



CJ CHEILJEDANG

# About this Report

#### REPORT OVERVIEW

CJ CheilJedang Corporation annually publishes a sustainability report to transparently disclose its sustainability management strategies, performance, and future plans, as well as to communicate with stakeholders. Through these reports, CJ CheilJedang will continue to share the progress and achievements of its sustainability management efforts with stakeholders.

#### **REPORTING STANDARDS**

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021. We have partially applied the IFRS sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB) in 2023. Additionally, we have included our activities aimed at achieving the UN Sustainable Development Goals (SDGs) and disclosures based on the standards of the Sustainability Accounting Standards Board (SASB). Furthermore, this report reflects the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) concerning climate-related financial information.

#### REPORTING PERIOD AND SCOPE

The reporting period for this report is from January 1, 2023, to December 31, 2023 (fiscal year). To help stakeholders understand the report better, some information includes data until the first half of 2024. CJ CheilJedang owns CJ Logistics, a subsidiary that operates the logistics business. As CJ Logistics has an independent management system, non-financial performance is separately reported through CJ Logistics' Sustainability Report, and some of the financial performance was reflected in this report. The scope of this report includes 33 corporations, encompassing the headquarters as well as domestic and overseas. Reporting items are disclosed including consolidated indicators managed by CJ Group for information integration and consistency, and the scope of reporting may vary by item. This is stated in footnotes or with additional explanations.

#### EXTERNAL ASSURANCE

This report has been verified by DNV Business Assurance Korea, an independent assurance agency, to ensure the accuracy and reliability of the information. Detailed information about the verification process and the assurance statement can be found on pages 121–122. The third-party assurance statement for reported greenhouse gas emissions (Scope 1, 2, and 3) is available on our website.

#### CONTACT

For additional inquiries or information regarding the report, please contact us using the details below.

#### CT CHEILTEDANG

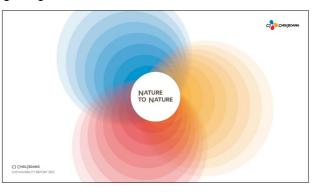
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PHONE 02-6740-1114

EMAIL sustainability@cj.net

**DATE OF ISSUE** August 2024

#### **COVER STORY**



This year's report embodies CJ CheilJedang's vision of not settling for the present but striving to become the No.1 Food & BIO company. This is reflected through the expansion of CJ CheilJedang's three Corporate Identity Colors (blue, orange, and red) symbolizing health, happiness, and convenience.

#### REPORT LIMITATIONS AND RESPONSIBILITY FOR PREPARATION

CJ CheilJedang's Sustainability Report may contain forward-looking statements concerning not only current and past activities but also future initiatives. Although we believe the expectations expressed in these statements are reasonable, we cannot guarantee their accuracy. Terms such as "plan," "pursue," "expect," "intend," "target," "strategy," and "estimate" are used to convey these forward-looking statements, which aim to outline CJ CheilJedang's future business strategies, environmental goals, and external ESG (Environmental, Social, and Governance) policies. This report is intended to provide readers with insights into our approaches, strategies, initiatives, and operating context within key ESG areas. Any other use of this report was not anticipated during its preparation. Additionally, the information is accurate as of the publication date but may be subject to change due to subsequent market conditions or other factors. Our methods for compiling numerical data are based on the best available practices at the time of reporting and may differ from those used in previous periods. Except in cases of clear error or as required by legal or regulatory obligations, we are not obligated to update any information in this report in light of new data, future developments, or other circumstances.





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Third-party Verification



This report is published as an interactive PDF, featuring shortcuts to relevant pages within the report, links to pertinent websites, and embedded videos.



#### **DEAR VALUED STAKEHOLDERS:**

The year 2023 presented persistent external challenges, including global inflation, elevated exchange rates, and the persistent impact of high interest rates amid worldwide geopolitical tensions. Despite these obstacles, CJ CheilJedang remained resolute in its commitment to advancing global operations and developing capabilities for future growth.

Our Food Business Unit accelerated the global expansion of K-food, while our BIO Business Unit targeted at qualitative growth through high-margin products. The Feed&Care business concentrated on optimizing its structure and enhancing profitability.

CJ CheilJedang is determined to ensure that our ESG management goes beyond mere strategic planning to embrace sincere implementation. In 2024, we anticipate stricter global ESG regulations and increasing demands from stakeholders. Consequently, we will aim at integrating ESG management throughout our global sites, thoroughly preparing for forthcoming mandatory ESG disclosures both domestically and internationally.

#### FIRSTLY, WE WILL PROACTIVELY DEVELOP A GLOBAL ESG DISCLOSURE SYSTEM.

We will closely monitor developments in sustainability disclosure legislation and standards, refine our disclosure roadmap, and improve data standardization, internal controls, and other key processes. Our priorities will include addressing climate change-related disclosure requirements, with a focus on making our analyses of the financial impacts of climate risks and the pilot implementation of an internal carbon pricing system more specific.

#### SECONDLY WE WILL CAUTIOUSLY ESTABLISH AN ESG RISK MANAGEMENT PROCESS.

With the recent institutionalization of supply chain due diligence regulations led by developed countries, responsibilities concerning human rights and the environment have been strengthened. CJ CheilJedang will continue to rigorously identify and manage emerging ESG risks by expanding our management processes to cover global business sites and supply chains.

Lastly, we are committed to transparent communication with our shareholders, customers, employees, and other stakeholders by actively listening to their feedback and engaging with them effectively. We are pleased to present this tenth edition of our sustainability report, which addresses key topics such as "response to climate change," "sustainable supply chain," and "circular economy"—areas of ongoing interest and concern for our stakeholders over the past decade.

CJ CheilJedang believes in fostering a sustainable future through the Nature-to-Nature virtuous cycle, where nature that reaches consumers is returned to nature. Building on seventy years of growth, CJ CheilJedang is dedicated to leading in sustainable growth, supported by our unified One Team Spirit. We appreciate your unwavering interest and support as we strive towards sustainable management.

Thank you.

CEO of CJ CheilJedang KANG SIN-HO

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# Company Profile

#### INTRODUCTION TO CJ CHEILJEDANG

CJ CheilJedang was established in 1953 by producing sugar, a basic essential food for the people. Over the past 70 years we have led the development of the domestic food industry and expanded our business into the BIO Business Unit. CJ CheilJedang strives to develop products that meet the diverse needs of consumers and to deliver new value in everyday life, reaching beyond products to impact a wider world and more people. Going forward, CJ CheilJedang will not be complacent with being the No.1 food company in South Korea but will strengthen its global business, as a key driver of future growth aiming to become the top player in global food and biotechnology industries.

# COMPANY OVERVIEW As of December 31, 2023 Company Name CJ CheilJedang Corporation Headquarters Address CheilJedang Center, 330 Dongho-ro, Jung-gu, Seoul

Date of
Establishment

5.Nov.53

CEOs

Kyung-Shik Sohn, Sin-Ho Kang<sup>11</sup>

Number of
Employees

38,607 (excluding logistics business)

Credit Rating

Corporate Bonds: AA, Commercial Paper and
Electronic Short-term Bonds: A1

Revenue

(Consolidated)

Operating Profit (Consolidated)

March 27, 2024

(Consolidated) KRW 819.5 billion (excluding logistics business)

KRW 29.6063 trillion (including logistics business)

KRW 21.5878 trillion (excluding logistics business)

1) CEO Sin-Ho Kang was appointed at the general meeting of shareholders held on

KRW 29.0235 trillion (including logistics business)

KRW 17.8904 trillion (excluding logistics business)

KRW 1.2916 trillion (including logistics business)

#### BUSINESS AREAS

FOOD BUSINESS



Lead the globalization of Korean cuisine and creating a global food culture.

#### BIO BUSINESS

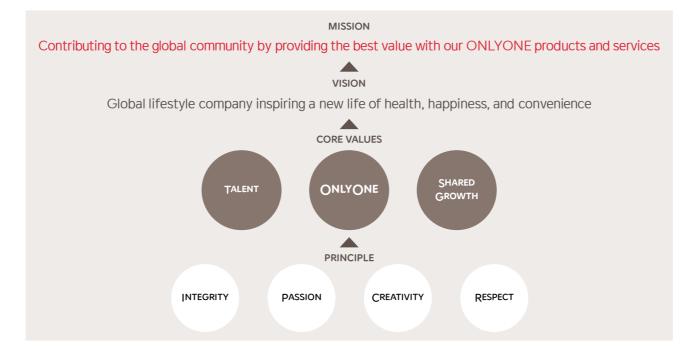
Lead the nutrition & health market with world-class technology.

#### CJ FEED&CARE



As a provider of Animal Nutrition & Animal Healthcare, we are creating One Health where humans, animals, and the environment coexist harmoniously.

#### CT MANAGEMENT PHILOSOPHY



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SUSTAINABILITY REPORT 2023

OOE

#### **GLOBAL BUSINESS**

CJ CheilJedang, a leader in the domestic market, has grown into a global lifestyle company. We locally produce and sell products in both the domestic and overseas markets. Our business sites can be found in China, Vietnam, the United States, Germany, Australia, Brazil, and elsewhere, and we employ approximately 38,000 employees (as of December 31, 2023), all striving together to create greater value. CJ CheilJedang achieved KRW 11 trillion in overseas sales in 2023 through global expansion in various business areas such as Food, BIO, and Feed&Care. Overseas sales now represent 60% of total sales, further expanding our global footprint. CJ CheilJedang will continue to strengthen its position as a global company by pursuing sustainable growth by meeting the diverse needs of customers worldwide through innovative products and services.

 $23^{\,\text{Countries}}$ 

109 Subsidiaries

97 Manufacturing Sites

56 Sales Offices

1 7 Regional Offices

3 R&D Centers

REPUBLIC OF KOREA	
Headquarter	1
Manufacturing Sites	26
Sales Offices	19
Regional Offices	5
R&D Centers	2
Others	4

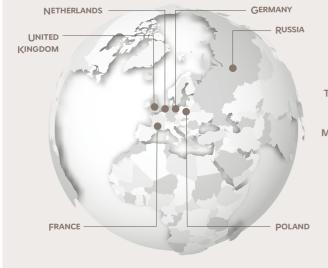
SOUTHEAST ASIA	
Countries	9
Manufacturing Sites	22
Sales Offices	11
Regional Offices	2
Others	6

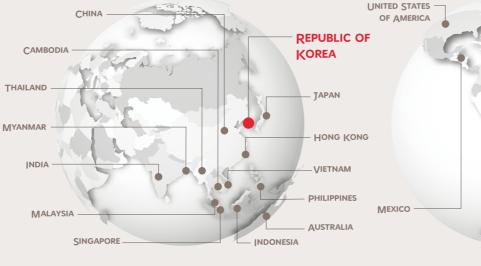
EAST ASIA	
Countries	;
Manufacturing Sites	23
Sales Offices	(
Regional Offices	(
Others	

OCEANIA		Er
Countries	1	Co
Manufacturing Sites	1	M
Sales Offices	1	Sa
		Re
		R8

UROPE & CIS		NORTH AM
countries	6	Countries
Manufacturing Sites	3	Manufacturir
ales Offices	8	Sales Offices
egional Offices	1	Regional Off
&D Centers	1	Others

RTH AMERICA		SOUTH AMERICA
ntries	2	Countries
ufacturing Sites	20	Manufacturing Sites
s Offices	7	Sales Offices
ional Offices	3	
ore	1.6	





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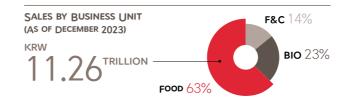
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# Our Business

#### **FOOD BUSINESS UNIT**

In 2023, CJ CheilJedang's Food Business Unit targeted home meal demand in the domestic market and identified new growth opportunities with differentiated products such as Gourmet Sobaba Chicken, bibigo Whole Shrimp Mandu, and K-Street Food, which serve as alternatives to eating out. In the overseas market, we continued to expand in regions such as North America, Europe, and Australia, driven by Global Strategic Products (GSP) like mandu and processed rice. Notably, in the Americas, bibigo Mandu and Red Baron pizza solidified their number-one market share in mainstream grocery channels. In 2023, combined sales in Europe and Australia surpassed KRW 100 billion for the first time, indicating ongoing global expansion.



#### ABOUT MAJOR BRANDS AND PRODUCTS



- · A leading global brand that brings authentic Korean food made with the passion to the world
- Offering more than just high-quality, delicious food, and encouraging everyone to live life to the fullest and "Live Delicious"
- · Key products: bibigo Mandu, Kimchi



#### GOURMET

- A brand that transforms everyday dining by offering same special flavors enjoyed in restaurants
- · Meaning "a connoisseur or knowledgeable person about food"
- · Key products: Gourmet Chinese Cuisine, Pizza, Sobaba Chicken



#### **HETBAHN**

- · A CJ CheilJedang's flagship brand that embodies CJ CheilJedang's ONLYONE spirit which pioneered a new market for ready-to-eat rice
- · Meaning "freshly cooked and delicious rice"
- · Key products: Hetbahn White Rice, Multi-grain Rice, Hetbahn Cupbahn



#### BEKSUL

- · A leading Korean cooking ingredient brand that has been enhancing Korean culinary culture since 1953
- · Accompanying every cooking journey, and providing value and confidence in homemade cooking for everyone
- · Key products: sugar, flour, cooking oil, sauce&seasoning



#### RED BARON®

- · Schwan's Company's flagship pizza brand, that leads the frozen pizza market in the U.S.
- · Key products: Classic Crust, Brick Oven, Thin & Crispy



#### **PAGODA**

- · A frozen food brand that localizes Asian cuisine for the
- Key products: Egg Rolls, Cream Cheese Wontons



#### 2023 KEY BRAND HIGHLIGHTS



**BIBIGO** 

Launch of the "Live Delicious" Global Campaign Global market expansion of K-Street Food



**GOURMET** 

Mega Hit "Gourmet Sobaba Chicken" in its first year (as of December 2023)



HETBAHN

21% Sales Growth in North America Achieved KRW 40 billion in cumulative sales Achieved record-high sales with wellness-focused consumers brand in celebration of its 70th products such as konjac rice and Sotbahn (pot rice) anniversary



**BEKSUL** 

Rebirth as Simple cooking for today's



Achieved the No. 1 Position with Red Baron Pizza in the U.S. for the First Time

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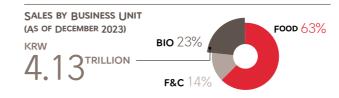
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**CT CHEILTEDANG** 

In 2023, CJ CheilJedang's BIO Business Unit focused on strengthening cost competitiveness in the feed additives (Animal Nutrition & Health) business by continuously enhancing R&D capabilities and productivity. We are also expanding our portfolio by increasing high-margin products like tryptophan and specialty amino acids, leveraging trends in reduced crude protein and technological marketing. In the food additives (Taste & Nutrition) business, we have secured a significant competitive advantage in nucleotide products through innovation in manufacturing processes and technology marketing. We are also expanding the customer base for TasteNrich products and broadening their application range across various product categories. Furthermore, leveraging 60 years of accumulated expertise in microbiology, strains, and fermentation, we are extending our focus from the existing Green BIO sector to include White BIO (bio-based marine biodegradable materials) and Red BIO (microbiome).



\* The BIO and FNT businesses were combined in 1Q24 and are referred to in this report as the BIO business only.

#### **ABOUT THE BIO BUSINESS**

#### GREEN BIO

#### ANIMAL NUTRITION

- Maintain nutritional balance, promote growth, strengthen immunity, and muscle regenerations for swine, poultry, and farmed fish
- Key Products: Lysine, Methionine, Tryptophan, Threonine, Valine, Arginine, Isoleucine, Histidine



#### **TASTE & NUTRITION**

- Enhance aroma and flavor (Taste), strengthen muscles, hair improvement, etc.
- Key Products: Nucleotide, MSG, TasteNrich, FlavorNrich, Arginine, Citrulline, Histidine



#### WHITE BIO

#### PHA(BIOMATERIALS)

- Bio-based material that is industrial and home compostable and biodegradable in soil, and marine environments
- Can be used alone, and when compounded with other biodegradable materials, it improves physical properties and enhances biodegradability
- Products Using PHA: Olive Young's "Same-day delivery" polybags (plastic bags), CU's "Today's Dakgaejang/Yukgaejang" cup noodle container inner coating, Tous Les Jours' PHA+PLA straws, Riman Korea's cosmetic packaging







#### RED BIO

#### MICROBIOME-BASED DRUG AND PLATFORM BUSINESS

- Innovate Microbiome Drug Development
- : Immune-oncology drug candidate CJRB-101 in Phase 1 clinical trial
- : Follow-up pipelines for inflammatory diseases and neurodegenerative disorders in development
- Al-based Microbiome Platform Analysis and Diagnostics
- : Cloud-based NGS (Next Generation Sequencing) analysis (EzBioCloud™).
- : Genomic-based infection diagnostics (TrueBac™ ID)

#### **CGT CDMO**

• Enter the CGT CDMO market through the acquisition of the Dutch biotech company Batavia

#### 2023 KEY BUSINESS HIGHLIGHTS





#### ANIMAL NUTRITION & HEALTH

Expand the portfolio with the launch of Gutluk, a gut health solution for weaned piglets, utilizing big data



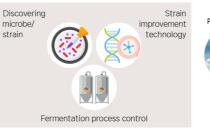
#### **TASTE & NUTRITION**

Implement additive-free and clean label solutions based on plant-based fermentation R&D technology



#### **BIOMATERIALS**

aPHA, scPHA are approved by the U.S. FDA for food contact, laying the foundation for their commercialization in the food applications such as packaging and cutlery



#### CDMO

CJ BIOMATERIALS

Microbe-based technology for mass production of valuable substances



#### CT BIOSCIENCE

Initiation of Clinical Trials for Immune-Oncology Drug Candidate CJRB-101\*

 Phase 1/2 clinical study approved by the U.S. FDA (January 2023) and the Korean Ministry of Food and Drug Safety (June 2023).

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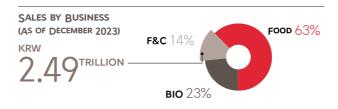
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#### CT FEED&CARE BUSINESS

CJ Feed&Care operates in seven countries, including Indonesia, Vietnam, the Philippines, China, and Cambodia. In 2023, we are implementing a business strategy focused on biosecurity capabilities and productivity, This includes structural optimization by reorganizing some businesses and regions as well as increasing the proportion of high-value-added downstream value chains, such as livestock processing and distribution, to mitigate volatility caused by livestock market conditions.



#### **ABOUT THE BUSINESS**

#### FEED

 Lead the development of the livestock industry by creating high-quality feed for farmed swine, cattle, poultry, and aquaculture



#### LIVESTOCK

· Provide safe livestock products by producing highquality products through the systematization of the distribution of superior breeding stock, breeding management, and distribution



#### EXPAND SUCCESSFUL GLOBAL ENTRY

R&D

advance as an Agtech company

- Expand the supply of safe livestock products in Southeast Asia through integrated feed, livestock, and distribution operations
- Increase consumer touchpoints through business restructuring and by enhancing downstream value chain







#### MANAGEMENT OMPETENCIES

GLOBAL SITES

Secure innovative technologies to Biosecurity and Disease Control Over 80% of sales from overseas





Establish a stable business structure through the optimization and reorganization of the livestock business structure

Expand consumer access by enhancing biosecurity capabilities to minimize damage rates, optimizing structures, and extending the value chain





#### 2023 KEY BUSINESS HIGHLIGHTS



#### FEED

No. 1 in South Korea for aqua market share, based on our unique fish farming technology



교육 미토마스터한돈

한돈마스터가 직접 기르고 만든

프리미엄 한돈

Development of highly profitable fresh meat products, new distribution channels, and high valueadded products

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#### KEY SUSTAINABILITY PERFORMANCE

CJ CheilJedang views sustainability as a key business opportunity and aims to generate social and environmental value through a diverse range of products. In this context, the Food Business Unit is broadening its plant-based food offerings under the PlanTable brand and updating its packaging materials. The BIO Business Unit has developed microbial fertilizers that reduce the reliance on conventional chemical nitrogen fertilizers by leveraging microorganisms. Additionally, CJ Feed&Care has introduced nitrogen reduction feed that effectively lowers nitrous oxide emissions from livestock manure.

#### **FOOD BUSINESS UNIT**

#### PLANT-BASED FOOD

#### PLANT-BASED FOOD BRAND PLANTABLE

 Products made using textured vegetable protein have been externally verified to achieve 50% carbon reduction\* compared to traditional meat (pork).



\* Validation of the Brown TVP product from the Korean Society for Life Cycle Assessment.

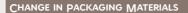
#### PLANT-BASED HIGH-PROTEIN ALTERNATIVE MILK ALTIVE

- Made from 100% plant-based proteins such as brown rice, peas, and cowpeas
- Contain 1.5 times more plant protein than regular milk and 1.7 times more calcium



# ACQUIRED GLOBAL VEGAN CERTIFICATION V-LABEL\* FOR VEGAN DASIDA AND HAECHANDLE GOCHUJANG

- · Launched Vegan Dasida, which mimics beef flavor using soy
- First domestic soy sauce brand to receive 'V-label' certification
- \* Global certification used in over 30 countries



#### HETBAHN MADE WITH 25% BIOCIRCULAR PP

- Use 25% bio-circular PP materials in packaging, reducing carbon emissions by 17% compared to traditional Hetbahn containers
- Use ISCC+ certified materials



 $\star$  Validation of the LCA results for the product from the Korean Society for Life Cycle Assessment.

# COMPOSTABLE PACKAGING FOR HAPPY SOY TOFU (BUNDLE PACKAGING)

- Transparent plastic wrap made from each material that is biodegradable under industrial composting conditions
- · Contain PHA 8% PLA 92% Applied



#### DIPPING SALT CONTAINER WITH REDUCED VIRGIN PLASTIC

- Contain 30% in container CR-PET\*
- · Cap made with 25% renewable PP
- CR-PET (Chemical Recycle): CR-PET refers to PET that has been recreated through depolymerization, a process that recovers raw materials from collected plastic bottles and transforms them into clean PET via chemical reactions



#### **UPCYCLING**

#### A HIGH-PROTEIN SNACK MADE WITH UPCYCLED FOOD INGREDIENTS EXCYCLE BASAK CHIP

- Upcycled broken rice from Hetbahn during the manufacturing process
- Use rice and bean curd remnants instead of flour, containing protein and dietary fiber









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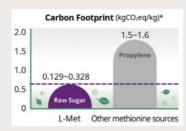
CJ CHEILJEDANG



#### LOW-CARBON AMINO ACID FOR FEED 'L-MET E'

· Save costs through its high bioavailability in livestock and reduce carbon emissions through optimized fermentation and refinement





\* Source: CML climate change data

#### PLANT-BASED NATURAL FERMENTATION SAVORY SOLUTION TASTENRICH®

- · A premium natural seasoning blend with ingredients produced by fermentation of naturally derived raw materials with no artificial additives
- Can be used in a variety of food products including soups, sauces, seasonings, snacks, meat products, and meat alternatives



#### PHACT: "PHA (POLYHYDROXYALKANOATE)" BRAND FEATURING COMPOSTABLE BIODEGRADABLE MATERIAL

- A bio-based material designed for industrial composting, home composting, and biodegradability in soil and marine environments
- Expanding the use of PHA in various packaging materials, with recent approval from the U.S. Food and Drug Administration (FDA) for food contact applications in 2023
- \* For further details, please refer to pages 8 and 42

### PHACT

#### MICROBIAL WITH REDUCED CHEMICAL NITROGEN USAGE

- · Microbiall fertilizer that provide essential nitrogen for crop growth.
- Our proprietary microbes (Azospirillum, Bradyrhizobium) convert atmospheric nitrogen into a form that plant absorb, reducing the use of chemical nitrogen fertilizers\*
- \* Results are based on research conducted by Wonkwang University in South Korea and as well as Juliagro and Fornarolli, certified testing institutions in

#### VEGAN CYSTEINE FLAVORNRICH™

- The world's first vegan cysteine and the only "natural flavor" that meets U.S. FDA and USDA Organic standards
- Can be used to create a meat-like flavor in purely vegan products



#### CJ FEED&CARE

#### LOW METHANE FEED

- "Methane Solution" and "Beef Methane Solution 600" for reducing methane emissions from cattle
- Use patented technology to inhibit methane-producing microbes in the rumen, reducing methane emissions compared to conventional feed while maintaining productivity







Methane Solution, Beef Methane Solution 600

#### NITROGEN REDUCTION FEED

- Feed with reduced protein content, designed to effectively reduce nitrous oxide emissions during livestock manure processing
- First in the Korean feed industry to launch an environmental improvement feed with Amino Max technology\*, which meets the nitrogen reduction feed standards set by the Ministry of Agriculture, Food, and Rural Affairs
- \* Despite lowering crude protein content compared to conventional feeds, Amino Max technology maintains livestock productivity through synchronized digestion and absorption of proteins and synthetic amino acids



BRANCHED-CHAIN AMINO ACID (BCAA) . Nitrogen Reduction Feed Amino Max weight gain

DIGESTION DESIGN LYSINE DESIGN category: Energyappropriate design MAX PROTEIN AND SYNTHETIC SYNCHRONIZATION TECHNOLOGY (PASS)

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017 Stakeholder Engagement

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# Sustainability Management Strategy

#### SUSTAINABILITY MANAGEMENT PURPOSE



CJ CheilJedang ensures future survivability and rises as a world-class company by applying the core values of Sustainable Environment and Wellness and Safety in raw material sourcing, production, consumption, and disposal. The goal is to achieve a virtuous

cycle system called Nature to Nature, where the nature that reaches the consumer's table is returned to nature. Additionally. we are enhancing the five-step direction plan to achieve sustainable management goals and ensure systematic execution. After establishing a sustainable management governance and strategy in 2021, CJ CheilJedang launched the Global ESG Integration project in 2023. This project aims to manage company-wide risks caused by environmental changes and to globalize the ESG management system. Based on this direction we will continue to build a foundation for sustainable growth and strengthen our competitive edge in sustainable management.

#### DIRECTIONS

#### **PERFORMANCE**

 Identify new business growth engines derived by sustainability

· Set short, mid-to-long term detailed targets

policies and guidelines in each ESG field

Establish measurable indicators

· Promote Global ESG Integration

Implement KPIs

Expand the environmental and social value of products



TARGET AND MANAGEMENT





STRATEGIC

· Select strategic tasks to achieve the sustainable management of Nature to Nature

· Identify ESG risks and opportunities based on the

Establish and monitor a risk assessment process

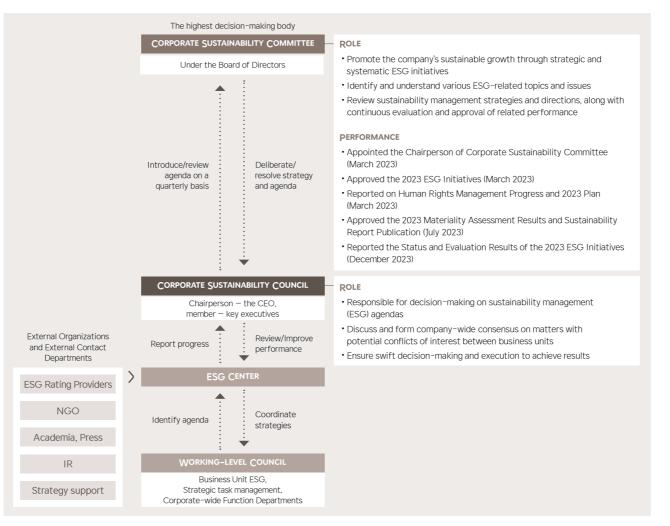


- · Corporate Sustainability Committee under the Board of Directors
- Corporate Sustainability Council and Working-level Council

#### SUSTAINABILITY MANAGEMENT GOVERNANCE

CT CheilTedang proactively manages ESG risks through timely decision-making. To ensure the effective implementation of sustainable management strategies, we have established a company-wide ESG implementation system that includes a Corporate Sustainability Committee, Council, and execution organizations. Our system is designed not only to manage risks but also to drive the company's future growth.

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#### SUSTAINABILITY STRATEGY AND PLAN

To achieve our sustainability purpose management target of a virtuous cycle 'Nature to Nature', we have selected and are pursuing eight strategic tasks linked to our core values of Sustainable Environment and Wellness and Safety. To enhance execution effectiveness, the implementation plans and achievements of these strategic tasks are reported to and approved by the Corporate Sustainability Committee.

#### KEY ESG ACTIVITIES AND PERFORMANCES

CORE STRATEGIC VALUES TASKS			KEY ACHIEVEMENTS OVER THE PAST THREE YEARS			AUTOT DI AU	
		TASK DETAILS	2021	2022 2023		NEXT PLAN	RELATED
	Response to Climate Change	Achieve net zero by 2050 and response to climate change risks	• Declared 2050 Net -Zero & Zero Waste	Established LCA measurement guidelines     Established a measurement basis for value chain (Scope 3)	Introduced the internal carbon pricing system     Completed calculations and verification of Scope 3 GHG emissions of three years	Analyze the financial impact of climate change risks Expand the range of the Scope 3 emissions calculation and update the guidelines Enhance the internal carbon pricing system	Res
	Sustainable Packaging	Develop reusable, recyclable, and compostable packaging materials and reduce waste	Established a resource circulation system for Hetbahn containers	• Increased the use of recycled materials (Hetbahn scrap input rate from 23% to 30%)	Declared non-use of problematic materials	Set quantitative goals and conduct feasibility assessments	Circ
Sustainable Environment	Eco-friendly Material Solutions	Identify future growth factors through the development of eco-friendly materials and product solutions (PHA, TVP, Low methane, etc.)	Developed and commercialized PHA materials     Launched 'PlanTable.' plantbased food brand	Launched 'PHACT,' a specialized brand for biodegradable materials     Expanded 'PlanTable' category	Produced products using PHA materials (cosmetic packaging, straws, etc.)	Steadily expand the development products and solutions (PHA, TVP, Low methane feed)	Circ
	Sustainable Raw Materials Sourcing	Expand raw material sourcing with greater traceability and transparency	Achieved 100% use of RSPO certified palm oil in South Korea	Gradually expanded the use of sustainable soybeans	Review raw material risk assessment plan	Analyze the risks (environmental, labor, etc.) of key raw materials Review measures to strengthen the traceability of key raw materials	Sust
	Human Rights	Proactively manage human rights risks for stakeholders	Participated in the declaration to eradicate child labor (ILO)     Conducted human rights due diligence at domestic manufacturing sites	Conducted human rights due diligence at overseas sites	Expanded human rights inspections at overseas sites	Strengthen capabilities for promoting and managing human rights management     Enhance procedures for addressing human rights violations and grievances	Hum
Vellness and	Respect for DE&I	Create a respectful culture of diversity, equity and inclusion	Revamped the performance management system (PMDS+)	Established DE&I policy     Selected as an excellent company for gender equality	• Introduced 'CJ & me,' a global talent development program	Conduct CEO communications and build consensus among leaders  Expand employee education training to foster a culture of DE&I respect	Hum
Safety	Enhancement of Health and Nutrition	Establish CJCJ Nutrition Policy and expand health-oriented product portfolio	Established CJCJ Nutrition     Policy and Implementation     Strategy	Expanded health-oriented product portfolio (Reduced sodium/saturated fat/sugar)	Established regional nutrition strategy and operated an integrated global nutrition committee	Continue to expand our health-oriented product portfolio  Establish a system for recording and managing product nutrition information	Heal nutri
	Sustainable Supply Chain	Proactively manage and eliminate potential environmental and social risks in the supply chain	Top rated in the South Korea Win-Win Growth Index for 6 consecutive years (maintained for eight consecutive years as of 2023)	Initiated ESG assessment of the supply chain	Established a sustainable supply chain management process	Mitigate high-risk human rights risks in supply chain     Establish a sustainable supply chain management process and phased implementation of due diligence obligations	Sust

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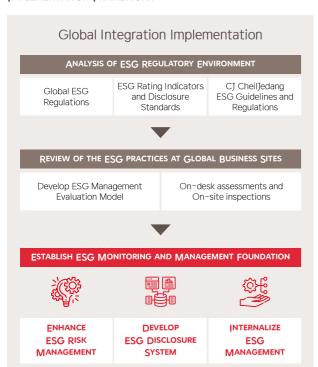
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#### PROMOTE GLOBAL ESG INTEGRATION

CJ CheilJedang is implementing the Global ESG Integration project to address domestic and international ESG regulations including ESG disclosure requirements, EU Corporate Sustainability Due Diligence Directive, and to expand its domestic ESG management system to global sites. Based on the analysis of the ESG regulatory environment and an assessment of our current ESG initiatives, we have identified strategies to enhance ESG risk management, develop an ESG disclosure system, and Internalize ESG management into our operations. Through the continuous implementation of improvement tasks, we aim to mitigate risks at our global sites and expand ESG management.

#### IMPLEMENTATION FRAMEWORK

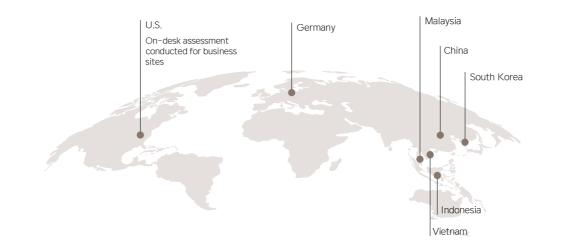


#### REVIEW THE ESG PRACTICES

CJ CheilJedang analyzed the regulatory environment to review ESG risk factors at overseas subsidiaries and sites. Based on this analysis, we designed an evaluation model and reviewed the ESG implementation status of the target business sites. The review was conducted through both on-desk assessments and on-site inspections. Compliance was examined across 8 areas and 37 items, including global ESG regulations, ESG rating indicators and disclosure standards, and CJ CheilJedang's guidelines for specific areas, at 16 sites in 7 countries.

#### **REVIEW THE ESG PRACTICES**

CATEGORY	DETAILS							
Purpose	Review ESG risk f	actors in global su	ıbsidiaries/sites					
Model	Designed with 13	2 indicators acros	s 37 items in eight	areas, including	criteria for assessi	ng ESG risk levels	s to respond to reg	ulatory changes
Area	Labor/Human Rights	Environmental Management	Supply Chain & Circular Economy	Information Security	Safety/Health	Ethical management	Health and Nutrition(Food)	Overall ESG Management
Target	16 business sites in 7 countries (both on-desk assessments and on-site inspections)							



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# External Recognition & Partnership

#### KEY EXTERNAL RECOGNITION FOR SUSTAINABILITY MANAGEMENT

#### ESG RATINGS

#### MSCI ESG RATING

Achieved AA rating for two consecutive years

#### FTSE RUSSELL RATING

FTSE4GOOD Index for six consecutive years

#### MSCI

#### DOW JONES SUSTAINANILITY INDICES (DJSI)

JSI)

Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

Included in the DJSI Asia-Pacific Index for nine consecutive years

#### TSE ussell

#### KCGS ESG RATING

Achieved A rating for seven consecutive years



#### GOVERNMENT



# HOSTED BY THE PASURUAN LOCAL GOVERNMENT

Awarded the 2023 Environmental Conservation Award in Indonesia

Recognized for proactive environment protection through planting trees along the Pasuruan coast and recycling activities

#### INTERNATIONAL ORGANIZATION



#### SELECTED AS A 2024 LEAD GROUP BY THE

Y THE GC\*

UN-affiliated organization UNGC\* for two consecutive years in 2023

Every year, ten companies are selected for their leadership in sustainable management in the areas of human rights, labor, environment, and anti-corruption

#### OTHER EXTERNAL AWARDS

#### 2023 KOREAN SUSTAINABILITY CONFERENCE

Hosted by Korean Standards Association (KSA) First place in Korea Sustainability Index (KSI) in General Food Sector

#### 2023 GLOBAL STANDARD MANAGEMENT AWARDS



Hosted by Korea Management Registrar (KMR) "ESG Management Award" for five consecutive years

#### **GLOBAL INITIATIVE INVOLVEMENT**

#### UN GLOBAL COMPACT

The world's largest voluntary business-citizen partnership committed to the 10 UNGC principles and UN SDGs.

- Declared support for the UNGC Women's Empowerment Principles (WEPs)
- Participated in the UNGC Target Gender Equality Accelerator (TGE)
- Participated in the UNGC Climate Ambition Accelerator (CAA)
- · Participated in the UN pledge to end child labor



#### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Task Force on Climate Change-Related Financial Disclosures gathers stakeholder input and strengthens companies' competitiveness in addressing climate change

- Participated in TCFD Supporters
- · Participated the TCFD Alliance



#### CLIMATE NEUTRAL NOW

Expanded climate action by businesses and governments to achieve net zero by 2050 in accordance with the Paris Agreement

• Joined UN Climate Neutral Now



#### BIZ N BIODIVERSITY PLATFORM

Promoting industrial responsibility and conservation activities for biodiversity conservation and utilization

• Joined the Biz N Biodiversity Platform (BNBP)



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# Stakeholder Engagement

CJ CheilJedang values understanding the interests of stakeholders within its value chain, including customers, shareholders, investors, employees, and suppliers. The company emphasizes communication and engagement, listening to and addressing opinions and demands through various communication channels, while transparently disclosing how its business activities impact the creation of sustainable value.

#### STAKEHOLDER ENGAGEMENT & COMMUNICATION

CATEGORY	KEY INTERESTS	COMMUNICATION AND ENGAGEMENT	PRACTICES
Customer	Developing products that meet customer needs     Ensuring product and service quality     Communicating transparently and smoothly     Improving quality of product and service	CJ CheilJedang's official website CJ CheilJedang social media Customer Relations Center – Product Inquiries Customer satisfaction survey	Operating the Voice Of the Customer (VOC) Operating various channels for receiving customer feedback, including phone, text, and video calls Establishing and managing a global customer satisfaction system
Shareholders and Investors	Transparent disclosure     Economic performance including share price	<ul><li>General shareholders' meeting</li><li>Governance Report</li><li>Sustainability Report</li></ul>	Quarterly and annual IR activities     Shareholders' meeting convened (March, 2023)
Employees	Securing and nurturing human resources     Fair Performance Assessment     Diversity and inclusion     Work-Life Balance     Employee Organizational Culture and Labor Relations	Recruitment fair Self-directed performance management (PMDS) Multi-dimensional feedback DE&I survey Channel CJ, Channel Blossom CJ Voice ON Intranet anonymous discussion room Hotline Open Council (once a quarter)	<ul> <li>Developed the CJ CFT talent verification tool to recruit individuals who deliver the company's core values and high performance</li> <li>Exceptional rewards program and recognition system</li> <li>Flexible working hours</li> <li>Various family-friendly policies and welfare programs</li> <li>Operate hub offices "Blossom Office" and "CJ Work ON"</li> </ul>
Supply Chain	Shared growth     Support for the industrial ecosystem     Fair supplier selection and transactions     Enhanced communication	The CJ Shared Growth Portal The CJ Partners Club Food Safety Coexistence Foundation Supplier Meetings Win-win VOC	Operating mutual growth programs that provide training, funding, and technical support Addressing unfair trade practices and grievances Obtaining supplier code of conduct signatures and assessing supply chain ESG risks
Academia and Experts	Academy-industry cooperation     Technical development	Academic and membership activities     Research collaboration with external organizations	Operating an external advisory committee for health and nutrition in conjunction with the Korean Nutrition Society Partnering with T&R Biofab, a Med-Tech company for the joint development of alternative meat products
Local Communities	Social Contributions     Community development     Community environmental protection	Community Chest of Korea Korea Social Welfare Council (Food Bank Project Unit) Milal Welfare Foundation Seoul Metropolitan Youth Center World Food Programme (WFP) Korea Office CJ Welfare Foundation CJ Cultural Foundation CJ Donorscamp	Youth food support program: CJ CheilJedang Sharing Refrigerator     An agreement with Jincheon County for the collection of Hetbahn containers     Coastal cleanup activities in collaboration with the Ministry of Oceans and Fisheries     HOPE Food Pack: Support program for children at risk of food insecurity
Media	Transparent and timely information disclosure	CJ CheilJedang Social Media     CJ CheilJedang website - Newsroom     Press release	Timely information disclosure through the website, social media, and other channels

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# Double Materiality Assessment

#### DOUBLE MATERIALITY ASSESSMENT PROCESS

CJ CheilJedang conducts a materiality assessment annually to identify key sustainability issues relevant to the company and integrates these into its ESG strategy for management. In 2023, we adopted the concept of "double materiality" required by the EU Corporate Sustainability Reporting Directive (CSRD), based on the European Sustainability Reporting Standards (ESRS) framework as well as the GRI materiality assessment. Double materiality considers both financial materiality (the impact of environmental or social issues on CJ CheilJedang) and impact materiality (the impact of CJ CheilJedang on environmental and social issues). Based on this, CJ CheilJedang identified issues exceeding the set thresholds for both financial materiality, using a combined approach.

CJ CheilJedang identified key sustainability issues that exceed the thresholds set for both financial and impact materiality. To pinpoint these issues we gathered stakeholder feedback, conducted media research, and reviewed local laws and regulations, at our headquarters and across our overseas sites. The company also extracted and analyzed data points from various sources such as corporate reports, relevant regulations, and initiatives, enabling a more comprehensive double materiality assessment. This process led to the identification of ten key issues, with priorities determined by considering both financial materiality and impact materiality

#### DOUBLE MATERIALITY ASSESSMENT PROCESS

# ESTABLISHMENT OF SUSTAINABILITY MANAGEMENT ISSUE POOL

# ANALYSIS OF INTERNATIONAL STANDARDS AND ESG RATING INDICATORS

• GRI, ESRS, ISSB, DJSI, MSCI, SASB, ISO26000, UN SDGs, WEF, ILO

#### INTERNAL STATUS ANALYSIS

 Business Reports, ESG Key Issues in the previous year, ESG Agendas for the Board or Directors, KPIs for executives, other relevant regulations

#### BENCHMARKING AND TREND ANALYSIS

- · Analysis of 8 domestic and international Food and BIO companies
- Review of MSCI "ESG and Climate Trends to Watch for 2023"

#### MEDIA ANALYSIS

- 1,072 relevant domestic and international articles related to CJ CheilJedang and its overseas subsidiaries published between 2023.01.01 and 2023.12.31
- 865 relevant domestic and international articles related to the food, BIO, and food material industries published between 2023.01.01 and 2023.12.31

#### [DENTIFICATION OF [SSUE

#### EXPERT IMPACT ASSESSMENT

- Assess and reflect the impact materiality and financial materiality of issues that
   CJ CheilJedang should manage.
- Evaluate the severity (scale, scope, and irreversibility in the case of negative issues) and likelihood for impact materiality
- Evaluate the severity (scale, scope) and likelihood for financial materiality
- Internal Experts: Strategic task managers, ESG steering committees, etc.
- External Experts: Academia, industry experts, consultants, etc.

#### STAKEHOLDER ENGAGEMENT

#### STAKEHOLDER SURVEY

- Collected a total of 113 responses from internal and external stakeholders on the issue pool
- Internal Stakeholders: domestic and international employees
- External Stakeholders: domestic and international suppliers, customers, NGOs, government agencies, etc.

# PRIORITIZATION BASED ON DOUBLE MATERIALITY

 Select the final 10 material issues through prioritization that comprehensively considers both the financial importance and environmental and social impact importance of each issue

#### REVIEW AND VALIDATION

- Ensure validity through review and approval by the Corporate Sustainability Committee under the Board of Directors
- Conduct external verification of the materiality assessment through a third-party agency

### STRATEGIC DIRECTIONS REFLECTION AND DISCLOSURES

- Reflect in CJ CheilJedang's sustainability strategy direction
- Report the financial, environmental, and social significance of each material issue

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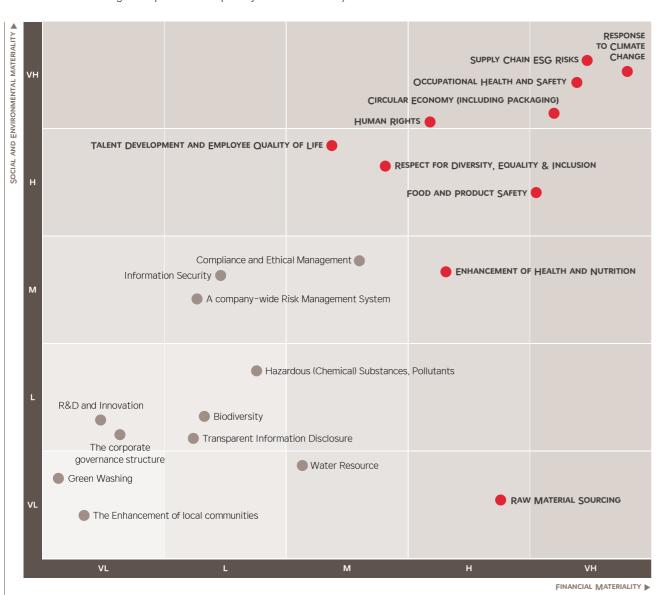
In 2023, based on the materiality assessment, CJ CheilJedang identified a total of 10 key issues across environmental, social, governance, and economic sectors. The associated risks are managed through a company-wide risk management process. Detailed information on these key issues is provided in the Sustainability Report. As human resource management becomes increasingly important, this year we have refined our issue pool by segmenting employee-related issues more specifically. The topics of Respect for Diversity, Equity, and Inclusion, as well as Talent Development and Quality of Life for Employees, received high scores in terms of significance of impact and have been newly considered as material issues. On the other hand, Sustainable Products and Services, which was selected as a major issue last year, is being promoted in more concrete ways, such as developing health and nutrition-enhancing products and changing packaging materials to support sustainable packaging (circular economy).

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#### MATERIALITY ASSESSMENT RESULT

The results of evaluating the importance and priority of the 10 final major issues selected are as follows.<sup>1)</sup>



ISSI	JE	SOCIAL AND ENVIRONMENTAL MATERIALITY	FINANCIAL MATERIALITY
1	Response to Climate Change	•••••	•••••
2	Supply Chain ESG Risks	•••••	•••••
3	Occupational Health and Safety	•••••	••••
4	Circular Economy (Packaging) <sup>2)</sup>	•••••	•••••
5	Food and Product Safety	••••	••••
6	Human Rights	•••••	••••
7	Respect for Diversity, Equality & Inclusion	••••	••••
8	Talent Development and Employee Quality of Life	••••	••••
9	Enhancement of Health and Nutrition	••••	••••
10	Raw Material Sourcing	•••••	••••

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The issues not selected as critical have been excluded from the prioritization process. Each importance level is represented relatively.

<sup>2)</sup> Eco-friendly packaging was integrated into Circular Economy.

#### CJ CHEILJEDANG'S 10-YEAR ESG JOURNEY

CJ CheilJedang identifies material issues impacting corporate value and various stakeholders through communication with diverse stakeholders. Based on this, we establish strategies to identify and respond to important issues to achieve sustainable growth. Over the past ten years, our materiality assessment has consistently highlighted core reporting issues such as climate change response, supply chain ESG risks, and circular economy.

							Climate Change Respons	se Supply Chain ESG ris	ks Resource circulation
2013	2015	2016	2017	2018	2019	2020	2021	2022	2023
10 ISSUES	13 ISSUES	10 ISSUES	11 ISSUES	12 ISSUES	15 ISSUES	19 ISSUES	10 ISSUES	10 ISSUES	10 ISSUES
Technology & product development	Enhancing customer communication	Strengthening research and development (R&D) for food and new drugs	Developing products that promote health and well-being for targets	Developing products and services considering customer health	CREATING AN ECO-FRIENDLY PACKAGING ECOSYSTEM	Diversifying economic value creation	RESPOND TO CLIMATE CHANGE	RESPOND TO CLIMATE CHANGE	RESPOND TO CLIMATE CHANGE
Consumer (Customer) health & safety	Conducting social contribution activities that consider the uniqueness of local communities	Ensuring customer health and food safety	Efforts to enhance product safety	Contributing to the revitalization of the local economy	Diversifying economic value creation	Developing products and services considering customer health	Food and product safety	Food and product safety	SUPPLY CHAIN ESG RISKS
SHARED GROWTH	Providing accurate information related to products and services	Strategic social contributions	Strategic social contribution utilizing external characteristics	Enhancing product safety efforts	Developing products and services considering customer health	CREATING AN ECO-FRIENDLY PACKAGING ECOSYSTEM	Customer health and nutrition	SUSTAINABLE SUPPLY CHAIN	Occupational safety and health
Employee health & safety	STRENGTHENING SHARED GROWTH POLICIES AND ACTIVITIES	EXPANDING SUPPORT PROGRAMS FOR PARTNER SMES	Strengthening research and development	DEVELOPING ECO-FRIENDLY PRODUCTS AND SERVICES	Enhancing product safety efforts	Ensuring fair performance evaluation and rewards	ECO-FRIENDLY PACKAGING	SUSTAINABLE PACKAGING	CIRCULAR ECONOMY (INCLUDING PACKAGING)
Product responsibility	ENHANCING SHARED GROWTH PROGRAMS WITH SUPPLIERS	MANAGING SUSTAINABILITY OF PARTNER SMES	DEVELOPING ECO-FRIENDLY PRODUCTS AND SERVICES	Conducting social contribution activities utilizing the industry's characteristics	SELECTING SUPPLIERS WITH SUSTAINABILITY IN MIND	Supporting investment in social infrastructure	Diversity, Equity, and Inclusion (DE&I)	Occupational health and safety	Food and product safety
Risk management	ESTABLISHING A SYSTEM OF SYSTEMATIC RESPONSE TO CLIMATE CHANGE	Providing transparent product information	CREATING SHARED VALUE THROUGH SHARED GROWTH WITH SUPPLIERS	Diversifying economic value creation	Conducting social contribution activities utilizing the industry's characteristics	Conducting social contribution activities utilizing the industry's characteristics	Strengthening global competitiveness	Human rights	Human Rights
ENVIRONMENTAL MANAGEMENT	Active Engagement in Social Contribution Activities by Employees	REDUCING GREENHOUSE GAS EMISSIONS	Efforts to improve customer satisfaction	BUILDING SYMBIOTIC RELATIONSHIPS WITH THE SUPPLY CHAIN	Strengthening stakeholder communication activities	Strengthening governance transparency	SUSTAINABLE SOURCING	Respect for Diversity, Equity, and Inclusion (DE&I)	Respect for Diversity, Equality & Inclusion
Fair competition	Providing accurate information related to products and services	Expanding community service and donations	INCREASING SUPPORT TO ENHANCE THE COMPETITIVENESS OF FARMS	EVALUATING AND MANAGING SUPPLIER SUSTAINABILITY	BUILDING SYMBIOTIC RELATIONSHIPS WITH THE SUPPLY CHAIN	Enhancing product safety efforts	Human rights management	Enhancement of health and nutrition	Talent Development and Employee Quality of Life
Management performances	INNOVATION IN RESEARCH AND DEVELOPMENT (R&D) AND QUALITY	SUSTAINABLE RESOURCE PROCUREMENT	Efforts to improve nutrition for infants and the elderly	Supporting investment in social infrastructure	Contributing to the revitalization of the local economy	RESPONDING TO CLIMATE CHANGE	SUSTAINABLE SUPPLY CHAIN MANAGEMENT	Sustainable raw material sourcing	Enhancement of Health and Nutrition
SUSTAINABLE RESOURCE USE	Environmentally friendly purchasing	Entering new business fields	Expanding and entering the global market	Strengthening research and development	RESPONDING TO CLIMATE CHANGE	BUILDING TRUST THROUGH CUSTOMER RELATIONSHIP MANAGEMENT	Compliance & ethical engagement	Sustainable products and services	Raw Material Sourcing
	Developing products that consider customer health		Protecting biological resources (soil and water) through eco- friendly research	Expanding and entering the global market	STRENGTHENING SUPPLY CHAIN SUSTAINABILITY	Expanding into and investing in global markets			
	Reducing environmental impact			RESPONDING TO CLIMATE CHANGE	Supporting investment in social infrastructure	Promoting human rights management			
	Expanding eco-friendly business				Balancing work and life	Balancing work and life			
					Ensuring fair performance evaluation and rewards	Managing energy consumption			
					COMPLYING WITH FAIR TRADE PRACTICES	Supporting employee capability enhancement			
						Managing greenhouse gas emissions			
						Contributing to the revitalization of the local economy			
						ESTABLISHING A RESOURCE CIRCULATION SYSTEM			
						Complying with fair trade practices			

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# Response to Climate Change

Climate change is a critical global issue and a top-priority for sustainable growth. CJ CheilJedang acknowledges the severity of the climate crisis and has set a goal of "2050 Net-Zero & Zero waste business" and is actively developing and implementing strategies to meet this goal. Going beyond simple corporate objectives, CJ CheilJedang is committed to addressing climate change through various initiatives, including its operations, product solutions, value chains, and communities, driven by a deep sense of responsibility towards global environmental issues.



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# Sustainable Environment

#### **ENVIRONMENTAL STRATEGY GOALS AND PROGRESS**

In 2021, CJ CheilJedang set the goal of "actualizing a business model based on 2050 Net-Zero and Zero Waste." To minimize environmental impact across all business areas, we established mid-term targets for 2030 focusing on greenhouse gases, energy, water, and waste. At our business sites, we aim to reduce GHG emissions, expand the adoption of renewable energy, and achieve zero landfill waste. We also strive to contribute to GHG reduction in downstream areas through our products and solutions, and pursue operational innovations to minimize GHG emissions across the entire value chain, from raw material sourcing to product sales and disposal. The progress made in 2023 towards achieving these 2030 mid-term goals.

#### Actualize a business model based on 2050 Net-Zero and Zero Waste

AREAS	2030 GOALS	2023 PROGRESS
Business Sites Transform toward De-carbonization & Green	Reduce GHG emissions (Scope1, 2) by 25% by 2030 (compared to 2020 levels)  Drive a strategy for renewable energy transition by 2030 (Americas)	<ul> <li>Introduced the internal carbon pricing system</li> <li>Improved energy efficiency by replacing outdated refrigeration equipment at the Jincheon Plant</li> <li>Substituted coal fuel at 14 sites in 5 countries: (Myanmar, Vietnam, Indonesia, China, Cambodia)</li> <li>Achieved a GHG reduction effect of 310,279 tCO<sub>2</sub>eq through REC purchases at the Jombang and Pasuruan sites in Indonesia</li> <li>Expanded new solar energy installations (South Korea, Vietnam)</li> </ul>
	Reduce water consumption intensity by 10-20% by 2030 (compared to 2020 levels)	<ul> <li>Introduced a pilot Factory Energy Management System (FEMS) at Incheon Plant 1</li> <li>Conducted a preliminary feasibility study for the F&amp;C International Greenhouse Gas Reduction Project (Vietnam)</li> <li>Environmental certification status of business sites</li> <li>ISO 14001 certification for 6 sites</li> </ul>
	Achieve zero landfill waste by 2030	- Third-party certification, audits, and verification for 14 sites - Internal expert certification, audits, and verification for 12 sites
Products · Solutions Innovate Eco-products	Contribute to GHG reductions through product and solution-based initiatives by 2030 (more than 25% of 2020 emissions in sites)	<ul> <li>Achieved growth of the plant-based food brand "PlanTable"</li> <li>Developed microbial fertilizers to reduce chemical fertilizers use</li> </ul>
Value Chain and Local Community Collaboration & Partnerships	Reduce GHG emissions in key supply chains and distribution networks	Completed calculation and third-party verification of Scope 3 GHG emissions for three years (2021–2023)
	Reduce food loss and waste by 50% by 2030 (compared to 2020 levels)	Accredited waste resource circulation and strengthened inspections of disposal companies

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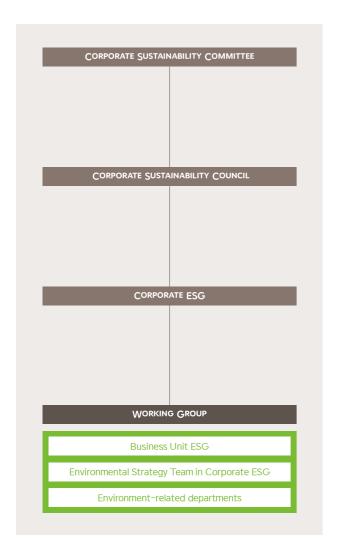
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# Governance

#### **ORGANIZATIONAL STRUCTURE**

The Corporate Sustainability Committee at CJ CheilJedang, operating under the Board of Directors, addresses environmental management issues, including climate change response. Meanwhile, the Corporate Sustainability Council, attended by top executives, establishes goals and strategies through company-wide consensus. To accelerate the implementation of environmental management, the reward system for relevant executives, such as the Head of Production, includes climate change-related performance metrics. In 2023, KPIs encompassed expanding solar energy installations, reducing annual GHG emissions, and identifying solutions to enhance carbon competitiveness.



CATEGORY	DETAILS				
Corporate Sustainability Committee	<ul> <li>Deliberating and passing resolutions on climate change response goals, strategies, and directions</li> <li>Reviewing and approving climate-related performance</li> <li>Identifying and delving into climate change-related issues</li> <li>Approving the establishment and revision of internal and external climate change policies</li> </ul>				
	Approved Agenda Items for FY23	<ul> <li>Approving the Advancement of Net-Zero Implementation initiatives for 2023</li> <li>Reporting the progress of the 2023 initiatives</li> </ul>			
	Notification Method and Frequency	<ul> <li>Setting the meeting date and notifying each member in writing or verbally at least 7 days in advance</li> <li>At least twice a year</li> </ul>			
Corporate Sustainability Council	<ul> <li>Responsibility for decision-making and accelerating execution on climate change issues</li> <li>Forming a company-wide consensus and creating synergy in response to climate change</li> <li>Monitoring climate change-related goals and their implementation</li> </ul>				
	Approved Agenda Items for FY23	<ul> <li>Approving the 2023 ESG initiatives: Advancement of Net-Zero Implementation</li> <li>Reviewing the pathway to achieve the 2030 GHG emission targets</li> <li>Reporting the status of 2023 ESG initiatives regarding progress in Advancement of Net-Zero Implementation and approving the Introduction of an internal carbon pricing system</li> </ul>			
	Notification Method and Frequency	<ul> <li>Annual email notification of schedules of the Corporate Sustainability Council at the beginning of each year</li> <li>Email notifications prior to each meeting</li> </ul>			
Dedicated organization (Corporate ESG)	<ul> <li>Establishing and advancing company-wide ESG strategies and policies</li> <li>Identifying major environmental management-related laws and regulations</li> <li>Establishing and reporting the progress of corporate-wide climate change goals</li> <li>Identifying early and managing climate change risks</li> <li>Internal and external communication</li> </ul>				
Working Groups (ESG departments, ESG Center, environment-related departments)	<ul> <li>Establishing and detailing implementation strategies for business units based on company-wide ESG policies</li> <li>Monitoring the execution of initiatives</li> <li>Setting and managing goals for each business site</li> </ul>				

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# Strategy

#### **CLIMATE-RELATED RISK AND OPPORTUNITY**

The industry in which CJ CheilJedang operates is closely tied to agriculture, which heavily depends on the natural environment. Given the vulnerability of agriculture to climate change, responding to climate change has been identified as the most critical issue in our double materiality assessment. In line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we identify climate-related risks and opportunities, considering factors like emissions trading volume, renewable energy procurement, and financial losses due to climate impacts across our entire value chain. The identified risks and opportunities are categorized as short-term (0-3 years), medium-term (3-7 years), and long-term (over 7 years) based on our business strategy planning timeline, with a progressive analysis of their financial impacts on our business.

			SCOPE OF IMPACT PERIOD							
TYPE			UP STREAM	BUSINESS SITES	DOWN STREAM	SHORT- TERM	MEDIUM- TERM	LONG- TERM	CURRENT AND EXPECTED FINANCIAL IMPACTS	CURRENT AND EXPECTED ACTIONS
	Policy and Regulation	Strengthened GHG emission regulations     Strengthened plastic regulations     Strengthened Mandatory climate disclosures and greenwashing regulations							Decreased operating profit from rising cost of purchasing carbon credits (Korea, Europe, U.S., etc.) and renewable energy     Increased costs for research and investment in low-carbon materials and costs for plastic recycling     Rising regulatory compliance costs, including fines and	Establish the 2050 Net-Zero goal and implement reduction measures     Introduce the internal carbon pricing system and expand renewable energy use     Strengthen the process for reviewing environmental labeling and advertising
Transition	Technology	Increased costs due to the development and introduction of new carbon reduction technologies							Increased labor, time, and investment costs required for discovering carbon reduction technologies	Create new business opportunities     Secure competitiveness by establishing a production base for carbon-reducing products
Risks  Market  Reputation	Market	Increased consumer demand for carbon reduction products     Increased demand from global clients for GHG reduction implementation							Decreased market share and operating profit due to competitors launching and strengthening marketing of carbon reduction products     Declining sales if customer demands are not met, leading to replacement of suppliers	Expand carbon-reducing products and technologies (e.g., food upcycling products, PlanTable brand)     Increase GHG reduction and the use of renewable energy at each business site
	Reputation	Brand image damage and negative stakeholder evaluations due to inadequate response to climate change							Cutback in investment and failure to attract new investors due to declining brand value     Decreased sales	Secure competitiveness through the development and differentiation of carbon–reducing products     Continuous communication with stakeholders and transparent information disclosure
Dhusiad Dida	Acute	Increased frequency of extreme weather events such as heatwaves, heavy rains, and tropical cyclones							Decreased sales from the decline in the value of tangible assets such as business sites and facilities, and production stoppages     Increased purchasing costs from lower yields and quality of raw materials	Analyze physical risks for each raw material     Review alternative supply chain exploration efforts
Physical Risks	Chronic	Higher global temperatures     Increased extreme variability in weather patterns							<ul> <li>Increased number of heatwave days and changes in plant growth periods leading to reduced yields of major crops and increased purchasing costs</li> <li>Rising logistics and storage costs from disruptions in maritime transport caused by El Niño, droughts, etc.</li> </ul>	Review alternative supply chain exploration efforts
Opportunities	Technology	New carbon reduction product development							Strengthened market competitiveness and increased sales due to rising demand for carbon reduction product	Develop and strengthen marketing of carbon-reducing products     Calculate product carbon footprints
оррогиние <b>з</b>	Energy Source	Enhanced energy efficiency by adopting high-efficiency equipment and implementing AI systems							Reduced carbon credit and energy costs due to decreased GHG emissions	• Expand the adoption of the Factory Energy Management System (FEMS)

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#### **CLIMATE SCENARIO ANALYSIS**

#### ANALYSIS OF FINANCIAL IMPACT DUE TO CLIMATE CHANGE

CJ CheilJedang has analyzed financial impacts of climate change using various scenarios. Based on the results, we have implemented mitigation activities to reduce GHG emissions and adaptation activities to enhance climate resilience. Initially, we analyzed the financial impacts of physical risks due to climate change on major domestic and international business sites in the short-term (0-3 years), medium-term (3-7 years), and long-term (over 7 years). In 2024, recognizing the unique challenges of the food industry, we plan to further analyze the impacts on key raw materials to prepare for "climateflation" (climate-induced inflation).

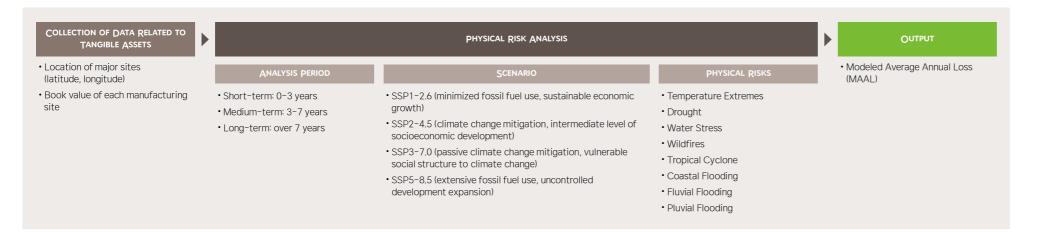
The financial impacts of transition risks were qualitatively evaluated by considering complex interactions such as productivity, supply chain stability, and consumer demand, alongside unpredictable uncertainties like policy directions and technological innovations. In the future, we aim to conduct quantitative analyses through further data collection and research.

#### **ANALYSIS OF PHYSICAL RISKS**

CJ CheilJedang applied S&P Global's Climanomics Tool to assess the financial impacts of physical risks at 32 major production sites with high tangible asset value located in South Korea, Vietnam, Brazil, Malaysia, the United States, China, and Indonesia. Eight physical risks were analyzed based on the four Shared Socioeconomic Pathway (SSP) scenarios used in the IPCC Sixth Assessment Report (2021). These SSP scenarios consider the policy, economy, population, social factors, energy use, and technological development of each country along with the radiative forcing intensity by 2100, providing a range of future pathways to effectively address climate change. The output of the financial impact assessment is expressed as the Modeled Average Annual Loss (MAAL), which represents the sum of climate change-related costs, including sales reduction, increased capital expenditure (Capex), and operational expenditure (Opex). Changes in the value of tangible assets were not reflected.

The scenario analysis does not predict precise figures or probabilities but assumes plausible future situations due to climate change to evaluate potential impacts under each scenario. This helps us mitigate vulnerabilities and enhance the resilience of our response strategies. Therefore, actual outcomes may differ from the predictions presented in this report due to various climate variables and uncertainties inherent in the scenarios. This analysis was based on currently available data and models and will be continuously updated through further research and data collection.

#### PHYSICAL RISK ANALYSIS PROCESS



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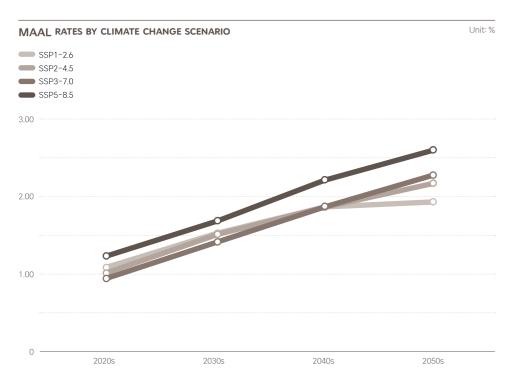
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#### FINANCIAL IMPACT FROM PHYSICAL RISKS

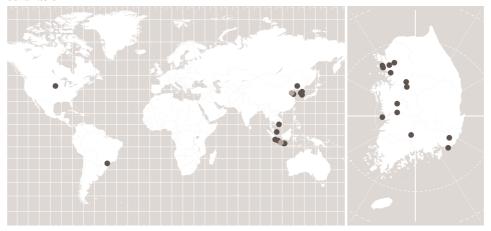
The physical risks like temperature extremes, water stress, and pluvial flooding expected to have a financial impact on CJ CheilJedang's 32 major domestic and international manufacturing sites over the short, medium, and long-term. Other risks such as tropical cyclones, droughts, fluvial flooding, and coastal flooding are not expected to have significant financial impacts until the 2050s. The Modeled Average Annual Loss (MAAL) due to physical risks in the 2020s is estimated to be approximately 1.02% under the SSP2-4.5 scenario and approximately 1.23% under the SSP5-8.5 scenario. In the 2040s, the MAAL is expected to increase to approximately 1.87% (SSP2-4.5) and 2.21% (SSP5-8.5). Under the SSP5-8.5 scenario, the countries with the highest MAAL in the 2040s are projected to be Indonesia, the United States, and China, in that order. Particularly, the Jombang and Semarang sites in Indonesia are expected to have the highest loss rates. Although the MAAL as a percentage of total tangible assets is projected to remain below 3% under the SSP5-8.5 scenario by 2050, we will regularly monitor the data to increase the reliability of these estimates by incorporating the latest scenarios and to mitigate risks.



#### MAAL OF TOTAL ASSETS BY BUSINESS SITE IN 2030

Unit: MAAL, %

SSP2-4.5 SCENARIO



#### SSP5-8.5 SCENARIO



- Low 0~3%
- Mid 3~6%
- High: 6% or above

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#### **CLIMATE CHANGE MITIGATION**

#### MANAGEMENT OF GREENHOUSE GAS EMISSIONS (SCOPES 1, 2)

In 2021, CJ CheilJedang committed to achieving 2050 Net-Zero to mitigate climate change. To this end, we aim to reduce GHG emissions from business sites by 25% by 2030 compared to 2020 levels. We monitor key indicators, such as GHG emissions by operational boundaries (Scopes 1, 2, and 3) and by country, as well as the GHG emissions intensity relative to production volume. Since 2022, we have enhanced accuracy and reliability by obtaining third-party verification for GHG emissions and energy usage at major domestic and overseas sites, including manufacturing sites in Indonesia, Vietnam, China, and the United States. In 2023, we introduced an internal carbon pricing system, expanded the installation of renewable energy, replaced outdated refrigeration equipment, and purchased Renewable Energy Certificates (REC) to further reduce GHG emissions. As a result, our Scope 1+2 GHG emissions in 2023 were 3.324 million tCO₂eg, reflecting a 20.3% reduction from the previous year.

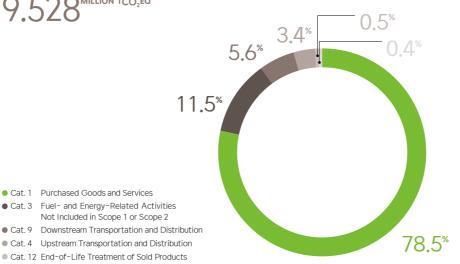
# GHG EMISSIONS (SCOPE 1, 2) Unit: 1,000 tCO2eq Scope 1 Scope 2 5,000 4.394 4.169 4.000 3.324 3.000 2.000 1,000 2021 2022 2023

#### MANAGEMENT OF OTHER INDIRECT GHG EMISSIONS (SCOPE 3)

CJ CheilJedang is building a management framework for other indirect emissions (Scope 3) that covers the entire value chain, extending beyond GHG management at company business sites. We have prioritized six out of the fifteen Scope 3 emissions categories companywide, based on their proportion and significance. This is based on the GHG Protocol's Corporate Value Chain Accounting and Reporting Standard, and data were collected with the participation of the Corporate Purchasing, SCM, Environment, and ESG units. In 2023, Scope 3 emissions totaled 9.528 million tCO<sub>2</sub>eq. The methodology and emissions calculations were third-party verified by the Korea Standards Association (KSA). Due to the nature of the industry, the largest portion of Scope 3 emissions came from purchased goods and services at 7.478 million tCO<sub>2</sub>eq (78.5%), followed by fuel- and energy-related activities not included in scope 1 or scope 2 (1.095 million tCO<sub>2</sub>eq, 11.5%), and downstream transportation and distribution (0.537 million tCO<sub>2</sub>eq, 5.6%). Moving forward, we plan to expand the reporting scope by category and continuously refine our activity data and methodologies to achieve even more accurate emissions calculations.

#### SCOPE 3 EMISSIONS PROPORTION BY CATEGORY IN 2023

Cat. 5 Waste Generated in Operations



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Unit: %

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#### KEY GHG REDUCTION EFFORTS

#### KEY DETAILED IMPLEMENTATION STRATEGIES FOR GHG REDUCTION



#### REPLACEMENT OF OUTDATED REFRIGERATION FQUIPMENT

In 2023, we replaced the outdated refrigeration equipment at the Jincheon plant to improve facility energy efficiency. This optimized energy efficiency and reduced power consumption, thereby lowering power costs and raising cost competitiveness.

#### TRANSITIONING FROM COAL FUEL

In December 2023, CJ CheilJedang's BIO Business Unit closed the coal power plant at its Liaocheng site in China, transitioning to LNG-based steam. This shift resulted in a reduction of GHG emissions by approximately 4,207 tCO $_2$ eq. Additionally, at the Pasuruan site in Indonesia, we partially replaced coal with biomass fuels such as rice husks and coffee shells, reducing GHG emissions in the manufacturing process by approximately 2,230 tCO $_2$ eq. The CJ Feed&Care business has also been continuously replacing coal with biomass fuels like wood waste and palm shells across 12 sites in Myanmar, Vietnam, Indonesia, and Cambodia, reducing GHG emissions by approximately 36,190 tCO $_2$ eq in 2023. Moving forward, we plan to continue activities to reduce GHG emissions at our business sites by replacing coal fuel.

\* GHG reduction = expected GHG emissions from coal combustion - actual emissions from alternative fuels

#### EXPANDING SOLAR ENERGY ADOPTION

As part of our energy structure innovation, we have been expanding the installation of solar power generation facilities at domestic and overseas sites across various business unit. In 2023, this initiative reduced GHG emissions by approximately 2,265 tCO<sub>2</sub>eq.\*

#### **FOOD BUSINESS UNIT**

In 2023, the Nonsan Plant and CJ Blossom Campus in South Korea began operating new or additional solar power facilities with capacities of 0.7MWp and 1MWp, respectively. In 2024, we plan to further expand the installation of solar power facilities at the Jincheon Plant, Incheon Plant 1, and Busan Plant.

#### **BIO BUSINESS UNIT**

Since 2022, solar power facilities have been in operation at the Vung Tau site in Vietnam and the Kerteh site in Malaysia.

#### CJ FEED&CARE BUSINESS

In 2023, solar energy was introduced in the Dong Nai and Binh Dinh sites in Vietnam. In 2024, we plan to expand the introduction of solar energy to 7 sites in Vietnam, 4 sites in Indonesia, and 1 site in the Philippines.

\* Based on the amount of solar energy used: expected GHG emissions from coal combustion - GHG emissions from the use of solar-generated electricity (assumed to be zero)

#### STATUS OF SOLAR ENERGY ADOPTION

COUNTRY	BUSINESS SITE	COMPLETION
	CJ Blossom Park	August, 2015
	CJ Blossom Campus	July, 2018
	Wonji) Asan 1, Jincheon	August, 2022
	Incheon 2	November, 2022
South Korea	CJ Seafood) Icheon	January, 2023
	Nonsan	April, 2023
	Incheon 1	March, 2024
	Jincheon	April, 2024
	Busan	May, 2024
Malaysia	Kerteh	May, 2022
	Vung Tau	April, 2022
	Dong Nai	January, 2023
Vietnam	Binh Dinh	August, 2023
	Ha Nam	May, 2024
	Hung Yen	June, 2024

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In April 2022, CJ CheilJedang signed an agreement on the Green New Deal energy supply project, marking the start of preparations for an energy supply facility at the CJ Blossom Campus in Jincheon County, Chungbuk. This facility will utilize wood resources (biomass) as fuel to operate the plant and is scheduled to commence operations by 2028.

#### PURCHASE OF RENEWABLE ENERGY CERTIFICATES (REC)

In 2023, the BIO Business Unit signed a long-term REC contract with Indonesia's power company PLN to reduce GHG emissions at the Jombang and Pasuruan sites. REC is a program where carbon emission frees are certified by an internationally recognized organization for power generated from geothermal and hydroelectric sources. Carbon credits are then sold by adding a certain cost to the existing electricity bill. Through this contract, GHG emissions were reduced by 310,279 tCO<sub>2</sub>eq in 2023, verified by a third party.

#### INTRODUCTION OF AN INTERNAL CARBON PRICING SYSTEM

CJ CheilJedang is expanding the internal carbon pricing system companywide to establish practical carbon reduction measures. The internal carbon pricing system is a mechanism where the company sets its own carbon price to encourage investment in low-carbon technologies and reduce investment in existing facilities. The Corporate Sustainability Council approved the establishment of the Internal Carbon Pricing System Operation Guidelines to implement this system. The internal carbon price, determined according to the guidelines, is incorporated into the investment process and influences decision-making. The application of this internal carbon price depends on whether the investment target country has an Emission Trading System (ETS) in place, with the price based on recent GHG emission allowance price trends. Currently, this system is being applied and implemented for some investments. Moving forward, case studies will be analyzed to ensure the stable establishment of the system and to review methods for setting a reasonable internal carbon price.

#### INTERNAL CARBON PRICING SYSTEM

CATEGORY	DETAILS
Introduction type	Shadow price
Application scope	The range of GHG emissions to be applied is set to Scopes 1 and 2
Pricing	Based on historical GHG emission allowance price trends
Application	Payback period approach

# CJ FEED&CARE PRE-FEASIBILITY STUDY FOR GOVERNMENT-SUPPORTED F&C INTERNATIONAL GHG REDUCTION PROJECT (VIETNAM)

To implement the Paris Agreement and contribute to cost-effective GHG reductions from a global perspective, CJ Feed&Care, CJ CheilJedang, CJ Vina Agri, and Verywords Co., Ltd. have conducted a pre-feasibility study with support from the The Export-Import Bank of Korea's 2023 International Greenhouse Gas Reduction Project program. This [CJ Vietnam Greenhouse Gas Reduction Project Using Livestock Manure Composting] aims to reduce greenhouse gases by composting manure generated from swine farming. Through this pre-feasibility study and discussions with the local government and relevant agencies in Vietnam, we have confirmed the potential for GHG reduction through livestock manure composting in Vietnam.

#### **CLIMATE CHANGE ADAPTATION**

#### INVESTMENT IN FLOODING DAMAGE PREVENTION

CJ CheilJedang's BIO Business Unit has made a joint investment with the local government (approximately \$76,000) to prevent flooding damage at the Jombang plant in Indonesia and the surrounding villages. This proactive measure resulted in achieving zero flooding incidents in 2023. The Jombang plant is one of the top 4 sites, out of 32 domestic and international sites assessed for financial impacts due to physical risks, projected to experience the highest Modeled Average Annual Loss (MAAL) in the short, medium, and long term. To prevent flooding from a nearby stream, which is the main cause of factory floods, we expanded the channel that discharges water into the Brantas River, effectively doubling its discharge capacity. Additionally, the main stormwater drains in the plant were extended, especially in the frequently flooded areas such as warehouses. Upgrades included improving sluices, installing additional emergency pumps, and setting up CCTV for automatic monitoring. These measures have significantly reduced the risk of recurrent flooding during the rainy season.







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# Risk Management & Metrics and Targets

#### CLIMATE CHANGE RISK AND OPPORTUNITY MANAGEMENT PROCESS

CJ CheilJedang integrates the identification, assessment, response, and monitoring of climate change-related risks and opportunities into the company-wide risk management process. Risks are identified based on climate change trends and research data from both domestic and international sources. The identified physical risks are quantitatively assessed using climate change scenarios, while transition risks and opportunities are qualitatively evaluated. Considering the impact of these risks and opportunities on the business, we develop climate change mitigation and adaptation strategies, allocate resources based on management decisions, and monitor the implementation of the strategies to report results to the Board of Directors and the management.

#### RISK AND OPPORTUNITY MANAGEMENT PROCESS



#### **IDENTIFICATION OF** RISKS AND

- Reflect trends from international standards, industry peers, and media related to climate change both domestically and internationally
- · Analyze climate change scenarios



RIORITIZATION OF RISKS AND OPPORTUNITIES

- · Physical Risks/ Opportunities: Quantitative Assessment (Using Climate Change Scenarios)
- · Transition Risks/ Opportunities: Qualitative Assessment

#### DEVELOPMENT OF RESPONSE STRATEGIES

- Develop climate change mitigation and adaptation strategies and allocating resources
- Establish a GHG reduction roadmap and operating the internal carbon pricing system

#### **METRICS AND TARGETS**

CJ CheilJedang manages key metrics for climate change mitigation, including GHG emissions (Scopes 1, 2, and 3) and energy consumption (non-renewable and renewable). Additionally, we have introduced the internal carbon pricing system, which is currently in pilot operation.

\* The 2030 targets apply only to domestic sites in the Food Business Unit and to sites in the BIO Business Unit.

#### **GHG EMISSIONS**

INDICATOR	2021	2022	2023	2030 TARGET*
Scope 1	2,877	2,823	2,196	25% reduction
Scope 2	1,518	1,345	1,129	(compared to 2020 levels)
Scope 3	10,303	10,286	9,528	-
Total	1/1 698	1/1/5/1	12.853	

#### MONITORING SYSTEM

#### ESTABLISHMENT OF FACTORY ENERGY MANAGEMENT SYSTEM (FEMS)

CJ CheilJedang's Incheon Plant 1 in the Food Business Unit has introduced the Factory Energy Management System on a trial basis to establish a data collection foundation and monitor energy usage in real time. The FEMS is a management program that optimizes the supply and consumption of energy at manufacturing sites by measuring, monitoring, analyzing, and controlling the usage of various energy sources. Going forward, we plan to expand the implementation of this system in stages. Through this, we aim to find opportunities to improve factory energy efficiency, reduce GHG emissions, and lower power costs.

#### BMP (BIO MANUFACTURING PORTAL) SYSTEM

MONITORING AND

REPORTING

· Regular monitoring of GHG reduction and

renewable energy

· Report to the Board

of Directors and the

consumption

management

The BIO Business Unit of CJ CheilJedang monitors and manages energyrelated performance through an internal management system called BIO Manufacturing Portal. The BMP system is applied to all global business sites, and the performance data entered by each site are automatically shared with the headquarters for integrated management.

#### FEED PLANT OPTIMIZATION PLATFORM AND FEED PLANT INDEX MANAGEMENT SYSTEM

CJ Feed&Care manages and operates GHG emissions and energy consumption in real time through the POP system, while monitoring and managing these metrics on a monthly basis through the PIMS system. The PIMS is in place at all Feed&Care business sites, allowing for the verification of energy consumption at each site.

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# Water Resource Management

CJ CheilJedang aims to reduce water consumption (water intensity) per production unit by up to 20% by 2030, contributing to solving water issues in the areas where its business sites are located and improving resource efficiency. To achieve this goal, we set realistic and actionable short-term targets each year, considering the previous year's performance and the current year's reductions at each domestic site. CJ CheilJedang focuses on water resource conservation and sustainable water usage in processes that use water. In particular, we are expanding systems for strict management, reuse, and recycling of wastewater. When effluent is discharged to locations other than dedicated treatment facilities, it is treated and released according to the legal concentration standards of the respective regions.

#### WATER RESOURCE MANAGEMENT

REGION	WATER SOURCE	DISCHARGE DESTINATION
South Korea	Tap water	Sewage or wastewater treatment plants <sup>1)</sup> , streams <sup>2)</sup>
Indonesia	Surface water	Rivers
China	Groundwater, tap water	Sewage treatment plants
Brazil	Surface water, groundwater	Rivers
U.S.A.	Tap water	Sewage treatment plants
Vietnam	Tap water	Sewage treatment plants
Malaysia	Tap water	Rivers

- 1) The discharged water from six sites (Incheon 1, Incheon 2, Incheon 3, Incheon Frozen, Jincheon BC, and Busan) is maintained at less than 80% of the legal concentration standards. The discharged water from two sites (Jincheon and Jincheon 3) meets the local government agreement standards.
- 2) The discharged water from three sites (Nonsan, Gongju, and Namwon) is directly released into nearby rivers and is maintained at less than 80% of the legal concentration standards.



#### MANAGEMENT OF WATER RESOURCE EFFICIENCY

CJ CheilJedang manages efficiency through assessments, activities, and education to minimize water resource risks.

#### ASSESSMENT OF WATER USE

Efficient water resource management is crucial given the nature of our business, which uses water in various processes such as washing and sterilization. Accordingly, we refer to ISO 46001, the Water Efficiency Management Systems (WEMS), and the water sustainability tools developed by the Global Environmental Management Initiative (GEMI) to manage and assess water use. This helps us identify opportunities to improve efficiency.



#### MANAGEMENT OF WATER USE

In the BIO Business Unit, water use histories are managed for each product process and operational unit. In 2023, the Pasuruan site in Indonesia reestablished the calculation methods to accurately determine water consumption for each product process, thereby improving the traceability of water use histories. Going forward, specific reduction plans for managing water use at business sites will be established and expanded to other sites, such as those in China.

#### IMPROVEMENT ACTIVITIES OF WASTEWATER QUALITY

The BIO Business Unit has applied the membrane bio-reactor (MBR) method to the wastewater treatment process at the Piracicaba site in Brazil, establishing a foundation for the reuse of discharged water. The MBR method uses membranes in conjunction with conventional biological sewage treatment to treat contaminated water. This method was first applied at the Jombang site in Indonesia in 2022 and has since been expanded to the Pasuruan site.

#### EDUCATION ON IMPROVING AWARENESS OF WATER EFFICIENCY

CJ CheilJedang regularly conducts training on water resource risks for its personnel. Through this education, water resource risks at business sites are identified, and strategies for enhancing water efficiency are discussed.

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#### **ANALYSIS OF WATER RESOURCE RISK**

CJ CheilJedang regularly assesses water-related risks such as quality, quantity, and regulations at its domestic and international sites based on a framework that considers both dependency and impact through the World Resources Institute's (WRI) Aqueduct Water Risk Atlas and the World Wildlife Fund's (WWF) Water Risk Filter. We implement water risk mitigation activities, focusing on high-risk areas, and communicate with site managers in these regions to establish water management plans and strategies.

#### WATER RESOURCE RISK ANALYSIS PROCESS



CATEGORY		DETAILS
Risk Analysis Tool		WRI Aqueduct Water Risk Atlas
	Baseline	1979-2019
Analysis Criteria	Physical frame coverage	48 domestic and overseas sites
	Indicator	Water stress

SITES ASSESSED

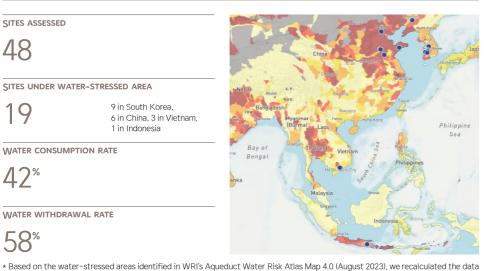
SITES UNDER WATER-STRESSED AREA

9 in South Korea. 6 in China, 3 in Vietnam, 1 in Indonesia

for 48 manufacturing sites within the 33 subsidiaries covered in this year's report.

WATER CONSUMPTION RATE

WATER WITHDRAWAL RATE



#### **BIODIVERSITY PROTECTION**

#### **POLICY**

CJ CheilJedang deeply understands the values of biodiversity and its sustainable use. We are committed to identifying and minimizing potential impacts on various aspects such as natural habitat reduction, genetic diversity conservation, and sustainable agricultural practices. As part of these efforts, we established biodiversity policy in 2021.

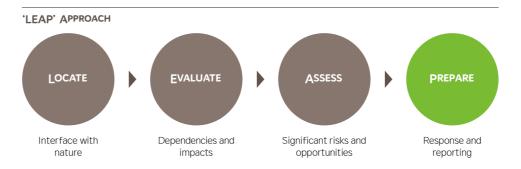
Biodiversity Policy

#### BIODIVERSITY RISK & OPPORTUNITY ASSESSMENT APPROACH

CJ CheilJedang aims to evaluate biodiversity risks and opportunities in accordance with the final recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) for assessing, managing, and disclosing nature-related risks.

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRIC & TARGET
Disclose the organization's governance regarding nature-related risks and opportunities	Disclose the actual and potential impacts of environmental risks and opportunities on the organization's business, strategy, and financial planning	Disclose how the organization identifies, assesses, and manages environmental risks	Disclose the metrics and targets used to assess and manage nature-related risks and opportunities

The recommendations encourage companies to identify, assess, manage, and disclose their naturerelated dependencies, impacts, risks, and opportunities using the 'LEAP' approach. CJ CheilJedang plans to use this approach to evaluate its risks and opportunities.



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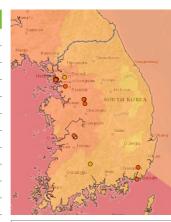


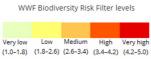
#### BUSINESS AND ACTIVITY AREAS RISK ANALYSIS

CJ CheilJedang conducted a biodiversity risk analysis for 15 domestic sites using WWF's Biodiversity Risk Filter. Based on the analysis results, we will establish strategies to effectively manage and mitigate biodiversity risks. To mitigate identified risks, we aim to enhance ecosystem protection activities, improve information disclosure, and develop robust environmental management and response measures.

#### **BIODIVERSITY RISK ANALYSIS**

BUSINESS SITE	PHYSICAL RISK	REPUTATION RISKS
Yeongdeungpo Plant	Medium	Medium
Incheon Plant 1	High	Medium
Incheon Plant 2	High	Medium
Incheon Freezing Plant	High	Medium
Jincheon Plant	High	Medium
Jincheon Blossom Campus	High	Medium
Nonsan Plant	High	Medium
Nonsan Plant 3	High	Medium
Gongju Plant	High	Medium
Yangsan Plant	High	Medium
Busan Plant	High	Medium
Materials Incheon Plant 3	High	Medium
Ansan Plant	High	Medium
Namwon Plant	Medium	Medium
Jincheon Plant 3	High	Medium





#### **EXPOSURE AND ASSESSMENT**

CJ CheilJedang is certified for ISO 14001\*, an environmental management program, for major global manufacturing sites. These certified sites conduct environmental impact assessments in accordance with ISO 14001 standards. The main evaluation criteria involve linking environmental aspects (type, scale, frequency, etc.) with environmental impacts (scale, severity, duration of exposure, etc.), although other criteria may be used depending on the situation. We will steadily expand ISO 14001 certification to more sites.

\* ISO 14001 certified sites: Busan, Pasuruan, Jombang, Liaocheng, Shenyang, Kerteh

#### **IDENTIFIED RISKS AND OPPORTUNITIES**

CJ CheilJedang is identifying biodiversity risks and opportunities and developing countermeasures based on the results, which are then monitored. The status of identified risks is regularly reviewed, and efforts are being made to take appropriate actions.

#### IDENTIFICATION AND RESPONSE TO BIODIVERSITY RISKS

CATEGORY	KEY RESPONSE MEASURES
	Establishing climate change response strategies
Ecosystem damage due to climate change	Reducing GHG emissions
	Expanding the use of renewable energy, etc.
	Implementing water efficiency improvement technologies
Water scarcity	Strengthening water management strategies
	Monitoring water-stressed area
Resource depletion and biodiversity loss	Reviewing regenerative agricultural and fishing practices
Strengthening Market Competitiveness	Monitoring consumer preferences and demand trends

#### MITIGATION MEASURES

We are developing and implementing various mitigation measures to reduce our dependence on and impact on biodiversity.

Arois
• Identifying activities that negatively impact biodiversity in advance through environmental impact assessments and establishing avoidance plans.

#### Implementing measures to reduce negative environmental impacts by developing biodegradable and compostable plastics, plant-based foods, etc.

REDUCE

#### • Planting a total of 46,000 mangrove trees in Indonesia over seven occasions from 2013 to 2023

RESTORE

#### Mangrove trees not only store carbon from the atmosphere but also provide habitats for marine life and help prevent coastal damage during extreme weather events such as pluvial flooding and typhoons.

#### TRANSFORM

 Establishing strategies for utilizing natural resources sustainably and protecting biodiversity through sustainable raw materials sourcing

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#### HAZARDOUS SUBSTANCE

#### MANAGEMENT OF HAZARDOUS SUBSTANCES, AIR, AND WATER POLLUTION

CJ CheilJedang manages odor, water quality, and air quality at 14 domestic sites using the Environment Health Safety (EHS) system. For water pollution, total organic carbon (TOC) and chemical oxygen demand (COD) levels are monitored, while air pollution is managed by measuring nitrogen oxide concentrations. Additionally, a comprehensive environmental monitoring system is in place, providing 24-hour real-time monitoring and alerts in case of incidents or abnormalities, to minimize the impact on the surrounding areas of the business sites.

#### KEY HAZARDOUS SUBSTANCES AND POLLUTANTS RISK MITIGATION ACTIVITIES

In 2023, CJ CheilJedang's BIO Business Unit undertook various risk mitigation activities at each site to reduce environmental impacts.



A real-time central monitoring system for air pollution and A nucleic acid fermentation scrubber odors was established to strengthen the management of was installed to improve odor control, to prevent damage caused by high hazardous substances and pollutants. This system includes pre- and daily environmental patrols were temperatures and corrosion from chemical alarm functions and control solutions to prevent environmental incidents in advance. Additionally, ammonia (NH3) and hydrogen sulfide (H2S) detectors were installed at the scrubber exhausts, maintenance, regular inspections, and which are used to treat waste gases generated during processes, to prevent air pollution. In 2024, there are plans to and government comments related to air, continue investing in the installation of fine dust detectors and water, and soil pollution in 2023. the development of a monitoring system.

conducted to inspect pollution protection use, thereby mitigating the risks of air facilities. Additionally, through equipment pollution and leaks in advance. training, the site achieved zero complaints

The old boiler scrubber was replaced

#### ENVIRONMENTAL COMPLIANCE DIAGNOSIS

CJ CheilJedang's Food Business Unit operates a regular compliance diagnosis system for 19 domestic sites and subsidiaries to adhere to increasingly stringent environmental regulations. This diagnosis reflects the requirements of ISO 37301 (Compliance Management Systems) and checks whether each site complies with environmental emission limits and legal standards. In the first half of 2023, a compliance diagnosis covering 81 items across 8 areas was conducted, which was expanded to 102 items across 10 areas in the second half. If any issues related to non-conformance are identified, corrective measures are communicated, and an improvement plan is established. This plan includes the target completion date, responsible personnel, and, if necessary, the investment costs.

- \* 10 Fields of Obligations of Environmental Compliance:
- ① Water Environment Conservation Act ② Clean Air Conservation Act ③ Waste Control Act ④ Chemical Substances Control Act ⑤ Noise and Vibration Control Act
- @ Persistent Pollutant Control Act @ Sewerage Act @ Special Act on the Improvement of Air Quality in Air Control Zones @ Malodor Prevention Act
- 10 Soil Environment Conservation Act

#### EMERGENCY RESPONSE DRILLS FOR CHEMICAL LEAK **WITH THE COMMUNITY**

CJ CheilJedang's BIO Business Unit in Shenyang, China, conducts annual emergency response drills for chemical leaks in compliance with legal requirements. Additionally, to enhance chemical management levels, the Shenyang site collaborates with major local agencies in Shenyang (Emergency Bureau, Fire Department, Ambulance Service, Environmental Protection Bureau, Transportation Bureau, etc.) to conduct government joint chemical leak emergency response drills 1-2 times per year. In Pasuruan, Indonesia, in accordance with Permen LH 74, an environmental regulation, annual emergency response drills for chemical leaks (ammonia) have been conducted since 2022. These drills involve the Pasuruan government, local disaster management agencies, local officials, the Ministry of Environment, military, police, and local residents. The drills cover scenarios and response methods for liquid and gas chemical leaks, as well as internal and external communication procedures, ensuring comprehensive preparedness.





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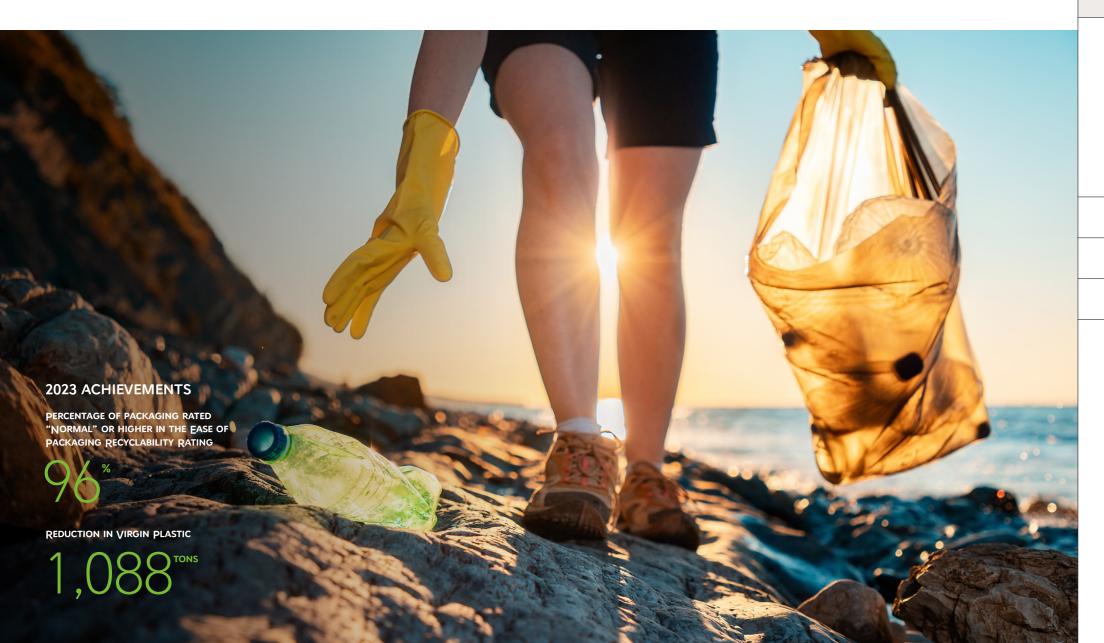
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#### 4

# Circular Economy

As the global population grows and economies develop, waste production increases and Earth's resources are depleted. Given our industry's high reliance on raw materials, CJ CheilJedang recognizes the critical importance of resource efficiency and recycling. In response, we have focused on developing recyclable and renewable packaging materials and promoting the recycling of waste from our facilities and food loss. The circular economy is a critical issue with significant environmental and social impacts for our stakeholders. To address these challenges, we have established key indicators to measure our progress, including the revenue from by-product upcycling and environmentally friendly packaging materials.



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# Governance & Strategy

### **ORGANIZATIONAL STRUCTURE**

CJ CheilJedang addresses circular economy issues, including sustainable packaging, through the Corporate Sustainability Committee under the Board of Directors. The Corporate Sustainability Council, which includes top executives, establishes goals and strategies through consensus across the company. Various functional departments, responsible for sustainable packaging and environmental safety, collaborate to implement tasks for building a resource circulation system.

### PERFORMANCE-LINKED REWARD

CJ CheilJedang is accelerating the establishment and implementation of a resource circulation system by including resource circulation-related performance in the reward system for executives, incorporating heads of research and production. In 2023, key performance indicators (KPIs) included expanding the use of recycled materials (Hetbahn scrap) and achieving verification for the total elimination of landfill waste at business sites.

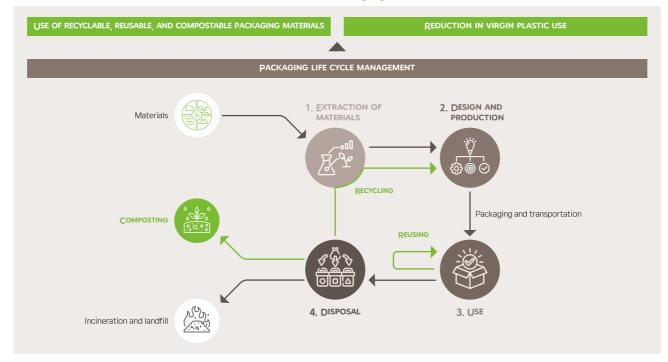
### **STRATEGY**

Earth's resources, such as water and energy, are limited, making efficient resource management is essential for corporate sustainability. To address this, CJ CheilJedang is committed to identifying and repurposing products and raw materials previously discarded during the production, use, and disposal, with the goal of achieving a zero-waste approach. Specifically, CJ CheilJedang is developing alternative materials for essential food packaging and establishing packaging strategies from a life cycle perspective. Additionally, by managing industrial waste and food loss waste, CJ CheilJedang is actively working to reduce waste generation and enhance recycling efforts.

Sustainable Packaging Policy

### PACKAGING STRATEGY

### Sustainable Packaging Goals



### BUILD AN INDUSTRY VALUE CHAIN AND CIRCULAR ECONOMY PLATFORM

CJ CheilJedang has established a circular economy platform in collaboration with SKGC, LG Chem, Emart, Avery Dennison, and others. Additionally, we participate in various efforts to strengthen external technology communication and global networks regarding sustainable. These activities include the Global ESG Forum, Circular Economy Conference, sustainable Packaging Forum, and SUSTPACK Asia, where the company advocates for the importance of sustainable packaging.

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# Strategy

### PACKAGING LIFE CYCLE MANAGEMENT

Packaging plays a crucial role in supporting the convenient use and distribution of products across all industries. It provides essential information about the product's origin and nutritional content, protects against external elements, and maintains freshness. However, the increasing amount of packaging waste has led to environmental and ecological issues, including higher plastic usage and greenhouse gas emissions. Recognizing that plastic waste from packaging is a significant challenge in the industry, CJ CheilJedang is committed to reducing its impact. This includes using recyclable and renewable materials through technological development and reducing packaging volumes. In 2023, we allocated 49% of our total packaging research budget to sustainable packaging research.



### MANAGEMENT OF PROBLEMATIC MATERIALS

In June 2023, CJ CheilJedang identified packaging materials that are environmentally harmful or difficult to recycle as "Problematic Materials" and announced a phased discontinuation of their use. Feasibility testing was completed in the United States, South Korea, and Vietnam in 2023, and plans are in place to complete feasibility testing in Europe and Japan by 2024.

### MATERIALS REPLACED

- Oxo-biodegradable additives [all plastic packaging]
- Colored PET [plastic bottles]<sup>1)</sup>
- Toluene, benzene [ink solvents]
- PVC (polyvinyl chloride) [shrink labels]

### MATERIALS TO BE REPLACED

- PET-G (glycol-modified PET) [containers, trays]
- Colored glass bottles [glass bottles]<sup>2)</sup>
- PVDC (polyvinylidene chloride) [casing film, plastic or paper coatings]
- PFAS (perfluoroalkul and polyfluoroalkyl substances) [paper coatings]
- EPS (expanded polystyrene) [perishable packaging, Cookit boxes]<sup>30</sup>
- · PS (polystyrene)

- 2) Exclude brown and green bottles
- 3) Exclude regions with EPS recycling infrastructure (e.g., South Korea)  $\,$



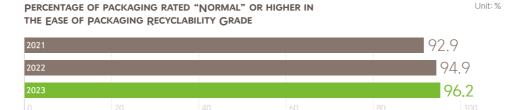
# DEVELOPMENT OF COMPOSTABLE PAPER COATING USING PHA (POLYHYDROXYALKANOATE)

CJ CheilJedang has pioneered the development of a compostable paper coating that combines the flexible properties of PHA (Polyhydroxyalkanoate) with the heat resistance of PLA (Polylactic Acid), This innovative coating offers durability and heat-resistant like petroleum-based coatings. While PLA only decomposes in industrial composting facilities, the addition of PHA improves the material's biodegradability, allowing it to decompose in home composting environments as well. This innovation has been first applied to convenience store "CU" Cup Noodles and is planned for use in Hetbahn Cupbahn paper containers.



### IMPROVING THE RECYCLABILITY GRADE

CJ CheilJedang manages the recyclability ratings of packaging for approximately 4,000 products according to Packing Material Recyclability Rating Standard. In 2023, 96% of packaging was rated as "normal" or higher in terms of recyclability.



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<sup>1)</sup> Only beverages in 2022, to be expanded to cup product categories

### USE OF RECYCLED AND BIOBASED MATERIALS

We are expanding our use of recycled and biobased materials to reduce the use of virgin plastics derived from petroleum. In 2023, this initiative resulted in a reduction of 716tons of plastic compared to packaging before the introduction of these materials. Of this reduction, 624 tons were achieved by reusing plastic scrap generated during the production of Hetbahn containers, which was then used in the production of Hetbahn containers and gift set trays.

### 2023 USE OF RECYCLED AND RENEWABLE MATERIALS

Unit: Ton

CATEGORY		APPLICATION	MATERIAL USAGE <sup>1)</sup>
Recycled	PIR (Post Industrial Recycled)  Material processed from plastic waste discarded during the packaging material production process	Hetbahn containers, gift set trays	624.3
Materials	PCR (Post Consumer Recycled)  Material processed from plastic waste discarded by consumers after use, recycled through chemical processes	New protein sauce, Beksul salt container	2.6
Renewable	Bio- circular Materials based on by-products discarded from agriculture, forestry, and aquaculture (e.g., straw, used cooking oil) that have obtained ISCC Plus certification	Gourmet Sobaba Chicken, Hetbahn made with 25% bio-circular PP, etc.	41.8
Materials	Bio-based Materials based on biological sources (grains, sugarcane, cotton, and canola)	Tofu bundle outer packagin PlanTable Mandu, etc.	g, 47.5
Total			716.2

1) Calculated reduction based on the 2023 production plan



### PACKAGING MATERIAL OPTIMIZATION

We reduce virgin plastic by removing unnecessary packaging or changing the material, specifications (thickness, size, etc.). It has been applied to various products, with a total usage amount of 371 tons. This has not only reduced plastic use but also enhanced the ease of product transportation.

PERFORMANCE IN	PACKAGING	MATERIAL	<b>OPTIMIZATION IN 2023</b>
PERIORINATIOE III	PACITACITAC		OI IIIVII 2/3/11/01/11/11 ZUZJ

Unit: ton

CATEGORY	APPLICATION	USAGE <sup>1)</sup>
Lightweighting	Matsul (cooking wine)/vinegar containers, soup&stew pouches, cold noodle product trays, etc.	359.4
Material Change	Spam 120g labels, Seasoned seaweed outer pouches	12.3
Total		371.7

1) Calculated reduction based on the 2023 production plan

### MATERIAL DESIGN USE DISPOSAL

### IMPROVED EASE OF SEPARATION FOR RECYCLING

To enhance consumer participation in material separation for recycling, we have improved the cap removal method, allowing for easy separation without the need for tools. Following the success with Beksul Sesame Oil, this method was also implemented for Beksul Tuna Fish Sauce packaging in 2023. Additionally, we replaced dual caps with single removable caps to further facilitate recycling.

### IMPROVEMENT OF THE EASE OF SEPARATION FOR RECYCLING

# BEFORE THE IMPROVEMENT

• MAIN IMPROVEMENT Assembly after separately producing the upper and lower parts of the lid

• CAP WEIGHT 10.5g

### AFTER THE IMPROVEMENT



• MAIN IMPROVEMENT Single one-touch

• CAP WEIGHT 7.5g

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# Case Study. Hetbahn

Our Hetbahn line, with cumulative sales exceeding 5.2 billion units, is synonymous with instant rice products in South Korea. While Hetbahn offers convenience in storage, portability, and cooking, it is essential to manage the packaging waste it inevitably generates to minimize environmental impact. In response, we are managing the packaging lifecycle to ensure Hetbahn containers are contribute to circular economy drive. This involves CJ CheilJedang technology and efforts at every stage, from raw material sourcing, design, production, and use, to disposal.

\* Based on cumulative sales volume and total product revenue since Hetbahn's launch, as of November 2023

MATERIAL DESIGN USE DISPOSAL

### REUSE OF HETBAHN SCRAP

We have developed and mass-produced technology to collect and process scrap generated during the production of Hetbahn containers, making it possible to reintroduce this scrap into the production process. This has been verified for safety in accordance with global regulations for on the use of recycled materials. All Hetbahn containers produced by CJ CheilJedang's subsidiary, Wonji, now incorporate this recycled material. The incorporation rate has increased from 23% in 2021 to 30% in 2023.



Scrap

Crushing

MATERIAL DESIGN USE DISPOSAL

### LAUNCH OF HETBAHN PACKAGING WITH 25% BIO-CIRCULAR PP

In 2023, CJ CheilJedang launched Hetbahn packaging with 25% bio-circular polypropylene, which uses 25% bio-circular material certified by the global sustainability standard ISCC PLUS. This new packaging reduces carbon emissions by 17% compared to the traditional Hetbahn containers. A total of 1.35 million containers of Hetbahn made with 25% bio-circular PP are projected to be sold per year, resulting in an approximate reduction of 12.7 tons of carbon emissions. This is equivalent to the amount of carbon absorbed by 2,167, 30-year-old, cypress trees in one year<sup>11</sup>, or the carbon reduction achieved by cycling 1,788,466 kilometers, which is the same as circling the Earth 45 times<sup>21</sup>.



- 1) Based on the National Institute of Forest Science's standard carbon absorption rates for major tree species, Table 7, annual  $\rm CO_2$  absorption per tree.
- According to the Seoul Metropolitan Government's April 2022
   announcement, the cumulative cycling distance of 275.31 million km with Ddareungi bikes has resulted in a carbon reduction of 1,968 tons.

### MATERIAL DESIGN USE DISPOSAL

\* limited to those produced at Tincheon BC

### **EVOLUTION OF HETBAHN CONTAINERS**

Since our launch of Hetbahn in 1996, we have continuously reduced the thickness of the containers. The structural design maintains the original taste and texture of Hetbahn while reinforcing container strength, while the thickness has been halved to date. This also improves convenience for consumers in terms of product storage and ease of use.

# launch of The original Hetbahn 1.1 mm Launch of round-shaped Hetbahn 0.75 nm packaging 0.77 nm packaging 0.65 mm 0.50 0.50 1996 2005 2012 2018 2022

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### **PROCESS**

We operate a system for collecting and upcycling Hetbahn containers, raising consumer awareness of their recyclability. Local self-sufficiency centers equipped with cleaning infrastructure collect and wash Hetbahn containers that consumers have separated and disposed of after use. The cleaned containers are then delivered to processing companies, which use the processed Hetbahn material to produce final upcycled products.



### HETBAHN CONTAINER UPCYCLING

CJ CheilJedang showcases various products made from recycled Hetbahn containers to enhance consumer accessibility. Following light sticks for the 2022 MAMA Awards, in 2024, we have produced gardening pots in collaboration with Lowlit Collective and Line Friends keyrings in partnership with PleatsMama.





### kakao

We are collaborating on the Saegabeochi Project with Kakao Makers, which collects used products and upcycles them into high-quality items. The collected Hetbahn containers are reborn as useful products, and the proceeds from their sales are donated to the Happiness Alliance to help children at risk of going hungry.

### CURRENT STATE

In 2022, CJ CheilJedang collected approximately 300,000 Hetbahn containers, and in 2023, this number increased to around 560,000. Employees of CJ CheilJedang, CJ ENM, and CJ Freshway actively participated in this initiative, with the number of containers collected by employees rising from 46,000 to 87,000, a 1.9-fold increase compared to the previous year. We have further encouraged participation in the collection efforts by general consumers by installing Hetbahn container collection boxes at 29 locations nationwide, including local government offices, the Seoul Youth Center, and Goodwill stores. Going forward, we aim to expand our resource circulation platform to raise awareness about the recyclability of Hetbahn containers and to increase consumer participation in their collection.





CJ CheilJedang has signed an ESG agreement with Jincheon County to collect Hetbahn containers from certain residential complexes within the county. This collaboration is the first instance of partnering with a local government for Hetbahn container collection, highlighting its significance.

### PERFORMANCE IN COLLECTION

Unit: 1,000

CATEGORY	2022	2023
Collection Volume from Employees	46	87
Total Collection Volume	305	561

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Most plastic waste remains as microplastics, leading to various forms of pollution. Microplastics, which take a long time to decompose naturally, have become a global issue, adversely affecting the environment and potentially impacting all living organisms, including human fetuses through the ingestion contaminated vegetables and seafoods. The increasing use of single-use products has highlighted the urgent need for recycling and the development of eco-friendly/bio-based solutions. In response to this need, CJ CheilJedang launched a 100% bio-based, marine biodegradable material brand (PHACT) in 2022. PHACT represents CJ CheilJedang's polyhydroxyalkanoate (PHA) brand, a polymer substance that accumulates in the cells of microorganisms and consumes plant-derived components. PHA is industrial and home compostable and biodegradable in soil and marine environments. These properties have put PHA under the spotlight as a material that can replace petroleum-based plastics and help mitigate plastic pollution. CJ CheilJedang offers two PHA product lines: aPHA (amorphous PHA) and scPHA (semi-crystalline PHA). Notably, CJ CheilJedang was the first in the world to successfully mass produce aPHA.

### APPLICATION EXPANDED TO VARIOUS PACKAGING MATERIALS

We are expanding the commercialization of PHA to increase its presence in a variety of everyday products. Notably, in 2023, both aPHA and scPHA received Food Contact Substances (FCS) approval from the U.S. Food and Drug Administration (FDA). This approval paves the way for the application of PHA in items that come into direct contact with food, such as straws, cutlery, and primary packaging for food and beverages.

2023.07

MATERIALS

JOINT DEVELOPMENT OF COSMETICS PACKAGING USING BIODEGRADABLE

- PHA and PLA compound blend applied to packaging for Riman Korea's cosmetics
- Applied to skincare brand Incellderm's flagship products: Active Cream EX, Dermatology Booster EX, and Bieton

2023.08

INTRODUCTION OF DEGRADABLE STRAWS AT TOUS LES JOURS

- First in the franchise industry to apply a PHA and PLA for straws at Tous Les Jours bakery franchise
- Currently expanding application at both domestic and international stores

2023.1

DEVELOPMENT OF COMPOSTABLE PAPER COATING TECHNOLOGY FOR MICROWAVE COOKING

- Launched a cup noodle package with inner coating using PHA+PLA in collaboration with CU convenience store chain
- Can be expanded for use in paper containers for microwave cooking and holding hot water

2024.01

LAUNCH OF 100% PHA WATER BOTTLE CAPS

- Collaboration with U.S. eco-friendly company Beyond Plastic
- First application of CJ PHA for food contact use in the U.S. after approval by the U.S. FDA

2024 01

PACKAGING PLASTIC FOR OLIVE YOUNG'S SAME DAY DELIVERY SERVICE

 Achieved similar properties to traditional petro-based plastics by using only PHA and other biodegradable materials for packaging, without using the conventional PVC (polyvinyl chloride) plastic











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Waste generation tends to be directly and inevitably proportional to output volumes in manufacturing processes at business sites. CJ CheilJedang is committed to reducing the amount of waste generated at its sites and ensuring it is treated in compliance with the waste management regulations of each country. Waste is categorized into general waste and designated (hazardous, dangerous, etc.) waste based on its characteristics. We outsource waste disposal to contracted waste management companies and use separate storage facilities for different types of waste. Additionally, we implement measures to prevent the leaking and dispersion of waste. In addition, we utilize waste generation and disposal management programs such as the Allbaro System to monitor and track changes in waste volumes. For domestic sites in the Food Business Unit, we conduct a monthly Risk Management (RM) Day, where best practices and key issues related to waste management are shared with the site's top management, and improvement plans are developed.

### ZERO LANDFILL WASTE

CJ CheilJedang is strengthening recycling and resource recovery efforts to eradicate all landfill waste by 2030. In the Food Business Unit, our domestic sites have obtained the Zero Waste to Landfill Validation<sup>1)</sup> from the global environmental safety certification body, UL.

### ZERO WASTE TO LANDFILL (ZWTL) VALIDATION STATUS<sup>2)</sup>

CERTIFICATION LEVEL	RECYCLING RATE(%)	2022	2023	2024(TARGET)
Platinum	More than 99.5			
Gold	More than 95 less than 99.5	Jincheon, Wonji	Incheon1, Incheon frozen, Icheon (CJ Seafood)	
Silver	More than 90 less than 95			Incheon 2, Incheon 3, Jincheon BC
Certified	Less than 90%	Gongju		

<sup>1)</sup> Zero Waste to Landfill Validation by UL (Underwriters Laboratories) (UL SOLUTIONS 2799A), Renewal is pursued annually upon expiration.

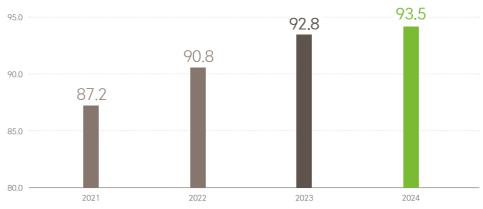
<sup>2)</sup> based on the initial acquisition year



### EXPANSION OF RECYCLING

CJ CheilJedang is committed to optimizing resource use and recycling generated waste to circulate resources. The Piracicaba site in Brazil, part of the BIO Business Unit, has lowered the environmental impact of its waste by composting as well as by recycling previously landfilled synthetic resin, ash, and adsorbent waste into raw materials for cement. In the Food Business Unit, 14 domestic sites raised their annual recycling rate targets over the previous year's performance. Notably, in 2023, the business exceeded its targets by identifying a company capable of repurposing synthetic resin incineration waste.





- \* For Domestic Sites in the Food Business Unit
- \*\* Investment in Waste Management for 2023: KRW 42 million

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CJ CheilJedang is expanding waste resource circulation accreditation, which involves the recycling of waste materials such as rice bran, broken rice, bean curd residue, and PP scrap. The Ministry of Environment recognizes these items as recycled resources, which are considered economically valuable and highly useful, thereby exempting them from waste-related regulations. Through this initiative, we aim to streamline waste management, improve resource reuse rates through waste recycling, and have a positive impact that includes economic benefits.

### STATUS OF WASTE RESOURCE CIRCULATION ACCREDITATION

PERIOD	2020	2021	2022	2023
Rice Bran/Broken Rice (Jincheon BC)				
PP Scrap Wonji (Asan)				
Waste Paper (Jincheon)				
Waste Paper (Jincheon BC)				
Rice Bran/Broken Rice (Busan)				
PP Scrap Wonji (Jincheon)				
Bean Curd Residue (Jincheon)				
Soybean Hulls (Gongju)				
Plastic (PE/LLD) Wonji (Asan)				
Waste Paper (Nonsan)				
Animal Manure (Yangsan)				
CPP Film Wonji (Asan)				

### STRENGTHENING INSPECTIONS OF WASTE TREATMENT COMPANIES

The waste producer(emitter) may also bear social responsibility when waste disposal contractors violate regulations such as through unauthorized stockpiling. To prevent such issues, CJ CheilJedang has established and implemented guidelines for monitoring these disposal companies. Although it is challenging to completely prevent all regulatory violations by treatment companies, regular monitoring and inspections help mitigate potential issues.

### **INSPECTION OF WASTE TREATMENT COMPANIES**

BEFORE CONTRACT	DURING CONTRACT PERIOD
On-site inspection of bidding companies	
▼	Inspections conducted at least twice a year
Participation in competitive bidding if no issues are found	

### FOOD LOSS AND WASTE IN ALL PROCESSES MANAGEMENT

Products that are returned after being sold or nearing their expiration dates lead to food loss and waste. We recognize that this process causes the waste of resources such as energy, water, and human resources, and also increases GHG emissions. Therefore, we strive to review and improve processes across the entire value chain, from production, manufacturing, processing, and distribution to consumption and disposal.

CJ CheilJedang measures food loss and waste by considering factors such as the designated shelf life of each product, product preferences, and damage status. We assess whether the products can be recycled or donated, and if disposal is necessary, we ensure that it is managed through legitimate procedures by contracted companies.

ENHANCE DEMAND FORECASTING	OPTIMAL INVENTORY MANAGEMENT	ENCOURAGE CONSUMER ACTION	CHANNELS EXPAND DONATION	FOOD UPCYCLING PRODUCTS
Anticipate product sales plans and calculate appropriate supply quantities based on demand to adjust production volumes (Smart SCM)     Diversify utilization processes to reduce loss and waste     Minimize waste by forecasting the remaining quantity of packaging materials and their depletion dates in the event of product discontinuation or renewal	Manage inventory status of all SKUs by location after production     Monitor remaining shelf life at each stage and encourage promotional sales efforts	Provide information on expiration dates and shelf life, along with practical tips to reduce food loss and waste Host online cooking shows introducing the use of Good Food Project*	Expand donation channels to ensure diversity in food distribution	Develop products from food upcycling     ex) use by-products from food manufacturing processes

\* Good food project: Products that are under their standard weight, about-to-expire, or that are misshapen and have lower product value but have no issues with taste and nutrition

### STRENGTHEN OPTIMAL INVENTORY MANAGEMENT

CJ CheilJedang has enhanced inventory monitoring by detailing optimal inventory standards for 101\* product categories across six business groups. Compliance with these established management standards is continuously verified by all relevant organizations through S&OP (Sales & Operations Planning) meetings. In particular, when inventory exceeds the MAX standard, we review whether to minimize or halt production.

- Establish targets considering production, product characteristics, and sales trends
- Implement management of change in logistics operations based on Min-Max and Guardrail standards
- · Review the introduction of a system to strengthen the management of raw materials
- \* As of 2023

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# Risk Management & Metrics and Targets

### CIRCULAR ECONOMY MANAGEMENT PROCESS

CJ CheilJedang aims to create a circular economy model through resource circulation by using recyclable, reusable, and compostable packaging materials and minimizing by-products and waste generated throughout the entire production process. We monitor trends in key domestic and international resource circulation events and organizations, such as the World Circular Economy Forum and the Ellen MacArthur Foundation (EMF). Based on this monitoring, we identify potential risks and opportunities associated with transitioning to a circular economy model. For major risks and opportunities that significantly impact our company, we develop and implement response strategies in a phased manner.

### CIRCULAR ECONOMY MANAGEMENT PROCESS



### **OPPORTUNITIES**

- Analyze circular economy models (risks/opportunities)
- · Reflect trends from international initiatives, industry peers, NGOs, and other resource circulationrelated activities, both domestic and international



### **OPPORTUNITIES**

 Prioritize initiatives by analyzing external requirements and our current implementation status (e.g., reduction in packaging material, food waste management, resource use efficiency)





- · Adhere to sustainable packaging
- · Set targets for landfill waste
- · Enhance waste management at each site

### **METRICS AND TARGETS**

To achieve circular economy targets, CJ CheilJedang has selected and manages metrics such as the reduction in virgin plastic use and the number of sites obtaining zero waste to landfill verification.

CATEGORY	UNIT	2021	2022	2023
Reduction in virgin plastic use	Ton	925	1,357	1,073
The number of sites obtaining zero waste to landfill verification <sup>1)</sup>	ea	0	3	6

1) For domestic sites of the Food Business Unit

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REPORT

· Establish monitoring indicators

Regularly monitor performance

and the management

· Report to the Board of Directors

### MONITORING AND MEASUREMENT SYSTEM

### CT TPMS (TOTAL PACKAGING MANAGEMENT SYSTEM)

CJ CheilJedang operates a global system to efficiently manage packaging information, including specifications and materials, and to measure sustainability. This arrangement allows for the effective management of the diversity in the materials and forms that make up packaging, and it records, stores, and manages blueprints beyond basic specifications, blueprints, legal requirements, supplier information, and technical details. The system can generate reports and dashboards for tracking packaging use and goals and supports conversion into various languages for sites around the world.

### PACKAGING-RELATED SOFTWARE PLATFORM COMPASS

CJ CheilJedang has established a process for measuring sustainability of packaging from an LCA (Life Cycle Assessment) perspective during the launch of new products through the COMPASS platform developed by the Sustainable Packaging Coalition (SPC) in the United States. Previously, Eco-friendly Packaging Evaluations were conducted only for innovative new products during the ideation and validation stages. However, our adding Eco-friendly Packaging Evaluations at the packaging specification review stage lets us incorporate the purpose of the COMPASS calculation tool and apply it to all products in preparation for launch.

### CT ESH (ENVIRONMENT, SAFETY, HEALTH) SYSTEM

In June 2022, our Food Business Unit renewed the ESH system for its 15 domestic sites in South Korea and 2 subsidiaries (CJ Seafood and Samhae Commercial). The update added a waste management menu to the system, which previously focused primarily on water and air management. This enhancement reflects the requirements of the Allbaro system, which is used by the Korean Ministry of Environment, relevant local authorities (including the Environmental Office and local governments), and the Korea Environment Corporation to comprehensively manage records on waste emissions, collection and transportation, recycling, or disposal. The system compiles data on waste disposal by type, disposal companies, disposal methods, and disposal costs, and is used as a basis for year-on-year analysis and to improve recycling rates.

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# Sustainable Supply Chain

In today's business environment, sustainability has become a crucial factor in a company's success and competitiveness. CJ CheilJedang, particularly with its complex supply chain driven by industry demands, recognizes the importance of maintaining a sustainable supply chain that incorporates environmental responsibility, social contribution, and economic performance. Moreover, the significance of ESG management in supply chain has increased with the introduction of Corporate Sustainability Due Diligence Directive (EU CSDDD). CJ CheilJedang is committed to advancing its sustainable supply chain efforts and enhancing overall supply chain sustainability.



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# Governance & Strategy

### **ORGANIZATIONAL STRUCTURE**

The Corporate Sustainability Committee at CJ CheilJedang, operating under the Board of Directors addresses sustainable supply chain strategies and policies. The Corporate Sustainability Council, which top executives participate, establishes goals and implementation strategies through company-wide consensus.

Additionally, we are strategically managing supply chain ESG risks through the process of final reporting and reviewing implementation results. To enhance the execution of strategic tasks, a supply chain working council led by procurement organization in each business unit is operated, and tasks to improve the sustainability of the supply chain are implemented through consultations with departments related to human rights, safety, and more.

### PERFORMANCE-LINKED REWARD

CJ CheilJedang integrates supply chain-related performance into the reward system for executives, including those responsible for procurement, to accelerate the establishment and implementation of a sustainable supply chain system. In 2023, the enhancement of sustainable supply chain management and the expansion of ESG evaluations for key suppliers are included as KPIs.

### **EDUCATION FOR EXECUTIVES**

We provide training on supply chain and due diligence regulations to ensure the expertise of executives in sustainable supply chains.

### **SUPPLY CHAIN RISKS AND OPPORTUNITIES**

CJ CheilJedang operates in the food business, producing and selling raw and processed foods, as well as in the bio business, producing and selling amino acids, nucleotides, MSG, and food additives. Our industry involves a diverse and complex supply chain, from raw materials to products, packaging materials, and equipment to produce a product. We understand the emerging risks and opportunities that may arise in the supply chain. Accordingly, we categorized and preemptively assessed the risks and opportunities impacting our company by country, industry, and product.

### **RISK AND OPPORTUNITY**

CATEGORY	<b>JTEM</b>	POTENTIAL RISK	POTENTIAL OPPORTUNITY
	Asia	Unpaid overtime, low wages, and restrictions on workplace mobility leading to forced labor, and safety incidents caused by negligence.	Prevention of compliance risks and improvement of supply chain management through dissemination of regulatory trends at overseas sites
By Country	Europe	Strengthening of country-specific due diligence regulations and the introduction of the EU Due Diligence Act increase the cost and personnel burden on suppliers for implementing supply chain due diligence	Ensuring higher standards of labor rights beyond compliance with national labor laws through collaboration within the supply chains
By Industry/	Food	Risk of forced labor due to excessive overtime work	Response to global regulations and increase customer trust through the establishment of a supply chain due diligence system
Business Unit	BIO	Geopolitical issues, exchange rate fluctuations, and supply chain instability due to regulations	Identifying competitive suppliers in various countries and securing strategic sourcing through potential risk assessment and management
By Product	Sugar	Raw material price increases due to natural disasters	Securing competitiveness through risk anticipation and origin optimization
	Palm Oil	Destruction of biodiversity due to indiscriminate harvesting	Contributing to the reduction of environmental impact, wildlife habitat protection, and local economic development by purchasing products with sustainable certifications
	Soybeans	Violation of the EU Deforestation Regulation (EUDR) due to deforestation during the cultivation process	Increase in EU market share by ensuring traceability and transparency of raw materials

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### SUPPLY CHAIN MANAGEMENT STRATEGY

CJ CheilJedang recognizes suppliers as essential to its business suppliers and is strengthening its sustainable supply chain management strategy in response to the growing importance of ESG management within the supply chain. To this end, we are enhancing our supply chain sustainability by establishing an ESG management system designed to prevent negative impacts on human rights and the environment. Additionally, we aim to foster a successful ecosystem of mutual growth by building supply chain capabilities and gradually increasing the use of sustainable raw materials to ensure transparency throughout the supply chain.

### MANAGEMENT STRATEGY

SUPPLY CHAIN ESG MANAGEMENT

- · Dissemination ESG in supply chain
- Establishment of supply chain sustainability management system

MUTUAL GROWTH

- Establishment of sincere cooperative communication
- Support for the continuous and fair expansion of business
- Operation of practical mutual growth systems

SUSTAINABLE RAW MATERIALS

- Steadily expansion the use of sustainable raw materials
- Promotion of the securing of traceability for key raw materials

### **DISSEMINATION ESG IN SUPPLY CHAIN**

### COMPLIANCE WITH SUPPLIER CODE OF CONDUCT

CJ CheilJedang ensures that suppliers respect and comply with our Code of Conduct along with local laws concerning human rights, environment, safety, and health, and ethics. To this end, we include the Supplier Code of Conduct in our standard contracts and require signatures from new suppliers and upon renewal of contracts with current suppliers. Additionally, we have established and operate Supplier Code of Conduct guidelines to encourage voluntary improvements by suppliers. Through this, we support our suppliers in pursuing sustainable management through continuous improvement.



### SUPPLY CHAIN AND KEY SUPPLIER MANAGEMENT

CJ CheilJedang selects and manages key suppliers based on factors such as purchasing proportion, availability of major raw materials and services, irreplaceability, and impact. We are also enhancing its criteria for evaluating suppliers by incorporating sustainability aspects. Additionally, we evaluate key risks from the registration of new suppliers to determine the feasibility of transactions. In the case of suppliers where risks are identified, we assess the risk level and necessary improvement measures to decide whether to proceed with the transaction. If the required improvement actions are not implemented and there is no potential for risk mitigation, we terminate the business relationship.

### KEY SUPPLIER MANAGEMENT

CATEGORY	2023
Tier 1 Suppliers	1,560
Key Suppliers	474
Amount Procured from Key Suppliers	KRW 3.5040 trillion
Total Amount Procured	KRW 4.3079 trillion
Key Supplier Procurement Rate of Total Procuremen	81.3%

### ESG TRAINING FOR SUPPLIERS

CJ CheilJedang provides ESG training for domestic and overseas suppliers. The program is conducted in three languages—Korean, Chinese, and English—to facilitate understanding among suppliers. The training aims to help suppliers understand our supply chain ESG evaluation framework and emphasize efforts towards sustainable management. By clearly communicating the importance and impact of ESG, we aim to raise awareness and encourage active participation.

### **ESG TRAINING FOR PROCUREMENT EXPERTS**

CJ CheilJedang provides training for employees to broaden their knowledge of supply chain due diligence and develop ESG competencies throughout the procurement process. In 2023, we invited external experts to conduct ESG evaluation and management training for our procurement experts, focusing on supply chain sustainability. The training received high satisfaction ratings, and subsequently, training videos were produced to develop courses for global procurement experts on CJ Campus.



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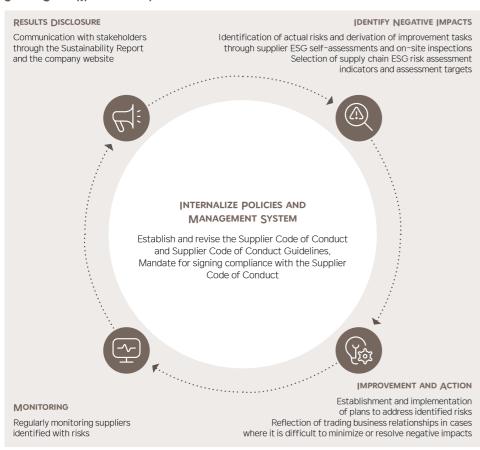
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# Risk Management & Metrics and Targets

### ESTABLISHMENT OF SUPPLY CHAIN SUSTAINABILITY MANAGEMENT SYSTEM

CJ CheilJedang has established and operates a sustainable supply chain management process to address supply chain ESG-related laws and regulations and to manage supply chain ESG risks systematically. Depending on the materiality of the issue, we collaborate with first-tier primary suppliers to monitor and require improvement measures for the ESG risks identified in their sub-tier suppliers. Additionally, in 2023, we introduced an incentive program to recognize outstanding ESG performance awarding to suppliers who demonstrate excellent ESG management results.

### SUPPLY CHAIN MANAGEMENT PROCESSES



### SUPPLY CHAIN ESG RISK ASSESSMENT

CJ CheilJedang conducts ESG risk assessments for suppliers. The assessments are conducted in three languages—Korean, Chinese, and English—to aid the understanding of suppliers from various countries. In 2023, we expanded the supply chain ESG risk assessment system to global sites within the Food Business Unit and identified potential ESG risks among suppliers through improved self-assessments and on-site inspections. Additionally, in 2023, we revamped the supplier assessment system to raise the standards for excellent suppliers, encouraging even top-performing suppliers to continuously improve their own ESG risks. Based on the assessment results, we derive and implement improvement tasks to proactively reduce ESG risks within the supply chain.

### SUPPLIER ESG RISK ASSESSMENT CRITERIA

CJ CheilJedang assesses and manages risks that may arise from suppliers in areas such as ethics, human rights, safety, and the environment for supply chain ESG risk assessment and management. The assessment criteria are based on our Supplier Code of Conduct, referencing global standards such as the RBA Code of Conduct, UN Guiding Principles on Business and Human Rights, and OECD Guidelines for Multinational Enterprises.

### SUPPLIER ESG RISK ASSESSMENT CRITERIA

ETHICS	HUMAN RIGHTS	SAFETY	ENVIRONMENT
Integrity and anti- corruption Information disclosure Intellectual property protection Personal information protection Quality and Safety management in quality Identity protection and no retaliation	Voluntary labor     Labor hours     Child laborer     Wages and welfare     Humanitarian treatment     Diversity	Industrial safety  Emergency preparedness  Control of over physically demanding labor  Industrial disaster and disease management  Provision of hygiene sanitation and facilities  Safety and health education	Environmental licensing and reporting     Environmental pollution prevention and resource use reduction     Hazardous chemicals management     Waste and wastewater management     Air pollution control     Regulation and labeling of substances contained in products     Energy consumption and GHG emissions management     Sustainable Raw Materials Procurement

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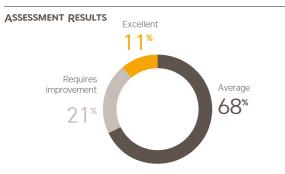
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### ASSESSMENT RESULTS

The overall results of the supply chain self-assessment showed a decrease in the proportion of excellent suppliers due to stricter evaluation criteria, and indicated deficiencies in environmental management. In the Food Business Unit, there were some deficiencies in ethical management, while in the BIO Business Unit, there were shortcomings in human rights management, requiring close monitoring. On-site inspections were conducted at major suppliers, and based on the inspection results, corrective actions were requested for identified issues. There were no contract terminations with suppliers.



PERIOD: January 2023 - November 2023

**TARGET:** 276 key suppliers(135 companies participated in self-assessment, completion rate 48.9%)

CATEGORY	KEY WEAKNESSES
Human Rights Management	Inadequacies in provisions to prohibit child labor
	Inadequacies in written regulations to prohibit discrimination based on gender, religion, age, etc.
Safety Management	Inadequate establishment of safety and health management regulations and manuals
	Inadequate designation of personnel responsible for safety and health management
Environmental Management	Inadequate establishment of environmental policies and management guidelines
	Inadequate waste measurement and management
Ethical Management	Inadequate establishment of ethical charters and norms
	Inadequate implementation of employee ethics training

### IMPROVEMENT MANAGEMENT

CJ CheilJedang has distributed the Supplier Improvement Operation Guidelines to suppliers participating in self-assessment. The guidelines include information, explanations, and implementation guides on key evaluation items. Through this, we aim to enhance our suppliers' understanding of the major ESG items we prioritize and encourage them to independently reduce their ESG risks.

### ESG CONSULTING FOR SUPPLIERS

In addition to the company's overall supply chain sustainability management process, the Food Business Unit conducted ESG consulting with ECREDIBLE and NICE D&B, corporate rating agencies, to enhance ESG management and the ESG management capabilities of suppliers in the domestic food industry supply chain. Last year, we conducted training, self-assessments, and on-site assessments for 20 small and medium-sized suppliers. The suppliers that completed the consulting agreed to corrective actions and improvement plans for identified issues, and we provided them with a report to enhance their understanding of the company's ESG management status. Furthermore, we motivated the suppliers by providing incentives to four companies with excellent evaluation results, expecting a steady improvement in ESG management among suppliers.

### ESG CONSULTING PROCESS FOR SUPPLIERS IN THE FOOD BUSINESS UNIT



### **METRICS AND TARGETS**

CJ CheilJedang is managing metrics to implement its sustainable supply chain strategy, including expanding the scope of ESG risk assessments for key suppliers, achieving the Win-Win Growth Index, and maintaining the procurement ratio of RSPOcertified palm oil.

### METRICS AND TARGETS

CATEGORY		2023	2024 GOAL
Coope of ECC	Food Business Unit <sup>1)</sup>	75%2)	Expansion to Global Regions
Scope of ESG Risk Assessment for Key Suppliers	BIO Business Unit	35% <sup>3)</sup>	Expansion of Key Supplier Risk Assessment Scope
Win-Win Growth Index		Top Rated	Maintaining the Top Rating Position
Percentage of RSPO-Certified Palm Oil Used Domestically		100%	Maintaining 100%

- 1) Excluding Overseas Food Business Sites
- 2) 3) The ratio of ESG risk assessment scope among key suppliers is calculated based on transaction amount for the Food Business Unit and based on the number of suppliers for the BIO Business Unit.

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# Win-Win Growth

### **WIN-WIN GROWTH**

We operate various win-win growth programs that provide practical support to small and medium-sized partner companies. These programs include training, financial and technical support, and quality and hygiene assistance. As the first large corporation to do so, we have contributed to employment stability and wage gap reduction for partner SMEs through the 'Naeil Chaeum Deduction for Win-Win Growth' support program since 2017.

### PROGRAM IN 2023

PROGRAM	DETAILS	PERFORMANCE
Training	Basic theory training on costs, quality, laws, etc.	721 people
Financial Support	Established a fund for low-interest loans compared to the base rate	KRW 56 billion
	Allocated our own funds for interest-free loans	KRW 20 billion
Technical Support	Transferred CJ CheilJedang's proprietary technology to partner SMEs	417 cases
Quality and Hygiene Support	Improved quality and hygiene capabilities through on-site assessment and management	393 cases
Employment Stability Support	First private company to support the Naeil Chaeum Deduction for Win-Win Growth	26 companies (100 people)
Management Support	Direct and indirect management support, including productivity improvement and ESG consulting	40 cases

### FINANCIAL SUPPORT

In 2023, CJ CheilJedang introduced Article 13 in the Supplier Transaction Guidelines to enhance relationships with suppliers and promote sustainable management. This article introduces incentives for suppliers with excellent ESG performance, its guideline applies to all suppliers in a business relationship with the company.

### **GRIEVANCE SETTLEMENT / COMMUNICATION ACTIVITIES**

CJ CheilJedang addresses concerns and issues related to unfair transactions through the Subcontracting Dispute Settlement Council and the CJ Shared Growth Portal. Additionally, we operate a regular monthly internal review committee for subcontracting transactions to systematically manage the major issues and activities to our suppliers. In 2023, there were no VOCs (Voice of Customers) received from suppliers through the CJ Shared Growth Portal, and all five dispute resolution requests were fully resolved.



A change in operational product specifications required the depletion of the existing product inventory. CJ CheilJedang requested supplier "A" to deplete the inventory within the remaining period, and decided to cover all disposal costs if the inventory was not exhausted. This measure was taken to assist supplier "A" to efficiently manage the product inventory and smoothly transition to the new product.



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# Sustainable Raw Materials

### SUSTAINABLE RAW MATERIALS

CJ CheilJedang sources raw materials globally and recognizes both the positive and negative impacts that raw material sourcing can have on forests and agriculture. To address these issues, we have established a raw material management strategy that aims to ensure transparency in the sourcing of various raw materials, prevent deforestation, and reduce risks associated with raw materials.

Sustainable Raw Material Sourcing Policy

### STRENGTHEN RAW MATERIAL PROCUREMENT CAPABILITIES

CJ CheilJedang has established a company-wide procurement department to achieve superior procurement capabilities and create synergies. The Company-wide Procurement Strategy Planning Team operates committees that meet either weekly or monthly with all procurement organizations to discuss raw material market conditions and procurement strategies and make decisions. The committee consists of the heads of each business unit and experts in procurement and market intelligence (MI), focusing on managing raw material risks and creating synergies across company-wide procurement. Additionally, CJ CheilJedang has implemented response systems to address potential risks in raw material procurement, such as natural disasters, abnormal climate events, and changes in the external environment. Using an AI-based dashboard, we monitor the status of raw materials in real-time. If any risks are detected, immediate response plans are established and executed to minimize losses. In the future, we plan to further enhance raw material management by analyzing collected data to predict crop growth and harvest times and by establishing production plans.

### **EFFORTS FOR SUSTAINABLE PALM OIL**

CJ CheilJedang recognizes the environmental and social issues associated with palm oil production, such as deforestation, biodiversity loss, and violations to indigenous people's housing rights. In response, we have established the Sustainable Palm Oil Policy, and currently ensure that 100% of the palm oil used domestically is RSPO certified. We aim to maintain this 100% certification in the future. Our efforts have been recognized, as we received the highest score among domestic companies in the "Palm Oil Buyer Scorecard 2024" conducted by the World Wildlife Fund (WWF), with a total score of 16.2 points. CJ CheilJedang will continue to support a sustainable palm oil industry by adhering to local regulations and international standards in palm oil procurement.

Sustainable Palm Oil Policy

### **EFFORTS FOR SUSTAINABLE SOYBEANS**

CJ CheilJedang is committed to using sustainably sourced soybeans and increasing its share to manage the potential environmental impacts and human rights issues associated with soybean cultivation. Additionally, we are expanding the gradual use of sustainable soybeans through the acquisition of global certifications such as SSAP<sup>1)</sup>. In 2024, as part of our goal to gradually expand sourcing of sustainable raw materials, we obtained ISCC+<sup>2)</sup> certification for soybean oil. We plan to continue increasing the proportion of certified soybeans in our procurement.

1) SSAP: Soy Sustainability Assurance Protocol

2) ISCC+: International Sustainability and Carbon Certification



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### AINADILIT

# Human Resource Management

Securing, developing, and retaining top talent is crucial for the sustainable growth of a company. To this end, CJ CheilJedang supports mutual growth for both the company and its employees through fair and transparent recruitment, proactive talent development, and objective evaluation and compensation. Additionally, we are fostering a unique corporate culture by enhancing work engagement environments and implementing differentiated family-friendly programs and employee benefits. Moving forward, CJ CheilJedang will continue to build an organization culture in which employees can maximize their potential through systematic human resource management.



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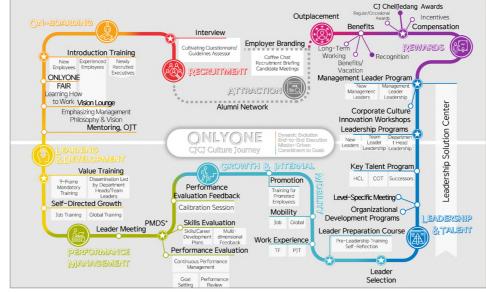
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# Strategy

Human resource management is crucial for the sustainable growth of a company. Failure to attract talent and provide opportunities for skills development can lead to decreased productivity and weaken the company's core competencies and competitiveness. On the other hand, effective HR management can provide the company with opportunities for innovation and growth, expanding its chances to enter the global market with a diverse and capable workforce. To this end, we strategically and systematically manage human resources by securing, retaining, and developing top talent based on our ONLYONE DNA, and by implementing fair evaluation and rewards. To drive ONLYONE-level business performance, we innovate our corporate culture across all management activities and engage in tangible performance-generating activities. Additionally, we promote various activities to embrace the diverse experiences and backgrounds of our employees and instill a culture of mutual respect and DE&I (Diversity, Equity, and Inclusion).

### **HUMAN RESOURCE MANAGEMENT STRATEGY**

- Secure top talent aligned with the business strategy and advance the system for selecting, developing, and rewarding key talents
  - · Securing top talent on par with executives
  - Enhancing systems for developing leaders from a global integrated perspective
  - · Accelerate global mobility\* by disseminating CJ & Me growth vision
  - \* Career Development Program in Global market
- Establish a structure for corporate culture innovation to drive substantial business performance
  - Enhance systems for selecting and developing leaders
  - : Introduce the first pre-leadership development program within CJ CheilJedang to cultivate CJ-style leaders
  - : Build a leader support system based on agile culture for work, organization, and people management
  - · Apply culture innovation practice standards centered on employee experience throughout the employee lifecycle
- 3 Enhance internal and external credibility through DE&I internalization and the establishment of an advanced labor-management culture
  - First to establish the DE&I roadmap among the group and communicated it to employees
  - Selected as the Best Job Creator by the government for two consecutive years and as a company with excellent labor management culture



[Culture Journey Map] Spreading and Promoting Corporate Culture from an Employee Experience Perspective

### **CULTURE INNOVATION STRATEGY**

Organizational culture directly influences how we work and are closely linked to how we perform. We are implementing a strategy to cultivate a corporate culture that fosters overwhelming competitive advantage which allows sustainable growth through the innovation of working.



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# Talent Acquisition and Development

To become a global leader, it is essential to attract innovative industry experts who are attuned to market trends. We recruit top talent and, through CJ CheilJedang's unique development programs, ensure that both the company and our employees can grow together. We focus on recruiting and developing top talent through our unique development programs, enabling them to grow alongside the company. We hire not only domestically but also through global recruitment programs, bringing in outstanding global talent who understand various languages and cultures, and we develop and nurture their skills.

### TALENT ACQUISITION

To recruit outstanding talent, we operate various recruitment channels, including regular open recruitment, on-demand hiring, global recruitment, and internships. Our job postings provide detailed job descriptions and qualifications to ensure applicants clearly understand the roles before applying. The recruitment process includes application submission, personality tests, first-round interviews, and second-round interviews. Additionally, we have developed the CJ CFT (Culture Fit Test), a talent verification tool, to identify and hire individuals who align with our core values and can deliver high performance. The CJ CFT, reflecting CJ's unique values, analyzes high and low performers and assesses applicants based on their entry paths, including new hires, experienced professionals, and field positions.

### TALENT ACQUISITION PROCESS



Application submission



First-round interview (job expertise /

discussion'



Secondround interview



Join CJCJ

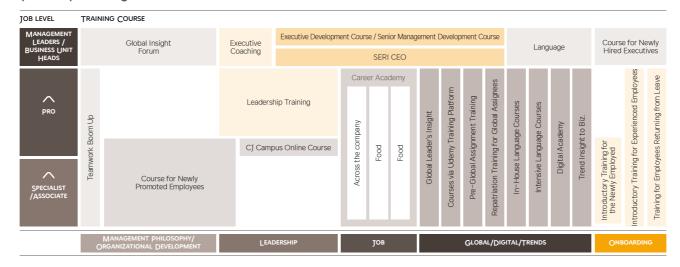
### GLOBAL TALENT ACQUISITION

We have conducted experiential global internships targeting international students studying in South Korea to expand our recruitment pool to include multinational talent with global capabilities and experience. Through this program, global interns had the opportunity to experience our corporate culture firsthand, and it provided us with an opportunity to assess their fit for the company. In 2024, we plan to extend our internship program to not only international students in South Korea but also to global talent worldwide, aiming to attract such talent and foster organizational innovation.

### TALENT DEVELOPMENT

CJ CheilJedang offers a range of talent development programs to support employee growth. After joining the company, employees undergo a two-month onboarding process, which includes introductory training and an idea contest to help them understand and adapt to the company's culture and values. Additionally, we provide targeted programs for each position to enhance leadership, professional expertise, global capabilities, and digital skills.

### TRAINING PROGRAM SYSTEM



### TRAINING FOR EMPLOYEES RETURNING FROM LEAVE

Starting in 2024, we are implementing the Onboarding program for employees returning from leave to help them readjust to the company and their duties smoothly. This program supports their understanding of the management philosophy and business strategies, as well as familiarizes them with any changes in policies and systems.

### **LEADERSHIP TRAINING**

We have conducted leadership training for team managers to instill a leadership mindset and strengthen their understanding and implementation of corporate culture strategies. Through this program, team leaders align with and understand our mid-term strategies, enhancing the efficiency of business operations.

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### KEY ACHIEVEMENTS IN TALENT DEVELOPMENT

CJ CheilJedang continuously supports employees to that they successfully settle into the company and maximize their individual skills through various training programs. Job-specific training is designed to enhance the expertise of each role, enabling employees to acquire the latest knowledge and skills to maximize their job performance.

### 2023 DOMESTIC EDUCATION STATUS

CATEGORY		Hours
Gender	Male	193,685
Gender	Female	142,918
	Employees	236,795
Position	Managers	96,350
	Executives	3,458

### **CASE STUDIES**

### CT INTRODUCTION TO GSC(GLOBAL STRATEGIC CATEGORY)

To expand CJ CheilJedang's Global Strategic Product initiative, we conducted online training for 1,713 employees in the food sales and marketing departments of key regional subsidiaries. The training covered a basic introduction to and strengths of GSP products. As a result, these subsidiaries saw an increase in GSP product sales.<sup>1)</sup>

1) 4.8% increase compared to 2022

### **B2B CHANNEL MASTER**

To expand and develop CJ CheilJedang's B2B channels, we conducted continuous online training for 194 employees in the domestic Food B2B unit. The training focused on enhancing their understanding of the characteristics and trends of various B2B channels. This contributed to the sales revenue of the B2B channels.<sup>10</sup>

1) 3.5% increase compared to 2022

### JOB-SPECIFIC TRAINING

JOB-SPECIFIC TRAINING		DETAILS OF TRAINING		
	SALES 535 employees completed the course	<ul> <li>Introduced additional training programs for agency and sales strategy (staff), segmenting by route and chanr</li> <li>Revised detailed content on P&amp;L analysis and sales negotiations, delivering specialized work skills and knowl</li> <li>Provided proactive learning opportunities by not only selecting top talent for each route but also expanding t include candidates from other routes interested in CDP</li> </ul>		
Domestic Food Business	MARKETING  1,128 employees completed the course	Established new training programs for global marketing experts     Provided standardized training programs to support the work skills of new entrants		
	ENGINEERING 217 employees completed the course	Established a training system for specific production functions to boost specialization     Strengthened the management mindset and problem-solving skills (learning from advanced cases, project execution) needed to become global manufacturing leaders		
	DIGITAL 205 employees completed the course	Converted all courses to VOD to enhance understanding of the "channel," the foundation of digital sales     Strengthened theory to improve the completeness of closing tasks and raised awareness of common risk points by reviewing real case studies		
	B2B employees completed the course	Supported the enhancement of core competencies in B2B sales and marketing through the planning and development of new B2B channel-specific courses		
	SCM/PURCHASING 75 employees completed the course	Discovered and developed new content tailored to current business strategies and desired talent profiles     Supported the enhancement of mutual understanding and the creation of synergy by expanding the training audience to include business sites, affiliates, and overseas subsidiaries		
	ENGINEERING  1 7 employees completed the course	Strengthened expertise by operating job-specific theoretical and practical training through the Engineering Academy for new employees in manufacturing		
Domestic	RESEARCH & TECHNOLOGY ROLES  261 employees completed the course	Provided a nurturing system for research and technology roles, providing job training (analysis, refinery, fermentation, strain development) as well as communication and leadership training		
Bio Business	R&D  1 8 employees completed the course	Strengthened expertise by operating job-specific theoretical and practical training through the R&D Start-Up program for new employees in R&D     Enhanced mutual understanding between job groups by partially integrating the Engineering Academy program (for new manufacturing employees) with other programs		
	TREND  1 7 employees completed the course	Shared global tech trend and the latest developments in the nutrition industry through the operation of TED (inhouse talk program)     Operated both online and offline to enable greater participation from members		

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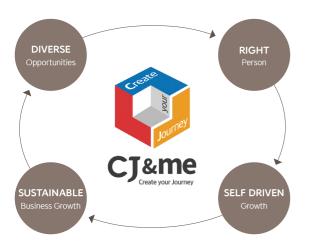




### GROWTH AS A GLOBAL LEADER

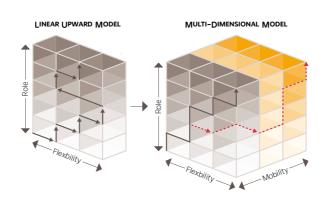
CJ CheilJedang is evolving from a domestic leader to a leading global player. In this regard, we have established an innovative Global Mobility strategy that enables our employees to develop their careers in the global market, beyond the confines of a single country or region. Global Mobility is divided into four types: business execution, key talent development, specific task fulfillment, and meeting the needs for overseas assignments. Furthermore, we have created the CJ & Me circular structure, where the growth of our employees leads to the sustainable growth of the company. To provide more diverse opportunities, we actively promote cross-border movement and collaboration, allowing employees to design their career visions across various regions worldwide through a Multi-Dimensional Model for growth. This model aims to cultivate top talent by offering comprehensive career development paths. In addition, we operate the Global Career Market program, an internal competition open to all global employees, offering various challenging opportunities without restrictions on country or department. In 2023, we accepted applications from all employees, companywide, and 26 individuals were selected.

### CJ&ME: MUTUAL GROWTH



Establishing a virtuous cycle where individual growth leads to the sustainable growth of the organization

### CAREER DEVELOPMENT MODEL



Transitioning to a multi-dimensional model for growth

### INTERVIEW

### From Minnesota to Seoul,

### **RYAN COYNE**

- Q: What motivated you to apply for the Global Career Market program?
- A: I resonated with CJ's global vision and believed that gaining global experience was essential to becoming a global leader.
- Q: What have you learned from working as a foreign employee?
- A: "Adaptability" and "responsibility." Facing new tasks, cultures, and languages that I had never encountered before, I learned adaptability by adopting the mindset of accepting whatever comes my way, even when I couldn't predict what might happen. Additionally, I always feel a sense of responsibility to integrate American work practices into the organization while also fully adapting to Korean work culture. 'The ability to handle uncertainty with flexibility' is the most significant lesson I have learned through the Global Career Market program.



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## Evaluation & Rewards

### **FAIR PERFORMANCE EVALUATION**

CJ CheilJedang has a self-directed performance management system called PMDS+ (Performance Management & Development System). At the beginning of each year, we establish KPIs for each organization and team, and then develop plans for individual achievements and competency development. These plans are finalized after discussions with team leaders. Performance is continuously evaluated based on these established goals, with a final evaluation conducted at the end of the year. Through continuous performance management, employees self-manage their performance, and 360-degree feedback from colleagues in other departments supports the growth of both the individual and their peers. In addition to individual performance evaluations, we also conduct team-based performance assessments.

### PERFORMANCE MANAGEMENT SYSTEM



CONTINUOUS PERFORMANCE MANAGEMENT

Self-directed performance management, promoting communication and collaboration within the organization, and fostering a culture of healthy competition



MULTI-DIMENSIONAL

Feedback from various perspectives to support performance improvement and growth



EANT AND COMBETENCA-BASED VICTURE AND VICT

Fair evaluation of actual performance to enhance stability and motivation



DEVELOPMENT

Providing growth direction based on the assessment of current capabilities and areas needing improvement

PERSONAL COMPETENCY

### IMMEDIATE REWARDS FOR OUTSTANDING PERFORMANCE

CJ CheilJedang operates a reward policy centered on market value, reflecting the characteristics of each industry, and expands the authority of department heads in salary adjustments. We have strengthened our policies for exceptional rewards based on outstanding abilities and performance. Additionally, we implement exceptional reward programs and award systems for outstanding organizational and individual performance, aiming to promote a culture of proactive challenge and innovation among all employees.

### **OUTSTANDING REWARD PROGRAMS AND AWARDS**

CATEGORY	DETAILS
INNO X BONUS	Exceptional reward program for immediate remuneration of key performers with outstanding results
ONLYONE Awards	CJ Group's most prestigious award program that rewards ONLYONE's achievements and shares best practices
CJ CheilJedang Awards	CJ CheilJedang's company-wide award program to reward organizational unit and employee contributions to financial performance, change, and innovation
HQ/Team Awards	HQ/Team award programs to encourage employees' performance, ambition, and morale support



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# Corporate Culture

CJ CheilJedang is committed to creating a horizontal and innovative corporate culture where members are respected and can freely express their opinions regardless of rank, leading to optimal decision-making. To achieve this, we have implemented various systems and programs, such as introducing the "Nim" title and calling CEO-member meetings. Additionally, to create an environment where employees can work autonomously and self-direct, we have introduced a flexible work system and hub offices. We also operate various family-friendly policies and employee benefits programs to attract top talents. Based on these efforts, CJ CheilJedang was recognized as Korea's Best Job Creator in 2023.



### USE OF "NIM" TITLE AND ENGLISH NICKNAMES

Since the early 2000s, we have implemented the use of the "Nim" title to foster a culture of mutual respect among employees. Starting in 2023, we have also adopted English nicknames to facilitate smooth collaboration and horizontal communication with global team members. Furthermore, we use both English and Korean organizational names to ensure that all global members can easily understand regardless of their cultural background.

### COMMUNICATION BETWEEN CFO AND FMPLOYEES

CJ CheilJedang has implemented CEO Live Talk (town hall meetings), where the CEO directly participates to share the mid-term vision strategy and execution results with employees. Through live broadcasts, we have enabled real-time communication with global employees as well as those in South Korea. In 2023, CEO Live Talk was held three times, allowing the CEO and key executives to directly discuss business performance and major issues. Additionally, we send out CJ Letters, which share practical methods for implementing our vision and examples of CJ CheilJedang's unique vision aligned with the group's vision. We also continuously hold small group meetings with employees to foster consensus on our vision and organizational culture.

### 2023 CEO TOWN HALL MEETING AGENDA

	CATEGORY	DETAILS	
	1st	Sharing vision and business environment, CJ people's mindset	
	2nd	Sharing first half performance and ONLYONE examples, ONLYONE mindset	
70th Anniversary special (long-term seniority/awards ceremony), shari works from ONLYONE Vision Fair, Q&A Session, etc.		70th Anniversary special (long-term seniority/awards ceremony), sharing outstanding works from ONLYONE Vision Fair, Q&A Session, etc.	

### FLEXIBLE WORK HOURS

To become one of the most favored companies by "top talent," we have created an autonomous work environment to boost employee engagement and autonomy and support work-life balance. From 2018 to 2021, we introduced remote work and flexible working hours, allowing employees to choose their work times and locations.

### HUB OFFICES

We have established CJ Work ON, a hub office for CJ Group, along with six other hub offices, enabling employees to autonomously choose their workspaces. By reducing commuting time, we aim to enhance work efficiency and reduce work fatigue, thereby increasing employee engagement and fostering a comfortable and vibrant corporate culture.



### RESTRICTIONS IN PC USAGE DURING OVERTIME

We have implemented a system where PCs automatically shut down after regular working hours to reduce unnecessary overtime and help employees maintain a work-life balance.

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### FAMILY-FRIENDLY PROGRAM

CJ CheilJedang operates various family-friendly programs to prevent employees from having to quit because of the lifecycle stages of pregnancy, childbirth, and childcare. We foster a culture of care for pregnant employees by issuing special employee IDs for pregnant women and providing gifts. Additionally, we provide comfortable breastfeeding spaces. We also support our employees by operating 'CJ Kidsville,' an on-site childcare center, which allows them to bring their children to work and focus on their tasks. In April 2023, we introduced new programs, including paid leave for child adoption and overseas leave for accompanying a spouse abroad. As a result, we were re-certified as Family-Friendly Company.<sup>1)</sup>

1) A certification system managed by the Ministry of Gender Equality and Family, which is awarded to exemplary companies and institutions that effectively operate family-friendly programs such as support for childbirth and childcare, flexible work systems, and the creation of a family-friendly workplace culture.

### ONLY CJ: Support system that goes beyond the legal standards Korea's legal standards LIFECYCLE SUPPORT PROGRAMS FOR EMPLOYEES PREPARATION **PREGNANCY** BIRTH **CHILDCARE** FAMILY ■ Infertility leave Gift for expectant moms Gift to celebrate childbirth Shortened office hours for Family care leave<sup>91</sup> (employees and their spouses) newborn care Infertility time-off<sup>1)</sup> ■ Leave for before and after Family care leave of absence<sup>10</sup> Shortened office hours during childbirth4) Leave for children's school Support for infertility Reduced working hours for pregnancy2) entrance50 Maternity leave for miscarriage. family care<sup>11</sup> Leave for fetal checkup stillbirth Shortened office hours for Paid leave for child adoption<sup>12)</sup> (employees and their spouses) children's school entrance6 Support for childbirth expenses Leave to accompany spouses Pregnancy leave (in addition ■ Emergency shortened office ■ Parental leave for spouses moving overseas13 to parental leave during hours for childcare71 Parental leave for miscarriage, pregnancy)3) Parental leave stillbirth (maximum of 3 days) Parental leave plus80 ■ Reduced working hours for childcare ■ Workplace daycare center

- 1) Up to 6 months
- 2) Within 12 weeks of pregnancy (entire period), 13 weeks  $\sim$  31 weeks (8 weeks), after 32 weeks (entire period)
- 3) Leave during pregnancy from 1 month to 10 months (can be applied for in 1-month units, max. 2 splits)
- 4) Women: 90 days, Men: 14 days
- 5) Paid 14 days, Unpaid 14 days
- 6) Can reduce working hours by 1 hour per day (max. 1 year in total)

- 7) Can reduce working hours by 2 hours per day (max. 1 month in total)
- 8) Additional leave after parental leave (max. 1 year in total)
- 9) Up to 10 days
- 10) Up to 90 days
- 11) Working 15 to 30 hours per week (max. 2 years)
- 12) Up to 14 days
- 13) Up to 2 years

### EXPANDING MATERNITY PROTECTION TO MALE EMPLOYEES

Our company has extended maternity protection programs to male employees as well. This initiative aims to enhance gender equality awareness and enable male employees to participate in childcare and household duties, thereby preventing career interruptions for female employees. We provide pregnancy congratulatory gifts (Mom First Care Box), previously only given to pregnant female employees, to male employees as well. Additionally, we have extended the fetal check-up leave, which was previously only available to female employees, to male employees, supporting the happiness of our members' families.

### EMPLOYEE BENEFITS

CJ CheilJedang supports health check-ups for the health management of its employees. We provide comprehensive check-ups for employees and their families based on rank, age, and seniority. Considering the diversity of marital status and family structure, we have expanded the concept to include comprehensive check-ups for one family member, providing a day off for sufficient rest before and after the check-up. Additionally, we offer diverse support, including funding for infertility treatments, surgery costs for congenital heart disease for employees and their children, and financial support for children with disabilities. Moreover, we operate Café La Mer, an Employee Assistance Program (EAP) through which employees can receive psychological counseling in various areas such as emotional well-being, family relationships, child-rearing, and job stress from professional counseling agencies nationwide.

### **EMPLOYEE RENEFITS**



CREATIVE CHALLENGE

2-week leave upon completing 3, 5, 7, and 10 years of work



HOUSING LOAN ASSISTANCE



GIFTS FOR BIRTHS AND SPECIAL OCCASIONS



MEDICAL SUPPORT

Medical Expense Assistance, Health Check-ups, Operation of Affiliated Clinics, etc.



CAFETERIA POINTS

Support for cultural activities such as movies and shopping



2-YEAR PARENTAL LEAVE PARENTAL LEAVE FOR SPOUSES



LEAVE FOR FAMILY EVENTS



RAVEL SUPPORT

Support for Domestic and International Condo and Hotel Packages, etc.

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### **OPEN COUNCIL**

CJ CheilJedang operates THE Open Council, a labor-management committee that promotes employee welfare, improves the work environment, and contributes to company growth through cooperative labor-management relations. Established in March 2022, the company-wide Open Council has continued to evolve. The agreements and resolutions made by the Council apply to all company personnel. Employee representatives are elected by their peers at each site, and there are currently 138 employee representatives addressing grievances and suggestions from their colleagues. The employee representatives are elected by Open Council members, and regular quarterly meetings are held with management representatives to discuss issues such as improving work conditions, enhancing fringe benefits, increasing productivity and job engagement, revitalizing the organization, and promoting communication. In 2023, regular meetings resulted in improvements such as  $\triangle$  excluding production and technical positions from the wage peak system,  $\triangle$  improving work environments,  $\triangle$  increasing meal subsidies,  $\triangle$  resuming company clubs,  $\triangle$  increasing the age limit for parental leave use (up to 12 years old),  $\triangle$  increasing the age limit for reduced working hours during childcare,  $\triangle$  expanding reduced working hours during pregnancy,  $\triangle$  increasing the number of times parental leave for spouses can be divided,  $\triangle$  expanding leave for male infertility treatment, and  $\triangle$  introducing new leaves for infertility treatment, child adoption, and spousal accompaniment, etc. Although relevant regulations had not been established yet, we proactively adopted family-friendly and maternity protection-related HR programs by incorporating the opinions of Open Council's employee representatives. Through THE Open Council, effective resolutions have been made and applied to all members of the company, significantly contributing to the welfare and work environment of all employees.

### IMPLEMENTATION RATE OF RESOLUTIONS PROPOSED BY THE OPEN COUNCIL



2023 46 out of 57 resolutions proposed were approved and implemented

2022 44 out of 64 resolutions proposed were approved and implemented

### PRIOR CONSULTATION ON IMPORTANT MATTERS

When we need to amend employment rules and various HR regulations that affect employees' working conditions, we first hold explanatory sessions for the Open Council members to listen to their opinions. Afterward, we conduct company-wide explanatory sessions through various channels and obtain consent from all employees. In March 2024, for changes to the employment rules, such as  $\triangle$  the expansion of various family-friendly benefits,  $\triangle$  the formalization of respect for human rights,  $\triangle$  the clarification of salary and welfare standards for overseas dispatches,  $\triangle$  the clarification of educational and training operation standards, we first explained these changes to the Open Council members. Then, we held company-wide explanatory sessions and conducted individual consent procedures before reflecting these changes in the HR system and regulations. Additionally, we provide quarterly briefings on management performance to the Open Council members and distribute summary materials on management performance to all employees based on the Open Council's feedback.

### CORPORATE CULTURE ASSESSMENT

CJ CheilJedang regularly evaluates its corporate culture to enhance the understanding and implementation of its vision among all members. To identify and improve organizational issues, we conduct regular corporate culture assessment (CJ Voice ON). CJ Voice ON consists of four areas: preparation for the mid-term vision, implementation of management philosophy, employee awareness/needs, and corporate culture performance. Each area is designed to identify issues and derive improvements. In 2023, we refined the corporate culture area by adding satisfaction levels related to job roles, communication, trust, and recognition to better gauge employee satisfaction. After the survey, we encourage Open Talk sessions within each organization to share the survey results with members and discuss improvement ideas. These sessions promote honest and transparent communication, foster psychological safety, and generate specific and actionable improvement plans to ensure that members actively participate in shaping the corporate culture. The 2023 corporate culture assessment identified the need for an environment that encourages creative and diverse approaches, a merit-based culture, and a respectful decision-making processes.



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CJ CheilJedang does not discriminate against employees based on race, nationality, gender, gender identity, education, culture, or religion, and values diversity. By fostering a culture that respects diversity, equity, and inclusion, we foster a work environment where diverse experiences and perspectives are freely and proactively shared and discussed. This approach enhances our global competitiveness.

### ESTABLISHMENT OF DE&I POLICY

CJ CheilJedang has established a DE&I Policy based on the principles of integrity, passion, creativity, and respect. This policy aims to provide diverse opportunities for our employees and ensure fair evaluation to support their growth. We strive to spread our culture of respect to customers, suppliers, and local communities, thereby fostering a healthy and enjoyable society for everyone.

Diversity, Equity and Inclusion Policy

### EXPANDING EMPLOYMENT OF PEOPLE WITH DISABILITIES

Our company actively engages in the employment of people with disabilities. When new products are launched, we support our disabled employees in monitoring online blogs and social media reviews at the consumer center. In 2023, we opened a cafe called 'I Got Everything,' where we directly hired baristas with severe disabilities. We apply the same welfare systems, including performance bonuses and leaves, to our employees with disabilities as we do to our employees. Additionally, we have installed bollards, security cameras, and other facilities to ensure safe movement, minimizing any inconvenience during work.

### **DE&I TRAINING**

DE&I within the organization is a necessary condition for practicing the action principles of CJ's management philosophy and is emphasized as a core competency for global leaders. CJ CheilJedang conducts DE&I workshops, which include DE&I awareness assessments, concepts and importance, response strategies to challenging situations, and implementation plans. These workshops support our employees in reflecting on their working methods and establishing actionable tasks to create an inclusive organization.



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# **Human Rights**

Promoting human rights is fundamental to achieving the company's sustainable growth and is crucial for proactively preventing human rights risks and enhancing the company's brand reputation. CJ CheilJedang adheres to human rights norms and fosters human rights management based on the principle of "Respect" in CJ's management philosophy. To ensure the systematic implementation of human rights management, we regularly assess human rights risks and implement improvement measures. Moving forward, we will continue to embed a culture of respect for human rights at CJ CheilJedang by building consensus on human rights management within the company and communicating progress and outcomes with stakeholders.

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HUMAN RIGHTS MANAGEMENT GUIDELINES

Established for the first time in 2023

2023 ACHIEVEMENTS

CJ CHEILJEDANG

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063

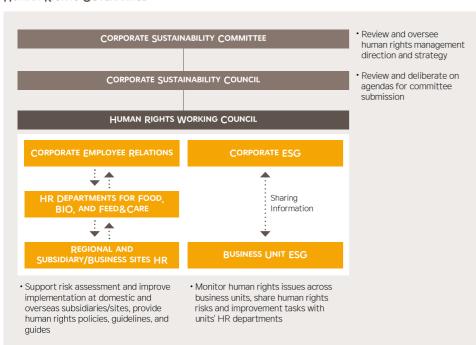


# Human Rights Promotion System

### **HUMAN RIGHTS GOVERNANCE**

CJ CheilJedang's human rights governance is led by the Corporate Sustainability Committee under the Board of Directors, the Corporate Sustainability Council, and the Human Rights Working Council. These bodies oversee and manage labor and human rights issues across all business units. The Corporate Sustainability Committee sets the direction and strategy of human rights management and reviews and manages related issues. The Corporate Sustainability Council reviews and deliberates on human rights matters before presenting to the Committee. The Human Rights Working Council, an inter-departmental council dedicated to human rights, diagnoses human rights risks and identifies and implements improvement tasks. In 2023, CJ CheilJedang established a meeting structure for human rights to share human rights policies and address human rights issues with its subsidiaries. Starting in 2024, these meetings will be regularized to continuously manage human rights-related risks through ongoing monitoring and the identification of improvement tasks.

### **HUMAN RIGHTS GOVERNANCE**



### **HUMAN RIGHTS POLICY**

### **DECLARATION OF HUMAN RIGHTS**

Declaration of Human Rights of CJ CheilJedang is a public commitment to respecting human rights, conducting due diligence on human rights risks and implementing corrective measures. It outlines the key human rights principles we strive to uphold, the core elements of our human rights management, as well as the procedures for human rights due diligence and remediation. Additionally, it details specific strategies for managing human rights risks for various stakeholders, including employees, customers, suppliers, and the local community.

Declaration of Human Rights

### **HUMAN RIGHTS MANAGEMENT GUIDELINES**



CJ CheilJedang has established the Human Rights Management Guidelines to implement the provisions of the Declaration of Human Rights. The guidelines consist of 33 articles, addressing key aspects such as the implementation of human rights management, responsible departments, and criteria for addressing human rights impacts.

### PROGRESS AND PLANS FOR HUMAN RIGHTS MANAGEMENT

~2023

ESTABLISHMENT OF POLICY AND IMPLEMENTATION SYSTEM

- Enhance Human Rights Policy
- Strengthen Human Rights Management and Oversight Capabilities
- Continuously Monitor and Manage Human Rights Risks

~2025

ESTABLISHMENT OF A GLOBAL
MANAGEMENT SYSTEM

- Develop Domestic and Global Human Rights Management Infrastructure and Disseminate Human Rights Policy
- Assess Human Rights Risks at Domestic Sites
- Assess Risks at Key Overseas Subsidiaries

~2030

CLOBAL INTERNALIZATION

Minimize Global Human Rights

Picks

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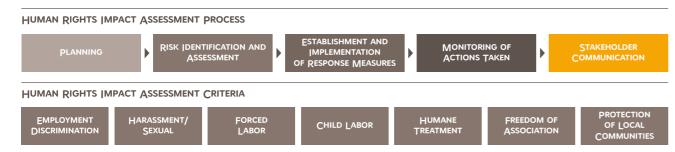
CJ CHEILJEDANG



# Human Rights Risk Management

### **HUMAN RIGHTS IMPACT ASSESSMENT**

CJ CheilJedang conducts human rights impact assessments for both employees and stakeholders, including the supply chain, to prevent and promptly identify human rights violations. In 2021, we assessed 15 domestic manufacturing sites operated by CJ CheilJedang and its subsidiaries. The assessment covered areas such as employment discrimination (gender/non-regular workers), harassment/sexual harassment, forced labor (foreign workers), child labor (students/young workers), humane treatment (working hours/rest/wages/protection of women), and freedom of association (labor-management council).



### **HUMAN RIGHTS RISK ASSESSMENT FOR SUBSIDIARIES AND SUBCONTRACTORS**

In 2023, CJ CheilJedang assessed potential labor and human rights issues for four subsidiaries and seven subcontractors working with manufacturing sites. The assessment focused on five key areas: signing employment contracts, compliance with minimum wage laws, adherence to legal working hours and rest periods, protective measures for pregnant women and young workers, and prevention of discrimination against non-regular workers. Remedial measures were developed for each of these areas. We addressed deficiencies and unclear employment regulations that fell short of legal standards identified during the employment contract drafting process and ensured that wages paid were above the minimum wage. Additionally, we established preemptive measures to prevent excessive overtime work and secured humane treatment measures exceeding legal protections for pregnant women and other groups. We will continue to address and improve employment discrimination issues, focusing on non-regular workers.

### ASSESSMENT OF POTENTIAL HUMAN RIGHTS RISKS

To proactively prevent human rights risks, CJ CheilJedang identifies risks that could significantly impact on human rights management. Utilizing sources such as the International Finance Corporation's GMAP tool and the U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor, CJ CheilJedang identifies raw materials with high risks potential and integrates these findings into the supply chain management system. Notably, we exclusively purchase RSPO-certified palm oil for domestic use.

CJ CheilJedang found "Sinuido Sea Salt Corporation" in 2010 to produce sea salt products. In response to the increasing regulations on domestic and international supply chains and the importance of respecting the human rights of salt workers, the company has conducted on-site inspections with internal experts to prevent potential human rights violations. Additionally, we are pursuing structural improvements in our business operations to eradicate forced labor issues.

### **GRIEVANCE HANDLING SYSTEM**

CT CheilTedang operates an Online Reporting System for handling grievances, accessible to both internal and external stakeholders. This system is designed to identify and address various human rights issues that may affect the corporate culture, such as sexual harassment and bullying. Reports can be submitted anonymously, and CJ CheilJedang enforces a whistleblower protection policy that strictly maintains the confidentiality of the reporter and ensures no retaliatory actions are taken. In addition to the internal system, reports can also be submitted through an external organization, K-Whistle<sup>1)</sup>. All reports undergo a fact-checking process, and the findings are communicated back to the reporter. For submitted reports, the results are shared with the reporter so they can verify the investigation outcome. If the investigation confirms the validity of the report, follow-up actions are taken immediately. In 2023, CJ CheilJedang established a comprehensive policy and operational plan for effectively managing grievances, including human rights concerns. The policy outlines the basic principles, responsible departments, and procedures for grievance handling. This foundational policy has also been extended to some overseas subsidiaries in Vietnam and China, supporting them in establishing their own grievance handling policies.

1) K-Whistle: An anonymous reporting system based on DB encryption technology, operated by the Korea Business Ethics Institute, a specialized third-party organization handling whistleblower reports.

### TYPES OF REPORTS AND INQUIRIES

COMPLIANCE	SAFETY MANAGEMENT	CORPORATE CULTURE	INTEGRITY
Cases of Legal Violations or Suspected Violations (collusion, etc.)     Grievances from Suppliers and Unfair Trade Practices	Accident Risk Factors (safety, fire, environment, etc.)     Business Site Safety	Unfair Work     Orders (forcing     or coercing non- work-related     tasks, etc.)     Undermining     Corporate Culture     (e.g., slander, hate     promotion, sexual     harassment, verbal     abuse of     power, etc.)	Fraud (bribery, embezzlement, coercion, etc.)     Inefficiency (decreased work engagement, etc.)     Information Security Violations (internal information leaks, etc.)

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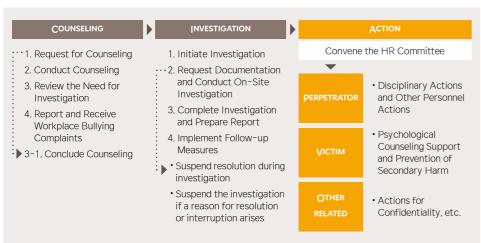
CJ CHEILJEDANG



### PREVENTION OF WORKPLACE BULLYING AND SEXUAL HARASSMENT

In 2023, CJ CheilJedang revised its response manual and implemented a certification system and dedicated personnel to prevent workplace bullying and sexual harassment. We conducted theoretical training to HR and corporate culture leaders and experts. Those who demonstrated expertise through competency tests received certification as specialists. Going forward, we will continue to develop specialized personnel and refine internal standards to ensure the prevention of bullying and harassment, as well as the implementation of appropriate follow-up measures. Additionally, we operate a separate process for handling workplace discrimination, bullying, and sexual harassment. In the event of an incident, we follow a process involving counseling, investigation, and appropriate actions. We also provide measures to protect reporters and victims, such as separation of spaces, paid leave, and psychological counseling. Perpetrators are subject to appropriate disciplinary actions and personnel measures to prevent recurrence.

### PROCESS FOR WORKPLACE BULLYING AND SEXUAL HARASSMENT



### **EMPLOYEE HUMAN RIGHTS TRAINING**

CJ CheilJedang conducts annual human rights training to ensure employees practice respect for human rights. In addition to mandatory legal training, we provide training for leaders, focusing on their role in building a culture of respect for human rights. This training offers knowledge and practical strategies to establish and maintain this culture. Additionally, to internalize ESG management, including human rights, across overseas sites, we have conducted ESG mindset training for overseas expatriates.

### EMPLOYEE HUMAN RIGHTS TRAINING



### TRAINING TITLE

Fundamentals of organizational labor management

### ONTENT

 Key regulations on protecting workers' human rights, measures for managing and protecting employee working conditions, maternity protection measures, key issues in human rights management, the role of leaders in building a culture of respect

### EMPLOYEES WHO COMPLETED THE TRAINING

106 new team leaders, 183 managers

# TRAINING FOR OVERSEAS EXPATRIATES

### TRAINING TITLE

ESG Mindset

### CONTENT

· Basic understanding and importance of ESG management, including human rights

### **FMPLOYEES WHO COMPLETED THE TRAINING**

· 300 employees



### SEXUAL HARASSMENT PREVENTION TRAINING

8,454 employees

### AWARENESS OF DISABILITY IMPROVEMENT TRAINING

7,977 employees

### WORKPLACE BULLYING PREVENTION TRAINING

8,404 employees

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# Health and Safety

Ensuring the health and safety of workers is not only a top priority in a company's management activities but also a fundamental responsibility toward society. Failure to secure workers' health and safety can also result in short-term financial impacts, decreased stakeholder trust, and negative effects on achieving the mid- to long-term goals. CJ CheilJedang is committed to ensuring the health and safety of both its domestic and overseas sites, guided by its EHS management policy: We foster the ONLYONE safety-first culture, valuing the well-being our community and employees above all else.



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# Health and Safety Promotion System

### **HEALTH AND SAFETY GOVERNANCE**

CJ CheilJedang manages its health and safety governance through the Corporate EHS and designated health and safety management officer, who oversee overall health and safety issues across the company. This includes dedicated health and safety organizations in the Food and BIO Business Units, R&D, and the Hospitality business HQ. The Health and Safety Management Committee, comprising executives and employee representatives, meets quarterly to review and oversee health and safety plans and key achievements. Each health and safety organization, including the Corporate EHS, develops and implements action plans and regularly holds forums and consultative meetings to share and discuss health and safety-related issues and risks.

### ORGANIZATIONAL STRUCTURE



### **EHS MANAGEMENT POLICY**

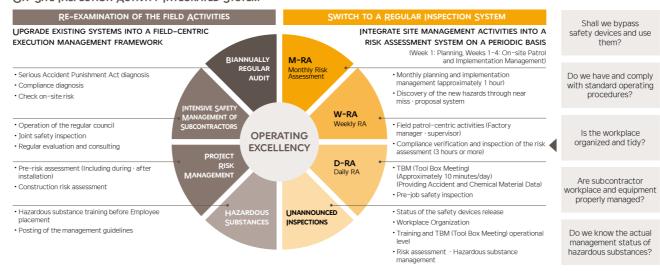
CJ CheilJedang has established a health and safety management system based on the EHS management policy, "We create the ONLYONE safety-first culture that values the safety of the community and employees above all else." We implement sustainable health and safety management through this system. Our safety management is built upon five key management principles: compliance with health and safety regulations, listening to feedback from stakeholders, creating a safe working environment, providing safe and enjoyable products, and applying safety management across all global operations. Based on these principles, we will continue to advance our safety management practices.

### Safety and Health Policy

### **HEALTH AND SAFETY DIAGNOSTIC SYSTEM**

CJ CheilJedang has established a regular and continuous health and safety diagnostic system to comply with health and safety regulations and prevent accidents. Our aim is to create a safe working environment that enhances worker productivity and reduces the potential for legal risks related to health and safety laws. The Corporate EHS conducts an audit every six months to verify the suitability of health and safety management activities, while continuous inspection systems are in place to prevent accidents. At business sites, we maintain a continuous diagnostic system focused on risk assessments, conducting preventive management activities centered around on-site evaluations. The monthly Risk Assessment (RA) activities involve collaborative meetings and joint on-site inspections by health and safety management officers, supervisors, and the site EHS team. This inclusive approach, which includes daily participation by site managers and workers, fosters a culture of autonomous safety management. In the event of an accident, we identify the cause and disseminate this information across all projects and business sites, implementing improvement activities to prevent recurrence. Additionally, our health and safety management regulations include a right to stop work, which is formalized into a process that is communicated and shared with all employees. Based on this, we operate the Stop&Care system and a reporting system. The Stop&Care system allows all employees to immediately halt work in the event of an accident or similarly dangerous situations (Stop) and provides psychological counseling (Care) to help employees overcome trauma.

### ON-SITE INSPECTION ACTIVITY INTEGRATED SYSTEM



### GOALS AND ACHIEVEMENTS OF HEALTH AND SAFETY

CJ CheilJedang's health and safety goals are to establish and internalize safety accountability management by 2026, and instill safety management as a core part of the corporate culture by 2027, joining the Global Top Tier in safety management. To achieve this, we have established KPIs for health and safety management officers, including the establishment and improvement implementation rate of a continuous audit system, and the improvement rate of Smart Audit diagnostics at overseas sites. In 2023, we achieved a 98% improvement rate in continuous audits and a 95% improvement rate in Smart Audits across seven business sites outside South Korea.

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# Health and Safety Management

### **HEALTH AND SAFETY MANAGEMENT**

### COMPLIANCE RESPONSE & INSPECTION

CJ CheilJedang conducts inspections once every half-year across 36 domestic locations, including production and R&D sites, sales offices, and restaurants, to establish and verify the implementation of health and safety management systems. These inspections ensure compliance with 13 requirements under the Serious Accident Punishment Act, including the identification, inspection, and improvement of hazardous risk factors. Additionally, they assess compliance with regulations in occupational safety, health, fire safety, hazardous materials, and electrical safety, as well as activities for identifying on-site risks. For any issues identified during the inspections, we have implemented engineering and managerial measures to address them systematically. Furthermore, we also provide support for the health and safety management systems of CJ CheilJedang's subsidiaries. CJ CheilJedang strictly adheres to the Serious Accident Punishment Act and the Occupational Safety and Health Act, ensuring thorough compliance with risk assessments, subcontractor management, safety training, and general and specialized health examinations.

### ESTABLISHMENT OF GLOBAL SMART AUDIT SYSTEM (REMOTE ASSESSMENT)

CJ CheilJedang has implemented Smart Audit, which enables remote assessments for global sites, where on-site inspections may be challenging. This system utilizes smart devices or pre-recorded videos to conduct the assessments. We developed specialized audit checklists tailored to the specific health and safety regulations of each country, including China, Indonesia, and Vietnam. Based on these assessments, we identified 320 areas for improvement and successfully completed 304 of them, achieving a 95% improvement rate.

### REMOTE ASSESSMENT SYSTEM



### CJ SAFETY CULTURE DAY

To internalize safety management, CJ CheilJedang operates CJ Safety Culture Day, an opportunity to focus on safety, environmental protection, and fire prevention. On these designated days, we conduct campaigns and on-site inspections to increase employees' awareness and participation in the company's safety practices. Our subsidiaries also designate and observe their own Safety Culture Days tailored to their specific needs.

### CT SAFETY CULTURE DAY IN 2023

SAFETY DAY (MARCH 10)	ENVIRONMENT DAY (AUGUST 22)	FIRE PREVENTION DAY (NOVEMBER 27)	
Strengthening safety mindset	Inspection of environmental	Conducting fire evacuation drills	
activities	facilities	<ul> <li>Verifying the operation and location of fire hydrants and fire extinguishers</li> <li>Inspecting fire and explosion hazards</li> </ul>	
Safety campaign	② Checking the storage and		
3 Inspection of all safety devices	management of chemicals		
and protective equipment	3 Inspection and improvement of		
Reinforcing on-site management	the work environment		
Contained on the management	Practicing 'environmental' actions in daily life	Checking electrical machines and equipment	

### **CONDUCTING SAFETY CULTURE SURVEY**

CJ CheilJedang is conducting a Safety Culture Survey to systematically implement the health and safety policy. The current level of safety culture is categorized into three main areas and six key items (Safety Behavior, Facilities, Communication, Operations, Competence, Education), analyzed by hierarchical level (responsible persons, managers, members). The Safety Culture Survey is a tool independently developed to improve the level of safety awareness among employees. The survey results are measured and managed using the Safety Survey Index (SSI), which categorizes results into four grades (S, A, B, C) to quantitatively express the safety culture level by business site and hierarchy. In 2023, the survey covered 13 domestic sites, scoring 4.3 out of 5.

### OBTAINING HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATION

To achieve value through employee health and safety management, CJ CheilJedang's health and safety management systems have received ISO 45001 and KOSHA MS certifications. As of 2023, 30% of our sites (21 sites) have acquired and maintained these health and safety certifications.

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### **HEALTH AND SAFETY TRAINING**

CJ CheilJedang conducts various health and safety training programs and drills to raise health and safety awareness among employees and ensure safe work practices. Health and safety training is provided to all employees, new hires, and supervisors, while specialized skill up job training is offered to health and safety officers to enhance their competencies. Additionally, regular emergency response drills, such as fire response and hazardous material leak simulations, are conducted.

### **HEALTH AND SAFETY TRAINING PROGRAMS**

CATEGORY		NUMBER OF EMPLOYEES WHO COMPLETED TRAINING	TRAINING FREQUENCY
	New and Transferred Employees Training	New and transferred employees (1,898 participants)	Training conducted upon hiring or transfer
Mandatory Health and Safety Training	Mandatory Regular Safety Training	All employees (9,084 participants)	For office workers: At least 6 hours biannually For non-office workers: At least 12 hours biannually
	Training Upon Change of Job Content	Employees with changes in job content	Conducted as needed
	Supervisor Training	On-site supervisors (718 participants)	At least 16 hours annually
	ISO Practical and Internal Auditor Course	EHS personnel (30 participants)	Once a year
Skill Up Training	PSM <sup>1)</sup> Specialized Skill Enhancement Training	PSM business site personnel (60 participants)	Twice a year
	S-leader Training	Development in specific EHS fields (8 participants)	Throughout the year
Emergency	Fire Response Training	All employees	At least once a year
Response Training	CPR Training	CPR training applicants (1,291 participants)	Throughout the year

<sup>1)</sup> PSM (Process Safety Management): A system designed to systematically and continuously manage processes and equipment that have the potential to cause major industrial accidents. It involves identifying and eliminating potential risk factors in advance to systematically prevent major industrial accidents.

### SAFETY MANAGEMENT FORUM

CJ CheilJedang operates the Safety Management Forums and Councils of CJ Group, CJ CheilJedang, Business Unit, and Global sites. The Group Safety Management Forum is held bimonthly or as needed, sharing safety management information among affiliates, providing mutual support, and enhancing the level of safety management. Additionally, CJ CheilJedang Safety and Environment Forum is held monthly to allow safety and environment leaders and practitioners to share information related to safety environment, and to strengthen roles and responsibilities. In 2023, in collaboration with our suppliers, we aimed to enhance our health and safety standards from a perspective of mutual growth. We provided external expert training on industrial safety policy directions to safety management leaders, personnel, and suppliers' representatives. We also shared major incident case studies. The quarterly global conference is a platform for sharing the company's overall safety management strategy and enhancing communication. During these conferences, we share key initiatives, incident cases, and assessment results with local health and safety officers.

### HEALTH MANAGEMENT PROGRAM

CJ CheilJedang operates various programs such as health check-ups, counseling, and exercise programs to manage employee health. We conduct general health check-ups for all employees and provide special health check-ups for employees working in environments exposed to harmful factors like physical and chemical agents. Additionally, we manage employee health through in-house clinics, fitness centers, and psychological counseling services. Moreover, six of our domestic manufacturing sites (Incheon Frozen, Yangsan, Yeongdeungpo, Incheon 1, Incheon 2, and Seafood Seongnam) have been selected as Excellent Health Promotion Workplaces by the Korea Occupational Safety and Health Agency (KOSHA). We also support our subcontractors by providing health consultations, first aid supplies, physical therapy support, and access to health promotion programs (such as smoking cessation and obesity management). Furthermore, subcontractor employees are invited to use on-site welfare facilities (gyms, showers, rest areas, etc.).

### **HEALTH MANAGEMENT PROGRAM FOR EMPLOYEES**



 In-house clinic with resident medical staff (internal medicine, physical therapy)





- Personal training and group exercise (GX) programs (yoga, strength training, and step workouts, etc.)
- Professional counseling to help address various psychological difficulties caused by job stress, marital/family relationships, and childrearing challenges

- 상담포유 서비스 -

PSYCHOLOGICAL COUNSELING

(CAFÉ LA MER)

카페 라메르(CAFÉ LA MER)

### SAFETY EXPERIENCE CENTERS

To prevent safety incidents and cultivate a safety mindset among employees, CJ CheilJedang has established and operates Safety Experience Centers. Currently, center locations are in Namwon, Incheon 2, Busan, and Jincheon BC. They offer various safety experiences, including the use of safety protective equipment (such as helmets and safety shoes), electrical safety, roller and chain conveyor simulations, V-belt and confined space work experiences, ladder fall simulations, emergency evacuation drills, and VR experiences.







Roller Pinch Point Simulation

V-belt Pinch Point Simulation

Confined Space Work Simulation

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# Food Safety and Quality

Providing safer products is a core value that every food company must prioritize. Food safety issues pose a significant threat to public health and can result in significant economic losses globally. In response, CJ CheilJedang has established set a robust quality philosophy and operates a comprehensive food safety and quality management system to proactively prevent potential quality issues across the entire value chain. We are dedicated to expanding food safety and quality certifications, conducting and managing risks in advance. We will continue to strive for customer safety and satisfaction.

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PERCENTAGE OF GFSI CERTIFIED BUSINESS SITES

COMPLETION RATE OF VOC IMPROVEMENT TASKS

85

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# Food Safety and Quality Management Promotion

### 5 KEY QUALITY PRINCIPLES QUALITY MANAGEMENT

CJ CheilJedang has established five key quality principles and implemented food safety and quality policies, regulations designed to prevent risks both before and after they occur.

# CUSTOMER / CONSUMER SATISFACTION COMPLIANCE FIRST COMPLIANCE FIRST EVOLUTION AND INNOVATION PREVENTIVE MANAGEMENT CREATING SHARED VALUE

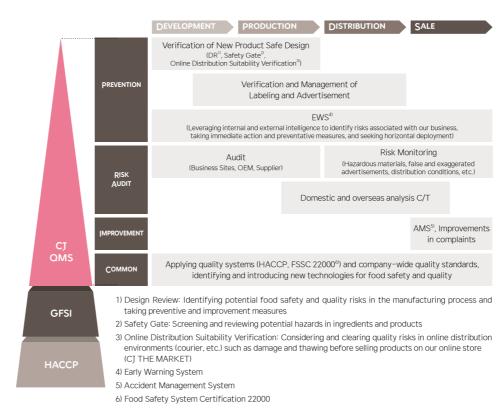
### FOOD SAFETY AND QUALITY GOVERNANCE

CJ Cheil Jedang's Food Business Unit has established a management system centered on the Manufacturing Office, an overarching organization for the entire region, to implement its quality philosophy of prioritizing customer safety. The Chief Operating Officer (COO) is the highest authority responsible for food safety and quality, receiving reports on issues from dedicated food safety and quality organizations established in four global regions, as well as in countries and business sites. The Manufacturing Office oversees food safety and quality issues based on fundamental principles and policies, focusing on localization that reflects regulations and policies of each country and region. The BIO Buisiness Unit has established its management system centered around the Production Headquarters and the Americas Business Headquarters, prioritizing customer satisfaction and achieving sustainable quality management.

### FOOD SAFETY AND QUALITY MANAGEMENT SYSTEM

CJ CheilJedang aims to proactively prevent and safely manage potential food safety and quality risks throughout the entire value chain, from research and development to production, distribution, and sales. In particular, we have established our own CJ Global Quality Management System (CJ Global QMS), which is more stringent than HACCP (Hazard Analysis and Critical Control Point) and GFSI (Global Food Safety Initiative) and GFSI standards. This system has been systematically disseminated across global regions, including South Korea. Starting in 2023, CJ CheilJedang has been enhancing its policies to align with its expanding global footprint and business strategies. Over the longer term, we plan to establish a robust food safety and quality management framework based on CJ Global QMS across all countries where we operate globally.

### CJ GLOBAL QMS FRAMEWORK



### GFSI CERTIFICATION

To ensure the safety of its food products, CJ CheilJedang has implemented GFSI food safety system certification across its global sites. We obtain or maintain these certifications annually. In 2023, 89% of our food manufacturing sites worldwide (51 out of 57 facilities), including those in South Korea, the United States, China, and the others were GFSI certified. We plan to continue expanding GFSI certification as we establish new sites.

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## Food Safety and Quality Management

#### FOOD SAFETY AND QUALITY MANAGEMENT

#### FOOD SAFETY AND QUALITY RISK PREVENTION SYSTEM (CT EWS)

CJ CheilJedang operates a food safety and quality risk prevention system, the CJ EWS (CJ Early Warning System), to proactively identify and respond to potential risks. This system continuously monitors information related to changes in domestic and international food regulations, food safety and quality issues, and hazardous substances. When the EWS detects significant risks that require immediate action, an EWS Alarm document is issued to alert relevant departments, facilitating a coordinated and proactive response. The mitigated risks are then recorded in the EWS system, and the response measures are standardized. We also conduct continuous monitoring to ensure implementation and to prevent the recurrence of similar risks.



#### CASE, FOOD SAFETY AND QUALITY RISK PREVENTION

#### RESPONSE TO TAPAN'S CONTAMINATED WATER DISCHARGE

In response to decision to release contaminated water in Japan, CJ CheilJedang proactively addressed internal and external measures before the discharge. We verified the labeling of seafood origins and conducted comprehensive risk assessments on seafood products and ingredients across the company. For consumer awareness, we created and distributed internal educational materials and external response guidelines. An EWS Alarm document was issued to clearly communicate the response principles, including departments roles and procedures for analysis requests and document issuance. Following the discharge, CJ CheilJedang has been continuously monitoring daily developments and address any potential risk.



Fukushima Nuclear Power Plant

#### GMO MANAGEMENT

CJ CheilJedang recognizes the sensitivity surrounding the impact of Genetically Modified Organisms (GMOs) on human health and the environment. In response to varying GMO-related regulations across different countries, we have established food safety centers in South Korea, China, Japan, the United States, and the others. These centers oversee guidelines for labeling of genetically modified foods, ensuring compliance with the food safety and quality standards. To manage approved GMO agricultural products, CJ CheilJedang monitors new potential hazards and conducts regular analysis of ingredients and finished products. For all raw materials used, regardless of whether they are domestically produced or imported, we verify GMO safety documentation based on evaluations by the Ministry of Food and Drug Safety, including distribution certificates, government certificates, manufacturer certificates, and test reports. Additionally, to proactively manage potential risks, we have designated and manage analytical methods for unapproved ingredients that are not yet introduced in the domestic market.

#### **GMO MANAGEMENT**

#### 2023

We continuously monitor updates on Japan's new genetically modified (GMO) food labeling regulations assess their impact on our company, and maintain a response system to ensure that our products meet the applicable standards for market release.

#### 202

We continuously monitor updates on Japan's new We are enhancing the inspection and management genetically modified (GMO) food labeling regulations, system to unauthorize genetically modified organisms.

#### FOOD SAFETY AND QUALITY RISK AUDIT

CJ CheilJedang conducts Global Food Safety and Quality Risk Audit to improve the global food manufacturing sites and to strengthen the capabilities of its quality organizations. Using various audit tools from CJ Global QMS, GFSI, and HACCP, we conduct comprehensive evaluations of food safety and quality processes, site quality management, and analytical infrastructure from a company-wide perspective. The evaluation results are categorized into five levels, and programs are provided to support improvements at each level. The audit system, established in 2021, has assessed food manufacturing sites in the United States, China, Japan, Vietnam, and Germany through 2023. Based on the results, we plan to enhance the audit system starting in 2024.

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## Enhancement of Food Safety and Quality Capabilities

#### FOOD SAFETY AND QUALITY TRAINING

#### FOOD SAFETY AND QUALITY ACADEMY

CJ CheilJedang operates the Food Safety and Quality Academy to develop and cultivate experts dedicated to ensuring the delivery of high-quality products to customers. The academy offers 41 training courses covering eight specialized competencies in food safety and quality, divided into the Basic, Advanced, and Excellence levels. In 2023, a total of 284 individuals completed the training programs.

#### FOOD SAFETY AND QUALITY TRAINING PROGRAM

SPECIALIZED COMPETENCY	TRAINING CONTENT
Fool Proof	Equipment optimization models, equipment operation methods, equipment monitoring and inspection methods, equipment cleaning methods, etc.
Thermal Processing	HMR processes, packaging material education, practical HMR process training, etc.
DR	The DR process, practical exercises, etc.
Regulatory Labeling	Trends and cases in domestic and international regulatory labeling, identifying risks when reviewing regulatory labeling, etc.
Hazardous Substances - Physical and Chemical	Chemical and physical hazardous substances, practical analysis training, etc.
Hazardous Substances - Microbiological	Basic theory of microbiology, practical microbiological analysis training, training on microbiological risks in processes, etc.
HACCP, GFSI	HACCP training, FSSC 22000 internal auditor course, GFSI certification auditor course, etc.
GMP Audit	Food safety audit training, business sites internal assessments, risk audit planning, etc.

#### INTERNAL AND LEAD AUDITORS TRAINING FOR EXTERNAL CERTIFICATION

To maintain a quality management system that meets international standards, CJ CheilJedang has trained internal and lead auditors for external certifications such as FSSC 22000 and ISO 9001. In 2023, three individuals from the Food Business Unit obtained auditor qualifications, while three individuals from the BIO Business Unit became certified auditors. For overseas sites, we conducted our own exams to assess auditor qualifications, resulting in a total of 23 individuals passing as internal auditors.

## FOOD SAFETY AND QUALITY TRAINING AND IMPROVEMENT ACTIVITIES FOR SUPPLIERS

CJ CheilJedang provides food safety and quality training and improvement programs to its suppliers. This includes training on food safety audit, understanding food hygiene laws, and labeling standards, all of which are essential for food safety. In 2023, a total of 721 employees from suppliers completed the training programs. Additionally, in the same year, we conducted 393 quality and hygiene support activities with 36 suppliers, improving food safety and mitigating potential hazards.



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## Consumer-centric Management Promotion

#### VOICE OF CUSTOMERS (VOC) OPERATION

CJ CheilJedang operates the Voice of Customers (VOC) system to collect and integrate diverse customer feedbacks. We offer various channels for customers to submit their opinions, including phone, text messages, website, and video consultations, available 24/7. We analyze VOC data to gain valuable insights and customer complaints by inspecting consumer-facing labels and implementing corrective actions based on the feedback received.

CJ CheilJedang Customer Contact Center

#### **VOC OPERATION PROCESS**

TEXT MESSAGES	Questions/ Suggestions	Product improvement and new product suggestions     Purchase/cooking/storage/disposal/comparison	Early warning (uniform/similar phenomena)	New product launch	
MEDCITE DULLETIN DOADDS					
WEBSITE BULLETIN BOARDS  SNS  Custo	omer Complaint	Customer unmet needs	VOC Daily News	Product improvement	Analysis of VOC trends after
SALES  Claims  ONLINE SUBMISSIONS (TIMS*)		Processing claims according to claim handling regulations	Online/New Product VOC	Process & Service	improvement

#### PRODUCTS AND SERVICES REFLECTING CONSUMER FEEDBACK

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## ESTABLISHMENT OF A GLOBAL CUSTOMER SATISFACTION SYSTEM

CJ CheilJedang has been supporting the establishment of systems in various countries to enhance global customer satisfaction. Since 2022, the newly implemented Voice of Customer (VOC) system has been applied in China, Japan, Vietnam, and other regions. In 2023, we stabilized the VOC process by refining regulations related to customer claims and enhanced the system's functions by managing claim progress and monitoring similar claims in advance.

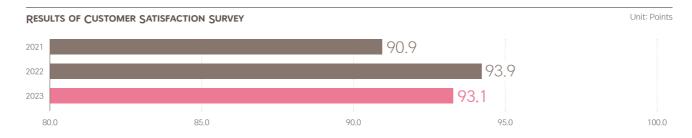
### CONSUMER-CENTERED MANAGEMENT CERTIFICATION

CJ CheilJedang has obtained the consumer-centered management certification to realize the value of putting customers first. Since first receiving the certification in 2015, we have continued to pursue consumer-centric management, achieving the certification for four consecutive times up to 2023.



#### CUSTOMER SATISFACTION SURVEY RESULTS

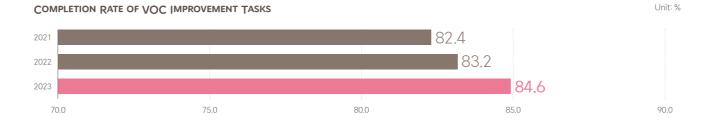
CJ CheilJedang conducts biannual customer satisfaction surveys to gather customer feedback and identify areas for improvement, which are then reflected in our products and services. We conduct two phone surveys each year targeting customers who have used our services in the past two months. The surveys focus on aspects such as proactiveness, friendliness, clear explanations, and accurate and prompt handling. The results of the 2023 customer satisfaction survey show a high score of 93.1.



#### PERFORMANCE IN VOC OPERATION

CJ CheilJedang addresses issues received through the VOC system by identifying root causes, implementing improvements, and sharing best practices through monthly quality team leader meetings. Through on-site inspections, we verify that VOC improvement tasks are being effectively implemented and track the completion status as a key performance indicator.

VOC OPERATION STATUS FOR 2023  Unit: Case								
CATEGORY	QUESTIONS	COMPLAINTS	SUGGESTIONS	COMPLIMENTS	TOTAL			
VOC Status	61,557	39,917	501	47	102,022			



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**Nutrition** 

In today's fast-paced world, convenient processed foods remain popular among consumers. With the recent rise in Health &

Wellness trends, there is also a growing demand for healthier processed food options. CJ CheilJedang is expanding its nutrition policy not only in South Korea but also globally to promote healthier individuals and society. We are continuously improving the

nutritional value of our products and expanding our efforts to enhance the health and nutrition of consumers worldwide.

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### Enhancement of Health and Nutrition

The rise in chronic diseases due to poor dietary and lifestyle habits is a major global concern. Chronic diseases can be largely prevented through healthy eating habits, so continuous management of diet is essential. Thus, consumer demand for healthier processed foods is steadily rising, and the corporate social responsibility to provide such products is increasingly emphasized. In response, CJ CheilJedang has established a company—wide key strategy focused on enhancing consumers' health and balanced nutrient intake. We are actively pursuing continuous implementation of this strategy by communicating and collaborating with marketing, research, communications and other relevant departments.

#### KEY STRATEGIES

CJ CheilJedang aims to operate a sustainable business based on consumer trust by establishing and promoting company—wide, mid—to long–term strategies related to health and nutrition. Specifically, we are focusing on enhancing product nutritional value, increasing corporate value, and improving social impact. We are planning and progressively implementing related projects based on these three key strategies. To systematically implement these strategies, we have set our own mid—to long–term goals, such as the Nutrition Commitment 2025, which we are implementing. Additionally, we aim to expand our healthy global product portfolio by disseminating these strategies to various global regions and countries, thereby aligning our nutrition policy with each country's business strategies. Additionally, to spread CJCJ Nutrition Policy globally and improve the health and nutrition of our products, we link our efforts to the KPIs of relevant executives.

#### MISSION & STRATEGY

Operating a sustainable business based on consumer trust by enhancing product nutritional value

#### KEY STRATEGIES



### ENHANCE PRODUCT NUTRITIONAL VALUE

- Expand Health & Wellness Portfolio
- Gradually reduce the use and prevalence of negative nutrients
- Incorporate more positive nutrients/raw ingredients by design



### CORPORATE EQUITY

- Provide transparent nutritional information proactively
- Engage in responsible marketing
- Communicate externally and broadly our responsible nutrition strategies to support ESG



#### IMPROVE SOCIETAL IMPACT

- Contribute to solving global consumers' nutrition issues
- Strengthen communication to enhance health and nutrition
- Implement proactive research that enhances consumers' health

### ENHANCE THE CREDIBILITY OF CJCJ NUTRITION POLICY

CJ CheilJedang is committed to advancing consumer health and nutrition through ongoing engagement with various organizations and departments. Notably, we operate the Human Nutrition department under our Food R&D center, which is dedicated to nutrition research. This department is responsible for establishing and implementing company—wide nutrition policies, striving to enhance the nutritional value of our products. It also leads external communication activities to provide accurate nutritional information to consumers and various stakeholders. Additionally, this department engages in diverse activities to ensure the trust and credibility of our products. These activities include fundamental research, such as studying consumer dietary patterns, and proactive research on the latest nutrition—related topics that can be applied to our future businesses.

#### **OPERATE THE GLOBAL NUTRITION COMMITTEE**

The Global Nutrition Committee is a forum where the headquarters and regional offices, including R&D and marketing, meet quarterly to discuss health and nutrition-related issues. It brings together various relevant departments to strengthen the implementation of our nutrition policy. Specifically, the committee discusses the current status and expansion plans for each region/country to ensure the continuous execution of mid- to long-term nutrition strategies and makes key decisions on these matters. Additionally, the committee shares updates on global regulations and trends related to health and nutrition, analyzing potential opportunities and risks. This collaborative approach helps develop proactive response strategies for each region/country.

#### OPERATE THE EXTERNAL EXPERT ADVISORY BOARD

CJ CheilJedang has been continuously operating an external nutrition expert advisory board to ensure the objective and reliable implementation of nutrition policy and conduct proactive research. To operate the advisory board, we select discussion topics annually based on internal and external importance and urgency. We then identify experts in the relevant fields and organize the board, holding regular meetings for each topic. Through this process, CJ CheilJedang receives objective and professional advice on the direction of its nutrition policy, based on the latest trends in external nutrition–related regulations and research. This approach helps us enhance the objectivity and reliability of our health and nutrition–related research methods and results, as we continuously seek validation for their appropriateness.

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### **EXPAND CJCJ NUTRITION POLICY GLOBALLY**

CJ CheilJedang is continuously expanding its business beyond South Korea to the United States, Europe, and the Asia-Pacific, in a drive to become a leading global food company. In line with this expansion, we are extending our nutrition policy to all global regions and countries, ensuring that every product we offer is designed and managed with consumers' health and nutrition in mind. Through this approach, CJ CheilJedang aims to provide healthier products to consumers around the globe.

#### ESTABLISH AND IMPLEMENT REGION/COUNTRY-SPECIFIC NUTRITION STRATEGIES

The roadmap for the global expansion of CJCJ Nutrition Policy has been developed by comprehensively considering the business strategies and nutrition-related laws and regulations of each region/country. We have identified priority regions for global expansion and are establishing a mid- to long-term execution roadmap for country-specific nutrition strategies in collaboration with relevant departments such as marketing and R&D within those regions. In 2023, a mid-to long-term nutrition strategy for North America was established in addition to South Korea. This effort aligns with the company's key strategies on nutrition while also reflecting the specific consumer needs and nutritional regulations of the respective regions. Furthermore, we plan to expand CJCJ Nutrition Policy by developing and implementing nutrition strategies for other regions/countries in the future. In this way, CJ CheilJedang is continuously striving to enhance the nutritional value of our global products.

#### ENHANCE TRANSPARENCY OF THE GLOBAL PRODUCT PORTFOLIO

Globally, there is a growing trend toward strengthening legal regulations and requirements for the disclosure of nutritional information on food products, allowing consumers to make healthier choices. For instance, voluntary labeling systems have been introduced in Europe, Australia/New Zealand, encouraging companies to display the nutritional quality of products on the front of the packaging using grades, star ratings, and similar indicators. These systems aim to provide consumers with accurate and transparent nutritional information.

In response, CJ CheilJedang continuously monitors regulatory trends related to nutrition in each country as part of the global business strategy. We have recognized the importance of establishing a proactive response system that aligns with our nutrition policy. To achieve this, we are developing a comprehensive system to record and manage nutritional information for products in each region/country and to evaluate the nutritional quality of products based on nutritional guidelines and regulations by country. Furthermore, we aim to establish a system based on this database to transparently communicate the quality of our products to consumers.



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## Expand the Health-Oriented Product Portfolio

#### EXPAND FROM DELICIOUS AND CONVENIENT EVERYDAY MEALS TO HEALTHIER EVERYDAY MEALS

### LAUNCH OF HIGH-PROTEIN & LOW-SUGAR MEAL BOX

CJ CheilJedang has responded to consumer demands for healthier eating options by introducing new High-protein & Low-sugar Meal Boxes designed to address the challenges of maintaining healthy eating habits. These products are specifically tailored for consumers who struggle with balanced nutrition due to the complexities of meal preparation. Our products meet legal labeling standards for high-protein and low-sugar, making them suitable for individuals with diabetes. To ensure the products' reliability, we conducted human clinical trials with diabetic patients and observed significant improvements in health indicators such as blood sugar levels, triglycerides, and LDL cholesterol compared to regular meals.



Furthermore, they are designed to maintain the natural texture and color of ingredients across various menu options. We aim to continue expanding our menu offerings with healthy and diverse options.

## LAUNCH OF REDUCED-SODIUM BIBIGO SOUPS & STEWS

The "bibigo" brand continues to introduce new soup and stew products featuring reduced sodium content. Notably, bibigo's Reduced-Sodium Beef Bone Soup uses Andes salt and unsalted



bone extract to reduce sodium content by 50% compared to similar beef bone soups. bibigo's Seaweed Soup with Beef has 25% less sodium compared to our similar seaweed soups.

### LAUNCH OF REDUCED-SODIUM HAECHANDLE GOCHUJANG AND DOENJANG

The "Haechandle" brand has introduced gochujang and doenjang products with reduced sodium content, achieved through innovative fermentation. Typically, lowering the salt content in gochujang can compromise its distinct flavor and pose challenges in maintaining consistent quality during fermentation. However, we have successfully preserved the rich flavor of gochujang at a lower sodium level by simultaneously fermenting ingredients such as glutinous rice and onions using this advanced technology. In addition, we secured stable fermentation quality through research on optimal strains and fermentation conditions. As a result, CJ CheilJedang has launched two new traditional sauces with 25% less sodium



compared to our similar products, while preserving the original taste quality.

## LAUNCH OF REDUCED-SODIUM AND CALORIE SPAM CHICKEN BREAST

The "Spam" brand has introduced Spam Chicken Breast, which uses chicken breast to increase protein content while reducing fat and calorie levels. This product is the first in the Spam brand's canned ham line, sold in 48 countries worldwide, to feature chicken breast. CJ CheilJedang has leveraged its unique research and recipes developed for Spam, using a 13-hour low-temperature aging process to create a product that combines the flavor of chicken breast with the optimal texture similar to



traditional Spam. We plan to continue expanding our product range based on consumer needs.

### ENHANCE NUTRITIONAL VALUE OF EXISTING PRODUCTS

As the trend of prioritizing health and nutrition continues to grow, an increasing number of consumers are seeking products with reduced levels of nutrients-to-limit like sodium, saturated fats, and sugars. However, there is a common perception that these changes can compromise taste, making it a significant challenge to develop products that satisfy both taste and health. In line with CJ CheilJedang's "Nutrition Commitment 2025" for enhancing consumer health and nutrition, we are identifying categories and products with high levels of nutrients-to-limit. We are working to progressively improve the nutritional quality of these products. As a result, from 2021 to 2023, we have reduced sodium by 69 tons and saturated fats by 600 tons. Notably, in 2023, we also reduced sugar content by 16 tons (based on domestic standards). CJ CheilJedang will continue to pursue efforts to reduce nutrients-to-limit in our products. Through these efforts, we aim to provide consumers with delicious and healthy food. We are particularly focused on maintaining the quality of taste while improving nutritional value, leveraging our differentiated R&D capabilities to develop healthier products that offer both taste and health benefits.



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#### COMPOSITION AND APPOINTMENT OF THE BOARD OF DIRECTORS

As of December 31, 2023, the Board of Directors of CJ CheilJedang comprised three internal directors and three independent directors, making a total of six members. By the end of June 2024, the board was composed of three internal directors and four independent directors appointed the general meeting of shareholders. The board has set a target ratio of more than 51% for independent directors, in compliance with Article 542(8) of the Commercial Act (Appointment of Independent Directors) and Article 21 of the Company's Articles of Association (Appointment of Directors). The chairperson of the board is specified in the board regulations to be appointed by a resolution of the board, and currently, CEO Kyung-Shik Sohn, who has been recognized for his managerial skills and experience, serves as the chairperson of the board concurrently. All directors of CJ CheilJedang are appointed by a resolution of the general meeting of shareholders in accordance with Article 382 of the Commercial Act (Appointment of Directors, Relationship with Company, and Independent Directors). Internal directors are selected from candidates recommended by the board, while independent directors are selected from candidates recommended by the Independent Director Candidate Recommendation Committee. Our Independent Director Candidate Recommendation Committee is composed entirely of independent directors to ensure independence and recommends independent director candidates through a fair process. As of the end of June 2024, the average tenure of the seven members of the Board of Directors was 5.05 years.

#### **BOARD OPERATIONS**

Directors are required to attend at least 75% of the meetings, and in 2023, the attendance rate of board members was 98.8%. In accordance with the Articles of Association and Board Regulations, board meetings are convened by the Chairperson. Directors are notified of the meeting's time, place, and agenda at least seven days in advance. Pursuant to Article 28 of the Articles of Association and Article 7 of the Board Regulations, directors with a special interest in an agenda item are restricted from voting to prevent potential conflicts of interest

#### BOD MEETING ATTENDANCE RATE IN 2023

INTERNAL DIRECTORS' ATTENDANCE RATE

100

INDEPENDENT DIRECTORS' ATTENDANCE RATE

98

#### **BOD OPERATION RESULTS**

UNIT	UNIT	2021	2022	2023
Number of meetings	Time	10	10	12
Number of agenda discussed	Case	34	29	36
Average attendance rate	%	94.3	97.1	98.8

#### 2023 COMPETENCY EVALUATION INDICATORS, BOARD SKILLS MATRIX

As of June 2024

					BOARD	SKILLS &	EXPERIENCE					COMMITTEE UND	ER THE BOARD	OF DIRECTOR	es
CATEGORY	NAME	ROLE	FIELD OF EXPERTISE	GLOBAL BUSINESS	LEADERSHIP/ MANAGEMENT	R&D	FINANCE/RISK	ADMINISTRATION/ POLICY	GENDER	DATE [NITIAL	COMMITTEE	COMMITTEE  COMMITTEE	TRANSACTION	REMUNERATION COMMITTEE	CORPORATE SUSTAINABILITY COMMITTEE
Internal	Kyung Shik Sohn (Chairperson)	CEO and Chairman of CJ CheilJedang	Management	<b>✓</b>	<b>√</b>				Male	2007.09					
Directors	Sin Ho Kang	CEO and Vice Chairman of CJ CheilJedang	Management	✓	✓				Male	2024.03					
	So Young Kim	Head of BIO Research Institute of CJ CheilJedang	R&D		✓	<b>√</b>			Female	2021.03					
	Jong Chang Kim	Adjunct Professor, College of Business at Korea Advanced Institute of Science and Technology	Finance, Investment, Financial Advisory		<b>√</b>		✓	<b>✓</b>	Male	2019.03	•			•	
Independent	Yong Deok Kim	Attorney of Kim & Chang	Legal Advisory					✓	Male	2024.03					
Directors	Tae Yun Kim	Professor, Department of Public Administration at Hanyang University	Policy Advisory				✓	<b>√</b>	Male	2019.03		•			
	Jung Hwan Yoon	Professor, Department of Internal Medicine at Seoul National University	BIO and life science			<b>√</b>			Male	2020.03					•

ChairpersonMember

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#### COMMITTEES UNDER BOD

To ensure the independence, transparency, and fairness of corporate governance structure, five committees have been established and are operated under the Board of Directors: Audit, Independent Director Candidate Recommendation, Internal Transactions, Remuneration, and Corporate Sustainability. Each board committee evaluates the fulfillment of their respective roles using specific performance indicators. Detailed information on committee activities can be found on page 435 of the Annual report published in March 2024. The board committees are primarily operated by independent directors, and meetings composed solely of independent directors are held to maintain a governance structure with checks and balances between the Board and the management.

#### COMMITTEES UNDER THE BOARD OF DIRECTORS

		Соммітт	EE ACTIVITIES	IN 2023	
COMMITTEE	KEA LOTER	NUMBER OF MEETINGS COMMITTEE	NUMBER OF AGENDA DISCUSSED	ATTENDANCE RATE (%)	
	Audit corporate accounting and business				
	• Survey corporate affairs and properties.				
Audit Committee	State views to agenda and documents to be submitted by directors to the General Meeting of Shareholders.	7	12	100	
	Appoint, replace, and dismiss external auditors.				
Independent	Recommend independent director candidates				
Director Candidate Recommendation Committee	<ul> <li>Identify and recommend candidates who meet the qualifications for independent directors under relevant laws, the Company's Articles of Association and Board Regulations.</li> </ul>	1	1	100	
Internal Transaction	Ensure transparency in trade with affiliates and parties in special relations				
Committee	<ul> <li>Deliberate on trade with affiliates and parties in special relations that is subject to board approval under the Fair Trade Act and the Commercial Act</li> </ul>	6	10	100	
Remuneration	Ensure fairness in the evaluation of performance indicators for executive compensation policies and long-term incentive payments				
Committee	• Establish and change the reward system for executives.	1	3	100	
	<ul> <li>Decide on matters related to the evaluation of executive performance indicators for long-term incentive payments.</li> </ul>				
	Establish a sustainable management system				
Corporate Sustainability	<ul> <li>Decide on the sustainability management strategy and activities thereunder.</li> </ul>	3	5	87	
Committee	<ul> <li>Decide on matters related to the environmental, social, and governance (ESG) aspects.</li> </ul>				

#### INDEPENDENCE OF BOD

In appointing independent directors, CJ CheilJedang complies with the provisions of Articles 382 and 542(8) of the Commercial Act to determine their independence from the Company. In particular, candidates who have previously worked for the company's affiliates or have significant interests in the company, which would make it difficult for them to faithfully perform their duties as independent directors, are excluded from appointment. In addition, to ensure that the independent directors perform their duties in an objective and unbiased manner, the qualifications of the independent director candidates are verified and relevant teams, including finance, legal and public relations, redundantly check for potential disqualifications under relevant laws and employment restrictions for former public officials.

When appointing independent directors, we obtain a "Qualification Confirmation of Independent Director" from them, confirming their independence from the Company and their qualifications, and file it with the Korea Exchange, and we make every effort to appoint impartial independent directors who have no conflict of interest with the Company. As of the end of June 2024, none of the independent directors had any material interest in the Company and/or its affiliates. CJ CheilJedang's independent directors are permitted to concurrently hold a directorship, audit committee membership, or similar position in one additional company in accordance with Article 34 of the Enforcement Decree of the Commercial Act. Our internal policy also ensures compliance with the relevant laws and regulations.

#### CONCURRENT POSITIONS HELD

NAME	END OF TENURE	ORGANIZATION	CONCURRENT POSITION HELD	TENURE AT THE ORGANIZATION	LISTED COMPANY
Yong Deok Kim	End of General Meeting of Shareholders in 2027	Hanmi Science Co., Ltd	Independent Director	2022.03~	Listed
Tae Yoon Kim	End of General Meeting of Shareholders in 2025	Hanmi Pharm Co., Ltd.	Independent Director	2023.03~	Listed

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#### **EXPERTISE AND DIVERSITY OF BOD**

CJ CheilJedang considers the experience and specialized knowledge of independent directors in various fields to objectively monitor, advise, and provide checks and balances on company management. The independent directors are experts in finance, laws, policy advisory, BIO and life sciences, each providing review opinions in their specialized areas to assist the management in making rational decisions. To enhance the expertise of the Board of Directors, we support education for independent directors and, when necessary, provide expert consultations. Additionally, to bring diverse perspectives to the Board and discuss agenda items, we respect diversity in nationality, gender, place of origin, religion, race, and cultural background when appointing directors. As of the end of June 2024, there is one female director.

#### BACKGROUND OF INDEPENDENT DIRECTORS

NAME	MAJOR CAREER	SELECTION BACKGROUND
Jong Chang Kim	(Former) Governor, Financial Supervisory Service (2008–2011) (Former) Member of Monetary Policy Board in BOK (2004–2006) (Former) Chairman, Industrial Bank of Korea (2001–2004)	As an expert in finance, investment, and financial affairs who successfully overcame the global financial crisis during his tenure as the head of the Financial Supervisory Service, Jong Chang Kim has expertise in risk management, global investment, and decision-making in financial management during uncertain economic environments based on expertise in investment and finance and ability to handle crisis response.
Yong Deok Kim	(Former) Chief Judge of the Seoul High Court (Former) Justice of the Supreme Court (Former) Chairperson of the 19th National Election Commission (Current) Attorney of Kim & Chang	He served as a Justice of the Supreme Court and, with many years of experience as a judge, has gained extensive expertise in both practical and theoretical aspects of law through a variety of judicial tasks and research activities. Additionally, as the Director of Korea Business Law Institute, he possesses legal expertise that can aid in complex decision—making in the rapidly changing business environment, particularly in areas such as corporate governance, compliance management, and social responsibility.
Tae Yun Kim	(Former) President, Korea Society for Regulatory Studies (Current) Professor, Department of Public Administration at Hanyang University	He has rich experience in national policy advisory, such as establishing national regulatory policies and proposing innovative growth tasks in preparation for rapid changes in the industrial environment, such as the advent of the 4th industrial revolution, and possesses innovative expertise. Based on a broad understanding of society as a whole, he can help us identify regulatory risks that may impact our business at an early stage and contribute to effective decision-making.
Jung Hwan Yoon	(Former) Head of Internal Medicine, Seoul National University Hospital, (Current) Professor of Internal Medicine at Seoul National University College of Medicine	He has extensive medical work experience and expertise in BIO and life sciences R&D. As a medical professional who has promoted the fusion of IT technology and biotechnology, he can provide continuous advice and help to the BIO Business.

#### **EVALUATION AND REMUNERATION OF BOD**

CJ CheilJedang conducts evaluations of independent directors based on comprehensive considerations of their attendance rates at board and committee meetings, independence, expertise, and contributions. The results of these evaluations are reflected in recommendations for reappointment. Directors' remuneration is paid within the limits approved by the general meeting of shareholders in accordance with Article 388 of the Commercial Act (Remuneration of Directors) and Article 31 of the Articles of Association (Remuneration of Executive Officers). The remuneration for independent directors is determined based on industry remuneration levels and the responsibilities of the role. All four independent directors receive the same amount in fixed salary form, without any additional allowances or meeting expenses. Compensation for key executives, including the CEO, is divided into a base salary and performance bonuses in accordance with management regulations approved by the Board of Directors. The base salary is determined by considering the annual salary adjustment rate based on the previous year's KPI assessment rating, the level of responsibility, and contribution to the company. Performance bonuses consist of short-term incentives tied to annual revenue, operating profit target achievement rates, and KPI assessment ratings, as well as long-term incentives linked to medium— to long-term business performance over a three-year period.

#### **REMUNERATION FOR DIRECTORS IN 2023**

CATEGORY	INTERNAL DIRECTORS	INDEPENDENT DIRECTORS	TOTAL
Number of directors (Persons)	3	4	7
Total remuneration (KRW million)	5,301	271	5,572

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## Enhance Shareholder Rights

#### **PROTECT SHAREHOLDER RIGHTS**

CJ CheilJedang consistently implements an electronic voting system and proxy voting options to protect shareholders' rights and enhance their convenience. To encourage shareholder participation, we schedule meetings on dates that avoid peak periods for general meetings. We strive to provide shareholders with sufficient advance information, enabling them to exercise their rights effectively. To achieve this, we strictly adhere to disclosure requirements and promptly post IR materials and earnings announcements on our website. Additionally, we ensure transparent and accurate communication with shareholders through various channels including analyst meetings and investor briefings. These measures reflect our commitment to strengthening shareholder trust and enhancing transparency in our management practices.

#### SHARES OWNED BY THE MANAGEMENT IN 2023

CATEGORY	NAME	NUMBERS OF SHARES
Directors holding shares of CJ CheilJedang	Kyung Shik Sohn (CEO, Internal Director)	5,500 shares
(Internal directors)	Sin Ho Kang (CEO, Internal Director)	0 shares

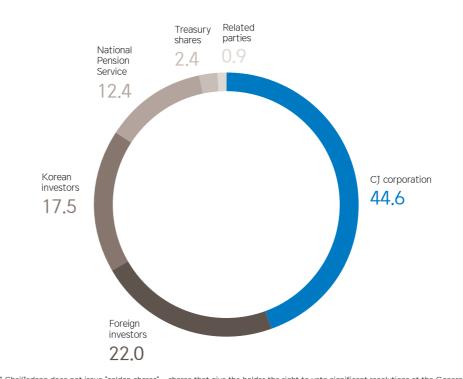


### SHAREHOLDER RETURN POLICY

In February 2022, CJ CheilJedang established and announced a three-year dividend policy to enhance predictability for investors and increase shareholder value. Under this policy. We have been paying out at least 20% of net income(excluding one-time extraordinary gains and losses) based on separate financial statements for the financial years 2021 to 2023. CJ CheilJedang remains committed to maximizing shareholder value through improved performance and growth. Additionally, by maintaining a predictable and stable quarterly dividend policy, we aim to build long-term trust with our investors and consistently meet shareholder expectations. These efforts reflect our commitment to establishing long-term relationships with shareholders and promoting the company's sustainable growth.

#### SHAREHOLDER COMPOSITION AND STOCK OWNERSHIP IN 2023





- \* CJ CheilJedang does not issue "golden shares" shares that give the holder the right to veto significant resolutions at the General Meeting of Shareholders regardless of the number of shares held.
- \*\* As of 2023.12.31, based on common stock

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## Risk Management

CJ CheilJedang operates a company-wide risk management system to systematically identify and manage risks in advance.

#### **RISK MANAGEMENT PROCESS**

CJ Cheil Jedang has established a company-wide risk management process to identify, evaluate, respond to, and monitor risks. We identify risks that may arise during business operations and select key risks by considering their likelihood and scale. To mitigate these risks, we develop and implement response strategies, regularly monitor the effectiveness of these strategies, and report the outcomes to the Board of Directors and senior management.

#### RISK IDENTIFICATION

- Ongoing risk identification and prompt reporting through company-wide management meetings
- Performing Check & Balance functions under the oversight of Chief of Staff
- Review of ESG Strategic Tasks (at least twice a year)

#### RISK ASSESSMENT AND PRIORITIZATION

· Set priorities considering the likelihood and scale of risks

#### DEVELOPMENT OF RESPONSE STRATEGIES

 Development and internalization of improvement initiatives to eliminate and mitigate risks

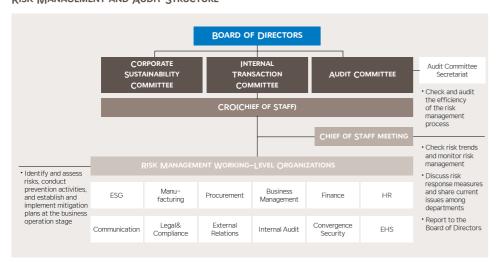
#### MONITORING AND REPORTING

- Regular reporting to the Board of Directors and senior management
- · Monitoring Improvement initiatives

#### RISK MANAGEMENT GOVERNANCE

CJ CheilJedang has established a proactive risk management system to address the various risks that may arise in business activities. Each responsible organization systematically and effectively performs risk prevention and response activities for risks arising from business operations. Overall risk management is overseen by the Chief Risk Officer (CRO) within the Business Support Division that performs both financial and non-financial check and balance functions. All company-wide risk-related matters are reported to the CEO and the Board of Directors. The dedicated risk management organization under the CRO continuously monitors risk management activities during the business operation phase and assesses both internal and external risk trends.

#### RISK MANAGEMENT AND AUDIT STRUCTURE



#### MANAGEMENT ORGANIZATIONS AND ROLES BY RISK TYPE

TYPE	ORGANIZATION	KEY BOTES
		<ul> <li>Monitor business issues such as domestic and international competition, policy, and institutional changes</li> </ul>
Overall	Board of	• Develop/implement proactive response measures to changes in the business environment
Management	Directors	<ul> <li>Approve transactions with affiliates and persons with a special relationship that are subject to the Board approval under the FairTrade Act and the Commercial Act</li> </ul>
		<ul> <li>Report on health and safety plans for the Board approval</li> </ul>
Compliance	Board of	• Monitor fair trade, ethical management, compliance with foreign laws, economic sanctions, etc.
Compliance	Directors	• Establish and implement recurrence prevention measures in the event of violations
	A olit	Audit financial statements and internal accounting control systems
Finance Audit Committee		<ul> <li>Handle matters specified by relevant laws or the Articles of Association of incorporation and those delegated by the Board of Directors</li> </ul>
Internal	Internal Transaction	Review transactions with affiliates and parties in special relations that require the Board approval under the Monopoly Regulation and FairTrade Act and the Commercial Act
Transaction	Committee	<ul> <li>Oversee matters related to internal trade as deemed necessary by the Board of Directors or committees</li> </ul>
	Corporate	<ul> <li>Identify and monitor potential risks expected to impact CJ CheilJedang through materiality assessments</li> </ul>
Other (Non-financial)	Sustainability Committee	<ul> <li>Identify and address key issues related to ESG matters such as climate change and human rights management</li> </ul>
		• Review and approve the sustainability management strategy, direction, and performance

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#### RISK ASSESSMENT AND MITIGATION MEASURES

The risk management processes for climate change response, human rights, and health and safety are explained in the Material Topics. We also manage risks related to resource circulation, food safety, and the supply chain.

#### RISK ASSESSMENT AND MITIGATION MEASURES

RISK TYPE	RISK IDENTIFICATION AND ASSESSMENT	MEASURE FOR RISK MITIGATION
Compliance	Subject to various legal regulations due to operations across the food and BIO industries     Identification of compliance obligations and risk assessment of each obligation in three stages: high, medium, and low	Efforts to reduce risk by establishing five types of control activities     Monitoring risks to check implementation status and establishing additional control measures     Real-time updates on changes in laws and organizational restructuring through the compliance portal
Finance	Continuous monitoring by each responsible department, categorizing risks into market (foreign exchange, price, interest rate), credit, and liquidity risks     Impact analysis and severity assessment through simulations of each risk factor	Separation of market risk management and transaction verification tasks     Hedging strategy for price risk through interest rate swaps and derivatives transactions
Internal Transaction	Implementation of risk identification and assessment through the internal accounting control system risk assessment and design evaluation reports to identify the possibility of omission or distortion of internal transactions and key accounts     Review of materiality to establish quantitative criteria     Identification of significant accounts and notes     Identification of related management assertions     Identification of significant business processes	Change management controls to identify environmental changes that could affect internal transactions     Establishment of document and media security guidelines to prevent forgery and damage of accounting information     Inspection and corrective actions based on internal accounting control system regulations
Resource Circulation	Identification of risks such as microplastic emissions and GHG increases due to packaging waste     Risk assessment through analysis of external requirements and our implementation status	Selection of environmentally harmful or hard-to-recycle packaging materials as 'problematic materials' for phased discontinuation     Enhancement of waste management to achieve landfill waste reduction targets     Exploration of waste reduction and business opportunities through resource upcycling
Supply Chain	Risks arising from geopolitical instability induced by global sourcing, supply issues induced by exchange rates fluctuation, and regulations Risk assessment and prioritization in three stages (High, Medium, Low) considering the likelihood and scale of occurrence	Establishment of supply chain due diligence process and risk diagnosis     Mandatory signing of compliance with the Supplier Code of Conduct     Regular monitoring of supply chain risks
Food Safety and Quality	Identification of food safety risks for preventing potential food poisoning and strengthened packaging labeling regulations     Risk assessment and issuance of CJ EWS (CJ Early Warning System) Alarm documents considering the likelihood and scale of occurrence	Establishment of food safety and quality management processes and regular site inspections     Continuous monitoring of standardization of risk response measures and implementation to prevent recurrence of similar risks     Conducting training on food safety and quality risks such as process microorganisms and regulatory labeling risks

#### **EMERGING RISK MANAGEMENT**

CJ CheilJedang identifies potential risks expected to have a significant impact on future business over the next three years or more, analyzes them meticulously through its management organization, and responds accordingly. We proactively identify and address key potential risks that are expected to affect the company in the long term, thereby uncovering business opportunities.

#### EMERGING RISK MANAGEMENT

EMERGING RISK	DETAILS	CATEGORY	RISK IMPACT	MITIGATION ACTIVITY
Productivity Decline Due to Aging Production Workforce	Although no visible impact has been observed so far, productivity may decrease in 5–10 years as the rural production workforce ages. Given the company's reliance on grain raw materials such as soybeans and corn, this could potentially lead to increased product prices and quality risks in the future.	Economic/ Social	Price increases due to raw material supply shortages     Additional costs incurred to manage decreased customer satisfaction due to reduced productivity and logistics delays     REVENUE     Decreased sales due to reduced quality     OPERATIONS     Inability to secure key raw materials leads to disruptions in new product development and difficulties in entering new markets, ultimately reducing the long-term sustainability of the business	Efforts to diversify the supply chain, including securing new supply chains to respond to raw material procurement risks     Enhancing business sustainability through portfolio diversification
Communication Risks Related to Product Information Due to Advancements in Information Processing Technologies Such as Al	With the development of information technologies, including AI, it is now possible to track temperature, humidity, and location information in real-time throughout the entire process from production to transportation, storage, and sales. This enhances consumer accessibility and transparency regarding product information. Consequently, a transparent communication strategy for product information is considered a differentiating factor for corporate competitiveness. Furthermore, the potential for risk arises due to regulatory legislation on inaccurate or misleading communications, such as the EU Packaging Law, the Green Claims Directive, and the U.S. FTC Green Guides.	Technical/ Economic	Investment costs for IoT technology to ensure value chain traceability     Increased management costs to ensure transparency and traceability in the supply chain (short-term increase in supply chain instability)     Differentiation of business competitiveness through customer marketing and communication strategies	Expanding the scope of supply chain ESG risk management to ensure supply chain traceability     Strengthening supply chain ESG management capabilities by applying supply chain ESG guidelines across the company in accordance with domestic and international regulations

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#### RISK MANAGEMENT CULTURE

CJ CheilJedang aims to create and internalize a risk management culture where employees recognize the importance of risk management and continuously engage in risk mitigation activities. Systematic processes for risk identification, management, and mitigation are integrated into KPIs, and employees receive relevant risk education.

#### RISK MANAGEMENT TRAINING

- Understanding of ISO 37301 and Risk Identification Training
- Integrity Training for All Employees
- Workplace Sexual Harassment Prevention Training
- · Workplace Disability Awareness Improvement Training
- Mandatory Regular Safety Training
- · Information Security Training

#### TRANSPARENT TAX MANAGEMENT

CJ CheilJedang is committed to complying with various national and local tax laws and regulations by implementing the CJ CheilJedang Tax Policy in each country and business site to ensure effective tax management. This policy is managed by a dedicated team of experts who meticulously monitor and respond to the tax environments of each country. When significant tax issues arise, we consult with external experts to carefully review potential risks, and important review outcomes are incorporated into the Tax Policy. Additionally, any amendments to the Tax Policy are subject to approval by a committee within the Board of Directors, contributing to the company's stability and credibility.



#### **TAX GOVERNANCE**

At CJ CheilJedang, we strictly comply with applicable tax laws in all jurisdictions where we operate under our Tax Policy, which is based on our core value of "integrity." The policy, established in 2017, is regularly reviewed. In 2023, it was revised for the fourth time to clarify tax compliance standards in response to the expansion of international transactions, and this revision was approved by the Board of Directors in May 2024. The Chief Financial Officer (CFO) of the Financial Operations Office, who possesses accurate understanding and strategic judgment regarding tax matters, has ultimate responsibility for all tax-related issues. When issues arise, they are monitored at the practical level across the entire operation, and once identified, additional reviews by a specialized tax team are conducted before reporting to the CFO.

#### STAKEHOLDER ENGAGEMENT AND MANAGEMENT OF INTERESTS

CJ CheilJedang has established a reasonable transfer pricing policy for its cross-border transactions with overseas subsidiaries that aligns with domestic tax laws and transfer pricing guidelines. The goal of this transfer pricing policy is to set transaction prices reasonably in international transactions to comply with both domestic and international tax laws. CJ CheilJedang faithfully fulfills its obligations to pay corporate taxes and other duties and adheres to the required submission of documentation and reporting procedures as required by the tax laws of the countries where its global sites are located. Additionally, CJ CheilJedang maintains a transparent and cooperative relationship with tax authorities in each country.

#### TAX RISK MANAGEMENT

CJ CheilJedang strives to prevent tax risks that may arise from all domestic and international transactions related to our business. We consider compliance as the most critical factor in managing various tax risks. To proactively prevent tax risks, we follow our own processes for managing and monitoring tax laws and information in each country in which we operate. Through this, we identify differences in country-specific tax laws and prevent potential risks through control activities on corporate taxes under our internal accounting control system.

#### TAX RISK MANAGEMENT PROCESS

IDENTIFY	AND	RECOGNIZE RISKS
Analyzo o	vtorn	al economic

· Review domestic and international

conditions and business

laws and tax practices

environment

Analyze potential risks and impacts

ANALYZE RISKS

- Establish risk-specific scenarios
- Establish response measures

**RESPOND TO RISKS** 

- Develop processes to prevent recurrence
- Risk monitoring

#### TAX PAYMENT AND EFFECTIVE TAX RATES

CATEGORY		UNIT	2021	2022	2023
	Earnings before tax	KRW 100 million	12,178	12,455	7,320
	Income tax expenses	KRW 100 million	3,254	4,428	1,725
Including logistics business	Effective tax rate	%	26.72	35.55	23.57
Duomicoo	Cash taxes paid	KRW 100 million	4,696	3,688	2,327
	Cash tax rate	%	38.56	29.61	31.78
	Earnings before tax	KRW 100 million	9,244	9,840	4,322
	Income tax expenses	KRW 100 million	2,521	3,770	852
Excluding logistics business	Effective tax rate	%	27.27	38.31	19.71
Dudiness	Cash taxes paid	KRW 100 million	3,848	2,915	1,688
	Cash tax rate	%	41.63	29.62	39.06

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## Compliance Management

CJ CheilJedang strives to establish and practice compliance management based on the core principle of "integrity." We conduct self-inspections on compliance with relevant laws and regulations in our business operations, aiming to prevent unlawful practices in advance and systematically respond to various legal risks through compliance controls.

#### **COMPLIANCE GOVERNANCE**

CJ CheilJedang operates company-wide compliance teams, with a compliance officer supporting the company's compliance-related decision-making. To promote the systematic establishment of compliance, we operate the Compliance Management Committee, a decision-making body under the CEO that addresses compliance issues. The Compliance Management Committee is composed of the CEO, Compliance Officers, and other relevant personnel.

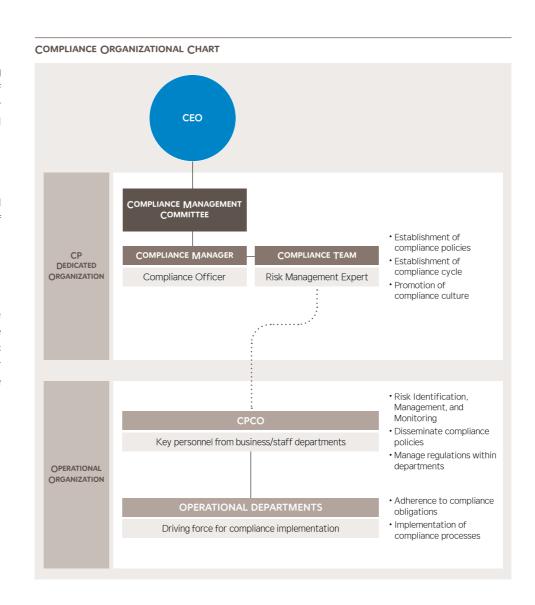
#### OPERATION OF CPCO (COMPLIANCE COORDINATOR)

CJ CheilJedang operates the CPCO system to promote on-site compliance implementation and foster a culture of compliance. CPCOs are composed of core personnel from business and staff departments who work closely with compliance teams.

### **COMPLIANCE POLICY**

CJ CheilJedang has established the 'CJ Code of Conduct' to ensure that all employees practice ethical management in their tasks. We actively promote 'CJ Code of Conduct' throughout the organization. Additionally, we have developed various practical guidelines to reflect domestic and overseas regulatory trends, including the CJ Global Anti-Corruption Policy, CJ Global Fair Competition Policy, CJ Global Privacy Policy, Fair Trade Guidelines, Anti-Bribery Compliance Guidelines, and CJ Global Economic Sanctions Compliance Policy.

CJ Code of Conduct



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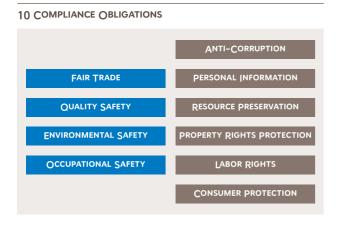


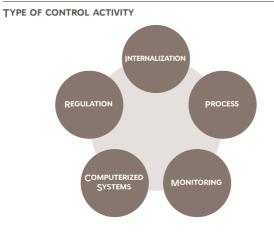
#### COMPLIANCE RISK MANAGEMENT

#### **RISK MONITORING**

CJ CheilJedang is enhancing its risk monitoring process to predict and effectively respond to compliance risks in advance. Risk monitoring involves identifying and assessing compliance program (CP) obligations that each department must adhere to during their business activities and checking the compliance of control activities to reduce legal risks. This monitoring is conducted in two stages. In the first stage, legal experts from the legal affairs department provide individual consultations to strengthen the connection between business operations and compliance.

#### RISK MONITORING FIRST STAGE RISK MONITORING: IDENTIFICATION AND ASSESSMENT SECOND STAGE RISK MONITORING; INSPECTION AND IMPROVEMENT STEP 1 STEP 2 STEP 3 STEP 4 STEP 5 **IDENTIFICATION OF ESTABLISHMENT OF ESTABLISHMENT OF** RISK ASSESSMENT COMPLIANCE CHECK CONTROL ACTIVITIES MPROVEMENT MEASURES COMPLIANCE OBLIGATIONS Identify compliance Evaluate the risk level of Set five types of control Inspect compliance with Assess the remaining risks obligations based on the each compliance obligation activities to reduce risk each legal obligation and and establish additional the performance of control control measures characteristics of each (CP obligation) in three department's business stages: high, medium, and activities activities and categorize them into 10 major obligation areas





#### **ESTABLISHMENT OF COMPLIANCE PORTAL**

To systematically manage legal risks that may arise during business operations, we have established a compliance portal based on the processes and operational experiences of the previously operated Compliance Management System 2.0. The system structure has been simplified to improve accessibility for business departments, and it is updated in real-time to reflect changes in laws or organizational restructuring.

#### **COMPLIANCE ACTIVITIES**

## THIRD-PARTY VERIFICATION: ISO 37301 RE-CERTIFICATION

CJ CheilJedang obtained the international compliance standard certification ISO 37301 in 2020 and maintained the certification through annual follow-up audits. In 2023, as the certification period was ending, we underwent a re-certification audit.

Our compliance system and operations were recognized for their excellence, leading to our successful completion of the re-certification audit. As a result, CJ CheilJedang became the world's first company to complete the entire process from initial certification to re-certification for ISO 37301.

### KEY RISK MONITORING AND IMPROVEMENT ACTIVITIES

To proactively respond to regulatory changes and emerging issues, such as the enactment and amendment of various laws, we continuously perform monitoring and process improvement activities. In particular, in 2023, We have implemented an Al contract management system and improved the subcontract management process.

### RESULTS OF MONITORING AND PROCESS IMPROVEMENT ACTIVITIES

CATEGORY	DETAILS
Introduction of AI contract management system	Enhancement of review, execution, and management processes related to the Al contract management system
Subcontract management process	Improvement of subcontract management process reflecting regulatory trends such as the delivery payment linkage system
Subsidiaries compliance system	Establishment of compliance system including identification of legal obligations related to CJ Seafood

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#### PROMOTING A CULTURE OF ETHICAL MANAGEMENT

The CEO and key executives of CJ CheilJedang deliver company-wide messages at least twice a year, declaring their commitment to compliance management and emphasizing its importance to all employees. Additionally, all employees reaffirm their commitment to compliance by completing annual training and signing an ethical management pledge.

#### **COMPLIANCE TRAINING**

CJ CheilJedang conducted customized training sessions by organization, business, and topic to strengthen employees' compliance awareness and foster a compliance management mindset. We provided training to subsidiaries and business sites to support process improvements from a compliance perspective, aiding business departments in their operations and raising awareness of increasingly stringent regulations such as the Serious Accidents Punishment Act and a supply price indexation system. In 2023, we conducted a total of 16 training sessions.

#### **COMPLIANCE TRAINING CURRENT STATUS**

CATEGORY		DETAILS
		CJ Code of Conduct Training
		ISO 37301 Understanding and Risk Identification Training
Common T	raining	Employee Stock Trading Guide Training
		Compliance System Training (CPCO, factory owners)
		Training on Subcontract Payment and Delivery Payment Linkage System (target: business sites/subsidiaries, food procurement departments)
Fair Trade	Training on Major Violations of the Fair Trade Act and Subcontracting Act (target: procurement departments of our company and subsidiaries)	
		Training to Enhance Awareness of SMEs Technology Protection and Fair Technology Transactions (target: Purchasing, SCM, and research personnel)
		Industrial Accident Legal Response Guide Training
Business/	Occupational safety	Training on the Occupational Safety and Health Act and Industrial Accident Compensation Insurance Act for New Employees
Role	Salety	Training on Prosecution and Sentencing Cases under the Serious Accident Punishment Act
Specific	Business-	Training on Key Clauses and Precautions in Custom Contracts for White BIO
Training	Specific	Specialized Training on Legislative and Regulatory Trends in Smart Farming for Digital Farms
9		Training on the Purpose and Key Considerations of the Revised Standard Contract for Seafood
	Subsidiaries	Training on Key Aspects and Violation Cases Related to the Fair Trade Act and Subcontracting Act (including Subcontract Payment and Delivery Payment Linkage System)
	Others	Training on Board Resolutions, Disclosure Obligations, and Corporate Combination Filing Requirements

#### DISTRIBUTION OF REGULATORY TRENDS AND GUIDELINES

CJ CheilJedang has established guidelines to ensure that employees comply with major laws related to its business activities. These guidelines help employees understand the key contents of the laws, types of violations, and levels of sanctions. When major laws are revised or newly enacted, we prepare and distribute updates on the changes, implications, and points of caution, highlighting regulatory trends. In 2023, we distributed three guidelines, including the Industrial Accident Legal Response Guide, along with 18 regulatory updates covering areas such as fair trade, industrial practices, and environmental safety. This provided our employees with clear guidance based on the latest legal developments.

#### GLOBAL COMPLIANCE MANAGEMENT

As CJ CheilJedang continues to expand its global business, we have strengthened its overseas compliance management and and established a cooperative compliance framework between our headquarters and subsidiaries. Additionally, we have raised awareness by disseminating the CJ Code of Conduct and the four major global compliance policies: personal data protection, anti-corruption, fair competition, and economic sanctions.

#### GLOBAL COMPLIANCE MANAGEMENT RESPONSE

ESTABLISH GLOBAL CORPORATION COMPLIANCE SYSTEMS

- Designate compliance officers in overseas subsidiaries and conduct regular meetings to facilitate
- Enhancing compliance standards of at overseas subsidiaries through a cooperative framework with Headquarter compliance personnel

INSTILL
CJ PEOPLE'S
PROMISE AND
GLOBAL
POLICIES

- Training on CJ Code of Conduct and 4 Global Compliance Policies
- Enhance compliance awareness among employees of overseas subsidiaries

REVIEW AND IMPROVE COMPLIANCE AWARENESS

- Assess the compliance awareness level of global employees through surveys
- Incorporate the results into compliance activity plans to continuously enhance the system

STRENGTHEN COMPLIANCE MINDSET

- Declare commitment to compliance by global executives
- Establish compliance governance
- Training and awareness monitoring

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## Information Security

CJ CheilJedang is committed to protecting and securely managing consumer personal information and corporate information assets by implementing information protection measures that comply with domestic and international standards and regulations. We adhere to relevant laws and regulations, establish and revise the Personal Information Processing Policy, designate security officers for the entire company and each business unit, diagnose vulnerabilities, and implement security solutions. Through these efforts, we aim to comply with data protection laws in each overseas site and prevent the leakage of important corporate R&D assets, thereby maintaining continuous global technological leadership.

#### INFORMATION SECURITY GOVERNANCE

· Review of compliance with personal

procedures

information protection regulations and

To carry out CJ CheilJedang's information protection activities systematically and effectively, we have established the Information Security Committee and the Information Security Taskforce directly under the CEO, and operate a dedicated information protection team. The team is responsible for establishing, managing, and operating the information protection management system and is overseen by the Chief Information Security Officer (CISO). The CISO also serves as the Chief Privacy Officer (CPO). This dual role is filled by an executive with extensive experience in information security, ensuring that incidents of information leakage and critical technological assets are effectively managed.

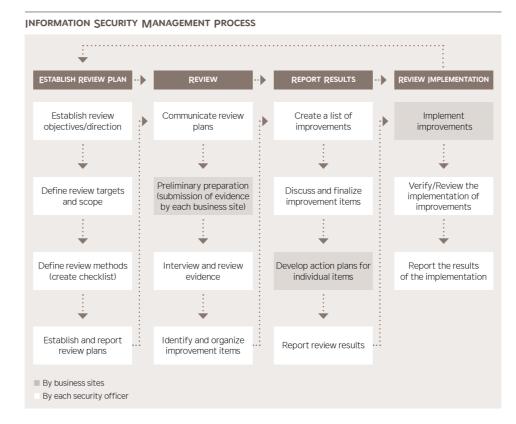
#### INFORMATION SECURITY GOVERNANCE CEO · Purpose: Approval of major personal information protection matters and final decision-making INFORMATION SECURITY Frequency: Monthly · Composition: COMMITTEE Chairperson | Chief Information Security Officer Members | CEO (Head of Management Support), Heads of the (Food/BIO) CHIEF INFORMATION SECURITY OFFICER/ The CISO also serves as the Personal Information Protection Officer CHIEF PRIVACY OFFICER Oversee and supervise all personal information and information protection tasks (CISO/CPO) · Purpose: Share, coordinate, review, and discuss improvements related to practical information protection tasks INFORMATION SECURITY · Frequency: Once a month **TASKFORCE** · Composition: Chairperson | Chief Information Security Officer Members | Information Protection Managers, each security staff member · Establish and manage the implementation of information protection plans NFORMATION SECURITY MANAGER Practical management of information protection tasks ERSONAL INFORMATION PROTECTION IT SECURITY · Security checks and technical Conduct risk management activities such Be Responsible for physical, safeguards for personal information as analyzing technical and administrative administrative, and technical security processing systems vulnerabilities at research centers and manufacturing

· Establish and monitor security policies,

and conduct security checks

#### INFORMATION SECURITY MANAGEMENT PROCESS

To enhance technical, administrative, and physical security at both domestic and overseas sites, CJ CheilJedang has formalized its information protection processes. We have established a fourstep process to ensure a systematic security review: planning, execution, reporting results, implementation review. This process is conducted twice a year.



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#### INFORMATION SECURITY ACTIVITY

CJ CheilJedang is committed to enhancing information security awareness among its employees and promoting voluntary information protection activities through various information security campaigns. In 2023, we implemented not only employee training but also provided information security guides, conducted malicious email simulation training, and carried out security campaigns for overseas subsidiaries.

#### INFORMATION SECURITY CAMPAIGN

CATEGORY	DETAIL
Employee Training	Conducting an annual mandatory training course.
Information Security Guide	Regularly posting information security newsletters on the company intranet (CJ-World), including 'Security Guide for Safe Video Conferences,' Chat GPT usage security guide, etc.
Malicious Email Simulation Training	Conducting regular simulation training to prevent malware infections
Overseas Subsidiary Security Campaign	Conducting inspections and posting information security awareness posters to improve security awareness and management capabilities at overseas subsidiaries



#### INFORMATION SECURITY SYSTEM CERTIFICATION

- The Information Security Management System (ISMS): Initially obtained in 2016, upgraded to ISMS-P in 2020 to include personal information security. Undergoing annual audits and renewals.
- ISO/IEC 27001 Certification: Achieved in 2023, meeting international standards





#### PERSONAL INFORMATION INCIDENT CASES

In 2022 and 2023, there were no complaints related to violations of customer personal information protection from either our company or external organizations. Additionally, there were no cases of customer data breaches, thefts, or losses.

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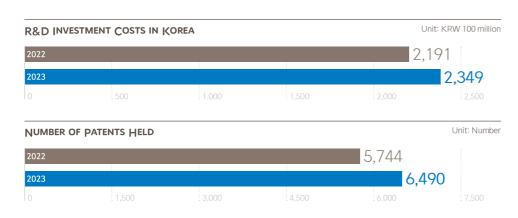
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### Innovation

#### **R&D INVESTMENT FOR A SUSTAINABLE FUTURE**

CJ CheilJedang focuses on developing high-value-added products by leveraging leading research personnel and advanced infrastructure. Since establishing its first food research institute in 1978, then CJ CheilJedang founded CJ Blossom Park in 2017, Korea's largest interdisciplinary research center focused on food, biotechnology, and future technologies. This facility provides various support spaces to accelerate technological development. Recently, CJ Blossom Park received lab accreditation for 'Acceptance of Client Testing (A.C.T) for Biodegradability' from TÜV SÜD, a global testing and certification organization based in Germany, further affirming its R&D facilities and analytical capabilities on an international level. This will make it easier to obtain TÜV-certified data for products using biomaterials like PHA. CJ CheilJedang remains committed to preparing for a sustainable future and aims to contribute to the advancement of the food and biotechnology industries through ongoing research and development.



#### **R&D PARTNERSHIP**

CJ CheilJedang collaborates with domestic and international academic societies and consortia to develop healthy and nutritious foods, innovative product solutions, and advanced packaging. By working with experts and seeking their advice, we enhance our research competitiveness. Additionally, through partnerships with various entities, we swiftly apply core technologies to the market, enter new markets, and expand our portfolio.

#### **R&D PARTNERSHIP**

#### KEY MEMBERSHIPS

- · Foodvalley: Insights into protein transition and food processing, networking with key stakeholders
- StartLife: Networking with key European stakeholders
- Bridge2food: Annual membership in the European Plant-based Foods Ecosystem<sup>1)</sup>
- · MISTA: corporate sponsor membership with R&D MISTA Ecosystem
- 4evergreen: eco-friendly research consortium (4evergreen circular fibre forward)
- · SPC: Promotion of eco-friendly packaging collaboration.

#### KEY ACADEMIC CONFERENCES

- The Korean Nutrition Society (KNS)
- Korean Society of Food Science and Technology (KoSFoST)
- Korean Food Freezing Technology Association (KFFA)
- The Korean Society for Microbiology and Biotechnology (KMB)
- · Korean Chemical Society Organic Chemistry Division
- The Korean Society for Biotechnology and Bioengineering (KSBB)
- · Korean Society for Enzyme Engineering
- Korea Federation of Culture Collection (KFCC)

#### CASE, CJ CHEILJEDANG PARTNERS WITH MED-TECH COMPANY T&R BIOFAB FOR THE FUTURE OF FOOD

In 2023, CJ CheilJedang entered into a joint development agreement with T&R Biofab to develop meat alternatives using 3D bioprinting technology. This collaboration aims to overcome existing limitations in taste, texture, appearance, and nutrition of plant-based foods, accelerating innovation for growth of future food. The meat alternatives market, projected to grow from \$24.9 billion in 2020 to \$162 billion by 2030, faces the significant challenge of replicating the texture and nutrition of animal-based foods. Through this agreement, CJ CheilJedang and T&R Biofab plan to combine their expertise to enhance their competitive edge and secure growth momentum in the global market. Additionally, as another example of technology development and investment for securing sustainable future food, CJ CheilJedang launched two types of functional beverages called 'Wellness Shots' in 2021 through open innovation with Better Monday Coffee, utilizing fermentation technology and lactic acid bacteria strains to enter the functional beverage market.

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<sup>1)</sup> Platform for plant-based food manufacturers, materials producers, and academia

#### PARTICIPATION IN THE NIZO CONSORTIUM FOR GLOBAL FERMENTED FOOD DEVELOPMENT

CJ CheilJedang has joined a consortium led by NIZO, one of Europe's top three food research institutes. The consortium includes industry leaders such as DSM-Firmenich, Lesaffre, and Yakult Nederland B.V. The primary goal of this consortium is to explore the impact of fermented foods on the composition and metabolism of the human gut microbiome, thereby enhancing the added value of fermented foods for consumers. To this end, we have been researching the control of beneficial intestinal microorganisms and the biological changes of metabolites since June 2023. By collaborating with leading global research institutions, we seek to integrate the latest scientific discoveries and advanced technologies into our products, thereby strengthening our technological capabilities and competitive edge.



#### BIO BUSINESS

#### 100% BIO POLYAMIDE (POLYAMIDE, PA) DEVELOPMENT

CJ CheilJedang has developed a high-quality, high-purity polyamide made from 100% bio-based nylon, which can replace conventional petroleum-based materials. Traditionally used polyamides have caused environmental pollution due to increased carbon emissions during production and disposal. The newly developed bio-polyamide is can be tailored from hard to soft properties through combinations of bio-building blocks. It is applicable across various industries such as the automotive, electrical, electronics, and textile sectors. This bio-polyamide boasts excellent durability, heat resistance, and flame retardancy comparable to conventional chemical-based products.



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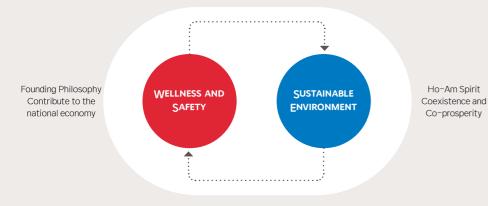
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### Social Contributions

#### SOCIAL CONTRIBUTION STRATEGY SYSTEM



Since establishing the industry's first dedicated social contribution department in 1999, CJ CheilJedang has consistently engaged in social contribution activities in areas where it excels and where there are social needs. The company focuses on industry-linked social contribution activities to create core values of "wellness and safety," and "a sustainable environment". Additionally, CJ Cheil Jedang supports community development through various food donation programs, including the Food Bank initiative launched In 1999, as well as through volunteer activities.

#### **ACTIVITIES FOR THE COMMUNITY**

#### HOPE FOOD PACK



The Hope Food Pack, in collaboration with Food Bank, provides food packages to vulnerable groups and promotes healthy lifestyle habits. CJ CheilJedang delivers five food packages annually to 2,000 children selected from 73 local child welfare centers nationwide. Each year, the company donates products worth approximately KRW 200 million, including Hetbahn, Cupbahn, bibigo soup dishes, and Spam. These products are distributed on weekends and other days when school meals are unavailable, as many children at local child welfare centers skip meals due to their parents working full-time. In 2024, Mijungdang, a partner of CJ CheilJedang for 20 years, will join the Hope Food Pack campaign, further enhancing the value of the company's social contribution efforts.





#### GOODWILL STORE CREATING EMPLOYMENT OPPORTUNITIES FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES



CJ CheilJedang donates food to the Miral Welfare Foundation's Goodwill Store, which provides salaries and jobs to employees with disabilities using proceeds from items donated by individuals and companies. In 2023, CJ CheilJedang donated approximately 1.63 million food items to Goodwill Stores nationwide, generating over KRW 2.2 billion in sales from CJ CheilJedang's donated products. This revenue supports the salaries of 124 employees with disabilities at Goodwill Stores each month, aiding their economic independence.

Additionally, the initiative helps reevaluate the value of food nearing its expiration date and raises awareness about food consumption periods. Furthermore, Goodwill Stores donate 1% of the sales from CJ CheilJedang's donated products to the United Nations World Food Programme (WFP), supporting efforts to address global hunger issues.



Goodwill Store Employees with Disabilities: Employed for 30 hours a week (guaranteed minimum wage, weekly holiday allowance, four major insurances, and retirement pension provided).



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#### THE CT CHEILTEDANG SHARING REFRIGERATOR CAMPAIGN



The CJ CheilJedang Sharing Refrigerator Campaign is a public-private partnership between Seoul Metropolitan Government and the company aimed at supporting youth by providing food and enhancing

food security and nutrition through community-based projects. Since its launch in 2021, the campaign has supplied refrigerated and frozen foods, including Hetbahn, to four Seoul Youth Centers. This initiative goes beyond simple donations by creating opportunities for youth to engage with society and foster communication with the broader community. In 2023, food packages were provided to approximately 6,000 young people. Programs such as Cooking Class, which teaches cooking skills and helps rebuild social networks, and the Sharing Lunch Box Program, which supports youth in welfare blind spots by offering cooking information and various support resources, were also conducted. In 2024, the plan is to expand both the operation base and the scale of food support for vulnerable youth groups, focusing on improving dietary habits.

#### ADOPTION OF THE SECOND "ADOPT-A-BEACH"



CJ CheilJedang has engaged with the local community and partnered with the Ministry of Oceans and Fisheries to run the "Adopt-a-Beach" project, which involves consistently caring for a

designated beach, similar to caring for a pet. In celebration of World Oceans Day, CJ CheilJedang has adopted Dadaepo Beach in Saha-gu, Busan, as its second "adopted beach," following the adoption of Masian Beach in Yeongjongdo, Incheon. We have been taking care of Masian Beach for three years and plan to conduct more than three marine conservation activities annually at Dadaepo Beach. On World Oceans Day, employees participated in cleaning activities at the adopted beaches, and the collected waste is utilized as data to address marine environmental issues. As part of our ESG management, CJ CheilJedang actively participates in environmental conservation.

#### CT DONORSCAMP SPORTS DAY



CJ CheilJedang, in collaboration with CJ Donorscamp, the social contribution platform of

CJ Welfare Foundation, organized a sports event to help children reestablish their daily routines and

promote healthy growth. This initiative aims to address the decline in physical and emotional well-being resulting from reduced outdoor activities. Approximately 3,000 children from 130 child welfare centers nationwide and around 200 CJ employee volunteers participated. The event spanned two months, beginning with online preliminary rounds in April and culminating in the offline finals. Of the child welfare centers that participated in the online preliminaries, around 200 children from 8 centers advanced to the finals. The final event, held offline last June, included engaging and accessible activities such as group ball rolling, limbo games, and dance competitions, ensuring that everyone from children to adults could participate and enjoy the sports day.







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#### **GLOBAL SOCIAL CONTRIBUTION ACTIVITIES**



#### **INDONESIA**

#### RAMADAN ESSENTIAL GOODS SUPPORT INITIATIVE

In observance of Ramadan, the Islamic holy month of fasting (from March 10 to April 9), CJ CheilJedang distributed 4,100 boxes of essential goods to marginalized communities in Indonesia. The Ramadan essential goods support activity is a long-standing social contribution initiative that CJ CheilJedang has maintained for several years. In line with the religious practices of Ramadan, which emphasizes selflessness and compassion for the hungry, CJ CheilJedang launched this initiative to support underserved communities.

### BUILD A FUTURE EDUCATIONAL ENVIRONMENT

Established in 1997, CJ CheilJedang's Jombang Plant in Indonesia has consistently engaged in ESG activities. Notably, in 2023, the plant hosted an environmental education program for 200 elementary school students. Through this initiative, CJ aims to instill the importance of environmental protection and the intrinsic value of nature in children. The company plans to continue offering various educational activities to further this goal.



#### VIETNAM

#### THE 'GIRLS' EDUCATION CAMPAIGN IN VIETNAM'

CJ CheilJedang has been conducting the 'Girls' Education Campaign in Vietnam' which aims to improve educational accessibility for ethnic minority girls in Vietnam and enhancing female employment opportunities. The first phase of the project ran for three years, starting in 2019, and the second phase launched in 2023 and will continue for the next two years. To foster a healthy educational environment and raise awareness of girls' education among ethnic minority girls in Vietnam, the project involved a wide range of participants, including parents, local residents, and teachers. It supports practical activities such as offering diverse educational programs, career exploration opportunities, and assistance with female employment. As a result of the 'Girls' Education Campaign in Vietnam', the middle school enrollment rate among participating students increased by approximately 8%, and the high school enrollment rate increased by over 10%, contributing to the establishment of a sustainable environment for girls' education and raising awareness. In recognition of these efforts, CJ CheilJedang received a commendation from the Minister of Education and Training of Vietnam in October 2023.







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criteria and exclusions for each data outside the basic scope are indicated in the footnotes, and the scope of the information is different from that of previous reporting periods and has been re-compiled and disclosed for a three-year period. Therefore, the figures may differ from those reported in previous periods.

CATEGORY	ENTITY NAME
HQ(Headquarters)	CJ CheilJedang's headquarters, R&D center, and 15 domestic manufacturing sites
Domestic	9 domestic subsidiaries including HQ CJ Bioscience, CJ Wellcare, CJ Seafood, CJ Breeding, Wonji, Samhae, CJ MD1, Dondon Farm, CJ Feed&Care
Overseas (Manufacturing only)	16 Overseas manufacturing subsidiaries CJ QINGDAO FOODS CO., LTD., CJ (BEIJING) FOOD CO., LTD., CJ FOODS VIETNAM CO., LTD., CJ (LIAOCHENG) FOOD CO., LTD., CJ DCH GUANGDONG FROZEN FOOD CO., LTD., CJ CAU TRE FOODS JOINT STOCK COMPANY, PT CHEILJEDANG INDONESIA, CJ BIO MALAYSIA SDN. BHD., CJ BIO AMERICA INC, CJ (SHENYANG) BIOTECH CO., LTD., CJ YOUTELL (SHANDONG)BIOTECH CO., LTD, CJ FEED INGREDIENT VIETNAM CO., LTD.CJ YOUTELL (HUNAN)BIOTECH CO., LTD, CJ LIAOCHENG BIOTECH CO., LTD., CJ VINA AGRI CO., LTD. CJ DO BRAZIL IND. COM. PROD. ALIM. LTDA.
Overseas	All overseas subsidiaries, including 16 manufacturing and 7 in sales.  CJ INTERNATIONAL TRADING CO., LTD., CJ EUROPE GMBH., CJ BIO APAC., LTD., CJ BIO RUS, CJ BIOMATERIALS, INC.

In the Fact Sheet, the 33 subsidiaries in the scope of this year's reporting are labeled with the following designators. The collection

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### Environment

#### GREENHOUSE GAS1) (SCOPE 1+2)2)

Reporting scope: Domestic+Overseas (Manufacturing)

CATEGORY	UNIT	2021	2022	2023
Direct & indirect GHG emissions (Scope 1+2)	Thousand tCO₂eq	4,395	4,168	3,325
Direct GHG emissions(Scope 1)	Thousand tCO₂eq	2,877	2,823	2,196
- Domestic	Thousand tCO₂eq	220	243	206
- Overseas	Thousand tCO₂eq	2,657	2,580	1,990
Indirect GHG emissions(Scope 2)	Thousand tCO₂eq	1,518	1,345	1,129
- Domestic	Thousand tCO₂eq	260	266	261
- Overseas	Thousand tCO₂eq	1,258	1,079	868
GHG emission intensity	tCO <sub>2</sub> eq/product-ton	0.785	0.737	0.629
- Domestic	tCO <sub>2</sub> eq/product-ton	0.147	0.158	0.151
- Overseas	tCO <sub>2</sub> eq/product-ton	1.669	1.5	1.301

- 1) The GHG calculation standards comply with the "Guidelines for Reporting and Certification of Emissions under the Emissions Trading System" for domestic emissions and the IPCC 2006 Guidelines for overseas emissions. Unlike previous reporting periods, some subsidiaries have been revised due to the enhancement of emission factors and the expansion of calculation coverage.
- 2) The Scope 1 and 2 emissions data collection scope excludes CJ Breeding, CJ MD1, CJ Wellcare and CJ YOUTELL(HUNAN) BIOTECH CO.,LTD.which have not undergone GHG verification.

#### GREENHOUSE GAS1) (SCOPE 3)

Reporting scope: Domestic+Overseas (Manufacturing)

CATEGORY		UNIT	2021	2022	2023
Other GHG emissions (Scope 3)		Thousand tCO₂eq	10,303	10,286	9,528
	Cat. 1 Purchased product and services	Thousand tCO₂eq	8,458	8,347	7,478
Upstream <sup>2)</sup>	Cat. 3 Fuel and energy activities	Thousand tCO₂eq	1,204	1,177	1,095
Opstream*	Cat. 4 Upstream logistics	Thousand tCO <sub>2</sub> eq	382	414	325
	Cat. 5 Waste from operations	Thousand tCO <sub>2</sub> eq	36	36	41
Downstream <sup>3)</sup>	Cat. 9 Downstream logistics	Thousand tCO₂eq	168	255	537
Downstream	Cat. 12 Disposing of sold products	Thousand tCO₂eq	55	57	52

- 1) The GHG calculation standards comply with the "Guidelines for Reporting and Certification of Emissions under the Emissions Trading System" for domestic emissions and the IPCC 2006 Guidelines for overseas emissions. Unlike previous reporting periods, some subsidiaries have been revised due to the enhancement of emission factors and the expansion of calculation coverage.
- 2) The following subsidiaries are included in the Scope 3 emissions upstream inventory.
- -CJ CheilJedang, CJ BIO America Inc, CJ BIO Malaysia SDN. BHD, CJ do Brazil, CJ Feed Ingredient Vietnam Co., Ltd, CJ Liaocheng Biotech Co., Ltd, CJ Selecta S.A.(Up for sale in FY2024), CJ YOUTELL(SHANGDONG)BIOTECH CO., LTD, Liaocheng Lantian Congeneration Plant Co., LTD, PT CHEIL JEDANG INDONESIA
- 3) The following subsidiaries are included in the Scope 3 emissions downstream inventory.
- -All domestic Food business unit subsidiaries and all BIO business unit subsidiaries(excludes CJ YOUTELL(HUNAN)BIOTECH CO.,LTD.)

#### ENERGY<sup>1)</sup>

Reporting scope: Domestic+Overseas (Manufacturing)

CATEGOR	CATEGORY		2021	2022	2023
Total Ene	ergy consumption	TJ	81,242	82,549	71,249
	- Domestic	ТЈ	12,033	12,192	11,718
	- Overseas	TJ	69,209	70,357	59,531
Total No	n-renewable Energy consumption <sup>2)</sup>	TJ	78,261	74,367	58,876
	- Domestic	TJ	10,893	10,995	10,544
	Fuel	TJ	4,339	4,288	4,020
	Electricity	TJ	5,244	5,349	5,221
	Steam	TJ	1,310	1,358	1,303
	- Overseas	TJ	67,368	63,372	48,332
	Fuel	TJ	32,364	31,324	23,975
	Electricity	TJ	18,585	17,351	15,410
	Steam	TJ	16,419	14,697	8,947
Total Rer	newable Energy consumption <sup>3)</sup>	TJ 2,981 8,182		12,373	
	- Domestic	TJ	1,140	1,197	1,174
	Fuel	TJ	0	0	0
	Purchased Electricity	TJ	0	0	0
	Purchased Steam	TJ	1,134	1,187	1,129
	Self-produced Electricity	TJ	6	10	45
	Percentage of renewable energy consumption	%	9.5	9.8	10
	- Overseas	TJ	1,841	6,985	11,199
	Fuel	TJ	1,841	3,531	4,897
	Purchased Electricity	TJ	0	1,968	4,183
	Purchased Steam	TJ	0	1,486	2,119
	Self-produced Electricity	TJ	0	0	0
	Percentage of renewable energy consumption	%	2.7	9.9	18.8
Energy consumption intensity		TJ/product-ton	0.015	0.015	0.013
	- Domestic	TJ/product-ton	0.004	0.004	0.004
	- Overseas	TJ/product-ton	0.03	0.029	0.027

- 1) The scope of energy data reporting includes only those companies that have GHG verification at domestic + overseas manufacturing subsidiaries. (excluding CJ Wellcare, CJ Breeding, CJ MD1, CJ YOUTELL(HUNAN)BIOTECH CO.,LTD.)
- 2) Energy generated from non-renewable waste is classified as non-renewable energy under the Promotion of New and Renewable Energy Development, Utilization, and Supply Act.
- 3) Electricity purchased under power purchase agreements through the solar leasing business was classified as "Purchased" energy.

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#### WATER

Reporting scope: Domestic+Overseas (Manufacturing)

CATEGORY		UNIT	2021	2022	2023
Total Water with	otal Water withdrawn		52,181	56,548	56,301
Total Water with	drawn Intensity	Ton/product-ton	9.317	9.998	10.646
	Tap water	Thousand tons	17,304	19,414	18,508
	- Domestic	Thousand tons	6,717	6,789	6,410
	- Overseas	Thousand tons	10,587	12,625	12,098
	Groundwater	Thousand tons	7,869	10,642	10,140
	- Domestic	Thousand tons	54	25	6
	- Overseas	Thousand tons	7,815	10,617	10,134
	Surface water	Thousand tons	27,008	26,492	27,653
	- Domestic	Thousand tons	142	128	117
	- Overseas	Thousand tons	26,866	26,364	27,536
	Seawater and rainwater	Thousand tons	0	0	0
	- Domestic	Thousand tons	0	0	0
	- Overseas	Thousand tons	0	0	0
Total Water disc	harged	Thousand tons	32,067	33,195	33,432
Total Water disc	harged Intensity	Ton/product-ton	5.726	5.869	6.322
	- Domestic	Thousand tons	4,603	4,757	4,493
	- Overseas	Thousand tons	27,464	28,438	28,939
Total Water cons	sumed <sup>1)</sup>	Thousand tons	20,114	23,353	22,868
	- Domestic	Thousand tons	2,310	2,185	2,039
	- Overseas	Thousand tons	17,804	21,168	20,829
Total water recy	cled/reused	Thousand tons	7,634	7,371	7,697
	- Domestic	Thousand tons	265	460	715
	- Overseas	Thousand tons	7,369	6,911	6,982
Total water recy	cling rate	%	12.8	11.5	12.0
	- Domestic	%	3.7	6.2	9.9
	- Overseas	%	14.0	12.2	12.3

<sup>1)</sup> Water withdrawn - Water discharged

WATER (BY MANUFACTURING SITE OF CT CHEILTEDANG)

CATEGORY	UNIT			TOTAL	TOTAL	
CATEGORI	Oivii	WITHDRAWN	RECYCLED	DISCHARGED	USED <sup>1)</sup>	CONSUMED 2)
Incheon Plant 1	Thousand tons	617	299	226	916	391
Incheon Plant 2	Thousand tons	468	0	224	468	244
Incheon Plant 3	Thousand tons	47	0	38	47	9
Yeongdeungpo Plant	Thousand tons	56	0	1	56	55
Yangsan Plant	Thousand tons	34	0	11	34	23
Busan Plant	Thousand tons	1,201	7	778	1,208	423
Jincheon Plant <sup>3)</sup>	Thousand tons	726	0	504	726	222
Jincheon Plant 3	Thousand tons	98	0	255	98	-157
Nonsan Plant	Thousand tons	239	0	190	239	49
Gongju Plant	Thousand tons	83	0	66	83	17
Incheon Freezing Plant	Thousand tons	310	38	291	348	19
Namwon Plant	Thousand tons	173	0	133	173	40
Jincheon Blossom Campus	Thousand tons	1,282	0	893	1,282	389
Ansan Plant	Thousand tons	821	372	773	1,193	48

<sup>1)</sup> Total used = withdrawn + recycled

#### **POLLUTANTS**

Reporting scope: Domestic+Overseas (Manufacturing)

CATEGORY		UNIT	2021	2022	2023
	Biological Oxygen Demand (BOD)	Ton	1,959	1,820	2,246
	- Domestic	Ton	571	542	699
	- Overseas	Ton	1,388	1,278	1,547
	Chemical Oxygen Demand (COD)	Ton	4,645	4,213	4,416
Water pollutant emissions	- Domestic	Ton	186	2	2
	- Overseas	Ton	4,459	4,211	4,414
	Total Organic Carbon (TOC) 1)	Ton	36	302	375
	- Domestic	Ton	36	302	375
	Suspended Solids(SS)	Ton	780	947	777
	- Domestic	Ton	144	172	180
	- Overseas	Ton	636	775	597
	Nitrogen Oxide (NOx)	Ton	1,017	795	504
	- Domestic	Ton	80	81	85
	- Overseas	Ton	937	714	419
	Sulfur Oxide (SOx)	Ton	448	316	268
Air pollutant emissions	- Domestic	Ton	23	5	7
	- Overseas	Ton	425	311	261
	Particulate Matter (PM)	Ton	285	219	298
	- Domestic	Ton	34	35	20
	- Overseas	Ton	251	184	278

<sup>1)</sup> As the indicator of organic matter among water pollutants in in South Korea's Water Environment Protection Act was changed from COD to TOC, Korea has been disclosing TOC since 2022.

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<sup>2)</sup> Total consumed = withdrawn - discharged

<sup>3)</sup> Some of the wastewater discharged from Jincheon Plant is treated jointly at the wastewater treatment facility of Jincheon Plant 3, located on an adjacent site, resulting in the total consumption for Jincheon Plant 3 being recorded negative.

CATEGORY	UNIT	2021	2022	2023
Total amount of wastes generated	Ton	340,748	386,326	595,295
- Domestic	Ton	67,695	72,672	70,603
- Overseas	Ton	273,053	313,654	524,692
General wastes	Ton	268,701	312,327	537,843
Recycled	Ton	168,866	205,407	416,706
- Domestic	Ton	59,297	65,658	65,132
- Overseas <sup>2)</sup>	Ton	109,569	139,749	351,574
Incinerated (energy recovered)	Ton	9,682	21,230	20,583
- Domestic	Ton	7,623	6,303	4,694
- Overseas	Ton	2,059	14,927	15,889
Incinerated (energy not recovered)	Ton	1,276	1,565	1,208
- Domestic	Ton	306	421	473
- Overseas	Ton	970	1,144	735
Landfilled	Ton	3,416	4,357	3,618
- Domestic	Ton	180	8	22
- Overseas	Ton	3,236	4,349	3,596
Other	Ton	85,461	79,768	95,728
- Domestic	Ton	0	0	0
- Overseas	Ton	85,461	79,768	95,728
Designated wastes	Ton	72,047	73,999	57,452
Recycled	Ton	1,084	2,370	3,589
- Domestic	Ton	153	169	150
- Overseas	Ton	931	2,201	3,439
Incinerated (energy recovered)	Ton	137	109	117
- Domestic	Ton	133	106	112
- Overseas	Ton	4	3	5
Incinerated (energy not recovered)	Ton	2,911	3,312	1,797
- Domestic	Ton	1	4	12
- Overseas	Ton	2,910	3,308	1,785
Landfilled	Ton	26	23	9
- Domestic	Ton	1	3	8
- Overseas	Ton	25	20	1
Other	Ton	67,889	68,185	51,940
- Domestic	Ton	1	0	0
- Overseas	Ton	67,888	68,185	51,940
Waste recycled rate	%	49.9	53.8	70.6
Intensity of waste generated	Ton/product-ton	0.061	0.068	0.113
Total food loss quantity <sup>3)</sup>	Ton	4,973	6,368	6,777
Amount donated before disposal	Ton	2,025	2,275	3,184
Total wastes generated	Ton	2,948	4,093	3,593
Percentage of food wast <sup>4)</sup>	%	0.1	0.1	0.1

<sup>1)</sup> Domestic production facilities contract with authorized companies for the proper disposal of all generated waste according to waste management regulations. Incinerated waste is used for heat recovery. Overseas production sites compost compostable waste for sale, while other waste is managed through contracted companies for recycling, landfilling, incineration, etc..

#### PACKAGING

Report	ing scope:	Domesti	ic+Overseas	(Manufacturing	١

CATEGORY		UNIT	2021	2022	2023
Total amount of packaging materials u	sed	Ton	225,188	231,516	201,739
Plastic		Ton	100,412	95,261	87,353
Metal		Ton	15,468	16,199	12,683
Glass		Ton	11,621	9,237	8,178
Paper <sup>1)</sup>		Ton	97,687	110,819	93,525
Amount of renewable raw materials used for packaging		Ton	72,616	80,183	73,521
Plastic		Ton	2,477	4,210	3,927
Paper <sup>2)</sup>		Ton	70,132	75,970	69,588
Other raw materia	ls	Ton	7	3	6
Percentage of rene materials used for		%	32.2	34.6	36.4
Amount of recycled raw materials used	for packaging <sup>3)</sup>	Ton	62,946	69,474	63,107
Plastic		Ton	268	780	701
Paper		Ton	62,678	68,694	62,406
Percentage of recy materials used for		%	49.5	52.5	53.2

The paper category includes the figures for tertiary packaging (Packaging materials for distribution and transportation, such as outer carton).

#### **ENVIRONMENT MANAGEMENT**

Reporting scope: Domestic+Overseas (Manufacturing)

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CATEGORY		UNIT	2021	2022	2023
Sales of Environmentally Certified Products <sup>1)</sup> Number of Violations		KRW 1 million	130,111	141,448	153,225
Environmental regulation violation Viol	Number of Violations	Case	0	1	0
	Violation Amount (Monetary Penalty)	KRW 1 million	0	48	0
Environmental Liabilities <sup>3)</sup>	Expected Financial Loss	KRW 1 million	0	0	0
Environmental Mana	agement Training <sup>4)</sup>	Hour	-	403	980

<sup>1)</sup> This pertains to products with certified Environmental Product Declaration(EPD) certification from the Korea Environmental Industry & Technology Institute, specifically for brown sugar (1kg and 3kg) and white sugar (1kg, 3kg, and 1 ton) produced at CJ CheilJedang's HQ business sites.

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<sup>2)</sup> There was an increase compared to 2022 due to two large-scale expansion projects by CJ DO BRAZIL.

<sup>3)</sup> The range for collecting food loss and waste data is domestic and corrected last year's unit calculation error.

<sup>4) (</sup>Volume of disposal / Total Processed Food Production) x 100

<sup>2)</sup> Renewable paper includes only the outer box of a product.

<sup>3)</sup> The scope of data collection is CJ CheilJedang Headquarters, CJ Feed&Care, CJ Seafood, and Wonji.

<sup>2)</sup> The criteria are based on fines exceeding 10,000 USD (Significant Violation Criteria from the S&P Global Corporate Sustainability Assessment). Two cases of regulation violations were recorded in 2022 report, but there was an error in counting cases under 10,000 USD from the Beijing site, which has been corrected.

<sup>3)</sup> There are no environmental liabilities exceeding 10,000 USD.

<sup>4)</sup> This includes two courses related to CJ CheilJedang's company-wide Life Cycle Assessment (LCA) offered through CJ Group's training platform 'CJ CAMPUS,' five training sessions conducted for production workers at domestic food business sites, and eight in-person training sessions conducted for some new employees and staff involved in environmental roles in the BIO business unit. (The topics covered include an introduction to environmental management at CJ CheilJedang, understanding environmental wastes/noise/vibration management, understanding the environmental waste disposal process, and understanding energy management, among others.) Data is aggregated from 2022: data from 2021 is excluded.

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#### HUMAN RESOURCES1)

Reporting Scope: Domestic+Overseas

CATEGORY	CATEGORY		2021			2022			2023		
CATEGORI			MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Total number of employees		Person	16,015	9,222	25,237	16,934	9,654	26,588	16,713	9,271	25,984
	Employees without fixed term contracts	Person	12,009	6,581	18,590	13,038	7,073	20,111	13,000	6,867	19,867
Contracts	Employees with fixed term contracts	Person	3,922	2,616	6,538	3,783	2,547	6,330	3,572	2,369	5,941
	Executives (registered+non-registered)	Person	84	25	109	113	34	147	141	35	176
Working time	Full time employees	Person	15,983	9,157	25,140	16,899	9,580	26,479	16,681	9,202	25,883
vvoiking time	Part time employees	Person	32	65	97	35	74	109	32	69	101

<sup>1)</sup> The number of non-employee workers at CJ Cheiljedang's domestic business sites as of 2023 is 2,202. The main types of workers include subcontractors, cleaning staff, security personnel, cafeteria staff, and IT service workers, etc.

#### **HUMAN RESOURCES (EMPLOYEES BY REGION)**

CATECORY	CATEGORY		2023								
CATEGORY			KOREA	INDONESIA	CHINA	MALAYSIA	VIETNAM	U.S.A	BRAZIL	OTHER <sup>1)</sup>	TOTAL
Total number	of employees	Person	12,103	1,723	2,950	454	7,847	256	507	144	25,984
	Employees without fixed term contracts	Person	11,646	1,637	2,946	449	2,288	255	507	139	19,867
Contracts	Employees with fixed term contracts	Person	285	86	4	5	5,557	0	0	4	5,941
	Executives (registered+non-registered)	Person	172	0	0	0	2	1	0	1	176
\\/	Full time employees	Person	12,025	1,709	2,947	454	7,847	256	507	138	25,883
Working time	Part time employees	Person	78	14	3	0	0	0	0	6	101

<sup>1)</sup> The other regions included Mexico, Thailand, Germany and Russia.

### HR STATUS (BY RANK) Reporting Range: Domestic

CATEGORY		UNIT	2021	2022	2023
Total numb	er of employees	Person	11,769	12,230	12,103
Total numb	er of members	Person	8,919	9,104	8,734
Candar	Male	Person	4,629	4,826	4,634
Gender	Female	Person	4,290	4,278	4,100
	Under age 30	Person	2,602	2,568	2,262
Age	30 - 50	Person	4,673	4,896	4,792
	Over age 50	Person	1,644	1,640	1,680
Total numb	otal number of managers		2,742	2,982	3,195
	Male	Person	2,106	2,230	2,351
Gender	Female	Person	636	752	844
	Under age 30	Person	3	10	10
Age	30 - 50	Person	2,460	2,646	2,823
	Over age 50	Person	279	326	362
Total numb	er of executives <sup>1)</sup>	Person	108	144	174
0	Male	Person	83	111	139
Total number o	Female	Person	25	33	35
	Under age 30	Person	0	0	0
Age	30 - 50	Person	56	82	83
	Over age 50	Person	52	62	91

#### HR RECRUITMENT

Reporting Range: Domestic

CATEGORY		UNIT	2021	2022	2023
Total numb	er of new hires	Person	1,785	1,893	1,081
Gender -	Male	Person	1,036	1,138	553
	Female	Person	749	755	528
	Under age 30	Person	729	654	343
Age	30 - 50	Person	787	1,138	604
	Over age 50	Person	269	101	134
Open positions filled with internal candidates <sup>1)</sup>		%	18.9	25.4	18.5

<sup>1)</sup> Data modified due to changes in criteria and scope compared to last year. (Internal hire count / Total number of experienced hires)

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CATEGORY	CATEGORY			2021	2022	2023
Total turnover rate <sup>1)</sup>		%	10.2	11.4	14	
Gene	Gender	Male	%	59.4	55.2	48.8
	Geridei	Female	%	40.6	44.8	51.2
Composition	Age	Under age 30	%	34.3	34.3	39.4
		30 - 50	%	48.0	42.5	37.4
		Over age 50	%	17.7	23.2	23.2

<sup>1)</sup> The number of employees who left the company / the total number of domestic employees. This includes both employees with fixed term contracts and and transfers within subsidiaries.

#### **VOLUNTARY TURNOVER & RETIREMENT**

Reporting Scope: Domestic

CATEGORY	CATEGORY			2021	2022	2023
Total voluntary <sup>1)</sup> turnover rate <sup>2)</sup>		%	8.9	9.5	11.8	
Gender	Male	%	61.7	60.9	52.7	
	Geridei	Female	%	38.3	39.1	47.3
Composition	Age	Under age 30	%	38.6	40.3	46.7
		30 - 50	%	51.2	48.5	41.9
		Over age 50	%	10.2	11.2	11.4

<sup>1)</sup> Employees who voluntarily left the company, excluding employees who involuntarily left (such as dismissal, temporary layoffs, mandatory retirement, illness, death, or termination due to restructuring or mergers, which occur regardless of the employee's will).

#### EMPLOYEE EVALUATION & REMUNERATION<sup>1)</sup>

Reporting Scope: Domestic

CATEGORY		UNIT	2021	2022	2023
	Percentage of employees evaluated under MBO <sup>2)</sup>	%	87	85	86.7
Evaluation	Percentage of employees who received multi- dimensional feedback	%	67.5	65.8	69.8
	Percentage of employees evaluated using relative evaluation	%	81.7	80.7	82
	Total employee-related expenses (salaries + benefits)	KRW billion	16,960	19,248	19,365
3)	Average remuneration of all employees	KRW million	75	76	75
	The highest-paid employee's remuneration	KRW million	10,670	7,294	3,899
	Growth rate of the average remuneration for all employees	%	17	1	-1
	Growth rate of the highest-paid employee's remuneration	%	4	-32	-47
Remuneration	Times of the highest-paid employee's remuneration to	Times	142.3	96	52
Remuneration <sup>3)</sup>	the average employee's remuneration	Tilles	142.3	70	32
	Times of the growth rate of the highest-paid				
	employee's remuneration to the growth rate of the	Times	0.3	-23.7	35.4
	average employee's remuneration <sup>4)</sup>				

<sup>1)</sup> CJ CheilJedang specifies the wage and welfare system for employees, including the calculation method, payment method, and payment date, in its employment rules.

#### MANAGEMENT OF THE RETIREMENT PENSION FUND

Reporting Scope: Domestic

CATEGORY	UNIT	2021	2021	2023
Amount of the retirement pension fund	KRW billion	5,419	5,300	6,047
Employees who joined the retirement pension fund	Person	10,216	9,827	10,097

#### SUPPORT PROGRAMS FOR WORK EFFICIENCY IMPROVEMENT

Reporting Scope: Domestic

CATEGORY	UNIT	2021	2022	2023
Employees who used flexible working system <sup>1)</sup>	Person	6,224	6,469	6,831
Employees who used Creative Challenge <sup>2)</sup>	Person	1,412	2,552	3,400

<sup>1)</sup> Total number of employees under the time difference system, flexible working hour system, and selective working hour system.

#### EMPLOYEE ENGAGEMENT<sup>1)</sup>

Reporting Scope: HQ

CATEGORY	UNIT	2021	2022	2023
Employee engagement	%	-	84.2	85.8
Number of engaged respondents	Person	-	4,289	4,474
Total number of respondents	Person	-	5,094	5,214

<sup>1)</sup> Employee job satisfaction and engagement are assessed through surveys, but no survey was conducted in 2021 due to a system overhaul.

### STATUS OF EMPLOYEES BY GENDER AND SOCIALLY MARGINALIZED EMPLOYEES<sup>1)</sup>

Reporting Scope: Domestic/Overseas(varies by indcicator<sup>2</sup>)

CATEGORY		UNIT	2021	2022	2023
	Percentage of female employees	%	36.5	36.3	35.7
	Percentage of female executives	%	22.9	23.1	19.9
	Percentage of female manager <sup>3)</sup>	%	17.1	18.1	21.4
Female	Percentage of female professionals <sup>4)</sup>	%	24.0	23.9	20.1
Employees	Percentage of female specialists <sup>4)</sup>	%	38.6	42.4	44.7
Employees	Percentage of female employees in STEM departments	%	17.9	16.1	18.1
	Percentage of female employees in sales-generating departments	%	22.7	22.7	22.4
Female to male wage ratio <sup>5)</sup>		%	87.1	86.3	87.2
Number of e	Number of employees with disabilities <sup>6)</sup>		174	182	183

<sup>1)</sup> Our 2024 goal is 36% female employees, 23% female executives, 22% female managers, 24% female professionals, 45% female specialists, 19% female employees in STEM department, and 23% female employees in sales-generating department.

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<sup>2)</sup> The total number of domestic employees who voluntarily left the company divided by the total number of domestic employees. This includes both employees with fixed term contracts and and transfers within subsidiaries.

<sup>2)</sup> Management by objective evaluation

<sup>3)</sup> The scope of data collection is CJ Cheiljedang Headquarters.

<sup>4)</sup> In 2023, both the highest paid and average employee compensation decreased and are expressed as positive numbers.

<sup>2)</sup> Two weeks of vacation granted after 3, 5, 7, and 10 years of service, and every 5 years thereafter for service beyond 10 years

<sup>2)</sup> Reporting scope is domestic and overseas entities the female employees, executives, and employees with disabilities. For others, the reporting scope is domestic entities.

<sup>3)</sup> It includes performance evaluators who perform substantial managerial roles but do not have formal evaluation authority.

<sup>4)</sup> Roles are divided into Associate, Specialist, and Professional, with associate manager being Professional and junior manager being Specialist.

<sup>5)</sup> The data collection scope for the comparison of female to male wage levels is Headquarters.

<sup>6)</sup> The number of employees with disabilities is not aggregated by disability grade.

#### PARENTAL LEAVE

Po	nortina	Scope.	Domestic
Re	DOI LII IQ	Scope.	DUITIESLIC

CATEGORY		UNIT	2021	2022	2023
		Person	731	761	610
Target employees for parental leave	Female	Person	417	406	349
Faralassa en arradal lassa	Male	Person	30	32	50
Employees on parental leave	Female	Person	117	142	124
Percentage of employees who have taken parental leave	Male	%	4.1	4.2	8.2
	Female	%	28.1	35	35.5
For all control of the control of th	Male	Person	22	25	30
Employees who have returned from parental leave	Female	Person	104	116	132
Percentage of employees who have returned from	Male	%	115.8 <sup>3)</sup>	83.3	93.8
parental leave <sup>1)</sup>	Female	%	100	99.1	93
Employees retained after returning from parental leave	Male	Person	14	17	24
(12 months or more)	Female	Person	79	82	107
Retention rate after returning from parental leave <sup>2)</sup>	Male	%	77.8	77.3	96
(12 months or more)		%	100	78.9	92.2

<sup>1) (</sup>Returning employees / Employees who took parental leave the previous year) x 100

#### MATERNITY PROTECTION-RELATED PROGRAMS

Reporting Scope: Domestic

CATEGORY		UNIT	2021	2022	2023
Employees who utilized reduced working hours during pregnancy		Person	98	134	193
Employees who utilized reduced working hours during	Male	Person	27	38	62
child-rearing	Female	Person	70	88	122
Employees who utilized childcare leave for child's	Male	Person	209	202	228
school enrollment	Female	Person	87	79	57

#### EMPLOYEE TRAINING

Reporting Scope: Domestic+Overseas

CATEGORY	UNIT	2021	2022	2023
Training hours per employee	Hour/Person	16.2	21.5	23.4
Training cost per employee	KRW million /Person	0.2	0.2	0.2

#### HUMAN RIGHTS

Reporting Scope: HQ

CATEGORY		UNIT	2021	2022	2023
	Percentage of employees participating in collective bargaining (based on Labor–Management Council)	%	64.5	68.1	66.8
	Number of employees enrolled in Labor- Management Council	Person	5,265	5,817	5,756
Labor- Management Council	Percentage of employees subject to collective bargaining (based on Labor-Management Council)	%	100	100	100
Couricii	Number of agenda items in the Labor- Management Council	Case	8	28	41
	Number of measures implemented based on Labor-Management Council agenda items	Case	7	23	33
	Percentage of measures completed for items on the Labor-Management Council agenda	%	87.5	82.1	80.5
Human rights	Number of reported cases	Case	17	20	12
related reports	Number of valid and resolved reports1)	Case	16	17	10

<sup>1)</sup> The number for 2023 includes 7 cases related to workplace harassment, all of which have been resolved.

#### SAFETY & HEALTH<sup>1)</sup>

Reporting Scope: Domestic+Overseas

CATEGORY			UNIT	2021	2022	2023
	Lost time inju	ry frequency rate(LTIFR <sup>2)</sup> )	By million hours	1.01	0.76	1.06
Occupational accidents		Number of occupational fatalities	Case	0	0	0
(employees)		Number of occupational injuries	Case	53	42	57
,,	Number of serious accidents <sup>4)</sup>		case	0	0	0
	Lost time inju	ry frequency rate(LTIFR <sup>3</sup> )	By million hours	0.21	0.16	0.22
Occupational accidents		Number of occupational fatalities	Case	0.75	0.49	0.99
(suppliers)		Number of occupational injuries	Case	3	0	1
	Number of serious accidents		case	5	5	14
Employee indu	Employee industrial accident rate		%	0	0	0

<sup>1)</sup> Following subsidiaries are excluded: CJ BREEDING CO., LTD., DONDONFARM CO., LTD, CJ CHEILJEDANG MEXICO, CJ Biomaterials, CJ Europe, CJ BIO RUS, CJ International Trading, CJ BIO APAC., PT CHEIL JEDANG BIO INDONESIA

#### PURCHASES OF DOMESTIC ENVIRONMENTALLY CERTIFIED PRODUCTS

Reporting Scope: HQ

CATEGORY		UNIT	2021	2022	2023
Environmentally certified products		KRW million	54,185	75,166	71,592
	Raw materials <sup>1)</sup>	KRW million	53,870	75,125	71,566
	Supplies and consumables	KRW million	315	41	26

<sup>1)</sup> Raw materials with certifications for organic products, Environmental Product Declaration (EPD), low carbon, and good recycling (GR)

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<sup>2) (</sup>Number of employees working for more than a year / Number of employees who returned from parental leave the previous year)  $\times$  100

<sup>3)</sup> The return rate exceeds 100% due to employees returning within the same year they took parental leave.

<sup>2)</sup> Lost time injury refers to cases of death or injury resulting from work, with injury cases defined as those requiring 3 or more days off work.

<sup>3) (</sup>Number of occupational accidents and fatalities x 1,000,000)/Total working hour, with injury cases defined as those requiring 3 or more days off work.

<sup>4) (</sup>Number of industrial accident victims / Number of employees) x 100

#### **PURCHASES OF RAW MATERIALS**

Reporting Scope: HQ

CATEGORY		UNIT	2021	2022	2023
Purchases of R	aw materials <sup>1)</sup>	Thousand tons	7,727	7,533	7,250
	Animal-free egg	Number			8,311,740
	Organic rice	Ton			261
Purchases of	Organic sugar	Ton			100
Sustainable	Palm oil(RSPO) <sup>3)</sup>	Ton			3,298
materials <sup>2)</sup>	Soybean(SSAP) <sup>4)</sup>	Ton			258,808
	Raw sugar(Smartcane BMP, from AUS)	Ton			84,000
	Raw barley(ISCC+)	Ton			98,785

1) The scope of data collection is domestic+overseas (Manufacturing).

2) The scope of data collection is FY2023.

3) RSPO(Roundtable on Sustainable Palm Oil)

4) SSAP(Soy Sustainability Assurance Protocol)

SUPPLIERS

Reporting Scope: HQ

CATEGORY		UNIT	2023
	Tier1 suppliers subject to the Supplier Code of Conduct compliance	Number of entity	1,476
Tier1 suppliers	Tier1 suppliers with verified compliance to the Code of Conduct	Number of entity	1,365
	Ratio of Tier 1 suppliers with verified compliance to the Code of Conduct	%	92.5
	Total number of new suppliers	Number of entity	251
	New suppliers with verified compliance to the Code of Conduct	Number of entity	179
	Ratio of new suppliers with verified compliance to the Code of Conduct	%	71.3

#### **LOCAL COMMUNITY**

OMMONITY Reporting Scope: HQ

CATEGORY		UNIT	2021	2022	2023
	Charitable donation <sup>1)</sup>	KRW 100 million	25	21	37
Corporate citizen	Community donations	KRW 100 million	149	100	144
activities6	Other donations	KRW 100 million	12	12	10
	Total	KRW 100 million	186	133	191
	Number of participants	Person	3,400	4,756	4,607
Malantana	Hours of participation	Hour	10,263	20,957	32,644
Volunteer activities <sup>2)</sup>	Hours of participation per employee	Hour/Person	3	4.4	7.1
detivities	Participation rate	%	32.9	44.3	42.9
	Number of beneficiaries	Person	10,478	37,450	36,095
Payment	Lobbying · Interest groups <sup>3)</sup>	KRW million	0	0	0
for relevant	Political campaign	KRW million	0	0	0
association	Relevant associations	KRW million	1,515	1,802	1,145
	The Federation of Korean Industries	KRW million	305	305	440
Details of	The Korea Flour Mills Industrial Association	KRW million	232	236	211
expenditures for major associations	The Korea Soybean Processing Association	KRW million	240	259	258
	The Korea Chamber of Commerce and Industry	KRW million	103	103	157
	The Korea Enterprises Federation	KRW million	77	80	80

- 1) CJ CheilJedang adheres to the principle of making donations solely for charitable purposes, without seeking inappropriate business or personal benefits. All donations undergo an approval process in accordance with the company's ethical policies, including the Code of Conduct known as "CJ People's Promise."
- 2) The volunteer data includes information from the headquarters of CJ CheilJedang, DonDonFarm, Wonji, CJ Seafood, Feed&Care, CJ Bio America, CJ Feed Ingredient Vietnam, and CJ Liaocheng Biotech.
- 3) CJ CheilJedang strictly complies with domestic political funding laws, specifically Article 31 (Restrictions on Contributions) of the Political Fund Act, which prohibits corporate or organizational political donations. We do not provide funds that directly influence policy formation, election funds, or lobbying funds for specific political groups or parties. Additionally, we do not engage in activities or join associations contrary to the Paris Agreement, and there were no climate-related lobbying activities by relevant associations in 2023.

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## Governance and Economy

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CATEGORY				UNIT	2021	2022	2023
		Board of Directors		Person	7	7	6
	December Discontinue	Internal director	Male	Person	2	2	2
	composition		Female	Person	1	1	1
	Composition	Independent	Male	Person	4	4	3
Composition		director	Female	Person	0	0	0
	Percentage of independent	Board of Directors		%	57.1	57.1	66.7
	director composition	Audit Committee		%	100	100	100
	Number of	Board of Directors		Time	10	10	12
	meetings	Audit Committee		Time	7	8	7
	Number of agenda items	Submitted to the Board of Directors meetings		Case	34	29	36
		Objected/amended by independent directors		Case	0	0	0
	Attendance rate	Board of Directors	Internal director	%	86.7	96.7	100
Operation			Independent director	%	100	97.5	97.9
		Independent Director Candidate Recommendation Committee	Independent director	%	-	100	100
		Remuneration Committee	Independent director	%	100	100	100
		Audit Committee	Independent director	%	100	96.9	100
Remuneration	Board of	Internal director		KRW million	13,847	10,583	5,671
	Directors	Independent director		KRW million	302	302	271
	External auditors	Percentage of non-audit service remuneration against audit service remuneration		%	0	0	10.7

#### **SHAREHOLDERS**

Reporting Scope: HQ

				, ,	
CATEGORY		UNIT	2021	2022	2023
Ownership share rate	Largest shareholders and their relatives	%	45.5	45.5	45.5
	Registered executives excluding largest shareholders and their relatives	%	0	0	0
Dividend payout ratio		%	26.4	32.3	25.7

#### ETHICAL & COMPLIANCE MANAGEMENT<sup>1)</sup>

Reporting Scope: HQ

CATEGORY		UNIT	2021	2022	2023
	Fair competition	Case	0	0	0
1 1 0 1 - 1	Anti-corruption	Case	0	0	0
Legal & regulatory violations <sup>2)</sup>	Marketing & labelling	Case	0	1 <sup>3)</sup>	0
VIOIGLIONS	Information security	Case	0	0	0
	Total	Case	0	1	0
Ethical management related reports	Number of reported cases	Case	67	62	64
	Number of valid and resolved reports <sup>2)</sup>	Case	59	47	59
Ethical management training	Hours	Hour	18,441	23,759	24,595
	Number of people who completed the training	Person	7,545	8,785	8,949

<sup>1)</sup> Ethics/compliance management-related reports include all reports received through internal reporting channels and K-Whistle, such as fraud/irregularities, supplier grievances and unfair trade practices, organizational culture disruption, safety management, etc.

#### CUSTOMERS

Reporting Scope: HQ

CATEGORY		UNIT	2021	2022	2023
Customer satisfaction score <sup>1)</sup>		Point	90.9	93.9	93.1
Number of VOC improvement tasks identified (% improvement completed) <sup>2)</sup>		Case(%)	376(82.4)	374(83.2)	285(84.6)
VOC customer comm	nunication track records	Case	122,603	111,738	102,022
	Questions	Case	72,084	74,662	61,557
	Complaints	Case	49,839	36,618	39,917
	Suggestions	Case	616	411	501
	Compliments	Case	64	47	47

<sup>1)</sup> Implemented by CJ Telenix

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<sup>2)</sup> Reporting Scope: Domestic + Overseas

<sup>3)</sup> One case of misrepresentation of expiration dates at a CJ Seafood contract manufacturer identified and corrected.

<sup>2)</sup> Remediation completion rate reaggregated as number of completed cases/targeted cases.

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## Financial Information

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (INCLUDING THE LOGISTICS BUSINESS)

CATEGORY	UNIT	2021	2022	2023
Sales	KRW 100 million	262,892	300,795	290,235
Cost of Sales	KRW 100 million	205,071	235,247	229,709
Gross Profit	KRW 100 million	57,821	65,548	60,526
Selling and Administrative Expenses	KRW 100 million	42,577	48,901	47,494
Operating Income	KRW 100 million	15,244	16,647	12,916
Other income	KRW 100 million	-432	-1,400	-1,275
Finance income	KRW 100 million	3,459	6,812	4,589
Financial cost	KRW 100 million	6,424	9,893	9,105
P&L of associates and jointly controlled entities	KRW 100 million	331	289	196
Income before Income Tax	KRW 100 million	12,178	12,455	7,321
Income Tax Expense	KRW 100 million	3,254	4,428	1,726
Net Income	KRW 100 million	8,924	8,027	5,595
Other comprehensive income	KRW 100 million	6,863	1,750	568
Total comprehensive income	KRW 100 million	15,787	9,776	6,163

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (EXCLUDING THE LOGISTICS BUSINESS)

CATEGORY	UNIT	2021	2022	2023
Sales	KRW 100 million	157,444	187,794	178,904
Cost of Sales	KRW 100 million	109,728	133,357	130,643
Gross Profit	KRW 100 million	47,716	54,437	48,261
Selling and Administrative Expenses	KRW 100 million	35,929	41,755	40,067
Operating Income	KRW 100 million	11,787	12,682	8,195
Other income	KRW 100 million	-1,041	-895	-776
Finance income	KRW 100 million	2,720	5,855	3,654
Financial cost	KRW 100 million	4,334	7,885	6,804
P&L of associates and jointly controlled entities	KRW 100 million	112	83	53
Income before Income Tax	KRW 100 million	9,244	9,840	4,322
Income Tax Expense	KRW 100 million	2,521	3,770	852
Net Income	KRW 100 million	6,723	6,070	3,470
Other comprehensive income	KRW 100 million	6,863	1,750	568
Total comprehensive income	KRW 100 million	15,787	9,776	6,163

## CONSOLIDATED BALANCE SHEET (INCLUDING THE LOGISTICS BUSINESS)

CATEGORY	UNIT	2021	2022	2023
Current assets	KRW 100 million	76,959	97,593	86,731
Assets of disposal group held for sale	KRW 100 million	297	288	9,071
Non-current assets	KRW 100 million	191,302	202,252	200,260
Total assets	KRW 100 million	268,558	300,132	296,063
Current liabilities	KRW 100 million	79,159	97,495	91,219
Non-current liabilities	KRW 100 million	81,331	87,347	82,707
Total liabilities	KRW 100 million	160,490	184,842	178,263
Equity attributable to owners of the parent entity	KRW 100 million	61,135	67,557	71,515
Current capital	KRW 100 million	819	819	819
Capital surplus	KRW 100 million	15,410	15,410	15,410
Other reserves	KRW 100 million	-4,495	-3,187	-2,028
Retained earnings	KRW 100 million	49,402	54,515	57,315
Non-controlling interests	KRW 100 million	46,933	47,733	46,284
Total equity	KRW 100 million	108,068	115,290	117,800

## CONSOLIDATED BALANCE SHEET (EXCLUDING THE LOGISTICS BUSINESS)

CATEGORY	UNIT	2021	2022	2023
Current assets	KRW 100 million	55,054	69,194	67,022
Assets of disposal group held for sale	KRW 100 million	102	78	4734
Non-current assets	KRW 100 million	136,808	147,485	144,122
Total assets	KRW 100 million	191,964	216,757	215,878
Current liabilities	KRW 100 million	56,191	67,425	70,251
Non-current liabilities	KRW 100 million	54,717	61,368	55,193
Total liabilities	KRW 100 million	110,908	128,793	125,444
Equity attributable to owners of the parent entity	KRW 100 million	60,924	66,920	69,954
Current capital	KRW 100 million	819	819	819
Capital surplus	KRW 100 million	15,410	15,410	15,410
Other reserves	KRW 100 million	-3,925	-1,921	-734
Retained earnings	KRW 100 million	48,620	52,612	54,459
Non-controlling interests	KRW 100 million	20,132	21,044	20,480
Total equity	KRW 100 million	81,056	87,964	90,434

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#### AMOUNT OF TAX PAID BY COUNTRY IN 2023 (INCLUDING THE LOGISTICS BUSINESS)<sup>1)</sup>

CATEGORY	UNIT	REVENUES <sup>2)</sup>		REVENUES <sup>2)</sup>	TANCIBLE ASSETS	TANGIBLE ASSETS PROFIT(LOSS) BEFORE TAX <sup>4)</sup>		INCOME TAX EXPENSES <sup>6)</sup>
CALEGORY	UNIT	NON-RELATED PARTIES	RELATED PARTIES <sup>3)</sup>	TOTAL	JANGIBLE ASSETS	PROFIT(LUSS) BEFORE TAX	CASH TAXES PAID <sup>5)</sup>	INCOME TAX EXPENSES.
Korea	KRW 100 million	149,956	27,161	177,117	95,256	6,239	942	656
U.S.A	KRW 100 million	61,656	4,747	66,403	34,765	3,109	488	696
China	KRW 100 million	18,865	8,275	27,140	14,041	1,644	526	532
Indonesia	KRW 100 million	131	54	185	33	4	1	1
Vietnam	KRW 100 million	14,328	1,349	15,677	10,669	-765	29	24
Brazil	KRW 100 million	11,063	1,193	12,256	8,679	-482	27	-311
Germany	KRW 100 million	7,090	210	7,300	1,591	152	48	41
Malaysia	KRW 100 million	3,285	1,855	5,140	6,646	-847	38	44
India	KRW 100 million	7,107	4	7,111	1,506	146	23	30
Other	KRW 100 million	24,877	11,974	36,851	21,680	784	207	184
Total	KRW 100 million	298,359	56,822	355,181	194,867	9,984	2,327	1,897

<sup>1)</sup> Standards for revenue, tangible assets, etc., are consistent with the CBCR.

#### AMOUNT OF TAX PAID BY COUNTRY IN 2023 (EXCLUDING THE LOGISTICS BUSINESS)1)

CATEGORY	UNIT			REVENUES <sup>2)</sup>	TANGIDI E ASSETS I	TANGIBLE ASSETS PROFIT(LOSS) BEFORE TAX <sup>4)</sup> CASH TAXES PAID <sup>5)</sup>		INCOME TAX EXPENSES <sup>6)</sup>
CALEGORI	UNIT	NON-RELATED PARTIES	RELATED PARTIES3)	TOTAL	ANGIBLE ASSETS	PROFIT(LOSS) BEFORE TAX	CASH TAKES FAID	INCOME TAX EXPENSES
Korea	KRW 100 million	72,789	20,134	92,924	49,813	2,981	443	-15
U.S.A	KRW 100 million	50,960	3,807	54,767	31,375	2,765	483	669
China	KRW 100 million	14,685	7,424	22,109	13,160	1,678	508	514
Indonesia	KRW 100 million	50	51	101	26	1	0	0
Vietnam	KRW 100 million	12,297	1,261	13,558	10,071	-856	0	2
Brazil	KRW 100 million	11,030	1,144	12,173	8,679	-482	27	-311
Germany	KRW 100 million	6,661	62	6,723	1,576	136	45	36
Malaysia	KRW 100 million	1,266	1,604	2,870	5,405	-954	13	30
Other	KRW 100 million	15,988	10,155	26,144	19,255	880	170	139
Total	KRW 100 million	185,726	45,642	231,369	139,360	6,150	1,688	1,064

<sup>1)</sup> Standards for revenue, tangible assets, etc., are consistent with the Country-by-Country Reporting (CBCR).

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<sup>2)</sup> Combined revenues of subsidiaries subject to consolidation (including CJ Logistics).

<sup>3)</sup> Combined revenues from related parties of subsidiaries subject to consolidation (including CJ Logistics).

<sup>4)</sup> Combined profit before tax of subsidiaries subject to consolidation (including CJ Logistics)

<sup>5)</sup> Combined cash taxes paid of subsidiaries subject to consolidation (including CJ Logistics), these cash taxes paid are made based on the previous year's income tax expenses.

<sup>6)</sup> Total income tax expenses of subsidiaries subject to consolidation (including CJ Logistics).

<sup>2)</sup> Combined revenues of subsidiaries subject to consolidation (excluding CJ Logistics).

<sup>3)</sup> Combined revenues from related parties of subsidiaries subject to consolidation (excluding CJ Logistics).

<sup>4)</sup> Combined profit before tax of subsidiaries subject to consolidation (excluding CJ Logistics)

<sup>5)</sup> Combined cash taxes paid of subsidiaries subject to consolidation (excluding CJ Logistics), these cash taxes paid are made based on the previous year's income tax expenses.

<sup>6)</sup> Total income tax expenses of subsidiaries subject to consolidation (excluding CJ Logistics).

<sup>7)</sup> As per the 2022 CBCR (Country-by-Country Reporting) standards, the number of employees by country is as follows: South Korea: 12,071 USA: 8,227 China: 6,214 Indonesia: 3,573 Vietnam: 8,151 Brazil: 1,145 Germany: 217 Malaysia: 491 Other: 1,786

# Business Sites by Region

NAME OF SUBSIDIARY	REGION	INDUSTRY
WON JI CO., LTD.	South Korea	Printing
COFEED. CO., LTD.	South Korea	Holding business
CJ MD1 CO., LTD.	South Korea	Business support service
SAM HAE COMMERCIAL CO.,LTD.	South Korea	Food manufacturing
CJ Feed&Care	South Korea	Feed manufacturing & sales
CJ Wellcare Co., Ltd.	South Korea	Food manufacturing & sales
DONDONFARM CO., LTD	South Korea	Hog farming
SparkLabs FrontierLabs No.1 Fund	South Korea	Start-up investment
BIO HEALTHCARE FUND	South Korea	Start-up investment
CJ BREEDING CO., LTD.	South Korea	Crop cultivation
Sinuido Sea Salt Corporation	South Korea	Wholesale & retail business, sea salt and e-commerce business
TP NextGen Fund	South Korea	Start-up investment
GLOBAL INNOVATIVE GROWTH FUND	South Korea	Start-up investment
GLOBAL INNOVATIVE GROWTH FUND II	South Korea	Start-up investment
CJ INNOVATION FUND	South Korea	Sparkslabs Frontier Labs No.1 Fund
CJ BioScience Corp	South Korea	CJ Bioscience, Inc.
CJ Wellcare Corporation	Malaysia	Methionine manufacturing & sales
CJ FOODS MYANMAR CO., LTD.	Myanmar	Food manufacturing
CJ FEED MYANMAR CO., LTD.	Myanmar	Feed manufacturing & sales
CJ VINA AGRI CO., LTD.	Vietnam	Feed manufacturing & sales
CJ FOODS VIETNAM CO., LTD.	Vietnam	Food manufacturing
CJ FEED INGREDIENT VIETNAM CO., LTD.	Vietnam	Feed ingredients manufacturing & sales
LOC TAN INVESTMENT COMPANY LIMITED	Vietnam	Food manufacturing & sales
CJ CAU TRE FOODS JOINT STOCK COMPANY	Vietnam	Food manufacturing
CJ VIETNAM COMPANY LIMITED	Vietnam	Real estate rental
CJ SE ASIA PTE. LTD.	Singapore	Brokerage
CJ BIO INDIA PRIVATE LIMITED	India	Feed manufacturing & sales
PT CJ CHEILJEDANG LESTARI	Indonesia	Food manufacturing
PT CJ FEED MEDAN	Indonesia	Feed manufacturing & sales
PT CJ FOOD LESTARI	Indonesia	Food manufacturing
PT CHEILJEDANG INDONESIA	Indonesia	Lysine manufacturing & sales
PT CJ FEED AND CARE INDONESIA	Indonesia	Feed manufacturing & sales
PT AGROBIS PANCA EKATAMA	Indonesia	Breeding
PT SUPER UNGGAS JAYA	Indonesia	Breeding
PT CHEIL JEDANG BIO INDONESIA	Indonesia	Wholesale distribution of food & feed additives
PT CHEILJEDANG BIOMATERIALS INDONESIA	Indonesia	Biotechnology R&D and manufacturing
PT CJ CHEILJEDANG FEED KALIMANTAN	Indonesia	Feed manufacturing & sales

NAME OF SUBSIDIARY	REGION	INDUSTRY
CJ BIO RUS	Russia	BIO distribution
CJ RAVIOLLO RUS	Russia	Food manufacturing
CJ FOODS JAPAN CORPORATION	Japan	Food sales and distribution
GYOZA KEIKAKU CO., LTD.	Japan	Food manufacturing & sales
CJ FOODS AGRI JAPAN.,LTD	Japan	Food manufacturing & sales
CJ SHENYANG FEED CO., LTD.	China	Feed manufacturing & sales
CJ TIANJIN FEED CO., LTD.	China	Feed manufacturing & sales
CJ HARBIN FEED CO., LTD.	China	Feed manufacturing & sales
CJ QINGDAO FEED CO., LTD.	China	Feed manufacturing & sales
CJ (BEIJING) FOOD CO., LTD.	China	Beverage & Food manufacturing
CJ QINGDAO FOODS CO., LTD.	China	Meat processing
CJ LIAOCHENG BIOTECH CO., LTD.	China	Lysine manufacturing & sales
CJ NANJING FEED CO., LTD.	China	Feed manufacturing & sales
CJ (SHENYANG) BIOTECH CO., LTD.	China	Lysine manufacturing & sales
CJ DCH GUANGDONG FROZEN FOOD CO., LTD.	China	Frozen/refrigerated processed food production & sales
CJ (CHANGCHUN) FEED CO., LTD.	China	Feed manufacturing & sales
CJ (LIAOCHENG) FEED CO., LTD.	China	Feed manufacturing & sales
COFEED FEEDMILL (CHANGCHUN) CO., LTD.	China	Feed manufacturing & sales
COFEED FEEDMILL (TIANJIN) CO., LTD.	China	Feed manufacturing & sales
COFEED FEEDMILL (QIQIHAER) CO., LTD.	China	Feed manufacturing & sales
COFEED FARM (FUYU) TECHNOLOGY CO., LTD.	China	Feed manufacturing & sales
CJ CHINA CONSULTING, LTD.	China	Consulting
LIAOCHENG LANTIAN COGENERATION PLANT CO., LTD.	China	Power generation & steam supply
CJ INTERNATIONAL TRADING CO., LTD.	China	Brokerage
CJ LIAOCHENG FOOD. CO., LTD.	China	Food manufacturing
CJ YOUTELL (HUNAN)BIOTECH CO.,LTD	China	Enzyme R&D and manufacturing
CJ YOUTELL (SHANDONG)BIOTECH CO.,LTD	China	Enzyme R&D and manufacturing
CJ CHEILJEDANG FEED (CAMBODIA) CO., LTD.	Cambodia	Feed manufacturing & sales
S.C.F-PNH CO., LTD.	Cambodia	Real estate management
CJ BIO APAC., LTD.	Thailand	Wholesale distribution of food & feed additives
CJ PHILIPPINES, INC.	Philippines	Feed manufacturing & sales
CJ FOODS PHILIPPINES CORP.	Philippines	Food sales and distribution
CJ NUTRACON PTY. LTD.	Australia	Food manufacturing
CJ CHINA, LTD.	Hong Kong	Trade
CJ GLOBAL HOLDINGS LTD.	Hong Kong	Holding business
CJ FOODS ASIA HOLDINGS LIMITED	Hong Kong	Holding business

NAME OF SUBSIDIARY	REGION	INDUSTRY
BATAVIA BIOSCIENCES B.V.	Netherlands	Biotechnology R&D and manufacturing
BATAVIA BIOMANUFACTURING B.V.	Netherlands	Biotechnology R&D and manufacturing
CJ EUROPE GMBH.	Germany	Trade
CJ MAINFROST FOODS GMBH	Germany	Food manufacturing
CJ CHEILJEDANG MEXICO, S.A. DE C.V.	Mexico	Food sales and distribution
TWIN MARQUIS INC.	U.S.A	Food sales and distribution
CJ FOODS MANUFACTURING CORPORATION	U.S.A	Food manufacturing
BIBIGO INTERNATIONAL LLC	U.S.A	Catering business
CJ BIO AMERICA INC.	U.S.A	Lysine manufacturing & sales
CJ AMERICA INC.	U.S.A	Trade
CJ BIOMATERIALS, INC	U.S.A	R&D
CJ TMI MANUFACTURING AMERICA LLC.	U.S.A	Food manufacturing
CJ FOODS MANUFACTURING BEAUMONT CORPORATION	U.S.A	Food manufacturing
TMI LOGISTICS CORPS	U.S.A	Logistics
KAHIKI FOODS, INC.	U.S.A	Food manufacturing
CJ FOODS AMERICA HOLDINGS CORP.	U.S.A	Holding business
SCHWAN'S CONSUMER BRANDS, INC.	U.S.A	Food sales and distribution
SCHWAN'S FOOD SERVICE, INC.	U.S.A	Food sales and distribution
SFC GLOBAL SUPPLY CHAIN, INC.	U.S.A	Food manufacturing
SCHWAN'S SHARED SERVICES, LLC	U.S.A	Managing service
SCHWAN'S NE FOODS, LLC	U.S.A	Holding business
SCHWAN'S IP, LLC	U.S.A	Intellectual Property management
SCHWAN'S CULINARY INITIATIVES, LLC	U.S.A	Catering business
DRAYTON FOODS, LLC	U.S.A	Food manufacturing
SMEDLEY STREET, LLC	U.S.A	Real estate management
CJ FOODS USA INC.	U.S.A	Holding business
EZBIOME, INC.	U.S.A	Biotechnology R&D
BATAVIA HOLDINGS, INC.	U.S.A	Biotechnology R&D and manufacturing
BATAVIA BIOSCIENCES INC.	U.S.A	Biotechnology R&D and manufacturing
SCHWAN'S COMPANY	U.S.A	Food sales and distribution
SCHWAN'S COSMOS FOOD, LLC	U.S.A	Food manufacturing
CJ LATAM PARTICIPACOES LTD	Brazil	Logistics
CJ DO BRAZIL IND. COM. PROD. ALIM. LTDA.	Brazil	Lysine manufacturing & sales
CJ SELECTA S.A.	Brazil	Feed manufacturing & sales
CJ FOODS SALES UK, LTD	UK	Food sales and distribution
CJ BIO SWEETENERS EUROPE SAS	France	Functional sweeteners manufacturing and sales

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Statement of use	CJ CheilJedang has reported in accordance with the GRI Standards for the period 1 January 2023 ~ 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI STANDARD	DISCLOS	URE	PAGES	NOTES
GRI 2: GENERAL DISCLOSURES	2021			
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	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	2	
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	2-12	Role of the highest governance body in overseeing the management of impacts	13-14,18	
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Povernance	2-15	Conflicts of interest	82-84	
overnance	2-16	Communication of critical concerns	13	
	2-17	Collective knowledge of the highest governance body	84	
	2-18	Evaluation of the performance of the highest governance body	=	This Item is not disclosed for business reason
	2-19	Remuneration policies	=	This item is not disclosed for business reason
	2-20	Process to determine remuneration	84,104	
	2-21	Annual total compensation ratio	104	This Item is disclosed as an average amount for business reasons.
	2-22	Statement on sustainable development strategy	4	
	2-23	Policy commitments	33, 37, 48, 52, 64, 68, 72, 88-89	CJ CheilJedang's official website — Sustainability reports & Policies
	2-24	Embedding policy commitments	33, 37, 48, 64	
trategy, policies, and practice	2-25	Processes to remediate negative impacts	15, 34, 49, 65-66	
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GRI 3. Material Topics 2021	3-2	List of material topics	19	
RESPONSE TO CLIMATE CHANGE				
GRI 3: Material Topics 2021	3-3	Management of material topics	22-35	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	25	
	302-1	Energy consumption within the organization	100	
GRI 302: Energy 2016	302-2	Energy consumption outside of the organization	100	
	302-3	Energy intensity	100	
	303-1	Interactions with water as a shared resource	32-33	
ODI 2000 Materia di Efficient	303-2	Management of water discharge-related impacts	32	
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	32-33, 101	
2010	303-4	Water discharge	33, 101	
	303-5	Water consumption	101	
	305-1	Direct (Scope 1) GHG emissions	100	
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	100	
	305-3	Other indirect (Scope 3) GHG emissions	100	
ON 303- LITHSSIONS 2010	305-4	GHG emissions intensity	100	
	305-6	Emissions of ozone-depleting substances (ODS)	-	Not applicable
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	101	

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## MULTIPLE SECTORS

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
Energy Management	nent FB-PF-130a.1 RT-CH-130a.1 (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy			
Water Management	FB-PF-140a.1 RT-CH-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	101	
	FB-PF-140a.2 RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	101	
	FB-PF-140a.3 RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	32-33	

## PROCESSED FOODS

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
	FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FY23 GFSI audit major non-conformance rate: 2% FY23 GFSI audit major non-conformance associated corrective action rate: 100%	
Eood Safoty	FB-PF-250a.2	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Undisclosed	
Food Safety	FB-PF-250a.3	(1) Total number of notices of food safety violation received and (2) percentage corrected	(1) FY23 total number of notices of food safety violation received: 1 case (2) FY23 percentage corrected: 100%	
	FB-PF-250a.4	(1) Number of recalls issued and (2) total amount of food product recalled	(1) Number of recalls issued: 2 cases (2) Total amount of food product recalled: 0.5 ton	
	FB-PF-260a.1	Revenue from products labeled and/or marketed to promote health and nutrition attributes	Non-measurable	
Health & Nutrition	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	78, 80	
	FB-PF-270a.1	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	Non-measurable	
Product Labeling & Marketing	FB-PF-270a.2	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	(1) Undisclosed (2) Not applicable	
	FB-PF-270a.3	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	107	
	FB-PF-270a.4	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	Undisclosed	
Packaging Life-cycle Management	FB-PF-410a.1	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	103	
_	FB-PF-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	38-41	
Environmental & Social Impacts	FB-PF-430a.1	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	106	
of Ingredient Supply Chain	FB-PF-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	49-50	
Ingredient Sourcing	FB-PF-440a.1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Non-measurable	
	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	52, 64	Sustainable Raw Material Sourcing Policy @
Activity metrics	FB-PF-000.A FB-PF-000.B	(1) Weight of products sold (2) Number of production facilities	(1) FY23 Total production 5,288,367 tons (2) Number of production facilities: Business overview 7p	Different from CJ CheilJedang's total production facility and production volume: same as the scope of data collection for the ESG Fact Sheet.

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## CHEMICALS

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE	NOTES
GHG Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	(1) Scope 1 emissions measured: 2,196,000 tCO <sub>2</sub> eq (2) % subject to emission regulations: 48% (Korea, China)	1,002
	RT-CH-110a.2	Discussion of long term and short term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	23	
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	101	
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	102	
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	96-98	
Manufacca Haribba Q Cafab.	RT-CH-320ap	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	105	
Workforce Health & Safety	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	70	
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use phase resource efficiency	7	
Safety & Environmenal Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment (2) percentage of such products that have undergone a hazard assessment	N/A	
·	RT-CH 410b.2	(1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	68-70	
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Undisclosed (Based on the 2023 report)	
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	nat Core issue-specific description pages	
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	N/A (Based on the 2022 report)	
	RT-CH-540a.2	Number of transport incidents	See SASB index Processed Foods Activity metrics(149)	
Activity metrics	RT-CH-000.A Production by reportable segment	Production by reportable segment		See '23 Annual Report

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DISCLOSURE STANDARD	KEY ELEMENTS	METRICS	PAGES	TCFD INDEX
	Governance	the highest governance body(s) responsible for oversight of climate-related risks and opportunities	24	Governance - A
		the management overseeing climate-related risks and opportunities	24	Governance - AB
		the climate-related risks and opportunities	25	Strategy - A
	Stratogy	the effects of those climate-related risks and opportunities on the entity's business model and value chain	25	Strategy - B
	Strategy	Financial impact of climate-related risks and opportunities	25	Strategy - B
		Climate resilience - Analysis of resilience during the reporting period and scenario analysis methodology	26-27	Strategy - C
Climate	Risk management	Process for identifying, assessing, and prioritizing climate risks and opportunities	25	Risk Management – A, B, C
Change Response	Metrics and targets	Greenhouse gas metrics- Scope 1,2	28, 31	Metric and Targets – B
(S2)		Greenhouse gas metrics- Scope 3	28, 31	Metric and Targets – B
		Greenhouse gas metrics- the measurement approach	28	
		Assets and business activities related to climate risks and opportunities	40-42	
		capital deployment	30	
		internal carbon price	30	
		climate-related remuneration	24	
		climate-related targets	31	Metric and Targets - A,C

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DISCLOSURE STANDARD	KEY ELEMENTS	METRICS	CIRCULAR CIRCULAR	SUPPLY CHAIN	HUMAN RESOURCE MANAGEMENT	HUMAN RIGHTS	SAFETY AND HEALTH	FOOD SAFETY AND QUALITY	HEALTH AND NUTRITION
	Governance	the highest governance body(s) responsible for oversight of sustainability-related risks and opportunities $$	37	47	-	64	-	-	-
		the management overseeing sustainability-related risks and opportunities	37	47	-	64	68	72	78
	Strategy	the saline sustainability-related risks and opportunities	37, 42	47	54	65	68	-	78
Other sustainability topics		the effects of those sustainability-related risks and opportunities on the entity's business model and value chain	37, 42	47	54	-	68	-	79-80
		Strategies and decision-making in response to sustainability-related risks and opportunities	38-44	48-52	54-62	66	69-70	73-74	79-80
(S1)		Financial impact of sustainability-related risks and opportunities	-	-	-	-	-	-	-
1		Resilience	-	-	-	-	-	-	-
	Risk management	Process for identifying, assessing, and prioritizing sustainability risks and opportunities	45	49-50	61-62	64, 66	68	72-73	-
	Metric and	Metrics related to sustainability risks and opportunities	38-41, 43, 45	50	-	66	68-70	72, 74, 76	80
	targets	Targets related to sustainability risks and opportunities	43	50	-	-	68	=	-

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#### **IMPLEMENTATION OF THE 10 UNGC PRINCIPLES**

CATEGORY	UN GLOBAL COMPACT TEN PRINCIPLES	PAGE
Human Rights	Business should support and respect the protection of internationally proclaimed human rights,	Human Rights
Tullian Nights	2. Make sure that they are not complicit in human rights abuses.	Human Rights
	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,	Human Resource Management
Labor	4. the elimination of all forms of forced and compulsory labor,	Human Rights Sustainable Supply chain
Labor	5. the effective abolition of child labor,	Human Rights Sustainable Supply chain
	6. the elimination of discrimination in respect of employment and occupation.	Human Rights Human Resource Management
	7. Businesses should support a precautionary approach to environmental challenges,	Sustainable Supply chain Response to Climate Change
Environment	8. undertake initiatives to promote greater environmental responsibility,	Response to Climate Change
	encourage the development and diffusion of environmentally friendly technologies.	Sustainable Raw Materials
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	Compliance Management

## ALIGNMENT WITH THE UN SDGS

GOAL	PAGE
1 %un <b>İ</b> l¥ <b>††:İ</b>	Health and Nutrition
2 HOMER	Health and Nutrition
3 GOOD HEALTH  AND NELL-HENG	Food and Product Safety
5 censer equality	Human Resource Management
7 APPORDABLE AND CLEAN ENERGY	Response to Climate Change
8 BECONT WORK AND	Human Resource Management Human Rights
9 MELETRY, INCLUSION AND INTRACTINETHAT	Sustainable Supply Chain
10 REBUCED MEQUIPMES	Sustainable Supply Chain
11 SUSTAINABLE CITIES AND COMMERCIES	Circular Economy
12 RESPONSIBLE DISSUMPTION AND PRODUCTION	Circular Economy Sustainable Supply Chain
13 CLIMATE	Response to Climate Change
14 BELOW NATER	Circular Economy
15 ur or use	Sustainable Supply Chain
16 PEACL RETICE AND STRONG INCIDENTALS	Human Rights

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# Third-party Verification

DNV Business Assurance Korea, Ltd. ('DNV') has been commissioned by CJ CheilJedang Corporation (hereafter referred to as 'CJ CheilJedang' or 'the Company') to undertake an independent limited assurance on the Company's Sustainability Report 2023 (hereafter referred as 'the Report') for the calendar year ending 31 December 2023. The intended users of this assurance statement are the management and stakeholders of CJ CheilJedang.

### STANDARDS OF ASSURANCE

This assurance engagement has been carried out in Type 2 limited assurance in accordance with AccountAbility's AA1000 Assurance Standard v3 and DNV's VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 - 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report's adherence to the four principles of AA1000 AccountAbility Principles Standard (2018) and the accuracy, completeness, and neutrality principles of VeriSustain. In addition, DNV has reviewed the 'reliability of specified sustainability performance information' as described in the 'Scope of Assurance'. DNV's VeriSustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited or/and reasonable assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on CJ CheilJedang website for the current reporting period.

#### SCOPE OF ASSURANCE

We have carried out an independent limited assurance on the Report and an independent verification for selected performance indicators for the year ending 31 December 2023, which include the following:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by CJ CheilJedang.
- Regarding the 'reliability of specified sustainability performance information', we have reviewed the quality and reliability of (Water and Effluents) 303–3~303–5, (Waste) 306–3~306–5, (Supplier Environmental Assessment) 308–1, 308–2, (Occupational Health and Safety) 403–9, (Diversity and Equal Opportunity) 405–1, 405–2, (Supplier Social Assessment) 414–2 of the GRI Topic Standards, and (Non–GRI) Key Supplier Numbers and (Non–GRI) Food Loss and Waste.

#### **OPINION OBSERVATIONS AND RECOMMENDATIONS**

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the four principles of AA1000 APS and the accuracy, completeness, and neutrality principles of VeriSustain described below. In terms of reliability of specified sustainability performance information, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

Nothing came to our attention to cause us to believe that CJ CheilJedang' Report is not prepared, in all material respects, in accordance with the GRI Standards. Without affecting our assurance opinion, we provide the following observations against the principles of AA1000 APS and VeriSustain applicable to the relevant information described in the 'Scope of Assurance'

#### INCLUSIVITY: STAKEHOLDER PARTICIPATION AND OPINION

CJ CheilJedang identifies customers, partners, shareholders and investors, employees and the supply chain as its key stakeholder groups and reports on key communication channels and topics of interest for each stakeholder type. Stakeholder opinions collected through various communication channels have been reflected in the materiality assessment process. Meanwhile, a more comprehensive report on the management of key risks and opportunities can be expected if specific opinions gathered by each key stakeholder and whether or not such opinions were taken into consideration are reported together.

#### MATRIALITY: IDENTIFYING AND REPORTING ON MATERIAL SUSTAINABILITY TOPICS

CJ CheilJedang conducted a dual materiality assessment and identified 10 material issues which require management from the financial perspective and impact on society and the environment. In this process, the Company collected opinions from stakeholders at headquarters and overseas business sites, conducted media research, and identified relevant local laws and regulations. DNV has confirmed that the report reflects the material topics and their connections to the UN SDGs in the broader context of sustainable development.

#### RESPONSIVENESS: TRANSPARENT RESPONSE TO CRITICAL SUSTAINABILITY TOPICS AND RELATED IMPACTS

CJ CheilJedang operates its Sustainability Committee under the Board of Directions to identify and address various issues related to environmental, social, and governance and review its ESG management strategy and direction. The Company also operates the Sustainability Management Council, ESG Centers and Working Council to implement ESG management initiatives. The Company reports on key sustainability actions and achievements using the GRI Topic Standards as performance indicators.

## IMPACTS: MONITORING, MEASURING AND ACCOUNTING FOR THE IMPACT OF ORGANIZATIONAL ACTIVITIES ON THE ORGANIZATION AND ITS STAKEHOLDERS

CJ CheilJedang establishes and monitors strategies and goals for managing material issues, and reports on related examinations and progress. In particular, the Company reports on the direction of impact management concerning 'Response to Climate Change', 'Circular Economy', and 'Sustainable Supply Chain' based on their governance, strategy, risk management, and metrics and targets.

## RELIABILITY: ACCURACY AND COMPARABILITY OF INFORMATION PRESENTED IN THE REPORT AND THE QUALITY OF UNDERLYING DATA MANAGEMENT SYSTEMS

The data collection and processing process, supporting documents and records were verified through sampling techniques, and based on the result, no intentional errors or misstatements were found in the sustainability performance information described in the report. CJ CheilJedang can explain the source and meaning of sustainability performance using reliable methods and data, and any errors or unclear expressions found during the verification process were corrected before the publication of the Report.

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## COMPLETENESS: HOW MUCH OF ALL THE INFORMATION THAT HAS BEEN IDENTIFIED AS MATERIAL TO THE ORGANIZATION AND ITS STAKEHOLDERS IS REPORTED

CJ CheilJedang reports on the Company's key non-financial disclosures based on its performance related to material topics during the reporting period of 2023 using appropriate GRI Topic Standard disclosures, for the identified boundaries of operations.

## NEUTRALITY: EXTENT TO WHICH REPORT PROVIDES A BALANCED ACCOUNT OF AN ORGANIZATION'S PERFORMANCE, DELIVERD IN A NEUTRAL TONE

CJ CheilJedang discloses the Company's performance, challenges, and stakeholder concerns during the reporting period in a neutral, consistent, and balanced manner.

#### OUR CIMPETENCE, INDEPENDENCE AND QUALITY CONTROL

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 — Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV did not provide any services to CJ CheilJedang in 2023 that could compromise the independence or impartiality of our assurance work on the Report. Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

#### **I IMTATIONS**

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

## RESPONSIBILITIES OF THE DIRECTORS OF CJ CHEILJEDANG AND OF THE ASSURANCE PROVIDERS

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement. DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to CJ CheilJedang in the form of an independent assurance conclusion, based on the work performed and the evidence obtained. Our statement represents our independent opinion and is intended to inform the management and stakeholders of CJ CheilJedang. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

### **BASIS OF OUR OPINION**

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of CJ CheilJedang. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Peer and media review to identify relevant sustainability issues for CJ CheilJedang in the reporting period;
- Review of the disclosures according to reporting requirements with a focus on the process and the result of materiality assessment, Topic Standards Disclosures and relevant management processes;
- Understanding of the key systems, processes and controls for consolidating, collecting, managing and reporting disclosures and KPIs in the Report:
- Review documentary evidence and management representations supporting adherence to the reporting principles and requirements, with a focus on understanding and testing, on a sample basis, key data sets
- On-site visit at the CJ CheilJedang Head Office in Seoul, Republic of Korea to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy and carried out sample based assessment of site-specific data disclosures.
- Conduct interviews with representatives from the ESG team and relevant departments with overall responsibility of monitoring, data consolidation and reporting of the selected information

## FOR AND ON BEHALF OF DNV BUSINESS ASSURANCE KOREA LTD.

Seoul, Republic of Korea 27 August 2024







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