





ABOUT THIS REPORT

Reporting Standards and Principles

This report is Doosan E&C (Engineering & Construction)'s first CSR report based on the G4 Guidelines of the GRI (Global Reporting Initiative). We referred to the IR Framework of the IIRC (International Integrated Reporting Council). Material issues were identified through the AA1000SES (AA1000 Stakeholder Engagement Standard) to satisfy the expectations and needs of stakeholders. This report will be published annually.

Reporting Period and Boundary

This report covers Doosan E&C's performances and activities from January through December 2013, and for key performances, data of the three most recent fiscal years (from January 2011 through December 2013) were used to make trend analysis possible. The scope of the report covers our entire domestic worksites including the head office in Seoul and some overseas worksites.

Assurance

DNV GL, an independent assurance agency, conducted verification on the report to enhance the transparency and reliability of the reporting process and contents. Pages 74 and 75 include the verification results.

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Doosan E&C's First CSR Report

This report contains key areas and performances of Doosan E&C's corporate social responsibility (CSR) centered on human resources, a driving force which has been leading the company for the past half-century and will further company's growth for the next hundred years. Stakeholders' interest in our sustainability activities and our CSR values are introduced in relation to Doosan Group's three CSR philosophies - responsible engagement, developing people, and reliable operating. We will continue to share our CSR performances and plans with stakeholders through the CSR report.

1. Defining stakeholders' interest

- Setting issue areas
- Setting the scope and boundaries of each issue
- Conducting surveys

2. Identifying material issues

- Reviewing analysis target
- · Reviewing the relationship between Doosan Group and issues
- · Checking the value of issues for each stakeholders
- · Analyzing comprehensive evaluation

Responsible Engagement Materiality Stakeholder engagement test

3. Deciding scope of report

• Reviewing boundaries, scope and period of reporting key issues

CSR Philosophy

Doosan E&C

Laying the Foundation for **CSR Promotion**

To meet the requirements of stakeholders both at home and abroad and fulfill our social responsibility, Doosan E&C builds CSR governance and strategic system and conducts CSR activities systematically.

Responsible Engagement

Reflecting the Opinions of Various Stakeholders

We select key CSR issues on the basis of stakeholder engagement to ensure sustainable growth. The selected key issues are reflected in our management activities and are transparently open to stakeholders.

CSR Frame Developing People Reliable Operating System 4. Reporting key CSR issues and dis-CSR orientation closing performances and goals People and performance (eco-friendly, shared society • Issue survey and checking the growth, and product data achievability of the target responsibility)

Developing People

Conducting People-Centered CSR Activities

'People-first' is our business philosophy. We believe human resource is essential to our long-term growth. Cultivating talents comes first in all of our business activities as we believe our competitiveness and sustainable growth depend on people.

Developing CSR through Growth of People

Reliable Operating

The growth of people lays the foundation for the growth of the company. Doosan E&C members have advanced scientific systems and processes, streamlining our work system through change and innovation with limitless aspiration. This ultimately leads to the growth of our business.

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About Doosan Group

Building your — tomorrow today

Doosan is the longest company in Korea with a history of 118 years and the fastest-growing company for the past 10 years. We have successfully made changes and realized growth based on people-centered management and are now focusing on transforming our company for a second century of Proud Global Doosan.

Creating a New Future beyond 118-Year History

1896~1949

The Foundation of Doosan

The history of Doosan for more than a century tells about changes, innovation, and dynamic progress. Doosan took the first step in its legendary history in 1896 when Park Seung-Jik opened Korea's first modern store in Baeogae, Jongno 4, Seoul. In 1946, Park Toopyung, the successor to Park Seung-Jik, changed the name into the Doosan Store, heralding the beginning of Doosan's modern history.

1950~1979

The Birth of Doosan Group

In the 1950s, Doosan Store started international trading and established Oriental Brewery. In the 1960s, Doosan expanded its business sectors including construction, food and beverages, machinery, media and cultural services and solidified the basis for Doosan Group with the introduction of professional executives and diversification. Partnerships with advanced international companies resulted in greater technological development, and the group secured internal stability by acquiring other relevant businesses in the 1970s.

1980~1995

Growth and Leap

After the 1980s, Doosan made dramatic progress based on the capabilities it had developed in its early days. Doosan pushed ahead with business ventures in various related fields and new areas, such as brewery, construction, eletronics, glass, machinery, and trading and developed overseas markets. This further developed the group's business areas both vertically and horizontally. In the 1990s, Doosan turned its attention to enhance technology in each business and to strengthen global competitiveness.

1996~2005

Changes and Transformation After our centennial in 1995, we established 2G strategy: Growth of People and Growth of Business - a foundation for another hundred years of growth. We saw dramatic growth in our infrastructure support business (ISB) by attracting foreign investment and acquiring companies with key technology.

2006~Present

Global Growth

Since 2006, Doosan acquired top-tier ISB companies such as Bobcat, a construction machinery suppliers, and Skoda Power, a manufacturer of power generation equipment. As a result, we developed into a major global brand in the ISB industry.

Pursuing Sustainable Growth through Elaborate Strategies and Daring Challenges

Doosan has been maintaining stable growth due to successful restructuring and the transformation into an ISB (Infrastructure Support Business)-oriented business. In 2009, after three years of thorough preparations, Doosan became a holding company with more transparent corporate governance. Doosan, with the holding company in its center, focused on the competitiveness in core business and corporate value for long-term stable growth.

Leapfrogging into a World Leader in the ISB Sector through Active Global Operations

We contribute to improving people's quality of life around the world through a variety of businesses. About 42,900 employees (as of the end of 2013) working in 38 countries are a driving force behind the growth of Doosan. Our global business is boosted by capitalizing on over 1,700 global sales networks and about 21,000 employees in overseas project sites, through which sales of KRW 14.02 trillion, more than a half of total sales, were generated in 2013. Doosan will continue to cultivate global talents, expand global sales networks, and introduce global standards to have the dignity as a global player.

2013 Financial Highlights

(Unit: KRW in billions)

Total assets 31,166.0 Total equity 9,058.0 Sales 21,936.5 Operating income 1,154.9

* Based on consolidated financial statements

Affiliates & Brands

We create a better life and future in various fields from all infrastructure support businesses such as industrial facilities, machinery, equipment and construction to consumer goods.

ISB (Infrastructure Support Business) Companies -

Doosan Heavy Industries & Construction

Business Area



Doosan Infracore

Business Area Construction machinery,

machine tools, engine, engine materials

Doosan Engineering & Construction

Business Area

Civil engineering, architecture, housing, CPE*,OSS**,HRSG***

Doosan Engine

Business Area

Marine diesel engine, power diesel engine, diesel power plant, engine parts

Doosan DST

Business Area

Armored vehicle system, air defense system, launcher system, navigation, others



Doosan Corporation Industrial Vehicle

Doosan Corporation

Doosan Corporation

CCL, materials for boards, heat preventing PCB,

masslam, OLED materials.

Electro-Materials

Business Area

Business Area

Engine-powered forklifts, electronic forklifts, parts and services.



Business Area Hydraulic equipment,

defense.



Doosan Corporation Glonet

Business Area Bio business



Information & Communications

Consulting, building and managing IT systems, IT infrastructure operation



CSB (Consumer & Service Business) Companies

Company Name	Business Area
Doosan Capital	Installment financing, lease financing, general loans
Oricom	Advertising / campaigns, brand marketing, media services
Neoplux	Venture capital, PE (Private Equity) investment
Doosan Feed & Livestock	Scattering, chickens, pigs, dairy, fattening, ducks/dogs
Doosan Tower	Fashion mall
Doosan Bears	Professional baseball team
Doosan Cuvex	Golf club, condominium
Doosan Dong-A	Textbooks, workbooks, baby books & complete works, franchised academies digital content and e-learning
SRS Korea	KFC
Doosan Magazine	Magazine







Affiliated Organization

Name	Business Area
Doosan Yonkang Foundation	Scholarships, research funding, teachers' educational overseas trips, educational welfare, sending books and cultural projects
Doosan Art Center	Support for artistic activities
DLI (Doosan Leadership Institute)	Educational programs

^{*} CPE: Chemical Process Equipment

^{**} OSS: Offshore Structures and Subsea

^{***} HRSG : Heat Recovery Steam Generator



Our story. Our vision.

PROUD PEOPLE. **PROUD DOOSAN**

The Doosan Way is our belief and philosophy to build the 'Proud Global Doosan'. As a member of Doosan that has grown continuously for more than 100 years, Doosan E&C will play a significant role in offering products and services to enhance people's quality of life around the world by practicing the Doosan Credo and making the Group accelerate the momentum for a second century of Proud Global Doosan.

The Doosan Credo

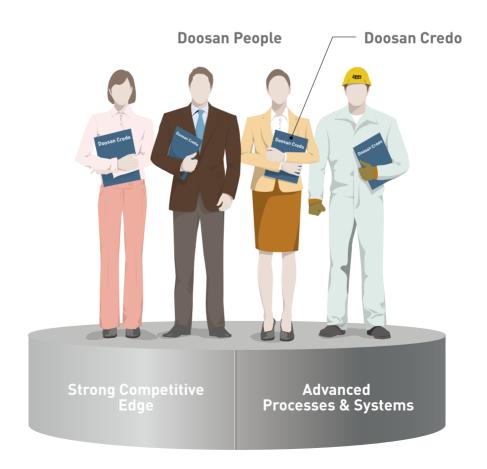
The Doosan Credo is a set of principles that represent Doosan's philosophies and our unique way of doing business. These principles that represent Doosan's philosophies and our unique way of doing business. These principles that represent Doosan's philosophies and our unique way of doing business.

ciples have been the foundation of Doosan's success for the past century. The Doosan Credo consists of nine core values and is integral to every aspect of our businesses and people, clearly guiding our decisions and the way we do business. Through the realization of these values, Doosan accomplishes its ultimate goal. The Credo consists of Doosan's "Aspiration" and "Core Values".

*The credo is a charter containing the unique value of Doosan on which all of our business activities and decision making should be based.

Aspiration

Doosan's ultimate goal is to establish itself as a 'Proud Global Doosan.' This means that we will help all the stakeholders including our employees acquire self-esteem and pride in all our management activities. In other words, every employee should take great pride in being a member of Doosan and every customer should be satisfied with our high-quality products and services. Every shareholder should also be able to enjoy fair yet high returns from our businesses.



Core Values

Employees of Doosan practice the nine core values of the Doosan Credo every day and everywhere Doosan does business to help create a Proud Global Doosan. The core values include the way Doosan does its business, the way Doosan employees treat one another, and the way Doosan works with partners. The nine core values are as follows:

People	Cultivating People	Integrity and Transparency
Inhwa	Customers	World-class Technology and Innovation
Profit	Social Responsibility	Safety and Environment

Strategy

Core Value

Behind the success of Doosan is its unwavering 'trust in people.' People have been the foundation of our success for the past century and will help us build our next hundred years. Such trust in our people lies at the very heart of Doosan's management philosophy. Doosan's strategy is based on the principle of "2G" – Growth of Business by Growth of People. 2G is a virtuous circle in which people drive business growth, which in turn provides our people the opportunity for advancement. Doosan believes that sustained success can only come through people.

Doosan People

Doosan People are those who keep the Doosan Credo in their hearts and continuously strive to enhance their capabilities with the commitment to contributing to the development of the company regardless of individual capability or expertise. Doosan People uphold our core values and put them into practice. Traits of Doosan People are as follows:



Doosan constructs advanced scientific systems and processes while seeking the most effective and efficient way of working to secure fundamental competitiveness. This enables us to establish a firm foundation on which people and business can grow together.



Our story. Our vision.

PRACTICE OF THE — DOOSAN WAY IN 2013

The Doosan Way is our belief and philosophy to build the 'Proud Global Doosan'. As a member of Doosan that has grown continuously for more than 100 years, Doosan E&C will play a significant role in offering products and services to enhance people's quality of life around the world by practicing the Doosan Credo and making the Group accelerate the momentum for a second century of Proud Global Doosan.

2013 Doosan Way Survey and Presentation on Improvement Plans

The survey of the Doosan Way is implemented to find out whether all of our employees understand and apply the Doosan Way to their everyday works and whether the organization changes in the right direction. The company made presentations for the CEO and on improvements by each business group by checking the future direction of the Doosan Way and has devised intensive improvement measures based on the survey results. These activities suggested a desirable direction for each business unit based on the Doosan Way.



Doosan Way Time

The Doosan Way Time is an activity for employees to share cases of best practices about the Doosan Way through discussion meetings by each team or site factory. Improving organizational culture, this activity aims to make small but meaningful changes through the formulation and practice of the Doosan Way internalization plan.



WHY Campaign

The WHY campaign was prepared to prevent inefficiencies caused by a lack of detail description of the work and to establish open communication. This campaign enables employees to understand the goals and key points of their works through three communication steps of 'Think', 'Explain', and 'Ask' and to efficiently use the organization's capabilities and time.



02



Doosan Way Day

The Doosan Way Day is an event to recognize employees for their efforts for the Doosan Way in the previous year and to seek future directions. The event was broadcast on the web to all Doosan affiliates, through which all of us were able to share best practices of the Doosan Way and find out what we have to do for the internalization of the Doosan Way.



Doosan Way Letter

The Doosan Way Letter was published to build a communication channel and share data and information that would be useful for the members who put the Doosan Way into practice. The letter consists of the CEO's message, special lectures by experts, 'The Way We Work', which are about the way employees work in accordance with the Doosan Way, and 'Change Together' to share best practices. The letter helps employees practice the Doosan Way and grows together.



05

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Thanks Card

The Thanks Card program was held to appreciate the hard work of employees at the end of the year. In this event, leaders give annual "thank-you" cards to their members. They expressed gratitude and exchanged New Year's greetings with one another.



Half a Century History of Inhwa and Passion

Since its inception in 1960, Doosan E&C strengthened its civil engineering and architecture sector with ceaseless changes and innovation. In 2010, its merger with Doosan Mecatec expanded its business into the equipment production sector, propelling the company to be an infrastructure solutions provider. Moreover, the company has been creating synergy since its acquisition of the HRSG business for combined cycle power plants in 2013.

1960s

- Jul. 1960 Incorporated as Dongsan Togeon (currently Doosan E&C)
- Mar. 1961 Obtained a construction business license (License number 1488)



1970s

- Dec. 1975 IPO
- Jun. 1976 Broke ground for the EL Shams Hotel in Egypt

(First Korean company to enter the Egyptian market)



1980s

- Aug. 1980 Won an order to construct King Khalid International Airport and its supporting facilities (PF-16) in Saudi Arabia (largest overseas construction project)
- Apr. 1985 Began to build the 3rd section of the Jungbu Highway (first highway project)



1990s

- Feb. 1993 Changed its name to Doosan Engineering & Construction Company
- Nov. 1995 Took part in the Ihwaryeong Tunnel Project (Korea's first privately funded infrastructure project)
- Nov. 1997 Held the 'Sangyangsik*' for Doosan Tower.



2000s

- Jul 2003 Completed the 1-1 Section of the Seoul-Busan High-Speed Railroad
- May 2004 Merged with Korea Industrial Development Company
- Jun. 2005 Held the ground-breaking ceremony for Shin-Bundang subway line (Korea's first subway line built using private capital)
- Dec. 2007 Awarded Certificate of Safety and Health Management System (KOSHA 18001, OHSAS 18001)
- Oct. 2009 Won the presidential award at 'the 8th Korea Safety Award' (Daegu Doosan We've The Zenith)



2010s

- May 2010 Celebrated the 50th anniversary
- Nov. 2010 Merged with Doosan Mecatec
- Nov. 2011 Completed Haeundae Doosan We've The Zenith (Korea's tallest residential and commercial complex building)
- Apr. 2013 Took over the HRSG* business



^{*}The celebration of putting up the girder

CEO MESSAGE



66 DOOSAN E&C WILL GROW INTO A SUSTAINABLE COMPANY TO BUILD A BETTER WORLD. 99

We are committed to creating a better future for our stakeholders.

I would like to express my sincere gratitude for your unwavering trust

in and support for Doosan E&C. I am very pleased to share our CSR activities and performances in the economic, environmental, and social aspects with you, stakeholders through the publication of our

first sustainability report.

The global economic recession and the slow recovery of the domestic real estate market over the years have resulted in adverse business environment for the construction industry. Despite these difficulties, Doosan E&C is making multifaceted efforts to create new growth engines and will continue to grow. In particular, we have been diversifying our business portfolio through the acquisition of Doosan Mecatec and the HRSG business.

Stakeholders are looking at companies from a different point of view. Their perspectives are expanding into CSR areas that require social responsibilities in various sectors such as the environment and shared growth beyond a focus on financial matters.

Doosan devised group-wide CSR strategies to proactively respond to these changes. Based on these strategies, Doosan E&C also newly established its unique three CSR philosophies of 'Responsible Engagement, Developing People, and Reliable Operating'. We will share our CSR activities and performances in accordance with these philosophies with all stakeholders.

First, we will conduct CSR activities centered on people.

Under the Doosan Group's philosophy of 'People are the Future', we will focus on cultivating talents who will lead our society. To this end, we will devise HRD strategies meeting the characteristics of individuals, provide opportunities to grow through works, and build an organizational culture that every employee can act and communicate by the fair rule. On top of that, we will contribute to the development of next generations and local communities to grow together.

Second, Doosan E&C will further fulfill the Doosan Way and social responsibility to gain more trust.

We are committed to ensuring the safety of society and neighboring people by building stronger internal EHS (Environment, Health, and Safety) standards than international standards. In addition, we will dedicate to secure differentiated technologies and innovate ourselves to supply superior products and services surpassing customer expectations. These activities will solidify our fundamental competitiveness in the long-term perspective.

Third, we will reflect material issues identified from stakeholder engagement in our decision-making process.

I think stakeholder engagement is a prerequisite for a company to fulfill corporate social responsibility. We will continue to enhance our sustainability by expanding communication channels to listen to various opinions of stakeholders and proactively responding to them.

Doosan E&C will emphasize change and innovation and make a concerted effort to achieve its vision of 'Becoming a Leader in CSR in the World by 2020'. We will also comply with the UNGC's 10 key principles and pursue shared growth with all stakeholders.

Based on our unique management philosophy centered on people, we will continue to build a better future by working together with all employees as one. I ask our stakeholders for steady and generous interest in and support for Doosan E&C in the future.

President & CEO of Doosan E&C Yang He-sun

4/ Sun 1

Highlights in 2013

Takeover of the HRSG Business

On April 17, 2013, Doosan E&C took over the HRSG (Heat Recovery Steam Generator) business from Doosan Heavy Industries and Construction to lay the foundation for its mid- to long-term growth. The takeover aimed to reinforce competitiveness and diversify business portfolio and it is forecasted that the connection between the HRSG business and Mecatec BG will create synergies and discover various opportunities for the growth of the company. The HRSG BG has supplied 445 units to 39 countries around the world as of February 2014 and recaptured the largest market share in the global market in 2013. The HRSG is a key facility at a combined cycle power plant that generates electricity by recycling hot gases from the gas turbine.

*Source: McCoy Power Reports 2013



Selected as the Best Project Site in Shared Growth and Quality

On February 28, Doosan E&C's section 7 site of the Ulsan-Pohang Highway project was selected as the best site in shared growth and quality categories at the 'Evaluation on Environment, Quality, Safety, and Shared Growth for Construction Sites in 2012' hosted by the Korea Expressway Corporation. This award was given to excellent project sites that stood out in the above four sectors among approximately 140 sites where highways were built or repaired.





Won an Order for the Wonju-Gangneung Railway Section 5 Project

Our Infrastructure BG signed a contract for the Wonju-Gangneung Railway Section 5 project on April 16. This project, which was placed by the Korea Rail Network Authority, is to construct railway with a total length of 9.698km between Doonnae-myeon, Hoengseong-gun and Bongpyeong-myeon, Pyeongchang-gun in Gangwon-do and includes a tunnel (8.293 km, about 86% of total length) and a slope tunnel. Winning this order after the 'Joongang Railway Wonju-Jecheon Section 1' project in 2011 enabled us solidify our dominance in tunnel and railway market that we demonstrate higher competitive edge. This project, in particularly, will become a significant infrastructure for the success of the 2018 Pyeongchang Winter Olympics.





Section 11-4 of the Seoul-Busan High Speed Railroad Constructed by Doosan E&C

Achieved the Longest LTI*-free Construction Period in Korea

The Doosan We've The Zenith site in Ilsan succeeded in the eleven-fold achievement of LTI-free. The non-accident movement began at the site on October 8, 2009 and has kept the site free of any accident for 1,010 hours. This project site was awarded a plaque to celebrate LTI-free achievements from the chairman of the Korea Occupational Safety and Health Agency.

*LTI: Lost Time Injury



Proclaimed the Shared Growth and Introduction of Compliance Program

With an eye toward spreading shared growth and fair trade culture, Doosan E&C held a ceremony to declare the shared growth with partners and introduction of Compliance Program on July 16. The ceremony consisted of presenting our shared growth program and performances, giving appreciation plaques to partners, and announcing best practices in performance sharing and CP operations. After the ceremony, the participants jointly carved their resolutions and whishes to pledge the shared growth on wood blocks.



Shipped the Initial OSS Products

Our Mecatec BG successfully shipped the initial products in the OSS (Offshore Structures & Subsea) business on August 28. The products were 3 pieces of caisson pipes out of total 93 pieces for the Daewoo Wheatstone Project. It was Doosan E&C's third project since the official launch of the OSS business in 2012. Despite unexpected difficulties during the production process, our proactive efforts enabled the shipment of the initial products.



Won the Order for Constructing the Head Office Building of Korea Hydro & Nuclear Power Co.,LTD.

The Building & Housing BG won the order for constructing the head office building of Korea Hydro & Nuclear Power on December 2nd, 2013. The building is one of public institution relocation to local undertaking will have a total floor area of 72,555m², to which eco-friendly technologies such as the geothermal system and solar power generation will be applied for energy saving. This project means much to us in terms of technology accumulation and business portfolio by adding public office facilities record in architecture area.



05



Corporate Overview

Global Business to Create Future Growth Engines

Doosan E&C has global production bases such as Doosan VINA and Doosan VINA Haiphong in Vietnam in the fields of chemical process equipment and HRSG. In addition, Doosan E&C's technological prowess in the area of various structures and facilities such as equipment and materials for offshore plants is spreading the company's fame to the world.



Business Area

Business Area
Roads, bridges, railways, subways, tunnels, ports, airports, landfills, environmental plants
Business facilities, commercial facilities, public facilities, hotels, resorts, apartments, residential and commercial complex, office building, remodeling
Static equipment including towers, columns, reactors, pressure vessels, heat exchangers
onshore/offshore steel structure including steel bridge, jacket, etc.onshore/offshore plant module, subsea equipment
Heat Recovery Steam Generator

^{*} CPE: Chemical Process Equipment

Subsidiaries at Home and Abroad

(as of December 31, 2013)

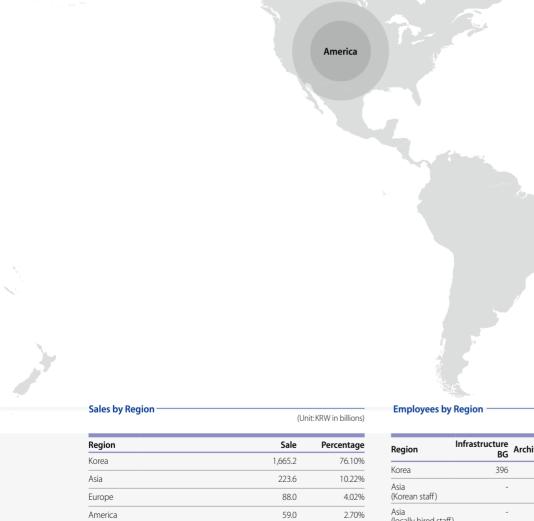
Position	Company Name	Main Business	Stake
Domestic	Doosan Cuvex	Golf course and condominium	100%
	Rexcon	Ready mixed concrete	100%
Overseas	Doosan Heavy Industries Vietnam Haiphong Co., Ltd.	Materials and equipment for plants	100%

Shareholders

Company Name	Percentage
Doosan Heavy Industries & Con- struction Co., Ltd.	84.29%
Employee Stock Ownership	7.20%
Others	8.51%

Korea

^{*} Based on common shares



(Unit: Persons)

Region	Sale	Percentage
Korea	1,665.2	76.10%
Asia	223.6	10.22%
Europe	88.0	4.02%
America	59.0	2.70%
Africa	38.6	1.76%
Others	113.8	5.20%
Total	2,188.2	100%

7	Based on sites where products and services are actually deliver	ed.
4	Danad an agnarata financial statamants	

Based on separate financial statements

Region	Infrastructure BG	Architecture BG	Mecatec BG	HRSG BG	Finance/Support/ Direct Control
Korea	396	368	441	267	302
Asia (Korean staff)	-	1	6	6	-
Asia (locally hired staff)	-		340	1,134	-
Total	396	369	787	1,407	302

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Business Area

Infrastructure BG That Reforms the land shape of Korea

01

The Infrastructure BG(Business Group) engages in design, construction, and maintenance in all civil engineering areas such as railway, subway, road, bridge, landfill and harbor. Its rich construction experience and technology will help create a better environment and future.



Sales (Unit: KRW in billions) 2012 505.7 2013 547.1 2018 (planned) 615.0

Creating Socially Shared Value as a Leader in privately funded infrastructure projects

Doosan E&C is an avid participant in expanding key infrastructure such as roads, rails, subways, harbors, and environmental projects. In particular, the company has been developed many privately funded infrastructure projects. Starting from Ihwaryeong Tunnel, the first privately funded infrastructure project in Korea, the infrastructure BG has successfully completed many privately funded infrastructure projects and currently actively pursues the construction project of Shin-Bundang subway line which is also the first privately proposed railway project in Korea. Privately funded infrastructure project contributes to not only enhancing the convenience and efficiency of transportation facilities but also emerging as a major profit-making business model.

Demonstrating the Largest High-Speed Railroad Construction

The Infrastructure BG has contributed to the development of the national economy by building transportation infrastructure. In particular, we have completed six sections of the Seoul-Busan High Speed Railroad, and are conducting the construction of the Honam High Speed Railroad. We boast the largest high-speed railroad construction with a total of 54km in Korea.

Leading the Way in Privately funded infrastructure projects

Based on rich experience and competiveness in privately funded infrastructure projects, the Infrastructure BG will continue to grow in subway and high-speed railroad focusing on cutting-edge and green projects.

02

Architecture BG to Complete the Urban Skyline

Based on advanced technology, creative thinking and perspective, the Building & Housing BG spaces with great artistic value and unique style.

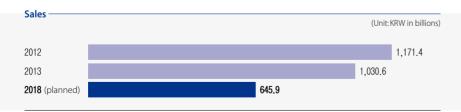


Brand with Creative Thinking and Higher Artistic Value

Apartment is not just a space for living. It should be a space to enrich people's lives. Our apartment brand 'Doosan We've' has led a high-quality residential culture to reflect the needs of our customers and raised their satisfaction. It also provides customers with unique and elegant residential spaces and enhances the status as landmarks in major cities.

Providing Full Scope of Services in Architecture

World-class experts offer services ranging from the analysis and diagnosis of existing buildings to maintenance considering the entire process of a building's life-cycle. Doosan E&C's remodeling technology inhibits the aging of facilities while maintaining existing building frames. This technology is applied to not only apartment but also hotels, commercial buildings, and public facilities, presenting reasonable and cost-effective alternatives to stakeholders.



Pursuing Technology to Add Artistic Value to Spaces

Architecture is called another art to build a landmark through technology. Doosan E&C is striving to create space with artistic value through creative thinking and perspectives on the basis of state-of-the-art technology. As the backbone of Doosan E&C, the Architecture BG has generated performances by proactively operating the business despite a prolonged recession in the domestic real estate market.

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Business Area

Mecatec BG Focusing on Chemical Process Equipment

The Mecatec BG supplies core chemical process equipments for oil & gas plants throughout the globe based on its world-class manufacturing capabilities and performance. The Mecatec BG will solidify its position as an industry leader on the basis of large-scale production facilities in Korea and Vietnam as well as technological competitiveness.

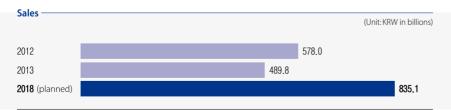


World-Class Manufacturing Capabilities and Technological Competitiveness

Doosan E&C demonstrates world-class manufacturing capability in the chemical process equipment (CPE) field. The company is operating facilities to produce about 100 thousand tons per year in Korea and Vietnam and holds the biggest delivery record in the ultra large CPE field. Moreover, Doosan E&C's world-class technological prowess has been internationally recognized since the company received an order to manufacture technology-intensive PFRVs and delivered them for the first time in Korea.

Enhancing Global Competitiveness

Through the strategy for customer diversification in the world, Doosan E&C is expanding its horizons into Brazil, Russia, Malaysia, China, India, Vietnam, and other emerging markets as well as the Middle East, Doosan's key market. On top of that, major national oil companies such as Aramco in Saudi Arabia, Petrobras in Brazil, and Rosneft in Russia registered Doosan E&C on their official equipment supplier list, paving the way for our market expansion. We also strengthened cost competitiveness by establishing Doosan Vina, a global production base in Vietnam, through joint investment with Doosan Heavy Industries and Construction.



World-class Chemical Plant Equipment Manufacturer for Oil & Gas Plant

By harnessing its business knowhow and production performance for more than 50 years, the Mecatec BG maintains stable relationships with various global customers and product competitiveness. The Mecatec BG will expand market share through continuous technological improvement and contribute to the growth of Doosan E&C by entering the marine equipment business.

04

HRSG BG to Take a Great Leap

The HRSG BG has accumulated knowhow of raising the efficiency of plant under any condition that customers want by supplying more than 440 HRSGs to 39 countries around the world. Based on these experiences, the HRSG BG plays a role as a technical communication channel between project owners and EPC (Engineering, Procurement and Construction) companies and solidifies its position as a differentiated premium HRSG brand.



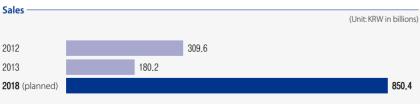
Proprietary Technology, the Source of Competitiveness

As an Original Equipment Manufacturer (OEM) with an independent model named 'D-Top', the HRSG BG provides total solutions for the whole process of the HRSG plants construction from basic design to production, installation and maintenance. We are highly recognized for our accurate delivery and rapid responses to customer needs, which is proved by our position with the largest share in the global HRSG market.

* Source: McCoy Power Reports 2013

Leading Company that Suggests Directions for Market

The HRSG BG has accomplished the largest share in the global HRSG market in 2003, 2007 to 2009 and 2013. As a market leader, we are not only presenting the direction of the future market but also concentrating on enhancing R&D capabilities based on proprietary technologies. In addition, we are establishing long-term plans to develop new sectors and preoccupy the market.



*The figure in 2013 includes performances before April 2013.

Global Top-Tier HRSG BG

The business transfer to Doosan E&C was a milestone for the HRSG BG. We will make the HRSG BG play a significant role for our growth and takeoff by focusing on developing new technologies and creating the synergy with existing engineering and construction business.

Interview

"Doosan E&C should secure a new growth engine by enhancing the equipment business."

I am Chae Sang-uk, a researcher of LIG Investment & Securities. My main task is to analyze the construction industry and performance forecasts for each company. By looking at the operational and financial aspects, I believe Doosan E&C will generate good results in the mid to long-term. Doosan E&C intends to increase the sales and diversify business portfolio by strengthening the Mecatec and HRSG businesses, which will bear fruits this year. Although the Mecatec and HRSG BGs are sensitive to the cycle of global equipment investment, it is possible to hedge risks between two business sectors because the construction sector (in particular, civil engineering sector, which Doosan E&C has a comptetive edge) generates stable sales.

The global economic recovery and expansion of a cycle in equipment investment will fuel anticipation for a rebound in the construction and infrastructure sectors. In particular, a positive outlook is expected in many ways since substantial effects will be produced from the takeover of the Mecatec and HRSG businesses. In addition, your financial structure will be improved due to the expansion of long-term borrowings and decrease of other financial expenses, which will help to ensure stable management conditions and create profits.

Doosan E&C's equipment business plays a key role for the development of the national economy. If Doosan E&C continues to strengthen its growth engines and exerts itself to ensure financial stability, steady positive results will be created and its value will be highly recognized.

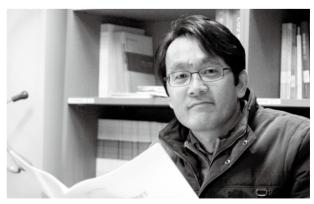
"It is necessary to cultivate the strength of your company's stable corporate governance and simultaneously strengthen management transparency."

The Korea Corporate Governance Service encourages listed companies to voluntarily make efforts to improve corporate governance through the evaluation of the listed companies' governance status and supports the construction of responsible management systems. Doosan E&C has stable corporate governance as Doosan Heavy Industries and Construction owns more than 80% of its stake. Stable corporate governance makes it possible to activate investments and conduct management activities in the long run. Meanwhile, if the number of stakeholders are small, management activities would be arbitrary and interest in CSR would also be wane. In addition, your company's management transparency can be weakened due to the majority share ownership of Doosan Heavy Industries and Construction. It can be understood in the similar context that limited liability companies governed by absolute share ownerships have troubles in terms of management transparency.

Thus, it will be needed to take precautions against problems that may occur while maximizing the benefits of its stable corporate governance. It is necessary to make the Audit Committee fulfill the function and establish the Compensation Committee and Environment Committee under the Board of Directors, which will enhance the integrity and transparency of corporate governance. Doosan Group is widely known to explore every avenue to communicate with a variety of stakeholders. I hope Doosan E&C, as a subsidiary of Doosan Group, to make a concerted effort to communicate with stakeholders. By doing so, your company will be able to build a stable and transparent corporate governance and ultimately ensure future growth.



Chae Sang-uk, a researcher of LIG Investment & Securities



Oh Deok-kyo, head of a team at the Korea Corporate Governance Service



CSR (Corporate Social Responsibility) Strategy

Integrity: Goal of Doosan E&C's CSR Activities

Today, companies' roles are expanding and changing. People want to see companies not only create economic value and engage in environmental and social activities in the aspect of CSR. Our CSR goals were established on the basis of stakeholder engagement and we are striving to achieve them through entire corporate activities.

Doosan's Social Responsibility and CSR

Doosan Group built a CSR strategy framework which consists of three strategic directions and seven top-priority tasks in order to encourage the achievement of the group's vision and to strongly pursue the Doosan Way. Through this framework, Doosan Group intends to promote a comprehensive CSR integrated with its management strategies beyond simply abiding by laws and regulations.

CSR Goals of Doosan E&C

Doosan E&C has observed changes in the global social environment and subsequent opportunities and risk factors and identified rationale for promoting CSR. We have reviewed how stakeholders accept sustainable products and services and how CSR activities have effects on our businesses. We also analyzed why and how leading global companies devise and implement their CSR strategies and what CSR goals they pursue. Our CSR goals have been established in connection with the results and Doosan Group's management philosophy and strategic CSR directions.

CSR Strategy Framework



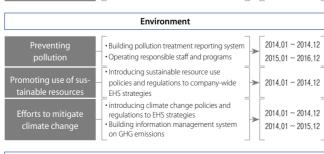
CSR Tasks

We diagnosed the level of our CSR in 7 areas based on Doosan Group's 3 strategic CSR directions of responsible engagement, developing people, and reliable operating. As a result, a total of 24 tasks were drawn up and those were broken down into 3 urgent tasks, 8 supplementary tasks, and 13 improvement tasks. After that, we made definitions for each task and established a roadmap.

Urgent and Supplementary CSR Tasks Urgent Task Supplementary Task Fair operating practices Developing strategy to accelerate supply Promoting supply 2014.01 ~ 2014.12 chain CSF 2015.01 ~ 2015.12 chain CSR Running, monitoring and improving programs Integrated Social Responsibility **Building CSR** 2014.01 ~ 2014.12 Developing and publishing annual CSR report 2014.06 ~ 2015.12 communication Building web reporting system









CSR Roadmap

A roadmap from a longer perspective is required for starting CSR. Doosan E&C's CSR roadmap consists of three stages (laying the foundation, internalizing capabilities and diffusing CSR activities). The company is now concentrating on building the foundation.

Major CSR Activities

~2013

~2015

Internalizing Capabilities

Data measurement and gap

Implementing key tasks

· Disclosing results and

communication

Laying the Foundation · Connecting with management strategies

analysis

- · Enhancing awareness and Building implementation system-Organization and the system within organizations CSR performance management
- Devising CSR strategies Enhancing understanding within organizations
- · Pushing for CSR Performance Management System
- Drawing issues and pushing for key tasks

~2018

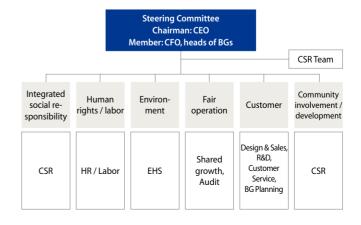
Diffusing CSR Activities

- Integrating with management
- strategies Innovating CSR programs
- · Expanding activities into overseas regions
- Devising CSV strategies in connection with business

CSR Committee

We are running the CSR Committee, in which CEO is the chariman and executives of each business department, CFO, and heads of BGs participate, in order to strengthen the organization's responsibilities and timely decision-making. The committee holds a regular meeting every six months and, when necessary, irregular meetings and deals with issues within the company. The roles of the committee also include responding to domestic and international guidelines and evaluations on CSR and corporate governance and deliberating CSR policies, performances and risks.

Composition of the CSR Committee



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Corporate Governance

Independence and Transparency of the Board of Directors

Doosan E&C has established the BOD-driven advanced corporate governance, ensuring transparent and reliable management system. We are also committed to getting much attention from investors and building an amicable relationship with stakeholders through strengthening our corporate competitiveness.

Composition and Operation of the BOD

The Board of Directors (BOD) of Doosan E&C consists of two inside directors and four outside directors to ensure the independence and transparency in decision-making process. The CEO serves as the BOD Chairman and all outside directors are independent. The roles of the BOD include not only convening shareholders" meeting and deliberating financial issues but also establishing our company's basic management policies and comprehensive operation plans.

Reinforcing the Independence of the BOD

Outside directors have not been members, affiliated persons, or financial traders of Doosan E&C and its affiliates for the past five years. They are appointed among candidates with professional knowledge and experiences in the fields of law, tax, and policy. They monitor and supervise management activities and fulfill their responsibilities as advisors to the company. We also provide them with necessary information and education to excellently carry out their duties.

Transparent Disclosure of Information

The BOD regulations, roles, responsibilities and resolutions are reported on our website. The company also discloses BOD-related materials that should be made public on the DART of the Financial Supervisory Service.

Committees under the BOD

The Internal Transaction Committee, Audit Committee, and Outside Director Recommendation Committee were established to seek professionalism and fairness in the BOD operation and to raise the efficiency of decision-making.

Internal Transaction Committee

The Internal Transaction Committee is composed of three outside directors. The committee aims to raise the transparency of our management activities by operating the Compliance Program. The committee preliminarily reviews and approves large-scale internal transactions in accordance with the Clause 2 of Article

11 in the Monopoly Regulation and Fair Trade Act

Audit Committee

The Audit Committee consists of three outside directors. The committee takes part in auditing procedures by holding quarterly and ad hoc meetings. Their roles include confirming balancing accounts, treating audit results, making decisions about appeals for reviews and stating opinions about the establishment, abolishment or interpretations of corporate regulations.

Outside Director Recommendation Committee

The Outside Director Recommendation Committee consists of three outside directors and recommends candidates for outside directors according to relevant laws, the article of association, and the BOD regulations.

Compensation for the BOD Members

The company evaluates management goals and performances of the BOD members regularly and gives compensations within the remuneration limits approved at the shareholders' meeting. More details are transparently disclosed on the DART of the Financial Supervisory Service.

BOD Composition

Position	Name	Duty	Career
Standing director	Yang He-sun	CEO	(Former) CEO at N.shaper, Vice President at Doosan Infracore
(2 inside directors)	Song Jeong-ho	CFO	(Current) Executive Director at Doosan E&C
Non-standing director (4 outside	Lee Jong- baek	Outside Director	(Former) Director at the Seoul High Public Prosecutor's Office and Chairmar of Korea Independent Commission Against Corruption (Current) Lawyer at Kim & Chang Law Firm
directors)	Kim Chang- seop	Outside Director	(Former) Director at Tax Official Training Institute (Current) Head of Yeil Tax Accounting
	Ham Sang mun	-Outside Director	(Former) Senior Researcher at Korea Institute of Finance (Current) Director at School of International Policy of KDI
	Choi Jong won	- Outside Director	(Former) Director of Graduate School of Public Administration at Seoul National University (Current) Professor of Graduate School of Public Administration at Seoul National University

Risk Management

Strengthening Risk Management

Enterprise-Wide Risk Management Strategy

We classify our business related risks into 3 areas and respond to them by setting individual internal control process.

Process to Cope with Internal Control Risk



Early Warning System on Construction Progress

Case Study

The early warning system on construction progress is being operated to prevent risks such as compensations for construction delays and corporate images tarnished by them. Our regular construction progress monitoring makes it possible to share reasons for construction delays in real time and provide the top management with opportunities to quickly make decisions. In addition, the collaboration system between sites and the head office allows us to meet schedules and minimize potential financial risk.



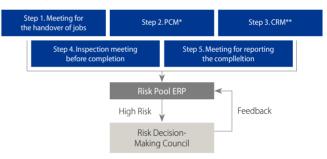
^{*} EWS : Early Warning System

The construction and manufacturing businesses face various financial, environmental and social risks. In addition, changes in business conditions driven by diversification and entrance into new markets may bring about difficulties in efficiently managing risks. The company ensures practical responses to risk by devising an integrated enterprise-wide risk management strategy and defining the characteristics of risks by each business group and project site.

Risk Management at Construction Sites

Project risk management in the construction business should be conducted in the whole process of a project. Doosan E&C realizes comprehensive risk management in the processes of bidding and construction management.

Risk Management Process for Construction Project



- * PCM : Preliminary Construction Meeting
- ** CRM : Construction Review Management

Risk Management at Manufacturing Sites

Risk management at manufacturing sites is conducted through consultation with responsible staff members under the supervision of the PM Team. Risk managers and responsible unit at sites monitor and check the safety and product quality every month to identify risk factors and enhance response competence.

Risk Management Process



Ethical Management

Establishing a Healthy Corporate Culture through Ethical Management

Based on the CEO's strong and clear intention of promoting ethical management, Doosan E&C is striving to raise employees' awareness of business ethics and share the value of ethics with stakeholders in order to establish a transparent and healthy corporate culture.

Code of Conduct

Doosan E&C has put harmony among the members, customer-centered management philosophy, and open and innovative management into practice to realize its unceasing growth and fulfill social responsibilities. Therefore, we created Code of Conduct, which applies to all business activities of our employees. We encourage our partners to follow this Code of Conduct.

Major Contents of the Code of Conduct

Inhwa

Our people are at the heart of our growth and success. We recognize individual differences and treat each other with respect. We understand "Inhwa" as teamwork in the truest sense based on fairness, openness and camaraderie.

Integrity and Transparency

Integrity and transparency must be applied to every aspect of Doosan's organization and business.

Fair Competition

Doos an competes fairly. Doos an is committed to complying with the relevant antitrust and competition laws and regulations where it conducts business

Focus on Our Customers, Innovation, Growth

Our customers are the reason we exist. Our business decisions and activities are thoroughly customerfocused.

Social Responsibility

We are committed to building Doosan as a trusted company that grows with our community. As responsible members of our communities, it is our duty to safeguard the life and safety of everyone in our communities and protect the environment.

Responsible Organization

The Audit Team under the CEO carries out self-inspection, audits for reported matters through online and offline channels, and educations on ethics so that all employees are able to engage in their jobs fairly and transparently. It also monitors possible ethical risks, responds to them, and implements regular inspections.

Infrastructure for Ethical Management

We believe that integrity and transparency are essential to raise our corporate value. The 'Guidelines for Employees' Duties and Transactions' serve as the standards of judgment in their jobs, which helps to improve relationships with all stakeholders.

Cyber Reporting Center

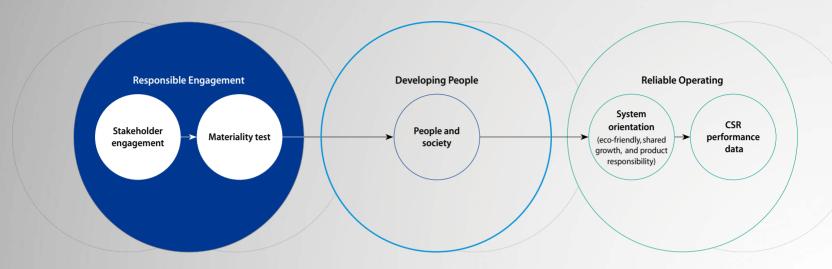
Doosan E&C runs the Cyber Reporting Center to receive reports on unethical behaviors of executives and staff such as taking bribes, unfair performance, and corruption. The reporter's information is strictly protected and the report is treated quickly in accordance with the standard procedure. The results are informed to the reporter and, at the same time, shared with all employees through an in-house program in order to prevent reoccurrence and raise the awareness of business ethics.

Ethical Management Activities

The CEO's letter to request business ethics has been delivered to all employees every year in order to remind them of the importance of ethical management and encourage faithful practices. All executives and staff take a pledge to conduct business ethics. Writing the interest-related statement is also compulsory for members above the level of team managers and site managers.

We conduct a regular survey targeting suppliers on whether Doosan E&C's employees faithfully comply with the Code of Ethics or not, which helps to inspect troubles in businesses with them and prevent corruption or dishonest dealings. In addition, diverse ethical education programs are provided to employees. Those include the Code of Ethics, employees' duties, and guidelines to handle conflicts of interest with suppliers. In 2014, the education programs will be conducted through online so that all executives and staff can easily participate.

Responsible Engagement



'Communication' 'Direction' 'Real Voice'

Defining the Range of Stakeholder Interest

Communication with Stakeholders and Performances

Employees 1	Shareholders and Investors 2	Suppliers 3
	_	
Communication Channels		
 Conversations with the CEO 	 General shareholders meeting 	Shared Growth Council
Employee survey	• IR presentation	Regular meetings
Meetings	Annual report	• Workshops
Labor-Management Council	Brochure	
Key Issues in This Report		
 Enhancing education by position 	 Diversifying economic value creation through 	 Systematic management of supply chain CSR
 Fair performance evaluation and compensation 	business expansion	
 Management of occupational accidents and disasters 	 Ensuring soundness of corporate governance 	
 Securing employment stability 	 Strengthening integrated risk management 	
 Employee diversity and equality 	activities	
Ensuring work-life balance		
Retiree support programs		
Distribution of Economic Value*		
KRW 240.0 billion	KRW 170.8 billion	KRW 1,861.3 billion
		,
Local Communities 4	Government and Academia 5	Customers 6

Communication Channels • Community meetings • Taking part in government councils • Customer Satisfaction Center · Social contribution activities · Regulation and evaluation • Customer Satisfaction Survey **Key Issues in Report** · Minimizing negative impacts on local · Analyzing corruption risks • Protecting consumer information • Complying with the Code of Ethics communities • Eco-friendly construction and design • Waste management • Reporting spills of hazardous substances • Total wastewater discharge management • Developing sustainable energy and resources **Distribution of Economic Value*** (KRW 300 million) KRW 15 billion KRW 200 million

* Economic Value Distribution by Stakeholders

- Employees • Salary
- - Interest expenses
- Suppliers
- A Local Communities
 - Social contribution expenses
- Government and Academia

 - Customers
 - · Promotional expenses.

- Employee benefits • Retirement benefits
- Shareholders and Investors
 - Dividends
- expenses
- Cost of sales Selling and administrative
- Income tax paid (tax refund)
- Advertising expenses

Stakeholders' Opinions that We Should Take into Consideration

Doosan E&C figures out significant sustainable values by actively communicating with various stakeholders and reflects them in its management activities. Our responsible departments and staff are proactively responding to issues and opinions from stakeholders; this helps to attract their participation in our sustainability management.

Defining Stakeholders and Expanding Communication

We define employees, shareholders and investors, suppliers, local communities, government and academia, and customers as six major stakeholder groups. Diverse communication channels are operated to attract their participation and conduct business activities to meet their needs.

Reflecting Stakeholders' Voices

We improve our CSR promotion system by listening to the voices of stake-holders. In order to generate well-balanced economic, environmental, and social values, we conduct stakeholder interviews and surveys, which allow to hear their voices and to identify material issues. This report also contains their expectations and advices. In particular, the issues are reported to the top management and the CSR Committee to help their decision-makings.

Collecting Employees' Opinions: Operational Innovation

Our employees are able to present their opinions and ideas to make improvements of business environment and operational performances via the 'Operational Innovation' system. Annual and temporary tasks are conducted as part of the system, and in particular, performances of the annual tasks are shared companywide through holding a conference in order to motivate employees and build a culture of smooth communication. We are also running a website to let every employee present their opinions and ideas at any time.

Operational Innovation Conference

The Operational Innovation Conference is held once a year to select best practices and ideas for annual tasks and report them to the top management. Best practices and ideas for temporary tasks and improvements are selected and awarded every half year. In addition, those are promulgated throughout all Doosan Group members to promote open communications and management improvement activities at the group level.

Voices of Outside Stakeholders

Classification	Stakeholder	Organization	Issues of interest	Page
Shareholders and investors	Researcher, Chae Sang-uk	LIG Investment & Securities	Corporate evaluation	20
	Team Leader, Oh Deok-gyo	Korea Corporate Governance Service	Soundness of corporate governance	20
Suppliers	President, Lee Jae-hoon	Aju Electronics	Win-win growth with suppliers	67
	Dr. Lee Dong-ju	Korea Small Business Institute	Shared growth policy	67
Local Communities	President, Gang Ho-bong	Seoul Dream Village	Self-reliance and career of children and teenagers	50
	Director, Hong Seung-yun	Korea Pediatric Cancer Foundation	The marginalized (child patients)	50
Government and Academia	Director, Le Hyeon-hee	DNV	Accident prevention at sites	43
	Dr. Jo Dong-woo	Korea Institute of Construction Technology	Green construction and energy saving	56

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Defining the Range of Stakeholder Interest

Stakeholders' Opinions that We Should Take into Consideration

Doosan E&C comprehensively assesses and responds to issues related to environmental and social values as well as economic value through materiality test. This process helps the company strengthen the leadership in CSR and practice the Doosan Way, the core value of Doosan Group.

Materiality Evaluation Process

The material test process organizes the issue pool through the review of global CSR standards, industrial indicators, and issues of global leading companies, and media research. After that, we identified material issues through interviews with and assessment by internal and external experts.

Identifying Internal and External Material Issues

The GRI G4 and ISO 26000 guidelines, DJSI, issues of global leading companies, and media research were utilized to identify internal and external material issues. We also reflected various issues from group-based CSR diagnosis which have been implemented since 2012.

Stakeholders Engagement

The CSR Council classified internal and external CSR issues into 60 items in 9 categories and assessed them in terms of short-term performances and midto long-term growth potential. As a result, a total of 30 key issues were drawn up and those were prioritized through internal and external surveys. A total of 1,506 people took part in the survey in 6 major stakeholder groups of employees, shareholders and investors, suppliers, local communities, the government and academia, and customers.

Materiality Evaluation Process

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Classification				
 Survey of internal and external CSR issues 	Stakeholders engagement	Materiality test	• Reflecting the management's decisions	Disclosing key reporting areas
Activities				
Identifying internal CSR issuesIdentifying external CSR issuesForming an issue pool	Employee survey External stakeholder survey	Prioritizing issuesClassifying core reporting aspects	Reporting to the CSR CommitteeDeveloping CSR tasks	Reflecting results in CSR report Reflecting results on homepage
Criteria for Assessment and Refl	ection			
Global Standards ISO 26000 GRI G4 Index Industrial indicators DJSI Issues of global leading companies Media research	 Focusing on short-term performances Focusing on mid- to long-term growth potential 	• GRI G4 Index	 Reviewing mid- to long-term management strategies Reflecting mid- to long-term CSR strategies and tasks for Doosan Way 	 Doosan Group's CSR strategies Doosan E&C's CSR tasks GRI G4 Index

gagement

We report key issues that stakeholders concern the most

Identifying Key Issues and Reporting

Key issues in this report were selected through internal reviews after drawing material issues on the basis of stakeholder survey.

Materiality Test

Boundaries

The materiality test aims to identify stakeholders' core areas of interest by reflecting urgency and strategic importance of issues in corporate operations. Our materiality test resulted in a total of 15 core issues in 7 major categories including, integrating social responsibilities, human rights, labor practices, the environment, fair operating practices, consumer issues, and the development of community involvement.

Reflecting Stakeholders' Opinions in the Decision-Making Process

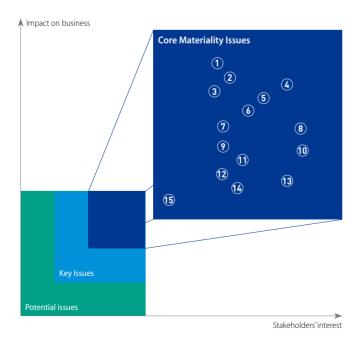
The CSR Committee led by the CEO and the top management reviews key CSR issues drawn by the materiality test and reflects them in the decision-making processes. Some of those issues are reclassified into core CSR tasks to be managed as mid- to long-term management activities by the CSR Council.

Reporting Materiality Issues

Key CSR issues drawn by the materiality test are reclassified by each aspect of the GRI G4 guideline for systematic reporting. And consequently, we announce our strategies, policies, activities, and performances related to reclassified materiality issues through CSR report and corporate homepage. Stakeholders' feedback is reflected in the next year's report.

Key Materiality Issues

We drew the following 15 key materiality issues through internal and external surveys on 30 CSR issues.



Key Materiality Issues

Issu	es	Page
0	Fair performance evaluation and compensation	39~40
2	Management of occupational accidents and diseases	41~43
3	Total wastewater discharge management	58
4	Eco-friendly construction and design	57
6	Minimizing negative impacts on local communities	48~50
6	Systematic management of supply chain CSR	62~65
0	Ensuring work-life balance	46~47
8	Waste management	59
9	Retirees support programs	51
O	Reporting spills of hazardous substances	57~60
1	Enhancing education by position	36~39
Ø	Protecting consumer information	68
B	Developing sustainable energy and resources	60
1	Securing employment stability	44~45
Ð	Employee diversity and equality	44~45

Material Aspects and Reporting Contents

We will establish CSR goals and strive to achieve them.

We analyzed crisis and opportunity elements surrounding the company in the fields of economy, environment, and society, and rearranged key materiality issues by each aspect. The processes, strategic responses, current CSR levels, and future goals are summarized in the table below.

Developing People ————————————————————————————————————					
G4 Aspect	HR Development (Training and Education)	Safe Work Environment (Occupational Health and Safety)	Human Rights (Employment, Diversity and Equal Opportunity)		
Key Issue	 Fair performance evaluation and compensation Enhancing education by position 	 Management of occupational 2 accidents and diseases 	Securing employment stabilityEmployee diversity and equality		
Major Stakeholders	Employees	Employees, suppliers	Employees		
Background of Issues	Doosan Group's 2G strategy focuses on the growth of business through the growth of people. Thus, developing individual competency is priortized.	Recently increasing industrial incidents leads the management and employees to have more interes in safety and health.	The people-centered corporate culture of Doosan t Group values human rights in CSR and reflects this in the group's CSR strategies.		
Strategic Response Directions	Cultivating talents with upright personality through leadership and specialty training courses	Preventing accidents by preemptively identifying risks by each process and devising countermeasure and improvements	Protecting human rights by holding regular Labor- s Management Council meetings and handling grievances		
Current Level	The HRD strategy is linked to the group's management strategies and we are running HRD programs and responsible organization.	We established the safety and health management system by obtaining the KOSHA 18001 and OHSAS 18001, and are monitoring every worksite through the EHS system.	We conduct fair employment and make public related information on our recruitment website.		
Plans and Goals	Running HR development programs Running female leadership programs Making public HR development performances	 Improving safety and health programs Collecting stakeholders' opinions about safety and health programs Helping suppliers establish and practice safety and health policy 	 Building fair employment and career management systems Collecting stakeholders' opinions about fair employment 		
Reporting	p.36~40	p.41~43	p.44~45		
G4 Aspect	Work-Life Balance (Employment)	Sharing Activities (Local Communities)	Retirement and New Beginning (Training and Education)		
Key Issue	• Ensuring work-life balance 7	Minimizing negative impacts on local 5 communities	• Retirees support programs 9		
Major Stakeholders	Employees	Employees, suppliers, communities	Employees, suppliers, communities		
Backgrounds of issues	A company should offer labor conditions such as wages, working hours, weekly holidays, and vacations to raise employee satisfaction on works and their personal life.		Korea is becoming an aging society and people are paying more attention to their lives after retirement.		
Strategic Response Directions	Offering diverse welfare benefit programs to employees to improve their quality of life and enhance work efficiency	Figuring out the needs of local communities through a systematic approach to their issues in order to carry out better social contribution activities	Planning to introduce the extension of retirement age earlier to improve employees' economic conditions and their pride in the company		
Current Level	We provide opportunities for communication among teams and operate various programs to enhance employees' quality of life such as decreasing overtime works.	together with NGOs and a company-wide environmental campaign 'Prumi'.	With regard to the legalization of retirement age extension, we are planning to offer an integrated extension program connected with the salary peak system to some production workers.		
Plans and Goals	Running and monitoring programs regularly Improving programs	 Community benefit programs Community value creation program Community reliance improvement program 	Early introduction of extension of retirement age		
Reporting	p.46~47	p.48~50	p.51		

Reliable Ope	rating (Eco Friendliness) ————		
G4 Aspect	Eco-Friendly Design (Products and Services)	Eco-Friendly Materials/Preventing Environmental Pollution /Industrial Waste Disposal (Effluents and Waste)	Healthy Planet, Eco-friendly Building Management (Energy)
Key Issue	• Eco-friendly construction and design 🕢	Total wastewater discharge management Waste management Reporting spills of hazardous substances Output Description:	Developing sustainable energy and
Major stakeholders	Customers, local communities, government, academia, media	Customers, local communities, government, academia, media	Customers, local communities, government, academia, media
Background of the Issues	As seen in the policy announced to construct zero-energy buildings obligatorily by 2025, social concern is growing about eco-friendly buildings.	It is essential to prepare specialized pollution prevention policies by air, water, and soil because each pollutants cause different types of pollutions.	The demand for new and renewable energy is increasing to reduce the use of fossil fuels, the major cause of global warming and environmental pollution.
Strategic Response Directions	egy 'We've Green' and proceeding with continuous	Striving to minimize environmental impacts by establishing and operating policies to prevent pollutions from harmful substances, wastewater, and waste	Continuously conduct R&D activities to utilize new and renewable energy such as solar power, geothermal energy, and wind power
Current Level	We are developing technologies to reduce energy use for heating and cooling by 80% until 2015.	Environmental management system is operating based on ISO 14001 and we have responsible organizations to engage in environmental management. We also have environmental impact assessment process.	<u> </u>
Plans and Goals	 Adding policies and regulations related to climate change to EHS strategy Establishing a system to manage the information on GHG emissions 	Building a system to report pollutant treatment Securing responsible staff and programs	• Expand the scope of new renewable energy use
Reporting	p.57	p.57~60	p.60

Reliable Operating (Shared Growth)

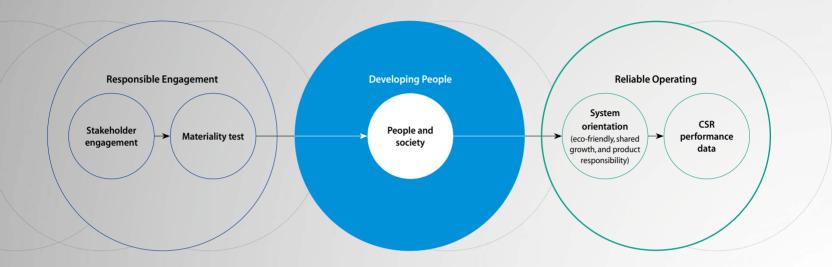
p.62~65

Reporting

G4 Aspect **Shared Growth with Partners (Partnership) Extremely Careful Protection of Personal Information** (Customer Privacy) • Systematic management of supply chain CSR 6 • Protecting consumer information 12 Key Issue Major Stakeholders Suppliers Customers, suppliers Background of the An organization may give influences to other organizations in the process of Collecting and using customer information may give damage to customers. Issue procuring or purchasing. So careful consideration is required not to influence Customer information is also an important issue in the corporate risk management. Therefore, customer information must be protected strictly. negatively on other organizations. Promulgating our CSR vision and strategies to encourage suppliers to establish Using fair and transparent methods in collecting and protecting customer Strategic Response Directions CSR activities and attract their voluntary and active participations information in order to gain their trust **Current Level** Our Shared Growth Promotion Team gives presentations to suppliers to We run a committee and detailed guidelines for safekeeping of customer inforencourage the introduction of Compliance Program and instructs ethical mation. Internal inspection is also performed on a regular basis, and education is management through the portal site implemented to raise awareness of private information protection. Plans and Goals • Setting policies for shared growth with suppliers \bullet Inspecting the status of managing customer information at • Monitoring shared growth programs and feedback HRSG BG and Rexcon · Unifying customer information management systems

p.68

Developing People



'People', 'Growth'

Developing People

1. HR Development

G4 Aspect : Training and Education

- Recruiting talents, the first step to create the future
- Mentoring system to Help New Employees Adapt to Organization
- Doosan E&C's Unique HR Development System
- Fair Evaluation and Compensation

4. Work-Life Balance

G4 Aspect : Employment

• Welfare Benefits for Employees

2. Safe Work Environment

G4 Aspect : Occupational Health and Safety

- Respecting people through Safety and Health Management
- Organizations Responsible for Safety and Health
- Efforts to Ensure Safety and Health

5. Sharing Activities

G4 Aspect : Local Communities

- Growing Together with Local Communities
- Doosan E&C's flagship social contribution activities

3. Human Rights

G4 Aspect : Employment, Diversity and Equal Opportunity

- Efforts to Guarantee the Labor Right
- Systems for Other Human Rights

6. Retirement and New Beginning

G4 Aspect : Training and education

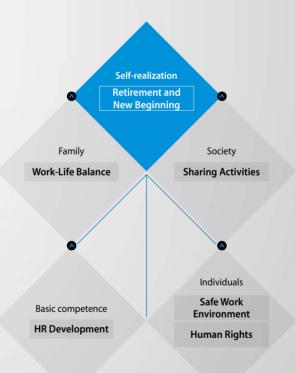
• New Beginning and Consistent Progress

Reporting Boundary

• applicable • o not applicable

Material Acrost	Reporting Bou	ndary		
Material Aspect	Doosan E&C	Suppliers	Customers	Local Communities
1) Training and Education – HR Development	•	0	0	0
2) Occupational Health and Safety - Safe Work Environment	•	•	0	0
3) Employment, Diversity and Equal Opportunity - Human Rights	•	•	0	0
4) Employment - Work-Life Balance	•	•	0	0
5) Local Communities - Sharing Activities	•	•	0	•
6) Training and Education - Retirement and New Beginning	•	•	0	•

Structure



Doosan E&C's CSR is conducted in accordance with the stages of people's growth such as the reinforcement of employees' capabilities, safety and health, human rights, work-life balance, contribution to local communities, and new beginning after retirement.

This section describes Doosan E&C's CSR activities that correspond to each theme.

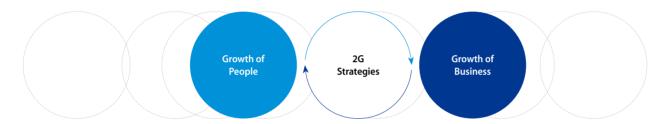
HR Development

G4 Aspect : Training and Education

HR Development That Doosan E&C Pursues

It is people who can create differentiated competitiveness to win a success and ensure sustainable growth in intensively competitive environment. Also, it is people who can realize our goal of 'Proud Global Doosan.' Thus, Doosan E&C has been proactive in finding and developing talents. This may be the most difficult aspect in business management, but the result is far-reaching. Therefore, we put it before anything else to enhance the capability of our employees.

2G strategies of Doosan Group - Growing business through growing people



Growth of People

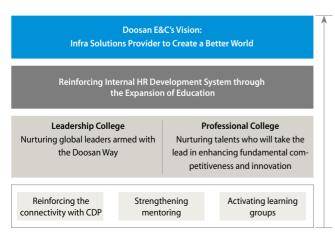
We firmly believe that the long-term growth of our business is possible only through people. So we respect all our employees' personality and put talent cultivation at the top priority. Every employee of our company is provided with opportunities to grow and achieve self-realization through their works. Doosan's 'Inhwa' is defined as faithful teamwork derived from warmth and dignity. It also ensure that all employees can freely communicate with each other under fair rules, feel a sense of belonging, and enjoy fair and transparent evaluation and reward.

Growth of Business

Doosan pursues sustainable growth through cultivating talents. They contribute to the growth of our businesses by leading innovation and changes with limitless aspirations. They also strive to exactly understand customer needs and secure differentiated and fundamental competitiveness in product and technology. These processes lead to the advancement and growth of our businesses.

Doosan E&C's HRD Strategies and System

Solutions



To realize our vision of "Becoming an Infra Solutions Provider to Create a Better World", Doosan E&C manages two key education courses. One is leadership course that aims to internalize the Doosan Way and foster individual competence. The other is specialty enhancement course to cultivate high-caliber talents who will lead innovation and fundamental competitiveness, go after "specialty enhancement course". The other is specialty enhancement course, which contains job-based training programs, cultivate high caliber talents.

Recruiting talents, the first step to create the future

Cultivating talents begins with searching for capable people. We recruit employees with individual potential and local people with site-centered professionalism to evolve into a global player.

Fair Recruitment

Doosan E&C prohibits any discrimination based on gender, educational background, region, and disability for hiring, ensuring fair and objective recruitment system. The DBS (Doosan Biodata Survey) is used to carefully examine whether an applicant has the qualities that we seek and the DCAT (Doosan Comprehensive Aptitude Test) assists the evaluation of the applicant's capability. We also employ licensed interviewers and use diversified and sophisticated interview techniques to secure higher reliability. The SI (Structured Interview) system and DISE (Doosan Integrated Simulation Exercise) interview enable us to further understand applicants' capabilities and analytic thinking. People of national merit or the disabled are duly respected as applicants in accordance with relevant laws.

Policy to Hire Local Talents

As a global corporation, we actively hire excellent local people with expertise and global competence by taking advantage of our regional network. A total of 500 local people in Vietnam have been hired from 2011 to 2013.

For office works, local people around our project sites are preferred. We attract them by offering scholarships or internships to local students. In case of machine-related departments, a letter of recommendation from a faculty member is sufficient. To obtain quality blue-collar workers, we have signed a memorandum of understanding with seven universities close to our business site.

Mentoring system to Help New Employees Adapt to Organization

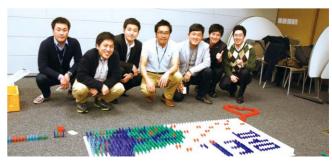
We have a mentoring system for psychological stability and better productivity of new employees. This system is intended to help them get accustomed to the organization, greatly reducing turnover rate. It has evolved into a mutually beneficial mentor/mentee system instead of a one-sided relationship.

Mentoring for New Employees

Pre-mentoring services are offered to new employees for a month, in order for them to have self-esteem and better understanding of the company. When they go to their respective teams after completing the three-month entry-level trainings, a six-month mentoring program begins. Mentors help them early adapt to their organizations and promote plans to manage their careers. The Mentoring Day and Mentoring Letter programs also create more friendly relationship between the mentor and mentee.

Mentoring for Experienced Employees

Mentoring program for newly-hired experienced employees is conducted not only to help them adapt to new environments but also to share job-related skills and knowhow. It starts within a week after their joining the company and the the program lasts for six months.



Mentoring Activities

HR Development G4 Aspect: Training and Education

Doosan E&C's Unique HR Development System

We need to always look back on how many opportunities we have been providing in order to develop people's talent and competency. This process starts from a genuine interest toward each member of the company.



'e-Doosan University', an Integrated Learning Portal

HR Development System

				Doosa	an Lead	lersh	ip Co	lleg	e												D	oos	an F	rofe	ssic	onal Co	lleg	je							
		Orient Prog		1	Anch Progr					ldup gram									E:	xpert	: Prog	gram							_	culty ogram		bal gram		re Tale rogra	
Executive		New Executives Course		Scouted Executive	Exec. In sight Program	STEPS Exec													HR!		-level Course	Techno (New	ology)	em			Project Mai			Change (CEO Seminar
Team Leader	Pride I	NewTeam Leader Course		Ca	Team Leader Insight Program	TS	Building Doosan	In-Hwa	Ope	Innov	Exec	Priorit			٩				Con	_	Advar	nce Co	urse	aterial	s		: Management/Trade Re	Turnkey Sa		Champion	Expat. Leade	Expatriate Course	'D-Camp'	Site Manager Cu	Doosan Future Leader MBA
Team Manager	Pride Doosan	New Manager Course	Jump-up Course for	Career Course	Manager Insight Program	STEPS	osan Talent	Чwa	Openness	Innovation	Execution	Priority Focus	CFO Academy	HR Academy	Purchasing Academy		Advance	Process Course	Construction/Gvil Engineering Facility Course	Official Capacity/Civil Service Course	Construction Machinery Course	Construction Electricity Course	Mecatec BG Job Course	Mecatec BG Technical Job Course	Job HRSG Job Course	Onsite Inexperience Course	e Manage	Turnkey Sales Course	Faculty /		Expat. Leadership Course		ıp' MBA	Cultivation Course	e Leader MBA
Team Member			Jump-up Course for Promoted Personnel	Entry-level Course	Junior Insight Program	STEPS Jr.									γ	Entry-level Technology Course	Basic	Course	vil Engineering Course	Service In experience rse	chinery Course	xtricity Course	Job Course	nical Job Course	ob Course		ment Course		Academy						

Major Training Programs

D-Camp

D-Camp, the in-house MBA Course of Doosan E&C, aims to grow leaders to propel changes and innovations with a strategic management mind. The program consists of general management and construction management courses and continues six months, contributing to cultivating future managers equipped with leadership and management capability.

Jump-up Course for Promoted Personnel

The Jump-up Course helps promoted employees to obtain the capability required at each level of position by keeping them motivated and aware of their roles. The curriculum focuses on strengthening their potential capabilities and feel a sense of accomplishment.

Site Manager Cultivation Course

This course was designed to generate capable site managers who are equipped with project management skill, expertise, leadership, coaching ability, and general management knowledge. It is the basis of the following HR management process for site managers: cultivation, appointment, and capability enhancement. The curriculum consists of cost management, accounting management, external affairs management, and organization management.

Job Training by Internal Experts

Experts in each job provide employees with performance-based and step-by-step trainings. The program is made up of three courses – entry-level course, basic course, and advance course. More than 90% of trainings are performed by internal experts. They hand their professional skills and knowhow over to their junior employees.

Cultivating Local Employees in Overseas Business

Training of New Local Employees

As all our products require high technology and high skill, we are running inhouse technical education centers, which provide education materials and expert instructors beyond the level of vocational training institutes and technical colleges. We provide new local employees with seven courses for basic design, understanding of businesses and products, safety, environment, and health to develop them as quickly as possible.

Technical Education Center

The Technical Education Center offers courses to enhance job capability and leadership. Job capability course includes 9 programs such as welding and floor plan analysis that are needed for hands-on jobs, while leadership course, designed to localize employees as soon as possible, offers 6 programs of strategy understanding, leader's role and responsibility, time management, teamwork and personal development, presentation skill, and computer use.

Developing Managers and Engineers

A total of 30 programs in 4 categories of basic training, technical education, leadership, and language are operating regularly to develop high-caliber managers and engineers.

Basic training course

This course aims to make employees understand the company and basic job skills. It consists of 9 programs to raise the satisfaction of entry and junior-level employees and adaptation to their organizations.

Technical education course

A total of 7 programs are provided to help employees better understand engineering works and improve capabilities.

Leadership course

A total of 8 programs are provided to strengthen leaders' capabilities, leadership for organization management, and communication skills.

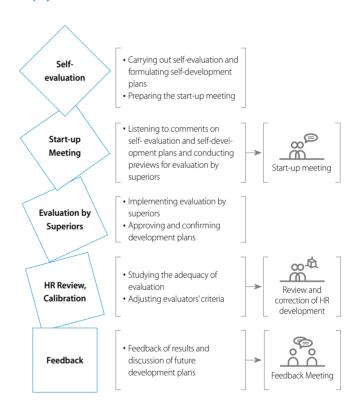
Language education

This program is designed to create talents who can employ business English freely.

Fair Evaluation and Compensation

Doosan E&C implements fair evaluation and compensation to motivate employees to be more propulsive and anxious for growth. Our evaluation system aims not to select a small number of special persons, but to find out all employees' potential and develop capable leaders. Therefore, our evaluation compensation system is managed to help every employee set their self-development plans and dedicate to achieve them.

Employee Evaluation Process



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HR Development G4 Aspect : Training and Education

Regular Evaluation

Regular evaluation on capability and performance targets employees who join the company more than three months. Evaluation period is from the end of December to February or March of the next year.

Evaluation Method

Capability evaluation is conducted by utilizing the DCM (Doosan Competency Model), which is designed to appraise every employee's inborn capability. Performance evaluation is carried out in accordance with the MBO schedule set at the beginning of each year to appraise what the employee has achieved for the company during the merit-evaluation period.

Activities for Fair Evaluation

The process for objective and fair evaluation includes self-evaluation, start-up meeting, evaluation by superiors, HR review & calibration, and feedback. The start-up meeting was introduced in 2012 to ensure that the evaluation is conducted with free opinion exchange between the two sides to evaluate and to be evaluated instead of the conventional one-sided evaluation.

Goals and Performances in HR Development

Aspect	Goals	Detailed mid- to long-term tasks	2013 Results	2014 Plans	2015 Plans
	Running HR development	Devising measures to improve job training program Surveying demands for improvements of job training programs Setting improvement plans Running improved educational programs	Analyzing deficiencies in currently operating programs	Surveying employees' demands for job training programs and devising improvement plans	Running improved job training programs and receiving feedback
HR Develop-	programs	Making plans to introduce new training programs Surveying demands for new training programs Reviewing the introduction of new training programs and setting plans Running	Establishing direction for new program through review of other cases	Surveying employees' demands for introduction of new program	Deciding whether to introduce new programs and planning and running new curriculum
ment	Development of women's leadership	Reviewing status of and needs for women-specific programs Considering the introduction of programs for women Making plans to run women-specific programs	Surveying female employees on demands for female-specific research programs	Considering introduction of women-specific educational programs for all employees	Benchmarking other firms and planning women-specific programs
	Disclosing results of HR develop- ment	Evaluating performances of HR development • Evaluating performances in HR development compared to KPI Disclosing results of HR development programs • Disclosing results in CSR reports and on website	Developing KPI pool for measurement of performances of HR development programs	Establishing a process to reflect HR development programs in KPI	Reviewing whether to disclose KPI and choosing channels to do that

Safe Work Environment

G4 Aspect : Occupational Health and Safety

Safe Work Environment That Doosan E&C Pursues

Recently, occupational accidents are occuring more frequently, hampering the sustainable growth of the Korean industry. Recognizing that corporate growth is contingent on employees' safety and health, Doosan E&C confronts this issue through practical management plans.

Respecting people through Safety and Health Management

The creation of value through employees' ability requires a proper work environment. This is because employees demonstrate their talent only when they feel safe and healthy at their worksites. This is prerequisite not only for Doosan's value creation activities, but for the happiness of their families and society as a whole.

Doosan Group's EHS Policy

Doosan is operating the EHS (Environment, Health, & Safety) management system to fulfill our responsibility for human life and environment. We honor global standards on the environment and sustainable management activities, doing our best for the safety of regions and communities around our worksites.

Doosan E&C's Safety and Health Management Policies

Doosan E&C's safety and health management is rooted in an achievement of advanced EHS culture based on human oriented management, which coincides exactly with management philosophy of Doosan Group. All employees are entitled to work at safe and constructive worksites and the ompany also place safety-first management at the priority.

Organizations Responsible for Safety and Health

Doosan E&C runs the Industrial Safety and Health Committee and the Industrial Safety and Health Councils for Suppliers as well as the EHS Team. These organizations contribute to improvement of safety and health of employees.

Industrial Safety and Health Committee

The Industrial Safety and Health Committee is held at each worksite every quarter and the management and on-site safety and health managers participate. The roles of the committee include deliberating on all safety issues at sites and plants, establishing accident prevention plans, and providing safety and health trainings. Through the discussion within the Committee, many suggestions were made regarding improvement of air ventilation system and quality and supply of work clothes and introduction of non-smoking and diet programs.

Industrial Safety and Health Council for Suppliers

The Industrial Safety and Health Councils for Suppliers shares safety and health issues with suppliers and gathers their complaints and suggestions related to safety and health. The council also identifies hardships in practicing safety and health rules discusses concrete countermeasures. We raise the workers' awareness about safety and health activities on the basis of matters discussed at the councils.

Doosan Group's EHS Investment Principles

Doosan complies with EHS rules and principles to minimize impacts on safety and the environment and puts the following items into practice:

- 1. We should make investments to comply with EHS rules with the approval of CEO.
- 2. We should formulate an investment plan to improve EHS facilities every year and put the plan into practice after prioritizing investment items.
- 3. If EHS accidents occur due to suspended investments from focusing on short-term results, we should hold responsible managers accountable for the accidents.

Safe Work Environment G4 Aspect : Occupational Health and Safety

Efforts to Ensure Safety and Health

Doosan E&C is making a concerted effort to implement safety and health management companywide. We hold the Human-First Emotional Safety Campaign to lower accident rates through employees' voluntary participation in safety activities.

Human-First Emotional Safety Campaign

We implement the Human-First Campaign to prevent accidents by raising workers' safety awareness. Each worksite selects their monthly campaign themes and draws up detailed implementation plans. Their practices and performances are reported every month and best practices are shared throughout the company.

Shouting Safety Campaign

The Mecatec BG is running the 'Shouting Safety' campaign to encourage all employees to take part in safety activities. In this campaign, workers shout three catchwords, "People Is the Future," "Safety From Me" and "We Are Changing,' to pledge themselves to safety activities when holding all meetings and TBM(Tool Box Meeting) at Mecatec BG's 1st and 2nd plants. This campaign represents our strong will to ensure safety.

EHS Contest for Safe Workplaces

The EHS Contest is held as part of safety activities to keep worksites safer and realize win-win growth with suppliers. It consists of various categories such as TBM(Tool Box Meeting) contest, improvement activity theme presentations, and prevention of careless and potential accidents.

Risk Assessment System for Each Construction Process

We are operating the Risk Assessment System for Each Construction Process in order to prevent potential accidents at all worksites in tandem with the EHS system. All suppliers and subcontractors are taking part in this system, which helps to remove potential risk factors and strengthen our safety management. The implementation of a regular risk assessment process that matches the business characteristics of construction sites and manufacturing plants empowers the builder to cope with changing risk factors quickly and systematically.



Awarding prizes to excellent workers

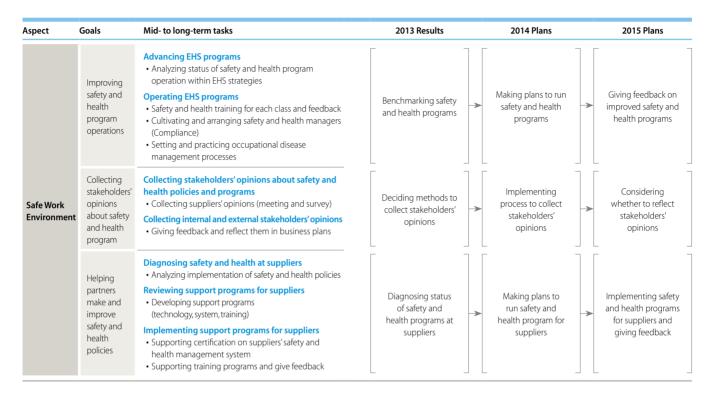


Shouting Safety



Danger-foreseeing Drill Contest

Goals and Performances in Safe Work Environment



"Preemptive management is essential to become

a leader in safety and health."

DNV-GL was established in 1864 in Norway by merging DNV, a foundation engaging in protecting human life, assets, and environment, and GL. We rank the 4th place in the fields of testing, certification and verification in the world and provide auditing, verification, evaluation, training, CSR consultation, and other special services. Its ties with the Doosan Group started in September 2011 when participating in the DSRS(Doosan EHS Rating System) development project, a quantitative evaluation system for EHS of Doosan Group. We executed an evaluation of Doosan E&C and provided educations on management systems and leadership to core executives. The DSRS is a strategy for EHS team that has been developed to secure safety in advance at the group level.

The strategy is based on a philosophy that only preliminary management can ensure expected results and performances and is a result of benchmarking leading companies in employees' safety and health. Other construction firms are at the planning stage in implementing this strategy. However, Doosan E&C has already prepared related systems. Therefore, developing the DSRS within the next several years, Doosan E&C will differentiate itself from other companies.

This strategy and preliminary management framework have presented growth directions for many global leading construction companies. Doosan E&C will require confidence and strong will to continuously implement this strategy. I am sure you will be successful if you have strong will to improve and grow.



Lee Hyun-hee, a chief of DNV-GL

Interview

Human Rights G4 Aspect : Employment, Diversity and Equal Opportunity

Respect for Human Rights That Doosan E&C Pursues

Doosan E&C shows its utmost interest toward its policies and employees to guarantee the basic labor right. Additionally, following the trend of increasing number of female and foreign employees in the construction and manufacturing businesses, the company strives to show meticulous interest and care toward them.

Efforts to Guarantee the Labor Right

Guaranteeing labor right is a prerequisite for employees to be able to display their competency and manage their private lives. In order to guarantee the basic labor rights of our employees, we are promoting various policy reform activities in the systematic, policy-making, and cultural aspects.

Guaranteeing Union Activities

Our collective bargaining agreement entails protection of union activities, principles of collective bargaining, and information on strikes. Stipulated clauses describe free union activities for the labor rights of union members.

Labor-Management Meeting

Respect for human rights and related agendas are regularly discussed during the labor-management meeting. The meeting deals with welfare benefits and improvement of working conditions, and is used as a flexible discussion and negotiation channel between the labor and management.

Labor-Management Council

The Labor-Management Council is held quarterly to discuss management system regarding employee grivances, safety and health, and work environment. The rights of employees are stipulated in the Labor-Management Council regulations in order to build a cooperative relationship between the labor and management.

Field Manager Council

Doosan E&C operates the Part Leader Council, which is held once a month and participated by part leaders that oversee entire production site. The Council discusses opinions on ways to improve irrational work systems, safety facilities, production facilities, and welfare facilities. Site workers can suggest ideas for improvements and monitor the results to upgrade work environments centered on sites and workers.



Signing ceremony for wage agreement in 2013



Field Manager Council

Systems for Other Human Rights

The prohibition of forced labor, child labor and sexual harassment is specified in our HR regulations to respect human rights. In addition, a counseling program is running to handle the human rights of foreign workers of suppliers. We will continue to have more interest in human rights.

Prohibition of Forced Labor and Child Labor

In compliance with the Labor Standards Act, and the International Labor Organization (ILO) Convention, Doosan E&C prohibits any type of forced labor and child labor. Our overseas sites also do the same by complying with their Labor Standards Acts.

Whistle-Blowing System

Our employees can report their grievances and suggestions via Cyber Report Center on our homepage. Moreover, the HR Team is operating channels to receive reports on human right violations and opens communication channels to give conseling on sexual harassment any time.

Counseling for Foreign Employees

We hired interpreters for foreign employees of our suppliers to respect their human rights. They listen to foreign employees' grievances such as communication problems, conflicts with Korean staff and homesickness and help to solve problems and make them feel at home in Korea.

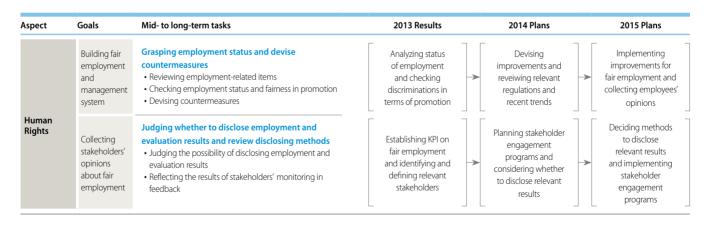
Handling Employee Grievances

Employees who have distresses are able to report them through the portal site and receive advices go after "in-house conselors" receive advices by inhouse counselors regardless of time and place. They can visit the counselor' office and voice their grievances to the counselor by phone or email.

Meetings by Position

Our staff members, assistant managers, managers, deputy general managers and general managers participate in meetings by their position to seek for practical solutions to problems in their jobs and promote harmony among employees. The meeting contributes to expand the grievance system companywide.

Goals and Performances in Human Rights



Work-Life Balance G4 Aspect : Employment

Work-Life Balance That Doosan E&C Pursues

Employees' lives are composed of work and many other activities. The growth of the company can only be achieved along with the growth of our employees' quality of life other than work. To realize this philosophy, Doosan E&C manages various employee welfare programs.

Welfare Benefits for Employees

Employees are encouraged to use their allotted vacations for their leisure time. In addition, Doosan E&C provides them with not only diverse education programs aimed for their self-improvement but also welfare benefits such as family event expenses, their medical expenses, and dormitories to provide stability of employees' lives.

Vacations

We offer various vacation programs such as monthly paid holidays, summer holidays, winter holidays, and holidays given as rewards for good achievement, as well as weekends. Two-week holidays in summer and one-week holidays in winter are guaranteed by company policy. Special holidays to celebrate their birthday, wedding, and other family events are given, which makes a great appeal to young generations who pursue work-life balance. Team leaders or site managers send e-mail to their staff members who celebrate anniversaries to let them enjoy special holidays. By doing so, staff members can improve their work-life balance and team leaders or site managers are also able to secure leadership in the long run.

Supports for Leisure Activities

Every employee at Doosan E&C is able to use condominiums in major tourist attractions around the country to enjoy holidays and leisure activities with their family. We also encourage employees' overseas backpack trips to install global mindset within them. The fitness club in our head office building in Nonhyeon-dong is greatly appreciated by employees.

Educational Support

Doosan E&C provides employees with tuition or expenses for schooling their children from kindergarten to college. On top of that, employees are supported with expenses for their language studies or language certification tests so that they can develop themselves to the fullest extent.

Other Benefit Programs

We offer expenses for regular medical checkups and medical care to employees. The group accident insurance program is in place to protect employees against unforeseen accidents. We also provide holidays and money for employees' special events such as weddings, birthdays, and child births. Employees working at local sites can use our dormitories around the sites and site workers are provided with expenses for returning home. Shuttle buses are provided for their convenience during rush hours.



Fitness center



No-smoking Fund

Long tenured employees are provided with gift cards and special holidays in accordance with years of services. Other programs include giving presents at Korean traditional holidays and birthday, holding events such as music festival, and operating Doosan Credit Union.

Nursery within the Company

Doosan E&C operates 'Mirae Namu Nursery School' within the company to help female employees concentrate on their jobs and achieve self-fulfillment. The nursery facility is for 3~5 year-old children, and offers quality education programs in art, music, math, and English. In particularly, the 'Integrated English Program' in which children can learn English by playing with natives and the 'Book Love Activity Program' implemented in the space with more than 800 books are winning great responses from both children and their parents.



Mirae Namu Nursery School

Happy Hour

The 'Happy Hour' program aims to activate communication and help employees improve their work-life balance. Started at the head office, this program has been implemented companywide since July 2013. It is held every 2nd Friday and major activities include outdoor activities, watching movies, and having tea time. Sometimes they invite celebrated instructors to expand their perspective in humanities, art, and culture as well as construction business. Each team and project site submits its plans for execution. And then, the company evaluates the results according to sincerity and singularity and selects best practices every month.



Happy Hour program for active communication among employees

Goals and Performances in Work-Life Balance

Aspect	Goals	Mid- to long-term tasks	2013 Results		2014 Plans		2015 Plans
Work-Life	Operating regular programs and monitoring	Checking work-life balance programs Identifying program operation status Surveying employees' satisfaction Practicing improvements and reviewing the plan to introduce new programs Practicing and monitoring programs	Benchmarking other companies to improve employees' quality of life	→	Planning new programs to improve quality of life and reviewing the introduction	>	Conducting new programs and surveying employee opinions
Balance	Improving programs	Collecting stakeholder opinions Collecting opinions of internal and external stakeholders Reviewing the way to improve and reflecting collected opinions Feedback of improvements and new program execution	Identifying programs to be improved	>	Setting processes to collect opinions of external stakeholders	>	Reviewing the reflection of stakeholder opinions and drawing improvements

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Sharing Activities G4 Aspect: Local Communities

Sharing Activities That Doosan E&C Pursues

Social responsibility is a natural obligation for us as a corporate citizen. Under the mission of 'Enhancing Future Competitiveness of Communities and Corporate Value through Strategic Social Contribution Activities', Doosan E&C is committed to carry out long-term social contribution to solve fundamental social problems.

Growing Together with Local Communities

Doosan E&C develops and implements social contribution programs which are necessary for local communities and reflect our business features in order to grow together with all stakeholders. Based on relationships with local communities, we will carry out systematic and professional social contribution activities beyond mere supports for the underprivileged and sharing.

Social Contribution Strategy



^{*}Aligning with CSR strategy framework

Doosan E&C's Social Contribution Framework

Doosan E&C systematically operates the volunteer service corps companywide. The CSR team under the CEO is responsible for overall contribution activities. As for each business group, activities are performed centered on BG Planning Team. The volunteer service corps was launched in 2011 and more than 95% of employees are participating in social contribution activities as of 2013.

Doosan E&C's flagship social contribution activities

We develop and conduct CSR activities that can contribute to enhancing future competitiveness of local communities around our business sites. We also cooperate with local organizations and NGOs for better activities.

Dream Sharing

The Dream Sharing is a mentoring program to help adolescents think about their dreams and future in order to map out their career path. This program consists of several steps: searching for ego, setting mid- to long-term goals and drawing up plans, finding role models, experiencing simulated job interviews, and visiting worksites. Through these steps, employees become mentors for teenagers to give advices and support adolescents achieve their dreams.



Dream Sharing

Giving Hope to Pediatric Cancer Patients

Doosan E&C is proactive in giving hope to pediatric cancer patients. Major activities include removing prejudice against pediatric cancer, promoting blood donation campaigns, delivering blood donor cards, supporting medical expenses of low income patients, and operating psychological therapy programs to increase their self-esteem and sociality.

Human Network

This is a program to help children and adolescent in culturally poor environments build personality and develop creativity. Through this program, they can meet celebrities or stars from musicals, dramas, music, and sports develop understandings of each field.

Building Love House

Doosan E&C provides homeless families who are living in poor residential environments with houses, making the most of the ability and features of the construction business. 'Doowoohe,' an association of our employees and our suppliers, donates their professional skills in building houses.

Voluntary Services by Areas

The four BGs (Infrastructure BG, Construction BG, Mecatec BG, and HRSG BG) implement outreach programs around their worksites. The Mecatec BG and HRSG BG carry out regular voluntary services targeting marginalized children, adolescents, and senior citizens in Changwon, their home city. Both BGs continuously expand their activities to grow with their local communities.



Human Network



Building Love House

Goals and Performances in Sharing Activities

Aspect	Goals	Mid- to long-term tasks	2013 Results		2014 Plans		2015 Plans
	Community service programs	Devising and implementing community service programs Analyzing results of community service program operations Reviewing new and supplementary programs to support underprivileged class Establishing activity scheme and carrying out programs Monitoring programs and giving feedback	Analyzing the status of social contribution programs	→	ldentifying improvements and supplements of social contribution programs	→	Conducting and monitoring new social contribution programs
Sharing Activities	Community value creation programs	Devising and implementing community value creation programs Analyzing results of community income and value creation activities Reviewing programs (such as local purchase) for indirect value creation Figuring out demands from each construction site and manufacturing plant Conducting programs and monitoring	Analyzing communities and reviewing value creation programs	→	Studying value creation programs suitable for each community	→	Devising and monitoring value creation programs and reflecting feedback
	Community reliance im- provement programs	Devising and implementing community self-reliance programs • Surveying communities' efforts to wean themselves off reliance on firms • Devising programs to reduce reliance on firms' support • Conducting programs and monitoring	_	→	Benchmarking CSR activities of advanced companies	→	Reviewing new programs and collecting internal and external stakeholders' opinions

Sharing Activities G4 Aspect : Local Communities

Interview

"It is necessary to conduct not just one-time event but long-term social contribution activities."

The Korea Pediatric Cancer Foundation is a social welfare foundation engaging in an intermediary role for pediatric cancer patients to receive financial and other types of supports until full recovery. Normally, our foundation contacts companies to build relationships; however, in the case of Doosan E&C, the CSR Team contacted us first and we began to build a long-term relationship.

The education of employees on pediatric cancer is the first step to long-term and sustainable sharing activities. We provided your employees with educations to alter their perceptions of pediatric cancer patients and opportunities to meet children who had made full recoveries. This helped us inform that pediatric cancer is recoverable and continuous attention to patients is more important than just having a surgery. I think those enlightened employees of Doosan E&C about the necessity of more interest in and long-term support for pediatric cancer patients.

I also believe that in this age of a low birth rate, it is time for children who defeated pediatric cancer to play their role as constructive members of the nation. I hope that Korean companies including Doosan E&C and domestic organizations will not forget this fact and continue to give their full support.

"Figuring out what they really want has to be preceded before offering supports."

Dream Tree Village in Seoul is a social welfare facility that takes care of children and adolescents who need parents' care. The facility is also engaging in counseling, education, medical service, and book lending to promote the welfare of local communities. When working for local communities, we need to strive to understand what needy people in the communities really want. If more special attention is given to this matter, it can give more meaning to both givers and takers. It is also necessary to have life-time mentors for children while building long-term relationships with them so that they grow well.

Employees of Doosan E&C have been maintaining mentor-mentee relationships with students at middle and high schools by meeting them at least three times a year since 2011. They have been spending time together with the students by watching plays and musicals, going to baseball games, visiting project sites such as the New Bundang Subway Line, and implementing the Dream Sharing program. I am sure that these activities will help the children grow and develop self-reliance.

Like Doosan's slogan, "People Are the Future," designing and building children's dreams correspond to the meaning of the construction business, I think. I hope Doosan E&C will continue to give supports to marginalized children and people so that they can build a brighter future.



Hong Seung-yun, a director of the Korea Pediatric Cancer Foundation



Kang Hyo-bong, President of Dream Tree Village in Seoul

Retirement and New Beginning

G4 Aspect : Training and Education

Retirement Programs That Doosan E&C Pursues

Korea is becoming an aging society and people are paying more atten-

tion to their lives after retirement. Thus, Doosan E&C has designed policies to ensure that the retirees can live in financial, psychological and social stability. These policies allow employees to focus on their jobs to enhance productivity and also keep them loyal to the company even after retirement.

New Beginning and Consistent Progress

Doosan E&C operates many active and practical programs to support employees. We are operating the retirement pension program to give employees financial supports during their retirement and preparing the deferred retirement system for each job category in accordance with the future deferred retirement act in 2016. These programs enable employees to focus on their current jobs and secure more time to contribute to the society by minimizing employment uncertainty.



Deferred Retirement

The age of retirement will be extended to 60 compulsorily from 2016 according to the advent of an aging society and social consensus on deferred retirement. In order to sustain the employment and gain human resources of sufficient experience and knowledge, Doosan E&C has already introduced the deferred retirement system linked with the salary peak system for some employees in production worker position.



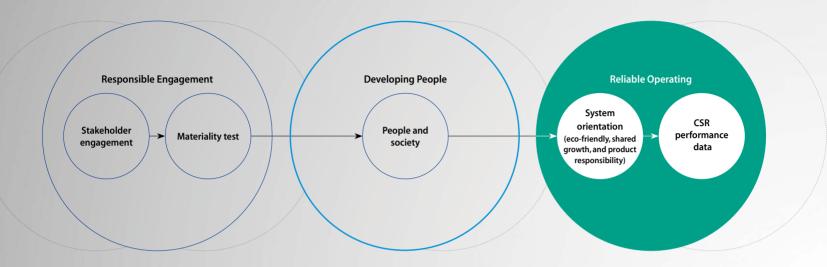
Retirement Pension

To ensure more stable life after retirement, Doosan E&C runs the retirement pension program. As of the end of 2013, about 1,600 people have joined the program, and the pension fund amounts to KRW 26.7 billion.

Goals and Performances in Developing Programs to Support Retirees

Aspect	Goals	Mid/Long-term Promotional Tasks	2013 Results	2014 Plans	2015 Plans
Retirement and New Beginning	Early introduction of the deferred retirement system	Introducing the deferred retirement system in early stage • Collecting employee opinions about deferred retirement • Benchmarking advanced companies and analyzing recent trends • Devising and executing the system	_	Collecting employee opinions about deferred retirement and devising and executing the system based on the benchmarking results	-

Reliable Operating



'Co-prosperity'
'Environment'
'Customer'

Reliable Operating

- Environment

1. Environmental Management

G4 Aspect: Products and Services, Effluents and Waste, Energy

- Environmental Management Framework
- Eco-Friendly Design
- Eco-Friendly Materials
- Preventing Environmental Pollution
- Industrial Waste Disposal
- · Healthy Planet, Eco-friendly Building Management

2. Shared Growth with Partners

G4 Aspect : Partnership

- · People-Centered Shared Growth
- Operating the Compliance Program
- Other Activities for Shared Growth

Shared Growth

${\bf 3. Responsibility \, for \, Product \, and \, Customer \, Service}$

- **G4 Aspect :** Customer Privacy
 - Efforts for Better Quality Our Infrastructure
- Extremely Careful Protection of Personal Information

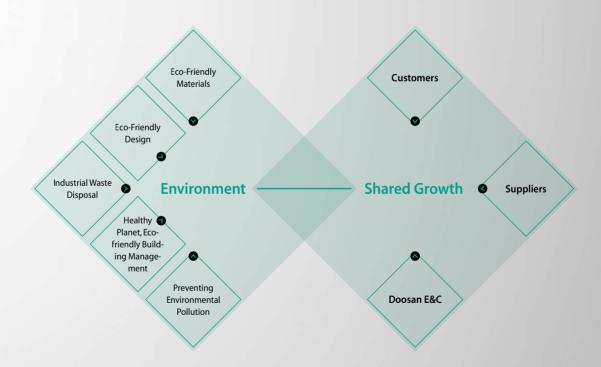
• Quality Management System

Reporting Boundary

• applicable O not applicable

Makerial Acres	Reporting Bou	ndary		
Material Aspect	Doosan E&C	Suppliers	Customers	Local Communities
1) Products and Services - Eco-Friendly Design	•	0	•	•
2) Effluents and Waste - Eco-Friendly Materials				
- Preventing Environmental Pollution	•	•	•	•
- Industrial Waste Disposal				
3) Energy – Healthy Planet, Eco-friendly Building Management	•	•	0	0
4) Shared Growth with Partners	•	•	0	0
5) Customer Privacy - Extremely Careful Protection of Personal Information	•	0	•	0

Structure



The Reliable Operating section is comprised of two parts – environmental management and shared growth.

Environmental management part includes our environmental activities in eco-friendly design, construction, and demolition in line with the life cycle of construction and manufacturing sectors. Shared growth part introduces the process of improving the competiveness and capability based on shared growth and quality management.



Environmental Management That Doosan E&C Pursues

Environmental issues such as depletion of energy resources, global warming, and climate change have become significant threats to our society. In this regard, Doosan E&C has focused on building environmental management system throughout the business by declaring green management, practicing energy saving and Conducting Environmental Impact Assessment (EIA), which will help us lay the foundation for sustainable growth.

G4 Aspect: Products and Services, Effluents and Waste, Energy

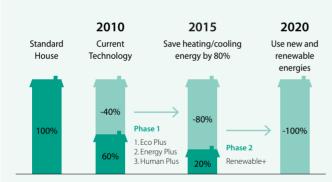
Environmental Management Policy

Environmental

Management

Doosan E&C complies with environmental laws and regulations faithfully. We are also proactive in establishing and implementing environmental goals and action plans for each job to minimize environmental impacts. Moreover, we have written environmental management system, fortified environmental capabilities through education, and performed activities to promote a better environment.

Special Case We've Green





Doosan E&C focuses on technology development for eco-friendly construction to create a more pleasant life environment. The mid-to long-term strategy named 'We've Green' was established to reduce GHG* emissions and build eco-friendly residential spaces. It is comprised of Eco Plus (to optimize environmental loads), Energy Plus (to save energy by eco-friendly technology), and Human Plus (to provide eco-friendly residential spaces). Some 60 technologies are utilized to realize the strategy. By doing so, we will reduce energy use for heating and cooling by 80% by 2015 and achieve the Zero-Energy House by 2020.

* GHG: Greenhouse Gases

Phase1.

Eco Plus, Energy Plus, Human Plus

We will fortify the foundation for realizing our mid-to long-term environmental strategy 'We've Green' by reducing energy use for heating and cooling by 80% by 2015.

Phase2.

Renewable Energy

Upon the completion of Phase 1, we will achieve the Zero-Energy House by 2020 through applying more new and renewable energy sources.

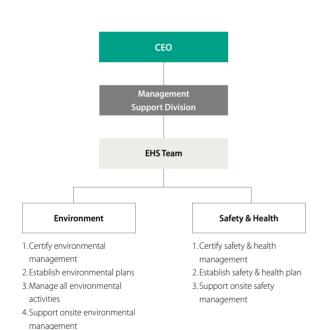
Environmenta Management

Environmental G4 Aspect: Products and Services, Effluents and Waste, Energy

Environmental Management Framework

Responsible Organization

The EHS(Environment, Health & Safety) Team under the business support division is responsible for all environmental issues of four business groups (Infrastructure, Construction, Mecatec, and HRSG) and two support divisions (Financial Management and Business Support). It conducts comprehensive environmental activities such as obtaining and maintaining environmental certifications in cooperation with BGs and support divisions.



Interview

"A shift in a new paradigm, the designing of the Zero-Energy Building is needed."

Recently, climate change issue and needs for energy-efficiency has unleashed great interest in the Zero-Energy Building. EU member states have set a goal to reduce their greenhouse gas emissions and energy use by 20% while increasing renewable energy use by 20% by 2020. To achieve those, zero-energy use is required for constructing new buildings. The US also aims to develop the Net Zero-Energy Building that can reduce 50~70% of energy use by 2020 and commercialize the building by 2025.

Like this, the Zero-Energy Buildings will become a mega trend that nobody can defy. Therefore, a lack of preparation to this trend may bring about setbacks in corporate businesses. However, efficient preparations including the development of cost-effective models ranging from detached houses to commercial buildings will create great opportunities. You need to develop new construction technologies and methods going beyond conventional thinking. I hope Doosan E&C turn the Zero-Energy Building into an icon of its environmental management in a proactive and positive manner. It will result in benefits to both your company and residents, and contribute to the development of national economy and environment.



Cho Dong-woo, Center Head at Korea Institute of Civil Engineering & Building Technology

Eco-friendly Project Management That Doosan E&C Pursues

There is a growing interest in eco-friendly project management globally. Environmental requirements also have been tightened by enacting or upgrading domestic and international standards such as introduction of the emission trading system and certification of eco-friendly buildings and materials. To effectively manage environmental pollutions, it is important to identify pollution sources at each process from material purchase, assembling, construction, waste disposal, and recycling, and to conduct appropriate pollution prevention activities.

Eco-Friendly Design

Doosan E&C's eco-friendly construction starts from the eco-friendly design. The eco-friendly design pursues energy-saving, water-saving, consideration of ecology, and pleasant residential environment.

Energy-saving Design

Installing power blocking devices makes it possible to reduce standby power use which takes up about 10% of total electricity consumption at apartments. Standby power is needed for the operation of remote controllers, TVs, and many electronic appliances.

Water-saving Design

Doosan E&C adopts water-saving devices to toilet, water tap and shower which are frequently used in our life. In particular, the pedal valves installed in the kitchen help save water by 20~30%. These water-saving devices are introduced to residential apartments and commercial buildings with Doosan We've brand. We will continue to adopt those to more apartments and buildings.

Eco-friendly Design Certification

In accordance with the green building certification system, Doosan E&C secures green space ratio of 10% when building green area, ecological space ratio of 30% or more to ensure ecological function, and biotope for wildlife habitat within apartment complexes.

Goals and Performances in Eco-friendly Design

Aspect	Goals	Mid/Long-term Promotional Tasks	2013 Results		2014 Plans		2015 Plans
Eco-Friendly	Adopting climate change policy and regulation to EHS strategy	Building guidelines for GHG regulations Gather information about GHG regulations (policy and trend) Establishing GHG policy, rule, and manual and reflecting them in company-wide system	Analyzing policies and rules related to GHG regulation	→	Establishing policy and process for GHG management	→	Improving company-wide GHG management system
Design	Building GHG information management system	Building GHG inventory and appointing responsible staff • Appointing staff responsible for GHG inventory • Identifying energy use by target • Building GHG inventory • Monitoring GHG inventory	Appointing staff responsible for inventory management	→	Identifying energy use status by target	→	Building GHG inventory and monitoring

Environmental Management

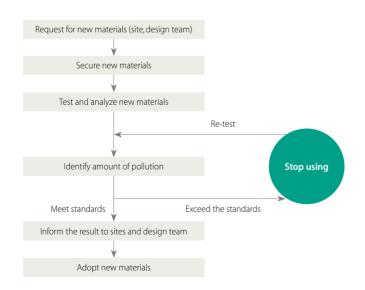
Environmental G4 Aspect: Products and Services, Effluents and Waste, Energy

Eco-Friendly Materials

We try not to use materials that emit many pollutants by analyzing them in advance. We perform strict environmental impact assessment on newly introduced materials that may become environmentally controversial. Only the materials that meet the standards are used at our construction sites.

Green Purchasing

Securing and using eco-friendly materials are not only beneficial for the environment, for which environment regulation is strengthening, but also are crucial in securing corporate competitiveness. For this reason, Doosan E&C strives to save energy and minimize the generation of waste for all stages of construction. Doosan E&C adopts green purchasing in all its interior materials for apartments. Particularly we encourage the use of quality materials with the HB (Healthy Building Material) mark which is graded by evaluating the level of organic compound emissions. We will continue to expand the scope of and investment in green purchasing throughout all supply chain by establishing relevant regulations and processes.



Preventing Environmental Pollution

Doosan E&C has built onsite environmental management process, through which each project site is systematically conducting pollution prevention activities such as scattering dust control and water quality improvement. We will continue to invest in environmental facilities.

Scattering Dust Control

Scattering dust directly emitted to the air is known to cause pulmonary heart disease and respiratory disorder. To deal scattering dust, Doosan E&C installs tire washers around the gates of construction sites and manufacturing plants, and operates sprinkler vehicles in the process of storing, loading, and removing materials. We also use windscreens, dust covers, movable dust collectors, and vacuum sweeper trucks to control scattering dust.

Water Quality Management

Wastewater and outflow are managed through sewage treatment facilities at each site. In particular, wastewater from concrete curing, which may cause serious pollution, is entrusted to specialty companies to be discharged after neutralization. We also perform preventive monitoring and make checklists of potential water pollutions.

Noise and Vibration Management

Noise or vibration at sites can be a major source of complaints from neighboring residents. Doosan E&C not only satisfy the requirements set by the Noise and Vibration Control Act, but also establishes measures to reduce noise and vibration tailored to characteristics of each site. Especially, our construction sites install noise barriers and mobile air domes to reduce noise and adjust work hours in consideration of lives of neighboring residents.

Protection of Biodiversity

We research and analyze environmental conditions around our sites. By doing so, we adopt ways to minimize environmental impact through changes in construction technology, materials, and design.

Industrial Waste Disposal

The advent of sustainable growth and resource recycling society has unleashed growing interest in waste recycling. Doosan E&C is conducting research on ways to recycle waste materials at each site. We will make a concerted effort to minimize the generation of waste through systemizing waste recycling.

Waste Disposal

Under the guidelines to manage waste, Doosan E&C minimizes the environmental impact caused by waste and pollutants from our sites. Waste is classified, stored, and collected from the initial stage and entrusted to waste disposal companies selected through internal inspection process.

Minimizing Waste and Recycling

Doosan E&C has set up goals for waste generation and material recycling to minimize waste at each site. To achieve these goals, we install waste stations and analyze the amount of waste generation by site. Recyclable waste is sold to designated specialty firms to be recycled, while asbestos or waste oil is entrusted to professional institutes or designated companies.

Goals and Performances in Environmental Pollution Prevention and Waste Treatment

Aspect	Goals	Mid/Long-term Promotional Tasks	2013 Results		2014 Plans		2015 Plans
Preventing Environmen- tal Pollution	Operating responsible staff and programs	Appointing an expert to measure and analyzing air, water, and soil quality • Appointing an expert to measure and analyzing air, water, and soil quality Appointing responsible staff at sites and plants and educating them • Appointing responsible staff at sites and plants and educating them Setting company-wide plans to prevent and managing environment pollution • Surveying on technology to treat each pollution source • Planning to prevent environment pollution • Surveying technology to restore polluted environments	Identifying required manpower to measure and analyzing air, water, and soil pollutions	→	Appointing and educating experts in each category	→	Developing technology and making plans to manage pollution sources in each category
Industrial Waste Disposal	Reporting system on pollutant disposal	Confirming reporting contents about pollutant generation and treatment • Identifying pollutants managed at construction and manufacturing sites • Confirming pollutants to be managed through meeting • Enacting and revising a manual to manage pollutants	ldentifying pollutants managed by each BG	→	Collecting ideas to manage pollutants	→	Building systems and processes to manage pollutants

Environmenta Management

Environmental G4 Aspect: Products and Services, Effluents and Waste, Energy

Eco-friendly Building Management That Doosan E&C Pursues

To prevent global warming caused by GHG emis-

sions, the development and use of new and renewable energy draws people's attention. Various researches on the Zero-Energy Building are conducted and many eco-friendly buildings are being constructed both at home and abroad. In order to manage sustainable eco-friendly buildings, economic dimension needs to be secured as well. Thus, Doosan E&C is striving to develop buildings that can satisfy both economical and environmental aspects.

Healthy Planet, Eco-friendly Building Management

Doosan E&C takes a lead in developing eco-friendly technologies to optimize energy and resource consumption and adopt new and renewable energy not only in designing and constructing but also in maintaining completed buildings.

Development of New and Renewable Energy

Small-scale Wind Power Generation

Doosan We've the Zenith site in Ilsan uses the hybrid lighting system that generates and supplies electricity by using small-scale wind power generation when solar energy is not easily found due to rainy weather or insufficient daylight. Generated electricity is stored at storage batteries and used for security lights at night. We will continue to expand small-scale wind power generation system.

Geothermal Energy

We apply the geothermal system to public buildings and apartment complexes for heating and cooling. The geothermal system consists of closed loop heat exchanger and HDPE pipes. It convey underground heat into buildings during winter, while transmit the heat in buildings into the ground during summer. Heating and cooling by the geothermal energy makes it possible to reduce energy use by approximately 40 to 50%.

Photovoltaic Power Generation

Our photovoltaic power generation facilities were installed Doosan We've the Zenith site in Ilsan and Railroad Institutes' Joint Head Office Building site. This facility uses the energy of ultraviolet and visible light and generates electricity through the photoelectric effect of solar cell modules. It relieves the electricity load during the day time and surplus electricity is stored in storage batteries for use at night. A photovoltaic lighting system was also introduced to Doosan We've Hosu Maeul site.

Solar Power Generation

Doosan E&C uses the solar power generation system for buildings. The system absorbs solar radiation and changes it into thermal energy. The device is made up of two parts - Heat Receiving Section that changes solar energy into thermal energy and Thermal Storage Part that stores warm water for heating. The solar power generation is more economical compared to conventional fossil fuels as it requires lower maintenance cost. It is currently used for heating and cooling of buildings and we will continue focus on developing technologies to raise energy efficiency.

Goals and Performances in Eco-friendly Building Management

Aspect	Goals	Mid/Long-term Promotional Tasks	2013 Results	2014 Plans	2015 Plans
Healthy Planet, Eco-friendly Building Management	Expanding the use of new and renewable energy	Developing technologies to use new and renewable energy • Surveying related technologies • Monitoring project sites to be applied and setting ways to apply the technologies	Analyzing the status of sites where new and renewable energy is used and reviewing imperfections	Setting up plans to expand the scope of new and renewable energy	Monitoring sites where new and renewable energy is used



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Shared Growth with Partners

G4 Aspect : Partnership

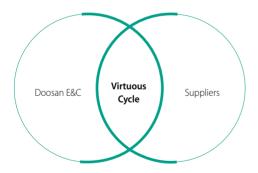
Shared Growth That Doosan E&C Pursues

With the advent of the notion of fair society, shared growth policy is drawing public attention. Unlike the conventional 'win-win' cooperation, which requires one-sided sacrifice from big corporations, the concept of shared growth requires win-win growth between a big business and its partners under the notion of an equal business relationship. To ensure stronger competitiveness, Doosan E&C is establishing virtuous relationships with suppliers.

People-Centered Shared Growth

With the mid to long-term perspective, we established the Shared Growth Team to enhance suppliers' competencies and to put the philosophy of shared growth into a practice. Considering the feature of the construction business with a high level of dependence on suppliers, we provide them with financial aids, opportunities for capability and productivity enhancement, and efficient communication. Doosan E&C will keep on working for fair trade and shared growth with suppliers.

Philosophy of Shared Growth



Doosan E&C's corporate philosophy of shared growth is based on a 'virtuous cycle partnership'. The virtuous cycle partnership means Doosan E&C and partners work as a unit to operate the distinctive technology, product quality, and management system. Through this partnership operation, Doosan E&C share its technological capabilities and sophisticated business systems with suppliers to boost their growth because we believe their growth results in our growth. To materialize the virtuous cycle partnership, we promote detailed action plans and reflect them in our business plans. The results also have effects on evaluation of the management. Shared growth with suppliers will be further improved and promoted by continuously monitoring action plans and results.

Operating the Compliance Program

The Compliance Program is operating to voluntarily conform to fair trade related regulations. It contributes to preventing violations of laws and regulations and creating stronger trust in our ethical management.

Organization for the Compliance Program



Compliance Program Operation in 2013

Classification	Performances
CP Operation Policy	Report on CP achievements to the BOD / Approval of the BOD for Compliance Officer change/ Collection of written pledges on the CP from all executives and staff
Supports by the Top Management	Notice on the CEO's message about CP / Event to declare suppliers' CP adoption
Education Program	Education on CP to new employees/ Education on subcontract to site managers/ Entrusted training about CP (internal transaction, advertisement)/ Training by external experts/ Cyber training on CP
Pre-Monitoring	Monitoring of law violations of suppliers / External expert's monitoring of subcontract works of Mecetech and HRSG BGs/ Inspection on the compliance with the Subcontracting Act at worksites
Sanction & Incentive	Awards to exemplary employees in CP / Reflection of CP achievements in MBO
Evaluation and Improvement of the CP	Education and survey on CP recognition

Other Activities for Shared Growth

Shared growth has become an unavoidable issue to create more values within the supply chain in the construction business. Doosan E&C seeks sustainable win-win relationships with its suppliers through fair and open transactions with them.

Educational Support to Suppliers

Systematic training programs are provided to the employees of suppliers to enhance their competitiveness. Those programs include working-level capability enhancement education, special education on EHS, partnership seminar and other special courses.

Education to Improve Capability of Suppliers' Working-level Staff

We provide more than 200 employees of suppliers every year with educations on labor management, cost management, the Framework Act on the Construction Industry, and Fair Contraction in Subcontracting Act.

Education on Quality Innovation

Employees of suppliers in the manufacturing business are provided with education on quality innovation. For better productivity, we teach them about the importance of quality management and capability and skills for quality innovation.

Special Education on EHS

We offer special education programs to employees of suppliers each year to raise their awareness of EHS and develop their competencies for responses to safety and environmental risks. Those are conducted by each business group and the rate of participation has reached more than 90%.

Education on Environment and Safety Innovation

This education program focuses on the direction of environmental and safety management and innovation activities for them. To encourage their compliance with environment and safety, we made videos containing overall education processes and distributed them project sites and suppliers.

Partnership Seminar

A seminar is held every year to build better partnerships with suppliers, in which their CEOs and executives participate. Major themes have included labor management and desirable labor-management relations, and relevant operation system improvement at construction sites. In addition, credibility management under the New Basel Accord and safety at the construction site have been dealt with at the seminar.

Consulting about HR and Labor Relations of Suppliers

We provide consulting services about HR management, labor relations and other matters to suppliers in Changwon. The certified labor attorneys of Doosan E&C teach them about labor affairs such as the Labor Standards Act and HR management that are liable to be missed. The labor attorneys visit project sites to meet suppliers' CEOs and site managers and to listen to their difficulties and suggest solutions.



Education to Improve Capability of Suppliers' Working-level Staff



Doosan E&C & Best Partner's Day

Shared Growth with Partners

G4 Aspect : Partnership

Other Shared Growth Activities

Welfare Facilities for Suppliers' Employees

Doosan E&C offers a free dormitory with modern facilities for 100 foreign workers of suppliers for the first time in the Changwon Industrial Complex. We also expanded business facilities such as office, conference room, and training room, and opened a fitness center and a lounge.

Major Activities of the 'Doowoohe'

Activities	Frequency	Description
Workshop	Once a year	Education and rally for stronger unity
Community Service	Once a year	Services at rural areas Habitat activities
Safety Campaign	Twice a year	 Instillation of safety consciousness together with the CEO and all employees
Discussion Meeting	As needed	After events and activities

Doowoohe

The 'Doowoohe', an association of our excellent supplier, was launched to promote friendship and exchange information among the member companies. It is composed of 29 suppliers including one Chair company and six operation member companies as of 2013, and holds a regular annual meeting and special meetings to talk about current issues and major policies. Doosan E&C supports their workshops and safety campaigns, solidifying the partnership.



Safety patrol event of suppliers

Goals and Performances in Shared Growth

Aspect	Goals	Mid/Long-term Promotional Tasks	2013 Results	2014 Plans	2015 Plans
shared policies Shared Growth with Partners Monito shared prograr and bui a feedb	Setting up shared growth policies	Devising shared growth policies and identifying improvement plans Benchmarking advanced companies and trend analysis Collecting opinions from relevant stakeholders Devising and practicing shared growth policies	Benchmarking advanced companies' shared growth programs and reviewing relevant rules and regulations	Collecting stakeholders' opinions about shared growth	Devising and practicing improvement plans for shared growth
	Monitoring shared growth programs and building a feedback process	Monitoring shared growth practices and building a feedback system • Benchmark • Collect opinions from stakeholders like partners • Preparing for monitoring and feedback system for shared growth	Benchmarking advanced companies' monitoring process on shared growth	Collecting opinions from stakeholders including suppliers	Reflecting opinions of stakeholders and planning monitoring process

Interview

"System improvement and internalization are really important for practical shared growth."

For successful co-growth with subcontractors, improving and systemizing the internal support systems should be preceded. Even though plans for shared growth are prepared by the management or responsible departments, those may not be conducted at worksites. So, it is necessary to improve the incentive and evaluation systems in order to make people at worksites and working-level staff proactively participate in shared growth. In addition, you need to reflect their activities for shared growth as well as economic performances on the evaluation list.

Worksite-based education beyond just theoretical approach is also required and you have to focus on improving and internalizing systems for shared growth. In the domestic construction industry, the shared growth index announced by the government every year is considered to be important. Because the government gives construction firms with the performance sharing system additional points in deciding the index and the National Commission for Corporate Partnership also authorizes their performance sharing system. I hope your company develop unique performance sharing model and, in the long-term, contribute to promulgating the culture of shared growth by exchanging experiences with other construction firms.

"Real shared growth comes from active communication with and sincere approach to suppliers."

Ajou Electronic System has been a supplier of Doosan E&C in telecommunication field for more than 20 years. Now we play a role as a manager for 'Doowoohoe'. Doosan E&C has been proactive in supporting suppliers through jointly holding job fairs, early providing subcontract payment, hosting workshops, raising shared growth funds, and operating the performance sharing system. But what's the most important is the time and communications Doosan E&C and suppliers have shared together. It will become a real base of shared growth. Doowoohoe and Doosan E&C's employees have been engaged in various safety events, community services, and donations.

We were able to actively communicate with each other and make a consensus through these activities. The Safety Patrol event held since 2007 has promoted our safety consciousness and understanding and communication have been boosted through joint social contribution activities such as the Habitat campaign and community services in rural areas. All of these activities have given opportunities to understand and think of the situation of the other party. I hope Doosan E&C continue to focus on communicating with us and building a culture of sincere shared growth. By doing so, I am sure we can create positive synergy effects and be closer to our responsibilities toward the society.



Ph. D Lee Dong-joo at Korea Small Business Institute



Lee, Jae-hoon, CEO of Ajou Electronic System

Responsibility for Product and G4 Aspect: Customer Privacy Customer Service

Enhancement of Quality That Doosan E&C Pursues

Customers are reasons for Doosan E&C's existence and the standard of success. Our management focuses on customers because we know that our success is decided based solely upon the standard of customers. Doosan E&C strives to secure not only excellent products and technology but also differentiated competitiveness in order to provide products, toward which customers show satisfaction.

Customer-centered R&D Activities of Doosan Group

Through the uses of world-class technology and innovation, Doosan E&C wants to improve quality of products and services, which will then improve entire local communities and people's quality of their lives. Furthermore, we dedicate ourselves to provide differentiated customer values. We are also striving to provid customers with products and services with excellent function, durability, convenience, and stability.

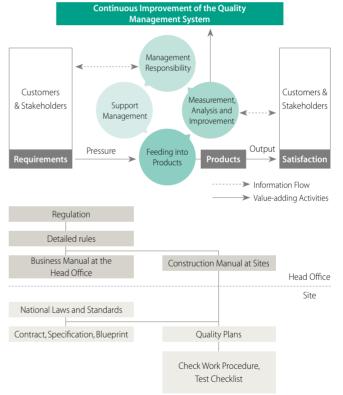
Quality Management Policy of Doosan E&C

Our quality management policy is to give customer satisfaction by sustaining the best quality level. With the awareness that pre-inspection is more important than follow-up actions after customer complaints, we are concentrating on quality inspection at every business stage. To improve insufficient quality, we hold meeting to check errors found in construction floor plans and guidelines beforehand. Also, educations to enhance quality and construction standards are conducted for higher customer satisfaction.

Quality Management System

We deliver the best products and services meeting customer expectations by building and improving the quality management system based on the international quality standard, ISO 9001:2008.

Quality Management System ———



Efforts for Better Quality Our Infrastructure

We have set a very special standard to deal with customer complaints about our products and services per BG (Infrastructure, Construction, Mecatec, HRSG). With our quality and customer satisfaction DB, we can efficiently handle customer complaints.

Indoor Air Quality Research

Doosan E&C runs a research institute to study how to maintain good indoor air quality in all our residential buildings. For the health of the residents, we do not allow construction materials emitting 10 hazardous substances such as formaldehyde and volatile organic compounds. The research institute now performs a study to improve indoor air quality based on 50 residential buildings including Haeundae Poseidon in Pusan and Doosan We've the Zenith in Taequ.

Quality Innovation Activities

In order to strengthen quality of Mecatec BG's equipments and staff of Doosan E&C and the presidents of our subcontractors met to declare quality innovation activities. We also have set the promotion tasks of 2014 for higher quality concepts, stronger capability, and a better system to manage quality.

Technology-based Capability of Doosan in the Global Market

Special Case

The competitiveness of Doosan E&C comes from our long construction experience and continuous R&D.

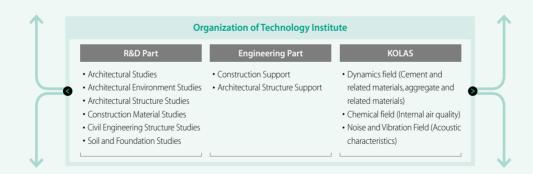
Some R&D results are shared with the suppliers to help them attain higher competitiveness and technology development.

Shotcrete Construction Method using Powdery Admixture and Alkali-free Accelerator

The shotcrete method enables rapid stability in tunnel constructions. As the rapid stability sustains external pressure and holds tight the excavated bed, the method is excellent in preventing tunnel collapse. The method also enables the use of single-shell tunnels and can reduce the thickness of the shotcrete lining.

Construction Method to Prevent Spall and Improve Fire-proofing in Concrete Columns

This construction method is a new technology to prevent spalls and improve fire-proofing in the structure of high concrete buildings. By mixing two types of organic fiber of different thicknesses that melt at different temperatures into the concrete mix, the construction method relieves internal stress and thus prevents spalls of concrete structures.



3-Pole SAW Welding

This is a very advanced welding technology in the CEP industry. Three welding materials can be supplied to one welding section. With the 3-pole SAW device, welding of different materials and different sizes (thick plates/bulky items) has become possible.

Once-through Heat Recovery Steam Generator Technology

Unlike the conventional drum style of natural circulation, this technology quickens the start-up time for steam generation. By adopting the Oncethrough Heat Recovery Steam Generator, combined cycle power plants can apply various operational methods and can reduce the emission of pollutants by shortening the start-up time.

Responsibility for Product and Customer Service

G4 Aspect : Customer Privacy

Personal Information Protection That Doosan E&C Pursues

More and more incidents are occurring due to leaked personal information. For each nation and institution, we strengthened responsive laws and regulations and took action so that people cannot request excessive amounts of personal information. Doosan E&C makes continual efforts to protect the personal information of residents who are related to our housing development business.

Extremely Careful Protection of Personal Information

Doosan E&C takes a responsibility to deal with the protection of personal information. To care a Personal information strongly, we have set regulations, an inspection system, and a security system. We also run an education course to change employees' concepts regarding personal information.

Measures to Protect Personal Information

Doosan E&C has its own regulations to protect personal information in accordance with relevant laws. An executive officer appointed by the CEO is responsible for the information management department. We always make sure that the personal information of our customers is properly managed and protected through regular internal and external inspections.

Personal Information Management System

We perform a company-wide inspection each quarter per year. In that

inspection, we check the responsibilities to be observed by each department based on the personal information protection manual. To guarantee safer personal information management, we have been inspected annually by an external body since 2011.

Personal Information Protection System

We have established a system to protect personal information. The information saved in the system is encoded to prevent leaks. To prevent illegal access to the information database, the access history is managed.

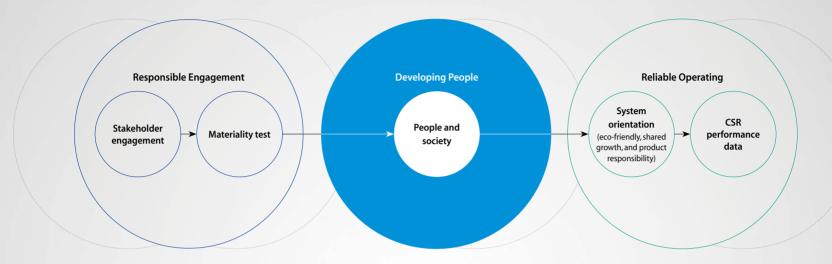
Education on Personal Information

The education on personal information protection is given once a year. It is operated as a required course; some 2,000 people completed the education in 2013. Special education is given to major work sites such as construction sites, plants, and apartment-selling offices to remind the responsible people of the importance of managing personal information.

Objectives and Achievement of Personal Information Protection

Aspect	Promotion Objective	Mid/long-term Promotion Tasks	Achievement of 2013	Plan for 2014	Plan for 2015
Extremely Careful Protection	Check personal information management status at HRSG, Rexcon	Checking the Management status of each workplace • Making a plan for the management • Analyzing the check results and making reports • Conducting follow-up steps and checking the results Appointing a person to manage personal information and giving necessary education • Appointing a person to manage personal information • Making plans for necessary education • Giving education for personal information management	Analyzed personal information management status at HRSG, Rexcon	Appointing a person to manage personal information and giving necessary education	Executing the improvement of personal information system, follow-up steps, and inspection on results at each workplace
of Personal Information	Unify personal information management system	Encoding Information of the PC/Delete Installing a program to encode personal information Monitoring the process of encoding and deletion Encoding personal information at the DBs of HRSG and Rexcon systems Identifying and encoding personal information at the system DB	Installed a program to encode the personal information at each PC	Monitoring the encoding program for each PC	Identifying and encoding personal information at the company DB

APPENDIX



'Economic Performance'

'Social Performance'

'Environmental Performance'

his section contains quantitative performances of Doosan E&C's CSR activities.

The data include our quantitative performances in the aspects of economy, environment, and society for recent three years.

Appendix

1. CSR Performances

2. Other Information

- Assurance Statement
- UNGC
- GRI G4 Index

CSR Performances

Organizational Profile

G4-9. Scale of the Organization

Separate Financial Statement (KRW in r				
Classification	2011	2012	2013	
Current assets	3,472,648	2,369,703	2,421,651	
Non-current assets	1,358,616	1,540,136	2,324,134	
Total assets	4,831,264	3,909,839	4,745,785	
Current liabilities	2,454,114	2,726,129	2,201,433	
Non-current liabilities	1,156,220	578,667	534,977	
Total liabilities	3,610,334	3,304,796	2,736,410	
Total equity	1,220,930	605,043	2,009,375	
Sales	2,633,993	2,229,066	2,188,154	
Operating profit	(309,581)	(453,521)	55,584	
Net profit	(293,452)	(614,847)	(33,676)	

Consolidated Financial Statement (KRW in mi				
Classification	2011	2012	2013	
Current assets	3,592,796	2,427,888	2,534,636	
Non-current assets	1,495,402	1,637,855	2,415,780	
Total assets	5,088,198	4,065,743	4,950,416	
Current liabilities	2,581,406	2,795,129	2,308,227	
Non-current liabilities	1,240,611	662,826	626,746	
Total liabilities	3,822,017	3,457,955	2,934,973	
Total equity	1,266,181	607,788	2,015,443	
Sales	2,783,315	2,377,208	2,355,215	
Operating profit	(308,685)	(449,136)	57,370	
Net profit	(294,202)	(654,077)	(60,325)	

New Orders			(KRW in billions)
Classification	2011	2012	2013
New orders	2,254.5	1,533.3	1,286.7

G4-11. The Percentage of Total Employees Covered by Collective Bargaining Agreements

			2011		
Classification	Unit	Construction (Gosan)	Construction (Doosan)	Mecatec	HRSG
No. of employees covered by the labor union	D	1,157	1,400	105	-
No. of employees joining the labor union	Persons	101	10	91	-
Percentage of unionized workforce	%	8.7	0.7	86.7	-

			2012		
Classification	Unit	Construction (Gosan)	Construction (Doosan)	Mecatec	HRSG
No. of employees covered by the labor union	D	1,191	1,418	159	-
No. of employees joining the labor union	Persons	92	10	135	_
Percentage of unionized workforce	%	7.7	0.7	84.9	-

			2013		
Classification	Unit	Construction (Gosan)	Construction (Doosan)	Mecatec	HRSG
No. of employees covered by the labor union	D	1,091	1,309	195	117
No. of employees joining the labor union	Persons	74	10	186	63
Percentage of unionized workforce	%	6.8	0.8	95.4	53.8

^{*} As of the month when collective bargaining was required

Aspect : Energy

EN3. Energy Consumption within the Organization

Classification	Energy source	Data gathering scope	Unit	2011	2012	2013
Direct energy	Diesel (vehicle)	Doosan E&C		282.34	290.70	234.23
	Gasoline (vehicle)			777.71	420.41	516.81
	City gas		GJ	177,155.26	156,386.62	161,855.76
	Diesel (construction equipment)	Doosan E&C, suppliers		8,638.65	10,171.72	9,737.34
Indirect energy	Electricity	Doosan E&C		382,080.32	425,184.60	427,271.83

Classification	Unit	2011	2012	2013
Total energy use	GJ	568,934.27	592,454.05	599,615.97
Basic unit energy use	GJ/Sales (KRW in hundred	21.6	26.6	27.4
	millions)			

Aspect: Effluents and Waste

EN22. Total Water Discharge by Quality and Destination

Classification					
Worksite	Wastewater	Unit	2011	2012	2013
Mecatec BG 1st Plant	Entrusted (evaporative		222 47	421 48	488.47
Weddec bd 1 Flant	concentration)		222.41	421.40	400.47
Mecatec BG 2 nd Plant	Entrusted (evaporative concentration)	m³	675.99	663.38	650.77
Total discharge			898.46	1,084.86	1,139.24

^{* -} Scope : Mecatec BG's 1st and 2nd plants in Changwon

EN23. Total Weight of Waste by Type and Disposal Method

Classification		Unit	2011	2012	2013
Onsite waste	Recycled		647	3,047	2,400
	Entrusted		101,059	73,025	52,674
	Subtotal		101,706	76,072	55,074
Designated waste	Entrusted	ton	230	214	160
	Subtotal		230	214	160
Total			101,936	76,286	55,234

Classification	Unit	2011	2012	2013
(Recycled waste/total waste) x 100	%	0.64	3.99	4.34

^{* -} Scope:The Olbaro system data for Mecatec BG's 1st and 2nd plants in Changwon and domestic construction sites

⁻ Collected the amount of acidic wastewater discharge

⁻The data of recycled waste include the amount of waste recycled by entrusted firms.

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CSR Performances

Aspect: Employment

LA1. Total Number and Rates of New Employee Hires and Employee Turnover by Age Group, Gender, and Region

Doosan E&C is operating the Retention program for staff and assistant manger positions to reduce turnover rate. Our executives visit project sites once a month to listen to opinions of site workers and solve problems, which helps raise their satisfaction.

Classification		1114	2011	2012	2013
		Unit —	Tur	nover rate	
Gender	Male		6.1	9.7	18.3
	Female		7.7	7.3	23.2
Age group	20s		7.0	8.2	9.1
	30s	- %	7.5	8.6	14.6
	40s		3.4	9.3	26.7
	50s and over		10.0	17.2	20.3

LA3. Return to Work and Retention Rates after Arental Leave, by Gender

Classification	Unit	2011	2012	2013	
Rate of employees who took	Male		-	-	-
parental leave	Female		100%	100%	100%
Rate of return to work after	Male		_	-	_
parental leave	Female	- % -	53.80%	63.20%	69.20%
Rate of over 1-year retention	Male		-	-	_
after return to work	Female		53.80%	63.20%	69.20%

Aspect: Occupational Health and Safety

LA6. Type of Injury and Rates of Injury, Occupational Diseases, Lost Days, and Absenteeism, and Total Number of Work-Related Fatalities, by Region and by Gender

ac			Total	
Classification	Unit	2011	2012	2013
Total employees	D	16,690	18,144	12,666
Industrial victims	— Persons ——	19.08	40.21	56.75
Industrial injury rate	%	0.10	0.29	0.45

- * Total employees = Regular employees
- Industrial victims = No. of converted industrial victims
- Industrial injury rte = Converted industrial injury rte
- Figures in 2011, 2012: Data released by the Ministry of Labor
- Figure in 2013: Under inspection by the Ministry of Labor (scheduled to be released in July 2014)

Aspect: Training and education

LA9. Average Hours of Training Per Year Per Employee by Gender, and by Employee Category

Classification	Unit	2011	2012	2013
Total training hours for executives		712	792	1,024
Total training hours for employees		101,512	108,372	100,760
Annual average hours of training per employee (total hours/total employees)	Hours	58	68.98	67.13
Average costs of training per employee (total costs/total employees)	KRW	789,000	872,000	666,000

LA11. Percentage of Employees Receiving Regular Performance and Career Development Reviews, by Gender and by Employee Category

Classification		Unit	2011	2012	2013
Percentage	Total employees		1,874	1,829	1,787
of regular performance and career development reviews	No. of employees received regular performance reviews	Persons	1,338	1,427	1,257

Aspect : Diversity and Equal Opportunity

LA12. Composition of Governance Bodies and Breakdown of Employees Per Employee Category According to Gender, Age Group, Minority Group Membership, and Other Indicators of Diversity

Classification	Classification			2011	2012	2013
Breakdown of executives	BOD Inside members director			3	2	2
	Outside director Executives between 30s and 50s Male executives Persons	4	4	4		
		Persons	1	-	-	
		1	_	_		
	Fema	le executives		-	_	_
	Executives over 50	over 50s	_	6	6	6
	Male	Male executives		6	6	6
	Fema	le executives		_	_	_

Classification		Unit	2011	2012	2013
Breakdown of	Total employees		1,874	1,829	1,787
employees	Under 30s		300	245	243
	- Male		241	189	181
	- Female		59	56	62
	30s~50s	D	1,414	1,421	1,317
	- Male	Persons —	1,358	1,355	1,254
	- Female		56	66	63
	Over 50s		160	163	227
	- Male		158	161	227
	- Female		2	2	0

Classification		Unit	2011	2012	2013
Total employee	25		1,874	1,829	1,787
Employment	Regular		1,629	1,571	1,553
type	Non-regular		245	258	234
Socially	Female		117	124	125
marginalized	Disabled		25	25	24
	Veterans	_	26	23	23
Age group	20s		300	245	243
	30s		743	776	717
	40s	- Persons —	671	645	600
	50s and over	_	160	163	227
Position	Executive		46	37	37
	Senior manager		248	229	193
	Manager	_	688	689	640
	Assistant manager	_	400	418	379
	Staff	_	349	274	256
	Others	_	143	182	282

Aspect : Local Communities

SO1. Percentage of Operations with Implemented Local Community Engagement, Impact Assessments, and Development Programs

Classification	Details	Unit	2011	2012	2013
Investments in social contribution	Donation	KRW in thousands	1,468,926	966,386	196,380
Participation in social contribution	No. of social contribution programs	No.	19 No.	25	41
	No. of employees participated in social contributon	Persons	457	536	800

Assurance Statement

Introduction

DNV GL Business Assurance Korea Ltd. (hereinafter "DNV GL BA Korea") is commissioned to carry out the assurance engagement of the 2013 CSR Report (hereinafter "the Report") of Doosan Engineering & Construction Co.,Ltd.(hereinafter "Doosan E&C"). This engagement focused on the information provided in the Report and the underlying management and reporting processes. Doosan E&C is responsible for the collection, analysis, aggregation and presentation of all information within the Report. DNV GL BA Korea's responsibility in performing the work follows terms of reference and scope of work agreed. The assurance engagement is based on the assumption that the data and information provided to us is complete, sufficient and authentic. Doosan E&C's stakeholders are the intended recipients of the assurance statement.

Scope of Assurance

This Assurance Engagement covered data from the calendar year 2013. The scope of DNV GL BA Korea's

Assurance Engagement includes only for operations under control in Korea the review and assessment of followings:

- Evaluation of adherence to Accountability principles provided in AA1000 Accountability Principles Standard (APS) 2008 with Type 1, a moderate level of assurance as stated in AA1000 Assurance Standard (AS) 2008.
- Evaluation of the reporting principles for defining the sustainability report content and the quality as expressed in Global Reporting Initiative (GRI) Sustainability Reporting Guidelines G4
- Verification of disclosures to check the Report is prepared 'In accordance' with the GRI Guidelines G4 (Core option) (Aggregated level of data that refers to the period between January and December in 2013)
- Visit to Doosan E&C Head office in Seoul, Korea in May 2014.

Limitation

The engagement excluded the sustainability management, performance and reporting practices of Doosan E&C's suppliers, contractors and any third-parties mentioned in the Report. DNV GL BA Korea did not interview external stakeholders as part of this Assurance Engagement. Any financial information from Doosan E&C's annual report and company reporting on operations in 2013 or other sources are not included in the scope of the Assurance. Economic performances based on the financial data were cross-checked with internal documents and the audited financial statements. The aggregation and calculation process for building economic performances is reviewed and tested by the verification team. The baseline data for Environment and Social performance are not verified, while the aggregated data are used for the verification. DNV GL BA Korea expressly disclaims any liability or coresponsibility for any decision a person or an entity may make based on this Assurance Statement.

Verification Methodology

The Assurance Engagement was planned and carried out in accordance with the DNV GL BA Verification Protocol for Sustainability Reporting (VeriSustainTM V.4.1) and AA1000AS(2008). As part of the verification, we challenged the sustainability-related statements and claims made in the Report and assessed the robustness of the underlying data management system, information flow and controls.

In accordance with the Protocol, the Report was evaluated with regard to the following criteria: DNV GL BA Korea

has examined and reviewed documents, data and other information made available by Doosan E&C. We

acquired the information and technical data from the certified management systems. We performed samplebased audits of;

- •The process for determining the materiality of the contents to be included in the Report;
- •The process for generating, gathering and managing the quantitative and qualitative data included in the Report.
- •The accuracy of data verified.

Conclusion

In DNV GL's opinion, the Report provides a reliable and fair representation of Doosan E&C's policy, practices and performance in 2013. Further conclusions and observations on the Adherence to the principles of Inclusivity, Materiality and Responsiveness, as set forth in the AA1000APS(2008) are made below:

Inclusivity: Regarding sustainability issues, Doosan E&C has engaged with a wide range of stakeholders. 6 Stakeholder groups which are Employees, Shareholder/ Investor, Suppliers, Local communities, Government/Academic societies and Customers are defined in the Report. Key interests of stakeholders are identified through the various ways of engagement and material issues are considered by analysing risks and opportunities.

Materiality: The materiality determination process is clearly presented in the Report. Issue pool to identify material issues is formed by analysing international standards, Industry specific indicator, Industry leaders' reports, and Media research. Though material issues are prioritized by internal and external review, to strengthen the materiality process, more active review of external opinion is recommended. Identified material issues are categorized by the key aspects and reported.

Responsiveness: Key issues based on the stakeholders' interests are linked to the internal mid and long term objectives and strategies and communicated effectively with stakeholders. It definitely helps to strengthen Doosan E&C's sustainability management system. 24 CSR tasks related to material issues are divided into seven categories and these are managed as 'urgent',' supplement' and 'improvement' by considering urgency. Timelines for each task are established and made public effectively. Report presents activities and performance of material issues.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported to Doosan E&C's management. However, these do not affect our conclusions on the Report and are provided to encourage continual improvement.

•Improvement of stakeholder engagement and materiality determination process

- Doosan E&C needs to put in place the process to review the negative opinion outside in order to choose issues in a balanced way.
- Stakeholder engagement process needs to be operated continuously to gather proper issues which are reviewed in the materiality process.

•Improvement of data control and reporting process

- It is recommended to establish the procedure to aggregate and report quantitative data. The proper data fitting for the purpose should be applied consistently afterwards.
- Materiality should be derived from the issues relevant to all business units so that representing strategy and performance of Doosan E&C can be provided in the Report

Statement of Cov vmpetence and Independence

DNV GL BA is a leading provider of sustainability services, including the verification of sustainability reports. Our environmental and social assurance specialists operate in over 100 countries. DNV GL BA Korea was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL BA Korea maintains complete impartiality toward stakeholders interviewed during the verification process.

June 2014
Seoul, Republic of Korea

In-Kyoon Ahn Country Manager





UNGC

UN Global Compact

Principles Compliance

Doosan E&C countenances UNGC's (UN Global Compact) 10 key principles in 4 categories of human rights, labor, environment, and anticorruption, the initiatives to encourage corporate social responsibility, and reflects them in our management strategies to present our strong will about CSR. We will continue to make a concerted effort to comply with the UNGC's 10 key principles by respecting rights of human and labor, developing eco-friendly technologies and products, and raising the bar of management and inspection for the eradication of misconducts.

Classification	Principle	Activities of Doosan E&C	Page		
Human Rights	Ne support and respect internationally declared human rights.	We comply with the Labor Standard Act and ILO Rules and operate the whistle-blowing system and grievance treatment system to ensure the rights of	45		
Tidinaii nigrits	2. We do not engage in infringement of human rights.	employees.	40		
	3. We acknowledge rights to freedom of association and collective bargaining.	We guarantee union activities of employees and operate the Labor-Management Council and meetings.	44		
Labor	4. We abolish all kinds of forced labors.	We prohibit all kinds of forced and children's labor in compliance of the Labor	45		
LADOI	5. We effectively abolish children's labor.	Standard Act and ILO Rules.			
	6.We effectively abolish children's labor.	We have fair employment and performance evaluation policies and processes and prohibit wage discrimination by gender.			
	7. We support preventative approach to environmental issues.	We installed systems to cut off standby power that accounts for about 10% of household electricity consumption and water-saving toilets and water taps to reduce water consumption by more than 20% compared to existing devices.	57		
Environment	8. We take the lead in taking bigger environmental responsibilities.	We obtained the green building certification and eco-friendly building certification and encourage the purchasing of construction materials with the eco-friendly mark.	57~58		
	9. We support environmentally-friendly technology development and its diffusion.	We established a mid to long-term environmental strategy 'We've Green' to build the Zero-Energy Building and make best efforts to develop eco-friendly technologies.			
Anticorruption	10. We strive to eradicate all kinds of corruption including unjust enrichment and bribe	We have the Code of Ethics and operate the Compliance Management Committee and Compliance Management Bureau to faithfully monitor and inspect ethical management activities.	26		

GRI G4 INDEX

General Standard Disclosures

• Fully Reported • partially Reported • Not Reported N/A Not Applicable

Code	Code Description	Page	Application Level	External Assurance
Strategy a	and Analysis			
G4-1	CEO Message	10~11	•	74~75
Organizat	ional Profile			
G4-3	Name of the organization	1	•	74~75
G4-4	The primary brands, products, and services	16~19	•	74~75
G4-5	The location of the organization's headquarters	1	•	74~75
G4-6	The number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	14~15	•	74~75
G4-7	The nature of ownership and legal form	14	•	74~75
G4-8	The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	14~15, 16~19	•	74~75
G4-9	Scale of the organization	70, 73	•	74~75
G4-10	Total workforce	15, 73	•	74~75
G4-11	The percentage of total employees covered by collective bargaining agreements	70	•	74~75
G4-12	The organization's supply chain	62~65	•	74~75
G4-13	Any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	10~13	•	74~75
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	25	•	74~75
G4-15	List Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	76	•	74~75
G4-16	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization	79	•	74~75
Identified	Material Aspects and Boundaries			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	14	•	74~75
G4-18	The process for defining the report content and the Aspect Boundaries	30~31	•	74~75
G4-19	List all the material Aspects identified in the process for defining report content	31~32	•	74~75
G4-20	For each material Aspect, report Aspect Boundary within the organization	35, 53	•	74~75
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	35, 53	•	74~75
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements	-	N/A	74~75
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	-	N/A	74~75
Stakeholo	der Engagement			
G4-24	List of stakeholder groups engaged by the organization	28~29	•	74~75
G4-25	Basis for identification and selection of stakeholders with whom to engage	28~29	•	74~75
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	28~29	•	74~75
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	32~33	•	74~75
Report Pr	ofile			
G4-28	Reporting period such as fiscal or calendar year) for information provided	1	•	74~75
G4-29	Date of most recent previous report (if any)	-	N/A	74~75
G4-30	Reporting cycle such as annual, biannual	1	•	74~75
G4-31	Provide the contact point for questions regarding the report or its contents	1	•	74~75
G4-32	Report the 'in accordance' option the organization has chosen	77~79	•	74~75
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	74~75	•	74~75
Governan	ce			
G4-34	Report the governance structure of the organization, including committees of the highest governance body	22~24	•	74~75
	d Integrity			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	22~24, 26	•	74~75

GRI G4 INDEX

Specific Standard Disclosures

Environmental

● Fully Reported ● partially Reported O Not Reported N/A Not Applicable

Code	Code Description	Page	Application Level	Omissions	External Assurance
Energy					
	Generic DMA & Aspect-specific DMA	60	•		74~75
EN3	Energy consumption within the organization	71	•		74~75
EN4	Energy consumption outside of the organization	71	•		74~75
EN5	Energy intensity	71	•		74~75
EN6	Reduction of energy consumption	60	•		74~75
EN7	Reductions in energy requirements of products and services	60	•		74~75
Effluents	and Waste				
	Generic DMA	57	•		74~75
EN22	Total water discharge by quality and destination	71	•		74~75
EN23	Total weight of waste by type and disposal method	71	•		74~75
EN24	Total number and volume of significant spills	-	N/A	Not Applicable	74~75
EN25	Weight of transported, imported, exported, or treated waste deemed hazardous	-	N/A	Not Applicable	74~75
EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats	F0.			74.75
	significantly affected by the organization's discharges of water and runoff	59	•		74~75
Products	and Services				
	Generic DMA	55	•		74~75
EN27	Extent of impact mitigation of environmental impacts of products and services	55~60	•		74~75
EN28	Percentage of products sold and their packaging materials that are reclaimed by category	-	N/A	Not Applicable	74~75

Social Labor Practices And Decent Work

Code	Code Description	Page	Application	Omissions	External
			Level		Assurance
Employm					
	Generic DMA & Aspect-specific DMA	44, 46	•		74~75
LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	72	•		74~75
LA2	Benefits provided to full-time employees that are not provided to temporary or	40. 47	_		74.75
	part-time employees, by significant locations of operation	46~47	•		74~75
LA3	Return to work and retention rates after parental leave, by gender	72	•		74~75
Occupati	onal Health and Safety				
	Generic DMA & Aspect-specific DMA	41	•		74~75
LA5	Percentage of total workforce represented in formal joint management-worker health and safety	41	0		74~75
	committees that help monitor and advise on occupational health and safety programs				
LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and	72	•		74~75
	total number of work-related fatalities, by region and by gender				
LA7	Workers with high incidence or high risk of diseases related to their occupation	42	0		74~75
LA8	Health and safety topics covered in formal agreements with trade unions	41	•		74~75
Training	and Education				
	Generic DMA	36	•		74~75
LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	51	•		74~75
LA11	Percentage of employees receiving regular performance and career development reviews,				
LATI	by gender and by employee category	72	•		74~75
Diversity	and Equal Opportunity				
	Generic DMA	44	•		74~75
LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	73	•		74~75

Specific Standard Disclosures

Society

● Fully Reported ● partially Reported O Not Reported N/A Not Applicable

Code	Code Description	Page	Application Level	Omissions	External Assurance
Local Co	mmunities				
	Generic DMA & Aspect-specific DMA	48	•		74~75
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	48~49, 73	•		74~75
SO2	Operations with significant actual and potential negative impacts on local communities	-	0	We have inefficient information. We plan to gather data of each site from the next year.	74~75

Product Responsibility

Code	Code Description	Page	Application Level	Omissions	External Assurance		
Customer Privacy							
	Generic DMA	68	•		74~75		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	68	•		74~75		

Association Membership

Association							
Korean Association of Construction	Korean Society of Transportation	Korea Listed Companies Association	The Korean Association of Construction Environment				
Complaints Control (Civil Engineering)	Incheon Smart City Association	Korea IR Service					
Korea Society of Water Environment	Korea institute for Structural	Korea Construction Procurement	Association of Construction Safety Manager Education Development Association				
Construction Association of Korea	Maintenance Inspection	Part Association					
Korea Fire Facility Association	Korea Water Resource Association	Korea International Trade Association	Korea Environmental Preservation Association				
Korea Electrical Contractors Association	Korean Tunelling and Underground Space Association Korean Society for Rock Mechanics	Seoul Chamber of Commerce & Industry					
Korea Information & Communication Construction Association		The Korea Chamber of Commerce & Industry	Changwon Branch of Korea Industrial Safety				
	Korea Employers Federation		Association				
Korea Specialty Contractors Association Korea Mech Const Contractors Association	Contractors Association Roled Forum		Gyeongnam Branch of Korean Nurses				
The Construction Management	Korea National Committee on Large Dams The Korean National Committee of World	The Federation of Korean Industries	Association Ulsan and Gyeongnam Branch of Korea Environmental Preservation Association				
Association of Korea	Road Association						
The Korea Railway Association	Pailway Association Korea Developer Association		Gyeongnam Environmental Engineer				
Korea Road & Transportation Association	Korea Remodeling Association	Korean-American Association	Association				
The Korean Society for Railway	Korea Housing Association	Changwon Chamber of Commerce & Industry	Korea Fire Safety Association				
Korean Society for Advanced Composite	Construction & Residence Study Group	Integrated Defense Association of	Korea Federation of Construction Contractors				
Structures	Korean Military Supply Union	Changwon Industrial Complex					
Korean Society of Hazard Mitigation	The Society of Air-conditioning and Refrigerating Engineers of Korea	Plant Manager Association	Korea Mecenat Association				
Computational Structural Engineering		Gyeongnam Employers Federation	Korea Facility Management				
Institute of Korea	The Korean Institute of Electrical Engineers	Changwon Chamber of Commerce &	The Korean Society for Noise and Vibration Engineering				
Korea Society of Civil Engineering	The Korean Institute of Electrical and	Industry (Changmu Executives Committee)					
Korean Railway Construction Engineering Association	Electronic Materials Engineers	Changwon Chamber of Commerce &	Korean Institute of Fire Science & Engineering				
Korean Society for GeoSpacial	The Korean Railway Electricity	Industry (Changmu Committee)	Korea Green Building Council				
Information System	Technology Association The Korean Institute of Illuminating and	PR Association of Changwon Industrial	Korean Association of Air Conditioning Refrigerating and Sanitary Engineers				
The Korean Society of Disaster Information	Electrical Installation Engineers	Complex					
Korea River Association	Construction Business CS Council Korea Standards Association		Korea Construction Value Engineering Research Institute				
Korean Society of Water and Wastewater			The Korea Construction Transport New				
Korean Society of Road Engineers	Wings of Happiness Council	Association of Construction Safety Maekyung Safety & Environment	Technology Association				
Construction Vision Forum	Seongjohe – Hydrocarbon Machinery	Institute (SEL Club)	The Korea Institute of Building Construction				
Korean Geotechnical Society	Department	Association of KOSHA 18001 for	Architectural Institute of Korea				
Korea Concrete Institute	The Korean Steel Structure Association	Construction Business	Fair Competition Federation				



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