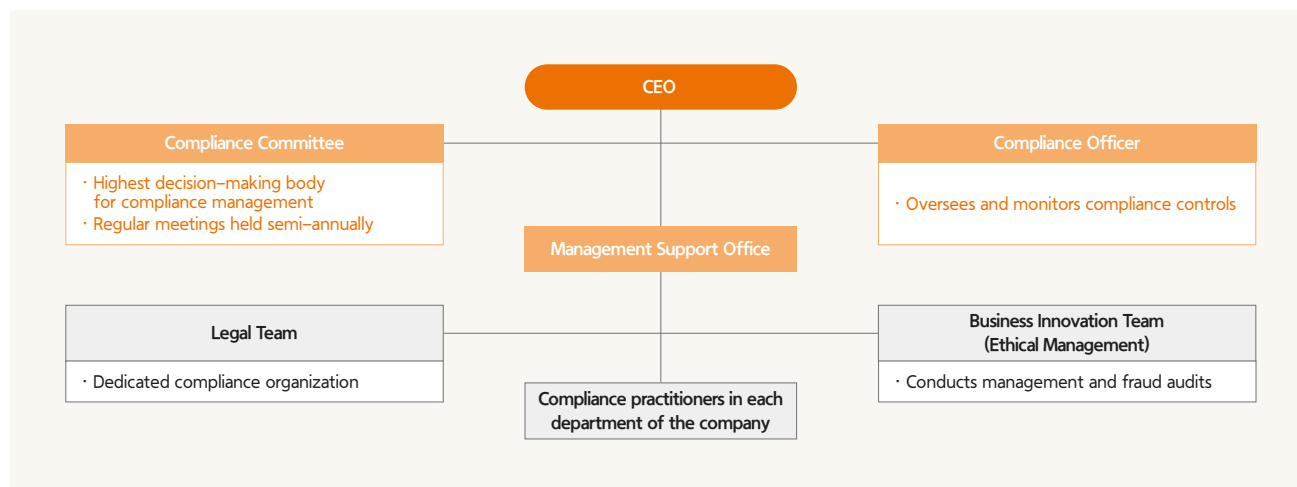| Types of Reports	· Misappropriation of company funds and bribery by employees · Improper handling of tasks by employees · Requests for or provision of gifts and entertainment	· Unfair equity participation in unlisted business partners · Cases of dual employment by employees · Cases of misconduct due to sexual harassment · Instances of workplace bullying · Other violations of the Code of Conduct
Reporting Methods	· Email audit.techwin@hanwha.com	· Address Business Innovation Team (Ethical Management) Hanwha Vision, 6, Pangyo-ro 319beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do, South Korea

Ethics and Compliance

Compliance Management

Compliance Organizational Structure

To ensure responsible management of ethics and compliance, Hanwha Vision has established a dedicated legal team under the Management Support Office. The Compliance Committee, the highest decision-making body for compliance management, is composed of the CEO, business division heads, and other senior executives. The committee convenes biannually to review compliance control operations, establish regulations related to compliance management, and reward excellence in compliance activities. Additionally, the Business Innovation Team (Ethical Management) within the Management Support Office conducts management and fraud audits, while a dedicated compliance officer oversees and monitors adherence to compliance standards through regular or ad-hoc inspections and reporting. Compliance management matters decided within this organizational structure are shared with compliance practitioners across all divisions to internalize the compliance system throughout the organization.

Compliance Organization Chart

```
                          CEO
                           |
Compliance Committee ─────────────── Compliance Officer
· Highest decision-making body        · Oversees and monitors compliance controls
  for compliance management
· Regular meetings held semi-annually
                           |
              Management Support Office
                           |
Legal Team ───────────────────────── Business Innovation Team
· Dedicated compliance organization    (Ethical Management)
                           |           · Conducts management and fraud audits
        Compliance practitioners in each
        department of the company
```

Compliance Management Components

Hanwha Vision manages compliance through a three-stage approach: building an execution system, promoting legal compliance management, and ensuring efficient operations. Additionally, each risk category is defined, and a dedicated department is assigned to manage and operate our structured risk management system effectively.

Compliance Program (CP) Operations

A compliance program (CP) is an internal compliance system voluntarily established and operated by a company to provide training and oversight, aiming to prevent or minimize potential tangible and intangible losses that may arise from regulatory violations in a business environment and to ensure compliance with fair trade regulations. Hanwha Vision operates a CP to prevent legal violations, protect the company from losses, safeguard employees, and create a trusted management environment with customers and stakeholders.

CP Stages and Key Elements

Planning Stage	Implementation and Operation Stage	Monitoring and Improvement Stage
· Establish compliance policies and fundamental guidelines · Develop CP criteria and procedures	· Establish compliance support organization (department) · Develop compliance support manuals · Set employee Code of Conduct	· Monitor CP implementation and impose sanctions if necessary · Conduct training and manage educational program regulations

CP Management Targets

Preventive Measures

Fair Trade/Subcontracting
Unfair trade practices, collusive behavior, unfair subcontracting, etc.

Environment/Safety
Green management, workplace environment and safety management, regulatory compliance, etc.

Monitoring

Product Liability
Compliance with standards under the Product Liability Act and Consumer Basic Law, adherence to internal quality standards, etc.

Labor/Organizational Culture
Recruitment, disciplinary actions, termination, welfare, equal employment, compliance with labor standards, prohibition of sexual harassment, etc.

Post-Management

Intellectual Property/Trade Secrets
Protection of intellectual property, prohibition of unauthorized use of competitors' IP, protection and prevention of trade secret leakage, personal data protection, etc.

Anti-Corruption
Bribery, anti-corruption, FCPA compliance, etc.

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Governance

Ethics and Compliance

Internalizing Ethics and Compliance

Ethics and Compliance Training

Hanwha Vision is committed to enhancing compliance awareness across the organization and preventing any violations in the workplace through a variety of proactive activities. Specifically, we offer various levels and areas of training, including an annual executive compliance training, fundamental education for all employees, introductory training for new and experienced hires, promotion-related education, and on-site customized training. These initiatives provide employees with optimized legal knowledge. The on-site customized training consists of 16 themed topics, and each employee is required to complete at least one. Additionally, online training is held twice a year for executives and team leaders, ensuring that training continues consistently, even when in-person sessions are challenging to conduct.

Compliance Training Performance

Training Program	Training Date	Training Content	Completion Rate
Company-wide compliance training	March	Basic compliance (Three areas: Basics, subcontracting, anti-corruption)	735/741 (99%)
Legally required training	June	Sexual harassment and bullying prevention	853/868 (98%)
On-site awareness-level training	June ~August	Selection of department-specific themes from 16 themes	823 participants (10 topics)
Executive compliance training	March	Key legislation and government trends/domestic legal trends/subcontracting and consignment transactions	11/11 (100%)
	August	Trade secret protection/payment linkage for supply costs	10/10 (100%)
Special training for managers	March	Key legislation and government trends/domestic legal trends/subcontracting and consignment transactions	63/63 (100%)
	August	Trade secret protection/payment linkage for supply costs	63/63 (100%)

Promoting Our Compliance Commitment

Hanwha Vision conducts activities to promote compliance commitment three times a year, targeting executives and team leaders. In these activities, executives and team leaders select and reflect on a compliance-related topic, which they then communicate to their team members via online or offline channels. The completion of this activity is recorded afterward. Through this approach, we aim to continuously elevate compliance awareness and foster a culture of adherence to regulations across our organization.

Evaluating the Effectiveness of Compliance Control

In accordance with Article 542-13, Paragraph 3 of the Commercial Act, Hanwha Vision evaluates adherence to compliance control standards and reports the findings to the Board of Directors. This evaluation is based on fairness, using objective criteria and quantifiable measures. In 2023, compliance indexes were assessed for a total of 10 executives and 62 team leaders. Evaluation criteria included both departmental compliance activities and the personal compliance efforts of each individual (such as training and commitment promotion).

2023 Compliance Control Effectiveness Evaluation Results

Executive Compliance Index Evaluation	Manager Compliance Index Evaluation
105.7 points /100.0 points	**102** points/100.0 points

Special compliance training for managers

'23년 부정예방 특별 교육

CONTENTS
Part 1. Employee Code of Conduct Guidelines
Part 2. Employee Guidelines
Part 3. Prohibited Acts under the FAIR AGENCY TRANSACTIONS ACT
Part 4. Building an Integrity-Driven Organization

Compliance Management Letter and Pledge of Practice

The CEO of Hanwha Vision has issued a compliance management letter encouraging all employees to take active part in enhancing our compliance standards in response to heightened legal and compliance risks. The letter, signed by the CEO, along with a compliance declaration, is posted on our internal bulletin board, enabling all employees to easily refer to our commitment to compliance. Additionally, all employees at Hanwha Vision are required to submit an annual compliance commitment form in which they affirm their understanding of and dedication to adhering to ethical and compliance policies. This form includes obligations related to the Code of Conduct, anti-bribery, security, and fair competition. In 2023, a 99% submission rate was achieved across the organization, including the CEO.

Engagement Program Development

Hanwha Vision holds annual events like Compliance Week and Compliance Day. A range of employee engagement and experiential programs are developed to foster a company-wide compliance culture. Events like a compliance quiz show during Compliance Week help employees view compliance as an integral part of their work and everyday lives, encouraging them to see it as a supportive, essential aspect rather than a burdensome obligation. This approach aims to embed compliance as a natural and essential part of Hanwha Vision's corporate culture.

	Monitoring Area	Schedule	Results
	Company-wide Compliance Pledge	May	788/789 people (99%)
Self-Check	Self-check of employee system	April, August	· April : 758/783 people (97%) · August : 775/787 people (98%)
	Departmental risk monitoring	April, June, August	Completed by all departments
	CP improvement proposals	August	19 proposals received
	System inquiries	As needed	In progress

Risk Management

Integrated Risk Management System

Risk Management Governance

Hanwha Vision has established a comprehensive risk management framework to proactively address various risks that may arise in the course of doing business and to ensure effective post–event responses. Under the CEO's oversight, designated departments manage specific types of risks across the organization, focusing on the risks most relevant to each department's responsibilities to prevent their occurrence. Additionally, when an issue arises, the responsible department collaborates with other relevant teams to implement follow–up measures and works diligently to prevent recurrence.

Risk Management Process

1	2	3	4
Risk Identification	Risk Analysis and Assessment	Risk Response Decision–Making	Follow–Up Actions on Risk Response
Regular/irregular risk evaluation	Determine risk severity	Establish and report risk action plan	Evaluate risk response activities and report evaluation results to the Board of Directors

Risk Management Organizational Chart

CEO

Company–Wide Departments by Risk Type

Finance Team	Legal Team	Quality Operations Team	Business Innovation Team	Safety and Health Team	HR Support Team
Finance	Compliance	Quality	Security	Safety	HR, Environment
· Sanctions due to improper acts such as accounting fraud, tax evasion, and unfair trade	· Legal disputes · Intellectual property disputes (external lawsuits related to patents, designs, trademarks, copyrights) · Media articles and misinformation	· Customer damage and lawsuits due to product defects · Claim incidents with potential social issues	· Protection of important data (prevention of leakage/loss) · Prevention of attacks from malware and hacking	· Work–related accidents and illnesses linked to the company · Physical property loss from fires/ explosions	· Labor–management conflicts and disputes · Defamatory reports · External release of pollutants/ chemical substances · Production halts due to disruptions in electricity/gas supply · Collapses or incidents during construction

Respective departments in each business unit and research center handle their specific areas.

Risk Management

Integrated Risk Management System

Financial Risk Management

Financial risk encompasses all financial hazards that may arise in business activities, including accounting, taxation, finance, and disclosures. Hanwha Vision, centered around the Management Support Office, performs regular monitoring to address a wide range of financial risks and responds professionally and systematically to ongoing business expansion and changes in the business environment. Major potential risks, such as non-performing loans, inventory, and exchange rates, are routinely managed. Additionally, we provide access through the intranet for employees to stay informed on the latest industry trends, helping them to proactively prevent risks.

Non-Financial Risk Management

Non-financial risk is a critical factor for our sustainability and includes risks across various areas such as health and safety, quality, labor relations, and the supply chain. Hanwha Vision has assigned dedicated departments to manage individual non-financial risks and strives to minimize internal risk occurrences by implementing timely responses to emerging risk issues.

Detailed Management of Non-Financial Risks

Safety and Health

Hanwha Vision recognizes the potential risks related to serious industrial accidents and public disasters under the Serious Accidents Punishment Act in the safety and health domain. We implement safety and health guidelines that exceed external environmental requirements based on internal processes. Additionally, it regularly identifies and mitigates risk factors through collaboration with external organizations to minimize risks.

Labor Relations

Hanwha Vision has established a range of communication channels between labor and management to understand employee grievances and attentively listen to and consider their feedback. In addition, we address issues that need improvement through A labor-management council thereby minimizing internal risks.

Quality

Based on the ISO 9001 Quality Management System, Hanwha Vision conducts quality management activities throughout the entire product life cycle, from the development phase to final sales. We systematically operate our quality management system to enhance customer satisfaction and carry out continuous quality improvement activities to minimize quality-related risks.

Supply Chain

Hanwha Vision evaluates major suppliers and partners annually on factors such as quality, delivery timelines, cost reduction performance, and compliance management. We also implement the four major fair trade guidelines to ensure compliance with subcontracting regulations. Moreover, it supports suppliers' safety and health activities by establishing a partner management process to prevent potential risks within the supply chain.

Internal Accounting Management System

Hanwha Vision operates an internal accounting management system to ensure the reliability of accounting information and to manage risks related to financial data. Under regulations that define the roles and responsibilities of the management, including the CEO and internal accounting managers, as well as the system's design, operation, evaluation, and reporting, management annually reports on the system's operational status to the board of directors, shareholders, and auditors. As of the end of 2023, Hanwha Vision was evaluated as having designed and operated its internal accounting management system effectively in terms of significance, based on the "Internal Accounting Management System Framework." This evaluation was supported by a consistent opinion from external auditors.

ESG Factbook

04

Economic

The financial and economic data has been prepared based on Hanwha Vision's Audit Report (December 2023) to ensure consistency with the disclosure report.

Consolidated Financial Statement

(Unit: KRW million)

Category	2021	2022	2023
Assets			
Current assets	314,020	377,140	403,719
Cash and cash equivalents	14,619	11,800	87,912
Other current financial assets	–	–	–
Other financial assets	343	–	–
Trade and other receivables	240,188	319,889	280,024
Other current assets	8,119	3,425	1,156
Inventories	50,751	42,026	34,627
Non–current assets	221,070	227,218	273,764
Other non–current financial assets	35	1,536	1,536
Long–term trade and other non–current receivables	8,424	2,457	1,581
Investments in subsidiaries and affiliates	57,023	57,244	79,056
Tangible assets	59,926	62,805	88,529
Right–of–use assets	2,406	1,881	2,102
Intangible assets	69,314	74,313	73,299
Other non–current assets	–	2,694	2,557
Deferred tax assets	23,942	24,288	25,104
Total assets	**535,090**	**604,358**	**677,483**

Category	2021	2022	2023
Equity			
Equity attributable to owners of parent	293,554	300,501	398,469
Capital stock	10,000	10,000	10,000
Capital surplus	171,250	171,250	171,250
Accumulated other comprehensive income	2,375	2,375	18,075
Retained earnings or accumulated deficit	109,929	116,876	199,144
Total equity	**293,554**	**300,501**	**398,469**
Total equity and liabilities	**535,090**	**604,358**	**677,483**

Credit Rating

Category	Unit	2021	2022	2023
NICE credit rating[1]	Rating	A–	A0	A0

1) 2020: A– (Stable) — based on 2019 financial statements/2023: A0 (Stable) — based on 2022 financial statements

Economic

Distribution of Economic Value to Stakeholders

Category		Unit	2021	2022	2023
Customers	Revenue		611,027	804,087	722,756
Employees	Employee wages[1]		100,855	117,750	133,196
	Wages + benefits expenditures		109,369	124,798	143,017
Suppliers	Cost of purchasing from suppliers[2]	KRW 1 million	167,856	178,203	163,201
Shareholders	Total cash dividends		35,000	55,000	0
Investors	Interest expense on borrowings		696	4,684	5,674
Government	Corporate tax + other taxes and dues		32,513	31,256	11,748
Local community	Donations[3] and CSR expenditures		25	187	1,576

1) Employee wages are reported under "employee wages" under "Classification of cost of goods sold, selling and administrative expenses" in the financial statements.
2) Supplier purchase costs include primary operations and production–related purchases from suppliers (current purchases + subcontractor processing fees).
3) Donations include amounts specified in the donation statement and employee contributions.

Stock Ownership

Category		Unit	2021	2022	2023
Ownership status	Hanwha Aerospace Co., Ltd.	%	100	100	100
Total number of shares	Total number of issued shares	Shares	2,000,000	2,000,000	2,000,000
	Outstanding shares[1]	Shares	0	0	0

1) Not applicable, as it is an unlisted company.

R&D Investment

Category		Unit	2021	2022	2023
R&D investment cost	Research expenses (ordinary development costs)[1]	KRW 1 million	90,617	111,272	136,606
R&D personnel[2]		Persons	386	413	420
No. of patent and trademark registrations (cumulative)[3]	Domestic	Cases	803 (799/14)	943 (927/16)	995 (980/15)
	Overseas	Cases	907 (688/219)	963 (743/220)	974 (765/209)

1) Excludes costs of development quality and development purchasing.
2) R&D personnel count is based on the number of development personnel submitted for the R&D tax credit in the corporate tax filing.
3) Includes only currently held rights (patents/trademarks).

Shares and Dividends

Category	Unit	2021	2022	2023
Total cash dividends	KRW 1 million	35,000	55,000	0
Dividend type	–	Year–end dividend	Interim dividend	–
Dividend payout ratio	%	39	62	–
Cash dividend per share (common shares)	KRW	17,500	27,500	–
System adoption Vote in writing	–	Yes	Yes	Yes

Environmental

Reporting Scope	Domestic ·········· Pangyo site	Overseas ·········· Vietnam manufacturing subsidiary

Greenhouse Gases (GHG)

Category		Unit	2021	2022	2023
Domestic[1]	Scope 1	tCO_2eq	87.9	74.9	88.5
	Scope 2	tCO_2eq	2,371.9	2,316.8	2,752.3
Overseas[2]	Scope 1	tCO_2eq	160.4	183.1	458.0
	Scope 2	tCO_2eq	4,501.4	4,566.5	4,011.8
Total emissions		tCO_2eq	7,121.6	7,141.3	7,310.6
GHG emissions intensity		$tCO_2eq/$ KRW 100 million	1.0	0.7	0.7

1) For the Pangyo site, calculations are based on the emissions trading scheme guidelines.
2) For the Vietnam manufacturing subsidiary, calculations are based on IPCC guidelines.

Concentration of Air Pollutant Emissions

Category		Unit	2021	2022	2023
Overseas	NOx	ppm	690	190	190
	SOx	ppm	2,620	2,620	2,620
	Dust	mg/Sm_3	1.7	1.6	0.5

Concentration of Water Pollutants

Category		Unit	2021	2022	2023
Overseas	COD	ppm	5.8	4.7	6.0
	BOD		29.9	29.0	21.8
	SS		18.0	25.0	15.0

Energy

Category			Unit	2021	2022	2023
Domestic	Direct energy	LNG	TJ	0.68	0.62	0.63
		Diesel		0.06	0.07	0.05
		Gasoline		0.74	0.58	0.79
	Indirect energy	Electricity		43.90	43.17	51.78
		Steam		7.64	7.05	7.46
Overseas	Direct energy	LPG[1]	TJ	1.03	0.92	0.61
		Diesel		1.53	1.82	0.22[2]
		Gasoline		0.19	0.24	0.22
	Indirect energy	Electricity[3]		22.36	22.68	21.35
Total energy consumption			TJ	78.13	77.15	83.11
Energy consumption intensity			TJ/ KRW 100 million	0.011	0.008	0.008
Savings in energy consumption			TJ	0.4	0.6	0.11

1) LPG usage values for the past three years have been corrected.
2) Starting from 2023, energy consumption for commuter buses (2.09 TJ) is excluded from the reported values.
3) The electricity coefficient has been adjusted from 9.6 to 3.6, and values for the past three years have been updated accordingly.

Renewable energy

Category		Unit	2021	2022	2023
Electricity consumption at business sites	Total	MWh	10,783.42	10,796.57	11,322.78
	Domestic		4,572.93	4,496.32	5,393.44
	Overseas		6,210.49	6,300.25	5,929.34
Percentage of renewable energy consumption[1]	Overseas		1,394.50	1,410.20	1,274.63
Renewable energy usage by procurement method at business sites[2]		%	13	13	11

1) At Pangyo, Hanwha Aerospace manages the solar facilities, and the electricity generated by the solar panels is used for lighting on the 7th floor.
2) Based on total energy consumption at domestic and overseas business sites.

Environmental

Water and Wastewater

Category		Unit	2021	2022	2023
Overseas	Municipal water usage	Ton	54,190	52,401	49,585
	Wastewater emissions		43,349	41,917	39,668

Waste

Category		Unit	2021	2022	2023
Total waste generated[1]		Ton	712.3	680.5	675.0
General waste	Subtotal	Ton	689.6	667.1	664.0
	Recycling		336.3	322.8	320.7
	Landfill		0	0	0
	Incinerated		353.3	344.3	343.3
	Other		0	0	0
Designated waste	Subtotal	Ton	22.7	13.4	11.0
	Recycling		0.5	0.6	0.6
	Landfill		0	0	0
	Incinerated		2.1	4.0	2.8
	Other		20.1	8.8	7.6
Amount of waste recycled	Amount recycled	Ton	336.8	323.4	321.3
	Recycling rate	%	47.3	47.5	47.6

1) General waste + designated waste

Hazardous Chemicals

Category	Unit	2021	2022	2023
Hazardous chemical usage	Ton	11.1	12.8	13.2

Environmental Training

Category	Unit	2021	2022	2023
Environmental training time[1]	Hours	32	32	32
No. of employees participating in environmental training[2]	Persons	657	470	429

1) Total training hours
2) Cumulative no. of employees who completed environmental training

Environmental Management System

Category	Unit	2021	2022	2023
Certification rate of environmental management system (ISO 14001)[1]	%	100	100	100
No. of certified workplaces	Workplaces	1	1	1

1) ISO 14001 certification for the Vietnam subsidiary

Environmental Regulations

Category	Unit	2021	2022	2023
No. of legal violations	Cases	0	0	0
No. of lawsuits filed	Cases	0	0	0
No. of non-monetary sanctions	Cases	0	0	0
Environmental liabilities	KRW million	0	0	0
Total fines	KRW	0	0	0

Social

| Reporting Scope | Domestic .... Pangyo business site |

Employees

Category		Unit	2021	2022	2023
Total no. of employees (domestic)		Persons	**788**	**833**	**896**
Employment type	Regular employees	Persons	761	802	874
	Men	Persons	646	675	718
	Women	Persons	115	127	156
	Regular employee ratio	%	97	96	98
	Non–regular employees[1]	Persons	27	31	22
	Men	Persons	15	10	9
	Women	Persons	12	21	13
	Non–regular employee ratio	%	3	4	2
Categories of temporary positions	Service workers[2]	Persons	16	12	15
	Service worker ratio	%	59	39	68
	Dispatched workers[3]	Persons	11	19	7
	Dispatched worker ratio	%	41	61	32
Gender	Men	Persons	661	685	727
	Women	Persons	127	148	169
Age	Under 30	Persons	44	69	104
	30–50	Persons	578	588	623
	Over 50	Persons	166	176	169

1) General contract and dispatched workers
2) General contract workers (development, quality control, design, etc.)
3) Dispatched workers (AI annotation, driving, etc.)

Category		Unit	2021	2022	2023
Nationality	Domestic	Persons	784	828	891
	Foreign	Persons	4	5	5
	Domestic total	Persons	788	833	896
Position	Executives	Persons	13	13	14
	Men	Persons	13	13	14
	Women	Persons	0	0	0
	Management[4]	Persons	618	631	655
	Men	Persons	535	542	560
	Women	Persons	83	89	95
	Middle management[5]	Persons	101	97	108
	Men	Persons	80	79	84
	Women	Persons	21	18	24
	Staff level	Persons	56	92	119
	Men	Persons	33	51	69
	Women	Persons	23	41	50
Region	Total no. of employees (Including overseas employees)	**Persons**	**1,941**	**2,126**	**2,223**
	Headquarters[6]	Persons	760	806	865
	Headquarters (Expatriates)	Persons	28	27	31
	Overseas[7]	Persons	1,153	1,293	1,327

4) Manager level and above
5) Assistant manager
6) Pangyo business site
7) Americas, Europe, Vietnam, Mexico, Singapore

Social

Employee Diversity

Category		Unit	2021	2022	2023
Women talent	No. of Women managers (manager level and above)	Persons	83	89	95
	Women manager ratio	%	13	14	15
Recruitment of socially disadvantaged and foreign employees (regular + non–regular)	No. of employees with disabilities	Persons	21	12	10
	Disability ratio	%	3	1	1
	No. of national veterans	Persons	8	8	6
	Veteran ratio	%	1	1	1
	No. of foreign employees	Persons	4	5	5
	Foreign employment ratio	%	1	1	1

Average Tenure

Category	Unit	2021	2022	2023
Average years of service		14	13	13
Regular employees	Years	14	14	13
Non–regular employees		3	1	1

Turnover and Retirement

Category		Unit	2021	2022	2023
Total no. of turnover and retirees		Persons	95	54	31
Turnover status	Voluntary turnover	Persons	72	39	18
	Early retirement	Persons	0	6	2
	Voluntary resignation[1]	Persons	72	33	16
	Involuntary turnover	Persons	23	15	13
	Regular retirement	Persons	7	0	6
	Contract expiration	Persons	15	14	7
	Dismissal for cause	Persons	1	0	0
	Resignation by recommendation	Persons	0	0	0
	Other[2]	Persons	0	1	0
	Turnover rate	%	12.1	6.4	3.4
	Voluntary turnover rate	%	8.1	4.7	2.0
	Involuntary turnover rate	%	2.9	1.7	1.4
Gender	Subtotal	Persons	95	54	31
	Men	Persons	68	39	24
	Women	Persons	27	15	7
Age	Subtotal	Persons	95	54	31
	Under 30	Persons	17	8	4
	30–50	Persons	60	36	18
	Over 50	Persons	18	10	9

1) Includes voluntary turnover due to personal reasons, childcare, further education, and moving to another company.
2) "Other" reasons under involuntary turnover include employee death.

Social

New Recruitment

Category		Unit	2021	2022	2023
Total no. of new hires (domestic)		Persons	72	102	105
Employment type	Regular (new hires)	Persons	2	22	45
	Regular (experienced)	Persons	34	56	50
	Non–regular	Persons	36	24	10
Gender	**Subtotal**	**Persons**	**72**	**102**	**105**
	Men	Persons	45	66	66
	Women	Persons	27	36	39
Age	**Subtotal**	**Persons**	**72**	**102**	**105**
	Under 30	Persons	21	41	58
	30–50	Persons	47	61	47
	Over 50	Persons	4	0	0

Childbirth Leave and Parental Leave

Category		Unit	2021	2022	2023
Parental leave users	**Subtotal**	**Persons**	**37**	**29**	**21**
	Men	Persons	29	20	17
	Women	Persons	8	9	4
Employees returning after parental leave	**Subtotal**	**Persons**	**29**	**20**	**17**
	Men	Persons	29	20	17
	Women[1]	Persons	0	0	0
Return–to–work rate after parental leave	**Subtotal**	**%**	**78**	**69**	**81**
	Men	%	100	100	100
	Women[2]	%	0	0	0

1) For Women employees, 100% transition from parental leave to childcare leave.
2) The return–to–work rate after childcare leave is calculated based on the number of employees who returned at the time of completion.

Childbirth Leave and Parental Leave

Category		Unit	2021	2022	2023
Childcare leave users	**Subtotal**	**Persons**	**26**	**17**	**16**
	Men	Persons	17	8	11
	Women	Persons	9	9	5
Employees eligible to return after childcare leave	**Subtotal**	**Persons**	**21**	**19**	**20**
	Men	Persons	13	10	12
	Women	Persons	8	9	8
Employees returning after childcare leave	**Subtotal**	**Persons**	**19**	**19**	**20**
	Men	Persons	11	10	12
	Women	Persons	8	9	8
Return–to–work rate after childcare leave[1]	**Subtotal**	**%**	**90**	**100**	**100**
	Men	%	85	100	100
	Women	%	100	100	100
No. of employees working for over 12 months after returning from childcare leave	**Subtotal**	**Persons**	**18**	**19**	**19**
	Men	Persons	10	10	10
	Women	Persons	8	9	9
Rate of employees working for over 12 months after returning from childcare leave	**Subtotal**	**%**	**86**	**100**	**100**
	Men	%	77	100	100
	Women	%	100	100	100

1) The return–to–work rate after childcare leave is calculated based on the number of employees who returned at the time of completion.

Social

Employee Training Performance

Category		Unit	2021	2022	2023
Total no. of employees participating in training[1]	Subtotal	Persons	**761**	**802**	**897**
	Men	Persons	646	675	728
	Women	Persons	115	127	169
Total training cost		KRW million	331	414	483
Total training hours		Hours	24,421	24,810	20,584
Training cost per person		KRW 1,000	435	516	553
Training hours per person		Hours	32	31	23
Online job training academy	No. of courses	–	1,324	2,550	2,831
	No. of completions	Persons	504	492	360

1) The total number of employees participating in training is calculated based on the end-of-period count, not cumulative.
2) Training cost and hours per person are calculated by dividing total training cost and hours by the number of regular employees.

Employee Benefits

Category		Unit	2021	2022	2023
Total benefits expenses	Total expenses[1]	KRW 100 million	85.1	70.4	98.2
	Expenses per person[2]	KRW 1 Thousand	11,183	8,778	11,236

1) Benefits expenses are based on "Benefits expenses" in the notes of the consolidated financial statements under "classification by nature of expenses."
2) Benefits expenses per person are calculated by dividing total benefits expenses by the number of regular employees.

Performance Evaluations

Category	Unit	2021	2022	2023
No. of domestic employees	Persons	788	853	896
No. of employees subject to performance evaluations[1]	Persons	785	785	857
Performance evaluation rate	%	99.6	92.0	95.6

1) Employees who resigned mid-year or joined after the evaluation period are excluded from performance evaluations.

Labor Union

Category		Unit	2021	2022	2023
Labor union status	No. eligible for membership[1]	Persons	788	833	876
	No. of members	Persons	262	299	421
	Membership rate	%	33	36	48
No. of labor-management councils meetings		Meetings	4	4	4
No. of resolutions in labor-management councils		Cases	15	15	10
Total fines for labor law violations		KRW	0	0	0

1) Eligible individuals: professionals covered by the collective agreement

Labor-Management Communication

Category	Unit	2021	2022	2023
No. of employee grievances submitted[1]	Cases	3	0	0
No. of employee grievances resolved	Cases	3	0	0
Employee grievance resolution rate	%	100	0	0

1) The number of employee grievances submitted includes grievances related to discrimination.

Social

Employee Wages

Category	Unit	2021	2022	2023
Average base pay for men[1]	KRW million	6.5	6.9	7
Average base pay for women[1]	KRW million	5.6	6.0	6.2
Ratio[2]	%	90	90	90

1) Contracted annual pay (monthly pay + holiday travel allowance for Lunar New Year and Chuseok holidays)/12 months
2) Average base pay for women/average base pay for men

Retirement Pensions

Category		Unit	2021	2022	2023
Defined benefit (DB) pension	No. of subscribers	Persons	719	751	815
	Subscription amount (estimated)	KRW million	72,321	71,448	78,971
	Amount under management – Consolidated basis (DB)	KRW million	9,411	13,884	23,720
Defined contribution (DC) pension	No. of subscribers	Persons	78	91	152
	Amount under management – Consolidated basis (DC)	KRW million	5,721	6,689	10,719

Suppliers[1]

Category	Unit	2021	2022	2023
Total no. of suppliers	Companies	238	230	224
No. of newly registered suppliers	Companies	24	29	22
Total purchase amount from suppliers[2]	KRW million	290,563	311,233	250,154
Total purchase amount from SMEs	KRW million	82,778	92,897	69,955

1) Data scope revised to include overseas subsidiaries.
2) Suppliers are defined as suppliers of raw materials and introduced goods used in our products.

Supplier Communication

Category		Unit	2021	2022	2023
No. of Win–Win meetings held[1]		Meetings	–	3	2
Grievance handling for suppliers	No. of grievances submitted[2]	Cases	–	4	4
	No. of grievances resolved[3]	Cases	–	4	4
	Grievance resolution rate	Cases	–	1	1

1) Not held in 2021 due to COVID–19.
2) Submissions received through the cyber reporting system within OPS.
3) No. of system usage inquiries.

Comprehensive Evaluations of Suppliers

Category	Unit	2021	2022	2023
No. of suppliers that received regular evaluations	Companies	22	23	21
No. of suppliers with excellent ratings[1]	Companies	18	23	20

1) Grade B or above in regular evaluations

Social

Occupational Accidents

Category		Unit	2021	2022	2023
No. of occupational accidents	Total	Cases	0	0	1
No. of serious accidents	Employees	Cases	0	0	0
	Suppliers	Cases	0	0	0
Occupational accident rate[1]	Employees	%	0	0	0.12
	Suppliers	%	0	0	0
LTIR[2]	Employees	–	0	0	0.55
	Suppliers	–	0	0	0
OIFR[3]	Employees	–	0	0	0
	Suppliers	–	0	0	0
TRIR[4]	Employees	–	0	0	0.55
	Suppliers	–	0	0	0
No. of fatalities	Employees	Cases	0	0	0
	Suppliers	Cases	0	0	0
No. of severe injuries	Employees	Cases	0	0	0
	Suppliers	Cases	0	0	0
No. of minor injuries	Employees	Cases	0	0	1
	Suppliers	Cases	0	0	0
No. of accident victims	Employees	Cases	0	0	1
	Suppliers	Cases	0	0	0

1) (No. of accident victims/No. of employees) × 100
2) Lost time injury rate (LTIR): No. of lost time injuries/Total working hours × 1,000,000
3) Occupational illness frequency rate (OIFR): No. of occupational illness cases/Total working hours × 1,000,000
4) Total recordable incident rate (TRIR): No. of work–related injury cases/Total working hours × 1,000,000
　※ Total working hours are based on HR working hours data.

Safety and Health Management System

Category	Unit	2021	2022	2023
Safety and health management (ISO 45001) certification rate	%	100	100	100
No. of certified business sites[1]	Sites	1	1	1
No. of business sites subject to certification	Sites	1	1	1

1) Name of certified business site: HVV subsidiary

Employee Health Care

Category		Unit	2021	2022	2023
Health check–ups	Total	Persons	1,108	1,133	1,237
	Employees	Persons	729	756	817
	Spouses	Persons	379	377	420

Occupational Safety Training

Category		Unit	2021	2022	2023
Regular safety and health training	No. of persons[2]	Persons	768	783	817
	Time	Hours	17,872	18,200	20,312
Specialized safety and health training[1]	No. of persons[2]	Persons	–	87	7
	Time	Hours	–	261	21
Supervisor training	No. of persons[2]	Persons	35	37	44
	Time	Hours	280	272	704

1) Includes personnel in processes subject to specialized safety and health training and intermittent workers.
2) Excludes absentees (such as those on leave) and employees working overseas.

Social

Corporate Social Responsibility

Category		Unit	2021	2022	2023
Donations	Total donation amount	KRW million	64.3	59.2	62.7
	Employee donations	KRW million	64.3	59.2	62.7
Employee volunteering[1]	Total volunteer hours	Hours	0	1,123	1,156
	Volunteer hours per person[2]	Hours	0	5	4.5
	Volunteer participation rate	%	0	30	28
CSR activities	No. of programs	–	10	15	13
	Total participants	Persons	0	224	255
	Total beneficiaries	Persons	0	1,335	1,265

1) Not conducted in 2021 due to COVID–19.
2) Volunteer hours per person = Total volunteer hours/No. of participants

Quality and Service Satisfaction

Category		Unit	2021[1]	2022[2]	2023[3]
Domestic	Quality satisfaction	Points	–	–	92
	Service satisfaction	Points	76	–	92
Overseas	Quality satisfaction	Points	–	–	92
	Service satisfaction	Points	–	–	84

1) In 2021, the survey was conducted only for service satisfaction in Korea.
2) In 2022, VOC (Voice of Customer) feedback was collected through agency visits, so quantitative data under the same criteria is unavailable.
3) In 2023, a global quality and service satisfaction survey was conducted.
   ※ Satisfaction survey results are calculated on a 100–point scale, converted from a 5–point scale (from "very satisfied" to "very dissatisfied").

Voice of Customer (VOC)

Category	Unit	2021	2022	2023
No. of customer complaints received[1]	Cases	146	117	87
No. of customer complaints resolved	Cases	146	117	87
Customer complaint resolution rate	%	100	100	100
Timely action rate for user dissatisfaction[2]	%	96.6	96.6	94.3

1) Previous year's disclosed data reflected only defect–related VOC cases, but starting in 2023, the total includes defect–related, improvement–related, and other cases, leading to revisions in 2021 and 2022 data.
2) Action rate for domestic defect–related VOC within 30 days.

Product Management

Category		Unit	2021	2022	2023
Product safety	No. of product recalls	Cases	0	0	0
	Fines for legal sanctions related to products	KRW	0	0	0
Revenue from renewable energy and energy–efficient products		KRW	0	0	0
Risk management for system due to technical downtime	No. of performance issues and service interruptions	Cases	0	0	0
	Total customer downtime	Hours	0	0	0

Information Protection

Category		Unit	2021	2022	2023
Investment ratio in information security[1]		%	3	2	2
No. of information security violations or cybersecurity incidents		Cases	0	0	0
No. of customers affected by data leaks, theft, or loss incidents		Persons	0	0	0
No. of improvements following internal information security level assessments		Cases	1	1	3
No. of personal information leaks		Cases	0	0	0
No. of instances of personal information used for secondary purposes		Cases	0	0	0
Total monetary loss from fines or penalties due to information security violations or cybersecurity incidents		KRW million	0	0	0
No. of information protection personnel		Persons	2	2	2
Supplier information security	No. of information security inspections for suppliers	Cases	1	1	1
Information security training	Training time[2]	Hours	–	–	–
Personal information protection	Training time	Hours	1	1	3
	No. of participants[3]	Persons	724	804	863

1) Investments in personal information protection/information security compared to total IT budget
2) Information security training is conducted continuously via the internal bulletin board (news) in response to security–related issues to provide guidance and promote awareness.
3) Conducted online in 2021 and 2022 due to COVID–19

Governance

Reporting Scope	Domestic ········· Pangyo business site

Board Operation

Category		Unit	2021	2022	2023
Board composition	Internal directors	Persons	3	3	3
No. of Board meetings held	No. of meetings held	–	10	17	12
Board attendance	Average attendance rate	%	100	86	94
	Attendance rate of internal directors	%	100	86	94
Average tenure of directors	Internal directors	Years	2	3	2
Board agendas	Resolutions	Cases	17	33	19
	Reports	Cases	4	4	4

Board Remuneration

Category	Unit	2021	2022	2023
No. of Board members	Persons	3	3	3
Total compensation	KRW million	1,125	2,075	1,864
Avg. compensation per person	KRW million	375	692	621

Internal Compliance Inspections

Category		Unit	2021	2022	2023
Status of internal ethics and compliance inspections	No. of internal ethics and compliance inspections	Cases	3	1	3
	No. of internal ethics and compliance violations	Cases	0	0	0
Compliance by type	Sexual harassment	Cases	0	0	0
	Anti-corruption	Cases	0	0	0
	Unfair trade	Cases	0	0	0
	Non-compliance with Code of Conduct	Cases	0	0	0
	Other[1]	Cases	1	0	0
Legal and regulatory compliance	No. of compliance violations	Cases	0	0	0
	No. of lawsuits filed	Cases	0	1	0
	No. of lawsuits resolved	Cases	0	2	1
	No. of non-monetary sanctions	Cases	0	0	0
	Amount of fines imposed	KRW million	0	0	0
Fair trade compliance	No. of fair trade violations	Cases	0	0	0
	Amount of fines imposed	KRW million	0	0	0

1) As of 2022, all corrective actions have been completed.

Governance

Ethics and Compliance Training

Category		Unit	2021	2022	2023
Basic compliance training for all employees	No. of participants	Persons	704	712	736
	Training time per person[1]	Hours/person	0.5	0.5	0.5
Compliance training for executives/ managers	No. of participants	Persons	60	71	74
	Training time per person[2]	Hours/person	0.75	1	1
Sexual harassment and workplace bullying prevention training	No. of participants	Persons	834	827	853
	Training time per person[3]	Hours/person	0.5	0.6	0.5
Customized awareness training	No. of participants	Persons	758	781	742
	Training time per person[4]	Hours/person	1	0.7	1.5
Internal compliance–related reports	No. of corruption reports	Cases	0	0	0
	Percentage of corruption reports resulting in corrective action	%	0	0	0

1) Training consists of two themes (e.g., basic compliance, fair trade, anti–corruption), with each theme based on a 15–minute video.
2) Training consists of 2–3 themes, with each theme based on a 20–30 minute video.
3) Based on the total length of videos for sexual harassment prevention and workplace bullying prevention training.
4) Training includes at least two out of ten themes, with each theme based on a 20–30 minute video.

Appendix

05

GRI Standards 2021

GRI Standards	Category	Disclosure No.	Disclosure Name	Page	Note
Universal Standards					
GRI 1: Foundation 2021	Statement of use		Hanwha Vision's reported according to the GRI standard for the reporting period (January 1, 2023 to December 31, 2023).		
	GRI 1 used		GRI 1: FOUNDATION 2021		
	Applicable GRI sector standard		As of the publication date (November 2024), there is no published sector standard applicable to Hanwha Vision's business.		
General Disclosures					
GRI 2: General Disclosure 2021	The organization and its reporting practices	2-1	Organizational details	6, 9	
		2-2	Entities included in the organization's sustainability reporting	2	
		2-3	Reporting period, frequency and contact point	2	
		2-4	Restatements of information	63, 64, 71	Separate annotations are provided for the relevant indicators:
		2-5	External assurance	82~83	
	Activities and workers	2-6	Activities, value chain and other business relationships	10~13	
		2-7	Employees	65	
		2-8	Workers who are not employees	65	
	Governance	2-9	Governance structure and composition	54	
		2-10	Nomination and selection of the highest governance body	54	
		2-11	Chair of the highest governance body	54	
		2-12	Role of the highest governance body in overseeing the management of impacts	–	Information unavailable/incomplete
		2-13	Delegation of responsibility for managing impacts	–	Information unavailable/incomplete
		2-14	Role of the highest governance body in sustainability reporting	54	
		2-15	Conflicts of interest	54	
		2-16	Communication of critical concerns	54	
		2-17	Collective knowledge of the highest governance body	–	Information unavailable/incomplete
		2-18	Evaluation of the performance of the highest governance body	–	Confidential constrains
		2-19	Remuneration policies	–	Confidential constrains
		2-20	Process to determine remuneration	–	Confidential constrains
		2-21	Annual total compensation ratio	–	Confidential constrains
	Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
		2-23	Policy commitments	29, 31, 36, 45, 51	
		2-24	Embedding policy commitments	33, 34, 36, 64, 70, 73	
		2-25	Processes to remediate negative impacts	42	
		2-26	Mechanisms for seeking advice and raising concerns	42, 48	
		2-27	Compliance with laws and regulations	55~57	
		2-28	Membership associations	81	
	Stakeholder engagement	2-29	Approach to stakeholder engagement	22	
		2-30	Collective bargaining agreements	68	

GRI Standards 2021

GRI Standards	Category	Disclosure No.	Disclosure Name	Page	Note
Material Topic					
GRI 3: Material Topics 2021	Disclosures on material topics	3–1	Process to determine material topics	18	
		3–2	List of material topics	19	
		3–3	Management of material topics	20~21	
Material Topic – Climate Action					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	25~28	
GRI 302: Energy 2016	Energy	302–1	Energy consumption within the organization	63	
		302–3	Energy consumption outside of the organization	63	
		302–4	Energy intensity	63	
GRI 305: Emissions 2016	Emissions	305–1	Direct (Scope 1) GHG emissions	63	
		305–2	Energy indirect (Scope 2) GHG emissions	63	
		305–4	GHG emissions intensity	63	
		305–5	Reduction of GHG emissions	25	
		305–7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant	63	
Material Topic – Establishment of environmental management system					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	29	Non–GRI
Material Topic – Development of eco–friendly technologies and products					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	16	Non–GRI
Material Topic – Information security					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	51~52	
GRI 418: Customer Privacy 2016	Customer Privacy	418–1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	71	
Material Topic – Product quality management and customer satisfaction					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	46~48	
GRI 416: Customer Health and Safety 2016	Customer Health and Safety	416–2	Incidents of non–compliance concerning the health and safety impacts of products and services	71	

GRI Standards 2021

GRI Standards	Category	Disclosure No.	Disclosure Name	Page	Note
Material Topic – Safety and health management					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	31~35	
		403–1	Occupational health and safety management system	31	
		403–2	Hazard identification, risk assessment, and incident investigation	33	
		403–3	Occupational health services	34~35	
		403–4	Worker participation, consultation, and communication on occupational health and safety	35	
GRI 403: Occupational Health and Safety 2018	Occupational Health and Safety	403–5	Worker training on occupational health and safety	70	
		403–6	Promotion of worker health	35	
		403–8	Workers covered by an occupational health and safety management system	31	
		403–9	Work–related injuries	70	
		403–10	Work–related ill health	70	
Material Topic – Human rights and diversity					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	36~42	
GRI 405: Diversity and Equal Opportunity 2016	Diversity and Equal Opportunity	405–1	Diversity of governance bodies and employees	65, 66, 72	
		405–2	Ratio of basic salary and remuneration of women to men	69	
GRI 406: Non–discrimination 2016	Non–discrimination	406–1	Incidents of discrimination and corrective actions taken	68	
Material Topic – Integrated risk management					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	58~59	Non–GRI
Material Topic – Ethics and compliance					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	55~58	
GRI 205: Anti–corruption 2016	Anti–corruption	205–2	Communication and training about anti–corruption policies and procedures	57	
		205–3	Confirmed incidents of corruption and actions taken	73	
GRI 206: Anti–competitive Behavior 2016	Anti–competitive Behavior	206–1	Legal actions for anti–competitive behavior, anti–trust, and monopoly practices	72	Not applicable: zero violations
Material Topic – Stakeholder communication					
GRI 3: Material Topics 2021	Disclosures on material topics	3–3	Management of material topics	22	

GRI Standards 2021

GRI Standards	Category	Disclosure No.	Disclosure Name	Page	Note
Economic Performance(GRI 200)					
GRI 201: Economic Performance 2016	Economic Performance	201–1	Direct economic value generated and distributed	61	
		201–3	Defined benefit plan obligations and other retirement plans	69	
Environmental Performance(GRI 300)					
GRI 303: Water and Effluents 2018	Water and Effluent	303–2	Management of water discharge–related impacts	27, 63	
		303–3	Water withdrawal	64	
		303–4	Water discharge	64	
GRI 306: Waste 2020	Effluents and Waste	306–3	Significant spills	64	
		306–4	Transport of hazardous waste	27, 64	
		306–5	Water bodies affected by water discharges and/or runoff	64	
Social Performance(GRI 400)					
GRI 401: Employment 2016	Employment	401–1	New employee hires and employee turnover	67	
		401–2	Benefits provided to full–time employees that are not provided to temporary or part–time employees	41, 68	
		401–3	Parental leave	67	
GRI 404: Training and Education 2016	Training and Education	404–1	Average hours of training per year per employee	68	
		404–2	Programs for upgrading employee skills and transition assistance programs	37~39	
		404–3	Percentage of employees receiving regular performance and career development reviews	68	

UN SDGs Commitment

Hanwha Vision's is fulfilling its responsibilities to the global society through various activities linked to the UN Sustainable Development Goals (UN SDGs).

SDG	Key Activities	Report Page(s)
1. No Poverty	· Providing essential items such as food and daily necessities to vulnerable groups · Support programs such as seasonal nutritious meals for seniors living alone	50
3. Good Health and Well-being	· Improvement of facilities and reduction of emissions to below legal limits · Safety training on hazardous chemicals and purchasing protective equipment and materials for incident response	28
4.Quality Education	· Internship programs linked to employment · Operation of specialized academies · Provision of cultural experiences for children from underserved communities	37~39
5. Gender Equality	· Implementation of various leave policies, including for pregnancy, childcare, fertility treatment, and family care · Reduced work hours for pregnancy, childcare, and family care	41
6. Clean Water and Sanitation	· Monitoring wastewater discharge quality and measures to ensure levels are below legal limits · Internal water-saving measures, such as training and reduced water pressure · Use of probiotics in the water treatment process and improvement of biochemical treatment processes	27
7. Clean Energy	· Rooftop solar power system at the Pangyo R&D Center · Solar panels at the Vietnam subsidiary's offices, workplaces, cafeteria, and parking lot	25

SDG	Key Activities	Report Page(s)
8. Decent Work and Economic Growth	· Developing a variety of vision technology-based solutions for commercialization through the R&D center · Achieved ISO 9001 certification for quality management systems · Roadmap for mutual growth initiatives · Win-Win Cooperation Council: hosting regular meetings, including annual general meetings and business briefings	46~48
9. Industry, Innovation and Infrastructure	· Obtained ISO 14001 certification for international environmental standards · Developing energy-saving technologies	16
10. Reduced Inequalities	· Programs to help foreign employees and their families adjust · Benefits policies that support gender equality in employment and work-life balance	41
12. Responsible Consumption and Production	· Implementing environmental management system through internal audits and third-party verification processes · Life Cycle Assessment (LCA) process	25
13. Climate Action	· Annual environmental impact assessments · Monitoring energy consumption continuously through the Comprehensive Disaster Prevention Center · Reducing power waste by lowering the load on high-energy-consuming equipment and reducing internal power consumption	25
16. Peace, Justice and Strong Institutions	· Regular monitoring of the effectiveness of the internal accounting management system through the appointment of an external auditor · Evaluations of compliance control effectiveness · Compliance Program (CP) · Maintenance of reporting channels for compliance violations, including unfair practices and abuses of authority	56

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SASB Index

SASB Index

Sector: Resource Transformation — Electrical & Electronic Equipment

Topic	Code	Accounting Metric	Disclosure
Energy Management	RT–EE–130a.1	(1) Total energy consumed	114.5TJ
		(2) Percentage grid electricity	N/A
		(3) Percentage renewable	8.2%
Hazardous Waste Management	RT–EE–150a.1	Amount of hazardous waste generated, percentage recycled	680.5Ton, 41.2%
	RT–EE–150a.2	Number and aggregate quantity of reportable spills, quantity recovered	N/A
Product Safety	RT–EE–250a.1	Number of recalls issued, total units recalled	0 cases
	RT–EE–250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	N/A
Product Lifecycle Management	RT–EE–410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Not applicable as an internal management indicator.
	RT–EE–410a.2	Percentage of eligible products, by revenue, certified to an energy efficiency certification	
	RT–EE–410a.3	Revenue from renewable energy–related and energy efficiency–related products	N/A
Materials Sourcing	RT–EE–440a.1	Description of the management of risks associated with the use of critical materials	Refer to pp. 27–28 of this report.
Business Ethics	RT–EE–510a.1	(1) Corruption and bribery	0 cases
		(2) Anti–competitive behaviour	Refer to pp. 55–58 of this report.
	RT–EE–510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	KRW 0
	RT–EE–510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti–competitive behaviour regulation	KRW 0

Sector: Technology & Communication — Software & IT Services

Topic	Code	Accounting Metric	Disclosure
Environmental Footprint of Hardware Infrastructure	TC–SI–130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	N/A
	TC–SI–130a.2	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	N/A
	TC–SI–130a.3	Discussion of the integration of environmental considerations into strategic planning for data centre needs	N/A
Data Privacy & Freedom of Expression	TC–SI–220a.1	Description of policies and practices relating to behavioural advertising and user privacy	Refer to pp. 51–52 of this report.
	TC–SI–220a.2	Number of users whose information is used for secondary purposes	0 persons
	TC–SI–220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	KRW 0
	TC–SI–220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) List of countries where core products or services are subject to government–required monitoring, blocking, content filtering, or censoring	Not applicable as an internal management indicator.
Data Security	TC–SI–230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	0 cases, 0 persons
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC–SI–330a.1	Percentage of employees that are: (1) Foreign nationals, (2) Located offshore	N/A
	TC–SI–330a.2	Employee engagement as a percentage	N/A
	TC–SI–330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Refer to pp. 65–66 of this report.
Intellectual Property Protection & Competitive Behaviour	TC–SI–520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti–competitive behaviour regulations	KRW 0
Managing Systemic Risks from Technology Disruptions	TC–SI–550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	N/A
	TC–SI–550a.2	Description of business continuity risks related to disruptions of operations	N/A

TCFD Index

Category	Page
Governance a) Describe the board's over-sight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	25
Strategy a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	25~28
Risk Management a) Describe the organization's processes for identifying and assessing climate-related risks. b) Describe the organization's processes for managing climate-related risks c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	25~28
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. b) Disclose Scope 1 (direct emissions), Scope 2 (indirect emissions), and Scope 3 (miscellaneous indirect scope) greenhouse gas (GHG) emissions, and the related risks. c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against target	25~28, 63

Membership Associations

Korea Intellectual Property Association	Korea Artificial Intelligence Transportation Association	Korea Information & Communication Contractors Association Incheon Economic Forum
Korea Image Information Research Association	Korea International Trade Association	UN Global Compact Network Korea
Singapore Chamber of Commerce in Korea	Seongnam Chamber of Commerce and Industry	City Regeneration and Safety Association
Korea Industrial Safety Association	Gyeonggi Job Security Council	Open Security & Safety Alliance
KOHSIA (Korea Occupational Health and Safety Information Association)	ASIC (Application-Specific Integrated Circuit)	Korea Smart City Association

Independent Assurance Statement

Independent Assurance Opinion Statement

To: The Stakeholders of Hanwha Vision

Overview

The British Standards Institution (hereinafter referred to as the "Assurer") was requested to verify the Hanwha Vision's Sustainability Report 2024 (hereinafter referred to as the "Report"). The Assurer is independent to Hanwha Vision and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the Hanwha Vision's report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the Hanwha Vision. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

Hanwha Vision is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Hanwha Vision only.

The Assurer is responsible for providing Hanwha Vision's management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of Hanwha Vision. The Assurer will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with Hanwha Vision includes the following:

- Report contents during the period from January 1st to December 31st 2023 included in the Report, some data of 2024 are included.

- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.

- Appropriateness and consistency of processes and systems for data collection, analysis and review.

- Confirmation of the Report's compliance with the AA1000 Accountability Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

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

- Financial information in Appendix.

- Index items related to other international standards and initiatives other than the GRI.

- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance level and type are as follows;

- Moderate level based on AA1000 AS and Type 1 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Independent Assurance Statement

Description and sources of disclosures covered

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

[Universal Standards]

2–1 to 2–5 (The organization and its reporting practices), 2–6 to 2–8 (Activities and workers), 2–9 to 2–21 (Governance), 2–22 to 2–28 (Strategy, policies and practices), 2–29 to 2–30 (Stakeholder engagement), 3–1 to 3–3 (Material Topics Disclosures)

[Topic Standards]

201–1&3, 205–2&3, 206–1, 302–1, 3&4, 303–2, 3&4, 305–1, 2, 4, 5&7, 306–3, 4&5, 401–1, 2&3, 403–1, 2, 3, 4, 5, 6, 8, 9&10, 404–1, 2&3, 405–1&2, 406–1, 416–2, 418–1

Methodology

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

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top–level review of issues that may be raised by external stakeholders in the context of sustainability.

- Discussion with managers and representatives on stakeholder engagement.

- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.

- Review of the system for sustainability management strategy process and implementation.

- Review of the materiality issue analysis process and prioritization and verifying the results.

- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures.

- An assessment of Hanwha Vision's reporting and management processes against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 Accountability Principles Standard (2018).

- Visit of the Headquarters of Hanwha Vision to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

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

Competency and Independence

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

Opinion Statement

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

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

Independent Assurance Statement

Conclusions

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

Inclusivity: Stakeholder Engagement and Opinion

Hanwha Vision has identified customers, employees, local communities, and partners as key stakeholders. It operates communication channels for each stakeholder, collects expectations and various opinions from each key stakeholder group through the stakeholder participation process, reflects the main issues derived in decision-making related to sustainability, and discloses these processes through reports.

Materiality: Identification and reporting of material sustainability topics

Hanwha Vision has established a process for establishing strategies related to sustainable management and deriving reporting issues. Based on the analysis results of sustainable management standard indicators, industry trends and trends in the same industry, and media research, a pool of 20 issues is derived through a dual materiality assessment through a Social-environmental impact assessment (Impact Materiality Assessment) and a financial impact assessment (Financial Materiality Assessment), and the top 10 material issues are selected and disclosed in the report.

Responsiveness: Responding to material sustainability topics and related impacts

Hanwha Vision has analyzed the impact on business and stakeholders of key issues determined through the materiality assessment in the status of key issue management, established goals and implementation plans based on this, and reported the results in the report. In addition, the report discloses the response results, including policies, activity results, and improvement plans for key issues.

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

Hanwha Vision has established a process to understand and evaluate the impact on organizations and stakeholders related to core issues. The results of the analysis of the impact, risks, and opportunities of core issues are used in decision-making for the establishment of response strategies for each issue, and this disclose this process through reports.

Recommendations and Opportunity for improvement

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

– This report is Hanwha Vision's second sustainability report. It is recommended that the key issues identified during the selection process for major issues be linked to the company's future growth strategy, and that the organization's responsibilities and authority be clearly assigned to implement them, and that a system be established to periodically monitor the performance.

– The importance and transparency of the responsibility and role of the governance structure for sustainable management are being strengthened. In this regard, it is necessary to establish a clearer operating system for Hanwha Vision's governance structure and clearly define and operate the management procedures for the process of monitoring sustainable mid- to long-term strategies and performance.

– Hanwha Vision reported on issues of interest and major communication channels in areas where communication with major stakeholders is possible. If the response measures and performance for each issue identified to develop the sustainability issues identified from major stakeholders into a sustainable management strategy are reported together, the report's sustainable management strategy system can be improved.

– The company's response to and performance in relation to climate change are being addressed with importance both domestically and internationally. It is necessary to establish a company-wide climate strategy system considering domestic and international climate disclosure standards and consider climate risks and opportunities.

GRI-reporting

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

Issue Date: 29/10/2024

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

BSI representative

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Hanwha Vision