

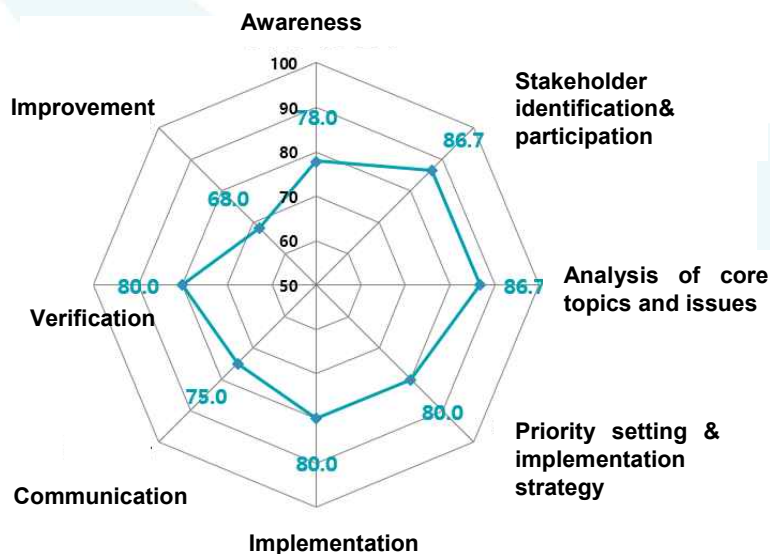
ESG Management Diagnosis Opinion

Dear Messrs. at Central

This ESG management diagnosis opinion was prepared to diagnosis the level of ESG management of Central by applying ISO 26000 (International standard for social responsibility management system announced by the International Organization for Standardization(ISO) in November 2010) and ISO 26000 diagnosis checklist (revised edition in February 2014 according to KSA ISO 26000) mutatis mutandis and present opinions.

ECONINE Corp. as an advisory body specialized in ESG management, was requested to conduct an independent third-party diagnosis on Central's social responsibility management process and key performance from January 1, 2021 to May 30, 2022. The diagnosis was conducted based on the assumption that the data and information provided to ECONINE Corp. are complete, sufficient, and true, and opinions were derived reflecting Central's ESG management strategy, past diagnosis data, internal status and disclosure data, and the contents of interviews with employees.

Results of diagnosis of ESG management process



Priority setting and implementation strategy | Central can consider establishing an official decision-making body involving internal and external stakeholders when deriving policies and strategies for each ESG management topic. In addition, due diligence on important ESG management topics such as human rights can be promoted, and the results can be reflected in the implementation strategy.

Implementation | Central should continuously declare its commitment to ESG management internally and externally, provide training and promote motivation so that all members can propose ideas for Central's ESG management. To this end, it is necessary to continuously improve tools for measuring and monitoring ESG management performance.

Communication | Central should consider publishing a sustainability management report to fulfill its responsibility to explain ESG management to internal and external stakeholders. It can communicate the goals and performance of Central's ESG management core topics and related issues and explain what needs to be improved and how to respond to them.

Verification | Central should develop a system to increase trust in ESG management activities. To this end, it is necessary to establish a greenhouse gas inventory system that meets the global standard and promote activities to have ESG management performance verified by a third-party independent institution.

Improvement | Central defines key performance indicators for each ESG management topic and establishes and operates a monitoring system including expanded business divisions. In order to continuously advance these systems, it is recommended to review and improve goals and management data items regularly simultaneously considering the requirements of global standards and external evaluation systems and internal operational efficiency.

Awareness | As Central builds an ESG management system and responds to global ESG management evaluations, the awareness is changing from the ESG management and department-centered activities to spread the awareness of importance to the management and all members. It is recommended to expand various activities and regular training to spread the awareness of ESG management throughout the value chain.

Stakeholder identification and participation | A system that enables not only internal employees but also external stakeholders to participate in selecting core ESG management issues must be established. This will be the basis for identifying and measuring the influence of Central's management activities on certain stakeholders.

Analysis of core topics and issues | Central should analyze the ESG management principles, important issues, and the influences of ESG management including the expanded business divisions (After Market). Based on the understanding of the foregoing, it is recommended to redefine the core topics and issues of ESG management.

Results of diagnosis of ESG management performance



Organizational governance | Central operates a decision-making body to discuss major management issues but focuses on dealing with financial issues. In order to secure the executive ability of the ESG management system, the highest decision-making body must deal with the goals and performance of ESG management, and an incentive system related to ESG management performance can be created.

Human rights | Central has established a policy on diversity and inclusion. Based on the policy, it is recommended to carry out due diligence to concretely identify human rights risks and influences within the value chain, encompassing internal and external stakeholders at home and abroad. By reflecting the results, Central can advance human rights management as a global company.

Labor practices | Labor practices are carried out within domestic and international laws and industry norms, and the management system was strengthened after safety accidents at some workplaces, so that there have been no safety accidents in the past three years.

Environment | Central complies with domestic and international environmental standards and promotes regional pollution prevention and energy efficiency management. It is necessary to establish a system that can gradually measure the environmental impact of products produced by Central and reflect the results on eco-friendly design. This can lead to disclosure of the environmental impact of Central's core business to various stakeholders, including customers, and communication about activities to reduce negative environmental impact.

Fair operating practices | Central has promoted activities to enhance the anti-corruption awareness of cooperative companies and strengthen their EHS capabilities. In addition, Central is planning ESG management procurement policies and practical support programs to raise awareness and strengthen capabilities of cooperative companies on ESG management, including anti-corruption. It is recommended to promote various support and activities to enhance ESG management capabilities with cooperative companies.

Consumer issues | Central is promoting activities such as the development of eco-friendly materials, considering not only customer demands for ESG management, but also requests for lightening of products and reducing harmful substances. Central should continuously promote the design and development of eco-friendly products, establish a product eco-friendliness and social impact information management system, and actively communicate ESG management performance in terms of products by labeling based on global standards.

Community involvement and development | Central is contributing to the development of the local community by participating in all-round activities. Central operates programs for education, culture, job creation and skill development. As a global company, Central can expand the impact of its activities abroad and consider activities that protect cultural heritage. It is recommended to establish a system to measure the impact of Central on the local community through various activities in the future and communicate it with stakeholders.

General

As a result of diagnosis of Central's ISO 26000 response level, the overall score for process diagnosis was 80.3 points, the total score for performance diagnosis was 91.1 points, and the integrated score for process and performance was evaluated at 87.2 points. This is the second highest level when the diagnostic score is divided into four levels. A consensus on ESG management has been formed and reflected in actual work, and performance management is being carried out to a certain level, but now is the time to deeply internalize the ESG management process and actively communicate performance and influence with internal and external stakeholders. Central, as the group's leading organization, recognizes the ESG management system as a core competency of the group and is expected to expand it throughout the value chain, including affiliates and partner companies.

May 30, 2022

CEO of ECONINE Corp.