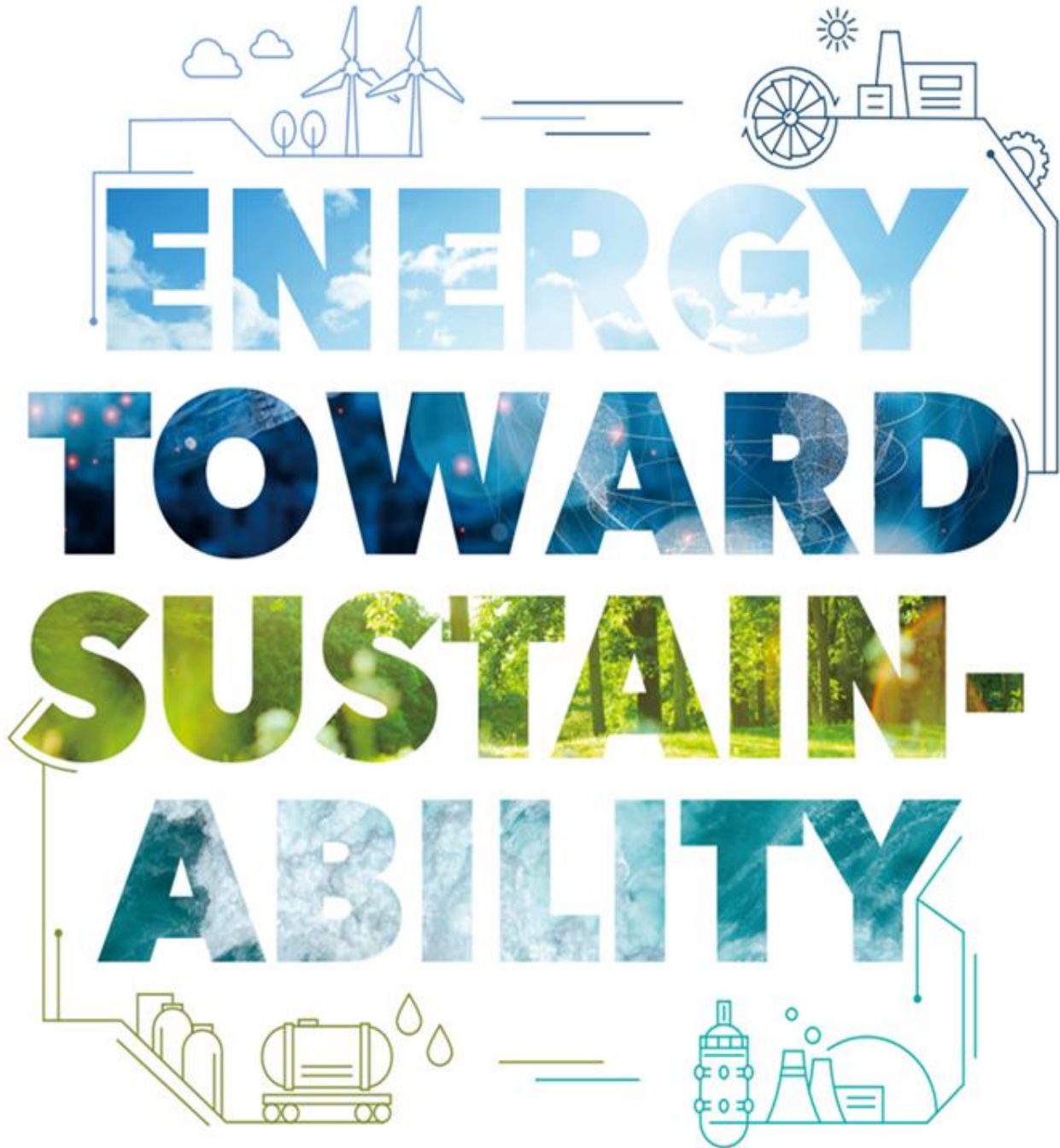


Doosan Enerbility Green Finance Framework



DOOSAN Enerbility

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1. Doosan Enerbility's ESG Strategy

Founded in 1962, Doosan Enerbility (the “Company”, “We”) has supplied integrated solutions in the fields of power generation, energy, and desalination plants in 40 countries around the world.

In early 2022, we changed our company name from “Doosan Heavy Industries & Construction” to “Doosan Enerbility.” The word “Enerbility” in our new corporate name “Doosan Enerbility” is an amalgamation of the words “Energy” and “Sustainability.” It also connotes the word “Enable,” representing the ability to align energy with sustainability. The new corporate name expresses the intrinsic core values of the company's business, while also conveying the commitment to secure sustainability by making people's lives richer and the earth cleaner with the energy technologies created by Doosan Enerbility.

As an infrastructure provider in the energy value chain, Doosan Enerbility is aware of our vital role we play in enabling the sector's decarbonization in Korea and globally. We are in the process of converting our mid- to long-term business portfolio by reducing the share of coal-fired power plant business to single digit percentage in revenue terms in 5 years and increasing the share of low-carbon energy plants to become a company that specializes in eco-friendly power generation.

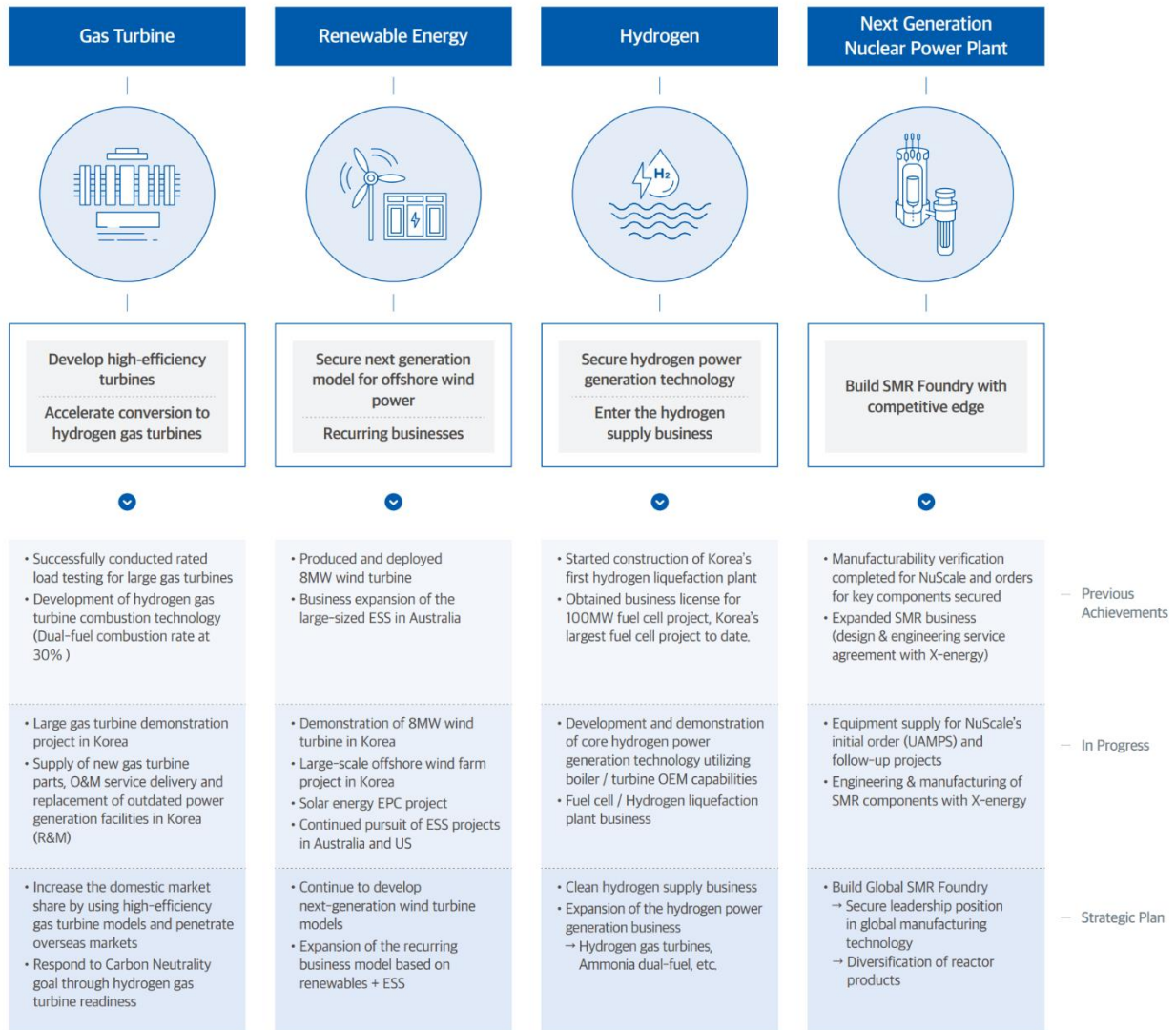
1.1 Acceleration of Eco-friendly Business Portfolio Transformation

With the newly acquired name Doosan Enerbility, the company is now taking bold strides to dominate the eco-friendly energy industry. Doosan Enerbility is focused on **transformation of its business to an eco-friendly energy portfolio and diversification of business models to include gas turbines, renewable energy, hydrogen energy and next generation nuclear power plants** which have been identified as the company's four key growth drivers. In addition to the four growth driver businesses, Doosan Enerbility is also focus on R&D investments for new business to enter the market. The new businesses include the largest innovative 3D printing manufacturing business in Korea, an eco-friendly lithium recovery process in the field of resource recycling, an innovative material business that enables the economical replacement of existing materials, and the digital transformation business.

Doosan Enerbility has laid the foundation for carbon neutrality by converting its business portfolio and seeks to respond to the rapidly changing global energy market with the four major growth drivers, new businesses and existing businesses and to conduct sustainable management.



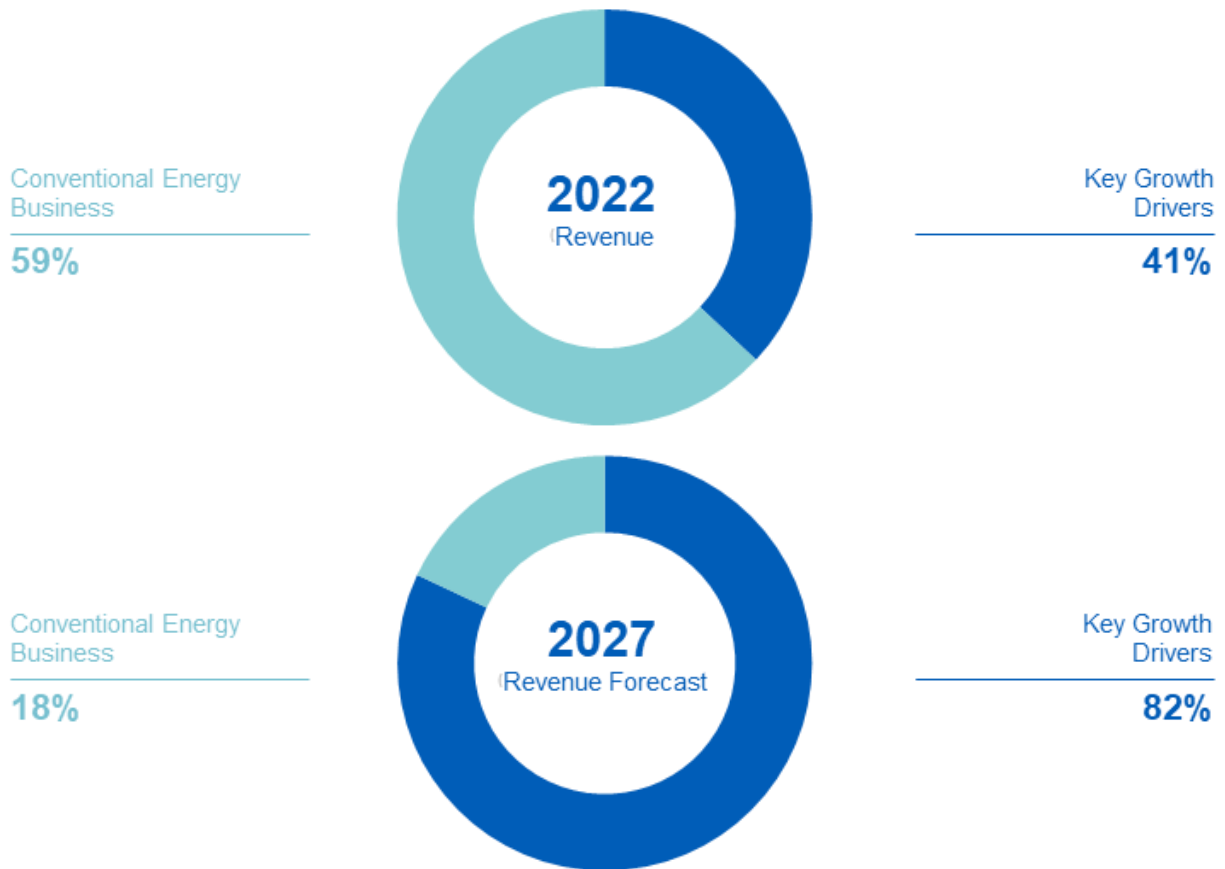
Four Growth Drivers



Doosan Energy restructured its business portfolio to focus more on eco-friendly businesses and has been making efforts to accelerate the transformation. In 2022, the revenue for the key growth driver businesses reaches 41% of the total revenue. Doosan Enerbility **aims to increase the share of the revenue in growth driver businesses to 82% by 2027** and secure additional profits through new businesses. Doosan Enerbility will raise its position as a global energy leader by transforming our business portfolio and diversifying our business models in response to changes in the market environment.



Revenue Mix by Business Drivers

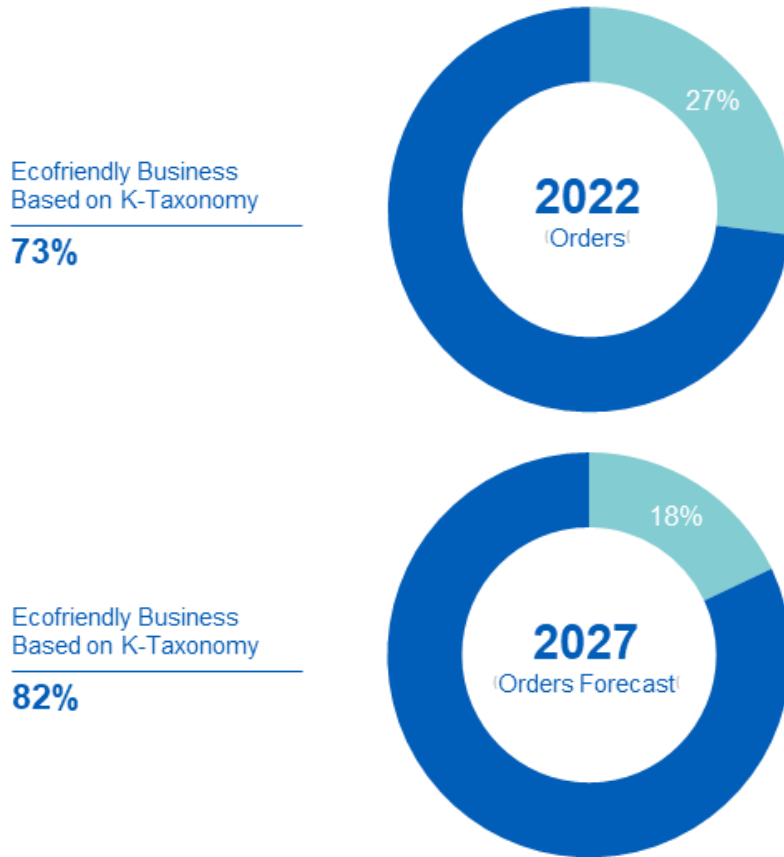


In addition, Doosan Enerbility accelerates the shift to high margin ecofriendly businesses based on the K Taxonomy¹. In 2022, the order intake for the ecofriendly business based on K-Taxonomy reaches 73% of the total order intake. Doosan Enerbility aims to **increase the share of the total order intake in ecofriendly businesses based on the K Taxonomy to 82% by 2027.**

¹ K-Taxonomy outlines clear principles and standards for "green economic activities" that contribute to achieving six environmental goals, including greenhouse gas reduction and climate change adaptation. The Ministry of Environment established the "K Taxonomy Guidelines" on December 30, 2021, to tackle greenwashing and accelerate the transition to a carbon neutral economy by helping direct capital flows to the green industry








Order Mix by Ecofriendly Business Based on K-Taxonomy



1.2 Implementation of Sustainable Management Based on SDGs

Doosan Enerbility has set goals for 2030 by selecting water, energy, climate change response, health, and education as five core areas among the 17 goals of the United Nations Sustainable Development Goals (“SDGs”). Since the establishment of the SDGs Commitment in 2017, we have been steadily promoting activities to achieve the goals. In line with the transition of our eco-friendly business portfolio, we will carry out activities to increase access to sustainable and modern energy through market expansion in gas turbine, renewable energy, hydrogen, and small modular reactors (“SMR”).



Goal	Environment	Commitment
 <p>Increase water reserves</p>	<p>SDG 6. Clean water and sanitation Ensure availability and sustainable management of water and sanitation for all (6.1 / 6.3)</p>	<p>By 2030, we will increase the water reserves of the Arabian Peninsula by more than 10% (2 billion tons) compared to BAU through the Water project, thereby continuously expanding the supply of water to water-scarce areas worldwide.</p>
 <p>Ensure sustainable energy access</p>	<p>SDG 7. Sustainable energy Ensure access to affordable, reliable, sustainable and modern energy for all (7.1 / 7.2 / 7.3)</p>	<p>By 2030, we will increase the global supply of eco-friendly power generation by more than 6% (40GW) compared to BAU with high-efficiency eco-friendly power generation technology, and contribute to diversifying the energy mix by promoting energy technologies such as high-efficiency gas turbines, wind power generation and ESS.</p>
 <p>Reduce greenhouse gas emissions</p>	<p>SDG 13. Climate change action Implement urgent action to tackle climate change and its impacts (13.1)</p>	<p>By 2030, we will reduce greenhouse gas emissions from business processes in Korea by 19% (50,000 tons) compared to 2017, and continue to develop technologies to respond to climate change to reduce greenhouse gases.</p>
 <p>Expand disease prevention and treatment</p>	<p>SDG 3. Health and welfare Ensure healthy lives and promote well-being for people of all ages (3.4)</p>	<p>By 2030, we will supply basic medicines to 80,000 underprivileged people in countries, including Vietnam and India, and support local medical care to contribute to the improvement of global health standards.</p>
 <p>Nurture local talent</p>	<p>SDG 4. Quality education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all (4.4)</p>	<p>By 2030, through the "Youth Energy Project," a flagship CSR program, we will provide 50,000 underprivileged children and adolescents with education and career experience opportunities customized for each stage of growth, thereby contributing to nurturing local talents.</p>

1.3 Greenhouse Gas Reduction Target and Action Plan

Doosan Enerbility has devised greenhouse gas reduction targets and the Net Zero Roadmap to effectively address the risks related to climate change. We have conducted an analysis on the government’s Nationally Determined Contribution target and the greenhouse gas emissions reduction trend identified in climate change scenarios showing temperatures well below 2°C and 1.5°C. Along with this, we considered the domestic renewable energy market situation and economic viability to set our greenhouse gas reduction targets.

We set a **target of achieving a 19.4% reduction by 2030 compared to the 2017 emissions level**, bringing it down from 258,000 tons in 2017 to 208,000 tons by 2030, with the **ultimate goal being to reach Net Zero by 2050** through improvement of energy efficiency at business sites, increase of renewable energy use, execution of reduction projects (offset), and application of new technologies. To achieve the target greenhouse gas reduction, we have established and implemented an annual greenhouse gas reduction execution plan. Our reduction efforts include energy efficiency improvements, conversion to renewable energy, greenhouse gas offset programs, and application of new production technologies to reduce greenhouse gas emissions at business sites and factories. We also estimate greenhouse gas emissions based on scenario analyses by climate change risk factors and measure their financial impact.

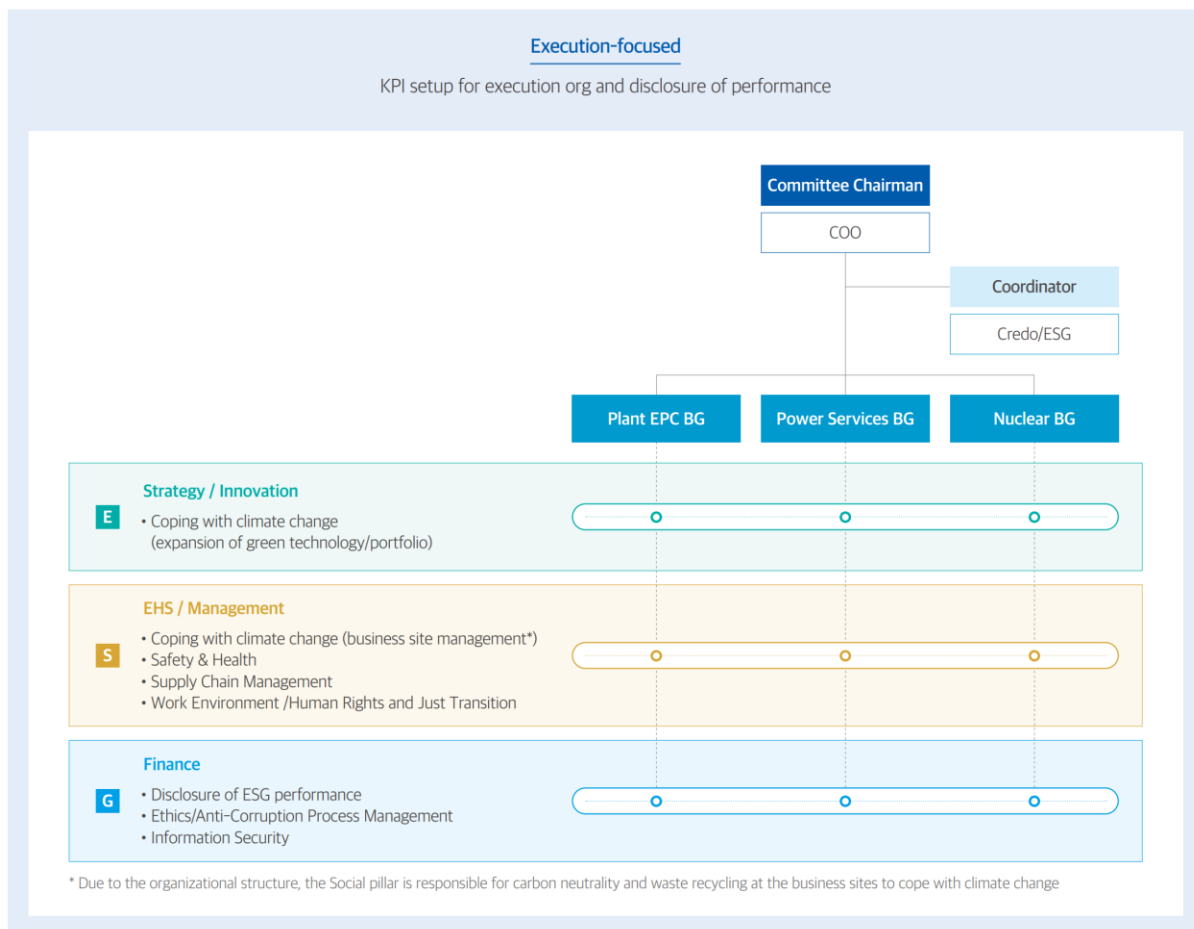


1.4 ESG Governance

Doosan Enerbility restructured the ESG Committee into a Business Group-oriented structure in the first half of 2022 to strengthen the organization’s execution power. The new ESG Committee is chaired by the COO, with the heads of the business divisions overseeing the Environmental, Social and Governance pillars. The Committee holds corporate-level discussions and devises response measures for the various ESG issues (i.e., major issues found through analysis of the needs of stakeholders and global trends observed from multiple perspectives). The Committee sets up an execution plan, considering the characteristics of the businesses and organizations, and manages the company’s ESG performance in alignment with the company’s overall strategic direction.

By doing so, we have the performance of the individual organizations managed at a corporate-wide level. In addition, the **execution plan and performance evaluation of each organization will act as a starting point for the ESG KPI assessments, which are linked to the senior management’s compensation scheme.**

ESG Committee Organization Chart




2. Doosan Enerbility Green Finance Framework (“Framework”)

The purpose of the Framework is to ensure the Doosan Enerbility (and its subsidiaries)’s potential Green Bonds and Green Loans are in alignment with the Green Bond Principles 2021 (with June 2022 Appendix I) issued by the International Capital Market Association and the Green Loan Principles 2023 jointly published by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association. This Framework contains four key pillars:





- Use of Proceeds
- Project Evaluation and Selection
- Management of Proceeds
- Reporting

2.1.1 Use of Proceeds


An amount equal to the net proceeds from any Green Bonds and / or Green Loans (collectively referred to as “Green Financing Instruments”) issued by Doosan Enerbility (or any of its subsidiaries) will be exclusively allocated to finance and / or refinance investment and expenditures meeting the eligibility criteria below (“Eligible Green Project”).

Eligible Category	Eligibility Criteria	Contribution to UN Sustainable Development Goals (“SDG”) and Environmental Objectives (“EO”)
Renewable Energy	<ul style="list-style-type: none"> ▪ Research, development, acquisition, manufacturing, construction, maintenance and upgrade of facilities or equipment dedicated for solar or wind power generation 	<div style="text-align: center;">  <p>SDG: 7.2, 7a</p> <p>EO: Climate Change Mitigation</p> </div>



<p>Pollution Prevention and Control</p>	<ul style="list-style-type: none"> Research, development, acquisition, manufacturing, construction, maintenance and upgrade of facilities or equipment dedicated for waste recovery or recycling of end-of-life battery or other waste recycling activities (e.g., recycling wind turbine blade) 	 <p>SDG: 12.5</p> <p>EO: Pollution Prevention and Control</p>
<p>Green Hydrogen</p>	<ul style="list-style-type: none"> Research, development, acquisition, manufacturing, construction, maintenance and upgrade of facilities or equipment dedicated for production of hydrogen from electrolysis solely using renewable electricity 	 <p>SDG: 7.2, 7a</p> <p>EO: Climate Change Mitigation</p>
<p>Sustainable Water Management</p>	<ul style="list-style-type: none"> Project relating to the wastewater management and water efficiency such as wastewater treatment and improved water efficiency through reduced leakage, water purification, water saving, water conservation and re-use of water Where applicable, the project shall achieve 30% or above in water efficiency improvement 	 <p>SDG: 6.3, 6.4</p> <p>EO: Pollution Prevention and Control</p>
<p>Clean Transportation</p>	<ul style="list-style-type: none"> Acquisition of electric vehicles and construction of supporting infrastructure (e.g., charging station) 	 <p>SDG: 11.2</p> <p>EO: Climate Change Mitigation and Pollution Prevention and Control</p>



<p>Energy Efficiency</p>	<ul style="list-style-type: none"> ▪ Research, development, acquisition, manufacturing, construction, maintenance and upgrade of facilities or equipment dedicated for renewable energy storage system ▪ Acquisition, installation, maintenance, and upgrade of the energy efficient equipment, such as energy efficient air conditioning system, heating ventilation, lighting systems and windows (e.g., installation of LED lights) ▪ Project relating to the upgrade of existing facilities, equipment, systems, and technology such that at least 30% improvement in energy efficiency could be achieved post upgrade (e.g., project that improves energy efficiency the existing facility) 	 <p>SDG: 9.4</p> <p>EO: Climate Change Mitigation</p>
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Doosan Enerbility commits to not knowingly allocating the net proceeds from Green Financing Instruments to fossil fuel energy generation, nuclear energy generation, weapons, and defense industries nor potentially environmentally negative resource extraction, gambling, or tobacco.

2.1.2 Process for Evaluation and Selection of Projects

The process for project evaluation and selection ensures that the net proceeds of the Green Financing instruments are allocated to investment or expenditure that meet the eligibility criteria as defined in the Use of Proceeds section of this Framework.

To ensure that allocations are made to Eligible Green Project as specified above, Doosan Enerbility has established a dedicated Green Financing Working Group (“GFWG”) to oversee the selection of Eligible Green Project and their compliance with the eligibility criteria described in the Framework. The treasury team will be responsible for sourcing the list of Eligible Green Project for GFWG’s approval. The GFWG will meet on an annual basis and when required.

The GFWG is comprised by senior representatives from Treasury team and ESG team. The GFWG is responsible for:

- Reviewing and validating the existing pool of Eligible Green Project



- Replacing of Eligible Green Project that no longer meet the eligibility criteria as defined in the Use of Proceeds section of the Framework (e.g., divestment, liquidation, concerns regarding ESG risks / alignment of underlying activity with eligibility criteria, etc.)
- Reviewing, validating, and approving the new investments or projects to be included in the pool of Eligible Green Projects
- Verifying and validating annual reporting for Green Financing instruments

The GFWG will adhere to Doosan Enerbility's internal policies and procedures to identify and manage environmental and social risks associated with financed projects. As a member of the UN Global Compact, Doosan Enerbility will abide by the 10 Principles of the UN Global Compact relating to human rights, labor, the environment, and anti-corruption. Examples of related policies and system include Environmental Management System, Supply Chain ESG Guidelines, Supply Chain ESG Management System, Human Rights Policy, Green Energy Management System, Doosan Chemical Information System, Code of Conduct, Safety & Health Implementation System, Environment, Health & Safety Policy, Quality Gate system and Environmental Guidelines. Supplemental information on Doosan Enerbility's ESG risk related policy and system can be found on its [corporate website](#) or latest [integrated report](#). Doosan Enerbility will ensure that all Eligible Green Project comply with relevant local laws and regulations and international environmental and social standards on a best effort basis.

In addition, if there is any material environmental and / or social controversy or adverse impact from the Eligible Green Project identified after the proceeds' allocation, such project will become ineligible for allocation of the Green Financing Instruments proceeds.

2.1.3 Management of Proceeds

An amount equivalent to the total net proceeds from the Green Financing Instruments shall be allocated for the financing and / or refinancing of Eligible Green Project. The treasury team of Doosan Enerbility will track the allocation of the net proceeds to Eligible Green Project by establishing and maintaining a dedicated ledger (the "Ledger").

The Ledger will record, track, and manage the allocation of the proceeds from each Green Financing Instrument issuances. The net proceeds of each Green Financing Instruments will be earmarked against the Eligible Green Project pool identified in the Ledger.

The Ledger will contain the following information:

- Green Financing Instrument issuances: type of the instrument, issuance date, maturity date, currency, amount, etc.
- List of Eligible Green Projects: eligible categories, amount, types of the project, project description
- Allocation of proceeds by eligible categories
- Amount of unallocated proceeds



Eligible Green Project shall qualify for refinancing with a maximum three-year look-back period before the issuance year of the Green Financing Instrument. On best effort basis, Doosan Enerbility will fully allocate the net proceeds of the Green Financing Instrument within three years from the issuance date.

Pending allocation, the unallocated proceeds will be held in accordance with Doosan Enerbility's treasury and liquidity management policy. The unallocated proceeds can be kept in cash or invested in cash equivalent, money market instruments, or other equivalent short-term and liquid instruments until the allocation to Eligible Green Project. So long as the Green Financing Instrument is outstanding, the balance of net proceeds will be adjusted to match allocations to Eligible Green Project.

2.1.4 Reporting

Until full allocation of the Green Financing Instruments proceeds, Doosan Enerbility shall report the information on the allocation of proceeds and the relevant impact information on an annual basis in the annual Integrated Report or in a standalone Green Financing Report, and thereafter in case of any material change to the allocation. Such reporting will be available in Doosan Enerbility's corporate website.

The allocation reporting will include information on the aggregated allocated amounts to each Eligible Category, the brief description on the types of the project financed and any balance of unallocated proceeds. The percentage of allocation of net proceeds between financing/refinancing of existing and new Eligible Projects will be also reported.

Where feasible, Doosan Enerbility shall disclose the relevant information on the expected environmental benefits by eligible categories. Below are examples of impact reporting metrics that will be reported:

Eligible Category	Examples of Impact Reporting Metrics
Renewable Energy	<ul style="list-style-type: none"> ▪ Installed capacity (MW) ▪ Annual renewable energy production (MWh) ▪ Estimated GHG emissions avoided / reduced (tCO₂e) ▪ Number of wind turbine produced
Pollution Prevention and Control	<ul style="list-style-type: none"> ▪ Annual recovery / recycling capacity on waste battery ▪ Amount of waste recycled (tonnes)
Green Hydrogen	<ul style="list-style-type: none"> ▪ Annual green hydrogen production (tons) ▪ Estimated GHG emissions avoided / reduced (tCO₂e)
Sustainable Water Management	<ul style="list-style-type: none"> ▪ Amount of water saved/recycled (m³) ▪ Amount of wastewater treated (m³)
Clean Transportation	<ul style="list-style-type: none"> ▪ Number of electric vehicles acquired ▪ Number of charging stations installed



	<ul style="list-style-type: none"> ▪ Estimated GHG emissions avoided / reduced (tCO₂e)
<p>Energy Efficiency</p>	<ul style="list-style-type: none"> ▪ Number of energy efficiency equipment installed ▪ Amount of energy stored (MWh) ▪ Annual energy consumption reduced (kWh) ▪ Percentage of energy efficiency improved ▪ Estimated GHG emissions avoided / reduced (tCO₂e)

2.2 External Review

Doosan Enerbility has obtained a Second Party Opinion from S&P Global Ratings, which confirms the Framework’s alignment with the Green Bond Principles and Green Loan Principles. The Second Party Opinion report is publicly available on Doosan Enerbility’s website.

