

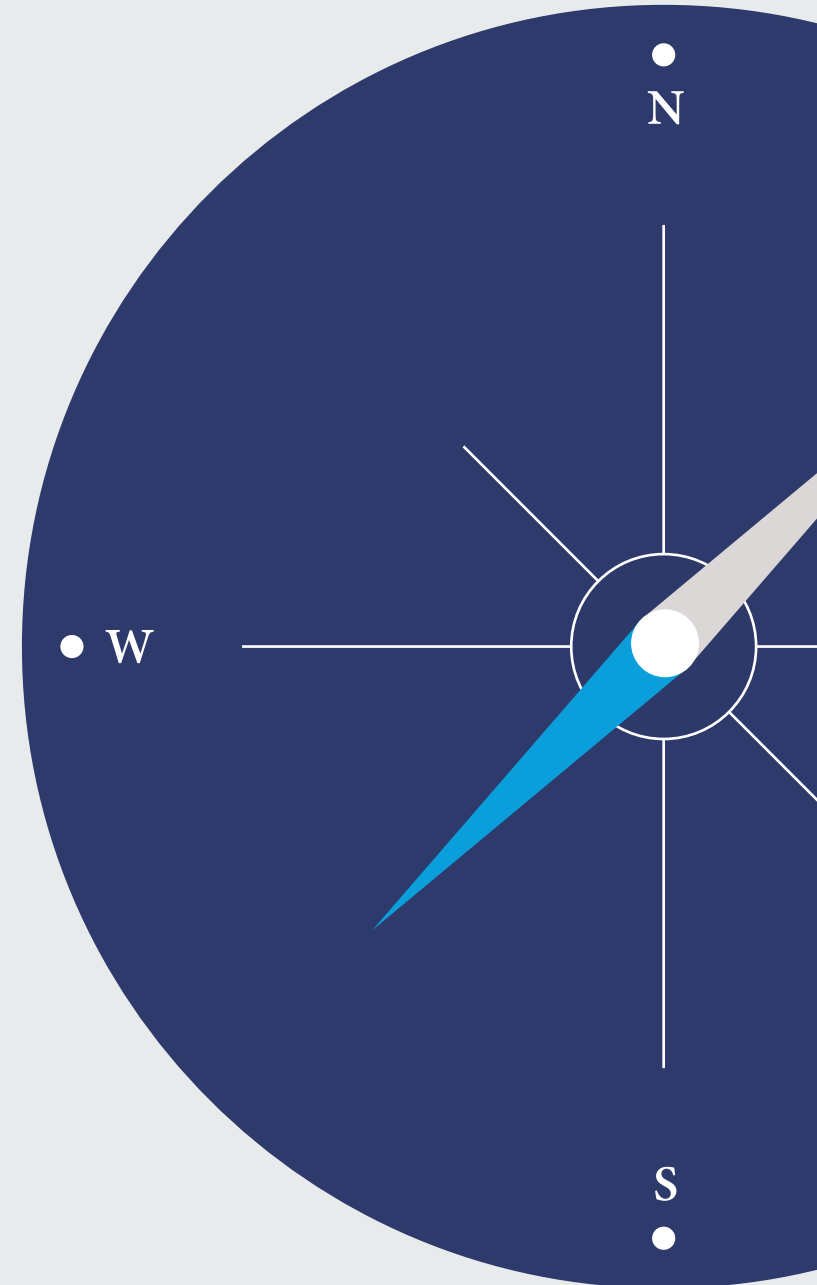
Creating a Sustainable Future:

MNC SOLUTION

ESG 2026

MNC SOLUTION SUSTAINABILITY REPORT

Transparency
Responsibility
Fairness
Respect

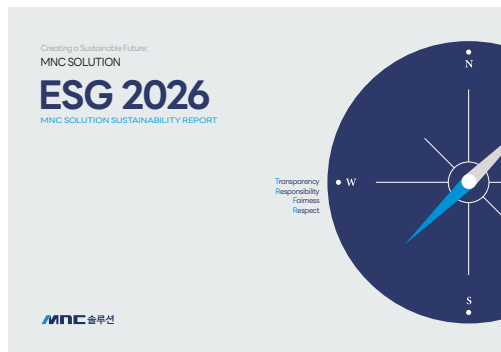


Creating a Sustainable Future:

MNC SOLUTION

ESG 2026

MNC SOLUTION SUSTAINABILITY REPORT



Cover Story

The cover of the 2026 Sustainability Report is based on the motif of a compass, symbolizing the direction of ESG management and the determination for sustainable growth. The compass represents MNC Solution's journey toward a sustainable future.

The compass depicted on the cover expresses the company's philosophy of creating sustainable value together with stakeholders, centered on the four core ESG principles of Transparency, Responsibility, Fairness, and Respect. This embodies the will to fulfill the company's responsibility as a core defense technology enterprise while simultaneously building a foundation for sustainable growth for future generations.

The harmony of navy, which symbolizes trust and technological capability, and sky blue, which symbolizes innovation and a challenging future, represents "Consistency in Change," the value pursued by MNC Solution. This cover embodies MNC Solution's determination to move toward a sustainable future based on ESG principles.

About this Report

Report Overview

This report is MNC Solution's second Sustainability Report. The 2026 Sustainability Report aims to actively communicate with stakeholders and build a relationship of trust by transparently disclosing MNC Solution's sustainable management performance in 2025. In particular, based on a materiality assessment, this report focuses on reporting the response strategies and activities for material issues that carry a high environmental/social impact and financial impact.

Reporting Principle

This report has been prepared in accordance with the GRI(Global Reporting Initiative) Standards, the international reporting guideline for sustainable management, and satisfies the four principles of AA1000AP(2018), which contains the accountability requirements of sustainable management-Inclusivity, Materiality, Responsiveness, and Impact. It also reflects the joint agenda of the Sustainability Accounting Standards Board(SASB) and the United Nations Sustainable Development Goals(UN SDGs). Financial performance has been prepared on a consolidated financial statement basis in accordance with the Korean International Financial Reporting Standards(K-IFRS).

Reporting Period

The reporting period of this report is from January 1, 2025 to December 31, 2025. For some non-financial performance data, the first half of 2026 has also been included in the preparation. In addition, where continuous trends in performance needed to be identified, data from the most recent three fiscal years has been used. The reporting cycle of this report is one year.

Reporting Scope

The reporting scope of this report covers the ESG management activities and performance of MNC Solution's headquarters(Changwon-si, Gyeongsangnam-do) and factory. Information necessary for the reporting scope and boundary has been specified through footnotes within the report.

Independent Assurance

For the fairness and reliability of this report's preparation process and overall information, the report received third-party verification from the Korea Commission for Corporate Partnership, an independent verification institution. Detailed verification results can be found in the Independent Assurance Statement.

Report Contact Information

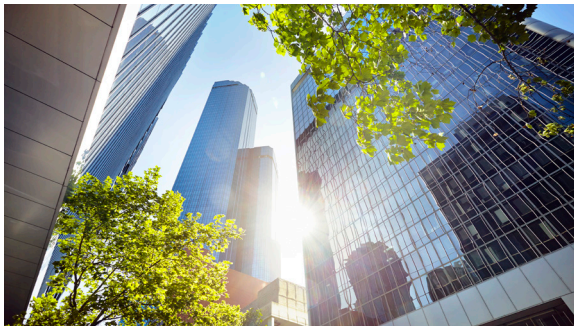
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- **Report Preparation(Contact):** Internal Control & Audit Part, Strategic Planning Team
- **Telephone:** +82-55-269-5494
- **Email:** mncsolution@mncsolution.com
- **Website:** www.mncsolution.com

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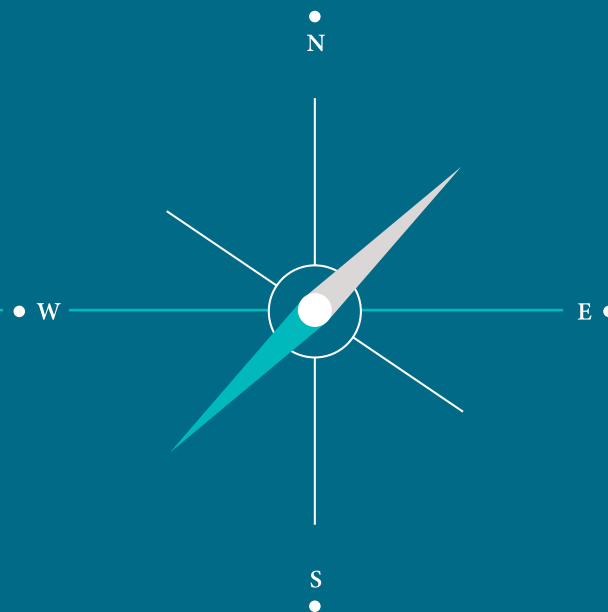
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Introduction

CEO Message

Company Introduction

Business Introduction



01





CEO Message



MNC Solution Co., Ltd.
CEO **Byung-keon Kim**

「“Strengthening Future Competitiveness through Sustainable Growth and ESG-driven Global Expansion”」



To the esteemed stakeholders of MNC Solution,

In 2026, MNC Solution stands at a pivotal moment as we pursue sustainable growth while accelerating our global expansion. Following our listing on the Korea Composite Stock Price Index (KOSPI) in December 2024, our company has further strengthened responsible management and corporate transparency while embedding ESG principles across our management system. Throughout 2025, we achieved meaningful results including the operation of an ESG Promotion Council, the establishment of an ESG management framework for our supply chain, and the setting of greenhouse gas reduction targets, and in the first half of 2026 we expanded these initiatives across the Company and strengthened our ESG execution capabilities. In addition, supported by changes in the global security environment and the expansion of K-defense demand, MNC Solution continues to achieve stable growth based on its core drive and control technologies for land systems, guided weapons systems, and aerospace systems. As orders continue to grow in major overseas markets such as Europe and the Middle East, the expansion of our business into the space launch vehicle and satellite sectors is further solidifying the foundation for our future growth. These achievements have been made possible through customer trust, the expertise of our employees, and continuous technological innovation. All motion control products and technologies supplied by MNC Solution are driven by our commitment to safeguarding lives and strengthening national security, and we are now expanding the value of our technologies in the global market.



Our Commitment to Sustainability

MNC Solution recognizes ESG as a core driver of the company's sustainable growth and competitiveness. ESG is not simply a response to external requirements but a strategic value embedded across every aspect of our business, and at its center are the safety of our people, co-growth with society, and ethical governance. Accordingly, we will further solidify the foundation of a sustainable enterprise centered on the three pillars of environmental stewardship, social responsibility, and ethical governance.

CEO Message

「Through our commitment to environmental stewardship, social responsibility, and ethical governance, we are creating a sustainable future.」



1. Environmental – We Will Strengthen Climate Responsibility as a Manufacturing Company

As a manufacturing-based defense company, MNC Solution is pursuing the efficient use of resources and the reduction of greenhouse gas emissions as management priorities. In 2025, we established Scope 1 and Scope 2 emissions reduction targets and enhanced our environmental management system, and in 2026 we are delivering measurable reductions through energy efficiency improvements and process innovation. We are also continuously upgrading a supply chain-based climate information management system that can support our customers' Scope 3 emissions reporting and management. Through eco-conscious product design, hazardous substance reduction, and waste reduction activities, we will reduce the overall environmental impact of our products and strengthen our sustainable manufacturing capabilities.



2. Social – We Will Become a Company That Grows Together with People

MNC Solution places the safety and dignity of its employees as its highest priority, and continues to pursue the realization of an accident-free workplace through the strengthening of the industrial safety and health management system and the establishment of a prevention-centered safety culture. We also support the growth of our employees through fair personnel systems and capability development programs, and strive to build a sustainable supply chain through mutual growth with partner companies and the strengthening of ESG capabilities. We will expand social responsibility through engagement with local communities, and create a virtuous cycle in which the growth of the company and the development of society occur together.



3. Transparent Ethical Management – We Will Further Raise the Standard of a Trusted Company

As befits the responsibilities of a listed company, MNC Solution has strengthened a board-centered governance system and has established company-wide ESG governance through the ESG Committee and the ESG Promotion Council. We continue to enhance our internal control and compliance management while continuously strengthening the transparency and reliability of ESG disclosure. Through our commitment to ethical management and the operation of an internal whistleblowing system, as well as the reorganization of the risk management system, we aim to further strengthen stakeholder trust and establish ourselves as a trusted company.



The Unique Characteristics and Sustainability of the Defense Industry

The defense industry is a strategic industry directly connected to national security, carrying significant responsibilities and having a profound impact. MNC Solution fully recognizes the unique characteristics of the defense industry and is growing into a company that contributes to the nation and society through technological innovation and responsible management. Going forward, MNC Solution will expand its business portfolio into space and advanced technology sectors based on its core defense technologies, and secure sustainable competitiveness in the global market. Through ESG management, we will create long-term value for the environment and society, and become a company that grows together with all stakeholders.

We sincerely thank you for your unwavering trust and support, and look forward to your continued partnership on MNC Solution's journey toward a sustainable future. Thank you.

Company Introduction

Introduction to MNC Solution

Since its establishment in 1974, MNC Solution has contributed to the development of South Korea's defense industry as a specialized provider of drive stabilization and precision control technologies. Based on its accumulated technological capability and quality competitiveness, The company supplies hydraulic and electric solutions that perform critical functions in defense systems and plays an important role in enhancing the performance of military equipment and strengthening national defense capabilities. In particular, The company is expanding its business domain based on a diverse range of core motion control technologies, including hydraulic and electric drive and stabilization devices, suspension systems, hydraulic systems, winch systems, and thrust vector control actuators for space launch vehicles, and has recently also been expanding its presence in overseas markets and the space and aviation sectors. Furthermore, using the 2024 KOSPI listing as an opportunity, The company has further strengthened its ESG-driven responsible management and transparent governance framework, and is advancing as a global technology company that grows together with customers and society based on continuous innovation and quality competitiveness.

General Status(As of 2025)

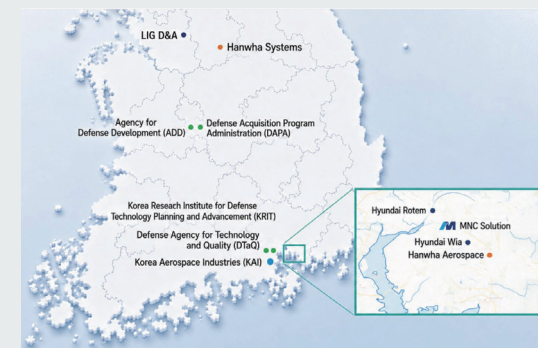
Company Name	MNC Solution Co., Ltd.
Date of Establishment	December 1, 2020
CEO	Byong-keon Kim
Major Business	•Hydraulic & Electric Gun/Turret Driving Systems and Stabilization Systems •Hydro-pneumatic Suspension Systems •Hydraulic Systems for Missile Launchers •Hydraulic Pumps for Aircraft •Hydraulic & Electric Winch Systems •Thrust Vector Control Actuators for Space Launch Vehicles
Number of Employees	339
Credit Rating (NICE Investors Service)	BBB(May 8, '26) Outlook Revised from Stable to Positive

Business Sites



- Headquarters:** 171 Wanam-ro, Seongsan-gu, Changwon-si, Gyeongsangnam-do
- External Test Sites:** Jinbuk Test Site/Daedong Test Site/Ungnam Test Site
- External Office:** Yangju Office

Major Customers

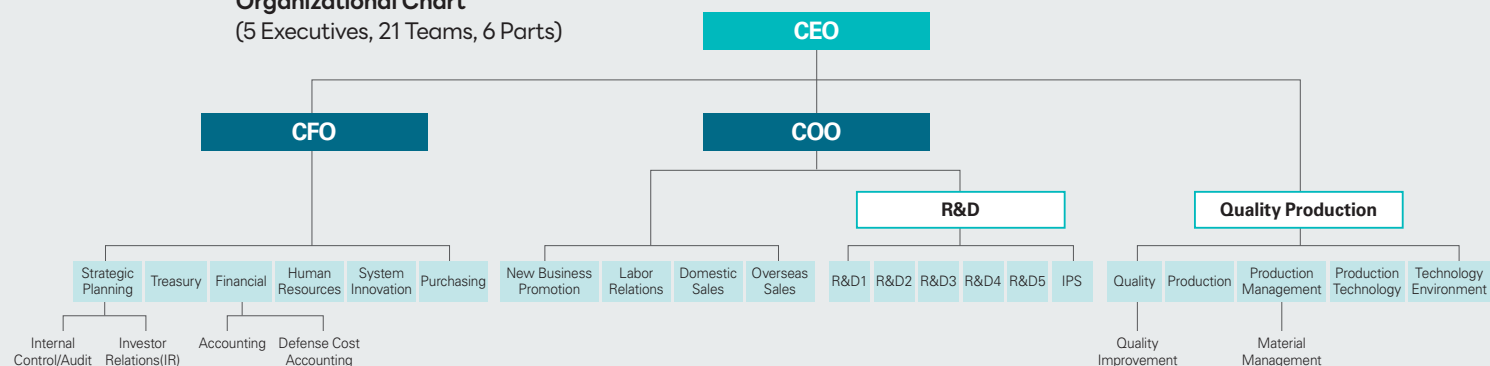


Management Performance(As of 2025)

Sales Revenue (Unit: KRW million)	2023	183,450
	2024	282,797
	2025	403,349
Order Intake (Unit: KRW million)	2023	282,913
	2024	502,086
	2025	450,030
Net Income for the Per (Unit: KRW million)	2023	14,531
	2024	26,964
	2025	45,588

Organizational Chart

(5 Executives, 21 Teams, 6 Parts)



Company Introduction

Key History

Since its establishment in 1974, MNC Solution has contributed to the development of South Korea's defense industry for over 50 years as a key partner in the nation's defense sector. Building on its expertise in hydraulic and electric solutions, The company plays an important role in enhancing the performance of military equipment and strengthening national defense capabilities. The company continues to strengthen its core technological competitiveness in response to the evolving global security environment and the growing demand for advanced defense systems.

Growth Period(2008~2019)

Full-Scale Business Expansion Following Integration into the Doosan Group



- 2008. 08 Integrated into the Doosan Group & changed the company name [Tongmyung Heavy Industries Co., Ltd. → Doosan Corporation Mottrol BG]
- 2010. 09 Obtained AS9100 Aerospace Quality Management System Certification(Lloyd's Register)
- 2016. 06 Achieved PMS Level 6 Certification(Korea Productivity Center)
- 2017. 12 Received the Defense Industry Management Innovation Excellence Award(Commissioner of the Defense Acquisition Program Administration)
- 2019. 05 Achieved PMS Level 6+ Certification(Korea Productivity Center)



Founding and Growth Period(1974~2007)

Launch of the Industrial Equipment and Defense Businesses Based on Hydraulic Technology



- 1974. 12 Established Tongmyung Industrial Co.
- 1976. 11 Launched the hydraulic equipment, electric forklift, and defense businesses(Designated as a Defense Industry Company)
- 1978. 01 Changed the company name [Tongmyung Heavy Industries Co., Ltd.]
- 1986. 05 Established the Technology Research Institute
- 1996. 08 Obtained ISO 9001 Quality Management System Certification (Korea Foundation for Quality)
- 2000. 02 Obtained National Defense Quality System Certification (KDS 0050-9000)

Expansion Period(2020~)

Accelerating Growth through KOSPI Listing, Export Expansion, and New Business Development



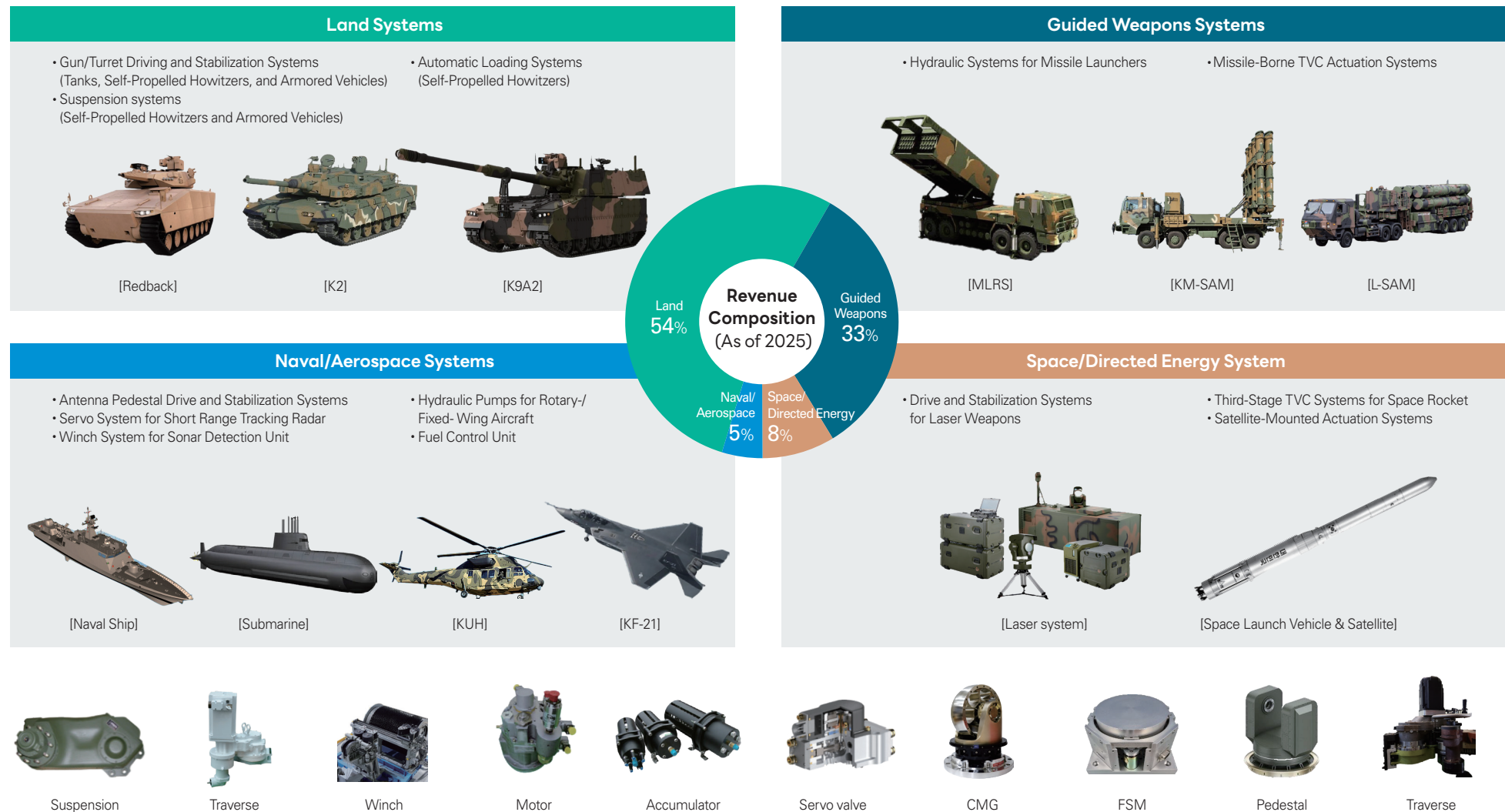
- 2020. 12 Separated from the Doosan Group
- 2021. 01 Changed the company name [Doosan Corporation Mottrol BG → Mottrol Co., Ltd.]
- 2022. 05 Achieved PMS Level 7 Certification(Korea Productivity Center)
- 2022. 12 Received the Defense Industry Management Innovation Excellence Award (Minister of National Defense)
- 2023. 12 Completed a corporate demerger and changed the company name [Mottrol Co., Ltd. → MNC Solution Co., Ltd.]
- 2024. 12 Listed on the Korea Exchange(KOSPI)
- 2025. 04 Obtained an S Grade in the ESG Management Level Assessment(Korea Productivity Center)
- 2025. 07 Published the 2025 ESG Sustainability Report
- 2025. 11 Received the Highest 'AA' Rating in the Sustainvest ESG Assessment

MNC SOLUTION

MNC Solution(2023~)

Business Introduction

MNC Solution is a specialized provider of motion and precision control technologies serving the land, guided weapons, aerospace, and naval sectors of the defense industry. Through the development, manufacture, and reliable delivery of advanced hydraulic and electro-hydraulic systems, the Company supports the operational readiness of the Republic of Korea Armed Forces while contributing to the enhancement of South Korea's national security and defense capabilities.



Business Introduction

Land Systems

Leveraging precision motion and control technologies employed in the Republic of Korea's main battle tanks and self-propelled howitzers, MNC Solution delivers hydraulic and electric drive and stabilization systems, along with suspension systems, driving innovation in next-generation ground combat systems while enhancing operational capability.



MNC Solution's gun and turret drive and stabilization systems are core firepower control solutions employed in the Republic of Korea's main battle tanks and self-propelled howitzers, delivering superior combat performance through precision control and exceptional reliability in demanding battlefield environments. Leveraging decades of expertise in hydraulic drive technologies, the Company has expanded its expertise into electric drive technologies and independently developed a DC voltage booster module for drive power stabilization, which is integrated into the electric gun and turret stabilization system of the K2 Main Battle Tank. The automatic loading system for the K9 Self-Propelled Howitzer enhances rapid firepower delivery, improves battlefield responsiveness, and reduces crew requirements. Suspension systems for self-propelled howitzers and armored vehicles provide outstanding mobility and ride comfort across diverse terrain and extreme operating conditions, reducing crew fatigue and enhancing mission effectiveness. Leveraging these differentiated motion and control technologies, MNC Solution continues to drive innovation in next-generation ground combat systems.

Business Introduction

Guided Weapons Systems

MNC Solution provides core drive and control solutions for guided weapon launcher systems and radar systems. Leveraging precision hydraulic control and stabilization technologies, the Company enables rapid deployment, accurate launch, and reliable mission execution, strengthening the capabilities of next-generation guided weapon systems.



MNC Solution supplies precision drive and control solutions for the Republic of Korea's key guided weapon systems, including the Chunmoo Multiple Launch Rocket System (MLRS) and Cheongung-II (KM-SAM II), supporting reliable mission execution. The Company's hydraulic systems enable precise launcher deployment and positioning, improving firing accuracy and operational efficiency. In addition, they support rapid launcher deployment and stable positioning, while hydraulic systems for multifunction radar provide precise antenna positioning and stabilization to maximize target detection performance. Leveraging its core motion and control technologies, MNC Solution continues to enhance the precision strike capability and operational effectiveness of the Republic of Korea's guided weapon systems.

Business Introduction

Naval/Aerospace Systems

MNC Solution's high-performance hydraulic and electric drive technologies have expanded into the naval and aerospace sectors, supporting naval sonar, communications, and stabilization systems, as well as aerospace hydraulic components and weapon control systems. Leveraging these advanced motion and control technologies, the Company continues to drive innovation in next-generation naval and aerospace platforms while enhancing operational reliability.

Hydraulic / Electric Winch Systems



Winch System for Sonar Detection Unit


Hydraulic Winch system


Electric Winch system


Power supplier & Controller



LARS, Launch and Recovery System


Linkage apparatus


Gripper unit


Main/Sub cylinder

Antenna / Radar Driving & Stabilization Systems



Stabilization System for Terminal Antenna Pedestal


Pedestal Device


Sensor Box


Control Unit PowerSupply unit



Electro-Mechanical Servo System for Short Range Tracking Radar


Emulator


Servo Amplifier Servo Controller


Servo Driver





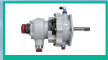


Destroyer
Frigate
KDDX
MCMV(MSH-II)
AGI(AGX-III)

MNC Solution's naval drive and control systems are core motion and control solutions deployed across destroyers, mine countermeasure vessels(MCMVs), and submarines. The Company develops and supplies precision systems for sonar, communications, and surveillance applications, including sonar winch systems, Launch and Recovery Systems(LARS), and naval antenna pedestal systems. Leveraging its expertise in the indigenous development of underwater acoustic generators for influence mine countermeasures and hydrostatic pressure-compensating motors for submarines, MNC Solution continues to enhance the operational capability and reliability of the Republic of Korea Navy through advanced precision control technologies.

Aircraft Hydraulic Components & Systems(Fixed-Wing / Rotary-Wing)



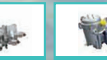





Actuators and engine accessory parts for UAV












KF-21
KUH
LAH
LCH
UAV

MNC Solution's precision weapon drive and control systems, together with its precision hydraulic and fuel control technologies, are core technologies employed across the Republic of Korea's military aircraft platforms, including the LAH, LCH, KUH, and KF-21. The Company develops and supplies hydraulic pumps and precision weapon drive and control systems, strengthening its technological capabilities in the aerospace sector. MNC Solution also continues to expand its expertise in UAV actuators and critical aircraft engine accessories through close collaboration with government agencies and prime contractors.

Business Introduction

Directed Energy/ Space Systems

MNC Solution's high-performance hydraulic and electromechanical actuation technologies are expanding into next-generation defense and space applications. Building on its expertise in precision motion and control technologies, the Company develops core actuation solutions for laser-based directed energy weapon systems, space launch vehicles, and satellite systems, while advancing future defense and space capabilities through continuous innovation.



MNC Solution's laser weapon precision drive and stabilization systems are critical components that enable precise target detection, tracking, and beam pointing. Building on its expertise in precision motion and stabilization technologies, the Company continues to strengthen its core capabilities while expanding into high-speed space optical communications, supporting optical data links between ground stations and satellites.



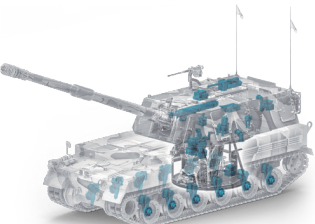
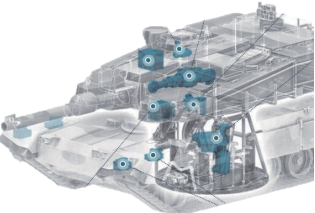
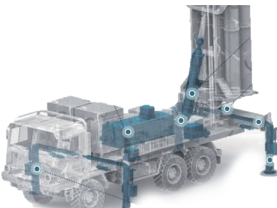
The Company has successfully completed the development and performance validation of a third-stage Thrust Vector Control (TVC) system for space launch vehicles, providing precise flight trajectory and attitude control. MNC Solution is further expanding its space technology portfolio through the development of next-generation space systems, including satellite docking mechanisms and space debris capture systems, while strengthening its core capabilities in future space mobility and on-orbit servicing.

Business Introduction

Global Motion & Control Partner

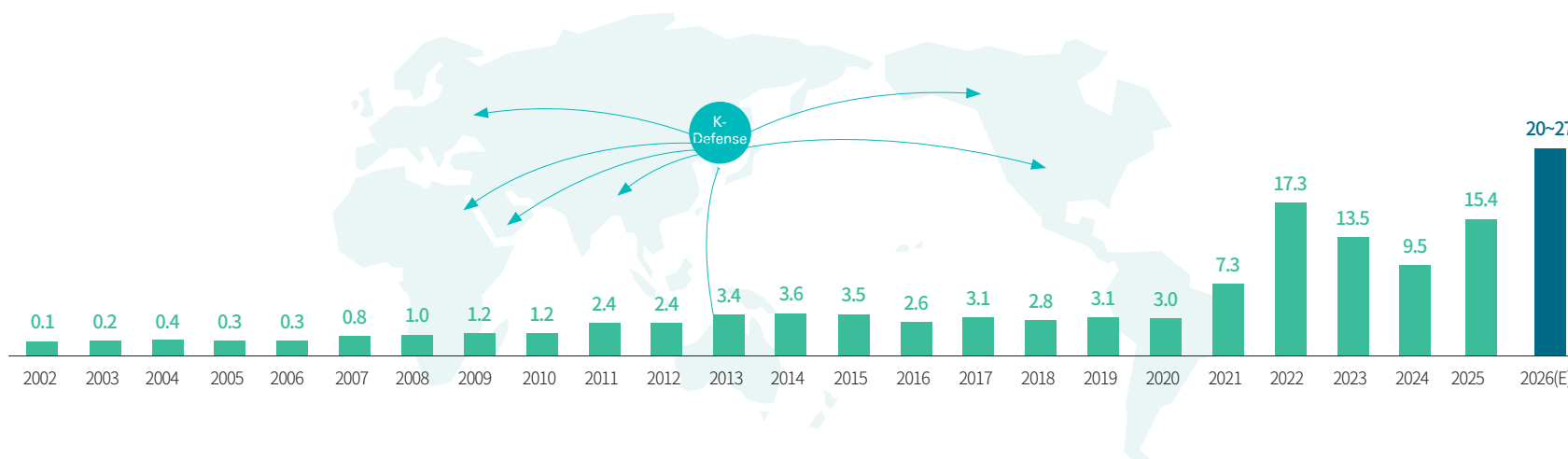
MNC Solution maintains close partnerships with its customers through precision motion and control technologies deployed across the Republic of Korea's flagship defense platforms, including the K2 Main Battle Tank, K9 Self-Propelled Howitzer, Chunmoo(MLRs), Cheongung(KM-SAM), and KF-21. The Company proactively supports its customers' global expansion and evolving defense requirements while continuously advancing its ultra-precision motion and control technologies. Building on its expertise in the defense sector, MNC Solution is expanding its technologies into space launch vehicles, satellite attitude control systems, and advanced commercial industries, further strengthening its global competitiveness. Through close collaboration and continuous innovation, the Company is positioning itself as a leading global provider of Motion & Control solutions.

Major Overseas Orders via Key Customers

Category	 Hanwha Aerospace	 HYUNDAI Rotem	 LIG Defense & Aerospace	 KAI KOREA AEROSPACE INDUSTRIES, LTD.
Major Export Countries	Poland, Egypt, Romania, Australia, India, Turkey, Finland, Norway, Estonia, Saudi Arabia, UAE	Poland	UAE, Saudi Arabia, Iraq	Indonesia, Poland, Malaysia, Philippines, Iraq, Thailand
Major Product	K9, MLRS, Redback	K2	KM-SAM	KF-21, FA-50, KUH
Items Supplied by MNC Solution				
	Gun/Turret Driving & Stabilization Systems Hydro-pneumatic Suspension Systems	Electric Gun/Turret Driving & Stabilization Systems	Hydraulic Power & driving Systems	Hydraulic Pumps & Actuators

South Korean Defense Export Order Trend and Outlook (2002~2026)

Source: Defense Acquisition Program Administration, LS Securities Research Center, Export-Import Bank of Korea Institute for Overseas Economic Research(Unit: USD billion)



Our Focus

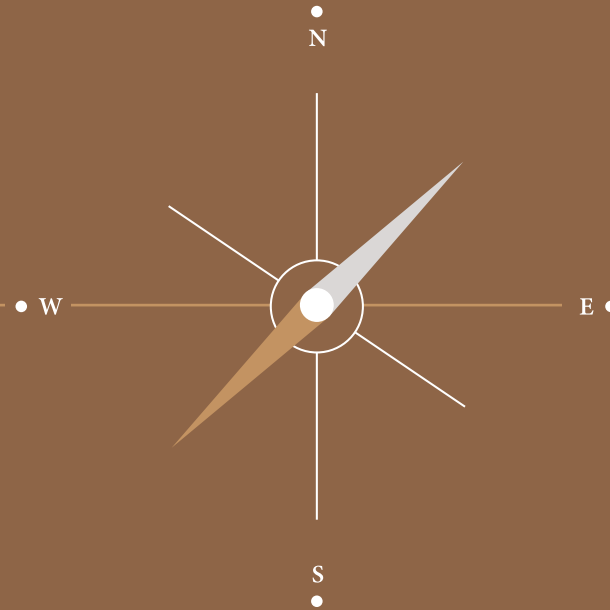
ESG Highlights

ESG Management Strategy

Stakeholder Engagement

Double Materiality Assessment

Special Page



02





ESG Highlights

ESG Performance

E – We are building a sustainable future that coexists with nature.
S – We are realizing shared growth in which people and local communities thrive together.
G – We are strengthening responsible management based on trust and transparency.



¹⁾ The 2025 Sustainability Report established a reduction target through 2028 based on 2024 GHG emissions. A data calculation error related to the spin-off was subsequently identified; accordingly, the base year was changed to 2025 — reflecting actual post-spin-off operational data — and the GHG emissions reduction target through 2030 was re-established.

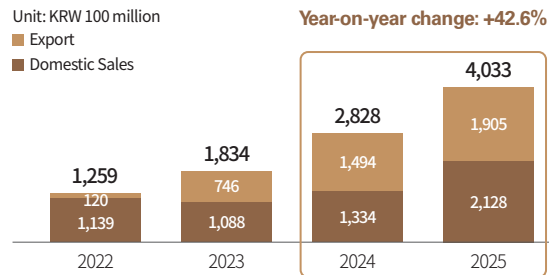
ESG Highlights

Business Growth

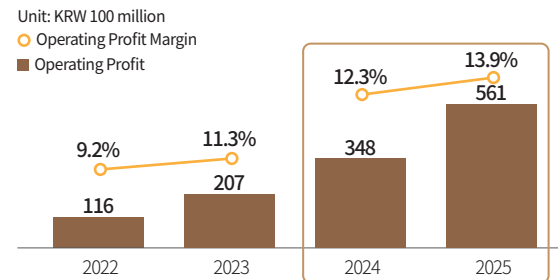
A virtuous cycle structure in which business growth and financial performance strengthen ESG, and ESG creates sustainable growth — MNC Solution links growth and profitability to ESG value creation, realizing sustainable corporate value.

- Revenue increased year-on-year due to K2, K9, and Redback exports, domestic ground-weapons maintenance, mass production of guided weapons such as MLRS, and increased sales in the space/high-energy sector
- Operating profit increased year-on-year in line with revenue growth, while maintaining a stable financial structure
- Profitability increased due to increased exports to Poland, Egypt, Australia, India, Turkey, and others, as well as increased revenue from domestic maintenance and mass production of guided weapons

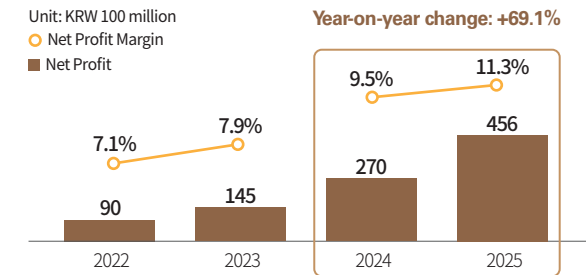
Revenue



Operating Profit



Net Profit



- 1) 2022 financial information is carve-out financial statements reflecting the impact of the corporate spin-off.
2) 2022 net profit does not reflect discontinued operations gains/losses.

2025 Major Disclosures



ESG Management Strategy

Company Vision System

Under the slogan “Creating Motion & Control,” MNC Solution creates sustainable value through technology that creates and precisely controls ‘movement’ anywhere in the world. The company aims to lead the global market based on its core motion and control technology foundation and customer trust across all industrial domains spanning land, sea, sky, and space. To this end, the company has established the vision of becoming the ‘Global Leader in Core Motion & Control Technology,’ and seeks to simultaneously realize environmental, social, and economic sustainability through continuous technological innovation and responsible management.

MNC Solution

MISSION

Wherever it may be — on land, sea, sky, or in space — we create movement and precisely control it.

VISION

The Global Leader in Core Motion & Control Technology dominating the world market

SLOGAN

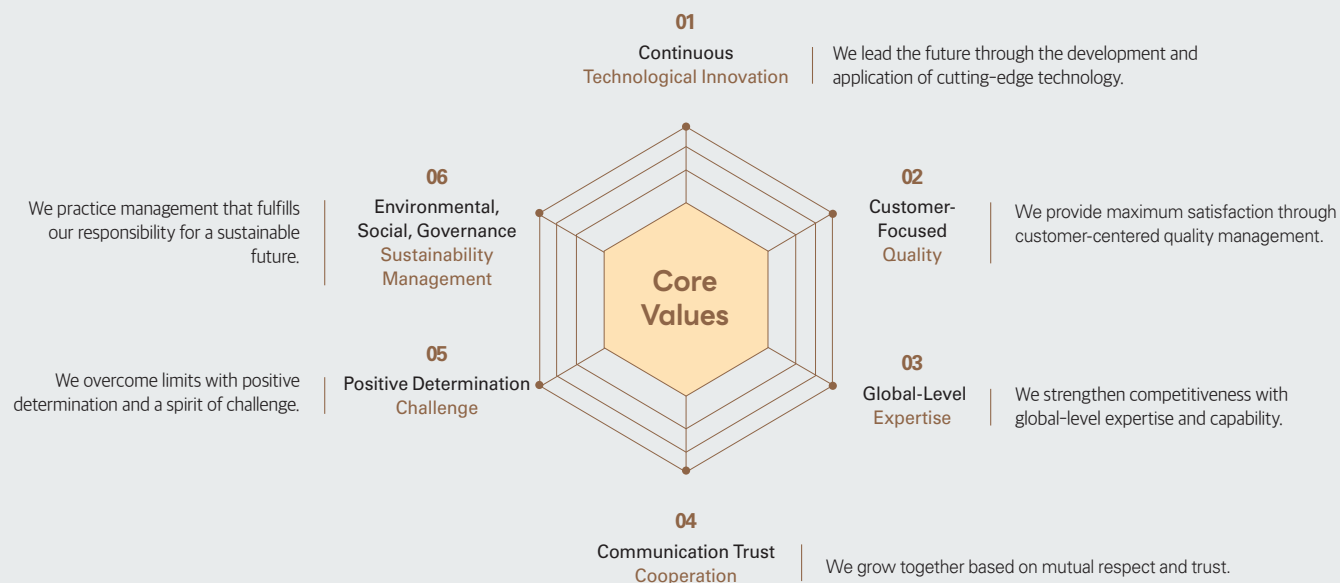
Creating Motion & Control

ESG Management

We protect the value of every domain of our business while practicing sustainable management.

ESG Core Values

Since our establishment in 1974, we have created trusted products through continuous technological innovation and quality that meets customer expectations. Today, beyond the domestic market, we are recognized for our expertise in the global market. To meet global needs, we strive to communicate more closely with customers and cooperate based on mutual trust. Furthermore, we will continue our challenge with positive determination to lead the global market. Technological innovation, quality, expertise, cooperation, and challenge are the core elements of the virtuous cycle that realizes MNC Solution’s “sustainable management,” and they are the foremost values we pursue.



ESG Management Strategy

ESG Management Strategy

MNC Solution operates its ESG management system based on the four core principles of ‘Transparency, Responsibility, Fairness, and Respect.’ In addition, based on the results of the Double Materiality Assessment, the company has established three strategic directions: leading sustainable products and technological innovation; building a people-centered, safe, and inclusive organization; and strengthening ESG management that practices environmental and social responsibility. The company secures the foundation for sustainable growth through strengthening product responsibility and quality competitiveness and pursuing responsible technological innovation and is promoting safety/health-centered workplace operations, future talent development, and the building of a sustainable supply chain. The company is also systematically implementing ESG tasks by expanding climate change response and biodiversity protection activities.

ESG Management Goal

A representative K-defense company realizing sustainable security and responsible management through ultra-precision motion control technology

ESG Four Core Principles

Transparency

Responsibility

Fairness

Respect

ESG Strategy Direction

- Leading sustainable products and technology innovation
- Building a people-centered, safe, and inclusive organization
- Strengthening ESG management by practicing environmental and social responsibility

Execution Strategy

- Strengthening product responsibility and quality competitiveness
- Pursuing responsible technology innovation
- Operating safety and health-centered worksites
- Strengthening future talent development and organizational capabilities
- Building a sustainable supply chain
- Advancing climate change response system
- Protecting biodiversity and natural capital

Sustainability Management Performance and Plans

Carbon Neutrality

- **2025 Key Achievement:** Expanded model lineup and orders for electric drive systems; operated based on ISO14001
- **2026 Plan:** Managing greenhouse gas reduction targets

ESG Disclosure

- **2025 Key Achievement:** First publication of 2025 MNC Sustainability Report
- **2026 Plan:** Publish 2026 MNC Sustainability Report and disclose rating agency evaluation results

ESG Promotion System and Operation



Board of directors

The highest decision making body that establishes the vision and strategy for sustainable management and determines business goals and directions.

ESG Committee

Reviews and makes decisions on the company's sustainable management strategy and major ESG issues. In addition, oversees and supervises company-wide ESG promotion activities, including ESG risk management, performance review, and information disclosure.

ESG Committee

Reviews and makes decisions on the company's sustainable management strategy and major ESG issues. In addition, oversees and supervises company-wide ESG promotion activities, including ESG risk management, performance review, and information disclosure.

Stakeholder Engagement

Stakeholder Communication and Participation

MNC Solution defines customers, employees, shareholders and investors, suppliers, the local community, and NGOs as its key stakeholders who give and receive direct or indirect influence with the company's management activities. The company collects the opinions and requirements of stakeholders through diverse communication channels and reflects them in management activities and decision-making. The company is also expanding stakeholder participation in the process of advancing ESG management and continuously listens to opinions on major ESG issues such as climate change response, supply chain management, human rights, ethical management, and biodiversity conservation. Based on this, the company is advancing its ESG strategy and materiality assessment and pursuing the creation of sustainable value and future growth together with stakeholders.

Stakeholder	Major Issues	Communication Channels	Response Activities
Customers	- Product and service quality innovation - Provision of after-sales service - Leading the latest technology and trends - Safe product use - Information protection	- Customer visits, meetings, user training and technical support(as needed) - Customer satisfaction survey(once a year) - Customer complaint reception center - Customer technical information exchange meetings and quality evaluation meetings (as needed) - Online homepage	- Quality management system construction and quality reporting system operation - Personal information leakage prevention system, network separation system operation - Ongoing customer response system operation and customer feedback reflection, proactive recall implementation - Cooperation activities through MOUs
Shareholders and Investors	- Transparent information disclosure - Protection of shareholder rights	- Shareholders' meeting(once a year) - Electronic disclosure(ongoing, quarterly/semi-annually) - Regular/occasional IR meetings(as needed) - Securities firm-hosted conferences(quarterly)	- Transparent disclosure of corporate status - Timely shareholders' meetings and Board meetings - Dividend payment in accordance with shareholder return policy



Stakeholder Engagement

Stakeholder	Major Issues	Communication Channels	Response Activities
Employees	• Employment and labor environment management • Education and career development • Diversity and inclusion enhancement • Work-life balance maintenance • Fair performance evaluation • Human rights respect • Understanding labor-management relations	• Labor-Management Council(quarterly) • Notice board(ongoing) • Internal portal operation(ongoing) • Misconduct reporting, cyber reporting center and other grievance/reporting channels(ongoing)	• Personnel evaluation system and training programs operated for employee growth • Diversification of programs to invigorate organizational culture • Labor-management cooperation system operation
Suppliers	• Building fair and clean trading relationships • Improving supplier productivity and technological competitiveness • Supporting sustainable co-growth programs • Supply chain ESG management	• Supplier council, sub-group meetings and regular general meetings • Subcontracting transactions(monthly), supplier training • Supplier on/offline VOC channel(ongoing)	• Supplier safety/health support and environmental improvement • Supplier ESG evaluation and training • Operation of a payment-linkage system considering the characteristics of the defense business
Local Community	• Local economic revitalization • Environmental protection • The company's impact on society/environment • Implementation of social contribution activities	• Related organizations, employees(as needed) • Online homepage and SNS channels(ongoing)	• Establishment and implementation of social contribution activity plans • Participation in local government-linked programs
Government and NGOs	• Compliance management and policy participation • Transparent information disclosure • Faithful tax payment • Achieving carbon neutrality	• Policy discussion meetings(as needed) • Government cooperation programs(as needed) • NGO/association activities(as needed)	• Establishing and pursuing implementation plans for policy discussion issues • Participation in government cooperation programs • Participation in NGO/association activities



Double Materiality Assessment

To identify issues that have a material impact on the company, MNC Solution conducted a Double Materiality Assessment in April 2025 based on the double materiality assessment methodology presented in GRI Standards 2021 and the EU's Sustainability Reporting Standards(ESRS). After compiling an issue pool by consolidating global ESG information disclosure initiatives and ESG evaluation indicators related to MNC Solution, the company measured the importance of each issue from the perspective of corporate value creation, and to analyze the impact of each issue on external stakeholders, the company investigated the type, scale, and likelihood of impact of each issue to measure importance from an external impact perspective. Even amid the rapid growth that included expanded global orders from the 2025 Double Materiality Assessment through the first half of 2026, the strategic validity of the material issues identified in 2025 remains valid, and the company is managing them with deepened focus.

Concept and Assessment Methodology

Double materiality assessment refers to the process of identifying and selecting topics important to stakeholders from a sustainability perspective by simultaneously considering the impact of corporate management activities on the environment/society(Impact Materiality) and the impact of external risks and opportunities on corporate finances(Financial Materiality). MNC Solution derived important ESG topics based on analysis of the business environment and identified the impact that the company's activities linked to each topic have on society/the environment, as well as the impact each ESG topic has on financial performance. The company then conducted an impact assessment of internal and external stakeholders, and finally derived core issues and general issues through management review and approval of the results.



Double Materiality Assessment Process

Step 1 Constructing the Issue Pool

- Review of ESG international standards, industry characteristics, internal/external environmental changes, and current issues
- Benchmarking issues reported by peer companies
- Constructing the issue pool: 56 issues in total

Step 2 Importance Analysis and Priority Evaluation

- Environmental/social impact**
- Review of international standards and evaluation indicators (GRI, K-ESG, ISO26000, UN SDGs, etc.)
 - Benchmarking analysis of peer companies(8 domestic and overseas defense companies)
 - External stakeholder survey(April 3–11, 2025, 164 respondents)
- Financial impact**
- Review of international standards and evaluation indicators(KCGS, DJSI, TCFD, SASB, etc.)
 - Analysis of internal ESG management strategy and policy, analysis of domestic ESG-related laws
 - Internal stakeholder survey(April 3–11, 2025, 84 respondents)

Step 3 Impact, Risk, and Opportunity Assessment by Material issues

- Deriving environmental/social impact and financial risks and opportunities by material issue
- Impact assessment based on likelihood and timing of occurrence
- Environmental/social perspective(scale, scope, resilience)
- Financial perspective(revenue, cost, value chain)

Step 4 Validity Review and Final Selection of Material Issues

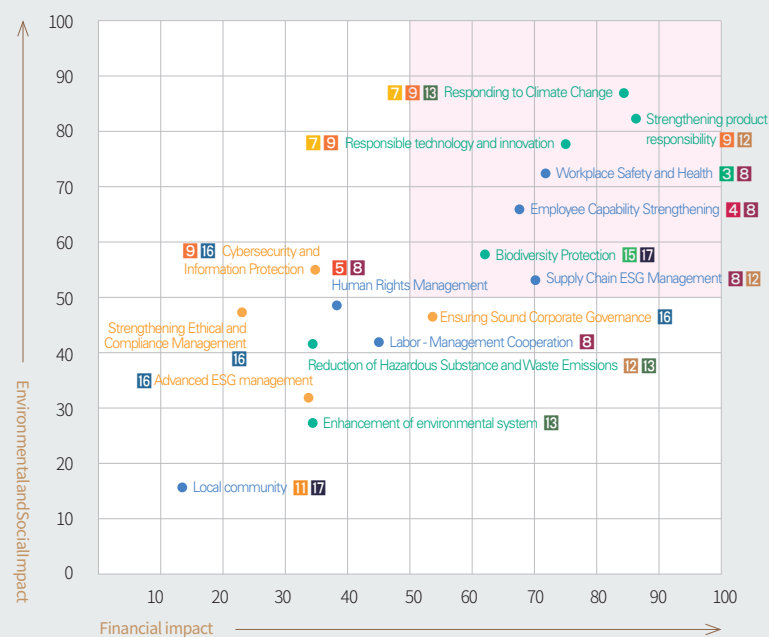
- Environmental/Social and Financial Materiality Assessed Simultaneously to Derive Key Issues
- Core Issues and General Issues Finalized Following Management Review and Approval

Double Materiality Assessment

Double Materiality Assessment Results

Through the Double Materiality Assessment, MNC Solution derived material issues and core issues, and reflecting the recently expanded interest of stakeholders in biodiversity conservation and natural capital management, included biodiversity protection among the core issues. As a result, a total of 17 material issues and 7 core issues were selected, and the assessment results and key content are transparently disclosed through this report. The derived issues were comprehensively evaluated in terms of environmental/social impact and financial impact in connection with the ESG management strategy, and were finally confirmed through management review and Board approval. The company also systematically manages the key content and response activities for each issue, and conducts regular monitoring and performance review. MNC Solution discloses material issue-related activities and performance through this report, and will continue to advance its execution capability and management system for ESG material issues, growing into a sustainable management company trusted by stakeholders.

SDGs-aligned Double Materiality Assessment Results



No.	Core Issue	Environmental and Social Impacts	Financial Impact	Response	GRI INDEX	Page
1	Strengthening product responsibility	●●●●●	●●●●●	Managing safety, maintenance, and quality assurance from the product design stage through manufacturing, delivery, and after-sales customer service	416-1	36, 37
2	Responding to Climate Change	●●●●●	●●●●●	Operating climate change response governance; managing GHG emissions and reduction targets	201-2, 302-1, 302-3, 302-4, 305-1, 305-2, 305-4	32, 33
3	Responsible technology and innovation	●●●●○	●●●●○	Establishing a mid- to long-term technological innovation roadmap; expanding R&D for sustainable eco-friendly products	Non-GRI	34, 35
4	Workplace Safety and Health	●●●●○	●●●●○	Operating safety/health management system; conducting risk assessment and follow-up management	403-1 ~ 403-9, 410-1	46, 47
5	Employee Capability Strengthening	●●●○	●●●○	Operating employee talent development programs; operating compensation/promotion-linked processes; designing and operating welfare programs	404	44, 45
6	Supply Chain ESG Management	●●●○	●●●○	Communicating co-prosperity through council operation; managing fair supplier selection process	2-6, 308-1, 414-1	52, 53
7	Biodiversity Protection	●●●○	●●●○	Managing local ecosystems through participation in local government biodiversity programs	304-1, 304-3	27

Legend



SDG Alignment Legend



Special Page

“A Company That Connects Outstanding Management Performance to ESG Value”

Record Management Performance Achieved Through Sustainable Growth

MNC Solution recorded its highest-ever performance in company history in 2025, with revenue of KRW 403.3 billion, operating profit of KRW 56.1 billion, and net profit of KRW 45.6 billion. This represents a significant increase compared to the previous year and is the result of building a stable growth foundation based on the expansion of the domestic and overseas defense markets and competitiveness in core motion-control technology. In particular, the company simultaneously secured growth and profitability through expanded K-defense exports, strengthened supply capability for major defense industry platforms, and continuous investment in technology development and improved production capability. In addition, even amid a rapidly changing global business environment, the company has continuously strengthened its competitiveness in quality, delivery, and cost, securing customer trust, and based on this has built a solid order backlog and a stable business portfolio. These achievements are not merely outward growth, but a meaningful result demonstrating that the company's sustainable growth strategy has translated into actual management performance.

ESG Management Competitiveness Proven by Objective Evaluation

MNC Solution has received excellent external evaluations through the construction and continuous advancement of its ESG management system. In the supply chain ESG due-diligence consulting jointly conducted by the Ministry of Trade, Industry and Energy and the Korea Productivity Center, the company also obtained the highest 'S' grade ESG Management Level Verification Certificate(issued April 2025), and in the second half of 2025 ESG evaluation by Sustainvest, a leading domestic ESG evaluation agency, the company also achieved the highest 'AA' grade, objectively recognizing its ESG management capability and supply chain management level.

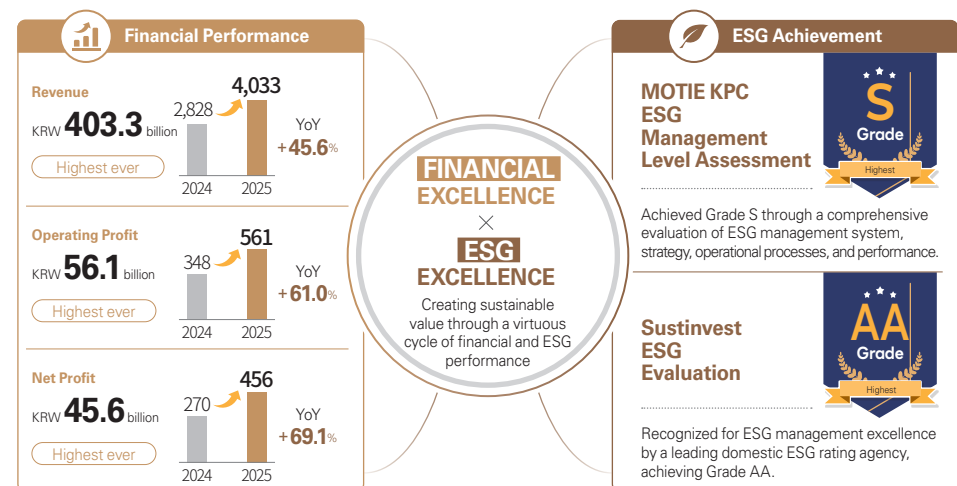
These achievements are the result of efforts that have systematically pursued ESG not as a simple management activity but as a core element of sustainable corporate growth and risk management and serve as a foundation for securing trust from diverse stakeholders including customers, investors, and suppliers.

Building a Virtuous Cycle Between Financial Performance and ESG Performance

Based on the recognition that sustainable management is the core of corporate competitiveness, MNC Solution is internalizing ESG throughout its management. The company is strengthening trust with stakeholders through responsible management activities such as operating a transparent governance structure and internal accounting management system, building a supply chain ESG management system, strengthening safety/health and information protection, and conducting biodiversity conservation activities. The company is also systematically managing major ESG issues centered on the ESG Committee and transparently disclosing ESG performance and promotion status through the publication of the sustainability report. Going forward, MNC Solution will continue to create excellent management performance and ESG performance in a balanced manner, raising both financial value and social/environmental value together. Through this, the company will grow into a leading global-level sustainable management company and will contribute to enhancing long-term corporate value and realizing a sustainable future.

2025 Financial & ESG Excellence

We have created balanced financial and non-financial value through sustainable growth strategies and responsible management.



Special Page

Biodiversity Conservation Activities with the Changwon City Citizen Biodiversity Survey Team



창원시지속가능발전협의회

Biodiversity Conservation Together with the Local Community

To contribute to natural capital conservation and ecosystem health improvement through cooperation with the local community, MNC Solution participated in the “2026 Citizen Biodiversity Survey Team” operated by Changwon Special City and the Changwon City Sustainable Development Council. Employees directly participated in biodiversity surveys and conservation activities centered on the Towol Stream area adjacent to the company, understanding the current state of the local ecosystem and contributing to creating a sustainable environment. Through this, the company is practicing its environmental responsibility while creating a sustainable future together with the local community.

Citizen Participatory Biodiversity Survey Activities

The Citizen Biodiversity Survey Team activities consist of a variety of programs that go beyond simple environmental cleanup activities, including removal of ecosystem-disturbing species, surveys of fauna and flora habitats, creation of ecological maps, recording of habitat environments, and ecological restoration activities. MNC Solution employees participate in field surveys and data recording activities in the Towol Stream area, understanding the distribution and ecological characteristics of local biological species and carrying out practical conservation activities for healthy ecosystem restoration. These activities contribute not only to local ecosystem conservation but also to the accumulation of biodiversity data and serve as an opportunity to raise employees' understanding of and sense of responsibility for the local environment.

Practicing ESG Management and Natural Capital Conservation

Recently, corporate sustainability has expanded beyond climate change response into the area of biodiversity and natural capital management. MNC Solution is practicing local ecosystem protection and environmental responsibility through Citizen Biodiversity Survey Team activities and is pursuing this as an important ESG management task. Going forward, the company will continue to expand ecosystem conservation activities in cooperation with the local community and will faithfully fulfill its role as a responsible corporate citizen by contributing to the creation of a sustainable environment where nature and people coexist.

Preparing for Transition to TNFD LEAP Framework-Linked Activities

MNC Solution has identified the Towol Stream near its business site as a major natural capital interface, and through Changwon Special City Citizen Biodiversity Survey Team activities, is conducting species surveys, ecological environment monitoring, and ecosystem conservation activities, thereby strengthening local biodiversity conservation and the natural capital management system. The company is also continuously advancing its natural capital management foundation, in preparation for future application of the TNFD LEAP Framework, by progressively reviewing nature-related dependencies, impacts, risks, and opportunity factors and accumulating related data.

LEAP Stage	Core Theme	Key Content	MNC Solution Key Activity
Locate	Identifying interface with nature	Selected the Towol Stream near the business site as a major natural capital interface	- Ecological environment survey of the Towol Stream area - Identification of major species and habitats
Evaluate	Assessing nature dependency/impact	Conducted ecosystem status survey and monitoring	- Recording habitat environments - Monitoring ecosystem-disturbing species - Collecting ecological information and accumulating data
Assess	Analyzing risks and opportunities	Reviewed risk factors and ESG opportunity factors related to biodiversity decline	- Reviewing prevention of local ecosystem damage - Assessing the need for natural capital conservation - Strengthening local community cooperation
Prepare	Establishing and implementing response strategy	Expanded ecosystem conservation and natural capital management based on local community cooperation	- Continued participation in the Citizen Biodiversity Survey Team - Promoting ecological restoration activities - Establishing a foundation for TNFD-linked disclosure



Environmental

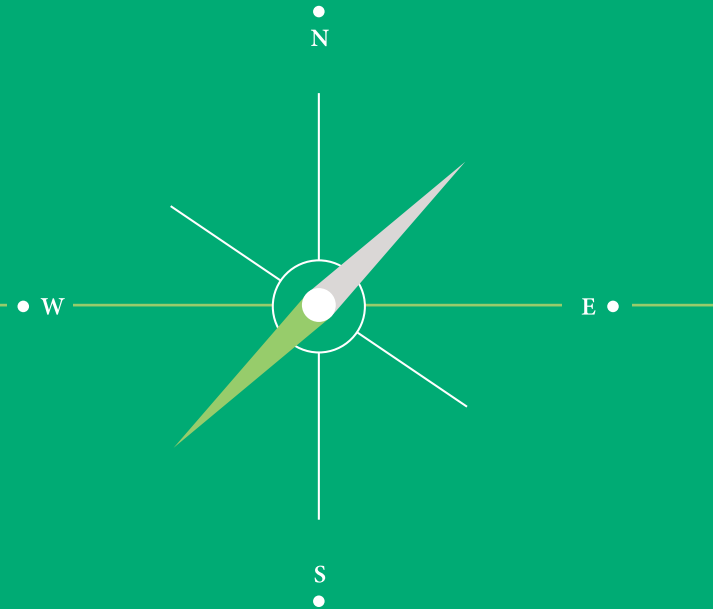
Environmental Management System

Climate Change Response

Responsible Technology Innovation

Strengthening Product Responsibility

Reducing Hazardous Substance and Waste



03





Environmental Management System

Operation of the Environmental Management System

Environmental Management Promotion System

MNC Solution has established environmentally friendly management as a core value, and in March 2010 established the “Environment and Safety/Health Manual” to minimize negative environmental impacts that may occur throughout corporate activities and the value chain, and to create sustainable environmental performance. Since then, the company has continuously revised and operated this manual in line with the rapidly changing business environment and changes in domestic and international environmental regulations and global standards, thereby strengthening its management system. The company’s Environment and Safety/Health Manual is applied consistently across all business sites, and the company also encourages compliance with and implementation of the policy among external stakeholders including suppliers and contract partners. In addition, in cases where there are no separate standards in relevant laws or where clear guidelines have not been established, the company carries out its work based on the Environment and Safety/Health Manual, thereby securing consistency and accountability in environmental management.

Environmental Management Policy
① Environmental conservation and the realization of zero accidents are the basic duties of all employees of the company; environmental impact and risk are minimized by actively considering the environment and safety/health in all work. ② To minimize and improve environmental impact and risk, integrated goals and promotion plans are established and implemented, and continuous improvement activities in environment and safety/health are carried out. ③ By using raw materials and energy efficiently, natural resources are conserved, and environmental pollution is minimized in production and all management activities. ④ The company guarantees that all of its facilities, manufacturing activities, and products satisfy international agreements, national and local government laws related to environment and safety/health, and the company’s own regulations. ⑤ The company complies with regulations related to environment and safety/health, and builds an integrated management system that is friendly to environment and safety/health through education and training, awareness improvement, and technology development. ⑥ The company guarantees transparency by disclosing its integrated policy, integrated goals, and performance to stakeholders, and fulfills its social responsibility for its commitment to integrated management and for realizing environmental conservation and zero accidents.

CEO

Technology EnvironmentTeam

Role

- Establishing environmental management strategy
- Managing waste, air, and water quality
- Calculating greenhouse gases
- Conducting environmental risk inspections
- Monitoring legal compliance and supporting on-site implementation

Environmental Management System Operation

MNC Solution continuously operates an eco-friendly-centered environmental management system to respond to strengthened global environmental regulations and the carbon neutrality trend. The company is focused on expanding its eco-friendly business domain and building a foundation for sustainable growth based on a technology development roadmap that reflects changes in future industries and market demands. The company is expanding its existing hydraulic-centered business domain into the eco-friendly drive sector through the development of electric motor-based electric drive systems, and continuously pursuing the development of low-carbon, low-noise, and high-efficiency technology. In addition, the company systematically manages environmental impact across the entire range from product development to production and the supply chain and is strengthening the application of eco-friendly technology and greenhouse gas reduction activities. MNC Solution aims to leap forward as a company in the eco-friendly drive sector through continuous technological innovation and responsible environmental management.

Environmental Management System Certification Status

ISO 14001: First certified on December 13, 2005; environmental management system in operation.

Category	Sites(Number)	Certifications(Number)	Certification Rate(%)	Note
ISO 14001:2015	1	1	100	Headquarters, factory



ISO 14001 Environmental Management System Certificate
(Korean version)



ISO 14001 Environmental Management System Certificate
(English version)

Environmental Management System

Environmental Risk and Emergency Response System

Implementation of Environmental Impact Assessment

In accordance with the ISO 14001:2015 standard, MNC Solution conducts a prior environmental impact assessment when introducing new facilities, changing processes, or improving facilities, reviewing the impact on air, water quality, waste, chemical substances, and energy, and based on the results, prevents potential environmental risks through reduction measures and the strengthening of internal standards.

Preliminary Environmental Impact Review and Assessment

Review of Pollution Reduction Facilities

Minimization of Waste Generation

Enhancement of Resource Efficiency

Review of Pollution Reduction Facilities

Risk Prevention-Oriented Operations

Environmental Risk Management

To prevent environmental pollution accidents, MNC Solution is pursuing comprehensive environmental risk management activities including strengthened management of air pollutants and discharged wastewater, prevention-centered facility operation, operation of an emergency response manual, and securing the safety of customers and the local community.

Management Area	Key Implementation Content	Note
Air/Emission Facilities	Maintaining emissions below legal limits, regular inspection of major pollutants	Headquarters, factory
Air/Emission Facilities	Operation of reduction, separation, storage, and disposal standards and history management	Compliance with operating standards
High-Risk Facilities	Prior inspection and automatic shutoff for leakage/spill/explosion-risk facilities	Regular inspections conducted
Local Community	Strengthened safety management considering product safety and local community health protection	Strengthened safety activities

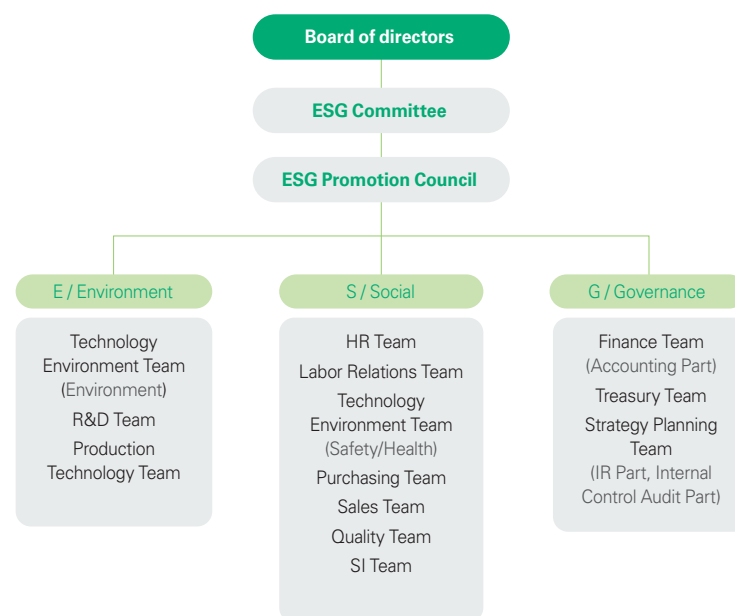
Environmental Accident and Emergency Response

To minimize damage and secure business continuity through rapid and systematic response in the event of natural disasters or environmental pollution accidents, MNC Solution establishes and operates a Business Continuity Plan(BCP). The company has built a solid risk management system based on emergency response guidelines and procedures and operates a dedicated emergency response organization in preparation for various emergency situations including environmental pollution accidents. In addition, in the event of a pollution accident, the company swiftly implements reporting, communication, initial response, and recovery procedures to prevent the spread of damage.

ESG Promotion System and Response Organization

MNC Solution has established and operates a systematic and organized response framework to minimize human casualties and secure rapid recovery and business continuity in the event of disasters and accidents. The company operates an integrated incident response process spanning the entire range from initial response, prevention of secondary damage, to early normalization. In particular, to strengthen the effectiveness of incident response and the ESG management system, the company has built an organic governance structure consisting of the Board of Directors, the ESG Committee, and the ESG Promotion Council. The Board of Directors, as the highest decision-making body for disaster response and ESG overall, presents strategic direction, while the ESG Committee oversees the establishment and operation of ESG policy and emergency response strategy. The ESG Promotion Council also performs substantive response activities and execution tasks based on collaboration across the Environmental(E), Social(S), and Governance(G) sectors, and supports the strengthening of company-wide crisis response capability.

ESG Management Framework and Operations



Climate Change Response

Climate Change Governance

Climate Change Governance

Based on sustainable management and eco-friendly innovation, MNC Solution is continuously advancing its mid- to long-term ESG management strategy to strengthen stakeholder trust and secure global competitiveness. The company proactively manages the risks and opportunities arising from climate change and is pursuing carbon-neutral-based environmental management by strengthening its greenhouse gas emissions management and reduction implementation system. To this end, the company is building integrated carbon neutrality governance that operates everything from setting reduction targets to implementation, monitoring, and performance management, and the ESG Committee, with the CEO as the final decision-maker, deliberates and resolves on climate change response strategy and major policy. The ESG Committee oversees the company-wide climate response system by performing analysis of climate risks and opportunities, review of greenhouse gas emissions management performance, and review of mid- to long-term implementation tasks. In addition, MNC Solution continuously advances its key performance indicators(KPIs) for climate change response and environmental impact reduction, and based on this, systematically manages and evaluates its greenhouse gas reduction activities and environmental management performance.



Climate Change Response Implementation System

MNC Solution operates an integrated governance system centered on the ESG Committee to systematically manage the management risks and opportunities arising from climate change. The Board of Directors holds final decision-making authority over ESG policy and strategy and regularly reviews and supervises climate change response strategy and major implementation status. In addition, the ESG Committee, as an organization under the Board, links with the ESG Promotion Council, in which major departments from the Environmental(E), Social(S), and Governance(G) sectors participate, to strengthen an execution-centered ESG management system. Climate change response activities are led by the Technology Environment Team in the Environmental(E) sector, and energy usage management, greenhouse gas emission reduction, eco-friendly facility investment, and operational efficiency improvement are carried out as core tasks. Each department establishes annual implementation plans and quantitative targets to systematically manage performance, and major implementation results and performance are regularly reported to the Board through the ESG Committee, thereby continuously advancing the company-wide climate response and environmental management system.

Climate Change Response Implementation Content

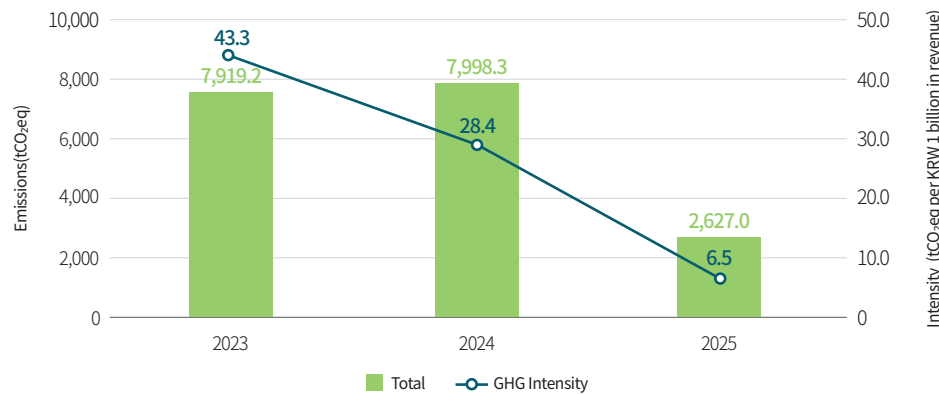
As a core company in the defense industry, MNC Solution recognizes climate change response as an important management task for national security and industry sustainability and continuously strengthens a production and operation system centered on eco-friendly practices. In particular, to improve the efficiency of energy-intensive production processes, the company is pursuing energy usage reduction and operational efficiency improvement by introducing high-efficiency inverters and smart energy control systems. In addition, dust collection and pollution reduction facilities are applied to welding and surface treatment processes to minimize air pollutant emissions, and the company contributes to building an eco-friendly manufacturing foundation and realizing carbon neutrality by systematically managing the environmental impact of the overall production process.

Management Area	Implementation Content	Major KPI
Energy Efficiency	High-efficiency inverters, smart control systems	Annual energy usage reduction rate(%)
Greenhouse Gas Reduction	Process optimization, raw material conversion, facility replacement	Scope 1-2 emissions(tCO ₂ eq) and reduction rate
Low-Carbon Product Development	Lightweighting, recycled materials, low-power design	Low-carbon material application rate(%)
Air Pollution Reduction	Reduction facility replacement, strengthened measurement/management	Air pollutant emissions (measurement compliance rate)

Climate Change Response

Greenhouse Gas Emissions and Energy Usage Management

To systematically manage greenhouse gas reduction targets and substantively implement them, MNC Solution calculates emissions quantitatively based on greenhouse gas emission source classification and data collection, and through this, pursues various plans and activities to increase energy usage efficiency and reduce unnecessary consumption. The company also continuously reviews feasible measures for greenhouse gas reduction and establishes and progressively implements specific tasks. As a result, the energy usage intensity from 2023 to 2025 shows a consistent downward trend.



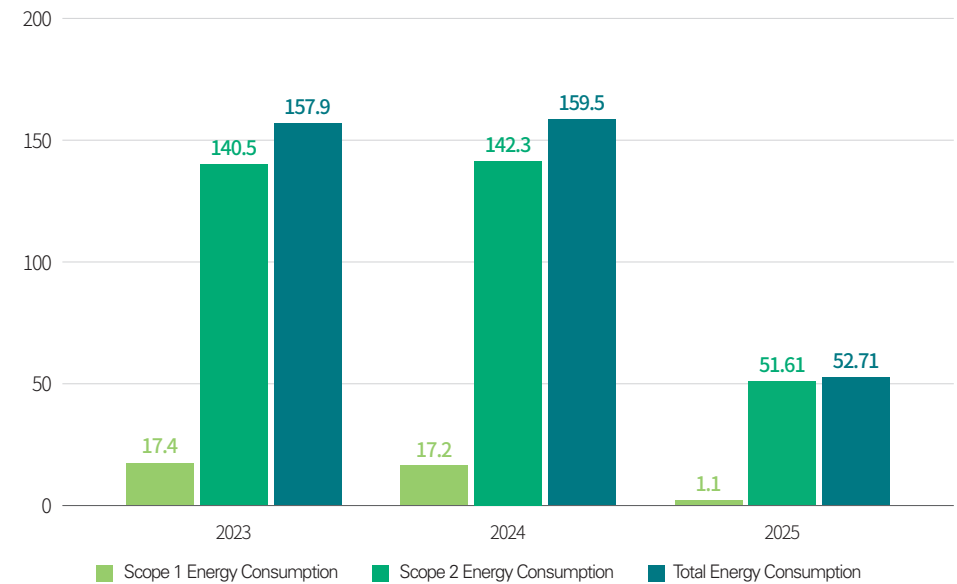
Greenhouse Gas Emissions Status

MNC Solution pursues comprehensive environmental risk management activities including strengthened management of air pollutants and discharged wastewater, prevention-centered facility operation, operation of an emergency response manual, and securing the safety of customers and the local community, in order to prevent environmental pollution accidents.

Category	Unit	2023	2024	2025
Direct/Indirect GHG Emissions (Scope 1+2)	tCO ₂ eq	7,919.20	7,998.30	2,627.00
Direct GHG Emissions(Scope 1)	tCO ₂ eq	923.8	913.1	57.2
Indirect GHG Emissions(Scope 2)	tCO ₂ eq	6,995.40	7,085.20	2,569.80
GHG Emission Intensity	tCO ₂ eq / KRW 1 billion revenue	43.3	28.4	6.5

※ The 2023 and 2024 greenhouse gas emissions data is based on figures prior to the company's spin-off.
(MNC Solution and Doosan Mottrol were separated in December 2023, but the substantive separation of data has been applied from 2025 onward.)

Energy Usage



Energy Usage Status

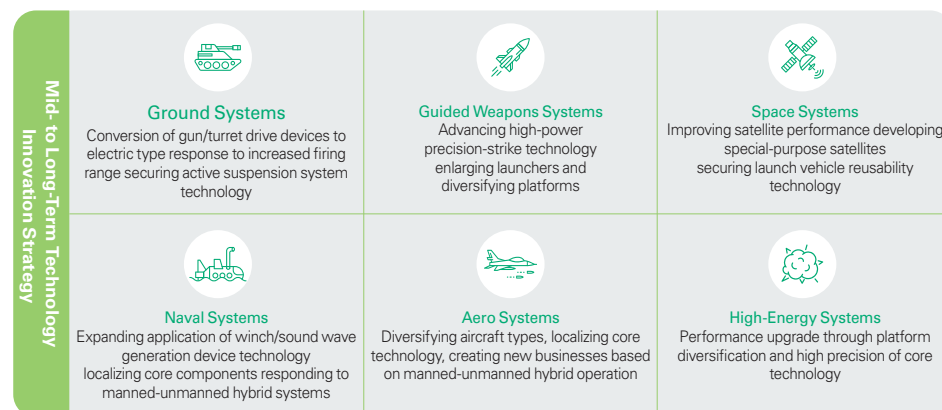
Category	Unit	2023	2024	2025
Scope 1 Energy Usage	TJ	17.4	17.2	1.1
Scope 2 Energy Usage	TJ	140.5	142.3	51.6
Total Energy Usage	TJ	157.9	159.5	52.7
Energy Usage Intensity	TJ / KRW 1 billion revenue	86.3	56.6	13.1

※ The 2023 and 2024 energy usage data is based on figures prior to the company's spin-off.
(MNC Solution and Doosan Mottrol were separated in December 2023, but the substantive separation of data has been applied from 2025 onward.)

Responsible Technology Innovation

Mid - to Long - Term Technology Innovation Strategy

Mid- to Long-Term Technology Innovation Strategy Summary



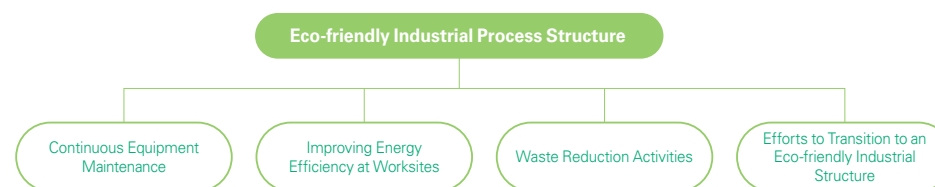
MNC Solution has established mid- to long-term technology strategies by sector for six core areas ground, guided weapons, naval, aviation, space, and high-energy reflecting the changing technology and business trends of the defense market.

- **Ground Systems:** Conversion of gun/turret drive devices to electric type, response to increased firing range, securing active suspension system technology
- **Guided Weapons Sector:** Advancing high-power, precision-strike technology, enlarging launchers and diversifying platforms
- **Naval Systems:** Expanding application of winch/sound wave generation device technology, localizing core components, responding to manned-unmanned hybrid systems
- **Aero Systems:** Diversifying aircraft types, localizing core technology, creating new businesses based on manned-unmanned hybrid operation
- **Space Systems:** Improving satellite performance, developing special-purpose satellites, securing launch vehicle reusability technology
- **High-Energy Systems:** Performance upgrade through platform diversification and high precision of core technology

MNC Solution is targeting 'Global Top Tier' status, strengthening order competitiveness in existing business areas while strategically expanding entry into future growth sectors such as satellite payloads and next generation launch vehicles. In addition, the company is securing a foundation for sustainable growth in the global defense market by simultaneously pursuing the expansion of direct exports, strengthening MRO technical support capability, and advancing the R&D system.

Eco-Friendly Production Processes and Machinery/Equipment Improvement

MNC Solution continuously pursues activities to improve energy usage efficiency and reduce consumption within its business sites for the transition to an eco-friendly industrial structure. Through regular inspection, maintenance, and improvement of aging equipment of production facilities and major equipment, the company minimizes energy waste and strengthens operational efficiency. In addition, through the construction of an integrated cooling tower and the introduction of a cleaning solution regeneration device, the company reduces resource usage and waste generation, working toward energy savings and environmental impact reduction.



Expanding R&D for Sustainable Eco-Friendly Products

In line with growing interest in global environmental issues and the carbon neutrality trend, MNC Solution is focusing on developing future-oriented products that apply eco-friendly technology. The company is pursuing the development of eco-friendly drive devices with the goal of realizing carbon neutrality, and going beyond simple technology development and investment, has established a mid- to long-term technology development roadmap to proactively respond to the changing industrial environment and global market changes, thereby expanding its business domain into the eco-friendly sector. In particular, by developing electric motor-based electric drive systems, the company is expanding its business domain from an existing hydraulic specialist company into an eco-friendly, high-efficiency drive solution company, and is strengthening technological competitiveness to respond to diverse customer requirements. In addition, based on eco-friendly system technology secured through its own R&D investment, the company continuously pursues the development of low-carbon, low-noise, and high-performance technology, striving to leap forward as an innovative company leading the sustainable eco-friendly drive system sector.



Responsible Technology Innovation

MNC Solution Technology Research Institute

Activities and Performance

Based on the development capability for core defense industry drive components accumulated since its founding in 1974, the MNC Solution Technology Research Institute continuously strengthens technological competitiveness across the ground, guided weapons, naval, aviation, and space/high-energy sectors. While pursuing the implementation of eco-friendly drive systems through the development of electric drive devices, product lightweighting, and securing of low-carbon, low-noise, and high-performance technology, the company continues its own R&D investment and technological innovation activities. In addition, based on a Product Lifecycle Management (PLM) system, the company integrates and manages information across the entire process from planning, design, production, and operation to disposal, and improves product quality and development efficiency through systematic management of BOM and configuration information and information sharing with suppliers and government agencies. MNC Solution will continue to rapidly respond to customer requirements based on a systematic new product development process (NPD) and will expand the development of high-efficiency products that combine reliability and performance by internalizing sustainability elements such as energy efficiency improvement, hazardous substance reduction, lightweighting, and LCA-based carbon reduction into product development.

Key Performance as of First Half of 2026 (Number of Cases)



7
Patent
Registrations



14
Award
Records



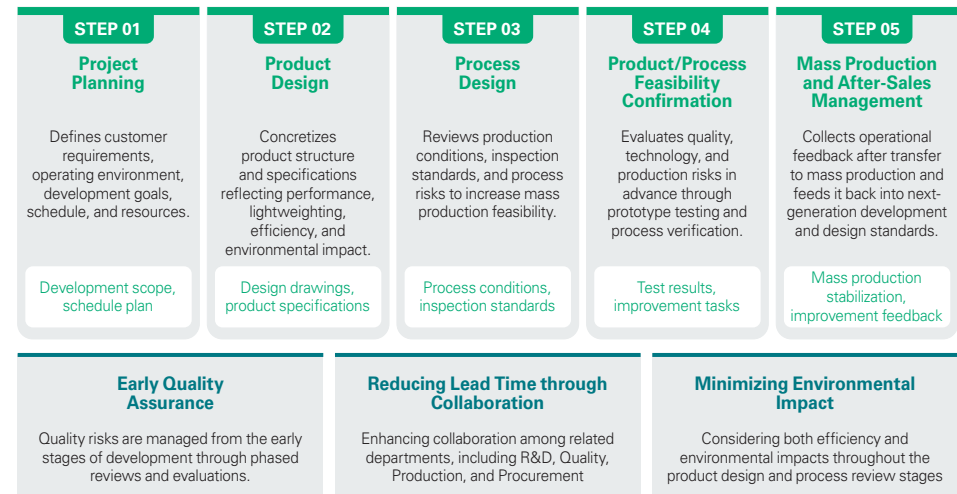
22
Electric Drive Device
Development Projects



Systematic New Product Development, NPD Process

MNC Solution operates a systematic NPD (New Product Development) process with the goal of meeting customer requirements, securing initial quality, and minimizing environmental impact. Product development proceeds through the stages of project planning, product design, process design, product/process feasibility review, mass production, and after-sales management, and systematically manages quality, technology, and process risks through prior review and evaluation at each stage. In addition, related departments such as R&D, quality, production, and purchasing collaborate organically to improve the completeness of product and process design, and to shorten development lead time and secure mass production stability.

Based on this development system, as of June 2026, MNC Solution has achieved 7 patent registrations, 14 award records, and 22 electric drive device development projects, strengthening sustainable product competitiveness.



Product Lightweighting and Efficiency Enhancement

MNC Solution considers the efficiency of drive devices as a core element from the design stage, pursuing product lightweighting and improved operational efficiency. The company optimizes drive force while satisfying required performance to reduce unnecessary load and secures both stability and lightweighting simultaneously through structural analysis that reviews load conditions and safety factors. Based on this, MNC Solution is strengthening its high-efficiency drive technology and structural safety verification capability and is expanding the development of sustainable products that balance performance, reliability, and environmental impact.

Strengthening Product Responsibility

Product Safety and Quality System

Quality and Customer Management Policy

MNC Solution operates a quality response system centered on customer touchpoints to proactively respond to the rapidly changing market environment and increasingly sophisticated customer requirements. The company has recently been transitioning to managing key customer-related information such as customer requirements, claims, and VOC based on an integrated system, and through this is raising the level of management so that the reception, analysis, improvement, and recurrence-prevention activities for quality issues can be more systematically linked.

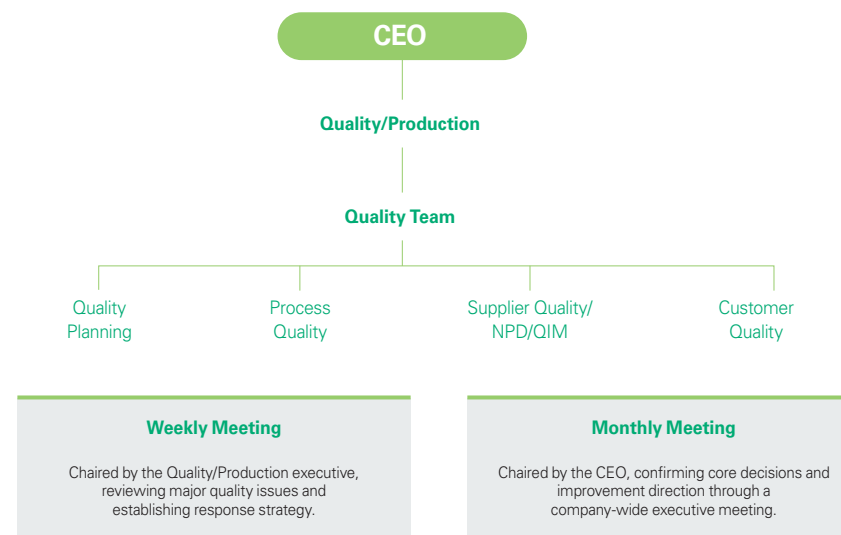


The company establishes quality management policy and improvement direction based on accumulated customer data, and organically operates development quality, supplier quality, process quality, and customer quality within a single Quality Management System(QMS). Through this, customer requirements are reflected throughout the entire product development and production process, and the company secures consistent quality levels and rapid customer response capability, thereby pursuing continuous customer satisfaction and strengthened quality competitiveness.

1) ERP: Enterprise Resource Planning
 2) NPD: New Product Development
 3) TDP: Technical Data Package
 4) MQAS: MNC Quality Assurance System

Promotion Organization

MNC Solution systematically manages quality issues that arise across the entire development, mass production, and customer quality process, centered on the Quality/Production division that reports directly to the CEO. The company strengthens product safety and quality reliability by sharing quality information and implementing improvement tasks through collaboration among related departments. At the weekly quality meeting held for quality issue improvement, major current issues are reviewed under the supervision of the responsible executive, and decisions are made regarding response strategy and root-cause improvement. Based on this operating system, MNC Solution continuously pursues prevention-centered quality management and the enhancement of customer trust.



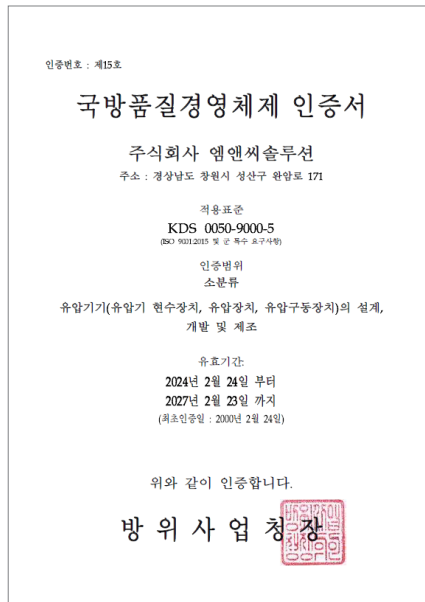
Strengthening Product Responsibility

Strengthening Quality Responsibility

MNC Solution operates a quality management system spanning the entire range of contracting, development, mass production, and customer service, based on the national defense quality management system and the aerospace quality management system. Through this, the company systematically carries out quality assurance activities and customer-tailored CS activities, fulfilling its responsibility for product quality.

In addition, the company considers function realization and user safety together from the design and development stage and strengthens quality risk prevention activities in internal processes. Furthermore, by supporting quality management and training for suppliers, the company raises quality competitiveness across the entire supply chain and continuously advances its quality management system based on product safety and customer trust.

Category	Certification
National Defense Quality Management System	KDS 0050-9000-5
Aerospace Quality Management System	KS Q 9100(AS 9100)



Strengthening Product Responsibility and Product Safety

MNC Solution clearly recognizes that its products and services are a core element supporting customers' mission performance and user safety, as well as national security and social trust. Based on this recognition, the company continuously advances its technological and quality competitiveness across the entire product lifecycle from contracting, development, production, and delivery to after-sales service, and secures product reliability and operational stability through a systematic verification, evaluation, and quality management process. At the design and development stage, the company proactively reflects the actual operating environment and user safety to enhance product completeness, and at the mass production and quality management stage, strengthens management activities for early identification and prevention of potential risks. Given the characteristics of the defense industry, MNC Solution holds the principle that product quality and safety are directly connected not only to customer satisfaction but also to social responsibility, and treats the safety and reliability of military equipment, prevention of quality abnormalities, and maintenance of post-delivery operational stability as core values. Going forward, the company will continue to advance its prevention-centered quality and safety management system and will do its utmost to provide products and services that customers can trust and rely on.

Product Lifecycle Quality Assurance

MNC Solution operates a product development system that considers product lifecycle, maintenance, and quality assurance requirements from the design stage. Even after delivery, the company continuously manages product safety and operational reliability through customer feedback collection, defect analysis, derivation of improvement tasks, and customer-tailored CS activities. In addition, the company reflects quality information secured at the usage stage back into the development and production process to prevent recurring issues and provides products and services that customers can trust by advancing the quality assurance system across the entire product lifecycle.

01. Design and Development	02. Procurement and Quality Assurance	03. Production and Verification	04. Delivery and Operation
Confirmation and verification of the design process and outputs - Standardization and technical safety review - Securing technology/quality through test verification	Quality assurance for procured items - Supplier quality assurance requirements/management - Issuance of quality requirement sheets for procured items - Conducting quality assurance activities	Reflecting production characteristics and securing optimal quality - Quality assurance by assembly process/stage - Final performance verification and testing	Support system for customer satisfaction - Establishing and responding to customer feedback - Defect analysis and establishment of recurrence-prevention measures - Customer-tailored CS activities



Reducing Hazardous Substance and Waste

Management of Hazardous Substances and Waste

Hazardous Chemical Substance Management

In accordance with its environmental management policy, MNC Solution systematically evaluates and manages hazardous chemical substances used at its business sites or contained in its products. The company secures the safety of chemical substance handling within its business sites by utilizing Material Safety Data Sheets(MSDS) and focuses on worker safety and chemical accident prevention through measures such as posting MSDS by work process, attaching warning labels, mandating the wearing of protective equipment, and operating an accident response system. In addition, all chemical substances brought into the company are managed through a procedure whereby the Technology Environment Team reviews them before use, in accordance with the internal chemical substance management procedure. Regarding waste management, the company strengthens its designated waste management system, confirms emission volumes by waste characteristics, provides hazardous material information data, and classifies and manages waste emitted by process.

Compliance with Environmental Laws and Regulations

MNC Solution operates an environmental risk management system by regularly reviewing laws and policies in environmental areas such as air, chemical substances, and waste. The company continuously strengthens the minimization of environmental impact and compliance with legal requirements through inspection, training, facility improvement, and monitoring activities by business site. In addition, the company maintains a stable business site operation system by pursuing prevention-centered management activities for emission facilities and environmental facility operation. The company continuously conducts internal inspection and improvement activities in preparation for the possibility of environmental-related issues, and from 2023 to 2025, no significant environmental law violations occurred at domestic or overseas business sites.

Environmental Education

MNC Solution continuously conducts training in the fields of waste, water quality, and air for the professional development of environmental staff. In 2024 and 2025, a total of 32 hours of environmental training was completed each year based on the first half of the year, and in 2026, in addition to existing training, an additional 24-hour greenhouse gas emissions calculation course was completed, strengthening capability in environmental pollutant management and greenhouse gas calculation.

Training Content	Training Hours	2024	2025	2026
Waste Discharger Training	4 hours	Completed	Completed	Completed
General Water Quality Environment Technician Training	14 hours	Completed	Completed	Completed
General Air Environment Technician Training	14 hours	Completed	Completed	Completed
Greenhouse Gas Emissions Calculation Course	24 hours / 3 days	—	—	Completed

Environmental Pollutant Emission Management

MNC Solution operates an environmental pollutant management system based on ISO 14001, and systematically manages emission facilities in accordance with air, water quality, and hazardous chemical substance-related laws. The company manages the entire process from review of emission facility installation, obtaining permits, installation/test operation, operation, pollution level measurement, to maintenance, thereby complying with legal requirements and minimizing environmental risk. In addition, through regular inspection and monitoring, data analysis, and improvement activities, the company realizes continuous improvement in environmental performance and safe business site operation.

01 Review of pollutant emission prevention facility installation

02 Obtaining permits

03 Inspection and test operation after installation/test operation

04 Confirming conformity with permit content

05 Operating emission/prevention facilities

06 Measuring pollution levels

07 Maintenance and management

Permit Acquisition Tasks under Environmental Law

- Reviewing emission facilities(Identifying permit targets)
- Reviewing installation of optimal prevention facilities
- Predicting pollutant emissions
- Identifying processes

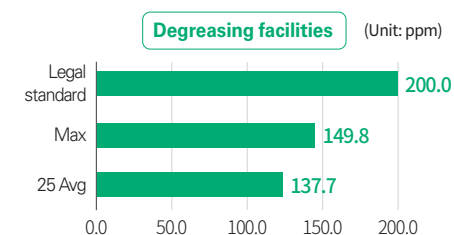
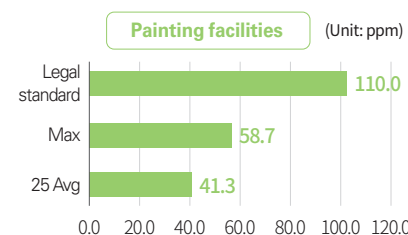
Review of conformity between installed emission/prevention facility details and permit documents

- Reviewing conformity of installation details and permit documents

Managing and improving pollution levels through continuous maintenance of environmental facilities

- Regular inspection and maintenance
- Measuring and monitoring pollution levels
- Improvement measures based on analysis results

Air Pollutant Management Status



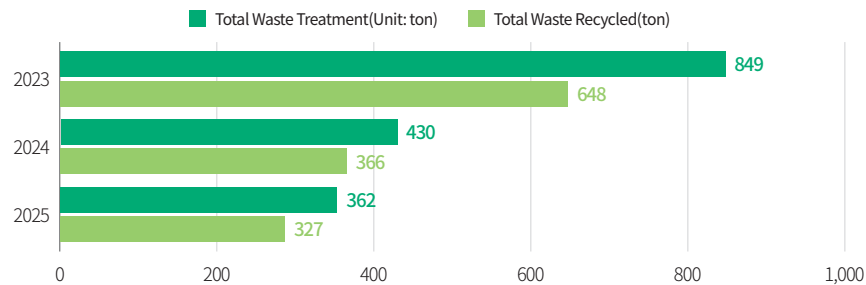
Reducing Hazardous Substance and Waste

Expanding Eco-Friendly Packaging Materials and Recycling Measures

The company is actively expanding the use of eco-friendly packaging materials by reducing the use of single-use packaging materials such as paper packaging materials and plastic pallets and introducing reusable return packaging materials such as return small boxes and returnable sleeve packs. Through this, the company contributes to resource savings and waste reduction, as well as strengthening the eco-friendly supply chain with customers. In addition, waste emission and recycling performance is transparently disclosed through the sustainability report and the company website.

Waste Management

MNC Solution strives to minimize waste generated during business operations and increase the waste recycling rate through efficient treatment and strengthened resource circulation. The company continuously manages waste generation volumes in accordance with its environmental management policy(waste management regulations), and pursues expanded recycling tailored to the type and characteristics of waste. In particular, the company creates environmental value by building an upcycling ecosystem that converts waste with a high incineration ratio generated during the product production process into new products and services. From April 2024, the company focused on improving the treatment method for designated waste and expanding the recycling ratio, and accordingly discovered recycling treatment companies, improving the total waste recycling rate from 76% in 2023 to 85% in 2024 and 90% in 2025. The company plans to continue pursuing additional improvement activities to raise the waste recycling rate going forward.



Year	Total Waste Treated (ton)	Total Waste Recycled (ton)	Non-Recycled (ton)	Waste Recycling Rate (%)
2023	849	648	201	76
2024	430	366	64	85
2025	362	327	35	90

Plans for Waste Reuse or Recycling

MNC Solution operates a five-stage waste treatment management system to reduce waste generation and improve recycling rates. The company reduces waste generation in advance and reuses usable resources, separates recyclable waste to regenerate it as a resource. Waste that is difficult to recycle is converted through energy recovery and similar methods, and final residue is safely disposed of in accordance with legal requirements, thereby minimizing environmental impact.

• **Five-Stage Waste Treatment** | Through management of the entire waste lifecycle, environmental impact is minimized, and resource circulation is realized.



Chemical Accident Prevention Drills



Action Manual in the Event of an Accident



Social

Human Rights Management

Strengthening Employee Capabilities

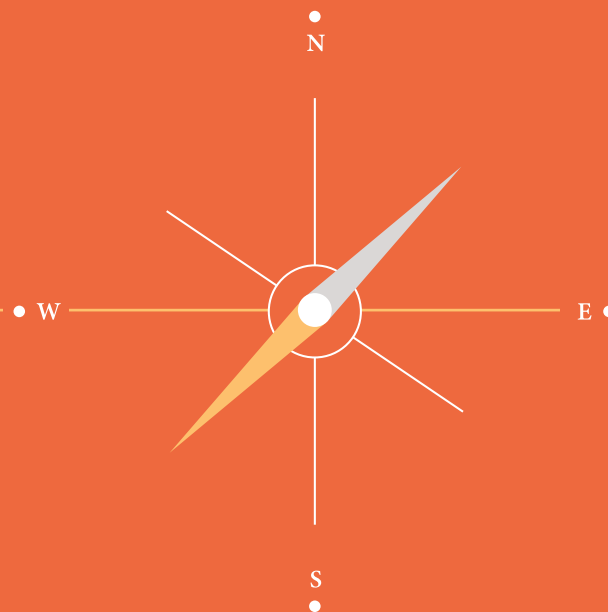
Safety and Health Management

Labor-Management Cooperation

Employee Communication and Welfare

Local Community

Supply Chain ESG Management



04





Human Rights Management

Human Rights Management Policy

Establishment of Human Rights Management Principles



Human Rights Management Organizational Operating System

MNC Solution operates by dividing roles among management, the monitoring department, and the practical operating department to secure the effectiveness of human rights management. The ESG Committee comprehensively manages human rights management policy and major issues, and the ESG Promotion Council monitors the human rights impact assessment and implementation status. The HR Team and the Labor-Management Cooperation Team substantively implement human rights management activities such as recruitment, training, and improvement of working conditions.

Human Rights Management Organization Chart and Roles



Human Rights Management Mid- to Long-Term Roadmap

MNC Solution is progressively building its human rights management system for systematic implementation of human rights management. Going forward, the company will continuously supplement human rights-related systems and operating frameworks and will expand human rights management activities targeting employees and stakeholders to progressively advance the level of sustainable human rights management, including building a human rights risk management and human rights impact assessment system.

Annual Human Rights Management Promotion Direction



Human Rights Management

Human Rights Management Activities

Human Rights Management Activities

MNC Solution recognizes the protection and respect of employees' human rights as an important responsibility of corporate management and is progressively pursuing the establishment of a human rights management system based on the UNGPs(UN Guiding Principles on Business and Human Rights). Through establishing a human rights impact assessment system, conducting prior risk inspections, operating human rights-related training, and deriving improvement tasks, the company prevents human rights risks and continuously expands activities to foster a healthy organizational culture.

Operation of the Grievance Filing and Reporting System

All employees and stakeholders of MNC Solution can report human rights violations and unfair conduct through the grievance handling procedure. Reporters do not suffer any disadvantage, and in the event of harm, restoration to the original state and remedial measures are guaranteed. In addition, the effectiveness of this reporting system is evaluated through an operational review conducted at least once a year.

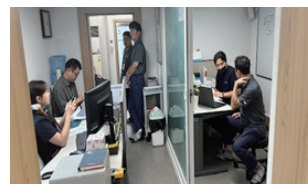
Human Rights Training Operation Status

MNC Solution mandatorily conducts human rights training at least once a year for all employees.

Category	All Employees	New Hires
Training Content	Discrimination prohibition, workplace harassment prevention, disability awareness improvement	Basic understanding of human rights management
Number Completed	331 persons	43 persons

※ Human Rights Training Operation Status(2025): Although the actual number of recruited employees was 45, training was conducted for 43 persons due to 2 employees who were re-employed after statutory retirement.

Employee Welfare Benefits



Company physician consultation



Children's Day gift



company outing



company housing



long-service commendation



club activities

Health	Work & Life Balance	Family	Other
Medical expense support, Health checkups, Group accident insurance, Company physician health consultation	Encouragement of bridge holiday, leave 5 days of summer vacation, Selective working hours system	Tuition support, Daycare center childcare expense support, School entrance celebration money, College entrance exam/ Children's Day gifts, Housing fund loans Living stability fund loans, Celebratory/ condolence money and leave	Company housing/ dormitory provided, Commuter bus, Club activity support, Departmental outings, Condo membership

Diversity and Inclusion

MNC Solution practices a culture of human rights respect based on Diversity, Equity, and Inclusion (DEI), and operates a fair and equal personnel system throughout employment. The company prohibits unfair discrimination on any grounds including gender, age, education, religion, disability, place of origin, and social status across all areas including employment, promotion, wages, training, and welfare, and strives to respect the diversity of its members and guarantee equal opportunity. The company also complies with relevant laws and international standards.

Strengthening Employee Capabilities

Talent Development

MNC Solution's Ideal Talent



Expanding Recruitment of Local Talent and Securing Excellent Personnel

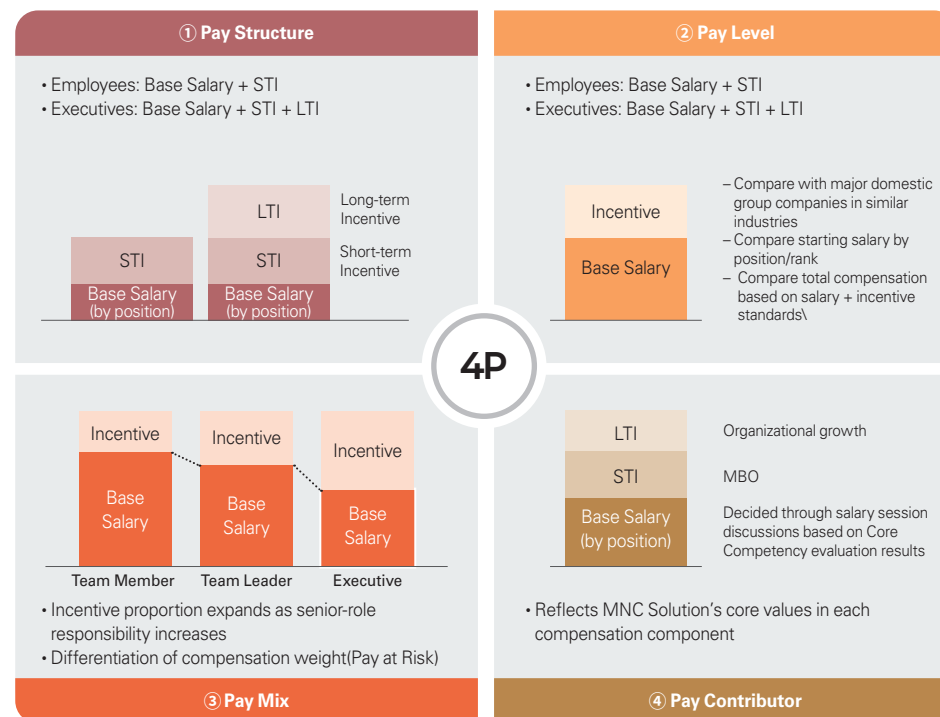
MNC Solution has actively pursued recruitment to expand its business and strengthen its future growth foundation and has worked to secure excellent talent. In particular, the company has set the expansion of recruitment of young people and local talent as an important task and has continuously recruited talent with job competency and growth potential. The company also builds industry-academia cooperation systems with local universities to foster local talent and co-prosper with the local community and works to lay a foundation for local talent to grow stably within the region through industry-academia cooperation agreements(MOUs), operation of recruitment-linked programs, field training, and provision of recruitment information.



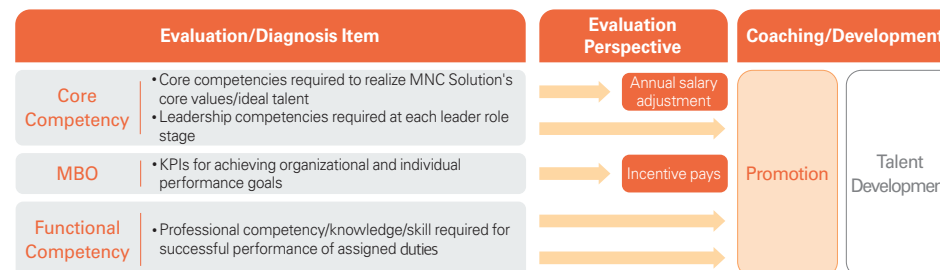
2025 Recruitment Status

Category	Total Recruited	Converted to Permanent	Youth Recruitment Rate	Female Recruitment Rate
Number of Persons	45 persons	5 persons	89%	27%

Compensation Structure



Compensation/Promotion Linkage Process



Strengthening Employee Capabilities

Talent Development

MNC Solution's Talent Management Promotion Direction

Based on the recognition that the growth of employees' capabilities is itself the company's sustainable competitiveness, MNC Solution operates a systematic talent development program. The company plans and executes a variety of training courses including strengthening job competencies, developing level-specific leadership, and supporting organizational adaptation, and continuously supports employees so they can enhance their expertise and growth potential in their respective roles.

Talent Development Program(2026 Plan)

Category	Course Name	Details	Sub-Curriculum											
			1	2	3	4	5	6	7	8	9	10	11	12
People	Leader Course	• Interview techniques / Evaluation techniques									2D			
	Promotion Course	• Organizational culture leadership • Vertical and horizontal communication					2D							
	New Hire Course	• New employee: basic literacy training. • Experienced hire: leadership and followership						2D (16H)	2D (16H)					
Performance	Professional Competency Course	(1st) • Work planning and management				2D (12H)								
		(2nd) • Decision-making					2D (12H)							
	OA Training	• OA specialization training										2D (16H)		
	Engineer Course	• New employee competency training • Foreman/team leader on-site manager competency training					2D (16H)	2D (16H)						
	External Training	• Departmental job training • Common job training	as needed											
Language Training	Remote Training (Phone/Video)	• Phone/video English												
Statutory Mandatory Training	—	• Sexual harassment prevention/personal information protection • Disability awareness improvement/ workplace harassment prevention				2D (4H)								1D (4H)

※ Training schedules may be subject to partial change depending on company schedule and other circumstances.

2025 Training Performance

Category	Course Name	Sub-Course	Month Conducted	Target Persons	Persons Completed	Training Hours	Achievement Rate	Satisfaction
People	Level-Based Course	Junior Course	March, June	68	62	688 hours	91%	4.8
		Senior Course	April, September, November	106	101	1,010 hours	95%	4.7
		Manager Course	May	20	20	200 hours	100%	4.6
		Engineer Course	September	130	94	940 hours	72%	4.6
	New Hires	New Employees	July	17	14	224 hours	82%	4.7
		Experienced Hires	August	13	9	144 hours	69%	4.6
Performance	External Training	Departmental Job Training	As needed	76	76	1,267 hours	-	-
		On-Site Manager Training	May	15	15	240 hours	100%	4.7
Language	English Conversation	Video/Phone	March–August	20	20	400 hours	100%	4.9
		In-House English	August–December	14	14	392 hours	100%	4.9
Statutory Mandatory Training		Sexual Harassment Prevention/Personal Information Protection/Disability Awareness Improvement/Workplace Harassment Prevention	November	331	331	1,324 hours	100%	4.8



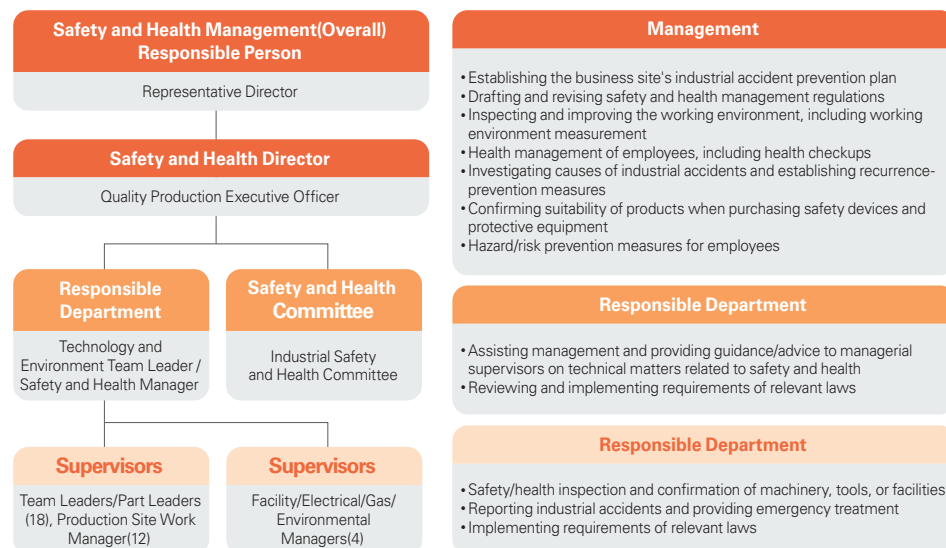
Safety and Health Management

Safety and Health Management Promotion System

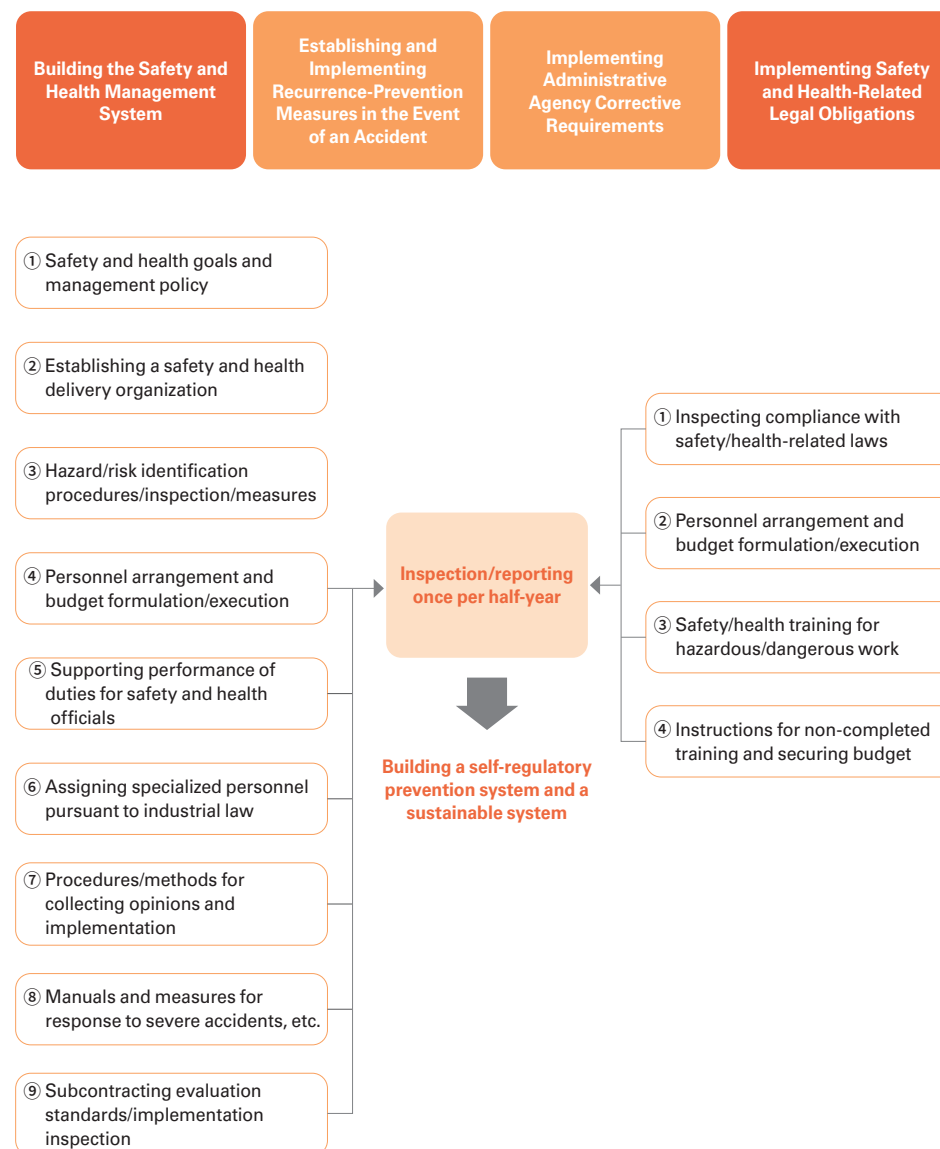
Safety and Health Promotion Organization

MNC Solution has built and operates a systematic governance structure to carry out efficient safety and health management activities. A safety and health management chief responsible officer is designated at each business site to proactively prevent various industrial accidents and safety incidents that may occur on-site. In addition, the Technology Environment Team identifies and continuously improves and mitigates risk factors across the entire range of products and services to promote the safety and health of both employees and customers. Furthermore, the Board of Directors comprehensively manages major safety and health issues, and significant safety and health incidents/accidents occurring at business sites as well as major decision-making matters are reported to the Board of Directors through the safety and health management chief responsible officer. Through this, the company clarifies its responsibilities and roles regarding safety and health and secures the safety of employees and customers based on the creation of a safe working environment.

Safety and Health Organization Chart and Roles



Safety and Health Securing Obligation Implementation System



Safety and Health Management

Safety and Health Management Strategy and Activities

Safety and Health Policy and Strategic Direction (Business Plan Reporting Content)

MNC Solution has built an integrated management system and systematically implements it to minimize environmental impact and risk factors that may occur throughout management activities and the entire product process. The company aims for the realization of an accident-free workplace through environmental protection as its top priority value and prevention of employee injury and occupational disease and faithfully fulfills its responsibilities and obligations for sustainable growth. In addition, the company continuously strives to create a safer and more pleasant living environment based on harmony with stakeholders.

Safety and Health Management System Certification Status

MNC Solution obtained safety and health management system certification on July 4, 2019, and has renewed the certification every year since then. ISO 45001 is an international standard for the safety and health management system established by the International Organization for Standardization(ISO), and the company's safety and health management system has been officially certified as conforming to this standard.



Safety and Health Management System Certificate(Korean version)



Safety and Health Management System Certificate (English version)

Category	Training Target	2023	2024	2025
New Hire Safety and Health Training	New employees	45	45	42
Managerial Supervisor Safety and Health Training	Team leaders, part leaders, foremen/ team leaders	63	33	35
Statutory Job-Specific Safety and Health Training	Safety/health/firefighting/hazardous materials statutory officials	8	6	4
Internal Auditor Capability Strengthening Training	Safety and health duty officials by department	33	21	21
Health Promotion Activities(Health Consultation Usage Results)		987	951	748

Safety and Health Management-Related Risk Management

MNC Solution conducts an annual safety and health risk assessment to systematically identify hazardous/ risk factors within its business sites and to prevent injury and disease. Through this, the company identifies major risk factors with potential for safety accidents, such as aging tools and facilities, and establishes and implements risk reduction measures.

Occupational Safety and Health Risk Assessment

2025 Risk Assessment Operation

In 2025, the company conducted regular risk assessments twice a year for all business sites and performed ad-hoc risk assessments whenever there were changes in the working environment, such as the introduction of new facilities, layout changes, or the occurrence of safety accidents. As a result of the 2025 risk assessments, a total of 39 improvement tasks were identified: 17 in the first half (H1) and 22 in the second half (H2). Of these, 14 tasks in H1 and 22 tasks in H2 were completed. In addition, in 2025, three industrial accidents occurred, resulting in an industrial accident rate of 0.8% and a total of 278 lost working days. Accordingly, the company is strengthening recurrence-prevention measures for high-risk work and processes, while managing the recordable incident rate (RI). These efforts have been reflected in departmental safety and health goals and improvement plans. Meanwhile, the three lost-time injury cases in 2025 consisted of an ankle sprain during a supplier visit, a slip while commuting to work, and a muscle injury caused by an unsafe working posture. The company has reinforced recurrence-prevention activities through improvements in the working environment, implementation of anti-slip measures, safety training, and the sharing of accident cases. Identified hazards and risk factors are incorporated into each department's safety and health goals and implementation plans, and continuous improvement activities are being pursued.

Risk Assessment Result	First Half	Second Half	Target Data		
Improvement Tasks	17 cases	22 cases	Industrial accident count	Industrial accident rate	working days
Improvement Measures	14 cases	22 cases	3 EA	0.8%	278 days

Risk Assessment Procedure

01	Establishing risk assessment procedure	05	Review and notification of re-drafting(re-drafting at step 03)
02	Establishing risk assessment plan	06	Implementing improvement execution plan
03	Drafting safety/health risk information, process activity list, and process activity table	07	Reporting implementation results
04	Conducting risk assessment	08	Drafting the significant risk register
		09	Reflecting in goals and implementation plans

Labor-Management Cooperation

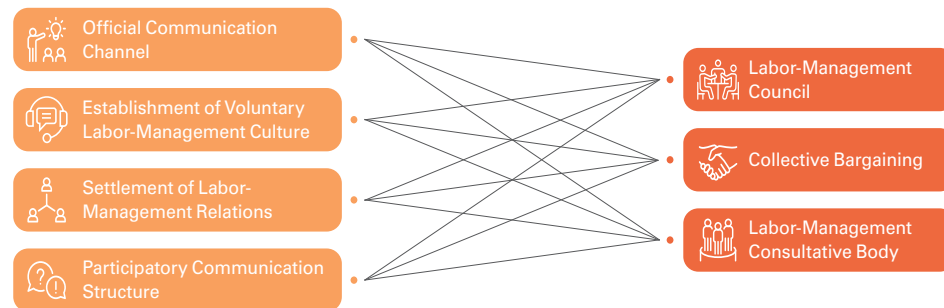
Sustainable Labor-Management Cooperation System

Operation of the Labor-Management Cooperation System

MNC Solution has built and operates an official communication system between employees and the company through the operation of regular and ad-hoc Labor-Management Councils and various labor-management consultative bodies. On various current issues, labor and management exchange opinions with each other and jointly derive reasonable alternatives, practicing a cooperative labor-management relationship based on mutual trust.

In addition, the company transparently discloses overall operations through posting Labor-Management Council meeting minutes and distributing newsletters and continuously strives to establish a sustainable labor-management cooperation culture.

Labor-Management Cooperation System



Collective Bargaining Operation

Category	Content
Total Number of Sessions	12 sessions
Total Number of Agenda Items	7 items
Major Agenda Items	• Matters related to employee wages • Matters related to the collective agreement • Matters related to the welfare system

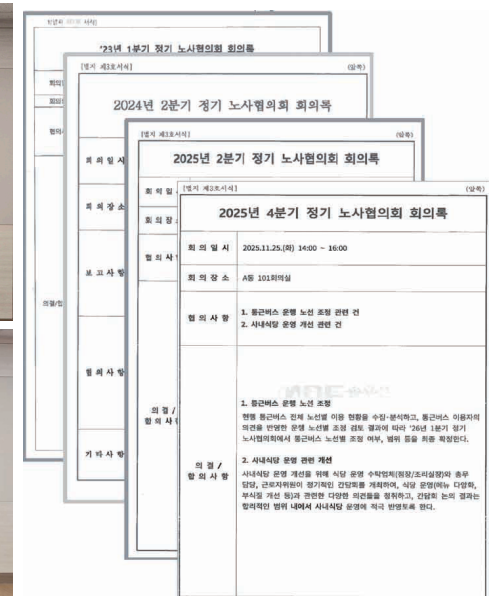
Building a Participation-Based Cooperative Culture

MNC Solution continuously strengthens a participatory communication structure so that diverse on-site voices can be reflected in the policy establishment and improvement process. Through collective bargaining with the labor union, the company balances workers' demands and the company's direction, and creates an environment where all members can understand and actively communicate about their roles and rights. This participation-centered structure increases on-site autonomy and substantively contributes to forming a healthy labor-management culture.

Labor-Management Council Meeting Minutes and Collective Bargaining Signing Ceremony



Collective bargaining signing ceremony



Labor-Management Council meeting minutes

Employee Communication and Welfare

Grievance Handling and Welfare Benefits

Operation of the Grievance Handling Procedure

MNC Solution operates a process to swiftly and fairly handle inconveniences and grievances of organizational members occurring during work. Grievances are received and processed through the Grievance Handling Committee and grievance handling officers, and where necessary, solutions are devised in cooperation with relevant departments. In addition, the company proactively responds to external issues through communication with external related agencies such as the Ministry of Employment and Labor. The company also handles grievances flexibly considering the characteristics of each case, ensuring that effective grievance resolution takes place.

Grievance Handling Procedure



•Telephone: 055-269-5190

•Email: mncsolution_compliance@mncsolution.com

•Website: <https://www.mncsolution.com/kr/privacy/cyber-report>

✓ Reporter identity protection ✓ Prohibition of retaliatory action ✓ Annual operational review

Strengthening Communication Foundation Within the Organization

MNC Solution carries out various communication activities to foster a healthy organizational culture based on trust and mutual understanding among members. The company supports smooth information sharing and opinion gathering through communication channels such as the company portal and internal bulletin board and enhances trust within the organization by transparently sharing company policy and major management information.

Welfare Benefits and General Affairs Support Activities

- | | |
|--|--|
|  1. Medical Expense Support
Medical expense support for self, spouse, children, and parents |  9. Housing Loans
Loans for housing purchase/lease |
|  2. Children's Tuition Support
Tuition support for preschool/elementary/middle/high school and university children |  10. Living Stability Fund Loans
In-house labor welfare fund operation / living expense loans |
|  3. Childcare Expense Support
Daycare center childcare expense support |  11. Company Housing/Dormitory Provision
Company housing provided for employees without housing; dormitory provided for employees living away from home |
|  4. School Entrance Celebration Money
School entrance celebration money for kindergarten/elementary/middle/high school |  12. Club Activity Support
Support for leisure time use and fellowship through various club activities |
|  5. College Entrance Exam/Children's Day Gifts
Gifts provided to target recipients |  13. Departmental Outings
Departmental outings held at least once a year |
|  6. Health Checkups
Annual employee health checkup(including spouse) |  14. Condo Membership
Use of Sono/Hanwha/Ananti/Resom resorts |
|  7. Group Accident Insurance
All employees enrolled in group accident insurance |  15. Mutual Aid Service Support
Mutual aid service support for self/spouse/children/parents |
|  8. Company Physician Health Consultation
Health consultation and follow-up examination management; priority selection of target recipients for health consultation | |

2025 Welfare Benefit System Support Results(Major Items, Partial)

(Unit: KRW thousand)

Category	Target	Beneficiaries	Support Cases	Support Amount
Medical Expense Support	Employees and family	238 persons	1,260 cases	888,860
Tuition(including School Entrance Celebration Money)	Employees and children's tuition support	107 persons	141 cases	336,122

※ Number of beneficiaries is calculated based on actual headcount excluding duplicates(employee count).

MNC Solution operates various welfare benefit and general affairs support systems systematically to enhance employee satisfaction and sense of belonging. The company centers its support activities on workers' living stability and protection of rights, while also contributing to forming a sense of solidarity and community among members. Through this, the company continues its efforts to create a desirable organizational culture that goes beyond mere system operation.

Local Community

Local Community Co-Prosperity Activities

MNC Solution recognizes the social responsibility of the defense industry and is pursuing sustainable cooperation with the local community as part of its core ESG strategy. The company is conducting local community activities in a direction that builds a sustainable co-prosperity structure that resolves local issues, going beyond simple donations or one-time volunteer work.

Promotion Strategy

As a company that fulfills its social responsibility, we conduct various social contribution activities based on participation, connection, and the building of a sustainable culture for a sustainable future, and we aim for a society where everyone grows together and creates a better future together, beyond simple contribution.

Strategy	We create the value of "Together"			
Strategy	Participation-Based Contribution Activities	Expansion Through Connectivity	Building a Sustainable System	
Core Values	Together	Connect	Sustain	
Mission	Walking together with the local community	Growth that continues through sharing	Tomorrow created together by all	
Activities	Environment	Sharing	Culture)	
	Lunch plogging activities, carbon-neutrality practice challenge, eco-friendly lifestyle habit campaign	Salary donation, DidimSeed program, matching grants, support for operation of local childcare facilities	Participatory challenges, group blood donation, donation campaign, volunteer club activities	
donation	Year	2023	2024	2025
	Donation Amount(Unit: KRW)	35,309,758	37,200,000	46,098,950
				Cumulative
				118,608,708

Local Community Co-Prosperity and Sharing Activities

MNC Solution conducted donation activities and a Christmas gift presentation event targeting local childcare facilities to practice co-prosperity with the local community. Through this, the company delivered the value of warm sharing to local children and created an opportunity to strengthen bonds with the local community. Going forward, MNC Solution plans to continuously expand social contribution activities that provide substantive support to places in need, based on continuous connections with local communities and related institutions.

Disaster-Affected Area Support and Practice of Social Solidarity

MNC Solution donated KRW 10 million through the "Fruit of Love" (Community Chest of Korea) to support local communities affected by heavy rainfall damage. This donation was carried out to support the speedy daily recovery of neighbors suffering from disaster and as part of efforts to practice the company's social responsibility. Going forward, MNC Solution plans to practice rapid support and sharing in the event of disasters and crisis situations, and to strengthen solidarity and co-prosperity with the local community.

Spreading an Employee-Participatory Donation Culture

MNC Solution is establishing a culture of sharing in everyday life through voluntary salary deduction donations by employees. By operating a matching grant method in which the company additionally contributes an equal amount to the amount donated by employees at year-end, the company further expands the meaning and participatory value of donation. From 2023 to 2025, the cumulative donation amount reached KRW 118,608,708, and through this the company plans to build a social contribution system in which members, and the company participate together and contribute to spreading a sustainable culture of sharing.



Plans and Mid- to Long-Term Direction

MNC Solution continues to practice local community sharing activities based on voluntary salary deductions by employees and going forward plans to expand from donation-centered social contribution activities into a participatory and sustainable social contribution system in which employees directly participate. To this end, the company will regularly operate connected volunteer activities with local welfare institutions and will periodically promote life-sharing activities such as group blood donation campaigns and blood donation bus operation, thereby strengthening participatory social contribution activities together with the local community. In addition, rather than limiting support to one-time assistance, the company aims to establish a social contribution culture of co-prosperity with the local community based on the continuous participation of employees.

Local Community

Community-Embedded Social Activities

Category	Content Summary	Operating Frequency/Timing
 Participatory Volunteer Activities	Group Blood Donation - Method: Company blood donation bus visit - Location: Company parking lot - Institution/Group: Gyeongnam Blood Center	February / October, conducted semi-annually
	Lunch Plogging - Method: Plogging activity after providing lunch - Location: Park and stream near the company - Institution/Group: Hosted by the HR Team	May
	Childcare Facility Volunteer Work - Method: Single-use item usage awareness improvement campaign - Location: Throughout the company - Institution/Group: Hosted by the HR Team	At least twice a year
 Environmental Campaign	- Method: Regular volunteer work at local childcare facilities - Location: Dongbo Childcare Center - Institution/Group: Hosted by the volunteer club	August
 Donations and Sponsorships	- Method: Donation of salary deduction amount - Location: Donation recipient - Institution/Group: Conducted with recommended organizations	December and as needed



Group Blood Donation



Plogging Day

Transparency of Local Community Donation Management and Operation

MNC Solution operates a transparent management system so that donations centered on the local community can be executed responsibly. To secure the reliability of donation usage, the company inspects settlement reports and audit materials at least once a year for all donation recipients. In addition, where necessary, related content is disclosed through the company website and the sustainability report to strengthen transparent communication with stakeholders. In addition, employee representatives directly visit some sponsored institutions, continuously building emotional bonds and trust with the local community beyond simple financial support.

Future Plans and Mid- to Long-Term Direction

MNC Solution intends to share its continuous growth in the defense industry sector together with the local community and is strengthening local community responsible management under the mission of “Walking together with the local community”, “Growth that continues through sharing” and “Tomorrow created together by all”. In addition, the company recognizes local community activities not as simple social contribution but as a strategic ESG management element, and plans to establish and pursue the following mid- to long-term strategy.

- Introduction of a local community impact assessment system
- Integrated management of social contribution KPIs within the ESG strategy system
- Expansion of jointly planned programs with local governments and welfare institutions
- Strengthening performance transparency through ESG data conversion(time-amount:participation rate)

Communication

MNC Solution plans and implements various activities targeting local communities near its business sites. Through this process, the company continuously identifies local community needs and connects them to substantive support activities. Based on this, the company strengthens mutual communication with the local community and is building a sustainable relationship in which the company and local community grow together.

Planning Stage

Reflecting business site location characteristics, reviewing local community-related institutions

Implementation Stage

Local community cleanup activities, support and sponsorship for vulnerable groups in the local community

Evaluation and Feedback

Reviewing activity results and identifying improvement points, reflecting in future social contribution activities

Supply Chain ESG Management

Supply Chain Management Promotion System

Promotion Organization

MNC Solution has built an organic collaboration system between internal organizations such as purchasing, quality, and technology/environment, and supplier companies to build a healthy ESG ecosystem and operate a sustainable supply chain. In addition, the company pursues continuous communication and co-growth with suppliers centered on the supplier council and other supply chain management organizations, strengthening responsibility and sustainability across the entire supply chain.

Supply Chain Management System



Supply Chain Management



Supply Chain Operation and Procurement Characteristics

MNC Solution procures most of the raw materials and components necessary for weapons system production from domestic suppliers, and this process requires high technical precision as well as ESG risk management. As of 2025, the total number of suppliers is 248, and of the total procurement amount of KRW 261,956 million, domestic procurement accounts for approximately 83%(KRW 218,457 million). MNC Solution systematically manages procurement information by item such as materials, processing, and assembly, and is advancing its evaluation system focused on procurement groups with high ESG risk based on this.

Defense Industry Characteristics and Supply Structure

The defense industry is an industry in which the government is the main demander, and has the characteristic that projects are promoted through procurement contracts with the government. MNC Solution has a business structure that integrates and provides parts and technical services necessary for system companies, rather than directly producing and selling complete weapons systems. In particular, the company supplies components for mobility firepower, protection systems, naval and aviation movement stability control, and the space/satellite sector, and during development, the company procures raw materials through domestic and overseas supply chains that reflect not only technical elements such as function, structure, durability, maintainability, and patents, but also ESG elements such as human rights/labor, safety/health, environment, ethics, and responsible resource procurement.

Localization and Building a Responsible Supply Chain

MNC Solution continuously pursues localization of major components with high import dependency. Based on the Defense Acquisition Program Administration's defense parts localization policy, the company pursues joint development with system companies as well as independent development, and the number of suppliers increased from 192 in 2024 to 248 in 2025 due to increased defense industry orders and expanded localization, while the total procurement amount also expanded from KRW 200,974 million to KRW 261,956 million. Through this, the company contributes to the expansion of the domestic defense industry ecosystem and the creation of stable revenue.

Category	Unit	2023	2024	2025
Total Number of Suppliers	EA	212	192	248
Total Supplier Procurement	KRW million	136,815	200,974	261,956
Domestic Supplier Procurement	KRW million	113,440	166,120	218,457
Domestic Supplier Procurement Rate	%	82.9	82.7	83.4

Supply Chain ESG Management

Supply Chain ESG Evaluation and Management System

Building an ESG-Reflective Supplier Evaluation System

MNC Solution comprehensively reflects ESG elements throughout the supplier selection and evaluation process. The regular ESG evaluation includes the following three areas:

- Human Rights/Labor: Prohibition of forced labor, working conditions, workplace safety
- Environment: Hazardous substance management, waste discharge, energy efficiency
- Ethics/Compliance: Anti-corruption, fair trade, information protection

Additional points are awarded according to evaluation results and implementation level, and this is equally applied to the selection of new suppliers. In addition, there have been no cases of ESG violations from 2022 to 2025, and all suppliers have completed improvement implementation and re-certification procedures.

Systematic and Fair Supplier Selection Process

MNC Solution selects suppliers by comprehensively evaluating technology, quality, and ESG standards based on a transparent and fair procurement system. If the evaluation results fall below the standard, improvement and re-evaluation are conducted, and if the standard is still not met, penalties such as termination of transactions are imposed.

Systematic Supplier Management through Sourcing Groups

To systematically manage supplier companies with similar products and business groups, the company has organized Sourcing Groups(SG). In addition, the company has built a supplier review system that reflects SG characteristics so that suppliers can be classified and managed by SG from new registration through regular evaluation. Through this, the company classifies suppliers by SG and operates a capability-strengthening program targeting vulnerable suppliers, thereby establishing an effective supplier support foundation.

Securing Fairness through Auto-Screening and Registration Evaluation

When registering as a supplier, the supplier directly enters information into the procurement system, and the Auto-Screen function pre-screens companies that do not meet the qualification requirements. Subsequently, qualification requirements are verified through a registration evaluation based on item-specific standards, strengthening the transparency and fairness of the supplier selection process.

Mutual Communication through Operating the Supplier Council

MNC Solution continues ESG-based communication through operation of the supplier council and regular general meetings/business briefing sessions to strengthen strategic partnerships with suppliers. On February 26, 2026, the “2026 MNC Solution Co., Ltd. Supplier Council Regular General Meeting and Business Briefing Session” was held at the Riviera Convention Center in Changwon, attended by 25 persons including supplier council member company representatives and employees. At this event, a business briefing session and recognition of outstanding suppliers were conducted together, and CEO Byong-keon Kim emphasized the importance of council cooperation in responding to mid- to long-term business growth. The company also shared the global defense business environment, the 2026 mid-term business direction and vision, and requested the role and cooperation of suppliers. MNC Solution plans to continue advancing its ESG-centered supplier cooperation system and expand support for sustainable supply chain management and co-growth.



ESG Evaluation Indicators and Participation Rate(vs. Regular Evaluation Targets)

Item	Evaluation Indicator	Note
Environment	ISO 14001, hazardous chemical substance management, etc.	Aligned with GRI 308-1
Society	10 items including human rights, labor, and industrial safety	Aligned with GRI 414-1

Category	Unit	2023	2024	2025
ESG Evaluation Participation Rate	%	20.3	29.7	24.6
Number of Suppliers Participating in ESG Evaluation	EA	43	57	61
Number of Suppliers with Confirmed Negative Impact	EA	N/A	N/A	N/A
Rate of Suppliers Agreeing to Implement Improvement Measures	%	N/A	N/A	N/A
Rate of Suppliers Whose Contract Was Terminated Due to Negative Impact	%	N/A	N/A	N/A
Rate of New Suppliers Subject to ESG Due Diligence	%	24	24	23
Number of Suppliers Subject to Regular Evaluation	EA	212	192	248

Governance

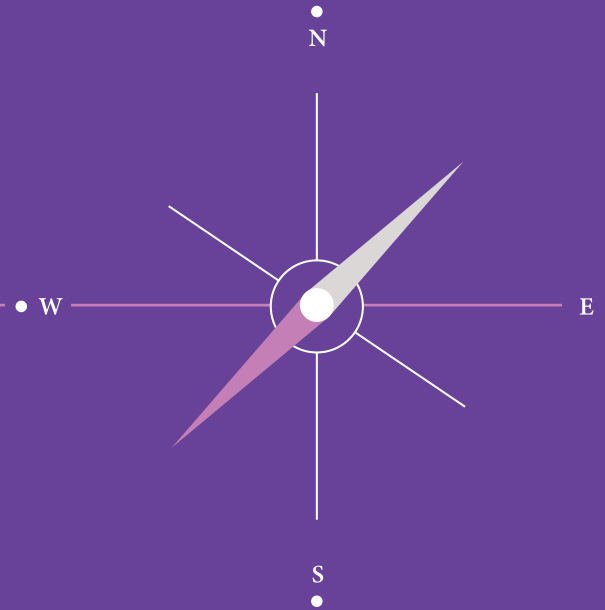
Sound Governance

Ethics and Compliance Management

ESG Information Disclosure and Transparency

Integrated Risk Management

Cybersecurity and Information Protection



05

Sound Governance

Board Composition

Board Composition and Operation

MNC Solution's Board of Directors is composed of a total of 7 members in accordance with Article 26 of the Articles of Incorporation: 2 Executive directors, 3 Independent directors, and 2 other non-executive directors. The Board of Directors is the company's highest decision-making body, performing major management decision-making and oversight functions. In addition, to enhance the flexibility and transparency of Board operation, the company has separated the positions of CEO and Board Chair. Accordingly, through a Board resolution on January 3, 2024, other non-executive director Byung-kook Lee was appointed as Board Chair and the Board has been operated under this structure. MNC Solution thoroughly examines disqualification grounds under the Commercial Act when appointing Independent directors, in order to secure the expertise and diversity of the Board. Independent director candidates are selected as individuals with expertise, leadership, and risk management capability in diverse fields such as finance/accounting, defense industry, and investment. In 2021, the company appointed its first female director to expand the diversity of the Board's composition, and through this has established a structure that can reflect the perspectives of diverse stakeholders.

Board Independence

MNC Solution thoroughly complies with the qualification requirements and exclusion requirements for Independent director appointment under Article 382(3) and Article 542-8 of the Commercial Act. The company also stipulates that an Independent director shall lose their position if they fall under such exclusion requirements even after being appointed as an Independent director. In particular, in accordance with Article 34(5) of the Enforcement Decree of the same Act, the company excludes from Independent director appointment those who have previously worked at an affiliated company or who have a material conflict of interest, so as not to impede the performance of duties as an Independent director. In addition, when recommending Independent director candidates, the company thoroughly reviews whether there is a material conflict of interest with the company and provides shareholders with information such as the directors' career background, area of expertise, and concurrent positions in the notice convening the general shareholders' meeting, to help shareholders fully understand the candidates. Through regular reports, the company discloses the Board and Board committee activity records of directors, thereby transparently disclosing directors' activities to shareholders, and in particular, for Independent directors, the company provides sufficient information including Board attendance rate, votes for or against agenda items, and Board committee activity records.

Board Composition Status

Category	Name	Gender	Position	Term	Area of Expertise	Major Career
CEO	Byong-keon Kim	M	ESG Committee Chair	2024. 08. 12 ~ 2027. 08. 12	Management Overall	• B.A. in Accounting, Jeonbuk National University • Former Senior Managing Director, Planning, Kumho Tire Co., Ltd. • Current CEO, MNC Solution Co., Ltd.
Executive Director	Young-Il Park	M	–	2024. 08. 12 ~ 2027. 08. 12	Operations Overall	• B.S. in Mechanical Engineering, Pusan National University • Current Head of Operations, MNC Solution Co., Ltd.
Other Non-Executive Director	Byung-kook Lee	M	Board Chair	2021. 01. 04 ~ 2027. 01. 04	Investment Expert	• B.A. in Law, Kyungpook National University • Former Deputy General Manager, M&A Department, Korea Development Bank • Current CEO, Socius Co., Ltd.
Other Non-Executive Director	Nam-ryung Lee	F	–	2021. 01. 04 ~ 2027. 01. 04	Investment Expert	• B.A. in French/Japanese, Hankuk University of Foreign Studies • Former Operating Team Leader, Metiston Equity Partners Co., Ltd. • Current CEO and Head of Investment, Well to Sea Investment
Independent Director	Dong-hoe Kim	M	Audit Committee Chair, ESG Committee Member	2024. 08. 12 ~ 2027. 08. 12	Finance/Accounting Expert	• M.A. in Business Administration, Seoul National University Graduate School • Current Independent Director, KISCO Holdings • Current Managing Director, Seoul Accounting Corporation
Independent Director	Suk-hwan Chung	M	Audit Committee Member	2024. 08. 12 ~ 2027. 08. 12	Defense Industry Expert	• B.S. in Aeronautical Engineering, Korea Air Force Academy • Former 26th Commissioner, Military Manpower Administration • Current CEO, Samyang Chemical Industry Co., Ltd.
Independent Director	Young-soo Choi	M	Audit Committee Member, ESG Committee Member	2024. 08. 12 ~ 2027. 08. 12	Investment Expert	• B.A. in International Trade, Kyungpook National University • Former Executive Managing Director, Investment Finance Division, KDB Capital Co., Ltd. • Current Auditor, Next Securities

As of the end of December 2025

Director Appointment Procedure



Sound Governance

Board Operation

Board Committees

MNC Solution has organized and operates two committees under the Board of Directors the Audit Committee and the ESG Committee to enhance the expertise and efficiency of Board operation. The company actively supports the necessary information and budget so that each committee can function independently and effectively, and clearly documents the operating regulations, which are transparently disclosed to shareholders through the Corporate Governance Report.

Board Committee Composition Status

Category	Audit Committee	ESG Committee
Chair	Dong-hoe Kim	Byong-keon Kim
Members	Suk-hwan Chung, Young-soo Choi	Dong-hoe Kim, Young-soo Choi
Major Role	Auditing overall business operations, quarterly and annual management performance audits, and investigation of business and financial status	Strengthening ESG management, realizing long-term sustainable growth
Number of Meetings Held (2025.07 ~ 2026.06)	5 sessions	4 sessions
Agenda Items(2025.07 ~ 2026.06)	16 reporting items, 4 resolution items	4 reporting items

Audit Committee

The Audit Committee protects shareholders’ interests by performing roles such as reviewing the appropriateness of financial statements and checking the audit procedures and results of the accounting firm, through accounting audits, business oversight, and deliberation/resolution on matters delegated by the Board of Directors. The committee is composed of 1 finance/accounting expert and 2 Independent directors. The Audit Committee operates in principle at least once per quarter, and over the most recent one year(2025.07~2026.06), it was held a total of 5 times.

ESG Committee

The ESG Committee deliberates on the establishment of basic policy and strategy for ESG management, setting mid- to long-term goals, and matters related to the occurrence of and response to material ESG-related risks. The committee reviews major ESG risk issues such as climate change, safety/health, human rights, supply chain sustainability, and local community issues, pursuing sustainable growth. The committee’s activity records are also disclosed through the Corporate Governance Report and business report.

Board Capability Composition Table

Category		Executive Director		Other Non-Executive Director		Independent Director		
		Byong-keon Kim	Young-II Park	Byung-kook Lee	Nam-ryung Lee	Dong-hoe Kim	Suk-hwan Chung	Young-soo Choi
Required Qualifications	Independence					○	○	○
	Investment Expert			○	○			○
	Finance/Accounting	○				○		
	Industry	○	○				○	
	Leadership	○	○	○	○	○	○	○
	Risk Management	○	○	○	○	○	○	○
	Independent Director Exclusion Grounds					None	None	None

Board Activities

MNC Solution’s Board of Directors is divided into regular Board meetings held once per quarter(3 months) from the commencement date of the business year, and ad-hoc Board meetings held as needed. The company holds at least 4 regular Board meetings per year for quarterly management performance reporting and convening the regular general shareholders’ meeting, and ad-hoc Board meetings are held whenever urgent matters arise. In accordance with Article 34 of the Articles of Incorporation and Articles 7 and 8 of the Board Regulations, the Board is convened by the Chair, who notifies each director of the meeting date/time, location, and agenda by the day before the meeting. However, if all directors consent, a meeting may be held without the notification procedure. In addition, to ensure that decisions are made based on sufficient understanding of all agenda items, related reporting materials are distributed to directors in advance of the Board meeting and opinions are gathered. Board resolutions are passed by the attendance of a majority of directors and the approval of a majority of those attending, in accordance with Article 35 of the Articles of Incorporation and Article 9 of the Board Regulations.

Board Operation Status(As of 2025.01 ~ 2026.05)

Total Meetings Held	Agenda Items Discussed	Executive Director Attendance Rate	Independent Director Attendance Rate
8 sessions	30 items	100%	83%

Sound Governance

Director Compensation

MNC Solution's director compensation is transparently executed within the amount approved at the general shareholders' meeting. For individual directors, the company comprehensively evaluates expertise based on career and activity content, as well as fairness, objectivity, sincerity, and responsibility in the performance of duties, and for Executive directors, performance incentives are calculated and paid considering the achievement of strategic goals including financial and non-financial performance.

Number of Persons	Amount Approved at General Shareholders' Meeting	Total Compensation Amount	Average Compensation per Person
7 persons	KRW 5 billion	KRW 1.219 billion	KRW 174 million

* The number of directors is 7 in total, including 2 other non-executive directors.

* The average compensation per person is a simple average calculated based on the number of persons.

Shareholder Rights Protection

Shareholder Status

In accordance with MNC Solution's Articles of Incorporation, the total number of shares the company is authorized to issue is 100,000,000 shares, and the par value per share is KRW 100. All issued shares are common shares, and equal voting rights are granted according to the number of shares. As of December 31, 2025, the total number of issued shares was 9,153,900, and the largest shareholder is Socius Well to Sea Investment No. 2 Corporate Financial Stability Investment Company, holding 73.78% of total shares.

Shareholder Return Policy

MNC Solution's largest shareholder, Socius Well to Sea Investment No. 2 Corporate Financial Stability Investment Company, pledged to the Korea Exchange at the time of the December 2024 KOSPI market listing a shareholder return policy of paying a cash dividend of 50% of net profit, on the condition of maintaining its status as the largest shareholder.

Dividend Performance by Year

Category	2024 Year-End Dividend	2025 Year-End Dividend
Net Profit(KRW million)	26,964	45,588
Total Cash Dividend Amount(KRW million)	13,548	22,802
Cash Dividend Payout Ratio(%)	50	50
Cash Dividend Yield(%)	3.1	1.8
Cash Dividend per Share(KRW)	1,480	2,491

Shareholder-Friendly Management

Protection of Shareholder Rights

MNC Solution makes various efforts to protect shareholder rights. The company holds a regular general shareholders' meeting within 3 months after the end of each business year and also holds extraordinary general shareholders' meetings as necessary. Through this, the company provides shareholders with the opportunity to participate in important corporate decisions and complies with the notification/announcement requirement 2 weeks prior to the general shareholders' meeting pursuant to Article 363 and Article 542-4 of the Commercial Act, striving to provide timely information necessary for shareholders to exercise their rights. In addition, at the regular general shareholders' meeting held in March 2025, the company implemented a written voting system and solicitation of proxy voting through disclosure of reference documents, so that minority shareholders could legally exercise their rights.

Shareholder Communication

MNC Solution conducts various IR(Investor Relations) activities for transparent and active communication with shareholders. Through regular quarterly NDR(Non-Deal Roadshow) sessions targeting domestic and overseas institutional investors, the company clearly shares its performance and business status and conducts site tours as necessary to help investors understand the company. In addition, the company discloses the IR officer's contact information on its website, establishing a system that can promptly respond to inquiries from all shareholders. MNC Solution plans to further expand these activities going forward, strengthening shareholders' access to information and more active communication.

Major IR Activities

Category	Period(2025.07 ~ 2026.06)
Earnings Release NDR	5 sessions, 51 domestic/overseas institutional investor IR meetings
Investor Visit	6 site tours, visits by 40 domestic/overseas institutional investors

Ethics and Compliance Management

Ethics and Compliance Management Activities

Ethics and Compliance Management Promotion System

MNC Solution holds the vision and goal of growing into a sustainable model company that receives trust and respect from all stakeholders by practicing transparent and fair ethics/compliance management. This is not a mere declaration, but an expression of the firm will to prioritize ethical values in all decision-making and activities throughout the company.

Ethics Management Strategic System



Implementing Transparent Ethics Management

Role and Responsibility of the Board of Directors and Audit Committee

MNC Solution regularly operates the Board of Directors and Audit Committee for the practice of ethics management and systematically supervises compliance with regulations and ethical conduct through the internal control/audit organization. In particular, the company implements an ethics code compliance pledge covering prohibition of unfair solicitation, prevention of forgery/alteration, and security compliance, targeting all employees, clearly presenting standards of ethical conduct.

Ethics Management Organization

Internal Control and Audit Monitoring

The company systematically inspects all control processes affecting financial elements through regular internal accounting control system evaluations. The company monitors compliance with monthly expense execution and authority delegation standards to manage risk in advance and responds immediately to violations.

Operation of an Anonymous Reporting Channel(Cyber Reporting Center)

The company operates an anonymity-guaranteed cyber reporting center, providing an official channel through which any employee can safely report ethical violations.

Confidential Information Protection and Security Risk Management

The company strengthens access control for major confidential materials such as defense technical materials and delivery information and systematically manages information leakage risk by proactively responding to external security audits.

Systematic Management of Ethics Management Implementation Performance

To objectively evaluate ethics management implementation performance and increase execution capability, the company establishes major performance indicators and continuously monitors quantitative performance. Through this, internal management is being strengthened so that ethical values can lead to substantive action.

Performance Indicator	Description	2025 Performance	2026 Target
Ethics Training and Pledge Collection	Conducting ethics training and collecting pledges for all employees(annually)	100%	100%
Internal Reporting Processing Rate	Processing and feedback completion rate for received audit reports	No occurrences	100%
Supplier Violation Count	Number of violations of supply chain-related laws (subcontracting law, etc.)	0 cases	0 cases
Supplier Pledge Collection Rate	Collecting ethics pledges from major suppliers when concluding contracts	100%	100%
Internal Control Self-Assessment Implementation Rate	Self-assessment implementation rate for internal control items by each department	100%	100%

Ethics and Compliance Management

Ethics and Compliance Management Activities

Ethics Management Policy

MNC Solution has built and operates a systematic ethics management promotion system to grow into a company that receives the trust and respect of all stakeholders based on transparent ethics management and fair compliance management. To block potential risks in advance, the company operates various reporting channels including anonymous reporting, strengthening the execution capability of compliance management. Going forward, MNC Solution will continue to advance its ethics management and establish itself as a model ethics management company representing the defense industry.

Employee Ethics/Compliance Training

MNC Solution operates various proposal/reporting channels targeting both employees and external stakeholders and is establishing a transparent and fair organizational culture through a systematic ethics/compliance training program. The company has also established a "Training/Education Process" that systematizes the entire process from training planning to implementation and follow-up management and transparently shares training status through the in-house portal and HR system so that all employees can easily check it at any time.

Fair Trade/Anti-Corruption Training

MNC Solution conducts annual basic compliance management training centered on fair trade/anti-corruption for all employees and regularly conducts separate basic training for suppliers. For employees in charge of fair trade-related practical work, the company operates a specialized practical course analyzing the latest trends and actual cases related to laws such as internal transactions, collusion, subcontracting law(general/unfair/technical data), the win-win cooperation law, in-house subcontracting, insider trading, trade secret protection, and anti-corruption. In addition, for co-prosperity with suppliers and prevention of fair-trade risk, the company conducts compliance training twice a year for representatives of first-tier suppliers, centered on the latest legal amendments and cases related to anti-corruption, unfair practices, internal transactions, and collusion. Through this, MNC Solution is spreading an ethics/compliance culture throughout the company as well as the entire supply chain, based on diverse communication channels and systematic training programs.

Grievance Handling Operating System

MNC Solution operates various channels through which employees and external stakeholders can freely propose or report issues, to realize transparent and fair ethics/compliance management. If an employee has trouble complying with regulations during work or has an opinion for system improvement, they may submit their opinion through the company website or internal email/messenger, thereby contributing to system improvement and establishing an effective compliance culture.

In addition, the company operates a misconduct reporting system that receives reports from external stakeholders regarding unfair handling of duties, unfair conduct using position, and corruption by employees, allowing both named and anonymous reporting while thoroughly guaranteeing the anonymity of the reporter. The company also operates a "Grievance Handling Center" for immediate response and prevention of issues such as workplace sexual harassment and verbal abuse, building a safe and equal organizational culture in which all employees can work with peace of mind, with reporter protection and confidentiality as the top priority principles.

Ethics Management Activities(Reporting and Grievance Handling)

"To establish a transparent and fair ethics/compliance management system, the company operates channels through which both employees and external stakeholders can make ethics/compliance management-related proposals or reports."



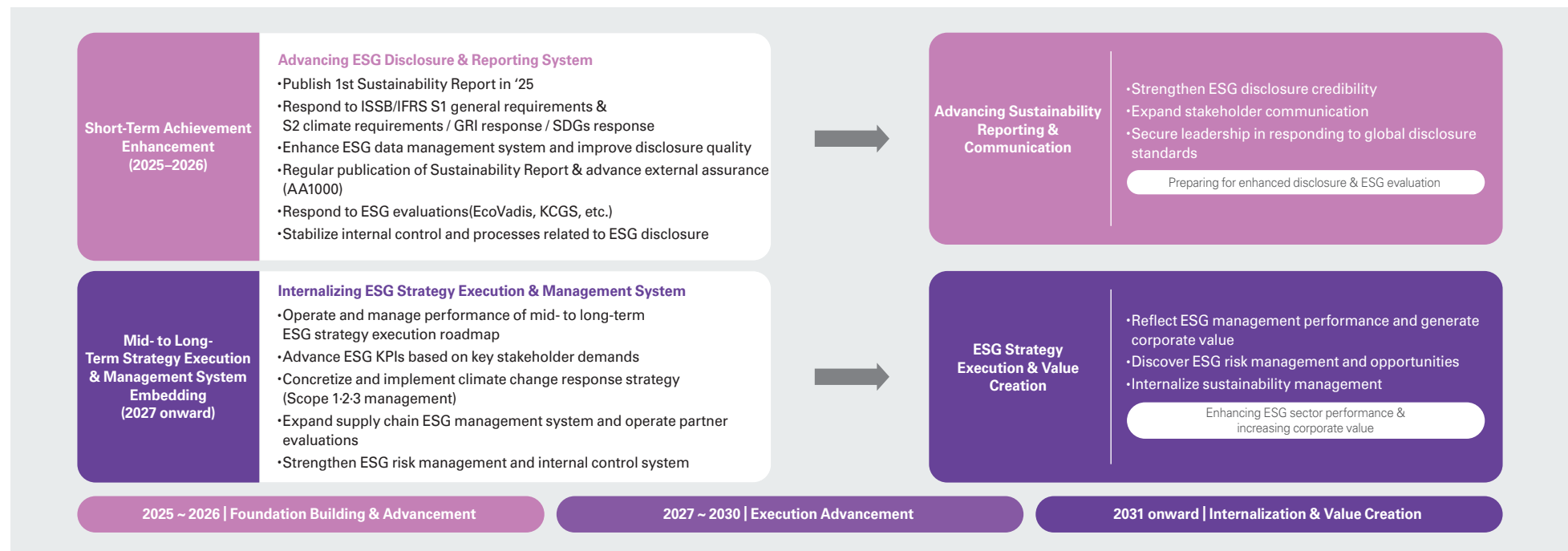
ESG Information Disclosure and Transparency

ESG Information Disclosure

Transparent Information Disclosure, the Cornerstone of Sustainable Management

Taking the KOSPI market listing as an opportunity, MNC Solution is strengthening the accountability and transparency of information disclosure, treating ESG information disclosure not as simple reporting but as a key means of building corporate trust. Even in an environment requiring a high level of security due to the characteristics of the defense industry, the company continuously works to advance a proactive disclosure system that meets the expectations of global stakeholders. To this end, the company operates a sustainability report system that conforms to global ESG disclosure standards such as GRI Standards 2021 and ISSB IFRS S1/S2, as well as evaluation standards of major domestic evaluation agencies such as Sustainvest and the Korea Corporate Governance Service. In addition, the company swiftly and strategically responds to changes in global supply chain-related disclosure standards such as the CSDDD, CBAM, and EcoVadis, treating this as a core task for ESG disclosure transparency, and will establish itself as a responsible global company through sustainability report disclosure.

ESG Promotion Agenda-Building ESG Governance System and Strengthening Stakeholder Communication



ESG Information Disclosure and Transparency

Strengthening ESG Management System

Building an ESG Operating System for Global Supply Chain Response and Strategy Internalization

MNC Solution continuously maintains and advances its ESG operating system to effectively respond to global supply chain risks and internalize ESG strategy company-wide. Given the characteristics of the defense industry, which requires a high level of ethics and responsible management, the company is strengthening efforts to settle ESG as a substantive management execution system, beyond mere declaration. Taking the 2024 KOSPI listing as an opportunity, the company is building a risk identification, evaluation, and monitoring system covering the entire range of Environmental(E), Social(S), and Governance(G), and actively pursuing the construction of an ESG system that meets the requirements of major stakeholders.

ESG Council Operation and Internal Organization Internalization

MNC Solution organizes the ESG council as a substantive execution organization with reference to leading cases in the same industry and systematically operates ESG-related practical work overall. Through the ESG practical council in which related departments such as the Strategic Planning Team, HR Team, Quality Team, Technology Environment Team, and Purchasing Team participate, the company integrally manages issue response, report drafting, review of customer requirements, and internal evaluation. In addition, the company designates dedicated departments for major ESG issues such as information protection, product quality, and human rights/labor, and strengthens an execution-centered organizational operating system by assigning clear roles and responsibilities(R&R) for each area.

Linking ESG Strategy to KPIs and Establishing an Evaluation System

MNC Solution links key performance indicators(KPIs) to management performance to increase the execution capability of ESG strategy and is building a management system that can systematically evaluate performance by sector. The company links the annual management plan with ESG KPIs to set goals, and has defined key performance indicators for each of the Environmental, Social, and Governance sectors as follows:

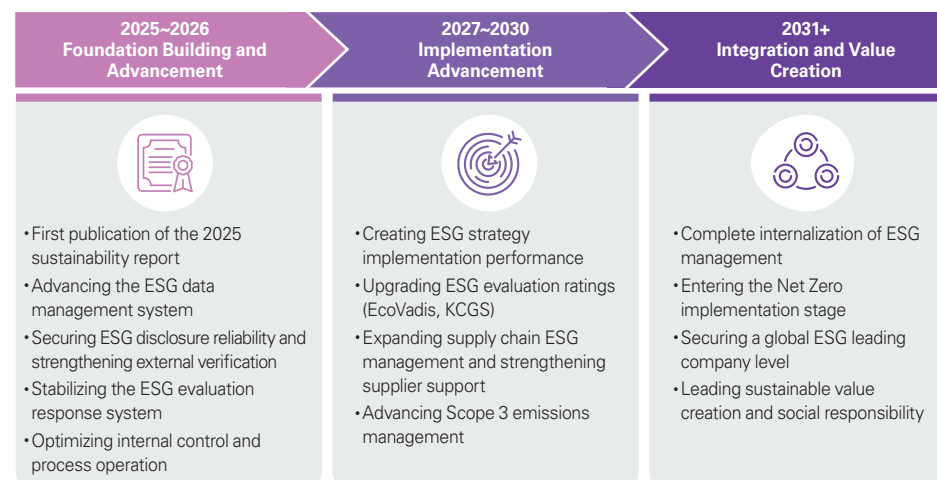
- **Environment(E):** GHG per-unit emissions, energy usage, accident rate, etc.
- **Society(S):** Supplier evaluation rate, safety training completion rate, training investment cost, etc.
- **Governance(G):** Board participation rate, internal control audit results, etc.

These KPIs are directly reflected in management's performance evaluation, and the company plans to continuously strengthen the execution of company-wide ESG responsible management.

Linking ESG Information Disclosure with Evaluation Response

MNC Solution treats strengthening ESG information disclosure as a core axis of internalizing ESG management, and through advancing its reporting system, continuously strengthens its capability to respond to major ESG evaluations. Going forward, the company aims to achieve a KCGS A-grade and a CDP Water A- grade, and plans to strengthen its disclosure system in line with ISSB standards, managing ESG evaluation systematically at a strategic level. To this end, the company will analyze the indicator standards of major evaluation agencies such as KCGS, Sustainvest, CDP, and EcoVadis and establish its own disclosure standards, seeking to secure consistency among disclosure, performance, and strategy. In addition, the company plans to progressively expand its parallel reporting system, including CDP response disclosure, supply chain Scope 3 carbon emission information, social issues based on ISO 26000, and reflection of GRI/SASB standards.

ESG Roadmap



MNC Solution is internalizing ESG not as a simple response to trends but as a core execution system of its corporate strategy. To this end, the company is reorganizing its ESG governance system and strengthening council operation and practical execution capability, while systematically managing key ESG indicators in connection with management performance. Through this, the company is simultaneously securing corporate sustainability and global competitiveness. Going forward, MNC Solution will continuously advance its ESG management system to enhance trust with domestic and overseas customers and investors and will further solidify its position as a sustainable partner within the global defense supply chain.

Integrated Risk Management

Risk Management Promotion System

ESG Risk Management Promotion System

To proactively identify and respond to financial and non-financial risks that may arise in the complex management environment of the defense industry, MNC Solution has built and operates a company-wide 'Enterprise Risk Management(ERM)' system. Financial risk is systematically managed centered on key elements directly linked to management performance, such as market volatility, fund liquidity, and credit risk, while the company also actively responds to non-financial risk including non-quantitative ESG-based elements such as climate/environment, human rights, industrial safety, quality, information protection, regulatory compliance, and corporate reputation. Each risk is continuously monitored by the relevant department and dedicated responsible officer, and integrated quarterly inspections are conducted centered on the Risk Management System. Major material risks are regularly reported to the CEO and the ESG Committee, and the company continuously strengthens its risk response capability through response strategy and prevention activities based on risk evaluation and scenario analysis.

Financial Risk

ESG disclosure standards(GRI, KCGS, DJSI, etc.) treat financial risk as a core element of sustainable management, including a company's identification and response capability as a major evaluation item. The GRI 201 standard requires disclosure of sensitivity information regarding changes in the external economic environment such as interest rates and exchange rates, and KCGS includes capital structure, dividend policy, and debt ratio as major items in governance(G) evaluation. DJSI focuses on evaluating the identification and response status of financial risk within the company-wide risk management system(ERM).



Market Risk

To prepare for the possibility of sudden changes in interest rates, exchange rates, and raw material prices, market indicators are reviewed semi-annually, and a proactive hedging strategy is established based on external economic outlooks



Credit Risk

To prepare for the possibility of credit rating downgrade or delinquency of business partners, prior screening and regular evaluation are conducted, and a financial institution evaluation standard (BBB or above) is applied



Liquidity Risk

Working capital demand according to the supply and demand of production materials and components is forecast, and liquidity-securing measures are implemented in parallel to prepare for supply disruptions.



Capital Risk

To maintain an optimal capital structure, the capital ratio is periodically reviewed and reflected in decision-making based on financial soundness indicators

Non-Financial Risk

MNC Solution has established a dedicated ESG organization and is building a systematic management/oversight system to strengthen its capability to respond to risk across the entire range of ESG areas including ethics, environment, labor, human rights, and supply chain. The ESG practical team continuously monitors non-financial risk in each area and regularly reports major issues to management, supporting early recognition and proactive response to risk. In addition, the company operates a dedicated organization for quality and safety management to secure product quality and safety and continuously pursues inter-departmental consultation and improvement activities for related issues.

MNC Solution's Integrated Risk Management Classification

	Risk Type	Major Description	Response Strategy
Financial Risk	Market Risk	Market volatility such as exchange rates and interest rates	External risk analysis, establishing hedging strategy
	Liquidity Risk	Liquidity shortage and increased fund demand	Establishing operating fund plan, prior supply-demand coordination
	Credit Risk	Business partner delinquency and default	Prior credit evaluation, applying business partner rating standards
	Capital Risk	Capital structure imbalance and cost risk	Setting target ratios, reviewing capital cost scenarios

	Risk Type	Major Description	Response Strategy
Non-Financial Risk	Climate/Environment	Carbon emission regulation, eco-friendly transition cost	Establishing Net-Zero-based reduction plan, regulatory analysis
	Laws/Regulations	ESG disclosure, export regulation, legal changes	Policy monitoring, building certification management system
	Information Security	Cyber threats, internal information leakage	Operating integrated security control center, incident response
	Human Rights/Labor	Working environment, ethical recruitment issues	Establishing human rights policy, reflecting supplier evaluation
	Safety	Industrial accidents, in-process accidents	Safety inspection planning, internalizing ISO 45001
	Reputation	ESG non-implementation, social criticism	Stakeholder communication, securing disclosure transparency

Integrated Risk Management

Enterprise Risk Management Process

Enterprise Risk Management Process

MNC Solution systematically operates an integrated risk management process from a company-wide perspective, spanning identification, analysis, response, and follow-up measures for risk.

Enterprise-wide integrated risk management process from proactive identification to response and follow-up measures

To realize sustainable growth amid the complex and unpredictable management environment of the defense industry, MNC Solution has built and operates a company-wide integrated risk management system (ERM, Enterprise Risk Management). The company recognizes risk not as the management domain of a single department but as a strategic task for the entire company and manages it through a systematic process spanning identification–evaluation–response–follow-up inspection. This management system is closely linked to the ESG management system, and the same process is applied to ESG-based non-financial risks such as finance, supply chain, information protection, climate change, and human rights/labor, continuously strengthening the agility and effectiveness of risk response.

Procedure	① Risk Identification	② Risk Analysis and Evaluation	③ Risk Response Decision-Making	④ Risk Response Follow-Up Measures
Management Items	Regular/ad-hoc risk evaluation	Determining risk level (rating)	Establishing measure plan	Evaluating response activities
	based on stakeholder requirements	comprehensively considering occurrence frequency, severity, etc.	measure plan reported to the risk department in charge	evaluation results reported to the Board of Directors
Operating Content	Systematically identifying risks that may affect management activities by reflecting the perspectives of internal/external stakeholders	Quantitatively/qualitatively evaluating identified risks based on likelihood of occurrence and degree of impact	For items requiring response according to risk level, the relevant department establishes an action plan	The approved response plan is implemented by the responsible department, and the measure result is reviewed by the risk manager before internal reporting. For high-risk items in particular, the measure result is reported to the ESG Committee or the Board of Directors.

Risk Identification

MNC Solution systematically identifies risks that may affect management activities by reflecting the perspectives of internal and external stakeholders. Risk is inspected not only through regular evaluation but also on an ad-hoc basis whenever issues arise and is discovered considering a wide range of external factors including market environment changes, regulatory trends, and media coverage. Identified risks are integrally managed through a company-wide risk registration system, and whenever a new risk arises, the relevant item is promptly updated and reflected in the related response system, continuously strengthening the agility and effectiveness of risk response.

Risk Analysis and Evaluation

MNC Solution conducts quantitative and qualitative evaluation of identified risks based on likelihood of occurrence and degree of impact. Likelihood of occurrence is derived through analysis of recent external cases and similar issues, while degree of impact is evaluated comprehensively considering financial loss, possibility of business disruption, legal liability, and reputational damage. Based on these evaluation results, risk levels are classified, and a separate reporting system is operated for high-risk items, which are monitored on an ongoing basis. In addition, quantitative indicators such as KPIs and qualitative factors such as reputation and policy change are comprehensively considered to calculate a comprehensive risk rating, which is reflected in the company-wide risk matrix, establishing a systematic and consistent foundation for risk response.

Risk Response Decision-Making

Depending on the risk level, the relevant department establishes a specific action plan, which is implemented after review and approval by the Risk Management System and the ESG Committee. Response strategies are selected among Avoid, Transfer, Mitigate, and Accept, with the optimal measure selected after comprehensively reviewing feasibility and cost-effectiveness. For example, if a high-risk supply chain risk is identified, measures such as securing alternative suppliers, diversifying deliveries, and establishing a production halt scenario are reviewed and implemented in advance, minimizing the impact of the risk and promoting stable business operation.

Risk Response and Follow-Up Measures

The approved response plan for MNC Solution is implemented by the responsible department, and the measure result is reviewed by the risk manager before internal reporting. In particular, for high-risk items, the measure result is reported to the ESG Committee or Board of Directors at least once a year, and the reporting target is determined according to pre-defined standards. Follow-up measures include not only simple confirmation of implementation status, but also the following procedures:

- ① Evaluating the effectiveness of response measures
- ② Checking for residual risk
- ③ Establishing recurrence-prevention measures
- ④ Re-adjusting the risk rating

The results of these inspections are also reflected in future business plans and ESG strategy establishment, continuously contributing to advancing MNC Solution's risk response capability.

Cybersecurity and Information Protection

Information Protection Strategy

Information Protection Strategy

MNC Solution operates a dedicated organization for rapid response in the event of a security incident. In addition, the company conducts mock failure drills to proactively prevent and effectively respond to security incidents.

Information Protection Goals

Based on the results of the previous year's performance analysis, MNC Solution establishes a security and defense technology protection activity plan and continuously advances its information protection management system by deriving improvement tasks. The company continuously monitors various domestic and overseas security-related laws and regulations to revise internal policy, and plans to proactively implement diverse security-related activities.

Goal	Implementation Method
Improving the Protection Level of Information Assets	- Revising and operating the information protection policy and personal information protection handling policy within laws and regulations - Conducting cyber threat simulated penetration tests
Strengthening Information Protection Vulnerability Management Activities	Identifying and improving vulnerabilities through security verification
Raising Employee Security Awareness	- Expanding information protection training for all company employees - Ad-hoc security activities through security letters - Phishing email response drills containing malicious code

Number of Data and Personal Information Breaches

Through its information protection efforts, MNC Solution has had no cases of damage from violations of information protection and personal information-related laws or information leakage over the past three years.

Category	Unit	2023	2024	2025
Number of Cybersecurity Incidents	cases	0	0	0
Number of Customer Personal Information Leakage Cases	cases	0	0	0

Risk Management

MNC Solution has established standards for technical and managerial protection measures for information security to protect information assets including critical national security technology and personnel and has built and operates a security system accordingly. The company thoroughly controls access to the in-house network for unauthorized terminals and provides a safe environment by configuring a dedicated network for defense industry purposes that completely blocks external access. The company also operates a cybersecurity control center to monitor cyber threats in real time, preparing for external hacking attacks and malicious code occurrences, and protects information assets through immediate detection and blocking.

Security Incident Prevention and Response/Management

"MNC Solution's information protection governance system is also linked with training and awareness-raising activities." In this regard, the company conducts company-wide training, management, and guidance for security incident prevention, and regularly inspects security compliance matters. In addition, the company conducted security training to prevent security incidents caused by external supplier personnel, and from 2024, has conducted information protection evaluations during regular evaluations to check the information protection management status of suppliers. Furthermore, the company shares hacking case newsletters and other effectiveness-centered training content, conducting various activities to substantively improve security awareness.

Category	
Hacking Detection & Monitoring	24x365 security event monitoring - Notification upon signs of intrusion(E-mail/SMS)
Incident Response Support	- Cause and impact analysis when a hacking incident occurs - Security monitoring operation status and security system inspection report
Reports	Emergency reports(e.g., generated tickets)

Mock Hacking Drill Procedure for Incident Response

01 Status Assessment - Target selection - Identifying requirements	02 Vulnerability Analysis - Understanding service structure environment - Vulnerability search and classification	03 Scenario Implementation - Designing attack scenarios - Verifying risk	04 Diagnostic Result Analysis Cause analysis and risk evaluation of diagnostic results	05 Establishing Security Strengthening Measures - Proposing security improvement strategy - Improving vulnerabilities - Writing result report
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As cyber threats in the defense industry sector become more sophisticated, the need to protect the company's information assets has increased. The company conducts mock hacking exercises from the attacker's perspective to identify security vulnerabilities and evaluate the possibility of penetration, establishing improvement and response strategies for discovered vulnerabilities.

Cybersecurity and Information Protection

Information Security Operations

Information Protection Governance

As a defense industry company holding national core technology, MNC Solution recognizes technology leakage and hacking threats not merely as a corporate-level loss but as a serious risk directly connected to national security.

To establish company-wide systematic information protection management, the company has appointed a Chief Information Security Officer(CISO) as the overall in-house information protection governance officer, who currently also concurrently serves as the personal information protection officer. To respond to recent environmental changes such as the increasing sophistication of cyber threats, the increase in supply chain-based hacking, and the strengthening of security requirements from defense customers, MNC Solution is carrying out employee information protection awareness-raising activities and the construction, operation, and maintenance of security systems.

In addition, the Security Team strengthens the management system for defense technology protection and prevention of data leakage based on the Defense Industry Business Directive.

Information Protection Management/Oversight

MNC Solution complies with information protection guidelines and related laws(Defense Technology Protection Act, Personal Information Protection Act, etc.) from relevant agencies such as the National Intelligence Service and the Ministry of National Defense and enacts and periodically updates its internal information protection policy. This policy includes the purpose of information protection, designation of responsible officers, allocation of roles and responsibilities(R&R), the incident response system, and external audit response procedures, and the company disseminates this through regular training and notices so that all employees are familiar with it.

Security Inspection and Audit

MNC Solution conducts regular and ongoing security inspections to review the implementation level of security policy and derive improvement points. The company regularly conducts self-security inspections such as mock drills and security log analysis and enhances security reliability through security measurements hosted by the Defense Acquisition Program Administration. In particular, every year the company undergoes diagnostics including cybersecurity mock hacking through the cyber vulnerability diagnosis hosted by the Defense Acquisition Program Administration.

Internalization of Information Security

Annual Security Inspection Activities

External Audit	Frequency	Internal Inspection	Frequency
Integrated Security Status Survey	Annual	Unannounced Security Inspection	Quarterly
Cyber Vulnerability Diagnosis	Annual	Physical Self-Security Inspection	As needed
ITGC Audit	Annual	Important Security Log Self-Inspection	As needed

Information Protection Training Activities

MNC Solution establishes a company-wide defense industry technology protection activity plan and conducts security training twice a year so that all employees can practice information protection. The company raises employee security awareness by notifying the latest issues centered on case studies through the in-house portal and email. In addition, the company conducts training composed of effectiveness-centered training content such as understanding of information protection for suppliers, conducting various activities to prevent security incidents.

Training Name	Target	Frequency
Technology Protection Training (Online)	All employees	Annual
Technology Protection Training (Offline)	All employees	Semi-annual
New Hire (New/Experienced) Security Training	New hires	Upon occurrence
Supplier Security Training	Suppliers	Semi-annual
Departing Employee Training	Departing employees	Upon occurrence
Business Traveler Training	Business travelers	Upon occurrence
Hacking Email Mock Drill	All employees	Twice a year



Supplier Security Training

Hacking Email Mock Drill

To prevent cybersecurity incidents, MNC Solution conducts mock drills reflecting the latest hacking incident trends twice a year, raising employee security vigilance.

ESG Data & Appendix

Financial Performance

Environmental Data

Social Data

Governance Data

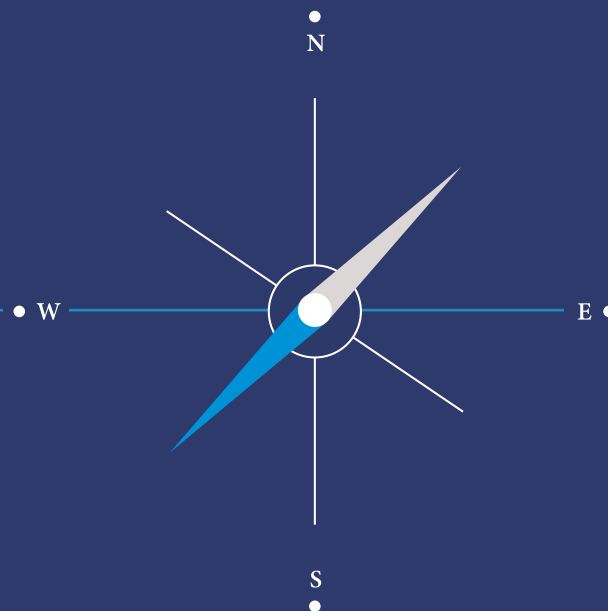
GRI Standard Index

SASB Index

UN SDGs Index

Certifications/Awards and Association Memberships

Independent Assurance Statement



06





Financial Performance

Financial Performance

3-Year Financial Statement Summary

Consolidated Statement of Financial Position

Category		Unit	2023	2024	2025
Assets	Current Assets	KRW million	221,869	243,840	286,657
	Non-Current Assets	KRW million	106,886	113,274	116,291
	Total Assets	KRW million	328,756	357,113	402,949
Liabilities	Current Liabilities	KRW million	245,763	190,453	206,936
	Non-Current Liabilities	KRW million	1,201	1,275	1,304
	Total Liabilities	KRW million	246,964	191,727	208,241
Equity	Total Equity	KRW million	81,792	165,385	194,708
	Total Liabilities and Equity	KRW million	328,756	357,113	402,949

※ Due to rounding differences, the sum of detailed items and the totals may not match exactly.

Creation and Distribution of Economic Value to Stakeholders

Category			Unit	2023	2024	2025
Economic Value Created		Revenue (Consolidated)	KRW million	183,450	282,797	403,349
		Operating Profit	KRW million	20,656	34,825	56,065
		Profit Before Tax	KRW million	20,740	34,390	58,279
		Net Income	KRW million	14,531	26,964	45,588
Economic Value Distributed	Employees	Salaries	KRW million	17,310	24,820	30,112
		Employee Benefits	KRW million	4,199	5,783	6,577
	Shareholders & Creditor	Total Dividends	KRW million	20,000	20,000	13,548
		Interest Expense	KRW million	-	-	-
	Suppliers	Purchase Cost	KRW million	136,815	200,974	261,956
	Local Community	Donations	KRW million	35	37	46
	Government	Corporate Tax Expense	KRW million	3,960	7,160	12,692

Stock Ownership Status

Category		Unit	2023	2024	2025
Shareholding Ratio	Socius Well to Sea Investment No. 2 Corporate Financial Stability Investment Co.	%	100	73.78	73.78
	Employee Stock Ownership Association	%	-	1.01	0.84
	National Pension Service	%	-	1.35	7.27
	Individuals, Foreigners, Institutional Investors, etc.	%	-	23.86	18.11
Total Number of Shares	Total Issued Shares	Shares	106,052	9,153,900	9,153,900
	Outstanding Shares	Shares	-	2,307,858	2,323,050

Research and Development(R&D)

Category		Unit	2023	2024	2025
R&D Investment	R&D Expense	KRW million	7,534	8,356	8,427
	R&D – to - Sales Ratio ¹⁾	%	4.11	2.95	2.09
	R&D Personnel	Person	72	88	95

1) Based on the business report; R&D expense total/current period revenue.

Government Financial Support

Category		Unit	2023	2024	2025
National Project R&D Subsidy	R&D Expense	KRW million	415	747	365

※ Details of government support funding are excluded from disclosure for security reasons.

Environmental Data

Environmental Data

3-Year Environmental Data

Greenhouse Gas Emissions

Category	Unit	2023	2024	2025
Direct/Indirect GHG Emissions(Scope 1+2)	tCO ₂ eq	7,919.20	7,998.30	2,627.00
Direct GHG Emissions(Scope 1, Fuel)	tCO ₂ eq	923.8	913.1	57.2
Indirect GHG Emissions(Scope 2, Electricity)	tCO ₂ eq	6,995.40	7,085.20	2,569.80
GHG Emission Intensity ¹⁾	tCO ₂ eq/KRW 1 billion revenue	43.3	28.4	6.5

1) 2023 and 2024 data are based on figures prior to corporate spin-off.(MNC Solution and Doosan Mottrol were separated in December 2023, but substantive separation of data has been applied from 2025.)

※ GHG Emission Intensity = Scope 1+2 emissions ÷ revenue(KRW 1 billion); Revenue(2023: KRW 183.4bn, 2024: KRW 282.7bn, 2025: KRW 403.3bn)

※ Due to rounding differences, the sum of detailed items and totals may not match exactly.

※ 2025 report typo correction: corrected the 2023 direct/indirect GHG emissions(Scope 1+2) sum error(7,912.2 → 7,919.2).

※ GHG emissions are calculated in accordance with the Ministry of Environment's 'Guidelines for Calculation, Reporting, and Verification under the Greenhouse Gas Emissions Trading Scheme

Greenhouse Gas Reduction Volume

Category	Unit	2023	2024	2025
Changwon Plant	tCO ₂ eq	-1,271.40	-1,192.30	-6,563.50

※ Reduction volume calculated based on the 2022 GHG emissions(9,190.5 tCO₂eq).

Energy Consumption

Category	Unit	2023	2024	2025
Total Energy Consumption	TJ	157.9	159.5	52.7
Renewable Energy Consumption	TJ	-	-	-
Direct Energy Consumption(Fuel)	TJ	17.4	17.2	1.1
Indirect Energy Consumption(Electricity)	TJ	140.5	142.3	51.6

※ 2023 and 2024 data are based on figures prior to corporate spin-off. (MNC Solution and Doosan Mottrol were separated in December 2023, but substantive separation of data has been applied from 2025.)

Air Pollutants

Category	Unit	2023	2024	2025
Dust(PM)	ton	0.55	0.076	0.204

Water Consumption and Effluents

Category		Unit	2023	2024	2025
Total Water Withdrawal	Subtotal	m³	31,871	34,506	17,693
	Municipal Water	m³	31,871	34,506	17,693
	Groundwater	m³	–	–	–

※ 2023 and 2024 data are based on figures prior to corporate spin-off.(MNC Solution and Doosan Mottrol were separated in December 2023, but substantive separation of data has been applied from 2025.)

Waste

Category			Unit	2023	2024	2025
Total Waste Generated ¹⁾			ton	849	430	362
General Waste Generated			ton	283	222	221
Designated Waste Generated			ton	566	208	142
Total Waste Treated			ton	849	430	362
General Waste Treatment	Subtotal		ton	283	222	221
	By Type	Recycled	ton	181	216	221
		Incinerated	ton	0	0	0
		Landfilled	ton	102	6	0
		Other	ton	0	0	0
	By Method	Self-treated	ton	0	0	0
		Outsourced	ton	283	222	221
Designated Waste Treatment	Subtotal		ton	566	208	142
	By Type	Recycled	ton	467	150	106
		Incinerated	ton	99	58	36
		Landfilled	ton	0	0	0
		Other	ton	0	0	0
	By Method	Self-treated	ton	0	0	0
		Outsourced	ton	566	208	142

1) Some value discrepancies may occur due to rounding differences.

Environmental Data

Environmental Data
3-Year Environmental Data

Waste Recycling

Category		Unit	2023	2024	2025
Total Waste Treated		ton	849	430	362
Total Waste Recycled		ton	648	366	327
General Waste Recycled		ton	181	216	221
By Method	On-site	ton	0	0	0
	Off-site	ton	181	216	221
Designated Waste Recycled		ton	467	150	106
By Method	On-site	ton	0	0	0
	Off-site	ton	467	150	106
Total Waste Recycling Rate		%	76	85	90

Hazardous Chemical Substances

Category	Unit	2023	2024	2025
Hazardous Chemical Substance Usage	ton	0.113	0.167	0.424
Chemical Substance Emissions	ton	2.159	1.991	2.911

Environmental Compliance

Category		Unit	2023	2024	2025
Environmental Regulation Violations	Cases with Monetary Sanctions	cases	0	0	0
	Cases with Non-monetary Sanctions	cases	0	0	0
Fines for Environmental Regulation Violations	Current Year Fines Paid	KRW million	0	0	0
	Prior Year Fines Paid	KRW million	0	0	0

Social Data

Social Data

Employee Recruitment, Turnover, and Retirement

Employee Status

Category				Unit	2023	2024	2025
Total Employees				Person	290	308	339
By gender	Male			Person	272	289	313
	Female			Person	18	19	26
By employment Type	Regular	Subtotal		Person	283	297	314
		Gender	Male	Person	266	280	293
			Female	Person	17	17	21
		Age	Under 30	Person	16	24	31
			30~50	Person	177	183	190
			Over 50	Person	90	90	93
	Non-regular	Subtotal		Person	7	11	25
		Gender	Male	Person	6	9	20
			Female	Person	1	2	5
		Age	Under 30	Person	0	1	6
			30~50	Person	5	7	13
			Over 50	Person	2	3	6

Status by Job Position

Category				Unit	2023	2024	2025
By Position	Executives	Subtotal		Person	5	5	5
		Gender	Male	Person	5	5	5
			Female	Person	0	0	0
		Age	Under 30	Person	0	0	0
			30~50	Person	1	1	1
			Over 50	Person	4	4	4
	Managers	Subtotal		Person	19	19	21
		Gender	Male	Person	18	18	20
			Female	Person	1	1	1
		Age	Under 30	Person	0	0	0
			30~50	Person	14	15	15
			Over 50	Person	5	4	6
	Middle Management	Subtotal		Person	106	113	107
		Gender	Male	Person	101	108	100
			Female	Person	5	5	7
		Age	Under 30	Person	0	0	0
			30~50	Person	74	76	74
			Over 50	Person	32	37	33
	Non-management	Subtotal		Person	160	171	206
		Gender	Male	Person	148	158	188
			Female	Person	12	13	18
		Age	Under 30	Person	16	25	37
			30~50	Person	93	98	113
			Over 50	Person	51	48	56

Social Data

Social Data

Recruitment, Turnover, and Retirement

Recruitment and Tenure

Category		Unit	2023	2024	2025
New Hires		Person	30	35	45
By employment Type	Regular	Person	22	24	19
	Non-regular	Person	8	11	26
By gender	Male	Person	26	33	33
	Female	Person	4	2	12
By age	Under 30	Person	10	12	17
	30~50	Person	18	19	24
	Over 50	Person	2	4	4
Average Tenure		Years	17.2	16.6	16
By employment Type	Regular	Years	18	17.3	17.2
	Non-regular	Years	1.6	2.7	0.7
By gender	Male	Years	17.9	17.1	16.8
	Female	Years	7.9	8.5	6.9

Turnover and Retirement

Category		Unit	2023	2024	2025
Total Turnover and Retirees		Person	16	16	12
Voluntary Turnover	Subtotal	Person	10	10	5
	Voluntary Retirement	Person	0	0	0
	Resignation(Voluntary)	Person	10	10	5
Involuntary Turnover	Subtotal	Person	6	6	7
	Retirement(Age)	Person	6	6	7
	Recommended Resignation (Dismissal, etc.)	Person	0	0	0
By gender	Male	Person	15	15	12
	Female	Person	1	1	0
By age	Under 30	Person	1	1	1
	30~50	Person	5	8	2
	Over 50	Person	10	7	9
Turnover Rate		%	5.4	5.2	3.5
Voluntary Turnover Rate		%	3.4	3.2	1.5
Involuntary Turnover Rate		%	2	1.9	2.1
By gender	Male	%	5.2	4.9	3.5
	Female	%	0.3	0.3	0
By age	Under 30	%	0.3	0.3	0.3
	30~50	%	1.7	2.6	0.6
	Over 50	%	3.4	2.3	2.7

※ Some value discrepancies may occur due to rounding differences.

Social Data

Social Data

Diversity, Training, and Safety

Employee Diversity

Category	Unit	2023	2024	2025
Total Female Employees	Person	18	19	26
Female Executives	Person	0	0	0
Female Managers	Person	6	6	9
Female Manager Ratio (Section Chief and above)	%	31.6	31.6	34.6
Employees with Disabilities ¹⁾	Person	6	6	6
Disability Employment Rate	%	2.1	1.9	1.8
National Merit Recipients Employed	Person	0	0	2
National Merit Employment Rate	%	0	0	0.6
Male Average Monthly Base Salary	KRW million	4.6	4.7	5
Female Average Monthly Base Salary	KRW million	3.9	4	4.3
Female-to-Male Average Base Salary Ratio	%	84.8	85.1	87.1

1) Based on Korea Employment Agency for the Disabled registration standard.

Non-Discrimination

Category	Unit	2023	2024	2025
Number of Discrimination Cases ¹⁾	cases	0	0	0
Discrimination Cases Under Investigation	cases	0	0	0
Discrimination Case Remediation Plans Established	cases	0	0	0
Discrimination Case Remediation Completed	cases	0	0	0

1) Cases of discrimination based on age, gender, disability, religion, or political views, targeting internal/external stakeholders.

Employee Training

Category		Unit	2023	2024	2025
Training Cost		KRW million	25	18	130
Training Hours		Hours	2,124	1,868	6,797
Participants		Person	399	337	756
Training Hours per Employee	Subtotal	Hours/Person	7.3	6.1	20.1
	Male	Hours/Person	6.9	5.6	18.2
	Female	Hours/Person	0.3	0.4	2

※ Some value discrepancies may occur due to rounding differences.

Performance Evaluation

Category	Unit	2023	2024	2025
Number Subject to Performance Evaluation	Person	161	183	193
Number Receiving Regular Performance Evaluation	Person	161	183	193
Rate Receiving Regular Performance Evaluation	%	100	100	100

Occupational Health and safety Management System¹⁾

Category	Unit	2023	2024	2025
Number of Workers Covered by Safety/Health Certification ²⁾	Person	270	293	307
Rate of Workers Covered by Safety/ Health Certification	%	100	100	100

1) Based on ISO 45001 standard(safety/health-related certification standard)

2) includes in-house supplier personnel.

Social Data

Social Data

Welfare, Occupational Injury, Suppliers, and Contribution

Parental Leave

Category		Unit	2023	2024	2025
Parental Leave Users	Subtotal	Person	6	4	5
	Male	Person	5	4	4
	Female	Person	1	0	1
Returned from Parental Leave	Subtotal	Person	2	6	4
	Male	Person	2	5	4
	Female	Person	0	1	0
Eligible for Return from Parental Leave	Subtotal	Person	4	7	4
	Male	Person	4	6	4
	Female	Person	0	1	0
Retained 1+ Year After Return	Subtotal	Person	10	10	3
	Male	Person	7	7	3
	Female	Person	3	3	0

Retirement Benefits

Category	Unit	2023	2024	2025
Present Value of Defined Benefit Obligation	KRW million	18,783	20,091	24,104

Occupational Health and Safety

Category		Unit	2023	2024	2025
Employees	Number of Occupational Injuries	cases	0	0	3
	Occupational Injury Rate	%	0	0	0.8
	Lost Time Injury Rate(LTIR) ^{1), 2)}	per 1M hours	0	0	4.17
	Lost Time Injuries(LTI)	Person	0	0	3
	Recordable Injury Rate(RI) ³⁾	cases	0	0	3
Non-employee Workers	No. of Serious Occupational Injuries	cases	0	0	0
	No. of Occupational Injuries	cases	0	0	0
	Occupational Injury Rate ¹⁾	%	0	0	0
	No. of work-related Fatalities	cases	0	0	0
	Work-related Fatality Rate	%	0	0	0
	Lost Time Injury Rate(LTIR) ^{1), 2)}	per 1M hours	0	0	0
	Lost Time Injuries(LTI)	Person	0	0	0
	Recordable Injury Rate(RI) ³⁾	cases	0	0	0

1) Differences in LTIR for prior years may occur due to changes in calculation standards.

2) Lost-Time Injury Rate(LTIR) = (Number of Lost-Time Injuries / Total Working Hours) × 1,000,000

3) Includes personnel reported on industrial accident investigation forms for occupational disease, identical to LTI data.

Work-related Ill Health¹⁾

Category		Unit	2023	2024	2025
Employees	Occupational Illness Frequency Rate(OIFR) ²⁾	per 1M hours	0	0	0
	Occupational Illness Cases	cases	0	0	0
	Deaths from Occupational Illness	cases	0	0	0
Non-employee Workers	Occupational Illness Frequency Rate(OIFR) ²⁾	per 1M hours	0	0	0
	Occupational Illness Cases	cases	0	0	0
	Deaths from Occupational Illness	cases	0	0	0

1) Based on Korea Workers' Compensation and Welfare Service approval.

2) Occupational Illness Frequency Rate(OIFR) = (Number of Occupational Disease Cases / Total Working Hours) × 1,000,000

Social Data

Social Data

Information Security, Suppliers, and Contribution

Information Security

Category	Unit	2023	2024	2025
Number of Cybersecurity Incidents	cases	0	0	0
Number of Customer Personal Information Leakage Cases	cases	0	0	0

Shared Growth

Category	Unit	2023	2024	2025
Shared Growth Index	Grade	N/A	N/A	N/A
Fair Trade Agreement Implementation Evaluation	Grade	N/A	N/A	N/A

※ The Shared Growth Index and Fair Trade Agreement Implementation Evaluation are conducted only for companies subject to the relevant systems' evaluation; as MNC Solution is not a subject company, it is marked N/A.

Supplier Status

Category	Unit	2023	2024	2025
Total Number of Suppliers	companies	212	192	248
Total Purchases from Suppliers	KRW million	136,815	200,974	261,956
Domestic	Purchase Amount	KRW million	113,440	166,120
	Purchase Ratio	%	82.9	82.7
Overseas	Purchase Amount	KRW million	23,375	34,854
	Purchase Ratio	%	17.1	17.3

Supplier ESG Evaluation¹⁾

Category	Unit	2023	2024	2025
ESG Evaluation Participation Rate	%	20.3	29.7	24.6
Number of Suppliers Participating in ESG Evaluation	companies	43	57	61
Number of Suppliers with Confirmed Negative Impact	companies	0	0	0
Rate of Suppliers Agreeing to Implement Improvement Measures	%	0	0	0
Rate of Suppliers Whose Contract Was Terminated Due to Negative Impact	%	0	0	0
Rate of New Suppliers Subject to ESG Due Diligence	%	24	24	23

1) Calculated as a percentage of total suppliers.

Customer Satisfaction

Category	Unit	2023	2024	2025
Customer Satisfaction Survey Result	points(out of 10)	7.2	7.2	7.7

Social Contribution

Category	Unit	2023	2024	2025
Donations	KRW million	35	37	46
Donation Participants	Person	168	165	160
Donation Participation Rate	%	58	54	47
Total Employee Volunteer Hours ¹⁾	Hours	-	-	90
Volunteer Hours per Employee ²⁾	Hours/Person	-	-	0.27

1) No volunteer activity cases occurred in 2023–2024; social contribution plans have been established, and volunteer activities are underway since 2025.

2) Volunteer hours per employee calculated based on total employee headcount.

Governance Data

Governance Data

Board of Directors and Legal Matters

Board of Directors

Category			Unit	2023	2024	2025
Board Composition	Subtotal		Person	8	7	7
	Executive Director		Person	1	2	2
	Other Non-Executive Director		Person	2	2	2
	Independent Director		Person	5	3	3
Board Diversity	Female Director		Person	1	1	1
	Female Director Ratio		%	12.5	14.28	14.29
Age Distribution	Under 30		Person	0	0	0
	30~50		Person	1	1	1
	Over 50		Person	7	6	6
Board Operations	Board Meetings Held		sessions	7	17	5
	Average Attendance Rate ¹⁾		%	100	99.4	91.4
	Board Agenda Items	Resolution Items	cases	8	17	9
		Report Items	cases	0	0	7

1) Average attendance rate = $\sum(\text{number of directors present at each meeting} / \text{total number of directors}) \div \text{number of Board meetings held}$

※ Some value discrepancies may occur due to rounding differences.

Director Compensation

Category	Unit	2023	2024	2025
Highest-Paid Individual(CEO) Amount	KRW million	401	358	696
Average Annual Salary per Employee	KRW million	82	87	92
Compensation Ratio ¹⁾	%	489	411.5	756.5

1) Compensation ratio = ratio of highest-paid individual's amount to average employee compensation.

Compliance – Legal and Regulatory

Category			Unit	2023	2024	2025
Laws and Regulations Violations	Monetary Sanctions		cases	0	0	0
	Non-monetary Sanctions		cases	0	0	0
Fines from Laws and Regulations Violations	Current Reporting Period		KRW million	0	0	0
	Prior Reporting Period		KRW million	0	0	0
Anti-corruption Violations ¹⁾	Non-monetary Sanctions (Employees)	Disciplinary Action	cases	0	0	0
		Dismissal	cases	0	0	0
	Non-monetary Sanctions (Suppliers)	Contract Termination/ Non-renewal	cases	0	0	0
Fines from Anti-corruption Violations			KRW million	0	0	0
Anti-competitive Behavior Violations ²⁾	Ongoing Litigation		cases	0	0	0
	Concluded Litigation		cases	0	0	0

1) Violations related to bribery, kickbacks, fraud, extortion, collusion, and money laundering.

2) Violations related to internal transactions, subcontracting transactions, franchise business, and dealer transactions arising from abuse of market-dominant position.

Governance Data

Governance Data

Ethics Training and Anti-Corruption

Ethics and Compliance Training Status

Category		Unit	2023	2024	2025
Employee Compliance Training	Training Hours	hours	136	156	166
	Employees Trained	Person	271	311	331
	Ratio of Employees Trained	%	100	100	100
Statutory Mandatory Training - Workplace Sexual Harassment Prevention - Workplace Bullying Prevention - Disability Awareness - Personal Data Protection training	Training Hours	hours	1,084	1,244	1,324
	Participants	Person	271	311	331
Fair Trade Training	Training Hours	hours	120	124	132
	Participants	Person	60	62	65

Communication on Anti-Corruption Policy and Procedures

Category		Unit	2023	2024	2025
Code of Conduct Pledge ¹⁾	Employees Who Signed	Person	295	312	331
	Signing Ratio(of Employees)	%	100	100	100
Integrity Pledge ²⁾	Number of Suppliers	companies	212	192	248
	Suppliers Who Signed	companies	19	33	208
	Signing Ratio(of Suppliers)	%	9	17.2	83.9

1) Compliance pledge includes various compliance content across fair trade, anti-corruption, trade secret protection, and subcontracting/win-win cooperation areas.

2) Integrity pledge includes commitments not to engage in bribery, unfair solicitation, or provision of money/goods.

※ Pledge-participating employee count is based on the headcount as of September–October of the relevant year, and therefore may differ from the year-end headcount.

GRI Standard Index

GRI Standard Index

Universal Standards(GRI 1, 2)

Statement of Use	MNC Solution has reported in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	As of December 2025, no GRI Sector Standard has been published for the defense industry applicable to MNC Solution.

GRI Standard	Disclosure	Description	Page	Note
GRI 2 General Disclosures				
Organizational Details and Reporting Practices	2-1	Organizational details	8	
	2-2	Entities included in the organization's sustainability reporting	8	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	18, 69	
	2-5	External assurance	2, 84, 85	
Activities and Workers	2-6	Activities, value chain and other business relationships	8	
	2-7	Employees	71	
	2-8	Workers who are not employees	71	
Governance	2-9	Governance structure and composition	55, 56, 57	
	2-10	Nomination and selection of the highest governance body	55, 56	
	2-11	Chair of the highest governance body	55, 56	
	2-12	Role of the highest governance body in overseeing the management of impacts	55, 56, 57	
	2-13	Delegation of responsibility for managing impacts	55, 56, 57	
	2-14	Role of the highest governance body in sustainability reporting	56	
	2-15	Conflicts of interest	55, 56	
	2-16	Communication of critical concerns	22, 23, 56, 62	
	2-17	Collective knowledge of the highest governance body	55	
	2-18	Evaluation of the performance of the highest governance body	57	
	2-19	Remuneration policies	57, 76	

GRI Standard	Disclosure	Description	Page	Note
Governance	2-20	Process to determine remuneration	-	Not disclosed externally
	2-21	Annual total compensation ratio	-	Not disclosed externally
Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	6, 7, 26	
	2-23	Policy commitments	34, 36, 43, 50, 60, 61, 65	
	2-24	Embedding policy commitments	34, 36, 43, 50, 60, 61, 65	
	2-25	Processes to remediate negative impacts	49, 58, 59	
	2-26	Mechanisms for seeking advice and raising concerns	49, 58, 59	
	2-27	Compliance with laws and regulations	58, 59, 70, 76	
	2-28	Membership associations	83	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	22, 23	
	2-30	Collective bargaining agreements	48	
GRI 3 Material Topics				
Material Topics Disclosure	3-1	Process to determine material topics	24	
	3-2	List of material topics	25	

GRI Standard Index

GRI Standard Index

Topic Standards

GRI Standard	Disclosure	Description	Page	Note
Strengthening Product Responsibility	GRI 3 Material Topics			
	3-3	Management of material topics	25	
	GRI 416 Customer Health and Safety			
	416-1	Assessment of the health and safety impacts of product and service categories	36, 37	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	37	
Climate Change Response	GRI 3 Material Topics			
	3-3	Management of material topics	25	
	GRI 302 Energy			
	302-1	Energy consumption within the organization	69	
	302-2	Energy consumption outside of the organization	-	Data not managed
	302-3	Energy intensity	33	
	302-4	Reduction of energy consumption	33	
	302-5	Reductions in energy requirements of products and services	-	
	GRI 305 Emissions			
	305-1	Direct(Scope 1) GHG emissions	69	
	305-2	Energy indirect(Scope 2) GHG emissions	69	
	305-3	Other indirect(Scope 3) GHG emissions	-	Data not managed
	305-4	GHG emissions intensity	33, 69	
	305-5	Reduction of GHG emissions	33	
	305-6	Emissions of ozone-depleting substances(ODS)	-	Data not managed
	305-7	NOx, SOx, and other significant air emissions	38, 69	
Responsible Technology and Innovation	GRI 3 Material Topics			
	3-3	Management of material topics	25	
	NON-GRI	Organization-specific issue	34, 35	

GRI Standard	Disclosure	Description	Page	Note
Workplace Safety and Health	GRI 3 Material Topics			
	3-3	Management of material topics	25	
	GRI 403 Occupational Health and Safety			
	403-1	Occupational health and safety management system	47	
	403-2	Hazard identification, risk assessment, and incident investigation	47	
	403-3	Occupational health services	47	
	403-4	Worker participation, consultation, and communication on occupational health and safety	47	
	403-5	Worker training on occupational health and safety	47	
	403-6	Promotion of worker health	47, 49	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	46, 47	
	403-8	Workers covered by an occupational health and safety management system	73, 74	
Employee Capability Development	GRI 3 Material Topics			
	3-3	Management of material topics	25	
	GRI 404 Training and Education			
	404-1	Average hours of training per employee per year	45, 47, 73, 77	
	404-2	Programs for upgrading employee skills and transition assistance programs	44, 45	
	404-3	Percentage of employees receiving regular performance and career development reviews	44, 45, 73	
Supply Chain ESG Management	GRI 3 Material Topics			
	3-3	Management of material topics	25	
	GRI 308 Supplier Environmental Assessment			
	308-1	New suppliers that were screened using environmental criteria	52, 75	
	GRI 414 Supplier Social Assessment			
Biodiversity Conservation	414-1	New suppliers that were screened using social criteria	52, 75	
	GRI 304 Biodiversity ¹⁾			
	304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	27	
	304-3	Habitats protected or restored	27	

1) GRI 304-2 and 304-4 are not applicable.

GRI Standard Index

GRI Standard Index

Topic Standards

GRI Standard	Disclosure	Description	Page	Note
GRI 200 Economic Performance				
GRI 201 Economic Performance	201-1	Direct economic value generated and distributed (EVG&D)	68	
	201-2	Financial implications and other risks and opportunities due to climate change	62, 63	
	201-3	Defined benefit plan obligations and other retirement plans	-	
	201-4	Financial assistance received from government	68	
GRI 205 Anti-corruption	205-1	Operations assessed for risks related to corruption	66, 67	
	205-2	Communication and training about anti-corruption policies and procedures	63, 64	
	205-3	Confirmed incidents of corruption and actions taken	63	
GRI 300 Environmental Performance				
GRI 303 Water and Effluents	303-3	Water withdrawal	69	
	303-4	Water discharge	69	
	303-5	Water consumption	69	
GRI 306 Waste	306-1	Waste generation and significant waste-related impacts	69	
	306-2	Management of significant waste-related impacts	69	
	306-3	Waste generated	69	
	306-4	Waste diverted from disposal	70	
	306-5	Waste directed to disposal	70	

GRI Standard	Disclosure	Description	Page	Note
GRI 400 Social Performance				
GRI 401 Employment	401-1	New employee hires and employee turnover	72	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	72	
	401-3	Parental leave	74	
GRI 402 Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	48, 49	
GRI 405 Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	55, 73, 76	
	405-2	Ratio of basic salary and remuneration of women to men	76	
GRI 407 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	Not applicable	
GRI 410 Security Practices	410-1	Security personnel trained in human rights policies or procedures	Not applicable	
GRI 413 Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	50, 51	
	413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable	
GRI 418 Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	64, 65	

SASB Index

SASB Index

Resource Transformation(Aerospace & Defense)

1. SASB sector-specific indicators consist of a total of 77 sector-specific standards across 11 industry groups based on the Sustainable Industry Classification System(SICS).
2. Based on the SICS, this reflects the columns in SASB's Materiality Map, presenting ESG information items by industry centered on sustainability issues with high relevance to the respective industry.
3. MNC Solution is classified under the SASB 'Resource Transformation(Aerospace & Defense)' sector, and the indicators for this industry are as follows.

Topic	Code	Indicator	Unit	2023	2024	2025	Page
Energy Management	RT-AE-130a.1	(1) Total energy consumed	TJ	157.9	159.5	52.7	33, 69
	RT-AE-130a.2	(2) Percentage grid electricity	%	89	89.2	97.9	69
	RT-AE-130a.3	(3) Percentage renewable ¹⁾	%	0	0	0	-
Hazardous Waste Management	RT-AE-150a.1	Amount of hazardous waste generated ²⁾	ton	566	208	142	39
	RT-AE-150a.1	Percentage recycled ³⁾	%	76	85	90	39
	RT-AE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	cases, kg	None	None	None	69, 70
Data Security	RT-AE-230a.1	(1) Number of data breaches	cases	0	0	0	64
	RT-AE-230a.1	(2) Percentage involving confidential information	%	0	0	0	64
	RT-AE-230a.2	(1) Description of approach to identifying and addressing data security risks in company operations	-				64
	RT-AE-230a.2	(2) Description of approach to identifying and addressing data security risks in products	-				65
Product Safety	RT-AE-250a.1	Number of recalls issued, total units recalled	cases, units	0	0	0	-
	RT-AE-250a.2	Number of counterfeit parts detected, percentage avoided	cases, %	0	0	0	-
	RT-AE-250a.3	Number of Airworthiness Directives received, total units affected	cases, units	Not applicable	Not applicable	Not applicable	-
	RT-AE-250a.4	Total amount of monetary losses as a result of legal proceedings associated with product safety	KRW	Not applicable	Not applicable	Not applicable	-
Fuel Economy & Emissions in Use-Phase	RT-AE-410a.1	Revenue from alternative energy-related products	cases	0	0	0	-
	RT-AE-410a.2	Discussion of strategy and approach to address fuel economy and greenhouse gas emissions of products	-				30
Materials Sourcing	RT-AE-440a.1	Discussion of the management of risks associated with the use of critical materials	-				52
Business Ethics	RT-AE-510a.1	Total amount of monetary losses because of legal proceedings associated with bribery or corruption	KRW million	0	0	0	-
	RT-AE-510a.2	Revenue from countries ranked in the 'E' or 'F' Band of Transparency International's Government Defence Anti-Corruption Index	KRW	-	-	-	-
	RT-AE-510a.3	Discussion of processes to manage business ethics risks throughout the value chain	-				52, 53
Activity Metrics	RT-AE-000.A	Production by reportable segment	cases	Confidential	Confidential	Confidential	-
	RT-AE-000.B	Number of employees	Persons	290	308	339	71

1) No renewable energy usage during the reporting period.

2) Domestic standard designated waste generation used as a proxy indicator for hazardous waste.

3) Recycling rate refers to the "total waste recycling rate" indicator.

UN SDGs Index

UN SDGs Index

Topic Standards

Adopted by the UN General Assembly in 2015, the UN Sustainable Development Goals (SDGs) aim to build a sustainable society through social development, environmental protection, and inclusive economic growth from 2016 to 2030. MNC Solution is making efforts to contribute to the achievement of the UN SDGs. Considering the characteristics of MNC Solution's business, the company has selected highly relevant Sustainable Development Goals and is pursuing diverse sustainable management activities.

UN SDGs-Linked Activities

UN SDGs	MNC Solution Activities
 Goal 3 Good Health and Well-Being	Ensure healthy lives and promote well-being for all at all ages. • Strengthening worker health management through musculoskeletal hazard factor surveys • Building an industrial accident prevention system through company-wide safety/health training and provision of protective equipment
 Goal 4 Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. • Establishing talent development system through new hire and job-specific customized training course operation • Strengthening job expertise through statutory training, etc
 Goal 5 Gender Equality	Achieve gender equality and empower all women and girls. • Operating non-discriminatory recruitment and evaluation systems by gender • Raising gender sensitivity within the organization through regular sexual harassment prevention training
 Goal 6 Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all. • Operating self-managed wastewater treatment facilities • Preventing water pollution through regular water quality testing in compliance with legal standards
 Goal 7 Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable, and modern energy for all. • Energy transition through introduction of renewable energy such as solar power • Strengthening energy efficiency through operation of an energy usage monitoring system
 Goal 8 Decent Work and Economic Growth	Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. • Providing stable jobs through regular employment-centered hiring and maintaining employment in the local community • Improving work satisfaction through operation of a flexible work system
 Goal 9 Industry, Innovation, and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation. • Continued future-mobility-responsive technology development including lightweight materials and eco-friendly alloys • Improving productivity through production facility automation and quality system advancement

UN SDGs	MNC Solution Activities
 Goal 11 Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient, and sustainable. • Contributing to the local community through volunteer activity operation • Protecting the living environment through dust reduction facility operation and noise prevention measures
 Goal 12 Responsible Consumption and Production	Ensure sustainable consumption and production patterns. • Expanding raw material recycling rates • Securing supply chain sustainability through supplier ESG evaluation and code of conduct operation
 Goal 13 Climate Action	Take urgent action to combat climate change and its impacts. • Calculating Scope 1, 2 greenhouse gas emissions and establishing reduction targets • Promoting carbon emission reduction activities through introduction of energy-saving facilities
 Goal 15 Life on Land	Protect, restore, and promote sustainable use of terrestrial ecosystems. • Minimizing terrestrial environmental impact through introduction of air and water pollution prevention facilities • Treatment and management of waste oil/wastewater and other waste in accordance with legal standards
 Goal 16 Peace, Justice, and Strong Institutions	Promote peaceful and inclusive societies, ensure access to justice for all, and build effective and inclusive institutions. • Operating employee ethics management training and internal reporting system • Realizing compliance management through establishment of anti-corruption guidelines and fair-trade standards
 Goal 17 Partnerships for the Goals	Strengthen the means of implementation and revitalize the global partnership for sustainable development. • Building a co-prosperity cooperation system through supplier ESG due diligence response and improvement feedback.

Certifications/Awards and Association Memberships

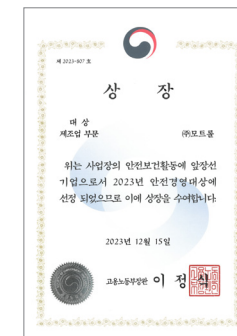
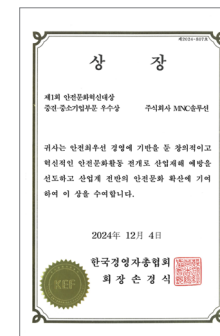
Certifications/Awards and Association Memberships

Certification Status

Standard/Certification	Certificate Name	Initial Certification Date	Certification Scope	Certifying Body
Recognition No. 19861073	Corporate-Affiliated Research Institute Recognition Certificate	1986. 11. 24	MNC Solution Co., Ltd. Technology Research Institute	Korea Industrial Technology Association
ISO 14001	Environmental Management System Certificate	2005. 12. 13	Design, development, production, sales, and after-sales service of defense industry products (hydraulic equipment, hydraulic drive devices, and hydro-pneumatic suspension systems)	Korea Foundation for Quality
ISO 45001	Occupational Safety and Health Management System Certificate	2019. 07. 04	Design, development, production, sales, and after-sales service of defense industry products (hydraulic equipment, hydraulic drive devices, and hydro-pneumatic suspension systems)	Korea Foundation for Quality
AS 9100	Aerospace and Defense Industry Quality Management System (QMS) Certificate	2016. 07. 20	Design, development, and manufacture of hydraulic system products for aviation and defense industry use	KIWA Korea
KDS 0050-9000-5	National Defense Quality Management System Certificate	2000. 02. 04	Design, development, and manufacture of hydraulic equipment (hydraulic equipment, suspension systems, hydraulic devices, hydraulic drive devices)	Defense Acquisition Program Administration
PMS(Level 7)	Productivity Management System Certificate	2022. 05. 06	Headquarters and business sites	Korea Productivity Center
ESG Management Level 'S' Grade	ESG Management Level Verification Certificate	2025. 04. 11	MNC Solution Co., Ltd.	Korea Productivity Center
ESG Evaluation 'AA' Grade	ESG Evaluation Rating Confirmation Certificate	2025. 11. 17	MNC Solution Co., Ltd. ESG Management	Sustinvest

Award Status

Year	Award Description	Awarding Organization
2024. 12	1st Safety Culture Innovation Award, Excellence Prize	Korea Employers Federation
2023. 12	Safety Management Award	Minister of Employment and Labor
2021. 11	Carbon Neutrality Green Management Award	Prime Minister/Ministry of the Interior and Safety
2015. 09	Republic of Korea Green Management Award	Minister of Environment
2014. 07	Health Promotion Activity Excellent Case Presentation, Excellence Prize	Korea Occupational Safety and Health Agency
2012. 12	Environmental Management Award, Gold Prize	Changwon City Hall
2011. 09	Resource Circulation Leading Company Award	Prime Minister



Association Memberships

Association	Year Joined	Association	Year Joined
Gyeongnam Employers Federation	2024	Korea Measurement Association	2020
Korean Society for Fluid Power and Construction Machinery	2024	Korea Fire Safety Association	2012
Korea Defense and Space Society	2024	Korea Industrial Safety Association, Changwon Chapter	2012
Emergency Planning Officers Association	2024	Korea Industrial Nurses Association	2011
Korea Listed Companies Association	2024	Korea Customs Logistics Association	1990
Korea Defense Diplomacy Association	2024	Korea Defense Industry Association	1978
Korea Electrical Engineers Association	2022	Korea Industrial Complex Corporation Integrated Defense Council	1978
Korea International Trade Association	2021		

Independent Assurance Statement

Independent Assurance Statement

Introduction

The Korea Foundation for Cooperation of Large & Small Business, Rural Affairs (Win-Win Growth Committee, hereinafter the 'Verifier') has been requested to provide independent third-party assurance for the '2026 MNC Solution Sustainability Report'(hereinafter the 'Report') and hereby submits the following assurance statement. This assurance opinion applies only to the information included within the stated assurance scope, and full responsibility for the preparation of the Report lies entirely with MNC Solution.

Independence

The Verifier is an independent assurance institution providing third-party assurance and has not participated in any of MNC Solution's profit-making activities, nor does it hold any conflict of interest that could undermine the objective fairness of the assurance.

Assurance Standards and Type

This assurance was conducted as a Type 1 assurance engagement confirming compliance with the principles of Inclusiveness, Materiality, Responsiveness, and Impact as presented in AA1000AP(Accountability Principles) 2018, and was performed at a 'Moderate Level' in accordance with the AA1000AS(Assurance Standard) v3 verification standard, based on limitedly collected data.

Assurance Scope

The assurance period covers from January 1, 2025 to December 31, 2025, and includes MNC Solution's sustainable management policy, goals, business, standards, performance, and related internal processes and systems overall. In addition, this assurance confirmed that the Report was prepared with reference to the following GRI Standards 2021.

- Universal Standards
- Topic Standards
 - GRI 201: Economic Performance
 - GRI 205: Anti-corruption
 - GRI 302: Energy
 - GRI 303: Water and Effluents
 - GRI 304: Biodiversity
 - GRI 305: Emissions
 - GRI 306: Waste
 - GRI 308: Supplier Environmental Assessment
 - GRI 401: Employment
 - GRI 402: Labor/Management Relations
 - GRI 403: Occupational Health and Safety
 - GRI 404: Training and Education
 - GRI 405: Diversity and Equal Opportunity
 - GRI 413: Local Communities
 - GRI 414: Supplier Social Assessment
 - GRI 418: Customer Privacy

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Assurance Method

The Verifier applied the above standards to confirm the validity of the Report's content by reviewing the related procedures, systems and control methods, and available performance data. Documents reviewed during the assurance process include the following.

- MNC Solution's regular disclosure reports, website, and publicly available materials surveyed through media and the internet, etc.
- Internal ESG-related performance documents and underlying data provided by MNC Solution.
- Interviews with the personnel responsible for preparing the Report.

Assurance Limitations

This assurance engagement was performed on the assumption that the data and information provided by MNC Solution are complete and accurate, and separate verification of the original data itself was not performed. In addition, assurance of some qualitative information was performed on a limited basis.

Assurance Results

The Verifier reviewed the content contained in the draft Report and provided opinions and confirmed that the Report was appropriately supplemented prior to publication based on these opinions. As a result of performing the above assurance activities, it was determined that the content of this Report was prepared in accordance with the international standard guideline GRI Standards 2021, and that a reasonable basis was secured to evidence compliance with the four principles of AA1000AP(2018) and Type 1 assurance under AA1000AS(v3).

1) Inclusiveness: Stakeholder Engagement and Communication

It was confirmed that MNC Solution recognizes the engagement of key stakeholders as important in pursuing sustainable management and is making efforts to establish an engagement process.

2) Materiality: Identification and Reporting of Material Sustainability Topics

The organization derives core issues affecting its sustainability through its own assessment process, and no material issues omitted from a stakeholder perspective were identified.

3) Responsiveness: Response to Sustainability Reporting Issues

Management's prompt response to major sustainable management issues and disclosure efforts were confirmed. However, more specific quantitative data reporting is recommended for continuous performance improvement.

4) Impact: The Effect of Material Sustainability Topics on the Organization and Stakeholders

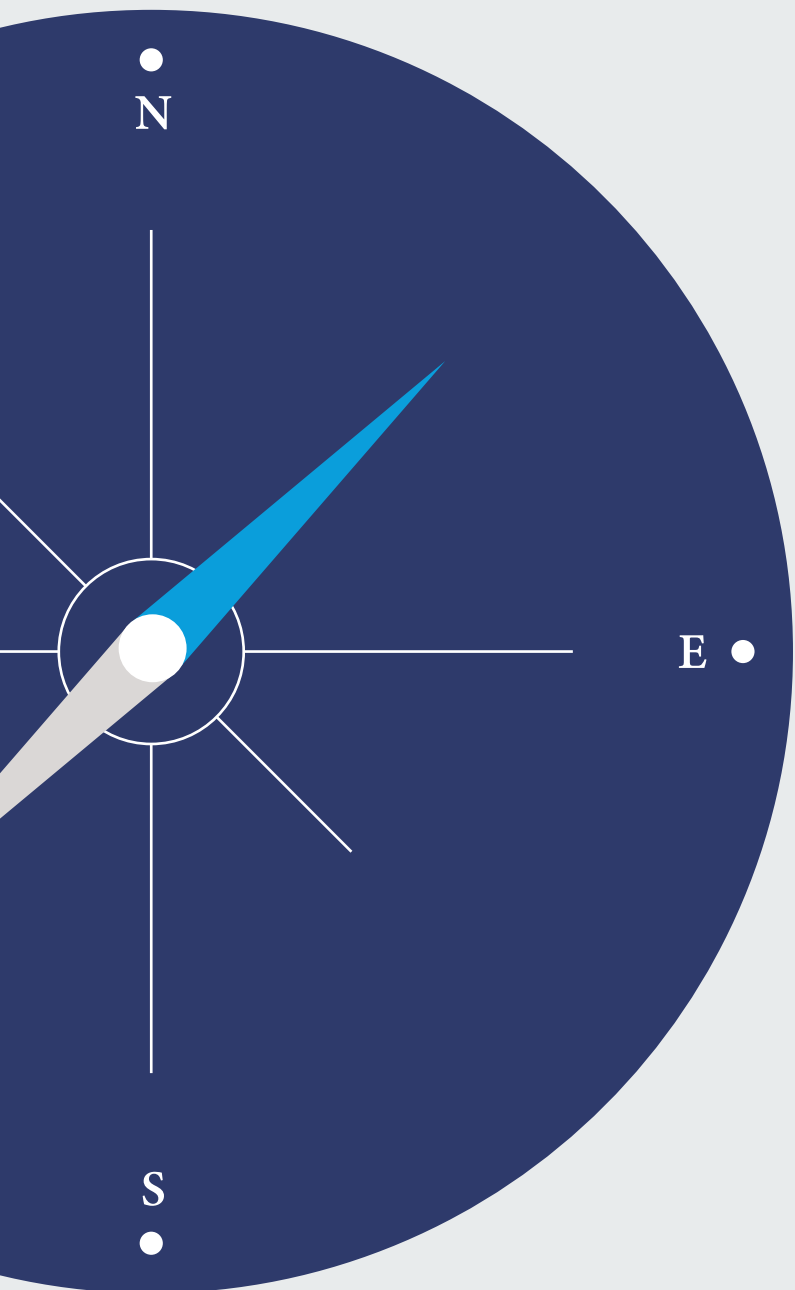
It was confirmed that direct and indirect impacts of material issues on the organization and stakeholders are identified and are managed and reported quantitatively to the extent possible.



AA1000
Licensed Report
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June 22, 2026

Dal-gon Lee



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Transparency
Responsibility
Fairness
Respect

MNC SOLUTION

171 Wanam-ro, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Republic of Korea **TEL.** +82 55 269 5114