MAKING SUSTAINABILITY POSSIBLE

INTEGRATED REPORT 2023

OCI Holdings

CONTENTS

Interactive PDF user guide
This report has been published as an interactive PDF so that readers can move quickly and easily to pages in the report with shortcuts to related web pages and media.

Contents Search Print Previous
Video Clip Related Link
OCI Holdings Website Link



The 2023 integrated report cover design is inspired by our new "Making sustainability possible" ESG vision, emphasizing our commitment to creating greater value in all our businesses and a better, more sustainable future for the world.

INTRODUCTION

03 CEO's Message
05 About OCI Holdings
05 Key Figures
06 2023 in Figures

BUSINESS OVERVIEW

08 Renewable Energy & Energy Solutions
11 Advanced Materials
13 Life Science
15 Urban Development

APPROACH TO SUSTAINABLE VALUE

18 Sustainable Value Chain
19 Double Materiality Assessment
21 Stakeholder Engagement

SUSTAINABLE MANAGEMENT

Establishment of ESG Strategy

GREEN INNOVATION | ENVIRONMENT

25 Response to Climate Change
28 Environmental Management

PEOPLE ORIENTED | SOCIAL

37 Talent Management
41 Human Rights Management
43 Safety and Health Management
47 Supply Chain Management
49 Community Engagement and Social Contribution
52 Information Protection and Security

SUSTAINABLE GROWTH | GOVERNANCE

55 Governance
59 Risk Management
63 Ethics and Compliance Management

APPENDIX

67 Consolidated Financial Statements
71 Independent Auditor's Report
72 ESG Data
76 GRI Index
78 TCFD
79 SASB Index
81 GHG Verification Statement
82 Third-Party Assurance Statement
83 Product List
84 Global Network
85 Responsible Care
85 Association Memberships

ABOUT THIS REPORT

Company name	OCI Holdings Company Ltd.
Headquarters	94, Sogong-ro, Jung-gu, Seoul
CEO	Jin-sug Suh
Date of incorporation	August 5, 1959
Major business areas	Green energy, fine chemical materials business, etc.
No. of employees	63 (including registered executives)
Website	https://www.oci-holdings.co.kr/

Reporting Principles and Standards

This is an integrated report published annually by OCI Holdings, and is the 16th edition of our annual report. Following the transition to a holding company in 2023, this integrated report aims to share the future value of sustainable management by detailing the business, financial, and non-financial aspects, sustainable management strategy, and key achievements of OCI Holdings and its major affiliates.
This report was prepared in accordance with Global Reporting Initiative (GRI) Standards 2021, an international sustainable reporting standard. It references the Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) and the recommendations of Task Force on Climate-Related Financial Disclosure (TCFD). Financial information was prepared according to the Korean International Financial Reporting Standards (K-IFRS).

Reporting Period

This report covers the period from January 1, 2023 to December 31, 2023, and some important activities in the first quarter of 2024 are included to ensure that important facts that affect the decision making of stakeholders are covered. For some quantitative performance, data for the last three years (2021, 2022, 2023) are included to help readers identify trends.

Scope of Reporting

The financial information was prepared in accordance with K-IFRS, and non-financial information includes data from major domestic and overseas affiliates.* In the case of substantial changes in the reporting scope, the changes have been noted in each applicable item.

* OCI Company, OCI SE, DCRE, OCI Specialty, OCI Power, OCI Information & Communication (hereinafter "OCI I&C"), OCI Dream, OCIM, OCI Enterprises (hereinafter "OCIE"), OCI Solar Power (hereinafter "OCI SP"), OCI Alabama (hereinafter "OCI AL"), Mission Solar Energy (hereinafter "MSE")

Third-Party Assurance

To enhance the reliability and quality of the report, it was verified by Korea Management Registrar (KMR), an independent external institution, and the verification results are detailed in the third-party assurance opinion. Accounting information was audited by an independent auditor, and the verification of GHG emissions and energy consumption was performed in accordance with the "Verification Guidelines for the Operation of the GHG Emissions Trading Scheme."

CEO Message



OCI Holdings is preparing to leap towards a better future. Since its founding in 1959, OCI Holdings has learned that there are new opportunities even in the midst of numerous challenges. We are committed to striving for excellence in our collaboration with various stakeholders, and generating profits through investments that make sustainability possible.

In 2023, OCI Holdings was newly launched. The year 2023 will be remembered as one of the most consequential years in OCI's six-decade history as we transitioned to a holding company structure to create more profitable and sustainable growth in the coming years and decades.

From a business perspective, the global economy continued to struggle against strong headwinds from deepening geopolitical conflict in Eastern Europe and the Middle East. Despite these challenging conditions, we recorded consolidated sales of KRW 2.65 trillion and operating income of KRW 531.2 billion for the year led by solid performances from our Renewable Energy, Energy Solutions, and Urban Development business segments.

In line with our shareholder return policy, we declared a dividend of KRW 3,300 per common share for the year, totaling KRW 64.6 billion. Barring any unforeseen circumstances, we intend to maintain this minimum dividend level during the 2024 to 2026 period. We have also retired all existing treasury shares and intend to further enhance shareholder value by implementing an additional share buyback worth KRW 40 billion in 2024.

The OCI Holdings business portfolio is organized into five synergistic business segments-Renewable Energy, Energy Solutions, Advanced Materials, Life Science, and Urban Development.

Our Renewable Energy and Energy Solutions segments encompass key elements of the solar PV value chain including solar-grade polysilicon production by OCIM and solar PV project development and solar PV module manufacturing by OCI Enterprises. Our Energy Solutions segment also includes industrial utility services from OCI SE.

OCIM recorded sales of KRW 938.5 billion and operating income of KRW 403.6 billion in 2023. The company's solar-grade polysilicon business continued to outperform industry peers, benefitting from market price premiums for non-China polysilicon. The company has finalized plans for a major expansion project that will raise nameplate capacity by 35,000 metric tons to 56,600 metric tons in 2027 to meet growing demand for non-China polysilicon later in the decade. Notably, the company is the global industry's first to operate exclusively on hydroelectric power, setting the standard for sustainability.

OCI Enterprises recorded sales of KRW 248.3 billion and an operating loss of KRW 20.1 billion in 2023. While the company's North American solar PV development business booked sales of 430 MW, a downturn in the US residential solar market led to solar module inventory write-downs in the second half of the year that contributed to the loss. In 2024, the company will continue to build on its current 4.1 GW PV and ESS project pipeline as it prepares to expand module production capacity in line with recovering demand in the US utility and residential solar markets.

OCI SE recorded sales of KRW 393.2 billion and operating profit of KRW 53.4 billion in 2023. The company's electricity and steam sales continued to operate stably based on demand within the Saemangeum Industrial Complex, with fluctuating market electricity prices and raw material costs having the most impact. The company expects to see significant growth from 2025 onward on the strength of new steam sales contracts with a number of battery-related manufacturers. The company continues to evaluate the feasibility of transitioning its cogeneration plant to run exclusively on wood pellets.

Our Advanced Materials segment focuses on semiconductor materials, battery materials, carbon materials, and other materials produced by OCI Company. While not included in our consolidated results for 2023, this affiliate recorded sales of KRW 2,025.3 billion and operating profit of KRW 119.3 billion.

OCI Company accelerated its focus on battery and semiconductor materials during the year with two major deals. The first was a five-year SiH4 supply contract with UK-based battery anode innovator Nexeon that will be supplied by a new 1,000 metric ton plant in Gunsan, Korea. The second was a 50:50 joint venture with Japanese chemical company Tokuyama Corporation to build and operate an 8,000 metric ton semiconductor-grade polysilicon plant in Sarawak, Malaysia to meet future demand from major semiconductor makers.

On a related note, OCI Holdings completed a stock-swap deal with OCI Company to transfer five subsidiaries with strong business ties to that company in the first quarter of 2024. The companies transferred included OCI China, P&O Chemical, OCI Japan, Philko Peroxide, and OCI Dream.

Our Life Science segment is led by affiliate Bukwang Pharmaceutical, a well-established R&D-focused player in Korea's pharmaceutical industry. Beyond offering a wide range of products such as ethical and over-the-counter drugs, neutraceuticals, and personal care products, Bukwang is actively developing innovative new drugs that target central nervous system diseases and common types of cancer.

Our Urban Development segment, led by our subsidiary DCRE, is centered on the development of City Ociel. This major residential and commercial project features approximately 13,000 homes now under construction on the site of our former Incheon chemical plant. DCRE recorded sales of KRW 576.0 billion and operating profit of KRW 55.0 billion in 2023. City Ociel will welcome its first residents in 2024 and DCRE is preparing to resume apartment pre-sales during the year as well as step up commercial space sales.

In 2023, OCI Holdings established a new ESG (Environmental, Social, and Governance) strategy. The ESG strategy builds on a long-standing commitment to corporate responsibility aimed at delivering sustainable long-term growth for all our stakeholders. This commitment has earned OCI Holdings a place on the Dow Jones Sustainability Korea Index for the past 15 consecutive years and an integrated “A” score on ESG assessments conducted by the Korea Institute of Corporate Governance and Sustainability (KCGS) for the past 7 years.

Today, we are aiming to elevate the ESG performance of the entire OCI group to the next level under a new ESG vision, "Making Sustainability Possible".

Sustainability starts with innovation that is good for the environment. For us, this green innovation is not only about responding to climate change and working to manage the environmental impact of our operations. It is about actively investing to create products that are fundamentally better for the environment.

Sustainability is intrinsically rooted in a deep respect for people. This includes protecting human rights, cultivating individual potential, and ensuring a safe and healthy work environment. This respect extends beyond our immediate family to our upstream and downstream partners as we collaborate to build sustainable supply chains.

Sustainability also necessarily connects with governance. This entails an ongoing commitment to advancing and refining our governance structure as we continually strive to uphold the highest ethics and compliance standards.

Our successful transition to a holding company was a crucial first step toward preparing our subsidiaries to unleash greater synergy and value in the coming years. As we look ahead to 2024, we see a global economy facing daunting geopolitical and economic challenges. Nevertheless, one lesson we have learned over the past six decades of business is that wherever there are challenges, there are also opportunities. We are committed to striving for excellence in our collaboration with various stakeholders, and generating profits through investments that make sustainability possible.

Jin-sug Suh
President & CEO
OCI Holdings



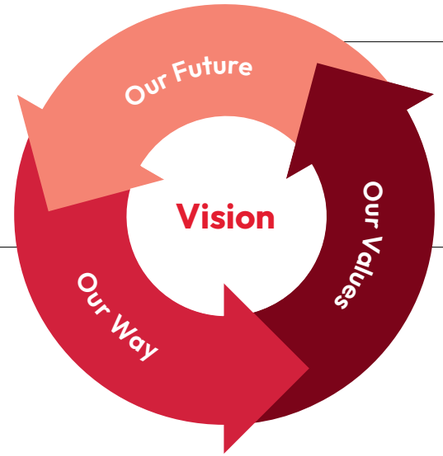
About OCI Holdings

As the driver of Korea's chemical industry development for the past sixty years, OCI Holdings envisions a brighter future for all through the transition to a holding company structure.

OCI Holdings is dedicated to the new development of the company by pursuing the individual growth of its affiliates based on their unique business characteristics, expanding its business scope into renewable energy, energy solutions, advanced materials, life science, and urban development and exploring new growth drivers.

In addition, under its vision of "Making Sustainability Possible," OCI Holdings has established an ESG system for sustainable growth. As a holding company it aims to build a sustainable value chain in all business processes with the development of high value-added future technology and efficient management.

Leader of global green energy and core materials industries



Constantly innovate to produce green energy and core materials that provide the highest satisfaction to employees, customers, shareholders and stakeholders

Secure leadership in advanced technologies by pursuing innovation, operational excellence and resource optimization in an open and diverse corporate culture

Implement ceaseless changes for a better future by meeting challenges and seize opportunities with thorough preparation

CHANCE

The future belongs to those who discover and seize opportunities. Opportunities are seized by those who are prepared and agile, ready to embrace changes in markets, customers, and business environments.

CHALLENGE

A better future belongs to those who are bold enough to face challenges and overcome adversity with innovative entrepreneurship and resilience.

CHANGE

Innovation driven by change is essential for growth. Continuously moving toward the same goal ensures success for all.

Key Figures

	2021		2022		2023	
	KRW	USD	KRW	USD	KRW	USD
Performance on a consolidated basis (unit: KRW bn / USD mn)						
Sales[1]	3,244	2,835	4,671	3,616	2,650	2,030
Operating income[1]	626	547	977	756	531	406
Net income[1]	652	570	878	679	710	543
EBITDA[1]	762	666	1,126	872	627	479
Capital expenditure[1]	114	100	275	194	152	116
Total assets[1]	5,704	4,811	6,756	5,324	5,957	4,620
Total liabilities[1]	2,580	2,176	2,734	2,158	2,142	1,661
Total equity[1]	3,124	2,635	4,011	3,166	3,815	2,959
Return on assets[1]		12.8%		14.1%		11.9%
Return on equity[1]		23.5%		25.2%		18.6%
Net debt-to-equity ratio[1]		22.6%		13.3%		-3.8%
Leverage ratio[1]		83%		68%		56%
Safety responsibility*						
Serious accidents (unit: cases)	0		0		0	
Environmental responsibility*						
GHG emissions (unit: tCO_2eq)	1,192,714		1,209,974		1,361,998	
Waste recycling rate	55.7%		66.6%		34.8%	
Water intake (unit: tons)	9,294,068		10,018,242		10,535,418	
Social responsibility*						
Social contribution amount (unit: KRW 100 million)	4.0		5.0		25.1	
Total volunteering hours (unit: hours)	300		490		1,376	

* Performance in 2021 and 2022 is on a separate basis of OCI Company, before the spin-off, and performance in 2023 is the sum of OCI Holdings, after the spin-off, and consolidated subsidiaries (OCI SE, DCRE, OCI I&C, OCIM, OCIE, OCI SP, OCI AL, MSE) excluding OCI Company

All financial records of OCI Holdings are based on the Korean won, and USD equivalents are indicated for the convenience of readers.

1 USD figures are based on annual average KRW-USD exchange rate. The average KRW-USD exchange rate for 2023 is 1,305.

2 USD figures are based on the KRW-USD exchange rate as of the end of each year. The KRW-USD exchange rate on December 31, 2023 was 1,289.

2023 in Figures

Performance for 2023

Sales (Unit: KRW billion) **2,650**

EBITDA (Unit: KRW billion) **627**

Operating income (Unit: KRW billion) **531**

Operation status*

No. of sites (Unit: site) **12**

Total no. of employees (Unit: person) **1,279**

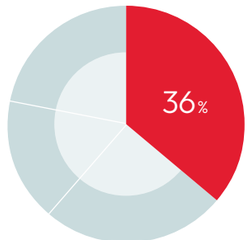
About OCI Holdings Business

Renewable energy

Sales (Unit: KRW billion) **958**

EBITDA (Unit: KRW billion) **446**

Sector contribution to sales

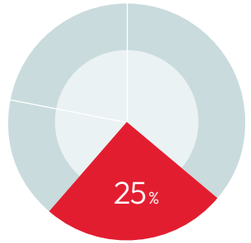


Energy solutions

Sales (Unit: KRW billion) **668**

EBITDA (Unit: KRW billion) **78**

Sector contribution to sales

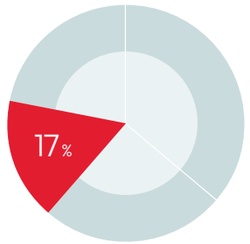


Advanced chemical materials

Sales (Unit: KRW billion) **444**

EBITDA (Unit: KRW billion) **14**

Sector contribution to sales

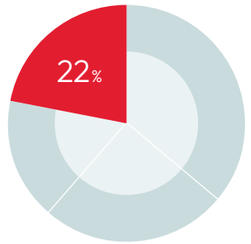


Urban development

Sales (Unit: KRW billion) **576**

EBITDA (Unit: KRW billion) **56**

Sector contribution to sales



Environmental Safety Responsibility*

GHG emissions

(Unit: thousand tCO_2eq)



Serious accidents

(Unit: accident)

0

Social responsibility*

Social contribution amount

(Unit: KRW 100 million)



Total volunteering hours

(Unit: hours)



* Performance in 2021 and 2022 is on a separate basis of OCI Company, before the spin-off, and performance in 2023 is the sum of OCI Holdings, after the spin-off, and consolidated subsidiaries (OCI SE, DCRE, OCI I&C, OCIM, OCIE, OCI SP, OCI AL, MSE) excluding OCI Company

Operational Highlight

Domestic credit rating

* Two domestic credit rating agencies: NICE Investors Service and Korea Ratings

A+

KCGS ESG Rating

* Based on 2023 Integrated Rating, evaluated by Korea Institute of Corporate Governance and Sustainability, as of 2023 Integrated Rating

A

MSCI ESG Rating

* Morgan Stanley Capital International ESG Ratings, as of March 2024

A

BUSINESS OVERVIEW

MAKING SUSTAINABILITY POSSIBLE

At OCI Holdings, we are in the business of 'making sustainability possible'. Over the past six decades, our unwavering commitment to innovation and excellence combined with strategic planning and timely investment has transformed us from a local maker of commodity chemicals into a global business group closely involved in multiple business fields that are expected to fundamentally shape the future of our world.

Today, the OCI Holdings' business portfolio spans five broad sectors—renewable energy, energy solutions, advanced materials, life science, and urban development. While diverse in scope, we believe each of our businesses has an important contribution to make as we collaborate with stakeholders at all levels to create a virtuous circle of progress and growth that will ensure our shared future is a sustainable one.

RENEWABLE ENERGY & ENERGY SOLUTIONS

- **Solar-grade polysilicon production**
  - OCIM
- **Solar PV project development and module manufacturing**
  - OCI Enterprises
- Industrial utility services
  - OCI SE

ADVANCED MATERIALS

- OCI Company

LIFE SCIENCE

- Bukwang Pharmaceutical

URBAN DEVELOPMENT

- DCRE

RENEWABLE ENERGY & ENERGY SOLUTIONS

- OCIM
- OCI Enterprises
- OCI SE

part 1

RENEWABLE ENERGY & ENERGY SOLUTIONS

OCI Holdings play a leading role in today's global solar PV value chain. From top-quality solar-grade polysilicon production to utility scale solar PV project development and module manufacturing, renewable energy and energy solutions help generate the clean energy that makes sustainability possible.

Solar-grade polysilicon production

We began producing solar-grade polysilicon in Gunsan, Korea in 2008. After nearly a decade of rapid growth and expansion, we acquired the Malaysian polysilicon operations of Tokuyama Company of Japan in 2017, laying the foundation for the strategic relocation of our solar-grade polysilicon production base from Korea to Malaysia.

BUSINESS PORTFOLIO

RENEWABLE ENERGY
- Solar-grade polysilicon production

ENERGY SOLUTIONS
- Solar project development and operation
- Solar module manufacturing
- Industrial electricity and steam generation

OCIM

OCIM is one of the world's largest non-China producers of solar-grade polysilicon with a nameplate capacity of 35,000 metric tons. Established in 2017, the company's operations in the Samalaju Industrial Park in Sarawak, Malaysia are now setting the industry standard for quality and cost competitiveness.

Operating exclusively on clean, renewable hydroelectric power, OCIM is also leading the way in bringing sustainability to the energy-intensive polysilicon industry. The company aims to leverage this and other benefits offered by its strategic location in Southeast Asia. As it aims to expand its nameplate capacity to 56,600 metric tons by 2027, the goal is to meet the increasing global demand for non-China polysilicon.



Solar PV project development and module manufacturing

In little over a decade, we have established ourselves as a global solar PV project developer with utility-scale projects in the United States, Korea, and China. Today, our primary market is the US where we have developed and sold projects totaling 1,122 MW to date.

OCI Enterprises

Based in San Antonio, Texas, OCI Enterprises oversees our North American energy and chemical businesses. Our energy business focuses on solar PV development and module manufacturing while our chemical business produces sodium percarbonate.

OCI Solar Power focuses on developing shovel-ready utility-scale solar PV and battery energy storage system projects in Texas and across North America. Since winning the multi-phase 400 MW Alamo project from San Antonio-based CPS Energy in 2012, the company has originated more than 5 GW of utility-scale solar projects to date.

Mission Solar Energy is the manufacturing arm of our US solar PV operations. Founded in 2012 to provide solar PV modules for the Alamo project, the company is now a leading supplier of durable, reliable modules to the US residential, commercial, and utility solar markets with an annual module production capacity of 375 MW and room to grow.

Industrial utility services

Through much of our six-decade history, we have operated cogeneration power plants to provide reliable, cost-effective electricity and steam for our chemical and material manufacturing operations. Today, OCI SE leverages that deep operational know-how to achieve best-in-class efficiency and emissions performance.

OCI SE

Located in the Saemangeum Industrial Complex near our Gunsan plant in Korea, OCI SE operates a 303 MW cogeneration plant to meet the growing electricity and steam needs of companies in Korea's newest high-tech manufacturing cluster focusing on the mobility, advanced material, and renewable energy sectors.

The plant currently operates on a fuel mix containing up to 50% wood pellets. In addition to the environmental benefits this brings, this fuel mix also enables the company to earn renewable energy certificates under Korea's Renewable Portfolio Standard scheme, further contributing to overall profitability.



ADVANCED MATERIALS

- OCI Company

part 2

ADVANCED MATERIALS



Since pioneering Korea's inorganic chemicals industry in 1968 with the production of soda ash, we have steadily emerged as a key global producer of advanced chemicals and raw materials essential to the high-tech manufacturing industries that will play an outsize role in bringing sustainability to life.

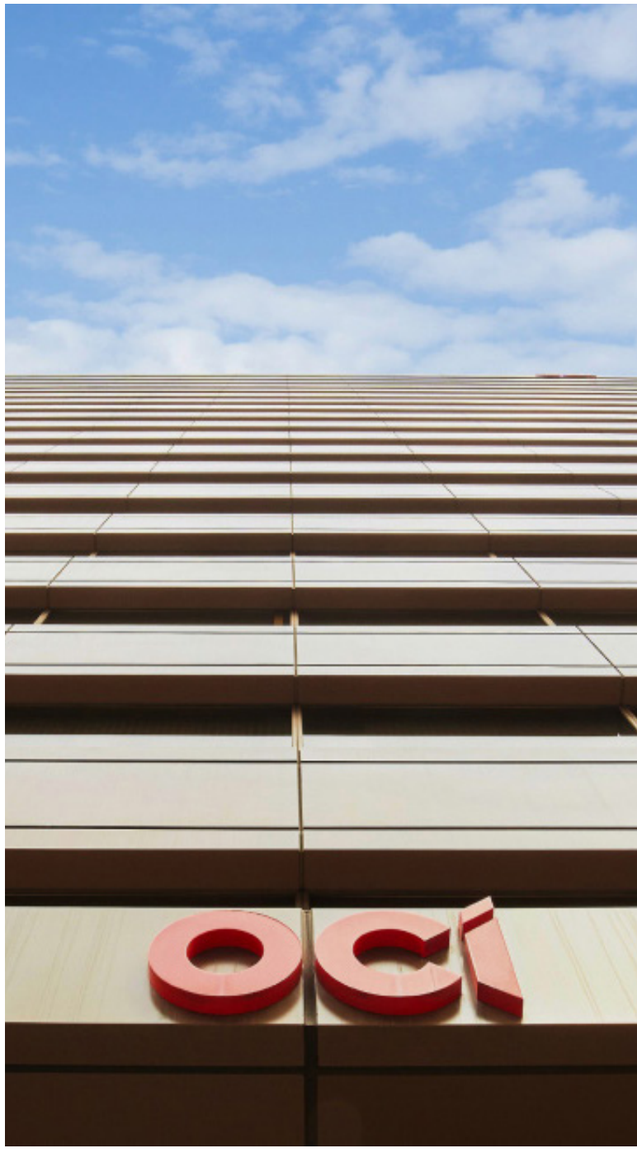
OCI Company

Headquartered in Seoul, Korea with production sites in Korea, China, and soon, Malaysia, OCI Company is a technically advanced chemical and material maker that has continually innovated over the past six decades to meet the needs of the leading manufacturing industries of each era.

Today, the company's growing portfolio of value-added materials continues to expand with a focus on the semiconductor, display, and battery industries. The first two categories include electronic-grade polysilicon as well as process chemicals such as precursors, reagents, and etchants. The latter category includes high softening point pitch, a performance-enhancing coating for graphite battery anodes. It also includes SiH4, a raw material used in next-generation silicon-based anode materials that promise to deliver breakthrough improvements in energy density for Li-ion and solid-state batteries in the coming years.

BUSINESS PORTFOLIO

- Semiconductor Materials
  - Polysilicon
  - Phosphoric acid
  - Hydrogen peroxide
  - Semiconductor precursors
  - Fumed silica
- Battery Materials
  - Caustic soda
  - High softening point pitch
- Carbon Materials
  - Carbon black
  - Pitch
  - BTX
  - Plasticizers
- Other Materials
  - Toluene di-isocyanate



LIFE SCIENCE

-Bukwang Pharmaceutical

part 3

LIFE SCIENCE

We entered the life science field in 2018 through a series of investments aimed at building a drug development pipeline focused on bringing novel cancer diagnostics and therapies to market through global partnerships with leading biotech innovators and investors. In 2022, we acquired a controlling stake in Bukwang Pharmaceutical to accelerate our efforts in this field.

Bukwang Pharmaceutical

Founded in 1960, Bukwang Pharmaceutical produces a full line of ethical drugs, over-the-counter drugs, and a growing line of personal care products. Backed by an open innovation strategy, the company's new drug development pipeline focuses on novel therapies for central nervous system diseases and common cancers.

BUSINESS PORTFOLIO

- Ethical drugs
- Over-the-counter drugs
- Neutraceuticals
- Personal care products
- CDMO services



URBAN DEVELOPMENT

-DCRE

part 4

URBAN DEVELOPMENT



As the home of our first chemical plant, Korea's second-largest port city of Incheon played a crucial role in our emergence as one of the nation's leading chemical and material makers. Today, we are building a new legacy on that original plant site with City Ociel, a modern urban development that will bring affordable, high-quality middle-class housing to central Incheon while generating the investment capital that will help us achieve sustainable growth in the coming years and decades.

DCRE

We established DCRE in May 2008 to acquire and oversee redevelopment of our former plant site in Incheon's Yonghyeon-Hagik district. After the project received city approval in October 2017, we selected the HDC Hyundai Development Company consortium to undertake the KRW 2.8 trillion project in October 2019 and officially broke ground for City Ociel in 2020.

City Ociel consists of 10 residential complexes with approximately 13,000 apartment units as well as commercial, retail, and cultural facilities. After DCRE successfully completed apartment pre-sales for Complexes 1, 3, and 4 with approximately 3,780 residential units in 2021, Korea's sluggish post-pandemic recovery combined with rising mortgage interest rates, soaring construction material costs, and additional city-required improvements led the company to shelve complex pre-sales planned for 2022 and 2023. DCRE looks forward to completing Complexes 1, 3, and 4 on schedule in 2024 as it continues preparations to resume pre-sales in 2024.

BUSINESS PORTFOLIO

- City Ociel



APPROA
SUST
VA



SUSTAINABLE VALUE CHAIN

DOUBLE MATERIALITY ASSESSMENT

STAKEHOLDER ENGAGEMENT

Sustainable Value Chain

* The financial information adheres to the K-IFRS standards. As for non-financial information, it includes data of subsidiaries (OCI, OCI SE, DCRE, OCI I&C, OCIM, OCIE, OCI SP, OCI AL, MSE) specified within the defined reporting scope. (Any data that differs from this scope is annotated.)

INPUT

FINANCIAL

Assets	KRW 5.96 trillion
Liabilities	KRW 2.14 trillion
Shareholders' equity	KRW 3.81 trillion
No. of total outstanding shares issued	19,812,715 shares

MANUFACTURED

Tangible assets	KRW 1.18 trillion

INTELLECTUAL

Intangible assets	KRW 27.5 billion
R&D investment	KRW 7.76 billion

NATURAL

Energy use	50,983 TJ
Water use	20.251 million tons

HUMAN RESOURCES

No. of employees	2,893
Total annual wages	KRW 95.6 billion
No. of new employees	432

SOCIAL & RELATIONSHIP[1)]

No. of volunteers	598
Social contribution amount	2.88 billion

1) Including OCI Holdings and its domestic affiliates targeted for volunteering/sponsorship programs in 2023

BUSINESS ACTIVITIES

R&D

We are continuously conducting R&D in areas related to our business strategy to develop high value-added future technologies.

- Advancing R&D projects
- Identifying new business items

Government and associations
- Activating industrial ecosystem through joint research and development
- Contributing to resolving national and social issues

Shareholders
- Maximizing shareholder's value based on business competitiveness

Procurement

We strive to strengthen the monitoring of procurement by establishing an optimized procurement process and fostering mutually beneficial relationships with our partners.

- Performing procurement monitoring
- Strengthening win-win partnership

Suppliers
- Fostering a sustainable supply chain and increasing supply stability
- Building business relationships based on trust and cooperation
- Promoting fair market competition

Manufacturing

In addition to securing cost competitiveness, we operate environmental and safety management systems that meet international standards, such as an eco-friendly energy procurement.

- Securing cost competitiveness
- Securing production efficiency and sustainability
- Obtaining environmental/safety management system certification

Customers
- Activating industrial ecosystem through joint research and development

Employees
- Providing a safe working environment and enhancing quality of life

Local communities
- Minimizing environmental impact on local communities

Logistics and Transportation

We operate the Transportation Management System (TMS) to efficiently manage the logistics process, review potential risks that may arise from logistics and transportation, and proactively prevent them.

- Developing and operating a Transportation Management System (TMS)
- Reviewing and managing logistics/transportation risks

Employees
- Easing the burden on workers with efficient logistics and transportation management

Local communities
- Preventing environmental accidents and damage to humans in logistics and transportation

Services

We maximize customer satisfaction by preventing potential inconveniences that may arise after product sales.

- Operating the customer service
- Conducting stakeholder surveys

Customers
- Enhancing customer satisfaction with systematic customer management and securing long-term competitiveness

Management

We achieve company-wide sustainable management by considering elements of sustainability when establishing strategies and business portfolios, and by effectively using human and material resources to conduct sustainable management in terms of organizational culture, safety and environment, and human rights management.

- Reviewing ESG elements when setting strategies for business diversification, etc.
- Establishing OCI's mid/long-term ESG roadmap and implementing tasks

All stakeholders
- Enhancing corporate value with sustainable management activities
  - Increasing shareholder value
  - Fulfilling corporate social responsibility
  - Strengthening industrial ecosystem
  - Securing sources of future growth

OUTPUT

FINANCIAL

Sales	KRW 2.65 trillion
Operating income	KRW 531.2 billion
Net income	KRW 710.3 billion

MANUFACTURED[2)]

	Basic chemicals	Carbon chemicals	Energy solutions
Key production	105,000 tons	1,036,000 tons	2,372,666 MW
Operating hours	6,653 hours	5,702 hours	7,512 hours
Average operating rate	84%	72%	95%
Quality certification	ISO 9001, IATF 16949, KSM 1112		

INTELLECTUAL

No. of intellectual property	56
No. of government R&D projects	3

NATURAL

GHG emissions	2.526 million tCO_2eq
Water recycled or reused	reused 1.135 million tons

HUMAN RESOURCES

No. of persons with disabilities and national veterans (rate)	85(2.9%)
No. of female employees (rate)	356(12.3%)
Average employee tenure	6 years[3)]

SOCIAL&RELATIONSHIP

Corporate taxes paid	KRW 75 billion
2023 No. of employees of OCI Dream (standardized workplace for the disabled)	20
Engagement with local communities through social contribution activities, including support for socially vulnerable individuals and biodiversity preservation activities	

2) Based on the business report disclosure of OCI Holdings and OCI Company (annual operating performance)
3) OCI Holdings separate basis

Double Materiality Assessment

Double materiality assessment overview

OCI Holdings derives key issues for implementing its sustainable management through a materiality assessment each year. The double materiality assessment for 2023 was conducted by applying the Global Reporting Initiative (GRI), topic standards and the concept of dual materiality[1] suggested by the Corporate Sustainability Reporting Directive (CSRD) of the EU Sustainability Reporting Standards (ESRS). The key issues selected through the materiality assessment are reflected in OCI Holdings' sustainable management strategy and goals to address their impact on stakeholders and the expectations of stakeholders, thereby improving its business performance and enhancing environmental and social values in its activities.

Double materiality assessment process

STEP 1

Compose and select issue pools

Issue selection by OCI Holdings

- Composing issue pools based on global standards and common ESG themes
- Selecting OCI Holdings' issues, by considering the internal and external conditions of the company and requirements
  1. Identifying global ESG assessment and disclosure initiative[2] requirements
  2. Domestic and international industry benchmarking
  3. Reflecting analysis of internal data and media
     - Analyzing CEO's message, Board of Directors/ESG Committee agenda, shareholder letters, and media[3]

STEP 2

Conduct materiality assessment

Identifying activities and impact factors

- Identifying OCI Holdings' business activities, their external risks and opportunities, and the related stakeholders
- Examining environmental, social and financial impacts and classifying the impact characteristics

Assessing financial, environmental and social impacts

- Assessing financial impact
- Assessing environmental and social impacts

※ Assessment period: January 19 - 24, 2024

STEP 3

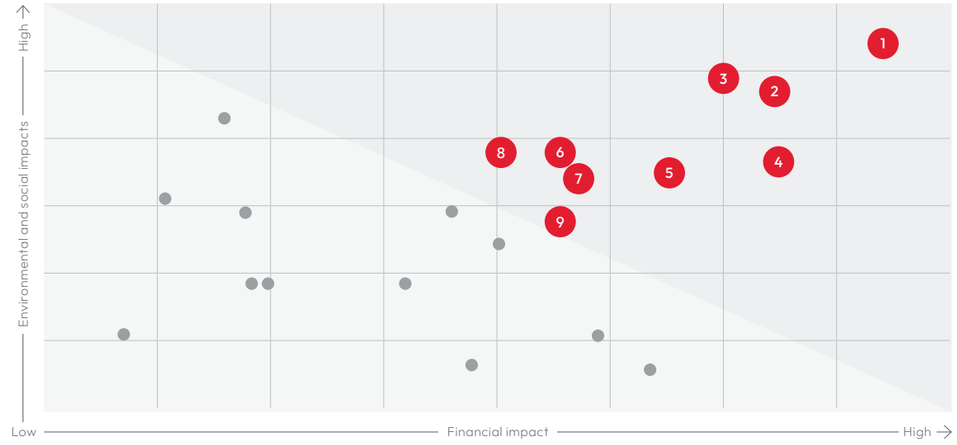
Core issues derived

Prioritizing issues and deriving key issues

- Prioritizing issues of OCI Holdings based on financial, environmental, and social impact assessments
- Reporting materiality assessment results and key issues to the BoD and ESG Committee
- Disclosing activities and performance related to key issues in this report

1) Materiality is assessed from two perspectives: the company's impact on society and environment, and the social and environmental factors' impact on the company's financial performance.
2) Korea Institute of Corporate Governance and Sustainability, Morgan Stanley Capital International (MSCI) ESG Rating, Dow Jones Sustainability Indices (DJSI), Sustainability Accounting Standards Board (SASB)
3) Media articles posted from January 1 to December 31, 2023

Double materiality assessment results



Rank	Category	Issues	Environmental and social impacts	Financial Impact
1	E	Energy management	●	●
2	E	Response to climate change	●	●
3	E	Design and development of eco-friendly products	●	●
4	G	Ethics management and compliance	○	●
5	S	Workplace safety and health	○	◐
6	S	Human resources development and management	○	◐
7	E	Water resource management	○	◐
8	E	Pollutant management	◐	○
9	S	Human rights protection and respect for diversity	○	◐

* Level of impact: ● - High / ◐ - Moderate / ○ - Low

Double Materiality Assessment

Double materiality assessment results

Rank	Category	Issues	Environmental and social impacts	Financial Impacts	Major Impacts	OCI Holdings/affiliates' strategy and performance	GRI Index	UN SDGs	Reporting page
1	E	Energy management	●	●	• Reducing GHG emissions and responding to climate change through transition to renewable energy • Reducing production costs through utilization of Malaysia's hydroelectric power stability and cost efficiency	OCI Company OCIM Invested in process and facilities to reduce energy consumption, such as the replacement of heat exchangers for waste heat recovery OCIM Used electricity generated by hydropower and signed a long-term power purchase agreement (PPA)	302 Energy	7 AFFORDABLE AND CLEAN ENERGY	p. 25-27
2	E	Response to climate change	●	●	• Delay in low-carbon transition due to continued use of fossil fuels and negative impact on the environment • Increase in budget allocation and investment for implementing carbon emission reduction measures such as equipment refurbishment, process improvements, and purchasing emission permits	OCI Holdings Incorporated climate change considerations into its company-wide business strategy and portfolio reviews OCI Company Established a carbon neutrality implementation plan, measured scope 3 emissions and established plans to manage it OCI SE Established a mid/long-term low carbon emissions roadmap by introducing raw materials with low carbon fractions and increasing the use of wood pellets as part of the fuel mix	305 Emissions	13 CLIMATE ACTION	p. 25-27
3	E	Design and development of eco-friendly products	●	●	• Preserving direct and indirect natural capital both directly and indirectly and preventing negative impacts on the environment • Increasing R&D costs to produce green products by introducing eco-friendly processes and changing materials	OCI Holdings Expanded green energy business by building a value chain covering solar PV polysilicon, modules and power generation OCI Company Acquired a certification for carbon black at the Gwangyang Plant and conducted life cycle assessment OCI SE Expanded processes and technologies that reduce environmental impact by operating a cogeneration system and applying best available technique (BAT)	-	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	p. 9-10, 34
4	G	Ethical management and compliance	○	●	• Causing direct and indirect damage to the environment, society, and economy due to a lack of internal control and legal violations • Administrative sanctions and business interruption, as well as other financial losses such as fines and legal costs resulting from non-compliance.	Group-wide Established and proclaimed Code of Ethics for Employees and provided training Group-wide Operated an ethics and compliance management reporting system in all affiliates and received reports of unfair practices through hotline, telephone, and fax	205 Anti-corruption	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	p. 63-65
5	S	Workplace safety and health	○	◐	• Increasing the likelihood of acute intoxication by chemicals and occupational diseases caused by long-term exposure to chemicals • Expenses related to serious accidents and decrease in sales due to work interruptions	Group-wide Conducted safety and health training to strengthen workers' safety Group-wide Mitigated hazards through regular meetings and inspections related to environment and safety Group-wide Assessed the safety and health management levels of suppliers to minimize industrial accident risks	403 Occupational health and safety	3 GOOD HEALTH AND WELL-BEING	p. 43-46
6	S	Human resources development and management	○	◐	• Contribute to the life and well-being of employees and their families • Increased revenue by improving company productivity and employee retention, and reduced other human capital expenditures	Group-wide Operated various work and welfare systems Group-wide Offered employees the opportunity to improve their leadership skills and professionalism by offering them MBA courses Group-wide Established a support system to reinforce leadership and skills by position and role	401 Employment, 404 Training and education	4 QUALITY EDUCATION	p. 37-40
7	E	Water resources management	○	◐	• Contribute to the protection of regional water resources and the stable supply of water to communities • Stranded assets and reduced productivity due to external water resources risks	OCI Holdings OCI Company Established water resources management policy and operated policy-based management system OCI Company Conducted OCI Company water risk analysis in 2023 Group-wide Reduced water consumption at major sites and conducted water recycling activities	303 Water and effluents	14 LIFE BELOW WATER	p. 30
8	E	Pollutant management	◐	○	• Inadequate management of product manufacturing and transportation processes resulted in harmful impacts on the health of employees and the community • Continuing increases in the cost of managing pollutant emissions and the cost of mitigating legal and reputation risks associated with non-compliance	OCI Company Disclosed OCI Company pollutant management goals for 2023 Group-wide Implemented an integrated environmental permit system and established a pollutant management system at domestic and overseas sites	305 Emissions, 306 Waste	3 GOOD HEALTH AND WELL-BEING 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	p. 29, 32-33
9	S	Human rights protection and respect for diversity	○	◐	• Human rights abuses due to growing disparities in wages and working conditions, as well as employment discrimination • Costs of managing legal and reputation risks associated with non-compliance and social issues	OCI Holdings Cultivated a horizontal organizational culture and carried out cultural diversity activities OCI Holdings OCI Company Certified as a family-friendly company in 2023 for implementing a maternal and child care support system OCI Company Explored and implemented short- and long-term improvement initiatives through human rights impact assessment Group-wide Operated a human rights complaint filing channel in all affiliates	405 Diversity and equal opportunity	5 GENDER EQUALITY 10 REDUCED INEQUALITIES	p. 41-42

* Level of impact: ● - High / ◐ - Moderate / ○ - Low

Stakeholder Engagement

OCI Holdings classifies and defines key stakeholders who have a mutual impact on its management activities, such as customers, shareholders, employees, the community and NGOs, suppliers, government and associations, and the media. OCI Holdings continually identifies key issues and matters of interest by stakeholder group, discloses its key achievements and activities, and maintains ongoing communication with stakeholders through a variety of channels.

Stakeholders	Communication channels	Key issues and matters of interest
Customers	• Customer satisfaction survey • Face-to-face/non-contact consultation channels	• Product safety and quality improvement • Design and development of eco-friendly products • Customer management system improvement and customer satisfaction enhancement
Shareholders	• General meeting of shareholders • Disclosure and IR • Integrated report	• Market expansion and business portfolio diversification • Protecting shareholders' rights and establishing sound governance • Enhancing financial soundness
Employees	• Labor-management council, company-wide council • Meetings by position, workshops • Management status briefing	• Improvement of work environment and organizational culture • Fair performance evaluation and rewards • Human rights protection and diversity promotion • Improvement of job security and job competency
Community and NGOs	• Industry-government-university MOU • Social contribution activities • Community councils • Scholarship projects and OCI art gallery	• Implementing eco-friendly energy procurement and promoting biodiversity preservation activities • Preventing environmental and safety accidents in the community • Revitalizing local economy and helping vulnerable people
Suppliers	• Supplier workshops and meetings • Electronic procurement system	• Fostering mutual growth and cooperative ecosystem • Strengthening mutual ethics and raising compliance awareness

Stakeholders	Communication channels	Key issues and matters of interest
Government and associations	• Participation in government institution meetings • Participation in government policies and investment • Joint research and development • Participation in industry associations	• Compliance with laws and regulations • Enhancement of transparency in tax payment • Revitalization of university-industry cooperation and exchanges
Media	• Website • Press releases and responses to journalists • Marketing activities	• Transparent disclosure of information • Securing trust and operating communication channels

SUSTAINABLE MANAGEMENT

ENVIRONMENT

- Response to Climate Change
- Environmental Management

SOCIAL

- Talent Management
- Human Rights Management
- Safety and Health Management
- Supply Chain Management
- Community Engagement and Social Contribution
- Information Protection And Security

GOVERNANCE

- Governance
- Risk Management
- Ethics and Compliance Management

Establishment of ESG Strategy

OCI Group-wide ESG management implementation system

ESG strategy system

In 2023, under its ESG vision of "Making Sustainability Possible", OCI Holdings established an ESG strategy system for the integrated implementation of its future growth and ESG management. We also developed major ESG implementation tasks and a roadmap for each affiliate. Based on keywords that reflect direction of ESG management and the essence of the entire business operated by OCI Holdings and its affiliates, including advanced materials, urban development, life science, and the solar power business, we aim to realize a sustainable environment and society as well as sustainable growth of OCI Holdings as a company. In addition, OCI Holdings uses the keyword “GPS” for the three main strategic directions Green Innovation, People-oriented, and Sustainable Growth, and internalizes ESG management in the company and its affiliates based on this and transparently shares its ESG values with all stakeholders including employees, suppliers and customers.

OCI Holdings ESG strategy system

ESG Vision: Making Sustainability Possible

Strategic direction

Environment	Social	Governance
Green Innovation We realize sustainability through eco-friendly innovation.	**People-oriented** We realize sustainability through respect for people.	**Sustainable Growth** We are achieving sustainable growth.

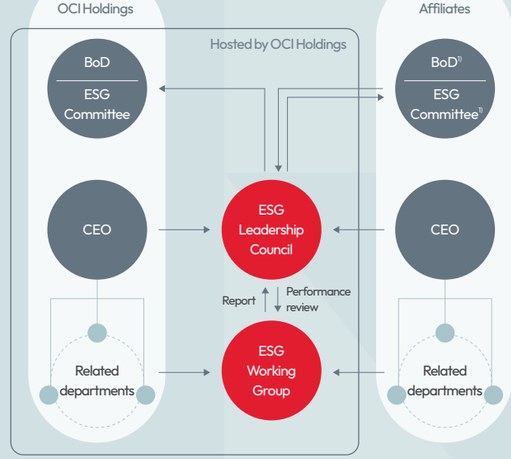
Key areas

Environment	Social	Governance
Response to climate change Establish goals to respond to climate change and conduct GHG and energy reduction activities	**Human rights protection and human resources management** Strengthen human resource development, promote labor-management cooperation and welfare, and enhance human rights management system	**Governance advancement** Strengthen risk management governance and advance the Board of Directors by improving its diversity and evaluation and remuneration systems
Advancing environmental impact management Strengthen environmental impact management governance and set and implement environmental impact reduction targets	**Strengthening safety and health systems for sites** Advance safety and health management and risk management systems, and monitor safety and health management performance	**Practicing ethics and compliance management** Advance ethics and compliance management, enhance the risk management system, and manage ethics and compliance performance
Expanding eco-friendly products and investment Increase green procurement and investment, and carry out green business practices	**Building a sustainable supply chain** Advance the supply chain and supply chain risk management system, and manage supply chain-related performance	

ESG governance

As part of its initiative to establish an company-wide ESG strategy system, OCI Holdings plans to establish an ESG Leadership Council in June 2024 to support affiliates in responding to ESG risks and making efficient decisions. Through the operation of the ESG Leadership Council, OCI Holdings plans to foster communication among its affiliates and to identify and discuss responses to key ESG issues facing the company and its affiliates.

OCI Group-wide ESG management organizational system and roles



ESG Leadership Council	• Explore key ESG issues of affiliates and discuss responses • Monitor the direction of ESG implementation and review company-wide decisions in advance
ESG Working Group	• Share, monitor, and support ESG performance between OCI Holdings and affiliates

1) If affiliates do not have a Board of Directors and ESG Committee, their management fulfills these roles.

Environment I Strategic Direction

GREEN / INNOVATION

We realize sustainability through eco-friendly innovation.

Key areas

Response to climate change

Establish goals to respond to climate change and conduct GHG and energy reduction activities

Advancing environmental impact management

Strengthen environmental impact management governance and set and implement environmental impact reduction targets

Expanding eco-friendly products and investment

Increase green procurement and investment, and carry out green business practices

Response to climate change

TCFD

Governance

OCI Holdings has established and operated a management system to identify and manage the impact of climate change on its overall business. To oversee the climate change response activities of its affiliates, OCI Holdings operates an ESG Committee where climate change response issues are considered and addressed. Its affiliates operate climate change response organizations in accordance with their respective governance, and important issues are discussed by a group-level council.

OCI Holdings' organizational system to respond to climate change

OCI Holdings

Board of Directors

ESG Committee

CEO

OCI Holdings People/ESG Team

Affiliates

OCI Company	OCIM	OCI SE
Environmental safety and health management organization	Business Management Department	Environmental Safety Team

Strategy

The environmental organizations of OCI Holdings and its affiliates set their respective targets and strategies to respond to climate change, such as reducing GHG emissions and energy consumption, and carry out climate change activities accordingly. OCI Holdings will consider climate change related factors to strengthen the company-wide capacity to respond to climate change when defining its business strategy and diversifying its business portfolio.

- OCI Company [Mid/long-term road map for response to climate change]

OCI Company has established a GHG Master Plan for climate change response and performs GHG emissions reduction activities. Since we were designated as a company subject to the emissions trading scheme in 2015, we have carried out various GHG emission reduction activities such as the use of byproduct gas, reduction of incinerator loads, and optimization of operation conditions. We continuously monitor GHG emissions and energy usage by site.

Mid/long-term road map for response to climate change: GHG Master Plan

STEP	Emissions trading scheme 1st planning period	Emissions trading scheme 2nd planning period	Emissions trading scheme 3rd planning period	Emissions trading scheme 4th planning period
Reduction targets	• Achieve the government's allocation target • Discover offset credits in Korea • Devise internal standards for emission permits trading	• Achieve the government's allocation target • Discover offset credits at home and abroad	• Achieve the government's allocation target • Reduce emissions per unit of product	• Achieve the government's allocation target • Estimate and monitor Scope 3
Reduction strategies	• Establishing strategies to prepare for emissions trading scheme • Discovering GHG reduction factors • Implementing reduction targets by site • Studying methods to apply reduction technology • Establishing a GHG monitoring system	• Project to acquire carbon offset credits • Discovering processes of new technology application • Implementing reduction targets by site • Applying and developing new technologies • Devising standards for calculating GHG emissions	• Discovering technologies and facilities that reduce GHG emissions • Analyzing the GHG impact of new projects • Achieving additional reduction by participating in domestic and foreign reduction projects	• Identifying climate change risk and opportunities and analyzing financial impact • Expanding resource circulation • Analyzing the GHG impact of new projects

- OCI SE [Carbon Reduction Roadmap]

OCI SE is a cogeneration plant that supplies power and steam to the Saemangeum Industrial Complex, with a total capacity of 300 MW and steam production of 860 tons per hour. Since June 2017, OCI SE has been using wood pellets, a biomass fuel, to reduce carbon emissions from power generation and steam production, and successfully reduced greenhouse gas emissions by 50%. Furthermore, OCI SE has established a mid/long-term low carbon emissions roadmap by introducing low-carbon fuels and increasing the proportion of wood pellets in its fuel. It is also developing detailed plans to achieve the use of wood pellets only as its fuel. In addition, OCI SE monitors expected GHG emissions each month to meet short-term carbon reduction targets and track performance.



Response to climate change

TCFD

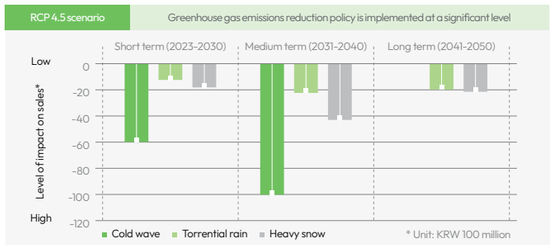
Strategy

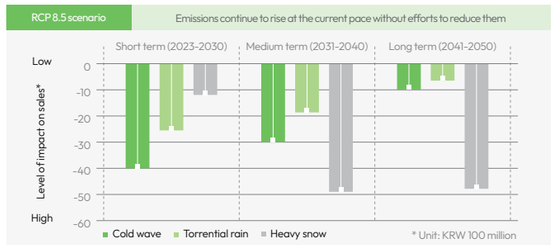
- OCI Company [Identifying climate change risk and opportunity]

To assess the impact of climate change on its business, OCI Company identifies physical and transition risks and opportunities, analyzes their potential impact on its finances, and develops response methods. Based on the risk and opportunity categorization system presented in the TCFD recommendations, OCI Company organizes a risk and opportunity pool and identifies major risks and opportunities related to its business in interviews with relevant departments. We analyze the potential financial impact and establish and implement a response strategy to manage the impact of climate change.

Physical risks

- Analysis of the impact of cold wave, torrential rain and heavy snow based on the representative concentration pathways (RCP) scenario





Transition risks

Category	Risk	Financial impact	OCI Company responses
Policy/ legal	• Strengthened global environmental regulations and increased environment-related lawsuits	• Increased costs of securing and purchasing emission allowances and managing legal risks	• Inspecting emissions performance, assessing reduction performance, and encouraging poorly performing sites to improve their processes • Reviewing options to secure offset credits if necessary
Technology	• Costs of transitioning to green and low-carbon technology	• Increased investment and manufacture costs for technology development and transition	• Production of eco-friendly products through technology introduction and development
Market	• Intense competition for solar PV materials • Increased cost of raw materials	• Decreased sales due to intensified competition for products • Increased raw materials costs	• Strengthening cost competitiveness with the expansion of production capabilities
Reputation	• Shifts in consumer preference and response to negative perception of industry	• Decreased customer confidence and deterioration of the corporate image due to industry-related public opinion	• Responding to investor inquiries related to climate change • Eco-friendly product line development and thorough environmental management

Opportunities

Category	Opportunities	Financial impact	OCI Company responses
Energy source	• Reduced energy costs due to enhanced water and energy efficiency • Incentives for companies to reduce emissions under the Korea Emissions Trading Scheme	• Increased profits by selling GHG emission allowances and reducing operating costs	• Improving processes and shifting to facilities with high energy efficiency • Understand the trends in research related to GHG emissions reduction and energy saving
Products and services	• Strengthened R&D on eco-friendly, low-carbon products	• Increased revenue with expanded sales of eco-friendly, low carbon products and laying the foundation for an eco-friendly business	• Certified with ISCC PLUS, an internationally recognized eco-friendly certification
Market	• Sharp increase in demand for essential materials as a result of rapid growth of EV market • Enhancing corporate image of an eco-friendly chemical and energy company	• Increased sales from higher demand for solar PV polysilicon and modules • Securing customers and creation of potential customers	• Developing eco-friendly products and introducing eco-friendly processes • Actively capitalizing on business opportunities associated with growing demand and market expansion
Flexibility	• Securing business stability with improved energy efficiency • Use of eco-friendly products and diversified use of resources	• Enhanced corporate image as a result of positive assessment by stakeholders • Increased firm value through a resilience-based plan	• Introducing high energy-efficient facilities and technology • Expanding investment in the eco-friendly sector

Risk management

OCI Holdings is committed to managing and coping with the impacts of climate change. We identify and review the climate change risks and opportunities for our affiliates on an annual basis. When significant risks are identified, we monitor the responses to them and oversee the implementations for continuous management. Key issues, including responses to climate change by affiliates, are reported to the management of each affiliate and to OCI Holdings and the ESG Committee.

Climate change risk identification and management process

Identify risks
- Identify risks by managing quantitative metrics related to climate change
- Identify risks by monitoring trends in environmental and energy policies, including those concerning climate change

Analyze risks and derive major risks
- Analyze and manage risks using a climate risk classification system based on TCFD recommendations

Establishment of risk response methods
- Establish and implement response methods aligned with business strategies that address energy and GHG reduction, as well as new business implementation
- Conduct risk assessment process by major business sector

Monitor and respond
- Reflect climate change response tasks in company-wide environmental targets
- Report to the management and ESG Committee

- OCIM [Monitoring trends in Malaysian laws]

In twelfth Malaysia Plan, Malaysia has set targets to reduce greenhouse gas emissions by 45% by 2030 and to achieve carbon neutrality by 2050. To monitor and promptly respond to changes in local energy policies and legislation, OCIM has been participating as a sponsor in energy-related conferences and forums organized by the state government of Sarawak, where OCIM is based.

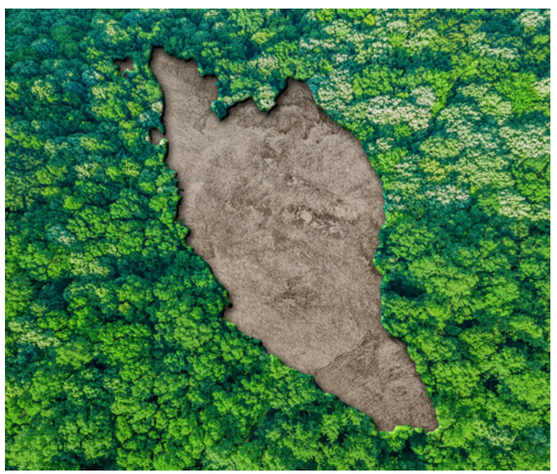
Metrics and targets

As a participant in a greenhouse gas emissions trading scheme, OCI Holdings reports on its greenhouse gas emissions, discloses them to stakeholders and monitors the greenhouse gas emissions management performance of its major affiliates.

GHG emissions

Category	Unit	2021[1]	2022[1]	2023[2]
Scope 1	tCO_2eq	661,434	644,402	1,969,776
Scope 2		531,280	565,572	549,926
Total		1,192,714	1,209,974	2,519,695

* Scope 1 and 2 emissions in 2023 may also change after conformity assessment by the competent authority.
1) Emissions in 2021 and 2022 are based on the separate basis of OCI Company, before the spin-off
2) Emissions in 2023 are based on the emissions of companies subject to the allocation of the GHG emissions trading scheme (OCI Holdings, OCI Company, OCI SE)



Response to Climate Change

Climate change response activities

Climate change response activities by each major affiliate

As awareness of climate change grows around the world, the need to respond to climate change is being emphasized. As a result, OCI Holdings and its affiliates have established major carbon reduction tasks, reduced energy consumption and carried out energy efficiency activities.

- OCI Company [GHG reduction activities by site]

OCI Company sets GHG emissions reduction tasks by site and department each year, improves facilities, and conducts energy consumption reduction activities, and collects and reports performances to the management on a monthly basis. In 2023, we reduced a total of 55,505tCO_2eq with GHG emissions reduction efforts by site such as steam production, waste heat recovery, facility replacement, and process improvement.

- OCI SE [Use of biomass fuel]

OCI SE has reduced energy consumption by approximately 30%, compared to existing thermal power generation through a cogeneration system that produces both electricity and heat. The company has been supplying electricity and steam to the Saemangeum Industrial Complex with the use of wood pellets, a biomass fuel, as part of the fuel since 2017, and plans to completely replace the imported wood pellets with domestic biomass fuel by 2025 to contribute to the national economy. In addition, OCI SE is contributing to carbon neutrality by participating in the emissions trading scheme under the Korea Environment Corporation's carbon neutrality facility support program, and has implemented high-efficiency facilities and participated in the activities of the Korea Carbon Capture Utilization and Storage Association (K-CCUS).

- OCIM [Energy consumption optimization]

OCIM is making carbon reduction efforts in terms of plant improvement, operational efficiency and optimized production volumes. The company investigates issues, develops detailed carbon reduction measures and makes investments on an annual basis. The company invests in the replacement of old heat exchangers for waste heat recovery to increase the energy recovery rate, and optimizes energy use by maintaining the performance of reactor heat radiation recovery equipment and by managing the thermal efficiency of various facilities. OCIM also collects weekly energy consumption data and analyzes trends weekly, assesses energy efficiency, reports progress compared to monthly energy consumption targets and analyzes performance.

- OCIM [Eco-friendly plant operation]

OCIM is located in Sarawak, Indonesia, north of the island of Borneo. It has signed a long-term power purchase agreement (PPA) with a regional utility company to secure a stable supply of electricity while promoting the transition to renewable energy. OCIM has also assessed the economic feasibility of installing a solar farm in Sarawak and is considering a direct investment plan to increase the use of renewable energy. In February 2024, the company received board approval to invest in a high-efficiency natural gas boiler to reduce carbon emissions and plans to invest in facilities over the next three years with an expected carbon emission reduction rate of 45%.



Investment decision-making process that considers carbon impact

- OCI Company

When making investment decisions, OCI Company operates a Technical Deliberation Committee to consider all factors including technical review and environmental and safety assessment. As part of its efforts to examine the risk and opportunity factors, and financial impact of climate change, we have internal regulations that require the review of carbon emissions impact and other plans when deliberating on investment agendas such as improving equipment and facilities or promoting projects above a certain scale.

Investment decision process that considers carbon impact

Identify investment factors and analyze their effects	• Understand the impact of investments by identifying the CO_2 emissions impact and establishing an offset plan
Assess economic feasibility	• Review the economic feasibility of investment in emissions control equipment and projects based on internal carbon pricing
Implement and manage investment	• Monitor investment progress and analyze results

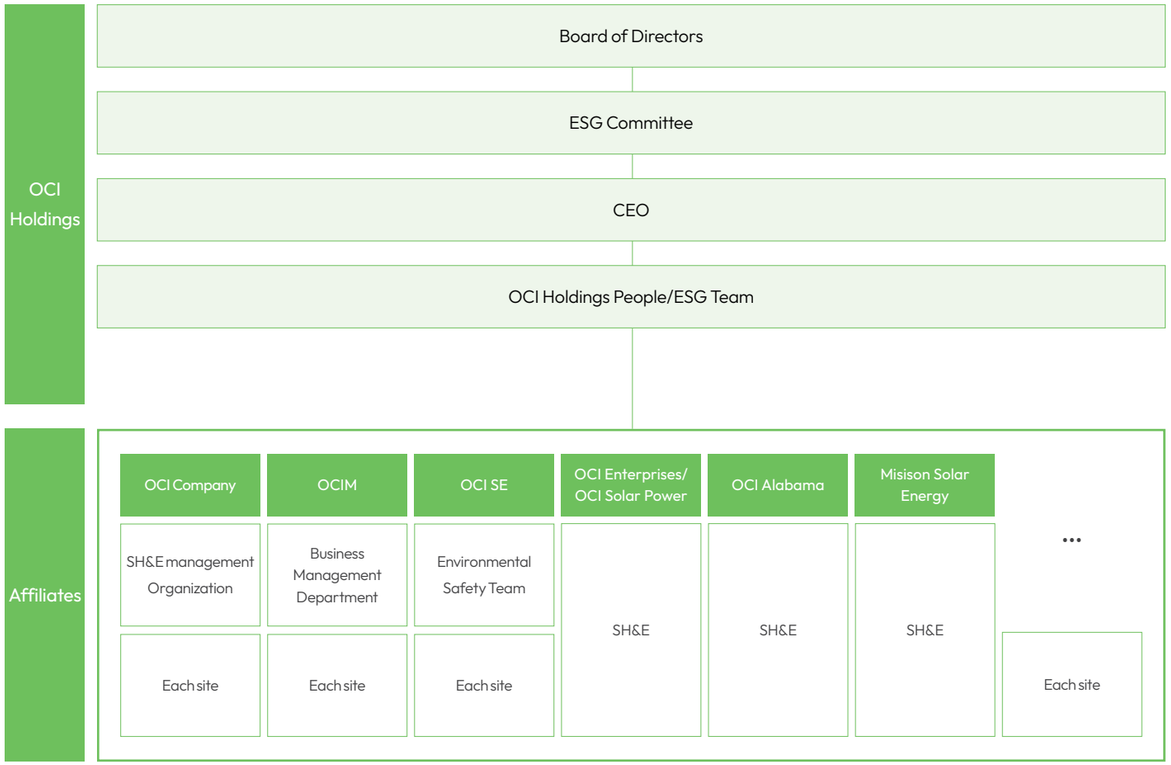
Environmental Management

Environmental management governance

Environmental management organization

For efficient environmental management, OCI Holdings has established organizations and decision-making systems for environmental task management, SH&E, and environmental safety in each of its affiliates. Decisions on major environmental issues related to air, water quality, waste, and chemicals are made based on different delegations of authority according to the importance of tasks involved, and deficiencies are identified for improvement through continuous communication and an efficient and speedy decision-making process.

OCI Holdings environmental management organization system



Environmental management strategy

Environmental management strategy system

To minimize negative impacts of its business activities on the environment, OCI Holdings has established internal operational management regulations and requires each of its sites to maintain and comply with policies on the management of air, water quality, waste and harmful chemical substances, and environmental impact assessment. Based on these policies, each site appoints a responsible manager and carries out its activities. OCI Holdings improves company-wide environmental management by analyzing the results of environmental impact assessments at each site and drawing up improvement plans.

- OCI Company **[Environmental management policies and principles]**

OCI Company has adopted eco-friendliness as a core value for sustainable management and included and proclaimed ECO environmental principles in its environmental management policy to fulfill its corporate social responsibility of protecting the environment. OCI Company guides all employees to comply with these principles in the performance of their duties, and continuously implements environmental improvement activities based on this.

OCI Company Environmental management policies

ECO principles for environmental management

ENVIRONMENT

We consider the environmental aspect in overall management activities, and minimize the environmental impact of all production processes such as procurement, manufacturing, warehousing, transport, and sale. We implement environmental improvement activities such as reduction of the use of raw materials and subsidiary materials and energy, and recycling of waste to promote sustainability of the limited resources of the earth.

COOPERATION

We build social trust through communication with stakeholders including suppliers and customers, and actively participate in activities to mitigate climate change, as well as ecological preservation and forest protection with the cooperation of our employees.

OUTCOME

Our employees observe the law and other requirements with a positive and proactive attitude, and we continuously improve our environmental management systems to enhance environmental outcomes.

Environmental Management

Pollutant management

Pollutant management system

OCI Holdings recognizes the negative impact of various environmental pollutants such as noise, vibration, and soil contamination generated by its operations and strives to manage them. Sites that install and operate facilities that emit pollutants establish pollutant management systems and processes and conduct management in accordance with their internal policies.

- OCI Company OCI SE **[Integrated environmental permit system]**

The integrated environmental permit system, operated by the Ministry of Environment since 2017, aims to analyze the impact of pollutants on the environment and minimize the total pollutants from all sites. Based on this system, OCI Company and OCI SE consider the overall impact of pollutants on the environment such as air, water and human body, improve facilities, and operate a pollutant control system at all sites by carrying out technologically and economically feasible measures (best available techniques) according to their integrated environmental management system. OCI SE and OCI Company received permits for their four sites (in Gunsan, Pohang, Gwangyang and Iksan) in 2020 and 2022, respectively. In addition, OCI Company underwent a regular inspection by the regional environmental offices in its sites in Pohang, Gwangyang and Iksan regarding the environmental impact of pollutant emissions and pollution prevention facilities in 2023, and was confirmed to be in compliance with pollutant emission standards.

- OCIM **[Pollution management system]**

OCIM has established pollution management systems and regularly monitors air, water and noise pollution. Water quality is monitored on a weekly basis, while air and noise are monitored on a quarterly basis. OCIM is subject to inspection of all elements of pollution such as air and water quality at its sites in accordance with Malaysia's Environmental Quality Act 1974.

Pollutant management activities

OCI Holdings manages pollutants to protect the environment in the areas where its operations are located and to protect the health of the people living nearby and workers at its operations.

Pollutant management activities by major affiliate

- OCI Company

OCI Company installs and monitors facilities to manage air and water pollutants, as well as odor-causing compounds. We apply internal standards that are stricter than legal standards and set site-specific management goals for better control of pollutants. We have established a long-term goal to reduce sulfur oxide emissions by 70% and nitrogen oxides by 50%, compared to 2019 levels. Each site is actively engaged in the relevant management activities. In addition, we install a tele-monitoring system (TMS) at major outlets for each site to measure air pollutants in real time and disclose the measurement results on the website of the Ministry of Environment. As for the management of water pollutants, we regularly analyze the quality of discharged wastewater, manage wastewater treatment facilities, control the quantity and quality of discharged wastewater, and analyze self-testing data. In addition, we regularly inspect the soil at our sites. In cases where specific materials require control, we conduct regular soil pollution and leakage tests to prevent soil contamination and protect the ecosystem.

OCI Company air pollutant emission reduction targets

Pollutants	Mid to Long Term Targets (2030)
Nitrogen oxide (NOx)	50% (compared to 2019)
Sulfur oxide (SOx)	70% (compared to 2019)

- OCI SE

OCI SE reduces air pollutants from fuel combustion by applying the best available technique (BAT). The company reduces key pollutants such as NOx and SOx by using selective catalytic reduction (SCR) and a spray dry absorber (SDA), and prevents and reduces emissions of dust and heavy metal into the air by operating an electrostatic precipitator (ESP). OCI SE also reduces dust dispersion by operating a refuse truck inside and outside of raw material storage areas and by using a cleaning process around boiler equipment, and controls the concentration of water pollutants through regular monitoring of the quantity and quality of discharged wastewater.

- OCI Specialty

OCI Specialty applies physical and chemical treatment methods to wastewater from its production process and regularly monitors pollutants from external water sources to minimize water pollution. The company has also installed low NOx burners in boiler equipment at its sites and regularly monitors pollutant emissions through an external measuring company to minimize environmental pollution from emissions.

- OCIM

OCIM has installed and operates optimal pollution prevention equipment to comply with the permissible emission standard of the Industrial Effluent Regulations of 2009. The company also keeps the concentration of pollutants in the discharged water below the legally permitted level through continuous water pollutant reduction activities. It analyzes water quality with weekly sampling and through a third-party certification agency, and submits and makes the analysis results public on the online system of the Malaysian Ministry of Natural Resources and Environmental Sustainability.

Environmental Management

Waste management

Waste management system

OCI Holdings and all of its affiliates identify the amount of waste generated by business activities and processes and treat it according to its proper classification. Each company disposes of waste in accordance with its internal regulations and procedures, and all processes of waste management at domestic sites are managed by the government's Allbaro System.

Waste management activities

OCI Holdings sets "Conduct activities for waste reduction and recycling" as its main environmental management strategy, and provides support in order for related activities to be carried out effectively at its affiliates and sites.

Waste management activities by major affiliate

- OCI Company

OCI Company recycles organic and inorganic sludge generated in the product manufacturing process and uses it as subsidiary materials for cement plants. We strive to efficiently recycle and use limited resources by collecting the sludge generated from the cleaning of the inside of raw material tanks, reprocessing it, and recycling it as a product. In 2023, OCI Company headquarters and sites inspected waste transport and treatment companies (waste acid, etc.) to ensure that the company's waste is properly treated.

- OCIM

In 2023, OCIM introduced a waste plastic and waste oil recycling program and recycled about 90 tons of waste plastic and 3.4 tons of waste oil. OCIM plans to carry out activities to prevent pollution and promote resource circulation.

- OCI SE OCI Specialty

To reduce coal ash, which is a significant component of its waste, OCI SE uses low-ash raw materials and reuses coal ash waste as an admixture and lightweight aggregate. OCI Specialty strives to reduce its environmental impact by actively pursuing the recycling of waste synthetic resin and waste wood.

Water resources management

Water resources management system

OCI Holdings has established a water resources management policy, increase the efficiency of its water resource use and establish a virtuous cycle. Our water resources management policy requires OCI Holdings and our affiliates to conduct water resources management activities, and each affiliate performs detailed processes according to its internal regulations and guidelines.

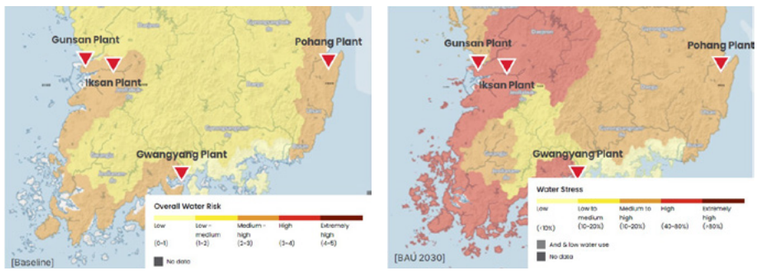
Water resources management policy

Water resources management system by major affiliate

- OCI Company

OCI Company set a water reuse rate target of 10% by 2030 compared to 2019 and implemented water resources management activities. Each site operates water pollutant discharge facilities in accordance with the Act on the Integrated Control of Pollutant-Discharging Facilities and the Water Environment Conservation Act. Since 2023, OCI Company has been using the Aqueduct Water Risk Atlas, a water stress assessment tool from the World Resources Institute (WRI), to monitor the water stress index of the region in which it is located and to respond to water risks for sustainable water resource management. According to the analysis by applying SSP1[1] RCP8.5[2], a pessimistic scenario where physical risk is maximized, the Gunsan and Iksan Plants were identified as potential water risk sites for 2023. OCI Company plans to strictly manage the use of water resources at these sites and implement water risk mitigation measures.

OCI Company Water Risk Analysis



1) SSP (Shared Socioeconomic Pathways): Climate change scenario applying future socioeconomic (population, economy, etc.) changes along with existing greenhouse gas concentrations for the IPCC 6th assessment
2) RCP (Representative Concentration Pathways): Future concentration change scenarios depending on the degree of emission reduction, which represents changes in the impact of human activities on the Earth's atmosphere

- OCI SE

OCI SE strictly complies with its internal regulations on water and wastewater treatment, and manages these process in accordance with the water quality management policy of its Generation Operation Team. The company monitors water resources in real time, inspects water resource characteristics twice a week, and checks the volume of discharged wastewater and cooling tower water once a day. OCI SE sets water use targets and monitors performance each year, and has reduced its planned water use by 10% in 2023.

Water resources management activities

OCI Holdings fulfills its environmental responsibilities by carrying out management activities to reduce water consumption throughout its operations and to increase the recycling and reuse of wastewater.

Water resources management activities by major affiliate

- OCI Company

OCI Company reduces water use by recycling wastewater and coolant emissions. The Gwangyang Plant collects rainwater in its premises, filters it through sand filters and uses it for cleaning work in the plant or as water for the dewatering machine. As a result, OCI used a total of 9,715,334 tons of water in 2023, of which 584,644 tons was recycled, achieving a water recycling rate of 6%.

- OCIM

To increase the efficiency of water use, OCIM has increased the recycling of water used in the cooling tower, which consumes the most water. The company saves 51 tons of water per hour by raising the concentration cycle of the cooling tower water by five to six times.

- OCI SE

OCI SE carries out management activities to increase the efficiency of the water treatment system. The company increases the production volume of cooling tower blow down (CTBD) by regularly replacing the ultra filter unit and reverse osmosis unit. It also replaces water treatment resin and activated carbon to reduce the use of process water.

Environmental Management

Biodiversity preservation

Biodiversity preservation management system

Recognizing the value of biodiversity and the importance of preserving ecosystems, OCI Holdings has established a policy on biodiversity protection and deforestation prohibition to prevent the loss of biodiversity as a result of its business activities and considers the policy when making key decisions. In addition, OCI Holdings identifies risks based on the Locate, Evaluate, Assess and Prepare (LEAP) approach recommended by the Task Force on Nature-related Financial Disclosures (TNFD) Framework and implements biodiversity and forest protection activities on an annual basis

Policy on biodiversity protection and deforestation prohibition

OCI Holdings biodiversity risk management process

Set management scope	Identify major industry groups, sites, and value chain
Identify our dependence and impact on natural capital	Identify dependence on natural capital and its impact within major business areas using global tools
Identify species diversity	Assess whether there are priority species near sites
Assess biodiversity risk	Analyze biodiversity-related risks for domestic and overseas sites
Mitigation measures and monitoring	Implement biodiversity mitigation activities in domestic and overseas sites

OCI Holdings dependence and impact on natural capital by major business area

Dependence on natural capital[1]

Major ecological indicators	Solar PV	Chemical
Ground water	Very low	High
Surface water	Very low	High
Ventilation	-	Very low
Water flow maintenance	-	Low
Water quality	-	Low
Bio-remediation	-	Very low
Filtration	-	Very low
Mediation of sensory impacts	-	Low
Climate regulation	Very high	Low
Flood and storm protection	Medium	Medium
Mass stabilisation and erosion control	Medium	Low

Impact on natural capital[2]

Major ecological indicators	Solar PV	Chemical
Water use	Very high	High
Terrestrial ecosystem use	Very high	High
GHG emissions	-	High
Non-GHG air pollutants	-	High
Water pollutants	Low	High
Soil pollutants	Low	High
Solid waste	-	High

1) Level of impact of the loss of natural capital on the company's production process and financial loss
2) Level of impact of the company's production on the loss of natural capital (in terms of impact cycle, timing, severity, etc.)

- OCI Company [Species diversity monitoring]

OCI Company constantly monitors the locations and laws of each site in an effort to minimize the impact of business activities on biodiversity. As of 2023, we verified that none of our sites are located within areas designated by the Korean Government as ecological and scenery conservation areas under the Natural Environment Conservation Act, wetland protection areas under the Conservation of Wetlands Act, or wildlife protection districts under the Wildlife Protection And Management Act. Moreover, in line with the Other Effective Area-based Conservation Measures (OCEM)[1] scheduled to be implemented by the Ministry of Environment in 2024, we will monitor and identify biodiversity threats and opportunities arising from our activities.

1) This system explores and manages unprotected areas with high biodiversity, creating cultural and economic value for the region through biodiversity conservation activities.

Biodiversity preservation activities

In 2023, OCI Holdings and its subsidiaries OCI Company and OCI SE signed a multilateral agreement on marine biodiversity with Gunsan City Hall and Kunsan National University, and conducted hands-on marine biodiversity conservation events. In December 2023, the company launched a company-wide biodiversity conservation campaign. In addition, we have been involved in a variety of community environmental protection activities, such as cultivating flower paths near sites, supporting waste collection equipment, participating in coastal disaster prevention training, promoting ecological restoration and purification activities, and creating OCI forests. Moreover, a family-friendly program was developed so that employees along with their families can participate in related activities to raise employee and community awareness of biodiversity preservation.

Conclusion of five-party biodiversity agreement



OCI biodiversity preservation activities in 2023





- OCIM [Preventing marine pollution accidents]

OCIM conducts wastewater treatment and water quality testing in accordance with marine discharge water quality standards. The company also collects and monitors discharge water samples for marine water quality testing monthly, considering the location and depth of wastewater dispersion. The samples collected are analyzed by a third-party research institute and submitted to the Malaysian Department of Environment as part of its efforts to comply with local laws and regulations, preserve the marine ecosystem and prevent marine pollution.

Environmental Management

Chemical management

Chemical management system

All affiliates of OCI Holdings prepare an inventory of the chemicals they handle and establish a chemical management procedure to comply with strict domestic and overseas chemical-related laws. In December 2023, OCI Company created a chemical management policy based on its existing management procedure and published the policy to stakeholders through its website and internal groupware. This policy ensures that all chemicals manufactured by OCI Company and those purchased from suppliers comply with our chemical management policy and procedures. In addition, OCIM established a guideline for handling chemical toxicity to comply with the Poisons Act of Malaysian Ministry of Health. This guideline has been integrated into its internal chemical management system. As of 2023, OCIM acquired a toxic substance license regarding the production, procurement, use, and sale of over 10 chemicals among its products, including NaOH and HCl. OCIM is strengthening the management of chemical substances in its supply chain by requiring its customers, suppliers and partners to have a same level of license management. OCIM monitors the production, procurement, use, and sale of chemical substances with regular monthly inspections. The company continuously evaluates and improves its management capability with an annual inspection by the Ministry of Health in Malaysia.

OCI Company chemical management policy

Chemical registration and management process

Since June 2019, OCI Holdings has implemented and operated a Chemical Management System (CMS) to ensure preliminary reviews of compliance with laws, starting from the purchasing of chemicals. The company uses a regulatory database within the CMS to regularly track changes in regulations including whether chemicals handled by OCI Holdings, and its affiliates are classified as hazardous substances. When new hazardous chemical substances are designated, we inform relevant departments, customers and suppliers of the regulatory requirements for hazardous substances to avoid disruptions to the product distribution process and the procurement of raw materials.

Chemical management process

Warehousing	Storage	Shipment
• Preliminary safety evaluation of hazardous chemical substances • Selecting appropriate storage locations and stocking. • Training employees who handle hazardous chemical substances	• Inspecting hazardous chemical substance storage facilities regularly • Installation of leak detectors and safeguards • Organizing and training emergency response teams for fires, explosions, leaks, etc.	• Developing and operating a transportation management system • Daily inspection of transportation vehicles and providing necessary training for drivers • Practice emergency drills with accident simulations (with logistics companies)

- OCI Company [Chemical management risk assessment]

OCI Company conducts at least one risk assessment annually, considering the characteristics and hazards of the chemicals. Additionally, occasional risk assessments are conducted when there are changes in materials or processes. The risk assessments evaluate the hazards that could occur during chemical handling and establish risk mitigation measures based on the rating levels.

OCI Company's chemical risk assessment process

1 Identify hazards of chemicals and measure risk	• Identifying risk factors through MSDS (Material Safety Data Sheet), internal Chemical Management Systems (CMS), etc. • Comprehensive assessment of the characteristics and impact of risk factors to measure their severity.
2 Analyze assessment results	• Deriving assessment results and identify acceptable risks
3 Prioritize and implement improvement activities	• Establishing risk mitigation measures and implement activities based on prioritized assessment results - Rank 1 : Measures to replace hazardous materials - Rank 2 : Engineering solutions such as the installation of air venting boxes - Rank 3 : Managerial measures such as the revision of operating procedures - Rank 4 : Use of personal protective equipment

- OCI Company [Response to domestic and international chemical regulations]

OCI Company registered a total of 71 chemicals and plans to further register 58 chemicals by 2030 in accordance with the Act on the Registration and Evaluation, etc. of Chemical Substances. We also completed the approval of two substances and three product types of biocides in accordance with the Consumer Chemical Products and Biocides Safety Control Act. We will complete approval for two more biocides by 2024. Furthermore, we strictly complied with international chemical regulations, resulting in the registration of five substances under EU REACH[1]. In addition, we have made preliminary reports on three substances and one substance to Turkey and the UK REACH authorities, respectively, and will complete the registration of these substances within the specified registration periods.

1) The Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) is an EU regulation that applies to chemicals produced or imported in the EU in quantities of at least one ton per year, depending on their harmfulness and distribution volume.

Environmental Management

Chemical management

Chemical management activities

- OCI Company **[Replacement of hazardous chemical substances]**

OCI Company reviews whether hazardous chemical substances in raw and supplementary materials can be replaced and conducts activities to reduce their use where possible. Upon customer requests, we periodically analyze certain products to ensure they do not contain hazardous substances, including Substances of Very High Concern (SVHC), substances regulated by the Restriction of Hazardous Substances Directive (RoHS), and Polycyclic Aromatic Hydrocarbons (PAHs).

In 2023 OCI and its suppliers agreed to replace water treatment materials containing hazardous chemical substances with non-hazardous alternatives. We also review whether catalysts containing hazardous chemical substances can be replaced, as part of our ongoing initiatives to reduce hazardous chemical use. In particular, we suspended the production of Di-2-ethylhexyl phthalate (DEHP), classified both in Korea and internationally as a hazardous chemical substance, a SVHC, and a material listed under Annexes XIV and XVII of the EU REACH regulation. This action has contributed to reducing emissions and the use of hazardous chemical substances.

- OCI SE **[Safe chemical substances storage and distribution]**

OCI SE has strengthened its safe chemical storage and distribution system by improving processes and facilities and optimizing operations. In addition to licenses and process risk assessments , the company checks the status of its chemical management in its production facilities through the Technical Deliberation Committee and the Change Management Committee. In 2023, it inspected tanks, dikes, and pipelines, and introduced materials to improve performance.

Hazardous chemical substances training and leak prevention activities by major affiliate

- OCI Company

To improve employee understanding of chemical-related laws, OCI Company regularly trains sales and procurement personnel on changes in chemical regulations and legal compliance, and conducts appropriate safety management for each production process by appointing hazardous chemical managers for each process. In addition, OCI Company operates various programs, including developing emergency response scenarios to address the risks of chemical leakage, establishing responsible organizations, and conducting training.

OCI Company's systems and activities to prevent chemical accidents

Category	Activity
Operating a smart environmental management system	• Installation of detectors utilizing high-sensitivity, low-power semiconductor gas sensors and LoRa low-power wireless communication technology within the business sites: • Preventing chemical accidents through monitoring the presence of chemical leaks.
Preventing chemical transport accidents	• Developing manuals to prevent chemical transport accidents • Conducting regular training sessions on transport and providing a product shipping guide • Installing safety signboards in the workplace to inform workers of safety rules • Establishing a transport accident response plan according to the emergency response rules and conduct training at least once every six months
Safety management of chemical facilities	• Operation of facility inspection team • Conducting regular inspections of facilities at the sites and safety training for employees in charge • Strictly managing the use, storage and disposal of all chemicals in the workplace in accordance with legal standards

- OCI SE

OCI SE provides hazardous chemical substances training to all employees each year, and strives to prevent hazardous chemical substance spills with quarterly emergency drills and weekly hazardous chemical compliance inspections, as well as the operation of continuous leak detection monitoring equipment.

OCI SE: Hazardous chemical training for managers, handlers, and employee	**Completion rate** **100%**

- OCIM

OCIM provides environmental management training, including chemical management issues, to all employees, including new employees. The company also provides training for workers who are easily exposed to chemicals, such as those in wastewater treatment plants, chemical management training, and Continuous Emission Monitoring System (CEMS) training to help employees avoid exposure to pollutants at sites and be aware of the importance of chemical and pollutant management.

Environmental Management

Eco-friendly projects and products

Expanding green energy business

OCI Holdings and its subsidiaries, as pioneers in the market for eco-friendly energy and chemical products, acknowledge the importance of sustainable business development as a key strategy for group-wide growth. We are enhancing our competencies by establishing a comprehensive solar value chain, ranging from fundamental materials to solar power generation. Furthermore, we are committed to promoting a better future with sustainable technology. OCIM's plant in Malaysia produces solar PV polysilicon based on a power source with a high percentage of hydropower, which has no greenhouse gas emissions and leaves no carbon footprint. OCI Holdings has expanded MSE's PV module production capacity from 210 MW to 1 GW. By investing a total of USD 40 million (KRW 57.0 billion), the company has expanded its product range from residential PV modules to commercial and industrial modules, and is producing products with higher power and efficiency compared to existing products. With this capacity expansion, MSE aims to preemptively respond to the growth of the U.S. solar PV market, where demand is expected to increase steadily following the passage of the Inflation Reduction Act (IRA). The IRA is expected to improve the cost competitiveness of PV modules and pave the way for MSE to increase its market share in the United States. Riding on this momentum, MSE plans to expand its presence in the downstream solar PV energy business in the U.S., such as module production and power solar PV development.

OCI Holdings solar PV value chain

1 OCIM: Solar PV polysilicon

- Produce solar PV polysilicon with an annual capacity of 35,000 tons
- Plan to expand capacity by 21,600 tons over the next three years

2 OCI Specialty, Mission Solar Energy: Solar modules

- Manufacture and supply slim rods and wafers for solar batteries, which are core materials in the green energy sector
- Produce various types of modules, including residential, commercial, and industrial purposes, and expand the solar module production capacity of the U.S. plant to 1GW

3 OCI Power, OCI Solar Power: Solar PV energy

- Entered the U.S. solar PV energy market for the first time as a Korean company by winning the Alamo Project in 2012
- Operate solar PV energy business in South Korea, the United States and China
- In the ongoing development of a business model combining renewable energy and ESS

Use of eco-friendly raw materials and product development

OCI Company is committed to actively using eco-friendly raw materials and developing eco-friendly products to realize sustainable environmental management. In 2012, we ceased production of DOP, a hazardous chemical substance, and expanded production of eco-friendly plasticizer products. In February 2022, we started using waste plastic and oil recycled from waste vinyl through pyrolysis without combustion as raw materials in the carbon black process. This allows us to replace some of the existing coal- and petroleum-based raw materials with more eco-friendly materials. As a result of these efforts, we obtained the International Sustainability & Carbon Certification (ISCC) Plus in 2023 for carbon black produced at our Gwangyang Plant.

In addition, to respond to global environmental regulations and strengthen the ESG system, we established a life cycle assessment (LCA) plan for all domestically produced products in June 2023, and we are in the process of conducting the assessments starting with main products, such as polysilicon. Based on the LCA results of each product, we strive to minimize possible negative environmental impacts in production.

Eco-friendly processes and technologies

OCI SE employs technology that produces electricity and heat at the same time. This cogeneration system reduces energy consumption by 30 to 40% compared to existing thermal power generation. This approach allows them to introduce eco-friendly production methods while simultaneously reducing energy consumption. Moreover, the company acquires a renewable energy certificate (REC) for co-combustion using biomass fuel.

OCI SE Saemangeum Cogeneration Plant



Environmental Management

Environmental risk management

Environmental management system

OCI Holdings has acquired Environmental Management System (ISO 14001) certification to minimize the environmental impact of production activities at the sites of its affiliates. Each affiliate has established environmental management objectives and structures based on the environmental management system and identified and assessed related risks. For major risks, we create action plans to mitigate them, and regularly monitor the effectiveness of the actions for continuous improvement.

Environmental management systems certifications acquired by affiliates

Affiliates	Validity period
OCI Company[1]	2023.11.01~2026.10.31
OCI Power[2]	2021.08.12~2024.08.09
OCIM[3]	2024.01.04~2027.01.03

1) The certification is acquired for its Gunsan Plant, Pohang Plant, Gwangyang Plant and R&D Center.
2) For its Gunsan Plant
3) For its Samalaju Plant

Environmental risk management activities by major affiliates

- OCI Company [Environmental regulations monitoring]

OCI Company cooperates with specialized institutions to monitor environmental laws, revisions, and legislative notices on a weekly basis and analyze their impact on our business for preemptive countermeasures. For regulations that may significantly affect our business, we prepare a response plan in advance and make detailed analyses of environmental regulations under review by the national government, local governments and business associations from a long-term perspective. Regulatory information from these activities is posted on the SH&E portal, our internal IT system, and communicated to all employees through safety training or internal meetings. In addition, if some regulations are considered important to our customers and suppliers, we share this information with them.
In addition, we conduct at least one legal compliance assessment annually to verify adherence to laws and requirements. If any non-compliance is identified, corrective actions are taken immediately to ensure swift compliance with environmental regulations.

- OCI Company [Periodic environmental audit]

In 2023, OCI Company and an external specialized organization conducted a company-wide environmental risk assessment and inspected the management and compliance status of on-site facilities. Potential environmental hazards and risk factors at sites were identified, and improvement measures were developed to improve on-site facility management. In addition, OCI Company conducts an internal inspection of each site at least once a year based on internal inspection operating rules, and invites an external organization to review and assess the performance of environmental management every year. If any non-compliance is found in the result of the inspection, corrective action is taken to meet environmental management requirements. In addition, cross audits are carried out between sites to periodically review the Chemical Accident Prevention Plan to identify areas for improvement and to recognize outstanding cases.

- OCI Company [Environmental impact assessment]

OCI Company conducts regular (every three years) and occasional environmental impact assessments to evaluate the direct and indirect environmental impacts of its activities, products and services. In performing the assessments, we identify all activities and services that may affect the environment and consider the impact of each environmental factor.

- OCIM [Environmental management plan and impact assessment]

OCIM establishes and periodically updates an environmental management plan that defines roles and responsibilities in the construction and operation of plants at its sites, monitoring plans, waste management, and environmental impact analysis in the vicinity of its sites. OCIM's Environmental Team reviews environmental impact assessments on a quarterly basis and strictly complies with its environmental management plan to obtain approval for the Environmental Impact Assessment (EIA) from the Malaysian Department of Environment. In addition, compliance with environmental regulations and the requirements for EIA approval are reported to management at the ISO 14001 management meeting every year and external audits are performed to ensure strict compliance with environmental laws and regulations in Malaysia.

- OCI SE [Environmental impact assessment]

OCI SE conducts occasional environmental impact assessments of construction and process expansion, production increases, introduction of new equipment, change of materials, and changes in laws, regulations and standards. It also prepares consultation ledger for the Saemangeum Industrial Complex Integrated Power Plant Construction Project on a monthly basis and implements the consultations.

Social I Strategic Direction

PEOPLE/ORIENTED

We realize sustainability through respect for people.

Key areas

Human rights protection and human resources management

Strengthen human resource development, promote labor-management cooperation and welfare, and enhance human rights management system

Strengthening safety and health systems for sites

Advance safety and health management and risk management systems, and monitor safety and health management performance

Building a sustainable supply chain

Advance the supply chain and supply chain risk management system, and manage supply chain-related performance

Talent Management

Talent recruitment and cultivation

Hiring talents

Since the spin-off in May 2023, OCI Holdings has established organization and personnel operation models to effectively perform the role of a holding company. It also has recruited strategic talents based on detailed goals and procedures. OCI Holdings increases manpower by hiring new talents, realizes flexible personnel operation through personnel dispatch and ad hoc project teams (task force, etc.), and provides support to effectively perform the role of a holding company.

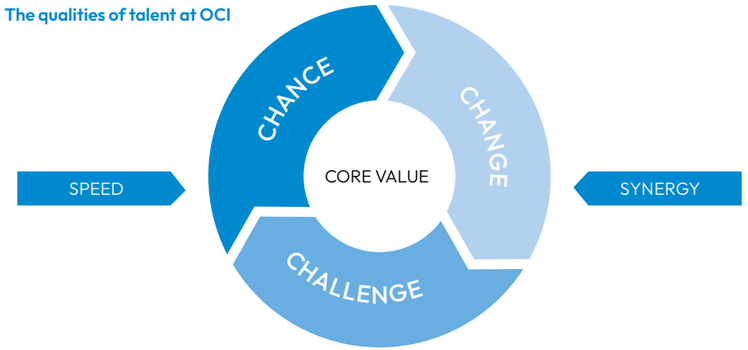
Personnel exchange

During the spin-off and transition to a holding company in 2023, personnel with experience and expertise in core functions were transferred from the existing subsidiaries to OCI Holdings. In addition, some of the essential functions of OCI Holdings, such as tax, internal accounting, general affairs, and SH&E, were provided to OCI Holdings as Shared Services by subsidiaries with personnel who specialize in these areas in order to build up the essential functions of a holding company and to comply with regulations. This exchange of personnel between OCI Holdings and its subsidiaries will continue to strengthen. OCI Holdings will strive to effectively perform the essential functions of a holding company by setting and implementing human resources operation targets on a step-by-step basis.

Hiring new employees

OCI Holdings hires talents who embody its core values—opportunity, change, and challenge—and put them into action. We select outstanding talents through a recruitment-linked internship program and ensure fair hiring by using various recruitment tools such as a personality test, English proficiency test, and two rounds of interviews. Also, the in-house job opening system gives existing employees an opportunity to autonomously set career paths so that they can apply directly for the positions they want.

The qualities of talent at OCI



The qualities of talent	Core values		
Act upon opportunities, challenges and changes	CHANCE	CHANGE	CHALLENGE
	SPEED	SYNERGY	

- OCIM [OCIM HR Center]

Considering the importance of capacity expansion and new projects in Malaysia, we opened an HR Center at OCIM to recruit and develop local manpower efficiently in a short period of time. The operation of the HR Center provides large-scale local employees with systematic training programs at the same level as those of OCI Holdings and its domestic affiliates. Also, the operation of a data-based strategic hiring system employs IT system to recruit and cultivate talents.

Employee performance evaluation

For fair performance evaluation, OCI Holdings operates a feedback system that allows a leader and members to exchange feedback on work plans and progress online throughout the year. In addition, performance management plans for team leaders and above are required to include a risk management implementation plan. Starting in 2024, a guideline will be provided for key executives, including the CEO, to reflect ESG-related objectives in setting the common goals of an organization so that their responsibility for performance management is increased.

* The common goals of an organization are linked to the personal goals of employees.

Employee performance evaluation process

Set the common goals of an organization (Beginning of the year)	• Leaders establish organizational goals • Link to upper organizational goals (CEO - C Level - executives - team leaders)
Set an individual action plan (Beginning of the year)	• An individual selects goals from the executive's common organizational goals that apply to them and establishes plans to achieve these goals
Constant feedback (Throughout the year)	• Provide feedback on employee performance throughout the year (comments by mobile devices) • Individual plans can be modified throughout the year
Final evaluation and interviews (Yearend)	• Evaluate the relative achievement levels of individual action plans, contributions to common organizational goals, and competency and leadership

Talent Management

Talent recruitment and cultaivation

Talent cultivation system and programs

The core talent management of OCI Holdings has three objectives: cultivating future leaders, cultivating specialist talents, and cultivating global talents. Various programs are operated to develop the potential and capabilities of individual employees. We provide customized training programs to enhance essential capabilities for positions, including succession planning for key positions. In addition, to effectively operate various programs that enhance expertise, global awareness, and high-level managerial capabilities, employees who have completed training are required to evaluate their level of job adaptation to assess the effectiveness of training. The degree of improvement in employee capability from each training program is measured and analyzed to identify areas that require supplementation and development. Additional training is then planned for strategic decision-making.

OCI Holdings talent cultivation and job training program

Employee Succession Planning

Cultivating future leaders	Cultivating specialist talents	Cultivating global talents
Mandatory training by position • Position-specific competency framework-based training for essential capabilities and skill enhancement • Occasional new employee onboarding program	**Engineer job training** • Establishing a roadmap for the development of engineering skills by job • Providing various external training opportunities in partnership with specialized training institutions	**Always-on foreign language program** • Engineer business English program • Establishing a tailor-made foreign language learning system (telephone English, e-learning, certified English proficiency test, etc.)
OCI MBA • Management education for leader candidates to drive organizational change • Fostering open-minded problem-solving and creating a collaborative culture	**Overseas job/academic education** • Sending employees to overseas educational institutions in the chemical engineering, electricity, and machinery sectors (UOP, GE, ASME, etc.) • Providing opportunities for researchers to attend academic conferences abroad	**Overseas expatriate training** • Basic training to help employees adapt to the local working environment • Training tailored to the employee's ability to adapt to a new environment • Short-term intensive foreign language course
Individual/group coaching • Executing capacity-building plan for team leaders and executives (Group coaching, management coaching, and media training for expatriates and presidents of subsidiaries)	**Executive Program** • External training programs to expand the network needed to perform the job and identify trends (Seoul National University CFO program)	**C-Level Entrepreneur Leadership Program** • Overseas top schools' highest-level courses at Wharton and Stanford for CEO candidates to harness top-level management skills and develop a global outlook

Leader training

Following the transition to a holding company structure, the "New Leader Program", which was only offered to leaders of OCI Company, has been extended to new executives, team leaders, and presidents of all subsidiaries. In particular, we provide an opportunity for the presidents of domestic and overseas subsidiaries to learn about cross-cultural adaptation and know-how transfer, and to share and address various difficulties faced by leaders.

Educational effectiveness in 2023

Category	Application to jobs (5-point scale)	
	OCI MBA	Course for president of subsidiaries
Leadership mindset development	4.17	4.44
Practicality of the Contents	3.92	3.94
Professional networking facilitation	4.43	4.17

OCI MBA

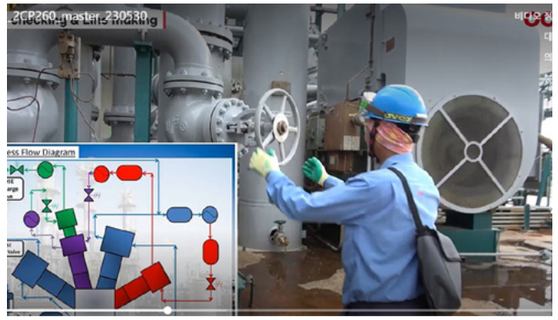
Since 2008, we have operated the OCI MBA program in partnership with Yonsei University and KAIST to help managers cultivate professional management knowledge, flexible thinking, judgment from different perspectives, and problem-solving skills. In 2023, 75 leader candidates from all affiliates completed the MBA program. As of 2023, a total of 13 sessions of the MBA program have been completed, and 535 leader candidates have completed the program.

OCI MBA program completion ceremony in 2023



- OCIM [New employee technical training program]

In tandem with massive recruitment at OCIM, a training program for newly hired technical positions (including engineers) was launched in January 2024 to help them understand occupational safety, technology, and operating processes, and a 24-session training series is being planned for the year. A basic technical training program in partnership with external specialized training institutions, in-house specialized technical training and on-the-job training are provided to strengthen job skills and capabilities. In particular, as part of the in-house specialized technical training and on-the-job training, an on-site practice program at the OCI Company's Gunsan Plant is provided to pass on job know-how in key areas such as government affairs and production. This program is recreated as educational content in the form of video and materials, which are then distributed to many employees.



Talent Management

Organizational culture and labor-management relations

Work and welfare system

OCI Holdings operates 52-hour maximum work week and welfare system for the work-life balance, health and stable life of employees. A flexible working system has been introduced so that employees can voluntarily manage their working hours according to their workload.

OCI Holdings work and welfare system

Category	Content
Support for housing and comfortable living	Housing loans and emergency household loans
	Financial assistance for settlement and housing support
	Time off for family events and stipend for celebrations and condolences
	Scholarship for children
	Retirement pension
Work-life balance	Daycare center
	Family-friendly programs (social contribution, education)
	Employee assistance program (EAP)
	Regular leaves and paid annual leaves
	Shortened work (for pregnancy, nursery, childcare, etc.)
	Lactation room and paid workplace lactation hours
	Flexible work system (selective/discretionary work plans, compensatory leave, etc.)
	Staggered commuting system
	Recreational facilities
Support for self-development	Financial support for self-development
	In-house foreign language program
	Vacation bonus
	Support for in-house club activities
Health support	Counseling (EAP)
	Group insurance (employee, spouse, children)
	Medical checkup
Compensation system	Best employee awards
	Awards for long-term employees
	Welfare points program

Family-friendly company certification

OCI Holdings operates various programs to prevent career interruptions for employees due to pregnancy, childbirth and child rearing, and to promote a family-friendly corporate culture. For female employees raising infants under one year old, we provide paid workplace lactation hours and a lactation room. We also offer parental leave of up to one year for employees with children 8 years old or younger, and have introduced shorter working hours for child and family care. Furthermore, to prevent employees from being disadvantaged in performance evaluations due to parental or maternity leave, average ratings are assigned for the periods. This policy is clearly outlined in the employee performance assessment regulations. OCI holdings ensures that this also applies to its subsidiaries. In particular, we entrust the operation of the daycare center at the OCI Company Gunsan Plant to the Puruni Childcare Support Foundation, to provide childcare services to our employees. In 2023, we revised the existing family-friendly program to make it more convenient for employees to use, improved the lactation room, and conducted family activities for employees to foster a family-friendly culture. In recognition of these efforts, OCI Holdings and OCI Company were certified as family-friendly companies.

OCI Holdings certified as a family-friendly company



Retirement pension and support for job transition support

We have operated a retirement pension system since 2009, contributing to relieving the financial burden of employees after retirement. As of the end of December 2023, the current value of the defined benefit (DB) liability stands at KRW 36.5 billion. We have established a retirement pension operation committee for the sound operation of plan assets and have prepared a retirement pension contribution operation plan. We conduct retirement pension training at least once a year for all employees and receive applications for change in retirement plan type (DB/DC) so that employees have the right to choose. Also, we provide retirees with life-planning training and a reemployment service. In addition, to help retirees plan for their post-retirement lives, we offer retiree support services, including basic training for job transition, consulting, information about special lecture, and a change management program.

Talent Management

Organizational culture and labor-management relations

Organizational culture and labor-management relations improvement activities

Since 2022, before the spin-off, OCI Holdings has announced a joint labor-management declaration. It has conducted a follow-up campaign to establish an organizational culture based on mutual respect. After the spin-off, we performed various activities to establish a horizontal organizational culture with the goals of adapting to a new organization and environmental changes, strengthening communication and cooperation, and increasing the participation and sense of responsibility of members. We also operate a Labor-Management Council to maintain a stable labor-management relationship based on mutual respect. The Labor-Management Council, consisting of three employers and three employees, meets quarterly to regularly review the status of human resources management, including increasing employee job satisfaction and strengthening expertise, and to negotiate major issues.

Decision-making system and management organization for organizational culture and labor-management relations

Implementing organization	Labor-Management Council	
Members	Three employers, three employees	
Roles and Responsibilities	Promotion of mutual benefits and enhanced communication between labor and management (Labor-Management Council Regulations)	
Goals	• Increase the company's productivity, and manage and oversee discussions, decisions, and reports on the working environment (personnel management and organizational culture) • Address employee complaints	
Activities in 2023	Category	Activities
	Frequency	Once a quarter
	Discussions and decisions	• Presented major management conditions, receive and handle employee difficulties, and share revisions of laws and systems • Discussed and decided on requests for the improvement of welfare facilities at sites

Major organizational culture and communication activities in 2023

Category	Activities
Town hall meeting	Minimized confusion by sharing goals in the early phase of the holdings company establishment through a town hall meeting
Employee birthday party	Held employee birthday parties every month to promote interaction among employees and to build a positive organizational culture, considering that the proportion of new employees is relatively high
Lectures on horizontal corporate culture	Provided lectures on horizontal corporate culture such as interaction, collaboration, roles and responsibilities for new team leaders
Create a working environment	Created a work environment based on smooth communication and collaboration, and design an office layout conducive to a horizontal organizational culture

- OCIM [Promoting labor-management communication]

With a view to promoting communication with employees at production sites and plants, OCIM regularly holds "1 OCIM Committee" meetings to listen to and address workers' concerns. The company also assesses its organizational culture and identifies deficiencies with a regular employee satisfaction survey to improve organizational culture and labor-management relations.

OCI Labor-management joint declaration and mutual respect campaign





Human Rights Management

Human rights management system

Human rights management organization

OCI Holdings has a human rights management organizational framework consisting of the Board of Directors, the ESG Committee, the management, and related departments. The Board of Directors and Committees under the Board (ESG Committee) review and approve major agenda items related to human rights performance, key risk factors and improvement activities. The People/ESG Team, which is responsible for organizational culture, personnel management, and talent development, is the main organization that manages human rights issues at OCI Holdings. The team monitors and responds to human rights-related complaints received by Compliance Team 1.

Human rights management organizational framework and its role

Board of Directors	• Review and approve agenda on key human rights management issues
ESG Committee	• Review human rights improvement activities and deliberate on compliance with human rights protection policy
CEO	• Operate human rights management system and inspect the status of violations
People/ESG Team	• Promote human rights management activities
Compliance Team 1	• Monitor and handle human rights-related reports

Human rights management strategy

Human rights policy

OCI Holdings recognizes the importance of ESG management and prioritizes the protection of human rights. Based on the principles of respect for human rights, we guarantee the dignity and freedom of all members and prohibit all forms of discrimination. By including the company's commitment in our human rights policy, we openly support global standards and covenants in our business operations and pledge our respect for the human rights of employees and stakeholders. OCIM has also established and declared its human rights policy, and guides local employees to understand and implement the policy.

OCI Holdings Human Rights Policy | OCIM Human Rights Policy

OCI Holdings Human Rights Policy: Provisions on respect for human rights

Article 1	Respect for humans
Article 2	Anti-discrimination
Article 3	Prohibition of forced labor
Article 4	Prohibition of child labor
Article 5	Compliance with laws on working hours
Article 6	Wages and welfare benefits
Article 7	Freedom of association
Article 8	Protection of individual information and privacy

Human rights risk management

Human rights impact assessment

OCI Holdings recognizes the protection of human rights as the most fundamental responsibility of a company, respects the human rights of all stakeholders including employees in its overall business activities, and strives to implement human rights management. In order to mitigate potential human rights risks, we conducted our first human rights impact assessment for our headquarters and Iksan Plant in March 2023 using a third-party institution. This human rights impact assessment consists of a self-assessment using 239 human rights management checklists based on the UN Guiding Principles on Business and Human Rights, and an on-site due diligence and interview process to verify the reliability and effectiveness by a third-party organization. The results of 2023 human rights impact assessment show OCI Holdings obtained a comprehensive score of 96.2%. The company also identified short- and long-term improvement tasks through a materiality assessment. Based on the results of assessment, OCI Holdings incorporated human rights risks into its policies, reviewed them for improvement, and used the assessment results as the basis for human rights management at the company and its affiliates. Starting with OCI Company, which has extended the human rights assessment to all sites from 2024, OCI Holdings is also considering broadening the scope of the assessment to include major affiliates and sites.

Human rights impact assessment process

STEP 1 Development of assessment indicators and training	• Develop a human rights impact assessment checklist based on domestic and overseas human rights guidelines and regulations • Select 239 detailed indicators in nine categories, taking into account the company's situation
STEP 2 Self-assessment and site due diligence	• Conduct self-assessment with the assessment indicators and site due diligence with an external specialist
STEP 3 Analysis of assessment results	• Review progress by assessment area and identify areas for improvement
STEP 4 Derivation of tasks for improvement	• Conduct materiality assessment by holding stakeholder interviews related to improvement indicators • Derive major improvement tasks by considering human rights and materiality assessment results

Results of 2023 human rights impact assessment

Assessment areas	Scores (100-point scale)
Human rights management system and remedies	91.1
Ban on child labor and forced labor	100
Guarantee of the freedom of organization and association	100
Humanitarian treatment	93.8
Responsible supply chain management	80.8
Industrial safety & health	100
Guarantee of environmental rights	100
Protecting human rights of local people	100
Protecting human rights of clients	100
Total	96.2

Human Rights Management

Human rights risk management

Human rights risk mitigation activities

Fostering a culture of respect for human rights

OCI Holdings has developed preventive measures for human rights issues, such as sexual harassment, discrimination, and bullying in the workplace, and has striven to foster a culture of mutual respect through its organizational culture activities. Every year, OCI Holdings and its domestic affiliates conduct training for all employees on preventing sexual harassment prevention and improving the awareness of employees with disabilities to raise employee awareness of human rights and internalize respect for human rights.

OCI Holdings diversity and gender equality training

Category	Unit	2021	2022	2023
Persons who completed training	Persons	1,586	1,754	56
Completion rate	%	100%	100%	100%

Respecting employee diversity and preventing workplace discrimination and harassment

OCI Holdings and its affiliates do not discriminate on the basis of age, gender, race, or nationality in hiring, job performance, promotion or training. They implement personnel management policy based on respect for diversity by employing persons with disabilities and persons entitled to veterans benefits. To protect employees and promote a healthy working environment, OCI Holdings and its affiliates operate reporting channels for sexual harassment in the workplace. When a report is received, they have an external party investigate the facts objectively, secure witnesses, and document damage and evidence to ensure the rigorous investigation of cases. In addition, with the whistleblower protection provisions in the Code of Ethics for Employees, OCI Holdings and its affiliates protect the identity and privacy of whistleblowers and prevent secondary harm to whistleblowers by prohibiting adverse personnel management actions and by providing psychological counseling and treatment to victims as requested and necessary.

Human rights complaint handling process

Receive complaints	Investigate facts	Review incidents and take corrective action	Notify of results and monitor outcomes
OCI Holdings and all affiliates: Reporting sexual harassment/bullying at work	• Investigate independently by a responsible department under the supervision of a third party, in accordance with each company's policies • Protect the whistleblower's information and the content of the report during the investigation	• Determine how to handle the incident based on the results of investigation (decision on the level of punishment, measures to prevent similar incidents, etc.)	• Notify the reporter of the review results and provide guidance • Report handling details according to each company's regulations • Request relevant departments to take action when follow-up is required
OCIM:OCIM Ombudsman			
OCIE/SP, OCI AL, MSE: Ethics Point system			

- OCIM [Embracing cultural diversity]

Malaysia, where OCIM is based, is a multi-ethnic and multicultural country, where various religions and cultures coexist. OCIM has employees from 19 ethnic groups, and so the company regularly operates programs to respect diversity such as ethnicity, culture and religion.

For example, the annual Cultural Night event, where all employees gather for dinner, helps employees from different backgrounds to communicate with and understand each other.

In addition, English for Engineers text materials and courses have been prepared and taught since 2023 to promote smooth communication between local employees and Korean engineers. Starting in 2024, training that includes cross-cultural training will be provided by specialists to help employees better understand each other's cultures, work, and communication methods.

OCIM Cultural Night



Safety and Health Management

Safety and health management system

Safety and health management organization

OCI Holdings endeavors to protect the safety and health management of all workers in its sites and create a safe and comfortable workplace. In accordance with OCI Holdings' SH&E operational management regulations, we require all sites to establish and comply with SH&E policies and regulations, and to operate a safety and health management system. We review and approve site safety and health agendas by operating an Occupational Health and Safety Committee at each site. We reduce occupational risks by collecting the opinions of workers, operating a consultative group for suppliers, and holding SH&E meetings at each site. The ESG Committee considers key issues identified by the safety and health consultative group to strengthen the implementation of safety and health management.

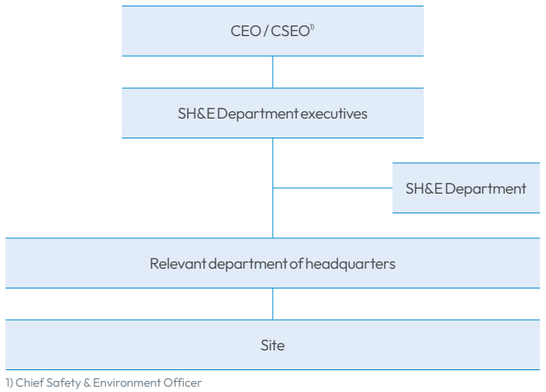
- **OCI Company [Serious Disaster Prevention Committee]**

To comply with the Serious Accidents Punishment Act and promote safety at sites, OCI Company formed the Serious Disaster Prevention Committee hosted by the CEO. The Serious Disaster Prevention Committee reviews results and improvements in relation to management obligations under the Serious Accidents Punishment Act. We also strive to address hazardous risk factors such as falls, pinching, collisions, and electric shocks by conducting safety activities at our suppliers' sites.

Activities of OCI Company Council on Safety and Health

Name	Host	Frequency	Attendees
Serious Disaster Prevention Committee	CEO/CSEO	Monthly	• Executives • Plant managers • Head of SH&E Department
Occupational Health and Safety Committee	Representatives of employer and workers	Quarterly	• Employees of sites
Supplier councils	SH&E manager	Monthly	• Suppliers
SH&E meeting at site	Head of site	Monthly	• Employees of sites

Organization chart of the Serious Disaster Prevention Committee



1) Chief Safety & Environment Officer

Safety and health management strategy

Safety and health management strategy system

OCI Holdings considers occupational safety and health the most important value for its sustainable growth. We apply safety and health policies for employees at our domestic and overseas sites and suppliers. Safety and health management activities are carried out by establishing safety and health management systems in accordance with national occupational safety and health-related laws and international standards. In addition, we developed a safety management system suitable for workplaces with up to 50 employees, and set targets to comply with relevant laws and regulations.

Safety and Health management strategy by major affiliate

- **OCI Company**

OCI Company is making efforts to achieve its goals by establishing detailed goals based on two main categories 'Zero serious accidents' and 'Improvement of safety awareness and strengthening of safety training system'. Major achievements in 2023 include activities such as participation of experts in training and risk assessment in order to strengthen site-centered risk assessment. We are also implementing a safety leadership strengthening program based on the results of group-wide safety diagnosis in order to achieve improved safety awareness/safety leadership. To achieve improved safety awareness/safety leadership, we are pursuing mid- to long-term goals from 2023 to 2025.

- **OCIM**

OCIM prioritizes the safety and health of its employees with the Occupational Safety and Health Management System, which is outlined in the safety and health manual. The safety and health manual serves as a roadmap for organizations to provide a safe working environment, manage risks and comply with legal and regulatory requirements.

- **OCI Power**

OCI Power uses its safety and health manual and processes to comply with requirements of the Occupational Safety and Health Act and the Serious Accidents Punishment Act and to promote a safe site. OCI Power reviews goal achievement and compliance with legal requirements using monthly check sheets.

Safety and Health Management

Safety and health management strategy

Safety and health management activities Culture of safety cultivation activities

Strengthen employee safety competency

- OCI Company [Strengthening employee safety training]

In addition to the eight hours of legally mandated training required by the Occupational Safety and Health Act and the Chemicals Control Act (safety and health training, regular safety and health training, compulsory training), OCI Company operates in-house and external training courses to increase the safety and health knowledge and competency of employees. For newly recruited employees, we offer commissioned training to help them understand petrochemical plant processes and the safety and health environment. In 2023, OCI Company arranged external training sessions on advanced accident investigation and occupational risk assessment to strengthen safety training.

- OCIM [Conducting occupational safety and health training for employees]

To cultivate a safe working environment, OCIM conducts safety and health management training for all employees, including new employees. In 2023, a total of 14 special safety training sessions were provided to all employees. In addition, to continuously emphasize the importance of safety, OCIM also holds weekly safety drills for employees and internal contractors.

- OCIE/SP, OCI AL, MSE [BizLibrary Platform]

All employees can connect to the BizLibrary platform to participate in online safety training throughout the year. The platform includes various modules for company-wide mandatory courses and optional courses, and provides mandatory monthly safety training and bi-monthly specialized safety training.

- OCI Power [Safety accident prevention consulting]

OCI Power cooperates with an external consultancy to continuously strengthen its safety competency. The company inspects the safety status of the workplace twice a month and provides safety and health training.

- OCI SE [Conducting specialized training]

To systematically strengthen overall process safety competency, OCI SE conducts specialized Process Safety Management (PSM) training with external instructors, as well as risk assessment training.

- OCIM [HAZOP training and emergency response training]

In September 2023, OCIM's Maintenance Team and Safety Team performed training on Hazard and Operability (HAZOP), a process risk and operation analysis method. Based on this, the company re-evaluated process risks using HAZOP to ensure process safety and identify improvement measures, and plans to extend the analysis to other processes.

- OCI Specialty [Regular safety inspection]

OCI Specialty conducts safety checks on hazard equipment at its sites and carries out risk assessments when new processes and equipment are introduced. In addition, the company strives to cultivate a culture of safety and prevent safety accidents by providing safety manuals to its sites and rewarding employees who make safety and health suggestions about near misses at least once a year.



Supplier safety and health promotion activities

- OCI Company [Supplier management and communication]

OCI Company selects suppliers with low occupational risks by assessing the safety and health level of suppliers in accordance with its supplier eligibility assessment program, and conducts safety training for internal suppliers. OCI Company meets with representatives of suppliers at a monthly meeting of supplier councils. In the meeting, OCI Company shares the status of safety and health activities and future plans, and listens directly to their opinions. In 2023, OCI Company collected 25 opinions from suppliers and took action on 22 items (88%), and the remaining three items are in progress.

- OCI SE [Operation of council and joint safety inspection]

OCI SE holds a regular safety and health meeting with suppliers every month. The company holds occasional safety and health council meetings with suppliers during planned maintenance and provides safety and health information and listens to all resident and non-resident suppliers to prevent safety accidents. OCI SE also contributes to occupational safety and health by conducting quarterly safety inspections with resident suppliers to identify non-compliances and risk factors.

Safety and Health Management

Safety and health management strategy

Safety and health management activities

EHS management system

- OCI Company **[SH&E web portal operation]**

By establishing the SH&E web portal in 2022, OCI Company achieved efficient online SH&E management by standardizing SH&E jobs and proactively responding to related laws and regulations. In addition, an online learning system was set up on the web portal so that the workers of suppliers can receive safety training before entering the workplace.

- OCIE/SP, OCI AL, MSE **[SH&E System]**

OCIE systematically manages information on facilities, equipment, and materials at its sites through its SH&E system, and uses this to identify risks at the sites, review incidents, and perform risk-based inspections and monitoring to minimize accident risks and promote a safe environment.

Increasing on-site safety awareness

- Group-wide **[Safety Golden Rule]**

OCI Holdings created the Golden Rules for Safety and Health, which its employees must observe to prevent safety accidents, and posted the rules at all sites to encourage employees to be aware of them.

OCI Safety Golden Rule

- Group-wide **[Safety letter from the CEO]**

The CEO sends safety letters to all employees at home and abroad in the first week of the month. Through this letter, the CEO raises safety awareness among employees and urges them to make efforts to prevent safety accidents.

Strengthen SH&E communication

- OCI Company **[SH&E Leaders workshop]**

To bolster communication related to the environment, safety and health, OCI Company holds SH&E Leaders workshops regularly for the managers and staff in charge of SH&E management. The workshop is designed to improve SH&E tasks by sharing related issues and cases.

- OCI Company **[SH&E Excellence Award]**

Every year, OCI Company selects outstanding departments that have contributed to improving the safety culture and motivates all employees to engage in SH&E management by offering rewards.

Regular safety meetings and inspection

- OCIM **[Environmental safety meeting]**

OCIM conducts environmental safety meetings on a regular basis, either monthly or semi-annually. On-site safety inspections are carried out, and the results are shared with the person in charge and affiliates. This process allows us to collaboratively identify and implement improvements to major risk factors identified during the inspections.

- OCI Power **[Tool Box Meeting]**

OCI Power holds Tool Box Meetings (TBM), where work content and safety work procedures are communicated to site personnel so that workers and managers are aware of risk factors at sites to prevent serious accidents.

Health support programs

- Group-wide **[Support for employee medical checkup]**

OCI Holdings supports general and special health checkups for employees. OCI Company's Gunsan Plant operates a health management center and conducts health support activities such as employee obesity management and hearing protection equipment validation tests. Based on noise mapping at all sites prepared in 2022, OCI Company has established short- and long-term plans and carried out noise-induced hearing loss prevention efforts. In addition, OCI Company provides health consultations at each site for employees with abnormal findings, as well as programs to help employees cope with occupational stress and lead a healthy life.

- Group-wide **[Employee Assistance Program]**

OCI Holdings extends its Employee Assistance Program (EAP) to all of its affiliates to maintain the mental health of its employees and increases their happiness and satisfaction. Employees can receive one-on-one counseling with professional counselors on issues related to work, home and stress, and 31 employees applied for counseling in 2023.

Health and Safety Lecture

- OCIM **[Tailored education for stress management]**

In October 2023, OCIM provided lectures to employees on managing stress, titled "How I Feel Program" and on preventing hearing loss titled "Hearing Loss Awareness". They addressed how to manage stress and maintain emotional stability, as well as how to recognize and prevent hearing loss. OCIM will offer more tailored courses for employees' safety and health.

Safety and Health Management

Safety and health risk management

Occupational health and safety management System

OCI Holdings encourages its affiliates to obtain and maintain Occupational Health and Safety Management System (ISO 45001) certification to manage safety and health risks.

- **OCI Company**

OCI Company acquired Occupational Health and Safety Management System (ISO 45001) certification for all sites including the headquarters, plants and R&D Center. Based on this, OCI Company identifies and assesses safety and health risks, carries out improvement actions, and regularly monitors and reports on the effectiveness of these actions to ensure the effectiveness of its safety and health management system.

- **OCIM**

OCIM acquired Occupational Health and Safety Management System (ISO 45001) certification and uses it as a framework for overall risk identification, issue selection and continuous improvement. The company held internal review meetings to discuss the effectiveness of its safety and health management system in March and September of 2023, conducted internal ISO 45001 audits in July 2023, and maintains certification through the re-certification process.

- **OCI SE**

Based on the Occupational Health and Safety Management System (ISO 45001) and its safety and health management regulations, OCI SE established safety and health policy and targets and selected implementation tasks to attain the targets. At the beginning of each year, the company sets safety and health management targets and a master plan for their achievement, monitors progress on a monthly basis, conducts monthly KPI meetings, and reviews implementation results at the end of the year to use them to set targets for the following year.

Occupational Health and Safety Management System certifications acquired by affiliate

OCI Company	OCIM
Gunsan, Pohang, Gwangyang, Iksan, OCI R&D Center	Samalaju Plant
OCI SE	**OCI Power**
Gunsan Saemangeum Cogeneration Power Plant	Gunsan Plant

Risk assessment

Safety and health risks of sites are identified and addressed in advance to promote safe work environment through process risk assessment, job risk assessment, and regular inspection and audit.

- **OCI Company [Process risk and job risk assessment]**

OCI Company conducts annual process risk assessment and job risk assessment to prevent industrial accidents, along with regular and frequent evaluations. In 2023, we introduced Job Safety Analysis (JSA) and performed job risk assessments for 4,037 work types, and recorded 82 high-risk items identified in this process in the risk register and conducted risk reduction activities.

- **OCI Power [Job risk assessment]**

OCI Power conducts regular (monthly) and occasional assessments, and monthly on-site audits, organized by the plant manager, to address risk factors in advance to prevent safety incidents.

- **OCIE/SP, OCI AL, MSE [Safety and health and security audits]**

The Safety Department visits all sites once a year and conducts safety and health audits and security audits. The safety audits identify and document potential areas for improvement and monitor their implementation on an annual basis.

Emergency response system

OCI Holdings organized a company-wide emergency response group and operates an emergency response system to deal with emergency situations such as safety and environmental accidents. The emergency response system is a process used to minimize the negative impact of emergency situations and subsequent risks. We conduct systematic and repeated training to take due measures in accordance with our emergency response plan.

- **OCI Company [Accident investigation system]**

OCI Company investigates the causes of safety and environmental accidents and take remedial measures. After emergency response and recovery, an accident investigation team is organized and an accident investigation report is prepared and reported, and measures to prevent recurrence are carried out. If an affected department submits an accident investigation report, the accident investigation team analyzes the cause of the accident and establishes recurrence prevention measures, continuously monitoring whether the measures are properly implemented. Any occupational accidents (including near miss and emergency first aid) are analyzed in terms of accident type, working hours, and the worker's experience. The recurrence prevention measures established based on the analysis results are applied to all sites to prevent accidents.

Supply Chain Management

Supply chain management strategy

Supply chain management strategy system

OCI Holdings seeks to create an environment that promotes mutual growth and realizes ESG value through strategic partnerships with suppliers. OCI Holdings and its affiliates established internal regulations in accordance with the characteristics of each subsidiary, and based on these regulations, established a supplier management system for supplier registration, evaluation and follow-up.

Supply chain management strategy by major affiliate

- **OCI Company**

Based on an SCM strategy of "Visibility," "Speed," and "Flexibility," OCI Company strives to build a cooperative relationship with suppliers, complies with fair transaction rules and implements activities to strengthen the capability of suppliers for mutual growth. To encourage OCI employees and suppliers to work ethically and fairly OCI Company created the OCI Suppliers Code of Conduct, which covers safety and health, the environment, ethics and systems to enhance ESG value in the supply chain. In 2023, the consent of suppliers to comply with the OCI Suppliers Code of Conduct was collected (64 consents received), and plans to obtain more supplier consents are being considered.

OCI Company SCM Strategy Direction

VISIBILITY	SPEED	FLEXIBILITY
Strengthening supply chain visibility	Maximizing decision-making and execution speed	Strengthening capabilities to respond to changes in the market environment

OCI Company Suppliers Code of Conduct

Chapter 1	Labor human rights	Chapter 2	Safety and health	Chapter 3	Environment
Chapter 4	Ethics	Chapter 5	Management system		

OCI Company Suppliers Code of Conduct

- **OCIM**

In accordance with Quality Management Systems (ISO 9001), OCIM established a procurement process and operates supplier management systems including supplier evaluation. In addition, the company strengthens the management of potential risks in the supply chain by including in its procurement contracts provisions on compliance with laws and policies, its Code of Conduct and international human rights laws, such as the Modern Slavery Act 2015 and the Uyghur Forced Labor Prevention Act 2022.

- **OCI SE** **DCRE**

OCI SE and DCRE manage suppliers and the supply chain in accordance with internal supply chain and supplier management regulations and processes. OCI SE's supplier management rules include supplier registration, evaluation and follow-up and are applied in its procurement, construction, services, and real estate acquisition activities to manage the supply chain and suppliers. DCRE establishes and implements a supply management system by engaging in procurement, construction, estimation for property acquisition, supplier selection, contracting, payment of proceeds, appraisal and transfer of ownership in accordance with its procurement and construction regulations.

- **OCI Specialty**

OCI Specialty establishes procurement standards and processes and manages the supply chain in accordance with its procurement management procedure and supplier evaluation procedure. The company specifies ethical provisions for customers and suppliers in its business contracts to build sustainable relationships with suppliers.

Mutual Growth

Support for mutual growth

OCI Company and OCIM operate various support programs for mutual growth with suppliers. In particular, OCI Company's supplier support programs include financial support to reduce financial burden of suppliers, and non-financial support to help suppliers increase their capabilities.

- **OCI Company** **OCIM** **[Earlier payment of proceeds]**

OCI Company ensures that suppliers receive cash payments on settlement dates and operates a win-win payment system, allowing suppliers to receive cash payments earlier than the settlement date based on OCI Company's credit. We also provide financial support through COVID-19 relief measures and commuting assistance. OCIM sometimes pays the full amount of advances and other payments in cash when it issues procurement orders to support local suppliers.

- **OCI Company** **[Supplier training program]**

OCI Company supports suppliers with management training, health and safety training and job skills training. We plan to continue to explore and implement supplier support programs to build a sustainable supply chain and successful partnerships with suppliers.

Major results of OCI Company support for mutual growth in 2023

4.2%
of transaction amount in 2023
Payment through win-win payment system

8
suppliers
Capacity building training for employees (executive leadership course)

* The 2023 mutual growth committee's assessment of performance made in 2022

Supply chain management

Mutual growth

Observing fair trade

We strengthen fair trade by following four standards of the Fair Trade Commission of Korea, and prevent unfair trade transactions by managing subcontracting agreements and complying with fair trade policies. Also, we provide regular training regarding the content of subcontracting laws, fair subcontracting methods, and punishments for violators of laws to implement fair trade with suppliers.

Supplier complaint handling system and communication channel

OCI Holdings receives complaints from its suppliers and affiliates on its website. The complaints received are investigated by Compliance Team 1 and forwarded to the relevant companies and departments depending on the level of the ethical management violation. The identity of the reporter and confidentiality of the report content are guarded to protect the reporter. In addition to receiving complaints through the website, affiliates maintain communication channels with their suppliers to listen to their difficulties and take measures for improvement.

Communication channels with suppliers by affiliate

Affiliates	Major channels	Activities
OCI Company	An independent communication channel within the electronic procurement system	Attending to on-site issues and complaints from suppliers and subcontractors
OCIM	Meeting with suppliers	Discussing improvement measures to ensure that maintenance contractors use efficient labor during maintenance work
OCI Specialty	Regular meetings with supplier representatives	Sharing key company issues such as the status of safety and health management and mutual growth
DCRE	Regular meetings with the on-site managers of suppliers	Operating a council to share key issues such as processes, licenses, complaints, and consultations with relevant institutions with the site managers of suppliers on a quarterly basis
	Business implementation meetings	Conducting weekly meetings with procurement representatives of subcontractors to share key issues and progress related to project advancement.

Supply chain risk management

Supplier assessment and due diligence

OCI Holdings' affiliates conduct supply chain evaluation and due diligence of new and existing suppliers by taking into account management stability, quality and environmental safety, and assess and manage supply chain risks on this basis.

Supply chain risk management by major affiliate

- **OCI Company**

OCI Company established a fair management process for existing and new suppliers and regularly conducts comprehensive supplier assessment and due diligence. OCI Company assesses supply chain risks for suppliers subject to IATF 16949 (automotive quality management system) and for those with whom our annual purchase amount exceeds KRW 100 million. It also conducts due diligence on the overall management activities of suppliers with high potential risks. OCI Company performed an ESG risk assessment of 42 suppliers in 2023. The company provided incentives to the top two suppliers that earned top grades in the assessment, and plans to provide follow-up consulting to suppliers with lower grades.

OCI Company's Supplier ESG risk assessment results in 2023

Grade	No. of suppliers (percentage)	Support activities
Upper level	7 (17%)	Provided incentives to top two suppliers
Middle level	15 (36%)	-
Lower level	20 (47%)	ESG improvement consulting to be provided in 2024

- **OCIM**

OCIM evaluates the business status, production stability, safety and health management, environment, compliance and anti-corruption activities of new suppliers. For silicon metal, one of OCIM's main raw materials, the company requires suppliers to prepare audits of their operating systems and procedures and conducts due diligence on the mines and production facilities from which they source based on these audits. In 2023, OCIM carried out on-site inspections of its suppliers in Brazil, France and Malaysia and confirmed that there were no human rights issues such as slavery and forced labor. In the future, the company plans to strengthen supply chain risk management by extending the scope of on-site due diligence to the United States, Australia, Spain and Norway.

- **OCIE/SP, OCI AL, MSE**

The assessment of new suppliers includes human rights and labor issues at their sites, and suppliers are periodically monitored even after enrollment to take measures on relevant issues. In particular, Mission Solar Energy, which manufactures solar modules, has strengthened its quality policy and key supplier screening standards as forced labor issues escalate in the PV industry supply chain, and is also managing compliance risks related to unfair trade practices involving anti-dumping and countervailing duties on supplied products to mitigate supply chain risks.

- **OCI SE**

OCI SE manages suppliers through new supplier screenings and periodic and non-periodic assessments. In particular, OCI SE carries out periodic assessments and due diligence for major suppliers once a year in terms of their credit, quality, environment, safety and recent accident rates. Based on the assessment results, the company notifies suppliers of deficiencies as it strives to maintain stable relationships with suppliers, and plans to provide support programs for suppliers that do not meet the assessment criteria.

Community Engagement and Social Contribution

Social contribution strategy

Strategic framework for social contribution

OCI Holdings has carried out various social contribution activities to contribute to the community as part of its ESG activities and to have genuine communication with stakeholders. We believe that social contribution is the cornerstone of corporate management, and comply with four principles (sincerity, fairness, continuity and employee engagement) under the social contribution strategy system of OCI Holdings, and all employees are voluntarily engaged in fulfilling corporate social responsibilities. With the slogan "Shared burdens grow smaller; shared love grows bigger" OCI Holdings is dedicated to building a base for companies and society to prosper together.

OCI Holdings social contribution strategic framework

VISION	Sharing and cooperating with society			
THEME	Shared burdens grow smaller; shared love grows bigger			
PRINCIPLE	Sincerity	Fairness	Continuity	Employee engagement
SECTION	Solar	Culture	OCI Family	Community
	Provide opportunities to learn the principles of renewable energy by using OCI's solar PV capabilities	Increase access to cultural experiences for local communities that lack cultural opportunities	Promote sharing through the volunteer activities of OCI employees and families	Provide economic and non-economic support for vulnerable people to foster win-win cooperation with communities near sites

OCI Holdings social contribution indicators and goals

Category	Unit	2021	2022	2023[1]	2024 Goals[1]
Social contribution amount	KRW 100 million	4	5	29	28
Hours of employee volunteer service	Hours	300	490	1,966	2,163
No. of volunteering employees	Person	75	208	598	658

1) The sum of OCI Holdings and its domestic affiliates, which include OCI Company, DCRE, OCI SE, and OCI Specialty (Due to the transition to a holding company in 2023, the scope of social contribution strategies and goals has been extended to encompass OCI Holdings and these affiliates.)

Social contribution activities

OCI Dream

장애인표준사업장 with+

OCI Dream is a stable workplace for people with disabilities. It was established in 2019 as a subsidiary of OCI Company with the aim to provide job openings to people with disabilities with the goal of a company where employees work pleasantly, promote economic self-reliance, and create healthy social values. We operate OCI Dream based on the policy that intends to foster an environment where individuals with disabilities are accepted as self-reliant members of society. It started with 13 employees with disabilities, and currently has a total of 20 employees including 15 severely disabled people.

Operating a healthy food cafe dining restaurant and shared kitchen delivery store

The healthy cafe restaurant 'SUN the BUD' and handmade burger brand 'Patty Patty' are B2C businesses of OCI Dream. They are improving awareness by customers of service jobs for disabled people and providing people with disabilities with an opportunity for social activities.



OCI Dream Ensemble, a musical ensemble of disabled people

OCI Dream Ensemble is a professional classic concert party created by OCI Dream for people with disabilities and musical talents to realize their social and artistic values. They successfully performed their first solo concert, "Embodying Music," in September 2023. The ensemble plans to make social contributions and demonstrate excellent artistic talent with various in-house performances and external cultural activities.



OCI Dream Flower to make spaces beautiful

Floral decorations made by florists with disabilities are placed in meeting rooms, offices, and lobby to decorate the interiors of buildings. Flower decorations in office spaces make a lively and beautiful atmosphere and give employees rest to help their job performance. Besides floral decorations in buildings, pre-order services such as bouquets and flower baskets are offered to employees.



Community Engagement and Social Contribution

Social contribution activities

Eco-friendly social contribution activities

Solar School Project

As part of its social contribution activities related to the solar PV business, OCI Holdings has been implementing the Solar School Project since 2011. The project installs free solar PV facilities in 300 educational institutions at home and abroad free of charge. It is a leading social contribution project of OCI Holdings that aims to generate electricity with solar energy, contribute to school utility bills, and enhance students' understanding of the principle and importance of solar PV energy. In 2023, OCI Holdings installed solar PV facilities at 10 schools in Jeju-do and one school in Incheon, and the project was completed with Songdo High School, the 300th solar school.

Solar school completion ceremony at Songdo High School in 2023



Creating OCI Forest

As serious environmental issues have arisen due to climate change, OCI Holdings began cultivating OCI Forest in a 3,000 m^2 area of Ichon Hangang Park from 2023 to 2025 to create a healthy forest in the city center, reduce carbon emissions and protect the ecosystem. In 2023, 3,000 spirea trees and kerrias, and 10 fringe trees were planted, resulting in a carbon sequestration effect of about 1.1 tons. Employees along with their families at OCI Holdings plan to continue activities such as planting seedlings, removing weeds, and pruning to develop the forest over the next three years.

OCI Forest activities in 2023



Resource circulation activities

On the occasion of World Environment Day in June 2023, OCI Holdings carried out a company-wide used clothing donation campaign for a month, collected a total of 126 boxes of items and delivered them to vulnerable people overseas, thereby practicing sharing and contributing to resource circulation. OCI Company conducted toy upcycling volunteer activities where collected broken toys were disassembled and sorted for recycling. A total of 34 kg of recyclable toy plastic was collected, helping to reduce carbon emissions by 102 kg.

Used clothing donation campaign



Toy upcycling volunteer activities



Climate change response campaign and donation

DCRE is participating in efforts to raise funds for the "Zero-Carbon, Zero-Waste Campaign to Respond to Climate Change" organized by the Incheon Citizens' Foundation. In 2023, DCRE donated KRW 15 million to support education, campaigns, and projects that promote a zero-carbon, zero-waste environment and ecosystem.

Community Engagement and Social Contribution

Social contribution activities

Love 1004 Campaign

The Love 1004 Campaign is an employee volunteer activity that has been operated by employees of OCI Holdings and its affiliates since 2006 to support socially disadvantaged people. The campaign fund is collected by deducting funds from employee's salary accounts (1,004 won per account) and adding support funds from the company, and is delivered to social welfare organizations and needy neighbors such as underfed children and the elderly living alone. Employees have organized the "1004 Volunteer Group," and are actively involved in volunteer work.

Marathon guide runner for people with visual impairments

OCI Holdings has provided guide runners for the Visually-impaired Marathoners in Korea (VMK) event twice a year since 2009. In 2023, 44 employees along with their families participated as guide runners and volunteer staff.

Marathon guide runner activity in 2023



Sharing for communities

In September 2023, DCRE contributed to the local economy by donating KRW 300 million to promote the development of traditional markets and small businesses and the revitalization of local businesses in Michuhol-gu, Incheon.

The company has also continuously carried out sharing activities to support social welfare institutions and vulnerable people in communities and helped cultivate local talent through donations.

Support for vulnerable group

To support socially disadvantaged people, employees have been engaged in volunteer activities such as Red Cross bread sharing, kimchi sharing to prepare for winter, briquette sharing, giving out heating fuel, and repairing houses, all in cooperation with social welfare organizations.

Support for vulnerable people in 2023


OCI Pohang Plant


OCI R&D Center

Supporting sisterhood villages

OCI Company's sites have carried out various social contribution activities in communities and villages near them. The Pohang Plant makes annual donations to local social security groups and welfare organizations for the socially disadvantaged and local events. The Gwangyang Plant has also established sisterhood relationships with families with four or more children, low-income families, multicultural families, single-parent families, and families with disabled children to support neighbors in need and expand social contribution activities.

Supporting sisterhood villages in 2023


OCI Gwangyang Plant


OCI Pohang Plant

Regional cultural exchanges and talent cultivation

OCI Holdings engages in various activities to fulfill its corporate social responsibility. Through OCI Art Gallery's traveling exhibitions, the company promotes exchanges of art and culture between companies and local communities, and supports the cultivation of local talents by providing quality education and diverse experiences to students who will lead the future society.

OCI Art Gallery's traveling exhibitions

OCI Holdings holds traveling exhibitions every two years in the regions where its sites are located to promote exchanges between companies and local communities through art and to share the cultural opportunities concentrated in the Seoul metropolitan area with local citizens. Four years after the COVID-19 pandemic, the company held a special exhibition of OCI Art Gallery's old artworks entitled "Wall of Wansang" in Pohang, Gwangyang and Gunsan. With the theme of "Wansang," which means "to enjoy and value an object as a hobby," Korean pottery and paintings were displayed to introduce our ancestors' appreciation culture to local communities and share the values of refined culture and art.

2023 OCI Art Gallery traveling exhibitions





Cultivation of outstanding regional talents

OCI Holdings operates the Songdo Academy and the Songam Foundation to provide various educational scholarships to cultivate regional talents. It also donated KRW 1 billion to the Incheon Institute for Talent and Lifelong Education to support regional talents and underprivileged students.

In accordance with the Electric Utility Act and the Act on Assistance to Electric Power Plants-neighboring Areas, OCI SE has been providing scholarships to the children of families who live within 5 km of the company's sites for at least one year to increase public understanding of electricity projects and promote the development of energy sources and the effective operation of power plants. The project for assistance to electric power plants-neighboring areas is operated by the Electric power industry basis fund, and 70% of the funds for the project are donated to local governments and 30% is used by OCI SE in the form of scholarships. In 2023, OCI SE paid scholarships of KRW 116 million to 90 students and KRW 820 million to 636 students from 2016 to 2023.

Activities for the cultivation of outstanding regional talents in 2023





Information Protection and Security

Information protection and security management system

Information protection and security management organization

OCI Holdings has appointed a senior executive in charge of the HR, GA, or ESG Department as the Chief Information Security Officer (CISO), who is responsible for information protection and security. The General Affairs Team handles all matters related to information protection and security and operates the information protection and security system by receiving Shared Services from OCI Company.

OCI Holdings information protection and security management organization system and role

CEO	• Monitor the status and effectiveness of the information protection and security management system
CISO	• Review and make decisions on outstanding issues of information protection and the protection system • Report major agenda items to the CEO
People/ESG Team leader	• Review the results of regular/occasional inspections and check for the improvement of deficiencies
General Affairs personnel OCI Company Information Security personnel (Shared Service)	• Operate and monitor the information protection and security system

Information protection and security strategy

Information protection and security policy

OCI Holdings, its affiliates and sites appoint an information security officer in a relevant department in accordance with organizational and business assignment regulations, and handle information protection and security tasks by cooperating with relevant departments. OCI Holdings securely manages all information assets handled by its subsidiaries based on the information security management regulations, personal information management regulations and related rules, and encourages employees to comply with the regulations and rules.

OCI Holdings major information protection and security policy and rules

Information security management regulations	• To manage and inspect information security system, handle data breaches and leaks incidents, and manage network/server and database
Personal information management regulations	• To establish and implement internal management plans, take technical measures to protect personal information, provide personal information protection training, and handle personal information breaches and leaks incidents
Document security system security rules	• To encrypt and decrypt information, manage accounts, and monitor the status of encryption and decryption

Information protection and security risk management

Information protection and security risk management process

OCI Holdings and its affiliates conduct regular and occasional inspections of servers, PCs, networks, and systems as required by the information security management regulations. We also established an information security incident response system to respond quickly to accidents according to a manual. If each company or sites detect information security incidents, they immediately notify them to the information security department of each company, which then organizes a response team and takes necessary procedures, and establishes punishment guidelines for employees who violate information protection regulations.

Information security incident response process of OCI Holdings and its affiliates

Recognize an incident	• Receive an incident report and fact-check
↓	
Respond to an incident and prevent it from spreading	• Check the extent of damage and assess importance • Identify and analyze the causes of the incident • Conduct an incident response activity
↓	
Implement recovery and follow-up measures	• Recover data and check for residual risks • Report to an executive in charge and notify relevant departments

Information Protection and Security

Information protection and security risk management

Information protection and security risk response activities

Vulnerability inspection and mock training

OCI Holdings conducts inspections of various vulnerabilities and engages in mock training sessions to respond to hacking incidents originating from external sources. These inspections of vulnerabilities in our major web business systems occur once a year, while mock training for cyber threat response, particularly to malicious code, is conducted at least once a year. We have established a plan to address identified vulnerabilities and check whether measures have been properly completed to prevent information protection and security risks.

OCI Holdings vulnerability inspection and mock training activities in 2023

Category	Activities	Period
Mock training for cyber threat response by site	The Gunsan Plant of OCI Company completed cyber threat response training	2023.04.26
Mock training for defending against email hacking	Increased security awareness on hacking e-mail (phishing e-mail) by conducting relevant training sessions	2023.11.13 ~ 2023.11.14
Mock hacking exercises for responding to information security leaks[1]	Received consulting services by conducting mock hacking exercises for major web systems	2023.10.30 ~2023.11.24

1) Taking measures for identified vulnerabilities and inspection of implementation will be made during the third quarter of 2024.

Enhancing employee information security awareness

OCI Holdings conducts personal information protection training for all employees including new employees to spread the culture of information protection and personal information protection. We post regulations on information protection and notes on our group bulletin board on the website to strengthen the awareness of importance of information security.

- OCIE/SP, OCI AL, MSE [Strengthening information security and protection activities]

OCIE, OCI Solar Power, OCI Alabama, and Mission Solar Energy raise employee awareness of information security and protection through various channels. After completing information protection and security training, tests are conducted to monitor the level of employees, and an educational program to prevent email security threats such as phishing and scams is offered to strengthen each company's information assets.



Status of completion of OCI Holdings information security training in 2023

Category	No. of people educated	Completion rate
Information security training	56	100%
Training for employees in charge of personal information management	3	100%

- OCIM [Information media security training]

In 2023, OCIM conducted regular information protection and security training and information media security training for the use of notebooks and USBs. With these trainings the impact of information leakage on the company's losses was explained, and continued promotion of information protection awareness of executives and employees was carried out using groupware bulletins and internal emails.

Governance I Strategic Direction

SUSTAINABLE GROWTH

We are achieving sustainable growth.

Key areas

Governance advancement

Strengthen risk management governance and develop the Board of Directors by improving its diversity, evaluation, and remuneration systems

Practicing ethics and compliance management

Advance ethics and compliance management, enhance the risk management system, and manage ethics and compliance performance

Governance

Composition of the Board of Directors

Governance policy

As a leading global green energy and chemical company, OCI Holdings strives to be trusted by customers with the best technology and products and to fulfill corporate social responsibility. OCI Holdings is committed to protecting the interests of stakeholders, including shareholders, customers, members, suppliers, and communities, through transparent and sound governance. To this end, the company complies with the Articles of Incorporation, regulations on the Board of Directors, committees, and CEO succession, and sets out governance standards and responsibilities in the OCI Holdings Corporate Governance Charter.

Regulations on the Board of Directors and Committees
Corporate Governance Charter

The composition and role of the Board of Directors

To strengthen independence and transparency in the operation of the Board of Directors, OCI Holdings elects directors who meet the requirements prescribed under Article 382 of the Commercial Act and the Articles of Incorporation. The Board of Directors makes resolutions on matters prescribed under laws and the Articles of Incorporation, matters mandated by the general meeting of shareholders, and matters related to basic policies and business execution. It also supervises the performance of duties by directors. To reflect the views of stakeholders in the corporate management process, the majority of the Board of Directors is composed of independent directors, and to strengthen the independence of the Board, the roles of the CEO and the Chairman of the Board are separated. The Articles of Incorporation provide that the responsibilities of the Board of Directors for the company may be reduced by a resolution of the general meeting of shareholders, and we have purchased liability insurance for the directors at the company's expense.

(As of March 2024)

Position	Name	Gender	Tenure	Area of specialization	Major work experience
Executive director	Woo Hyun Lee	Male	2009.03.27~ 2027.03.29	Experience in chemicals business and financial/ managerial expertise	(Current) Non-standing vice-chairman, Korea International Trade Association (Current) Non-standing vice-chairman, Seoul Chamber of Commerce & Industry (Current) Chairman of the Korea-Malaysia Economic Cooperation Committee
	Jin Sug Suh	Male	2023.05.02~ 2026.05.02	Experience in auditor, financial advisory, consulting and expertise in management	Vice-chairman (Non-standing), EY Hanyoung Korea Director, Asia Pacific Director, EY Hanyoung Korea
Independent director	Mi Chung Ahn	Female	2019.03.26~ 2025.03.23	Expertise in patent and biotechnology industry (patent lawyer)	(Current) Adjunct Professor, Materials Science and Engineering, Yonsei University (Current) CEO, SL BIGEN. Co., Ltd.
	Jina Kang	Female	2019.03.26~ 2025.03.23	Scholar of Management of Technology (professor)	(Current) professor, Technology Management, Economics and Policy Program, Seoul National University (Current) Independent director/ member of Audit Committee, Hyundai Mobis Co., Ltd.
	Ok Jin Kim	Male	2024.03.29~ 2027.03.29	Accounting and finance professional (AICPA)	(Current) Representative Director, Seoul Miramar Co. (Grand Hyatt Seoul) (Current) Auditor, Seoul Tourism Organization
	Hyeon Seung Lee	Male	2024.03.29~ 2027.03.29	Financier	(Current) Management Advisor, KB Asset Management President/Representative Director, KB Asset Management

Committees under the Board

The Independent Director Recommendation Committee, Audit Committee and other committees are installed under the Board of Directors so that the Board of Directors can make efficient professional decisions. Committees are entrusted with some functions of the Board as prescribed by laws and the Articles of Incorporation. The majority of all committee members is composed of independent directors to ensure independence and fairness, while the members of the Audit Committee are all independent directors to ensure fairness and transparency.

(As of March 2024)

Board of directors			
	Audit Committee	Four independent directors (Ok Jin Kim*, Mi Chung Ahn, Jina Kang, Hyeon Seung Lee)	• Perform corporate accounting and key business audits • Confirm corrective measures based on audit results
	Independent Director Candidate Recommendation Committee	One executive director (Woo Hyun Lee) and four independent directors (Jina Kang*, Mi Chung Ahn, Hyeon Seung Lee, Ok Jin Kim)	• Review, select and nominate candidates for all directors including independent directors
	Remuneration Committee	One executive director (Woo Hyun Lee) and four independent directors (Mi Chung Ahn*, Boo Whan Han, Kyung Hwan Chang, Jina Kang)	• Approve matters related to remuneration for directors and retirement benefits • Determine compensation standards and payment methods for implementations of performance targets
	Internal Trading Committee	Four independent directors (Hyeon Seung Lee*, Mi Chung Ahn, Jina Kang, Ok Jin Kim)	• Approve goods and services transactions among large-scale internal transactions according to the Monopoly Regulation And Fair Trade Act
	ESG Committee	One executive director (Jin Sug Suh*), four independent directors (Mi Chung Ahn, Jina Kang, Hyeon Seung Lee, Ok Jin Kim)	• Establish ESG policy and deliberate on major issues • Create and revise regulations on ESG activities • Review and assess ESG activities

* Chairperson

Governance

Composition of the Board of Directors

Independence, expertise and diversity of the Board of Directors

OCI Holdings transparently discloses the qualifications of independent directors in accordance with the Commercial Act and other related laws. To avoid conflicts of interest, directors with special interests in Board resolutions are not permitted to vote, ensuring director independence. Additionally, directors are prohibited from engaging in transactions with the company or holding concurrent positions, such as directorships in other companies within the same industry, without prior approval from the Board of Directors.

In order to strengthen the expertise of the Board of Directors, the Independent Director Candidate Recommendation Committee selects independent directors by considering their understanding of business, professional expertise, education, industry experience, and years of service in the industry, and has strengthened diversity by appointing outside directors and not discriminating against gender, cultural background, etc. to avoid bias toward certain backgrounds and occupations. In particular, OCI Holdings appointed two female directors after March 2019 before the notice of the revision of the Financial Investment Services and Capital Markets Act to increase diversity on the Board of Directors. Additionally, OCI Holdings offers annual ESG materiality assessment education to improve the expertise and understanding of the Board of Directors on the social impact of corporate operations. Furthermore, the Regulations on the Board of Directors clearly provide that the Board of Directors can be supported by external professionals if deemed necessary for the company's management.

Criteria to assess BoD's independence

1. Directors, executive directors and employees who are engaged in the regular business of a relevant company, or directors, auditors, executive directors and employees who have engaged in the regular business of a relevant company within the previous two years
2. The principal shareholder, their spouse, lineal ascendants, and lineal descendants, in cases where the largest shareholder is a natural person
3. Directors, auditors, executive directors and employees of the corporation, in cases where the largest shareholder is a corporation
4. The spouses, lineal ascendants, and lineal descendants of directors, auditors and executive directors
5. The directors, auditors, executive directors and employees of a parent company or a subsidiary company of a relevant company
6. Directors, auditors, executive directors and employees of a corporation that has a significant interest in a relevant company, such as a business relationship with the company
7. Directors, auditors, executive directors and employees of another company for which the directors, executive directors and employees of a relevant company serve as directors and executive directorsdescendants, in cases where the largest shareholder is a natural pers

Board of Directors Training in 2023

Date of Training	Content
February 2023	Overview, process, and significance of ESG management materiality assessment
September 2023	Recent trend of ESG and responses
October 2023	Internal Accounting Control System (IACS) of a holding company

Board Skills Matrix

(As of March 2024)

Element/name	Executive directors		Independent directors				Status
	Woo Hyun Lee	Jin Sug Suh	Mi Chung Ahn	Jina Kang	Ok Jin Kim	Hyeon Seung Lee	
Capabilities							
Leadership	●	●	●		●	●	83.3%
Industry	●	●	●				50%
Legal/policy			●			●	33.3%
Finance/ accounting		●			●	●	50%
Management	●	●	●	●	●	●	100%
Global competence	●	●	●	●	●	●	100%
Risk management	●	●	●	●	●	●	100%
Capabilities							
Independence			●	●	●	●	66.7%
Gender	Male	Male	Female	Female	Male	Male	Female 33.3%
Age	56	58	62	56	59	57	Average 58
Tenure	2009 ~ 2027	2023 ~ 2026	2019 ~ 2025	2019 ~ 2025	2024 ~ 2027	2024 ~ 2027	Average tenure 6.5 years

Governance

Operation of the Board of Directors

Director election process

In accordance with Article 39(1) of the Articles of Incorporation and the Regulations on the Independent Director Candidate Recommendation Committee, in OCI Holdings, all directors including independent directors are elected in the general meeting of shareholders after nomination by the Independent Director Candidate Recommendation Committee. For the election or reelection of directors, information about director candidates is required to be provided to shareholders two weeks before the general meeting of shareholders to give shareholders sufficient time to review thoroughly on the candidates.

Independent director election process

1	Review qualifications for independent directors	• Candidates with issues of independence are excluded in consideration of disqualifications for independent directors as prescribed under Article 382 and Article 542-8 of the Commercial Act.
2	Formation of a pool of independent director candidates	• To increase specialization and diversity in the composition of the Board of Directors, we maintain a list of candidates with specialized knowledge and experience in areas such as chemicals, laws, accounting and finance.
3	Nomination by the Independent Director Candidate Recommendation Committee	① Considering area of specialization in the Board of Directors and gender of the candidate ② Ratio of independent directors in the Board of Directors ③ Possibility of undermining corporate value or the interests of shareholders ④ Whether qualifications as prescribed Qualifications as required under Article 382 and 542-8 of the Commercial Act
4	Appointment at the Annual General Meeting	• The appointment of independent directors is decided by the ordinary general meeting of shareholders • Qualifications are periodically reviewed after the appointment

Evaluation of the Board and directors

For the assessment of independent directors, the rate of participation on the Board of Directors and in committees, independence, and professionalism are considered. For the assessment of the management, professionalism in project development, organizational operations, and technological innovation are reviewed. Independent directors and executive directors conducted self-assessments of individual performance in accordance with the guidelines for the Board of Directors of the Korea Institute of Corporate Governance and Sustainability (KCGS). Also, for the assessment of the performances of members of the Board of Directors, we review whether they have considered corporate ethical responsibility and social responsibility as well as their roles in enhancing shareholder value, performing duties sincerely, and using transparent business procedures.

Results of individual assessment of directors

Assessment date	2024.04.01~2024.04.30
Format of the assessment	Online and offline assessment survey (self-assessment)
Directors subject to assessment	Woo Sug Baik, Woo Hyun Lee, Jin Sug Suh, Mi Chung Ahn, Jina Kang
Qualification	• Participation in the Board of directors and relevant committees • Fair performance of duties to protect shareholder interests • Understanding of the company's management ideal, vision, business strategy, etc. • Reflection of ethical commitment and corporate social responsibility in decision making • Contributing to the company's goals and shareholder interests

Remuneration for the Board of Directors

To increase transparency and justification in remuneration, the remuneration limit for the Board of Directors is determined by the approval of the general meeting of shareholders. The directors' remuneration shall be determined within the limit approved by the general meeting of shareholders and is composed of base salary, bonus, and incentives based on responsibilities, job title, and business performances. The independent directors' remuneration shall be determined, considering their attendance rate in meetings and the number of committees they serve as members. The remuneration limit approved by the general meeting of shareholders in 2023 is KRW 6.0 billion, and the total amount of remuneration paid is about KRW 3.7 billion.

Remuneration for the Board of Directors

(As of December 2023)

Category	Unit	Executive directors	Independent directors	Total
No. of people	Person	3	4	7
Total remuneration	KRW in thousands	3,507,543	24,000	3,747,543
Average remuneration	KRW in thousands	1,169,181	60,000	535,363

* Including remuneration paid to Executive Director Teak Joung Kim, who resigned on May 2, 2023.

Remuneration paid to CEO and employees

(As of December 2023)

Total remuneration of CEO[1] (Unit: KRW in thousands)	Median remuneration of employees (Unit: KRW in thousands)	Multiple (Unit: multiple)
598,190	133,220	4.49

1) Including remuneration for eight months as the CEO was inaugurated in May 2023Director Teak Joung Kim, who resigned on May 2, 2023.

Shares held by directors

(As of December 2023)

Category	No. of shares held	CategoryShare
Woo Sug Baik(executive director)	7,605 shares	0.04%
Woo Hyun Lee (executive director)	1,297,174 shares	6.55%

Governance

Operation of the Board of Directors

Activities of the Board of Directors

In accordance with Article 6 of the Regulations on the Board of Directors, OCI Holdings convenes regular Board meetings once a month, and can hold extraordinary meetings of the Board of Directors if necessary. The chairman convenes the meeting of Board of Directors (Article 7 of the Regulations), and the convocation of the meeting is notified to directors at least three days before the meeting. In 2023, the Board of Directors held 12 meetings, during which 28 agenda items were discussed and reviewed. The average attendance rate of executive directors and independent directors was 96% and 94%, respectively.

Activities of the Board of Directors

Category	Unit	2021	2022	2023
No. of regular sessions of Board of Directors case	case	12	11	11
No. of extraordinary sessions of Board of Directors case	case	1	3	1
No. of total sessions of Board of Directors held case	case	13	14	12
No. of agendas submitted to Board of Directors case	case	25	30	28
No. of agendas approved by Board of Directors case	case	25	30	28
Attendance rate of executive directors case	%	100	95	96
Attendance rate of independent directors case	%	98	91	94

ESG Committee activities

OCI Holdings operates the ESG Committee, the highest decision-making body for the company's ESG management. The ESG Committee is responsible for reviewing matters regarding safety and health management, human rights-related risks, strengthening of supply chain ESG capabilities, materiality assessments, deliberation and consideration of investments in the environment, and strategies to respond to non-financial risks.
The company established the ESG strategy system in December 2023, and to maintain its independence, the ESG Committee consists of four independent directors and one executive director. At a working level, an ESG manager has been appointed for each affiliate under the supervision of the OCI Holdings People/ESG Team, and the ESG Working Group meets on a quarterly basis. The Working Group performs and manages group-wide ESG tasks and discusses related performance and plans, and finally the People/ESG Team reports the results to the ESG Committee.

Members of the ESG Committee and regulations

Activities of the Board of Directors		One executive director: Jin Sug Suh* Four independent directors: Mi Chung Ahn, Jina Kang, Hyeon Seung Lee, Ok Jin Kim
ESG Committee regulations	**Duties and authority**	- Deliberation on the company's' environmental, social and governance matters - Deliberation results may be reported to the Board of Directors, and the Board of Directors may reassess the deliberation results.
	Matters for deliberation	① Deliberation on environmental policy activities, such as reducing GHG emissions and hazardous substances, and consideration of policy objectives ② Deliberation on personal information protection, working environment improvement, such as occupational safety and gender equality, and in-house human rights protection ③ Review of policy activities to fulfill corporate social responsibility, such as fair competition and mutual cooperation and deliberation on policy objectives ④ Review of collected shareholders' opinions regarding the enhancement of shareholder value and deliberation on shareholder return policy ⑤ Review of ESG-related assessment results and improvements ⑥ Matters deemed necessary to review by committees or the Board of Directors.

Major deliberations and discussions by the ESG Committee in 2023

Date	Agenda	Report and resolution	Director attendance rate (%)
February 17	1. Report on the status of progress in improving the ESG best practice of KCGS 2. Report on the environmental management policy and goals 3. Report on the operating methods of water resources management policy 4. Report on the 2022 sustainable management materiality assessment results	Four reports	100
April 25	Report on the review of core issues in the 2022 sustainable management materiality assessment	One report	100
May 2	The appointment of the Chairman of the ESG Committee	One resolution	100
September 21	1. Report on the major progress by quarter for 2023 2. Report on the progress in the ESG strategy system establishment project 3. Appointment of consultants for the ESG Committee	Three reports	100
December 13	1. Report on the major progress in the fourth quarter for 2023 2. Report on the results of the ESG strategy system establishment project	Two reports	100

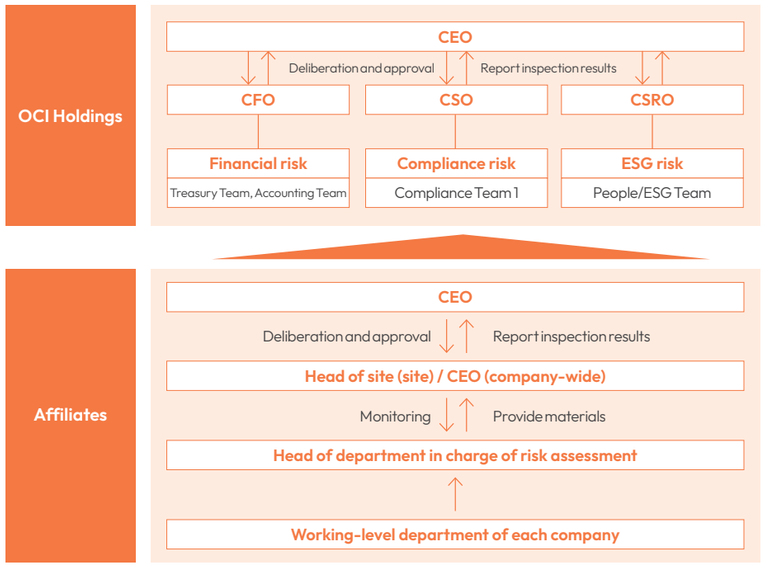
Risk Management

Risk management system

Risk management organization

OCI Holdings created "risk management regulations" as the company's regulations, established a risk management policy and detailed tasks, and established a company-wide integrated risk management system. OCI Holdings also operates its risk management system in accordance with the risk management status inspection methods set by each affiliate and organization, and the system monitors the risk factors existing in the company and its affiliates.

Risk management organization system and role



CEO

- Review the effectiveness of risk assessment and management and provide the policies
- Review and monitor risk assessment results

Executives by type of risk

- Conduct internal/management review
- Review actions taken and request improvements

Working-level/supervising departments

- Identify internal and external issues and stakeholder demands, and assess risks
- Designate risk report writers and reviewers, and approve assessment results
- Report corrective actions and measures taken

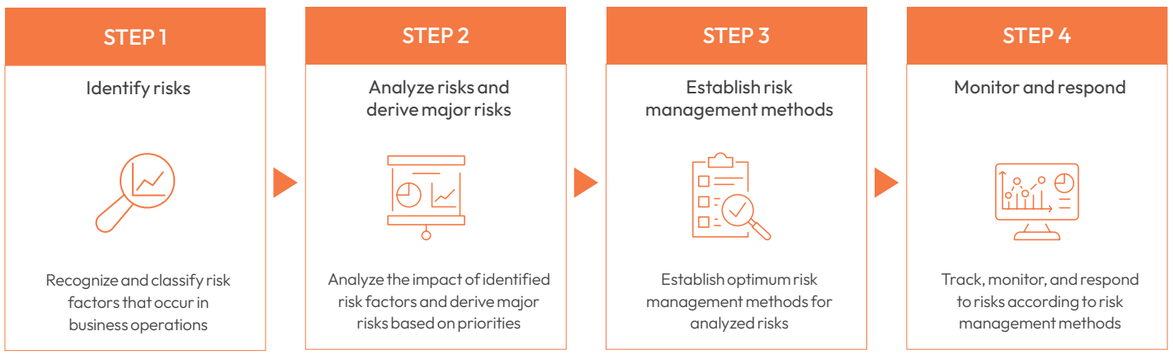
Risk management strategy

Risk management process

OCI Holdings provides risk prevention and mitigation processes in its company regulations and manages risks based on this. The Treasury Team and Accounting Team are responsible for financial risks, the Compliance Team for compliance risks, and the People/ESG Team for ESG risks. These teams identify and assess relevant risks each year, establish risk management plans, and monitor the risk management status of related departments and affiliates annually, and the details of risk management status are reported to the management.

Risks identified under any circumstances are immediately reported to management, and if necessary, to the Board of Directors, by the relevant department that detected the risks. Departments associated with the identified risks are then instructed to quickly establish countermeasures. To prevent the recurrence of similar risks, continuous monitoring is implemented.

OCI Holdings risk management process



Risk Management

Risk management activities

Financial risk

OCI Holdings manages financial risks by classifying them into credit risk, liquidity risk and market risk that may arise in the financial sector. In order to protect the interests of its shareholders and stakeholders from these financial risks, OCI Holdings operates rational and effective programs and systems and strives to secure the trust of its stakeholders.inspection methods set by each affiliate and organization, and the system monitors the risk factors existing in the company and its affiliates.

Non-financial risk

OCI Holdings' non-financial risks include compliance, environmental safety and supply chain risks that may arise from its business activities. The relevant organizations regularly analyze and monitor non-financial risks, including ESG risks, and determine responses and carry out improvement activities based on the results of this analysis and monitoring.

Risk management organization system and role

Category		Reasons for risk selection	Impact on OCI Holdings	Responses of OCI Holdings
Financial risk	Foreign exchange risk	• Overseas sales account for 51.5% of total sales, and profits are exposed to exchange rate fluctuations	• Loss in asset value, poor export profitability, and price competitiveness due to fluctuating foreign exchange rate	• Implementing periodic monitoring and currency forward contracts to minimize profit fluctuation due to the exchange rate
	Credit risk	• The credit rating as of the end of 2023 was A+ (Korea Investors Service, NICE Investors Service, Korea Ratings). Credit rating downgrades have a negative impact on financing	• Downgrade in credit ratings, difficulty of obtaining corporate loans due to tightened bank loan screening	• Prevention of potential losses from contract breaches and financial institution deposits based on financial status and credit evaluation
	Liquidity risk	• The current ratio as of the end of 2023 was 454%, up from 2022. Continuous monitoring is necessary to secure financial soundness	• Difficulty in fund raising, and loss due to fire sale of assets at a low price	• Establishment of a short-, mid/long-term funds management plan, and continuous review of cash outflow budget against actual cash outflow
	Interest rate risk	• As of the end of 2023, borrowings with variable interest rates, which are exposed to interest rate risks, amounted to approx. KRW 321.6 billion	• Payment of higher interest due to unfavorable fluctuations of interest rates, and reduced profit and investment, and illiquidity	• Managing interest rate risk through loans with an appropriate mix of floating and fixed interest rates, and swap contracts
	Price fluctuation risk	• For strategic purposes, investments are made in equity instruments that are classified as other comprehensive income and fair value through profit or loss, and price fluctuations affect the value of the investments	• The risk of a potential loss in the value of investments due to a decline in the equity indices related to listed equities	• Regular monitoring of equity prices to safeguard investment gains and minimize losses, and analysis and reporting of issues
	Capital risk	• The debt to equity ratio (net borrowings divided by shareholder equity) as of the end of 2023 was 6.35%. Continued management is needed to reduce capital costs and maintain an optimal capital structure	• Liquidity risk	• Maintaining optimal capital structure based on debt to equity ratio (net borrowings divided by shareholder equity)
Non-financial risk	Ethics and compliance risks	• Unethical acts that could have a negative impact on the company's reputation, business activities and financial structure	• Administrative sanctions, legal disputes and liability for damages negatively affect the company's image	• Strengthening internal oversight through the improvement of risk management processes, professional management of legal disputes, and promotion of activities to enhance ethics and compliance awareness among employees and partners
	Climate change risk	• The importance of managing the amount of emissions has grown for companies according to the Plan for National Emission Allocation during the third Plan Phase of the GHG Emissions Trading Scheme (2021 - 2025) and the request of Korea Sustainability Standards Board (KSSB) for climate-related disclosures	• The cost of purchasing emission permits due to failure to reduce carbon emissions and the negative impact on the company's investment attractiveness in the event of excessive GHG emissions • Reduced product attractiveness due to high product carbon footprint and the cost of managing reputation risks	• Allocation of reduction targets by business site, monitoring of emission status and encouragement of reduction activities, and consideration of climate change factors in the composition of business portfolios and strategies
	Energy risk	• More stringent regulations on the mandatory use of renewable energy/alternative energy by country of operation, and growing public attention and demand for RE100 (renewable energy transition)	• Increased operating costs due to energy supply instability and higher energy procurement costs	• Sourcing electricity from Malaysia's hydropower plants for production facilities, and considering renewable energy in key sites
	Site safety and health risk	• Safety/environmental accidents at sites negatively affect the health and safety of workers and communities	• Safety accidents lead to liability for damages and deterioration of corporate reputation, serious damage to sales activities, and conflicts with local communities	• Establishment of an emergency response system for each business site and providing safety training programs regularly at each site
	Pollutant risk	• Increasing demand for on pollutant and chemical maleficence management and related information	• Legal and reputation risks, such as punishment, litigation costs, and damages related to non-compliance with regulations for exceeding permitted levels of pollutants	• Operating programs related to pollutant emissions and environmental impact by site
	Water resources risk	• Increase in areas with severe water stress and tighter regulations on industrial water	• Reduced productivity associated with stranded assets due to water risks, such as groundwater depletion, and interruption of water supply due to abnormal climate conditions	• Introducing processes to reduce consumption by recycling wastewater and coolant concentrate emissions
	Supply chain risk	• Increasing importance of using eco-friendly processes and raw materials as demand for green products grows • Increasing need for management to respond to the EU's Corporate Sustainability Due Diligence Directive (CSDDD) and the US's Uyghur Forced Labor Prevention Act (UFLPA)	• Potential loss of product competitiveness due to failure to meet demand for green products and increasing R&D costs to produce green products by introducing eco-friendly processes and changing materials • Imbalance between production and supply and demand due to logistical problems and delays in delivery	• Producing products from green material, obtain green product certifications (ISCC Plus), and entering into green material supply contracts • Mitigating risk with supply chain diversification and detecting risks in advance through continuous monitoring
	Human resources risk	• Increasing demand for innovative organizational culture such as employee incentives and organizational commitment elements amid a changing workforce structure in the labor market	• Reduced employee productivity and competitiveness in the labor market due to insufficient investment in training and welfare to enhance employee competence	• Implementing a retirement benefit system, employee training, and a family-friendly system for employees and obtaining relevant certifications (family friendly environment)
	Human rights risk	• Tighter regulations on human rights issues in supply chain, such as forced child labor and sexual discrimination, with the EU's Corporate Sustainability Due Diligence Directive (CSDDD) and the US's Uyghur Forced Labor Prevention Act (UFLPA)	• In the case of violations of law and regulations related to human rights and social issues, various financial losses to address legal risk (litigation costs, fines, damages) and reputation risk (loss of capital through divestment)	• Promotion of the establishment of human rights principles and a code of conduct for partners, and review of human rights risk management measures through UNGC (UN Global Compact) membership

Risk Management

Risk management activities

Emerging risks

OCI Holdings defines emerging risk as those risks that could have a material impact on its business in the mid/long term. OCI Holdings prevents emerging risks by analyzing internal and external environmental and social changes, and by defining and implementing strategies. In doing so, we minimize the uncertainty and variability associated with potential risks and lay a solid foundation for the continued growth of its business.

Responses to emerging risk factor

Category		Reasons for risk selection	Impact on OCI Holdings	Strategies of OCI Holdings
Emerging risk	Biodiversity risk	• Biodiversity and the natural environment are recognized as natural capital in the final draft of a natural capital-related disclosure framework announced by the Taskforce on Nature-related Financial Disclosures (TNFD), and there are moves to conserve them, with increasing attention from stakeholders • Considering the global value chain and the geopolitical context of business activities, external requirements for biodiversity are being advanced in terms of determining a company's dependence on natural capital, identifying the impacts, risks and opportunities of natural capital, and establishing responses • The loss of biodiversity can have a negative physical impact on a company's business activities, such as climate change and the depletion of natural capital, as well as material impacts on management environments, such as future credit ratings and market valuations • Therefore, biodiversity preservation activity is not a one-off activity, but should be addressed with a strategic approach and measures as part of risk management, and the need for biodiversity risk monitoring throughout the value chain and the establishment of a management system is gradually increasing	• There is the possibility of a trade barrier due to legal requirements and code of conduct regarding the disclosure of corporate natural capital • The operation of production facilities in various countries including Malaysia, the United States and China requires ongoing ecological analysis of changes in climate, geology and ecosystems in the regions concerned, as well as monitoring through local laws and regulations related to biodiversity • If biodiversity and natural capital close to the operations of OCI Holdings' affiliates are affected by their business activities, this could have an impact on the relationship with the local communities that depend on the natural capital for their livelihoods	• Signing agreements for marine biodiversity conservation, conducting experiential activities and campaigns, maintaining river flower paths, supporting trash collection, and conducting coastal pollution control training to practice environmental protection and raise employee awareness • Monitoring biodiversity-related impacts based on industry and regional characteristics, with plans to enhance the biodiversity impact management system through environmental impact analysis at key business sites and management of natural capital dependency data • Strategies of major affiliates: **OCI Company** Reviewing plans to identify biodiversity crises and opportunities and develop response plans in line with the Other Effective Area-based Conservation Measure (OECM) by 2024
	Carbon tax-related risk	• With the introduction of the EU's Carbon Border Adjustment Mechanism (CBAM), the direct and indirect GHG emissions of products imported into the EU from non-EU countries must be reported on a quarterly basis, and a certain trade tariff will be imposed as a protectionist policy based on the amount of carbon emissions • From 2026, the CBAM certification will be required to be purchased to manage the GHG footprint, and the price of the certification will reflect the prices used in transactions in the EU's Emissions Trading Scheme (ETS). The EU's ETS applies to carbon-intensive sectors, including the chemical industry, and the prices are expected to rise steadily as the EU tightens regulations, inevitably increasing the costs borne by companies • Whether organic compounds and polymers will be subject to the CBAM requirements will be decided by 2026, and the scope of application is expected to be extended. By 2030, CBAM will be applied to all product groups subject to the EU ETS, or products with carbon leakage risks (inorganic basic chemicals, etc.), raising concerns about the impact on business activities	• There is a possibility that the expanded application of the CBAM to the chemical sector will act as a trade barrier • It is necessary to establish a GHG emissions data management system to meet the requirements of CBAM and to prepare for the extension of the scope of CBAM application after the phasing out of free allocations under the EU ETS • Fundamental measures such as increasing process efficiency to reduce carbon emissions and changing export items are necessary, which will be costly for companies	• Establishing an investment decision-making process that considers carbon impact, monitoring carbon tax trends, conducting technical reviews, and ensuring cost competitiveness • Continuously striving to reduce carbon emissions by conducting environmental assessments and identifying improvement tasks for each business site • Strategies of major affiliates: **OCI Company** Establishment of greenhouse gas reduction plans for each business site and department, followed by the implementation of activities through facility improvements and energy savings. **OCIM** Promoting energy efficiency through waste heat recovery and equipment improvements for optimal energy usage, identifying and implementing action items for energy savings in key areas, signing a long-term Power Purchase Agreements (PPAs) for eco-friendly plant operations, and pursuing stable electricity supply and carbon reduction through a renewable energy transition **OCI SE** Implementing energy savings through cogeneration systems and introducing biomass fuel by utilizing wood pellets

Risk Management

Risk management activities

Tax risk

OCI Holdings observes tax laws, files tax returns, and faithfully pays taxes to realize sustainable corporate growth, maximize shareholder value, promote national fiscal soundness, and support community development. We carry out transparent tax policies, including evaluating and managing various tax risks through the establishment and implementation of OCI Holdings' tax strategies.

In addition to identifying and monitoring changes in tax authorities' policies, we comply with and apply disclosure regulations related to the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan 13, which includes Transfer Pricing Documentation and Country-by-Country Reporting. This approach helps to minimize potential tax risks across all business activities.

OCI Holdings' Tax strategy

Faithful compliance	OCI Holdings observes tax laws of the countries where we conduct business, file tax returns and pay taxes faithfully according to relevant laws, and strictly keep related materials and evidence.
Transparent transfer pricing policy management	For transactions with specially related people, we establish and apply a transfer pricing policy commensurate with the arm's length principle in accordance with the taxation laws of the countries concerned and the OECD's transfer pricing guidelines, and external specialists prepare transfer pricing reports.
Transactions complying with tax laws	OCI Holdings maintains transparent and fair transactions with the observance of tax laws, and does not make transactions where income is transferred to tax havens or low-tax rate countries to avoid taxes.
Performance of tax cooperation obligations	OCI Holdings maintains transparent relationships with tax authorities in countries and fulfills duties of materials submission in response to requests by tax authorities for materials.
Minimizing tax risks	OCI Holdings examines potential tax risks when making important decisions and reports them to the management. If there is uncertainty in the interpretation and application of laws in the course of tax risk assessment, it makes decisions by consulting an independent specialist institution to eliminate tax risks.

Status of tax payment by country

(As of December 2023, unit: KRW million)

Countries	Korea[1]	United States[1]	China[1]	Malaysia[2] (OCIM, OCIKUMHO)	Japan[2] (OCI Japan)	Philippines[2] (Philko Peroxide)	Vietnam[2] (OCI Vietnam)
Sales	1,402,290	253,479	885,153	938,538	1,244	10,701	9,580
Tax paid	8,578	-	2,680	76,419	82	210	-
Operating income	354,669	(18,243)	265,434	403,582	254	864	(356)
Main business activities	Production and sales of basic chemicals and carbon chemical products	Development and operation of solar PV power generation facilities, etc.	Business development and sales of polysilicon and chemical products	Production and sales of polysilicon	Sales of polysilicon and chemical products	Hydrogen peroxide dilution and sales of chemical products	Production and sales of pesticide active ingredient

1) Profits and performance by region
2) Profits and performance by corresponding affiliates

BEPS Action Plan 13 - Disclosure of transfer pricing and tax payment information

The BEPS Action Plan 13 report aims to regulate the tax strategies of multinational corporations for offshore profit shifting. In order to comply with the taxpayer's (company's) obligation to disclose information under Action Plan 13 (Transfer Pricing Documentation and Country-by-Country Reporting). OCI Holdings prepares and submits (i) an integrated company report (Master file), (ii) an individual company report (Local file) and (iii) a Country by Country report (CbCR) to the National Tax Service of Korea. OCI's overseas subsidiaries prepare and file these reports in accordance with the requirements of local tax authorities.

Master File
(Integrated company report)

- The ownership structure of the group
- Business activities of the group (source of profits, business categories)
- Holdings of intangibles
- Fund raising of the group
- Merger, split, change in transaction structure

Local File
(Individual company report)

- OCI Holdings' organizational structure and business status
- OCI Holdings' sales/purchases by product
- Intangibles/changes
- Related party transactions (functional analysis, base for pricing on arm's length principle, transaction profit)

Country by Country Report
(country report)

- Tax jurisdictions
- Status of sales by source of profit
- Income taxes paid on a cash basis and income tax accrued
- Shareholder's equity and other capital
- Major business activities

Ethics and Compliance Management

Ethics and compliance management system

Ethics and compliance management organization

Following its transformation into a holding company, OCI Holdings established an ethics and compliance management system that comprehensively manages its affiliates. OCI Holdings Compliance Team 1 is responsible for ethical management activities and employee ethical awareness at the group level including affiliate, as well as corporate responsibility for legal compliance. Depending on the characteristics of audit tasks, audits are provided as Shared Services to affiliates to monitor ethics and compliance, such as corrupt and unfair acts and abuse of authority, and to supervise the internalization of ethical management, such as employee training, promotion, and ethics audits. In addition, OCI Holdings' compliance system is operated through the appointment of a compliance officer, compliance inspection and compliance control validity assessment.

Internal Complaint Handling Committee

For domestic affiliates with at least 30 employees, such as OCI Specialty, an Internal Complaint Handling Committee is in place to investigate and advise on sexual harassment, bullying, and other workplace issues. Whistleblowers can provide information anonymously or with their real name. Disciplinary action will be taken if unethical acts are found as a result of the investigation. The identity of whistleblowers is strictly protected during the investigation, and provisions on confidentiality, whistleblower protection, and prohibition of retaliation are established to strictly protect whistleblowers by imposing punishment on violators.

Ethics and compliance management strategy

Code of Ethics for Employees

OCI Holdings created the Code of Ethics for Employees to set standards for the ethical conduct of employees, which applies to employees of OCI Holdings and its affiliates. The Code of Ethics for Employees presents our detailed code of conduct regarding responsibilities and obligations to customers and shareholders, fair performance of duties (including prohibitions on improperly accepting money or valuables, entertainment, favors, etc.), protection of company assets and information protection, sound life at work and the society, and contributions to the nation and society. The detailed guidelines regarding the Code of Ethics for Employees are distributed to OCI Holdings and its affiliates and are published internally once a year and shared with suppliers. To promote employee awareness about ethics and ethical practices, we obtain an ethical management pledge from new and existing employees.

Code of Ethics for Employees

OCI Holdings' Code of Ethics for Employees

1	Responsibilities and obligations to customers
2	Responsibilities and obligations to shareholders
3	Fair task performance
4	Protection of company's property and information
5	Healthy workplace and society
6	Contribution to the country and society
7	Compliance with Code of Ethics for Employees
8	Collection of employee ethical management pledge
9	Reporting and whistleblowing

Ethics and compliance risk management

Audit

OCI Holdings conducts audits for its domestic affiliates and sites through Shared Services, as well as audits for the company, and establishes an annual audit plan for the group and manages ethical risks across the group. The audit system includes regular audits conducted on a regular basis and irregular planned audits on specific topics, and special audits related to information provided by whistleblowers. Breaches of ethical practice identified by the audits are subject to disciplinary action, dismissal, and legal sanctions.

We also operate a system to help employees suggest audits. If an employee suggests an audit for improvement measures or to investigate cases of fraud, injustice, or violation of laws or company regulations, such as the Code of Ethics for Employees and the Internal Accounting Control Regulations, Compliance Team 1 reviews the need for the audit and conducts a special audit for improvement. It is impossible to identify a whistleblower who proposes a special audit anonymously, and even in the case of audit reports with the real name, confidentiality is strictly maintained if the proposer desires or deems it necessary. Employee suggestions that have a significant impact on risk prevention and cost reduction are rewarded.

Audits conducted by OCI Holdings

Category	2021	2022	2023	
			Before the spin-off	After the spin-off
Audit	12	11	6	4

Ethics and Compliance Management

Ethics and compliance risk management

Internal control system

We have established an internal control system to quickly identify and respond to unethical practices and accounting errors that may occur in the course of business. We conduct external audits in accordance with our Internal Accounting Control System (IACS) and review and assess the operating status of the IACS on an annual basis to review the effectiveness of OCI Holdings' internal control. The assessment results are regularly reported to the Audit Committee, the Board of Directors and the general meeting of shareholders.

Internal control system



Ethics and compliance Hotline

All internal and external stakeholders of OCI Holdings and its affiliates, including employees, suppliers, investors, and shareholders, can report unfair practices or breaches of sustainable management that undermine ethical standards. Reports can be made online (hotline), telephone, fax, and other methods. The identities of reporters are kept confidential in the whistleblower protection system, and blacklisting of reporters and career disadvantages are strictly forbidden. Compliance Team 1 is committed to monitoring the status of ethical management by making every effort to rigorously investigate requests from the reporting channels.

Reports received and handled by the Ethics and Compliance Hotline

Category		Unit	2021	2022	2023
Bribery, embezzlement, malfeasance, etc.	Receipt of reports case	case	1	2	2
	Handling of reports	%	100	100	100
Discrimination, sexual harassment, workplace harassment, etc.	Receipt of reports case	case	2	1	2
	Handling of reports	%	100	100	100

* Percentage of reports cases that have been completed through fact-checking and investigation

Reporting channel

Hotline (Online reporting center)	Reporting violations of ethical management	Reporting sexual harassment/bullying at work
By post	Ombudsman manager, Compliance Team 1, OCI Building, 94, Sogong-ro, Jung-gu, Seoul	
FAX	+82-2-727-9371	

- OCIE, OCI SP, OCI AL, MSE [EthicsPoint System]

OCIE, OCI Solar Power, OCI Alabama, and Mission Solar Energy operate online channels through which internal and external stakeholders can report ethics and compliance issues and inform employees about the online channels. All content received through the channel is immediately reviewed and investigated, and the results of the investigation are reported to the reporter. Reports received through consultations and emails other than the online channel are also entered into the EthicsPoint system for systematic processing.

- OCIM [OCIM Ombudsman System]

OCIM established an ombudsman system on its website through which internal and external stakeholders can submit observations, reports, information and suggestions related to the company's ethics and compliance. All opinions received are reviewed, and if the first reviewer agrees that the opinion is appropriate, it is forwarded to the relevant departments. The relevant departments that receive opinions are required to process them within two weeks and submit a report for a prompt and appropriate response.

Ethics and Compliance Management

Ethics and Compliance Risk Management

Ethics and compliance management activities

OCI Holdings instills an ethical culture in the company and its affiliates and prevents ethics and compliance risks with various ethics systems and education programs. New and existing employees are required to participate in annual ethics education and write an ethics pledge, and a company-wide internalization program for ethics and compliance management is operated.

[Ethics education]

OCI Holdings conducts a biennial ethics education program for all employees including regular and non-regular positions, to disseminate a proper ethics culture.

Status of ethics training conducted at OCI Holdings

Category		Unit	2021	2022	2023
Compliance training					
Persons who completed training	All	Person	173	212	21
	Full-time		131	166	21
	Contract		42	46	0
Completion rate		%	100	100	100
Business ethics training					
Persons who completed training	All	Person	78	1,354	21
	Full-time		78	1,290	21
	Contract		0	64	0
Completion rate		%	100	100	100

2023 Ethics training

Purpose of ethical management

A sustainable company through ethical management

Customers	Suppliers	Nation and society
Customer satisfaction management	Transparent management	Socially responsible management
• Protecting customers' interests • Promoting a sound corporate culture	• Establishing a transparent transaction culture • Pursuing rational mutual growth	• Fulfilling social responsibilities and comply with laws • Fulfilling corporate social responsibility

Employees	Shareholders
Respect-based management	Effective management
• Foster a flexible and creative corporate culture • Fulfill responsibility for mutual growth	• Establish a culture of performance-based evaluation • Perform sound and transparent management

☐ Code of Ethics for Employees

Standards of behavior for employees to carry out their duties transparently, fairly and efficiently

- Responsibilities and obligations to customers
- Responsibilities and obligations to shareholders
- Fair task performance
- Protection of company property and information
- Healthy workplace and society
- Contribution to the country and society

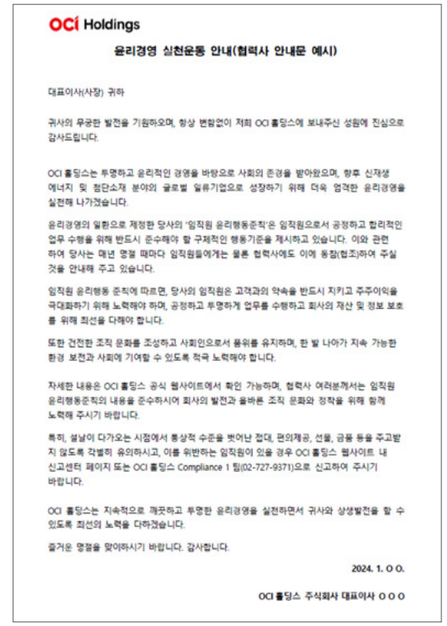
- **Group-wide** [Ethical management campaign]

During the Lunar New Year and Chuseok holidays, information about the Ethical Management Campaign is published and sent to key suppliers to prevent illegal acts such as the provision of money and entertainment, and to carry out ethics and compliance management. In addition, to implement ethics and compliance management, standard procurement and supply contracts include provisions on ethics and clean contracts.

- **OCIE/SP, OCI AL, MSE** [Ethics and compliance training]

Ethics and compliance education is provided to all new employees and annual education is conducted for existing employees to increase their understanding of major laws and Cultural Expectations.

Guide to ethical management campaign



OCI Holdings

윤리경영 실천운동 안내(협력사 안내문 예시)

대표이사(사장) 귀하

귀사의 무궁한 발전을 기원하오며, 항상 변함없이 저희 OCI홀딩스에 보내주신 성원에 진심으로 감사드립니다.

OCI홀딩스는 투명하고 윤리적인 경영을 바탕으로 사회의 존경을 받아왔으며, 향후 신재생 에너지 및 첨단소재 분야의 글로벌 일류기업으로 성장하기 위해 더욱 엄격한 윤리경영을 실천해 나가겠습니다.

윤리경영의 일환으로 제정한 당사의 '임직원 윤리행동준칙'은 임직원으로서 공정하고 합리적인 업무 수행을 위해 반드시 준수해야 할 구체적인 행동기준을 제시하고 있습니다. 이와 관련하여 당사는 매년 명절 때마다 임직원들에게는 물론 협력사에도 이에 동참(협조)하여 주실 것을 안내해 주고 있습니다.

임직원 윤리행동 준칙에 따르면, 당사의 임직원은 고객과의 약속을 반드시 지키고 주주이익을 극대화하기 위해 노력해야 하며, 공정하고 투명하게 업무를 수행하고 회사의 재산 및 정보 보호를 위해 최선을 다해야 합니다.

또한 건전한 조직 문화를 조성하고 사회인으로서 품위를 유지하며, 한 발 나아가 지속 가능한 환경 보전과 사회에 기여할 수 있도록 적극 노력해야 합니다.

자세한 내용은 OCI홀딩스 공식 웹사이트에서 확인 가능하며, 협력사 여러분께서는 임직원 윤리행동준칙의 내용을 준수하시어 회사의 발전과 올바른 조직 문화와 정착을 위해 함께 노력해 주시기 바랍니다.

특히, 설날이 다가오는 시점에서 통상적 수준을 벗어난 접대, 편의제공, 선물, 금품 등을 주고받지 않도록 각별히 유의하시고, 이를 위반하는 임직원이 있을 경우 OCI홀딩스 웹사이트 내 신고센터 페이지 또는 OCI홀딩스 Compliance 1 팀(02-727-9371)으로 신고하여 주시기 바랍니다.

OCI홀딩스는 지속적으로 깨끗하고 투명한 윤리경영을 실천하면서 귀사와 상생발전을 할 수 있도록 최선의 노력을 다하겠습니다.

즐거운 명절을 맞이하시기 바랍니다. 감사합니다.

2024. 1. 0 0.

OCI홀딩스 주식회사 대표이사 0 0 0

APPENDIX

Consolidated Financial Statements

Independent Auditor's Report

ESG Data

GRI Index

TCFD

SASB Index

GHG Verification Statement

Third-party Assurance Statement

Product List

Global Network

Responsible Care

Association Memberships

Consolidated Financial Statements
- Consolidated Statement of Financial Position
- Consolidated statements of Income
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Shareholders' Equity
- Consolidated Statements of Cash Flows

Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Consolidated Statement of Financial Position

Period 50: As of December 31, 2023
Period 49: As of December 31, 2022
Period 48: As of December 31, 2021

(Unit: KRW in thousands)

Description	Period 50	Period 49	Period 48
Assets			
Current assets	3,994,170,810	4,110,803,927	3,338,987,117
Cash and cash equivalents	1,213,823,579	1,245,993,946	698,696,135
Short-term financial assets	388,131,356	91,040,522	403,346,125
Trade and other accounts receivable	614,155,905	787,544,777	553,037,117
Derivative assets	2,505,131	496,782	75,798
Assets held for sale			3,989,486
Inventories	1,731,686,350	1,892,778,614	1,604,699,967
Current tax assets	7,380,361	3,917,345	7,099,545
Other current assets	36,488,128	89,031,941	68,042,944
Non-current assets	1,962,380,963	2,634,730,327	2,365,073,996
Long-term financial assets	58,039,135	57,124,888	62,492,864
Long-term trade and other accounts receivable	1,379,430	2,750,145	2,856,945
Non-current derivative assets	0	1,599,153	
Deferred tax assets	147,416,074	431,383,478	473,769,709
Investments in joint ventures and associates	507,148,888	318,831,653	133,630,976
Investment property	36,842,479	30,738,651	31,657,069
Tangible assets	1,175,944,575	1,707,973,720	1,617,993,157
Intangible assets	27,490,036	35,921,134	38,332,094
Net defined benefit assets	3,667,819	42,312,821	
Other non-current assets	4,452,527	6,094,684	4,341,182
Total assets	5,956,551,773	6,745,534,254	5,704,061,113

(Unit: KRW in thousands)

Description	Period 50	Period 49	Period 48
Liabilities			
Current liabilities	879,584,374	1,577,971,429	1,236,490,174
Short-term financial liabilities	415,628,083	850,824,056	574,171,441
Trade and other accounts payable	332,677,873	513,352,581	425,793,868
Derivative liabilities	14,926	0	2,021,285
Current tax liabilities	3,029,433	28,062,717	2,968,583
Liabilities associated with assets held for sale			517,962
Provisions	27,300,686	36,320,150	24,975,020
Other current liabilities	100,933,373	149,411,925	206,042,015
Non-current liabilities	1,262,034,765	1,156,165,459	1,343,778,528
Long-term financial liabilities	1,039,768,712	1,020,204,202	1,233,217,539
Long-term trade and other accounts payable	10,511,575	15,095,036	21,744,171
Non-current derivative liabilities	0	76,061	
Non-current provisions	18,840,706	27,642,746	38,423,656
Retirement benefit obligation	228,731	1,318,369	5,980,427
Deferred tax liabilities	45,301,547	46,475,310	5,556,801
Other non-current liabilities	147,383,494	45,353,735	38,855,934
Total liabilities	2,141,619,139	2,734,136,888	2,580,268,702
Shareholders' equity			
Shareholders' equity	3,721,103,717	3,912,391,039	3,071,403,978
Capital	107,063,575	127,246,855	127,246,855
Share premium	840,204,235	734,532,524	734,532,524
Other capital surpluses	61,534,199	59,516,757	59,451,245
Other components of capital	(863,521,893)	55,764,180	57,512,682
Retained earnings	3,575,823,601	2,935,330,723	2,092,660,672
Non-controlling interests	93,828,917	99,006,327	52,388,433
Total equity	3,814,932,634	4,011,397,366	3,123,792,411
Total liabilities and equity	5,956,551,773	6,745,534,254	5,704,061,113

Consolidated Financial Statements
- Consolidated Statement of Financial Position
- Consolidated statements of Income
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Shareholders' Equity
- Consolidated Statements of Cash Flows

Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Consolidated statements of Income

Period 50: From January 1 to December 31, 2023
Period 49: From January 1 to December 31, 2022
Period 48: From January 1 to December 31, 2021

(Unit: KRW in thousands)

Description	Period 50	Period 49	Period 48
Sales	2,649,691,893	2,768,929,400	1,825,176,383
Cost of sales	1,939,223,325	1,865,117,241	1,256,099,703
Gross profit	710,468,568	903,812,159	569,076,680
Selling and administrative expenses	179,251,271	151,380,217	154,897,234
Operating income	531,217,297	752,431,942	414,179,446
Financial income	119,732,118	60,438,320	25,122,303
Financial expense	59,428,812	62,730,762	35,915,773
Share of profits of joint ventures and associates	37,581,233	(7,060,669)	(3,052,047)
Other non-operating income	5,690,709	20,929,098	10,247,263
Other non-operating expense	101,842,108	10,144,888	9,485,678
Income from continuing operations before income tax expense	532,950,437	753,863,041	401,095,514
Income tax expense from continuing operations	75,018,108	32,791,440	(70,585,732)
Net profit from continuing operations	457,932,329	721,071,601	471,681,246
Income from discontinued operations	252,412,306	156,684,744	180,394,587
Net profit (loss)	710,344,635	877,756,345	652,075,833
Profit (loss), attributable to			
Shareholders' equity	713,510,158	880,285,947	647,647,565
Non-controlling interests	(3,165,523)	(2,529,602)	4,428,268
Net income per share (in Korean won)			
Basic income (loss) per share (Unit: KRW)	36,540	36,941	27,387
Diluted income (loss) per share (Unit: KRW)	36,540	36,941	27,387
Basic income (loss) per share from continuing operation (Unit: KRW)	23,614	30,366	19,758
Diluted income (loss) per share from continuing operation (Unit: KRW)	23,614	30,366	19,758
Basic income (loss) per share from suspended operation (Unit: KRW)	12,926	6,575	7,629
Diluted income (loss) per share from suspended operation (Unit: KRW)	12,926	6,575	7,629

Consolidated Statements of Comprehensive Income

Period 50 From January 1 to December 31, 2023
Period 49 From January 1 to December 31, 2022
Period 4 From January 1 to December 31, 2021

(Unit: KRW in thousands)

Description	Period 50	Period 49	Period 48
Net profit (loss)	710,344,635	877,756,345	652,075,833
Other comprehensive income	(42,180,238)	36,694,418	70,261,351
Items that will not be reclassified subsequently to profit or loss:	(13,497,007)	4,777,160	(12,175,805)
Remeasurement factor on defined benefit plans	(12,716,844)	9,336,697	(9,886,338)
Gain (loss) on valuation of financial assets measured at FVTOCI	669,885	(5,320,499)	(2,289,467)
Invested capital change of joint ventures and associates	(2,191,756)	760,962	
Gain (loss) on sale of financial assets measured at FVTOCI	741,708		
Items that may be reclassified subsequently to income (loss)	(28,683,231)	31,917,258	82,437,156
Invested capital change of joint ventures and associates	(486,889)	(25,509)	75,580
Gain on overseas operations translation	(28,196,342)	31,942,767	82,361,576
Comprehensive income	668,164,397	914,450,763	722,337,184
Comprehensive income attributable to:			
Shareholders' equity	672,224,935	916,957,803	714,635,755
Non-controlling interests	(4,060,538)	(2,507,040)	7,701,429

Consolidated Financial Statements
- Consolidated Statement of Financial Position
- Consolidated statements of Income
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Shareholders' Equity
- Consolidated Statements of Cash Flows

Independent Auditor's Report

ESG Data

GRI Index

TCFD

SASB Index

GHG Verification Statement

Third-Party Assurance Statement

Product List

Global Network

Responsible Care

Association Memberships

Consolidated Statements of Changes in Shareholders' Equity

Period 50 From January 1 to December 31, 2023
Period 49 From January 1 to December 31, 2022
Period 4 From January 1 to December 31, 2021

(Unit: KRW in thousands)

Description	Equity attributable to owners of the parent company						Non-controlling interests	Total shareholders' equity
	Capital	Share premium	Other capital surpluses	Other components of capital	Retained earnings	Amount of equity attributable to owners of the parent company		
January 1, 2021 (capital at the beginning of the period)	127,246,855	734,532,524	50,920,120	26,501,378	1,454,843,452	2,341,041,573	44,687,070	2,385,728,643
Dividends							(66)	(66)
Net profit (loss)					647,647,565	647,647,565	4,428,268	652,075,833
Invested capital change of joint ventures and associates			(187,727)	201,960	61,347	75,580		75,580
Gain (loss) on overseas operations translation				79,093,769		79,093,769	3,267,807	82,361,576
Remeasurement factor on defined benefit plans					(9,891,692)	(9,891,692)	5,354	(9,886,338)
Gain (loss) on valuation of financial assets measured at FVTOCI				(2,289,467)		(2,289,467)		(2,289,467)
Gain (loss) on sale of financial assets measured at FVTOCI								
Paid-in capital increase for non-controlling interest								
Acquisition of treasury stock				(12,985,839)		(12,985,839)		(12,985,839)
Disposal of treasury stock			8,718,852	19,993,637		28,712,489		28,712,489
Loss on capital reduction								
Paid-in capital increase								
December 31, 2021 (capital at the end of the period)	127,246,855	734,532,524	59,451,245	57,512,682	2,092,660,672	3,071,403,978	52,388,433	3,123,792,411
January 1, 2022 (capital at the beginning of the period)	127,246,855	734,532,524	59,451,245	57,512,682	2,092,660,672	3,071,403,978	52,388,433	3,123,792,411
Dividends					(47,698,742)	(47,698,742)	(919,531)	(48,618,273)
Net income (loss)					880,285,947	880,285,947	(2,529,602)	877,756,345
Invested capital change of joint ventures and associates			65,512	(91,021)	760,962	735,453		735,453
Gain (loss) on overseas operations translation				31,935,018		31,935,018	7,749	31,942,767
Remeasurement factor on defined benefit plans					9,321,884	9,321,884	14,813	9,336,697
Gain (loss) on valuation of financial assets measured at FVTOCI				(5,320,499)		(5,320,499)		(5,320,499)
Gain (loss) on sale of financial assets measured at FVTOCI								
Paid-in capital increase for non-controlling interest							50,044,465	50,044,465
Acquisition of treasury stock				(28,272,000)		(28,272,000)		(28,272,000)
Disposal of treasury stock								
Loss on capital reduction								
Paid-in capital increase								
December 31, 2022 (end of the period)	127,246,855	734,532,524	59,516,757	55,764,180	2,935,330,723	3,912,391,039	99,006,327	4,011,397,366
January 1, 2023 (beginning of the period)	127,246,855	734,532,524	59,516,757	55,764,180	2,935,330,723	3,912,391,039	99,006,327	4,011,397,366
Dividends					(58,873,427)	(58,873,427)	(1,116,872)	(59,990,299)
Net income (loss)					713,510,158	713,510,158	(3,165,523)	710,344,635
Invested capital change of joint ventures and associates				(486,889)	(2,191,756)	(2,678,645)		(2,678,645)
Gain (loss) on overseas operations translation				(27,324,366)		(27,324,366)	(871,976)	(28,196,342)
Remeasurement factor on defined benefit plans					(12,693,805)	(12,693,805)	(23,039)	(12,716,844)
Gain (loss) on valuation of financial assets measured at FVTOCI				669,885		669,885		669,885
Gain (loss) on sale of financial assets measured at FVTOCI					741,708	741,708		741,708
Paid-in capital increase for non-controlling interest								
Acquisition of treasury stock				(3,483,660)		(3,483,660)		(3,483,660)
Disposal of treasury stock			2,017,442	9,267,135		11,284,577		11,284,577
Loss on capital reduction	(37,183,645)	(229,042,519)		(897,928,178)		(1,164,154,342)		(1,164,154,342)
Paid-in capital increase	17,000,365	334,714,230				351,714,595		351,714,595
December 31, 2023 (end of the period)	107,063,575	840,204,235	61,534,199	(863,521,893)	3,575,823,601	3,721,103,717	93,828,917	3,814,932,634

Consolidated Financial Statements
- Consolidated Statement of Financial Position
- Consolidated statements of Income
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Shareholders' Equity
- Consolidated Statements of Cash Flows

Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Consolidated Statements of Cash Flows

Period 50 From January 1 to December 31, 2023
Period 49 From January 1 to December 31, 2022
Period 4 From January 1 to December 31, 2021

(Unit: KRW in thousands)

Description	Period 50	Period 49	Period 48
Cash flows from operating activities	674,201,886	566,649,863	377,690,582
Cash generated from operating activities	715,191,183	598,894,196	401,983,829
Interest income received	60,859,483	20,529,660	10,319,997
Interest expense paid (operating)	(67,526,394)	(52,291,189)	(42,626,358)
Dividends received	6,016,983	1,908,359	279,449
Income tax paid	(40,339,369)	(2,391,163)	7,733,665
Cash flows from (used in) investing activities	(535,383,932)	(57,790,005)	(283,562,829)
Decrease in short-term financial instruments	683,262,623	677,304,170	308,509,879
Increase in short-term financial instruments	(1,051,020,765)	(349,820,782)	(478,128,239)
Decrease in short-term loans	897,852	15,750	20,000
Increase in short-term loans	(698,190)	(715,244)	(179,231)
Decrease in financial assets measured at amortized cost		1,004,500	140,405
Increase in financial assets measured at amortized cost		(1,560)	
Decrease in financial assets measured at FVTPL	305,849	271,866	1,188,169
Increase in financial assets measured at FVTPL	(275)	(1,159,153)	(8,035,309)
Increase in financial assets measured at FVTOCI	(5,000,034)		
Decrease in long-term financial instruments			105,991
Increase in long-term financial instruments	(7,198,458)	(5,000,000)	(150,320)
Decrease in long-term loans		5,250	
Increase in long-term loans			(30,000)
Acquisition of investment property	(6,900)	(3,809)	
Disposal of property, plant and equipment	1,147,997	2,916,512	746,357
Acquisition of property, plant and equipment	(151,778,543)	(230,235,804)	(94,475,544)
Disposal of intangible assets	750,000	31,136	206,968
Acquisition of intangible assets	(6,671,527)	(3,786,061)	(2,653,348)
Acquisition of shares in associates and joint ventures	(360,000)	(157,152,813)	(25,921,000)
Disposal of shares in associates and joint ventures	606,358		

Description	Period 50	Period 49	Period 48
Cash flows from investing activities (continued)			
Disposal of subsidiaries			8,072,393
Disposal of assets held for sale		4,443,613	7,020,000
Receipt of government subsidies	400,081	4,092,424	
Increase in other non-current assets	(20,000)		
Cash flows from financing activities	(177,678,954)	24,785,759	136,702,380
Increase in short-term borrowings	282,305,772	705,170,093	406,642,547
Decrease in short-term borrowings	(289,725,358)	(544,732,233)	(218,387,293)
Decrease in current portions of long-term financial liabilities	(161,632,098)	(231,293,851)	(443,961,366)
Increase in long-term borrowings	300,000,000	143,317,470	311,069,837
Decrease in long-term borrowings		(14,834,425)	
Issuance of debenture	59,710,079		96,642,540
Repayments of lease liabilities	(5,077,309)	(6,004,133)	(4,616,170)
Increase in leasehold deposits	1,327,635		
Increase in government subsidies		4,250	2,298,190
Acquisition of treasury stock	(3,483,660)	(28,272,000)	(12,985,839)
Payment of dividends	(59,990,452)	(48,613,877)	(66)
Paid-in capital increase for non-controlling interest		50,044,465	
Reduction resulting from spin-off	(300,920,602)		
Reduction due to capital increase by contribution in kind	(192,961)		
Changes in cash and cash equivalents due to foreign currency translation	6,690,633	13,652,194	24,314,612
Net increase (decrease) in cash and cash equivalents	(32,170,367)	547,297,811	255,144,745
Cash and cash equivalents at the beginning of the period	1,245,993,946	698,696,135	443,551,390
Cash and cash equivalents at the end of the period	1,213,823,579	1,245,993,946	698,696,135

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Independent Auditor's Report

OCI Holdings
the Board of Directors of OCI Company Ltd.

Opinion

We have audited the accompanying consolidated financial statements of OCI Holdings Company Ltd. (formerly OCI Company Ltd.) and its subsidiaries (collectively referred to as the "Company"). The consolidated financial statements comprise the consolidated statements of financial position as of December 31, 2023, and 2022, and the consolidated statements of income, the consolidated statements of comprehensive income, the consolidated statements of changes in shareholders' equity, and the consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including significant accounting policy information.
In our opinion, the accompanying consolidated financial statements of the Company present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and December 31, 2022, as well as consolidated financial performance and consolidated cash flows for the years then ended in accordance with the Korean International Financial Reporting Standards (K-IFRS).
We have also audited the Company's Internal Accounting Control System as of December 31, 2023, in accordance with Korean Standards on Auditing (KSAs), based on the conceptual framework for designing and operating internal accounting control systems. Our clear opinions were expressed in the audit report dated March 12, 2024.

Basis for Opinion

We conducted our audits following the Korean Standards on Auditing (KSAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company by the ethical requirements in the Republic of Korea that are relevant to our audits of the consolidated financial statements and have fulfilled other ethical responsibilities according to such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

Without qualifying our opinion, we draw attention to Notes 1 and 35 for the consolidated financial statements. As described in Notes 1 and 35, the Company spun-off its basic chemical and carbon chemical business units into OCI Company Ltd., a new company created after the spin-off on May 1, 2023 as the spin-off date, with the approval of its general meeting of shareholders on March 22, 2023. The Company was converted into a holding company by incorporating OCI Company Ltd. as its associate. As a result, profits or losses generated from the operations of the new company created from the spin-off were presented as income from discontinued operations for the Company, and thus the consolidated income statements of the Company for the previous period and related notes were revised.

Key Audit Matters

In our professional judgment, the key audit matters are those that were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Review of the Realizability of Deferred Tax Assets

As described in Note 2 to the consolidated financial statements, the Company reviews the carrying amount of deferred tax assets at the end of each reporting period and reduces the carrying amount of deferred tax assets when it is no longer probable that sufficient taxable income will be generated for the recovery of all or part of the deferred tax assets. Assessing the realizability of deferred tax assets is complex because it requires the management's judgment in estimating expected taxable income. As of the end of the current financial year, the deferred tax assets of the Company amounted to 147,416 million won, which represents a significant amount in the consolidated financial statements, and given that the estimation of expected taxable income involves inherent uncertainties in key variables such as revenues and operating expenses and the significant judgment of the Company's management, we have identified the realizability of the deferred tax assets as a key area for our audit.

The main audit procedures performed to respond to the key audit matters are as follows:

- Assessment of the effectiveness of design and operation of internal controls over the realizability of deferred corporate tax assets;
- Retrospective review of the estimate of expected taxable income for the current year estimated by the management in the prior year;
- Review of the consistency of tax adjustments with a specialist;
- Review of whether management approved the business plan used in estimating expected future taxable income and assessment of key input variables such as sales and operating profit in the business plan;
- Review of the estimated taxable income of subsidiaries subject to the consolidated tax return system;
- Review of the timing and tax rate of realization of temporary differences to be deducted and losses carried forward.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the accompanying consolidated financial statements following K-IFRSs, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.
In preparing the consolidated financial statements, the management of the Company is responsible for assessing the Company's ability to continue as a going concern; disclosing, as applicable, matters related to the going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with KSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

As part of an audit following KSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances,
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to our auditors' report date. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we comply with relevant ethical requirements regarding independence, and that we communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the relevant institutional safeguards.

From the matters communicated with those charged with governance, we determine the matters that were of most significance in the audits of the consolidated financial statements of the current year and are, therefore, the key audit matters. Unless laws or regulations preclude public disclosure about some matters, or we conclude that such matters should not be communicated in our audit report since, on rare occasions, the negative consequences from the inclusion of such matters in our audit report are reasonably expected to exceed public benefits from such communication, we describe such matters in our auditors' report.

The engagement partner on the audit resulting in this independent auditor's report is Na, Jae-kwang.

27th Floor, Gangnam Finance Center, 152, Teheran-ro, Gangnam-gu, Seoul
Kim, Kyo Tae, CEO, KPMG SAMJONG Accounting Corp.

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

ESG Data

Environmental Performance

GHG emissions

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others[3]
Total GHG emissions (Scope 1+2)		tCO_2eq	1,192,714	1,209,974	1,163	1,164,208	1,354,324	-	6,510	-
By emissions scope	Scope 1 emissions	tCO_2eq	661,434	644,402	382	615,387	1,354,007	-	0	-
	Scope 2 emissions	tCO_2eq	531,280	565,572	782	548,827	317	-	6,510	-
	Scope 3 emissions[1]	tCO_2eq	-	1,608,064	-	1,504,594	-	-	-	-
GHG Emissions Intensity (Scope 1+2)[2]		tCO_2eq/ Sales(KRW billion)	367.7	259.0	-	575.5	3,444.4	-	-	-
By emissions scope	Scope 1 emissions intensity	tCO_2eq/ Sales(KRW billion)	203.9	138.0	-	304.2	3,443.6	-	-	-
	Scope 2 emissions intensity	tCO_2eq/ Sales(KRW billion)	163.8	121.1	-	271.3	0.8	-	-	-

* Differences between the total greenhouse gas emissions and the total emissions by scope are due to rounded-off for each business site.
** Emissions in 2023 may change after conformity assessment by the competent authority.
1) Scope 3 emissions are calculated starting from 2022 (including Category 1~7, 9, 10, 15).
2) Greenhouse gas emission intensity is reported only for subsidiaries that operate production facilities among companies subjected to the Greenhouse Gas and Energy Target Management System.
3) Greenhouse gas emissions of OCI Information & Communication are included in the greenhouse gas emissions calculation scope of OCI Holdings.

Energy consumption and production

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others[3]
Energy consumption	Total energy consumption	TJ	18,132	18,577	23	18,044	24,159	8,618	128	10
	Direct energy consumption	TJ	7,649	7,455	7	7,208	24,153	0	-	-
	Fuel	TJ	7,649	7,455	7	7,208	24,153	0	-	-
	Indirect energy consumption	TJ	10,483	11,122	16	10,836	7	8,618	128	10
	Steam	TJ	1,880	1,974	0	1,753	0	0[2]	0	-
	Electricity	TJ	8,603	9,148	16	9,083	7	8,618	128	10
	Grid electricity consumption ratio	%	47.4	49.2	70.1	50.3	0.0	-	-	-
	Energy consumption intensity[3]	TJ/ Sales(KRW billion)	5.6	4.0	-	8.9	61.4	-	-	-
Energy production	Self-generated energy	TJ	-	-	-	-	33,993,177	-	-	-
	Energy sold	TJ	-	-	-	336[4]	8,086,379	-	-	-

* Differences between the total greenhouse gas emissions and the total emissions by scope are due to rounded-off for each business site.
** Emissions in 2023 may change after conformity assessment by the competent authority.
1) Scope 3 emissions are calculated starting from 2022 (including Category 1~7, 9, 10, 15).
2) Greenhouse gas emission intensity is reported only for subsidiaries that operate production facilities among companies subjected to the Greenhouse Gas and Energy Target Management System.
3) Greenhouse gas emissions of OCI Information & Communication are included in the greenhouse gas emissions calculation scope of OCI Holdings.

1) The data for 2021 and 2022 are based on the separate basis of OCI Company, before the spin-off.
2) In accordance with OCI Holdings' transition to a holding company structure, some of the data for 2023 are reported together with the data of major subsidiaries. If not separately distinguished, the data is based on OCI Holdings (separate basis).
3) "OCIE & Others" is the sum of the U.S. subsidiaries, OCIE, OCI Solar Power, OCI Alabama, and Mission Solar Energy.
4) "Others" is the sum of DCRE and OCI Information & Communication.

Waste management

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Total waste generated[1]		Ton	26,488	27,818	7	28,381	73,579	28,442	122	110,674
By waste type	General wastes	Ton	20,473	22,464	7	22,489	73,571	1,132	122	110,559
	Designated wastes	Ton	6,016	5,354	0	5,892	7	27,310	0	115
Total waste disposed/processed[1]		Ton	26,488	27,818	7	28,381	73,806	28,442	122	110,674
By waste type and treatment	General wastes	Ton	20,473	22,464	0	22,489	73,799	1,132	122	110,559
	Incineration	Ton	935	817	0	901	80	0	0	0
	Landfill	Ton	7,062	5,658	0	5,748	57	838	98	110,558
	Others[2]	Ton	12,475	15,989	7	15,840	73,662	294	24	1
	Designated wastes	Ton	6,016	5,354	0	5,892	8	27,310	0	115
	Incineration	Ton	1,386	740	0	785	4	151	0	21
	Landfill	Ton	689	224	0	275	0	27,131	0	88
	Others[2]	Ton	3,941	4,390	0	4,831	4	28	0	6
Total waste recycled/reused		Ton	14,742	18,537	7	20,183	73,666	322	24	4
By waste type	General wastes	Ton	12,475	15,915	7	15,840	73,662	294	24	1
	Designated wastes	Ton	2,267	2,621	0	4,343	4	28	0	4
Waste recycling rate		%	55.7	66.6	100	71.1	99.8	1.1	19.7	0.0

1) There may be a difference between the total amount of waste generated and disposed due to the waste storage on sites
2) Includes recycling, reuse, etc. other than incineration and landfill

Water intake and consumption

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Water intake	Total water intake	Ton	9,294,068	10,018,242	2,592	9,715,334	4,673,898	5,805,000	51,053	2,875
	Water intake by source[1] Surface water(industrial water, stream water, tap water, etc.)	Ton	9,294,068	10,018,242	2,592	9,715,334	4,673,898	-	-	2,875
	Water intake by source[1] Third-party source of supply	Ton	-	-	-	-	-	5,805,000	51,053	-
	Water intake intensity[2]	Ton/Sales (KRW billion)	5,092	3,618	-	4,802	11,887	-	-	-
Water consumption	Total water consumption	Ton	9,294,068	10,018,242	2,592	9,715,334	4,673,898	5,805,000	51,053	2,875
Water recycled/ reused	Total recycled/reused water	Ton	484,449	594,237	-	584,644	550,793	-	-	-
	Water recycled/reused ratio	%	5.2	5.9	-	6.0	11.8	-	-	-

* There are no business sites that intake or consume water in regions with a high or extremely high water stress.
** Water intake and consumption are managed to the same standards.
1) There is no water intake/consumption of groundwater(freshwater).
2) Water intake intensity is reported only for subsidiaries that are subject to disclose GHG emissions/Energy consumption intensity in this report.

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Environmental Performance

Management of pollutants and hazardous substances

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Water pollutants[1]	Biochemical oxygen demand (BOD) emissions	Ton	100	85	-	296	1	2	-	-
	Chemical oxygen demand (COD) emissions	Ton	396	169	-	-[2]	-	70	0.4	-
	Total organic carbon (TOC) emissions	Ton	-[2]	115	-	289	11	-	0.01	-
	Suspended solids (SS) emissions	Ton	29	33	-	84	20	38	0.04	-
Air pollutants	Nitrogen oxide (NOx) emissions	Ton	779	853	-	693	207	0.01	21	-
	Sulfur oxide (SOx) emissions	Ton	488	572	-	427	115	0.01	0.3[3]	-
	Particulate matter (PM): dust emissions	Ton	28	26	-	28	20	0.28	63	-
	Volatile organic compounds (VOCs) emissions	Ton	-	-	-	-	-	-	1.2	-
	Hazardous air pollutants (HAPs) emissions	Ton	-	-	-	-	-	-	0.4	-
	Persistent organic pollutants (POP) emissions	Ton	-	-	-	-	-	-	0	-
	Ozone-depleting substances (ODS) emissions	Ton	-	-	-	-	-	-	0	-
Hazardous chemicals	Amount of hazardous chemical substances used	Ton	-	-	-	-	1,899	24,419	25,262	-

1) For the years 2021-2022, the data regarding OCI Company's Iksan plant was not included to align with the information submitted to the Korea Environmental Industry and Technology Institute (KEITI). However, starting from 2023, the Iksan plant has been included in the disclosure.
2) COD has been changed to TOC since 2022 and reported as TOC only from 2023
3) Only includes sulfur dioxide(SO2) discharge

Social Performance

Employees

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Number of executives and employees		Person	1,571	1,636	63	1,614	93	827	210	86
Number of executives		Person	32	36	13	33	2	9	16	6
Gender	Female	Person	4	4	3	2	0	1	2	0
	Male	Person	28	32	10	31	2	8	14	6
Age	Under 30	Person	0	0	0	0	0	0	0	0
	30 to under 50	Person	6	5	1	8	0	1	7	0
	50 or older	Person	26	31	12	25	2	8	9	6
Full-time	Full-time	Person	28	32	9	30	2	5	16	6
	Part-time	Person	4	4	4	3	0	4	0	0
Registration	Registered	Person	7	7	7	5	1	4	4	4
	Unregistered	Person	25	29	6	28	1	5	12	2

Social Performance

Employees

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Number of employees		Person	1,539	1,600	50	1,581	91	818	194	80
Gender[1]	Female	Person	-	-	21	106	4	143	56	18
	Male	Person	-	-	29	1,475	87	675	138	62
Age	Under 30	Person	122	179	5	224	4	313	44	14
	30 to under 50	Person	1,042	1,042	41	982	69	463	85	40
	50 or older	Person	375	379	4	375	18	42	65	26
Region	Korea	Person	1,539(352)[2]	1,600(335)[2]	50	1,581	91	-	-	80
	Vietnam	Person	50	48	-	1[3]	-	-	-	-
	China	Person	376	365	-	11[3]	-	-	-	-
	Japan	Person	6	6	-	1[3]	-	-	-	-
	United States	Person	205	209	-	4[3]	-	-	194	-
	Philippines	Person	44	44	-	1[3]	-	-	-	-
	Malaysia	Person	603	770	-	57[3]	-	818	-	-
Employment type	Full-time	Person	1,473	1,557	46	1,535	88	812	194	73
	Part-time	Person	66	43	4	46	3	6	0	7
Position	Team Manager	Person	68	78	6	70	8	14	24	17
	Manager	Person	257	266	27	247	16	65	25	39
	Associate	Person	116	122	9	124	14	-	104	17
	Associate Researcher	Person	66	65	0	74	0	-	0	0
	Technical	Person	953	1,010	0	1,016	51	398	57	0
	Others	Person	79	59	8	50	2	90	76	8

1) Gender breakdown of employees are reported starting from 2023
2) Figures in brackets are the number of employees of domestic affiliates.
3) OCI expatriates in each region

Employee diversity

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Female	Female employee ratio	%	6.7	7.2	38.1	6.7	4.3	17.4	27.6	20.9
	Percentage of women in management positions	%	6.7	7.2	38.1	6.7	4.3	17.4	27.6	20.9
	Women in lower-level management positions	Person	97	111	17	101	4	68	19	18
	Women in executive-level management position	Person	0	1	3	1	0	1	2	0
	Women in sales generating departments	Person	24	26	-	24	0	5	0	-
	Women in STEM-related position	Person	44	51	2	51	0	64	6	80
Nationality[1]	Republic of Korea	Person	-	-	59	-	93	74	8	86
	Malaysia	Person			-	-	-	753	-	-
	United States	Person			2	-	-	-	190	-
	Others	Person			2	-	-	-	12	-
Persons with disabilities		Person	19	18	0	17	1	0	8	0
National veterans		Person	50	45	1	44	0	-	14	0

1) Nationality breakdown of employees of OCI Holdings and some subsidiaries are reported starting from 2023

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Social Performance

Employee Hires

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Number of new hires		Person	173	204	27	174	5	143	67	16
Gender	Female	%	23	29	10	24	0	27	21	3
	Male	%	150	175	17	150	5	116	46	13
Age	Under 30	Person	88	118	5	104	1	100	20	6
	30 to under 50	Person	73	73	17	56	4	33	34	6
	50 or older	Person	12	13	5	14	0	10	13	4

Employee Turnover

Category		Unit	2021	2022	2023					
					OCI Holdings[2]	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Total		Person	147	138	5	205	6	78	84	11
Gender	Female	Person	15	16	4	32	0	9	19	1
	Male	Person	132	122	1	173	6	69	65	10
Age	Under 30	Person	36	35	2	41	0	40	27	0
	30 to under 50	Person	80	68	2	93	3	29	42	3
	50 or older	Person	31	35	1	71	3	9	15	8
Total turnover rate		%	8.7	7.9	7.9	11.5	6.9	9.4	40.0	12.8
Voluntary turnover rate[1]		%	64.6	65.2	6.3	4.9	2.3	8.7	16.2	9.3

1) The data for 2021 and 2022 is based on OCI Company standards, before the spin-off.
2) Annual voluntary turnover is calculated compared to the total number of employees at the end of 2023 (after the spin-off)

Salary and compensation

Category		Unit	2021	2022	2023
Average base salary for executives[1]	Average base salary for female executives	KRW	-	249,335,705	418,446,267
	Average base salary for male executives	KRW		249,335,705	418,446,267
Gender pay gap[1]	Average pay gap	%	-	65	87
	Median pay gap	%		49	80
	Average bonus gap	%		91	84
	Median bonus gap	%		89	72
Retirement pension[2]	Present value of defined benefit obligations	KRW thousands	166,551,101	155,784,569	24,472,531
	Fair value of plan assets	KRW thousands	162,644,797	196,633,735	26,107,069

1) Disclosed since 2022 (Excluding registered executives, combining male and female employees)
2) Based on OCI Holdings' business report

Performance evaluation

Category	Unit	2021	2022	2023
Ratio of employees who received performance evaluations	%	98.6	97.7	100

Training

Category		Unit	2021	2022	2023
Person who completed environmental training		Person	323	1,198	16
Ethical training	Person who completed training	Person	251	1,566	42
	Completion rate	%	100	100	100
Average training hours	Per capita average training hours	Hours	43.0	52.9	28.0
	Average training hours for males	Hours	43.6	53.3	31.0
	Average training hours for females	Hours	40.5	47.6	24.0

Parental leave

Category	Unit	2021	2022	2023					
				OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Number of males taking parental leave	Person	5	5	0	0	0	-	0	0
Number of females taking parental leave	Person	13	11	1	7	0	-	0	1

Labor union membership

Category	Unit	2021	2022	2023					
				OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Labor union membership ratio	%	99.7	99.7	-	99.9	-	-	-	-

Violations and measures taken related to human rights issues

Category		Unit	2021	2022	2023
Number of human rights related cases reported		Case	2	1	2
By type	Discrimination	Case	0	0	0
	Sexual/Workplace harassment	Case	2	1	2
Resolution rate of human rights-related cases reported[1]		%	100	100	100

1) Percentage where related actions were completed through fact confirmation and investigation among reported cases

Industrial accidents

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company	OCI SE	OCIM	OCIE & Others	Others
Employee industrial accidents	Number of casualties	Person	4	6	0	11	0	5	6	0
	Number of fatalities	Person	0	0	0	0	0	0	0	0
	Occupational injury rate	%	0.26	0.37	0	0.68	0	6.36	-	0
	Injury frequency rate	%	1.06	1.64	0	3.34	0	2.62	-	0
	LTIFR (Lost-time injuries frequency rate)	-	1.06	1.64	0	3.34	0	1.57	4.68(MSE)	0
	TRIR (Total recordable incident rate)	-	-	-	0	-	0	2.62	0.90(MSE), 6.20(OCIAL)	0

Social contribution

Category	Unit	2021	2022	2023[1]
Social contribution through donations	KRW millions	288	389	1,476
Social contribution costs	KRW millions	108	114	239

1) In 2023, following the transition to a holding company structure, OCI Holdings led initiatives for social contribution, resulting in a significant increase in donations and costs.

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Governance/Economic Performance

Composition of the Board of Directors

Category		Unit	2021	2022	2023
Number of directors		Person	9	7	7
Board size	Number of executive directors	Person	3	3	3
	Number of independent directors	Person	5	4	4
	Number of non-executive director	Person	1	0	0
Gender	Number of female directors	Person	2	2	2
	Number of male directors	Person	7	5	5

Participation in the Board of Directors

Category	Unit	2021	2022	2023
Average Board of Directors attendance rate	%	99	92	95
Average incumbency of directors	Years	9.1	10.1	9.5

Stock ownership

Category		Unit	2021	2022	2023
Number of shares owned by the management	Shares owned by the CEO[1]	%	0.0	0.0	0.0
	Shares owned by the management except the CEO	%	5.1	5.1	6.6
Shareholders with 5% or more ownership	Shares owned by National Pension Service	%	9.8	8.4	10.1
	Shares owned by the largest shareholders	%	5.4	5.4	7.4
	Shares owned by specially related Person[2]	%	10.4	10.4	13.9

1) Includes shares owned by executive director
2) Includes shares owned by specially related person who owns more than 5%, except for the largest shareholders

Management-employee remuneration

Category	Unit	2021	2022	2023
CEO remuneration[1]	KRW thousands	833,992	876,721	598,190[3]
Employee remuneration[2]	KRW thousands	88,800	95,833	133,220
Gap in the remuneration of the CEO and employee	Multiple	9.39	9.15	4.49

1) Remuneration for executive director
2) Average remuneration per employee as disclosed in business report
3) Including remuneration for eight months as the CEO was inaugurated in May 2023

Corporate tax payment

Category	Unit	2021	2022	2023
Profit before tax	KRW thousands	401,095,514	753,863,041	532,950,437
Nominal tax amount (tax burden according to applicable tax rate)	KRW thousands	- 70,585,732	32,791,440	75,018,108
Amount of tax paid	KRW thousands	- 7,733,665	2,391,163	40,339,369

Payment and contribution to associations/organizations

Category		Unit	2021	2022	2023
Political sponsorship/contribution[1]		KRW (or other currencies)	0	0	0
Payment/contribution to associations and organizations		KRW (or other currencies)	403,999	434,303	36,035
For 2021 and 2022[2]	Korea Petrochemical Industry Association	KRW thousands	65,292	62,124	
	International Isocyanate Institute	KRW thousands	28,660	41,698	
	Korea Chlor Alkali Industry Association	KRW thousands	32,400	32,400	-
	International Tar Association	KRW thousands	5,364	7,926	
	Korea Chemicals Management Association	KRW thousands	3,380	2,380	
For 2023[2]	Korea Listed Companies Association	KRW thousands			18,835
	Seoul Chamber of Commerce and Industry	KRW thousands			14,320
	Korea Investor Relations Service	KRW thousands	-	-	1,900
	Korea Listed Companies Association (Auditor Association)	KRW thousands			980
	Korea Enterprises Federation	KRW thousands			0

1) No political contributions are made under Article 31 (Restrictions on Contributions) of the Political Funds Act.
2) Major associations/organizations of OCI Holdings for 2023 are different than those for 2021 and 2022 due to the spin-off and transition to holdings company structure.

Number of violations related to ethics and compliance

Category		Unit	2021	2022	2023					
					OCI Holdings	OCI Company[2]	OCI SE	OCIM	OCIE & Others	Others
Total number of reports received		Case	3	3	4	0	0	0	0	0
By type	Corruption and bribery	Case	1	2	2	0	0	0	0	0
	Discrimination and sexual/workplace harassment	Case	2	1	2	0	0	0	0	0
	Information privacy	Case	0	0	0	0	0	0	0	0
	Money laundering and internal transactions[3]	Case	-	-	0	0	0	0	0	0
	Conflicts of interest[3]	Case	-	-	0	0	0	0	0	0

1) Disclosing number of reports per category starting from 2023
2) Based on the number of reports received by OCI Company after spin-off in 2023

Ethics and compliance risk assessment

Category	Unit	2021[1]	2022[1]	2023[2]
Sites that conduct Ethics and compliance risk assessment	%	100	100	100

1) Based on the business site of the surviving entity OCI Holdings and its domestic affiliates subject to risk assessment for the corresponding year
2) Based on the OCI Holdings and its domestic and overseas affiliates subject to risk assessment for the corresponding year

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

GRI Index

The Global Reporting Initiative (GRI) is an international organization that recommends that companies prepare ESG reports and provides guidelines for preparing the ESG reports. OCI Holdings prepares reports in accordance with GRI Standards 2021 for ESG reporting, and discloses the reports transparently.

GRI Standard	Disclosure Indicators		Reporting page	Remarks
GRI 2: General Disclosures 2021	2-1	Organizational details	84	
	2-2	Entities included in the organization's sustainability reporting	2	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information		Processed the annotation for the rewritten data
	2-5	External assurance	81, 82	
	2-6	Activities, value chain and other business relationships	5, 6, 7-16, 18	Business report for Period 50> II. Details of business> 1. Business Overview - 4. Statuses of Sales & Order
	2-7	Employees	73	
	2-8	Workers who are not employees	73	
	2-9	Governance structure and composition	55-58	
	2-10	Nomination and selection of the highest governance body	57	
	2-11	Chair of the highest governance body	55	
	2-12	Role of the highest governance body in overseeing the management of impacts	55, 58	
	2-13	Delegation of responsibility for managing impacts	55, 58	
	2-14	Role of the highest governance body in sustainability reporting	55, 58	
	2-15	Conflicts of interest	56	
	2-16	Communication of critical concerns	21	
	2-17	Collective knowledge of the highest governance body	58	
	2-18	Evaluation of the performance of the highest governance body	57	
	2-19	Remuneration policies	57	
	2-20	Process to determine remuneration	57	
	2-21	Annual total compensation ratio	57	
	2-22	Statement on sustainable development strategy	4, 23	
	2-23	Policy commitments	4, 23	
	2-24	Embedding policy commitments	4, 23	
	2-25	Processes to remediate negative impacts	42, 48, 59-61, 64	
	2-26	Mechanisms for seeking advice and raising concerns	42, 48, 59-61, 64	
	2-27	Compliance with laws and regulations		Business report for Period 50> XI. Other Necessary Matters to Protect Shareholders > 3. Matters Related to Sanctions, Etc.
	2-28	Membership associations	86	
	2-29	Approach to stakeholder engagement	21	
	2-30	Collective bargaining agreements	74	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	19	
	3-2	List of material topics	19-20	
	3-3	Management of material topics	20	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed (EVG&D)	5, 6, 18	
	201-2	Financial implications and other risks and opportunities due to climate change	25-26	
	201-3	Defined benefit plan obligations and other retirement plans	39, 74	
	201-4	Financial assistance received from the government	-	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	49-51	
	203-2	Significant indirect economic impacts	47, 49-51	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	-	
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	57	
	205-2	Communication and training about anti-corruption policies and procedures	63-65, 74	
	205-3	Confirmed incidents of corruption and actions taken	75	
GRI 206: Anti-Competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Business report for Period 50> XI. Other Necessary Matters to Protect Shareholders > 3. Matters Related to Sanctions, Etc.
GRI 207: Tax 2019	207-1	Approach to tax	62	
	207-2	Tax governance, control, and risk management	62	
	207-3	Stakeholder engagement and management of concerns related to tax	62	
	207-4	Country-by-country reporting	62	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	-	
	301-2	Recycled input materials used	-	
	301-3	Reclaimed products and their packaging materials	-	

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

GRI Index

GRI Standard	Disclosure Indicators		Reporting page	Remarks
GRI 302: Energy 2016	302-1	Energy consumption within the organization	72	
	302-2	Energy consumption outside the organization	-	
	302-3	Energy intensity	72	
	302-4	Reduction of energy consumption	27	
	302-5	Reductions in energy requirements of products and services	-	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	29, 30	
	303-2	Management of water discharge-related impacts	29, 30	
	303-3	Water withdrawal	72	
	303-4	Water discharge	72	
	303-5	Water consumption	72	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	31	
	304-2	Significant impacts of the activities, products, and services on biodiversity	31	
	304-3	Habitats protected or restored	31	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	26, 72	
	305-2	Indirect (Scope 2) GHG emissions	26, 72	
	305-3	Other indirect (Scope 3) GHG emissions	72	
	305-4	GHG emissions intensity	72	
	305-5	Reduction of GHG emissions	27	
	305-6	Emissions of ozone-depleting substances (ODS)	-	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	73	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	-	Does not have significant impact
	306-2	Management of significant waste-related impacts	30	
	306-3	Waste generated	72	
	306-4	Waste diverted from disposal	72	
	306-5	Waste directed to disposal	72	

GRI Standard	Disclosure Indicators		Reporting page	Remarks
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	-	
	308-2	Negative environmental impacts in the supply chain and actions taken	48	
GRI 401: Employment 2016	401-1	New employees hires and employee turnover	74	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	39	
	401-3	Parental leave	39, 74	
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	46	
	403-2	Hazard identification, risk assessment, and incident investigation	46	
	403-3	Occupational health services	45	
	403-4	Worker participation, consultation, and communication on occupational health and safety	43	
	403-5	Worker training on occupational health and safety	44	
	403-6	Promotion of worker health	45	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	43-45	
	403-8	Workers covered by an occupational health and safety management system	45	
	403-9	Work-related injuries	74	
	403-10	Work-related ill-health	74	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	74	
	404-2	Programs for upgrading employee skills and transition assistance programs	38, 39	
	404-3	Percentage of employees receiving regular performance and career development reviews	74	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	56, 73	
	405-2	Ratio of basic salary and remuneration of women to men	74	
GRI 406: Non-Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	74	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	41, 48	

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

GRI Index

GRI Standard	Disclosure Indicators		Reporting page	Remarks
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	41, 48	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	41, 48	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	41	None of related events occurred
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	49-51	
	413-2	Operations with significant actual and potential negative impacts on local communities	35, 41	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	-	
	414-2	Negative social impacts in the supply chain and actions taken	48	
GRI 415: Public Policy 2016	415-1	Political contributions	75	No political contributions have been made.
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	32	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	-	
	417-2	Incidents of non-compliance concerning product and service information and labeling	-	
	417-3	Incidents of non-compliance concerning marketing communications	-	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	None of related complaints reported

TCFD

The Task Force on Climate-related Financial Disclosures (TCFD) is an initiative created by the Financial Stability Board (FSB) in 2015 with a mandate from finance ministers and central bank governors of the Group of 20 (G20) with the aim to promote climate change-related information disclosure by companies. OCI Holdings discloses climate change response efforts according to the TCFD recommendations to systematically respond to climate change as a potential risk and to help stakeholders understand our corporate strategy.

Category	TCFD recommended disclosures	Reporting page
Governance	a) Describe the board's oversight of climate-related risks and opportunities	25
	b) Describe management's role in assessing and managing climate-related risks and opportunities	
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	25-26
	b) Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning	
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
Risk management	a) Describe the organization's processes for identifying and assessing climate-related risks	26
	b) Describe the organization's processes for managing climate-related risks	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	
Metrics and targets	a) Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	26, 72
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

SASB Index

The Sustainability Accounting Standards Board (SASB) is a nonprofit organization that stipulated standards by industry to report the nonfinancial elements of companies in conjunction with financial performance. It established and operates the SASB Index, a sustainability accounting standard. The SASB Index presents sustainability risk topics related to a specific industry, and encourages companies to communicate with investors and stakeholders by continuously disclosing reports on these topics. OCI Holdings prepares reports according to the SASB Standards for its main business sectors, Chemicals and Solar Technology and Project Developers industry.

* Performance in 2021 and 2022 is on a separate basis of OCI Company, before the spin-off, and performance in 2023 includes data of OCI Holdings and the subsidiaries (OCI, OCI SE, DCRE, OCI I&C, OCIM, OCIE, OCI SP, OCI AL, MSE) specified within the defined reporting scope. (Any data that differs from this scope is annotated.)

Topic	Code	Metric	Unit	2021	2022	2023	Remarks
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions	tCO₂eq	661,434	644,402	1,969,776	
		Percentage covered under emissions-limiting regulations	%				Not reported
	RT-CH-110a.2	Discussion of long-and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-			p. 25-26	
Air Quality	RT-CH-120a.1	Air emissions of NOx (excluding N_2O)	ton	779	853	921	
		Air emissions of SOx	ton	488	572	542	
		Air emissions of Volatile Organic Compounds (VOCs)	ton			1.2	
		Air emissions of hazardous air pollutants (HAPs)	ton			0.4	
Energy Management	RT-CH-130a.1, RR-ST-130a.1	Total energy consumed	TJ	18,132	18,577	50,983	
		Percentage grid electricity	%			p. 72	Reported separately by company
		Percentage renewable	%				Not reported
		Total self-generated energy	TJ			p. 72	Reported separately by company
Water Management	RT-CH-140a.1, RR-ST-140a.1	Total water withdrawn	ton	9,294,068	10,018,242	20,250,752	
		Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	%	0	0	0	
		Total water consumed	ton	9,294,068	10,018,242	20,250,752	
		Percentage of water consumed in regions with High or Extremely High Baseline Water Stress	%	0	0	0	
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	number				Business report > XI. Other Necessary Matters to Protect Shareholders> 3. Matters Related to Sanctions, Etc.
	RT-CH-140a.3, RR-ST-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	-			p. 30	
Hazardous Waste Management	RT-CH-150a.1, RR-ST-150a.1	Amount of hazardous waste generated	ton	6,016	5,354	33,324	
		Percentage of hazardous waste recycled	%	8.6	9.4	1.8	
	RR-ST-150a.2	Number of reportable spills	number				Business report > XI. Other Necessary Matters to Protect Shareholders> 3. Matters Related to Sanctions, Etc.
		Aggregate quantity of reportable spills	ton				Not reported
		Quantity recovered of reportable spills	ton				Not reported
Ecological Impacts of Project Development	RR-ST-160a.1	Number and duration of project delays related to ecological impacts	-				Not reported
	RR-ST-160a.2	Description of efforts in solar energy system project development to address community and ecological impacts	-			p. 34	
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	-			p. 21, 35, 41	

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

SASB Index

Topic	Code	Metric	Unit	2021	2022	2023	Remarks
Workforce Health & Safety	RT-CH-320a.1	Total recordable incident rate (TRIR) for direct employees	rate			p. 74	Reported separately by company
		Fatality rate for direct employees	rate	0	0	0	
		Total recordable incident rate (TRIR) for contract employees	rate				Not reported
		Fatality rate for contract employees	rate				Not reported
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	-			p. 74	
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	KRW				Not reported
Management of Energy Infrastructure Integration & Related Regulations	RR-ST-410a.1	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	-			p. 60-61	
	RR-ST-410a.2	Description of risks and opportunities associated with energy policy and its effect on the integration of solar energy into existing energy infrastructure	-			p. 60-61	
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	Percentage of products that contain GHS[1] Category 1 and 2 health and environmental hazardous substances	%				Not reported
	RT-CH-410b.1	Percentage of products containing GHS[1] category 1 and 2 health and environmental hazardous substances that have undergone a hazard assessment	%				Not reported
	RT-CH-410b.2	Discussion of strategy to manage chemicals of concern and develop alternatives with reduced human and/or environmental impact	-			p. 32	
Product End-of-life Management	RR-ST-410b.1	Percentage of products sold that are recyclable or reusable	%				Not reported
	RR-ST-410b.2	Weight of end-of-life material recovered, percentage recycled	%				Not reported
	RR-ST-410b.3	Percentage of products by revenue that contain IEC 62474[2] declarable substances	%				Not applicable
	RR-ST-410b.4	Description of approach and strategies to design products for high-value recycling	-				Not reported
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	%				Not applicable
Materials Sourcing	RR-ST-440a.1	Description of the management of risks associated with the use of critical materials	-			p. 60-61	
	RR-ST-440a.2	Description of the management of environmental risks associated with the polysilicon supply chain	-			p. 60-61	
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	-			p. 35, 60-61	
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC)	number				Not reported
		Process Safety Total Incident	rate				Not reported
		Process Safety Incident Severity Rate (PSISR)	rate				Not reported
	RT-CH-540a.2	Number of transport incidents	number				Not reported
Activity Metric	RT-CH-000.A	Production by segment - Basic Chemicals	ton	119,000	121,000	105,000	
		Production by segment - Carbon Chemicals	ton	1,072,000	1,030,000	1,036,000	
	RR-ST-000.A	Total capacity of photovoltaic (PV) solar modules produced	MW				Not reported
	RR-ST-000.B	Total capacity of completed solar energy systems	MW			p. 10	
	RR-ST-000.C	Total project development assets	KRW				Not reported

1) Globally Harmonised System of Classification and Labelling of Chemicals
2) IEC 62474 (Material Declaration for Products of and for the Electrotechnical Industry) defined by International Electrotechnical Commission

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

GHG Verification Statement

To readers of OCI Holdings Integrated Report 2023

Introduction

DNV Business Assurance Korea Ltd. ("DNV") was commissioned by OCI Holdings Company Ltd. ("OCI Holdings") to perform third party verification for the OCI Holdings' Greenhouse Gas Inventory Report ("the report") in the calendar year 2023. OCI Holdings is responsible for the preparation of the GHG emissions data on the basis set out within the guidelines on the operation of GHG emission trading scheme ("ETS") (Notification No. 2023-221 of Ministry of Environment)'. Our responsibility in performing this work is to the management of OCI Holdings only and in accordance with terms of reference agreed with them. DNV expressly disclaims any liability or responsibility for any decisions, whether investment or otherwise, based upon this assurance opinion.

Scope of Assurance

The GHG emissions data covered by our examination comprise Direct emissions (Scope 1) and Energy indirect emissions (Scope 2) from OCI Holdings boundary of the report;

- Reporting Period: 2023.01.01~2023.12.31
- Organizational boundary for reporting: OCI Holdings (in Korea)

Verification Approach

The verification has been conducted by DNV on February to March 2024 and performed in accordance with the verification principles and tasks outlined in the guidelines on the operation of GHG ETS (Notification No.2023-221, Korean Ministry of Environment) and the verification guideline for GHG ETS (Notification No. 2021-112, Korean Ministry of Environment). We planned and performed our work to obtain all the information and explanations deemed necessary to provide us with sufficient evidence to provide a reasonable verification opinion concerning the completeness of the emission inventory as well as the reported emission figures in ton CO2 equivalent. As part of the verification process, we have reviewed as follows;

- We have reviewed the GHG emissions report for the calendar year 2023
- We have reviewed and verified the process to generate, aggregate and report the emissions

Conclusions

As a result of the work described above, in our opinion nothing has come to our attention that would cause us to believe that the GHG emissions set out in OCI Holdings' report are not fairly stated. The GHG emissions of OCI Holdings for the year 2023 were confirmed as below;

Greenhouse Gas Emissions of OCI Holdings for Year 2023

Unit: ton CO2 equivalent)

Company	Direct emission (Scope 1)	Energy indirect emissions (Scope 2)	Total emissions
OCI Holdings	381.902	781.52	1,163

* Total emissions = Direct emissions(Scope 1) + Energy indirect emissions(Scope 2)
** The GHG emission is based on emissions for surrender of emissions permits.

May 2024 Seoul, Korea
DNV Business Assurance Korea Ltd
Country Representative Jang-Sub Lee



DNV BUSINESS ASSURANCE

This Verification Opinion is valid as of the date of the issuance May 2024. Please note that this Verification Opinion would be revised if any material discrepancy which may impact on the Greenhouse Gas Emissions of OCI Holdings is subsequently brought to our attention. In the event of ambiguity or contradiction in this opinion between English version and Korean version, Korean shall be given precedent.

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Third-party Assurance Statement

To readers of OCI Holdings Integrated Report 2023

Introduction

Korea Management Registrar (KMR) was commissioned by OCI Holdings to conduct an independent assurance of its Integrated Report 2023 (the "Report"). The data and its presentation in the Report is the sole responsibility of the management of OCI Holdings. KMR's responsibility is to perform an assurance engagement as agreed upon in our agreement with OCI Holdings and issue an assurance statement.

Scope and Standards

OCI Holdings described its sustainability performance and activities in the Report. Our Assurance Team carried out an assurance engagement in accordance with the AA1000AS v3 and KMR's assurance standard SRV1000. We are providing a Type 2, moderate level assurance. We evaluated the adherence to the AA1000AP (2018) principles of inclusivity, materiality, responsiveness and impact, and the reliability of the information and data provided using the Global Reporting Initiative (GRI) Index provided below. The opinion expressed in the Assurance Statement has been formed at the materiality of the professional judgment of our Assurance Team.

Confirmation that the Report was prepared in accordance with GRI standards 2021 was included in the scope of the assurance. We have reviewed the topic-specific disclosures of standards which were identified in the materiality assessment process.

- GRI Sustainability Reporting Standards 2021
- Universal standards
- Topic specific standards
  - GRI 205: Anti-corruption
  - GRI 302: Energy
  - GRI 303: Water and Effluents
  - GRI 305: Emissions
  - GRI 306: Waste
  - GRI 401: Employment
  - GRI 403: Occupational Health and Safety
  - GRI 404: Training and Education
  - GRI 405: Diversity and Equal Opportunity

As for the reporting boundary, the engagement excludes the data and information of OCI Holdings' partners, suppliers and any third parties.

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

- reviewed the overall Report;
- reviewed materiality assessment methodology and the assessment report;
- evaluated sustainability strategies, performance data management system, and processes;
- interviewed people in charge of preparing the Report;
- reviewed the reliability of the Report's performance data and conducted data sampling;
- assessed the reliability of information using independent external sources such as Financial Supervisory Service's DART and public databases.

Limitations and Recommendations

KMR's assurance engagement is based on the assumption that the data and information provided by OCI Holdings to us as part of our review are provided in good faith. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. To address this, we referred to independent external sources such as DART and National Greenhouse Gas Management System (NGMS) and public databases to challenge the quality and reliability of the information provided.

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with OCI Holdings on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

Inclusivity

OCI Holdings has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

Materiality

OCI Holdings has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

Responsiveness

OCI Holdings prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of OCI Holdings' actions.

Impact

OCI Holdings identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

Competence and Independence

KMR maintains a comprehensive system of quality control including documented policies and procedures in accordance with ISO/IEC 17021-2015 - Requirements for bodies providing audit and certification of management systems. This engagement was carried out by an independent team of sustainability assurance professionals. KMR has no other contract with OCI Holdings and did not provide any services to OCI Holdings that could compromise the independence of our work.

June 2024 Seoul, Korea

CEO

E. J Hwang

KMR SRV1000 Sustainability Committee Assurance AA1000 Licensed Report 000-129/V3-Q7KUC

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Product List

Product name	Molecular formula	Cas no.	Key applications	Company	Plants
Category - Basic Chemicals					
Polysilicon	Si	7440-21-3	Key material for solar cells and semiconductor wafers	OCI Company/OCIM	Gunsan, Korea / Sarawak, Malaysia
Hydrogen peroxide	H_2O_2	7722-84-1	Bleach, disinfectants	OCI Company / Philko Peroxide	Iksan, Korea / Makati City, Philippines
Sodium percarbonate(Sodium carbonate peroxyhydrate)	$2Na_2CO_3:3H_2O_2$	15630-89-4	Bleach, disinfectants	OCI Company / OCI Alabama	Iksan, Korea / Alabama, USA
Slim rod	Si	7440-21-3	Seed material for polysilicon manufacturing	OCI Specialty	Gongju, Korea
Ingot	Si	7440-21-3	Basic material for silicon wafers	OCI Specialty	Gongju, Korea
Wafer	Si	7440-21-3		OCI Specialty	Gongju, Korea
BPMC (2-sec Butyl phenyl methyl carbamate, Fenobucarb)	$C_{12}H_{17}NO_2$	3766-81-2	Carbamate insecticide for rice and cotton crops	OCI Vietnam	Binh Duong, Vietnam
Frit, Composition, Printing powder		7783-82-6	Glaze for tile and ceramics	OCI Ferro	Ansan, Korea
Stain		7631-86-9	Pigment for tile and ceramics	OCI Ferro	Ansan, Korea
Medium	Si	3766-81-2	Printing powder	OCI Ferro	Ansan, Korea
Category - Petrochemicals & Carbon Materials					
Carbon black	C	1333-86-4	Pigment and reinforcing agent for rubbers, inks, and electrical insulation	OCI Company / OCI-Jianyang Carbon Black	Pohang, Gwangyang, Korea / Sichuan, China
Naphthalene	$C_{10}H_8$	91-20-3	Dye chemicals	OCI Company / Shandong OCI / Ma Steel OCI Chemical	Pohang, Gwangyang, Korea / Shandong, Anhui, China
Pitch	-	65996-93-2	Binder for aluminum smelting	OCI Company / Shandong OCI / Ma Steel OCI Chemical	Pohang, Gwangyang, Korea / Shandong, Anhui, China
Wash oil	-	90640-84-9	Synthetic resins, solvent	OCI Company / Shandong OCI / Ma Steel OCI Chemical	Pohang, Gwangyang, Korea / Shandong, Anhui, China
Carbon black oil		8001-58-9	Carbon black	Shandong OCI / Ma Steel OCI Chemical	Shandong, Anhui, China
Creosote		8001-58-9	Carbon black, wood preservatives	OCI Company / Shandong OCI / Ma Steel OCI Chemical	Pohang, Gwangyang, Korea / Shandong, Anhui, China
Decant oil	$C_6H_5CH_3$	71-43-2	Synthetic resins	Shandong OCI / Ma Steel OCI Chemical	Shandong, Anhui, China
Category - Energy Solutions & Others					
Solar PV energy development and operation			Utility-scale solar PV plant construction, operation and electricity sales	OCI Solar Power	Texas, USA
Solar PV energy development and operation			Distributed solar PV plant construction, operation and electricity sales	OCI Solar (China)	Jiaxing, Hongze, Wuxi, Yantai, China
Solar modules			Solar module manufacturing	Mission Solar Energy	Texas, USA
Solar trackers			Dual-axis solar tracker manufacturing	Sun Action Trackers	Texas, USA
Electricity, Steam			Electricity	OCI SE	Gunsan, Korea

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Global Network



Korea

1. OCI Company
- Address: OCI Building, 94 Sogong-ro, Jung-gu, Seoul
- Tel: +82-02-727-9500
- Services: basic chemicals and advanced materials

2. OCI SE
- Address: 213, Saemangeum sandan 3-ro, Gunsan-si, Jeollabuk-do, 54002, Korea
- Tel: +82-63-440-9100
- Service: operation of cogeneration power plants

3. DCRE
- Address: 230, Dokbae-ro, Michuhol-gu, Incheon, 22205, Korea
- Tel: +82-32-830-2500
- Service: real estate development

4. OCI SPECIALTY
- Address: 110, Tancheonsaneopdanji-gil, Tancheon-myeon, Gongju, Chungcheongnam-do, 32611, Korea
- Tel: +82-41-851-7000
- Products: slim rod (filament)

5. OCI Power
- Address: 4F, OCI Bldg., 94 Sogong-ro, Jung-gu, Seoul, 04532, Korea
- Tel: +82-2-3016-1100
- Products: inverter production, development and operation of solar PV energy

6. OCI INFORMATION & COMMUNICATION
- Address: 8F, OCI Bldg., 94 Sogong-ro, Jung-gu, Seoul, 04532, Korea
- Tel: +82-2-6288-1000
- Products: information system consulting, development, management, and operations

7. OCI DREAM
- Address: 2F, OCI Bldg., 94, Sogong-ro, Jung-gu, Seoul, 04532, Korea
- Tel: +82-2-776-7511
- Service: dining business (Sun the Bud), culture project

8. OCI Ferro
- Address: 253-21, Wonsi-ro, Danwon-gu, Ansan, Gyeonggi-do, 15429, Korea
- Tel: +82-31-489-8800
- Products: ceramic frits, zircon silicates

9. Bukhwang Pharmaceutical
- Address: 7 Sangdo-ro, Dongjak-gu, Seoul
- Tel: +82-2-3016-1100
- Services: research and development of biopharmaceuticals

10. Hyundai OCI
- Address: 182, Pyeongsin 2-ro, Daejuk-ri, Daesaneup, Seosansi, Chungcheongnam-do, 31902, Korea
- Tel: +82-2-2004-3600
- Products: carbon black

11. P&O CHEMICAL
- Address: 29, Taein 1-gil, Gwangyang-si, Jeollanam-do, Korea
- Tel: +82-61-793-2764
- Products: hydrogen peroxide

North East Asia

12. OCI CHINA CO., LTD.
- Address: Room 302, Building 9, No. 696, Weihai Road, Jingan District, Shanghai, China
- Tel: +86-21-3372-2600
- Products: Polysilicon and chemical sales, business development

13. SHANDONG OCI CO., LTD.
- Address: No.1 Hengshan Road, chemical industrial complex Xuecheng District, Zaozhuang City, Shandong Province, 277000, China
- Tel: +86-632-805-7103
- Products: pitch, CBO, naphthalene and others

14. MA STEEL OCI CHEMICAL CO., LTD.
- Address: No.1 Kunlunshan Road, Xuecheng District, Zaozhuang City, Shandong Province, China. 277000
- Tel: +86-555-3500-375
- Products: pitch, CBO, naphthalene and others

15. SHANDONG OCI-JIANYANG CARBON BLACK CO., LTD.
- Address: Xuecheng Economic Development Zone (east side of Shugang Road, west side of Zhuqiao Road(II), north side of ChangZhuang Road(II)), Zaozhuang, Shandong, China, 277000
- Tel: +86-632-768-0763
- Products: carbon black

16. OCI SOLAR (CHINA) CO., LTD.
- Address: Room 501-1, No.1 Bldg., Lijing Plaza, Gaozhao Street, Xiuzhou District, Jiaxing City, Zhejiang Province, China
- Tel: +86-573-8398-0000
- Service: development and operation of solar PV energy

17. OCI JAPAN CO., LTD.
- Address: 3F, Mita Kokusai Building, 1-4-28 Mita, Minato-ku, Tokyo, 108-0073, Japan
- Tel: +81-3-6400-5800
- Products: Carbon black and chemical sales, business development

South East Asia

18. OCIM SDN. BHD.
- Address: Lot 600, 6th Floor, Wisma Bukit Mata Kuching, Jalan Tunku Abdul Rahman, 93100 Kuching, Sarawak, Malaysia
- Tel: +60-82-422-705
- Fax: +60-82-427-708
- Products: polysilicon

19. OCI VIETNAM CO., LTD.
- Address: KM24, DT743 Street, Binh Thang Village, Di An Town, Binh Duong Province, Vietnam
- Tel: +84-650-375-0461
- Products: insecticides, fungicides, herbicides, surfactants

20. PHILKO PEROXIDE CORP.
- Address: Unit 8-1, 8th Floor, BDO Towers Paseo, 8741 Paseo de Roxas, Bel-Air, Makati City 1209 NCR Fourth District
- Tel: +63-2-889-6120
- Products: hydrogen peroxide, other chemicals

The U.S.A

21. OCI Enterprises
- Address: 8000 IH-10 West, Suite 1201, San Antonio, TX 78230, USA
- Tel: +1-210-453-3100
- Service: Regional holding company

22. OCI SOLAR POWER LLC
- Address: 8000 IH-10 West, Suite 1201, San Antonio, TX 78230, USA
- Tel: +1-210-453-3100
- Service: development and operation of solar PV energy

23. MISSION SOLAR ENERGY LLC
- Address: 8303 S. New Braunfels Avenue, San Antonio, TX 78235, USA
- Tel: +1-210-531-8600
- Products: solar modules

24. OCI ALABAMA LLC
- Address: 1455 Red Hat Road, Decatur, AL 35601, USA
- Tel: +1-256-301-5236
- Products: sodium percarbonate

25. SUN ACTION TRACKERS LLC
- Address: 15143 Tradesman Drive San Antonio, TX 78249, USA
- Tel: +1-210-585-8224
- Products: trackers

Consolidated Financial Statements
Independent Auditor's Report
ESG Data
GRI Index
TCFD
SASB Index
GHG Verification Statement
Third-Party Assurance Statement
Product List
Global Network
Responsible Care
Association Memberships

Responsible Care

"Responsible Care" is the global chemical industry's voluntary initiative to achieve excellence in environmental, health, safety and security performance. It is driving the improvement of sustainability in the entire life cycle of all chemical products from development to manufacturing, sales, distribution, use and disposal. As a member of Responsible Care, OCI Company is committed to carrying out sustainable management in accordance with the guidelines of the Responsible Care initiative and creating social value.

Responsible Care policy

The chemical industry is a key sector for national development. In pursuit of sustainable growth, OCI Company is committed to enhancing safety, health, and environmental standards. Our goals include building social trust and contributing to global environmental protection efforts. As a member of the Korea Responsible Care Council, we adhere to specific objectives to ensure sustainable management.

1. We set Responsible Care as one of our management goals, and all members participate in implementation programs.
2. We strive to minimize risks in the production, transport, use, and disposal of products and to prioritize safety, health and the environment.
3. We proactively communicate and respond to the environmental, safety and health interests of employees, customers, communities and related organizations.
4. We provide our customers with adequate advice and timely information on the risks of chemical products to ensure their safe use, transport and disposal.
5. We work with government agencies and experts to solve safety, health and environmental problems and develop technologies.
6. We actively share safety, health and environmental information with the global chemical industry and participate in international activities.
7. We form a consultative body to share knowledge and experience with companies on safety, health and the environment to promote Responsible Care activities.

Association memberships

Category	Associations and organizations			
OCI Holdings	• Korea Listed Companies Association (Auditor Association) • Korea Listed Companies Association	• Korea Investor Relations Service • Korea Enterprises Federation	• Seoul Chamber of Commerce and Industry	
OCI Company	• Korea Chemicals Management Association • Korea Responsible Care Council • Korea Listed Companies Association (Auditor Association) • Korea Enterprises Federation • Seoul Chamber of Commerce and Industry • Korea Listed Companies Association • Korea Association for Chief Financial Officers • Korea Investor Relations Service	• Korea Petrochemical Industry Association • Korea Specialty Chemical Industry Association • Korea Chlor Alkali Industry Association • Triple I (International Isocyanate Institute) • Korea Vinyl Environmental Council • International Tar Association	• Japan Chemical Innovation and Inspection Institute • The Rubber Society of Korea • Korea Rubber Industry Association • Korea Carbon and Nano Industry Association • Korea Research Association of Silicone Industry • Korea Semiconductor Industry Association	• Korea Photovoltaic Society • Korea Industrial Technology Association (CTO Club) • Korea Feed Ingredients Association • Korea International Trade Association • Korea Biomedicine Industry Association • Korea Biotechnology Industry Organization • Entrepreneurship Round Table (ERT)
OCI Power	• Korea Photovoltaic Industry Association			
OCI SE	• Jeonbuk Environmental Engineers Association • Gunsan Enterprise Environmental Council • Gunsan Fire Association	• Jeonbuk Chemical Plants Association • Gunsan Safety and Health Council • Saemangeum Industrial Complex Development Council	• Gunsan Industrial Complex Development Council • K-CCUS Association • Korea Combined Heat and Power Association	
DCRE	• Academic Society for Incheon Studies • Incheon Business Forum		• Korea Housing Builders Association • Incheon Enterprises Federation	
OCIE & OCI Solar Power	• Solar Energy Industries Association (SEIA) • Texas Solar Power Association (TSPA) • Advanced Power Association (APA)		• North American Energy Markets Association (NAEMA) • Gulf Coast Power Association (GCPA) • Women's Energy Network (WEN) • Greater San Antonio Chamber of Commerce (SATX)	
OCIM	• Sarawak Chamber Of Commerce & Industry (SCCI) • Malaysian Employers Federation (MEF) • Federation of Malaysian Manufacturers (FMM)			

OCI Holdings