CJ CHEILJEDANG

NATURE TO NATURE

CJ CHEILJEDANG
SUSTAINABILITY REPORT 2025

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Date of Issue June 2026

Report Overview

CJ CheilJedang transparently discloses its sustainability strategy, key achievements, and future plans through an annual Sustainability Report, while communicating with its stakeholders. Moving forward, we will continue to share the progress and results of our sustainability initiatives with all stakeholders through this reporting.

Reporting Standards

This report was prepared in accordance with the GRI (Global Reporting Initiative) Standards 2021. For all material topics, it incorporates the disclosure requirements issued by the Korea Sustainability Standards Board (KSSB), which are aligned with the global standards established by the International Sustainability Standards Board (ISSB). Additionally, the report references the SASB (Sustainability Accounting Standards Board) standards, taking industry-specific characteristics into account, and includes our key activities linked to the UN SDGs (Sustainable Development Goals).

Reporting Period and Scope

This report details our economic, environmental, and social performance from January 1, 2025, to December 31, 2025. To provide stakeholders with the most relevant insights, certain information includes data through the first half of 2026. Financial information is presented on a consolidated basis in accordance with the Korean International Financial Reporting Standards (K-IFRS). Environmental and social information covers a total of 53 entities, including domestic and overseas manufacturing and non-manufacturing entities related to the Food and BIO Business Units. For the Fact Sheet, we have expanded our data reporting scope compared to the previous reporting period and have re-aggregated data for the past three years accordingly. We have excluded CJ Logistics, which operates independently, and CJ Feed&Care, which was divested during this period via a Share Purchase Agreement (SPA), from this reporting scope. Where the reporting boundary for a specific item differs from these standards, we have clearly noted the exception within the relevant section.

Third-party Assurance

This report has undergone independent verification by the Korean Standards Association (KSA) to ensure its accuracy and reliability. Details regarding the assurance process and the assurance statement can be found on pages 128-129. The third-party assurance statement for the reported greenhouse gas emissions (Scope 1, 2, and 3) is available on the "CJ CheilJedang website."

Report Limitations and Responsibility for Preparation

CJ CheilJedang's Sustainability Report may contain forward-looking statements regarding future company activities, in addition to information concerning current or past events. Although we believe the expectations expressed in these forward-looking statements are based on reasonable assumptions, we provide no guarantee that these outcomes will materialize. Forward-looking statements are identified by terms such as "planned," "pursuing," "expected," "intended," "targets," "strategy," and "estimates," and are used to describe our future business strategy, environmental targets, and external ESG operating policies. Consequently, we advise readers to use this report exclusively as a reference for understanding our approach, strategies, initiatives, and operating context within key ESG sectors. This report has not been prepared for any purpose other than those stated above. Furthermore, the information in this report is current only as of the date indicated and may be superseded by subsequent market conditions or other factors. The quantitative data presented in this report were compiled using the company's latest data collection methods as of the reporting period, which may differ from those applied in previous reporting periods. Accordingly, except where required by law or to correct manifest error, CJ CheilJedang does not undertake any obligation to update the statements contained in this report as a result of new information, future events, or other circumstances.

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CEO MESSAGE

Dear Valued Stakeholders,

Amid global uncertainty and structural transformation across industries, 2025 was a year in which we reflected deeply on our management fundamentals.

CJ CheilJedang is strategically reshaping its portfolio around the Food and BIO businesses and strengthening its capabilities to respond flexibly to a rapidly changing environment.

As part of this effort, we seek to establish clear principles and fundamentals for corporate operations and re-examine our internal control processes to solidify the foundation of our core competitiveness.

Expectations from the market and society regarding sustainability have evolved, shifting from a call for mere declarations to a demand for tangible, concrete action. In this environment, we recognize the importance of management activities that are grounded in sound principles and backed by demonstrable action. Accordingly, we will continue to ensure that transparent procedures and responsible practices take root in decision-making and implementation at our business site.

Our strategic direction is deeply integrated with this operational philosophy. Along with the global expansion of K-Food, we will reflect the values of "environmental sustainability" and "health and safety" in our products and services across all business units. In addition, we will gradually expand Health & Wellness-related products and solutions to meet diverse consumer demands. By balancing the maintenance of our current competitive edge with sustained investment in future growth areas, we will ensure our management activities are aligned with societal expectations.

Based on this commitment, we will pursue the following four core initiatives this year.

First, we will establish ESG data management infrastructure. This year marks a period in which the direction of mandatory sustainability disclosure in Korea has become more concrete. In line with this, we will prepare a data management system linked to the group-wide ESG strategy, review existing policies and processes, and establish a foundation for information disclosure that meets both business needs and global standards.

Second, we will elevate our climate change response system. We will conduct a comprehensive review of our progress since our 2021 carbon neutrality declaration, reassess our company-wide reduction targets and greenhouse gas management scope, and implement more effective response strategies.

Third, we will steadily expand our sustainability management across the entire value chain. We are committed to steadily broadening our ESG due diligence for partners, while formalizing our supply chain management policies and detailed procedures.

Lastly, we will continuously advance our governance and risk management capabilities. On this foundation, we will operate our compliance and ESG oversight systems and actively strive to foster a fair food industry ecosystem.

This year's Sustainability Report proactively applies disclosure standards to our material issues, providing a transparent account of the challenges identified and the results of our internal assessments. We hope this report serves as a valuable resource in keeping our stakeholders informed of our sustainability management progress and challenges.

We are deeply grateful for your unwavering trust and support, and we look forward to your continued interest and candid feedback and guidance as we move forward.

Thank you.

CEO of CJ CheilJedang Yoon Seok-hwan

COMPANY PROFILE

About Us

Since beginning with sugar production in 1953, CJ CheilJedang has led the development of Korea's food industry for more than 70 years and has grown into a global company with businesses spanning Food and BIO. Guided by our vision of being a "Global Lifestyle Company creating health, happiness, and convenience" and our ONLYONE management philosophy, we strive to create new value through the best products and services and contribute to the nation and society. We will continue to grow sustainably by enhancing the competitiveness of our global Food and BIO businesses through relentless challenge and innovation.

Company Overview

Company Name	Headquarters Address
CJ CheilJedang Corp.	CJ CheilJedang Center, 330 Dongho-ro, Jung-gu, Seoul, Korea
Date of Establishment	**CEO**
November 5, 1953	Sohn Kyung-shik, Yoon Seok-hwan
Revenue	**Operating Profit**
KRW27.3trillion	KRW1.2trillion
Total Assets	
KRW29.7trillion	

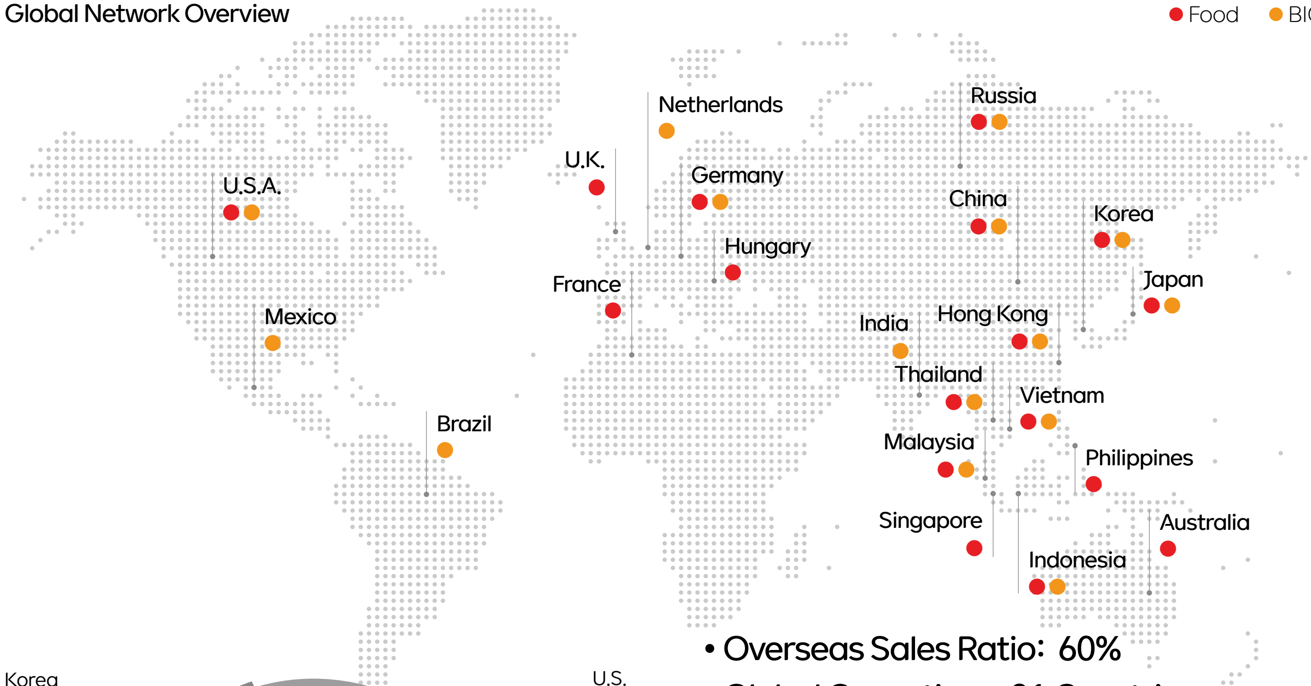
As of December 31, 2025, including logistics business.

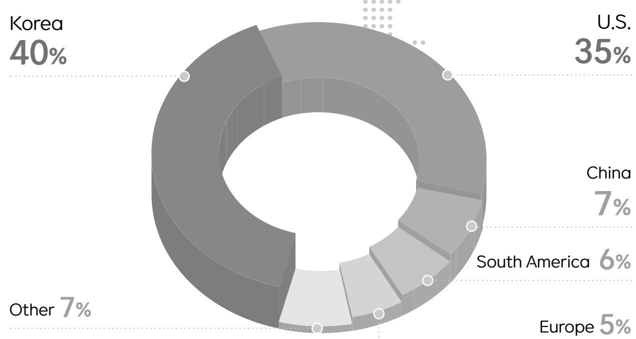
Business Unit

Food	BIO
Revenue KRW11.5223trillion	Revenue KRW4.1230trillion
Operating Profit KRW525.5billion	Operating Profit KRW202.1billion
Main Business: Processed Food, Food Ingredients	Main Business: Green BIO, White BIO, Human BIO

As of December 31, 2025, excluding the logistics business and the divested F&C business unit

Global Network Overview





- Overseas Sales Ratio: 60%
- Global Operations: 21 Countries

(Based on legal entity locations)

No. of Employees	Approx. 33,000	Number of Legal Entities	82[1)]
Manufacturing Sites	85	Sales Sites	68
Regional Offices	17	R&D Centers	4

1) Excluding logistics business, SPCs, funds, etc.

OUR BUSINESS

Food

Introduction

Starting as Korea's first sugar manufacturer in 1953, CJ CheilJedang's Food Business Unit has provided the foundation for Korea's food culture, centering on food ingredients and processed foods, while also driving the global expansion of flagship K-Food products. Operating a broad portfolio that includes Beksul, Haechandle, bibigo, Hetbahn, Gourmet, and SPAM, the company continues to strengthen its competitiveness in both domestic and international markets.

Food Business

Strategy

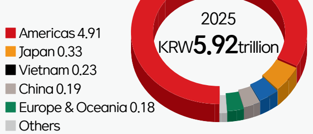
The CJ CheilJedang Food Business Unit is expanding its overseas business foundation around global strategic products. We continue to grow, based on major categories such as dumplings, processed rice, kimchi, and seaweed. This structural transformation of our global business is evident as overseas food sales now account for over half of our total revenue. Furthermore, building upon our production hub in Japan, we are establishing new production bases in Hungary and South Dakota, USA, thus shifting our operational model from an export-led approach to one underpinned by robust local production and distribution infrastructure. We are also elevating our health and nutrition profile by tailoring product offerings to meet the specific consumer preferences and nutritional standards of each market. Simultaneously, we are strengthening our business foundation to meet global regulations and sustainability requirements by transitioning to sustainable packaging, centered on increasing our use of recycled and bio-based materials while actively reducing virgin plastic use.

FY25 Highlights

Overseas Sales Ratio in the Food Business Exceeds 50% for the First Time

Revenue Breakdown by Key Markets

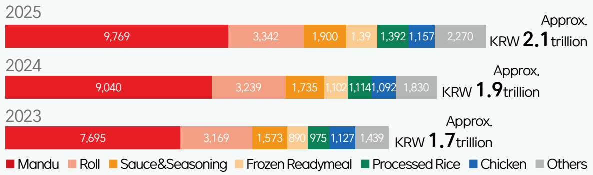
Unit: KRW trillion



Driving Sustained Global Growth Through Global Strategic Products (GSP)

Overseas GSP Revenue Trend

Unit: KRW 100 billion



BIO

Introduction

CJ CheilJedang's BIO Business Unit supplies the world's only portfolio of eight fermented amino acids for feed, as well as high-quality protein sources, supporting the foundation of the global food and feed industries. Leveraging world-class expertise in fermentation and purification, we operate our Animal Nutrition and Taste & Nutrition businesses. Building on these fermentation-based technical capabilities, we are expanding into next-generation bio-fields such as biodegradable materials and the microbiome, broadening both sustainability and future growth opportunities.

BIO Business

Strategy

The CJ CheilJedang BIO Business Unit is enhancing its portfolio centering on specialty amino acids and Taste & Nutrition solutions, and is pursuing a transition toward a high-value-added business structure. We continue to capture new growth by identifying new demand for specialty amino acids such as tryptophan, valine, and arginine, and premium seasoning materials such as TasteNrich®. In addition, we are strengthening cost competitiveness through high-productivity strain improvement and high-efficiency fermentation process technology, building a complementary production system based on our global network, and promoting business model diversification through the expansion of strain technology licensing models. Based on biodegradable PHA materials developed with our proprietary fermentation technology, along with our dedicated brand PHACT, we are expanding the scope of commercialization to cosmetic containers, packaging materials, and biodegradable straws, thereby actively contributing to the advancement of a circular economy.

FY25 Highlights

Global No. 1 Products in Animal Nutrition and Taste & Nutrition

Nucleotides	Enhancing savory flavor profiles
Tryptophan	Supports livestock growth, stress reduction, and immune health
Arginine	Poultry productivity and stress response
HISTIDINE	Amino acid balancing for swine and poultry
Isoleucine	Early-stage growth, protein synthesis, and blood production

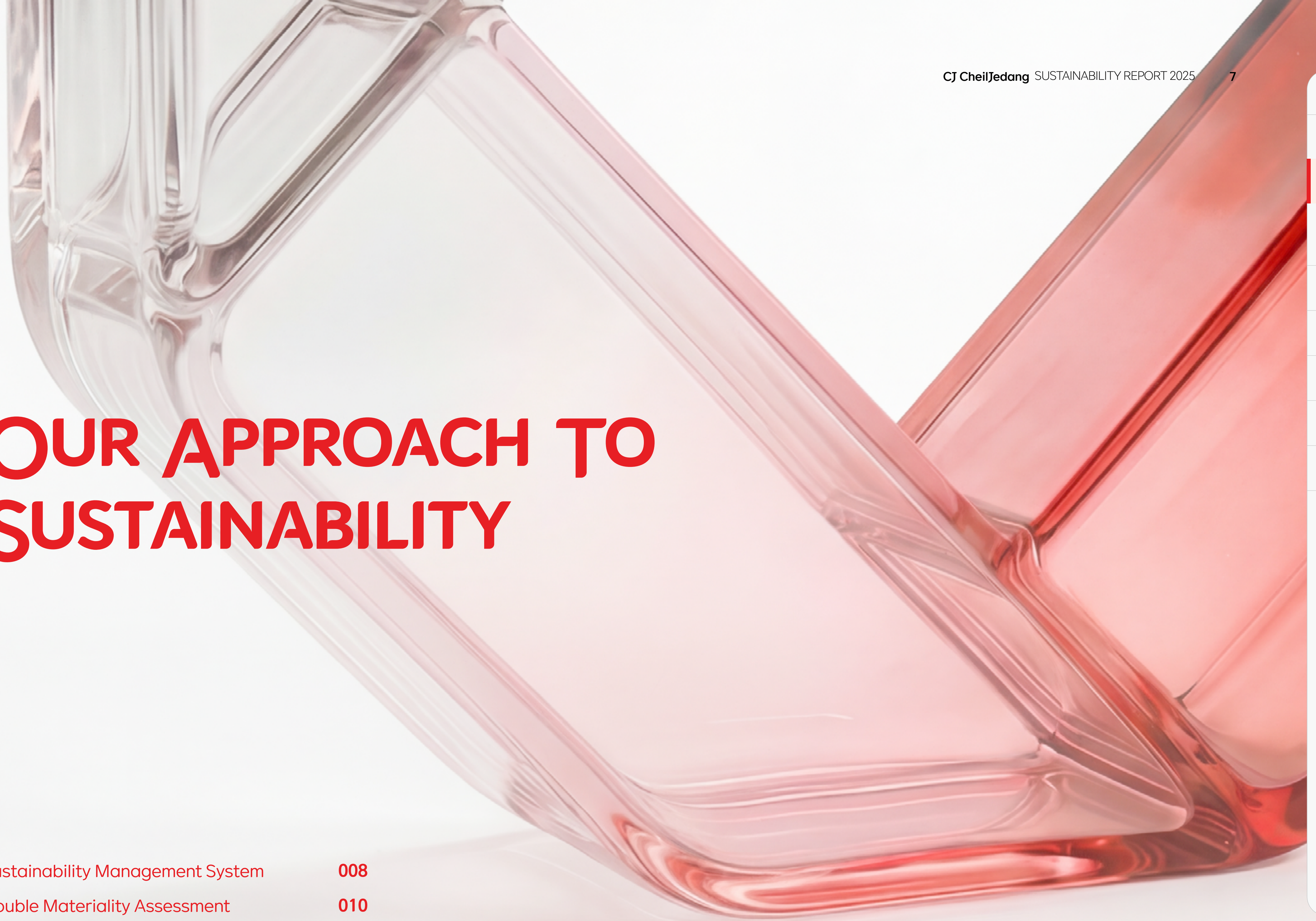
Expanding PHA Applications: From Consumer Goods to Industrial Materials

World's first commercialization of PHA-based sanitary products

Food packaging, sanitary products, straws, and household goods (dishcloths, trash bags), etc.

Expansion of Biodegradable Material Applications

Synthetic turf infill: 3 Nordic countries (Sweden, Norway, Finland)
Deployed to approx. 8 stadiums (as of Dec. 2025)



OUR APPROACH TO SUSTAINABILITY

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Sustainability Management System

CJ CheilJedang's Sustainability Management Strategy

To achieve its sustainability vision of a "Nature to Nature" virtuous cycle, CJ CheilJedang has established "Sustainable Environment" and "Wellness and Safety" as its core values, and is pursuing strategic initiatives aligned with these goals.

CJ Management Philosophy

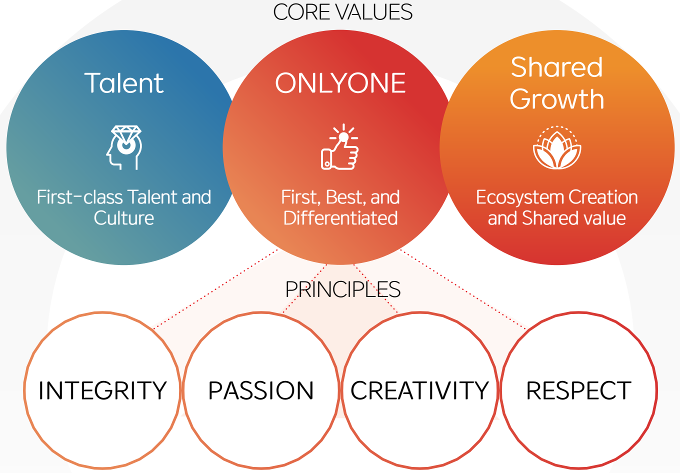
MISSION

Contribute to the nation and society by creating the highest value through ONLYONE products and services

VISION

A Global Lifestyle Company Creating Health, Happiness, and Convenience

CORE VALUES



Purpose

CJ CheilJedang aims to build a "Nature to Nature" virtuous cycle of returning what comes from nature to the consumer's table and back to nature again by creating the core values of "Sustainable Environment" and "Health and Safety" across the entire process, from raw material sourcing to production, consumption, and disposal.

Core Values

Sustainable Environment | Health and Safety

8 Strategic Tasks

Sustainable Environment:
- Response to Climate Change
- Sustainable Packaging
- Eco-friendly Material Solutions
- Sustainable Raw Material Sourcing

Health and Safety:
- Sustainable Supply Chain
- Human Rights Management
- Culture of Respect for DE&I
- Enhancement of Health and Nutrition

Sustainability Management Governance

To proactively manage ESG risks and implement sustainability initiatives continuously and in an integrated manner, CJ CheilJedang has established a sustainability management governance framework. The Corporate Sustainability Committee, operating under the Board of Directors, serves as the highest decision-making body for all sustainability-related matters, with authority to establish strategies and oversee implementation. The Corporate Sustainability Council, chaired by the CEO, leads the decision-making and execution of key sustainability-related agendas. Our Management Planning Department acts as the central hub, partnering with business units and functional departments to embed sustainability strategies, surface new agendas, and submit them to the Corporate Sustainability Council for review and decision-making.

Board of Directors
Highest Decision-making Body

Corporate Sustainability Committee
Composed of the CEO and independent directors, convenes at least twice a year to oversee the direction and implementation performance of sustainability management

Corporate Sustainability Council
Council (led by the CEO)
Executive management, together with heads of relevant units, reviews and monitors sustainability-related matters at least semi-annually

Management Planning Department
Dedicated Department (under the CFO)
Monitoring the implementation of company-wide sustainability initiatives, updating tasks, discussing key issues, and supporting decision-making

Working-Level Council
Functional Working Groups
Business units, strategic task owners, and corporate functional departments

Sustainability Management System

CJ CheilJedang's Sustainability Purpose

Enhancing the Integrated Supply Chain ESG Risk Management System

- Conduct Supplier Self-Assessment Questionnaires (SAQs) and on-site evaluations for high-risk suppliers
- Strengthen supply chain accountability by implementing human rights due diligence and SMETA, a third-party audit standard

Enhancing Climate Resilience for Raw Materials

- Continue R&D on climate-resilient raw materials, including heat-tolerant napa cabbage and processing rice cultivar, and land-based gim cultivation technologies.
- Advance regional meteorological monitoring systems

Continuing Efforts for Responsible Raw Material Sourcing and Quality/Safety Risk Prevention

- Utilize 100% RSPO-certified palm oil domestically, and incorporate SSAP-certified soybeans and ISCC PLUS-certified raw materials
- Provide quality requirement guidelines to raw material suppliers

Transitioning to Renewable Energy and Improving Energy Efficiency

- Expand on-site solar power generation and Power Purchase Agreements (PPA)
- Introduce external steam generated through waste heat recovery and high-efficiency equipment
- Implement Factory Energy Management Systems (FEMS)

Managing Environmental Impact at Business Sites

- Analyze water stress risks by workplace based on WRI tools
- Expand systems for water withdrawal reduction and recycling

Realizing a Safe and Respectful Workplace

- Prevent major accidents and enhance response capabilities through the operation of safety management governance
- Strengthen risk prevention by establishing a risk assessment system centered on on-site inspections
- Operate an employee grievance handling system and conduct regular human rights education

Advancing Digital-based Operational Capabilities

- Introduce AI-based talent competency assessment and strengthen leadership and job-specific training
- Establish security guidelines for generative AI
- Adopt new AI-based technology for raw material quality control

Advancing By-product and Waste Management in Manufacturing

- Utilize the domestic Circular Resources Recognition System and expand the resource recovery from food by-products
- Maintain Zero Waste to Landfill (ZWTL) certification

Strengthening Post-Consumer Resource Circularity

- Operate a collection and upcycling system for Hetbahn containers

Realizing Social Food Circularity through Sharing

- Donate food to contribute to preventing food insecurity and promoting the circularity of food resources
- Promote food security for underprivileged children and youth in local communities
- Implement social contribution initiatives linked to products and food technology

Innovating Products to Improve Life Cycle Environmental Performance

- Develop new materials, including Microbial fertilizers and fermentation-derived protein from nuruk microorganisms
- Launch and commercialize products using biodegradable materials (PHA)

Contributing to Healthy Diets through Nutritional Value Enhancement

- Achieve cumulative reductions of 131 tons of sodium, 959 tons of saturated fat, and 78 tons of sugar from 2021 to 2025
- Expand the launch of consumer-centric, health-oriented product portfolios
- Develop a pre-assessment and validation system for product nutritional quality

Advancing Sustainable Packaging

- Continue to use recycled and renewable materials while reducing virgin plastic use
- Remove and minimize problematic materials

Double Materiality Assessment

Materiality Assessment Process

CJ CheilJedang identifies and manages material sustainability issues by analyzing how our business activities affect the environment and society, and conversely, the impacts of environmental and social factors on the company. We apply the European Sustainability Reporting Standards (ESRS) Double Materiality assessment methodology and operate a review framework that reflects the characteristics of our Food and Bio businesses and industry-specific ESG risks. For this reporting period, we reviewed the continued validity of our previous materiality assessments by evaluating shifts in our business strategy, value chain scope, management policies, and the regulatory landscape. We also examined potential change factors from the perspective of IROs (Impacts, Risks, and Opportunities) for each issue. In particular, considering internal and external changes related to Ethics and Compliance Management and potential fluctuations in the interest levels of users of sustainability information, we conducted additional validity reviews for relevant topics, focusing on laws and regulations, reputation, stakeholder perspectives, and internal control systems. Although there were some changes in the priority of issues identified in the previous year, we determined that there were no significant changes in the scope and content of existing material issues, and thus maintained focus on those same material issues.

Double Materiality Assessment Process

STAGE 1. Analyzing the Business Environment

Internal Context
Business reports, previous year's material ESG issues, Board ESG agenda items, etc.

External Context
Benchmarking of international standards and ESG ratings, media analysis, etc.

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Value Chain
Own operations and upstream/downstream value chain activities

Stakeholder Inquiries
ESG-related inquiries and feedback from key customers and investors

Developing the Issue List

STAGE 2. Identifying and Assessing Impacts, Risks, and Opportunities (IROs)

Environmental & Social Impact | Financial Impact

Issue-level Identification (conducted separately by business unit)

Positive/ Negative	Actual/ Potential	Risk	Opportunity

Impact Assessment through Stakeholder Engagement

1) Environmental & Social Impact
① Likelihood
② Severity of Impact
· Scale: Scale of impact
· Scope: Extent of impact (stakeholder group or geographic scope)
· Irremediability: Difficulty of recovery following the impact

2) Financial Effects
① Likelihood
② Severity of Effects
· Scale: Effects on the company's revenue, cash flow, and profit/loss

Determining Materiality through Weighting of Factors

Identifying and Assessing Issues

STAGE 3. Prioritizing and Selecting Material Sustainability Issues

· Review the appropriateness of identified issues
· Identify 4 material issues

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· Review and approve implementation issues
· Report materiality assessment results to the Corporate Sustainability Committee

Category	Impact Tier	Financial Tier
Climate Change		
Circular Economy		
Talent Management		
Supply Chain		
Ethics and Compliance Management	Level 1↑	Level 1↑
Health and Safety		
Food Safety and Quality		
Health and Nutrition		
Information Security		
Biodiversity		

Finalizing 4 Material Issues
(Climate Change, Circular Economy, Talent Management, and Supply Chain)

* Material issues are topics derived from stakeholder feedback and the review of related impacts, risks, and opportunities for reporting purposes; they may not necessarily align with the company's strategic priorities.

Double Materiality Assessment

Materiality Assessment Process

Impacts, Risks, and Opportunities by Material Issue

CJ CheilJedang identifies and manages Climate Change, Circular Economy, Talent Management, and Supply Chain as its material issues. Considering that raw material sourcing is closely linked to the overall supply chain, we manage it as part of the Supply Chain issue. Beyond these four material issues, we maintain ongoing oversight and reporting on other sustainability topics, including Ethics and Compliance Management, Health and Safety, Food Safety and Quality, Health and Nutrition, Information Security, and Biodiversity.

Topic	Environmental & Social Impact			Financial Effects (Risks and Opportunities)		Our Approach	Report Page
	Description	Type		Description	Type		
Climate Change	· Greenhouse gas emissions and climate change caused by fossil fuel and electricity use in facilities · Increased emissions from fertilizer use and land use in agricultural processes	Actual	Negative	· Decreased yields of agricultural and fisheries products and increased procurement costs due to climate change · Increased operating/investment costs from stricter greenhouse gas emissions regulations · Greater uncertainty in energy supply and increased procurement costs · Increased damage to production facilities from climate change	Risk	· Transition to renewable energy (solar PV installations, PPAs, etc.) · Improve energy efficiency (procurement of external steam generated from recovered waste heat, investment in high-efficiency equipments) · Implement storm and flood prevention activities · Manage raw material price volatility using global weather data and AI-based forecasting systems · Develop climate-resilient cultivars and technologies (heat-tolerant napa cabbage & rice, land-based gim cultivation technology) · Develop products with improved environmental performance (Microbial fertilizers, fermentation-derived protein from nuruk microorganisms)	p. 13~36
				· Strengthened climate resilience through R&D of climate-resilient raw materials · Securing new revenue from increased demand for products with improved environmental performance	Opportunity		
Circular Economy	· Soil, water, and air pollution and GHG emissions from production waste · Soil and marine pollution from post-consumer packaging waste and the resulting generation of microplastics · Resource waste from food loss/waste	Actual	Negative	· Increased investment/operating costs for waste regulations and eco-friendly packaging materials · Difficulty in securing a stable supply of packaging raw materials at reasonable prices	Risk	· Design circular packaging, reduce virgin plastic use, and remove/minimize problematic plastics · Expand commercialization of biodegradable plastics (PHA) · Operate Hetbahn container collection/upcycling system · Maintain Zero Waste to Landfill (ZWTL) validation and upcycle by-products	p. 37~49
				· Reduced production costs through packaging weight reduction and by-product upcycling · Lower landfill/incineration costs and GHG emissions from increased waste recycling · Increased sales of biodegradable plastic (PHA) products	Opportunity		
Talent Management	· Improved employee productivity and satisfaction through excellent education and work environment · Enhanced human rights and quality of life through the realization of a safe and respect-worthy workplace · Contribution to social inclusion by fostering a culture based on diversity and equity	Actual	Positive	· Intensified competition for talent, weakened competitiveness due to talent attrition, legal risks from non-compliance with labor laws	Risk	· Introduce AI-based competency assessments · Strengthen leadership and job-specific training · Build an employee support system to improve work engagement · Announce human rights management declaration and conduct regular human rights training	p. 59~66
				· Improved employee health and quality of life from expanded welfare benefits · Increased productivity and reduced turnover from family-friendly policies	Opportunity		
Supply Chain	· Environmental and social risk mitigation within the supply chain through ESG assessment/management of partners · Creation of a sustainable industrial ecosystem by supporting mutual growth · Minimization of negative impacts such as deforestation and human rights violations through sustainable raw material procurement	Actual	Positive	· Increased operating costs for supply chain due diligence and risk response · Reputational and business risks from the spread of human rights/environmental issues	Risk	· Identify risks for Tier 1 suppliers using an ESG risk monitoring platform (EIQ) · Conduct self-assessments for major partners and on-site evaluations for high-risk partners · Insert mandatory compliance clauses for codes of conduct in partner contracts · Use 100% RSPO-certified palm oil domestically, use sustainable certified raw materials like SSAP-certified soybeans, ISCC PLUS-certified soybean oil, etc.	p. 67~75
				· Enhanced corporate credibility by building a sustainable supply chain · Strengthened resilience through supply chain due diligence and risk management	Opportunity		

ENVIRONMENTAL

Climate Change

Governance

1. Role of the Governance Body in Management and Oversight

1) Management and Oversight Responsibilities of the Governance Body

The Corporate Sustainability Committee under the Board of Directors of CJ CheilJedang serves as the highest decision-making body responsible for overseeing overall sustainability management, including climate-related risks and opportunities; it deliberates on and resolves sustainability management strategies, related goals, and implementation plans, while managing and overseeing the implementation process.
The Committee's responsibilities, authority, and related agenda items regarding sustainability management are set out in CJ CheilJedang's "Environmental Policy" and Article 3 (Duties, Authority, and Functions) and Article 9 (Agenda Items) of the "Corporate Sustainability Committee Regulations."

CJ CheilJedang Environmental Policy	[Environmental Management Promotion Organization] To drive environmental management across the company, CJ CheilJedang performs final deliberation, resolution, and decision-making through the Corporate Sustainability Committee under the Board of Directors.
Corporate Sustainability Committee Regulations	Article 3 (Duties, Authority, and Functions) ① The Committee promotes the company's sustainable growth by driving Environmental (E), Social (S), and Governance (G) initiatives in a strategic and systematic manner. ② The Committee identifies and assesses various topics and issues related to the Environmental (E), Social (S), and Governance (G), reviews the company's sustainability management strategies and direction, and continuously evaluates and approves related performance results and improvement measures. Article 9 (Agenda Items) Agenda items for the Committee are as follows. ① Fundamental directions and plans for sustainable management strategy ② Sustainable management performance and implementation activities ③ Other ESG-related matters deemed necessary by the Board of Directors or the Committee

2) Assessment and Development of Oversight Competencies

To strengthen the Corporate Sustainability Committee's oversight and management competencies with respect to our response to climate-related risks and opportunities, we provide relevant training to outside directors as needed. In 2025, training was provided under the theme "ESG Policy and Disclosure Response Strategy under the New Administration," covering domestic ESG policy directions, climate disclosure trends, our current response to climate-related risks and opportunities, and future initiatives to further enhance climate-related disclosures.

Training Date	Training Program	Key Training Topics
Aug. 11, 2025	ESG Policy and Disclosure Response Strategy under the New Administration	· Global and domestic climate disclosure trends · Our current approach to climate-related risks and opportunities, and future improvement priorities

3) Reporting Protocols and Frequency for the Governance Body

The Corporate Sustainability Committee meets at least twice a year in principle and receives reports from the Management Planning Department regarding the information necessary to oversee and manage climate-related risks and opportunities. For each Committee meeting, relevant meeting materials are provided at least seven days in advance to support informed and reasonable decision-making on related agenda items.
The key climate-related agenda items deliberated on and approved by the Corporate Sustainability Committee over the past two years are as follows.

Date	Agenda Item	Details	Status
May 13, 2024	Approval of 2024 ESG Initiatives	· Enhancement of Net Zero implementation	Approved
Sep. 9, 2024	Report on the Publication of the 2023 Sustainability Report	· Results of physical risk analysis based on climate scenarios · 3-year greenhouse gas emissions data and targets	Reported
May 12, 2025	Approval of 2025 ESG Initiatives	· Climate-related risk analysis	Approved
Aug. 11, 2025	Report on the Publication of the 2024 Sustainability Report	· Results of the financial effects analysis of identified climate-related risks and opportunities	Reported

Climate Change

Governance

1. Role of the Governance Body in Management and Oversight

4) Consideration of Risks and Opportunities in Key Decision-making

The Corporate Sustainability Committee reviews the potential effects of climate-related risks and opportunities on our business and financial performance and considers these risks and opportunities in decision-making related to environmental management strategies and key initiatives.
When making key decisions regarding responses to climate-related risks and opportunities, we comprehensively consider cost burdens, expected benefits, and medium- to long-term effects alongside the trade-offs among these factors.

5) Management and Oversight of Target Setting with Progress Monitoring

The Corporate Sustainability Committee oversees and manages climate-related targets by deliberating and resolving on these targets and their related strategic directions. In 2021, we established a 2050 Net Zero target and disclosed it via the "CJ CheilJedang Climate Change Response Report," and the Committee reviews progress toward these targets and related key initiatives.

2. Role of Executive Management in Management and Oversight

1) Management and Oversight Roles Delegated to Management

The Corporate Sustainability Committee delegates responsibility for executing and managing strategies for responding to climate-related risks and opportunities to the Corporate Sustainability Council.
The Corporate Sustainability Council is composed of the CEO, key members of executive management, and representatives from the Management Planning Department, overseeing climate-related response activities for the company and its consolidated subsidiaries. The Council holds regular meetings at least twice a year to review progress on key climate-related agenda items and leads the decision-making and execution of company-wide response strategies and key initiatives.
The Council also reports on the progress of key initiatives and the outcomes of its discussions to the Corporate Sustainability Committee. Based on these reports, the Committee reviews management's climate-related response activities and decision-making processes and oversees the appropriateness and progress of the implementation of related strategies.

2) Management Controls and Procedures

To support executive management's oversight of climate-related risks and opportunities, we operate a process for the identification, assessment, and management of risks and opportunities, along with a reporting framework. The corporate ESG Team conducts an annual identification and assessment of climate-related risks and opportunities, while the ESG and EHS (Environment, Health and Safety) teams within each business unit collect relevant data and execute management and response activities for identified risks and opportunities. Additionally, we ensure the reliability and accuracy of climate-related data, such as greenhouse gas emissions and energy consumption, through internal control procedures and third-party verification, and we have pilot-tested an internal carbon pricing mechanism for certain investment decision-making processes.
The assessment results and key response activities regarding identified climate-related risks and opportunities are reported to executive management, which uses this information to review climate-related strategies and response directions.

Climate Change

Strategy

1. Climate-related Risks and Opportunities

1) Identification of Risks and Opportunities

CJ CheilJedang has identified climate-related risks and opportunities that are reasonably expected to affect our prospects on a consolidated basis. The significance of the identified risks and opportunities was assessed based on employee surveys, climate scenario analysis, and the practices of peer companies operating in the same industry and regions.
As a result, temperature extremes were identified as the key physical risk, while stricter greenhouse gas emissions regulations, climate-related regulatory and litigation risks, and raw material and energy procurement risks were identified as the key transition risks. Enhanced climate resilience across the supply chain was identified as the key opportunity.

2) Time Frames for the Effects of Identified Risks and Opportunities

We define the time frames over which climate-related risks and opportunities are expected to have effects as short-term (within 1 year), medium-term (over 1 year and up to 5 years), and long-term (over 5 years). This classification reflects the characteristics of climate change impacts, which tend to intensify gradually over the medium to long term. Meanwhile, planning horizons used for strategic decision-making are defined as short-term (within 1 year), medium-term (over 1 year and up to 3 years), and long-term (over 3 years), and are used for business planning and capital allocation decisions. We review climate-related time frames in conjunction with our business planning horizons, while extending the medium- and long-term time frames to reflect industry characteristics and the time lag between climate-related risks and opportunities and their financial effects.

※ Time Frames for Climate-related Effects

Category	Criteria	Applicable Period (Current Reporting Year)
Short-term	Within 1 year	Until 2026
Medium-term	Over 1 year and up to 5 years	2027-2030
Long-term	Over 5 years	2031 and beyond

✔ Key Climate-related Risks and Opportunities[1]

Category	Type		Factor	Description	Time Frame: Short-term	Time Frame: Medium-term	Time Frame: Long-term
Physical Risk	Acute	PR1	Pluvial Flooding	· Instability in raw material supply and increased procurement costs due to farmland inundation and crop damage · Production disruptions from facility damage	●	●	●
	Chronic	PR2	Temperature Extremes ✔	· Increased procurement costs due to reduced raw material yields and quality fluctuations caused by rising temperatures · Reduced productivity due to lower heating and cooling system efficiency and deteriorating working conditions	●	●	●
		PR3	Water Stress	· Reduced raw material yields due to water shortages · Production constraints and increased costs due to limited access to industrial water		●	●
Transition Risk	Policy and Legal	TR1	Stricter GHG Emissions Regulations ✔	· Increased costs for purchasing emission allowances due to a strengthened emissions trading system	●	●	●
		TR2	Climate-related Regulatory and Litigation Risks ✔	· Increased legal sanctions and litigation risks due to non-compliance with climate disclosure requirements or reporting errors	●	●	●
	Market	TR3	Increased Customer Demand for Environmental Impact Reduction	· Increased pressure to transition production processes, along with reduced transaction volume and diminished customer trust if customer expectations are not met	●	●	●
		TR4	Raw Material and Energy Procurement Risks ✔	· Increased procurement costs due to rising demand for sustainable raw materials, low-carbon and renewable energy	●	●	●
	Reputation	TR5	Increased Negative Stakeholder Perceptions	· Reduced business opportunities and deteriorating financing conditions due to negative stakeholder perceptions of insufficient climate action	●	●	●
Opportunity	Resource Efficiency	O1	Improvements in Energy and Resource Efficiency	· Increased productivity and cost savings through more efficient use of energy and resources		●	●
	Energy Sources	O2	Accelerated Transition to Renewable Energy	· GHG emissions reduction and stabilization of energy costs through the transition to renewable energy		●	●
	Market	O3	New Market Entry	· Entry into new markets and expansion of the customer base in response to growing demand for products with reduced environmental impact		●	●
	Products and Services	O4	Development of Products with Improved Environmental Performance	· Securing a competitive edge by developing differentiated products with reduced environmental impact through R&D		●	●
	Resilience	O5	Enhanced Climate Resilience of the Supply Chain ✔	· Ensuring business continuity through the development of climate-adaptive raw materials and supply chain diversification	●	●	●

1) Key climate-related risks and opportunities were identified based on their likelihood and impact. For details of the evaluation methodology, please refer to Climate Change - Risk Management - 1. Climate-related Risk and Opportunity Management Process.

Climate Change

Strategy

2. Business Model and Value Chain

1) Current and Anticipated Effects on the Business Model and Value Chain

CJ CheilJedang operates primarily through its Food and BIO Business Units, which form the basis of its business model. The Food Business Unit focuses on the manufacturing and sales of food ingredients and processed foods, while the BIO Business Unit focuses on the manufacturing and sales of feed amino acids and food seasoning ingredients.
Our value chain consists of activities across research and development, raw material procurement, production and manufacturing, distribution and logistics, and marketing and sales. The current and anticipated effects on our business model and value chain are as follows.

2) Areas of Concentrated Risks and Opportunities

Given our high reliance on agricultural and marine products, climate-related physical risks are concentrated in the raw material procurement stage. Temperature extremes directly affect the production of key agricultural and marine products, such as corn, wheat, napa cabbage, and gim, resulting in greater raw material supply volatility and increased procurement costs. Meanwhile, water stress is concentrated at selected sites in China and Indonesia. If constraints on water availability intensify, they may increase operational constraints and costs.
A major transition risk, stricter GHG emissions regulations, is concentrated in the domestic sites of the Food Business Unit, where the emissions trading system is applied. In particular, under Phase 4 of the Korea Emissions Trading Scheme (K-ETS), the proportion of paid allocations is expected to increase, along with emission allowance prices, potentially resulting in higher costs for purchasing additional emission allowances.
A key opportunity factor, enhancing supply chain climate resilience, is concentrated in R&D for major agricultural and marine raw materials that are sensitive to climate change. We are developing climate-resilient cultivars of key raw materials including napa cabbage, rice, and gim. These efforts are expected to strengthen business continuity by mitigating raw material supply volatility and enhancing supply chain resilience.

Category	Factor		Business Model		Value Chain					Current Effects	Anticipated Effects
			Food	BIO	Research and Development	Raw Material Procurement	Production / Manufacturing	Distribution / Logistics	Marketing / Sales		
Physical Risk	PR1	Pluvial Flooding	●	●		●	●			· Deterioration of growing conditions for major agricultural products, including napa cabbage → Supply instability and increased procurement costs	· Increased volatility in agricultural production volumes → Intensified price volatility and increased procurement costs · Potential for facility inundation and equipment damage → Production disruptions and increased maintenance and repair costs
	PR2	Temperature Extremes ✓	●	●		●	●	●		· Reduced production of key agricultural and marine products—including corn, wheat, napa cabbage, and gim—due to heatwaves → Increased procurement costs · Reduced cooling system efficiency and deteriorating working environments → Increased operating costs and lower work efficiency	· Reduced yields and quality deterioration of key raw materials → Increased procurement costs · Increased cooling demand and greater burden on equipment operation → Higher energy costs and production disruptions · Increased burden of maintaining cold chain due to high temperatures → Higher logistics operating costs
	PR3	Water Stress	●	●		●	●			· Restrictions on water use in certain water-stressed regions, including China → Increased water management costs	· Intensifying water shortages in regions such as China and Indonesia → Production disruptions and increased water costs · Reduced agricultural yields in water-scarce regions → Increased raw material procurement costs

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2. Business Model and Value Chain

Category	Factor		Business Model		Value Chain					Current Effects	Anticipated Effects
			Food	BIO	Research and Development	Raw Material Procurement	Production / Manufacturing	Distribution / Logistics	Marketing / Sales		
Transition Risk	TR1	Stricter GHG Emissions Regulations ✓	●				●			· Installation of solar PV systems and adoption of high-efficiency equipment → Investment costs incurred	· A higher share of paid allocations and rising carbon prices under the strengthened Korea Emissions Trading Scheme (K-ETS) → Increased emission allowance purchase costs · Investment in process optimization and high-efficiency equipment → Increased investment costs · Expansion of renewable energy procurement → Increased energy costs
	TR2	Climate-related Regulatory and Litigation Risks ✓	●	●	●	●	●	●	●	· Establishment of climate disclosure response systems and third-party verification → Increased disclosure response costs	· Mandatory climate disclosure requirements in Korea and expanding disclosure requirements in major operating regions, including Europe and the U.S. → Increased disclosure response, internal management, and verification costs · Increasing climate-related litigation → Potential legal risks and associated costs
	TR3	Increased Customer Demand for Environmental Impact Reduction	●	●	●	●	●	●	●	· Growing demand for data on greenhouse gas emissions and carbon footprints from major clients → Response costs incurred	· Increasingly stringent climate-related requirements from clients → Increased costs for managing product carbon footprints · Growing market demand for low-carbon products → Increased costs for product development and the transition to low-carbon raw materials
	TR4	Raw Material and Energy Procurement Risks ✓	●	●		●	●			· Increased demand for renewable energy and alternative fuels → Increased uncertainty in energy supply and rising procurement costs	· Intensified competition for renewable energy and fuel supplies driven by the accelerating low-carbon transition → Increased price volatility and procurement costs · Rising demand for sustainable raw materials → Increased procurement costs
	TR5	Increased Negative Stakeholder Perceptions	●	●					●	· Increasing stakeholder expectations regarding climate change response → Costs incurred for ESG assessment responses	· Widespread negative stakeholder perception in the event of insufficient climate action → Potential for corporate reputation damage and loss of investment opportunities

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2. Business Model and Value Chain

Category	Factor		Business Model: Food	Business Model: BIO	Value Chain: Research and Development	Value Chain: Raw Material Procurement	Value Chain: Production / Manufacturing	Value Chain: Distribution / Logistics	Value Chain: Marketing / Sales	Current Effects	Anticipated Effects
Opportunity	O1	Improvements in Energy and Resource Efficiency	●	●			●			· Adoption of high-efficiency equipment and energy management systems → Reduced operating costs through optimized equipment operation and energy savings	· Expansion of process optimization and adoption of energy management systems → Reduced energy costs · Reduced GHG emissions through lower energy use → Reduced emission allowance purchase costs
Opportunity	O2	Accelerated Transition to Renewable Energy	●	●			●	●		· Installation of solar PV systems primarily at domestic sites → Reduced energy costs	· Reduced GHG emissions through the expanded transition to renewable energy → Reduced emission allowance purchase costs and regulatory risks · Expanded use of renewable energy at logistics centers and other sites → Reduced energy costs
Opportunity	O3	New Market Entry	●	●	●				●	· Growing demand for products and materials with reduced environmental impact → New market entry opportunities	· Growth in the market for sustainable products and materials → Increased opportunities for new market entry and expansion of product and material portfolios
Opportunity	O4	Development of Products with Improved Environmental Performance	●	●	●				●	· Development of products and materials with improved environmental performance → Diversification of the product portfolio and response to customer demands	· Expanded commercialization of products with improved environmental performance → Strengthened product portfolio and new revenue streams · Securing relevant patents and intellectual property rights → Strengthened foundation for long-term growth and enhanced intangible asset value
Opportunity	O5	Enhanced Climate Resilience of the Supply Chain ✓	●	●	●	●				· Research and development of climate-resilient raw materials → Strengthened foundation for stable supplies of key raw materials	· Expansion of R&D targeting climate-vulnerable raw materials → Increased productivity and supply stability · Mitigation of raw material supply volatility → Improved procurement stability and enhanced supply chain resilience

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Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

Current and Anticipated Changes to the Business Model

CJ CheilJedang has assessed that the identified climate-related risks and opportunities are not expected to result in fundamental changes to its business model. However, the industry in which we operate is closely linked to agriculture, which is highly dependent on natural capital. As a result, changes in the agricultural production environment due to climate change may affect our business operations.

Accordingly, we review the effects of climate-related risks and opportunities on our business model and value chain, and we allocate resources to key activities for responding to climate-related risks and opportunities based on our climate-related transition plan.

To support the long-term sustainability of our business, we undertake the following direct and indirect mitigation and adaptation activities in response to climate-related risks and opportunities.

Direct and Indirect Mitigation and Adaptation Activities

Category	Activities	Related Risk and Opportunity Factors
① Expansion of renewable energy procurement and use	· Expansion of solar PV installations · Power Purchase Agreements (PPAs) · Purchase of Renewable Energy Certificates (RECs)	TR1, TR4, O2
② Energy efficiency improvement	· Procurement of external steam generated from recovered waste heat · Investment in high-efficiency equipment and process improvements · Adoption of Factory Energy Management System (FEMS)	TR1, TR4, O1
③ Transition to alternative fuels	· Transition to biomass fuels	TR4
④ Implementation of internal carbon pricing	· Pilot application of internal carbon pricing in investment decision-making	TR1, O1
⑤ Response to physical risks at business sites	· Implementation of preventive measures against flood and storm damage · Operation of a rapid safety and environmental risk information-sharing system for natural disasters	PR1
⑥ Water resource management at business sites	· Adoption of water recycling and water-saving technologies	PR3
⑦ Operation of Global Market Intelligence (MI) Room	· Management of raw material price volatility using global weather data and AI-based forecasting systems	PR1, PR2, PR3
⑧ Development of climate-resilient raw materials	· Development of heat-tolerant napa cabbage "Green Rose," heat-tolerant rice "Dong-haeng," and land-based gim cultivation technology	PR2, O5
⑨ Development of products with improved environmental performance	· Development of new materials, including microbial fertilizers and fermentation-derived alternative protein ingredients utilizing microorganisms in Nuruk	O3, O4
⑩ Product Life Cycle Assessment (LCA)	· Execution of Product Life Cycle Assessment (LCA) and establishment of a management system	TR3
⑪ Disclosure and stakeholder engagement	· Preparation and publication of pilot reports ahead of mandatory climate disclosure · Disclosure of environmental information through annual participation in the Carbon Disclosure Project (CDP) · Third-party verification of greenhouse gas emissions (Scope 1, 2, and 3)	TR2, TR5

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3. Strategy and Decision-making

1) Response to Risks and Opportunities

① Expansion of Renewable Energy Procurement and Use

To address increasingly stringent greenhouse gas emissions regulations and renewable energy procurement risks, CJ CheilJedang is expanding its renewable energy use by installing on-site solar power facilities, using PPAs and purchasing RECs.
In 2025, the Food Business Unit newly installed 0.2 MWp solar power facilities at each of its Ansan and Gongju plants and added a 0.2 MWp facility at the Nonsan plant. The total investment across the three sites amounted to KRW 720 million, of which KRW 345 million was funded through the Renewable Energy Distribution (Building Support) Program administered by the Korea Energy Agency.
We currently operate solar power facilities at 11 domestic and 2 overseas sites (Mainfrost in Germany and Vung Tau in Vietnam), and plan to install an additional 0.9 MWp solar power facility at Blossom Campus in Korea in 2026.
As demand for renewable energy continues to grow and procurement costs become more volatile, we are pursuing long-term renewable energy procurement contracts to secure a stable renewable energy supply and mitigate cost fluctuations. The Food Business Unit's Incheon 1 Plant signed a long-term third-party PPA in 2024, procuring approximately 2,052 MWh of renewable energy in 2025. This accounts for about 14.2% of the plant's annual electricity consumption.
Additionally, the BIO Business Unit signed a long-term REC purchase contract with Indonesia's state-owned electricity provider, PLN, in 2023 to reduce greenhouse gas emissions at the Jombang and Pasuruan sites. As of 2025, renewable energy accounted for 100% of electricity consumption at the Jombang site and approximately 80% at the Pasuruan site.

② Energy Efficiency Improvement

We are improving energy efficiency through the use of waste heat, the adoption of high-efficiency equipment, investments in process improvements, and the implementation of Factory Energy Management Systems (FEMS).
Following an internal capital investment, the Food Business Unit's Busan plant began utilizing approximately 144,000 tons of externally supplied steam annually, generated through waste heat recovery, starting in October 2025. This involves receiving steam produced by recycling incineration heat generated at an external waste incineration facility. As of 2025, the initiative resulted in a GHG reduction effect of approximately 2,818 tCO_2eq.
Meanwhile, the Jincheon plant replaced aging chillers and unit coolers, while the Incheon 1 Plant improved site energy efficiency by replacing an aging heat pump. In addition, the Incheon 1 Plant introduced FEMS and achieved energy savings by identifying and executing a total of four improvement tasks in 2025, including AI-based improvements to continuous production process efficiency and upgrades to dissolution and concentration process control systems.

③ Transition to alternative fuels

To reduce greenhouse gas emissions from fossil fuel use, the BIO Business Unit is transitioning to biomass-based alternative fuels at selected sites.
Since 2022, our Vung-Tau site in Vietnam has fully replaced coal with rice husk pellets. In 2025, the site used 4,882 tons of rice husk pellets, achieving a greenhouse gas reduction effect of approximately 7,690 tCO_2eq compared to coal use. Furthermore, our Piracicaba site in Brazil has been partially replacing LNG with biomass (wood chips) since 2024, which generated a GHG reduction effect of approximately 3,763 tCO_2eq in 2025.

④ Implementation of Internal Carbon Pricing

To address increasingly stringent greenhouse gas emissions regulations and establish a practical decision-making framework for achieving Net Zero, we established an internal carbon pricing system in December 2023 and have been piloting its operation.
The internal carbon pricing system is applied to new investments, facility expansions, and equipment investments that may result in changes to greenhouse gas emissions. This is reflected in the Payback Period analysis, which is our method for calculating investment effectiveness during the decision-making process.
We applied our internal carbon pricing system to 11 investment projects in each of 2024 and 2025.

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3. Strategy and Decision-making

1) Response to Risks and Opportunities

⑤ Response to Physical Risks at Business Sites

The Food Business Unit carries out storm and flood prevention and response activities across all domestic sites to address natural disasters such as extreme rainfall, typhoons, and strong winds. Each year, we undertake site-specific risk mitigation investments, such as installing flood barriers and reinforcing drainage channels and gutters. We also share lessons learned from past flood damage incidents, conduct pre-inspections, and carry out scenario-based emergency response drills.

In 2025, we identified 159 risks related to heavy rainfall and strong winds, completed improvement investments totaling approximately KRW 140 million, and recorded zero flood damage incidents across all domestic sites during the reporting period.

We also conduct year-round prevention and management activities focused on seasonal risk factors, including the thaw period (February-March), the Storm and Flood season (June-October), and the winter season (November-February of the following year).

In addition, we operate a Rapid Sharing System for Safety and Environmental Risks to ensure rapid crisis response and minimize business impacts during natural disasters. During natural disasters such as typhoons and heavy rainfall, information is shared promptly, and response measures are implemented based on risk rating criteria.

⑥ Water Resource Management at Business Sites

Based on climate scenario analysis, the BIO Business Unit's Jombang site in Indonesia was identified as having relatively high projected losses due to water scarcity. In response, the site is implementing water recycling and operational efficiency improvements to reduce water consumption. In 2025, a total of 1,140,345 m³ of water was recovered and reused in production, representing an approximately 10% increase from the previous year. The site also implements water-saving technologies, conducts employee training on water conservation, and carries out internal awareness-raising activities.

⑦ Operation of Global Market Intelligence (MI) Room

Our key raw materials, including raw sugar, wheat, soybeans, and corn, are highly dependent on weather conditions for their crop yields, and climate-driven extreme weather events increase raw material price volatility, posing a major risk factor for profitability. Accordingly, we established the Global Market Intelligence (MI) Room in 2019 to operate our risk management system.

The MI Room collects observation and forecast information from major international meteorological agencies such as ECMWF[1] and NOAA[2], monitoring global temperature and precipitation observation data along with daily weather outlooks from each agency. Furthermore, we comprehensively analyze crop condition indicators such as dryness levels, vegetation indices, and reservoir levels in major production areas, along with climate variability indicators like El Niño, La Niña, and snow cover status, and long-term weather forecasts by global agencies, utilizing these for market outlooks and procurement strategy formulation. In addition, we have secured meteorological experts to continuously monitor weather trends across major production areas and share this information with working-level staff, thereby strengthening the organization-wide resilience to extreme weather events.

1) European Centre for Medium-range Weather Forecasts
2) National Oceanic and Atmospheric Administration

Advancement of Weather Monitoring for Domestic Raw Material Sourcing Regions

As a key domestic agricultural product, cabbage is highly sensitive to weather conditions, leading to significant volatility in harvest and price. Therefore, more precise meteorological monitoring is required to secure a stable supply of raw materials. Accordingly, since 2025, we have been utilizing data from the Korea Meteorological Administration to collect detailed weather information at the town/township level (eup-myeon level) for major cabbage sourcing regions and performing data-driven analysis on actual weather impacts. We have also established a real-time data collection system to constantly monitor weather factors that directly affect cabbage growth, such as excessive rainfall, heatwaves, and cold-waves, and have introduced an alert system for the early detection of extreme weather to enable rapid response.

This local-level analysis system complements the existing global-scale monitoring system and contributes to increasing the accuracy and timeliness of decision-making for domestic raw material procurement. Looking ahead, we plan to expand the scope of analysis to fisheries resources through marine data collection and monitoring, and to strengthen our risk management capabilities in the seafood raw material sector by establishing a monitoring system for major gim/laver sourcing regions.

Climate Change

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

⑧ Development of Climate-Resilient Raw Materials

Development and Expanded Cultivation of the Heat-tolerant Napa Cabbage Cultivar "Green Rose"

To address the rising temperatures in highland regions due to climate change and summer napa cabbage supply instability, CJ CheilJedang has developed "Green Rose," Korea's first heat-tolerant napa cabbage cultivar that can be grown in low-altitude areas during the summer season, and is expanding its cultivation.

In 2025, we verified the cultivation stability through summer pilot programs at an altitude of 200m in Chungcheongbuk-do, successfully securing a production base at a scale sufficient for product application. We also developed customized cultivation solutions to ensure stable growth even under high-temperature and humid conditions and established a foundation for cultivation expansion by providing cultivation training to farmers in low-altitude regions who wish to participate.

In addition, we established a seed multiplication system for stable seed supply in preparation for expanded contract farming, and based on these climate-resilient cultivar development achievements, we received the Corporate Category of the 15th Climate Change Grand Leaders Award, hosted by the Climate Change Center, in 2025.

We are also conducting research on regional cultivars and cultivation methods to respond to global climate change adaptation needs. In Vietnam, we are deriving suitable cultivars and cultivation methods through research on rainy/dry season cultivation, and in the US, we are conducting preliminary screening of napa cabbage genetic resources to respond to environmental changes.

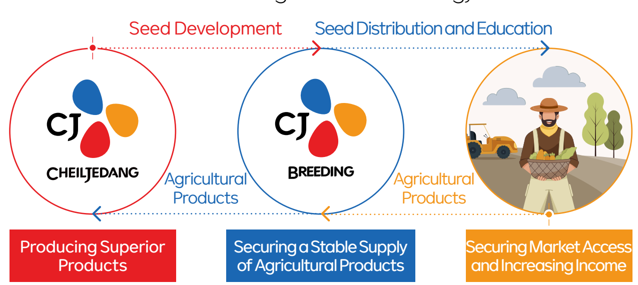
In the future, we plan to expand the application to the domestic kimchi business, promote that cultivar and increase farmer participation through the operation of regional exhibition pilot fields, and continuously advance our seed production system for stable seed supply.

Development and Expanded Cultivation of the Processing Rice Cultivar "Dong-haeng"

CJ CheilJedang has developed the processing rice cultivar "Dong-haeng" and is expanding contract cultivation to secure the quality and stable supply of raw rice, a key raw material. Dong-haeng maintains stable growth even amid environmental shifts caused by climate change, offers higher yields than existing cultivars, and possesses tolerance to major diseases.

In 2025, we produced approximately 10,000 tons of Dong-haeng rice through contract cultivation and are applying it to our products. Through this initiative, we have established a farm-to-table raw material management system, thereby strengthening price competitiveness and quality differentiation. By purchasing the entire output through contract cultivation, we contribute to securing stable sales channels for farmers and promote mutual growth.

Furthermore, we operate cultivation training programs in collaboration with local governments to support the improvement of farmers' cultivation capabilities, and in March 2026, we conducted cultivation capability enhancement training for approximately 800 contract farmers in the city of Asan. In 2026, we plan to promote the production of approximately 12,000 tons of Dong-haeng rice, centered in Asan, and plan to continuously strengthen production stability through crop growth surveys and cultivation analysis in collaboration with the Asan Agricultural Technology Center.



Development of Land-based Gim Cultivation Technologies

As rising sea temperatures caused by climate change have deteriorated the marine aquaculture environment, CJ CheilJedang has been pursuing the development of land-based cultivation technologies since 2018 to establish a stable gim production system. Along with the development of gim cultivar exclusive to land-based cultivation that can grow stably even in high-temperature conditions, we are conducting the development of total solutions that include both cultivation and processing technologies.

The dedicated gim cultivar developed by CJ CheilJedang for land-based cultivation can grow stably under high-temperature conditions and is characterized by its ability to secure higher yields than conventional cultivars under the same conditions. In contrast, conventional cultivars struggle in higher temperatures, and they require energy-intensive cooling systems to maintain optimal conditions, which is a significant limitation for land-based operations.

Furthermore, we have developed year-round production facilities and processes optimized for land-based cultivation, establishing a system that can produce gim continuously regardless of the season. Land-based cultivation has the advantage of being able to manage water temperature and water quality more precisely, thereby reducing the risk of exposure to disease and pollution, and enabling continuous production even during the marine aquaculture off-season in summer.

We are currently scaling up cultivation and advancing our technical capabilities, and we plan to continue research and development with the goal of commercialization in the future.

Climate Change

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

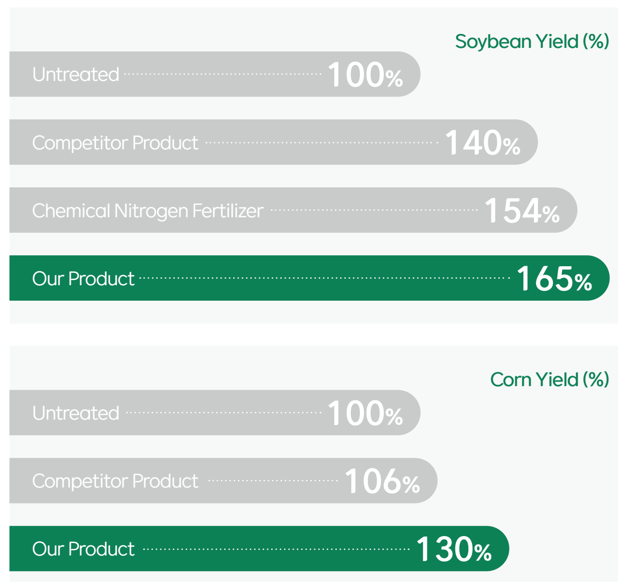
⑨ Development of Products with Improved Environmental Performance

Development of Microbial Fertilizers

CJ CheilJedang has developed microbial fertilizers that can replace or supplement chemical nitrogen fertilizers by leveraging the BIO Business Unit's core competencies in non-GM strain development and precision fermentation technology. Microbial fertilizers have relatively lower greenhouse gas emissions during the production process and can contribute to reducing greenhouse gas emissions from farmland as well as water and soil pollution by reducing the amount of chemical fertilizer used. We have developed Azospirillum strain products that promote plant growth by supplying nitrogen and plant growth hormones to various crops such as soybeans, corn, and sugarcane. We also verified product efficacy through field trials conducted in five regions of Brazil by Renove, an accredited testing agency. Test results showed that for soybeans, yields were approximately 11% higher than those of plots treated with chemical nitrogen fertilizer and approximately 25% higher than competitor's products, and for corn, yields were approximately 24% higher than competitor's products. Going forward, we plan to pursue product registration and launch in Brazil and expand application to global markets, including North America and Asia, thereby contributing to the expansion of low-carbon agriculture.

Microbial Fertilizer Product Label

Average Results of Field Trials across Five Brazilian Regions



Development of Fermentation-Derived Protein from Nuruk Microorganisms

CJ CheilJedang is developing a new alternative protein ingredient based on nuruk mycelium to respond to the growing global demand for sustainable materials. As a natural, high-protein ingredient derived from nuruk strains traditionally used in Korean makgeolli, it features fewer off-flavors compared to existing plant-based proteins and can achieve a meat-like texture without additional processing. Additionally, it is cholesterol-free compared with animal-derived proteins and possesses low-fat and high-dietary fiber characteristics.

For food applications, we collaborated with an alternative meat manufacturer in 2025 to develop vegan nuggets, which were presented at Seoul Food; we also partnered with a vegan restaurant selected for the Michelin Bib Gourmand to showcase menu items such as pasta and croquettes using our fermentation-derived protein through pop-up dining.

We are also pursuing the development of fermentation-derived protein for industrial use. As part of a government-funded project, we are developing vegan leather manufacturing technology for future mobility, and we unveiled vegan leather samples at the Busan International Footwear, Textile and Fashion Exhibition.

Our plan is to begin commercial production of food-grade protein ingredient in April 2026 for limited supply in the domestic market, and for industrial use, we plan to continue research and development and test production while reviewing application possibilities in various fields such as home interiors and footwear with partner organizations.

Climate Change

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

⑩ Product Life Cycle Assessment (LCA)

In response to rising demands from key global customers for product carbon footprint information and evolving stakeholder expectations, our BIO Business Unit has been conducting Product Life Cycle Assessments (LCA) since 2023. Through this, we quantify environmental impact across the entire product life cycle—from raw material extraction and manufacturing to distribution, use, and disposal—and are expanding our carbon management system from a site-based approach to a product-based management system.

In 2025, we conducted Life Cycle Assessments for five key products manufactured at each of our Shenyang and Liaocheng sites in China. We also developed an LCA calculation system capable of analyzing the impact of changes in raw and auxiliary materials on product carbon footprints by building an automation tool for raw and auxiliary material traceability management and calculation. In addition, we developed proprietary emission factors to improve the accuracy of product-level environmental impact assessments and completed third-party validation of the overall calculation methodology through DNV, a global certification body.

⑪ Disclosure and Stakeholder Engagement

We have been preparing and publishing our Sustainability Report in accordance with the Korea Sustainability Disclosure Standards since 2024 in preparation for mandatory climate disclosure requirements and to meet increasing stakeholder demands for information disclosure. To ensure the reliability and consistency of our greenhouse gas data, we conduct third-party verification of the greenhouse gas emissions (Scope 1, 2, and 3) disclosed in our Sustainability Report.

Additionally, we participate in the Carbon Disclosure Project (CDP) annually to disclose environmental information to major customers and investors.

Climate Transition Plan

To address shifts in policy, market conditions, and supply chain environments due to climate change, we have developed a climate transition plan that reflects the Paris Agreement and global Net Zero initiatives. Our climate transition plan is structured around three key areas: business operations, supply chains, and products. For business operations, we are reducing greenhouse gas emissions at our manufacturing sites through the expanded use of Renewable Energy, energy efficiency improvements, and fuel switching in response to increasingly stringent greenhouse gas emissions regulations and changes in energy markets.

For our supply chain, we monitor weather conditions and crop yields in major raw material sourcing regions to address increasing climate-related volatility in raw material supplies. We are also strengthening the resilience of our raw material supply chain through the development of climate-resilient raw materials and the expansion of contract farming.

For products, we conduct research and development on products and materials with improved environmental performance, including microbial fertilizers and fermentation-derived alternative protein, in response to evolving sustainability-related market trends and customer demands.

Our climate-related transition plan reflects key assumptions, including increasingly stringent greenhouse gas emissions regulations, expansion of the renewable energy procurement market, growing demand from major customers for carbon-related information, and increasing uncertainty in raw material supply chains. Also, the expansion of renewable energy supply infrastructure, development and commercialization of low-carbon technologies, government policy and support, and establishment of supply chain cooperation systems serve as key dependencies for the implementation of the transition plan.

Plan for Achieving Climate-related Targets

We are implementing GHG reduction activities to achieve our 2050 Net Zero target and medium-to-long-term greenhouse gas reduction targets, taking into account the operating characteristics of our sites, country-specific regulatory environments, and renewable energy procurement conditions.

Key measures to achieve these targets include expanding the use of renewable energy, improving energy efficiency, and fuel switching. To expand renewable energy use, we are installing on-site solar PV systems, entering into PPAs, and purchasing RECs. To improve energy efficiency, we are deploying high-efficiency equipment, improving production processes, and operating Factory Energy Management Systems (FEMS). Some sites are also implementing fuel switching initiatives, including the use of biomass fuels.

2) Progress of Previously Disclosed Plans

The progress made in implementing the climate-related risk and opportunity response plans disclosed in our previous Sustainability Report is as follows.

Category	Previously Disclosed Plan	Implementation Status
Expansion of Solar PV Systems	Additional installation of solar PV systems at the Ansan plant	Completed the installation of new solar PV systems at the Ansan and Gongju plants and additional installation at the Nonsan plant
Advanced Monitoring of Raw Material Sourcing Regions	Expand localized data analysis using Korea Meteorological Administration data	Currently collecting high-resolution weather information at the town/township-level areas in key sourcing regions; conducting data-driven analysis
Expansion of Dong-haeng Rice Production	Production of approximately 10,000 tons	Produced approximately 10,000 tons through contract cultivation and applied it to our products

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Climate Change

Strategy

4. Financial Position, Financial Performance, and Cash Flows

1) Current Financial Effects

CJ CheilJedang has identified the key pathways through which the climate-related risks and opportunities may affect its financial performance, as well as the relevant financial statement line items. However, climate-related risks and opportunities are interrelated with various external factors, and there are limitations in separately identifying or quantitatively measuring the effects of each factor. Furthermore, measurement uncertainty remains high, limiting our ability to quantitatively estimate financial effects with a reasonable level of confidence. Accordingly, we plan to progressively review and enhance our data management system and methodologies for quantifying financial effects.
The current financial effects of climate-related risks and opportunities during the reporting period are presented in the table on the right.

Significant Risks and Opportunities That May Cause Material Adjustments to the Financial Statements in the Next Fiscal Year

We may exceed our allocated free emission allowances under the Korea Emissions Trading Scheme (K-ETS) in the next fiscal year due to increasingly stringent regulations. Consequently, cost increases from additional emission allowance purchases and adjustments to the book value of related liabilities may occur. However, the actual financial effects may vary depending on various uncertainties, such as future production volumes, energy consumption, emission allowance prices, and government policy changes.

Category	Factor		Current Financial Effects	Related Financial Statement Items
Physical Risk	PR1	Pluvial Flooding	· Costs for Storm and Flood Prevention Activities	Property, plant and equipment (PP&E): repair and maintenance expenses
			· Reduced production of major agricultural products and increased raw material procurement costs	Inventories: cost of sales
	PR2	Temperature Extremes	· Increased energy consumption and utility costs due to heatwaves	Utility expenses
	PR3	Water Stress	· Investment and operating costs for water recycling technology	Property, plant and equipment (PP&E): utility expenses
Transition Risk	TR1	Stricter GHG Emissions Regulations	· Costs for renewable energy procurement and greenhouse gas emission reduction facilities · Investment in high-efficiency equipment and process improvements · Costs associated with renewable energy procurement via third-party PPAs	Property, plant and equipment (PP&E): repair and maintenance expenses: utility expenses
	TR2	Climate-related Regulatory and Litigation Risks	· Increased costs for GHG emissions verification and disclosure	Service fees
	TR3	Increased Customer Demand for Environmental Impact Reduction	· Costs for conducting and verifying Life Cycle Assessments (LCA)	Service fees
	TR4	Raw Material and Energy Procurement Risks	· Increased investment in solar PV systems · Investment in alternative energy source adoption	Property, plant and equipment (PP&E)
	TR5	Increased Negative Stakeholder Perceptions	· Costs for external consulting and verification to enhance credibility	Service fees
Opportunity	O1	Improvements in Energy and Resource Efficiency	· Savings in energy procurement costs through energy management and efficiency initiatives at sites	Utility expenses
	O2	Accelerated Transition to Renewable Energy	· Savings in energy costs through the expansion of solar PV systems and long-term PPA and REC contracts	Utility expenses
	O3	New Market Entry	· New business opportunities related to sustainable materials and products	Revenue
	O4	Development of Products with Improved Environmental Performance	· Generation of new revenue opportunities through the development of products with improved environmental performance	Revenue
	O5	Enhanced Climate Resilience of the Supply Chain	· Improved raw material supply stability through the development of climate-resilient raw materials and the expansion of contract farming	Inventories: cost of sales

* The information above presents an analysis of key activities and financial effect pathways related to climate-related risks and opportunities, based on data available as of the reporting period. This information may be further updated as the scope of climate-related data analysis expands and our financial effect assessment framework continues to be enhanced

Strategy

4. Financial Position, Financial Performance, and Cash Flows

2) Anticipated Financial Effects

CJ CheilJedang has analyzed the anticipated financial effects of identified climate-related risks and opportunities based on information reasonably available as of the reporting date. However, the analysis of anticipated climate-related financial effects is subject to inherent uncertainties, including future policy and market shifts, changes in the business environment, and technological advancements. Accordingly, actual financial effects may differ from the analysis presented in this report. Due to high uncertainty in separately identifying or quantitatively estimating the effects of certain climate-related risks and opportunities, we have conducted a qualitative analysis and reviewed assessed effects with a focus on relevant financial statement line items.
The key anticipated financial effects of climate-related risks and opportunities are as follows.

Category	Factor		Anticipated Financial Effects	Related Financial Statement Items
Physical Risk	PR1	Pluvial Flooding	· Disruptions in the supply of major agricultural products and increased raw material procurement costs due to climate disasters · Production disruptions and reduced revenue resulting from damage to site assets and operational shutdowns caused by extreme rainfall and flooding · Increased capital expenditure (CapEX) for physical damage prevention and climate resilience, such as drainage systems, facility reinforcement, and resilience investments	Property, plant and equipment (PP&E); inventories; repair and maintenance expenses; cost of sales, etc.
	PR2	Temperature Extremes	· Increased procurement costs due to reduced yields and rising prices of major raw materials caused by higher temperatures · Higher operating costs due to reduced HVAC (heating, ventilation, and air conditioning) system efficiency, and increased electricity consumption for cooling · Higher costs due to reduced workforce productivity and lower operational efficiency in high-temperature working environments · Increased costs of maintaining the cold chain for refrigerated storage and logistics during prolonged periods of high temperatures	Inventories; cost of sales; revenue; utility expenses, etc.
	PR3	Water Stress	· Higher water procurement costs due to worsening water shortages in China and Indonesia · Increased investment in facility construction, process improvements, and water recycling technologies to reduce water consumption and expand water reuse · Increased raw material procurement costs due to reduced yields and rising prices of major raw materials caused by water stress	Property, plant and equipment (PP&E); inventories; utility expenses, etc.
Transition Risk	TR1	Stricter GHG Emissions Regulations	· Increased emission allowance purchase costs due to the strengthening of the Korea Emissions Trading Scheme (K-ETS) · Higher electricity procurement costs associated with expanded renewable energy procurement · Increased investment in process optimization, high-efficiency equipment, and low-carbon technologies to reduce GHG emissions	Property, plant and equipment (PP&E); repair and maintenance expenses; utility expenses, etc.
	TR2	Climate-related Regulatory and Litigation Risks	· Rising third-party verification and advisory costs due to mandatory climate disclosures in Korea and the expansion of climate-related regulations in key markets · Increased costs associated with establishing climate-related data collection and management frameworks and developing IT systems	Service fees, etc.

* The information above presents an analysis of key activities and financial effect pathways related to climate-related risks and opportunities, based on data available as of the reporting period. This information may be further updated as the scope of climate-related data analysis expands and our financial effect assessment framework continues to be enhanced.

Climate Change

Strategy

4. Financial Position, Financial Performance, and Cash Flows

2) Anticipated Financial Effects

Category	Factor		Anticipated Financial Effects	Related Financial Statement Items
Transition Risk	TR3	Increased Customer Demand for Environmental Impact Reduction	· Increased costs for product carbon footprint quantification and verification to provide product environmental information · Increased costs for product development, raw material substitution, and packaging improvements in response to growing market demand for low-carbon products · Increased capital expenditure (CapEX) on technologies to support manufacturing process transitions	Service fees; cost of sales; R&D expenses, etc.
	TR4	Raw Material and Energy Procurement Risks	· Higher energy procurement and operating costs due to rising electricity prices · Increased energy procurement costs driven by competition for renewable energy and low-carbon fuel supplies · Increased raw material procurement costs due to increased demand for sustainable raw materials	Cost of sales; inventories, etc.
	TR5	Increased Negative Stakeholder Perceptions	· Declines in market share and revenue due to reputational damage and changing customer preferences resulting from inadequate climate action · Increased costs for brand management, communication, and stakeholder engagement in response to heightened expectations for climate action from investors, customers, and other stakeholders	Revenue; operating profit, etc.
Opportunity	O1	Improvements in Energy and Resource Efficiency	· Savings in energy and operating costs through energy efficiency improvements, including the deployment of high-efficiency equipment, process optimization, and waste heat recovery	Property, plant and equipment (PP&E); utility expenses, etc.
	O2	Accelerated Transition to Renewable Energy	· Reduced Scope 2 emissions and lower emission allowance purchase costs through an expanded transition to renewable energy · Mitigation of Medium- to long-term electricity procurement cost volatility through expanded renewable energy procurement, including on-site solar power generation and PPAs.	Utility expenses, etc.
	O3	New Market Entry	· Expansion of new market entry opportunities via the diversification of product portfolios in response to environmental impact reduction demands	Revenue, etc.
	O4	Development of Products with Improved Environmental Performance	· Strengthened technological competitiveness and expanded commercialization potential through the development of products with improved environmental performance and the acquisition of Intellectual Property (IP) rights	Intangible assets; revenue, etc.
	O5	Enhanced Climate Resilience of the Supply Chain	· Mitigation of raw material price volatility and optimization of procurement costs against climate change impacts	Inventories; cost of sales, etc.

* The information above presents an analysis of key activities and financial effect pathways related to climate-related risks and opportunities, based on data available as of the reporting period. This information may be further updated as the scope of climate-related data analysis expands and our financial effect assessment framework continues to be enhanced.

Climate Change

Strategy

5. Climate Resilience

1) Climate Resilience Assessment

Physical Risk

CJ CheilJedang conducted a climate scenario analysis using the S&P Global Climanomics® Tool to assess physical climate risks. The analysis applied four SSP scenarios (SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5) based on the IPCC's Sixth Assessment Report (AR6), evaluating physical risk impacts at 10-year intervals between 2020 and 2049.

SSP scenarios incorporate socioeconomic factors, including policies, population, economic development, energy consumption, and technological advancement, together with radiative forcing levels, covering a range of future pathways from those with the strongest climate mitigation efforts to high-risk scenarios. The analysis covered eight types of physical risks: temperature extremes, water stress, pluvial flooding, tropical cyclone, fluvial basin flooding, coastal flooding, drought, and wildfire. Financial effects at each site were evaluated based on the Modeled Average Annual Loss (MAAL), which reflects reduced revenue, increased capital expenditure (CapEX), and increased operating expenses (OpEX).

Physical Risk ① Key Business Sites

We conducted a physical climate risk analysis for 24 key business sites across 7 countries, selected based on their proportion of consolidated property, plant and equipment (PP&E) and business importance.

The analysis shows that the Modeled Average Annual Loss (MAAL) remained below 2% in most scenarios from the 2020s through the 2040s, with a projected increase to approximately 2.3% by the 2040s under the high-risk SSP5-8.5 scenario.

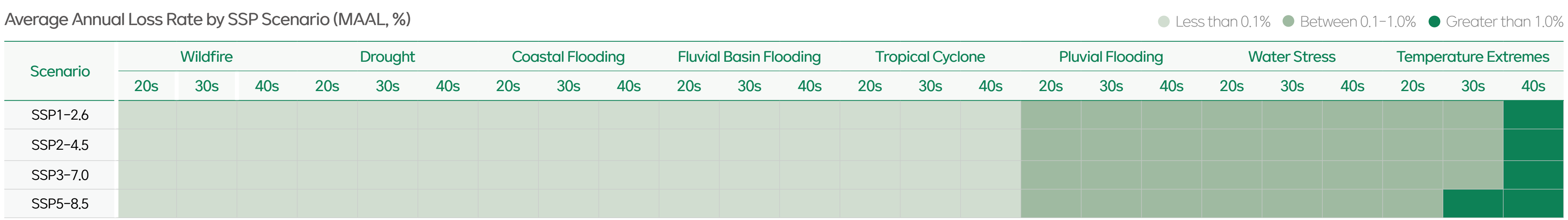
Temperature extremes, water stress, and pluvial flooding were identified as the three primary risk factors, accounting for approximately 95% of the total projected losses. The distribution of projected losses by risk factor was approximately 63% for temperature extremes, 21% for water stress, and 11% for pluvial flooding. Temperature extremes are expected to result in direct and indirect economic effects in most regions, including reduced HVAC system efficiency, increased cooling costs, and lower productivity in high-temperature working environments. Water stress is expected to have relatively greater effects at sites in Indonesia, including increased water use costs and potential operational disruptions.

Meanwhile, we conducted a more detailed analysis of the Jincheon Blossom Campus, which showed the highest Modeled Average Annual Loss (MAAL) associated with heavy rainfall and flood risks among our domestic sites, in collaboration with the Samsung Fire & Marine Insurance Corporate Safety Research Institute. The analysis evaluated the financial effects of heavy rainfall and heatwave risks based on high-resolution climate scenarios provided by the Seoul National University Climate Tech Center, taking into account the site's existing disaster prevention measures.

The analysis indicates that, although the intensity of heavy rainfall in the Jincheon region is expected to increase between 2026 and 2050 under the SSP5-8.5 scenario, the risk of flooding within buildings is expected to remain very low due to the site's layout and structural characteristics. As a result, the modeled average annual asset loss rate attributable to heavy rainfall was estimated at approximately 0%. Furthermore, the modeled average annual asset loss rate due to heatwaves was analyzed at approximately 0.12%, indicating that the site's overall physical climate resilience is generally robust.

We will continue to enhance the reliability of our analysis by incorporating the latest climate scenarios and data, while further strengthening climate resilience across our sites through regular monitoring and improvement of our response strategies.

Average Annual Loss Rate by SSP Scenario (MAAL, %)



Climate Change

Strategy

5. Climate Resilience

1) Climate Resilience Assessment

Physical Risk ② Key Raw Materials

Given the characteristics of its industry, CJ CheilJedang evaluated the projected financial effects of climate-related physical risks for four key raw materials that are critical to its business: raw sugar, wheat, soybeans, and corn, focusing on their key production regions. The analysis identified temperature extremes, water stress, and drought as the primary physical risk factors affecting these materials, which may affect yields and procurement costs over the short-, medium-, and long-term.

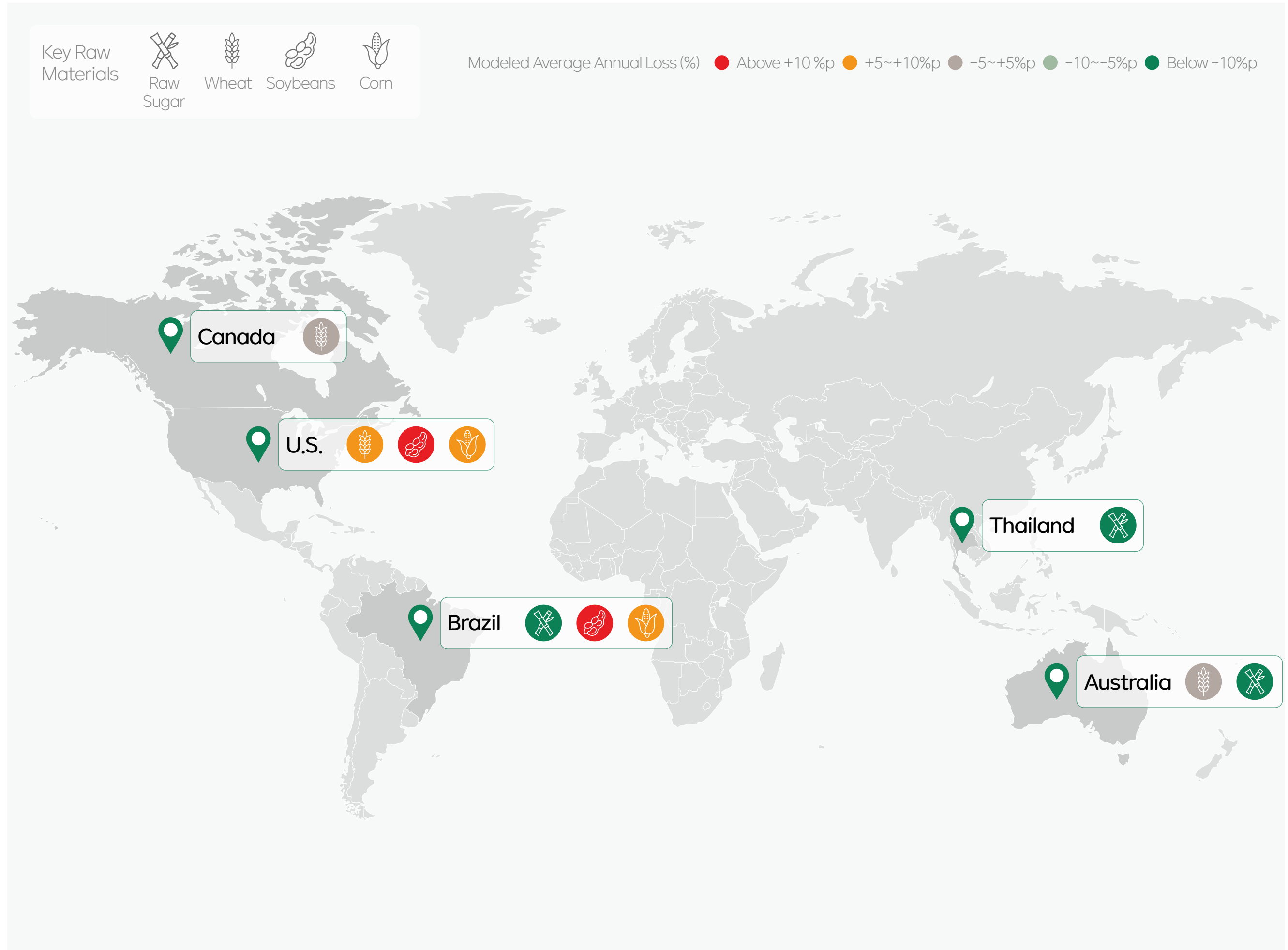
Under the SSP5-8.5 scenario, modeled average annual losses (MAAL) due to yield reductions are projected to increase in the 2040s compared to the 2020s, in the order of soybeans, corn, and wheat. In contrast, raw sugar showed a relatively lower level of risk than the other key raw materials. However, certain previous studies suggest that temperature extremes, water stress, and increased precipitation variability may reduce yields. Accordingly, we consider raw sugar to be a raw material requiring ongoing monitoring of climate change impacts.

For wheat, the increase in the modeled average annual loss rate in the 2040s compared with the 2020s was greatest in the United States, followed by Australia and Canada, primarily due to yield reductions and higher procurement costs associated with temperature extremes and water stress. Soybeans and corn are expected to experience greater increases in projected losses in the United States and Brazil. Temperature extremes were identified as the primary driver of medium- to long-term procurement cost increases for soybeans, while both extreme temperatures and drought were identified as key drivers for corn.

To mitigate risks related to yield reductions and price volatility resulting from climate change, we operate a Global Market Intelligence (MI) Room.

We continuously monitor weather forecasts, crop conditions, and climate variability across major production regions, using this information to establish procurement strategies, thereby responding to uncertainties in raw material supply caused by climate change.

Change in Modeled Average Annual Loss (MAAL, %) in the 2040s Compared with the 2020s (based on SSP5-8.5)



Climate Change

Strategy

5. Climate Resilience

1) Climate Resilience Assessment

Transition Risk

As domestic sites of CJ CheilJedang's Food Business Unit are subject to the Korea Emissions Trading System (K-ETS), emission allowance purchase costs are expected to arise in the future as the share of paid allowances increases and emission allowance prices rise. To assess the business impacts of these policy shifts, we conducted a transition risk analysis by applying the Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS), and Net Zero Emissions by 2050 Scenario (NZE) developed by the International Energy Agency (IEA). The analysis incorporates annual Business-as-Usual (BAU) emission projections, the expansion of the auctioning ratio, and carbon price forecasts[1] for each scenario.
The analysis estimates the short- to medium-term (2026-2030) average emission allowance purchase cost under the strengthened K-ETS at approximately KRW 4.4 billion under STEPS, KRW 10.3 billion under APS, and KRW 10.6 billion under NZE. However, these estimates may vary depending on future policy and market conditions, including changes in carbon prices and the share of paid allowances.
To respond to climate-related policy developments, including changes to the K-ETS, we continue to implement greenhouse gas (GHG) reduction initiatives such as expanding renewable energy use and improving energy efficiency. We are also considering additional GHG reduction measures in response to future policy developments and market conditions.

1) 2030 carbon price projections under each IEA scenario: STEPS (Korea) USD 56; APS (advanced economies) USD 135; and NZE (advanced economies) USD 140

Significant Areas of Uncertainty Considered in Climate Resilience Assessment

Climate resilience assessments are based on assumptions regarding various climate, policy, and market environments, and therefore inherently contain a certain level of uncertainty. The IPCC Shared Socioeconomic Pathways (SSP) scenarios used for physical risk analysis include future assumptions regarding population, economy, technology, and policy shifts, and actual socioeconomic developments may differ from these scenarios. The results may also vary depending on the structure of the climate models and the input variables used.
The IEA scenarios used for transition risk analysis also include assumptions regarding carbon prices, the pace of energy transition, and shifts in climate and energy policies. Accordingly, actual outcomes may differ from the projections depending on future policy directions and market conditions. In particular, the share of paid allowances under the K-ETS, carbon prices, and the level of deployment of emissions reduction technologies are key sources of uncertainty affecting the transition risk analysis results.
Business-as-usual (BAU) emissions projections were developed based on historical emissions trends and business operating plans. However, actual emissions may differ due to changes in production volumes, market demand, business structure, and the regulatory environment. Accordingly, the climate resilience assessment results in this report are based on currently available information and may change as climate science, policies, and market conditions evolve.

Availability and Flexibility of Financial Resources to Respond to Identified Effects

To improve energy efficiency, we utilize Factory Energy Management Systems (FEMS) and invest in process optimization, thereby enhancing the utilization of existing assets and mitigating the burden of additional investments required for climate change response. We also use internal reserves to accelerate the transition to renewable energy, introduce externally sourced waste heat steam, and install high-efficiency equipment. In addition, we are exploring a range of financing options for climate response, such as utilizing government subsidies by participating in the New and Renewable Energy Deployment (Building Support) Program managed by the Korea Energy Agency when installing solar PV systems.

Ability to Redeploy, Repurpose, Upgrade, or Decommission Existing Assets

To improve the performance and operational efficiency of existing assets, we are undertaking equipment upgrade initiatives such as replacing aging chillers and unit coolers, and we continuously review investment and improvement tasks to enhance equipment performance and efficiency.

Effect of Current and Planned Investments

We continuously pursue research and development (R&D) activities focused on developing climate-resilient raw materials and products with improved environmental performance to address physical and transition risks. These investments are expected to contribute to managing supply uncertainty caused by climate change and enhancing the climate resilience of our supply chain, while also creating new market opportunities through the development of products with improved environmental performance.

Climate Change

Strategy

5. Climate Resilience

2) Climate Scenario Analysis Methodology

Overview of Input Variables

Category		Description
Physical Risk	Scope of Analysis	· 24 key business sites across 7 countries, selected based on their share of consolidated Property, Plant and Equipment (PP&E) and business significance; key raw materials (raw sugar, wheat, soybeans, corn)
	Time Frame	· 2020-2049 (analyzed in 10-year intervals)
	Scenario Source	· IPCC Sixth Assessment Report (2021), SSP scenarios
	Scenario	· SSP1-2.6: Assumes that fossil fuel use is minimized through advances in renewable energy technologies and that environmentally sustainable economic growth is achieved · SSP2-4.5: Assumes a moderate pathway for climate change mitigation and socioeconomic development · SSP3-7.0: Assumes a society vulnerable to climate change due to passive mitigation policies and delayed technological development · SSP5-8.5: Assumes continued high fossil fuel use and expanding unrestrained urban development, driven by rapid advances in industrial technology
	Rationale for Scenario Selection	· The SSP scenarios consider both radiative forcing levels through 2100 and socioeconomic factors, including national policies, economic and population trends, energy use, and technological development. They present a range of future pathways, including SSP1-2.6, which is closely aligned with the goals of the Paris Agreement. By reflecting diverse future climate conditions and socioeconomic developments, these scenarios are considered appropriate for assessing climate resilience.
Transition Risk	Scope of Analysis	· Domestic business sites under the CJ CheilJedang Food Business Unit.
	Time Frame	· Short-term (through 2026), Medium-term (2027-2030)
	Scenario Source	· IEA (International Energy Agency) World Energy Outlook
	Scenario	· STEPS (Stated Policies Scenario): Assumes that currently implemented policies and officially announced government policies are fully implemented in the future · APS (Announced Pledges Scenario): Assumes that governments' announced emissions reduction targets and net zero pledges are fully achieved as planned · NZE (Net Zero Emissions by 2050 Scenario): Assumes a pathway in which global energy sector emissions reach net zero by 2050
	Rationale for Scenario Selection	· The IEA publishes the annual World Energy Outlook, providing projections for global energy markets and developments in climate and energy policies. The IEA scenarios present various transition pathways, including the Net Zero Emissions by 2050 Scenario (NZE), and are suitable for assessing resilience to transition risks by reflecting uncertainties regarding carbon prices and changes in climate and energy policies.

Key Assumptions Used in Analysis

Assumption Factor	Details
Climate-related Policy	· Assumes a phased increase in the paid allocation ratio under the Korea Emissions Trading Scheme (K-ETS)
Macroeconomic Trends	· Based on the 5-year average KRW/USD exchange rate (KRW 1,307.32/USD)
Country and Regional Variables	· Applied IEA carbon price projections by scenario (STEPS: Korea; APS and NZE: advanced economies) · Assumes the current country-specific raw material procurement mix
Energy Use and Mix	· Assumes the continuation of current renewable energy transition and greenhouse gas (GHG) reduction initiatives
Technology Development	· Excludes the impact of adopting additional emissions reduction technologies
Physical Risk Analysis (Business Sites)	· Assumes that the value of Property, Plant and Equipment (PP&E) at business sites remains unchanged throughout the analysis period
Physical Risk Analysis (Raw Materials)	· Excludes the effects of additional climate adaptation measures and changes in sourcing locations; assumes that the current procurement structure for key raw materials remains unchanged

Reporting Period for Analysis

The resilience assessment for physical risks used the results of the climate scenario analysis conducted in 2024, while the resilience assessment for transition risks incorporated the scenario analysis results conducted during the reporting period. We conduct resilience assessments for climate-related risks and opportunities on an annual basis and update our climate scenario analysis, as necessary, to reflect the latest climate science data and scenario modifications.

Climate Change

Risk Management

1. Climate-related Risk and Opportunity Management Process

1) Inputs and Parameters

CJ CheilJedang uses inputs and parameters for identifying and assessing climate-related risks and opportunities, taking into account its business characteristics and risk types. The physical risks are assessed on a consolidated basis, including the parent company and its consolidated subsidiaries. The transition risk is assessed for the parent company, which is subject to the Korea Emissions Trading System (K-ETS). The key inputs and data sources are as follows.

Input Variables and Parameters	Data Sources
Physical Asset Type	S&P Climanomics® Asset Type
Physical Asset Value	Book value of property, plant, and equipment from consolidated financial statements
Physical Asset Location	Location of key domestic and international business sites (latitude, longitude)
Climate Scenarios	IPCC Sixth Assessment Report (2021)
Climate-related Policy	Government policy and regulatory data, external research
Industry Trends	Benchmarking of industry peer disclosures, external research, etc.
Emission Allowance Price	Ministry of Climate, Energy, and Environment; IEA World Energy Outlook, etc.
GHG Emissions	Statements based on guidelines for reporting and verification of GHG emissions for the Emissions Trading Scheme
Energy Use	Statements based on guidelines for reporting and verification of GHG emissions for the Emissions Trading Scheme
GHG Emission Factors	Guidelines for reporting and verification of GHG emissions for the Emissions Trading Scheme, IEA, etc.

2) Identification of Risks and Opportunities

In identifying climate-related risks and opportunities, we reference CDP Climate Change, disclosure practices of industry peers and companies in our key operating regions, and conduct internal stakeholder surveys. We also consider the results of climate scenario analysis in the identification process.
To identify physical risks, we use Shared Socioeconomic Pathways (SSP) scenarios (SSP1-2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5) based on the IPCC Sixth Assessment Report (AR6), enabling us to derive key physical risk factors—such as temperature extremes, pluvial flooding, and water stress—across different time horizons.
To identify transition risks and opportunities, we use the International Energy Agency (IEA) STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), and NZE (Net Zero Emissions by 2050 Scenario), identifying key risk and opportunity factors by considering changes in climate and energy policies, carbon price forecasts, and market environment changes.

3) Assessment of Risks and Opportunities

We assess the significance of identified climate-related risks and opportunities based on likelihood and impact. Each factor is scored on a five-point scale (1 to 5), and items are classified as key climate-related risks and opportunities if both the likelihood and impact scores are 3 or higher.
Likelihood is assessed across a five-point scale, ranging from very low probability (5-10%) or events that may occur only under limited conditions, to nearly certain (90-100%) or events that have occurred in the past or are currently occurring.
Impact is assessed on a five-point scale based on the level of disruption to business sites and business unit operations, ranging from cases with negligible or no impact to those causing significant impacts on most business sites and units, or resulting in significant changes across financial statements that have a critical impact on business operations.

4) Prioritization of Risks and Opportunities

We consider climate-related risks and opportunities comprehensively alongside other risk categories, recognizing that they may affect business operations, financial performance, business continuity, and corporate reputation.
The Corporate Sustainability Council reviews the company-wide impacts of climate-related risks and opportunities from multiple perspectives and reviews management priorities and response priorities, taking into consideration likelihood, impact, business importance, and other relevant factors.

Climate Change

Risk Management

1. Climate-related Risk and Opportunity Management Process

5) Monitoring Risks and Opportunities

CJ CheilJedang regularly identifies and assesses climate-related risks and opportunities, while continuously monitoring the emergence of new factors as well as changes in the effects of previously identified risks and opportunities. During the monitoring process, we review the validity of climate-related risks and opportunities by considering major internal and external changes, such as changes in climate and energy policies, GHG emission trends, and emission allowance prices.
If significant changes occur in our business model, corporate structure, or the regulatory landscape, we review the scope of our climate-related risks and opportunities and update the identification and assessment results, and response strategies as necessary.
If monitoring identifies issues that could have a significant impact on business operations or strategy, they are reported to the Corporate Sustainability Council or the Corporate Sustainability Committee, depending on their significance.

6) Changes in Risk and Opportunity Management Processes from the Previous Reporting Period

Compared to the previous reporting period, we have refined our likelihood and impact assessment frameworks to enhance the clarity and consistency of our significance assessment criteria, and we have established thresholds for classifying key climate-related risks and opportunities.

2. Integration with the Enterprise Risk Management Framework

We identify and assess the potential financial effects of climate change, establishing response priorities by considering likelihood, impact, and business significance. The identified climate-related risks and opportunities are integrated into our response strategy development and reviewed in connection with existing risk management and decision-making processes, including finance, strategy, and regulatory compliance.
Our management processes for climate-related risks and opportunities are operated in connection with our broader Enterprise Risk Management (ERM) framework. Further information can be found in the "Governance - Risk Management" in this report.

Metrics and Targets

1. Climate-related Metrics

1) Greenhouse Gas Emissions

Absolute Gross GHG Emissions

We calculated Scope 1, Scope 2 (location-based and market-based), and Scope 3 GHG emissions annually, and the calculation results are subject to third-party verification by an independent assurance provider. The absolute gross GHG emissions of the parent company and its consolidated subsidiaries during the reporting period are as follows.

(Unit: thousand tCO_2eq)

Category	2025[1]
Scope 1	1,514
Scope 2 (Location-based)	1,584
Scope 2 (Market-based)	1,076
Total (Scope 1 + Scope 2 Location-based)	3,098
Scope 3	
C1 Purchased Goods and Services	6,846
C3 Fuel- and Energy-related Activities	958
C4 Upstream Transportation and Distribution	358
C5 Waste Generated in Operations	18
C9 Downstream Transportation and Distribution	546
C12 End-of-Life Treatment of Sold Products[2]	53
Total (Scope 3)	8,779

1) Reporting Scope: Scope 1 and 2 cover 31 entities that have completed third-party assurance. Scope 3 covers 9 entities
2) Due to limitations in collecting country-specific waste treatment ratios and activity data for overseas operations, the scope of calculation is limited to the parent company, CJ CheilJedang.

Climate Change

Metrics and Targets

1. Climate-related Metrics

1) Greenhouse Gas Emissions

Approach to Measuring GHG Emissions

CJ CheilJedang applies the operational control approach to measure GHG emissions. As the parent company, CJ CheilJedang, is subject to the Korea Emissions Trading System (K-ETS), it calculates Scope 1 and Scope 2 emissions in accordance with the "Guidelines on Reporting and Certification of GHG Emissions under the Emissions Trading System." The emissions of other consolidated subsidiaries are calculated in accordance with the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard." Scope 3 emissions are calculated in accordance with the "Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard."

Category		Activity Data	Emission Factors
Scope 1	Stationary Combustion	Fuel consumption (LNG, LPG, etc.)	2006 IPCC Guidelines for National Greenhouse Gas Inventories Default Emission Factors, Site-specific emission factors (Tier 3)
	Mobile Combustion	Fuel consumption (Diesel, etc.)	2006 IPCC Guidelines for National Greenhouse Gas Inventories Default Emission Factors
Scope 2	Purchased Electricity	Electricity consumption	National grid emission factors
	Purchased Heat (Steam)	Heat (Steam) consumption	National steam emission factors, Site-specific steam emission factors
Scope 3	Purchased Goods and Services	Annual quantity of purchased goods	Cradle-to-Gate emission factors for each purchased product
	Fuel- and Energy-related Activities	Fuel, electricity, and heat (steam) consumption	Upstream emission factors for fuel, electricity, and heat (steam): National transmission and distribution (T&D) loss factors
	Upstream Transportation and Distribution	Annual quantity of purchased goods, departure/destination addresses, and transport mode	Emission factors by transport mode
	Waste Generated in Operations	Type, weight, and treatment method of outsourced waste from each site	Emission factors based on waste type and treatment method
	Downstream Transportation and Distribution	Annual shipment volume of sold products, departure/destination addresses, and transport mode	Emission factors by transport mode
	End-of-Life Treatment of Sold Products	Annual shipment volume of packaging materials for sold products	Emission factors based on disposal method

Changes in Measurement Methodology

During the reporting period, overseas consolidated subsidiaries updated the Global Warming Potential (GWP) values used for calculating Scope 1 and Scope 2 emissions from those in the IPCC Second Assessment Report (AR2) to those in the IPCC Fifth Assessment Report (AR5). However, emissions subject to the Korea Emissions Trading System (K-ETS) continued to apply the previous GWP values in accordance with relevant regulations. For Scope 3 emissions, certain emission factors were also updated to reflect the latest available emission factor data.

Scope 2 GHG Emissions: Information on Contractual Instruments

We reflect information on contractual instruments, such as PPAs and RECs, when calculating our market-based Scope 2 emissions. The details of our key contractual instruments during the reporting period are provided below.

Category	Energy Source	Consumption (MWh)	Contract Period
Third-party PPA (Korea)	Solar	2,052	Jan. 1, 2025 – Dec. 31, 2025
REC[1] (Indonesia)	Hydro	418,208	Jan. 1, 2025 – Dec. 31, 2025
REC[1] (Indonesia)	Hydro	220,684	Jan. 1, 2025 – Dec. 31, 2025
PPA (Malaysia)	Solar	1,460	Jan. 1, 2025 – Dec. 31, 2025
PPA (Vietnam)	Solar	694	Jan. 1, 2025 – Dec. 31, 2025

1) Long-term contract with PLN, Indonesia's state-owned electricity company (Jombang and Pasuruan sites)

Metrics and Targets

1. Climate-related Metrics

2) Assets or Business Activities Vulnerable to Physical Risks

Due to the nature of the Food and BIO businesses, CJ CheilJedang relies heavily on grain- and agricultural- and marine-based raw materials. These materials are exposed to climate-related physical risks, such as temperature extremes, pluvial flooding, drought, and water stress.
Climate scenario analysis using S&P Global's Climanomics® Tool indicates that wheat is exposed to risks of temperature extremes and water stress, soybeans to temperature extremes, and corn to temperature extremes and drought, all of which may lead to reduced yields, quality fluctuations, and increased price volatility. These risks have the potential to lead to decreased supply stability and increased raw material procurement costs.
The consolidated procurement amount of key raw materials vulnerable to physical risks during the reporting period is as follows.

Key Raw Materials Vulnerable to Physical Risks	Procurement Amount (KRW million)
Wheat	328,387
Soybeans	805,501
Corn	368,038

Meanwhile, no instances of direct physical damage to our business sites were identified during the reporting period. However, we continuously monitor our exposure to key physical risks through regular climate scenario analysis and risk assessments of our business sites and raw materials.

3) Assets or Business Activities Vulnerable to Transition Risks

Domestic business sites operated by the Food Business Unit are subject to the Korea Emissions Trading System (K-ETS) and are exposed to transition risks arising from changes in the K-ETS framework and carbon price volatility.
While we incurred no emission allowance purchase costs in the 2025 reporting year, we anticipate a potential increase in financial burden from 2026 onward due to rising emission allowance prices and the expansion of paid allocations under Phase 4 of the K-ETS. Accordingly, we are pursuing GHG reduction initiatives, including solar PV installations, third-party PPAs, energy efficiency improvements through waste heat recovery, and the deployment of high-efficiency equipment and FEMS.

4) Assets or Business Activities Aligned with Climate-related Opportunities

We are driving R&D and technology investments related to climate change response across all business units, thereby exploring new growth opportunities.
Key climate-related opportunity activities include strengthening supply chain resilience through the development of climate-resilient raw materials, as well as creating opportunities for new market entry and diversifying our product portfolio through the development of products and materials with improved environmental performance. These activities may contribute to creating new revenue streams and enhancing the potential to realize medium- to long-term financial benefits.
However, as relevant technologies and products include activities in the research and development, demonstration, or early commercialization stages, there are limitations in quantitatively measuring business activities aligned with climate-related opportunities during the reporting period. We plan to continuously enhance our financial effect analysis framework and expand quantitative measurement in the future.

5) Capital Deployment for Climate-related Risks and Opportunities

We are investing in greenhouse gas reduction initiatives, including the adoption of renewable energy and improvements in the energy efficiency of production facilities, to address climate-related risks and opportunities. Key identifiable climate-related capital deployment during the reporting period are as follows.

Key Climate-related Capital Allocation	Amount (KRW million)	Remarks
Introduction of external steam generated through waste heat recovery	4,000	
Installation of solar PV systems	720	Includes KRW 345 million in government subsidies
Introduction of high-efficiency equipment	470	

We plan to establish a classification framework for climate-related capital expenditures, financing, and investment activities, while continuously refining our methodology to quantitatively analyze their associated financial effects.

6) Internal Carbon Pricing

For further information on our internal carbon pricing, please refer to Climate Change – Strategy – 3. Strategy and Decision-making – 1) Response to Climate-related Risks and Opportunities – ④ Implementation of Internal Carbon Pricing.

7) Industry-based Metrics

For further information on our industry-based metrics, please refer to the Appendix – SASB Index.

Climate Change

Metrics and Targets

2. Climate-related Targets

1) Climate-related Targets

In 2021, CJ CheilJedang established GHG emissions reduction targets as part of its climate change mitigation efforts, aiming to reduce Scope 1 and Scope 2 GHG emissions by 25% by 2030 from a 2020 base year and to achieve Net Zero by 2050. These are absolute emissions reduction targets and apply to a total of 18 entities1), including the parent company and its consolidated subsidiaries.
These targets were established in consideration of the Paris Agreement and the national GHG reduction policy direction set out in the "Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis." As the parent company is subject to the K-ETS, the targets were also established in consideration of alignment with domestic policy directions and the regulatory environment.
We plan to review the expansion of our GHG reduction target coverage in the future, taking into account the expansion of GHG management scopes and changes in organizational boundaries.

(Unit: thousand tCO_2eq)

Category	Base Year	Interim Year	Target Year
Year	2020	2030	2050
Absolute GHG Reduction Target	3,951	2,963	0

1) The scope of GHG emissions reduction targets differs from the scope of reported GHG emissions.

2) Climate Target Setting and Monitoring Methodology

Our climate-related targets are reviewed and approved by the Sustainability Committee. Progress toward these targets is monitored using total Scope 1 and Scope 2 (market-based) GHG emissions as the key monitoring metric.
Our reported GHG emissions are subject to third-party verification; however, the climate-related targets themselves are not subject to separate third-party verification.
Additionally, we periodically review the appropriateness of our climate target boundary and base-year emissions, accounting for changes in business structure and GHG management scopes. During the reporting period, we maintained our target of a 25% reduction in GHG emissions by 2030 compared to 2020, while revising the target boundary due to business structure changes such as divestitures. Accordingly, the number of entities covered by the target was revised from 19 to 18, and base-year emissions were adjusted from 3,966 $ktCO_2eq$ to 3,951 $ktCO_2eq$.

3) Analysis of Performance Against Targets

We regularly monitor progress toward our Scope 1 and Scope 2 (market-based) GHG reduction targets. During the reporting period, emissions within the target boundary totaled 2,939 $ktCO_2eq$, meeting the target pathway.
Key factors contributing to the emissions reduction included increased REC purchases for the Indonesia sites, the closure of a coal-fired power plant at the Liaocheng site in China in December 2023, and the installation of solar PV systems and high-efficiency equipment. A decrease in production volume also contributed to the reduction in emissions.
To ensure comparability with the base year, we applied the same Tier 1 emission factors used in the base year when assessing performance against the targets.

4) Overview of GHG Emissions Reduction Targets

Our Scope 1 and Scope 2 (market-based) GHG emissions reduction targets cover carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). We have not applied a sectoral decarbonization approach in setting these targets, and we are not currently using carbon credits to achieve our net emissions targets.

Circular Economy

Governance

1. Role of the Governance Body in Management and Oversight

1) Management and Oversight Responsibilities of the Governance Body

The Corporate Sustainability Committee under CJ CheilJedang's Board of Directors is the highest decision-making body for circular economy[1] matters. The Committee has the authority to establish circular economy strategies and manage and oversee their implementation. It deliberates on and resolves key issues, including identifying circular economy-related risks and opportunities and developing corresponding response strategies.

1) We define our "Circular Economy" as a strategy to achieve both environmental sustainability and economic value by maximizing resource efficiency, including packaging materials, and minimizing waste.

※ For further information on the roles and responsibilities of the Corporate Sustainability Committee regarding circular economy issues, please refer to Climate Change - Governance - 1. Role of the Governance Body in Management and Oversight - 1) Management and Oversight Responsibilities of the Governance Body

2) Assessment and Development of Oversight Competencies

To ensure that the governance body can make well-informed, reasonable decisions on circular economy matters, CJ CheilJedang provides briefing materials prior to meetings. Since adopting our "Sustainable Packaging Policy" in 2018, we have refined it through three revisions, sharing key circular economy trends—regulatory shifts, industry practices, and stakeholder expectations—with the Committee to strengthen its expertise. In 2025, we deepened our understanding of the evolving domestic ESG policy landscape and circular economy systems through a specialized session on ESG Policy and Disclosure Response Strategies of the New Government.

Date	Training Program	Key Training Topics
August 11, 2025	ESG Policy and Disclosure Response Strategies of the New Government	Trends in domestic and international circular economy-related systems

3) Reporting Protocols and Frequency for the Governance Body

The Corporate Sustainability Committee receives reports on the status of responses to circular economy-related risks and opportunities from the Corporate Business Planning Department, either in person or in writing, at least twice a year. Briefing materials related to circular economy agenda items are provided at least seven days prior to each meeting to ensure that directors have sufficient information to support reasonable decision-making. The key circular economy agenda items reviewed and approved by the Committee during the reporting period are as follows.

Date	Agenda Item	Details	Status
May 13, 2024	Approval of ESG Policy Revision	· Revision of Sustainable Packaging Policy · Incorporation of global ESG disclosure standards and external requirements related to sustainable packaging	Approved
December 9, 2024	Approval of Sustainable Packaging Targets	· Establishment of mid- to long-term Sustainable Packaging Targets · Setting sustainable packaging goals based on the 'Sustainable Packaging Direction' established in 2023	Approved
May 12, 2025	Approval of FY2024 Sustainability Report Publication Plan and Materiality Assessment Results	· Approval of the selection of "Fostering a Circular Economy" as a material issue	Approved

4) Consideration of Risks and Opportunities in Key Decision-making

In accordance with Article 9 (Matters To Be Resolved) of the Board of Directors Regulations, the Sustainability Committee comprehensively reviews circular economy-related factors when deliberating on significant matters concerning company management.

When reviewing M&A-related agenda items, the Governance Body evaluates the status of circular economy implementation of the target company in accordance with the Environmental Policy. For waste management, we verify critical legal and operational issues, including adherence to waste classification and storage standards, the proper outsourced treatment of designated waste, storage capacity limits, and risks of illegal disposal. Through this process, we assess alignment with our environmental management policy and relevant regulations, identify areas for improvement, and establish action plans to proactively manage environmental risks.

※ For further information on the Governance Body's approach to considering circular economy-related risks and opportunities, please refer to Climate Change - Governance - 1. Role of the Governance Body in Management and Oversight - 4) Consideration of Risks and Opportunities in Key Decision-making.

Circular Economy

Governance

1. Role of the Governance Body in Management and Oversight

5) Management and Oversight of Target Setting with Progress Monitoring

The Corporate Sustainability Committee manages and oversees the progress of circular economy-related targets, including the setting of these targets and reviews of their implementation status. In May 2023, the Committee approved the "Sustainable Packaging Policy" and the corresponding implementation plan for 2024. Subsequently, in December 2024, it granted final approval for the packaging improvement targets and future plans aligned with the "Sustainable Packaging Direction."

2. Role of Executive Management in Management and Oversight

1) Management and Oversight Roles Delegated to Management

The Corporate Sustainability Committee has delegated the responsibility for implementing the circular economy sustainability management strategy to the Corporate Sustainability Council to effectively manage and oversee circular economy-related risks and opportunities.

※ For more information on the responsibilities and roles of the Corporate Sustainability Council regarding the management of circular economy-related risks and opportunities, please refer to Climate Change – Governance – 2. Role of Executive Management in Management and Oversight – 1) Management and Oversight Roles Delegated to Management

2) Management Controls and Procedures

CJ CheilJedang has established and operates a "Circular Economy Risk Control Framework" to systematically manage risks and opportunities associated with the circular economy. Relevant departments identify, assess, and manage risks from various perspectives based on their distinct roles and expertise. Executive leaders receive regular reports on the results of risk assessments and mitigation measures to comprehensively oversee circular economy-related risks and opportunities.

The dedicated Global Packaging Department monitors virgin plastic1) usage and raw material consumption by packaging material type through our internal data management system. Simultaneously, the EHS (Environment, Health, and Safety) Team, which is responsible for waste management, analyzes data on waste generation volumes and recycling rates by business site to identify relevant risks and opportunities, which are then reported to the head of each business division.

Circular economy-related data is processed under internal control procedures to ensure its reliability and accuracy. On-site EHS teams monitor and manage data in real time, ensuring data objectivity through methods such as weighbridge measurements and measurements conducted by external service providers. Most data is shared with divisional and corporate-wide ESG organizations following departmental approval, based on nationally reported data.

Business-unit and enterprise-wide ESG organizations provide comprehensive support, monitoring, and oversight for these activities. In particular, the Corporate ESG Management Department receives and reviews, at least once a year, data on the company's packaging targets for advancing the circular economy and progress toward zero waste to landfill, thereby monitoring implementation progress. In addition, the team continuously monitors relevant legislation, and identified risks and opportunities are reported to senior management through the Corporate Business Planning Department.

1) Virgin plastic refers to plastic resin that is produced directly from petrochemical feedstocks and has not undergone any prior use or recycling process.

Circular Economy

Strategy

1. Circular Economy-related Risks and Opportunities

1) Identification of Risks and Opportunities

CJ CheilJedang identified circular economy-related risks and opportunities that are reasonably expected to affect the company's outlook across two business units.
The risks and opportunities were identified in accordance with our circular economy risk management process. The analysis involved reviewing the value chain structure and characteristics of each business division to comprehensively consider the effects of ESG issues across sourcing, production, and distribution stages. In this process, we also referenced the sustainability disclosure topics for the processed food and chemical industries as provided by the Sustainability Accounting Standards Board (SASB). We manage the time frames for anticipated circular economy-related risks and opportunities by aligning them with the standards established by the European Sustainability Reporting Standards (ESRS) and the Korea Sustainability Standards Board (KSSB), specifically defining them as short-term (within 1 year), mid-term (within 5 years), and long-term (beyond 5 years).

※ For more information on the approach used to ensure alignment between strategic decision-making planning horizons and the anticipated time horizons for circular economy-related risks and opportunities, please refer to Climate Change - Strategy - 1. Climate-related Risks and Opportunities - 2) Time Frames for the Effects of Identified Risks and Opportunities

※ Time Frames for the Effects of Identified Risks and Opportunities

Category	Criteria	Applicable Period
Short-term	Circular economy-related risks or opportunities are reasonably expected to materialize within 1 year	2026
Mid-term	Circular economy-related risks or opportunities are reasonably expected to materialize after 1 year and within 5 years	2027 – 2030
Long-term	Circular economy-related risks or opportunities are reasonably expected to materialize after 5 years	2031 – 2050

Circular Economy-related Risks

Type	Factor	Description	Time Frame: Short-term	Time Frame: Mid-term	Time Frame: Long-term
Policy and Regulation	Increased compliance costs due to stricter global environmental regulations	· Increased operational complexity due to strengthened environmental regulations worldwide, such as the Framework Act on Resource Circulation, Waste Management Act, plastic taxes, and packaging regulations (e.g., EU PPWR)	●	●	●
		· Higher costs due to increased Extended Producer Responsibility (EPR) fees and stricter mandatory recycling rates	●	●	●
	Insufficient composting infrastructure for plastics	· Difficulty in processing biodegradable plastics and consumer confusion due to the lack of domestic infrastructure for biodegradable materials	●	●	●
Technology	Lack of commercialization for high-performance packaging technology	· Insufficient commercialization of high-performance packaging technologies that maintain food safety and quality, including shelf life, while ensuring recyclability		●	●
Market	Unstable supply of packaging raw materials	· Increased volatility, such as quality, price, supply/demand, in raw materials, including fossil fuel-based materials and materials with improved environmental attributes	●	●	●
Reputation	Increasing Expectations for Corporate Social Responsibility	· Increased corporate responsibility for packaging recyclability	●	●	●
		· Damage to local communities due to improper waste disposal	●	●	●
	Potential for greenwashing risks	· Reputational decline caused by providing uncertain or insufficiently substantiated information (greenwashing) when using environmental claims	●	●	

Circular Economy-related Opportunities

Type	Factor	Description	Time Frame: Short-term	Time Frame: Mid-term	Time Frame: Long-term
Resource Efficiency	Operational efficiency and cost reduction	· Reduction in waste treatment costs through optimized raw material use	●	●	●
		· Reduced raw material use and logistics costs through packaging lightweighting		●	●
	Higher value-added use of manufacturing byproducts (Upcycling)	· Improved raw material efficiency and creation of new revenue streams via upcycling food manufacturing byproducts, including Hetbahn container scrap and soy pulp	●	●	
Products and Services	Product portfolio expansion based on consumer trends	· Premium market positioning and sales growth by expanding environmentally improved product lines		●	●
Market	Expansion of business based on the circular economy	· Value creation through waste valorization and upcycling of waste materials	●	●	●
		· Securing leadership in new business areas such as PHA and other biodegradable plastics		●	●
	Securing Intellectual Property (IP) for material technologies	· Establishing a dominant market position by pre-emptively securing patents and IP for core technologies, including biodegradable materials like PHA, and generating new revenue through technology licensing		●	●
Resilience	Strengthening corporate resilience	· Improved access to financing, including Sustainability-Linked Bonds (SLB), and improved long-term business stability due to increased investor and stakeholder trust		●	●

Circular Economy

Strategy

2. Business Model and Value Chain

1) Current and Anticipated Effects on the Business Model and Value Chain

CJ CheilJedang conducted an analysis of the effects of circular economy-related risks and opportunities across the value chains of its two business units. The analysis found that, while the degree of effects varied by business unit, the types and nature of effects associated with fostering a circular economy were largely similar. Accordingly, this report consolidates the effects of risks and opportunities for these units to minimize duplication and ensure analytical consistency.

Circular Economy-related Risks

Type	Factor	Value Chain	Current and Anticipated Effects	Current	Anticipated
Policy and Regulation	Increased compliance costs due to stricter global environmental regulations	Research and Development	Growing need for research into alternative materials and packaging redesign to respond to regulations, such as plastic taxes	●	●
		Raw Material Sourcing	Rise in procurement costs due to the elimination of regulated packaging materials and the purchase of packaging materials with improved environmental attributes, including those with eco-certifications	●	●
		Production / Manufacturing	Increase in operating costs due to system or additional facility investments required to comply with waste policies and adopt new packaging materials	●	●
Technology	Lack of commercialization for high-performance packaging technologies	Research and Development	Cost increases for developing and applying high-performance packaging technologies that ensure recyclability while maintaining food quality	●	●
		Production / Manufacturing	Decrease in initial process yields and increased production losses when transitioning to mass production of new materials like R&D-developed PHA	●	●
Market	Instability in packaging raw material supply	Production / Manufacturing	Growing need to secure stable supply chains and reasonable pricing for environmentally improved raw materials		●
Reputation	Increasing Expectations for Corporate Social Responsibility	Marketing / Sales	Increased resource inputs to improve consumer awareness regarding the necessity of sustainable packaging and recycling encouragement		●
		Waste Disposal	Damage to ecosystems and local communities from improper waste disposal, such as odor and soil contamination	●	●
	Potential for greenwashing risks	Marketing / Sales	Sales decline due to reduced user convenience after packaging design changes, such as removing labels or trays	●	●

Circular Economy-related Opportunities

Type	Factor	Value Chain	Current and Anticipated Effects	Current	Anticipated
Resource Efficiency	Operational efficiency and cost reduction	Production / Manufacturing	Reduced raw material procurement, logistics, and operational costs through packaging lightweighting		●
	Food byproduct value-add (Upcycling)	Research and Development	Advanced capabilities in extracting valuable components from byproducts and producing new materials/alternative foods		●
		Sales / Manufacturing	Maximized resource efficiency and reduced costs by converting byproducts into raw materials	●	●
		Waste Disposal	Reduction in total volume of landfilled/incinerated byproducts and savings on disposal costs	●	●
Products and Services	Portfolio expansion based on consumer trends	Research and Development	Design of environmentally improved products, such as packaging that reduces carbon footprints to support value-driven consumption		●
		Marketing / Sales	Strengthened brand positioning and acquisition of new customers through the expansion of environmentally improved product lineups		●
Market	Expansion of business based on the circular economy	Research and Development	Expansion of product portfolio through securing packaging technologies and food byproduct upcycling	●	●
		Production / Manufacturing	Revenue growth through increased production and sales of biodegradable plastics (PHA)		●
	Securing Intellectual Property (IP) for material technology	Research and Development	Patent filings based on differentiated research outcomes, such as biodegradable resin compounding		●
Resilience	Strengthening corporate resilience	Marketing / Sales	Improved product and brand trust and loyalty through the establishment of a positive corporate image	●	●

Circular Economy

Strategy

2. Business Model and Value Chain

2) Areas of Concentrated Risks and Opportunities

CJ CheilJedang has identified areas within its two business divisions and their respective value chains where the effects of circular economy-related risks and opportunities are most concentrated.

Category	Details
Type	Policy and Regulation
Factor	Increased compliance costs due to stricter global environmental regulations
Business Unit and Value Chain	Food Business Unit Production and Manufacturing
Concentrated Effects	Due to the nature of its operations, the Food Business Unit heavily relies on packaging materials, including complex packaging structures and single-use packaging. Consequently, we are experiencing increased cost burdens due to stricter packaging regulations—such as plastic taxes—and the upward adjustment of Extended Producer Responsibility (EPR) contributions; furthermore, we are directly exposed to regulatory risks, including the complexity of responding to different packaging policies by country.

Category	Details
Type	Policy and Regulation
Factor	Increased compliance costs due to stricter global environmental regulations
Business Unit and Value Chain	BIO Business Unit Production and Manufacturing
Concentrated Effects	Large-scale fermentation processes used to produce feed-grade amino acids, enzymes, and proteins generate wastewater, sludge, and other waste resulting from microbial inactivation. If waste volumes continue to grow, this may elevate environmental impact and regulatory compliance costs. To address these risks, additional facility investments and operating costs may increase to establish waste treatment facilities and monitoring systems.

3. Strategy and Decision-making

1) Responses to Risks and Opportunities

CJ CheilJedang addresses circular economy issues by promoting resource efficiency and fostering a circular economy system through two strategic focus areas: “Sustainable Packaging” and “Zero Waste.” Each focus area is managed based on potential risks and opportunities identified within its scope. In the field of sustainable packaging, we manage potential packaging-related risks through three established objectives designed to minimize environmental impact, along with their associated execution tasks and the commercialization of polyhydroxyalkanoate (PHA) biodegradable plastics. Simultaneously, we are creating new opportunities through sustainable innovation. In the “Zero Waste” domain, we contribute to circularity by implementing phased strategies aimed at achieving zero landfill waste and reducing food loss and waste across our operations

Sustainable Packaging Strategy

Our sustainable packaging strategy is driven by the following key action tasks.

Three Major Targets of Sustainable Packaging	Action Tasks	2025 Key Milestones
Design the Packaging to be circular ready	Use recyclable, reusable, and compostable plastic packaging materials	Increased application rate of Hetbahn container scrap (30% → 35%)
Reduce the use of Virgin Plastic	Optimize packaging to reduce virgin plastic consumption and increase the use of recycled materials	Removal of plastic trays from major frozen noodle product lines
Eliminate and Minimize Problematic or Unnecessary Plastic Packaging	Identify and remove or minimize the use of problematic materials	Response to EU PPWR[1] regulations: PFAS-free and heavy metal restrictions

In line with our “Sustainable Packaging Policy,” we conduct packaging R&D activities across the entire packaging lifecycle, covering the stages of raw materials, design, usage, and disposal. In 2025, R&D related to sustainable packaging accounted for 36.8% of the total packaging R&D budget.

1) EU Packaging and Packaging Waste Regulation (PPWR)

Circular Economy

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

Design for Packaging Circularity

CJ CheilJedang implements design for packaging circularity by using packaging materials that are recyclable, reusable, and compostable. We recycle post-use plastics into PIR[1] and PCR[2] materials. We are actively sourcing and implementing renewable materials, ranging from bio-circular raw materials derived from agricultural and industrial byproducts, as well as bio-based raw materials such as grains and sugarcane.

Category	Material Description	Application	Applied Amount[4] (ton)
Recycled Raw Materials	PIR (Post-Industrial Recycled) materials	Hetbahn containers, gift set trays	3,329
Renewable Raw Materials	Bio-circular and Bio-based materials (including ISCC[3]-certified materials)	Gourmet Sobaba Chicken	65
Total			3,394

To expand the use of recyclable packaging materials, we manage the packaging recyclability grades of approximately 4,000 products in accordance with the domestic "Packaging Material Recyclability Rating Evaluation Standards." Since 2021, we have seen a steady increase in the share of packaging products rated 'Normal' or above for recyclability, reaching 96.4% among domestic recyclable containers in 2025.

1) Post Industrial Recycled: Raw material processed from plastic waste generated during the packaging manufacturing process
2) Post Consumer Recycled: Recycled raw material processed from plastics discarded by consumers after use
3) International Sustainability & Carbon Certification: An international certification system for sustainable and low-carbon products, recognized by the European Union (EU)
4) Calculated based on 2025 production performance

Reduction of Virgin Plastic Usage

CJ CheilJedang reduces the use of virgin plastic by eliminating unnecessary packaging materials and by modifying material specifications such as thickness and size. Through these efforts, we minimize the use of petroleum-based plastics and reduced a total of 220.3 tons[1] of plastic packaging materials in 2025.
As a representative example, we removed the internal trays from frozen products like bibigo Gopchang Hot Pot and optimized the size of packaging pouches. This reduced the packaging weight per product by 9.1 g, from 14 g to 4.9 g.

1) Calculated based on planned production volume for 2025

Elimination and Minimization of Problematic or Unnecessary Plastic Packaging

To reduce the environmental impact of plastics and proactively respond to global regulations, CJ CheilJedang designated environmentally harmful or hard-to-recycle materials as "Problematic Materials" in 2023. Following this, we have completed feasibility reviews for implementation of these initiatives across our major global sites: South Korea, the U.S., Vietnam, China, the EU, and Japan.
Building on the review of packaging material status and discussion on improvement tasks in 2024, we focused our 2025 efforts on the impending EU PPWR, where we began our transition to PFAS-free packaging.
In the long term, we plan to establish execution plans tailored by region and material type to eliminate and minimize "Problematic Materials" in a phased approach.

Category	Material
Replacement Completed	· Oxo-degradable additives [All plastic packaging] · Colored PET [Plastic bottles[1]] · Toluene, benzene [Ink solvents] · PVC (Polyvinyl chloride) [Shrink labels]
Replacement Planned	· PET-G (Glycol-modified PET resin) [Containers, trays] · Colored glass bottles [Glass bottles[2]] · PVDC (Polyvinylidene chloride) [Casing film, plastic or paper coating] · PFAS (Per- and polyfluoroalkyl substances) [Paper coatings] · EPS (Expanded polystyrene)[3] · PS (Polystyrene)

1) Only applies to the beverage sector as of 2022; expansion to the cup category is planned for the future
2) Excludes brown and green glass
3) Excludes regions with existing recycling infrastructure (e.g., South Korea)

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Circular Economy

Strategy

3. Strategy and Decision-making

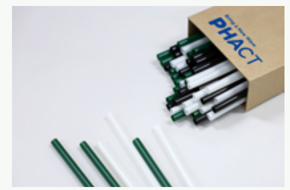
1) Response to Risks and Opportunities

Development and Use of Compostable Plastics

In 2022, CJ CheilJedang launched "PHACT," its brand for PHA (polyhydroxyalkanoate), a 100% bio-based, marine-biodegradable material. This technology is recognized for its ability to replace petroleum-based plastics and contribute to mitigating the ecological impact of microplastics.
In 2023, we developed a microwavable compostable coating using PHA and applied it as an oil-resistant inner coating for the paper container of Hetbahn Cupbahn Soft Tofu Stew with Rice. This initiative reduced virgin plastic usage by 11.7 tons in 2025.
To expand beyond food packaging into diverse industrial sectors, we signed an agreement with Swedish bio-materials compounding company BIQ Materials in October 2025 to commercialize PHA-based artificial turf infill for the global market. We are currently expanding the deployment of our solution at sports facilities across Europe, starting with Sweden, proactively addressing the EU REACH restriction on granular infill for use on synthetic sports surfaces, which will apply from October 2031. In another strategic move, we signed an MOU with global cosmetics ODM leader COSMAX, to co-develop PHA-based cosmetic packaging.
We were awarded the Grand Prize in the "Life Below Water" (the 14th of the UN's 17 Sustainable Development Goals) category at the "2025 SDGs Awards" hosted by UN-PISCO, in recognition of our contributions to marine environmental protection through the development and production of PHA-based biodegradable materials.

CASE Commercializing Biodegradable Plastics: Real-world PHA Applications

Spam Gift Set



Straight Straws

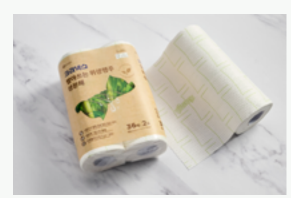

Artificial Turf Infill


Olive Young Shopping Bags


Cosmetic Compact Containers


Toothbrushes


Cleansing Balm Jars


Washable Hygienic Dishcloths

Hetbahn Container Collection and Upcycling

Strengthening the Container Recovery Platform

CJ CheilJedang operates a Hetbahn container recovery and upcycling system to raise awareness about the fact that Hetbahn containers are recyclable. Since the establishment of the system in 2022, annual collection volumes have shown steady growth, and we operate the necessary infrastructure for container recovery in partnership with various organizations.

(Unit: Thousand)

Category	Collection Volume
2023	561
2024	989
2025	983

Partner Organizations for Upcycling

To expand our offline collection points, we are partnering with the "Seoul Youth Center," which supports the dietary needs of vulnerable youth, the "Goodwill Store," a public-interest organization focused on job creation for individuals with disabilities, "ChangeMaker," a domestic NGO; and four Regional Self-sufficiency Centers nationwide that serve as hubs for container recovery and material processing.
As the Goodwill Store plans to expand to 100 locations by 2035, we anticipate both an increase in the installation of collection bins and a subsequent rise in recovery volumes.

Upcycling Achievements

Since November 2025, we have run an upcycling program at our Jincheon, Ansan, and Yeongdeungpo sites, where children from local children's centers use portable shredders and injection-molding machines to turn recovered Hetbahn containers into clock components—combining recycling education with hands-on craft-making.

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3. Strategy and Decision-making

1) Response to Risks and Opportunities

Waste Reduction Strategy at Manufacturing Sites

Waste Management at Manufacturing Sites

CJ CheilJedang implements systematic waste management in accordance with its Environmental Policy. At domestic manufacturing sites, we comply with the legal procedures and processes under the "Wastes Control Act" and record and manage waste generation and discharge volumes through the Ministry of Environment's integrated waste management system. In addition, we have established the CJ Environment, Health, and Safety (EHS) system to manage water, air, and waste in an integrated manner. We use this system to collect data on waste discharge by type, treatment vendors, and disposal methods. The collected data is monitored annually as a key indicator and is also used for analysis and the development of future strategies. Our domestic Food Business Unit invested KRW 950 million in waste-related initiatives in 2025, and we have established and are managing waste reduction targets to realize our Zero Waste goal.

※ For further information on waste reduction targets, please refer to Circular Economy - Metrics and Targets - 1. Circular Economy-related Metrics and Targets - 2) Targets and Performance Analysis.

Expansion of Waste Recycling

CJ CheilJedang operates recycling programs, identifies waste reuse and recycling partners, and optimizes production processes to minimize waste generation.
At our Nonsan manufacturing site, we installed equipment in December 2025 to separate the packaging and contents of small-package Gochujang and Doenjang products. Starting in 2026, this will shift the treatment method for approximately 362 tons of incinerated waste per year from incineration to recycling, thereby contributing to resource circulation.
The Piracicaba plant in Brazil established a partnership with a partner company to recycle waste previously sent to landfills into raw materials for ceramic products, such as tiles and bricks. In recognition of these efforts, we received the "Environmental Awareness Award" from IMMENSITÀ magazine, a leading Brazilian publication dedicated to ESG management benchmarking.

Since 2022, we have been obtaining Zero Waste to Landfill validation[1] for our individual sites, and each site renews its validation upon expiration. In 2025, our Incheon 1 and Incheon 3 sites achieved the target "Platinum" validation, while the Incheon 2, Incheon Frozen, and Gongju sites exceeded their targets through improved recycling rates, securing "Platinum" and "Gold" ratings, respectively.

Category	Recycling Rate	2025 ZWTL Rating		Year Acquired
		Target	Performance	
Incheon 1	99.5% or higher	Platinum	Platinum	2023
Incheon 3		Platinum		2024
Incheon 2		Gold		2024
Incheon Frozen		Gold		2023
Gongju	95% or higher ~ less than 99.5%	Silver	Gold	2022
Jincheon BC		Gold		2024
Icheon (Seafood)	Less than 90%	Ungraded		2023
Jincheon		Ungraded		2022
Wonji		Ungraded		2022

1) Zero Waste to Landfill validation by UL (Underwriters Laboratories) Solutions (UL SOLUTIONS 2799A)

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1) Response to Risks and Opportunities

Waste Reduction Strategy at Manufacturing Sites

Waste Resource Recovery

In the Food Business Unit, CJ CheilJedang applies the Korea's Circular Resource Recognition System to convert byproducts, such as rice bran, okara (soybean pulp), and PP scrap, into circular resources. Circular resources recognized by the Minister of Environment are economically viable resources with high utilization value and are exempt from waste-related regulations. This is expected to reduce waste management costs and increase the resource circulation rate. In 2025, we received additional recognition for "waste cooking oil" as a circular resource, successfully converting approximately 1,000 tons of waste per year into circular resources.
Our BIO Business Unit repurposes byproducts generated from production processes, such as microbial biomass protein and liquid fertilizer. In 2025, the total volume of byproducts recovered as resources across seven sites in five countries reached 1.014 million tons.

Status of Circular Resource Recognition in the Food Business Unit

(Unit: tons)

Category	Sites	Resource Recovery Method	Recognized Volume
Rice Bran	Jincheon BC, Busan	Sale to recycling partners and conversion to feed	6,328
Wastepaper	Jincheon BC, Jincheon, Gongju, Wonji (Asan, Jincheon), Namwon	Paper product (pulp and paper, etc.) manufacturing	4,235
	Nonsan	Raw material manufacturing	1,274
Soybean curd residue (byproduct)	Jincheon	Sale to recycling partners and conversion to feed	3,039
PP Scrap	Wonji (Asan, Jincheon)	Sale to recycling partners and production of recycled pellets	1,158
Waste Cooking Oil	Jincheon BC, Seafood	Recycling as biodiesel fuel	1,040
Bran Flour (Waste Wheat Flour)	Yeongdeungpo, Yangsan	Sale to recycling partners and conversion to feed	452
Broken Rice	Jincheon BC	Sale to recycling partners and conversion to feed	442
Soybean Hulls	Gongju	Sale to recycling partners and conversion to feed	119
Plastic (PE/LLDPE/CPP)	Wonji (Asan)	Sale to recycling partners and production of recycled pellets	100
Total			18,187

Status of Byproduct Resource Recovery in the BIO Business Unit

(Unit: thousand tons)

Category	Countries	Resource Recovery Methods	Generated Volume
BIO Byproducts	Indonesia Malaysia China Brazil United States	Production and Sale of Microbial Protein	75.1
	China Brazil	Production and Sale of Fermented Fertilizer	74.1
	Indonesia Malaysia China United States	Production and Sale of Liquid Fertilizer	822
	Indonesia Malaysia China	Production and Sale of Other[1] Resources	42.8
Total			1,014

1) Others: Solid Byproducts, AMS (Ammonium Sulfate)

Employee Waste Reduction Training

CJ CheilJedang operates an internal training platform, CJ Campus, to ensure that all relevant employees can complete waste reduction training as needed. In 2025, we provided training courses including "Environmental Laws and Major Non-compliance Cases," "Understanding Environmental Waste Treatment Processes," "Introduction to CJ CheilJedang Environmental Management," and "Understanding Environmental Waste, Noise, and Vibration Control."

Waste-related Issue Management

If a waste treatment vendor violates regulations, such as by engaging in unauthorized stockpiling, the waste generator may also face social responsibility risks. To mitigate these risks, we actively manage and inspect our partners through regular monitoring programs, proactively addressing potential factors that may lead to legal or regulatory violations before they escalate into regulatory violations. Our audit process for waste disposal providers involves conducting short- and long-term suitability assessments prior to contracting at least twice a year during the contract term. In the event of an issue, we share the inspection results and verify the implementation of improvement progress.

Circular Economy

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

Food Loss and Waste Reduction Strategy

Food loss and waste undermine food insecurity while causing the waste of diverse resources, such as energy, water, and human resources. It has been identified as a major contributor of increased greenhouse gas emissions. To contribute to resolving this issue, CJ CheilJedang has established the goal to reduce food loss and waste by 50% by 2030, relative to 2020 levels. To achieve this goal, we monitor monthly product-level changes and trends in food loss and waste by product through the use of the "Smart SCM" system. We analyze the status and causes of leading indicators—product aging, returns, product recalls, and inventory fluctuations at disposal centers—across the stages of waste discharge, transportation, and treatment, thus allowing us to optimize our value chain and identify recycling opportunities, thereby effectively reducing the total volume of food loss and waste generated.

Value Chain Process for Reducing Food Loss and Waste

CJ CheilJedang operates food upcycling and demand forecasting strategies to reduce food loss and waste generated during the manufacturing process. We conduct thorough analyses of processes across the entire value chain and continuously pursue improvement measures to minimize losses at the procurement, production, distribution, sales, and consumption stages. We are implementing strategies to utilize byproducts that are inevitably generated during manufacturing in the development of new products, such as snacks and alternative flour, while also tracking losses during production to enhance operational efficiency. In the distribution, sales, and consumption phases, we manage inventory levels through demand forecasting and promote activities to improve consumer awareness of use-by-dates[1], thereby managing food loss and waste caused by factors such as approaching expiration while contributing to improved consumer understanding.

<table>
<tr><th>Category</th><th>Procurement</th><th>Production</th><th>Distribution</th><th>Sales</th><th>Consumption</th></tr>
<tr><td>Causes</td><td>Raw Material Sourcing</td><td>Domestic Production</td><td>Post-Production Distribution</td><td>Wholesale & Retail Sales / Damage</td><td>Consumer Consumption</td></tr>
<tr><td rowspan="2">Reduction Strategy</td><td>Procurement Optimization
· Quality inspection of raw materials
· Reduction of transportation distance through contract farming</td><td colspan="2">Inventory Optimization
· Post-production aging management by storage location
· Stepwise monitoring and sales promotion based on date labeling</td><td colspan="2">Food Donation and Consumer Awareness Enhancement
· Waste reduction through donation of surplus products
· Improvement of consumer awareness</td></tr>
<tr><td>· Enhanced Demand Forecasting
· Sales forecasting and optimal inventory management
· Management of changes related to product discontinuation or renewal</td><td>· Food Upcycling
· Product development using byproducts (e.g., EXCYCLE Basak Chip)</td><td colspan="2">· Reinforced Returns Management
· Strengthened management of strategic products excluding new or seasonal items</td><td>-</td></tr>
</table>

1) The date by which the product can be safely consumed if stored according to the instructions on the label

Inventory Management Optimization

We have established monthly inventory asset reports to provide continuous monitoring of current inventory status, while visualizing monthly trends and surpluses or shortages to support rapid decision-making. The results of report-based inspections are shared with all relevant organizations through S&OP (Sales & Operations Planning) meetings. When levels exceed targets, we strengthen decision-driven inventory management by adjusting production volumes, inbound volumes, and lead times to ensure operations remain within optimal inventory ranges.

Upcycled Snack: EXCYCLE Basak Chips

Launched in 2022, EXCYCLE Basak Chips are made with imperfect rice that could not be used during the production of Hetbahn. The product is currently sold in major global markets including the United States, Malaysia, Hong Kong, and Australia, with plans for further international expansion. In 2025, we expanded exports to new markets, including Uzbekistan, Argentina, and Panama, and launched new SPAM and Herb Salt flavors.

Supporting the Upcycled Food Industry Through Startup Investment and Collaboration

The food upcycling startup "Re:Harvest," in which CJ CheilJedang has invested, developed and produced 32 tons of alternative flour using CJ CheilJedang's milling byproducts. The flour was used in six of our products, including the health brand "Balance Meal," as well as five products from CJ Foodville's bakery brand Tous Les Jours. "SNE Company," which operates a trading platform for imperfect agricultural, fishery, and livestock products, was selected as part of the third cohort of the "Frontier Labs" startup incubation program. CJ CheilJedang continues to support market expansion and promote the growth and sharing of consumer value through such initiatives.

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2) Progress of Previously Disclosed Plans

As of the end of the reporting period, the implementation status of CJ CheilJedang's response plans for circular economy-related risks and opportunities disclosed in the previous sustainability report is as follows.

Design for Packaging Circularity

Previously Disclosed Plan	Expand the use of recyclable, reusable, and compostable plastic packaging materials
Implementation Status	· Applied 3,329 tons of PIR (Post-Industrial Recycled) materials to Hetbahn containers and gift set trays · Applied PCR (Post-Consumer Recycled) materials to the packaging body of "Beksul Dipping Salt" products · Applied 65 tons of bio-based materials to "Gourmet Sobaba Chicken" products · Used biodegradable PHA materials for food packaging, such as Hetbahn Cupbahn packaging, by applying compostable coating technology, with 11.7 tons applied in 2025

Improvement of Waste Recycling Rates

Previously Disclosed Plan	Achieve a 95% waste recycling rate at business sites (based on domestic Food Business Unit sites and including scrap metal and wastepaper items not registered in the Allbaro system)
Implementation Status	Achieved a 95.1% waste recycling rate at domestic Food Business Unit sites in 2025

Expansion of Global Reach for Food Upcycling Snacks

Previously Disclosed Plan	Expand overseas distribution of "EXCYCLE Basak Chips," an upcycled snack, to increase resource recovery of food byproducts
Implementation Status	Entered new markets in 2025, including Uzbekistan, Argentina, and Panama

3) Managing Trade-offs Between Risks and Opportunities

In the development of sustainable packaging, balancing environmental performance with existing quality standards has emerged as a key issue. Excessive lightweighting may increase the risk of packaging damage, undermine product stability during loading and distribution, and create challenges in delivering high-quality products to consumers. To address these trade-offs, CJ CheilJedang is pursuing R&D on materials with improved barrier properties and strength. We continue our focus on packaging R&D that can satisfy both environmental performance and functionality by improving packaging structures and materials.

Circular Economy

Risk Management

1. Circular Economy Risk and Opportunity Management Process

1) Risk and Opportunity Management Procedures and Framework

Input Variables and Parameters

Sustainable Packaging	
Input Variables and Parameters	**Data Sources**
Packaging material specifications and usage volumes by material type, including glass, metal, paper, and plastic	Internal packaging data management system (CJ TPMS – Total Packaging Management System) and ERP system
Virgin plastic use	
Volume of Problematic Materials used	
GHG emissions by packaging material type, considering transport distance, energy inputs, and other factors	Internal LCA-related data management system (COMPASS Tool)
Regional regulations and policies	Analysis of packaging-related laws in each country
Waste Management	
Input Variables and Parameters	**Data Sources**
Waste generation volume by business site	Internal environmental impact data management system (CJ EHS – Environment, Health, and Safety)
Unit costs by waste treatment vendor	
Recycling rates by business site	
Volume of circular resources generated from waste	
Operational and legal compliance status of landfill and incineration waste treatment vendors	National Waste Management System (e.g., Allbaro, etc.) and waste treatment vendor licensing documents, with on-site inspections conducted at least annually)
Status of disposal and storage facilities of landfill and incineration waste treatment vendors	

Identification of Risks and Opportunities

Packaging CJ CheilJedang utilizes our packaging data management system, TPMS, and the COMPASS tool—which enables LCA-based environmental assessments of packaging—to track and manage key packaging-related variables from the product launch preparation stage. In addition, business departments in major regions verify the applicability of relevant local laws and regulations and associated requirements. In the domestic market, we identify related risks by monitoring EPR (Extended Producer Responsibility) contribution trends based on packaging shipment volumes by product group.

Waste Management Through our CJ EHS system, we analyze data related to waste generation, treatment unit costs, and recycling rates at our business sites to identify potential risks and opportunities. We also identify risks stemming from changes in national waste management and resource circulation promotion laws, while also assessing operational risk factors such as increased waste generation, non-compliance with waste segregation and discharge requirements, and violations of storage standards. As a contractual obligation, we also conduct regular inspections of landfill and incineration providers at least twice a year to preemptively identify risks such as unauthorized stockpiling and regulatory violations. If any arise, then we conduct additional special inspections.

Assessment of Risks and Opportunities

CJ CheilJedang assesses the level of risk by comparing its current status against regulatory requirements regarding identified risks and opportunities related to the circular economy. To this end, we collect data, analyze rates of changes and assess risks and opportunities at least once a year on a per-unit basis relative to production volume. In regard to waste, we estimate future treatment costs by considering treatment costs, storage facilities, and transportation frequency, and evaluate the direct impact on business operations that may arise from regulatory non-compliance, including administrative fines or penalties, and business suspension.

Prioritization of Risks and Opportunities

CJ CheilJedang determines the priority of tasks by considering trends in domestic and international circular economy-related initiatives, peer companies, and NGOs. We place the highest priority on responding to circular economy-related regulations (e.g., EU PPWR, the Act on the Promotion of Saving and Recycling of Resources, etc.), focusing on identifying the relevant countries or products, as well as developing improvement measures.

Circular Economy

Risk Management

1. Circular Economy Risk and Opportunity Management Process

1) Risk and Opportunity Management Procedures and Framework

Monitoring of Risks and Opportunities

CJ CheilJedang uses systems such as TPMS and CJ EHS to continuously monitor data fluctuations and track the implementation status of improvement tasks. If any monitoring item is reasonably expected to have a material impact on the company's future strategy, then it is reported to the Corporate Sustainability Committee or the Board of Directors, depending on the significance of the matter, ensuring that timely decisions can be made. In particular, the domestic Food Safety & Environment Team conducts environmental compliance assessments of our business sites at least once a year, verifying compliance with laws and regulations via checklists and managing the implementation of improvement tasks based on the results.

Changes in Risk and Opportunity Management Processes Compared to the Previous Year

There were no changes to CJ CheilJedang's circular economy risk and opportunity management process compared to the previous year.

2) Integration with the Enterprise Risk Management (ERM) Process

We have integrated our circular economy risk management processes into our enterprise-wide risk management (ERM) framework by assigning our Chief Risk Officer (CRO) a critical check-and-balance role, managing all financial and non-financial risks and opportunities that impact the company's overall management.

※ For further information, please refer to the Governance – Risk Management section.

Metrics and Targets

1. Circular Economy-related Metrics and Targets

1) Circular Economy-related Metrics

CJ CheilJedang prioritizes the management of key performance indicators (KPIs) across all circular economy sectors to identify risks and opportunities, as well as to measure its performance in these areas.

Category	Management Metric	Unit	2023	2024	2025
Packaging Lifecycle Management[1]	Total packaging material usage	Tons	122,038	141,186	130,580
	Percentage of renewable raw materials used	%	45.7	51.3	50.5
	Percentage of recycled raw materials used	%	48	53.5	53
Waste Management at Manufacturing Sites	Total waste recycling rate	%	97.8	91.8	94.6
	Number of sites obtaining ZWTL ratings	Sites	6	9	9
Hazardous Waste Management[2]	Total designated waste generated	Tons	55,450	34,320	33,180
	Designated waste recycling rate	%	96.9	97.2	99
Food Loss Management	Food loss and waste volume	Tons	3,593	3,963	3,717

1) Sustainability Accounting Standards Board (SASB) Disclosure Topics and Metrics for Processed Food Industry (FB-PF-410a.1)
2) Sustainability Accounting Standards Board (SASB) Disclosure Topics and Metrics for Chemical Industry (RT-CH-150a.1)

2) Targets and Performance Analysis

We have established and are managing mid- to-long-term targets for key performance indicators (KPIs) related to supporting a circular economy. In addition, we utilize ESG quantitative indicator management and analysis tools to compare actual performance against established targets, as well as to conduct trend and volatility analysis of those results.

Target	Monitoring Indicator	Base Year	Target Year
Achieve Zero Waste to Landfill	Status of ZWTL (Zero Waste to Landfill) rating acquisition by site	2020	2030
Reduce Food Loss and Waste by 50%	Food Loss and Waste volume	2020	2030

Regarding our circular economy goals, we are generally meeting or exceeding our performance targets for Zero Waste to Landfill (ZWTL) and waste recycling rates. The Zero Waste to Landfill target aims for all business sites to achieve ZWTL (Zero Waste to Landfill) certification by 2030. As of 2025, 9 out of 15 domestic business sites have achieved this certification, representing a 60% achievement rate. Notably, the Incheon 2, Incheon Frozen, and Gongju sites exceeded their target ratings by improving recycling rates, thereby securing Platinum and Gold ratings.

Biodiversity

Governance

Decision-making System

Role of the Governance Body in Management and Oversight

The Corporate Sustainability Committee, established under the CJ CheilJedang Board of Directors, holds final authority for the review, resolution, and decision-making regarding major environmental issues, including biodiversity, climate change, and water resources. In addition, the Corporate Sustainability Council, composed of the CEO and key executives, receives reports on the progress of environmental management initiatives at least twice per year.

Role of Executive Management in Management and Oversight

Management of environmental policy implementation and performance is overseen by the leadership of each business unit, with key issues reported to the CEO. The Corporate Sustainability Council, chaired by the CEO, is responsible for executing environmental management, overseeing environmental performance, and identifying strategic initiatives. Furthermore, the responsibilities and authorities of the environmental management organization are explicitly stated in the "Environmental Policy" posted on our website.

Management Policy

In 2021, we established a "Biodiversity Policy" to prevent and mitigate biodiversity-related risks arising from our business operations and to prevent deforestation. The policy outlines the fundamental principles and strategic directions related to biodiversity conservation, deforestation prevention, ecosystem restoration, and sustainable raw material sourcing.

Strategy

Biodiversity Assessment Based on the LEAP Approach

We operate in an industry with a high dependence on natural capital, and our business activities across direct operations and the entire supply chain are fundamentally rooted in the natural environment. Accordingly, to assess our dependencies and impacts on natural capital and identify and evaluate related risks and opportunities, we applied the LEAP approach1) recommended by the Taskforce on Nature-related Financial Disclosures (TNFD). This assessment covered 54 major headquarters and manufacturing sites across 29 entities in 11 countries, including South Korea, Indonesia, and Vietnam.

1) LEAP Approach: A TNFD-based stepwise assessment approach that involves locating the interface between business activities and nature, evaluating dependencies and impacts on nature, assessing nature-related risks and opportunities, and preparing response strategies and disclosures.

LEAP Assessment Process

Locate

① Define Assessment Scope
- Collect baseline data on domestic and international direct operations (11 countries, 29 entities, 54 business sites)

② Identify Sensitive Locations
- Select priority sites for analysis based on business importance and other factors
- Identify biodiversity-sensitive areas and species status using IBAT[2]

Evaluate

③ Evaluate Dependencies and Impacts
- Analyze business activities of sites within the assessment scope
- Identify dependencies on and impacts on natural capital for each business activity using the ENCORE[3] Tool

Assess

④ Identify Risks and Opportunities
- Identify nature-related risks and opportunities by referencing TNFD Food and Agriculture Sector guidelines, peer disclosure examples, and relevant regulations
- Assess key nature-related risks using the WWF BRF Tool[4]

Prepare

⑤ Prepare Responses and Disclosures
- Prepare disclosures in accordance with TNFD recommendations, considering the interdependencies among climate change, circular economy, water resources, waste, and pollutants

2) Integrated Biodiversity Assessment Tool
3) Exploring Natural Capital Opportunities, Risks and Exposure: A tool for identifying natural capital opportunities, risks, and exposures
4) WWF BRF (Biodiversity Risk Filter): A Nature-related risk assessment tool provided by the World Wildlife Fund (WWF)

Biodiversity

Strategy

Locate

Analysis of Key Biodiversity Areas and Protected Areas Near Major Business Sites

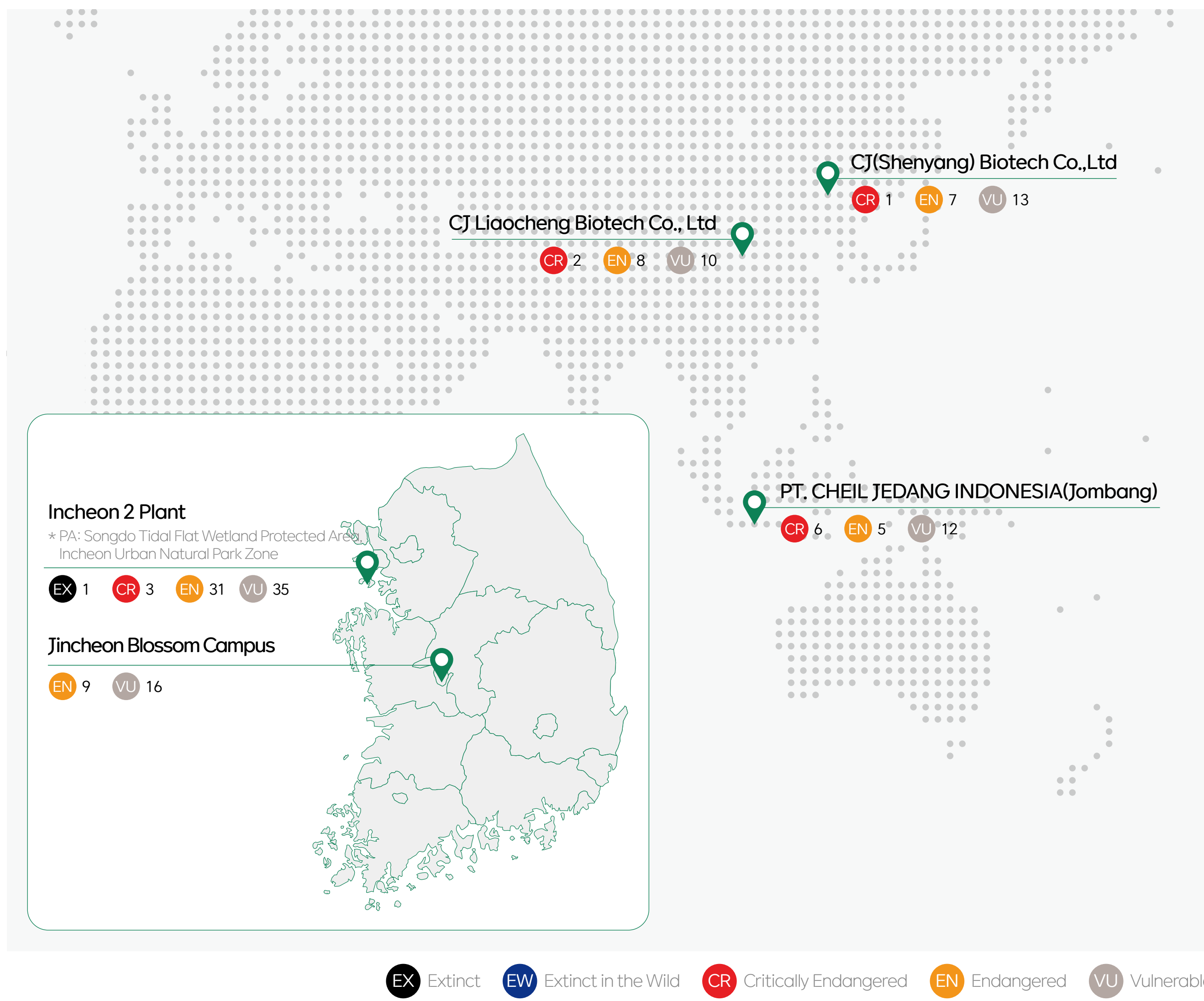
Among our 54 major domestic and international business sites[1], CJ CheilJedang identified sensitive locations, as recommended by the TNFD, for five sites with high business importance and elevated physical risks related to biodiversity. We assessed the presence of Key Biodiversity Areas (KBA) and Protected Areas (PA) within a 5-km radius of domestic sites and a 25-km radius of international sites, based on the locations of the business sites. Our analysis confirmed that the Songdo Tidal Flat, a designated Ramsar Wetland, and the Incheon Urban Natural Park Zone are located near our Incheon Plant 2.

1) Total site area of 6,325,065 m² across sites across 29 entities in 11 countries

Analysis of Endangered Species Status Near Business Sites

We conducted a survey of mammals, fish, amphibians, plant species, and freshwater and marine species in the vicinity of our five major business sites using data from the Integrated Biodiversity Assessment Tool (IBAT) and the IUCN Red List[2]. The survey scope focused on endangered species classified as Vulnerable (VU) or higher under IUCN standards.
The analysis confirmed the presence of endangered species categorized as Critically Endangered (CR), Endangered (EN), and Vulnerable (VU) in the areas surrounding our major sites. Notably, the area surrounding Incheon 2 Plant, located near the Songdo Tidal Flat, a designated Ramsar Wetland, showed a higher diversity of endangered species compared to other analyzed sites.

2) IUCN (International Union for Conservation of Nature and Natural Resources) Red List of Threatened Species



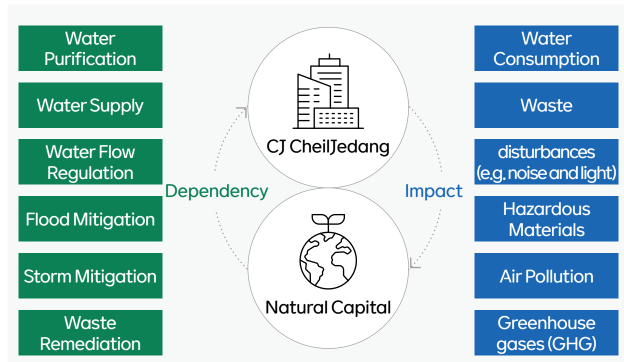
Biodiversity

Strategy

Evaluate

Assessment of Dependencies and Impacts

CJ CheilJedang used ENCORE to assess dependencies on and impacts on natural capital across its key business activities. The assessment indicated that our greatest dependencies were on water purification services, including nature's capacity to filter pollutants and maintain water quality. We also identified high dependency on water supply and water flow regulation services. Regarding impact, water consumption, the generation and release of solid waste, and disturbances (e.g. noise and light) were identified as having relatively significant impact on the natural environment.



Very Low Low Medium High Very High

Category		Food Business Unit						
	Key Economic Activities						BIO Business Unit	
		Meat Processing	Fish Processing	Fruit & Vegetable Processing	Vegetable & Animal Oils & Fats Manufacturing	Grain & Starch Products Manufacturing	Other Food Manufacturing	Animal Feed Manufacturing
Dependency	Water Purification	VH	VH	VH	VH	VH	VH	VH
	Water Supply and Flow Regulation	H	H	H	H	M	H	H
	Flood and Storm Mitigation	M	M	M	M	M	M	M
	Solid Waste Remediation	M	M	M	M	M	M	M
Impact	Water Consumption	M	M	M	M	M	M	M
	Solid Waste Generation and Release	M	M	M	M	M	M	M
	Disturbances (e.g noise, light)	M	M	M	M	M	M	M
	Emissions of toxic pollutants to water and soil	M	M	n/a	M	M	M	M
	Emissions of non-GHG air pollutants	M	L	L	M	M	L	L
	Emissions of GHG	M	L	L	L	L	L	L

Assess

Nature-related Risk Assessment

We analyzed nature-related physical, regulatory, and reputational risks across 54 domestic and international business sites using the WWF Biodiversity Risk Filter[1]. The analysis indicated that physical risks were assessed as relatively high across most countries, with water availability, water quality, and disease-related risks identified as primary risk factors. This is due to the nature of our industry, which has a high dependency on agricultural, livestock, and fisheries raw materials.

Regulatory risks were assessed as relatively high in Indonesia and Malaysia, reflecting potential regulatory exposure resulting from strengthened biodiversity protection systems and management frameworks. Reputational risk was relatively higher in Russia, reflecting an integrated assessment of environmental and socioeconomic factors, including the distribution of protected areas (PAs) and Key Biodiversity Areas (KBAs), as well as Indigenous peoples and local communities.

1) Using WWF Risk Filter Suite version 3.0.

Very Low Low Medium High Very High

Country	Physical Risk	Regulatory Risk	Reputational Risk
South Korea	H	M	M
China	H	M	M
Vietnam	H	M	M
Indonesia	H	H	M
Brazil	M	M	M
U.S.	M	M	L
Malaysia	M	H	M
Germany	H	VL	M
Australia	M	L	M
Russia	H	M	H
Japan	H	M	M

Biodiversity

Strategy

Assess

Identification of Nature-related Risks and Opportunities

CJ CheilJedang identified nature-related risks and opportunities by referencing the TNFD Food and Agriculture Sector Guidance, peer disclosure practices, and relevant regulatory trends. The analysis identified water resources, waste, and pollutants as key management areas associated with nature-related risks and opportunities. To address these, we are implementing initiatives such as improving water efficiency, managing pollutants, and promoting waste recycling and resource recovery.

CASE Mangrove Afforestation in Indonesia

Since 2013, we have carried out mangrove afforestation activities along the coast of Pasuruan, Indonesia. Pasuruan is located within a Key Biodiversity Area (KBA) and near a UNESCO Biosphere Reserve. In collaboration with local governments and community organizations, we planted a total of 66,000 mangrove trees between 2013 and 2025, including 10,000 in 2025.

Category	Type	Expected Time Frame	Risk and Opportunity Factors	Business Impact	Response Activities	Report Page
Physical Risk	Acute	Short-term	· Increased instability in crop growing conditions and a rise in pest and disease outbreaks due to extreme weather events	· Decrease in raw material yields and increased supply instability · Production disruptions and reduced revenue	· Development of the 'Dong-haeng' rice cultivar with resistance to major diseases · Development of land-based gim cultivation technologies that reduce the risk of water pollution and disease exposure	p. 22
	Acute	Medium-term	· Degradation of ecosystem services such as flood regulation · Increased frequency of natural disasters, such as floods and typhoons, in operating regions	· Disruptions to business site operations and decrease in revenue · Increase in infrastructure recovery and facility investment costs	· Implementation of preventive measures against storm and flood damage. · Mangrove afforestation in Indonesia	p. 21
	Chronic	Medium-term	· Reduced water availability due to worsening water stress and droughts · Increased instability in raw material supply due to water scarcity near cultivation areas	· Production delays and increase in operating costs · Increase in procurement costs due to raw material supply instability	· Implementation of water conservation initiatives and improvements in water-use resource efficiency · Strengthening water-related risk management across the supply chain	p. 21, 56
Transition Risk	Policy and Legal	Short-term	· Strengthened regulations on water resource and water quality management · Stricter standards for waste and pollutant emissions and treatment · Growing demands for sustainable packaging materials	· Increase in wastewater treatment and environmental facility operational costs · Increase in waste and pollutant treatment costs · Increase in packaging material replacement costs	· Management of water quality, air pollutants, and chemical substances through the CJ EHS system · Management of soil pollutants	p. 57
	Reputation	Short-term	· Damage to natural ecosystems caused by plastic waste and pollutants	· Decrease in customer and investor trust · Potential brand image damage and reduced revenue	· Management of air, water, and soil pollutants, and odors · Removal and minimization of unnecessary plastic packaging · Collection and upcycling of Hetbahn containers	p. 42, 43, 57
Opportunity	Resource Efficiency	Short-term	· Expansion of resource recycling and reuse	· Reduction of raw material and operating costs	· Waste recycling and resource recovery · Development of food upcycling snack Excycle Basak Chip	p. 45, 46
	Market	Medium-term	· Increase in market demand for products with reduced environmental impact	· Securing new market opportunities and increasing revenue through growing demand for products with reduced environmental impact	· Development of microbial fertilizers and fermentation-derived protein from nuruk microorganisms	p. 23

Biodiversity

Risk Management

CJ CheilJedang operates a structured process to identify, assess, respond to, monitor, and report on nature-related risks and opportunities, as detailed below.

Risk and Opportunity Management Process

Step 01 Risk and Opportunity Identification

- Derive a pool of nature-related risks and opportunities by referencing the TNFD Food and Agriculture Sector Guidance, peer disclosure practices, and domestic and international nature-related regulations and research.
- Identify key risks and opportunities by considering the interrelationships among climate change, biodiversity, water resources, waste, and pollutants

Step 02 Prioritization

- Analyze nature-related dependencies, impacts, and risks using the WWF Biodiversity Risk Filter, ENCORE, IBAT, and the IUCN Red List
- Derive priorities by comprehensively considering business significance and potential business impacts

Step 03 Risk and Opportunity Response

- Evaluate response strategies for identified nature-related risks and opportunities based on the Science Based Targets Network (SBTN) AR3T (Avoid, Reduce, Restore and Regenerate, Transform) framework
- Implement environmental management activities, including water resource management, waste reduction, pollutant management, and resource circulation
- Advance business-linked initiatives such as developing climate-resilient raw materials, land-based gim cultivation technologies, and sustainable packaging

Step 04 Monitoring and Reporting

- Monitor key biodiversity indicators
- Disclose the status of nature-related risk and opportunity management through the sustainability report and other channels

Metrics and Targets

We manage key metrics on water resources, waste, food loss and waste, and packaging materials that are linked to nature-related risks and opportunities.

Key Metrics

Category	Metric	Report Page
Water Resource Management	Water withdrawal, consumption, and discharge volumes	p.110
	Water consumption in water-stressed regions	p. 55
Waste Management	Number of sites with Zero Waste to Landfill (ZWTL) ratings	p. 49
	Waste recycling rate	
Hazardous Waste Management	Total designated hazardous waste discharge volume	p. 49
	Designated hazardous waste recycling rate	
Food Loss Management	Food loss and waste volume	p. 49
Packaging Management	Total packaging material use	p. 49
	Renewable material use rate	
	Recycled material use rate	

Water Resources

Water Resource Management System

Management Policy

CJ CheilJedang has established a management system based on its "Environmental Policy" as the foundation for environmental management, aimed at minimizing the environmental impact of its manufacturing sites. The goal is to minimize the impacts on water resources that occur during the production and sales of products and services.

Management Target

In alignment with its 2050 carbon neutrality and zero waste commitments, CJ CheilJedang monitors annual water use and water withdrawal intensity performance for each site, aiming for a 10-20% reduction by 2030, compared to 2020 levels.
To achieve this goal, we are implementing comprehensive water management activities, including the reduction of water withdrawal, expansion of recycling systems, and management of water-related risks within our supply chain.

Mid- to Long-term Target	Metric
10-20% reduction in water withdrawal intensity by 2030 (vs. 2020 baseline: 20% for regions with High or higher water stress, 10% for others)	Water withdrawal intensity (tons/ton of product)

Water Resource Management Strategy

Management Activities

Water Risk Assessment

Every year, CJ CheilJedang systematically identifies water-related risks across its domestic and global sites using the World Resources Institute (WRI)'s Water Risk Filter. Based on a framework that links water-related dependencies and impact assessments, we analyze potential risks for each site, including water availability, water quality, water quantity, and regulatory factors. In 2025, an analysis of water-related risks across 53 production sites identified 21 sites as having a water stress level of "High" or "Extremely High." In particular, six sites in China and two sites in Vietnam were confirmed to be in the "Extremely High" category. These findings are used to establish tailored risk mitigation strategies for each site, contributing to improved efficiency in water resource management.

Water Stress Status of High-Risk Sites

	Category	Business Site	Baseline	2030 Optimistic Scenario	2025 Water Consumption (tons)
1	Food	Jincheon	Medium - High (20-40%)	High (40-80%)	311,389
2		Jincheon 3[1)]	Medium - High (20-40%)	High (40-80%)	-260,353
3		Jincheon BC	Medium - High (20-40%)	High (40-80%)	283,555
4		Nonsan	Medium - High (20-40%)	High (40-80%)	88,343
5		Gongju	Medium - High (20-40%)	High (40-80%)	17,661
6		Nonsan 3	Medium - High (20-40%)	High (40-80%)	0
7		Wonji (Jincheon)	Medium - High (20-40%)	High (40-80%)	1,739
8		Beijing	Extremely High (>80%)	Extremely High (>80%)	14,302
9		Qingdao	Extremely High (>80%)	Extremely High (>80%)	24,138
10		Kizuna (FV)	High (40-80%)	Extremely High (>80%)	13,162
11		Jinan	Low-Medium (10%-20%)	High (40-80%)	15,177
12		Gimpo	Low-Medium (10%-20%)	High (40-80%)	1,961
13		Liaocheng	High (40-80%)	Extremely High (>80%)	22,020
14		Kizuna (CT)	High (40-80%)	Extremely High (>80%)	57,101
15		Germany	Low-Medium (10-20%)	High (40-80%)	15,865
16	BIO	Pasuruan	Low (<10%)	High (40-80%)	3,057,438
17		Shenyang	High (40-80%)	High (40-80%)	815,867
18		Liaocheng[2)]	High (40-80%)	Extremely High (>80%)	-768,540
19		Liaocheng (Feed)	High (40-80%)	Extremely High (>80%)	0
20		Tianjin (Feed)	High (40-80%)	Extremely High (>80%)	0
21		Shenyang (Feed)	High (40-80%)	High (40-80%)	0

1) Jincheon plant's partial wastewater flows into and is treated at the joint treatment facility with Jincheon 3 plant, thus counted as a negative value (or "offset").
2) Counted as a negative value due to the utilization of large volumes of recycled water through Reverse Osmosis (RO) treatment

Water Resources

Water Resource Management Strategy

Management Activities

Expansion of Water Withdrawal Reduction and Recycling Systems

CJ CheilJedang is implementing water-saving initiatives across all manufacturing sites in conjunction with cost-saving projects to decrease water withdrawal in manufacturing processes and improve water-use efficiency. In particular, in 2025, major sites formed a "Water Use Reduction Task Force" to identify and execute process optimization, water withdrawal reduction, and recycling projects tailored to the characteristics of each site.

Food The Incheon Frozen Food Plant set a target to reduce water withdrawal intensity by 30% (compared to 10.3 tons/ton of product in July 2025) by implementing equipment-specific level sensors and automatic flow control devices, as well as preventing unnecessary water use. As a result, the figure decreased to 6.5 tons/ton of product in February 2026, exceeding the initial target by 6.9 percentage points.

BIO Since August 2025, the Pasuruan site in Indonesia has been executing approximately 30 specific improvement projects, targeting a 30% reduction in water consumption. We introduced a process to repurpose previously discarded cooling tower discharge water as circulating water for air pollution control equipment (scrubbers), reducing the water consumption required for auxiliary production facilities by approximately 18% and continuously increasing the onsite water recycling rate.

CASE Water Withdrawal Reduction Case Study

In October 2025, the Jincheon BC plant modified its equipment cleaning process, a change expected to reduce annual water use by approximately 7,000 tons. We replaced the previous method of continuously running water during production hours with specialized high-pressure nozzles that spray high-pressure water only when needed. Moving forward, we plan to review the application of this improvement to other sites that operate similar equipment.

Supply Chain Water Risk Management

CJ CheilJedang has subscribed to the EiQ platform since the second half of 2024 to identify ESG risks among our suppliers, enabling us to assess water-related risks across both our own facilities and those of our suppliers. We apply the same level of diligence to our suppliers as we do to our own sites, monitoring site-specific sanctions and media controversies based on Water Stress classifications to identify countries with significant issues. Reflecting our business characteristics, we include agricultural products sourced from water-scarce regions under our management scope and regularly monitor the proportion of such products in its total agricultural raw material use.

Water Impact Assessment for Local Stakeholders

When implementing projects that may impact the local environment, our domestic sites conduct Environmental Impact Assessments (EIAs) in accordance with relevant legal requirements to investigate and forecast potential environmental consequences. The Environmental Impact Assessment includes detailed evaluation criteria across six environmental sectors: air, water resources, land, socio-economic factors, natural ecology, and community living. Through the Environmental Impact Assessment Council, we share project characteristics and assessment results with local stakeholders, including civic groups and community representatives, to secure project approval.

Water Efficiency Management

To reduce water consumption in our operational regions, CJ CheilJedang identifies opportunities for improving water efficiency by following standards such as the Water Efficiency Management System (WEMS[1]) and ISO 46001 and the Water Sustainability Tool developed by GEMI[2]. We aim to move beyond ad-hoc activities such as analyzing water-related risks and gradually expand toward developing sustainable water strategies.

Process	Key Activities
Water Use, Impact, and Source Assessment	Understand water connectivity through the analysis of impacts from corporate activities and products
Business Risk Assessment	Identify potential business risks and provide support for characterization and prioritization
Business Opportunity Assessment	Develop diverse opportunity options to address identified water-related risks
Strategic Direction and Target Setting	Define business cases and general direction for pursuing water sustainability strategies using insights from identified risks and opportunities
Strategy Development and Implementation	Develop a water management strategy tailored to the specific needs and circumstances of the company

1) Water Efficiency Management System
2) Global Environmental Management Initiative

Training for Improving Water Efficiency Awareness

Through our internal training platform, CJ Campus, we ensure that all relevant employees can complete training on water efficiency awareness, covering topics such as environmental facilities and wastewater treatment processes. In 2025, we offered courses including Introduction to Wastewater Treatment, Establishing Environmental Facility Operating Conditions, and Introduction to CJ CheilJedang Environmental Management.

Pollutants

Pollutant Management System

Management Policy

CJ CheilJedang has established and maintains internal environmental management standards based on relevant legal requirements to systematically control pollutants generated from its business activities. We implement Environmental Management Regulations tailored to the process characteristics of each business unit across major environmental areas, including water quality (wastewater), air emissions and odor, waste, and chemical substances.

Management Target

To minimize environmental impacts across all business activities, we have set a mid- to long-term target of maintaining zero violations of environmental laws and regulations by strictly adhering to legal standards for water and air pollutants

Water Pollutants

Business Unit	2025 Target	Status	Mid- to Long-term Target
Food[1], BIO	Discharge at 80% or less of effluent discharge limits	Achieved	Compliance with effluent discharge limits

Air Pollutants

Business Unit	2025 Target	Status	Mid- to Long-term Target
Food[1]	Emissions at 80% or less of emission limits	Achieved	Compliance with emission limits
BIO	Compliance with emission limits	Achieved	Compliance with emission limits

1) Limited to domestic sites

Pollutant Management Strategy

Management System

CJ EHS (Environment, Health, and Safety) System

CJ CheilJedang manages environmental data, including water and air pollutants and chemical substances, across 15 Food Business Unit sites by integrating these data into the CJ EHS (Environment, Health, and Safety) system. This allows for real-time detection of exceedances of pollutant discharge and emission standards. Upon receiving an alert, the system shifts to the "TOP RISK" management framework, enabling environmental personnel to analyze the causes of pollution, take immediate action, and detect and respond to environmental risks early.

Management Activities

Water Pollutant Management

CJ CheilJedang has established differentiated environmental indicators based on the characteristics of organic matter and pollutants by business unit. We minimize impacts on effluent clarity and receiving water bodies by applying water quality management standards that are stricter than legal requirements. Advanced wastewater treatment technologies, including membrane bioreactor (MBR) technology and CJ-JSN (Jet Screw Nozzle), a proprietary technology developed by CJ CheilJedang, have been applied at wastewater treatment facilities at major sites in Korea, Indonesia, and Brazil.

Business Unit	Management Indicators
Food	BOD, TOC, SS
BIO	COD , AN, TKN, SS, T-N, T-P etc.

Soil Pollutant Management

Although the BIO Business Unit has no legal obligation to manage soil pollutants, we have proactively established and implemented soil contamination management guidelines to prepare for potential leaks of chemicals or other soil pollutants. Through these guidelines, we conduct prior assessments to determine if facilities are subject to soil and persistent organic pollutant regulations, and we have established response processes for various scenarios, including equipment installation/modification, construction, test runs, and standard operation.

Air Pollutant Management

We manage three key air pollutants—inherently generated by facilities like boilers—as core indicators, ensuring strict compliance with legal emission standards.

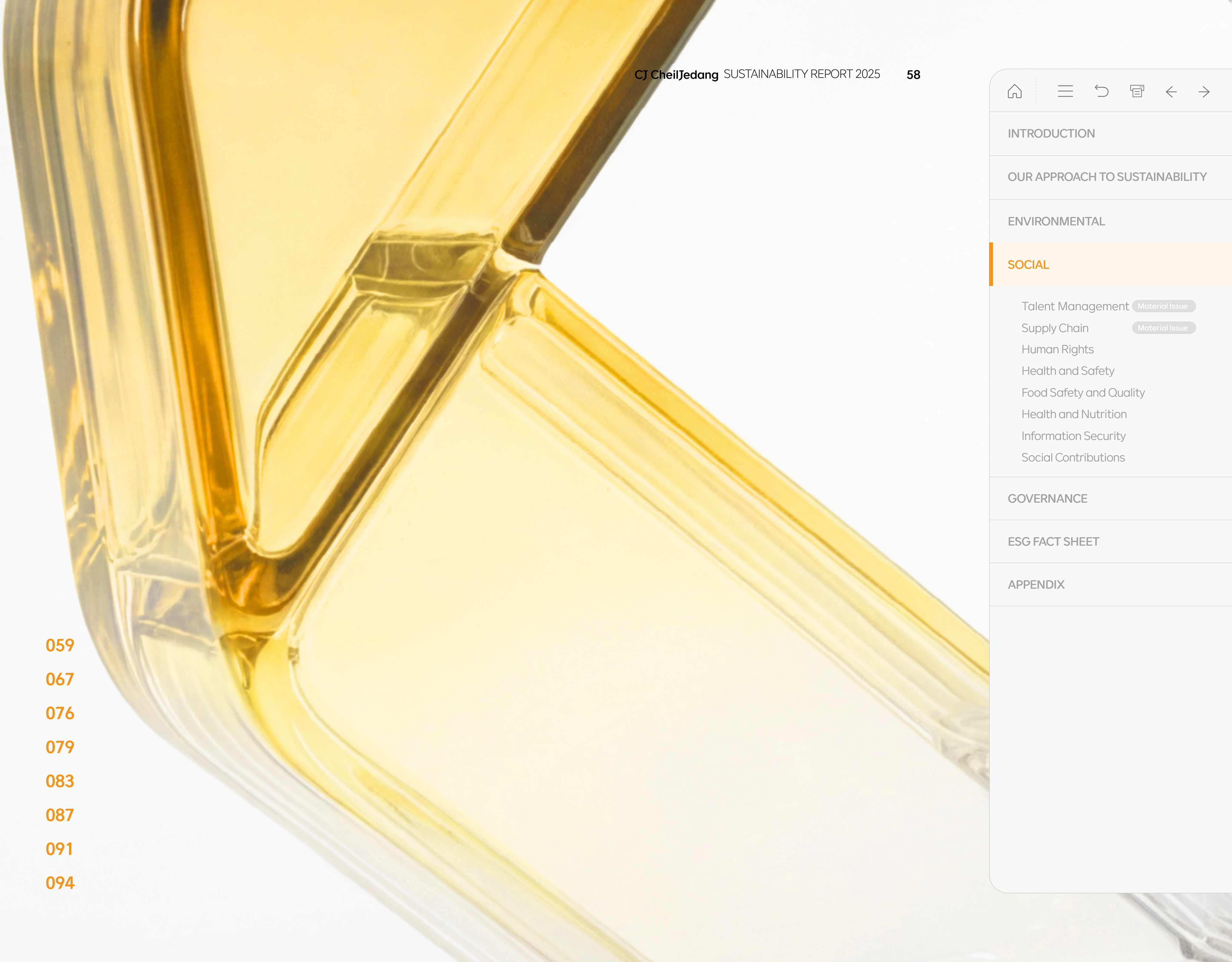
Business Unit	Management Indicators
Food, BIO	Particulate Matter (PM), Nitrogen Oxides (NOx), Sulfur Oxides (SOx)

Odor Management

CJ CheilJedang has established internal standards to keep emissions from odor sources like wastewater treatment facilities well below permissible limits. The Food Business Unit's Industrial Odor Technology Committee selects optimal odor prevention facilities by evaluating vendors' construction track records and reduction technologies.

CASE On-site Industrial Odor Emission Reduction

Our Busan plant reduced industrial odor emissions to a dilution factor of 500 or less, proactively preventing resident complaints. We installed three additional odor prevention systems, covered wastewater treatment facilities to block fugitive emissions, and deployed a new 30-ton enclosed storage facility to minimize odor leakage during waste transport and storage.



SOCIAL

Talent Management

Governance

1. Role of the Governance Body in Talent Management and Oversight

1) Role of Governance Body in Talent Management and Oversight

The Corporate Sustainability Committee under the Board of Directors of CJ CheilJedang deliberates on agenda items such as the revision and approval of major HR policies and systems from an ESG perspective, and in 2022, the Committee approved the "Diversity, Equity, and Inclusion (DE&I) Policy." CJ CheilJedang operates an HR governance system in which HR organizations across our Food and BIO Business Units work together in an integrated manner. The HR organization performs tasks across the entire HR spectrum, including HR planning, workforce management, talent acquisition, talent development, performance evaluation and compensation, and organizational culture, reflecting the specific requirements of each business unit. "Talent First," a core founding philosophy of CJ Group, places people as its most important value. We are strengthening our HR governance by organically linking HR systems, such as recruitment, performance evaluation, and talent development, so that organizational purpose and goals are aligned with individual growth and development, enabling employees to work with engagement toward the company's goals and vision.

Strategy

1. Talent Management-related Risks and Opportunities

1) Identification of Risks and Opportunities

CJ CheilJedang has identified talent management-related risks and opportunities reasonably expected to impact the company's outlook across the two business units within its consolidated entities. We identified these risks and opportunities in accordance with its talent-related risk management process, comprehensively considering the effects of ESG issues on recruitment, development, and turnover by reviewing the personnel characteristics of each business unit during the analysis. Furthermore, in identifying talent management-related risks and opportunities, we referred to the sustainability disclosure topics for the processed foods and chemical industries as presented by the Sustainability Accounting Standards Board (SASB). The time frames for anticipated talent management-related risks and opportunities are categorized in accordance with the time horizons set out in the European Sustainability Reporting Standards (ESRS) and the Korean Sustainability Standards Board (KSSB) sustainability disclosure standards.

※ For further information on the approach to ensuring alignment between our strategic decision-making planning horizon and the expected time horizons for talent management-related risks and opportunities, please refer to Climate Change - Strategy - 1. Climate-related Risks and Opportunities - 1) Identification of Risks and Opportunities.

Talent Management-related Risks

Category	Factor	Description	Time Frame		
			Short-term	Mid-term	Long-term
Market	Talent acquisition competition	Talent attrition driven by intensified international and industry competition to secure key personnel	●	●	●
Organizational Culture	Rising social demands	Changing employee expectations regarding work-life balance and work-family balance Increased demand for the development of family-friendly corporate culture		●	●

Talent Management-related Opportunities

Category	Factor	Description	Time Frame		
			Short-term	Mid-term	Long-term
Market	Talent acquisition and development system	Strengthening capabilities and expertise through company-specific talent acquisition and development systems and training programs		●	●
Organizational Culture	Organizational culture to secure competitive advantage	Enhancing employee engagement through the operation of various flexible work systems, family-friendly policies, and employee benefit programs		●	●
Productivity	AI-enabled operational efficiency	Implementation of AI technologies and IT systems		●	●

※ Time Frames for the Effects of Identified Risks and Opportunities

Category	Criteria	Target Time Frame
Short-term	Talent management-related risks or opportunities expected to occur within 1 year	2026
Mid-term	Talent management-related risks or opportunities expected to occur after 1 year and within 5 years	2027~2030
Long-term	Talent management-related risks or opportunities expected to occur after more than 5 years	2031~

Talent Management

Strategy

2. Business Model and Value Chain

1) Current and Anticipated Effects on the Business Model and Value Chain

CJ CheilJedang analyzed the effects resulting from talent management-related risks and opportunities across the entire value chain for both the Food and BIO Business Units. The results indicate that the two business units, classified under "own operations" within its talent management framework, showed similarities in the nature and profile of these effects. In this report, we have consolidated and organized the effects of talent management-related opportunities for the relevant business units to minimize redundancy and ensure analytical consistency.

Talent Management-related Risks

Category	Factor	Value Chain	Current and Anticipated Effects	Current	Anticipated
Market	Talent acquisition competition	Own operations	Promoting overall HR management innovation to improve retention of high-potential talent		●
Organizational Culture	Rising social demands		Enhancing employee satisfaction through continuous HR policy improvements based on employee communication	●	●
Productivity	Changes in required competences		Need for training systems and operational strategies to increase productivity	●	●

Talent Management-related Opportunities

Category	Factor	Value Chain	Current and Anticipated Effects	Current	Anticipated
Market	Talent acquisition and development system	Own operations	Improving productivity and organizational competitiveness by strengthening capabilities and expertise through company-specific talent acquisition and development systems, and training programs	●	●
Organizational Culture	Competitive advantage-focused organizational culture		Enhancing corporate attractiveness by fostering a flexible organizational culture that enables the recruitment and development of diverse talent, and by developing outstanding leaders		●
Productivity	AI-enabled operational efficiency		Improving productivity per employee through the adoption of AI technologies and IT systems; introducing AI-based competency assessments in the recruitment process	●	●

3. Strategy and Decision-making

1) Establishment of Response Strategies for Risks and Opportunities

Management Strategy	Key Initiatives	
① Securing Top Talent Aligned with Business Strategy and Advancing Selection, Development, and Compensation Systems	· Securing top executive-level talent · Advancing the global integrated talent development framework	· Supporting career development programs for global business operations
② Establishing Organizational Culture Innovation that Drives Tangible Business Results	· Advancing the leadership development framework for organizational culture innovation · Establishing a pre-appointment development program for new leaders within CJ CheilJedang to cultivate CJ-style leaders	· Building support systems to enhance employee engagement · Applying employee experience-centered cultural innovation practices across the talent lifecycle
③ Enhancing Internal and External Credibility through DE&I Internalization and Advanced Labor-Management Relations	· Establishing and disseminating a group-wide DE&I roadmap · Selection as an outstanding company in labor-management relations	

Talent Acquisition

To recruit capable, upright, and driven professionals (hagojabi, We Who Prove It), CJ CheilJedang operates various recruitment channels, including regular open recruitment, year-round recruitment, global hiring, and internships. To enhance recruitment transparency, we consolidate and post relevant information through the CJ Group recruitment website. We select talent with a high level of job suitability by providing detailed information on job descriptions and qualification requirements. We use the CJ CFT (Culture Fit Test), a talent verification tool that reflects CJ's unique values, to recruit talent who align with the company's core values and generate high performance. In addition, we have introduced AI-based competency assessments to promote fairness in the talent selection process.

Organizational Culture

Recognizing that organizational culture represents the way people work and, ultimately, the way they generate performance, CJ CheilJedang is implementing a company-wide culture innovation strategy to secure sustainable competitive advantages through innovation in ways of working. We are cultivating leaders who take the initiative in change and innovation and are systematically strengthening leadership competencies, thereby establishing a foundation for a healthy organizational culture and sustainable growth. We are internalizing our ONLYONE values throughout our ways of working and reflecting them in systems and policies so that employees can experience and practice the organization's core values in their daily work.

Talent Management

Strategy

3. Strategy and Decision-making

1) Establishment of Response Strategies for Risks and Opportunities

Organizational Culture Assessment

Since 2005, CJ CheilJedang has conducted a regular organizational culture assessment, CJ Voice ON, for employees to measure their understanding of the company's vision and management philosophy, as well as organizational satisfaction and engagement. The assessment results are transparently shared with all employees, and improvement areas are identified based on the results. These areas are then established as strategic tasks for organizational culture innovation and systematically implemented, thereby continuing the company's efforts to enhance employee satisfaction and motivation.

Assessment Area	Assessment Item
Employee Engagement	Satisfaction
	Sense of Growth
	Pride
	Intention to Stay
Mid-term Strategy Understanding and Execution	Employee Readiness
	Extent of Corporate Practice
Understanding and Execution of CJ's Management Philosophy and Principles	CJ Mission, Vision, and Management Principles
	Core Values
	Principles of Conduct
Execution Infrastructure	Organization/Process
	Ways of Working
	HR System
	Leader's willingness and commitment to change
Area of Improvement	Awareness of Organizational Culture and Areas for Improvement

Culture of Respect for DE&I

CJ CheilJedang established and implemented a Diversity, Equity, and Inclusion (DE&I) Policy that sets out principles for ensuring fair and equal opportunities for all members to ensure that talent with diverse backgrounds and perspectives can collaborate and demonstrate innovation and creativity. This policy is linked to our Human Rights Management Declaration and complies with the International Labour Organization (ILO) guidelines. Under this policy, we prohibit all forms of discrimination based on individual characteristics—such as race, skin color, religion, national or regional origin, gender, sexual orientation, age, and disability—across all HR-related areas, including recruitment, promotion, placement, training, compensation, and benefits. We recognize that diversity and inclusion are essential elements for organizational innovation and competitiveness, and we will continue to ensure equal opportunities for all employees by strictly adhering to our anti-discrimination policies. In addition, we operate various systems and programs to ensure that capable talent is recruited fairly and developed systematically. To strengthen our corporate social responsibility and execution, we established new roles for disabled artists considering their connection to internal activities, in addition to existing roles for disabled baristas. We also expanded employment opportunities for people with severe disabilities by hiring 36 artists with disabilities and two athletes with disabilities in the second half of 2025.

Category	Details
Inclusive Talent Acquisition	· Operating a cafe that directly employs baristas with severe disabilities, "I got everything" · Hiring artists with disabilities for remote work for creative activities, such as producing content linked to social contribution campaigns · Hiring athletes with disabilities, supporting their training and participation in competitions
Training Support	· Operating Buddy programs to support organizational adaptation and network building for experienced hires and returning expats; and onboarding programs for employees returning from leave
Work Environment Improvement	· Additional installation of bollards and CCTV to support the safe mobility of employees with disabilities

Talent Management

Strategy

3. Strategy and Decision-making

1) Establishment of Response Strategies for Risks and Opportunities

Talent Development

CJ CheilJedang provides a wide range of learning and development programs for all employees, including leadership, job-specific training, and global competency development, which contribute to improving the professional expertise of employees in key functional departments. Onboarding training is provided to all employees, including contract workers. We also measure the practical outcomes of our training programs.

Category	Program	Details	Outcomes
Onboarding	Onboarding for New/ Experienced/ Returning Employees	Onboarding programs for new, experienced, and returning employees Field-based On-the-Job Training (OJT) and mentoring for new hires Buddy program for experienced hires	146 new hires completed 46 experienced hires completed 21 returning employees completed
	Retention Program	Retention training for junior sales employees, strategy alignment and visioning sessions, etc.	99 sales junior employees completed
Leadership	Pre-Leadership	Pre-leadership program designed to develop future leaders based on ONLYONE, pre-leadership reinforcement program	49 completed leadership roles course 53 completed value-alignment leadership 41 completed continuous performance management 38 completed coaching leadership
	Leadership Workshop	Core curriculum for managers; monthly leadership sessions	Held 5 times (July-November), 111 completed
	Leadership Insight	Course for team leaders to gain ideas and know-how to enhance leadership effectiveness	Held 4 times, 293 completed
Job Expertise	Department-Specific Job Training	Job training in areas such as analysis, purification, fermentation, and strain experimentation through the establishment of a career development system for R&D professionals	96 BIO Business Unit employees completed
		Enhancing awareness of the importance of technology branding and strengthening communication skills to reinforce the company's technology brand among customers and stakeholders.	22 BIO Business Unit employees completed
		Marketing job training to enhance understanding of Soft IP and strengthen compliance : Soft IP training	41 Food Business Unit employees completed
		Up-boarding program for employees transitioning into sales roles; support for basic tasks and organizational adaptation	20 Food Business Unit employees completed
Global Competency	Global Leadership	Training for global assignees and repatriates; education programs for spreading global organizational culture innovation	22 assigned and 22 returned
	Language Programs	Online learning platform, CJ Campus, telephone-based foreign language tutoring, etc.	464 monthly average learners
Digital	Manufacturing DX Competency Training	Developing smart factory specialists through collaboration with external professional training institutions	95 completed, 37 obtained relevant certifications
Degree Support	CJ Top-Tier MBA	Intensive management competency development through support for admission to top domestic MBA programs	Selected employees are currently enrolled in MBA programs

* For per-employee training hours and training costs, please refer to the indicators on page 66 and the Fact Sheet on page 115.

Training Effectiveness Assessment(Example)

Category	Food Safety and Quality Training	
2025 Status	Food Operates 37 training courses across 8 professional competency areas via the Food Safety and Quality Academy; 304 employees completed training, including 17 employees who completed FSSC/ISO22000 lead auditor qualification training	BIO Conducted FSSC 22000 Lead Auditor qualification training; one employee completed the certification program
Assessment Method	Number of qualified internal auditors for external food safety and quality certification audits	
Training Effectiveness	17 employees obtained Provisional Auditor qualifications	One BIO Business Unit employee obtained a Provisional Auditor qualification

Mentoring Program

CJ CheilJedang is strengthening onboarding support for newly appointed Team Leads (department heads) by implementing mentoring programs with senior leaders to help them transition smoothly into their leadership roles

In-House Coaching Program

The in-house coaching program supports strengthening leadership capabilities across the organization and employee growth by providing applicants with one-on-one leadership, career, and life coaching by internal coaches. We cultivate high-performing leaders and employees selected through departmental recommendations as internal coaches, and these trained coaches provide coaching to Team Leads and employees to promote overall leadership competency improvement. In addition, through in-house life coaching, we aim to increase employee engagement, foster a coaching culture throughout the organization, and support a healthy organizational culture and sustainable growth.

Talent Management

Strategy

3. Strategy and Decision-making

1) Establishment of Response Strategies for Risks and Opportunities

Performance Evaluation and Compensation

CJ CheilJedang operates PMDS+ (Performance Management & Development System), a self-directed performance management framework designed to foster both employee growth and organizational performance. At the beginning of each year, we set individual performance and development goals aligned with organizational and team KPIs, with continuous feedback and check-ins provided throughout the year to support their achievement. In particular, through peer-based 360-degree feedback based on actual collaboration, we balance our evaluations by incorporating strengths and areas for improvement during the work process. In 2025, we introduced a Mid-Year Review to provide additional feedback for mid-year performance reviews and professional growth. To enhance the fairness of multi-rater feedback-based evaluations, we expanded the frequency of 360-degree feedback from once a year to twice a year (once each in the first and second halves), strengthened continuous performance management, and expanded the scope to include production technicians. Before finalizing evaluations, we hold organizational calibration sessions to enhance the consistency and fairness of performance ratings.

CJ CheilJedang operates a fair compensation system based on job position and grade, and we apply equal pay principles across our performance and compensation systems to ensure there is no gender-based wage gap. Starting salaries for entry-level employees are set using consistent standards based on job family and functions. Annual salary adjustments, conducted at the beginning of each year, are fairly determined based on internal and external business environments and individual evaluation results.

We analyze living wages to determine whether all employees across the company are receiving compensation that supports an adequate standard of living. Domestic living wages were evaluated for domestic workplaces in 2025, based on the amounts announced by the Seoul Metropolitan Government. As of the end of 2025, our analysis confirms that even at our lowest entry-level pay grade, no employee's compensation falls below the living wage threshold.

Furthermore, we manage minimum wage compliance for local subsidiaries by reflecting national and regional policies, centered on regional headquarters in the U.S., China, Japan, Vietnam, and Indonesia, and provide monitoring and guidance to proactively prevent issues related to minimum wages.

CJ CheilJedang operates a compensation policy that reflects industry-specific characteristics and market value. We have empowered our organizational heads with greater discretion over salary adjustments, allowing us to sharpen our focus on rewarding top-tier talent with exceptional capabilities and proven performance. In addition, we operate innovative compensation programs and award systems that recognize excellent organizational and individual performance.

Evaluation Process and Annual Timeline

- **March**: Goal Setting and Feedback (Performance/Competency)
- **June**: Mid-year Check-up and Feedback
- **October**: Peer-based 360-degree feedback
- **November**: Self-review and First-level Leader Review
- **December**: Organizational Calibration Session
- **January 2026**: Performance Rating Finalization and Performance Feedback (Performance/Competency)

Talent Management

Strategy

3. Strategy and Decision-making

1) Establishment of Response Strategies for Risks and Opportunities

Working Conditions

In accordance with its "Declaration of Human Rights," published on the CJ CheilJedang website, CJ CheilJedang has established working hour and working environment management policies for all business sites that comply with regional statutory requirements and International Labour Organization (ILO) standards. We strictly adhere to daily and weekly maximum working hour limits, while ensuring employees receive adequate rest and a balanced working environment. To support compliance with these policies, we actively regulate working hours through flexible working systems and an automatic PC shutdown system after scheduled working hours. We also operate numerous programs to ensure work-life balance for employees, such as satellite offices and annual leave encouragement program for office employees.

Category	Details
Flexible Working System	Introduced flexible working and staggered commuting hours, allowing employees to adjust their working hours flexibly.
Overtime Limitations	Operates an automatic PC shutdown system to manage overtime. Compensation is provided when overtime occurs.
Satellite Offices and Remote Work	Utilizes hub offices (CJ Work ON) and remote work, allowing employees to select their preferred work location autonomously.

Flexible Working Type	Program Description
Selective Working Hour System	Employees may autonomously select their daily working hours, provided that the average standard working hours do not exceed 40 hours per week over a one-month settlement period.
Staggered working hours System	Employees may adjust their start and end times according to their work or personal circumstances while maintaining an 8-hour workday.

Employee Benefits

CJ CheilJedang operates comprehensive family-friendly and employee benefit programs tailored to our employees' diverse lifestyles and life stages.

Category		Details
Family-friendly Programs	Pregnancy	· Provision of the 'Mom First Care Box' (pregnancy care gift package) · Paid leave for prenatal check-ups: paid leave for prenatal checkups for employees and their spouses · Reduced working hours during pregnancy, with paid support throughout the pregnancy period · Infertility treatment leave
	Childbirth	· Spouse childbirth leave: support beyond statutory requirements, up to 30 days for multiple births · Operation of lactation rooms
	Childcare	· Parental leave : up to 2 years and 6 months in total, including 1 year and 6 months of statutory parental leave · Reduced working hours for childcare · Operation of workplace childcare centers
	Family	· Leave and reduced working hours for transition to school and urgent childcare · Family care leave, leave of absence, and reduced working hours · Tuition support for children · Leave to accompany a spouse for overseas work, assignments, or study
Employee Benefits Program	Medical Support	· Comprehensive medical check-up support for employees and families; medical expense support, with partial employee co-payment · Infertility treatment support · Support for childcare expenses for children with disabilities
	Housing Support	· Housing loan assistance
	Psychological Counseling	· Café La Mer: a professional counseling center that helps address psychological difficulties arising from work-related stress and family relationships, and other issues
	K-Culture Voyage	· Opportunities to experience K-CON and other global cultural events, including tickets and airfare
	Life-Immersion Partner Services	· Discounted subscription services for daily life support, including cleaning, laundry, and childcare
	Other	· Travel assistance; Creative Week, a 2-week training program for self-development and job competency enhancement granted based on years of service · On-site fitness center

Talent Management

Strategy

3. Strategy and Decision-making

1) Establishment of Response Strategies for Risks and Opportunities

Employee-Management Cooperation

CJ CheilJedang operates 'Open Council,' a labor-management consultative body that promotes employee welfare, improves working conditions, and supports the company's sustainable growth. Since 2022, we have expanded the Open Council into the company-wide "THE Open Council," institutionalizing it so that all discussed and resolved matters are consistently applied to all employees. All non-managerial employees at each business site participate in the voting process to elect employee council representatives. Currently, approximately 130 employee council members systematically collect suggestions and concerns from employees at their respective sites.

The lead representative is selected democratically by the elected employee council members, and employee council members hold quarterly meetings with management representatives at each business site.

At quarterly meetings, management committee members and employee council members set and discuss agenda items related to working environment improvements, employee benefits, productivity, enhanced work engagement, organizational revitalization, and stronger communication, and seek practical solutions. The approval and implementation rates of agenda items proposed to the council are managed annually, and it functions as a communication channel for collecting employee opinions and deriving field-based improvements. As of 2025, 11% of our employees were covered by collective agreements. All employees are subject to employment terms and conditions established under the Rules of Employment and agreements reached through the Labor-Management Council.

Category	2025 Status
Number of Labor-Management Council Meetings	Once per quarter, 4 times annually
Number of Proposals Submitted	37
Proposal Adoption Rate	81% (30 items adopted)
Percentage of Employees Covered by Adopted Proposals	100%

Risk Management

1. Talent Risk and Opportunity Management Process

1) Risk and Opportunity Management Procedures and Framework

As risks and opportunities related to human resources may arise in various areas such as organizational culture, labor-management relations, and human rights, they are managed from multiple perspectives by relevant departments including HR, Learning & Development, and labor relations.

The progress and results of risk management activities conducted by dedicated functions for each HR area (HR Planning and Evaluation, HR Operations, Organizational Culture) in the Food Business Unit and BIO Business Unit are reported to the respective business department heads at least once a year.

Grievance Handling Process	Details
Report Submission	· Reports are received along with supporting evidence and facts structured in accordance with the 5W1H (Who, What, When, Where, Why, and How) principle · Reports may be submitted anonymously or under the reporter's name
Review & Investigation by Assigned Officer	· Report Handling: The designated officer logs and processes the submitted report · Review: Verification of report details and request for additional documentation if necessary · Investigation: Investigations are conducted sequentially in the order of receipt (timelines vary depending on the subject and scope) · Completion: The investigation is concluded once the facts are verified based on objective evidence
Result Confirmation	· Investigation results can be accessed via the company website or the K-Whistle platform

Talent Management

Risk Management

1. Talent-related Risk and Opportunity Management Process

1) Risk and Opportunity Procedures and Framework

Identification of Risks and Opportunities

CJ CheilJedang regularly collects employee feedback on talent-related risks through organizational culture assessment (comprising a mix of multiple-choice and open-ended questions, as well as team discussions) and continuously gathers employee feedback through an online grievance handling system.

Assessment of Risks and Opportunities

Among talent-related risks, human rights-related risks are evaluated for severity and importance by the dedicated department in accordance with relevant policies and internal regulations.
All other risk factors are identified and evaluated through sufficient communication with employees, including insights gathered during organizational culture workshops.

Monitoring of Risks and Opportunities

To monitor talent-related risks, we conduct an annual organizational culture assessment using CJ Voice ON, a survey tool developed internally by the Group. The assessment includes items regarding employee engagement, ways of working, and HR systems to comprehensively monitor risks related to human capital. In addition, we hold regular meetings of the Open Council every quarter, and dedicated departments monitor the agenda items proposed and resolutions reached.

Metrics and Targets

1) Talent Management Metrics and Targets

1) Metrics

CJ CheilJedang focuses on managing key metrics by human resource management area to identify talent-related risks and opportunities and measure the company's performance in these areas.

Category	Key Metric	Unit	2023	2024	2025
Employee Training (Korean Entities)	Average Training Hours per Employee	hours/ person	36.9	33.4	33.8
	Average Training Cost per Employee	KRW million/ person	1.18	1.13	1.31
Organizational Culture and Working Conditions	Organizational Culture Assessment[1] (Composite Score)	points	-	68.9	73.1
Performance Evaluation and Compensation	Average Salary per Employee[2]	KRW million	75	82	85

1) From 2024 onward, the management metric was revised to the Organizational Culture Assessment (Composite Score). The Employee Engagement Score was used in 2023.
2) Based on CJ CheilJedang (separate financial statements).

Supply Chain

Governance

1. Role of the Governance Body in Management and Oversight

1) Management and Oversight Responsibilities of the Governance Body

The Corporate Sustainability Committee under the Board of Directors of CJ CheilJedang serves as the highest decision-making body for sustainable supply chain issues, holding the authority to establish sustainable supply chain management strategies for the value chain and manage and oversee their implementation. The Committee is responsible for deliberating and approving key strategic matters, including the identification of supply chain risks and opportunities, as well as the formulation of response strategies. These responsibilities and roles of the Corporate Sustainability Committee are specified in Article 3 (Duties, Authority, and Functions) of the "Sustainability Committee Charter" posted on our company website.

※ For further information regarding the specific responsibilities and roles of the Sustainability Committee concerning sustainable Supply Chain management issues, please refer to Climate Change - Governance - 1. Role of the Governance Body in Management and Oversight - 1) Management and Oversight Responsibilities of the Governance Body

2) Assessment and Development of Competencies for Management and Oversight

CJ CheilJedang conducts training to develop the capabilities of our governance body regarding sustainable supply chain management issues. In 2025, we provided training on the topic of "ESG Policy and Disclosure Response Strategies of the New Administration," covering changes in domestic ESG policy, the disclosure environment, and trends in supply chain-related regulations.

Date	Training Topic	Key Educational Content
Aug. 11, 2025	ESG Policy and Disclosure Response Strategies of the New Administration	Domestic and international supply chain regulatory trends

3) Reporting Protocols and Frequency for the Governance Body

The Corporate Sustainability Committee receives reports on major supply chain-related issues and response status from the Corporate Business Planning Department at least twice a year. When Committee meetings are held, relevant briefing materials are provided at least seven days before each meeting to support reasonable decision-making by directors. The major agenda items related to sustainable supply chain management that were deliberated and resolved by the Corporate Sustainability Committee over the past two years are as follows.

Date	Agenda Item	Agenda Details	Approval Status
May 13, 2024	Approval of 2024 ESG Initiatives	2024 Sustainable Supply Chain Action Plan	Approved
May 12, 2025	Approval of 2025 ESG Initiatives	Advancement of Supply Chain Risk Management	Approved
May 12, 2025	Approval of 2024 Sustainability Report Publication Plan and Materiality Assessment Results	Approval of the selection of "Supply Chain" as a material issue	Approved

4) Consideration of Risks and Opportunities in Key Decision-making

In accordance with Article 9 (Matters for Deliberation) of the Board of Directors Regulations, the Sustainability Committee reviews sustainable supply chain-related matters when deliberating on key issues concerning company management.

※ For further details regarding how the governance body considers sustainable supply chain-related risks and opportunities, please refer to Climate Change - Governance - 1. Role of the Governance Body in Management and Oversight - 4) Consideration of Risks and Opportunities in Key Decision-making

Supply Chain

Governance

1. Role of the Governance Body in Management and Oversight

5) Management and Oversight of Target Setting with Progress Monitoring

The Corporate Sustainability Committee approves targets for responding to supply chain-related risks and opportunities and periodically monitors progress toward those targets. The Committee has set the advancement of supply chain risk management as a core initiative and approved objectives and action directions focused on clarifying risk management processes and expanding the scope of management. Accordingly, CJ CheilJedang managed performance in shared growth with suppliers and supplier partnership performance by incorporating the Win-Win Growth Index rating from the Korea Commission for Corporate Partnership as a KPI in the 2025 performance and compensation evaluations for relevant management, including those in charge of food procurement.

2. Role of Executive Management in Management and Oversight

1) Management and Oversight Roles Delegated to Management

To effectively manage and oversee risks and opportunities related to supply chain sustainability, the Corporate Sustainability Committee has delegated responsibility for implementing the supply chain sustainability management strategy to the Corporate Sustainability Council.

※ For further information regarding the responsibilities and roles of the Corporate Sustainability Council concerning supply chain sustainability management issues, please refer to Climate Change – Governance – 2. Role of Executive Management in Management and Oversight – 1) Management and Oversight Roles Delegated to Management

2) Management Controls and Procedures

CJ CheilJedang has established and operates a company-wide supply chain ESG risk control framework to systematically manage ESG-related risks and opportunities across its supply chain. This framework was designed by referencing the EU Corporate Sustainability Due Diligence Directive (CSDDD) and operates based on a collaborative system involving the corporate ESG department, procurement department, and each business unit.

Based on our Supplier Code of Conduct and supply chain management regulations, we proactively identify ESG risks during contracting and transaction processes; each department involved regularly identifies and evaluates ESG risks across the entire supply chain based on their specific roles and expertise. In this process, we enhance the objectivity and expertise of our risk analysis by collaborating with external professional organizations. Risk assessments combine quantitative and qualitative criteria and consider both the likelihood of risk occurrence and potential effects. Due diligence results are reported as needed to the Supply Chain Working Council, composed of departmental management and management from major corporate functional departments, and project plans and implementation status are submitted to the Corporate Sustainability Council at least twice a year. Based on these internal control procedures, we identify and control ESG risks that may occur in the supply chain.

Supply Chain

Strategy

1. Supply Chain-related Risks and Opportunities

1) Identification of Risks and Opportunities

CJ CheilJedang has identified supply chain-related risks and opportunities reasonably expected to affect the company's outlook for the two business units within its consolidated scope. Risks and opportunities were identified in accordance with our sustainable supply chain risk management process. During the analysis, we reviewed the value chain structure and characteristics of each business unit, comprehensively considering the effects of ESG issues on each stage, including supply, production, and distribution. Additionally, when identifying supply chain-related risks and opportunities, we referred to the sustainability disclosure topics for the processed food and chemical industries provided by the Sustainability Accounting Standards Board (SASB). We categorize the time horizons for anticipated supply chain-related risks and opportunities in line with the time horizons set out in the European Sustainability Reporting Standards (ESRS) and the sustainability disclosure standards of the Korea Sustainability Standards Board (KSSB).

※ For further information on our approach to ensuring alignment between our strategic decision-making planning horizon and the expected time horizons for supply chain-related risks and opportunities, please refer to 'Climate Change - Strategy - 1. Climate-related Risks and Opportunities - 2) Time Frames for the Effects of Identified Risks and Opportunities.

Supply Chain-related Risks

Category	Factor	Description	Time Frame		
			Short-term	Mid-term	Long-term
Policy and Legal	Human Rights and Labor Regulation Violation Risk	Potential non-compliance with global human rights regulations when utilizing raw materials from high-risk regions involving forced labor	●	●	●
	Environmental Regulation Violation Risk	Potential non-compliance with environmental regulations, including the EU Deforestation Regulation (EUDR), due to deforestation or biodiversity loss during raw material cultivation	●	●	●
	Strengthening of Supply Chain Due Diligence Regulations	Cost burden from the expansion of mandatory supply chain due diligence following the tightening of national due diligence regulations and the introduction of EU due diligence legislation, including the CSDDD		●	●
Technology	Limitations in Ensuring Supply Chain Transparency	Challenges in supply chain traceability and potential risk identification due to the complexity of the global supply chain	●	●	●
Market	Raw Material Supply and Price Volatility	Instability in raw material procurement and price increases due to external factors such as geopolitical issues, exchange rate fluctuations, regulations, and natural disasters	●	●	●
	Seasonality of Agricultural and Fisheries Production	Potential temporary overtime work due to labor demand concentration during specific periods inherent to the industrial structure	●	●	●
Reputation	Spread of Human Rights and Labor Issues	Increased regulatory and reputational risks following the spread of issues related to human rights and labor rights violations within the domestic aquaculture industry, such as salt and seaweed	●	●	

Supply Chain-related Opportunities

Category	Factor	Description	Time Frame		
			Short-term	Mid-term	Long-term
Market	Enhancement of Brand Equity	Securing loyalty from ethical consumers by sourcing raw materials certified by sustainability standards such as the U.S. Soy Sustainability Assurance Protocol (SSAP) and RSPO[1]	●	●	●
		Elevating corporate eco-friendly and ethical brand image and consumer preference by upholding human rights and labor protections	●	●	●
Resilience	Strengthening Operational Stability	Securing a stable operational foundation by reinforcing human rights and labor standards—and minimizing regulatory risk—through a due diligence system capable of responding to global regulations, including the EU CSDDD		●	●

※ Time Frames for the Effects of Identified Risks and Opportunities

Category	Criteria	Target Time Frame
Short-term	Supply chain risks or opportunities expected to occur within one year	2026
Mid-term	Supply chain risks or opportunities expected to occur after 1 year and within 5 years	2027~2030
Long-term	Supply chain risks or opportunities expected to occur after 5 years	2031~

1) Roundtable on Sustainable Palm Oil

Supply Chain

Strategy

2. Business Model and Value Chain

1) Current and Anticipated Effects on the Business Model and Value Chain

CJ CheilJedang has analyzed the effects of risks and opportunities related to the supply chain across the entire value chain for the Food and BIO Business Units. The analysis found similarities in the types and nature of the effects between the two business units. To minimize redundancy and ensure analytical consistency in this report, we have consolidated the supply chain-related risks and opportunities for these business units.

Supply Chain-related Risks

Type	Factor	Value Chain	Current and Anticipated Effects	Current	Anticipated
Policy and Legal	Human Rights and Labor Regulation Violation Risk	Raw Material Sourcing	Cost burdens and production and revenue effects from replacing high-risk suppliers and restructuring the supply chain		●
		Marketing / Sales	Export restrictions following the tightening of regulations such as the U.S. UFLPA and EU supply chain due diligence legislation		●
	Environmental Regulation Violation Risk	Raw Material Sourcing	Incurrence of additional due diligence and management costs to comply with environmental regulations, including the EU Deforestation Regulation (EUDR)		●
			Cost increases due to the acquisition of sustainability certifications	●	●
	Strengthening of Supply Chain Due Diligence Regulations	Planning / Operations	Initial investment costs for establishing an ESG due diligence system across the entire supply chain	●	●
		Marketing / Sales	Risk of supply restrictions and sanctions from global customers in case of non-compliance		●
Technology	Limitations in Securing Supply Chain Transparency	Planning / Operations	Reduced operational efficiency due to increased complexity in supplier selection and evaluation processes		●
			Increased regulatory response and risk management costs due to uncertainty in country-of-origin information	●	●
Market	Raw Material Supply and Price Volatility	Raw Material Sourcing	Increased raw material price volatility driven by climate change and geopolitical factors	●	●
			Increased costs for supply chain diversification and restructuring to reduce dependence on specific regions		●
		Planning / Operations	Increased risk management costs, such as through futures trading, to respond to price volatility	●	●
	Seasonality of Agricultural and Fishery Production	Raw Material Sourcing	Increased labor costs and burden of managing labor conditions due to labor demand concentration during specific periods	●	●
Reputation	Spread of Human Rights and Labor Issues	Planning / Operations	Decline in corporate credibility and increased supply chain management and response costs	●	●

Supply Chain-related Opportunities

Type	Factor	Value Chain	Current and Anticipated Effects	Current	Anticipated
Market	Enhancement of Brand Equity	Marketing / Sales	Prevention of legal risks and enhancement of global credibility through proactive response to global regulations	●	●
			Securing competitive advantage in ESG-sensitive markets such as the EU and U.S.	●	●
			Improved profitability through expansion into high-value-added markets and strengthened brand competitiveness		●
		Research and Development	Entry into new markets through product development that considers human rights and environmental factors	●	●
Resilience	Strengthening Operational Stability	Planning / Operations	Minimizing supply chain disruptions and securing a foundation for stable and sustainable operations by proactively identifying and mitigating human rights and labor issues through due diligence	●	●

2) Areas of Concentrated Risks and Opportunities

The areas where effects from supply chain-related risks and opportunities are concentrated across CJ CheilJedang's two business units and value chains are as follows.

Key Supply Chain-related Risks

Category	Details
Type	Market
Factor	Seasonality of Agricultural and Fisheries Production
Business Unit or Value Chain	Food Business Unit: Raw Material Sourcing
Concentrated Effects	Agricultural and fisheries production is closely linked to the natural environment due to the nature of its production methods. Work tends to be concentrated during certain seasons depending on planting and harvesting schedules and weather conditions, creating a risk of overtime work due to seasonal fluctuations in working hours.

Supply Chain

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

Supplier Code of Conduct and Policy Implementation

To support suppliers' fulfillment of ESG responsibilities, CJ CheilJedang has established and implements a "Supplier Code of Conduct" that encompasses four key areas: ethics, human rights, safety, and the environment.
Furthermore, when entering into contracts with suppliers, we specify the obligation to comply with the Code in our standard contracts and manage suppliers' compliance through the signing of contracts.
In 2025, to enhance the effectiveness of compliance with the Code of Conduct, we established contractual measures that allow for the suspension of transactions, including contract termination, in the event of violations. Depending on the severity of the violation, we may immediately terminate the contract in the case of a material violation, and for minor violations, we provide a specified remediation period, and failure to take corrective action within that period may result in contract termination.
Additionally, we present ethical, human rights, and environmental standards for suppliers to adhere to, based on the CJ Group's "Global Supply Chain Ethics Policy." In 2026, we plan to strengthen our management foundation by establishing a separate company-wide supply chain policy that reflects the characteristics of our supply chain.

Code of Conduct Guidelines for Suppliers

Supplier Assessment and Selection System

Based on its Supplier Code of Conduct, CJ CheilJedang has established evaluation criteria that reflect key ESG issues—including ethics, human rights, safety, and the environment—to systematically assess and manage supply chain ESG risks. These criteria were developed by referencing global standards, including the Responsible Business Alliance (RBA) Code of Conduct, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.
When selecting new suppliers, we conduct ESG assessments based on these criteria and make decisions by comprehensively reflecting factors such as financial stability and production capacity. Furthermore, when monitoring existing suppliers, we utilize the supply chain ESG risk monitoring platform (EiQ) to systematically identify and analyze ESG risks for each supplier by country, industry, and product, and categorize them by considering assessment results and strategic importance. Suppliers with high strategic importance are designated as key suppliers for focused management; for key suppliers with high potential ESG risks, we conduct in-depth assessments, including self-assessments and on-site assessments, to identify risks in advance and encourage voluntary improvements. In cases where improvement measures are not implemented or the possibility of risk mitigation is low, we take necessary actions, such as restricting or terminating the business relationship.

Supplier ESG Risk Assessment Criteria

Ethics	Human Rights
· Integrity and Anti-Corruption · Disclosure of Information · Intellectual Property Protection · Personal Information Protection · Safety and Quality Management · Protection of Identity and Non-Retaliation	· Freely Chosen Employment · Working Hours · Child Labor Prohibition · Wages and Benefits · Humane Treatment · Non-discrimination and Diversity
Safety	**Environment**
· Occupational Safety · Emergency Preparedness · Management of Physically Demanding Work · Occupational Injury and Illness Management · Provision of Hygiene Sanitation and Facilities · Health and Safety Training	· Environmental Permits and Reporting · Pollution Prevention and Resource Efficiency · Hazardous Chemicals Management · Waste and Wastewater Management · Air Pollutant Management · Product Content Restrictions and Labeling · Energy Consumption and Greenhouse Gas Emissions Management · Sustainable Raw Materials Sourcing

Supplier Screening Metrics

Category	Metric
Strategic Importance	· Share of procurement volume · Irreplaceability · Supply status of raw and auxiliary materials
ESG Risk	· Ethics, human rights, safety, and environmental risks · ESG risks by country, industry, and product · Violations of ESG-related laws/regulations, litigation, and social controversies

Key Supplier Management Metrics

Category	2025
Tier 1 Suppliers	2,517
Significant Suppliers among Tier 1 Suppliers	139
Total Procurement Value	KRW 6.18 trillion
Procurement Spend from Significant Suppliers	KRW 4.34 trillion
Share of Procurement Spend from Significant Suppliers	70.2%

Supply Chain

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

Supply Chain Due Diligence and Remediation Management

CJ CheilJedang conducts regular monitoring, due diligence, and remediation activities for suppliers to systematically manage ESG risks across the entire supply chain. In 2025, utilizing the supply chain ESG risk monitoring platform (EiQ), we identified ESG risks across environment, human rights, safety, and ethics using quantitative criteria to select a total of 84 suppliers for evaluation and management.
Among these, we conducted due diligence using self-assessments (SAQs[1]) for 44 suppliers selected by comprehensively considering ESG risks and procurement value, to review their ESG management levels. Subsequently, we identified high-risk suppliers by reflecting the characteristics of purchased items and supply chain regulatory risks, and proceeded with third-party assessments and on-site assessments. Consequently, we performed third-party assessments for 14 suppliers, and conducted on-site assessments for six of them to identify potential risks in greater detail.
Furthermore, as part of our shared growth initiative with domestic SMEs, we selected 40 SME suppliers with high ESG risks to operate an ESG management support program in collaboration with eCredible and NICE D&B. Through this program, we provided training, self-assessments, and on-site assessments. Based on these results, we supported the identification of improvement tasks and the establishment of customized ESG roadmaps. We also encouraged voluntary ESG capability enhancement by providing incentives to three suppliers selected as excellent performers.
Of the 84 suppliers that completed self-assessments and on-site assessments, 34 required improvements, with action items identified in areas such as environmental management systems, waste management, health and safety, and labor management. All these suppliers agreed to improvement plans, and we supported their implementation. None of these contracts were terminated. In 2026, we plan to expand the scope of supplier due diligence to perform a broader risk review.

1) Self-assessment Questionnaire

Participation in Supply Chain Initiatives

To strengthen supply chain ESG collaboration, we launched the 'Food Industry Supply Chain ESG Joint Council' through the Korea Food Industry Association, which works in cooperation with the Ministry of Agriculture, Food and Rural Affairs and the Ministry of Food and Drug Safety, to support the expansion of our suppliers' participation in ESG management. In 2025, we supported the enhancement of supplier ESG capabilities by operating a multi-stage program starting with preliminary education, followed by self-assessments, third-party verification and on-site assessments, comprehensive improvement consulting services, and excellence awards and performance-sharing sessions. These activities are operated as integrated programs designed to support suppliers' implementation of improvements based on prior supply chain due diligence and evaluation results, and to elevate the ESG management level across the entire supply chain.
In addition, we supported our suppliers in staying informed about major EU environmental regulations and industry ESG trends through the Korea Food Industry Association's supply chain ESG briefings. Based on this, we provided a foundation for them to check and improve their own ESG management levels by referencing the ESG levels and response directions of their peers in the same industry.

Support for Supplier ESG Management

Every year, CJ CheilJedang operates multifaceted support programs in areas such as finance, technology, quality and sanitation, and ESG management to drive the enhancement of supplier capabilities.

Category	Support Details	2025 Results
Education and Training	Theoretical training on cost, quality, food safety, environment, general management, and legal compliance	610 participants
Financial Support	Creation of a Shared Growth Fund providing low-interest loans at rates approximately 1–1.5% below the benchmark interest rate	KRW 5.6 billion
Technical Support	Transfer of proprietary technology to suppliers for new product launches and product renewal projects	36 companies (335 cases)
Quality and Hygiene Support	Production environment hygiene improvement through pest control, production equipment cleaning, regular site visits and on-site inspections, HACCP implementation/renewal, and site management	40 companies (449 cases)
Employment Stability Support	Contribution to supplier employment stability and wage gap reduction through the first private-sector adoption of the Naeil Chaeum Mutual Aid program	30 companies (100 people)
Productivity Support	Diagnosis of manufacturing and operational processes to identify urgent improvement tasks and provide a roadmap for productivity innovation	10 companies
ESG Management Support	ESG awareness-building, system establishment, and consulting support to enhance corporate competitiveness	40 companies (Consulting)

Supplier Grievance Handling and Management

CJ CheilJedang operates a "Supplier Win-Win VOC" (Voice of Customer) system to collect the grievances and suggestions of our suppliers. In 2025, no VOCs were submitted through the Shared Growth Portal, while a total of five dispute mediation requests were received and all were resolved.

Supply Chain

Strategy

3. Strategy and Decision-making

1) Response to Risks and Opportunities

Responsible Purchasing Protocols

CJ CheilJedang incorporates ESG standards into its purchasing policies and contract management framework to promote responsible purchasing protocols. Our purchasing policies define the comprehensive consideration of various criteria, including ESG elements, during supplier selection, and establish adherence to the Supplier Code of Conduct as a contractual requirement. Furthermore, to promote responsible purchasing practices, we provide training on supply chain management and related systems for employees in our purchasing department. In 2025, we provided training on the Supplier Code of Conduct and core purchasing values to strengthen awareness of responsible purchasing standards. We have also enhanced understanding of reducing supplier management burdens and creating a fair trading environment within the supply chain through training on contract signing and the supply price linkage system. Additionally, we continuously strengthen our responsible supply chain management capabilities through training on supplier technology protection and the prevention of leakage or misappropriation of supplier technologies.

Sustainable Raw Materials Sourcing

To systematically manage sourcing risks for key raw materials, we have established a "Sustainable Raw Material Sourcing Policy" and a "Sustainable Palm Oil Policy,"[1] and have included Principles Against Deforestation in our "Biodiversity Policy" to mitigate deforestation risks. Additionally, in accordance with the EU Deforestation Regulation (EUDR), which came into effect in June 2023, we are identifying impacted items across key raw materials and reviewing our response frameworks, including information management and due diligence declarations. Meanwhile, we are strengthening certification-based raw material procurement management. For soybeans, we have expanded SSAP certification (U.S. origin); for soybean oil, we have obtained ISCC PLUS certification; and for palm oil, we use 100% RSPO-certified materials domestically. We also maintain organic certifications for rice, sugar, and animal welfare certification for eggs. For raw sugar, a key raw material, mandatory transaction documents include verification of origin, manufacturer information, and purchase records to strengthen supply chain traceability.

CASE Establishment of the CJ Selecta DCF Soy Supply Chain

In October 2025, CJ Selecta's soy purchasing policy and operating system were selected as a best practice for the World Wildlife Fund's (WWF) Deforestation and Conversion Free (DCF) supply chain initiative. CJ Selecta operates a traceability and origin monitoring system targeting direct and indirect partners, and has continuously reduced the proportion of soy sourcing from regions with recently deforested and converted natural ecosystems, contributing to the protection of Brazilian forests and the Cerrado. In 2024, 97.4% of the total soy volume was purchased as verified DCF soy (vDCF).

WWF-CJ Selecta DCF Case Report

1) The Sustainable Palm Oil Policy contains the revised version of the palm oil section from the existing Sustainable Raw Material Sourcing Policy.

2) Progress of Previously Disclosed Plans

The implementation status of its sustainable supply chain risk and opportunity response plans, as disclosed in the previous Sustainability Report, is as follows as of the end of the reporting period.

Incorporation of the Supplier Code of Conduct into Contracts

Previously Disclosed Plan	Include clauses requiring suppliers to acknowledge compliance with the Supplier Code of Conduct in all supplier contracts
Implementation Status	· Compliance clauses successfully integrated into all contracts

On-site Assessment of High-Risk Suppliers

Previously Disclosed Plan	Conduct supplier self-assessments (SAQ) and on-site assessments for high-risk suppliers
Implementation Status	· Conducted self-assessments for high-risk suppliers identified via the supply chain ESG risk monitoring platform (EiQ) and initiated subsequent field audits for selected supplier

Supply Chain

Risk Management

1. Supply Chain Risk and Opportunity Management Process

1) Risk and Opportunity Management Procedures and Framework

To manage sustainable supply chains, CJ CheilJedang operates a supplier ESG risk management process, which includes an ESG evaluation framework based on the CJ Group's Global Supply Chain Ethics Policy. Risks related to raw material procurement are managed separately by the procurement organization.

Input Variables and Parameters

Input Variables and Parameters	Data Sources
Number of Key Suppliers	Internal Supply Chain Management System
Procurement Value from Key Suppliers	
Supplier Country and Region Data	
Supplier Product Categories	
Supplier Due Diligence Assessment Results – Ratings	Internal Due Diligence Assessment Results
Supplier Due Diligence Assessment Results – Remediation Tasks	

Identification of Risks and Opportunities

CJ CheilJedang establishes the annual supply chain ESG assessment methodology based on its supplier management standards and supplier classification system.

- **Establishment of Assessment Methodology:** We conduct assessments using questionnaires developed based on the Supplier Code of Conduct, and operate self-assessment questionnaires (SAQs) and on-site assessments annually according to target selection criteria.
- **Operation of Assessment Metrics:** We establish key indicators to quantitatively monitor supplier ESG performance to ensure consistency in assessment and tracking. These metrics are based on the Supplier Code of Conduct, which reflects global standards such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and the Responsible Business Alliance (RBA).

Subsequently, we identify supply chain ESG risks by utilizing phased risk-identification tools, including preliminary assessments, self-assessments (SAQ), and on-site assessments.

- **Preliminary Screening:** Since 2024, we have identified and monitored ESG risks for all Tier 1 suppliers using the supply chain ESG risk monitoring platform (EiQ). We analyze aggregated data from government reports, research institutions, business filings, and media to identify risks by country, industry, and product, and to screen high-risk suppliers.
- **Self-assessment (SAQ):** Through supplier self-assessments, we identify potential risks in advance and verify the relevant supporting documentation and evidence.
- **On-site Assessment:** We conduct on-site assessments for high-risk suppliers to inspect actual risks and identify improvement tasks.

Assessment of Risks and Opportunities

CJ CheilJedang assesses the levels of risks and opportunities for each ESG area—including human rights, ethics, safety, and the environment—based on country-specific, industry-specific, and product-specific criteria, comprehensively considering the likelihood and severity of effects for each risk and opportunity. Specifically, in the risk assessment process, we categorize suppliers based on predefined assessment criteria, and conduct separate in-depth assessments for suppliers identified as high-risk or as having areas requiring improvement.

Prioritization of Risks and Opportunities

Based on the assessment results, CJ CheilJedang quantitatively and qualitatively analyzes the impact of each element on our business to establish response priorities for the supply chain. The results are reviewed by the Corporate Sustainability Council in alignment with our sustainability strategy, and final priorities are determined after comparative analysis with other sustainability issues.
Priorities for sustainability-related risks and opportunities are determined by comprehensively considering the scale of financial effects, likelihood of occurrence, and duration of effects, while also reflecting legal and regulatory risks, corporate reputation, and stakeholder expectations. Furthermore, we select key risks and opportunities based on business impact and external risks, and when necessary, establish response directions and execution plans through reporting to management and the Corporate Sustainability Council. By doing so, we manage supply chain ESG risks and opportunities as key company-wide management tasks, treating them as core management targets alongside climate change within our sustainability strategy.

Supply Chain

Risk Management

1. Supply Chain Risk and Opportunity Management Process

1) Risk and Opportunity Management Procedures and Framework

Monitoring of Risks and Opportunities

CJ CheilJedang has established and operates a management system through coordination between relevant departments to systematically and continuously monitor supply chain risks. The company-wide and ESG and purchasing organizations at the corporate and business unit levels track and manage supply chain risks through an ESG-related risk monitoring system. Furthermore, we conduct supply chain ESG risk assessments at least once a year on a regular basis, to systematically identify and evaluate risks that may occur in the supply chain from an enterprise-wide perspective. Assessment results are reported to management, and identified risks are managed by sharing issues with relevant departments to ensure company-wide responses. Through this monitoring system, we continuously monitor trends in supply chain-related risks and operate processes to develop response measures.

Changes in Risk and Opportunity Management Processes Compared to the Previous Year

There have been no changes to our supply chain risk and opportunity management process compared to the previous reporting period.

2) Integration with the Enterprise Risk Management (ERM) Process

CJ CheilJedang integrates its supply chain risk management process into our enterprise risk management (ERM) framework, ensuring that the Chief Risk Officer (CRO) performs a checks-and-balances role for risks and opportunities across overall management, including both financial and non-financial risks.

※ For further information, please refer to the Governance - Risk Management section.

Metrics and Targets

1. Supply Chain-related Metrics and Targets

1) Supply Chain-related Metrics

To identify supply chain-related risks or opportunities and measure the company's performance, CJ CheilJedang prioritizes the management of key management metrics across each sustainable supply chain area.

Category	Management Metric	Unit	2023	2024	2025
Supply Chain ESG Risk Management	Supplier Code of Conduct compliance signing rate[1]	%	86.9	84.7	84.5
Sustainable Raw Material Sourcing	Ratio of RSPO-certified palm oil used in domestic operations[2]	%	100	100	100

1) Decrease in compliance signature rate due to expansion of data scope
2) Sustainability Accounting Standards Board (SASB) Disclosure Topics and Metrics for the Processed Foods Industry (FB-PF-430a.1)

2) Targets and Performance Analysis

CJ CheilJedang establishes and manages mid- to long-term targets for key supply chain indicators. Moreover, we use an ESG quantitative indicator management and analysis tool to compare performance against established targets and analyze performance trends and fluctuations.

Target	Key Management Metric
Achieve a 100% Supplier Code of Conduct compliance signing rate among Tier 1 suppliers	Supplier Code of Conduct compliance signing rate
Maintain a 100% ratio of RSPO-certified palm oil used in domestic operations	Ratio of RSPO-certified palm oil in domestic operations

We have expanded the scope of Supplier Code of Conduct compliance signatures to include our global supply chain and integrated this into our monitoring system. Furthermore, we have reinforced the effectiveness of implementation by inserting compliance clauses into all procurement contracts. The usage ratio of RSPO-certified palm oil in domestic operations has been maintained at 100% from 2022 to 2025.

Human Rights

Human Rights Management System

Management Policy

CJ CheilJedang clearly defines the principle of respecting human rights for key stakeholders, including employees, partners, customers, and local communities, through its "Declaration of Human Rights" approved by the Corporate Sustainability Committee under the Board of Directors. The declaration includes our policies for mitigating human rights impacts, such as human rights due diligence, risk assessment, grievance mechanisms, and human rights impact monitoring. Based on this, we continuously strive to protect the human rights of our stakeholders. We respect international human rights standards such as the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child, all of which are specified in our Declaration of Human Rights.

Respect for Workers and Compliance with Labor Laws

CJ CheilJedang respects the dignity and rights of all workers and complies with Korea's Labor Standards Act, as well as the labor laws and regulations of the countries and regions where its business sites are located. We are fully committed to ensuring that this commitment applies equally to all internal and external workers, including our employees, employees of suppliers in its supply chain, and other business partners.
To protect the fundamental rights of employees and improve their quality of life, we comply with the labor laws and regulations of the countries and regions where its business sites are located. We guarantee wages at levels that support a decent and healthy standard of living in their respective regions and provide fair compensation for overtime in accordance with local laws. Regarding working conditions, we observe statutory maximum working hours and guarantee at least one day of rest every seven days to support proper rest and work-life balance. We respect organizational diversity, prohibit all forms of discrimination based on gender, race, skin color, ethnicity, nationality, or other factors, and operate a fair evaluation and compensation system based on individual capability and performance. Furthermore, we protect workers' rights upon the termination of employment by providing advance notice in accordance with local legal procedures.

Management Targets

CJ CheilJedang has established and is implementing a mid- to long-term roadmap to minimize human rights risks that may arise across all our business activities.

Category		2026 Plan and Targets	2030 Plan and Targets
Establishment of Global Human Rights Management System	Domestic	Operate human rights risk assessment and management systems	· Advance human rights management policies · Establish a global human rights management system
	Overseas	Conduct human rights risk assessments and implement improvement actions for key overseas subsidiaries	

Human Rights

Human Rights Management Strategy

Management Activities

Human Rights Risk Mitigation Process

Since 2021, CJ CheilJedang has conducted human rights due diligence across key business sites and supply chains in each business unit to prevent adverse impacts and identify potential risks. We comply with international standards and applicable local laws to proactively prevent and manage human rights risks. The Food Business Unit has strengthened its human rights management capabilities through SMETA (Sedex Members Ethical Trade Audit)-based consulting, primarily in Vietnam, while the BIO Business Unit prevents risks through SAQs and on-site inspections at global production and distribution hubs such as Indonesia and China.

Step 01 Plan Establishment

· Set human rights due diligence plan and scope
 – Due diligence targets: Identify stakeholders[1] such as major internally operated sites and the supply chain
 – Due diligence methods: On-site visit interviews or use of human rights impact assessment tools

Step 02 Risk Identification and Assessment

· Conduct self-assessments by relevant departments and assessments by the due diligence department for actual and potential human rights risks
 – Assessment categories[2]: Employment discrimination, harassment/ sexual harassment, forced labor, child labor, humane treatment, freedom of association, protection of local communities

Step 03 Establishment and Implementation of Response Measures

· Establish and implement human rights risk mitigation plans
 1) Set priorities considering the severity, probability of occurrence, and impact scope of identified human rights risks
 2) Establish mitigation and action plans by risk
 3) Implement mitigation measures according to established plans

Step 04 Monitoring of Actions and Effectiveness Evaluation

· Report to management after inspecting effectiveness through monitoring of implemented actions

Step 05 Stakeholder Communication

· Disclose human rights due diligence results and response status

Key Assessment Areas for Human Rights Due Diligence

Non-discrimination in employment	· Adherence to non-discriminatory practices across all aspects of employment management, irrespective of gender, nationality, religion, or social status
Prohibition of forced and child labor	· Prevention of forced labor and child labor (under 15 years of age), and compliance with local legal requirements for young workers
Humane treatment	· Respect for fundamental rights regarding working hours, rest periods, and holidays, and compliance with local wage-related legislation
Prohibition of harassment	· Preventive initiatives, investigations, and status of responses regarding workplace harassment and sexual harassment that conflict with CJ's value of respect
Freedom of association	· Respect for freedom of association in accordance with labor regulations, and status of employee representative bodies such as employee-management councils
Protection of local communities	· Status of collaboration and communication activities to protect the property rights and human rights of local communities

Human Rights Risk Mitigation Process

To proactively prevent human rights risks, CJ CheilJedang systematically identifies those risks that could have a potentially significant impact on the company's human rights management. An assessment of labor and human rights issues at seven locations, including domestic manufacturing sites and independent subsidiaries, identified areas for improvement, such as policy refinement, facility upgrades, and human rights awareness enhancement. We established and implemented site-specific improvement plans for the identified tasks.

Risk Assessment	Action Plan Establishment & Implementation	Effectiveness Evaluation
· Conduct human rights due diligence	· System refinement · Training · Facility upgrades · Establishment of operational framework	· Monitoring of human rights risk indicators and effectiveness assessment

Mitigation measures and improvement activities undertaken in 2025 are as follows:

Identified Risks	Activities Related to Identified Risk Factors
Insufficient provision of common language signage and foreign-language guides for foreign employees at business sites	Completion of Foreign-language versions of the Rules of Employment, employment contracts, facility signage, and evacuation maps at select sites
Need for reinforced awareness regarding workplace harassment and sexual harassment prevention	Implementation of expanded regular training via online learning platforms and card-style training materials at select sites
Lack of awareness regarding internal maternity and women's protection policies at certain sites	Strengthening internal promotion of maternity protection policies via separate announcements and monthly Communication Day
Need for expanded lounge facilities for expectant mothers and female employees at certain sites	Planned expansion and installation of dedicated lounges and nursing facilities for female employees
Need for effectiveness reviews of various internal communication channels operating at certain sites	Expanding the "Communication Day" program to strengthen communication among employees at the workplace

1) Employees, women, contract workers, children and adolescents, third-party employees, and members of the local community, etc.
2) Human rights management areas

Human Rights Management Strategy

Management Activities

Operation of Grievance Handling System

CJ CheilJedang operates an online reporting system accessible to all internal and external stakeholders. Through this channel, we detect and respond to various human rights issues at an early stage, such as sexual harassment and workplace bullying, that undermine a positive and healthy organizational culture. We implement a whistleblower protection policy that ensures reporter anonymity, strictly protects confidentiality, and prevents retaliation against reporters. In addition to our internal system, we operate an external reporting channel through K-Whistle[1], and instructions on how to use these reporting channels are also provided as part of employee training sessions.

Grievance Handling Process

01	Grievance Intake	· Phone · Email report · K-Whistle, etc.
02	Incident Investigation	· Consultation with relevant parties · Fact-finding investigations, etc.
03	Results and Actions	· Remedial action · Disciplinary action by the HR Committee, etc.
04	Feedback	· Feedback on investigation results

1) An anonymous reporting system based on database encryption technology and operated by the Korea Institute of Corporate Ethics Management (KOCEM), a specialized third-party organization.

Workplace Harassment Prevention and Response

To strengthen our workplace harassment and sexual harassment prevention systems, CJ CheilJedang continuously develops internal expertise and updates its response manual. We provide training to HR and organizational culture personnel to strengthen the professional capabilities required to perform relevant duties, and conduct workplace harassment prevention training for all employees on an annual basis.

In the event of an incident, we take immediate action according to our response manual, clearly adhering to principles such as protective measures for reporters and victims (including separation measures), confidentiality, and the prohibition of retaliation, while conducting necessary follow-up procedures such as counseling and investigation. We support victims with psychological counseling as needed, apply appropriate disciplinary and personnel actions to perpetrators in accordance with internal regulations, and establish measures to prevent recurrence.

Employee Training

CJ CheilJedang conducts annual mandatory training for all employees on topics such as workplace harassment prevention, sexual harassment prevention, and disability awareness. Additionally, we provide specialized training for managers on the protection of workers' human rights and labor law compliance.

Health and Safety

Health and Safety System

Governance

CJ CheilJedang operates its health and safety governance centered around the Corporate EHS, which oversees company-wide safety and health, and the Health and Safety Management Officer. Under the leadership of the Corporate EHS, a company-wide health and safety plan is reported to the Board of Directors annually. The Board deliberates and resolves key issues regarding the establishment and operation of the health and safety management system and reviews its effectiveness. The Occupational Health and Safety Committee, which meets quarterly, includes members of management and employee representatives who review and manage health and safety implementation plans and key performance results.
Additionally, we operate a quarterly Safety Management Forum to facilitate exchange and communication among EHS (Environment, Health, and Safety) experts across our subsidiaries. We discuss key issues for each subsidiary and invite external experts to stay updated on the latest EHS trends. We also regularly hold working-level forums for specialized fields such as health, environment, fire safety, and electrical safety to share site management status and encourage practical improvements, thereby strengthening the professional competencies of our EHS experts.

	CJ Group Safety Management Forum	Working-level EHS Forum by Specialty
Participants	CJ CheilJedang Corporate EHS and health and safety representatives of subsidiaries	Working-level specialists in health, environment, fire safety, and electrical safety
Details	Fostering shared safety management values and enhancing communication among subsidiary health and safety representatives	Assessing site-specific conditions, discussing operational improvements, strengthening professional competencies, and sharing knowledge
Frequency	Quarterly or as needed	Monthly or as needed

Management Policy

EHS Management Principles and Safety and Health Policy

We have established and implemented EHS management principles and a health and safety policy to internalize safety as a core value. We incorporate five essential site-based protocols—Personal Protective Equipment (PPE), Housekeeping, Toolbox Meeting (TBM), No Touch, and Risk Assessment—into our EHS management principles. Any enactment or revision of "EHS Management Directive and Safety and Health Policy" requires approval from both the Health and Safety Management Officer and the Board of Directors. The most recent revision to the EHS management principles was included as a detailed agenda item under the 'Approval of Occupational Health and Safety Plan,' which the Board of Directors deliberated on February 9, 2026.

Guidelines for Evaluation and Management of Health and Safety Personnel

We conduct regular inspections and evaluations at least once every six months to verify that the Health and Safety Management Officer and other relevant personnel are diligently fulfilling their obligations under the Serious Accidents Punishment Act and other applicable laws. Identified tasks are integrated into remediation plans and continuously monitored, guided by internal regulations reflecting site-specific characteristics.

Global Health and Safety Management Regulations

We implement "Global Action-10," integrating international and local safety standards. Based on regular Global Smart Audits, we establish customized global standards and monitor compliance through country-specific Safety Smart Meetings (SSM).

Health and Safety Strategy

Risk Management

Establishment of Health and Safety Management Systems and Implementation Status Inspections

We conduct semi-annual internal audits across all 48 domestic sites (including factories, R&D centers, and offices) to verify safety compliance and implement corrective measures. We also conduct specialized external assessments to proactively prevent damage from natural disasters.

Continuous Risk Assessment

We upgraded our safety system into a site-centered framework inclusive of contractors. Our continuous risk assessment system integrates periodic on-site management to thoroughly control health and safety risks.

Continuous Risk Assessment Process

Daily TBM (Toolbox Meeting)
- Briefing on key safety rules and standard operating procedures (SOPs) led by site supervisors

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W-RA (Weekly Risk Assessment)
- Conducting site patrols with the participation of the Health and Safety Management Officer, site supervisors, and health and safety personnel to identify hazards and establish control measures

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M-RA (Monthly Risk Assessment)
- Verifying the implementation of corrective actions derived from daily TBMs and W-RAs, and identifying new potential hazards
- Reporting evaluation results to the Corporate EHS

Health and Safety

Health and Safety Strategy

Risk Management

Risk Assessment

Beyond continuous assessment, CJ CheilJedang conducts various risk assessments to manage risks from multiple angles. We implement preliminary risk assessments to identify risks during the design phase, unannounced site inspections to internalize safety management, and regular risk assessments conducted at least once a year.

Category	Scope	Frequency	Key Activities	Reporting and Oversight
Pre-Operational Risk Assessment	All planned investment facilities	Ongoing	· Conducting proactive verification and enhancement of essential design requirements for all new business operations and large-scale capital projects by applying standardized design criteria across architectural, fire, electrical, safety, health, and environmental domains · Monitoring the integration of essential design elements across investment stages (pre-, mid-, and post-investment)	· Designating responsible departments by investment amount range and reporting stage-specific checklists
Unannounced Site Inspections	CJ CheilJedang and Subsidiaries	Ongoing	· Coaching supervisors on safety patrol methodology to embed proactive safety habits · Mitigating serious accident risks by reinforcing adherence to safety protocols	· Monitoring items requiring corrective action identified through the assessment monthly for improvement progress
Regular & Ad-hoc Risk Assessments	All processes, including contractors	Annual and As-Needed	· Conducting regular risk assessments for all hazards and risk factors to which workers are confirmed or reasonably expected to be exposed, through risk assessment teams composed of plant managers, supervisors, safety and health managers, and site workers · Using the CHARM (Chemical Hazard Risk Management) methodology to assess the hazards and risks of chemicals handled in manufacturing processes, laboratories, and other relevant areas, and reflecting the results in regular risk assessments · Performing ad-hoc assessments in the event of new equipment installation, process changes, safety incidents (including near misses), or similar cases, and reflecting the results in regular risk assessments	· Verifying assessment completion during semi-annual site inspections · Reporting assessment results to the Corporate EHS

CASE Certification for Excellence in Risk Assessment: Food Service Outlets

Beyond its manufacturing and R&D facilities, we introduced a risk assessment certification program in 2025 to elevate hazard/risk management level at its restaurant locations. Consequently, four of our Mongjungheon locations (Cheongdam, Gangnam, Pangyo, and Banpo) have earned the "Excellence in Risk Assessment" certification from the Ministry of Employment and Labor. By engaging all employees throughout the entire risk assessment process to proactively identify hazards and implement appropriate mitigation measures, we have demonstrated the effectiveness of our risk reduction measures. We intend to continue pursuing this "Excellence in Risk Assessment" certification throughout 2026.

	Risk Assessment Results	Mitigation Measures
Cheongdam	Entrapment hazard due to exposed external rollers of noodle-making machines	Replacement of noodle-making machines across all locations with safer models
Gangnam	Risk of heat-related illness for staff due to rising kitchen temperatures during summer	Maintaining optimal indoor temperatures through the introduction of cooling systems
Banpo	Occupational health risk due to inadequate ventilation	Inspection of exhaust systems and cleaning of external exhaust ducts
Pangyo	Risk of musculoskeletal disorders from handling heavy objects	Deployment of serving robots and comprehensive training on heavy-lifting safety protocols

Contractor Safety Competency Assessment and High-Risk Group Management

We conduct joint safety and health inspections with its on-site contractors once a month to proactively manage key hazards and risks that may arise in contracted work. Through these inspections, we verify compliance with safety and health measures as required by the Occupational Safety and Health Act. To prevent serious accidents, we have reinforced our inspection criteria by focusing on our 5 Major Serious Accidents[1] and 12 Core Safety Rules.

Furthermore, to prevent the risk of serious accidents among production contractors, we plan to introduce a 'Serious Accidents Punishment Act (SAPA) Compliance Certification' system in partnership with an external professional agency. Through this certification, we will provide separate management measures, including 1:1 customized coaching, mandatory remedial training, and on-site improvement verifications, to support practical risk mitigation. We plan to pilot this program with one production contractor before discussing expansion to other sites.

1) Falls, caught-in/between, struck-by, fire/explosion, and suffocation

Assessment of Contractor Health and Safety Management Levels

We operate a systematic evaluation framework in accordance with our health and safety management procedures for contracted projects, designed to proactively mitigate safety and health risks associated with our contractors. We mandate the assessment of safety management plans when selecting new contractors. Furthermore, we conduct periodic safety performance evaluations (annually for production contractors, semi-annually for long-term construction contractors) and incorporate these results into contract renewal reviews.

Health and Safety

Health and Safety Strategy

Establishing a Safe Working Environment and Systems

Process Safety Management (PSM)

In accordance with relevant regulations, CJ CheilJedang classifies facilities that store hazardous materials above threshold quantities as Process Safety Management (PSM) sites, conducting rigorous annual internal audits to manage and oversee their safety systems. Leveraging iris recognition and AI-enhanced CCTV, the Jincheon Blossom Campus enhanced facility access control, while the Ansan plant integrated change management, facility maintenance, safe work permit, and emergency response systems, earning the highest PSM rating, P (Progressive), in 2024 and 2025, respectively. Going forward, we plan to continue elevating our process safety management standards to expand the number of P-rated facilities.

Applying Color-coded Design to Prevent Struck-by Accidents

To foster a safe and pleasant working environment, we partnered with KCC and established a safety color design manual tailored to our operational characteristics. The manual enhances visibility of walkways, vehicle paths, and safety signage to prevent on-site struck-by accidents and facilitate rapid emergency response. We are currently prioritizing implementation of this program at our Busan plant, with plans to expand it to all business sites following effectiveness verification.

Redefining Radiation Safety Management R&R

To ensure worker safety from radiation-generating devices, we have delineated safety management roles by department based on each team's area of expertise. Operational departments perform self-inspections, while the Safety Department conducts continuous, rotating inspections to prevent gaps in oversight.

Stop & Care Program

We operate the Stop & Care program to ensure rapid response and employee protection in the event of an accident or an imminent hazardous situation. Upon the occurrence of a hazardous event, operations are halted immediately. The incident is then disseminated through our internal rapid-sharing system, followed by root-cause analysis and safety iinspections. Under our corporate Health and Safety Management Regulations, we guarantee strict confidentiality and protect reporters from any disadvantages. We also provide professional psychological counseling to support the swift recovery of those affected by work-related incidents.

Cultivating a Safety Culture

Site-centric Safety Culture Campaign

We run the site-centric PRTNR safety and health campaign to embed its EHS Management Principles and Safety First culture across the organization. The PRTNR comprises five core principles:Personal Protective Equipment (PPE), Right-place/Clearing/Cleaning (RCC), Tool-box Meetings (TBM), No-Touch (during operation), and Risk Assessment (RA), helping workers naturally integrate these rules into daily routines. We prioritize RCC, our housekeeping system, to prevent slip, trip, and fall or struck-by accidents while ensuring normal operation of key facilities. RCC consists of three elements: Right-Place (systematic placement of all items in designated locations), Clearing (securing safe workspaces and transit paths), and Cleaning (maintaining floors and equipment in optimal condition). We also conduct specialized inspections to recognize top-performing sites, sharing best practices to drive continuous improvement.

Fire Prevention Day Poster and Slogan Contest

We have designated November 27 of each year as Fire Prevention Day to spread fire prevention activities into a culture practiced by all employees. We foster shared responsibility and safety awareness by transforming fire prevention activities, such as inspections of firefighting equipment and hazard identification, into participatory campaigns. In 2025, we hosted a Poster and Slogan Contest for employees and their children, aiming to extend fire safety messages beyond the workplace into employees' homes and daily lives. A total of 59 submissions were received from across our company and its subsidiaries, with 16 winning entries selected for awards. These winning pieces have been displayed at each site to promote and cultivate a culture of fire prevention.

Health and Safety

Health and Safety Strategy

Cultivating Safety Culture

Health and Safety Training

CJ CheilJedang conducts systematic safety and health training for all employees, including new hires, and supervisory personnel. Based on practical training utilizing on-site safety training centers, all employees are required to complete mandatory periodic safety and health training: at least six hours per half-year for office personnel and at least 12 hours per half-year for non-office personnel. Supervisors are required to complete at least 16 hours of annual training, comprising external expert-led training programs and our in-house, customized safety and health curriculum. We also provide specialized professional development training, as needed, for safety and health coordinators to strengthen their functional expertise. Beyond mandatory periodic training, we provide at least 16 hours of specialized training for roles involving hazardous tasks defined by the Occupational Safety and Health Act, such as welding, chemical handling, work in confined spaces, and industrial robot operations.

Category		Number of Trainees	Frequency
Statutory Health and Safety Training	New Hire and Transfer Training	New hires and transfers (1,537)	Upon hiring or transfer
	Statutory Periodic Training	All employees (8,158)	Office: 6+ hours/half-year Non-office: 12+ hours/half-year
	Change-of-Job Training	Employees with changed job duties	Continuous
	Supervisory Training	On-site supervisors (728)	16+ hours/year
Competency Enhancement Training	S-Leader Training	EHS specialists (6)	Year-round
Emergency Response Training	Fire Response Drills	All employees	1+ time(s)/year

Emergency Evacuation Drills

To prevent casualties during emergencies such as fires or earthquakes, we conduct emergency evacuation drills at least once annually across our manufacturing and R&D facilities, as well as the CJ CheilJedang Center. To secure rapid evacuation routes and response times in the event of a fire, we used an evacuation simulation program to analyze and identify optimal egress routes. In parallel, we continuously update our promotional videos to raise awareness and reinforce employee engagement in evacuation drills. Drills are conducted using scenarios that simulate diverse conditions, including ground-level fires, underground parking fires, and electric vehicle (EV) charging station fires. This training strengthens our employees' ability to rapidly evacuate to designated assembly points via established egress routes. Following each drill, we conduct a post-action review to identify areas for improvement and integrate these findings into our planning for subsequent exercises.

Employee and Contractor Health Management Programs

We operate a variety of health management programs to foster a workplace environment where both employees and contractors can work in optimal health. We prevent occupational illnesses by providing periodic and specialized health examinations for our employees. Additionally, we support foundational health services—including medical consultations, supply of basic pharmaceuticals, and physical therapy—via our in-house clinic at the CJ CheilJedang Center and on-site health management offices at each business site. We also cultivate a healthy and comfortable working environment by operating internal fitness centers and dedicated rest areas. Furthermore, we supported influenza vaccinations for a total of 1,336 employees to aid in the prevention of infectious diseases and strengthen their immunity.

Internal and External Health and Safety Assessments

Safety Culture Assessment

We utilize its self-developed assessment index, the Safety Survey Index (SSI), to systematically diagnose the level of safety culture among responsible personnel, managers, and employees. This assessment quantitatively classifies the safety culture level of each business site and target group using four grades: S, A, B, and C. In 2025, a survey conducted across 14 domestic sites yielded an average score of 4.2 out of 5.0.

Certification of Health and Safety Management Systems

We maintain certifications for its Occupational Health and Safety Management Systems (ISO 45001, KOSHA-MS) to ensure our safety processes are objectively verified by external professional bodies. Of our 26 domestic manufacturing facilities, including those of our subsidiaries, 16 have obtained and currently maintain these certifications. We ensure the continued effectiveness of our systems through annual internal audits and periodic external verification. Facilities without certification also maintain an equivalent level of management systems, and the Corporate EHS verifies this through inspections conducted at least semi-annually.

Food Safety and Quality

Food Safety and Quality Management System

Governance

The CJ CheilJedang Food Business Unit has designated the Chief Technology Officer (CTO) as the highest accountable executive for food safety and quality. Our dedicated food safety and quality teams, established across six major global regions and individual business sites, maintain a system for reporting food safety and quality issues directly to the CTO in accordance with internal management regulations.

Management Policies and Targets

CJ CheilJedang establishes and implements its quality management policies based on the quality philosophies of each business unit. In 2025, the Food Business Unit used the Food Safety Structural Innovation Task Force as a platform to shift from a broad quality management scope toward securing a system centered on proactive prevention. We redefined our core quality philosophy into a dedicated food safety philosophy and developed a comprehensive mid-term strategy. By establishing quantitative targets to minimize critical food safety incidents and elevate the maturity of our food safety culture, we are embedding these values across the organization through active leadership communication and frontline engagement. The BIO Business Unit operates its quality management policy based on customer satisfaction, adherence to principles, cooperation and mutual growth, proactive prevention, and evolution and innovation.

Food Business Unit

BIO Business Unit

Food Safety and Quality Strategy

Management System

Food Safety and Quality Framework

Food CJ CheilJedang has restructured its organizational foundation and designed a food safety framework to secure a global top-tier food safety and quality system. Through this, we aim to strengthen our capability to prevent the recurrence of food safety incidents and respond to global new business expansion. We are applying CJ Quality Management System (CJ QMS) globally to build a consistent food safety and quality management system across all countries. In particular, we perform food safety and quality assessments on all major products to identify and proactively respond to food safety and quality risks, and operate the CJ Early Warning System (CJ EWS) for prevention. We continuously monitor food safety and quality issues such as changes in domestic and international food policies, legislative revisions, and hazardous material information to identify risks early, and for issues with high impact requiring rapid action, we issue EWS Alarm documents to promote joint response by relevant departments. We register preventative measures in the system to standardize our response plans.

Securing a Global Top-tier Food Safety and Quality System

Category	Plant and Process Quality Control	Food Safety and Quality Verification	Regulatory Compliance
Program	Food Safety and Quality Audits and Supplier Management	Early Warning System (CJ EWS)	Labeling and Advertising Verification and Management
	Customer Complaint Improvement	Domestic and International Analysis Management	Global Allergen[1] Management
	Process Microbiology Control	Raw Material Risk Management	Risk Monitoring
	Quality Incident Management System	New Product and Facility Design Verification	Risk Communication
Baseline	Global Food Safety and Quality Management System	Transforming Food Safety and Quality-based Way of Work	Discovery and Application of New Food Safety and Quality Technologies
QMS system			

1) Allergen: allergenic substance

Abnormal Detection and Monitoring System

BIO CJ CheilJedang selects, standardizes, and manages its Quality Process Index (QPI), that may affect finished product quality, and analyzes them through the Abnormal Detection and Monitoring System (ADMS). By continuously monitoring trends in index fluctuations and abnormal signals, we predict the possibility of finished product deviation in advance and operate to ensure that necessary preventative measures are performed in a timely manner. We are pursuing a transition to a prevention-centered operational system by supplementing process conditions and strengthening management standards.

Food Safety and Quality

Food Safety and Quality Management Strategy

Management Activities

Raw Material Sourcing and Supplier Management

Supplier Quality Requirements

Based on its ongoing partnerships with domestic and international suppliers, CJ CheilJedang has standardized procedures for providing supplier quality guidelines, categorized by product group and supplier type and for monitoring compliance using checklists. For issues requiring analysis and facility improvements, we analyze root causes with our experts and support improvement activities.

GMO Management

To prevent the use of Genetically Modified Organisms (GMOs), CJ CheilJedang verifies new risk factors for approved GMO agricultural products and performs regular analysis and management of raw materials and finished products. Based on the GMO safety assessment by the Ministry of Food and Drug Safety, we verify documents such as Non-GMO identity preservation certificates, government certificates, manufacturer certificates, and test reports for domestic or imported raw materials. We also proactively monitor and respond to GMO-related issues and trends in emerging risks to manage potential risks.

Manufacturing Process and Hygiene Management

Global Food Hygiene Assessment

CJ CheilJedang conducts Global Food Hygiene Assessments to improve the food safety and quality levels of its global food manufacturing sites and to strengthen the capabilities of its quality teams. We evaluate everything from processes to infrastructure, and for manufacturing sites in particular, we assess the food safety level across six items: quality management system, food safety, process management, facility management, hygiene management, and storage and identification management, and support necessary improvement programs based on the diagnosis results. In 2025, considering changes in pest occurrence patterns due to climate change, we conducted additional special inspections for pest and rodent control to maintain a safe product production environment

Adoption and Integration of New Quality Management Technologies

CJ CheilJedang has applied AI-based analysis technology to raw material management to upgrade our inspection methods and established a foundation for preemptive management of foreign material contamination risks within the manufacturing process. We are strengthening field applicability for the introduction of new technologies through our internal equipment development and verification capabilities.

Quality Incident Response System

When quality issues arise, CJ CheilJedang establishes corrective measures through case-by-case project management, verifies their effectiveness, and implements preventative management measures for similar products and lines. We identify chronic risks through quality issue history management and systematize root-cause analysis and improvement measures to increase the level of recurrence prevention. In 2025, we operated a Foreign Material Improvement Task Force with relevant departments at all business sites, built a collaborative system to strengthen foreign material management, and promoted foreign material improvement innovation activities. In addition, we conduct traceability verification activities that check the effectiveness of the product recall program for each business site at least once a year to ensure rapid and effective response when an actual emergency occurs.

CASE Developing Food Safety and Quality Experts and Providing Educational Opportunities

The Food Business Unit fosters food safety and quality experts through the operation of a Food Safety and Quality Academy. This education program is operated once a year and is composed of a total of 37 courses, classified by eight professional competencies and grades. In 2025, a total of 304 employees completed the training to improve food safety and quality expertise. Furthermore, we embed a commitment to Food Safety and Quality into our onboarding curriculum. Once onboarded, all employees have access to continuous learning via our online platform, CJ Campus, where they can complete courses on QMS system operations, process workflows, and Quality Assurance (QA) system implementation.

Food Safety and Quality

Food Safety and Quality Management Strategy

Management Activities

Product Certification Management

Food Safety and Quality Certification Management

CJ CheilJedang complies with GFSI (Global Food Safety Initiative)-recognized food safety management system and HACCP (Hazard Analysis and Critical Control Point) standards to prevent and manage potential food safety and quality risks across the entire value chain, from research and development to production, distribution, and sales.

Food Out of 53 global manufacturing sites, including those in Korea, the United States, and China, 47 sites have adopted the GFSI-recognized food safety management system, resulting in 92% of global sites achieving GFSI certification as of 2025. On November 4, 2025, the Incheon Frozen Foods Plant became the first facility in Korea to receive Global HACCP (Hazard Analysis and Critical Control Point) certification. Global HACCP is an integrated Food Safety and Quality management system that expands the existing HACCP scope to international standards. It consists of 152 items, including international requirements for food defense[1], food fraud[2] prevention, food safety culture, and food safety management. We have obtained certification for four product categories: frozen foods (dumplings), other processed foods, other processed marine products, and meat-processed products.

BIO All 4 sites that manufacture food raw materials have obtained GFSI-recognized BRCGS certification, and one of these sites has additionally obtained FSSC 22000[3] certification.

1) Activities to protect products from intentional hazards, terrorism, and other malicious tampering
2) The intentional misrepresentation, adulteration, or counterfeiting of raw materials and products for economic gain
3) Food Safety System Certification 22000

Customer-centric Product Management

Measures for Responsible Marketing

Since 2022, CJ CheilJedang has established and operates its Environmental Claims and Advertising Guidelines to ensure the responsible advertising, marketing, and promotion of environmental claims. The ESG team monitors relevant laws, regulations, sanctions, and enforcement cases, having revised our internal guidelines four times by 2025 to rapidly reflect changes in the business environment and external stakeholder requirements. Representative products for which environmental claims have been determined in accordance with these guidelines include the plant-based milk alternative brand ALTIVE and Sobaba Chicken, which uses bio-based materials.

CASE Environmental Claims Review for Plant-based Milk Alternative Brand ALTIVE

Food Safety and Quality Management Strategy

Management Activities

Customer-centric Product Management

Protection of Consumer Rights and Interests

CJ CheilJedang is strengthening its service responsibility based on a consumer-centric management mindset. To this end, we have established a consumer-centric management system to collect customer feedback on the company and our products, and to enhance communication convenience.

The Food Business Unit places Customer-centric Management as its top priority and, to systematically implement it, has set and is managing mid- to long-term targets of maintaining a CSI (Customer Satisfaction Index) score of 90 or higher.

Mid- to Long-term Target	Metric
Maintain Customer Satisfaction Index (CSI) score at the 90-point level	Customer Satisfaction Score

We operate 24-hour VOC (Voice of Customer) channels—including phone, text, website, and sign language consultation services—to actively gather feedback and drive continuous enhancements in our product quality and safety standards. In 2025, a total of 113,321 cases were registered. The submissions are analyzed and translated into product and service improvement tasks, leading to practical improvement activities. We identified 213 improvement tasks derived from VOC feedback in 2025 and achieved a 94.7% completion rate. In addition, we conduct monthly customer satisfaction surveys and reflect them in product quality and safety improvements, and the 2025 customer satisfaction survey result was 96.8 points.

CASE Food Safety and Quality Improvements Based on VOC Feedback

Product	Customer Complaint Example	Improvements
Beksul Flour	Defective top seal on packaging (tears or cuts)	Installed a machine vision system to detect creases in the top seal
bibigo Mini Wontons	Misleading packaging size: printed image is larger than the actual product	Reduced the printed image size to reflect actual product scale
Hetbahn Cupbahn Seaweed Flakes	Discomfort during consumption due to hard raw ingredients (carrot flakes)	Replaced dried ingredients with powdered alternatives

Health and Nutrition

Health and Nutrition Management System

Governance

CJ CheilJedang views consumers' health and nutrition as both a fundamental social responsibility and a core priority of sustainability management. Accordingly, we operate a company-wide nutrition policy framework under the CEO, in close collaboration with key departments, including Marketing, R&D, and Communications. Especially, through the Human Nutrition Department, a dedicated unit within the Food R&D Center, we support the establishment and execution of country-specific strategies to enhance product nutritional value, promote responsible communication, and expand social contribution, while conducting proactive research on health and nutrition. Related policies and strategies are formalized into concrete action plans, approved by the CEO, and implemented as practical initiatives across each organizational unit to strengthen the alignment and execution of our health and nutrition governance globally.

Implementation Policy

CJ CheilJedang has established and is operating a 'mid- to long-term implementation strategy on nutrition (CJCJ Nutrition Policy)', aligned with the UN Sustainable Development Goals (UN SDGs) and global nutrition policies, with the goal of operating a sustainable business through enhanced product nutritional value. This policy is structured around three key strategic pillars — enhancing product nutritional value, improving corporate equity, and improving societal impact — and provides a framework for developing health and nutrition initiatives aligned with each region's and country's business strategies. Based on this framework, we are advancing responsible product development, marketing, and research, while specifying mid-term company-wide nutrition goals at the regional and country levels to strengthen the execution and sustainability of our nutrition policy.

Management System

Product Nutrient Calculation and Verification System

To ensure that nutritional quality is considered from the earliest stages of product development, we have established a proprietary Product Nutrient Calculation and Verification System that supports the development of healthier products. By inputting the ingredients and formulation ratios of a product under development, this system automatically retrieves the nutrient composition data of each ingredient and calculates the nutrient content per serving of the finished product. In addition, compliance with our internal CJCJ Global Nutrition Guidelines and global nutrition regulations—such as Australia/New Zealand's Health Star Rating, some EU member states' Nutri-Score, and the UK's High in Fat, Sugar or Salt (HFSS)—can be verified in advance. While the system is currently used primarily for the domestic business, we plan to sequentially reflect relevant nutritional regulations to enable its expansion across our global markets.

Product Nutritional Labeling Management

To provide consumers with accurate information about the nutritional profile and quality of our products, nutrition facts are provided for all products for which such disclosure is required in the countries under review, and all products bearing nutrition facts or nutrition claims comply with country-specific labeling regulations — developed through close collaboration among relevant departments, including Product Development, Human Nutrition, and Quality Control/Regulatory Affairs, based on regulatory requirements, scientific evidence, and labeling compliance reviews. In addition, labeled nutrition information is consolidated through our Global Product Nutrition Information System, enabling us to manage compliance with internal nutrition guidelines and external nutrition regulations across brands and product categories while continuously monitoring the nutritional quality of our global product portfolio.

Health and Nutrition Strategy

Key Strategies

CJ CheilJedang is committed to pursuing sustainable business operations grounded in consumer trust by enhancing the nutritional value of our products. To this end, we have developed detailed execution tasks under three core strategic pillars—enhancing product nutritional value, improving corporate equity, and improving societal impact—which are being implemented in phases.

Key Strategy	Key Tasks
Enhancing Product Nutritional Value	· Expand Health & Wellness portfolio - Improve compliance with internal nutrition guidelines and major Nutrient Profiling Models · Gradually reduce nutrients-to-limit - Reduce sodium, sugar, and saturated fat · Incorporate more positive nutrients/raw ingredients - Enhance dietary fiber, protein, whole grains, and vegetables
Improving Corporate Equity	· Strengthen product nutritional information labeling - Provide voluntary nutritional information beyond legal requirements · Carry out responsible marketing activities - Provide appropriate portion sizes, comply with regulations on marketing to children · Ensure transparent disclosure of corporate nutrition strategies - Strengthen external communication regarding health and nutrition enhancement activities
Improving Societal Impact	· Contribute to improving global consumer nutrition challenges - Participate in key health and nutrition-related initiatives · Strengthen consumer communication to enhance health and nutrition - Promote nutrition education and campaigns in connection with local communities · Implement proactive research and development to enhance consumer health - Strengthen research on personalized nutrition design reflecting diverse target consumer needs

Health and Nutrition

Health and Nutrition Strategy

Enhancing Product Nutritional Value

Enhancing Nutritional Quality

To support healthier diets for consumers, CJ CheilJedang conducts research and development across regions and countries to reduce nutrients of concern, including sodium, saturated fat, and sugar. In Korea, we are gradually reducing the level of these nutrients in key product categories in line with our mid- to long-term nutritional quality improvement roadmap, achieving cumulative reductions equivalent to 131 tons of sodium, 959 tons of saturated fat, and 78 tons of sugar from 2021 to 2025 based on sales volume. By incorporating TasteNrich, our proprietary fermented seasoning ingredient, into meat products like The Healthy Grill Frank Sausages and Grill Vienna Sausages, we have lowered sodium content by 25% compared with comparable products. In addition, by leveraging our low-sugar modulation technology, developed through more than one year of R&D, we are expanding our low-sugar portfolio from ingredients such as Beksul Sugar-Light sauces, dressings, and pastes and a wide range of products, including sauce-coated chicken breast, noodles, beverages, and bakery products.

Expanding Ingredient Simplicity

Regulations governing food ingredients are becoming increasingly stringent, while consumer demand for clean label products continues to grow. In response to these regulatory environment and market shifts, we continue to drive related initiatives. CJ Schwan's has been actively working on ingredient simplicity for over 10 years including the removal of certified food dyes, artificial flavors, and high fructose corn syrup from the majority of its U.S.-produced foods. Work continues on finding solutions for other additives and BHA, BHT (often used as an antioxidant in food) and caramel color have been removed from our school foods portfolio, with plans to remove BHA and BHT from additional products by the end of 2027.

Promoting Responsible Communication

Strengthening Front-of-Pack Nutrition Label

To help consumers better understand the nutritional characteristics of our products, we are expanding the provision of clear and easy-to-understand nutritional information beyond mandatory labeling requirements. Our Korea business has recorded over KRW 600 billion in revenue as of 2025 from products emphasizing specific nutritional/ingredient characteristics, including those featuring our proprietary front-of-pack nutrition label, NUTRI-CHECK. We continue to expand our Health & Wellness product portfolio and strengthen responsible communication about these product attributes to assist consumers in making healthier choices.

Designing Products for Appropriate Consumption

Reflecting the diverse lifestyles and dietary needs of consumers, we are designing products that consider both consumption convenience and appropriate portion sizes. Within the limits permitted by national regulations, we display serving sizes on packaging, particularly for key product categories such as Korean soup and stews (Guk, Tang, Jjigae). We are also expanding small-portion packaging designs, as seen in the newly launched Happy Soy Soft Tofu 4-Pack, designed in a single-serving format following our existing small-portion Hetbahn and SPAM products, making it easier and more convenient for consumers to enjoy.

Improving Societal Impact

Nutritional Engagement

We actively support and engage in a wide range of academic initiatives to advance consumer health and nutrition. In July 2025, at the international academic conference of the Korean Society of Food Science and Technology, we gave a presentation titled "Advancing Consumer Health through Strategic Nutrition Initiatives," where we introduced our nutrition policy, key initiatives, and research activities, and emphasized the importance of the social responsibility and role that food companies must uphold. Also, we work with several different trade associations to advocate for science-based nutrition regulations that support public health. Specifically, CJ Schwan's worked with American Frozen Foods Institute to demonstrate nutrition parity of frozen prepared dishes compared to similar home-prepared dishes as an affordable and convenient option.

CASE Korea

Using our proprietary NUTRI-CHECK nutrition emblem, we now display protein content on the front packaging of grilled fish category products.

Australia

We continue to expand voluntary adoption of Health Star Rating (HSR), which displays product nutritional quality through a star rating — increasing HSR labeling coverage for our Mandu category from 50% in 2024 to 75% in 2025, and applying it to all five products in our new Chicken category.

Health and Nutrition

Expansion of Consumer-centered Health-oriented Product Portfolio

Guided by our mid-term product roadmap for developing health-oriented innovations, CJ CheilJedang is continuously expanding its range of new products that offer both nutrition and convenience, enabling consumers to maintain a healthier lifestyle more easily and enjoyably to their daily lives. These products are planned and developed with a focus on healthy ingredients and the diverse needs of our target consumers. This strategy has enabled us to significantly scale our health-oriented portfolio—spanning products with healthy ingredients and nutritionally fortified options like low-sugar and high-protein products, to items tailored to diverse consumer segments, including children and vegans.

Expanding the Use of Healthy Ingredients

A Whole-grain Meal Replacement: Hetbahn Rice Plan

To provide a wider range of choices for consumers seeking "Smart Eating, Switched On"—a lifestyle-based approach to making smarter meal choices, CJ CheilJedang launched Hetbahn Rice Plan product line. Designed as a nutritious meal replacement, the products feature a balanced blend of whole grains like lentils, farro, brown rice, and oats to boost protein and fiber. We have debuted the line across three categories: fried rice, rice balls, and porridge.

bibigo Fish Steak: A Perfect Balance of Taste, Nutrition, and Convenience

To meet the growing demand for convenient, home-prepared, and high-protein meals, bibigo launched a new range of fish steaks, available in salmon and tilapia varieties.
By flash-cooking protein-packed salmon and tender, mild-flavored tilapia in a superheated steam oven at over 300°C, we have achieved a moist, tender without any fishy odor. The fillets are boneless and offer a combination of great taste, nutritional value, and convenience.

Healthy Snacking: Matkong

We have introduced two new Matkong snack varieties in convenient, well-designed packaging for on-the-go consumption, allowing consumers to enjoy the authentic taste and nutritional benefits of whole ingredients anytime, anywhere. Made with whole beans as a plant-based protein ingredient, Matkong's two new varieties are chickpea and black bean. The chickpea product provides 4 g of protein per 50 g pack, while the black bean product provides 8g.

Fortification of Nutrients

Light yet Delicious: bibigo Chicken Breast Mandu

To make healthy eating both light and delicious, bibigo launched two new varieties of chicken breast dumplings: Original Chicken Breast and Chicken Breast with Kimchi. With a moist filling made from using domestically sourced chicken breast, vegetables, and kimchi, this product boosts protein content and delivers a lighter bite, wrapped in a thin, chewy wrapper made with farro and buckwheat. Through our proprietary steam pouch technology, consumers can enjoy moist, perfectly steamed dumplings conveniently cooked in a microwave.

A Delicious and Light Approach to Your Healthy Routine: Balance Meal

Centered on the concept of bringing delicious balance to your daily healthy routine, we launched our Balance Meal line-up. It features high-protein and low-sugar options across several categories: beverages (3 types of protein shakes), snacks (2 types of protein bars), bakery items (3 types of bagels), and noodles (3 types of bibim-myeon, Korean mixed noodles). Our Balance Meal products are crafted using our proprietary ingredient and manufacturing technologies, allowing consumers to enjoy a lighter, well-balanced lifestyle in a convenient and enjoyable way.

Nutritionally Enhanced Fruit-Fermented Vinegar: Micho Plus

Made with 100% fruit-fermented vinegar first launched in Japan, this dilutable beverage is specifically formulated with nutritional components tailored to women's health needs. The Blueberry flavor contains iron, Pomegranate contains polyphenols, and Green Plum contains multi-minerals, allowing consumers to choose both the flavor and nutritional profile that best suit their personal taste or mood.

Health and Nutrition

Expansion of Consumer-centered Health-oriented Product Portfolio

Targeting Diverse Consumer Segments

Children's Specialty Food Brand: Pookie Rookie

Reflecting the desire of parents for meals that their children can enjoy with confidence, we have launched Pookie Rookie, a children's food brand offering delicious, mildly seasoned products. Designed for children ranging from kindergarteners to early elementary school students, our initial Pookie Rookie offerings include frozen soup-based dishes and ready-to-eat rice products, with plans to diversify the lineup going forward. Our Pookie Rookie Organic Cooked Rice (130g) features organic rice certified by the Ministry of Agriculture, Food and Rural Affairs. Our Pookie Rookie Healthy Beef Bone Soup is made by simmering only antibiotic-free Korean beef (Hanwoo) marrow bones, assorted bones, and water, with no added salt.

Using Whole Grains in K-12 Mandu/Egg Rolls

To offer healthier food choices in the K-12 school foodservice market, CJ Schwan's introduced new products made with whole grain wrappers. These include breakfast-style egg roll filled with scrambled eggs, dark meat chicken, potatoes, cheddar cheese, turkey sausage and spices rolled in a crispy whole grain wrapper as well as whole wheat beef dumpling made with whole wheat flour dumpling wrapper filled with a traditional filling of beef, cabbage, and green onion.

Information Security

Information Security Management System

Governance

CJ CheilJedang recognizes information security as a key management risk and operates a company-wide information security governance framework centered on the Information Security Committee and the Information Security Working Committee, both of which report directly to the CEO. These two committees are led by the Chief Information Security Officer (CISO) and are responsible for establishing and operating the information security management system. The CISO concurrently serves as the Chief Privacy Officer (CPO). The CISO is appointed based on expertise in information security and is responsible for the prevention of information leakage and the protection of key technical assets.
To strengthen the oversight system at the executive level, we regularly report on the status of information security to key management, including the CEO, once a month. In addition, we operate a reporting system under which the CISO immediately reports to the CEO in the event of a security incident or significant security issue.

Category	(Personal) Information Security Committee	(Personal) Information Security Working Committee
Objective	Approval of key information security and privacy matters and final decision-making	Sharing and coordinating operational matters and discussing improvement initiatives
Frequency	Monthly	Monthly
Composition	· Chair: Chief Information Security Officer and Chief Privacy Officer (CISO/CPO) · Members: CEO, Corporate CFO, Business Unit CFOs, Unit Heads of Production	· Chair: Chief Information Security Officer and Chief Privacy Officer (CISO/CPO) · Members: (Personal) Information Security Managers, (Personal) Information Security Specialists, Regional Security Specialists

Management Policy

Through its "Information Security Management Statement," CJ CheilJedang defines information security as a fundamental principle of management and sets forth the continuous review and improvement of its information security management system, as well as the fulfillment of information security responsibilities by all employees, as key principles. Furthermore, we have established and applied personal information protection standards based on the "CJ Global Privacy Policy."

Responsibilities of Employees and External Stakeholders in Information Protection

We apply our information security policy to all employees in Korea and overseas, regardless of employment type, and assign information security responsibilities to them. We also require third parties performing work on our behalf, such as consultants, agents, and intermediaries to comply with this policy.
We require all employees to annually reaffirm their commitment to our Asset Protection and Confidentiality Pledge. For suppliers, we require a formal pledge of compliance with our information security regulations at the time of contracting, in alignment with our External Project Security Guide.

Data Integrity and Information Security Management

In accordance with the principles of integrity and confidentiality, we implement administrative and technical measures to protect personal information from unauthorized or illegal processing, as well as accidental loss, destruction, or damage.
Information asset managers classify information assets according to their level of importance based on integrity, confidentiality, and availability standards, and establish and implement control procedures based on the characteristics of each asset. In addition, we monitor the operation of the information security management system, review security operation results and adequacy of related procedures and standards, and reflect necessary improvements.

Monitoring and Response to Information Security Threats

IT operations managers are responsible for managing information assets and must regularly check whether appropriate security measures are applied to the targets and paths where information is stored and transmitted. In the event of a security incident, employees and external personnel must immediately report it to the corporate information security manager according to internal procedures, and in the event of an incident involving information assets, they must prevent the spread of damage according to the business continuity plan.

Security Inspections and Audits

Our information security organization establishes security inspection and audit plans at least once a year to perform regular inspections, and conducts additional inspections when necessary. In addition, we conduct a security review when significant changes occur in information systems.

Strengthening Security Awareness

The corporate information security manager provides training for all employees and external personnel to protect key information assets and provides relevant educational materials.

Compliance with Information Security Policy

Any breach of our information security policy is treated as a violation of internal regulations and contractual obligations and may result in disciplinary action against employees in accordance with the relevant regulations. In the case of third parties, measures such as termination of the business relationship may be applied according to the contract terms.

Information Security

Information Security Strategy

Management Activities

Information Security Risk Management

Information Security Inspection Process

In accordance with its security inspection process, CJ CheilJedang conducts security inspections of domestic and overseas business sites twice a year, in the first and second halves of the year, to manage risks.

Establish a Security Inspection Plan →	Conduct Inspection →	Report Inspection Results →	Implementation Follow-Up
· Define inspection objectives and strategic direction · Define inspection targets and scope · Define inspection methodology (checklist development) · Finalize and report inspection plan	· Communicate inspection plan · Preliminary preparation (submit site-specific supporting documentation) · Conduct interviews and review supporting documents · Identify and consolidate improvement requirements	· Draft improvement list · Review and finalize improvement requirements · Establish action plans for individual items · Report inspection findings	· Execute corrective actions · Verify whether corrective actions have been implemented · Report results of corrective actions

Information Security Incident Response Process

We have established a response process to ensure business continuity in the event of an information security breach or other disasters.

Process Stage	Detailed Procedures by Stage
1. Security Incident Reporting and Intake	· Immediately share the incident with the departmental security officer upon identifying a security incident · The departmental security officer and department head report to the Information Security Manager
2. Security Incident Reporting	· Information Security Manager reports the received incident details to the CISO and executive management
3. Organizing Incident Response Team	· Form an incident response team including IT, Legal, PR, and other relevant departments under the direction of the CISO
4. Incident Analysis and Response	· Analyze the root cause and impact of the incident · Implement measures to prevent the spread of damage and perform system recovery
5. Documentation & Reporting	· Document the entire response process and outcomes · Report to relevant authorities and executive management as necessary
6. Post-incident Management	· Establish countermeasures to prevent recurrence · Formalize documentation and conduct training for relevant personnel

Operating Information Security Reporting Channels and Raising Awareness

We operate various reporting channels to enable employees and external stakeholders to report information security incidents, vulnerabilities, or suspicious activities. Employees can report security-related matters through ethics and whistleblowing channels, the information security organization, or the IT help desk. Reported cases are reviewed by the relevant departments and handled according to internal procedures.

We provide mandatory annual information security training for all employees and conduct at least four simulation exercises per year to strengthen response capabilities against phishing or malicious emails. In addition, we carry out information security awareness enhancement activities by publishing monthly security newsletters, operating in-house campaigns, and distributing posters to overseas entities.

Information Security

Information Security Strategy

Management Activities

Personal Information Management

As outlined in our Privacy Policy, we operate channels for customers and stakeholders to request consultations on personal information protection and report privacy incidents or infringements.
We also specify information security responsibilities and requirements during the contract stage with service providers entrusted with personal information processing, and include contract clauses regarding personal information protection. Moreover, we require compliance with information security regulations through the signing of agreements for Outsourcing Personal Information Processing.
For service providers that have performed personal information processing tasks for six months or longer, we conduct annual on-site inspections or self-assessments and review their management status based on the inspection results.

Information Security Certification

We maintain ISMS-P (Information Security and Personal Information Protection Management System), ISO 27001 (Information Security Management System, ISMS), and ISO 27701 (Privacy information management systems, PIMS). We review the level of our information security management through annual internal and external audits. In addition, we conduct scenario-based vulnerability analyses of IT systems and personal information management systems with the support of external expert consultants, and perform regular internal audits. In 2025, we conducted vulnerability analyses and internal audits of the overall information security management system for a total of 10 weeks.

Establishment of Generative AI Usage Guidelines

We have distributed the Safe Generative AI User Guidelines to manage risks such as the leakage of personal information, trade secrets, and sensitive information resulting from the use of generative AI services. These guidelines provide information on major security risks that may occur during the use of generative AI, such as inaccurate or misleading responses, infringement of third-party copyrights, leakage of personal information, trade secrets, sensitive information, and information related to third parties, and vulnerabilities when using plugins and extensions, and they provide a 15-item user compliance checklist.
The guidelines include content such as disabling model training through data control settings, prohibiting the input of personal information, company trade secrets, and authentication information, avoiding security-related prompts, and checking personal information and sensitive information protection measures and data processing methods when using plugins and extensions. We also inform users that AI model bias may occur due to training data imbalance and direct or indirect bias when using generative AI services, and we recommend comparing multiple sources, referring to official documents and policies, and verifying the latest data when making important decisions.
Finally, we provide guidance on precautions such as legal and regulatory compliance, intellectual property protection, labeling AI-generated content, and receiving reviews from legal or compliance departments when used commercially. We present the information security standards necessary when using generative AI services, such as checking service providers' data storage and deletion policies and distinguishing between business and personal use.

Social Contribution

Social Contribution System

Implementation Policy

Guided by our founding philosophy of contributing to the nation through business and our Chairman's philosophy of sharing, CJ CheilJedang is dedicated to fulfilling our social responsibilities and promotes various CSR activities to create a sustainable society that grows alongside local communities. Through the "CJ Code of Business Conduct," we have codified our commitment to local communities and actively drive our business-linked CSR activities to realize our core values of health, safety, and a sustainable environment.

Social Contribution Activities

CJ CheilJedang's Social Contribution

Wellness and Safety

Upholding our duty as a food enterprise, we remain steadfast in expanding our food donation programs, actively contributing to preventing food insecurity and promoting the circularity of food resources.

CJ CheilJedang Sharing Refrigerator Program

The CJ CheilJedang Sharing Refrigerator Program supports nutritional stability and dietary improvement for vulnerable youth, helping them maintain healthy eating habits and restore social relationships through food support and participatory activities. Since its launch in 2021, we have consistently provided refrigerated and frozen foods, including Hetbahn, to ten Seoul Youth Centers, delivering 15,025 food packages in 2025. We also provided at-risk youth with dietary self-assessments and nutrition education, while supporting the restoration of social connections through various group activities such as cooking classes and social dining.

Food Bank Food Donations

Since 1998, CJ CheilJedang has consistently supported those facing food insecurity through food bank donations, contributing a cumulative total of approximately KRW 262.9 billion in food products to date. This represents the largest food donation to food banks in Korea. In addition, through the "HOPE Food Pack" program, we provide food packages worth KRW 200 million annually to approximately 2,000 children at risk of food insecurity at local childcare centers. In 2025, we introduced a collaborative CSR model by launching a joint campaign with Mijeong Co., Ltd. and Malgeunmule Holdings Co., Ltd., both of which are partners within our shared-growth brand, Joy of Growing Together.

Food Donations to the Miral Welfare Foundation Goodwill Stores

CJ CheilJedang has partnered with the Miral Welfare Foundation's Goodwill Stores to actively foster economic independence for employees with disabilities. In 2025, we donated food products worth KRW 6.1 billion, supporting the salaries of approximately 348 employees with disabilities working at Goodwill Store locations nationwide. Furthermore, Goodwill Stores contribute 1% of the sales revenue from CJ CheilJedang's donated products to the World Food Programme (WFP), to help address global hunger. Since 2019, this initiative has also promoted sustainable consumption by raising public awareness of use-by dates to reduce food waste, while building a broader social consensus around our sharing efforts. Our cumulative product donation to date is valued at approximately KRW 34.1 billion.

	Food Bank	Goodwill Store
2025 Donation Amount	6.9 KRW billion	6.1 KRW billion
Cumulative Donation Amount	262.9 KRW billion (1998-present)	34.1 KRW billion (2019-present)

Sustainable Environment

Hetbahn Container Collection Campaign

CJ CheilJedang has established and operates a Hetbahn container collection and upcycling system to raise awareness of their recyclability. Regional self-sufficiency centers equipped with washing infrastructure collect and clean Hetbahn containers separated and disposed of by consumers, and deliver them to processing partners who use these materials to produce upcycled products. We collected approximately 990,000 Hetbahn containers in 2024, followed by approximately 980,000 in 2025. To drive consumer participation, we have installed collection bins at public sites, including local government offices, Seoul Youth Centers, and Goodwill Store locations. We will continue to raise awareness of container recycling and expand this resource circulation platform to encourage broader community involvement.

Adopt-a-Beach Clean-up Activity

To preserve marine ecosystems, CJ CheilJedang carries out the "Adopt-a-Beach" program in cooperation with the Ministry of Oceans and Fisheries. We conducted employee volunteer clean-up activities a total of three times in 2025 at Dadaepo Beach in Busan, which we adopted in 2023. Through these efforts, we contributed to reducing coastal waste and restoring local ecosystems, and we plan to continue these environmental conservation activities in partnership with local communities.

Social Contribution Activities

Food Sharing for At-Risk Children and Youth

To ensure the healthy growth and basic nutritional security of underprivileged children and youth in local communities, CJ CheilJedang consistently carries out various food support projects, such as holiday food sharing, kimjang (kimchi-making) sharing, and the "Resonance of a Meal" campaign.

Holiday Food Giving

Leveraging our expertise in the food business, CJ CheilJedang conducts special holiday food-sharing programs during Seol(Lunar New Year) and Chuseok(Korean Thanksgiving) holidays , when children from vulnerable social groups are at greater risk of feeling isolated. Since 2016, we have supported a cumulative total of approximately 44,600 children with holiday meals. During Chuseok in 2025, we provided food packages containing our flagship products, such as bibigo Galbitang (beef short rib soup), bibigo Cup Tteokbokki, and Matbam (roasted chestnuts), helping bring nutritious and comforting meals to children in need.

Kimchi Giving Program and Employee Participation

Since 2007, CJ CheilJedang has continued its Kimchi Giving Program, providing this essential winter staple to approximately 38,500 local child welfare centers nationwide. Through these sustained efforts, we have supported a cumulative total of 940,622 children. Beyond donations, our employees actively bring this spirit of giving to life by volunteering hands-on to make and deliver kimchi. To date, we have provided a cumulative total of 1.07 million heads of kimchi to regional children's centers, vulnerable households, and 554 local welfare organizations (benefiting 87,065 people) to help foster food security across our communities.

Gourmet Food Donation

To support children at risk of food insecurity due to the absence of school meal services and childcare during winter breaks, CJ CheilJedang has run the "Gourmet Food Donation" campaign since 2017. In 2025, we supported approximately 3,200 children across 160 organizations drawing on our product portfolio to provide high-quality meal kits and fresh ingredients that offered them heartwarming, memorable dining experiences. Moving forward, we will continue expanding initiatives that leverage our food technologies and products to foster the healthy development of underprivileged youth.

GOVERNANCE

Corporate Governance

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OUR APPROACH TO SUSTAINABILITY
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- Corporate Governance
- Risk Management
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Board of Directors

Role of the Board of Directors

The CJ CheilJedang Board of Directors performs its role as the highest decision-making body, fairly balancing the rights and interests of shareholders and various stakeholders, and promoting the company's sustainable growth and enhancement of corporate value. In accordance with relevant laws and the Articles of Incorporation, the Board deliberates and resolves major matters regarding overall company management and strengthens a responsible governance system through oversight and checks-and-balances functions with respect to management. With independent directors constituting a majority of the Board, the Board enhances independence and expertise and strives to establish a more transparent and sound governance structure.

Composition and Appointment of the Board of Directors

In accordance with Article 382 of the Commercial Act (Appointment of Directors, Relationship with the Company, and Independent Directors), our directors are appointed with the approval of the General Meeting of Shareholders. Executive directors and independent directors are appointed following the nomination procedures of the Board of Directors and the Independent Director Candidate Recommendation Committee, respectively. The Independent Director Candidate Recommendation Committee is composed entirely of independent directors to ensure independence, and it nominates independent director candidates in accordance with fair and objective criteria.

As of June 2026, the Board of Directors consists of a total of 7 members, consisting of four independent directors and three executive directors. In compliance with Article 542-8 of the Commercial Act (Appointment of Independent Directors) and Article 21 of the Articles of Incorporation (Appointment of Directors), the company maintains independent director representation at 51% or higher. When reviewing candidates, the company comprehensively considers expertise, competency, and diversity.
The Chair of the Board is appointed from among the directors by a resolution of the Board of Directors in accordance with the Board of Directors' regulations, and currently, Sohn Kyung-Shik, CEO and Representative Director, who is recognized for his management ability and experience, serves concurrently as the Chair of the Board. As of June 2026, the average tenure of Board members is 3.63 years.

Status of the Board of Directors and Board Skills Matrix (As of June 2026)

Category	Name	Key Experience/Background	Board Skills & Experience						Gender	Initial Appointment Date	Committee Membership
			Finance/ Accounting	Leadership/ Management	Law/Policy	ESG	Global	Industry			
Executive Directors	Sohn Kyung-Shik	Chairman and CEO of CJ CheilJedang	✓	✓	✓	✓	✓	✓	Male	Sep. 2007	-
	Yoon Seok-Hwan	CEO of CJ CheilJedang	✓	✓		✓	✓	✓	Male	Mar. 2026	Corporate Sustainability Committee
	Lee Hyung-Joon	CJ CheilJedang M&A/Portfolio PMO	✓	✓		✓	✓	✓	Male	Mar. 2025	-
Independent Directors	Kim Yong-Deok	Former Supreme Court Justice		✓	✓	✓	✓	✓	Male	Mar. 2024	Audit Committee, Related Party Transactions Committee, Independent Director Candidate Recommendation Committee, Compensation Committee, Corporate Sustainability Committee
	Chung Hwang-Keun	Former Minister of Agriculture, Food and Rural Affairs		✓	✓	✓	✓	✓	Male	Mar. 2025	Audit Committee, Related Party Transactions Committee, Independent Director Candidate Recommendation Committee, Compensation Committee, Corporate Sustainability Committee
	Lim Jae-Hyeon	Former Commissioner, Korea Customs Service	✓	✓	✓	✓			Male	Mar. 2026	Audit Committee, Related Party Transactions Committee, Independent Director Candidate Recommendation Committee, Compensation Committee, Corporate Sustainability Committee
	Kim Hae-Young	Former Partner, EY US	✓	✓		✓	✓		Female	Mar. 2025	Audit Committee, Related Party Transactions Committee, Independent Director Candidate Recommendation Committee, Compensation Committee, Corporate Sustainability Committee

* Group-wide common criteria applied

Corporate Governance

Board of Directors

Operation of the Board of Directors

CJ CheilJedang transparently discloses its major board activities and decision-making status. Individual attendance records, voting results for each agenda item, and summaries of key activities are available through the management information section of the company's website, as well as in the Corporate Governance Report and Business Report. Board meetings are convened by the Chair in accordance with the Articles of Incorporation and the Board Regulations. For each meeting, notice of the date, time, location, and agenda is provided to each director at least seven days in advance. Unless otherwise provided by applicable law, resolutions are passed by a majority of directors present at a meeting where a majority of all directors are present. Pursuant to Article 28 of the Articles of Incorporation and Article 7 of the Board Regulations, directors with a special interest in a resolution are prohibited from exercising their voting rights, thereby preventing conflicts of interest.

The Board is generally scheduled to hold regular meetings once a month, and extraordinary meetings may be called as needed in accordance with relevant regulations. In 2025, the Board held nine meetings in total, during which it deliberated on and approved 32 agenda items, including reports on the operation of the internal accounting control system and compliance monitoring results. An attendance standard of 75% or higher applies to all Board members, and the annual attendance rate for 2025 was recorded at 96.3%.

Committees under the Board of Directors

CJ CheilJedang operates five specialized committees under the Board of Directors—the Audit Committee, the Independent Director Candidate Recommendation Committee, the Related Party Transactions Committee, the Compensation Committee, and the Corporate Sustainability Committee—to strengthen the independence, transparency, and fairness of our corporate governance. Detailed records of each committee's activities can be found in the Business Report published in March 2026 under VI. Matters Concerning the Board of Directors and Other Corporate Bodies – 1. Matters Concerning the Board of Directors. Notably, the committees within the Board operate under a system centered on independent directors, establishing a governance structure where checks and balances between the Board and management function effectively.

Committees under the Board of Directors	Key Roles	Operational Results		
		Number of Meetings Held (sessions)	Number of Agenda Items Deliberated (cases)	Attendance Rate (%)
Audit Committee	Accounting and Operational Audits · Investigation of company operations and financial status · Submission of audit opinions on agenda items/documents for the General Meeting of Shareholders · Appointment, replacement, and dismissal of external auditors	8	17	98
Independent Director Candidate Recommendation Committee	Recommendation of Independent Director Candidates · Recommendation and nomination of candidates meeting qualifications per laws, Articles of Incorporation, or Board Regulations	2	2	100
Related Party Transactions Committee	Enhancement of Transparency in Transactions with Affiliates & Related Parties · Deliberation on inter-company and related-party transactions subject to Board approval under the Fair Trade Act and the Commercial Act	5	8	100
Compensation Committee	Guarantee of Fairness in Executive Compensation and Performance Metrics for Long-term Incentives · Establishment and modification of executive compensation structures · Resolution of matters related to executive performance evaluation for long-term incentives	5	7	100
Corporate Sustainability Committee	Establishment of a Framework for Sustainable Management · Resolution on sustainability strategies and associated performance/initiatives · Resolution on matters concerning Environmental (E), Social (S), and Economic/Governance (G) areas	2	3	100

Corporate Governance

Board of Directors

Independence of the Board of Directors

CJ CheilJedang reviews independence from the company as a primary criterion and complies with the Commercial Act and related regulations when appointing independent directors. Relevant departments such as finance, legal, and public relations cross-check qualification restrictions under relevant laws and public official employment restrictions to ensure that independent directors can perform their roles from an objective and neutral position. As of the end of June 2026, none of our independent directors have a material interest in the company or its affiliates. In the interest of maintaining this, we have established internal standards that comply with Article 34 of the Enforcement Decree of the Commercial Act and related regulations to manage the scope of concurrent positions permitted for independent directors. To proactively eliminate potential conflicts of interest within our board operations, any director with a material interest in a resolution is restricted from voting, in strict accordance with Article 28 of our Articles of Association and Article 7 of our Board Regulations. We operate a systematic management system centered on the Related Party Transactions Committee and the Board of Directors to prevent and mitigate conflicts of interest. Matters with potential conflicts of interest, such as transactions between related parties and affiliates, undergo prior review and reporting procedures pursuant to relevant laws and internal regulations. Major conflict-of-interest matters, including cross-shareholding relationships, controlling shareholder status, related-party transactions, and outstanding balances, are transparently disclosed to stakeholders through regular business reports.

Expertise and Diversity of the Board of Directors

CJ CheilJedang places high importance on Board composition that reflects diverse perspectives and appoints directors by respecting diversity across multiple dimensions, including nationality, gender, region of origin, religion, race, and cultural background. We consider the expertise of independent directors, such as their career experience and professional knowledge, to ensure effective objective monitoring, oversight, and advisory functions regarding company management. CJ CheilJedang's independent directors have expertise in areas such as industry, law, policy, and accounting and finance, providing review opinions in their respective fields to support rational decision-making by management. We also operate training programs for independent directors and provide expert consultation when necessary to strengthen the expertise of the Board of Directors.

Independent Director Training Status

Date	Organizer	Key Topics
May 7, 2025	CJ CheilJedang	Overview of Major Business Units and Future Strategies
Aug.11, 2025	Kim & Chang	Revisions to the Commercial Act and Enhanced Director Liability
Aug. 11, 2025	Samil PwC	ESG Policy and Disclosure Response Strategies of the New Administration
Dec. 3, 2025	CJ CheilJedang	Analysis of Food Industry Competitors and Market Trends

Board Evaluation and Compensation

CJ CheilJedang conducts comprehensive evaluations of its independent directors based on criteria such as board and committee attendance rates, independence, expertise, and contribution, and uses these evaluation results when reviewing their reappointment. Pursuant to Article 388 of the Commercial Act and Article 31 of our Articles of Association, directors' remuneration is paid within the remuneration limit approved by the General Meeting of Shareholders. Independent director compensation is calculated based on uniform standards, considering industry benchmarks and job responsibilities, and the same amount is paid to all four independent directors. In addition, we do not grant stock options or separate bonuses, and we apply a fixed compensation system centered on base salary. Compensation for key executives, including the CEO, is structured into a base salary and performance-based incentives, governed by executive compensation regulations approved by the Board of Directors. Base salary is set by holistically assessing the prior year's KPI results, the scope of individual role responsibilities, and contribution to the company. Variable pay comprises two pillars: short-term incentives tied to annual management targets and KPI performance tiers, and long-term incentives rooted in 3-year mid-to long-term business performance.

Corporate Governance

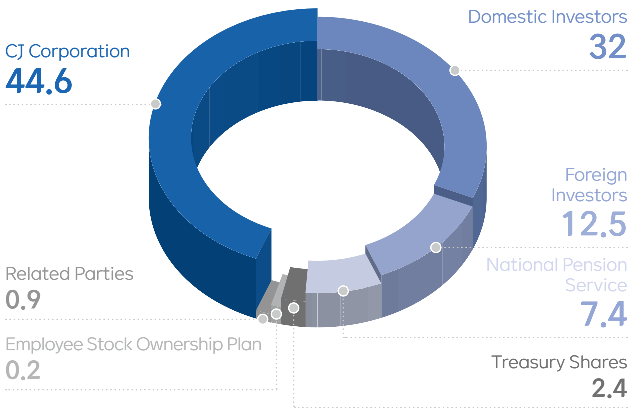
Shareholder Rights

Shareholder Rights Protection and Return Policy

CJ CheilJedang avoids holding the General Meeting of Shareholders on dates when shareholders' meetings are concentrated and operates electronic voting and proxy solicitation systems to protect shareholder rights and enhance shareholder value. In addition, we comply with disclosure regulations and promptly disclose IR materials and major announcements on the company's website, and communicate continuously with shareholders through various channels such as analyst meetings and investor briefings. In February 2025, we established and disclosed a three-year dividend policy, aiming for a dividend payout of at least 25% of profit for the year based on a separate financial statement basis, excluding non-recurring gains and losses, and to pay quarterly dividends equivalent to 75% of the annual dividend amount from 2024 to 2026. Despite challenging business conditions in 2025, we maintained a stable shareholder return policy by distributing annual dividends totaling KRW 96.2 billion.

2025 Shareholder Composition

(Unit: %)



1) The company does not issue golden shares (shares that grant the holder veto power over key matters resolved at the General Meeting of Shareholders, regardless of the number of shares held).
2) Based on common shares as of December 31, 2025

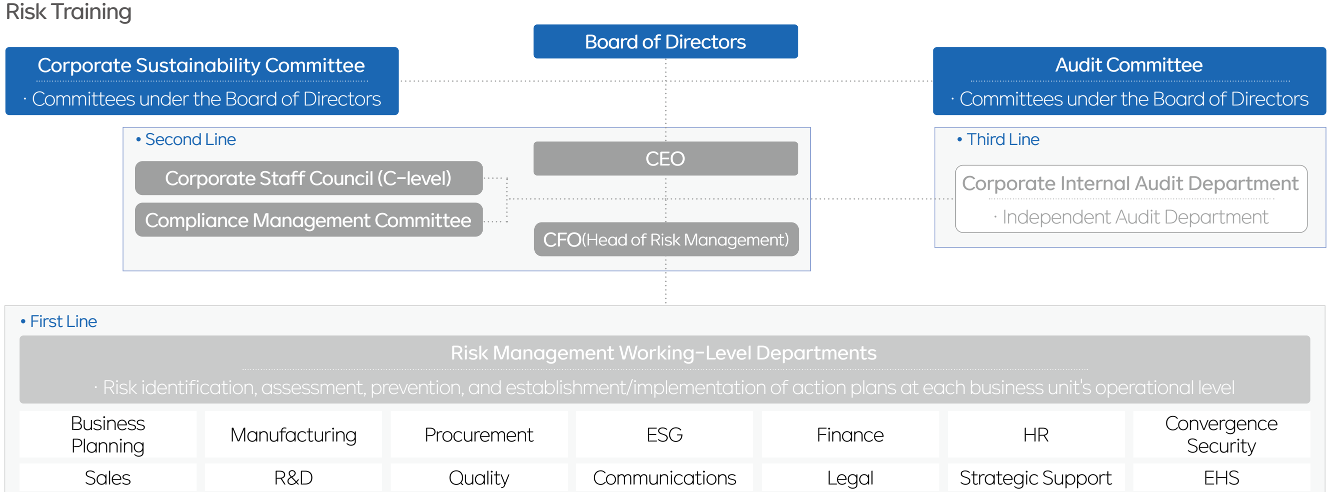
Risk Management

Risk Management System

Governance

CJ CheilJedang implements company-wide risk management across the Board of Directors, key executive management, and all functional departments. Each business unit and corporate functional organization continuously monitors potential risks within its respective area. Company-wide risk management is overseen by the CFO, with risks continuously shared and reviewed through the Corporate Staff Council, which comprises the CEO and other key executives. Furthermore, all compliance-related issues are reviewed separately by the Compliance Management Committee. Major enterprise-level risk matters are reported regularly to the CEO and the Board of Directors through the CFO.
In addition, the Corporate Internal Audit Department independently reviews major risks as an independent function, thereby continuously supporting the objectivity and integrity of enterprise risk management.

Risk Training

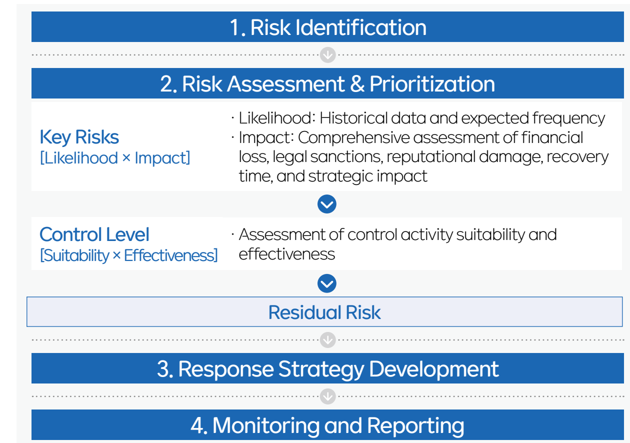


Risk Management Strategy

Management Process

To manage both financial and non-financial risks at the enterprise-level, CJ CheilJedang operates a risk management process that encompasses identification, assessment, response, and monitoring. Risks that may arise during business operations are identified by considering factors such as likelihood and impact, and appropriate controls are implemented based on the suitability and effectiveness of each risk. Subsequently, we establish and implement response strategies for residual risks, and the implementation results are regularly monitored and reported to the Board of Directors and executive management. The Corporate Sustainability Committee under the Board of Directors reviews related risks, including major sustainability issues and strategic tasks, at least twice a year.

Risk Management Process



Risk Training

CJ CheilJedang embeds risk management across the organization through KPIs for risk identification, management, and mitigation, and provides risk training to employees and independent directors. Compliance risk training details are available on the "Ethics and Compliance Management" page.

Target	Key Risk Training Topics
Independent Directors	· Amendments to the Commercial Act and strengthened directors' liability · ESG policy and disclosure response strategies under the new government
Employees (Manufacturing Division)	· Understanding the CJ Global Food Safety Management System (FSSC 22000) · Understanding environmental legal risks · Safety management of hazardous chemicals · Understanding electrical safety management (electrocution, fire) · Safety and health management (role of supervisors) · Food safety mindset · Control of internal/external foreign materials and response measures · On-site risk management

Ethics and Compliance Management

Ethics and Compliance Management System

Governance

CJ CheilJedang operates a Compliance Management Committee under the CEO to oversee all compliance activities and to advise on and approve related policy directions. The Compliance Management Committee consists of the CEO, the Compliance Officer, and key executives; the Compliance Officer and the compliance organization validate the adherence to compliance control standards and all applicable laws and regulations. In the event of a violation, we continuously monitor the establishment of recurrence prevention measures and the implementation of corrective actions.

In the first half of 2026, the company was subject to administrative sanctions, including penalty surcharges, imposed by the Korea Fair Trade Commission in connection with collusive pricing conduct involving sugar and flour. Acknowledging the gravity of these collusion issues, we have overhauled our reporting framework to reinforce internal controls, elevating the reporting line of compliance and internal control functions from management to the Board of Directors.

The Corporate Sustainability Committee under the Board of Directors, composed of executive and independent directors, periodically deliberates and approves agenda items related to compliance management, such as the approval of domestic and international compliance implementation plans, evaluation of the effectiveness of major activities related to compliance control, and assessment of the implementation results of improvements. To reinforce the ethical and compliance accountability of the CEO and our executive leadership, we have applied compliance risk management performance and regulatory violation prevention initiatives as their key evaluation criteria.

Management Policy

CJ CheilJedang has established "various policies related to ethical and compliance management," including the CJ Code of Business Conduct, which covers various areas including fair trade, prevention of unfair competition, and anti-corruption. We maintain full transparency by making all policies accessible via online links, and the scope of these policies covers all CJ members, regardless of employment type, including regular or contract employees.

Furthermore, we have defined ten key compliance areas, of which four are designated as priority areas, and conduct key risk monitoring to improve our proactive risk management and regulatory compliance framework.

Top 10 Key Compliance Areas

Fair Trade	Environmental Safety	Food Safety and Quality	Occupational Safety	Anti-Corruption
Personal Information	Resource Conservation	Intellectual Property Protection	Labor and Human Rights	Consumer Protection

Ethics and Compliance Management Strategy

Management Activities

Compliance Management System Certification

CJ CheilJedang has established a company-wide risk management system and is fostering a culture of compliance management through various compliance-related systems and activities. In addition, we maintain ISO 37301 Compliance Management System certification through annual reviews and obtain recertification every three years to maintain a compliance management system that meets international standards.

Compliance System	Overview
Key Risk Monitoring and Improvement Activities	· Monitoring risks across the four key compliance obligation areas
Compliance Risk Monitoring Process	· Proactive management of ethics and compliance risks through collaboration between business units and the compliance team
Compliance Portal Operation	· Systematic management of legal risks through a dedicated portal for laws, regulations, and internal rules
CPCO Program Operation and Training	· Appointment of key personnel across all departments as risk managers; operating a field-oriented compliance risk management system and conducting related training for employees

Global Compliance

CJ CheilJedang strengthens its overseas compliance capabilities to support the continued expansion of its global operations and respond effectively to international regulations. We have conducted compliance training for 30 overseas subsidiaries, and based on business characteristics and risk levels, we have separately implemented advanced training on food safety and payment processes for some subsidiaries. Furthermore, we have refined our core operational processes to ensure continuous monitoring of relevant legal and regulatory landscapes in our global markets, while actively embedding our internal policies and corporate culture within each subsidiary.

Ethics and Compliance Management

Ethics and Compliance Management Strategy

Management Activities

Compliance Risk Monitoring

Monitoring Process

Based on its compliance risk monitoring process, CJ CheilJedang identifies risk factors and assesses their severity across relevant functional departments and establishes concrete prevention and control measures, implementing immediate corrective actions upon identifying abnormalities or signs of non-compliance.

Identification of Compliance Obligations	· Categorizing into 10 Key Compliance areas based on laws and regulations relevant to each department's business activities · Identifying potential legal risks based on target departments' job descriptions (JD), core tasks, and stakeholders	· Supporting preliminary risk identification by Compliance team · Direct risk identification by 82 operational departments · Final approval of risk identification results by Compliance team
Risk Assessment	· Assessing the risk level of each compliance obligation on a three-tier scale (High, Medium, Low) · Evaluating risks by considering the severity of potential penalties and the likelihood of occurrence, including operational frequency, past violation cases	
Development of Control Activities	· Setting five types of control activities for risk mitigation · Control activity types: internalization, process mapping, standardization (policy/regulation), automation (IT system), and monitoring	· Planning control activities by operational departments
Compliance Monitoring	· Verifying compliance with legal obligations and control activities · Scoring based on implementation and adequacy · Documenting specific details to ensure evidence-based verification	· Monitoring of operational departments' control activity performance by Compliance team
Establishment of Improvement Tasks	· Establishing additional control measures to address final residual risk assessment and supplement existing controls · Setting performance targets for new control activities or improvement initiatives · Managing successfully achieved targets as subsequent control activities	· Managing Improvement tasks by Compliance Team · Implementing Improvement tasks by operational departments
Incorporation into KPIs	· Incorporated into Executive KPIs	· Assignment of individual KPIs for CPCOs

Operation of the Compliance Portal and CPCO Program

CJ CheilJedang has established and operates a compliance portal to systematically manage legal risks that may arise in the course of its business operations. This portal enhances the accessibility and usability for business departments through a user-friendly system structure and supports employees in accessing the latest compliance information at any time by promptly reflecting legal and regulatory revisions and organizational changes.

We designate key personnel throughout the organization as Compliance Coordinators (CPCOs) to operate a field-oriented risk identification and monitoring system. CPCOs selected each year proactively carry out risk management activities through education, meetings, voluntary improvement activities, and system-based monitoring. In addition, we operate recognition and reward programs based on compliance performance to enhance employees' compliance awareness, and are continuously working to establish a compliance management culture throughout the organization.

Ethics and Compliance Management

Ethics and Compliance Management Strategy

Management Activities

Expansion of Ethics and Compliance Culture

CJ CheilJedang's CEO and key executives directly communicate messages reaffirming their commitment to compliance management to all employees, raising awareness of the importance of compliance and strengthening compliance awareness across the organization. In addition, through ongoing training and awareness-raising activities, we encourage employees to report misconduct, foster a zero-tolerance mindset, while striving to establish a healthy organizational culture by addressing misunderstandings or lack of awareness regarding the compliance system.

To strengthen employees' practical compliance mindset, we conduct regular compliance training for all employees while operating a customized training system segmented by target audience and timing. We implement career lifecycle-based training for promoted employees and newly appointed leaders, and conduct intensive workshops for department heads so that those who complete the training can directly deliver to their respective teams. Since 2025, we have expanded regular and in-person training in the fields of fair trade and fair competition, including collusion prevention, and provided timely, case-based training focused specifically on collusion-related issues for key organizations. Moving forward, we plan to distribute customized guidelines that reflect the specific operational characteristics of each department, providing a practical basis that any employee can apply immediately in the field

Category	Course Title	Target Participants
Common	CJ Code of Conduct Training	All Employees
	2025 Group Compliance Online Training	
Department-Specific Case Training	Training on Cases of Unfair Collaborative Acts (Apr. 2025)	Relevant Key Department Employees
	Fair Trade Voluntary Compliance Training (Jul. 2025)	
	Key Considerations for the Subcontract Price Linkage System (Sep. 2025)	
	Anti-Collusion Training (Apr. 2026)	
	Understanding the Fair Trade Act — Unfair Collaborative Acts and Practical Precautions (May 2026)	BIO Solution Business
Career Lifecycle Training	Career Lifecycle-Based Compliance Training for New Leaders & Promoted Employees (Held six times in H1 2026)	New Leaders and Promoted Employees
Leadership	Fair Trade Voluntary Compliance	Management Leaders
Board of Directors	Corporate Governance Regulatory Reform Policy	Independent Directors

Strengthening Fair Trade Compliance Processes

To improve processes for preventing the recurrence of collusion, CJ CheilJedang has strengthened its process for contact with competitors by establishing a prior approval and post-reporting system for unavoidable face-to-face contact. Furthermore, we have strengthened the price-setting process and established a continuous compliance monitoring system to proactively manage risks. To ensure that recurrence prevention measures are implemented as practical institutional mechanisms, we have enacted separate Anti-Collusion Reward and Penalty Guidelines, providing clear stipulations for collusion prevention, management, inspection, and education, as well as rewards, penalties, and clawback of performance-based incentives based on a zero-tolerance principle.

Ethics and Compliance Management

Ethics and Compliance Management Strategy

Management Activities

Audit Framework

The Corporate Internal Audit, an organization reporting directly to the CEO, establishes an annual audit plan, including a regular audit schedule, after the start of each fiscal year and conducts audits with the approval of the Audit Committee. Auditors perform their duties from a position independent of relevant internal departments and audited departments to review the effectiveness of internal controls and compliance systems and to identify and address potential risks in advance.

Audit Operations and Type-specific Reviews

Audits are operated based on a system of regular and ad-hoc audits, and are classified into management audits that examine major operational issues, integrity audits that verify violations of the CJ Code of Conduct (e.g., anti-corruption), thematic audits that examine current issues and institutional matters, and report-based audits that target reports received throughout the year. We conduct relevant audits whenever potential risks are identified through various channels, including self-assessment surveys, system-based data monitoring, and whistleblowing reports.

Whistleblowing and Reporting Channel Operations

CJ CheilJedang operates an "online reporting system" to ensure that all employees and external stakeholders can submit reports and complaints freely and securely. Reports can be submitted anonymously or under a real name; all data is encrypted and managed securely, and the reporter's identity and the content of the report are kept strictly confidential. In addition, we operate reporting channels that include external options, thereby enhancing accessibility and reliability. Received reports are handled independently under the management of the responsible CJ department, and reporters are protected from any retaliatory actions, including disadvantages or discrimination. The reporting process—including receipt, review and investigation (supplementary requests, fact-finding, and investigation), and confirmation of results—is transparently disclosed, and reporters can check the status via the system. In addition, we provide guidance on policies and usage methods to ensure employees can appropriately utilize the reporting channels. We have also established a voluntary reporting system for employees to prevent and enable early correction of fair trade-related violations, allowing them to disclose facts and cooperate in correction and prevention before discovery or investigation. Depending on the time of reporting, we apply differentiated levels of immunity, sanctions, or responsibility mitigation to encourage the practical use of voluntary reporting, and we plan to strengthen a transparent compliance culture by actively rewarding reporters who contribute to the discovery and prevention of misconduct or illegal acts, considering their contribution and public interest.

Follow-Up Actions and Improvement Management

Where an audit identifies violations of applicable laws, internal regulations, or processes, or other misconduct warranting disciplinary action, the matter is reported to the CEO and the Human Resources Committee. If problems in company regulations or processes, or other matters requiring improvement arise, CJ CheilJedang establishes and implements improvement plans to take corrective action. Furthermore, we evaluate whether misconduct could affect financial statements and continuously monitor the implementation status of established improvement plans, based on prior audit findings.

Risk Identification
- Self-Assessment | · Data Review | · Report Intake

↓

Audit Execution
- Scheduled Audits | · Ad-hoc Audits | · Type-specific Audits

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Corrective Action or Disciplinary Action
- Corrective Action | · Improvement Planning | · Reporting & Disciplinary Review

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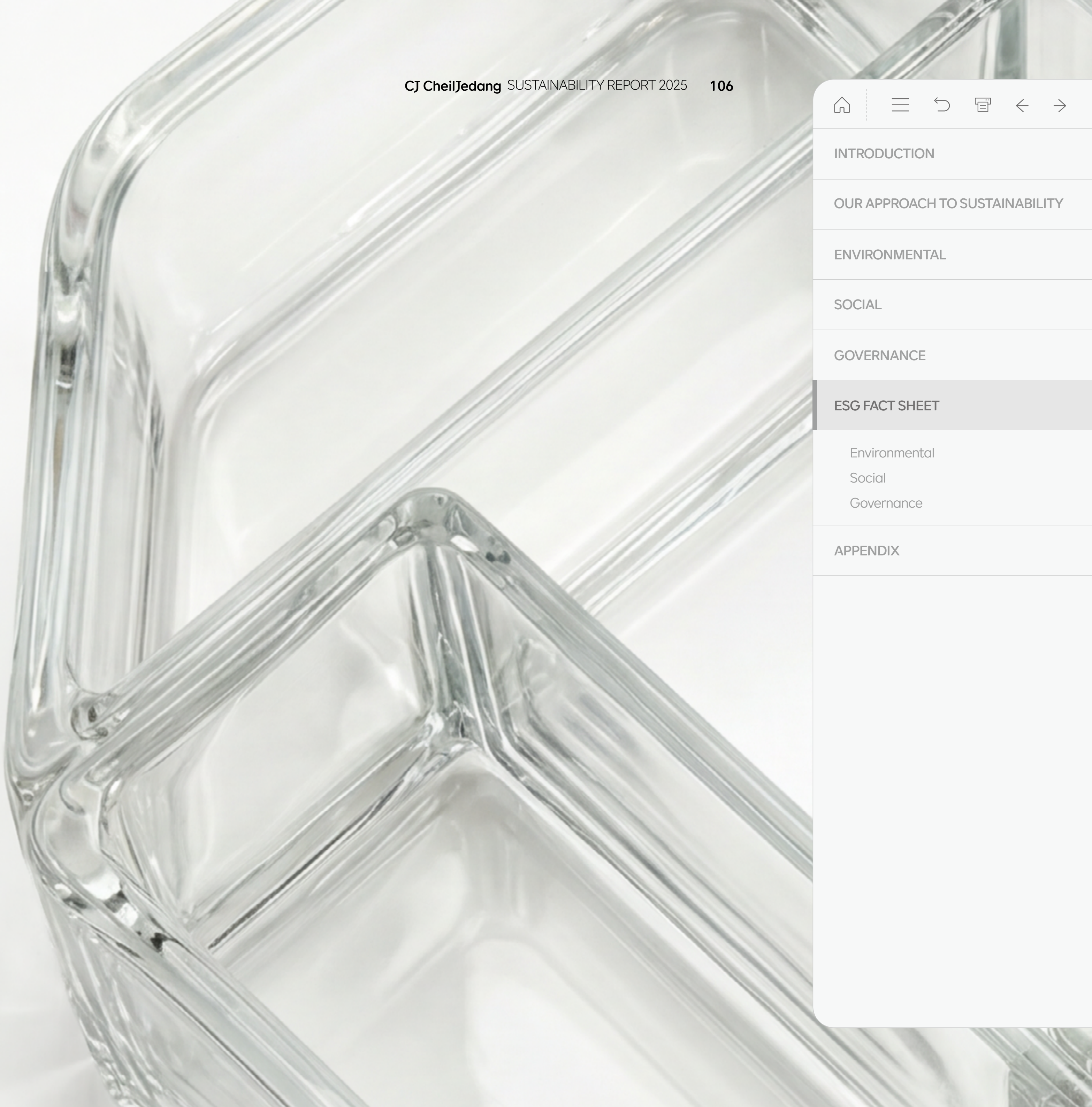
Results Monitoring
- Monitoring Implementation | · Financial Statement Impact Review | · Follow-up Actions

ESG FACT SHEET



ESG FACT SHEET

The ESG Fact Sheet reports on environmental, social, and governance data for 53 entities. To reflect an expanded reporting scope compared to the previous period, CJ CheilJedang has recompiled and reflected the three-year data accordingly. The data reporting scope varies by indicator, and reference notes to support data interpretation are provided in footnotes.
*For the nine entities under Schwan's Company in the United States, only 2025 greenhouse gas emissions data for Scope 1 and Scope 2 were calculated and reflected in the footnotes.

Category				Entity Name	
Total Entities (53)	Domestic Entities (8)	Manufacturing Entities (5)	CJ CheilJedang (standalone)	CJ CHEILJEDANG[1]	
			Food	CJ SEAFOOD	
				WONJI	
				SAMHAE	
				CJ WELLCARE	
		Non-Manufacturing Entities (e.g., sales offices, R&D centers, regional offices) (3)	Food	CJ BREEDING	
				CJ MD1	
			BIO	CJ BIOSCIENCE	
	Overseas Entities (45)	Manufacturing Entities (31)	Food	CJ QINGDAO FOODS CO., LTD.	CJ RAVIOLLO RUS
				CJ (BEIJING) FOOD CO., LTD.	CJ FOODS JAPAN CORPORATION
				CJ FOODS VIETNAM CO., LTD.	* TWIN MARQUIS LLC
				CJ LIAOCHENG FOOD. CO., LTD.	* CJ FOODS MANUFACTURING LLC
				CJ DCH GUANGDONG FROZEN FOOD CO., LTD.	* CJ TMI MANUFACTURING AMERICA LLC
				CJ CAU TRE FOODS JOINT STOCK COMPANY	* CJ FOODS MANUFACTURING BEAUMONT LLC
				CJ MAINFROST FOODS GMBH.	* KAHIKI FOODS, INC.
				GYOZA KEIKAKU CO., LTD.	* SFC GLOBAL SUPPLY CHAIN, INC.
				CJ NUTRACON PTY. LTD.	* SCHWAN'S COSMOS FOOD, LLC
			BIO	PT CHEILJEDANG INDONESIA	CJ SELECTA S.A.
				CJ BIO MALAYSIA SDN. BHD.	CJ SHENYANG FEED CO., LTD.
				CJ BIO AMERICA INC.	CJ TIANJIN FEED CO., LTD.
				CJ (SHENYANG) BIOTECH CO., LTD.	CJ (CHANGCHUN) FEED CO., LTD.
				CJ FEED INGREDIENT VIETNAM CO., LTD.	CJ (LIAOCHENG) FEED CO., LTD.
				CJ LIAOCHENG BIOTECH CO., LTD.	COFEED FEEDMILL (QIQIHAER) CO., LTD.
				CJ DO BRAZIL IND. COM. PROD. ALIM. LTDA.	
		Non-Manufacturing Entities (e.g., sales offices, R&D centers, regional offices) (14)	Food	* SCHWAN'S COMPANY	CJ SE ASIA PTE. LTD.
				* CJ FOODS USA INC.	
			BIO	CJ CHINA CONSULTING, LTD.	CJ CHEILJEDANG MEXICO, S.A. DE C.V.
				CJ INTERNATIONAL TRADING CO., LTD.	CJ BIO INDIA PRIVATE, LTD.
				CJ EUROPE GMBH	PT CHEIL JEDANG BIO INDONESIA
				CJ BIO APAC., LTD.	CJ AMERICA INC.
				CJ BIO RUS	CJ CHINA, LTD.
				CJ BIOMATERIALS, INC.	

1) Headquarters, domestic manufacturing sites, R&D centers, sales offices, and logistics centers

Environmental

Greenhouse Gas – Scope 1, 2[1)]

Data Coverage: Third-party verified entities (31)

Category	Unit	2023			2024			2025		
		Food	BIO	Total	Food	BIO	Total	Food	BIO[4)]	Total
Total GHG emissions (Scope 1+2)	thousand tCO_2eq	498	2,789	3,286	508	1,997	2,505	497	2,094	2,590
Domestic	thousand tCO_2eq	442	0	442	451	0	451	441	0	441
Overseas[2)]	thousand tCO_2eq	56	2,789	2,845	57	1,997	2,054	56	2,094	2,149
Direct emissions (Scope 1)	thousand tCO_2eq	218	1,981	2,199	221	1,247	1,467	211	1,303	1,514
Domestic	thousand tCO_2eq	203	0	203	206	0	206	198	0	198
Overseas[2)]	thousand tCO_2eq	14	1,981	1,996	15	1,246	1,261	13	1,303	1,316
Indirect emissions (Scope 2)	thousand tCO_2eq	280	807	1,087	287	750	1,037	285	791	1,076
Domestic	thousand tCO_2eq	238	0	238	245	0	245	243	0	243
Overseas[2)]	thousand tCO_2eq	42	807	849	42	750	792	42	791	833
GHG emissions intensity (Scope 1+2)	tCO_2eq/ton of product	0.19	1.56	0.75	0.18	1.15	0.55	0.18	1.23	0.59
Domestic	tCO_2eq/ton of product	0.19	–	0.19	0.18	–	0.18	0.18	–	0.18
Overseas[2)]	tCO_2eq/ton of product	0.23	1.56	1.40	0.23	1.15	1.03	0.20	1.23	1.09

1) Based on market-based emissions. Total GHG emissions (Scope 1+2 combined) represent the sum of reported Scope 1 and Scope 2 emissions; minor discrepancies may occur compared to the totals in the GHG verification statement due to rounding
2) Following a change in the calculation methodology for overseas subsidiaries, the Global Warming Potential (GWP) from the IPCC Fifth Assessment Report (AR5) has been applied to 2025 emissions data. The 2023-2024 data retain the previous AR2 standard
3) CJ Bioscience, Inc. is excluded from the intensity calculation scope as it is a non-manufacturing entity
4) The BIO Business Unit applies a self-developed Tier 3 coal emission factor (2023: Jombang and Pasuruan sites in Indonesia; 2024: expanded to include the Shenyang site in China)
5) For the nine entities under Schwan's Company, 2025 direct emissions (Scope 1) were 137k tCO_2eq, and indirect emissions (Scope 2) were 160k tCO_2eq. As data is available only for this year, these figures are excluded from this table to maintain comparability of the three-year data set (verification expected by Q3 2026)

Greenhouse Gas – Scope 3

Data Coverage: Third-party verified entities (9)

Category		Unit	2023	2024	2025
Other indirect emissions (Scope 3)		thousand tCO_2eq	9,570	9,408	8,779
Upstream	Cat. 1 Purchased goods and services	thousand tCO_2eq	7,478	7,576	6,846
	Cat. 3 Fuel-and energy-related activities	thousand tCO_2eq	1,150	928	958
	Cat. 4 Upstream transportation and distribution	thousand tCO_2eq	325	349	358
	Cat. 5 Waste generated in operations	thousand tCO_2eq	29	22	18
Downstream	Cat. 9 Downstream transportation and distribution	thousand tCO_2eq	537	479	546
	Cat. 12 End-of-life treatment of sold products	thousand tCO_2eq	51	53	53

Environmental

Energy

Data Coverage: Third-party verified entities (31)

Category	Unit	2023 Food	2023 BIO	2023 Total	2024 Food	2024 BIO	2024 Total	2025 Food	2025 BIO	2025 Total
Total energy consumption	TJ	10,675	38,574	49,249	10,896	33,211	44,108	10,730	33,629	44,359
Domestic	TJ	10,142	1	10,143	10,316	1	10,317	10,177	1	10,178
Overseas[1]	TJ	533	38,573	39,106	581	33,210	33,791	553	33,628	34,181
Non-renewable energy consumption	TJ	9,498	30,491	39,989	9,749	22,666	32,415	9,496	23,662	33,159
Domestic	TJ	8,968	1	8,969	9,173	1	9,174	8,948	1	8,949
Fuel	TJ	3,967	0	3,967	4,033	0	4,034	3,840	1	3,840
Electricity	TJ	4,907	1	4,908	5,035	0	5,035	4,996	0	4,997
Steam	TJ	94	0	94	104	0	104	112	0	112
Overseas[1]	TJ	530	30,490	31,020	576	22,665	23,241	548	23,661	24,210
Fuel	TJ	268	23,752	24,020	279	15,474	15,754	250	16,248	16,499
Electricity	TJ	262	5,255	5,517	297	4,440	4,737	298	4,623	4,920
Steam	TJ	0	1,483	1,483	0	2,751	2,751	0	2,791	2,791
Renewable energy consumption	TJ	1,177	8,083	9,261	1,147	10,546	11,693	1,234	9,967	11,200
Domestic	TJ	1,174	0	1,174	1,143	0	1,143	1,229	0	1,229
Fuel	TJ	0	0	0	0	0	0	0	0	0
Purchased electricity	TJ	0	0	0	2	0	2	20	0	20
Purchased steam[2]	TJ	1,129	0	1,129	1,106	0	1,106	1,178	0	1,178
Self-generated electricity	TJ	45	0	45	35	0	35	31	0	31
Overseas[1]	TJ	3	8,083	8,086	4	10,546	10,550	5	9,967	9,972
Fuel	TJ	0	6,523	6,523	0	8,266	8,266	0	7,659	7,659
Purchased electricity	TJ	0	1,561	1,561	0	2,280	2,280	0	2,308	2,308
Purchased steam	TJ	0	0	0	0	0	0	0	0	0
Self-generated electricity	TJ	3	0	3	4	0	4	5	0	5
Self-generated renewable energy consumption	TJ	48	0	48	39	0	39	36	0	36
Ratio of renewable energy consumption	%	11.0	21.0	18.8	10.5	31.8	26.5	11.5%	29.6%	25.2%
Energy consumption intensity	TJ/ton of product	0.0041	0.0215	0.0112	0.0039	0.0191	0.0097	0.0040	0.0197	0.0101
Domestic[3]	TJ/ton of product	0.0043	-	0.0043	0.0041	-	0.0041	0.0042	-	0.0042
Overseas[1]	TJ/ton of product	0.0022	0.0215	0.0192	0.0023	0.0191	0.0170	0.0020	0.0197	0.0173

1) The data for the past three years has been recalculated following a change in the unit conversion factor for electricity used by overseas entities (from 9.6 MJ/kWh to 3.6 MJ/kWh). The 2025 data has undergone third-party verification under the revised standard, while 2023-2024 data has been recalculated using the new standard without separate re-verification
2) In Korea, waste incineration energy is classified as renewable energy in accordance with the Guidelines for Reporting and Certification under the Emissions Trading Scheme
3) CJ Bioscience, Inc. is excluded from the intensity calculation scope as it is a non-manufacturing entity

Environmental

Water Resources

Data Coverage: Domestic and overseas entities

Category			Unit	2023	2024	2025
Withdrawal	Total water withdrawal		thousand tons	50,982	51,112	50,992
		Domestic	thousand tons	6,212	6,654	6,833
		Overseas	thousand tons	44,770	44,458	44,159
	Municipal water		thousand tons	19,949	19,703	20,500
		Domestic	thousand tons	6,207	6,651	6,830
		Overseas	thousand tons	13,743	13,053	13,670
	Groundwater		thousand tons	8,395	7,428	7,441
		Domestic	thousand tons	6	3	2
		Overseas	thousand tons	8,390	7,424	7,439
	Other		thousand tons	22,638	23,981	23,051
		Domestic	thousand tons	0	0	0
		Overseas	thousand tons	22,638	23,981	23,051
	Water withdrawal intensity		tons/ton of product	11.6	11.3	11.6
		Domestic	tons/ton of product	2.6	2.6	2.8
		Overseas	tons/ton of product	22.0	22.3	22.4
Discharge	Total water discharge		thousand tons	40,966	41,282	40,801
		Domestic	thousand tons	4,492	5,156	5,217
		Overseas	thousand tons	36,474	36,126	35,584
	Discharge intensity		tons/ton of product	9.3	9.1	9.3
		Domestic	tons/ton of product	1.9	2.0	2.1
		Overseas	tons/ton of product	17.9	18.2	18.0
Consumption	Total water consumption[1]		thousand tons	10,016	9,830	10,192
		Domestic	thousand tons	1,721	1,498	1,616
		Overseas	thousand tons	8,296	8,332	8,575
Recycled/ Reused	Total recycled/reused water		thousand tons	7,377	7,174	7,749
		Domestic	thousand tons	715	677	884
		Overseas	thousand tons	6,662	6,497	6,865
	Water recycling/reuse rate[2]		%	12.6	12.3	13.2
		Domestic	%	10.3	9.2	11.5
		Overseas	%	13.0	12.7	13.5

1) Total water consumption = Water withdrawal – Water discharge
2) Water recycling/reuse rate = Recycled or reused water / (Recycled or reused water + Water withdrawal)

2025 Water Use by CJ CheilJedang (Standalone) Business Site

Data Coverage: CJ CheilJedang (standalone

Category	Unit	Municipal Water Use[1,2]
Incheon Plant 1	thousand tons	783
Incheon Plant 2	thousand tons	395
Incheon Plant 3	thousand tons	46
Yeongdeungpo Plant	thousand tons	40
Yangsan Plant	thousand tons	38
Busan Plant	thousand tons	1,530
Jincheon Plant	thousand tons	852
Jincheon Plant 3	thousand tons	0
Nonsan Plant	thousand tons	258
Nonsan Plant 3	thousand tons	0
Gongju Plant	thousand tons	89
Incheon Frozen Plant	thousand tons	327
Namwon Plant	thousand tons	160
Jincheon Blossom Campus	thousand tons	1,647
Ansan Plant	thousand tons	1,487

1) Total Water Use = Water withdrawal + Water recycled
No water use from sources other than municipal water

Environmental

Waste

Data Coverage: Domestic and overseas manufacturing entities

Category	Unit	2023	2024	2025
Total waste generated	tons	355,614	298,563	293,584
Domestic	tons	70,041	69,169	64,451
Overseas	tons	285,572	229,394	229,133
General waste	tons	300,163	264,243	260,404
Domestic	tons	69,768	68,908	64,238
Overseas	tons	230,396	195,335	196,166
Recycling	tons	293,996	240,683	244,852
Domestic[1]	tons	69,550	64,399	61,487
Overseas	tons	224,446	176,284	183,365
Incineration with energy recovery	tons	1,443	4,004	1,421
Overseas	tons	1,443	4,004	1,421
Incineration without energy recovery	tons	416	5,846	3,011
Domestic	tons	191	4,472	2,725
Overseas	tons	225	1,374	286
Landfill	tons	4,308	13,709	11,120
Domestic	tons	27	37	25
Overseas	tons	4,281	13,672	11,095
Other	tons	0	2	0
Domestic	tons	0	0	0
Overseas	tons	0	2	0

Data Coverage: Domestic and overseas manufacturing entities

Category	Unit	2023	2024	2025
Designated waste	tons	55,450	34,320	33,180
Domestic	tons	274	261	213
Overseas	tons	55,177	34,059	32,967
Recycling	tons	53,757	33,375	32,861
Domestic[1]	tons	262	217	187
Overseas	tons	53,494	33,157	32,674
Incineration with energy recovery	tons	2	26	35
Overseas	tons	2	26	35
Incineration without energy recovery	tons	1,188	489	234
Domestic	tons	3	38	26
Overseas	tons	1,185	450	208
Landfill	tons	496	421	47
Domestic	tons	8	5	0
Overseas	tons	488	416	47
Other	tons	7	10	3
Domestic	tons	0	0	0
Overseas	tons	7	10	3
Waste generation intensity	tons/ton of product	0.08	0.07	0.07
Domestic	tons/ton of product	0.03	0.03	0.03
Overseas	tons/ton of product	0.14	0.12	0.12
Waste recycling rate	%	97.8	91.8	94.6
General waste recycling rate	%	97.9	91.1	94.0
Designated waste recycling rate	%	96.9	97.2	99.0

1) In compliance with the classification standards for waste treatment methods under Korea's Waste Management Act, incineration with energy recovery in Korea is classified as recycling

Environmental

Pollutants

Data Coverage: Domestic and overseas manufacturing entities

Category		Unit	2023	2024	2025
Water pollutant emissions	Biochemical Oxygen Demand (BOD)	tons	1,520	1,828	1,629
	Domestic	tons	712	919	743
	Overseas	tons	808	909	886
	Chemical Oxygen Demand (COD)	tons	2,562	2,851	2,907
	Overseas	tons	2,562	2,851	2,907
	Total Organic Carbon (TOC)	tons	440	553	450
	Domestic	tons	440	553	450
	Suspended Solids (SS)	tons	870	1,063	728
	Domestic	tons	196	265	168
	Overseas	tons	674	799	560
Air pollutant emissions	Nitrogen Oxides (NOx)	tons	622	795	945
	Domestic	tons	79	65	66
	Overseas	tons	543	731	879
	Sulfur Oxides (SOx)	tons	1,145	747	676
	Domestic	tons	7	2	1
	Overseas	tons	1,138	745	674
	Particulate Matter (PM)	tons	1,131	890	1,037
	Domestic	tons	20	21	21
	Overseas	tons	1,111	869	1,016

Environmental Management

Data Coverage: CJ CheilJedang (standalone)

Category		Unit	2023	2024	2025
Purchases with environmental certifications	Purchases of raw materials with environmental certifications[1]	KRW million	71,391	70,562	66,186
	Purchases of equipment/consumables with environmental certifications	KRW million	24	36	22
Environmental investments	Infrastructure investments	KRW million	3,406	11,301	11,113
	Number of environmentally certified products[2]	products	5	5	5
	Total sales of environmentally certified products[2]	KRW million	221,835	204,300	187,017

1) Including certifications for organic agricultural products, organic processed foods, and Good Recycled (GR) certification
2) Including products certified with Environmental Product Declaration (EPD)

Environmental Certifications and Regulations

Data Coverage: Domestic and overseas manufacturing entities

Category		Unit	2023	2024	2025
Number of sites with environmental certifications	Number of ISO 14001-certified sites	sites	6	8	9
	Number of sites certified/audited/verified by a third party	sites	21	22	23
	Number of sites certified/audited/verified by internal experts	sites	33	33	35
Violations of environmental laws and regulations[1]	Number of environmental violations	cases	0	0	0
	Fines for environmental violations	KRW million	0	0	0
	Environmental liabilities	KRW million	0	0	0

1) Limited to cases of USD 10,000 or more

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Food Packaging

Data Coverage: Domestic and overseas food manufacturing entities[1]

Category		Unit	2023	2024	2025
Total packaging material use		tons	122,038	141,186	130,580
	Plastic	tons	38,352	38,949	37,425
	Metal cans	tons	12,766	12,557	11,206
	Glass bottles	tons	8,178	8,820	7,858
	Paper[2]	tons	62,743	80,859	74,091

Data Coverage: Domestic food manufacturing entities[3]

Category		Unit	2023	2024	2025
Renewable raw material use		tons	55,824	72,377	65,906
	Plastic	tons	38	53	65
	Paper[4]	tons	55,786	72,324	65,841
	Other	tons	0	0	0
	Renewable raw material use ratio	%	45.7	51.3	50.5
Recycled raw material use		tons	58,554	75,489	69,170
	Plastic	tons	2,768	3,165	3,329
	Paper[4]	tons	55,786	72,324	65,841
	Recycled raw material use ratio	%	48.0	53.5	53.0

1) 4 domestic entities, 11 overseas entities
2) Including tertiary packaging materials, such as outer boxes used for distribution and transportation
3) 4 domestic entities
4) Paper materials are counted as both renewable and recycled materials

Food Loss and Waste

Coverage: Three domestic food manufacturing entities[1]

Category		Unit	2023	2024	2025
Total food loss and waste generated[1]		tons	6,777	7,797	7,484
	Amount donated before disposal	tons	3,184	3,834	3,767
	Amount disposed	tons	3,593	3,963	3,717
Food loss and waste ratio[2]		%	0.29	0.31	0.31

1) CJ CheilJedang (standalone), CJ Seafood, and Samhae
2) Food loss and waste ratio = finished product food loss and waste generated / food production volume

Social

Employees

Data Coverage: Domestic and overseas entities

Category		Unit	2023			2024			2025		
			Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of employees[1]		persons	13,369	7,706	21,075	13,250	7,393	20,643	13,157	7,296	20,453
By employment type	Non-fixed-term employees	persons	11,937	6,564	18,501	11,935	6,418	18,353	11,842	6,401	18,243
	Fixed-term employees (excluding daily workers)[2]	persons	1,323	1,110	2,433	1,226	949	2,175	1,215	868	2,083
	Executives (excluding independent directors and auditors)	persons	109	32	141	89	26	115	100	27	127
By age	Under 30 years old	persons	3,010	1,477	4,487	2,877	1,364	4,241	2,536	1,273	3,809
	30 to 50 years old	persons	9,065	4,556	13,621	9,072	4,358	13,430	9,331	4,488	13,819
	Over 50 years old	persons	1,294	1,673	2,967	1,301	1,671	2,972	1,290	1,535	2,825
By job level	Executives (excluding independent directors and auditors)	persons	109	32	141	89	26	115	100	27	127
	Senior managers	persons	1,193	261	1,454	1,160	249	1,409	1,161	251	1,412
	Junior managers	persons	1,819	897	2,716	1,834	912	2,746	1,862	1,080	2,942
	Staff	persons	10,248	6,516	16,764	10,167	6,206	16,373	10,034	5,938	15,972

1) As of year end
2) Excluding dispatched workers
3) Non-payroll workers at CJ CheilJedang (standalone): As of 2025, the total was 44,099, comprising contractor and subcontractor employees, as well as service personnel in cleaning, security, food service, and IT

Employees – 2025 CJ CheilJedang (standalone) by Nationality

Data Coverage: CJ CheilJedang (standalone)

Category	Unit	Korea	U.S.	China	Taiwan	Vietnam	Russia	U.K.	Other[1]	Total
Number of employees by nationality	Persons	8,151	19	11	11	6	4	2	10	8,214

1) Ten countries, including Thailand, Singapore, Uzbekistan, France, Austria, Croatia, and Mexico

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Diversity

Data Coverage: Domestic and overseas entities

Category		Unit	2023	2024	2025
Percentage of female employees		%	37	36	36
By employment type	Executives	%	23	23	21
	Senior managers	%	18	18	18
	Junior managers	%	33	33	37
	Staff	%	39	38	37

Data Coverage: Domestic entities

Category		Unit	2023	2024	2025
By job function	Employees in revenue-generating departments	%	42	41	40
	Employees in non-revenue-generating departments	%	39	40	40
	Employees in STEM departments	%	48	50	49
Number of employees with disabilities		persons	151	150	159

Hires

Data Coverage: Domestic and overseas entities

Category			Unit	2023	2024	2025
Total new hire rate			%	11	10	11
Composition	By gender	Male	%	58	59	56
		Female	%	42	41	44
	By age	Under 30 years old	%	45	50	43
		30 to 50 years old	%	47	43	49
		Over 50 years old	%	8	6	8
Total internal hire rate[1]			%	80	92	86

1) Including internal transfers within CJ CheilJedang (standalone) and transfers between CJ Group affiliates. Data coverage is limited to CJ CheilJedang (standalone)

Training

Data Coverage: Domestic entities

Category		Unit	2023	2024	2025
Total training hours		hours	428,125	374,903	364,673
By gender	Male	hours	205,988	162,872	174,548
	Female	hours	222,137	212,031	190,125
By age	Under 30 years old	hours	161,736	104,540	80,360
	30 to 50 years old	hours	207,577	190,317	210,183
	Over 50 years old	hours	58,811	80,045	74,130
Training hours per employee		hours/person	36.9	33.4	33.8
Training cost per employee		KRW million/person	1.2	1.1	1.3

Turnover[1)]

Data Coverage: Domestic and overseas entities

Category			Unit	2023	2024	2025
Total employee turnover rate			%	17	16	15
Composition	By gender	Male	%	52	56	56
		Female	%	48	44	44
	By age	Under 30 years old	%	35	32	27
		30 to 50 years old	%	48	51	52
		Over 50 years old	%	17	16	21
Total voluntary turnover rate[2)]			%	13	12	11
Composition	By gender	Male	%	53	57	56
		Female	%	47	43	44
	By age	Under 30 years old	%	40	38	34
		30 to 50 years old	%	50	52	56
		Over 50 years old	%	10	9	10

1) Including employees with fixed-term contracts and transfers to affiliates
2) Cases in which employees leave voluntarily, excluding retirements, dismissals, deaths, mergers, and similar reasons

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Performance Evaluation

Data Coverage: Domestic entities

Category	Unit	2023	2024	2025
Percentage of employees who received Management by Objectives (MBO) evaluations	%	88	89	93
Percentage of employees who received multi-rater evaluations	%	70	72	76
Percentage of employees who received relative performance evaluations	%	81	83	89

Compensation

Data Coverage: CJ CheilJedang (standalone)

Category	Unit	2023	2024	2025
Employee wages and benefits	KRW 100 million	8,151	8,853	8,520
Average total compensation of all employees	KRW million	74	80	84
Total compensation of the highest-paid individual	KRW million	3,550	8,171	6,704
Growth rate of average employee compensation	%	-1	9	4
Growth rate of compensation of the highest-paid individual	%	-50	130	-18
Ratio of the highest-paid individual's compensation to average employee compensation	times	48	102	80
Ratio of the growth rate of the highest-paid individual's compensation to the growth rate of average employee compensation	times	85	14	-5
Women's pay level relative to men	%	87.2	86.2	83.4

1) CJ CheilJedang (standalone) specifies wage calculation methods, payment procedures, and payment dates for employees in its Rules of Employment, which also define wage and welfare benefit systems

Parental Leave

Data Coverage: Domestic entities

Category	Unit	2023			2024			2025		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees who took parental leave[1]	Persons	53	142	195	68	195	263	109	213	322
Number of employees who returned from parental leave	Persons	33	127	160	64	129	193	66	185	251
Number of employees eligible to return from parental leave	Persons	35	144	179	72	140	212	70	197	267
Number of employees who remained employed for more than one year after returning from parental leave	Persons	16	93	109	29	116	145	54	115	169
Return-to-work rate after parental leave[2]	%	94	88	89	89	92	91	94	94	94
Retention rate after parental leave[3]	%	64	72	70	88	91	91	84	89	88

1) Five entities, including CJ CheilJedang (standalone), introduced the Parental Leave Plus program in 2024, which provides one additional year of leave beyond statutory parental leave, and expanded eligibility to employees with children aged 12 or younger or in grade 6 of elementary school or below
2) Return-to-work rate after parental leave = Number of employees who returned from parental leave / Number of employees who took parental leave in the previous year × 100
3) Retention rate after parental leave = Number of employees who remained employed for more than one year after returning from parental leave / Number of employees who returned from parental leave in the previous year × 100

Human Rights

Data Coverage: CJ CheilJedang (standalone)

Category		Unit	2023	2024	2025
Reports on human rights-related issues[1]	Number of reports	cases	12	32	20
	Number of valid and resolved reports	cases	10	32	19

1) The increase in the number of reports in 2024 was attributed to greater reporting activity following awareness-raising activities for the company's reporting channel

Health and Safety

Data Coverage: Domestic and overseas entities[1]

Category			Unit	2023	2024	2025
Employees	Occupational accidents	Lost Time Injury Frequency Rate (LTIFR)[2]	cases/million hours worked	1.45	1.63	1.78
		Number of lost-time injuries[3]	cases	64	70	75
		Number of fatalities	cases	0	0	0
	Serious accidents	Number of serious accidents[4]	cases	0	0	0
Contractors/ Subcontractors[5]	Occupational accidents	Lost Time Injury Frequency Rate (LTIFR)[2]	cases/million hours worked	0.28	0.26	0.24
		Number of lost-time injuries[3]	cases	24	26	25
		Number of fatalities	cases	2	1	0
	Serious accidents	Number of serious accidents[4]	cases	0	0	0
Occupational health and safety management system certification (ISO 45001, KOSHA MS)	Number of certified manufacturing sites		sites	19	20	22
	Number of manufacturing sites		sites	51	51	52
	Certification rate for occupational health and safety management systems		%	37	39	42

1) Data covers 30 entities, including CJ CheilJedang (standalone)
2) Lost Time Injury Frequency Rate (LTIFR): Number of lost-time injuries × 1,000,000 / Total hours worked
3) Including work-related fatalities or injuries requiring at least 3 days of absence
4) Number of serious accidents as defined under Korea's Occupational Safety and Health Act
5) Data for the past three years have been recalculated by expanding the scope of contractors to include subcontractors, such as construction contractors
6) Primary injury types include slips, trips and falls, cuts, and collisions; other types include caught-in/between incidents and contact with objects of extreme-temperature

Social

Community

Data Coverage: CJ CheilJedang (standalone)

Category		Unit	2023	2024	2025
Donations[1]		KRW 100 million	192	165	202
Volunteer activities	Hours of participation	hours	30,070	27,334	19,965
	Number of participants	persons	4,087	3,487	2,522
	Hours of participation per employee	hours/persons	7	8	8
	Volunteer participation rate	%	47	42	31
	Number of beneficiaries	persons	36,095	47,271	47,136
Donations and other contributions	Lobbying interest groups[2]	KRW million	0	0	0
	Political campaigns	KRW million	0	0	0
	Industry associations	KRW million	1,145	1,204	1,170
Expenditures to key industry associations	The Federation of Korean Industries	KRW million	440	440	440
	Seoul Chamber of Commerce and Industry	KRW million	157	157	157
	Korea Enterprises Federation	KRW million	80	85	86

1) CJ CheilJedang adheres to the principle of making donations solely for charitable purposes, without pursuing any improper business or personal interests. All donations follow the company's ethics policies, including the CJ Code of Business Conduct, and are subject to an approval process based on the donation amount
2) CJ CheilJedang strictly complies with Article 31 (Restrictions on Donations) of Korea's Political Funds Act, which prohibits donations by corporations and organizations. We do not provide political funds, election campaign contributions, or lobbying funds to specific political organizations or parties that could directly influence policymaking. CJ CheilJedang also does not join or participate in associations whose activities run counter to the Paris Agreement, and there were no climate-related lobbying activities by relevant associations

Customer Satisfaction

Data Coverage: CJ CheilJedang (standalone)

Category		Unit	2023	2024	2025
Customer satisfaction score		points	93.1	93.6	96.8
VOC submissions[1]	Inquiries	cases	61,557	59,597	65,609
	Complaints	cases	39,917	44,721	45,092
	Suggestions	cases	501	612	1,738
	Compliments	cases	47	91	882
VOC improvement action completion rate		%	79	91	95

1) The number of VOC submissions increased in 2025 due to enhanced VOC collection activities

Sustainable Raw Materials

Data Coverage: CJ CheilJedang (standalone)

Category	Unit	2025
Raw wheat (ISCC+[1])	tons	141,096
Sugar (Organic)	tons	27
Soybeans (SSAP[2])	tons	265,949
Palm oil (RSPO[3])	tons	2,296
Rice (Organic)	tons	106
Animal welfare-certified eggs	eggs	50,892,870
Wild-caught seafood (MSC[4])	tons	217

1) ISCC+: International Sustainability and Carbon Certification
2) SSAP: Soy Sustainability Assurance Protocol
3) RSPO: Roundtable on Sustainable Palm Oil
4) MSC: Marine Stewardship Council

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Corporate Governance

Board of Directors and Audit Bodies

Data Coverage: CJ CheilJedang (standalone)

Category			Unit	2023	2024	2025
Composition	Board composition	Executive directors	persons	3	2	3
		Independent directors	persons	3	4	4
		Board members	persons	6	6	7
	Percentage of female directors on the Board	Female directors	persons	1	0	1
		Board members	persons	6	6	7
		Percentage of female directors	%	17	0	14
	Percentage of independent directors on the Board	Independent directors	persons	3	4	4
		Board members	persons	6	6	7
		Percentage of independent directors	%	50	67	57
	Percentage of independent directors on the Audit Committee	Independent directors	persons	3	4	4
		Committee members	persons	3	4	4
		Percentage of independent directors	%	100	100	100
Operation	Number of meetings held	Board of directors	times	12	9	9
		Audit Committee	times	7	7	8
	Number of agenda items	Agenda items presented to the Board of directors	cases	36	32	32
		Objections or amendments by independent directors	cases	0	0	0
	Attendance rate of executive directors	Board of Directors	%	100	96	92
	Attendance rate of independent directors	Board of Directors	%	98	100	97
		Audit Committee	%	100	100	98
		Independent Director Candidate Recommendation Committee	%	100	100	100
		Compensation Committee	%	100	100	100
Compensation	Compensation of registered directors	Executive directors	KRW million	5,301	15,480	10,748
		Independent directors	KRW million	271	323	355
	External auditor compensation	Ratio of non-audit service fees to audit service fees	%	11	36	38

Shareholders

Data Coverage: CJ CheilJedang (standalone)

Category		Unit	2023	2024	2025
Ownership ratio	Largest shareholder and related parties	%	45.5	45.5	45.5
	Registered executives excluding the largest shareholder and relatives	%	0	0	0
Cash dividend payout ratio[1]		%	47.2	147.6	-

1) Recalculated based on profit for the year on separate financial statements, excluding non-recurring gains and losses. The 2025 cash dividend payout ratio is omitted as it is a negative value

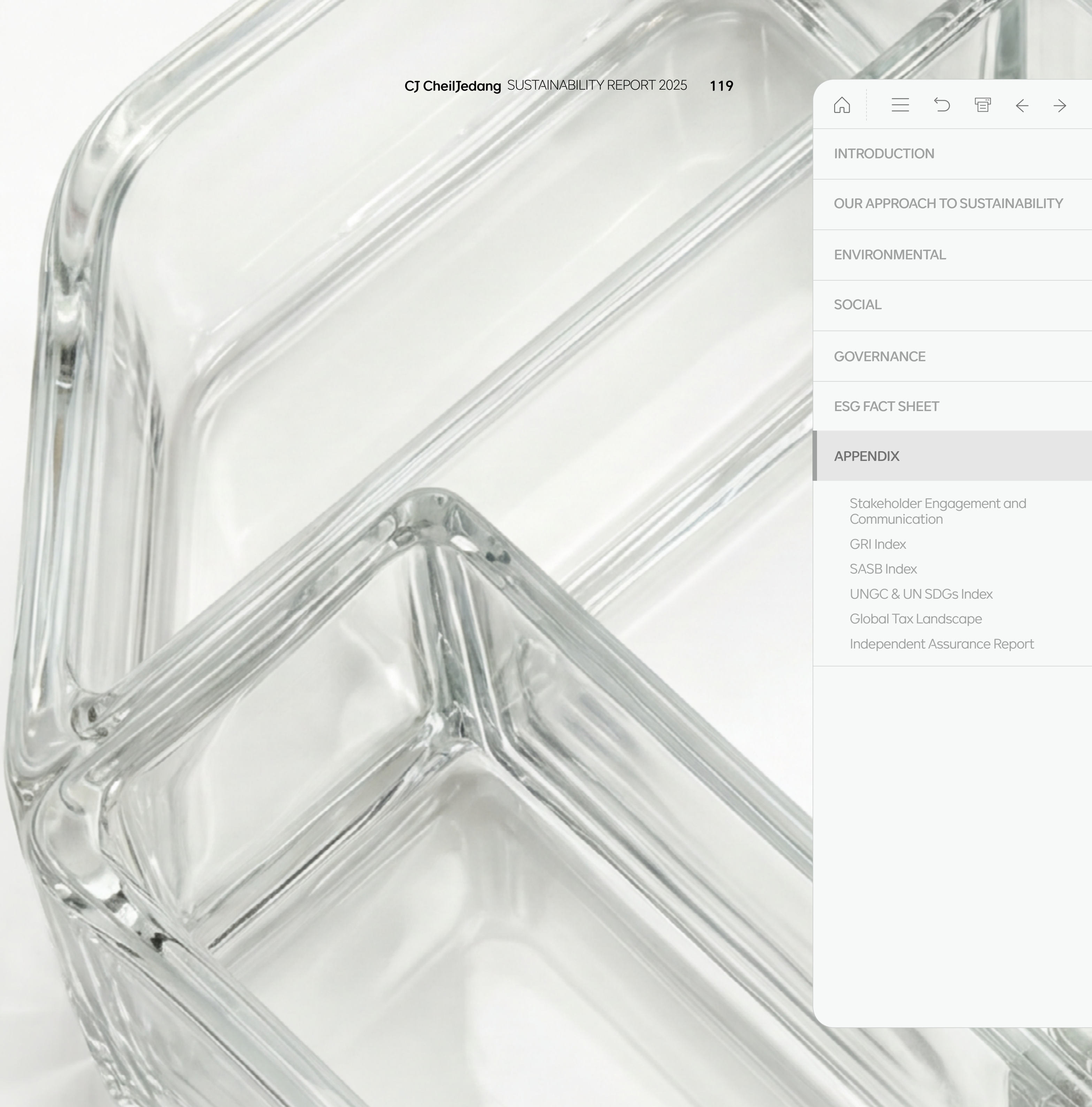
Ethics and Compliance Management

Data Coverage: CJ CheilJedang (standalone)

Category		Unit	2023	2024	2025
Legal or regulatory violations[1]	Total number of violations	cases	2	3	5
	Fair competition[2]	cases	0	0	2
	Anti-corruption	cases	0	0	0
	Marketing and labeling	cases	0	0	0
	Information security	cases	0	0	0
	Other	cases	2	3	3
Reports related to ethics management[3]	Total number of reports	cases	64	99	106
	Number of valid and resolved reports	cases	59	97	98
Ethics and compliance training	Training hours	hours	24,595	24,049	29,826
	Number of participants	persons	8,949	8,851	8,668

1) Based on the "Matters Related to Sanctions, etc." section of the Business Report. "Other" includes cases related to the Food Sanitation Act and the Nuclear Safety Act
2) Including cases related to unfair subcontracting practices reviewed by the Korea Fair Trade Commission and violations of the Act on the Promotion of Mutually Beneficial Cooperation between Large Enterprises and Small and Medium Enterprises reviewed by the Ministry of SMEs and Startups
3) The increase in the number of reports in 2024 was attributed to greater reporting activity following awareness-raising activities for the company's reporting channels

APPENDIX



Stakeholder Engagement and Communication

CJ CheilJedang actively engages with all stakeholders, including customers, shareholders, investors, employees, and suppliers. We maintain diverse communication channels to listen to stakeholder feedback and provide transparent disclosure regarding the impact of our business activities on society.

Stakeholders	Customers	Shareholders/ Investors	Employees	Suppliers/ Partners	Government, Academia, and Local Communities	Media	International Organizations and NGO Initiatives
Key Areas of Interest	• Product development aligned with customer needs • Product/service quality improvement • Transparent and seamless communication	• Transparent disclosure • Shareholder value and economic performance	• Talent acquisition and development • Fair performance evaluation • Diversity and inclusion • Work-Life balance • Organizational culture and employee relations	• Shared growth • Industrial ecosystem support • Fair supplier selection and transactions • Strengthened communication	• Fulfillment of legal and social responsibilities • Job creation • Tax payment • Industry-academic cooperation and technological development • Social contribution and development	• Transparent and timely information disclosure	• CJ CheilJedang ESG strategy and goals/progress • Expansion of responsibility across the supply chain • Transition to sustainable business models • ESG risk management linked to financial value
Communication Channels	• CJ CheilJedang official website • CJ CheilJedang social media • Customer Happiness Center • Customer satisfaction survey	• General Meeting of Shareholders • Disclosure of corporate governance reports • Sustainability Report publication	• Recruitment fairs • Self-directed performance management system (PMDS+) • Multi-dimensional feedback • Channel CJ, Channel Blossom	• CJ Shared Growth Portal • CJ Partners Club • Mutual Cooperation Foundation for Food Safety • Supplier meetings • Win-win VOC	• Policy forums and seminars • Public hearings/advisory meetings • Joint research with academic/external institutions • Social contribution partnerships (e.g., Community Chest of Korea, Korea National Council on Social Welfare) • CJ Welfare Foundation / CJ Cultural Foundation/ CJ Donorscamp	• Press releases • CJ CheilJedang official website • CJ CheilJedang social media	• UN Global Compact (UNGC WEPs[1], UNGC TGE[2], UNGC CAA[3], Participation in the UN Call to Action to Eliminate Child Labor) • BNBP (Business for Nature Biodiversity Platform, Biz N Biodiversity Platform)

1) UNGC WEPs : Women's Empowerment Principles
2) UNGC TGE : Target Gender Equality Accelerator
3) UNGC CAA : Climate Ambition Accelerator

GRI Index

Statement of Use	CJ CheilJedang has reported in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

Category	Indicator		Reporting Page	Remarks
GRI 2: General Disclosures 2021				
The organization and its reporting practices	2-1	Organizational details	5-6	
	2-2	Entities included in the organization's sustainability reporting	2, 107	
	2-3	Reporting period, frequency, and contact point	2	
	2-4	Restatements of information	2, 107	
	2-5	External assurance	128-129	
Activities and workers	2-6	Activities, value chain and other business relationships	5-6, 16-18, 40-41, 60, 70	
	2-7	Employees	114	
	2-8	Workers who are not employees	114	
Governance	2-9	Governance structure and composition	97-99	
	2-10	Nomination and selection of the highest governance body	97-99	
	2-11	Chair of the highest governance body	97	
	2-12	Role of the highest governance body in overseeing the management of impacts	8, 13-14, 98	
	2-13	Delegation of responsibility for managing impacts	8, 14	
	2-14	Role of the highest governance body in sustainability reporting	8, 13-14, 37-38, 59, 67-68, 97-98	
	2-15	Conflicts of interest	98-99	
	2-16	Communication of critical concerns	10, 98	
	2-17	Collective knowledge of the highest governance body	99	
	2-18	Evaluation of the performance of the highest governance body	99	
	2-19	Remuneration policies	68, 99, 102	
	2-20	Process to determine remuneration	99	
	2-21	Annual total compensation ratio	116	The figures are disclosed as averages based on management judgment.
Strategy, policies and practices	2-22	Statement on sustainable development strategy	4	
	2-23	Policy commitments	13, 41, 50, 55, 59, 71, 73, 79, 91, 102, 127	
	2-24	Embedding policy commitments	24-27, 41-47, 70-73, 79-82, 92-93, 102-105	
	2-25	Processes to remediate negative impacts	65-66, 72, 78, 86	
	2-26	Mechanisms for seeking advice and raising concerns	65-66, 72, 78, 86	
	2-27	Compliance with laws and regulations	112, 118	
	2-28	Membership associations	117, 120	
Stakeholder engagement	2-29	Approach to stakeholder engagement	10-11, 120	
	2-30	Collective bargaining agreements	65	

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GRI Index

Category	Indicator		Reporting Page	Remarks
Material Topics				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	10	
	3-2	List of material topics	10-11	
Climate Change				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 13-36	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	15, 19-36	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	109	
	302-3	Energy intensity	109	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	33, 108	
	305-2	Energy indirect (Scope 2) GHG emissions	33, 108	
	305-3	Other indirect (Scope 3) GHG emissions	33, 108	
	305-4	GHG emissions intensity	108	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	112	
Circular Economy				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 37-49	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	42, 113, 117	
	301-2	Recycled input materials used	42, 113	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	41	
	306-2	Management of significant waste-related impacts	44-49	
	306-3	Waste generated	111	
	306-4	Waste diverted from disposal	45, 47, 111	
	306-5	Waste directed to disposal	45, 111	
Organization-specific disclosure	Food loss and waste		46, 113	
Talent Management				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 59-66	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	63	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	115	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	64	
	401-3	Parental Leave	116	
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	82	
GRI 404: Training and Education 2016	404-1	Average hours of training per employee	66, 115	
	404-2	Programs for upgrading employee skills and transition assistance programs	62	Environmental training hours: 1,510[1]
Supply Chain				
GRI 3: Material Topics 2021	3-3	Management of material topics	11, 67-75	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	42, 112, 117	
GRI 308: Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	71-75	
GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	80	
GRI 414: Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	71-75	

1) Year-on-year increase due to the statutory training cycle and the expanded scope of employees included in the training count

GRI Index

Category	Indicator	Reporting Page	Remarks
GRI 101: Biodiversity 2024			
101-1	Policies to halt and reverse biodiversity loss	50	
101-2	Management of biodiversity impacts	50-54	
101-4	Identification of biodiversity impacts	52	
101-5	Locations with biodiversity impacts	51	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	5-6	
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	102-105	
GRI 207: Tax 2019			
207-1	Approach to tax	127	
207-4	Country-by-country reporting	127	
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	55-56	
303-2	Management of water discharge-related impacts	57	
303-3	Water withdrawal	110	
303-4	Water discharge	110	
305-5	Water consumption	110	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	79	
403-2	Hazard identification, risk assessment, and incident investigation	79-81	
403-3	Occupational health services	82	
403-4	Worker participation, consultation, and communication on occupational health and safety	79	
403-5	Worker training on occupational health and safety	82	
403-8	Workers covered by an occupational health and safety management system	82	
403-9	Work-related injuries	116	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	97, 114-115	
405-2	Ratio of basic salary and remuneration of women to men	116	
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	84-85, 124	
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	87-88	
417-2	Incidents of non-compliance concerning product and service information and labeling	118	
417-3	Incidents of non-compliance concerning marketing communications	118	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	93	

SASB Index

MULTIPLE SECTORS

TOPIC	CODE	METRIC	Report Content	Remarks
Energy Management	FB-PF-130a.1 RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, and (4) total self-generated energy	(1), (3), (4) p. 109 (2) 99.71%	
	FB-PF-140a.1 RT-CH-140a.1	(1) Total water withdrawn, (2) total water consumed; (3) percentage of each in regions with High or Extremely High Baseline Water Stress	p. 55	
Water Management	FB-PF-140a.2 RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	p. 112	
	FB-PF-140a.3 RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	p. 55-56	

PROCESSED FOODS

TOPIC	CODE	METRIC	Report Content	Remarks
Food Safety	FB-PF-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rates and (2) associated corrective action rates for (a) major and (b) minor non-conformances	(1) 0.02 (2) 100%	
	FB-PF-250a.2	Percentage of food ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Not disclosed	
	FB-PF-250a.3	(1) Total number of notices of food safety violation received, (2) percentage corrected	(1) 4 (2) 100%	
	FB-PF-250a.4	(1) Number of recalls issued and (2) total amount of food products recalled	(1) 1 (2) 25tons	Korea only
Health & Nutrition	FB-PF-260a.1	Revenue from products labeled and/or marketed to promote health and nutrition attributes	Not measurable	
	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	p. 87-88	
Product Labeling & Marketing	FB-PF-270a.1	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	Not measurable	
	FB-PF-270a.2	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	(1) Not disclosed (2) N/A	
	FB-PF-270a.3	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	p. 118	
	FB-PF-270a.4	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	Not disclosed	
Packaging Lifecycle Management	FB-PF-410a.1	(1) Total weight of packaging, (2) percentage made from recycled or renewable materials, and (3) percentage that is recyclable, reusable, or compostable	p. 49, 113	
	FB-PF-410a.2	Discussion of strategies to mitigate the environmental impact of packaging throughout its lifecycle	p. 39-47	
Environmental & Social Impacts of Ingredient Supply Chain	FB-PF-430a.1	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	p. 117	
	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	p. 72	
Ingredient Sourcing	FB-PF-440a.1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Not disclosed	
	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	p. 69	
Activity Metrics	FB-PF-000.A	Weight of products sold	4,954,148metric tons	36 manufacturing entities
	FB-PF-000.B	Number of production facilities	p. 5	

SASB Index

CHEMICALS

TOPIC	CODE	METRIC	Report Content	Remarks
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	p. 108, 15.8%	
	RT-CH-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	p. 19-24, 36	
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) VOCs, and (4) HAPs	p. 112	
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	p. 49, 111	
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	p. 94-95	
Workforce Health & Safety	RT-CH-320ap	(1) Total Recordable Incident Rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	p. 116	
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	p. 79-82	
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	Not disclosed	
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, and (2) percentage of such products that have undergone a hazard assessment	N/A	
	RT-CH 410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	p. 79-82	
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Not disclosed	
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	p. 15, 17, 25-27, 30, 39-41	
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	
	RT-CH-540a.2	Number of transportation incidents	N/A	
Activity Metrics	RT-CH-000.A	Production by reportable segment		Refer to the 2025 Annual Business Report

UNGC & UN SDGs Index

Implementation Status of the UNGC Ten Principles

Category	UNGC Principles	Section in Report
Human Rights	1. Support and respect the protection of internationally proclaimed human rights.	Human Rights
	2. Not complicit in human rights abuses.	Human Rights
Labour	3. Uphold the freedom of association and the effective recognition of the right to collective bargaining.	Talent Management
	4. Support the elimination of all forms of forced and compulsory labour.	Human Rights Supply Chain
	5. Support the effective abolition of child labour.	Human Rights Supply Chain
	6. Support the elimination of discrimination in respect of employment and occupation.	Human Rights Talent Management
Environment	7. Support a precautionary approach to environmental challenges.	Supply Chain Climate Change
	8. Undertake initiatives to promote greater environmental responsibility.	Climate Change
	9. Encourage the development and diffusion of environmentally friendly technologies.	Circular Economy
Anti-Corruption	10. Work against corruption in all its forms, including extortion and bribery.	Ethics and Compliance Management

UN SDG Alignment Status

Category	Section in Report
1 NO POVERTY	Health and Nutrition
2 ZERO HUNGER	Health and Nutrition
3 GOOD HEALTH AND WELL-BEING	Food Safety and Quality Health and Nutrition
5 GENDER EQUALITY	Talent Management
7 AFFORDABLE AND CLEAN ENERGY	Climate Change
8 DECENT WORK AND ECONOMIC GROWTH	Talent Management Human Rights
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Supply Chain

Category	Section in Report
10 REDUCED INEQUALITIES	Supply Chain
11 SUSTAINABLE CITIES AND COMMUNITIES	Circular Economy
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Circular Economy Supply Chain
13 CLIMATE ACTION	Climate Change
14 LIFE BELOW WATER	Water Resources Biodiversity
15 LIFE ON LAND	Biodiversity
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Human Rights

Global Tax Landscape

CJ CheilJedang has established and implements the "CJ CheilJedang Tax Policy," which reflects differences in tax laws and regulations across countries and business locations. We strictly comply with all applicable tax laws in every jurisdiction where we operate.
Information on subsidiaries by region is transparently disclosed to stakeholders in the following sections of the Annual Business Report: "III. Financial Information – 3. Notes to the Consolidated Financial Statements – 1. General Information – 1.2 Status of Subsidiaries" and "XII. Detailed Tables – 1. Status of Consolidated Subsidiaries (Details)."

Tax Policy

Tax Payments and Effective Tax Rate Overview

Category		Unit	2023	2024	2025
Including Logistics	Profit before tax	KRW 100 million	7,320	6,105	649
	Corporate income tax expense	KRW 100 million	1,725	2,487	2,374
	Effective tax rate	%	23.57	40.74	365.79
	Corporate income tax paid	KRW 100 million	2,327	1,973	2,760
	Tax payment rate	%	31.78	32.32	425.34
Excluding Logistics	Profit before tax	KRW 100 million	4,322	2,482	-2,662
	Corporate income tax expense	KRW 100 million	852	1,572	1,473
	Effective tax rate	%	19.71	63.34	-55.33
	Corporate income tax paid	KRW 100 million	1,688	1,086	1,957
	Tax payment rate	%	39.06	43.77	-73.52

Corporate Income Tax Paid by Country in 2025 (Excluding Logistics Operations)[1]

Category	Unit	Revenue[2]			Tangible assets	Profit (loss) before tax[4]	Corporate Income Tax Paid[5]	Corporate income tax expense[6]
		Unrelated parties	Related parties[3]	Total				
South Korea	KRW 100 million	69,980	21,083	91,063	47,046	-6,728	998	27
U.S.	KRW 100 million	55,687	3,703	59,390	38,964	2,730	403	481
China	KRW 100 million	11,173	5,555	16,728	8,436	662	280	216
Indonesia	KRW 100 million	6,416	9,523	15,939	16,516	-260	57	57
Vietnam	KRW 100 million	12,106	1,755	13,861	8,801	-180	15	70
Germany	KRW 100 million	11,437	1,172	12,609	7,362	853	156	208
Brazil	KRW 100 million	6,917	52	6,969	1,199	173	61	37
Malaysia	KRW 100 million	1,941	2,377	4,317	3,175	-778	-14	-109
Other	KRW 100 million	7,776	1,378	9,154	5,399	-351	1	107
Total	KRW 100 million	183,432	46,598	230,031	136,896	-3,879	1,957	1,094

1) Prepared based on separate financial statements
2) Aggregate revenue of individual entities within the consolidated group (excluding CJ Logistics affiliates)
3) Aggregate revenue from related parties of individual entities within the consolidated group (excluding CJ Logistics affiliates)
4) Aggregate profit (loss) before income tax of individual entities within the consolidated group (excluding CJ Logistics affiliates)
5) Aggregate corporate income tax paid by individual entities within the consolidated group (excluding CJ Logistics affiliates); corporate income tax payments are based on the tax expense recognized in the previous year.
6) Aggregate corporate income tax expense of individual entities within the consolidated group (excluding CJ Logistics affiliates)

※ Based on 2024 Country-by-Country Reporting (CbCR) data, the number of employees by country was as follows: South Korea: 11,635; U.S.: 9,289; China: 3,464; Indonesia: 6,181; Vietnam: 7,703; Brazil: 1,125; Germany: 219; Malaysia: 503; Other countries: 1,304.

Third-party Assurance Statement

Dear Management and Stakeholders of CJ CheilJedang

Introduction

Korean Standards Association ("KSA") was commissioned by CJ CheilJedang ("the Company") to perform a third-party Assurance Engagement of 'CJ CheilJedang Sustainability Report'("the Report"). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. The Company has sole responsibility for the content and performance contained in this Report.

Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of the Company apart from undertaking a third-party assurance on the Report. KSA has no other contract with the Company that may undermine credibility and integrity as an independent assurance agency.

Assurance Standards: AA1000AS v3

Assurance Level and Type: Moderate, Type2

Note: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.

Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of the Company during the reporting period. While the Company's environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

- in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
- in accordance with GRI Standards 2021
  (Topic Standards)
  302-1, 302-3, 303-3, 303-5, 305-1, 305-2, 305-3, 306-3, 306-4, 306-5, 308-2, 414-2
- Company-specific Indicator: Food Loss and Waste

Assurance Methodology

KSA used the following methods to gather information, documents, and evidence with respect to the assurance scope.

- Confirmation of stakeholder engagement and materiality assessment process by the sustainability expert.
- Verification of environmental information disclosure data and information by the environmental expert.
- Examination of internal documents and basic materials.

Assurance limitations

KSA assumed that the data and evidence provided by the Company were complete and sufficient. KSA provided limited assurance through data inquiry and analysis as well as limited sampling methods.

Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA was not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA presents our opinions of the 'CJ CheilJedang Sustainability Report' as follows.

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

- Has the Company engaged its stakeholders in strategically responding to sustainability?

KSA believes the Company is aware of the importance of stakeholder engagement and is making an all-out effort to establish a process that will increase their engagement. The Company has selected stakeholders including customers, shareholders and investors, employees, business partners, government, academia and local communities, the media, and international organizations and NGO initiatives and has communication channels for each group to receive diverse feedbacks and opinions.

Third-party Assurance Statement

Materiality

- Has the Company included material information in the Report to help stakeholders make informed decisions?

KSA is not aware of any significant omissions or exclusions of data that are material to stakeholders. KSA verified that the Company conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

Responsiveness

- Has the Company appropriately responded to stakeholder requirements and interest in this Report?

KSA verified that the Company responded to stakeholders' needs and interests by reflecting stakeholders' opinions in the Report. KSA is not aware of any evidence that the Company's response to significant issues of stakeholders was reported inappropriately.

Impact

- Has the Company appropriately monitored its impact on the stakeholders?

KSA verified that the Company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the Company appropriately publishes its findings in the Report.

Reliability and quality of specified performance

- Has the Company appropriately collected and disclosed specified performance information based on a reliable process?

The assurance provider performed a reliability assurance of the sustainability performance information on the subject of Type 2 assurance. To assure this information, interviews were conducted with relevant personnel, and it was determined that the performance information disclosed in the Report was collected and disclosed based on a reliable process and evidence. Additionally, no evidence was found indicating that specific sustainability information was inaccurately reported.

June 2026

KSA Chairman & CEO **Dong Min Moon**

AA1000
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CJ CHEILJEDANG