

# Sebang Global Battery Sustainability Report

## 2020-2021

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SEBANG GLOBAL BATTERY  
SUSTAINABILITY REPORT

**SEBANG**  
SEBANG GLOBAL BATTERY



# About This Report

## Overview of Report

Sebang Global Battery has published its first Sustainability Report in response to the demands and expectations of its diverse stakeholders in 2021. The Report transparently discloses its efforts and achievements in the economic, social and environmental areas. It also specifies the core issues and related response activities through a materiality assessment.

## Report Period and Scope

This Report includes Sebang Global Battery’s key achievements for the period from January 1 to December 31, 2020. With regard to quantitative achievements, it helps the reader to ascertain the major trends by presenting the data for the past three years from 2018 to 2020. For certain qualitative achievements, it includes data concerning the company’s activities in 2021 as well. This Report covers two business establishments in Korea.

## Standards for Preparation of the Report

This Report has been prepared based on the Core Options of the Global Reporting Initiative (GRI) Standards for the preparation of global sustainability reports. The reporting standards presented by the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD) are also reflected in this Report. This Report follows the Korean version of the International Financial Reporting Standards (K-IFRS) with regard to the reporting standards and definitions of its financial information.

## Verification of Report

To ensure the reliability of the data presented in this Report, the Korean Foundation for Quality, a verification service agency, has completed its verification based on the four principles of the AA1000 Assurance Standards (AA1000AS v3), namely, Inclusivity, Materiality, Responsiveness, and Impact).

## Contacts for Information:

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# Battery For Better Life

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Chairman Message



Sebang Group CEO, Sang-woong Lee *SW Lee*

Sebang Global Battery will create energy for ‘people’ and a convenient and happy future

For more than half a century, Sebang Global Battery has led the Korean battery industry with the flagship brand “Rocket Battery.” We have grown into a future-oriented energy company through continuous management innovation in line with the rapidly changing market environment, and have focused on technological development to make the best products. As a result of these efforts, Sebang Global Battery has become Korea’s leading battery maker as well as one of the world’s top 10 battery makers, exporting products to over 130 countries around the world.

Sebang Global Battery is going global based on Korea’s best technology.

Sebang Global Battery was founded in 1952 as the Naval Technology Research Center, and has operated the Changwon Factory since 1970 and the Gwangju Factory since the 1980s. We have also completed a nationwide business network by building seven logistics centers in Korea, through which we perform active and innovative management activities. Furthermore, to expand our global business footprint, we established a European subsidiary in Germany and a branch office in Dubai in the Middle East, and in 2016, we established a joint venture (JV) in Malaysia, Southeast Asia, in efforts to expand Asian sales channels and implement localized sales strategies.

The future envisioned by Sebang Global Battery is a convenient and happy life for all.

To this end, we are focusing more on technology development and new businesses. We aim to secure a firm advantage in the lead storage battery market and strengthen research and development in future energy sectors such as ESS and BMS, while our basic principle of new business exploration is to enhance the group’s core competencies and tap into the areas where we can best leverage those core competencies.

Core competencies of Sebang Global Battery are lead storage batteries, manufacturing, and battery technology know-how acquired through research and production of parts required for lead storage batteries.

In the battery sector, we are doing our best to improve the quality of existing lead storage batteries and improve price competitiveness, while making thorough preparations for the increased use of lithium batteries, which is a major trend in the energy market. As part of a strategy to differentiate its lithium battery business, Sebang Global Battery is focusing on developing lithium packs rather than manufacturing lithium cells directly so that quality cells can be utilized in a wide range of sectors.

The key to the future energy industry is how to store and utilize energy.

Sebang Global Battery has continuously invested in and researched the design and manufacturing technology of large ESS for storing energy generated using solar power, small ESS for homes, and lithium packs for electric buses and trucks. We firmly believe that our efforts for better energy storage and utilization will serve as a key growth driver for Sebang Group in the future. We are also stepping up R&D of 3D printer materials using polymers by leveraging the capabilities and technology of our subsidiary, the only company in Korea that manufactures lead storage battery separators. Klaus Schwab, futurist and Executive Chairman of the World Economic Forum, said, “The largest beneficiaries of the Fourth Industrial Revolution tend to be the providers of intellectual and physical capital—the innovators, shareholders, and investors.” All of this will come down to the value of people, which aligns with the future vision of Sebang Group.

The core value of our research and pursuit lies in “people.”

The end goal of Sebang Group’s corporate management activities such as energy, distribution, environmental, and corporate social responsibility projects is to make people’s lives more convenient and happier. To this end, Sebang Group will make utmost efforts to do what we have to do today and focus all of our capabilities on what we must do tomorrow.



CEO Message



CEO of Sebang Global Battery Co., Ltd., **Kyle Sung Yeon Won**

As the No. 1 lead storage battery maker in Korea, Sebang Global Battery will listen more carefully to the voices of various stakeholders and strive for a better world.

Valued stakeholders,

We always appreciate your unwavering interest, support, and sincere advice for Sebang Global Battery.

The continuing uncertainty of the unprecedented COVID-19 pandemic has led to the global economic slowdown and many difficulties in society, thereby increasing the instability of the business environment. Even in this challenging situation, Sebang Global Battery is leading the Korean battery industry with the flagship brand “Rocket Battery,” and is working tirelessly to become a future-oriented energy company through continuous management innovation and technological development to make the best products in line with the rapidly changing market environment.

As we leap forward to a better future and reiterate our commitment to a beautiful companionship with our various stakeholders, Sebang Global Battery has published its first sustainability report this year with the following promises.

First, we will strengthen business competitiveness and systematize risk management.

Through proactive investment with choice and focus, we will enhance the competitiveness of our existing businesses and continue to secure leading businesses. To get ahead in the market of absorbent glass mats (AGMs) for the fuel-efficient and eco-friendly Idle Stop and Go (ISG) system, which is widely adopted by vehicle original equipment manufacturers (OEMs) around the world, we have made a proactive investment after conducting anticipatory development, and have undergone a major expansion of the production line in preparation for increased product sales at home and abroad.

We will establish an overseas production base (Vietnam) to “increase the manufacturing cost competitiveness of industrial batteries,” as well as “acquire a local sales corporation in the United States and “establish a sales corporation in Southeast Asia” to expand global market share. We will build a foundation for sustainable growth by targeting the global market through extensive market analysis, product selection, and meticulous sales strategy.

Furthermore, we will strengthen corporate transparency and expertise with an advanced internal control capability in order to expand activities to prevent fraudulent errors and manage and prevent risks while continuously evolving and innovating to meet the diverse expectations and demands of the market, such as strict quality control and responsible supply chain management.

Second, we will thoroughly prepare for the coming future.

We are making proactive large-scale investments such as the construction of a lithium battery plant through our subsidiary in an effort to actively respond to the explosive growth of the electric vehicle market driven by various external environmental changes and the increased adoption of eco-friendly vehicles.



CEO of Sebang Global Battery Co., Ltd., **Joo-ho Cha**

We have built an automated facility that can package lithium batteries of all types (cylindrical, prismatic, and pouch types) with mass production up and running. We have also been selected as an EV battery supplier for domestic and global vehicle OEMs in recognition of our advanced lithium battery packaging technology as we prepare to leap forward as a leading EV battery maker.

To respond to the demands of the industrial lithium battery market, we are also developing new products and supplying battery packs in active collaboration with manufacturers specializing in UPS, ES, forklifts, and golf cars. Going forward, we will continue to secure profits through our main business of lead storage batteries while diversifying our business strategies based on lithium batteries as another growth engine with the aim to play a pivotal role in the secondary battery market.

Third, we will fulfill our social responsibility for a better future.

Sebang Global Battery’s slogan is “Battery For Better Life.” It means we are “a company that moves today’s world for everyone’s happiness and a company that fills the energy of the future for a better world.” Based on “ethical management,” one of Sebang Group’s management principles, we will create a transparent and fair management environment, and based on the trust and belief from Sebang Global Battery stakeholders, we will strive to comply with a variety of global principles and standards in the areas of human rights, safety, environment, and compliance. As we recognize the impact of our products on the environment and safety, we will put the environment and safety first in all processes, from procurement of raw and subsidiary materials to the development, production, transportation and storage of products.

Furthermore, as part of an effort to tackle climate change, which is demanded by the international community, we will actively carry out activities to reduce greenhouse gas and pollutant emissions, and in a bid to become a more competitive company, we will faithfully work to maximize not only financial value but also non-financial values such as environmental, social and governance. Rather than pursuing the company’s short-term profits, we will also do our best to maximize shareholder value by achieving sustainable growth based on social responsibility.

Esteemed stakeholders,!

Sebang Global Battery has overcome numerous crises over the past half-century and achieved today’s success by constantly challenging itself. Beyond achieving sustainable growth, we will fill the energy of the future for a better world. We ask for your unwavering interest and support in this journey.

Thank you.



Our Value

For more than half a century, Sebang Global Battery has maintained the No.1 position in the Korean lead storage battery market. As we have grown into one of the world’s top 10 battery makers and export products to over 130 countries around the world, we now aim to become an energy company that moves today’s world and charges tomorrow.

VISION

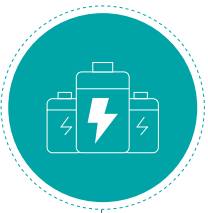
A company that moves today’s world for everyone’s happiness  
A company that fills the energy of the future for a better world

BATTERY FOR BETTER LIFE



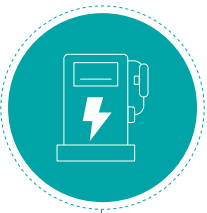
The future envisioned by Sebang Global Battery is a convenient and happy life for all. To this end, we are focusing more on technology development and new businesses.

We aim to secure a firm advantage in the lead storage battery market and strengthen research and development in future energy sectors such as ESS and BMS, while our basic principle of new business exploration is to enhance the group’s core competencies and tap into the areas where we can best leverage those core competencies.



The core competencies of Sebang Global Battery are lead storage batteries, manufacturing, and battery technology know-how acquired through R&D of parts required for lead storage batteries.


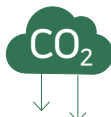
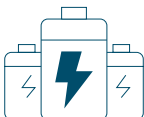






In the battery sector, we are doing our best to improve the quality of existing lead storage batteries and improve price competitiveness, while making thorough preparations for the increased use of lithium batteries, which is a major trend in the energy market. As part of a strategy to differentiate its lithium battery business, Sebang Global Battery is focusing on developing lithium packs rather than manufacturing lithium cells directly so that quality cells can be utilized in a wide range of sectors.



The key to the future energy industry is how to store and utilize energy.

Sebang Global Battery has continuously invested in and researched the design and manufacturing technology of large ESS for storing energy generated using solar power, small ESS for homes, and lithium packs for electric buses and trucks. We firmly believe that our efforts for better energy storage and utilization will serve as a key growth driver for Sebang Group in the future.

2020 Business Highlights

<p>Sales</p>  <p>KRW 1,252.7 billion</p>	<p>Reduction of GHG emissions (compared with 2019)</p>  <p>2,574 tCO<sub>2</sub>eq</p>	<p>Donation of automotive batteries to Welfare Centers for the Disabled</p>  <p>80 other places</p>
<p>Operating income</p>  <p>KRW 86.3 billion</p>	<p>Waste recycling rate</p>  <p>85.7 %</p>	<p>Donations for CSR activities</p>  <p>KRW 130 million</p>
<p>Share of domestic battery market</p>  <p>No. 1 (38% market share based on sales in 2020)</p>	<p>No. 1 brand power ranking for 12 consecutive years</p>  <p>12 years Winner at the 2020 Korea Industrial Brand Power Awards in the automotive battery category hosted by the KMAC</p>	<p>Intellectual property rights</p>  <p>281 cases (155 patents, 10 utility models, 29 designs, 87 trademarks)</p>



# Corporate Overview

Sebang Global Battery is a trusted company that covers from the development of batteries that will move the world to the research of alternative sources of energy that will drive the whole world tomorrow. Sebang Global Battery is tireless in its commitment to developing technologies for the best products while striving to innovate and adapt its management to the rapidly changing market conditions.

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## Introduction to the Company

Sebang Global Battery was originally born at the Naval Technology Research Institute founded in 1952. Sebang was established under the name of Jinhae Battery in February 1966 to produce automotive and industrial batteries, and was renamed as Sebang Global Battery Co., Ltd. in 1978. It was listed on the Korea Stock Exchange Composite (KOSPI) market in 1987. It recorded sales of 1,252.7 billion and had 1,054 employees in 2020.

Its home office is located at 433 Seonneung-ro, Gangnam-gu, Seoul. Its Gwangju Factory specializes in the production of automotive storage battery, while its Changwon Factory produces AGM (Absorbent Glass Mat) automotive batteries and industrial storage batteries. It was awarded the 100 Million Dollar Export Tower Prize on the 1997 International Trade Day and the 600 Million Dollar Export Tower on the 2014 International Trade Day. It is equipped with sufficient capacity to produce 19 million automotive batteries and 3.7 million industrial batteries per year.

Sebang Global Battery is currently composed of the Management & Control Division, the Production Division, which includes the Gwangju and Changwon Factories, as well as a CEO who is in charge of the Quality Management Office, which supervises the control and production units, and a CEO in charge of the sales unit, which supervises the Domestic and Overseas Sales Division, both of whom represent the company independently.

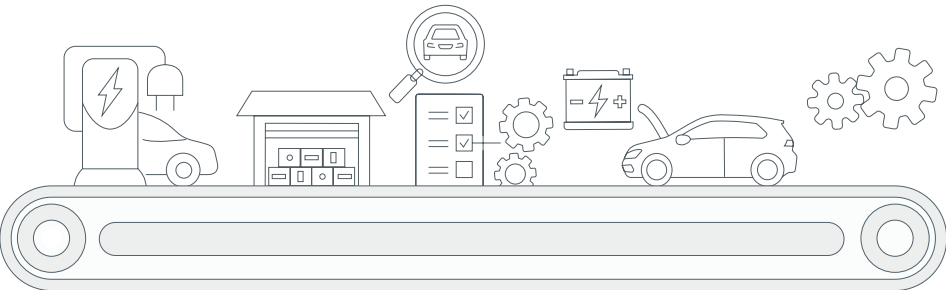
Sebang Global Battery has a number of domestic business establishments including the home office in Seoul, the R&D center in Anyang, the plants in Gwangju and Changwon, four local sales offices, and eight logistics centers. Its overseas business establishments include a subsidiary corporation in Germany, a branch in Dubai, United Arab Emirates, a joint venture company in Malaysia, and a subsidiary corporation that undertakes production and sales activities in Vietnam. Sebang Global Battery has taken over a local account in the USA to advance into North America, the world's largest lead battery market, in the latter half this year, and plans to dispatch personnel to the USA.

Sebang Global Battery has strived incessantly to transform itself into a future-oriented energy enterprise by steadily introducing business innovations to the fields in which it is operating, including management, sales, production and research. It has recorded sales of more than KRW 1 trillion per year for the four consecutive years since 2017.

### Business Status

<As of the end of 2020>

Company Name	Sebang Global Battery Co., Ltd.	Business Lines	Manufacture of storage batteries
Co-CEO - Representative Director	Kyle Sung Yeon Won and Joo-ho Cha	Date of Foundation	September 10, 1952
Home Office Address	433 Seonneung-ro, Gangnam-gu, Seoul (Sebang Bldg., Yeoksam-dong)		
Date Listed on KOSPI	November 28, 1987	Sales	KRW 1,252,791,010,000
Operating Oncome	KRW 86,348,970,000	No. of employees	1,054
Subsidiaries	Sebang Batteries Europe GmbH, Dongyang Metal Co., Ltd., Sebang Lithium Battery Co., Ltd., Sebang Battery Vina Co., Ltd., Sebang Industries Co., Ltd., 14th Great GM Ltd., 23rd Great GM Ltd., Sangshin Metal Co., Ltd.		



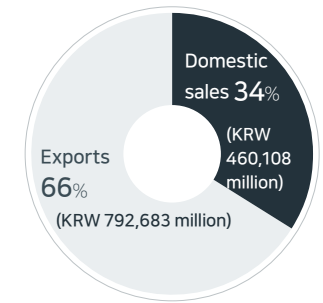
## Business Achievements

Domestic and foreign economic and business activities have shrunk abruptly due to social distancing and the shutdowns imposed to suppress the spread of COVID-19 during the prolonged pandemic that began early last year. Negative growth was recorded not only by the USA and other advanced countries in Europe and other regions but also by developing countries. To address such difficult conditions at home and abroad, this company has implemented an emergency management system to tighten its operational budget while enforcing enterprise-wide cost saving programs. Its executives and employees have made concerted efforts to increase sales while enhancing productivity.

In so doing, the company achieved an amazing performance in 2020, posting sales of KRW 1,252.7 billion and an operating income of KRW 86.3 billion. It also recorded sales of over KRW 1 trillion for the fourth consecutive year, and an operating income rate of 6.9%, despite the hike in freight rates over the preceding year due to the economic slowdown and the maritime shipping crisis caused by the COVID-19 pandemic.

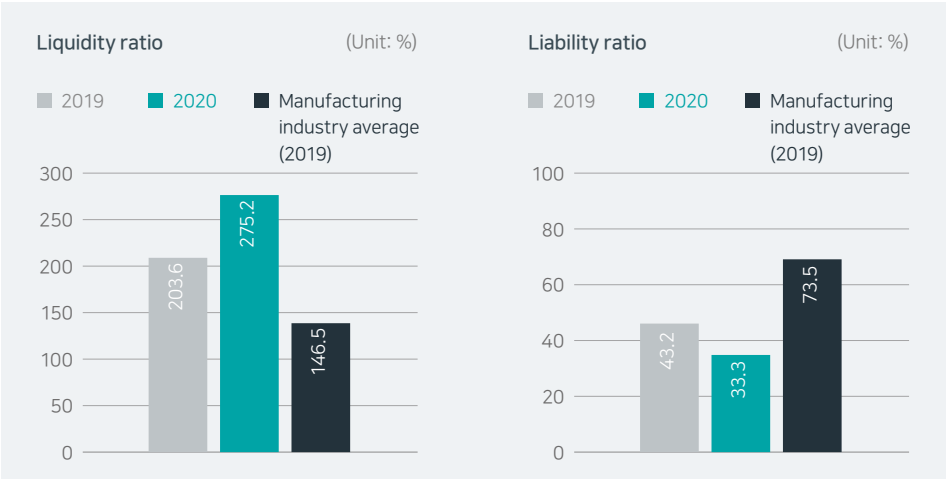
The sales prices of Sebang's automotive batteries decreased due to a fall in the LME lead price in the preceding year and reduced demand due to the global economic slowdown. However, the sales of next-generation AGM battery products increased thanks to growing demand in the repair market. Sales of industrial batteries decreased mainly as a result of the decreased demand among business and government entities for batteries for lift trucks and fixed batteries due to the global economic slowdown at home and abroad. Nevertheless, we have successfully deployed a local production base in Vietnam and actively responded to the industrial battery market by increasing the production of lithium goods through our subsidiary, Sebang Lithium Battery.

Sales in Korea and Overseas in 2020:



Key financial performances		
(Unit: KRW million)		
Classifica-tion	2020	2019
Sales	1,252,791	1,139,008
Operating Income	86,349	105,678
Net Profit (current term)	66,718	78,426

### Key Financial Ratios



### Sales by Product

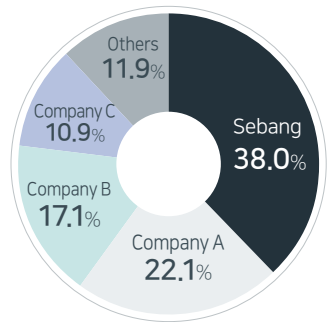
(Unit: KRW million, %)

Business divisions	Sales Type	Item	Usage	Sales	Ratio
Storage battery	Products	Automotive	Automotive	921,060	73.52
		Industrial use	UPS and others	203,804	16.27
		Recycled lead	Storage battery production	111,755	8.92
	Goods	Automotive	Automotive	3,314	0.26
		Industrial use	UPS and others	11,111	0.89
		Two-wheeled vehicle use	Motorcycles	1,747	0.14
	Total			1,252,791	100.00



Introduction to the Company

Sales shares of the domestic storage battery market in 2020

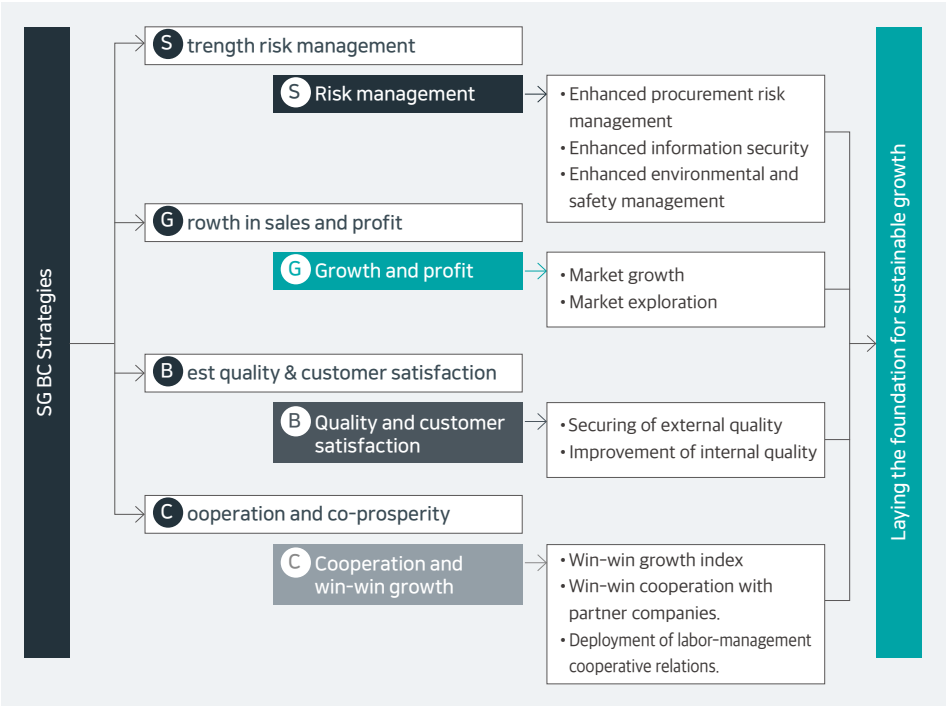


Future Vision & Strategy

Storage batteries are largely divided into primary batteries, which cannot be recharged, and secondary batteries, which are rechargeable. Secondary batteries can be further divided into lead and non-lead batteries. The battery market consists of the OEM market, which supplies batteries to the manufacturers of finished cars, and the after-sales service market, which supplies batteries for repair purposes. Their areas of application are divided into automotive, industrial, motorcycle and special-purpose applications. Korea currently has over ten different lead storage battery manufacturers whose total combined annual sales amounted to approximately three trillion won as of the end of 2020. However, under the prevailing oligarchical structure, the sales of the four major manufacturers account for 88.1%, or KRW 2,642.9 billion, with Sebang Global Battery recording the No. 1 market share (38.0%) in Korea.

The growth rate of lead storage batteries for starting up vehicles is anticipated to slow down somewhat in the long-term perspective because of the government’s policies for fostering environmentally-friendly vehicles and the continuous launch of electric vehicles by automobile producers. However, the demand for lead storage batteries will continue to rise with its increasing use as an auxiliary power source for electric vehicles (Tesla cars, etc.) and the upcoming A/M market of AGM batteries, whereas the global supply of lead storage batteries is experiencing a shortage due to the reduced operation or shutdown of foreign manufacturers amid the COVID-19 pandemic. As such, orders have rapidly increased for local makers of lead storage batteries who are operating their factories at full capacity. Further, the demand for start-stop vehicles is expected to grow substantially due to the recent environmental regulations and the growing preference for high-fuel efficiency vehicles.

Sebang focuses on the automotive, industrial batteries and lithium packing lines in particular. It is dedicated to developing and enhancing the performance of premium battery products, including the vehicle AGM and EFB series used in start-stop vehicles, which feature improved charging efficiency and durability. It is anticipated that the growing preference for start-stop vehicles will lead to the growth of AGM and other premium battery markets. In addition, based on its expertise in the production of secondary batteries and its existing sales networks (including those for original equipment supply, etc.), Sebang also plans to have its 100% owned subsidiary Sebang Lithium Battery manufacture auxiliary power sources for vehicle start devices equipped with lithium batteries, and new battery modules and packs for starting electric vehicles. Thus, the company is gradually laying foundations for sustainable growth based on its four major SGBC strategies, namely, enterprise-wide risk management, growth and profit, quality and customer satisfaction, and cooperation and win-win growth.



Advancing into New Markets

- **German Corporation** (founded in June 2015)  
Sebang Global Battery German Corporation was founded mainly to conduct sales activities aimed at large buying groups in Europe while cooperating with the home office’s OEM sales and collecting marketing intelligence on advanced markets. It also runs automotive battery sales campaigns and other related activities.
- **Dubai Branch** (founded in August 2015)  
Sebang Global Battery Dubai Branch was founded to enhance the company’s competitive advantage in the Middle East, which accounts for over 40% of all sales of Korea-produced batteries, promote sales growth in the Middle Eastern and African regions, and promptly gather and interpret information concerning competition trends and movements, etc. It also performs sales activities for automotive batteries.
- **Joint Venture Company in Malaysia** (founded in March 2016)  
Sebang Global Battery Joint Venture Company in Malaysia was founded together with Hupsoon, Singapore to increase sales and collect information in the Southeastern Asian region around Malaysia, which is the largest maintenance-free market in the region. It also performs sales activities for automotive batteries.
- **Vietnam Corporation** (founded in August 2020)  
Sebang Global Battery Vietnam Corporation was founded to increase sales in Southeast Asia by entering the Vietnamese market, which is particularly advantageous due to its high growth potential, and to stabilize the market in view of the key forklift truck OEM manufacturers and the many Korean companies currently operating in Vietnam. It also performs local production and sales activities related to forklift truck batteries.
- **USA Corporation** (acquired in August 2021)  
Sebang Global Battery has recently acquired an existing corporate account in the USA in a bid to promote sustainable growth there, while addressing the aggressive sales activities of its Korean competitors by founding a local production base and a local branch in North America, both of which are essential for advancing into the world’s largest lead storage battery market. It will dispatch sales personnel to the newly acquired corporation later this year to promote the sales of automotive batteries.



Introduction to the Company

Major History



2000~2020

Aug. 2020: No. 1 brand power for 12th consecutive year.  
May. 2019: Acquired the ISO 45001 certification (Gwangju and Changwon Factories).  
Nov. 2018: Acquired the ISO 22301 (BCMS\_Business Continuity Management Systems) certification.  
May. 2017: Began operating the newly built Gwangju Factory 4.  
Oct. 2015: Awarded the Grand Prize for Total Quality Management by the Social Responsibility & Management Quality Institute.  
Sep. 2015: Founded Subsidiary, Sebang Lithium Battery (SLB).  
Feb. 2015: No. 1 brand power for the 7th consecutive year.  
Dec. 2014: Awarded the 600 Million Dollar Export Tower.  
Jul. 2014: Selected as a supplier to BMW UK, NE, and USA.  
May. 2013: Started producing EFB batteries at the Gwangju Factory.  
Mar. 2012: Renamed as Sebang Global Battery Co., Ltd. (English name).  
Nov. 2010: Awarded the 400 Million Dollar Export Tower.  
Sep. 2010: Started producing AGM batteries at the Changwon Factory.  
Mar. 2006: Built the Ni-MH battery plant in Gwangju.  
Sep. 2005: Renamed largest shareholder company as Sebang Co., Ltd.  
Jun. 2004: Renamed Japanese joint venture corporation as GS Yuasa International Ltd.  
Feb. 2004: Renamed as Global Battery Co., Ltd. (English name).  
Dec. 2003: Acquired the ISO 14001 certification (Gwangju and Changwon Factories).  
Sep. 2000: Certified for Eco-Labeling.

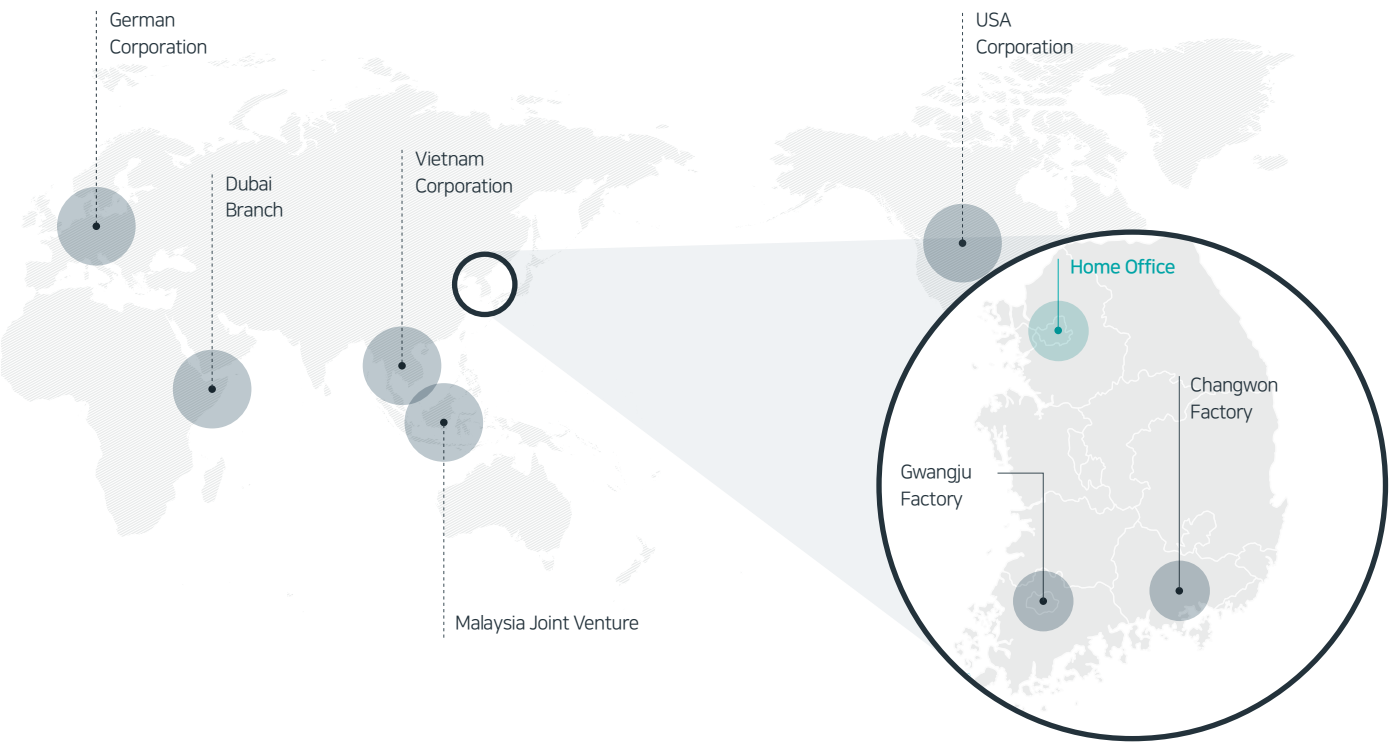
1980~2000

Jan. 1996: Renamed the Hanam Factory as the Gwangju Factory.  
Nov. 1994: Began operating the newly built Gwangju Factory 2.  
May. 1994: Acquired the ISO 9001 certification (for the first time in the Asian region).  
May. 1993: Relocated the Home Office to Yeoksam-dong, Gangnam-gu, Seoul.  
Oct. 1992: Signed a technical assistance agreement with SAFT, France.  
Nov. 1989: Began operating the newly built Gwangju Factory.  
Jul. 1988: Signed a technical assistance agreement with HAGEN, Germany.  
Nov. 1987: Initial Public Offering (Capital: KRW 7,000,000,000)  
May. 1987: Began operating Changwon Factory 3 after completing second extension.  
Oct. 1985: Began operating Changwon Factory 3 after completing first extension.  
Jul. 1985: Acquired new Home Office building in Bangbae-dong, Seocho-gu, Seoul.  
Mar. 1983: Designated as a 1st Class Quality Management Factory (Rating No. B-Ta-1-8).

1952~1980

Nov. 1979: Began operating newly built Changwon Factory 4.  
Sep. 1978: Renamed as Sebang Battery Co., Ltd.  
Jul. 1978: Korean held stock acquired by Sebang Group.  
Apr. 1976: Registered as a foreign direct invested company (Economic Planning Board No. 698).  
Nov. 1 975: Relocated factory to the current location after building a factory inside the Changwon Mechanical Industry Complex, 601-9 Namsan-dong, Changwon-si.  
Apr. 1975: Signed a technical and capital alliance agreement with Yuasa Battery.  
Feb. 1966: Incorporated Jinhae Battery.  
Jul. 1961: Renamed as Jinhae Battery Manufactory.  
Sep. 1952: Establishment of the Naval Technology Research Institute.

Global Network



Domestic Business Establishments

Classification	Location	Key Products
Home Office	Sebang Global Battery, 433 Seonneung-ro, Gangnam-gu, Seoul (Sebang Bldg., Yeoksam-dong) Phone: 02-3451-6201	-
Changwon Factory	122 Jeongdong-ro, Seongsan-gu, Changwon-si, Gyeongsangnam-do Phone: 055-279-9700	Batteries for vehicle AGM, golf carts, forklift trucks, and various stationary batteries
Gwangju Factory	287 Sonjae-ro, Gwangsan-gu, Gwangju Metropolitan City Phone: 062-601-6100	Automotive batteries (batteries for vehicle engine start, heavy industry, leisure, etc.)

Overseas Corporations and Branches

Classification	Location
German Corporation	Mergenthalerallee 79-81, 65760 Eschborn, Germany
Vietnam Corporation	Lot B2, Det May Nhon Trach Industrial Zone, Hiep Phuoc Town, Nhon Tracch District, Dong Nai Province, Vietnam
Dubai Branch	5F, Silver Tower, Jumeirah Lakes Towers, Dubai, United Arab Emirates
Malaysia Joint Venture	5 Jalan 51/203A, Kawasan Perindustrian Tiong Nam, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia
USA Corporation	7800 E Union Ave #340 Denver, Colorado 80237



## External PR Activities



### Conclusion of a Partnership with FC Barcelona

Sebang Global Battery has signed a regional sponsorship agreement with FC Barcelona, a world-famous football club belonging to La Liga in Spain, to promote its Rocket brand. The agreement will last for three years from July 1, 2019, and the Sebang Rocket brand will be promoted as the official car battery of FC Barcelona in Korea, Vietnam and Malaysia. Vietnam and Malaysia are newly emerging markets seeing rapid growth in demand for Korean battery products, and both countries are football crazy. Sebang Global Battery plans to increase its sales in the Southeast Asian region with this sponsorship agreement.



### Support for the Korea Rugby Union

Sebang gave its wholehearted support to the Korea Rugby Union from 2015 to 2020 when Sang-woong Lee, CEO of Sebang Global Battery, served as the Union's chairperson, providing a foundation for the revival of rugby in Korea. The Union was able to successfully hold its matches, with all expenses borne by Sebang Global Battery, when local sports circles experienced difficulties due to the COVID-19 pandemic. Furthermore, the Korean men's team won its ticket to participate in the 2020 Tokyo Olympic Games for the first time in the Union's 96-year history, thereby heralding the revival of Korean rugby in the international arena and motivating Korean rugby players to try again while renewing their pride in rugby.



### Rocket brand advertisements via public media

Sebang Global Battery has conducted external PR and advertisement programs using its brand character ROCKET-BOY. Sebang plans to further enhance its image and product PR by using such public media as baseball parks (SSG, Incheon and Lotte, Busan), taxi cabs, and sales promotion events for over 200 distributors.



**Partnership**  
agreement signed with  
FC Barcelona



Support for  
**Korea Rugby Union**

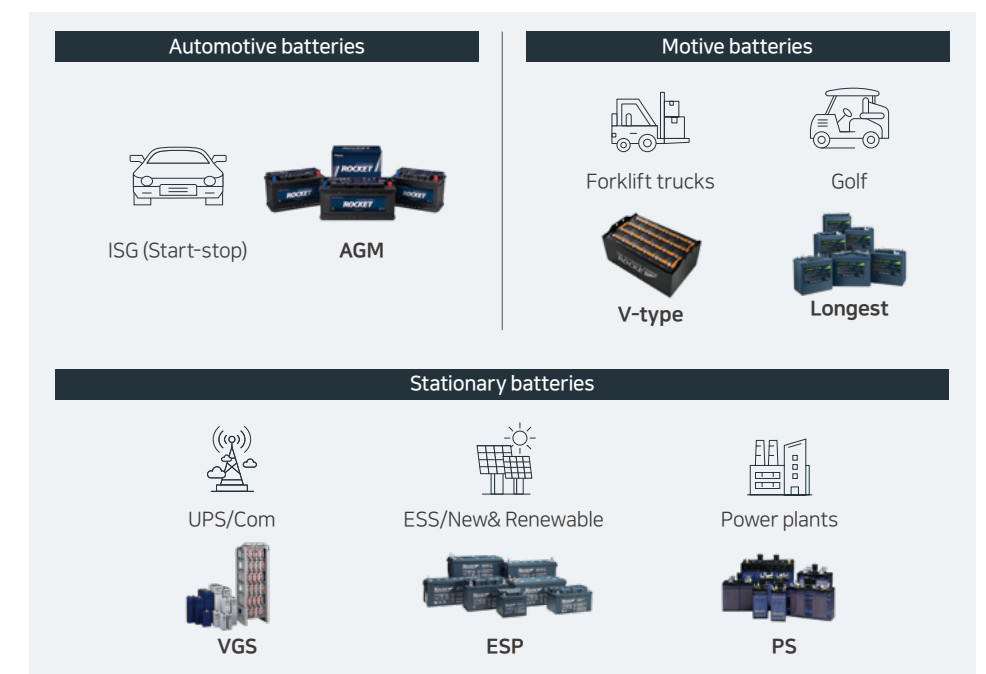


Brand character  
**ROCKETBOY**  
Media advertisement

## Introduction to Products

A storage battery is a device that converts chemical energy into electric energy. As such, it is the energy source that will play the most essential role in the transformation from the era of analog power to the Era of Energy Internet. Batteries will provide the driving force for the overall changes in such industries as IT services, automobiles, power, and energy storage systems (ESS), as well as driving social and economic development.

Sebang Global Battery produces and sells batteries equipped with the world's best reliability and cost-effectiveness based on its outstanding technological capabilities in both overseas and domestic markets. Batteries may be classified into automotive, stationary, and motive batteries based on their application.



### Sales amount and ratio by type of battery

(Unit: KRW 100 million)

Stationary

**786** (7.3%)

Motive

**1,153** (10.7%)

Vehicular

**8,831** (82.0%)

\* Based on separate financial statements






Introduction to Products





Automotive batteries

Awarded grade ‘A’ in the process review conducted by Volkswagen, Sebang Global Battery supplies its batteries to BMW, Volkswagen, Hyundai, Kia and other world leading car makers as Original Equipment. Sebang occupies over 40% of the domestic Korean after-sales service market for automotive batteries and around 30% of the original equipment market. As Sebang’s automotive lead storage batteries are mostly sold in the replacement market, its performance was relatively less affected by the slow growth of the finished car market than other auto part companies. Its GB series, the representative lineup of automotive lead storage batteries, features functions for preventing loss of durability at high temperatures and enhancing the start-up performance using a specially designed calcium alloy. Sebang’s products also include the AGM car battery, which features the Idle Stop & Go (ISG) function, and the GP series, which boasts enhanced corrosion resistance as well as reduced resistance inside the battery.

Types of automotive battery





Classification	GB	AGM	TAXI
			
Applications	Regular vehicles	ISG system vehicles (Auto Stop)	Taxi cabs
Features	Powerful start-up performance maintained.	Power management system equipped with fuel efficiency control technology.	Taxi cabs that run for long periods are protected from external shock and high temperature.




Classification	Motorcycles	Vessels
		
Applications	Motorcycles	Ships
Features	Motorcycle batteries that do not need to be replenished with distilled water.	Batteries made to withstand rough seas and prolonged operation.

Stationary batteries

The stationary batteries manufactured with the advanced technology accumulated by Sebang Global Battery over many years have the durability required to withstand abrupt changes in external environments and extreme conditions. They have been highly evaluated for their outstanding economy and efficiency, as a special alloy has been adopted to greatly extend their life cycle.

Types of Stationary Battery




Classification	ESP	GSL	ESG	VGS
				
Usage	Small-size UPS	Medium and large-size UPS, rectifiers	Medium and large-size UPS, rectifiers	ESS, power plants
Features	Product life cycle has been extended by adopting the latest battery pole plate technology.	Maintenance-free batteries that leak no electrolytes.	Outstanding safety and resilience with adoption of explosion-proof safety valve.	Safety and economy suitable to ESS.

Classification	CGS	PS	RP
			
Usage	Communications	Nuclear power plants, Communications	Small-size UPS
Features	Korea’s exclusively custom-made relief valve	Batteries free from inflammation by external heat or fire	Rapid aging deterioration prevented by application of special active substances

Motive batteries

The Longest Series, which is used on golf carts and electric vehicles, and batteries designed for electric forklift trucks, feature know-how exclusive to Sebang Global Battery. They are suitable for the green-energy industries. Sebang’s key know-how includes cell balancing functions that extend longevity, and technological competence that enhances battery performance across a wide range of service temperatures.

Types of Motive Battery

Classification	V-type (battery for forklift trucks)	Longest	Lithium batteries for golf carts
			
Usage	Forklift trucks, tow trucks, transport vehicles, power pallet trucks	Golf carts, boom maintenance lifts, heavy construction equipment, unmanned transport equipment	Golf carts
Features	Extremely powerful with enhanced cycle performance	Cycle Service dedicated product with know-how accumulated over 60 years	High-efficiency, long life, and reduced replacement frequency



R&D

Sebang Global Battery is conducting physical and technical integration of its hardware and software systems in preparation for a future with high population density and limited resources.

The Energy Storage System (ESS), Battery Management System (BMS), and Uninterruptible Power Supply (UPS) System are integrated energy management systems (SI) at the level of the energy management system. Sebang Global Battery has conducted research and development in the fields of ESS, BMS, and UPS as systems for the preparation, operation and management of future energy, rather than implementing simple business models. Furthermore, it operates services for deploying optimum systems concerning the overall aspects of energy, from consulting to the repair and maintenance of the management and operation systems in order to satisfy user requirements. ESS and BMS are essential for storing all energy sources, including solar, wind, and electric power. Sebang Global Battery is already equipped with sufficient technological competence in energy management systems (EMS) through its tireless R&D.

•Changwon Technology Center

Core base for the development of industrial storage batteries

Sebang Global Battery develops storage batteries for use in various industries, including communications, power, and ICT. [Sebang Global Battery Changwon Factory, 122 Jeongdong-ro, Seongsan-gu, Changwon-si, Gyeongsangnam-do (Namsan-dong)]

•Gwangju Technology Center

Core base for the development of automotive batteries

Sebang Global Battery develops the most advanced automotive batteries in response to the rapidly changing automotive electronics technology. [Sebang Global Battery Gwangju Factory, 287 Sonjae-ro, Gwangsan-gu, Gwangju Metropolitan City (Hanam-dong)]

Research Areas

Energy 4.0 is a digitalized energy technology suitable to the new era of Industry 4.0. It is an innovative energy management system that can bring about a total structural change in the related industrial sectors, from the manufacturing to service industries, by combining it with advanced technologies in diverse fields, such as ICT, IoT, physical distribution, and services

Development of smart grid technology

Sebang Global Battery actively conducts research focused on the development of smart grid technology, which is being highlighted as the next-generation business. Sebang Global Battery carries out diverse research projects aimed at securing a competitive edge in designing systems that integrate and apply energy-related information using ICT technologies. It is currently researching methods of supplying products to the right places at the right time by analyzing power demand/supply data collected by connecting small and medium-size power plants as well as large power plants. In particular, Sebang Global Battery is developing products focused on smart energy management systems suitable to temporal and spatial conditions for energy forecasting, optimum energy supply control, optimization of charging/discharging of electric vehicles, and interconnection between buildings.

Development of technologies for operating smart energy management systems

Sebang Global Battery’s energy management systems also integrate and apply energy-related information using ICT-based technologies. Sebang Global Battery supplies products to the right places at the right time by analyzing power demand/supply data collected by connecting small and medium-size power plants as well as large power plants to a single network. In particular, Sebang operates networks focusing on smart energy management systems suitable to temporal and spatial conditions for energy forecasting, optimum energy supply control, optimization of charging/discharging of electric vehicles, and interconnection between buildings.

Development of energy storage systems

Another next-generation business on which Sebang Global Battery is currently concentrating its resources is the Energy Storage System (ESS). The ESS is a core element for deploying the next-generation power network as it enables the use of new and renewable energy at the desired time by storing solar and wind power, etc. Sebang Global Battery is contributing to the creation of a convenient and happy world for all by doing its utmost to develop clean energy charging for tomorrow as well as storage batteries that will drive the whole world.

Focused development of automotive batteries

The premium battery market of EFB and AGM is forecast to grow by 46-60% by 2025 compared with 2019 as the number of ISG vehicles will increase thanks to environmental regulation and the growing preference for high-fuel efficiency vehicles. Sebang Global Battery is committed to developing and enhancing the performance of premium battery products based on its consistent R&D efforts, including the vehicle AGM and EFB series used on ISG vehicles, which feature improved charging efficiency, durability, and long life. The overall market share of electric and hybrid vehicles will grow from 7% in 2019 to 64% in 2025 due to the recent changes in vehicle systems. The increased share of electric and hybrid vehicles will necessarily drive the markets for auxiliary batteries and external battery packs. Sebang Global Battery is continuously developing new products and technologies in preparation for such changes in vehicle systems. In the industrial storage battery market as well, demand for clean energy sources is growing rapidly as they can replace the fossil fuel energy that has so far been the main energy source in all industries. As such, Sebang Global Battery is concentrating its resources on the development of customized storage batteries optimized to the related applications.

Patent Status

Sebang Global Battery is striving to develop new technologies for securing new growth engines and enhancing its global competitiveness by occupying new future technologies ahead of the competition. As of the first half of 2021, the company holds a combined total of 281 intellectual property rights (including 155 patents, 10 utility models, 29 designs, and 87 trademarks). The details of the patents that make the most significant contributions to its business are as follows:

Key Patents			
Date acquired	Title	Contents	Relevant statute and scope
December 26, 2011	Lead storage battery for ISG system vehicles and its manufacturing method	Acquired 20 years’ exclusive right to use the technologies concerning ISG system vehicles and its manufacturing method.	Patent Act - exclusive right of use for 20 years.
November 29, 2012	Cover to prevent leakages of storage battery electrolytes	Technology for preventing leakages of electrolytes even when the battery is overturned or tilted.	
April 30, 2012	Device for mixing the specific gravity of battery electrolytes	Technology concerning a device for mixing the specific gravity of battery electrolytes by the inertia caused whenever a vehicle starts or stops.	
January 21, 2013	Perforated board for storage batteries	Technology concerning the structure of a board for preventing battery failures attributable to short circuiting of boards when they swell due to frequent charging and discharging of a battery.	
March 5, 2015	Valve sealing structure of batteries	Technology for providing battery structure sealing valves to prevent leakages of internal gas at a high temperature via routes other than those designated.	
April 24, 2020	Carbon coating method for negative plates using the carbon papers	Technology for enhancing the efficiency of production methods by effectively coating negative plates with carbon.	

Patents registered by battery type	
Classification	Number of patents registered (in Korea)
Lead storage battery	75
Lithium battery	74
Fuel cell	5
Solid-state battery	1

Sebang Global Battery’s lead storage battery has obtained a total of 75 Korean patents, including those for ‘a cover preventing leakages of battery solution’ and ‘a device for mixing battery solutions’. Sebang Global Battery has acquired numerous patents related to its existing car batteries, including those for its Maintenance-Free Battery, Enhanced Flooded Battery (EFB) and Absorptive Glass Mat (AGM) Battery, which are environmentally-friendly batteries. Sebang Global Battery completed its development of the NCM in 2011, the LFP in 2012, and the LTO in 2017 after starting its development of a lithium battery in 2010. It completed the development of lithium battery packs for starting golf carts, forklift trucks, ESS, and electric buses after initiating the development of the related packaging in 2014. Through such development processes, Sebang Global Battery has acquired a total of 74 patents including those related to cells, such as ‘methods of manufacturing electrodes coated with dopamine polymer’ and ‘car battery packs with enhanced packaging efficiency based on a sensing board and a connection structure of booth bars’.



# Sustainability Management

Sebang Global Battery is dedicated to accomplishing its sustainable management goals based on a sound corporate culture. It aims to become a trusted and respected enterprise by resolving universal human issues in accordance with the UN-SDGs (Sustainable Development Goals) and creating sustainable economic values.

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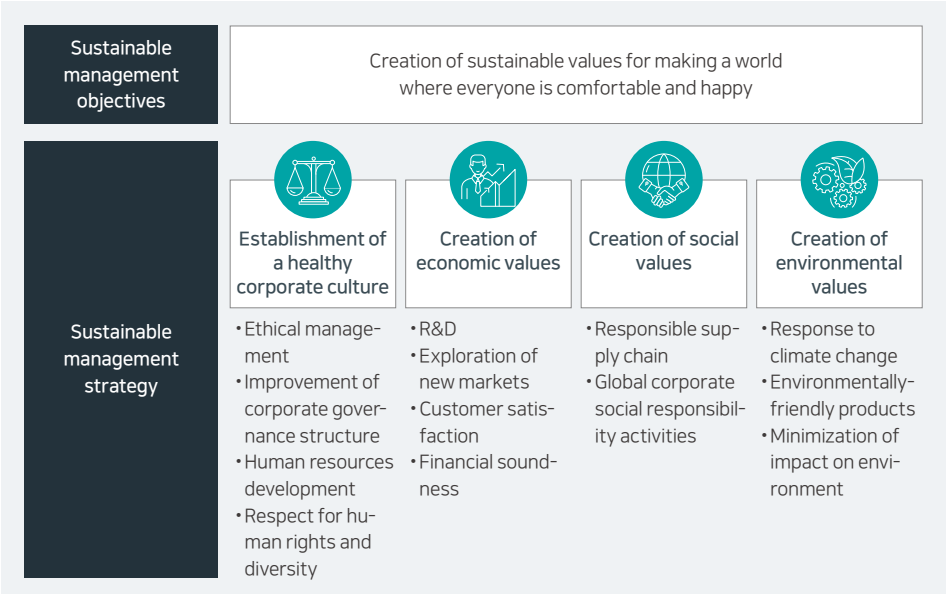


Sustainable Management

Sustainable management system

Sebang Global Battery highly values its social and environmental performance as well as its corporate business performance. It aims to perform sustainable management by creating their sustainable values. Sebang Global Battery will embed sustainable management activities into its organization while enhancing communication with its stakeholders as a company may grow in a healthy corporate culture, most of all.

It implements an integrated sustainable management strategy to realize the ideology of the UN-SDGs, sustainable development while establishing the foundation for its sustainable growth based on SGBC strategies.



Communication with Stakeholders

Our stakeholders exchange diverse economic, social and environmental values and both have and sustain impacts on the business management. Sebang Global Battery has set six major groups of stakeholders who exert a major influence on its business, and communicates with them via diverse channels in order to identify their key issues and areas of interest and their requirements.

Communication channel with stakeholders

Stakeholders	Communication channels	Key issues of interest
Shareholders and investors	Regular general shareholders meeting (once per year), investor relations sessions (as and when required), Sebang Global Battery website (IR information)	Stock prices, dividends, financial statements
Customers	Customer satisfaction survey (once per year), Customer Support Center (at all times), local and overseas fairs, exhibitions, Sebang Global Battery website (Customer inquiries)	Quality, price, delivery
Executives and employees	Sebang Global Battery groupware, meetings of the Labor-Management Council (quarterly), meetings of the Occupational Health and Safety Committee (quarterly)	Welfare and fringe benefits, education, healthy work-life balance
Partner companies	Partner meetings (once per year), periodic assessments of partner companies (once per year)	Fair trade, work safety
Community	Community welfare institutes, Community Children’s Centers, Website of the Sebang Lee Eui-sun Foundation	Corporate social responsibility, community investment
Central and municipal governments	Discussion meetings, briefing sessions introducing institutions, win-win programs	Compliance with statutes and regulations, partnerships

Materiality Assessment

Materiality assessment process

Materiality assessment is a method of analysis used to identify business risks and opportunities at the sustainable management level. The materiality assessment of Sebang Global Battery comprised such elements as a media survey, a stakeholder questionnaire survey, etc. by organizing an issue pool based on analysis of the industrial environment at home and abroad. The stakeholder questionnaire survey was conducted on internal and external stakeholders from July 19 to 28, 2021 in order to collect and listen to their opinions while selecting the materiality of the sustainable management issues. Afterwards, the material issues were derived by applying weighted values by survey method and their feasibility was verified.

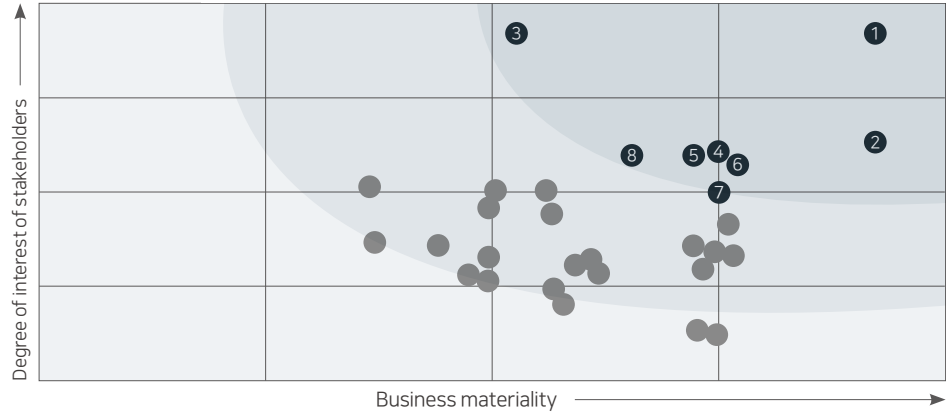
Materiality assessment process



Material issues

A materiality matrix of all 30 sustainability issues was developed, as a result of which the main materiality issues were derived in the order of 'product safety and quality' and 'workplace health and safety'. The eight issues selected as material issues are presented in the following sections of the report without omission.

Materiality matrix



List of material issues

Material issues	Key stakeholders	Report areas	Material issues	Key stakeholders	Report areas
① Product safety and quality	Customers	Quality and customer satisfaction	⑤ Economic/financial performance	Shareholders, investors, executives and employees	Introduction to the company, financial statements
② Workplace safety & health	Executives and employees, central and municipal governments, community	Health & safety	⑥ Development of environmentally-friendly products	Customers, central and municipal governments	Environmental management
③ Exploration of new markets	Shareholders, investors, executives and employees	Introduction to the company	⑦ Ethical management (anti-corruption, anti-bribery)	Central and municipal governments, executives and employees, partner companies	Ethical management
④ R&D	Shareholders, investors	R&D	⑧ Reduction of greenhouse gas emissions/ improvement of energy efficiency	Central and municipal governments, community	Ethical management



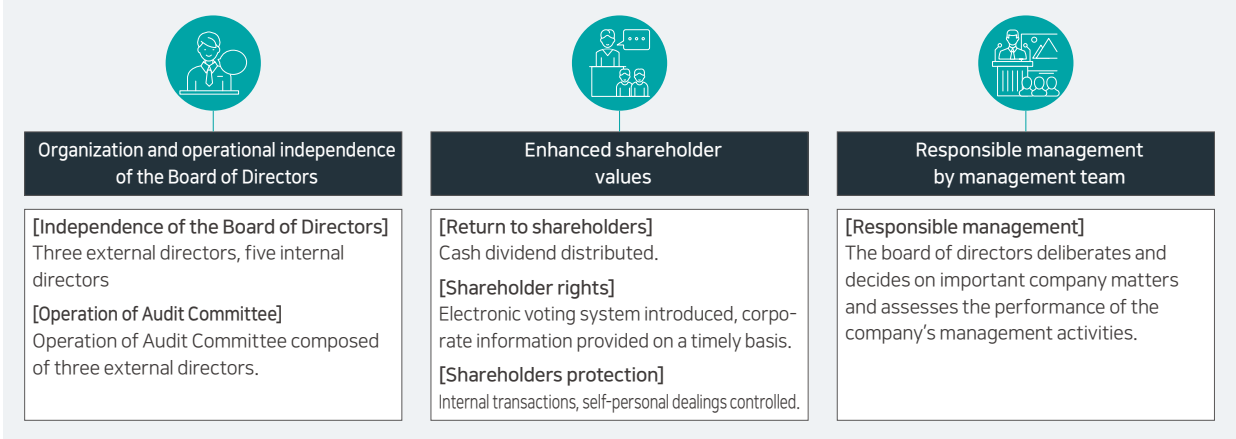
Governance

Sebang Global Battery is equipped with a corporate governance structure organized around its professional manager and the Board of Directors to strengthen the independence and transparency of its governance, and is listed on the Korea Stock Exchange. Sebang Global Battery aims to deploy a corporate governance structure that can increase the shareholders’ value and to promote the balanced development of the stakeholders on a long-term basis. The management team strives to realize responsible corporate management based on their expertise in the management and sales areas and reasonable decision-making processes. The Board of Directors, which includes a number of independent external directors, supervises the management team and provides advice on efficient business activities. In so doing, the company has deployed a governance system equipped with adequate checks and balances.

Status of the board of directors (As of the end of June 2021)

Full name	Gender	Position	Registered officer or not	Duties	Key career
Sang-woong Lee	Male	Chair person	Executive director	Overall management supervision	Vice-president, Sebang Global Battery Co., Ltd. (1990) Representative Director - President, Sebang Global Battery Co., Ltd. (1999) Representative Director - President, Sebang Co., Ltd. (2000) Vice-chairperson, Sebang Group Currently, Chairperson of Sebang Group
Kyle Sung Yeon Won	Male	Executive managing director	Executive director	Co-CEO - Representative director	Officer in charge of overseas sales, Sebang Global Battery Co., Ltd. (2008-2011) Representative director, Sebang Industries (2012-2013) Director of the Overseas Sales Division, Sebang Global Battery Co., Ltd. (2013-2014) Representative Director, Dongyang Metal (2016-2017) Director of the Overseas Sales Division, Sebang Global Battery Co., Ltd. (2018-2019) Currently, Representative Director of Sales, Sebang Global Battery Co., Ltd.
Joo-ho Cha	Male	Executive managing director	Executive director	Co-CEO - Representative director	Leader, Strategic Planning Team, Sebang Global Battery Co., Ltd. (2005-2007) Leader, Strategic Marketing Team, Sebang Global Battery Co., Ltd. (2015) Representative Director, Dongyang Metal (2018) Representative Director, Sebang Industries (2019) Director, Domestic Sales Division, Sebang Global Battery Co., Ltd. (2018-2019) Currently, Representative Director of management and manufacturing, Sebang Global Battery Co., Ltd.
Kyeong-jung Oh	Male	Deputy executive director	Executive director	Director in charge of business management division	Leader of the Production Support Team, Gwangju Factory, Sebang Global Battery Co., Ltd. (2013-2014) Leader, Ethical Management Team, Sebang Global Battery Co., Ltd. (2014-2019) Currently, Director of the Business Management Division, Sebang Global Battery Co., Ltd.
Murao Osamu	Male	Director	Other non-executive director	Overall management supervision	Officer, GS Yuasa Corporation, GS Yuasa International (2012-2015) Currently, president, GS Yuasa Corporation Currently, president, GS Yuasa International
Yong-jae Kim	Male	Director	External director	Member of Audit Committee	Leader of the Inspection Team, Audit Office, National Tax Service (2002-2004) Administrative official, President’s Secretariat (2004-2005) Audit official, Seoul Regional Tax Office (2005-2006) Auditor, Audit Office, National Tax Service (2006-2008) Operation Support Division, Audit Office, National Tax Service (2008-2009) Taxpayer Protection Official, Jungbu Regional Tax Office (2009) Audit Committee member, External Director, Lotte-Chilsung Beverages Co., Ltd. (2014-2016) Currently, Audit Committee member, External Director, Hanwha Investment & Securities Co., Ltd. Currently, Representative Director, Minwu Tax Service Inc.
In-sang Jeon	Male	Director	External director	Member of Audit Committee	Leader of the LiB Battery Pack Development Team, Samsung SDI (2002-2004) Leader of the Planning Team, Samsung SDI (2005-2009) Leader of the New Business Team, Samsung Electronics, Samsung Group (2010-2013) Leader of the Car Battery Planning Team, Samsung SDI (2014-2015) Advisor, Samsung SDI (2016-2017)
Jae-hyung Joo	Male	Director	External director	Member of Audit Committee	Joined and served at Samil Accounting Firm (1982-2019) Served at PwC Australia (1989-1991) Vice-president, Samil Accounting Firm (2011-2016) Currently, Professor, College of Future Multi-disciplinary Studies, Hanbat University

Governance Model of Sebang Global Battery



Organization and operation of the board of directors

Nowadays, a transparent sound governance structure is considered the basis of sustainable management. As Sebang Global Battery’s permanent supreme decision-making organ, the Board of Directors is vested with the authority for appointing or dismissing its chief executive officer or representative director. It is operated around its external independent directors.

Sebang Global Battery’s Board of Directors is composed of eight directors in total, i.e. three external directors, four internal directors, and one non-executive director, in order to ensure efficient checking and transparent decision-making. The representative director operates the Board as its chairperson. In particular, the company runs an audit committee exclusively composed of three external directors inside its Board of Directors, pursuant to Article 415-2 (2) of the Commercial Act.

Sebang Global Battery’s directors are elected by its General Shareholders Meeting from among those candidates elected by the Board of Directors and submitted as an item of agenda to the General Shareholders Meeting. Sebang Global Battery also has provisions by which the Board of Directors may organize a separate committee inside the Board as and when required based on its regulations. Board meetings were held on a total of fifteen occasions in 2020 for the following purposes: to accept reports on the operating status of the company’s internal accounting management system; to review and approve such items of agenda as approving the acquisition of equity shares of other corporations and plans for subscribing to the rights issuance of other corporations. A total of 28 agenda items and reports were referred to the meetings of the Board in the course of the year, for which the attendance rate of the external directors was 98%.

On July 19, 2021, the company amended the Board’s operating rules, clearly stipulating the standards regarding the items of agenda to be referred to the Board, in order to enhance the operational efficiency of its meetings.

Key agenda items referred to the BOD (before amendment - no standard amounts)	
01	•Enactment or abolition of basic organizations •Founding, relocation, or closure of branches, factories, offices
02	•Investment in new facilities, extension of existing facilities, building or closure of separate factories. •Provisional payment or lending to others, acquisition and disposal of tangible assets •Donation or provision of security for borrowing funds or for third parties. •Endorsement of debts, filing of important lawsuits [Investment in other corporations, acquisition and disposal of equity shares].
03	•Simple sales, supply, or signing of key contracts

Key agenda items referred to the BOD (after amendment - standard rates enacted)	
01	•Adjustment of changes in organizations. ① Enactment, amendment, or abolition of home office organizations. ② Deletion of branch or office units.
02	•The standard under the regulations regarding the disclosure of financial instruments is 5%. •A standard should be provided for 2.5% or higher of the equity capital (assets). [Investment in other corporations, etc.: When 2.5% or more of the equity capital or 50% or more is invested]
03	•5% or more of sales under the regulations on the disclosure of financial instruments is applied with any necessary modifications.



Governance

Independence of directors

To enhance the independence of all directors, including the external directors, the recommending persons, relations with the company and the largest shareholder, etc. of their candidates are disclosed to the outside through opening all information concerning all directors transparently before the election thereof at the general shareholders meeting. When any shareholders make proposals concerning the election of directors based on the relevant statutes, the Board of Directors submits them as an agenda item to the general shareholders meeting as long as they are lawful. Sebang's board of directors adopts resolutions concerning matters provided under the Commercial Act, other statutes, or its articles of incorporation, and important issues related to its execution of its affairs. The independence of the Board of Directors should be secured to ensure that it can perform its management and supervision functions efficiently and make objective, independent decisions. The Board of Directors maintains its independence from the company's major shareholders and its management team by electing the directors objectively.

Audit system

The Audit Committee performs the roles of monitoring whether all duties related to the company's accounting are carried out lawfully. Sebang Global Battery's Audit Committee is composed of three external directors whose independence is secured. All of the committee members satisfy the career requirements prescribed under the relevant statute, and perform the review and supervision of lawfulness so that the management may make reasonable business decisions. The Audit Committee is also authorized to request the Board of Directors to report on key issues or to investigate the company's financial status and assets.

Our Audit Committee performs its audit functions by defining its organization, operation, authority, responsibilities, etc. in its standard operating procedures based on the relevant statutes and the articles of incorporation. The Audit Committee is composed of three external directors who have all been elected by the company's general shareholders meeting in accordance with Article 415-2 (2), Article 542-11 (2), and Articles 5 and 6 of the Audit Committee Regulations, including tax, accounting and finance experts. The Audit Committee also satisfies all the requirements under the relevant statutes, including the provision that the Committee should be represented by an external director. The Audit Committee is also responsible for supervising the internal accounting management system so as to enhance reliability of the company's financial statements.

Members of the Audit Committee	Election background	Recom- mended by	Term of service
Yong-jae Kim	External director Yong-jae Kim is a tax expert who has served in the government for many years, including the post of a taxpayer protection official of the Jungbu Region Tax Office. As he has abundant knowledge concerning taxation and on-hand experience, he is well qualified to make business decisions that satisfy the corporate legal responsibilities and compliance management stance recently emphasized by the government. He is expected to perform his roles as an Audit Committee member by reflecting his previous experience as an external director of diverse local and foreign companies while smoothly communicating with the shareholders and other stakeholders.	Board of Directors	March 24. 2021 – March 24. 2022
In-sang Jeon	Audit Committee member In-sang Jeon has abundant on-hand experience and expert skills and knowledge in the areas of lithium-ion batteries and lead storage batteries. He is expected to help enhance the company's competitiveness by performing the roles of checking and monitoring the company's operations independently at the Board of Directors and the Audit Committee based on his expertise and independence, while presenting expert opinions in the company's decision-making processes.	Board of Directors	March 24. 2021 – March 24. 2022
Jae-hyeong Ju	Audit Committee member Jae-hyeong Ju is an accounting and finance expert with over 35 years' experience in the related fields. He is expected to contribute to the ethical management and enhancement of the shareholders' value by performing his role of independent checking and monitoring in the Board of Directors and the Audit Committee based on his expert knowledge and objective reasonable intuition.	Board of Directors	March 24. 2021 – March 24. 2022

The Audit Committee reviews the financial statements and other accounting documents, the audit procedure and the results obtained by the accounting firm concerning the accounting audit. The Audit Committee requests the accounting firm to review the accounting books and related documents additionally, and reviews the results as required. The committee members attend the Board and other important meetings to audit the company's operations, and also review the company's reports using appropriate methods, such as requesting an additional review of the reports on important duties and additional supplementary information as and when required.

Educational Status of Audit Committee

Date educated	Entity providing education	Key education contents
November 26, 2020	Business Management Division	Briefing session on market trends of electric vehicles, lithium-ion battery modules and packs.
July 19, 2021	Internal Control Team	Internal Accounting Management System and Roles of the Audit Committee. 1) Overview of the Internal Accounting Management System. 2) Roles of the Audit Committee. 3) Audit issues under the Internal Accounting Management System. 4) Consolidated Internal Accounting Management System.

Director Performance Appraisal and Compensation

Sebang Global Battery finally determines the compensation to be awarded to its directors with a resolution by the general shareholders meeting in accordance with Article 388 of the Commercial Act, and pays the compensation based on the company's Executive Remuneration Policy and the Executives Compensation Payment Policy, including their retirement allowance within the limit approved. Sebang Global Battery leaves the detailed execution of compensation/remuneration to the Board of Directors and discloses it to its registered directors in its business report.

Shareholders

Sebang Global Battery has operated the electronic (online) voting system since its 55th General Shareholders Meeting, after the Board of Directors decided to introduce the system at its meeting on February 24, 2021 to enhance convenience in the shareholders' exercise of their voting rights. Sebang Global Battery discloses its business report to the Financial Supervisory Service one week before the regular general shareholders meeting based on the amended provisions of the Enforcement Decree of the Commercial Act, and also publishes it on its website so as to allow the shareholders to access the company's financial and non-financial information in their decision-making process.

Status of shareholders (As of end of 2017)		
Name of shareholder	Number of shares held	% of shares held
Sebang Corp.	5,312,352	37.95
GS Yuasa International	2,240,000	16.00
National Health Insurance Service	752,410	5.37
Others	5,695,238	40.68
Total	14,000,000	100.00



# Ethical Management

Sebang Global Battery has contributed to the development of the country and the energy storage industry through its steady managerial innovations and ethical management for over half a century. It aims to become a global business that is widely respected for its contribution to the life of the human race by pursuing co-prosperity with its stakeholders based on transparent and ethical business activities, while complying with the relevant statutes and respecting the free competitive market based on its tradition.

## Ethics Charter

Sebang Global Battery has enacted and actively implemented its Ethics Charter as the criteria for making upright valuation and as the principles of behavior which all its executives and employees must follow..

Ethics Charter

We shall always strive to create values that enhance the customers’ benefits and do out best to enhance the shareholders’ value through transparent and reasonable business management activities.

We shall do our utmost to foster our executives and employees into creative talents by developing a sound and mature corporate culture based on mutual trust and understanding, and respect for the characters of individual executives and employees.

We shall actively cooperate with our partner companies to achieve win-win growth by pursuing mutually prosperous partner relations, and shall deal with them from a position of mutual reciprocity, without making any unfair demands of them based on our advantageous position.

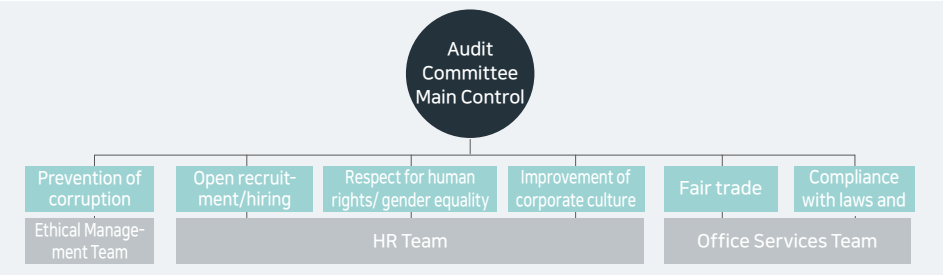
We shall contribute to the national economy by creating jobs and paying taxes faithfully based on the steady growth of our business. We shall also contribute to the culture and welfare while complying with the environment-related statutes and leading the efforts to protect the environment.

We shall exert our best efforts to realize the ethical management pursued by the company by maintaining fair transactional relations with all our stakeholders while conducting all business affairs based on transparent criteria.

## Ethical management system

Sebang Global Battery performs its ethical management programs by forming the General Ethical Management Team under its Audit Committee, and the HR and Office Services Teams, which are responsible for enforcing the ethical code. The General Ethical Management Team decides on key policies concerning the promotion of ethical management, produces official interpretations of the related policies, and performs services related to the enforcement and operation of the company's ethical code and the receipt of reports on violations thereof. The departments responsible for enforcing ethical management perform duties related to the enactment or amendment of the related policies or regulations, education on ethical management, collection of sworn statements, and monitoring of ethical management performance. All executives and employees are required to sign a written statement on practicing ethical management in order to familiarize themselves with the Ethics Charter and Code, and the detailed behavioral guidelines on the performance their duties. In addition, the company has provided detailed standards and procedures to ensure that all executives and employees clearly understand and practice the job-related rules and regulations related to the Fair Trade Act.

Operational organization of ethical management



## Ethical management education

Sebang Global Battery requires all new recruits and existing employees to attend mandatory ethics education to enhance their aptitude in the practice of ethical education. As well as routinely conducting education for all its executives and employees, the company plans to propagate a culture of practicing ethical management to the employees of its partner companies to ensure the steady performance of ethical management together with them.

## Compliance with the fair trade statutes

Compliance with the fair-trade related statutes, whose main purpose is to maintain fair, honest and active competition, is the basic policy of Sebang Global Battery. As the statutes related to fair trade are absolutely crucial and any violation thereof leads to serious consequences, all executives and employees must adhere to them without fail by strictly complying with the autonomous compliance program for fair trade at all times.

Sebang Global Battery uses standardized subcontract forms to practice fair subcontracting transactions. It aims to help protect the rights and interests of its partner companies by raising the responsible executives’ and employees’ awareness of the importance of complying with the fair trade and subcontracting statutes by introducing and applying the Four Action Guidelines for Fair Trade published by the Fair Trade Commission. Sebang Global Battery had not had a single legal action brought against it with regard to anti-competitive or monopolistic acts in the past three years.

Sebang Global Battery’s Four Action Guidelines for Fair Trade

- Guidelines for desirable conclusion of the contracts.
  - Guidelines for selection of partner companies and operational issues.
  - Guidelines for formation of internal review committee and operational issues.
  - Guidelines for desirable operational issues concerning the issuance and archival of documents.

+ Additional information items  
Sebang Global Battery | Four Action Guidelines for Fair Trade (more info)



Risk Management

Sebang Global Battery implements a risk management system to respond to diverse non-financial risks as well as financial risks through ongoing risk management. It identifies and addresses areas for improvement each year to ensure business sustainability and stability.

Risk Management System

Sebang Global Battery performs risk management based on the policies of its management team. The Board of Directors reviews and approves documented policies related to overall risk management, such as those related to specific areas, including foreign exchange risk, interest rate risk, credit risk, use of derivative financial and non-derivative financial products, and investment exceeding liquidity. The Board minimizes financial risks by steadily assessing the cost of losses from, and the opportunity values of, risks.

It also addresses the overall business risks, including those related to quality, environment, safety, and information security. The management periodically inspects the related departments and their operational status, and conducts activities that accompany investment cost to realize risk improvement plans by reflecting them in the year’s business plan. It also minimizes the related impacts and ensures advance preparations in advance by inspecting the processes and reassessing the risks. In addition, the company strictly complies with the tax laws and policies of the countries in which its foreign corporations are based. Sebang Global Battery makes its final decision by having the Board or related organizations review the related information when it is necessary to make decisions concerning taxes in the process of its business operations.

Response to financial risk

● Financial risk management

Sebang Global Battery is exposed to diverse financial risks such as market risk, credit risk and liquidity risk related to changes in the international macroeconomy. Sebang Global Battery’s overall policies for risk management are focused on the volatility of the financial markets, with a view to minimizing negative impacts on its financial performances.

● Market risk

Foreign exchange risk

As Sebang Global Battery conducts sales activities internationally, it is exposed to foreign exchange fluctuation risks, especially those related to US dollars, the Euro, and the Japanese yen. Foreign exchange risks arise in connection with forward-looking transactions, recognized assets and liabilities, and net investments in overseas business sites. The management develops policies for managing foreign exchange risks related to functional currencies.

Stock price risk

Sebang Global Battery is exposed to risk related to the price of the equity securities that it holds, and which are classified on its balance sheet into i) financial assets at fair value through other comprehensive income, and ii) financial assets at fair value through profit or loss of the current period. To manage the price risk related to investment in equity securities, the company is striving to diversify its portfolio within the limit determined by the company.

Interest rate risk

The interest rate risk means risks related to changes in interest income accrued from deposits or interest expenses incurred by borrowings based on fluctuations of the interest rate in the future market. Sebang Global Battery’s goal in interest rate risk management is to maximize shareholder values by attempting to minimize uncertainties and net interest expenses attributable to fluctuations in the interest rate.

● Credit risk

Credit risk arises not only from the credit risk related to retail and wholesale accounts, including accounts receivable and firm commitment offerings held by the company, but also from cash and cash equivalents, derivatives, and deposits with banks. When credit is rated independently, the appraised credit rate is used for wholesale accounts. When there is no independent credit grade, credit risk is assessed by considering the financial status, past experiences, and other elements concerning the customer. The individual risk limit is determined based on the credit grade appraised internally or externally based on the limit determined by the Board of Directors. The question of whether to use the credit limit is periodically reviewed.

● Liquidity risk

Sebang Global Battery maintains its unused borrowing limit at an appropriate level. It always monitors forecasts of liquidity so as not to violate the limit or the agreement on borrowings for satisfying the required operating funds. In forecasting liquidity, the company also considers the company’s financing plans, compliance with agreements, target financial ratios inside the company, and external statutes or legal requirements, such as those related to restrictions on currency,

● Capital risk management

Sebang Global Battery’s capital risk management is designed to protect its ability to steadily provide profits to the shareholders and other stakeholders and to maintain an optimum capital structure to save the capital cost. Dividends paid to the shareholders are adjusted to maintain or adjust the company’s capital structure, while new shares are issued or assets are sold to decrease its liabilities.

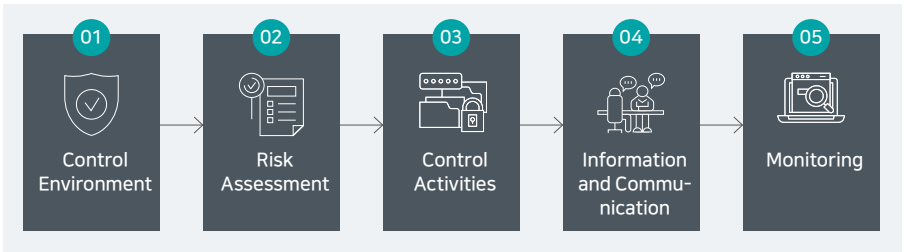
Internal Accounting Management System

The internal accounting management system is an accounting control system installed inside the company to secure the reliability of accounting data and to prevent errors, fraud or irregularities in the financial statements prepared and disclosed based on the corporate accounting standards. Sebang Global Battery identified the control items, assessed and had them audited as part of an operational evaluation after reorganizing the ‘Internal Accounting Assessment Team’ under its Audit Committee on April 1, 2020. In so doing, the company obtained the auditor’s unqualified opinion on its internal accounting during the 2021 external audit. In May 2021, the company also formed the Internal Control Team directly under the CEO to exclusively manage the internal accounting. The Internal Control Team upgrades the internal accounting management system by checking and improving any deficiencies pointed out during the audit in the preceding year.

● The Five Steps of the Internal Accounting Management System

Sebang Global Battery’s Internal Accounting Management System is operated according to the following five steps:

- ① The company’s environment is constructed for effective operation of the internal accounting management system based on ethical values.
- ② A survey of the risks to which the company is exposed is conducted based on such an environment.
- ③ Control devices are prepared to address the risks.
- ④ Windows are prepared to communicate the management policies to the company’s constituents and external stakeholders.
- ⑤ Continuous monitoring is carried out.





Risk management

Response to non-financial risk

● Non-financial risk management

Sebang Global Battery strives to enhance the performance of its quality/environment and health and safety management systems by taking appropriate actions and measures against the internal and external management conditions that affect its strategic directions and their intended results, and the requirements and expectations of its stakeholders. To address such non-financial risks, the company conducts periodic and occasional assessments.

• Periodic assessment

The periodic assessment is designed to analyze statutory/regulatory changes and the requirements of the stakeholders each year. The assessment is performed by considering the diverse factors accompanying production, including new products, raw materials, and process changes, and the conditions of equipment and utilities.

• Occasional assessment

The occasional assessment is performed irrespective of frequency or timing whenever an unintended material issue arises or is expected to arise. Such occasions include the occurrence of issues related to internal or external business conditions that materially affect the management environment, quality, environment, health and safety management systems, or the occurrence of material issues related to production that were not reflected during the periodic assessment.

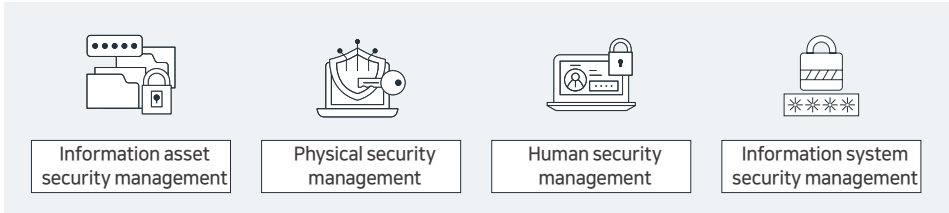
● Risk management processes



● Information security activities

Sebang Global Battery is fully prepared against the risk of leakages of key business information and personal information. Its information security organization is composed of information security administrators and managers, and a personal information protection manager under its chief information security officer (CISO). The meetings of the Information Protection Committee and Information Protection Practice Committee are held periodically (once per quarter or once per month). Furthermore, it has enacted four divisional polices and guidelines for information security management, and has developed and operated systems for addressing security incidents.

Four divisions of information security management



Sebang Global Battery follows its personal information protection policy when it handles the personal information of all third parties including its customers, partner companies, executives and employees based on its internal information security policy. So far, it has not experienced a single violation of its personal information protection policy or a leakage of personal information. It uses diverse forms of security education and publicity to diffuse key security rules and information concerning security issues to enhance the security awareness of its employees, and sets aside the second Wednesday of each month as the “Information Protection Day” of Sebang Group. It also proactively blocks any leakages of information outside the company by enhancing the management and surveying of vulnerabilities through annual security audits.

• Information leakage risk management

Sebang Global Battery operates an electronic document management system (EDMS) to protect product-related technologies and key information assets, and a data leakage protection (DLP) system to prevent leakages of information concerning its executives and employees. It also endeavors to protect information assets comprehensively by setting a higher level of DLP for key product technologies and quality control data. Furthermore, it has introduced and operated diverse security solutions to enhance information security, and deployed a secure computing environment to prevent information leakages as well as hacking and other types of attacks from the outside. It monitors the flow of information in real time and supports the maintenance of the best security conditions based on reviews of the effectiveness of the related policies.



# Responsible Business Practice

Sebang Global Battery strives to enhance mutual values with its diverse stakeholders around its business while resolving problems at hand. We at Sebang Global Battery promise that we will make concerted efforts to promote harmonious growth together with society and to faithfully discharge our corporate roles and responsibilities in our local communities.

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## Quality and Customer Satisfaction

Sebang Global Battery places top priority on improving its product quality and services. We will strive to further consolidate customer trust through close communication with all our customers.

### Approach

Sebang Global Battery operates a unique quality management system (S-QMS) to enhance its quality competitiveness. It has upgraded its human resources by developing experts in quality.

## Goals

- Improvement and maintenance of the quality management system
- Deployment and upgrade of smart factory
- Deployment of a warranty system for lithium-ion battery packs (2nd phase)



# Quality Management System

Sebang Global Battery places top priority on customer satisfaction according to its vision of quality management, and aims to develop into a top-class global business that satisfies all the requirements of its world leading clients. It is dedicated to improving the quality of its products and services to secure competitive advantages. It has created unlimited values together with its customers by making multi-faceted systematic efforts to guarantee the quality of its parts, based on quality management, quality assurance, and quality assessment.



Sebang Global Battery has acquired diverse non-quality system-related certificates from international accreditation agencies, as well as numerous international certificates (KS, JIS, INMETRO of Brazil, PS of the Philippines, SIRIM of Malaysia, SNI of Indonesia, etc.). Sebang Global Battery has endeavored to secure diverse certificates by ensuring the reliability of its products in keeping with ongoing changes in the industrial environment and customer requirements. Since 2018, it has introduced various product-based customized quality management practices, deployed its unique S-QMS (Sebang Quality Management System), and integrated IATF16949 and BIQS (Built-In Quality Supply).

In 2020, Sebang Global Battery's Gwangju Factory obtained KOLAS certification of its laboratory as an accredited testing body based on the ISO/IEC 17025 certificates, while its Changwon Factory deployed a system with the aim of acquiring the certification in 2021. In so doing, they are expected to improve the reliability of their internal assessments and to secure external reliability by obtaining the internationally-accepted KOLAS certification mark.

## Status of Certificates

Certificates	Certification details	Initial date of certification	
		Gwangju Factory	Changwon Factory
ISO 9001	Quality management system	December 16, 2003	December 23, 2003
ISO 14001	Environment management system	December 16, 2003	December 23, 2003
IATF 16949	Vehicle quality management system	August 21, 2018	November 14, 2017
ISO 22301	Business continuity management system	November 28, 2018	November 28, 2018
ISO 45001	Safety and health management system	September 27, 2019	May 29, 2019
ISO 17025	Certified as KOLAS accredited testing agency	October 15, 2020	In progress

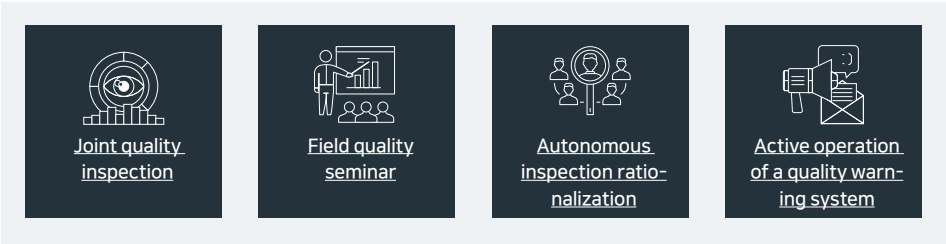
## Sebang Global Battery S-QMS





## Improvement Activities Focusing on Field Operations

“The heart of quality management and improvement lies in the field, just as the saying, “The answer lies in the field” implies. Sebang Global Battery has strengthened its joint process analysis with the participation of field operators and managers, and conducts quarterly and occasional education programs for sharing quality issues and improvement cases. It also focuses on raising awareness of the importance of quality issues among its field operators, while generating an enterprise-wide culture of quality improvement through a system for proposing ideas for improvement.



## Quality Innovation Activities

As a part of its quality innovation initiatives, the company implements small-group and on-site improvement activities. The small-group activities are performed to improve processes by utilizing diverse quality techniques (6-sigma, etc.) and by organizing small task-force teams for key issues. In so doing, the company has succeeded in developing a culture and system of quality as well as enhancing each individual employee’s ability to solve problems. Meanwhile, the field improvement activities are designed to enhance the company’s physical constitution and the operators’ quality awareness by eliminating waste while identifying hidden losses in the field, with all the employees participating in such activities. To date, these quality innovation activities have saved costs amounting to 1.22 billion won in terms of their tangible and intangible improvement effects. Sebang Global Battery has been awarded the SQA\* GM Outstanding Quality Partner in recognition of its steady improvement activities for six consecutive years.

※ SSQA (Supplier Quality Excellence Award): A certificate awarded by GM to only 122 partner companies supplying outstanding quality products out of a total of 1,773 vendors across the world.



Small-group improvement activities at the Gwangju Factory

## Deployment and Upgrading of the Smart Factory

Sebang Global Battery has established its smart manufacturing facility based on the systematization of quality data, rapid lot tracing, and real-time statistical analysis and monitoring of inspection/equipment data. In addition, it aims to make all its product lines smart by developing mid- and long-term plans for the deployment of a smart factory and the automation of inspection and equipment that can prevent human error by introducing key equipment control systems. The Changwon Factory operates the SPC (Statistical Process Control) system, which it introduced for its AGM product lines in 2015. It also introduced the system for the ESP product group in 2017. In 2019, the Gwangju Factory deployed an integrated factory system, including individual bar-code and real-time SPC systems, in parallel with the government-supported smart factory project as part of its programs for improving product quality and reliability and upgrading process management in the multi-product small-quantity production system. Furthermore, it is steadily investing in the upgrading and extending of its the systems.

## Product Safety and Information Provision

Sebang Global Battery analyzes hazardous substances in raw and subsidiary materials based on the EU environmental regulation statutes and customer requirements. Sebang has satisfied the EU standards by analyzing 12 hazardous substances and 205 highly hazardous substances, and periodically renews its system of analysis. Sebang faithfully provides information on its products to enhance customer convenience while preventing the misuse of its products. Sebang provides product catalogs and battery user manuals at its website information center. It also protects victims from damages caused by potential product defects by subscribing to product liability insurance.

Targets and standards of analysis by system					
Classification	Contents	Targets to analyze		Standards	Frequency
Hazardous substances (RoHS - Restriction of Hazardous Substances Directive)	- EU rules restricting the use of hazardous substances in electrical and electronic products (Directive 2011/65/EU) - HKMC MS201-02 (Prohibition of use of heavy metals and other materials in automotive parts)	Heavy metals	Cd	100mg/kg ↓	Twice/year
			Pb, Hg, Cr6+		
		Flame retardant materials	PBBs, PBDEs	1,000mg/kg ↓	
			Phthalates	DEHP, BBP, DBP, DIBP	
Substances of Very High Concern (SVHC)	- Mandatory submission of registration document of chemicals manufactured or imported into the EU in one ton or more per year	211 metals, including cadmium (as of Jan. 2021)		Less than 0.1wt% based on finished products	Once/year

## Quality Data Analysis

Sebang Global Battery uses process records such as process inspection data and nonconformance data as the key data for improvement measures by data analysis, when applying such management systems as S-QMS and POP to its field operations. In addition, it performs process management by applying the SPC system, which monitors trends, while periodically analyzing data on the quality characteristics of key processes, including those with special and security characteristics. In so doing, it manages processes to monitor and prevent potential problems in product quality.

## Quality Education

Sebang Global Battery conducts basic and in-depth education on quality for all employees, including those in charge of quality control, based on the rational division of organizations and duties in order to provide products that satisfy customers, while implementing its quality management system. The education is divided into internal and external courses. Employees’ quality awareness is leveled up through education on the latest trends provided by invited external experts.

## Enhancement of Partner Companies’ Quality Competence

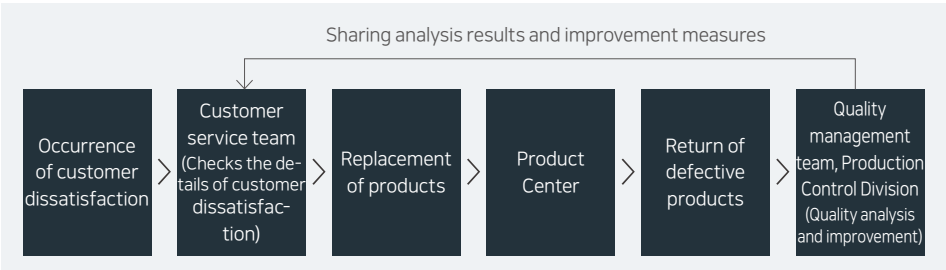
Sebang Global Battery steadily performs the quality improvement activities and inspects the field operations of its partner companies with the conviction that their competitiveness is its own competitiveness. Sebang provides customized support programs to enhance their quality competence by providing collective education for the quality representatives of each business unit and seminars for their representatives (twice/year). It plans to invite external instructors and support online lectures for partner companies this year, although they were not held recently due to the COVID-19 crisis. Sebang plans to further upgrade its quality management by training more specialized quality appraisers internally by job category, while developing a culture of responsibility and encouragement with penalties and incentives.



Customer Satisfaction Programs

Sebang Global Battery steadily manages the customer touchpoints in order to realize customer satisfaction and enhance its brand image in the long term. It fosters quality specialized customer service engineers by providing basic sales and service education and technical education to strengthen its internal capabilities. It also surveys customer requirements through periodic communication with its corporate customers, and continues to develop and improve its products through technology innovations in order to provide better values in line with the current industry conditions and trends. As soon as any customer dissatisfaction or product defect is reported, it provides solutions by promptly checking the details together with the members of the sales, customer service, quality management, and technology innovation teams, and then undertakes improvement activities by establishing specific goals after surveying the causes of issues that have occurred.

Process for handling customer dissatisfaction



Communication with Customers

Sebang Global Battery surveys market trends and customer requirements by participating in international trade fairs and exhibitions every year. In 2018, it participated in Automechanika, an international auto parts fair held in Dubai, and the largest auto parts exhibition held in the Middle East and Africa region. In addition, it participated in and operated a dedicated booth at AAPEX, the largest aftermarket auto parts trade fair held in Las Vegas from late October to early November each year. In so doing, the company actively pursues its advancement into overseas markets while raising its global presence. In Korea, it held an event for promoting its AGM battery to 2020 Car Community members, and an event that allowed prospective customers to examine the current status of batteries and alternators (generators for charging car storage batteries).



Sebang Global Battery booth at Automechanika 2018




Sebang Global Battery booth at AAPEX 2019

Assessment and Survey of Products and Brands


Each year, Sebang Global Battery conducts periodic assessments and surveys of products and brands in parallel with its car inspection service. In this way, it surveys customer requirements and strives to reflect them in its product development and quality improvement activities. Sebang compares and assesses its product quality as perceived by customers who purchase and use its products with that of rival companies in order to realize customer-oriented services and improve product quality. Last year, the company was unable to maintain its usual participation in trade fairs and exhibitions at home and abroad or its face-to-face programs due to the COVID-19 pandemic. However, it has augmented its Online Customer Service Center (1899-7300) and SNS channel activities (Sebang Global Battery blog, Facebook, etc.) in a bid to listen to its customers' opinions and communicate closely with them in the Covid era.

Health and Safety

The demand for safety and environment management in business places is being emphasized continuously at a time when the statutes and regulations are also being strengthened on a regular basis. Sebang Global Battery has encouraged all its executives and employees to participate in education programs and campaigns designed to instill a safety- and environment-oriented culture and mindset companywide, while proactively preventing incidents by upgrading its environment, safety and health management system.

**Approach**

Sebang Global Battery is striving to accomplish its mid- and long-term goals for Zero Environmental and Safety Incidents by implementing safety management, health management, and risk management programs and the ISO 45001 system.

**Goals**

- To explore, identify and improve potential risk factors.
- To diagnose problems and improve the work environment.

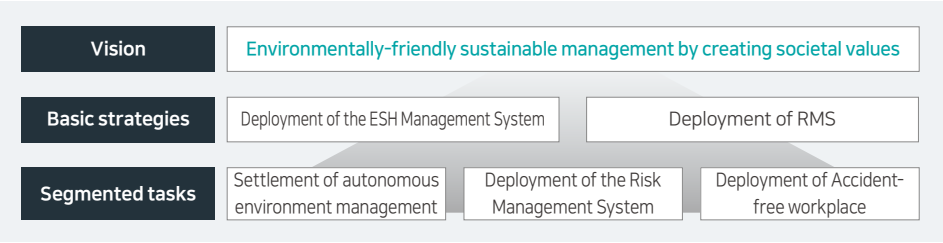




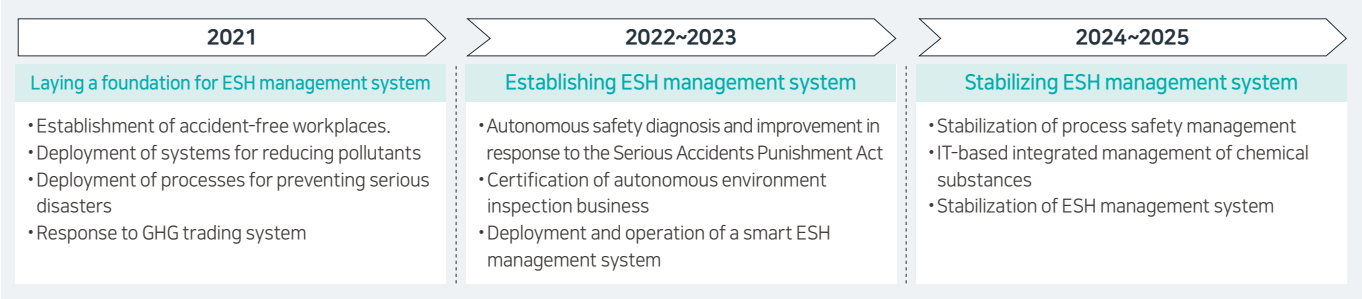
Global Level  
Environmental,  
Safety and Health  
System

Sebang Global Battery practices global level environmental, safety and health management by deploying a system based on the ISO 14001, ISO 45001, and PSM (process safety management) systems. The environmental, safety and health system consists of an enterprise-wide environmental, safety and health policy and regulations, and detailed action guidelines. Sebang ensures independence and derives improvement points through a third-party certification. Sebang has carried out segmented tasks under a basic strategic task developed for the deployment of the ESH Management System and the Risk Management System (RMS) in accordance with its vision of securing sustainable management through environmentally- and societally-friendly business activities.

Vision and strategies for implementing the ESH Management System



Sebang Global Battery has actively carried out improvement activities by expanding the departmental targets of its environmental, safety and health management to include the entire enterprise. In particular, it strives to enhance its ability to respond to issues related to environmental, safety and health management by developing plans to stabilize the ESH Management System at the global level.



Management policy directions concerning environment, safety and health

Sebang Global Battery has declared the following environmental, safety and health management policies to minimize the impact on the environment, safety and health of all its activities related to the production and sales of products and services, in order to practice respect for human life and faithfully discharge its corporate ethical responsibilities.

It complies with the statutes on environment, safety and health and the related requirements, and aims to meet the following objectives to minimize its impact on environment, safety and health:

- Achieve accident-free operations through enterprise-wide risk management.
- Reduce environmental pollutants and strengthen its environmental protection activities.
- Use energy efficiently, and reduce GHG emissions.
- Deploy systems for the production of environmentally-friendly products and clean production.
- Stabilize and practice process safety management (PSM)
- Strengthen win-win cooperation with partner companies in the health and safety area.

Sebang Global Battery guarantees consultation with, and the participation of, its employees and their representatives in order to accomplish its objectives related to environment, safety and health. It is steadily improving the efficiency of its environment, safety and health management by developing the appropriate systems.

Strengthened  
Governance  
Focusing on  
Health, Safety, and  
Environment

Operation of the Occupational Health & Safety Committee

Sebang Global Battery has formed the Occupational Health & Safety Committee to achieve accident-free operations. The Committee meets once per quarter to discuss key issues related to enterprise-wide health, safety and environmental performance and plans the implementation of focused tasks, with representatives of the management and employees in attendance.

Composition	Implementation plans	Business sites	Key progress in 2020
Members representing the management (up to 9 members) + Members representing the employees (up to 9 members)	Held once per quarter (4 meetings/year)	Changwon Factory	- Updating of health & safety related policies based on the overall amendment to the Occupational Health and Safety Act. - Introduction of improvement measures based on the findings of the random surveillance inspection conducted by the Labor Ministry in May. - Safety inspection of hazardous machines and equipment, and improvement of the safety devices of production equipment.
		Gwangju Factory	- Improvement of personal hygiene and health management related to the prevention of COVID-19 infection. - Introduction of improvement measures based on the findings of the random surveillance inspection conducted by the Labor Ministry in December. - Safety inspection of hazardous machines and equipment, and improvement of the safety devices of production equipment.

Deployment of the emergency response system

Sebang Global Battery has produced a manual for responding to environmental and safety emergencies to enable all divisions to respond systematically and promptly inform all parties of the facts in the event of an emergency situation. It also periodically maintains and updates a separate emergency contact system. By providing a reporting and dissemination format in advance, it is equipped with accurate reporting details on emergency situations. Sebang ensures that all its employees are familiar with the manuals on joint private-government firefighting drills.

It has established facilities and processes for the early suppression of a fire and a simple response procedure for factory fires, and has created a manual on how to respond to environmental incidents (leakages) and natural disasters such as earthquakes, typhoons, and storms. In particular, it has established emergency evacuation plans in response to a fire situation, including emergency escape, first aid treatment, rescue of people, and firefighting drills. It has also trained its employees to promptly resume normal operations after an incident by developing post-crisis recovery action plans.



Drill to respond to a leakage of chemical substances (Changwon Factory)



Emergency evacuation drill (Gwangju Factory)



Activities to Strengthen Safety

Enhanced perception of proactive safety management

We periodically conduct safety education work for all employees at factories before they start work. Before starting each day's work, a manager or supervisor informs the workers of the safe work procedure and stresses the need for compliance with the health and safety rules based on the work standards required for the day's work, the outcome of potential risk assessment, and examples of potential accidents. Sebang holds a safe management declaration ceremony to inspire greater safety awareness among its executives and employees. It is committed to establishing a strong safety culture enterprise-wide and to strengthening employees' strict compliance with the safety rules, while sharing the necessity for enterprise-wide safety management.



Declaration ceremony of safety management



Safety slogans and strict compliance with the safety rules

Exploration and improvement of potential risk factors at business sites

We explore the direct and indirect risk factors latent in all the processes and production activities of all factories. With all its executives and employees participating, it has improved its safe environment management level with activities aimed at exploring and improving the four major causes of incidents by identifying fundamental problems at worksites. In 2020, the Changwon Factory improved 206 risk factors out of a total of 245 cases explored, while the Gwangju Factory improved 218 cases out a total of 320 cases explored. All factories will continue to explore risk factors in 2021 and actively improve any cases which were not fully resolved in 2020.

Exploration and improvement of risk factors of major incidents

**Squeeze risk**

**Targets to control**

- Revolution body
- Cylinder
- Robot

**Fall risk**

**Targets to control**

- Ladder
- Stairs
- Work bench

**Electrocution risk**

**Targets to control**

- Distribution panel
- Control Box
- Equipment grounding

**Collision risk**

**Targets to control**

- Safe route
- SForklift trucks

Promotion of improved work conditions

To enhance the health, safety and work environment of all its employees, Sebang Global Battery supports health checkups, measures work conditions, cites departments that show outstanding results in their environmental and safety activities, and subscribes to liability insurance to compensate victims of gas incidents and environmental contamination. It has selected target processes aimed at improving work conditions, resolving difficulties attributable to defective work conditions, and preventing occupational diseases due to rising lead levels in the body. We also strive to attain "zero workers with symptoms of occupational diseases" by installing local gas ventilation devices, rationalizing hood and duct repair and maintenance precipitators, and making other facility investments to improve the work conditions of targeted processes.

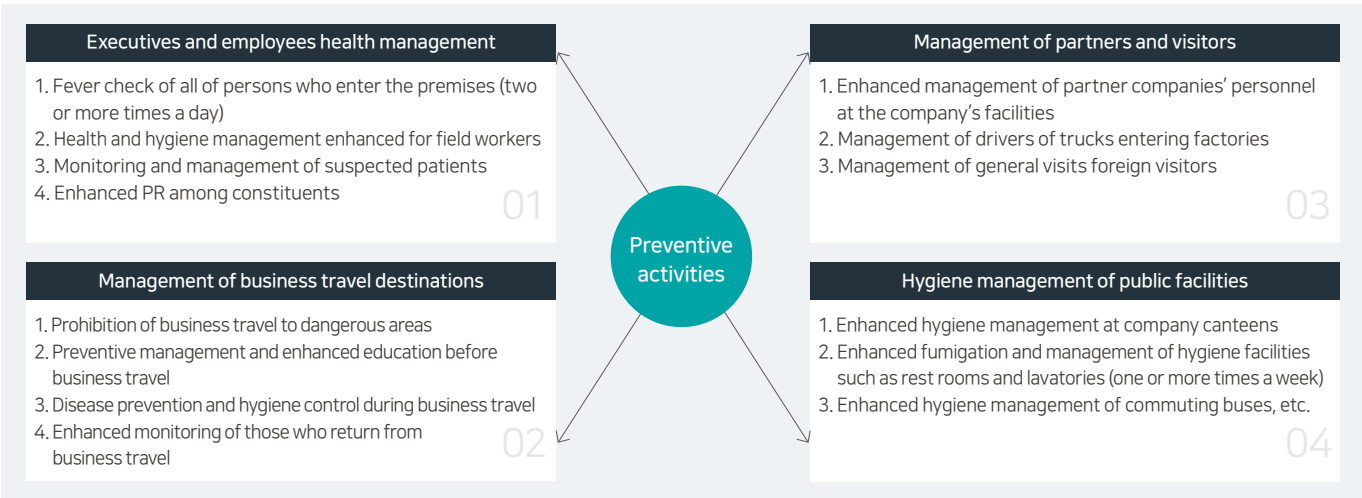
(Unit: KRW 1,000)

Classification	2018	2019	2020
Cost of investment in precipitators (Changwon Factory)	220,000	100,000	230,000
Cost of investment in precipitators (Gwangju Factory))	487,000	584,000	368,000
Total	707,000	684,000	598,000

Control to Prevent COVID-19 Infection

As the COVID-19 pandemic drags on, any confirmed cases present a threat to business continuity. Sebang Global Battery aims to block the transmission of COVID-19 by checking fever and controlling outdoor activities. The Changwon and Gwangju Factories informed the details of all executives and employees by preparing a routine COVID-19 response system and control activities, while sharing information on infected patients in the region in real time via SNS. In addition, they check for fever in all executives, employees, and outside visitors entering the company premises, and block persons with a body temperature of 37.5°C or higher in advance by installing non-contact fever detectors in canteens and thermometers in offices. In addition, they periodically implement special quarantine measures throughout all their factories. They also continue to prevent the spread of the infectious disease by conducting self-diagnosis and PCR tests, surveying and reporting the status of the daily response to COVID-19, working at home, abstention from meetings, recommendation of video conferences, prohibition of collective education, and other actions by phase.

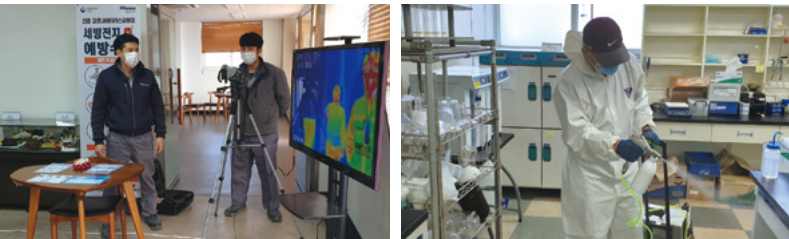
COVID-19 Response Manual



Deployment of the emergency response system

Sebang Global Battery has produced a manual for responding to environmental and safety emergencies to enable all divisions to respond systematically and promptly inform all parties of the facts in the event of an emergency situation. It also periodically maintains and updates a separate emergency contact system. By providing a reporting and dissemination format in advance, it is equipped with accurate reporting details on emergency situations. Sebang ensures that all its employees are familiar with the manuals on joint private-government firefighting drills.

It has established facilities and processes for the early suppression of a fire and a simple response procedure for factory fires, and has created a manual on how to respond to environmental incidents (leakages) and natural disasters such as earthquakes, typhoons, and storms. In particular, it has established emergency evacuation plans in response to a fire situation, including emergency escape, first aid treatment, rescue of people, and firefighting drills. It has also trained its employees to promptly resume normal operations after an incident by developing post-crisis recovery action plans.



Gwangju Factory COVID-19 response activities



# Environmental Management

Sebang Global Battery regularly upgrades its systems for controlling, reducing and analyzing GHG emissions, energy consumption, and environmental substances. In particular, it plans to contribute to reducing not only its direct emission volume by improving the efficiency of its production processes, but also its indirect emission volume by producing high value-added products and developing products that consume less energy.



### Approach

Sebang Global Battery has actively participated in the government's efforts to respond to the climate change issue by practicing environmentally-friendly management. It has also strived to minimize the impact of changes in energy policies at home and abroad. It strives to develop into an environmentally friendly enterprise by strengthening its support to green business by its business divisions and enhancing its environmentally friendly competitiveness.



### Goals

- Enhanced control and management of air and water pollutants, chemical substances, odor, and soil
- Exploration of new tasks for saving energy and enhanced monitoring of energy saving activities.
- Re-establishment of energy technology database and upgrade of saving technologies

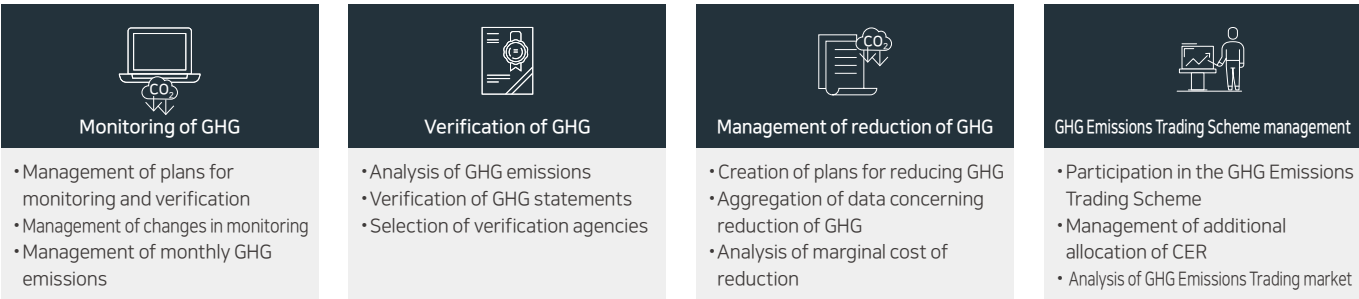


## Reduction of GHG and Response to Climate Change

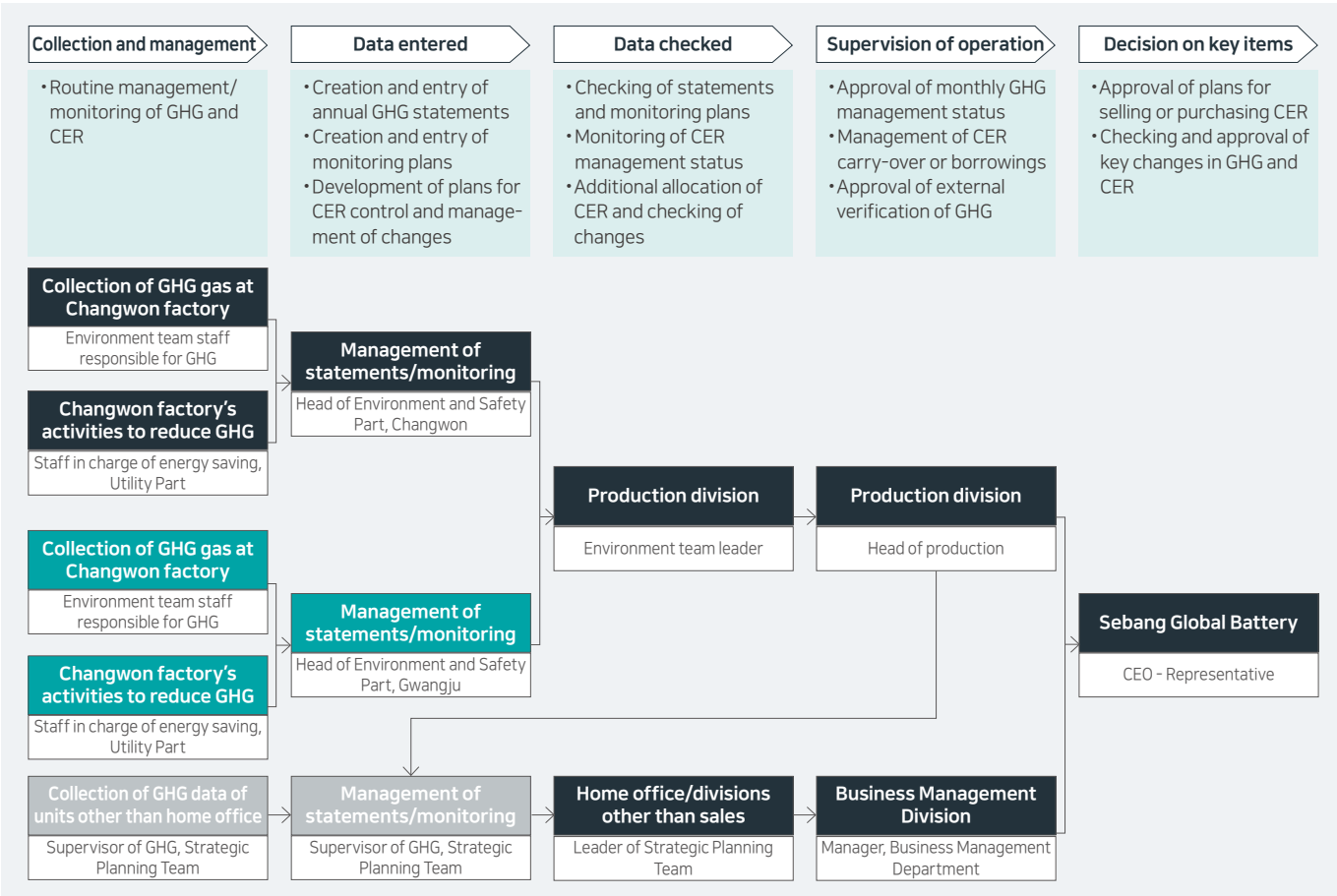
### Organization of TFT to respond to climate change

Sebang Global Battery has organized a task-force team to respond to the climate change issue, as an organization that fulfills its environmental responsibilities. It convened the committee twice in 2020 to discuss the plans and results of its response to the GHG Emissions Trading Scheme, compute its emissions volume, set goals of environmental investment, and share the details of its performance. The key activities of the task-force team are reported periodically. In preparation for the GHG Emissions Trading Scheme, Sebang Global Battery has deployed a computerized control program to systematically manage monthly GHG emissions based on goals and performance by business unit. In addition, it operates a special department staffed with expert personnel that is exclusively responsible for computing and reporting GHG emissions, and is responsible for quality warranty services, including the monitoring and management of activities related to energy consumption and GHG emissions, and internal verification of data for computing the emissions volume.

#### Roles of the TFT for responding to climate change



#### GHG reporting system





Reduction of GHG and Response to Climate Change

Response to climate change

Sebang Global Battery strives to minimize the impact of changes in energy policies at home and abroad while actively participating in the government’s efforts to respond to climate change. Sebang is also striving to develop into an environmentally-friendly enterprise by strengthening its support for the green business activities of its business divisions and by enhancing its environmentally-friendly competitiveness.

As a result, it has obtained the Eco-Label for its product (ESP 200-12) based on an environmental assessment of the entire production process, including raw material collection, and product production, transportation, distribution, use and retirement. It has also obtained the Eco-Labeling Certification for its 88 stationary sealed lead storage battery products.

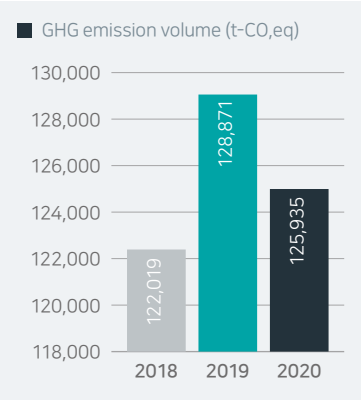
Sebang Global Battery submits a mandatory report to the government on its GHG emissions and energy consumption. The related details are disclosed to investors and the general public to raise consumer awareness of climate change and to further encourage business to develop environmentally-friendly products and carry out climate change response activities.

To respond to the GHG Emissions Trading Scheme launched in 2015, Sebang Global Battery monitors its monthly GHG emissions and actively supports its business units in their efforts to reduce energy consumption and GHG emissions. It is expected that technologies for reducing energy consumption will be more actively adopted among similar processes as information concerning reduction activities is exchanged among the business units. They will be of great assistance to energy controllers when making future decisions about investment in energy saving technologies.

Key saving energy activities

Business site	Specific promotion items	GHG reduction volume	Amount saved (KRW 1,000)
Changwon Factory	Energy saved by replacement of reciprocating air compressors.	76 tons	1,371
	Energy saved by installation of a program for integrated control and management of air-compressors.	12 tons	1,967
	Power bill reduced by improving the performance of cooling equipment.	256 tons	3,442
	Power consumption reduced by modifying ESP chargers.	106 tons	10,244
Gwangju Factory	Pump capacity of underground wells improved.	60 tons	2,171
	Air-cooled cooling systems improved.	162 tons	7,035
	Efficiency of screw refrigerators enhanced.	49 tons	3,819
	Drying method of the water cleansing system at Factory No. 2 improved.	491 tons	13,952

Volume of GHG emissions



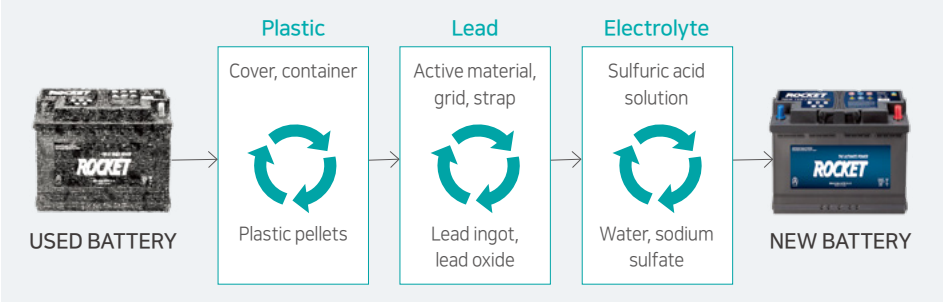
Sebang Global Battery is making steady investments to reduce GHG emissions. In 2020, the company emitted 125,935 tons of GHG gases. It plans to apply for the allocation of ab additional allowance for newly added or retired equipment as its CER is less than the allowance currently allocated. It will purchase CER as required based on its CER holding after the additional allocation.

Raised awareness of climate change

Sebang Global Battery’s executives and employees share outstanding cases of energy conservation by business unit to raise their awareness of the need to reduce GHG emissions. It also conducts education on climate change and energy saving for two hours per year to enable individual employees to apply the ability of managing the climate-change related risks to their duties by encouraging them to actively participate in energy saving activities.

Resource Recycling Activities

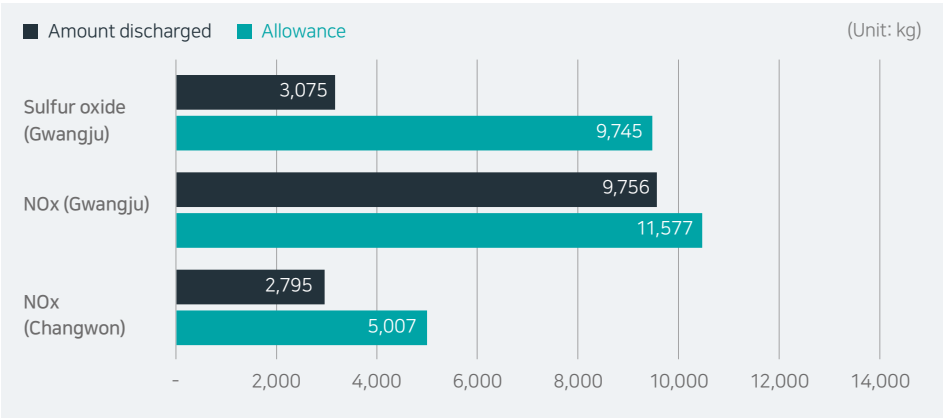
Sebang Global Battery conducts research on technologies for recycling retired batteries in order to apply them to mass-produced parts. Lead storage batteries consisting of a case, lead and electrolytes are a product whose parts can be recycled. Sebang aims to raise the retrieval rate of retired batteries by marking messages and drawings on products recommending the recycling of lead. Polypropylene covers and electrolyte containers are crushed into fragments and recycled into new covers and containers through a series of cleansing, drying, melting and extrusion processes; while lead is cleansed and melted into ingots that can be recycled to make batteries; and, lastly, electrolytes containing sulphur are processed into water and sodium sulfate through a process of neutralization. Sodium sulfate is recycled to realize a sustainable circular economy.



Management of Environment Pollutants

Management of air pollutants

Sebang Global Battery contributes to the prevention of environment pollution by making steady investments, establishing an environmental management system that complies with the environmental statutes, and addressing the requirements of its customers based on ISO 14001 (Environmental management system). Sebang has invested in facilities in order to respond to the Clean Air Conservation Act, which is being tightened, including the repair and maintenance of existing precipitators and the installation of additional units. It has so far adhered to standards more stringent than the emission standards allowed under the statutes (i.e. 30% of less than the level allowed under the statutes). In addition, it was allocated annual total permitted amounts of pollutants for discharge by introducing the Total Pollutant Load Control System (TPLCS). It has adhered to the total amount of pollutants allocated for discharge under the GHG Emissions Trading Scheme, and replaced its anti-pollution facilities. It has made concerted efforts to reduce dust and NOx emissions, major causes of fine dust pollution. In 2020, the Changwon Factory discharged 44.2% less NOx than the allowance, while the Changwon Factory discharged 15.7% less NOx than the allowance and 68.4% less sulfur oxide 68.4% than the allowance.



\* The Changwon Factory does not discharge any sulfur oxide (as of 2020).



Management of Environment Pollutants

Water pollution and service water management

Waste water generated at factories is treated jointly with the waste water treatment plant of the Industrial Park after preliminary physical and chemical treatment by their respective treatment station in order to comply with the discharge standards allowed under the Water Environment Conservation Act. This factory dredges and cleans its waste water treatment station and conduits every year to observe the permitted discharge level. It has made continuous facility investment related to waste water treatment, including the replacement of filters at the treatment station. In addition, it monitors the station facility once a week. It has so far adhered to standards more stringent than the discharge standards allowed under the statutes (30% of less than the level allowed under the statutes). Sebang Global Battery strives to reduce its water consumption by surveying the causes of monthly fluctuations in the amount of service water consumed by each factory, To reduce the volume of service water consumed by its factories, the company has steadily invested in improvements of its waste water and recycling facilities. It has also installed water saving stands to conserve the potable water used by other business units, and has attached Water Conservation stickers to encourage its executives and employees to manage water resources more efficiently.

(As of 2020)

Classification	Volume of waste water discharged	Size of business establishment:	Status of waste water prevention facilities
Changwon Factory	Maximum 850 tons/day, average 600 tons/day	2 types, 2nd layer	Waste water treating method: Physical/chemical treatment Waste water treatment capacity: 1,400 tons/day
Gwangju Factory	Maximum 989 tons/day, average 725 tons/day	2 types, 2nd layer	Waste water treating method: Physical/chemical treatment Waste water treatment capacity: 1,400 tons/day

Management of chemical substances

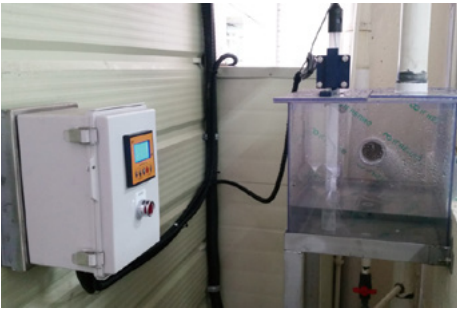
Sebang Global Battery manages chemical substances by tracking the entire processes from their delivery to use and disposal in order to prevent chemical accidents. To survey and assess their harmfulness at the time of delivery or use of chemical substances, it has promoted joint registration with the formation of a joint registration council. At present, it has completed the joint registration of such chemical substances as lead and arsenic. It has developed and implemented a chemical substance management process to ensure the health and safety of its employees and to preserve the environment, while preventing or minimizing the impact on the environment during the handling, storage and disposal of hazardous chemical substances. It also complies with the statutory standards for the installation and use of hazardous chemical substances to prevent accidents at time of use. It has them periodically inspected once per year by an inspection agency designated by the government. It has deployed a joint council for preventing disasters with nearby business establishments to minimize damages to nearby businesses and residents in the event of an accident involving hazardous chemical substances. It exchanges the latest information concerning chemical substance accidents and safety through the quarterly council meeting and also performs joint drills. In 2020, it organized the Private and Government Joint Council in the Gyeongnam region to prevent chemical substance accidents together with the Nakdong River Basin Environmental Office and businesses that handle hazardous chemical substances in Changwon Industrial Park. It conducted the VALPS Safety Campaign Challenge (“always inspect valves, flanges, and switches before using facilities handling chemical substances”) together with the Council.



In addition, it has repaired and maintained its factories handling hazardous chemical substances on an annual basis and invested in facilities for preventing chemical substance accidents, including equipment for preventing disasters and personal protection gear. In particular, it has installed a system that automatically closes the rainwater sluice gate to block any possible leak of toxic substances outside the factory. In addition, it has prevented leaks of chemical substances by installing sulfuric acid leakage detecting sensors at 32 locations in the Changwon Factory and 34 locations in the Gwangju Factory. In addition, it has prevented leakages of chemical substances by installing sulfuric acid leakage detection sensors at 32 locations in the Changwon Factory and 34 locations in the Gwangju Factory.



System that automatically closes the rain water sluice gate



Sulfuric acid leak detection sensors

Odor management

As more people became concerned about unpleasant odors around industrial parks and residential areas near factories all around the country, Sebang Global Battery attempts to check and address complaints by obtaining the related data through real-time odor monitoring systems. It strives to reduce local environmental contamination by measuring odor density with the real-time odor monitoring systems installed at roughly 30 locations, including precipitators, hot air discharge holes, and heat fusion stacks.

Soil management

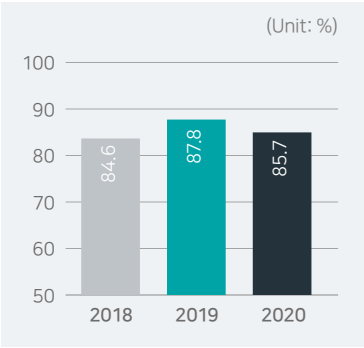
Sebang Global Battery has thoroughly managed its factories for controlling specific target soils to prevent soil contamination in accordance with its internal soil contamination control guidelines. It has installed facilities for controlling specific target soils under sufficient consultation and review with the departments concerned. In particular, it has paved the relevant areas with concrete and applied waterproofing to concrete surfaces to prevent the permeation of chemical substances leaked from facilities in operation into soil.

It has also installed and periodically inspected facilities such as blocking walls to prevent the diffusion of chemical substances above ground. In so doing, it endeavors to prevent soil from being contaminated by leakages of stored substances. The degree of soil contamination around the target areas of all its factories turned out to be within the statutory regulation value based on the inspection of the soil contamination degree in accordance with the Soil Environment Conservation Act.

Waste management

Sebang Global Battery has actively increased its recycling of resources by reducing the burial and incineration of wastes. It is participating in the industrial waste target management system in order to comply with the government regulation on the burial or incineration of wastes. To increase the ratio of recycling while reducing burial and incineration, it has implemented programs to improve quality and to enhance separated collection activities. In addition, it has paid its dues for the reuse of packaging materials used to package its battery products. Its reuse of packaging materials was rated as “outstanding” based on the yearly assessment of the reusability of the materials and structures of packaging materials.

Waste recycling ratio





# Cooperation and Co-prosperity (Win-Win)

It is impossible for a business to grow by itself amid the global economic crisis and acute market uncertainty. Sebang Global Battery will strive to achieve win-win growth in cooperation with partner companies equipped with expertise in their respective areas by promoting ever greater technological development and innovation.

### Approach

Sebang Global Battery runs effective disaster prevention programs for its partner companies through health and safety education; and strives to improve their product quality by preventing occupational disasters while enhancing their capability to manage health and safety.

### Goals

- Support to improve partners’ risk assessment
- Periodic assessment of partner companies



## Operation of Win-Win Cooperation Programs

Sebang Global Battery willingly provides diverse types of support to its partner companies to help them establish a sound and stable culture of cooperation, perform their social responsibilities, and enhance their competitiveness. The Health and Safety Council holds a meeting once a month and performs a joint inspection once a quarter in accordance with Article 64 (Measures for Preventing Industrial Accidents in Contracting) of the Occupational Health and Safety Act. At present, it operates the council along with 12 partner companies. Sebang completed the improvement of 19 risk cases explored through the win-win program in 2020 and 12 out of 16 risk cases identified as of the first half of 2021.

## Fair Trading Agreement with Partner Companies

To eradicate unfair trading and to promote win-win growth with its partner companies, Sebang Global Battery adheres to four major practices recommended by the Fair Trade Commission concerning fair contracting, the fair selection and operation of partner companies, the formation of an internal review committee, and the issuance and archival of documents. To that end, the company has reflected the related information in its policies and regulations, including its ethical code, purchase rules, and purchase contracting guidelines, and has announced the details to its partner companies. In addition, Sebang Global Battery aims to establish a fair contracting culture by introducing “the standard subcontracting contract”, thus reflecting the recommendations of the Fair Trade Commission, to its existing subcontract forms.

## Supply Chain Management

Sebang Global Battery encourages the executives and employees of its partner companies and listens to their difficulties by visiting their production facilities in person. Sebang will further strive to establish a sound collaborative culture through its visits to the partner companies, inspecting items for improvement which may arise in the collaborative process. It is also developing a business ecosystem in which the partner companies can steadily grow together based on the provision of quality education to their employees and representatives.

### Periodic assessment of partner companies

Sebang Global Battery has 347 partner companies in Korea and 44 companies overseas that actually recorded sales (as of 2020). Sebang conducts periodic assessments of its partner companies, using such assessment items as stability, management of products and works in progress, labor and environment, health and safety, quality and technological capabilities, process and facility management, inspection, etc. in addition to simple technology and financial assessment. Sebang provides incentives to superior partner companies based on the results of such assessments. On the other hand, it tightens inspections, provides continuous guidance and diagnoses (once per month), and conducts occasional assessments of partners who are rated as “poor” for two consecutive years, and then requires them to submit plans for the improvement of identified problems.

In 2020, the company performed periodic assessments of 22 and 56 partner companies of its Gwangju and Changwon Factories, respectively (on-site assessment of 13 companies; document-based assessment of 43 companies), which are suppliers of key raw and subsidiary materials falling under the category of quality grading items. Sebang provided incentives to partners that were graded ‘A’ based on the assessment results, tightened the parts inspections of, and provided guidance and diagnosis to those graded ‘C’, and imposed penalties on those graded ‘D’.

### Communication channel with partner companies

Sebang Global Battery has established a communication channel by which the members of its partner companies can present their opinions whenever any unfair demand is made of them or when its policies or regulations are violated. Sebang Global Battery accepts anonymous or named reports through diverse means, including its website reporting channel, phone, and SNS. Sebang guarantees that the reporter’s identity and the contents of such reports will be kept confidential, and prohibits the taking of any disadvantageous actions against them. In addition, the company listens to recommendations or other voices of its partner companies through various communication channels, including meetings. It also listens to their requests or demands through communication with them during its annual on-site assessments of partner companies.



# Human Resources Management

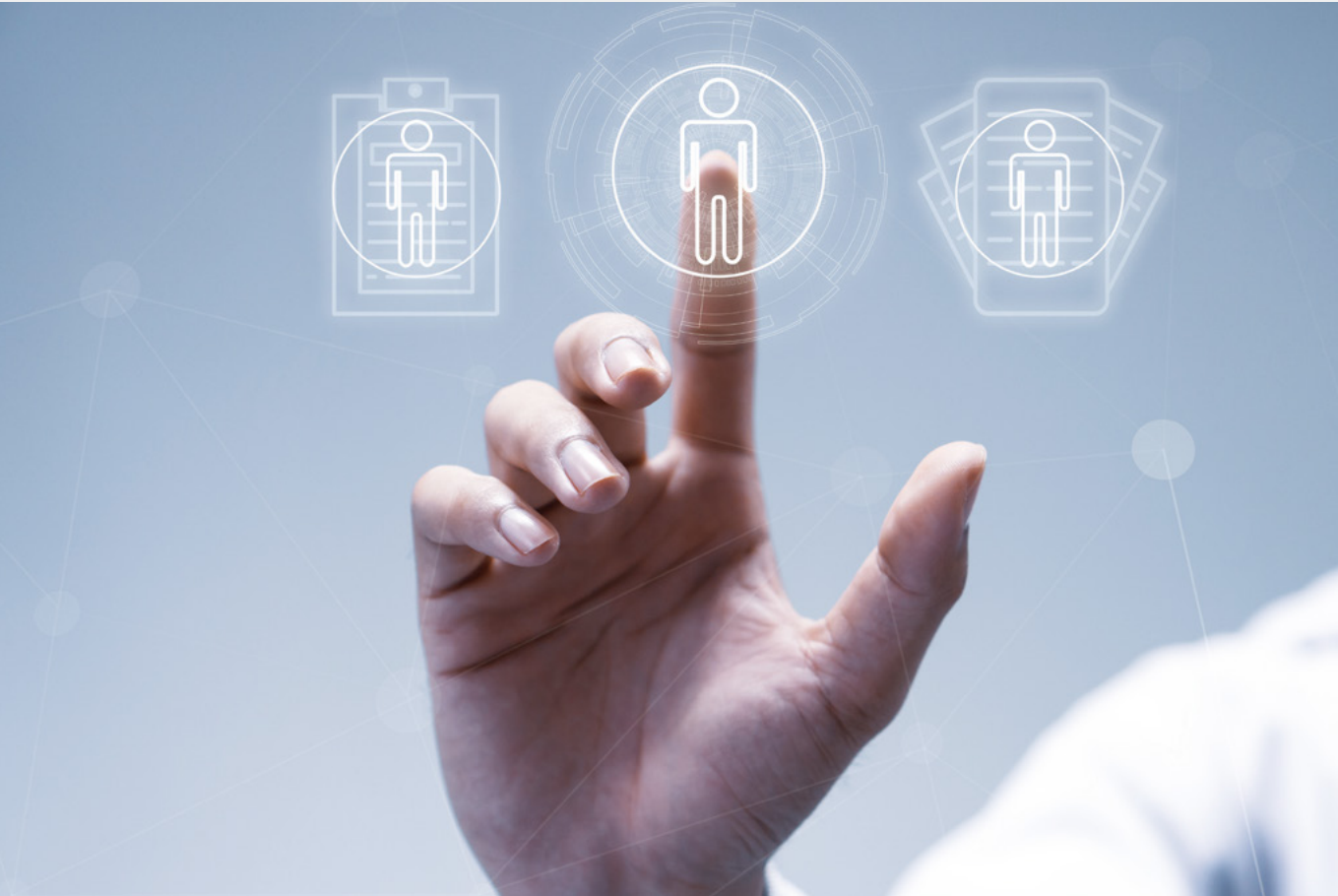
The executives and employees are not only key assets of the company but also creators of value. Sebang Global Battery is committed to developing the competencies of its executives and employees and to cultivating a corporate culture of mutual respect and care among all its employees.

### Approach

Sebang Global Battery practices business management centered on human resources by actively supporting their job-related expertise and enhancing their capabilities. It enhances the satisfaction of its constituents by developing an efficient work culture, while supporting the development of their capabilities through diverse education programs. It is also developing a corporate culture where the human rights of its executives and employees are safeguarded by full compliance with the labor-related statutes.

### Goals

- Disclosure of KPI indicator-based assessment results and enhanced coaching and feedback
- Upgrade of integrated system grading promotion



## Recruitment of Talents

Sebang Global Battery recruits new employees openly each year and hires interns and employees with experience as and when required. It operates an online recruitment website based on fairness and transparency, and provides diverse job-related information to applicants. In 2020, it recruited a total of 250 new employees, including 69 for its Vietnam corporation in order to expand its operations in Vietnam. Sebang Global Battery provides a Welcome Kit (echo bag, tumbler, etc.) to help instill new recruits with loyalty to the company. It also implements a mentoring system to enhance their understanding of the company and ensure they have a soft landing into their new position. In addition, it awards prizes based on the results of performance appraisals to enhance the effectiveness and ensure the successful implementation of the mentoring program.

## Development of Capabilities of Executives and Employees

Sebang Global Battery runs a variety of education programs designed to foster talents equipped with global-class work skills. It enhances the capabilities of individuals and organizations by operating mandatory courses for holders of different job grades based on the essential skills required for each job grade. It also supports intensive language education courses for employees who will be newly assigned to overseas posts through the Sebang Global Track Program. In particular, it recruited six master's or doctorate researchers for its technology R&D through the system and provided scholarship grants to master and doctorate candidates. It recently revived its online job skill education to address the difficulties of external job skill education due to the COVID-19 pandemic. Furthermore, it provides contact-free e-learning and book-learning for basic education courses for new recruits, and leadership and occupational aptitude education for its and employees.

### Education Programs

Classification	Kinds	Contents
Internal education	e-Learning (multi-campus)	Common/leadership, job skills/foreign languages
	Micro-learning (Willa)	Leadership/job aptitude
	Book-learning (Alpaco)	Leadership/job aptitude
	Phone/video education (multi-campus)	Foreign languages
External education	External language institutes	Foreign languages
	External job skills education	Duties
	Contact-free external job skills education	Duties

## Fair Performance Assessment and Compensation

Sebang Global Battery implements a systematic and objective management system to ensure fair performance appraisals of its executives and employees, including the development of performance goals at the beginning of the year, interim inspection, and year-end appraisal. It strives to develop mutual trust with feedback from the appraisers following the appraisal. When an appraised person files an objection, the company implements a system for review. In July 2020, it held a briefing session on its revised performance assessment and promotion system. It aims to improve the system by conducting an employee satisfaction survey each year. It switched its job-grade based promotion points system from continuous service to performance-centered promotion to inspire the passion of the employees. In so doing, it has provided the foundation for a reasonable compensation system.

## Human Rights and Labor

### Respect and embracing of diversity

Sebang Global Battery prohibits any discrimination based on gender, physical handicap, race, religion or nationality. However, it preferentially recruits veterans and patriots and physically-handicapped persons based on the relevant statute. As of the end of 2020, female employees accounted for 5.6% (59 persons) of its workforce. Sebang Global Battery is committed to promoting diversity among its employees. It provides separate skills upgrade education designed to enhance the skills of junior female managers and to help those who are reinstated after nursing or parental leave. It also actively implements flexible work hours.



## Improvement of Corporate Culture

### Grievance handling system

Sebang Global Battery provides ‘Sexual Harassment Prevention Education’ and ‘Workplace Bullying Prevention Education’ for its employee. To relieve the difficulties experienced by its or employees with unfair behaviors and acts such as workplace sexual harassment or bullying, the company operates the Workplace Bullying Report Center, which guarantees the anonymity of reporters. It also established the Workplace Sexual Harassment Report Center to strengthen its response to the sexual harassment issue in March 2021, and is operating two parallel centers. Disciplinary actions are taken after a strict investigation whenever a case of sexual harassment is reported.

### Labor policy

Sebang Global Battery prohibits any form of involuntary labor, child labor, and forced labor. To date, no violations have taken place. The same rules are also applied to its partner companies. In particular, it complies with the principle that conflict minerals originating from conflict-stricken territories and illegal child labor shall not be used.

### Seven major tasks for improvement of the corporate culture

Sebang Global Battery has formed a task-force team to improve its corporate culture by pursuing an efficient horizontal corporate culture. It has also developed a detailed action plan called ‘Seven Promises for Improving Corporate Culture’. To establish a successful culture, it also monitors progress by conducting questionnaire surveys twice a year. It supports the effective handling of core duties and enhances employees’ concentration on their duties by implementing an intensive work system. Operational efficiency has been heightened as the employees perform their duties efficiently with a sense of responsibility within a corporate culture where they are allowed to determine their own work hours, to take leave, and to have a company dinner.



### Flexible working hours system

Sebang Global Battery operates autonomous flexible-working-hours and working-from-home systems to help its executives and employees strike a healthy and efficient work-life balance. It implements an autonomous flexible working hour system based on the nature of the duties of individual employees. It also creates operational conditions conducive to working from home based on trust by disseminating guidelines on work at home.

## Welfare and Fringe Benefit System

Sebang Global Battery implements diverse welfare and benefit systems designed to help its executives and employees achieve a healthy work-life balance. Sebang provides children's scholarship funds and supports employees’ housing by appropriating the intracompany workers welfare fund to enhance the welfare and stability of its executives and employees. In addition, it operates a scheme for rewarding employees for their long or distinguished service in order to motivate them.

Type of support	Contents
Leisure support	Use of resort club membership (two resort companies), four nights, three years.
Livelihood stabilization funds	Support for purchase or rental of housing. Company housing is provided to new recruits relocated from another region.
Children's scholarships	Support for tuition fees of university and high school students.
Comprehensive physical examinations	Medical examination of employees and spouses by partner hospitals.
Hobbies and entertainment	Support of community membership fees.
Congratulatory/ condolatory money	Comprehensive support with congratulatory and condolatory money, articles, wreath, helping hands.
Citation system for long-term service	Reward money and leave are granted to employees with over 10 years’ service in 5-year increments.

## Programs to Support Retirees (Retirement Candidates)

Sebang Global Battery operates a re-employment education program to assist retirees in developing their retired life, to assist their re-employment or business start-up, and to assist retirees in designing their financial investments. It also helps retirees to adapt to retirement, a significant change in their life, with personal diagnosis and a customized consulting service. In December 2020, the company provided education to eight retirement candidates at the Changwon Factory for 16 hours over two days. They gave a score of 4.98 out of 5.00 full points to indicate their satisfaction with the education programs. The Gwangju Factory provided three retirement candidates with face-to-face and contactless coaching on five occasions from November 2020. In addition, to assist retirees financially, the company operates the Defined Benefit and Defined Contribution retirement pension system for all its employees.

## Sound Labor-Management Culture

As of the end of 2020, labor union members accounted for 56.5% of Sebang’s entire workforce. Sebang Global Battery guarantees union activates within the statutes, orders, and rules based on the collective agreement. Sebang holds periodic meetings of the labor-management council and quarterly meetings of the occupational health and safety committee to agree on such important issues as welfare and fringe benefits and improvements of the work environment of its executives and employees. A grievance handling committee composed of one member each representing labor and management has been formed inside the labor-management council to notify the workforce of any actions to be taken or the results of reviews of employee complaints or other grievances within 10 days of their receipt.



Sebang Global Battery’s Gwangju Factory has been certified as a leader of Gwangju-style job creation.


### Certification of business leading Gwangju-style job creation

In December 2020, Sebang Global Battery was certified by the Gwangju Metropolitan City Government as a leading business in Gwangju-style job creation (January 1, 2021 - December 31, 2022), particularly with regard to the responsible management between labor and management and the improvement of subcontracting terms. Sebang Global Battery plans to invest the money awarded with the certification in its labor-management win-win program and employee welfare. It will become a more competitiveness business that provides a good workplace based on communication between labor and management and win-win cooperation.




# Social Contribution

Sebang Global Battery’s social contribution activities have evolved into a form that can create substantive values for the local community. As such, the company continues with its corporate social responsibility activities, including the provision of support for low-income families and welfare institutions, and the establishment of emergency aid programs by raising funds through the Sebang Lee Eui-sun Foundation and a flea market personally participated in by its executives and employees.

**Approach**

Sebang Global Battery aims to build a society full of love, sharing, dreams and hope together with the Sebang Lee Eui-sun Foundation.

**Goals**

- Steady support programs together with the Sebang Lee Eui-sun Foundation
- Continuous support programs for each facility



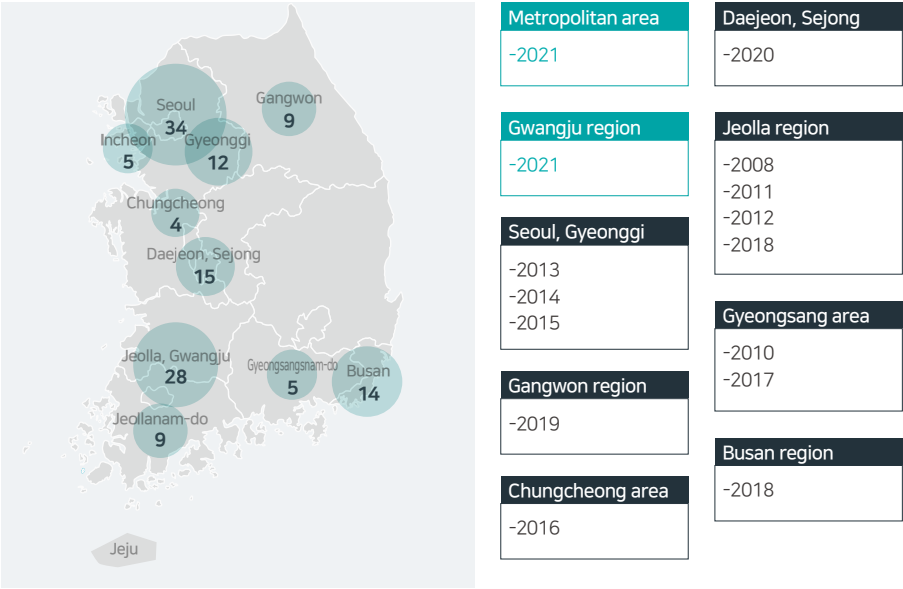
## Social Contribution Promotion System

The Sebang Lee Eui-sun Foundation was founded on December 20, 2007 based on Honorary Chairman of Sebang Group E-Sun Lee’s idea that “A business should return a part of its profits to society without fail even though its essential purpose is to seek profit”. Nineteen Sebang group companies have been carrying out various programs for supporting social welfare institutions and for enhancing the welfare of diverse social groups, including children from low-income families, young people, and elderly citizens, with the mission of building a society full of love, sharing, dreams and hopes.

MISSION	Build a society full of love, sharing, dreams and hopes!	
VISION	1	2
	Synergy through SCR activities featuring the strength of the Foundation and sponsoring businesses  - Professional and substantive CSR activities featuring the strength of the Foundation and sponsoring businesses, including physical distribution and battery - Creative and leading roles of CSR activities by businesses	Maximum effect sought with programs satisfying the desire and requirements of the beneficiaries  - Actual problem resolution by implementing programs based on results of survey of beneficiaries’ requirements - Provision of maximum benefits to the beneficiaries by implementing programs effectively and efficiently

### Programs to support welfare facilities

The Sebang Lee Eui-sun Foundation has helped improve the environment of local children’s centers in a bid to promote the healthy growth of children from low-income families. As of 2021, the Foundation has helped improve the environment of local children’s centers at 135 locations across the country.



Regions that have received Hope Switched On support

The Sebang Lee Eui-sun Foundation has provided compact cars (Kia Ray) to support the mobility of handicapped persons under agreements with special schools and the Korea Welfare Center for the Disabled. In 2019, the Foundation donated 40 million won to three welfare centers in Gwangju Metropolitan City. In 2020, it donated 54 million won to three welfare centers in the Gwangju region and one center in Donghae-si, Gangwon-do. In this way, the Foundation has provided aid that allows handicapped persons to lead a safe life for a longer period by providing them with the basis for enhanced mobility.



Vehicle provided to welfare facilities





Replacement of batteries of electric wheelchairs.



Support for low-income families in Vietnam.

## Delivery of Articles Donated at Love Flea Markets

### Support for low-income families

Newly hired employees of Sebang Group, the sponsor of the Sebang Lee Eui-sun Foundation, have used their expertise to replace UPS batteries that supply power in the event of a power failure, and provided assistance to senior citizens at state-run veterans' homes during outings and excursions on the occasion of Veterans Month. They donated wheelchair batteries to 143 and 161 low-income handicapped persons, respectively in 2019 and 2020, and also donated car batteries to 80 welfare centers for the handicapped.

### Emergency relief support

The Sebang Lee Eui-sun Foundation has donated money and goods to help overcome the COVID-19 pandemic. The Foundation donated face masks and hand sanitizers to children's homes around Seoul, Gyeonggi, and Daegu, to help promote the growth of healthy children by preventing the contagious disease. The Foundation will continue its efforts to overcome difficulties by preventing the diffusion of the COVID-19 pandemic.

In addition, to support low-income families and their children in developing countries, it has performed CSR activities together with NGOs. It donated bicycles and scholarship funds to elementary schools in Vietnam, where the Sebang Group has business, including volunteer services by its executives and employees. Such efforts will provide a significant motive for their life and this will be the great chance to make their dreams come true. The Foundation plans to continue its efforts to help eradicate poverty in more developing countries where Sebang group companies are operative.

Sebang Global Battery holds company flea market events every year and donates the revenues earned from selling items donated by executives and employees to welfare organizations in the region. It is easy to participate in the company flea market through the IT platform. Executives and employees are encouraged to participate in the programs by sharing the performance of their CSR activities. Sebang raised approximately 900 million won through the company flea market between 2004 and 2020. Thanks to the funds raised by executives and employees at the flea market, the company donated foodstuffs, electronic appliances, and diverse consumer products worth a combined total of 55 million won to 12 institutions for handicapped persons, senior citizens, and children in 2021, and goods worth 63.4 million won to 11 institutions in 2020.



Delivery of donated goods



## Win-Win Growth Project with Communities

Sebang Global Battery is carrying out a Sebang Group win-win CSR project to support low-income families by purchasing goods produced by social enterprises that have been hard hit by COVID-19. It uses the funds raised with donations by its executives and employees and the company's donations (corporate charity donations and donations by community members) for such CSR activities. Sebang Global Battery's Changwon Factory carries out various community service activities such as donating Love Charging Scholarships to students in Seongsan-gu, improving low-income families' housing through "The Better Volunteers", and delivering goods donated by its employees. Meanwhile, Sebang Global Battery's Gwangju Factory carries out diverse CSR activities, including the cleaning of one mountain by one company (business unit), the delivery of goods purchased from social enterprises, the love blood donation campaign, and the provision of vehicles to welfare institutions.

### Delivery of Love Charging Scholarship Funds

The Changwon Factory collects small percentages of its executives' and employees' paychecks in order to donate scholarship funds to children from low-income families in the region. Each student receives a scholarship of KRW 500,000 along with a scholarship certificate. In 2021, scholarship funds were delivered to 32 students in total.

### Talent sharing activities

Sebang's executives and employees share their talents in carrying out volunteer service programs to improve the housing conditions of people in need. The program is implemented one or more times per year by selecting beneficiaries from among elderly people living alone who have made a distinguished contribution to the state or people in need, in consultation with the municipal government. Key service activities include the replacement of worn-out wallpaper and flooring, old light bulbs and switches, and water faucets, cleaning, waste treatment, painting of veranda walls, and donations of daily necessities and food materials, etc. The volunteers visit welfare institutions in the region to improve their facilities by cleaning and repairing them, carry out recreational programs, read books, give singing lessons, and Korean language classes, and donate daily necessities, foods and beverages. To help local people in need to get through the cold winter, they voluntarily visit elderly welfare centers to help make winter kimchi, donating 150 Chinese cabbages once a year.

### Community environment improvement activities

Sebang Group member companies and unit facilities perform cleaning services by assigning one river or mountain to one company or facility, including the improvement of riverside conditions and hiking courses. They lead efforts to improve polluted regions by removing trash from the rivers and streams around a unit facility, and by picking up trash on and otherwise improve hiking routes in the region. The Gwangju Factory replaced park benches and outdoor fitness equipment in the Gwangsan-gu area.

### Farming village voluntary service

Sebang Global Battery's executives and employees render assistance to farmers in the region who have suffered from natural disasters or who need a helping hand by visiting them periodically each year. They select beneficiaries in consultation with the municipal government, assist farmers in harvesting crops (potatoes, onions, etc.), and repair the houses of farmers who have been hit by a natural disaster (damages caused by typhoons and flooding in the monsoon season).

### Love Blood donation

Sebang Global Battery's employees donate blood in groups in cooperation with nearby blood donation centers once per year. A group of 40 persons donates blood when a blood donation bus visits the company, and each participant blood donor receives a certificate. To help mitigate the blood shortage caused by the COVID-19 crisis, the company's executives and employees were urged to donate blood in July and November 2020.



Programs to improve housing conditions



'Love Blood' donation service



Appendix

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ESG Data

Condensed consolidated financial statement

(Unit: KRW)

Classification	As of the end of December 2018	As of the end of December 2019	As of the end of December 2020
Current assets	788,611,587,198	871,928,287,286	973,877,744,791
Non-current assets	479,318,841,343	638,760,545,217	540,461,643,850
Total assets	1,267,930,428,541	1,510,688,832,503	1,514,339,388,641
Current liabilities	275,029,440,092	428,158,049,112	353,916,531,616
Non-current liabilities	10,467,850,607	27,841,182,054	24,244,314,332
Total liabilities	285,497,290,699	455,999,231,166	378,160,845,948
Capital (net worth)	7,000,000,000	7,000,000,000	7,000,000,000
Capital surplus, etc.	49,112,270,524	47,732,792,916	36,545,714,201
Profit surplus	925,882,324,325	999,441,404,019	1,062,497,557,301
Equity attributable to non-controlling interests	438,542,993	515,404,402	30,135,271,191
Total capital	982,433,137,842	1,054,689,601,337	1,136,178,542,693

Condensed consolidated income statement

(Unit: KRW)

Classification	2018	2019	2020
Sales	1,180,886,079,209	1,139,007,566,213	1,252,791,016,185
Sales cost	980,295,738,843	941,740,445,861	1,065,371,072,352
Gross profit	200,590,340,366	197,267,120,352	187,419,943,833
Sales and administrative expenses	89,308,752,094	91,588,696,198	101,070,969,129
Operating income	111,281,588,272	105,678,424,154	86,348,974,704
Other income	18,093,950,909	20,908,619,492	52,966,052,203
Other expenses	14,296,452,386	16,565,890,309	43,114,501,855
Financial earnings	15,601,544,236	13,974,926,169	12,867,146,837
Financial cost or expenses	3,394,540,666	11,230,300,575	20,768,903,943
Net profit before corporate tax	127,286,090,365	112,765,778,931	88,298,767,946
Corporate income tax expenses	30,720,282,638	34,339,766,508	21,581,252,970
Net profit of current term	96,565,807,727	78,426,012,423	66,717,514,976
Other comprehensive profit or loss	1,210,545,381	702,639,572	1,371,779,134
Total comprehensive profit	97,776,353,108	79,128,651,995	68,089,294,110



ESG Data

Creation and distribution of economic value

(Unit: KRW million)

Classification	Contents	2020
Shareholders, investors	Dividends, interest expenses	6,872
Executives and employees	Payroll, welfare and benefits	121,877
Partner companies	Cost of purchase of goods and services	897,849
Community	CSR expenses, donations	492
Government	Corporate tax and other taxes and excises	22,521
Others	Other expenses (depreciation, etc.)	67,684
Retained earnings	Fluctuation of retained earnings	63,056
Total revenues	Sales, other revenues	1,318,624

Subsidiary companies subject to consolidation

Company name	Key business lines	Grounds for controlling relations
Sebang Batteries Europe GmbH	Sales and brokerage of automotive parts	A majority of voting rights possessed
Dongyang Metal Co., Ltd.	Non-ferrous metal smelting	- ditto -
Sebang Lithium Battery Co., Ltd.	Manufacturing of electronic parts	- ditto -
Sebang Battery Vina Co., Ltd	Manufacturing and sales of storage batteries	- ditto -
Sebang Industries Co., Ltd.	Manufacturing and sales of components of storage batteries	- ditto -
Great GM 14th Inc.	Financial services	Actual controlling power
Great GM 23rd Inc.	Financial services	- ditto -
Sangshin Metal Co., Ltd.	Non-ferrous metal smelting	- ditto -

Amount of key raw materials purchased

(Unit: KRW million, %)

Item	Usage	Purchase	Rate	Remarks
Lead (Pb)	Production of storage batteries	505,389	67.3	Korea Zinc and others
Separators		34,036	4.6	Sebang Industries and others
Cases		36,980	4.9	
Covers		29,393	3.9	
Others		62,589	8.3	-
Retired batteries	Production of lead	82,477	11.0	-
Total		750,864	100.0	

Amount payable as remuneration for directors

(Unit: KRW 1,000)

Classification	No. of persons	Total remuneration	Average amount of remuneration per capita
Registered (executive) directors	5	2,811,173	562,235
External directors (members of the Audit Committee)	3	194,107	64,702

Status of executives and employees

Classification		Unit	2018	2019	2020
Status of executives and employees	Total employees	persons	1,069	1,077	1,054
	By type of employment	Executives	11	14	12
		Regular employment	874	872	895
		Temporary employment	184	191	147
	% of regular employees	Total	%	82	81
	Gender	Male	persons	1,009	1016
		Female		60	61
	By age	Employees below 30 years old	persons	268	247
		30 - 50 years old		520	520
		50 years or older		281	310
Administrative (Section supervisor or higher)	Male	persons	186	177	170
	Female		3	3	3
Status of physically handicapped employees	No. of employees	persons	17	17	17
Patriots and veterans	New recruits	명	28	27	27

Status of recruitment/turnover

Classification		Unit	2018	2019	2020
New recruits	Korea	persons	286	145	178
	Germany (Europe)		1	3	1
	Vietnam		-	2	69
	Middle East		-	-	1
	Malay joint venture		3	3	1
Status of turnover	Voluntary resignation	persons	88	60	90
	Employee turnover rate	%	8.2	5.6	8.5
Average years of service	Total	years	14.0	14.4	14.9

Status of education

Classification		Unit	2018	2019	2020
Total educated	Total	persons	1,016	1,007	1,028
Education hours	Total no. of hours of education	hours	27,124	33,949	43,573
	Education hours/person	hours/person	26.7	33.7	42.4
Education expenses	Total education expenses	KRW 1,000	5,437,887	4,500,416	1,403,772
	Education expenses/person	KRW 1,000/person	5,352	4,469	1,366



ESG Data

Status of labor union membership

Classification	Unit	2018	2019	2020
Total no. of employees (including contract-based)	Hours	1,069	1,077	1,054
No. of union members	persons	572	574	595
% of union members	%	53.5	53.3	56.5

Environment data (consolidated)

Classification		Unit	2018	2019	2020
Investment in/expenditure on environment protection equipment		KRW million	3,983	5,885	4,930
GHG emissions	Total GHG emissions	tCO <sub>2</sub> eq	122,019	128,871	125,935
	Scope 1 emissions		21,166	21,456	20,948
	Scope 2 emissions		100,855	107,418	104,989
	Unit volume discharged	tCO <sub>2</sub> eq/100 million won	10.3	11.3	10.1
	GHG reduction performance*	tCO <sub>2</sub> eq	5,870	4,687	2,574
Energy used	Total energy used	TJ	2,486	2,627	2,568
	Power consumption		2,076	2,211	2,161
	Volume of fuel used		413	418	409
	Unit volume used	TJ/100 million won	0.21	0.23	0.21
	Energy saving performance*	TJ	120	95	52
	Prior term		118	88	50
	LNG		2	7	1
Service water used	Diesel		-	-	1
	Water intake_water supply service	ton	598,945	628,845	595,351
	Water intake_underground water		599,427	572,231	569,621
	Total water intake		1,198,732	1,201,076	1,164,972
	Volume of wastewater discharged	ton	449,204	459,191	473,015
	Volume of service water used	ton	750,813	743,684	693,520
Air polluting substances/dust	Volume of recycled service water		60,000	60,000	63,216
	Dust	ton	34.08	33.34	19.61
	NOx		20.53	10.17	0.74
	Nitrogen oxide		18.70	12.31	12.55
Water polluting substances/BOD	BOD	ton	1.51	1.49	1.06
	COD		1.71	1.71	1.48
	T-N		1.87	1.79	1.98
	T-P		0.04	0.03	0.02
	SS		2.48	1.74	1.91

\* The performance figures concerning the reduction of GHG emissions and energy consumption are based on the reduction/ saving records achieved by actual investment in and introduction of the relevant technologies.

Environment data (consolidated)

Classification		Unit	2018	2019	2020
Discharge of wastes	Total waste generated	ton	9,801	12,250	10,712
	General waste		1,886	1,795	1,725
	Designated waste		7,915	10,455	8,987
Treatment of wastes	Recycled	ton	8,283	10,754	9,176
	Incineration		259	333	323
	Landfill		1,259	1,763	1,213
	Waste recycling rate		84.6	83.7	85.7
Raw materials	Lead	ton	216,392	228,259	213,242
	Sulfuric acid		9,090	9,608	9,046
	Recycled lead used	%	36.3	26.0	29.6
Violations of environment-related statutes		Cases	0	0	0

Safety management

Classification		Unit	2018	2019	2020
Rate of occupational injuries and deaths	Rate of occupational injuries and deaths	%	0.59	0.56	0.24
	Permanent employees	persons	680	720	840
	Number of victims	persons	4	4	2
Safety education	No. of hours of education	hours	44,440	47,680	57,448
	Employees who have completed education	persons	680	720	840
	No. of hours of education/person	hours/ person	65	66	68
LTIR*	Gwangju Factory	-	0.357	0.489	0.166
	Changwon Factory	-	0.486	0.231	0.240

\* LTIR (Lost time incident rate): (Number of injuries and illnesses X 1,000,000) / Total employee hours worked

Status of CSR activities

Classification	Unit	2018	2019	2020
CSR donations	KRW 1,000	284,247	68,818	130,249
Amount of donations by the Sebang Lee Eui-sun Foundation (project expenses)	KRW 1,000	634,546	520,287	660,949



GRI Content Index

Topic	Index	Description	Page
Organizational profile	102-1	Name of the organization	12
	102-2	Activities, brands, products, and services	19~23
	102-3	Location of headquarters	17
	102-4	Location of operations	17
	102-5	Ownership and legal form	31, 68
	102-6	Markets served	13~15, 22, 23
	102-7	Scale of the organization	12
	102-8	Information on employees and other workers	69
	102-9	Supply chain	57
	102-10	Significant changes to the organization and its supply chain	No significat changes
	102-11	Precautionary Principle or approach	34~37
	102-12	External initiatives	77
	102-13	Membership of associations	81, 82
Strategy	102-14	Statement from senior decision maker	4~7
	102-15	Key impacts, risks, and opportunities	13, 14
Ethics and integrity	102-16	Values, principles, and norms of behavior	32, 33
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	102-46	Defining report content and topic boundaries	2
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Topic	Index	Description	Page
Reporting practic	102-52	Reporting Practice	2
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	102-55	GRI Content Index	72~74
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	103-2	The management approach and its components	50, 56
	103-3	Evaluation of the management approach	58, 62
Economic performance	201-1	Direct economic value generated and distributed	68
	201-2	Financial implications and other risks and opportunities due to climate change	76
Indirect economic impacts	203-1	Infrastructure investments and services supported	63~65
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	32, 33
Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	33
Tax	207-1	Approach to tax	34
Materials	301-1	Materials used by weight or volume	68
	301-2	Recycled input materials used	71
	301-3	Reclaimed products and their packaging materials	53
Energy	302-1	Energy consumption within the organization	70
	302-3	Energy intensity	70
	302-4	Reduction of energy consumption	52, 70
Water and effluents	303-2	Management of water discharge-related impacts	54
	303-3	Water withdrawal	70
	303-4	Water discharge	70
	303-5	Water consumption	70
Emissions	305-1	Direct (Scope 1) GHG emissions	51, 70
	305-2	Energy indirect (Scope 2) GHG emissions	51, 70
	305-4	GHG emissions intensity	70
	305-5	Reduction of GHG emissions	52, 70
	305-6	Emissions of ozone-depleting substances (ODS)	No emissions
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	70
Waste	306-1	Waste generation and significant waste-related impacts	53, 55
	306-2	Management of significant waste-related impacts	53, 55
	306-3	Waste generated	71
	306-4	Waste diverted from disposal	55
	306-5	Waste directed to disposal	71
Environmental compliance	307-1	Non-compliance with environmental laws and regulations	71



GRI Content Index

Topic	Index	Description	Page
Employment	401-1	New employee hires and employee turnover	69
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	61
Labor/management relations	402-1	Minimum notice periods regarding operational changes	Communication on major issues including managerial changes through labor-management council
Occupational health and safety	403-1	Occupational health and safety management system	46, 47
	403-2	Hazard identification, risk assessment, and incident investigation	36, 48
	403-3	Occupational health services	49
	403-4	Worker participation, consultation, and communication on occupational health and safety	47
	403-5	Worker training on occupational health and safety	71
	403-6	Promotion of worker health	49
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	36, 57
	403-8	Workers covered by an occupational health and safety management system	47, 70
	403-9	Work-related injuries	71
Training and education	404-1	Average hours of training per year per employee	69
	404-2	Programs for upgrading employee skills and transition assistance programs	61
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	28, 69
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	No applicable cases
Freedom of association and collective bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No workplaces eligible for these risks
Child labor	408-1	Operations and suppliers at significant risk for incidents of child labor	
Forced or compulsory labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	
Rights of indigenous peoples	411-1	Incidents of violations involving rights of indigenous peoples	
Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	63~65
	413-2	Operations with significant actual and potential negative impacts on local communities	No workplaces that make critical negative impacts on local communities
Supplier social assessment	414-2	Negative social impacts in the supply chain and actions taken	57
Public policy	415-1	Political contributions	No political contributions
Customer health and safety	416-1	Assessment of the health and safety impacts of product and service categories	43
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No violations
Marketing and labeling	417-1	Requirements for product and service information and labeling	43, 53
	417-2	Incidents of non-compliance concerning product and service information and labeling	No violations
	417-3	Incidents of non-compliance concerning marketing communications	No violations
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	37

SASB Index

Topic		Accounting Metric	Page
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	70
	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	52
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	70 70
Energy Management	RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	70
Water Management	RT-CH-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	70
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	71
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	54
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	55, 71
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	65
Workforce Health & Safety	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	71 71
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	48
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	54
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	76
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	71

\*SASB: Sustainability Accounting Standards Board













TCFD Index

TCFD recommendation	Status of information disclosure
1. Governance: Disclose the organization’s governance around climaterelated risks and opportunities.	
a) Describe the board’s oversight of climate-related risks and opportunities.	Sebang Global Battery’s climate change taskforce team makes decisions on sustainability and environmental management, including climate change issues. The CEO decides key matters concerning key agenda items by reporting twice a year.
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	Sebang Global Battery’s strategic planning office collects and detects internal and external risks concerning issues and data concerning climate change by business unit. Agenda items defined as core risks are speedily reported to and addressed by the management through meetings of the production and business management divisions.
2. Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Sebang Global Battery manages the risks and opportunities related to climate change by dividing them into short-, mid- and long-term periods. - Short-term risks: Purchase of CER due to increasing GHG emissions and damages to business units due to natural disasters. - Short-term opportunities: Revenues from the sale of surplus GHG emission units. - Mid- and long-term risks: Decreased product competitiveness due to enhanced regulation policies by country and increased demand among customer companies, including the disclosure of each product’s carbon footprint. - Mid- and long-term opportunities: Increased supply of environmentally-friendly core auto parts.
b) Describe the impact of climaterelated risks and opportunities on the organization’s businesses, strategy, and financial planning.	Sebang Global Battery views the regulation of emission gases, carbon tax, and environmental regulation based on the climate change issue as opportunities for business expansion and sales growth. It is because the conversion to and growing demand for environmentally-friendly vehicles across the world implies growing markets for Sebang Global Battery as a supplier of core parts for electrification. Thus, it continually secures growth engines by diversifying its portfolio of core electrification parts while increasing its R&D investments.
c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Sebang Global Battery implements its re-investment in environmentally conscious management by saving energy for reducing GHG emissions internally and by measuring and controlling the monetary values that can be obtained from the recycling of wastes and the reduction of service water consumption.
3. Risk management: Disclose how the organization identifies, assesses, and manages climate-related risks.	
a) Describe the organization’s processes for identifying and assessing climate-related risks.	- Purchase of emission units to increase GHG emission volumes: : Sebang Global Battery makes efforts to implement the CER trading system and to strategically control its emission units as it is now subject to the carbon allowance system. Sebang periodically monitors and controls its performance by allocating emission units to its business units monthly and annually.
b) Describe the organization’s processes for managing climate-related risks.	- Risks of losses originating from damages to its business units caused by natural disasters Safety accidents are growing due to the increase in natural disasters caused by global warming, including typhoons, floods, and heavy snow. As such, Sebang Global Battery prevents potential risks by carrying comprehensive liability insurance in preparation against damages to its production facilities, etc.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	Key risks are shared at the enterprise level by the climate change taskforce team. The climate change related risks are defined as the company’s KPI (Key Performance Indicator) and integrated with its overall risk management system.
4. Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Disclose the metrics used by the organization to assess climaterelated risks and opportunities in line with its strategy and risk management process.	Sebang Global Battery controls diverse indicators monthly to assess the climate change related risks and opportunities, including GHG emission volume, emission units, performance in energy consumption and GHG reduction. It strives to minimize the regulation risks by surveying the increase in GHG emission volumes by business unit.
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Scpoe1: 20,948.943 tCO <sub>2</sub> -eq Scope2: 104,989.071 tCO <sub>2</sub> -eq
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Sebang Global Batten’s total GHG emissions in 2020 increased by 13.6% compared with 2015. Although the company’s emissions volume has grown due to increased investment in production facilities, it plans to continue its efforts to reduce GHG emissions per ton of products by developing and managing its unit goals.

\*TCFD: Task force on Climate Financial Disclosure

UN-SDGs

Sebang Global Battery supports the UN SDGs (Sustainable Development Goals). The SDGs are the 17 Sustainable Development Goals which the 70th UN General Assembly resolved to achieve by 2030 under a resolution titled “A blueprint to achieve a better and more sustainable future for all people and the world by 2030”. It presents 17 goals which the human race should pursue in the following five areas: human beings, earth, prosperity, peace, and partnership. The following are more relevant to the sustainable management activities of Sebang Global Battery:

SDGs	Activities	Report pages
	Support for welfare facilities for low-income families in developing countries	63, 64
	Medical examination of all executives and employees to prevent COVID-19 infection	49
	Support for elementary schools in Vietnam	64
	Respect and embracing of diversity	59
	Management of water resources	54
	Creation of jobs at overseas corporations, eradication of forced labor and child labor	15, 59
	'Hope Switch On' activities for improving housing conditions	63, 65
	Support for socially alienated or marginalized people	63~65
	Promotion of resource recycling (reuse of storage batteries) Development of environmentally-friendly lead acid batteries, and smart grid technologies, etc.	22, 23, 53
	Response to climate change	51, 52



# The Third Party Assurance Statement

## Dear Stakeholders of SEBANG GLOBAL BATTERY

KFQ has been requested by SEBANG GLOBAL BATTERY to conduct an independent assurance on the 2020-2021 Sustainability Report for SEBANG GLOBAL BATTERY (further 'the Report'). KFQ has responsibility to provide an opinion of independent assurance in accordance with scope of assurance, based on standard, methodology and limitations stated in this Assurance Statement. KFQ was not involved in the process of preparing the Report and the information and presentation of data within the Report is the responsibility of SEBANG GLOBAL BATTERY.

## Standard and Scope of Assurance

The assurance was planned and carried out in accordance with following criteria based on international standard, AA1000AS v3, AA1000APS(2018) and GRI standards

- Compliance with AA1000AS
  - Application of Type 1 (Adherence to Principles of Inclusivity, Materiality, Responsiveness and Impact) with Moderate Level
- Compliance with GRI standards according to the criteria of “Core Option”
  - GRI Standard reporting principles
  - GRI Universal Standards
  - Topic Specific Standards
  - Management Approach: 103-1, 103-2, 103-3
  - Economic Performance: 201-1, 201-2
  - Indirect Economic Impact: 203-1
  - Communication and Training about Anti-Corruption Policies and Procedures: 205-2
  - Anti-Competitive Behavior: 206-1
  - Tax: 207-1
  - Materials: 301-1, 301-2, 301-3
  - Energy: 302-1, 302-3, 302-4
  - Water and Effluents: 303-2, 303-3, 303-4, 303-5
  - Emission: 305-1, 305-2, 305-4, 305-5, 305-6, 305-7
  - Waste: 306-1, 306-2, 306-3, 306-4, 306-5
  - Environmental Compliance: 307-1
  - Employment: 401-1, 401-2
  - Labor/Management Relations: 402-1
  - Occupational Health and Safety: 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9
  - Training and Education: 404-1, 404-2
  - Diversity and Equal Opportunity: 405-1
  - Non-Discrimination: 406-1
  - Freedom of Association and Collective Bargaining: 407-1
  - Child Labor: 408-1
  - Forced or Compulsory Labor: 409-1
  - Rights of Indigenous Peoples: 411-1
  - Local Communities: 413-1, 413-2
  - Supplier Social Assessment: 414-2
  - Political Contributions: 415-1
  - Customer Health and Safety: 416-1, 416-2
  - Marketing and Labeling: 417-1, 417-2, 417-3
  - Customer Privacy: 418-1

## Methodology

In order to assess credibility of sustainability performance of the Report, we reviewed process and system for preparation of the Report, as well as available data and information. Non-financial information was reviewed based on internal data of SEBANG GLOBAL BATTERY, such as disclosed Business Report and compared with information from media and internet. Financial information was investigated whether data in the Report are correctly reported from DART(Data Analysis, Retrieval and Transfer System), a Electronic Disclosure System managed by Financial Supervisory Service. Validity of report descriptions and processes for materiality assessment, data collection and management, and report preparation are assessed through interview during on-site verification. It was confirmed that the findings from above steps such as error, inappropriate information and ambiguous expressions are properly complemented by SEBANG GLOBAL BATTERY.

## Competency and independence

The assurance team was organized in accordance with KFQ’s internal regulations. KFQ has no conflict of interest which could threaten the independence and impartiality of verification, other than providing third-party audit services in the SEBANG GLOBAL BATTERY business.

## Limitations

The completeness and responsiveness of sustainability performance in the Report has inherent limitations due to its nature and the methodology used to determine, calculate and estimate its performance. In accordance with the terms of the contract, assessment is conducted based on provided data and information without verification for original data of specified performance information which is out of assurance scope.

## Findings and Conclusions

As a result of the above assessment, we confirm that the content of this report fulfills the requirements of the ‘Core option’ of GRI Standards and secured reasonable basis to assurance level of Type 1 in accordance with AA1000AS v3. Within the scope of the assurance activities above, we could not find further significant error or inappropriate information from the final Report against the following principles:

- **Inclusivity:** Whether SEBANG GLOBAL BATTERY is actively identifying stakeholders and enabling their participation in establishing an organization’s material sustainability topics, and the developing strategic countermeasures.
  - SEBANG GLOBAL BATTERY is collecting opinions from various stakeholders including Stockholders-Investors, Customers, Employees, Suppliers, Local Communities, Government-Municipalities through communication channels such as Presentations, Home Page, Meetings, Cooperation Programs, Regular Evaluations, Survey. Omission of major stakeholders was not found.
- **Materiality:** Whether each topic is considered in overall sustainability management activities by identifying and prioritizing the most relevant sustainability topics in consideration of impact on the organization and stakeholders.
  - SEBANG GLOBAL BATTERY conducted a materiality assessment in terms of stakeholder’s impact and business importance. They identified important issues, derived priorities, and reported sustainable management activities and performance without omission of major issues.
- **Responsiveness:** Whether SEBANG GLOBAL BATTERY has established a communication process with stakeholders to respond to the needs, interests, and expectations of stakeholders that affect sustainability performance
  - SEBANG GLOBAL BATTERY has been reporting activities and performance that addresses needs and concerns of stakeholders which were identified from materiality assessment process and responds to their opinion by taking into consideration for its overall management.
- **Impact:** Whether SEBANG GLOBAL BATTERY has considered sufficient aspects of the impact of material topics based on its understanding of related stakeholder concerns.
  - KFQ confirms that SEBANG GLOBAL BATTERY is identifying and monitoring for impact of material topics of stakeholders such as services and research activities and reporting them to the extent possible.

## Recommendation for improvement

KFQ recommends following developmental approaches in order to systematize sustainability management in the future and to disclose results of the report effectively.

- It is to be hoped that the progress of its implementation will be made available to the public transparently on a regular basis to check the key stakeholders identify efforts and activities to establish a foundation for sustainable growth through the SGBC strategy.
- In the future, we anticipate SEBANG GLOBAL BATTERY actively discloses more information of Ethical Management, Fair Trade, Anti-Corruption and Corresponding to Climate Change. The action allows stakeholders to transparently identify SEBANG GLOBAL BATTERY’s efforts for ESG Management.



October, 2021  
Seoul, Korea  
Ji Young Song, CEO  
Korean Foundation for Quality (KFQ)

Ji Young Song



## Major Certifications and Awards

### Status of certifications

Titles	Host institution	Name of facility	Certificated date
UL Certification (only for some products)	UL	Changwon Factory	-
KEPIC-EN	KEPIC	Changwon Factory	May, 1984
KS C 8504	KSA	Changwon Factory	Jan. 29, 1965
KS C 8505	KSA	Changwon Factory	Mar. 2, 1967
KE E 6008	KSA	Changwon Factory	Dec. 17, 1968
KS C 8511	KSA	Changwon Factory	Nov. 15, 1974
KS C 8504	KSA	Gwangju Factory	May 11, 1990
KS C 8518	KSA	Changwon Factory	Oct. 13, 1995
Certificates of Eco-Labeling	Korea Environmental Industry & Technology Institute	Changwon Factory	Sep. 22, 2000
ISO 9001	KFQ	Gwangju Factory	Dec. 16, 2003
ISO 14001	KFQ	Gwangju Factory	Dec. 16, 2003
ISO 9001	KFQ	Changwon Factory	Dec. 23, 2003
ISO 14001	KFQ	Changwon Factory	Dec. 29, 2003
JIS D 5301	KSA	Gwangju Factory	Oct. 1, 2008
BRAZIL INMETRO	IQA	Gwangju Factory	Jul. 15, 2013
IEC (only for some products)	HST	Changwon Factory	Jul. 12, 2017
CE (only for some products)	HST	Changwon Factory	Jul. 12, 2017
IATF 16949	KFQ	Changwon Factory	Nov. 14, 2017
IATF 16949	KFQ	Gwangju Factory	Aug. 21, 2018
ISO 22301	KFQ	Sebang Global Battery Co., Ltd.	Nov. 28, 2018
BRAZIL INMETRO	IQA	Changwon Factory	Apr. 8, 2019
Certificates of Carbon Footprint of Products(Carbon Footprint, ESP200-12)	Korea Environmental Industry & Technology Institute	Changwon Factory	Apr. 26, 2019
ISO 45001	KFQ	Gwangju Factory	May 29, 2019
ISO 45001	KFQ	Gwangju Factory	Sep. 27, 2019
ISO 17025	KOLAS	Gwangju Factory	Oct. 15, 2020

### Status of awards

(From 2018~2021)

Titles	Institution	Contents	Date
Nanoom Citations	Ministry of Health and Welfare	Minister's award of Ministry of Health and Welfare	Oct. 16, 2018
Contribution to vitalization of Gyeonsangnam-do ecotourism	Gyeongnam Provincial Government	Citations	Oct. 22, 2019
Appreciation plaque of social contribution	Seongsan-Gu office, Changwon Si	Appreciation plaque of head of a Gu	Dec. 22, 2020
Appreciation plaque of social contribution	Changwon City Hall	Appreciation plaque of the mayor of Changwon	Feb. 26, 2021
Excellent Environmental Engineer Award on Environment Day	Nakdong River Basin Environmental Office	Citations	Jun. 5, 2021
Citations of Merit on Changwon Citizens Day	Changwon City Hall	Citations by the mayor of Changwon	Jul. 1, 2021

## Status of Association Membership

Name of association	Subject	Related departments
Korea Fair Competition Federation	Business management center	Strategic planning team, Procurement team
Korea Smart Grid Association	Business management center, Domestic sales headquarter	Strategic planning team, Electric fixed team
Korea Electrical Contractors Association	Business management center, Domestic sales headquarter	Strategic planning team, Electric fixed team
Korea Listed Companies Association	Business management center	General affairs team
Korea Enterprises Federation	Business management center	General affairs team
Korea Exchange	Business management center	General affairs team
Korea Chamber of Commerce and Industry	Business management center	General affairs team
Anyang Chamber of Commerce & Industry	Business management center	General affairs team
Korea Electrical Manufacturers' Cooperative	Domestic sales headquarter	Electric motive team, Electric fixed team
Korea Automobile Importers & Distributors Association	Domestic sales headquarter	Korea Automobile Importers & Distributors Association
Korea International Trade Association	International affairs group	Korea International Trade Association
Gwangju chamber of commerce & industry	Gwangju Factory	Production support team
Gwangju Enterprises Federation	Gwangju Factory	Production support team
Korea Electric Engineers Association	Gwangju Factory	Facility management team
Korean Standards Association	Gwangju Factory	Quality management team
Korea Environmental Preservation Association	Gwangju Factory	Environment team
Chemical Accident Joint Response Council	Gwangju Factory	Environment team
Gwangju Council for Sustainable Development	Gwangju Factory	Environment team
Gwangju Metropolitan City Large Enterprise Safety and Health Council	Gwangju Factory	Environment team
Operation member of Korea Industrial Safety Association in Gwangju area	Gwangju Factory	Environment team
Korea Fire Safety Institute	Gwangju Factory	Environment team
PSM Council in Gwangju and Jeolla Nam-do	Gwangju Factory	Environment team
Gyeongnam Employers Federation	Changwon Factory	Production support team
Factory Managers' Committee (Changwon)	Changwon Factory	Production support team
United Defense Council (Changwon Industrial Complex)	Changwon Factory	Production support team
Gyeongnam Branch Emergency Plan Council	Changwon Factory	Production support team
Emergency Plan Council of Ministry of Trade, Industry and Energy	Changwon Factory	Production support team
Changwon Chamber of Commerce & Industry	Changwon Factory	Production support team
Changnosa (Changwon)	Changwon Factory	Production support team
Executives Committee (Changwon)	Changwon Factory	Production support team
Korea Customs Logistics Association	Changwon Factory	Production support team
Korea Electric Engineers Association	Changwon Factory	Facility management team
Korean Standards Association	Changwon Factory	Quality management team
Korea Electric Association	Changwon Factory	Quality management team



## Status of Association Membership

Name of association	Subject	Related departments
Korea Association of Standards & Testing Organization	Changwon Factory	Quality management team
Korea Industrial Safety Association, Regular member	Changwon Factory	Environment team
Gyeongnam Environmental Engineers Association, Regular member	Changwon Factory	Environment team
Korean Association of Occupational Health Nurses, Regular member	Changwon Factory	Environment team
Changwon Regional Fire Safety Committee, Regular member	Changwon Factory	Environment team
Gyeongnam PSM Committee, Regular member	Changwon Factory	Environment team
Korea Fire Safety Institute, Regular member	Changwon Factory	Environment team
Green Gas Emissions Market Association, Regular member	Changwon Factory	Environment team
Machang Federation for Environmental Movement	Changwon Factory	Environment team
Korea Exchange, Regular member	Changwon Factory	Environment team

### Sebang Global Battery Sustainability Report 2020-2021

Contributions		
Section	Department	Official in charge
General planning	General affairs team	Sang-hoon Lee
General execution, governance, social contribution, IT		Jin-su Kim, Seon-hyuk Kim, Sin-chul Park
Management strategies		Ju-young Hong
Economy	Finance team	Min-hyung Jeon, Young-jun Seo
Personnel, labor, education	HR team	Gang-hyun Ji
Customer response	CS team	Jong-hyup Lee
Supply chain (partner companies) management	Procurement team	Young-sang Kim
Quality management	Quality management team	Dae-guk Jang, In-han Choi
R&D, Labeling information	Technical support team	Byeong-ho Moon, Gwang-il Goh
Environment, safety, and health	Environment team	Han-saem Kim, Woo-jin Park
	Production support team	Heun-seob Lee, Dong-hyuk Lee
Internal control	Internal control team	Young-bok Park
Design	Design promotion team	Ryung Lee, Take-jun Jeong

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