



# ABOUT THIS REPORT

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## INQUIRIES ABOUT THIS REPORT

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## OVERVIEW

This report is CJ Freshway’s fourth ESG publication, issued to transparently communicate our sustainability management activities and performance to our stakeholders annually. Based on a materiality assessment that incorporated input from both internal and external stakeholders, we identified key issues across the areas of Environment (E), Social (S), and Governance (G). These issues have been systematically aligned with our ESG strategies and performance, as presented throughout this report. We will continue to report on the progress and outcomes of our ESG initiatives and further strengthen trust-based engagement with our stakeholders.

## REPORTING PERIOD AND SCOPE

This report primarily covers the period from January 1 to December 31, 2024, with certain developments from the first half of 2025 also included. Its scope encompasses the activities and performance of our domestic operations, including logistics centers. To support year-over-year trend analysis, we have disclosed three years of quantitative data—from 2022 to 2024. In cases where the reporting scope differs or data has been revised, the reasons are specified in the corresponding footnotes.

## REPORTING STANDARDS

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, the global guideline for ESG reporting. For industry-specific disclosures, we have referred to the Sustainability Accounting Standards Board (SASB) standards for the Food & Beverage Sector: Food Retailers & Distributors. We also adhere to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Financial information is presented on a consolidated basis, and both reporting standards and definitions comply with the Korean International Financial Reporting Standards (K-IFRS).

## EXTERNAL ASSURANCE

The financial data presented in this report has been independently audited, while the non-financial data has been verified by DNV (Det Norske Veritas), a third-party assurance provider, to ensure objectivity and reliability. The assurance statement can be found in the appendix.



# ESG COMMITTEE CHAIR'S MESSAGE

To our respected stakeholders,

Let me begin by sincerely thanking our stakeholders—customers, partners, investors, local communities, and employees—for the trust and support you continue to place in us.

CJ Freshway has always been dedicated to fostering a safe and healthy food culture and building a sustainable distribution structure across the food service and food materials distribution industries, which play a vital role in daily life. Amid today's rapidly changing business environment, we feel a strong sense of responsibility to advance our sustainability management to achieve sustainable growth. In this context, it's especially meaningful for us to present this year's ESG report, which showcases the progress we've made.

This report provides a transparent overview of the values we uphold and the specific actions we have taken across the areas of Environment (E), Social (S), and Governance (G). In 2024, we focused on advancing ESG initiatives company-wide. As part of this effort, we conducted a systematic and in-depth analysis of opportunities and risks by business unit and translated our findings into clearly defined strategic initiatives, further strengthening our overall ESG framework. Each year, we go beyond financial performance to expand our positive impact on society and the environment through close collaboration with stakeholders.

In addition, we became the first food materials distributor in the industry to be designated as a "Seafood Safety Inspection Agency" by the National Fishery Products Quality Management Service and a "Certified Agricultural Product Testing Agency" by the Ministry of Agriculture, Food and Rural Affairs. These designations demonstrate our credibility in quality management and analytical capabilities.

We have also continued our efforts to cultivate a healthy organizational culture that promotes work-life balance and expands employment opportunities. By implementing maternity protection programs and fostering a family-friendly workplace environment, we have improved the overall quality of our working environment. These efforts were recognized with the prestigious Presidential Award for Excellence in Gender-Equal Employment.

Furthermore, we have been committed to strengthening the overall competitiveness of our industry and building a sustainable ecosystem in food materials distribution. We've expanded strategic partnerships with small and mid-sized suppliers and offered tailored business consulting to small business owners in the restaurant industry, contributing to mutual growth with local communities.

We view this report's publication not merely as a reflection of past achievements, but as a stepping stone toward a better future. Our ESG journey is only possible through the close cooperation with all our stakeholders. Moving forward, we'll continue to listen to your voices, communicate with sincerity, and share our progress transparently as we pursue our vision of becoming a leading company in sustainable food business. To that end, we sincerely ask for your continued interest and support as CJ Freshway grows into a trusted company that contributes to creating a more sustainable society.

Thank you once again for accompanying us on our ESG journey.



Chair of ESG Committee  
Eun-sook Jeon

전 은 숙

# CEO MESSAGE

Dear valued stakeholders,

As we present this year's sustainability report, I would like to extend my sincere gratitude to all of you who have continued to trust and support us.

The global economy is searching for a new equilibrium amid prolonged low growth, high interest rates, and rising geopolitical uncertainties. Meanwhile, companies are increasingly expected to strengthen their commitments to carbon neutrality, supply chain management, and social responsibility. The European Union has introduced the Corporate Sustainability Reporting Directive (CSRD), the U.S. Securities and Exchange Commission is preparing to implement the Climate Disclosure Rule, and Korea is also moving toward mandatory ESG disclosures. In this context, sustainability and resilience have emerged as key drivers of corporate competitiveness.

Even amid this rapidly evolving business landscape, CJ Freshway has been embracing new challenges in pursuit of sustainable growth. We are transitioning from an offline-centric business model to an integrated online-offline platform, strengthening our platform-based digital capabilities to proactively respond to the changing market environment.

In 2024, we strengthened our GHG reduction strategy through a more systematic analysis of emissions, reinforcing our climate disclosure readiness. We also distributed our Partner Code of Conduct and expanded self-assessments throughout our supply chain, establishing a more comprehensive accountability framework. As our business continues to evolve, we will further solidify our ESG reporting capabilities through structured strategy evaluation and execution.

**Moving forward, we will take the leading role in fostering an industrial ecosystem for a sustainable food business.**

We aim to establish a climate resilience framework that not only reduces greenhouse gas (GHG) emissions but also enhances food security. In parallel, we will strive to mitigate operational risks related to food and industrial safety, thereby minimizing the potential negative impacts of our business activities. In addition, we will continue to promote and expand a healthy food culture through innovative products and services that embody environmental and social values.

**Through responsible value creation, we will strive to create a better future to grow hand in hand with all our stakeholders.**

To this end, we are building a robust supply chain management system and a sustainable value chain. At the same time, we are fostering a human-rights-centered culture that respects the dignity and rights of our employees, while cultivating a spirit of mutual growth and collaboration to ensure all our stakeholders can thrive with us.

Sustainability is no longer a choice—it's a shared standard for the future we must build together. CJ Freshway will continue to fulfill our responsibility for promoting a healthy food culture and advancing a sustainable food business, leading the way toward a better tomorrow.

We look forward to your continued interest and support.

Thank you.



CEO of CJ Freshway  
Geon-Il Lee

이건일

# COMPANY OVERVIEW

## CJ FRESHWAY: YOUR FOOD BUSINESS PARTNER FOR SUSTAINABLE SUCCESS

CJ Freshway is Korea’s leading food distributor and service provider. Backed by industry-best infrastructure and core competencies, we deliver high-quality products safely and reliably, along with tailored food services and meal solutions optimized for evolving food trends and our customers’ unique business needs. As a trusted partner committed to our customers’ success, we will continue to pursue win-win solutions to promote a sustainable distribution system and a healthy food culture.

## COMPANY PROFILE

Company Name	CJ FRESHWAY CORPORATION
CEO	Geon-Il Lee
Established	October 1988
Head Office	25, World Cup Buk-ro 54-gil, Mapo-gu, Seoul, Korea
Main Business	Food materials distribution, food service operations (institutional catering), manufacturing and others
Stock Listing	Listed on KOSDAQ, Korea Exchange (KRX) since July 2001
Employees	7,789
Credit Rating	Corporate bond A, Commercial Paper A2

MISSION	CONTRIBUTING TO OUR CLIENTS’ BUSINESS SUCCESS BY PROVIDING ‘ONLYONE SOLUTION’ OPTIMIZED FOR FOOD CULTURE TRENDS AND CLIENT BUSINESS ENVIRONMENT
VISION	FOOD BUSINESS PARTNER CREATING THE SUCCESS WAY
SLOGAN	CREATE NEW WAY, ENJOY FRESH WAY

Consolidated, unit: KRW 100 Million

	TOTAL ASSETS	REVENUE	OPERATING INCOME
2024	15,643.6	32,247.8	940.3
2023	13,747.4	30,742.4	992.6
2022	14,847.2	27,476.9	978.4



## KEY MILESTONES

1988 - 2002

ESTABLISHMENT AND LAYING  
THE BUSINESS FOUNDATION



- OCTOBER 1988**
  - Established Samil Agriculture & Fisheries Co.
- JANUARY 1999**
  - Became the first Korean conglomerate to start the foodservice distribution business
- SEPTEMBER 2000**
  - Acquired CJ CheilJedang's food service division and renamed the company to 'CJ Food System Co'.

2003 - 2016

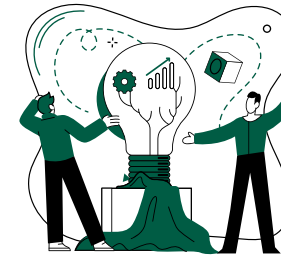
BUSINESS EXPANSION AND STRENGTHENING OF  
MANAGEMENT FOUNDATION

- NOVEMBER 2003**
  - First in the industry to launch in-house HACCP certification program
  - Began operating the Food Safety Center
- DECEMBER 2004**
  - Designated as a 'livestock sanitary inspection agency'
- OCTOBER 2005**
  - First in the industry to obtain 'ISO 22000 (Food Safety Management System)' certification
- JANUARY 2007**
  - Acquired Korea's first HACCP certification for hospital meal services
- JULY 2007**
  - Obtained 'ISO 14001 (Environmental Management System)' certification
- OCTOBER 2007**
  - Designated as a 'rice and brown rice variety inspection agency'
- MARCH 2008**
  - Renamed the company to 'CJ Freshway'
- JULY 2008**
  - Became the first in the distribution and service industry to acquire 'KOSHA 18001 (Korea Occupational Safety and Health Management System)' certification

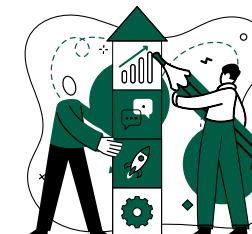
- FEBRUARY 2010**
  - Designated as the first private organization 'Norovirus inspection agency'
  - Received the Presidential Award for excellence in reducing food waste
- JUNE 2011**
  - Developed the first specialized meals for international patients in Korea (in collaboration with Severance Hospital)
- MARCH 2012**
  - Acquired the 'AEO (Authorized Economic Operator)' certification
- DECEMBER 2014**
  - Certified as a 'Family-friendly Company' by the Ministry of Gender Equality and Family
- JUNE 2016**
  - Acquired the 'Unsafe Product Screening System' certification from the Korea Chamber of Commerce and Industry (KCCI)
- SEPTEMBER 2016**
  - Received the 'Presidential Award for Job Creation' from the Ministry of Employment and Labor (MOEL)
- NOVEMBER 2016**
  - Recognized as a 'Top-Rated ESG Company' by the Korea Institute of Corporate Governance and Sustainability (KCGS)

2019 - PRESENT

BUILDING A SUSTAINABLE FUTURE THAT EMBODIES THE HEALTHY FOOD CULTURE AND  
WIN-WIN SOLUTIONS



- MARCH 2022**
  - Acquired ASC-MSC CoC (Chain of Custody) certifications
- JUNE 2022**
  - Published our first ESG report
- SEPTEMBER 2022**
  - Acquired 'ISO 37301(Compliance Management System)' certification
- JUNE 2023**
  - Received the 'Minister of Environment Award' for excellence in municipal waste management
- OCTOBER 2023**
  - Acquired 'Certification of Excellent Safety Management Laboratory'
  - Selected as an Business Owner Excellent in Employing Persons by the Korea Employment Agency for Persons with Disabilities
- NOVEMBER 2023**
  - Designated an outstanding governance company by the (KCGS)
- FEBRUARY 2024**
  - Selected as the 'Outstanding KOSDAQ Listed Company for Earnings Forecast Disclosure in 2023'
- MAY 2024**
  - Received the 'Presidential Award' for Excellence in Gender-Equal Employment Practices from MOEL
- JULY 2024**
  - Won the '2024 Red Dot Award' in the Brand & Communication Design category
  - Won the 'Golden Winner' in the Communication category at the 2024 K-Design Awards
- AUGUST 2024**
  - Received the 'Minister of Oceans and Fisheries Award (MOFA)' in the Marine and Fisheries Public Service Contest
- SEPTEMBER 2024**
  - Designated as a 'Certified Agricultural Inspection Agency' by the National Agricultural Products Quality Management Service (NAQS)
  - Designated as a 'Seafood Safety Inspection Agency' by the National Fishery Products Quality Management Service (NFQS)
- OCTOBER 2024**
  - Awarded the 'Marine New Technology Prize' by MOFA
  - First in Korea to obtain the 'Food Safety Certification for Food materials Distribution' from the Korea Food Distribution Association (KFDA)
- NOVEMBER 2024**
  - Acquired 'ISO 27001 (Information Security Management System)' Certification
  - Secured the Gold Award at the LACP Spotlight Awards two years in a row
- JULY 2019**
  - Acquired ISO 45001 (Safety and Health Management System) certification
- FEBRUARY 2020**
  - Acquired the AEO certification with AA grade in both import and export sectors
- JULY 2020**
  - Received a commendation from the Ministry of Employment and Labor (MOEL) for the promotion of the employment of the disabled
- OCTOBER 2020**
  - First in the industry to be selected as the 'Excellent ESG Company' for six consecutive years by KCGS
- SEPTEMBER 2021**
  - First in the industry to introduce electric trucks



# BUSINESS SEGMENTS & BRANDS

## OVERVIEW OF BUSINESS SEGMENTS

CJ Freshway operates through three main business segments: food materials distribution, food service operations, and customer solutions. Leveraging the industry's largest logistics infrastructure and a comprehensive food safety system, we deliver end-to-end solutions across the entire customer business process—from tailored food materials distribution by business type to customized menu development and service consulting—to support our customers' success at every step.

### Business Segments

#### FOOD MATERIALS DISTRIBUTION

Leveraging our domestic and global distribution networks, we support our customers' success by providing category-specific food materials and specialized consulting services for business operations and menu development.

Restaurants	Institutional Catering	Specialty Retail/ Distribution	Raw Materials
<ul style="list-style-type: none"> <li>• Franchise Restaurants</li> <li>• Independent Restaurants</li> <li>• Hotels</li> <li>• Cafes</li> </ul>	<ul style="list-style-type: none"> <li>• Institutional Cafeterias</li> <li>• Educational Institutions</li> <li>• Welfare Institutions</li> <li>• Healthcare Institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Food Materials Marts</li> <li>• Distribution Outlets</li> <li>• Distribution Agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Food Manufacturers &amp; Processors</li> <li>• Fresh Produce Wholesalers &amp; Retailers</li> </ul>

#### FOOD SERVICE

We provide customized food services by reflecting customer needs and evolving trends at around 550 business sites nationwide.

Industrial Sites & Offices	Hospitals & Funeral Homes	Golf Courses	Concessions
<ul style="list-style-type: none"> <li>• Industrial Sites</li> <li>• Offices</li> </ul>	<ul style="list-style-type: none"> <li>• Hospitals</li> <li>• Funeral Homes</li> </ul>	<ul style="list-style-type: none"> <li>• Golf Courses</li> </ul>	<ul style="list-style-type: none"> <li>• Highway Service Areas</li> <li>• Theme Parks</li> <li>• Resorts</li> <li>• Museums</li> </ul>

#### CUSTOMER SOLUTION

We deliver solutions optimized for evolving food culture trends and our customers' business environments, working together to achieve sustainable growth.


Manufacturing Infrastructure	Logistics Infrastructure	IT Infrastructure
<ul style="list-style-type: none"> <li>• Central Kitchen</li> <li>• Integrated R&amp;D Center</li> <li>• FRESH PLUS</li> </ul>	<ul style="list-style-type: none"> <li>• Nationwide Distribution System</li> <li>• Cold Chain Distribution System</li> </ul>	<ul style="list-style-type: none"> <li>• Big Data Platform</li> <li>• Cloud Native<sup>1)</sup></li> </ul>

1) Building IT infrastructure based on cloud environment




BUSINESS SEGMENTS & BRANDS


FOOD MATERIALS DISTRIBUTION BRANDS



I-NURI is a children-focused food product brand dedicated to promoting healthy eating and a sustainable future. It offers eco-friendly products made with wholesome ingredients that children can enjoy, with the aim of supporting their healthy growth and helping them develop balanced eating habits — all to create a better tomorrow for every child.




Teun-Teun School is a school meal brand that delivers innovative solutions aligned with current food trends, using safe, reliable, and high-quality ingredients. We deliver enjoyable and delicious meal experiences to students through nutritionally balanced and trend-conscious offerings.




HEALTHY-NURI i is a total food care brand designed for active seniors who pursue a healthy lifestyle. It promotes healthy and sustainable dietary habits by offering balanced meal plans developed by expert nutritionists, along with tailored food materials. The brand aims to provide the best possible solutions so that its heartfelt care for loved ones leads to better health and brighter smiles.

DISTRIBUTION SOLUTION BRANDS




It's Well is a distribution solution brand that provides proactive product solutions for B2B clients, developing offerings based on its own data and expertise.




It's Well Ready-eat is a B2B meal solution brand that supports cooking convenience and menu development based on its own recipes and customer data.


FOOD SERVICE BRANDS




Greenteria is a group catering and food court brand that offers balanced meals made with trustworthy, high-quality ingredients. It aims to foster a healthy food culture by providing convenient and responsible services, along with unique event experiences. Its differentiated menu features “healthy meals” that are nutritionally balanced and gently seasoned, including low-sodium options.




Gourmet Bridge is a premium food court brand that delivers high-quality food and beverage services, intended to offer a space for cultural experiences and value-driven consumption. It provides healthy and enjoyable dining experiences through tailored special menus and interior designs customized to the unique characteristics of each location, such as highway service areas, golf courses, resorts, and hospitals.



SNACKPICK is a food service brand optimized for modern lifestyles, offering convenient take-out products. In response to evolving dining trends, it has adopted unmanned services to enhance user convenience. By analyzing customer purchase data, the brand curates personalized product selections that reflect individual preferences.



Morning Has is a cafe brand specializing in food services, designed to provide a relaxing space that brings comfort and vitality to everyday life. Reflecting diverse needs for beverages and meals, it offers not only desserts but also light meals ideal for quick bites, along with refreshing single-origin coffee.



FreshMealOn is a movable “kitchenless” meal solution brand that offers tailored meal plans and services anywhere—even in spaces without a kitchen.

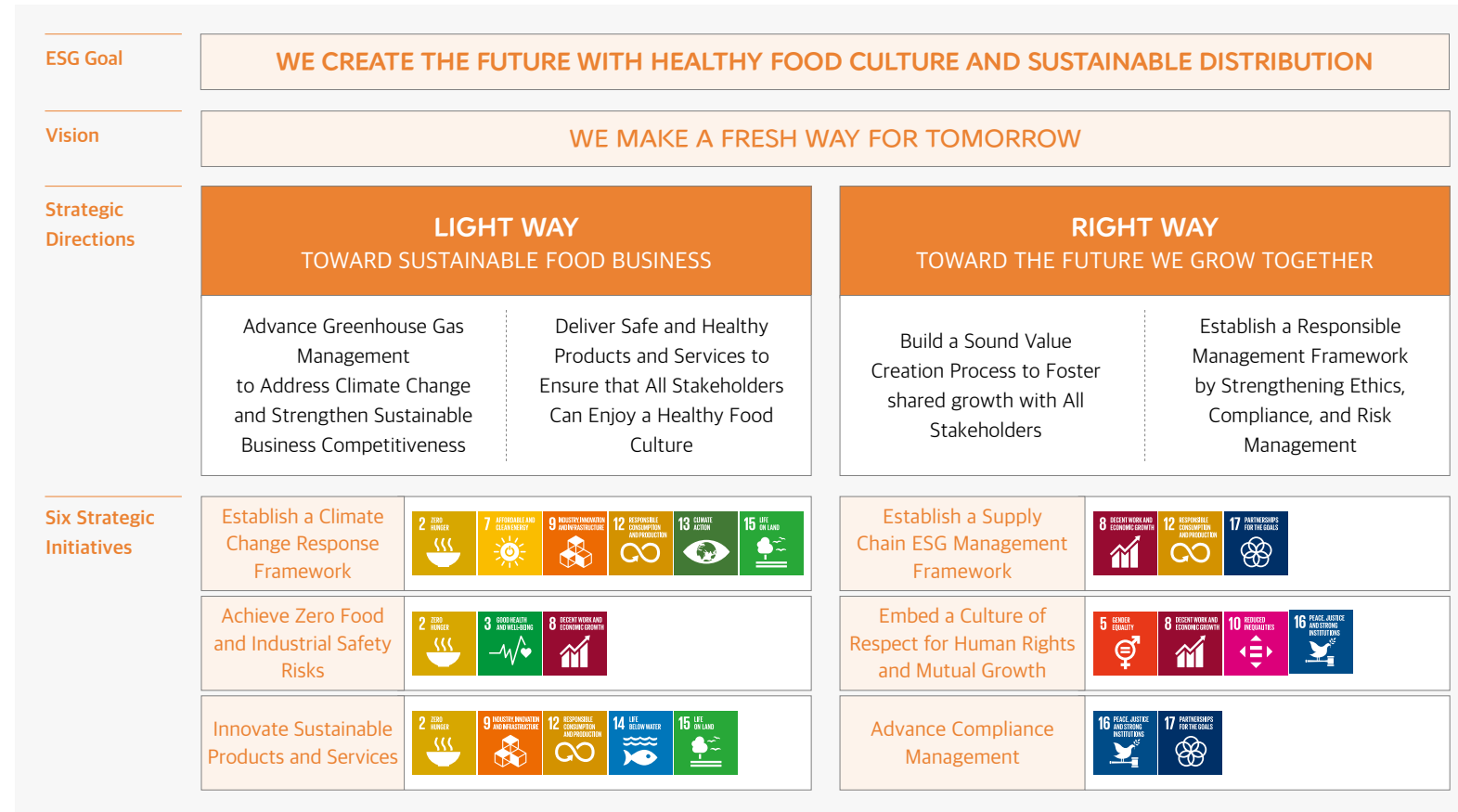
# ESG STRATEGY

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# ESG STRATEGY FRAMEWORK

Our ESG strategy framework, built on the foundation of the company identity and vision, reflects the unique characteristics of our industry and key ESG issues. To enhance ESG management, we have defined two strategic directions and are systematically implementing six key strategic initiatives, each with mid- to long-term goals. We also continue to reinforce our strategy development and execution by weighing the priorities and potential impacts of the initiatives. Moving forward, we will remain agile in responding to emerging ESG challenges and proactively work towards our goals to further strengthen the foundation for sustainable growth.

## ESG STRATEGY OVERVIEW



## ESG GOVERNANCE

CJ Freshway operates a company-wide governance system to embed ESG management across the organization. The ESG Committee, our highest decision-making body on ESG issues, deliberates on strategic directions and plans from an integrated perspective, reviews performance across environmental, social, and governance areas, and approves related initiatives. ESG issues are discussed and selected by the ESG Management Council, which consists of the ESG Committee and executive leadership. The ESG Working Group, composed of working-level personnel, identifies new initiatives through ongoing communication. Approved initiatives are systematically implemented by the dedicated ESG department.



# ESG STRATEGY IMPLEMENTATION

Based on the established ESG strategies, we are continuously embedding ESG management into the organization by systematically implementing key initiatives aimed at achieving its mid- to long-term goals.

Strategic Directions	Strategic Initiatives	Related Activities	2024 key Performance	Future Goals	Reporting Page
LIGHT WAY TOWARD SUSTAINABLE FOOD BUSINESS	Establish a Climate Change Response Framework	<ul style="list-style-type: none"><li>• Advance GHG inventory management</li><li>• Promote the implementation of sustainable procurement guidelines</li><li>• Expand eco-friendly campaigns</li></ul>	<ul style="list-style-type: none"><li>• Expanded GHG inventory (Scope 3)</li><li>• Installed food waste reduction devices at food service sites</li><li>• Scaled up the paper carton collection effort in Gyeongnam-do: 1,950 kg collected from 173 daycare centers (as of April 2025)</li></ul>	<ul style="list-style-type: none"><li>• Establish and manage GHG emissions reduction targets to achieve Net-Zero (carbon neutrality)</li><li>• (Scope 1, 2) Introduce renewable energy</li><li>• (Scope 3) Restructure waste management process</li></ul>	21~27, 31~34p
	Achieve Zero Food and Industrial Safety Risks	<ul style="list-style-type: none"><li>• Enhance the food poisoning risk management system</li><li>• Carry out activities to establish a safety culture</li></ul>	<ul style="list-style-type: none"><li>• Recorded zero violations in high-risk food safety regulations</li><li>• Engaged 415 stores nationwide in the Safe speaking campaign(YOYO Safety Challenge)</li><li>• Achieved 100% completion rate for safety and health management inspections</li><li>• Provided CPR training to 242 participants</li></ul>	<ul style="list-style-type: none"><li>• Apply a proactive prevention system</li><li>• Establish a proactive risk prevention framework for safety</li><li>• Foster a safety-first culture and solidify safety management practices</li></ul>	44, 50~51p
	Innovate for Sustainable Products and Services	<ul style="list-style-type: none"><li>• Engage in open-field smart farm contract farming</li><li>• Operate low-carbon menus</li></ul>	<ul style="list-style-type: none"><li>• Conducted smart farm contract cultivation in Boeun-gun, Chungcheongbuk-do (approximately 69,400m²)</li><li>• Provided smart farm solutions and operational guidance to 8 farms</li></ul>	<ul style="list-style-type: none"><li>• Advance smart farm contract farming practices</li><li>• Expand eco-friendly product and menu lineups</li><li>• Promote environmental campaigns within customer and Supplier</li></ul>	33~34p
RIGHT WAY TOWARD THE FUTURE WE GROW TOGETHER	Establish a Supply Chain ESG Management Framework	<ul style="list-style-type: none"><li>• Establish supply chain management policies</li><li>• Conduct supply chain ESG assessments</li><li>• Provide support for supply chain ESG management</li></ul>	<ul style="list-style-type: none"><li>• Refined supply chain management policies</li><li>• Conducted self-assessments on the Supplier Code of Conduct: Participation of a total of 210 Suppliers in 2024</li></ul>	<ul style="list-style-type: none"><li>• Establish an ESG management evaluation system for Supplier</li><li>• Expand sustainable procurement through awareness-raising efforts</li><li>• Enhance ESG performance indicators for supply chain management</li></ul>	53~55, 57p
	Embed a Culture of Respect for Human Rights and Mutual Growth	<ul style="list-style-type: none"><li>• Internalize the human rights management framework</li><li>• Embed DE&amp;I (Diversity, Equity &amp; Inclusion) policies</li><li>• Implement support programs for mutual growth</li></ul>	<ul style="list-style-type: none"><li>• Carried out mutual growth support initiatives</li><li>• Established a system for identifying human rights risks</li><li>• Received a Presidential Award for Excellence in Gender-Equal Employment</li><li>• Implemented the flagship ESG program “Donghaeng Kitchen,” with “Donghaeng” meaning “walking together” and symbolizing mutual growth toward shared goals</li></ul>	<ul style="list-style-type: none"><li>• Expand human rights impact assessments</li><li>• Operate partnership programs for sustainable mutual growth</li><li>• Foster a culture of respect for human rights</li></ul>	56, 58, 66~67, 76p
	Advance Compliance Management	<ul style="list-style-type: none"><li>• Operate ISO 37301 system</li><li>• Manage compliance risks</li><li>• Foster a culture of ethical management</li></ul>	<ul style="list-style-type: none"><li>• Introduced the Compliance Portal System (CMS)</li><li>• Declared CEO commitment to compliance across subsidiaries and overseas affiliates</li><li>• Adopted a Self-Audit system</li></ul>	<ul style="list-style-type: none"><li>• Strengthen ISO 37301 certification capabilities across subsidiaries</li><li>• Enhance risk identification for new business areas</li><li>• Refine compliance control systems</li><li>• Promote a culture of compliance</li></ul>	79~83p

# 2024 ESG KEY ACHIEVEMENTS

The following are CJ Freshway's key ESG achievements in 2024.

## AWARDS

### PRESIDENTIAL AWARD FOR GENDER EQUALITY IN EMPLOYMENT

Recognized by the Ministry of Employment and Labor for exemplary gender-equal employment practices



Ministry of  
Employment and Labor

### MINISTER'S AWARD AT THE MARINE AND FISHERIES PUBLIC SERVICE CONTEST

Recognized by the Ministry of Oceans and Fisheries for the development of the Seaproduct safety Area for Radiation App (S.A.R.A)



Ministry of Oceans  
and Fisheries

### MARINE NEW TECHNOLOGY GRAND PRIZE (MINISTER'S AWARD)

Awarded by the Ministry of Oceans and Fisheries for contributions to strengthening seafood distribution safety management and improving information accessibility



Ministry of Oceans  
and Fisheries

## CERTIFICATIONS

### GLC FOOD SAFETY CERTIFICATION (LEVEL 3)

Certified by the Korea Food Distribution Association (KFDA) for meeting the highest-grade criteria in food material distribution



**KFDA** Korea  
Foodservice  
Distributors  
Association

### ISO 27001 CERTIFICATION

Certified by the International Organization for Standardization (ISO) for compliance with global standards in information security management systems



### DESIGNATED AS A CERTIFIED SEAFOOD SAFETY TESTING INSTITUTION (First in the industry)

Authorized by the National Fishery Products Quality Management Service for verified testing capabilities in seafood radiation safety



Ministry of Oceans and Fisheries  
National Fishery Products Quality  
Management Service

### DESIGNATED AS AN EXCELLENT AGRICULTURAL PRODUCT TESTING INSTITUTION

C- Recognized by the National Agricultural Products Quality Management Service for outstanding performance in variety testing evaluations



**NAQS** National Agricultural Products  
Quality Management Service



### OUTSTANDING KOSDAQ LISTED COMPANY FOR EARNINGS FORECAST DISCLOSURE (2023)

Selected by the Korea Exchange for excellence in evidence-based earnings forecast disclosures

**KOSDAQ**  
LISTED COMPANY

# STAKEHOLDER ENGAGEMENT

CJ Freshway has identified its key stakeholders by considering their influence, accessibility, and interdependence in relation to ESG management activities. To incorporate their valuable input into its business operations, it operates a variety of communication channels tailored to each stakeholder group.

	<div></div> <div>EMPLOYEES</div>	<div></div> <div>CUSTOMERS</div>	<div></div> <div>SUPPLIER</div>	<div></div> <div>SHAREHOLDERS &amp; INVESTORS</div>	<div></div> <div>LOCAL COMMUNITIES</div>																																																						
Communication Channels	<table><tr><th>Channels</th><th>Frequency</th></tr><tr><td>Intranet</td><td>Ongoing</td></tr><tr><td>NCC (Labor Council)</td><td>Quarterly</td></tr><tr><td>Online Reporting System</td><td>Annually</td></tr><tr><td>Culture Survey (CJ Voice ON)</td><td>Annually</td></tr><tr><td>Internal Broadcast (CFN)</td><td>10 times per year</td></tr></table>	Channels	Frequency	Intranet	Ongoing	NCC (Labor Council)	Quarterly	Online Reporting System	Annually	Culture Survey (CJ Voice ON)	Annually	Internal Broadcast (CFN)	10 times per year	<table><tr><th>Channels</th><th>Frequency</th></tr><tr><td>Online Order System (Onlyonefoodnet)</td><td>Ongoing</td></tr><tr><td>Food Solution Lab</td><td>Ongoing</td></tr><tr><td>Customer Center</td><td>Ongoing</td></tr><tr><td>Official Website</td><td>Ongoing</td></tr><tr><td>Official Social Media Channel</td><td>Vary by channel</td></tr><tr><td>Food Solution Fair</td><td>Yearly</td></tr><tr><td>Press Release</td><td>Ongoing</td></tr></table>	Channels	Frequency	Online Order System (Onlyonefoodnet)	Ongoing	Food Solution Lab	Ongoing	Customer Center	Ongoing	Official Website	Ongoing	Official Social Media Channel	Vary by channel	Food Solution Fair	Yearly	Press Release	Ongoing	<table><tr><th>Channels</th><th>Frequency</th></tr><tr><td>Procurement System (I-FRESH)</td><td>Ongoing</td></tr><tr><td>Grievance Reporting Portal</td><td>Ongoing</td></tr><tr><td>Supplier Training</td><td>Yearly</td></tr><tr><td>Food Solution Fair</td><td>Yearly</td></tr></table>	Channels	Frequency	Procurement System (I-FRESH)	Ongoing	Grievance Reporting Portal	Ongoing	Supplier Training	Yearly	Food Solution Fair	Yearly	<table><tr><th>Channels</th><th>Frequency</th></tr><tr><td>General Meetings</td><td>Yearly</td></tr><tr><td>DART (Data Analysis, Retrieval and Transfer System)</td><td>Ongoing</td></tr><tr><td>Website IR Materials</td><td>Ongoing</td></tr><tr><td>Press Releases (Earnings Release)</td><td>Quarterly</td></tr></table>	Channels	Frequency	General Meetings	Yearly	DART (Data Analysis, Retrieval and Transfer System)	Ongoing	Website IR Materials	Ongoing	Press Releases (Earnings Release)	Quarterly	<table><tr><th>Channels</th><th>Frequency</th></tr><tr><td>Official Website</td><td>Ongoing</td></tr><tr><td>Press Release</td><td>Ongoing</td></tr></table>	Channels	Frequency	Official Website	Ongoing	Press Release	Ongoing
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Key Issues & Activities	<ul style="list-style-type: none"><li>• Work-life balance</li><li>• Welfare benefits</li><li>• Grievance handling</li><li>• Creating a DE&amp;I-based work environment</li><li>• Support for organizational adaptation and job skill development</li></ul>	<ul style="list-style-type: none"><li>• Enhancing customer privacy protection and information security</li><li>• Improving product and service quality and safety</li><li>• Facilitating customer engagement and tailored information sharing</li></ul>	<ul style="list-style-type: none"><li>• Creating a safe and healthy working environment</li><li>• Ethics and compliance management</li><li>• Compliance with fair trade practices</li><li>• Mutual growth</li><li>• Respecting Supplier employees’ human rights</li></ul>	<ul style="list-style-type: none"><li>• Financial stability and disclosure transparency</li><li>• Enhancing shareholder value</li><li>• Business performance and growth strategy</li></ul>	<ul style="list-style-type: none"><li>• Creating social value by pursuing mutual growth with local communities</li><li>• Fulfilling corporate social responsibilities</li><li>• Operating programs that promote a culture of sharing</li></ul>																																																						

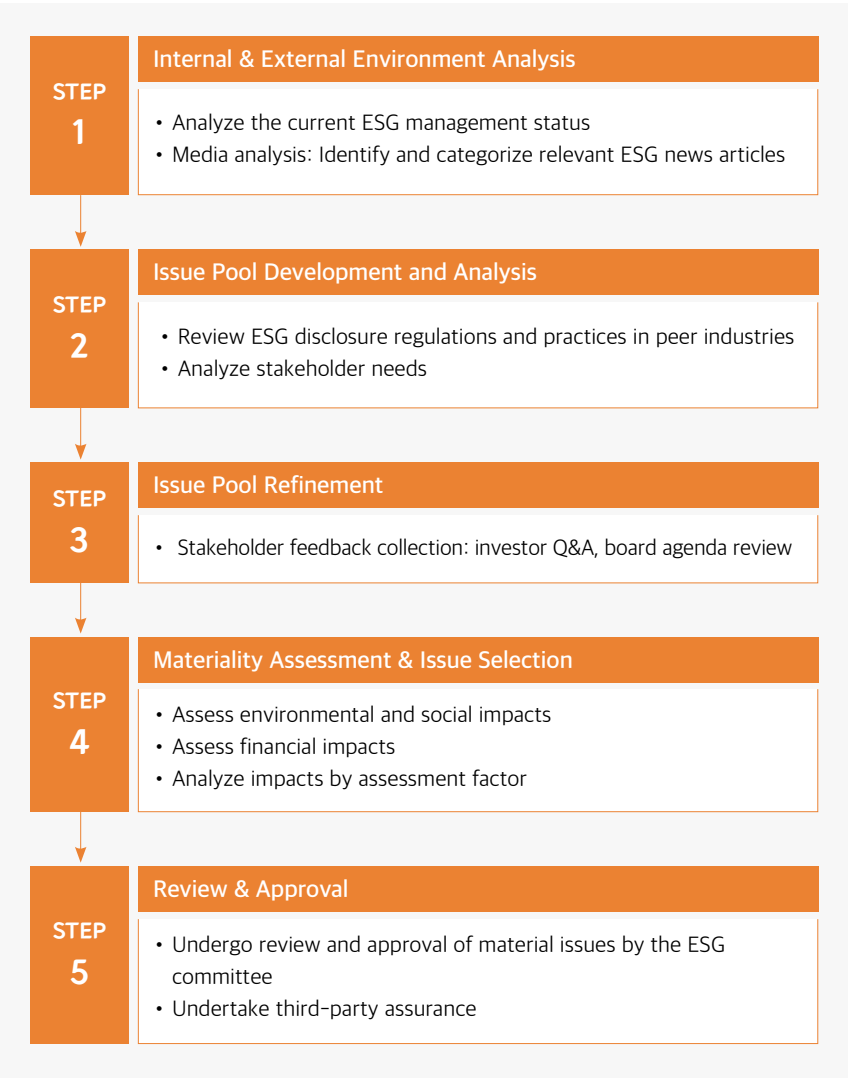
# MATERIALITY ASSESSMENT

## IDENTIFICATION OF MATERIAL ISSUES

CJ Freshway conducted a materiality assessment in accordance with the double materiality principle to identify the strategic direction of ESG management as well as key risks and opportunities. We comprehensively analyzed various inputs—including domestic and international ESG standards and policies, industry trends, media issues, and stakeholder feedback—to finalize a sustainability issue pool of 24 topics. From this pool, we identified five material issues based on an assessment of both financial and non-financial impacts.

As a result of the assessment, ‘Food Safety’ was selected as a material issue for the fourth consecutive year, while Ethics and Compliance Management’ and ‘Safety and health management’ were included for the second consecutive year. In addition, Climate Change Response and Supply Chain Management were newly identified as material topics.

## ASSESSMENT PROCESS



## MATERIALITY ASSESSMENT

FINANCIAL MATERIALITY	
ESG Global Standards Analysis	• Review ESG disclosure standards and evaluation indicators (e.g., SASB, ESRS, DJSI, MSCI)
Sanction Status	• Analyze potential regulatory violation risks (likelihood of occurrence) • Assess potential impacts on the company (severity)
Regulation and Policy Analysis	• Review CJ Freshway's mid-term strategies, and analyze the 2024 risk management framework and its status
Internal Stakeholder Survey	• Period: Feb. 24- Mar. 4-5, 2025 • Participants: 32 (ESG council members and finance personnel)
ENVIRONMENTAL/SOCIAL MATERIALITY	
ESG Global Standards Analysis	• Review global ESG disclosure standards and evaluation indicators (e.g., GRI, ISO 26000, UNGC, UN SDGs, WEF, K-ESG)
Media Research	• Analyze domestic and international ESG-related news articles published between Jan. 1 and Dec. 31, 2024 • Assess the frequency and potential impact (positive, neutral, negative)
External Stakeholder Requirements	• Analyze the company's impact in relation to CJ Freshway's key issues based on external stakeholder feedback, including VoC cases, media coverage, and investor inquiries
External Stakeholder Survey	• Period: Feb. 24- Mar. 4-5, 2025 • Participants: 11 (including researchers and sustainability experts) • Method: Online survey



## ANALYSIS OF KEY MATERIAL ISSUES

CJ Freshway analyzes the impact, risks, and opportunities of each key issue identified through the double materiality assessment. Based on these analyses, we establish our future action plans.

Rank	Area	Material Issue	Impact (Environmental & Social)	Risk (Financial)	Opportunity (Financial)
1	Social	Food Safety	<b>Issue Directly Related to Customer Health</b> <ul style="list-style-type: none"> <li>These issues can not only trigger widespread public concern given high consumer concern for food safety, but also spread distrust throughout the entire food industry</li> </ul>	<b>Food Safety Incidents</b> <ul style="list-style-type: none"> <li>Financial losses due to customer attrition and legal disputes</li> </ul> <b>Food Safety Regulation Violations</b> <ul style="list-style-type: none"> <li>Operational risks from business suspension and license revocations</li> </ul> <b>Increased Supply Chain Risks</b> <ul style="list-style-type: none"> <li>Increased liability risks for food safety issues within the supply chain</li> </ul>	<b>Enhancing Food Safety Capabilities</b> <ul style="list-style-type: none"> <li>Gain customer trust and a competitive edge</li> </ul> <b>Responding Proactively to Food Safety Regulations</b> <ul style="list-style-type: none"> <li>Reduce legal risks such as recalls and lawsuits due to product incidents</li> </ul>
2	Governance	Ethics and Compliance Management	<b>Issue Deeply Connected to Stakeholders</b> <ul style="list-style-type: none"> <li>Unethical corporate conduct can pose a severe negative impact on all stakeholders</li> </ul>	<b>Legal and Regulatory Violations</b> <ul style="list-style-type: none"> <li>Financial losses and declined customer trust due to administrative penalties</li> </ul> <b>Embezzlement, Bribery, and Collusion</b> <ul style="list-style-type: none"> <li>Risks from internal control failures, leading to embezzlement, unfair contracts, or bid rigging</li> </ul>	<b>Proactive Legal Risk Management</b> <ul style="list-style-type: none"> <li>Reduce fines and litigation costs by monitoring regulatory trends and responding promptly to prevent incidents</li> </ul> <b>Reinforcing Ethics and Compliance Control Systems</b> <ul style="list-style-type: none"> <li>Secure objective credibility of capabilities through ISO37301</li> </ul>
3	Social	Safety and Health Management	<b>Issue That Could Lead to Serious accidents</b> <ul style="list-style-type: none"> <li>Given the on-site nature of the business, inadequate facility and occupational safety may lead to serious accidents and harm</li> </ul>	<b>Serious Industrial Accidents (e.g., Forklift Incidents)</b> <ul style="list-style-type: none"> <li>Increased costs from civil and criminal liabilities, fines, penalties, and rising industrial accident insurance premiums</li> </ul> <b>Safety Accidents (e.g., Fires)</b> <ul style="list-style-type: none"> <li>Recovery costs and revenue decline following safety incidents</li> </ul>	<b>Establishing a Safety Management Culture</b> <ul style="list-style-type: none"> <li>Strengthen internal safety capabilities through site-specific communication and training programs such as "Safety Meetings" and "Safety Day"</li> </ul> <b>Improving Productivity by Reducing Industrial Accidents</b> <ul style="list-style-type: none"> <li>Minimize employee turnover and operational disruptions by preventing accidents and illnesses</li> </ul> <b>Enhancing Corporate Competitiveness</b> <ul style="list-style-type: none"> <li>Reduce costs by preventing safety accidents through the adoption of smart safety management systems and devices</li> </ul>
4	Social	Supply Chain Management	<b>Issue Requiring an Integrated Approach and Responsibility Across the Value Chain</b> <ul style="list-style-type: none"> <li>Inadequate supply chain management may negatively impact the stability and transparency of the sustainable distribution ecosystem</li> </ul>	<b>Supply Chain Management Failures</b> <ul style="list-style-type: none"> <li>Loss of eligibility as a supplier for failing to meet customers' ESG requirements</li> </ul> <b>Supplier Dependency Risks</b> <ul style="list-style-type: none"> <li>Sharp increase in logistics and sourcing costs due to failure to secure alternative suppliers</li> </ul>	<b>Securing a High-Quality Supply Chain</b> <ul style="list-style-type: none"> <li>Position ourselves as a trusted company by managing an excellent supply chain through a supply chain evaluation process and due diligence</li> <li>Develop a secure supply management system by cultivating trust and fostering shared growth through robust local community supply networks</li> </ul>
5	Environment	Climate Change Response	<b>Issue Requiring Preemptive Management in Line with Regulatory Standards</b> <ul style="list-style-type: none"> <li>A lack of climate change response strategies may exacerbate the climate crisis, leading to resource depletion at points of origin and ecosystem disruptions in local communities</li> </ul>	<b>Rising Indirect Costs from Stricter Carbon Regulations</b> <ul style="list-style-type: none"> <li>Increased energy, logistics, and carbon tax costs due to strengthened carbon regulations</li> </ul> <b>Food Materials Supply Instability</b> <ul style="list-style-type: none"> <li>Disruptions in delivery and an increase in claims due to abnormal climate events affecting agricultural product supply and quality</li> </ul>	<b>Secure Eco-Friendly Distribution System</b> <ul style="list-style-type: none"> <li>Transition to a low-carbon logistics system</li> </ul> <b>Develop Sustainable Products &amp; Enhance Competitiveness</b> <ul style="list-style-type: none"> <li>Enhancing competitiveness through entry into alternative food markets and integration with climate technology (climate-tech)</li> </ul>

MATERIAL ISSUE MANAGEMENT

CJ Freshway establishes and continuously manages key performance indicators (KPIs) for each material issue. Moving forward, we will enhance management processes and indicators for recurring issues and swiftly establish response systems for newly identified issues.

● High ● Medium ○ Low

2024 Material Issues											
Rank	Area	Material Issue	Rank Change (YoY)	Impact		Management Details	Core KPIs	UN SDGs	Global Disclosure Frameworks & Initiatives		Reporting Page
				Environmental/ Social	Financial				GRI	SASB	
1	Social	Food Safety	-	●	●	<ul style="list-style-type: none"><li>Operate ISO 22000 Food Safety Management System</li><li>Strengthen food poisoning prevention measures</li><li>Manage product safety and store hygiene</li></ul>	<ul style="list-style-type: none"><li>Number of product safety incidents</li><li>Number of violations of marketing and labeling regulations</li><li>Number of high-risk food safety regulation violations</li></ul>	<div><div>2</div>2.1</div> <div><div>3</div>3.9 3.d</div>	416-1~2 417-1~3	FB-FR-250a.1~2 FB-FR-260a.1~2 FB-FR-270a.1~3	40~45p
2	Governance	Ethics and Compliance Management	▲4	●	●	<ul style="list-style-type: none"><li>Operate ISO 37301 Compliance Management System</li><li>Provide ethics and compliance management training</li></ul>	<ul style="list-style-type: none"><li>Number of anti-corruption regulation violations</li><li>Total hours and number of participants in ethics and compliance training</li></ul>	<div><div>16</div>16.5 16.6</div> <div><div>17</div>17.14 17.16</div>	205-1~3 206-1	-	78~83p
3	Social	Safety and Health Management	▲1	●	●	<ul style="list-style-type: none"><li>Operate ISO 45001 Occupational Safety and health management System</li><li>Conduct regular industrial safety training</li><li>Perform risk assessments</li></ul>	<ul style="list-style-type: none"><li>Number of serious industrial accidents</li><li>Number of safety incident grievance reports</li><li>Average industrial safety training hours per person</li></ul>	<div><div>3</div>3.8 3.d</div> <div><div>8</div>8.8</div>	403-1~10	-	46~51p
4	Social	Supply Chain Management	New	●	●	<ul style="list-style-type: none"><li>Supplier Code of Conduct pledge</li></ul>	<ul style="list-style-type: none"><li>Ratio of contracts applying the supplier code of conduct</li><li>Implementation rate of supply chain ESG risk assessments</li></ul>	<div><div>8</div>8.7 8.8</div> <div><div>12</div>12.6</div> <div><div>17</div>17.17</div>	308-1~2 414-1~2	FB-FR-430a.1~4	52~57p
5	Environment	Climate Change Response	New	●	○	<ul style="list-style-type: none"><li>Operate ISO 14001 Environmental Management System</li><li>Conduct scenario analysis and establish response plans</li></ul>	<ul style="list-style-type: none"><li>Achievement rate of GHG emissions reduction targets</li><li>GHG emissions</li><li>Energy consumption status</li></ul>	<div><div>2</div>2.4</div> <div><div>12</div>12.2 12.3 12.5</div> <div><div>9</div>7.3</div> <div><div>13</div>13.1 13.2</div> <div><div>7</div>9.4</div> <div><div>15</div>15.1</div>	201-2 301-1 302-1~4 305-1~7	FB-FR-110a.1 FB-FR-110b.1~3 FB-FR-130a.1	20~27p

\* As a result of the 2024 ESG Materiality Assessment, 'Supply Chain Management' and 'Climate Change Response' have been newly identified as key issues.  
\*\*'Customer Satisfaction,' 'Waste Management,' and 'Work Environment,' which were among last year's key issues, have been excluded from this year's list.

# ESG MANAGEMENT

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# ENVIRONMENT

Climate Change Response	20
Biodiversity	28
Circular Economy	31
Environmental Management	35



# CLIMATE CHANGE RESPONSE OUR FRAMEWORK

## GOVERNANCE



ESG Committee



ESG Management Council



Dedicated ESG Department



ESG Working Group

## STRATEGY



Establish an eco-friendly distribution network based on operational innovation



Expand sustainable product and menu offerings



Embed climate change response capabilities

## RISK MANAGEMENT



Climate Risk Scenario Analysis



Food-specific Risk Scenario Analysis

## METRICS & TARGETS



Greenhouse Gas Emissions & Reduction Targets

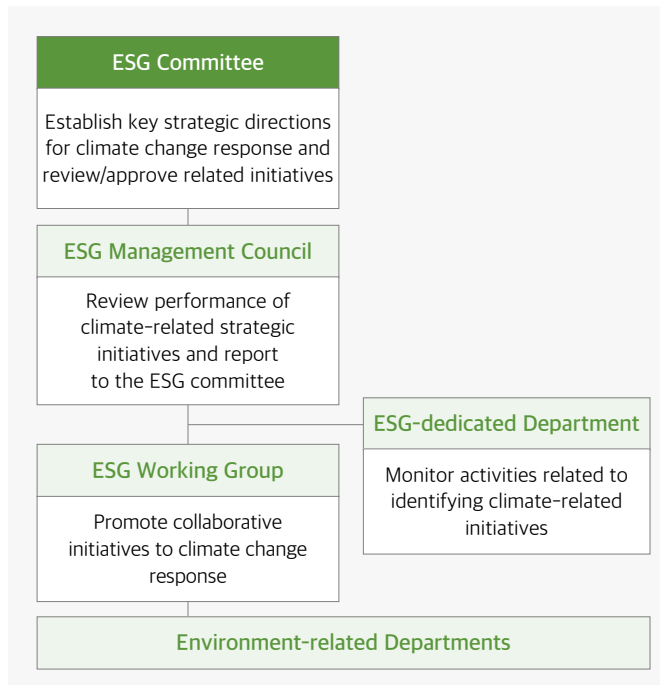


Energy Reduction Targets

# CLIMATE CHANGE RESPONSE

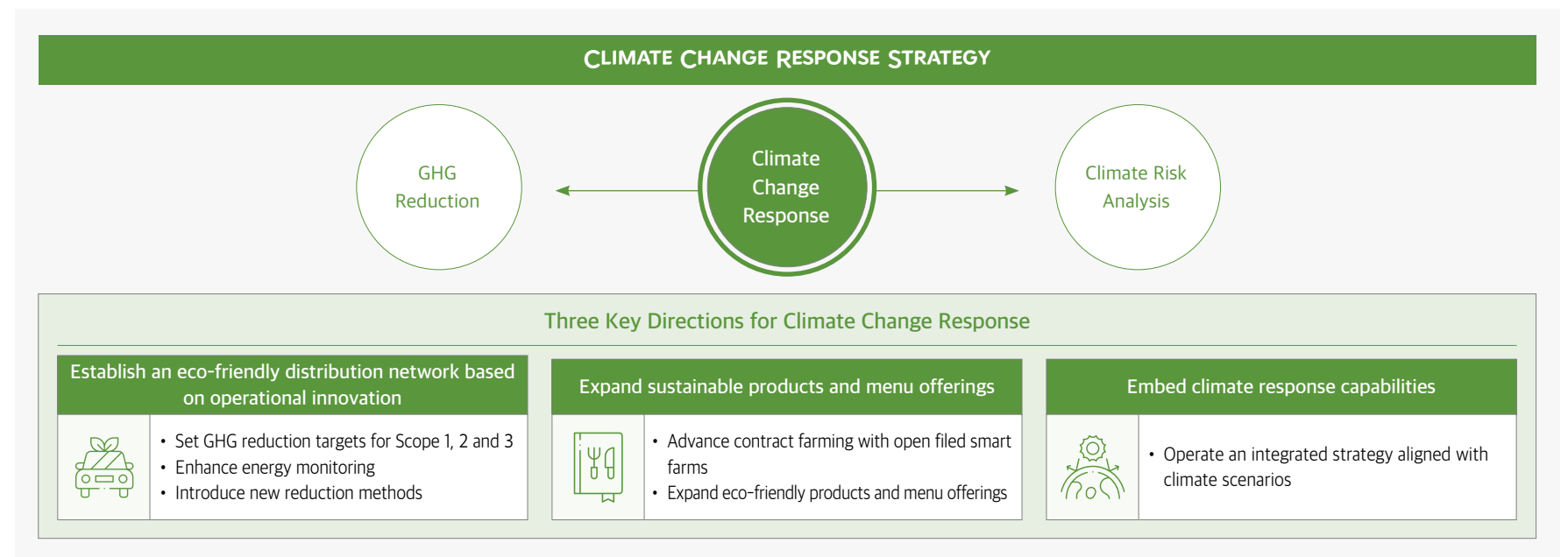
## GOVERNANCE

Leveraging its ESG governance, CJ Freshway analyzes the impact of climate change on the food industry and proactively works to mitigate related environmental risks. We operate a structured reporting system through the ESG Management Council, a sub-body of the ESG Committee, which develops relevant policies and strategies to systematically implement climate response initiatives. The dedicated ESG department and Working Group jointly identify climate-related issues and engage in continuous review and monitoring to ensure effective execution.



## STRATEGY

CJ Freshway has established and implemented climate change response strategies focused on two pillars: greenhouse gas(GHG) reduction and climate risk analysis. Given the nature of the food materials distribution and food service businesses—where a significant portion of emissions originates from transportation fuel used in distribution and food waste—Scope 3 indirect emissions account for a large share of total emissions. This structural characteristic requires an all-encompassing reduction strategy that covers not just Scope 1 and 2, but also Scope 3. In response, we are pursuing an integrated approach that considers the emission characteristics and reduction pathways for each Scope. For Scope 1 and 2, we are implementing key strategies such as improving energy efficiency, adopting eco-friendly facilities, and transitioning to renewable energy. By continuously adopting proven technologies, we aim to enhance the effectiveness of our emissions reduction efforts. For Scope 3, we plan to establish a management system based on a thorough understanding of its emission structure and then sequentially manage major emission sources, including delivery and food waste. To this end, we collected pilot data from dedicated contracted vehicles<sup>1)</sup> and electric vehicles in 2024. Our goal is to build a systematic data collection and management infrastructure by 2030, after which we plan to define specific reduction targets. In addition, we have conducted climate risk analysis on our logistics centers based on the IPCC RCP 8.5 scenario, which has enabled us to proactively identify potential risks of delivery delays and increased carbon emissions. By integrating these findings with our Scope 3 reduction strategy, we are enhancing the overall effectiveness of our GHG reduction strategy.



1) Dedicated contracted vehicles refer to third-party owned trucks leased along with drivers to provide delivery services under monthly contracts.

STRATEGY

CLIMATE RISKS, OPPORTUNITIES, AND RESPONSES

CJ Freshway recognizes climate-driven external changes as both key risks and strategic opportunities. We have systematically identified and assessed these risks and opportunities, analyzed their impact, and developed targeted response strategies. By implementing these strategies, we aim to minimize risks and maximize opportunities—and will continue to proactively respond to climate change going forward.

Risk/Opportunity Type		Risks & Opportunities	Current Responses	Plans
Physical Risks	Acute Risks (e.g., heat waves, wildfires, floods)	<ul style="list-style-type: none"> <li>Disruptions in ingredient supply and loss of contract opportunities due to logistics interruptions</li> <li>Recovery costs arising from asset damage</li> <li>Decline in employee productivity</li> </ul>	<ul style="list-style-type: none"> <li>Perform safety inspections at business sites</li> <li>Conduct disaster preparedness training</li> </ul>	<ul style="list-style-type: none"> <li>Conduct business site inspections and facility maintenance</li> <li>Improve disaster response manuals</li> </ul>
	Chronic Risks (e.g., changing weather patterns, sea level rise, water scarcity)	<ul style="list-style-type: none"> <li>Asset damage and related recovery costs</li> <li>Increasing risk of flooding in coastal areas</li> <li>Decreasing facility operational efficiency due to water shortages</li> </ul>	<ul style="list-style-type: none"> <li>Conduct monitoring for each chronic risk</li> <li>Manage water scarcity indicators</li> </ul>	<ul style="list-style-type: none"> <li>Invest in safety facilities for high-risk sites</li> <li>Establish evaluation standards for sea level rise impact</li> <li>Enhance water usage efficiency</li> </ul>
Transition Risks	Policy & Legal	<ul style="list-style-type: none"> <li>Increasing operating costs due to carbon reduction efforts</li> <li>Increasing investment costs for waste treatment facilities</li> </ul>	<ul style="list-style-type: none"> <li>Develop a GHG inventory for Scope 1 and 2 emissions</li> </ul>	<ul style="list-style-type: none"> <li>Calculate Scope 3 emissions</li> <li>Adopt renewable energy sources</li> </ul>
	Technology	<ul style="list-style-type: none"> <li>Increasing investment costs for eco-friendly technology development</li> <li>Increasing investment costs for eco-friendly facilities</li> </ul>	<ul style="list-style-type: none"> <li>Manage facility replacement cycles and invest in equipment</li> </ul>	<ul style="list-style-type: none"> <li>Deploy high-efficiency equipment</li> <li>Scale up eco-friendly infrastructure</li> </ul>
	Market & Reputation	<ul style="list-style-type: none"> <li>Increasing customer preference for low-carbon products</li> <li>Decreasing competitiveness compared to peers</li> <li>Decline in product sales</li> </ul>	<ul style="list-style-type: none"> <li>Adopt and promote low-carbon menu offerings</li> <li>Develop and expand sustainable product lines</li> <li>Expand ESG data disclosure categories and publish a report</li> </ul>	<ul style="list-style-type: none"> <li>Scale up low-carbon and eco-friendly product distribution</li> <li>Expand ESG certifications and enhance response to ESG evaluations</li> </ul>
Opportunities	Resource Efficiency	<ul style="list-style-type: none"> <li>Reduction in energy and resource costs</li> <li>Building an eco-friendly distribution network</li> </ul>	<ul style="list-style-type: none"> <li>Monitor energy consumption and manage related costs</li> </ul>	<ul style="list-style-type: none"> <li>Upgrade aging facilities and invest in new facilities</li> <li>Set site-specific energy reduction goals</li> </ul>
	Products/Services	<ul style="list-style-type: none"> <li>Growth in new business opportunities linked to eco-friendly initiatives</li> <li>Enhanced competitiveness through improved brand image</li> <li>Developing and expanding low-carbon menus and sustainable products</li> </ul>	<ul style="list-style-type: none"> <li>Obtain and expand eco-friendly product certifications (e.g., antibiotic-free, pesticide-free, ASC/MSC certified)</li> <li>Establish external partnerships for resource circulation</li> </ul>	<ul style="list-style-type: none"> <li>Expand eco-friendly product categories and certifications</li> <li>Identify new business opportunities</li> </ul>



# RISK MANAGEMENT

## PHYSICAL RISKS

### Climate Change Scenario Analysis

CJ Freshway conducted climate scenario analyses with a focus on its logistics centers, using the RCP<sup>1)</sup> 8.5 scenario from the IPCC<sup>2)</sup> 5th assessment report to systematically gauge the impacts of climate change on our business operations. Through these analyses, we identified climate-related risks and opportunities and evaluated their potential impact on our business. Based on the assessment results, we reviewed our current response status and developed future action plans accordingly. Outcomes from this process are used as foundational data for assessing physical risks and developing effective response strategies.

### Physical Risk Assessment Results

CJ Freshway assessed physical risks through a comprehensive evaluation of asset exposure<sup>3)</sup> and the likelihood<sup>4)</sup> of climate-related hazards. The analysis showed that Gyeonggi-do—where most of our assets are concentrated—has a high level of risk due to changes in precipitation and average temperature patterns. In Jeollanam-do, the likelihood of occurrence was found to be relatively high for certain climate hazards such as changes in wind speed. Based on these findings, we prioritized hazards with greater potential business impact and developed key response measures accordingly, while refining our risk management strategies tailored for each regional logistics hub.

Location	Asset Exposure	Likelihood								
		Acute			Chronic					
		Flooding	Wildfire	Heat Wave	Changes in Precipitation Patterns	Changes in Wind Speed Patterns	Changes in Average Temperature	Changes in Relative Humidity	Sea-level Rise	Water Scarcity
Gyeonggi-do	H	L	L	M	H	M	H	L	N/A	L
Gyeongsangnam-do	M	L	M	L	L	L	M	M	N/A	L
Incheon Metropolitan City	L	L	L	M	H	M	M	M	L	M
Jeollanam-do	L	M	L	M	M	H	H	M	N/A	M

1) RCP: Representative Concentration Pathway  
2) IPCC: Intergovernmental Panel on Climate Change  
3) Asset Exposure: A higher level of asset exposure indicates greater business significance and higher asset value of the logistics center  
4) Likelihood of occurrence based on the 2050 scenario

## RESPONSES TO PHYSICAL RISKS

### Managing Risks from Changes in Precipitation Patterns

Changes in precipitation patterns are increasing the risk of logistics disruptions from future disasters such as flooding. To prepare for potential road closures and delivery delays, we operate a real-time monitoring system that leverages accumulated transportation data. We have also established a response framework that enables the swift activation of optimal alternative routes during emergency situations. In addition, we are strengthening on-site responses through rigorous facility inspections and disaster response drills at our logistics centers.

### Managing Risks from Changes in Average Temperature

A rise in temperature can increase the risk of compromised product quality and logistics stability for refrigerated and frozen goods. To address this risk, we are strengthening cold chain temperature standards within our logistics centers and upgrading our operational system to enable real-time monitoring and maintain proper storage temperature. We also conduct performance checks on cooling equipment ahead of high-temperature seasons. In parallel, we are refining on-site manuals and reinforcing staffing to ensure immediate response to temperature anomalies.

### Managing Risks from Changes in Wind Speed Patterns

Changes in wind speed patterns are expected to increase the risk of facility damage and safety incidents due to strong winds in the future. In response, we regularly inspect safety facilities across all business sites and have tightened our response manuals to better prepare for such conditions, ensuring employee safety. In addition, we regularly assess wind loads at each logistics center to proactively identify potential vulnerabilities. Going forward, we aim to secure structural stability by reinforcing wind-resistant designs.

## RISK MANAGEMENT

### MANAGING SUPPLY RISKS BY PRODUCT

#### Managing Supply Risks by Product

Climate change-driven yield instability and global supply chain disruptions can heighten the risk of supply shortages for key food materials. In response, we aim to proactively assess supply chain risks for core commodity groups—including agricultural products, fruits, and livestock—by 2050, while simultaneously promoting origin diversification (both domestic and international), alternative sourcing strategies, and technology-based measures such as smart farming. We are also working to reinforce the stability of our procurement system through commodity-specific measures, including expanding contract farming, introducing climate-resilient crop varieties, and securing feed supplies for high-temperature summer periods.

	<b>Agricultural Products</b>	We continuously monitor production volume trends of key commodities. For items with declining production, we work to secure suitable alternatives, while for those with increasing output, we develop new menu offerings. Through these efforts, we aim to minimize supply chain risks and stay competitive in the market.
	<b>Fruits</b>	We are working to ensure a stable fruit supply by incorporating fluctuations in fruit production due to climate change into our strategy. According to the Korea Rural Economic Institute (KREI), the cultivation area for apples in Korea is projected to contract, while those for pears, peaches, and grapes are expected to increase until 2030, then decline. Meanwhile, the production of fruits imported into Asia is expected to continue rising. In response, we plan to continuously strengthen freshness and supply stability by securing flexibility in menu planning and enhancing our cold chain and logistics systems.
	<b>Livestock</b>	According to research by the Rural Development Administration (RDA) in Korea, hot and humid conditions are projected to increase due to climate change, raising the mortality risk among major livestock. We are responding flexibly to productivity fluctuations by developing and diversifying menu offerings focused on livestock with high heatwave resistance. In addition, by increasing the proportion of items with relatively low greenhouse gas (GHG) emissions, we seek to reduce the environmental impact across our supply chain.

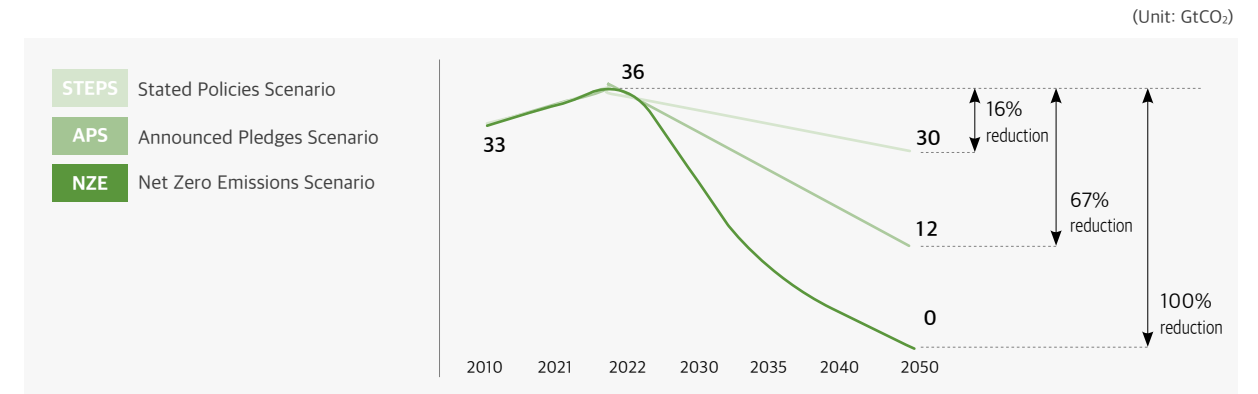
1) IEA: International Energy Agency

### TRANSITION RISKS

#### Transition Risk Assessment Based on IEA Scenarios

CJ Freshway analyzed a transition risk assessment to quantitatively identify the level of GHG emissions reductions required under various scenarios and to respond effectively. The assessment based on the IEA emission reduction scenarios showed significant differences in required reduction levels depending on the pace of policy and technological transitions outlined in each scenario. Specifically, the NZE (Net Zero Emissions) scenario calls for a complete (100%) reduction in emissions, in contrast to the STEPS (Stated Policies Scenario), underscoring the strategic need to establish mid- to long-term reduction targets and to expand technological innovation and investment—aligned with our business structure and emission profile.

#### Projected GHG Emissions by IEA Scenario



# RISK MANAGEMENT

## TRANSITION RISKS

### Industry Trend Analysis Based on WBCSD Scenarios and Responses

CJ Freshway analyzed the WBCSD<sup>1)</sup> industry transition scenario to assess the level of sustainability expectations and evolving trends relevant to its business. According to the scenario, the sales share of meat products is expected to decline, while the shift toward low-carbon products and dietary patterns is projected to accelerate. Environmental responsibilities are also anticipated to intensify across the entire value chain—from food production and resource use to packaging and distribution. In addition, regulations related to plastic packaging and waste management are expected to expand across all fronts. In response, we aim to proactively meet these evolving demands through a range of strategies, including the development of sustainable products and menus, the expansion of eco-friendly packaging, the reduction of food waste, and the promotion of resource-circulation-based services.



### Risk Analysis and Strategic Directions by Transition Driver

According to our analysis of key transition drivers, the transition toward a low-carbon society—characterized by strict-er GHG emission regulations, rising demand for sustainable diets, and expanding regulations on resource recycling—is expected to impact our business operations and the entire value chain. In response, we have developed and are implementing company-wide strategies focused on managing GHG emissions, diversifying our sustainable product and service portfolios, and enhancing the disclosure of climate-related information—all aimed at reinforcing our business resilience.

Transition Risk Type	Key Details	Key Response Directions
Tightening of GHG Emissions Regulations	<ul style="list-style-type: none"> <li>Increased operational burden due to rising carbon credit costs and stricter carbon reduction requirements across the supply chain</li> <li>Potential loss of delivery opportunities if reduction targets are not met</li> </ul>	<ul style="list-style-type: none"> <li>Establish reduction roadmaps and implementation strategies for Scope 1, 2, and 3 emissions</li> <li>Strengthen joint response systems with supply chain partners</li> </ul>
Expansion of Resource Recycling Regulations	<ul style="list-style-type: none"> <li>Growing demand for a transition to a circular economy due to expanded regulations on resource recycling, including plastic packaging</li> <li>Rising demand for a transition to eco-friendly packaging</li> </ul>	<ul style="list-style-type: none"> <li>Expand reusable and recyclable packaging and transition to reduced packaging materials</li> <li>Expand eco-friendly certifications and develop circular products and distribution systems</li> </ul>
Expansion of Eco-Friendly Infrastructure and Bio Technologies	<ul style="list-style-type: none"> <li>Growing pressure to adopt high-efficiency equipment, smart farming, and bio-based technologies</li> <li>Rising demand for a transition to eco-friendly production systems</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate the adoption of high-efficiency equipment and alternative technologies</li> <li>Advance the portfolio with eco-friendly technologies such as smart farming and bio-based products</li> </ul>
Increase in Sustainable Consumption Trends	<ul style="list-style-type: none"> <li>Increasing consumer demand for low-carbon dietary options and sustainable products</li> <li>Decline in brand competitiveness if the brand's ESG reputation weakens</li> </ul>	<ul style="list-style-type: none"> <li>Develop sustainable diets and expansion of eco-friendly product portfolio</li> <li>Enhance communication to strengthen the brand's ESG reputation</li> </ul>
Strengthening of Climate Change Disclosure Standards	<ul style="list-style-type: none"> <li>Tightening of international disclosure standards such as the EU CSRD</li> <li>Growing demand for disclosures consistent with emission reduction strategies and their implementation</li> </ul>	<ul style="list-style-type: none"> <li>Enhance the data management system for quantitative ESG disclosure</li> <li>Promote the internalization of disclosure implementation and reporting standards across the entire company</li> </ul>

1) WBCSD: World Business Council for Sustainable Development

## METRICS & TARGETS

### ROADMAP FOR NET ZERO

CJ Freshway has developed a concrete reduction roadmap aimed at achieving Net Zero by 2050 and has been implementing GHG reduction initiatives in phases. We first developed a GHG inventory to identify major emission sources within our organizational boundaries, and based on the categorized emissions, we operate a structured MRV (Monitoring, Reporting, and Verification) system to systematically manage the entire emissions management process. Since 2024, we have conducted a pilot calculation of Scope 3 emissions, assessing appropriate calculation methods and data adequacy for each category prior to calculating emissions. As a result, we identified emissions for Category 7 (employee commuting) and Category 9 (Downstream Transportation and Distribution).

#### GHG Emissions<sup>1)</sup>

Category	Unit	2022	2023	2024
Direct GHG Emissions (Scope 1)	tCO <sub>2</sub> eq	341.322	380.898	570.743
Indirect GHG Emissions from Energy Use (Scope 2)	tCO <sub>2</sub> eq	10,449.102	13,620.462	14,801.368
Other Indirect GHG Emissions (Scope 3) <sup>2)</sup>	tCO <sub>2</sub> eq	-	-	6,760.797 <sup>3)</sup>
C7 Employee Commuting	tCO <sub>2</sub> eq	-	-	103.282
C9 Downstream Transportation and Distribution	tCO <sub>2</sub> eq	-	-	6,657.515

#### Integrated GHG Reduction Target across Scopes

CJ Freshway has established a structured GHG reduction strategy aimed at achieving Net Zero, setting baselines for Scope 1 and 2 emissions in line with the organizational boundary adjustments performed in 2023. For Scope 3, we have built a data collection and management system focused on prioritized categories based on our business operations and emissions profile, laying the groundwork for a mid- to long-term reduction strategy. In 2024, we took concrete actions to reduce GHG emissions by adopting energy efficiency and abatement measures. However, due to the expanded emission boundaries and operational footprint, total emissions amounted to 15,369 tCO<sub>2</sub>eq—exceeding the target of 13,800 tCO<sub>2</sub>eq by approximately 10%. Moving forward, we plan to refine our reduction strategy by incorporating key change drivers in a more granular manner. We are also reinforcing our climate response capabilities by advancing an eco-friendly distribution network and expanding our portfolio of sustainable products. Through these efforts, we aim to secure a stable path toward achieving Net Zero.

1) 2022, 2023 Organizational boundaries: Headquarter, regional offices, logistics centers, Central Kitchen, and R&D center

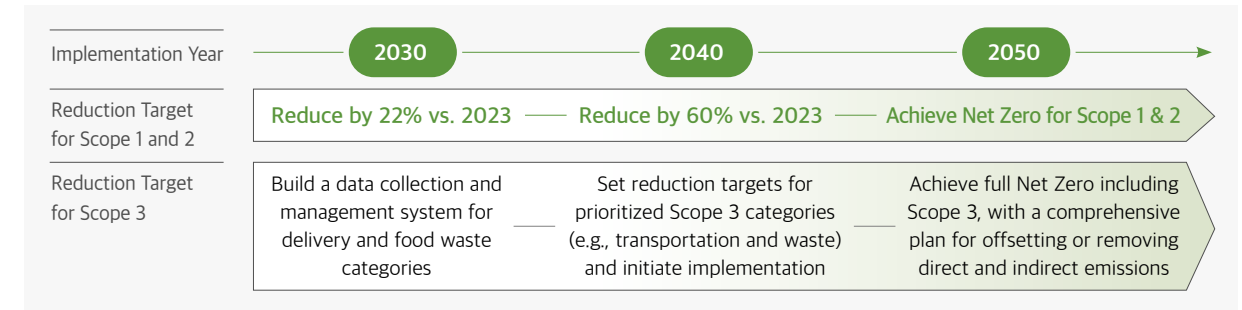
2024 Organizational boundaries: Headquarter, regional offices, logistics centers, Central Kitchen, R&D center, Kitchen-less sites, and Haengdamdo Service Area

2) For dedicated contracted vehicles and electric vehicles in Category 7 and Category 9 Emission calculation formula: annual consumption (fuel or electricity) x calorific value x emission factor x GWP

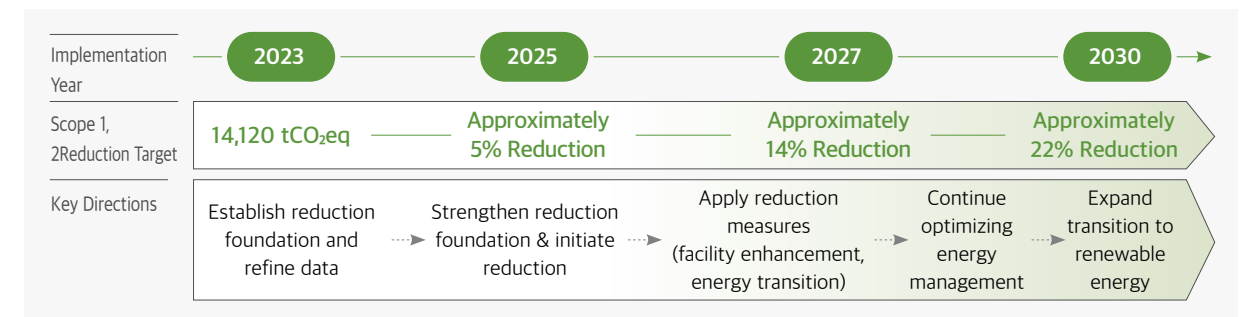
Emission calculation standards: WRI(Technical Guidance for Calculating Scope 3 Emissions, version1.0/Corporate Value Chain Accounting & Reporting Standard) and IPCC (Global Warming Potential, GWP) factors

3) Energy converted to terajoules (TJ): 96.559 TJ

#### Integrated Reduction Goals for Scope 1,2 and 3



#### Detailed Reduction Plans for Scope 1 and 2



#### GHG Emissions Reduction Activities

CJ Freshway is implementing a range of strategies to reduce GHG emissions. In 2024, we improved the efficiency of refrigeration equipment in our logistics centers, reaching approximately 95% through overhaul cleaning and the replacement of consumable parts. We also introduced a maintenance manual to ensure regular maintenance, further improving cooling energy efficiency and the effectiveness of our GHG reduction efforts. For Scope 3 emissions—which accounts for a significant share of our total emissions—we are exploring the adoption of an AI-based logistics system to optimize delivery zones. Additionally, we are steadily expanding the use of dedicated contracted vehicles equipped with fuel consumption monitoring capabilities. Beyond these efforts, we are continuing to promote a range of eco-friendly programs centered on customer participation, as part of our ongoing company-wide efforts to realize Net Zero.

# METRICS & TARGETS

## ENERGY MANAGEMENT

### Energy Reduction Targets

CJ Freshway applies a structured approach to track the usage of major energy sources—including LNG, LPG, diesel, gasoline, electricity, heat and steam—and sets reduction targets to develop strategies to increase energy efficiency. Specifically, we monitor electricity consumption of each business site to analyze their usage patterns and operational characteristics. Using these insights, we design and implement tailored reduction measures. For our Central Kitchen, which produces and supplies semi-prepared food, we have refined specific targets to reduce electricity and gas (LPG) consumption to continuously carry out reduction activities accordingly. Looking ahead, we plan to expand the scope of our target setting to include logistics centers and R&D center by 2027, while building a performance-based management framework to drive company-wide energy reduction initiatives.

#### Central Kitchen Energy Reduction Target

Energy Source	Unit	2024 Target	2024 Performance	2025 Target
Electricity	TJ	21.7334	22.6850	21.6038
Gas (LPG)	TJ	3.3244	3.9540	3.0478

### Energy Consumption Indicators<sup>1)</sup>

Category	Unit	2022	2023	2024
Total Energy Consumption	TJ	223	289	316
Energy Intensity <sup>2)</sup>	TJ per 100 million KRW	0.0096	0.0109	0.0113

### Energy Consumption Management and Reduction Efforts

CJ Freshway operates a company-wide energy management system to reduce GHG emissions and improve power quality through greater energy efficiency. This system allows us to perform monthly monitoring of electricity consumption across all business sites. If any unusual month-over-month or year-on-year increase is detected, we analyze the root cause and take site-specific corrective actions. In 2024, we installed a total of 227 vinyl curtains at six logistics centers, including Icheon and Yangsan, to improve summer temperature control. These curtains help block hot and humid outdoor air, lowering cooling energy consumption and preventing condensation caused by temperature differences—reducing the risk of slip accidents. As a result, we have strengthened our safety and sanitation practices. In parallel, we regularly monitor equipment to prevent energy inefficiencies caused by aging refrigeration and freezing equipment. Additionally, we plan to clean cooler heat exchange fins in refrigerated storage rooms and picking areas.

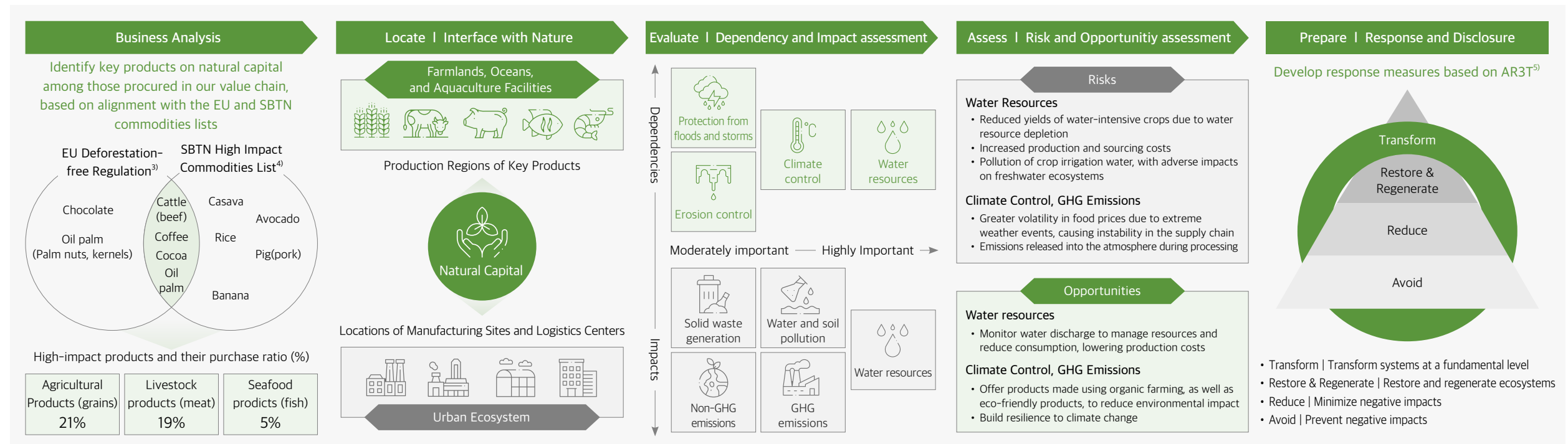
1) 2022, 2023 Organizational boundaries: Headquarter, regional offices, logistics centers, Central Kitchen, and R&D center  
2024 Organizational boundaries: Headquarter, regional offices, logistics centers, Central Kitchen, R&D center, kitchen-less facilities, and Haengdamdo service area  
2) Total energy consumption/annual revenue (on a separate financial basis)

# BIODIVERSITY

## OUR APPROACH TO BIODIVERSITY

CJ Freshway analyzes the dependencies and impacts on natural capital across all business operations. To minimize adverse impacts, we identify risks and establish response measures based on the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)<sup>1)</sup>. Taking a step further, we integrate these considerations into our corporate strategy and risk management framework to reinforce the foundation for fulfilling our environmental responsibilities. One of the TNFD recommendations is the LEAP approach—a procedural framework that helps assess and disclose nature-related opportunities and risks. LEAP consists of four phases: locating interface with nature (Locate), evaluating dependencies and impacts on natural capital (Evaluate), assessing material risks and opportunities (Assess), and preparing to respond and report (Prepare). This process deepens our understanding of how our activities affect natural capital and helps lay the groundwork for our responsible decision-making.

### TNFD LEAP Approach



1) TNFD: Task Force on Nature-related Financial Disclosures

2) LEAP: A nature-related reporting approach recommended by TNFD (Locate, Evaluate, Assess, Prepare)

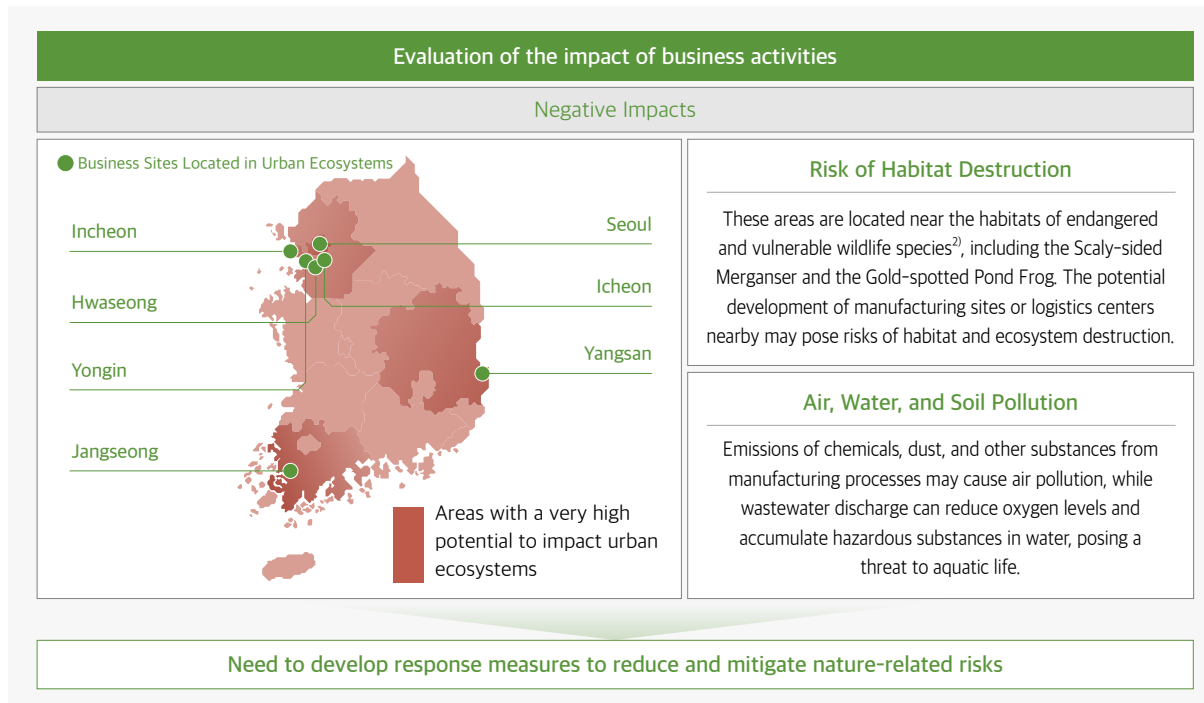
3) Commodity list under the EU Deforestation-free Regulation

4) SBTN(Science Based Targets Network) High-Impact Commodities List: A list of commodities with significant environmental and social impacts designated by SBTN

5) AR3T (Avoid-Reduce-Restore & Regenerate-Transform): An action framework developed by SBTN to help companies manage nature-related impacts and establish sustainable strategies. It consists of four stages—Avoid, Reduce, Restore & Regenerate, and Transform.

## OUR INTERFACES WITH NATURE

CJ Freshway has identified the degree of impact on areas that interface with nature—such as headquarter, manufacturing sites, and logistics centers—to systematically manage natural ecosystems we depend on or affect. Utilizing the IUCN (International Union for Conservation of Nature) Global Ecosystem Typology tool, we identified business sites located in areas with a high potential to impact urban ecosystems<sup>1)</sup> and assessed their impacts on adjacent ecosystems. This assessment enabled us to identify, among others, risks associated with the presence of endangered species and potential pollution impacts. Notably, our business sites and logistics centers are situated in areas with concentrated urbanization and industrial activity, which are sensitive to ecosystem changes. Consequently, these sites have been assessed to exert relatively significant impacts on surrounding ecosystems. In addition, due to the nature of our business related to the supply of food raw materials, we have identified indirect impacts on local ecosystems such as farms, marine aquaculture facilities, and rice paddies. In response, we are implementing targeted measures to mitigate key risks and minimize adverse impacts on biodiversity through continued conservation efforts.



1) Urban ecosystems refer to areas where ecosystems are heavily affected by urbanization and industrial activities, resulting in concentrated environmental changes and risks.  
 2) According to the IUCN (International Union for Conservation of Nature) Red List, the Seoul Frog is classified as Vulnerable, while the Scaly-sided Merganser is classified as Endangered  
 3) ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure

## ASSESSMENT OF DEPENDENCIES AND IMPACTS ON NATURAL CAPITAL

### ECOSYSTEM DEPENDENCY AND IMPACT ANALYSIS PROCESS

CJ Freshway assessed its dependencies and impacts on natural capital across its business operations, utilizing the ENCORE<sup>3)</sup> tool recommended by the Taskforce on Nature-related Financial Disclosure (TNFD).






### Ecosystem Dependency and Impact Assessment

Value Chain (Business Stage)	Key Sites (Region)	Dependencies on Natural Capital	Impacts on the ecosystem	Conservation/ Mitigation Activities
Upstream (Raw Material Production & Processing)	Domestic: Cheorwon, Yeoncheon, Gangneung, Icheon, Jeju, etc. Global: USA, Europe, Africa, East & Southeast Asia, Oceania, Chile, etc.	<ul style="list-style-type: none"> <li>High dependency on biodiversity in food material sourcing</li> <li>Sensitivity of raw material supply to climate-driven changes in temperature, humidity, and wind speed</li> <li>Dependency of natural and cultivated vegetation on stable climatic conditions without floods and storms</li> </ul>	<ul style="list-style-type: none"> <li>Environmental impact of changes in land, freshwater, and marine resource use</li> </ul>	<ul style="list-style-type: none"> <li>Expand sustainable raw material sourcing through certifications such as ASC and MSC</li> <li>Enhance supply chain ESG management with a focus on environmental criteria</li> </ul>
Own Operations & Adjacent Areas (Manufacturing Sites and Logistics Centers)	Icheon, Yongin, Yangsan, Hwaseong, Incheon, Jangseong	<ul style="list-style-type: none"> <li>High dependency of production and distribution processes on surrounding vegetation</li> <li>High dependency of food processing and distribution on environmental conditions free from natural hazards</li> </ul>	<ul style="list-style-type: none"> <li>Potential impact of waste disposal, cleaning, and packaging activities during food processing on adjacent water and soil quality</li> <li>Potential impact of fuel and chemical use during distribution activities on the release of GHG and environmental contaminants in the event of accidental emissions</li> </ul>	<ul style="list-style-type: none"> <li>Develop sustainable products</li> <li>Establish a green distribution network</li> </ul>
Downstream (Customer Use / Product Disposal and Recycling)	FS (Food Service) sites: Over 600 locations nationwide, including schools, daycare centers, hospitals, nursing homes, military units, food marts, and B2C (online)	<ul style="list-style-type: none"> <li>Dependency on landfill space and energy resources for waste disposal and recycling during end-of-life disposal</li> </ul>	<ul style="list-style-type: none"> <li>Potential adverse impact of post-consumer waste, such as packaging materials, on the surrounding environment</li> </ul>	<ul style="list-style-type: none"> <li>Establish a resource circulation system</li> <li>Adopt biodegradable packaging materials</li> </ul>



ASSESSMENT OF BIODIVERSITY RISKS AND OPPORTUNITIES

Based on an industry-specific assessment of risks and opportunities, CJ Freshway has identified water resources, waste and pollutants, and GHG emissions impacting climate regulation as key management issues given their relatively high levels of dependency and impact. These issues, now embedded in our ESG strategy, are being monitored to drive tangible actions and meaningful progress.

Key Issues	Risks	Opportunities	Aligned Strategic Direction
 Water Resources	<ul style="list-style-type: none"><li>Depletion of water resources due to excessive use, leading to reduced yields of water-intensive crops such as rice, avocados, and corn</li><li>Increased production and sourcing costs due to water resources scarcity</li><li>Contamination of irrigation water causing harm to aquatic ecosystems</li><li>Negative impact on food safety due to lack of access to safe water resources</li></ul>	<ul style="list-style-type: none"><li>Reduction of potential water-related risks through sustainable water use strategies and water-saving technologies</li><li>Protection of water quality and aquatic ecosystems by adopting efficient water management and pollution prevention technologies</li><li>Conservation of biodiversity through ecosystem preservation efforts in areas surrounding business sites</li></ul>	LIGHT WAY TOWARD SUSTAINABLE FOOD BUSINESS
 Waste and Pollutants	<ul style="list-style-type: none"><li>Degradation of crop quality and adverse impact on food safety due to chemical substances and heavy metals</li><li>Increased waste disposal costs and reputational damage</li></ul>	<ul style="list-style-type: none"><li>Reduction in waste disposal costs through waste reduction strategies and recycling programs</li><li>Enhancement of eco-friendly corporate image and stakeholder awareness through voluntary engagement in circular resource initiatives</li></ul>	
 GHG Emissions Impacting Climate Regulation	<ul style="list-style-type: none"><li>Increased volatility in food prices and supply chain instability due to climate-driven extreme weather events</li><li>Contribution to global warming from GHG emissions during food processing</li></ul>	<ul style="list-style-type: none"><li>Production of goods through sustainable farming practices and development of eco-friendly products to reduce environmental impact and enhance corporate image</li><li>Reduction of GHG gas emissions and increase in carbon sequestration capacity to contribute to climate change mitigation</li></ul>	RIGHT WAY TOWARD A FUTURE WE GROW TOGETHER

BIODIVERSITY RESPONSE

Based on the AR3T framework, CJ Freshway assessed the context in which it operates and developed a set of action plans to guide the practical and effective management of its dependencies and impacts on natural capital toward a more sustainable future. Recognizing the value of ecosystem services provided by nature—such as water, soil, and forests—we are promoting Restore & Regenerate initiatives to mitigate related risks and prevent environmental degradation.

Biodiversity Management Based on the AR3T Framework		
AR3T Framework	Management Plans	
Transform Fundamental Change across Systems	Smart Farm Contract Farming	Strengthen ecological resilience across the value chain through local farm data accumulation
	Eco-Friendly Distribution Network	Shorten distribution stages through direct sourcing from production sites and contract farming, and minimize environmental impact through the use of low-emission delivery vehicles
Restore & Regenerate Ecosystem Restoration	Promotion of Organic Farming	Expand organic and low-carbon certified agricultural products using organic matter and microorganisms
	Ecosystem Protection Activities	Create green spaces at manufacturing sites and manage water resources by reducing water consumption and increasing water reuse rates, while protecting urban ecosystems through stakeholder-participated river cleanup programs
Reduce Minimizing negative impacts	ASC and MSC Certifications	Expand certification for seafood sourced through eco-friendly fishing and aquaculture practices
	Animal Welfare-Certified Livestock Products	Promote animal welfare-certified products to help maintain ecosystem health and support sustainable resource use
Avoid Preventing negative impact	Sustainable Agricultural Products	Distribute sustainable agricultural products through smart farming contracts, the adoption of organic and pesticide-free practices, and the promotion of low-carbon and eco-certified products
	Environmental Management	Establish an environmental management system and conduct structured monitoring of air and water pollutants
	Waste Management and Resource Circulation	Manage waste generation, promote waste reduction initiatives, and build a resource circulation system

Mid- to Long-term Biodiversity Targets

Implementation Year	2025	2027	2030
Targets	<ul style="list-style-type: none"><li>Establish a biodiversity management foundation</li><li>Implement urban ecosystem protection activities within domestic infrastructure, including manufacturing sites</li><li>Set targets for expanding contract farming and certified sustainable product ratios</li></ul>	<ul style="list-style-type: none"><li>Expand the management system and ensure performance tracking</li><li>Assess supply chain impacts of key items with high biodiversity risks</li><li>Expand urban ecosystem protection activities at three or more sites</li></ul>	<ul style="list-style-type: none"><li>Establish an integrated biodiversity management system</li><li>Develop business strategies aligned with the AR3T-based biodiversity strategy</li><li>Reflect biodiversity into supplier ESG evaluation criteria</li><li>Institutionalize urban ecosystem restoration and education programs</li></ul>

CIRCULAR ECONOMY

WASTE MANAGEMENT SYSTEM



CJ Freshway recognizes that food and packaging waste generated through its food materials distribution and institutional catering operations can have significant environmental and social impacts. Carbon emissions from disposal, resource losses associated with food waste, and increased plastic use from single-use packaging can negatively affect surrounding communities and ecosystems near our business sites. In response, we are striving to transition toward a circular economy. To ensure systematic waste management, we operate a management system based on our internal Waste Management Operational Guidelines, working to improve recycling rates and reduce waste generation at the source. In particular, we are continuously enhancing our practices to comply with legal requirements for proper waste treatment and to achieve more efficient waste management.

Category	Details
Policy Development	Developed company-wide operational guidelines for waste management
Management Scope	All CJ Freshway business sites
Waste Scope	General waste (including food waste, waste oil, sludge, and waste synthetic resins) and designated waste
Waste Management	<ul style="list-style-type: none"><li>Manage waste volumes by treatment type, including recycling, landfilling, and incineration</li><li>Ensure proper disposal and recycling through certified third-party vendors in accordance with the Waste Control Act.</li></ul>



EMBEDDING CIRCULAR RESPONSE SYSTEM

CJ Freshway operates the circular management system to reduce waste and promote resource recovery across its business value chain. For example, we launched the Ice Pack Reuse and Proper Disposal initiative in collaboration with the Korea Environment Corporation and local governments, followed by the Paper Carton Recycle project with childcare centers in Gyeongsangnam-do. These efforts have helped raise awareness of the circular economy. In addition, we have continued to expand a range of waste reduction activities—such as upcycling Hetbahn (instant rice) containers and paper rice sacks—thereby creating both environmental and social value through circular practices. Going forward, we aim to identify and scale up additional circular initiatives across all areas of our operations.

Results	APPROX. <b>1,950</b> kg collected (Dec 2024 - Apr 2025) 	APPROX. <b>3,272</b> units collected (Dec 2021 - Dec 2024) 	APPROX. <b>48,826</b> units collected (Nov 2021 - Dec 2024) 
Program	'Donghaeng' Project - Gyeongnam Paper Carton Recycle Initiative Participated by 173 childcare centers	Hetbahn(instant rice) Container Upcycling 479 containers collected in 2024 (Sangam HQ)	Paper Rice Sacks Upcycling 16,826 sacks collected in 2024 (3,029 kg)

ECO-FRIENDLY STORE DESIGN

CJ Freshway incorporates recyclable materials and reused finishes into its food court designs—spaces frequented by customers—to create eco-friendly and comfortable environments. These efforts help reduce waste and promote resource circulation. Going forward, we plan to expand the use of eco-friendly design across more store locations.



Gourmet Bridge food court designed with eco-friendly materials

EMBEDDING CIRCULAR RESPONSE SYSTEMS

WASTE RISK MANAGEMENT STRATEGY

CJ Freshway’s Industrial Safety Team conducts quarterly inspections at its manufacturing sites to ensure compliance with waste-related regulations. For food service (FS) outlets, operational audits are carried out once a year. All waste is managed in accordance with the Waste Management Act, which serves as the foundation for maintaining legal compliance, to secure transparency, and operational credibility. Waste management performance is assessed holistically, alongside other environmental elements such as water quality, air emissions, and noise and vibration levels. These evaluations are reflected in the overall environmental inspection results for manufacturing sites and are used as a key performance indicator for the Industrial Safety Team. At the corporate level, we also operate resource circulation programs that encourage voluntary participation by employees, helping to raise environmental awareness and promote responsible action across the organization.

WASTE REDUCTION TARGETS

CJ Freshway has established a company-wide direction aimed at enhancing resource circularity and operational efficiency, based on which annual waste reduction targets are set. These targets are segmented by business unit and waste type, and managed through structured, quarterly implementation schedules. For Central Kitchen, our manufacturing facility, we have set specific reduction targets for 2024, focusing on key waste streams such as synthetic resin waste, food waste, and wastewater sludge. Waste reduction performance is tracked using the ratio of waste generated per quarterly production volume as a key performance indicator to encourage measurable progress. In addition, we are actively driving a series of initiatives to reduce waste, including recycling plastic films used during production, discouraging the use of single-use products in office spaces, developing food upcycling products, and increasing dewatering efficiency through the optimized operation of our wastewater treatment facilities. For product disposal, we have also set specific reduction targets and plan to increase the share of waste treated through recycling going forward.

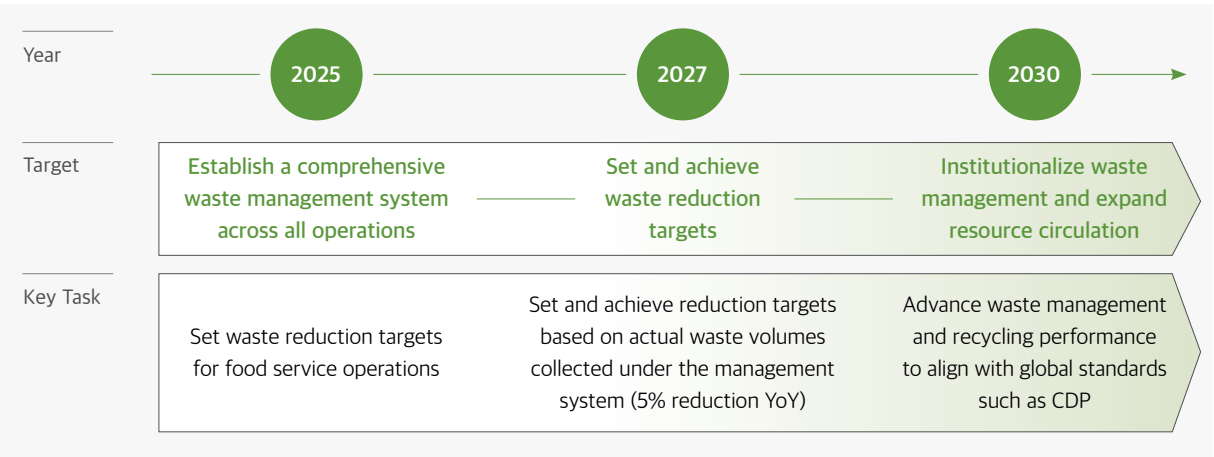
Waste Reduction Targets and Performance for Central Kitchen

Category	Unit	2024 Target	2024 Performance	2025 Target
Synthetic Resin Waste	Ton	130.46	156.88	149.04
Food Waste	Ton	42.91	86.22	81.91
Wastewater Sludge	Ton	121.31	117.47	110.42

Targets and Performance for Reducing Waste from Product Disposal

Category	Unit	2024 Target	2024 Performance	2025 Target
Waste Generation	Ton	623.6	755.6	638.7

Mid- to Long-term Waste Reduction Targets



EMBEDDING CIRCULAR RESPONSE SYSTEMS

WASTE REDUCTION INITIATIVES

To achieve its waste reduction goals, CJ Freshway regularly monitors both total waste generation and waste intensity across the organization. We also carry out targeted improvement initiatives tailored to the specific characteristics of key operational sites, including manufacturing and logistics facilities. At our Central Kitchen, we analyze the root causes of waste generation by type and implement phased reduction measures accordingly. Process enhancements and strengthened on-site management help minimize waste, with continuous improvements based on monitoring results. In logistics centers, we apply customized strategies to specific processes—such as unloading—and reinforce these efforts through employee training to further reduce waste generation. Notably, we are gradually replacing logistics consumables such as ice packs, labels, and tape with eco-friendly alternatives, and working to expand the recycling of packaging films. In addition, we are reviewing the introduction of an upcycling program to convert damaged or returned food products into compost or fertilizer for use by partner farms. To enhance the transparency and efficiency of our waste management practices, we also conduct sample inspections, root cause analyses, and on-site verifications.

FOOD WASTE REDUCTION INITIATIVES

CJ Freshway takes a structured approach to managing food waste all food service (FS) sites. As part of this effort, the FS Business Support Team and the Industrial Safety Team jointly developed and distributed opening and closing operation guides, accompanied by training on relevant legal requirements and management practices. Food waste reduction machines have also been installed at each site to support effective analysis of food waste volume and treatment costs, and to drive overall reduction efforts.

Waste Management Indicator	Unit	2022	2023	2024
Waste Emissions Intensity <sup>1)</sup>	Ton / KRW 100 million	0.036	0.036	0.041
Total Waste Generated	Ton	836.2	944.9	1,139.8

1) Waste generation intensity: total waste generated / annual revenue (separate basis)

EMBEDDING CIRCULAR RESPONSE SYSTEMS

DEVELOPMENT SUSTAINABLE PURCHASING GUIDELINES

In 2023, CJ Freshway developed and began implementing its ‘Sustainable Purchasing Guidelines’ to foster the eco-friendly distribution environment and promote shared growth with our partners. The guidelines define sustainable purchasing as expanding the purchase, development, and operation of products that minimize environmental impact, also positioning the process as a collaborative effort across the supply chain to advance sustainability and shared value creation. Sustainable Products are defined as those that are eco-certified and designed to minimize resource consumption and adverse impact on the environment. We have also specified detailed evaluation criteria for identifying such products. Guided by these guidelines, we are taking an organized approach to broaden the distribution of sustainable products and embed a Purchasing culture grounded in both environmental responsibility and social value.

Sustainable Procurement Process

Identifying Purchase Demand	Assessing Environmental Impact	Executing Sustainable Purchasing	Managing and Disclosing Performance
Review procurement demand and suppliers	Review environmental attributes of products and their contribution to a healthy dietary culture; evaluate suppliers’ environmental management	Provide advance notice of sustainability requirements for suppliers and proceed with purchase contracts	Conduct regular management and post-assessment of sustainable product purchasing performance and disclose the outcomes

## EMBEDDING CIRCULAR RESPONSE SYSTEMS

### ADVANCEMENT OF CONTRACT CULTIVATION OF SMART FARMS

Collaborating with leading agricultural technology companies, CJ Freshway is fostering a smart farming ecosystem and building a shared growth model with local farms. This year, we provided open-field farms with ICT-based precision agriculture technologies and smart farming equipment, boosting both productivity and crop quality. We also supported these farms in securing stable sales channels, connecting them directly with the foodservice and institutional catering markets. In the second half of 2024, we expanded our ICT-based cultivation solutions for approximately 69,400 m<sup>2</sup> (21,000 pyeong) farm in Boeun-gun, Chungcheongbuk-do. This included deploying digital weather stations and automated irrigation and fertigation systems, enabling real-time crop monitoring for greater efficiency. Key crops grown under this initiative include onions, garlic, and potatoes. Through these initiatives, we are strengthening production stability for farmers and building the resilience of our supply chain. Looking ahead, we plan to expand contract farming based on smart agriculture to proactively address agricultural risks from climate change and establish a more sustainable agri-food supply system.

Goal	Performance
Respond to price volatility and supply instability caused by abnormal climate conditions	<ul style="list-style-type: none"> <li>Establish collaborative business models with local governments</li> <li>: Implemented smart contract farming in Boeun-gun, Chungcheongbuk-do (Application of smart farm solutions and provision of real-time monitoring-based guidance)</li> </ul>

### DEVELOPING RECYCLED PRODUCTS

On September 1, 2024, CJ Freshway launched Teun-Teun School Crispy Sweet Rice Bran Wafers, a dessert product made using rice bran generated during the rice milling process. As a sustainable product that promotes resource circulation and environmental protection through the upcycling of food by-products, it drew strong interest from consumers during a social media event held to celebrate Farmers' Day. As consumer interest in environmental sustainability grows, we are committed to developing products that reduce food waste and support a more sustainable food culture. We believe these efforts not only strengthen our competitiveness in the eco-conscious market but also help generate broader social impact.



Teun-Teun School Crispy & Sweet Rice Bran Wafers

### DEVELOPING SUSTAINABLE PRODUCTS

CJ Freshway partners with local farms to offer a wide range of eco-friendly products, including mushrooms, pesticide-free pumpkins, Cheongyang chili peppers, organic brown rice, and leafy greens. In 2022, we obtained ASC and MSC Chain of Custody (CoC) certifications, allowing us to distribute responsibly sourced seafood. Certified salmon, in particular, is now available across a wider range of online and retail channels. We are also expanding our offerings of animal welfare-certified products, with welfare-certified eggs accounting for 5% of total egg sales as of 2024. Looking ahead, we will continue to work closely with regional farms to identify and source sustainable raw materials. In addition, we aim to broaden our product lineup—such as plant-based beverages, baked goods, and snacks—to foster a healthy food culture and better serve the diverse needs of our customers.



ASC-certified Product

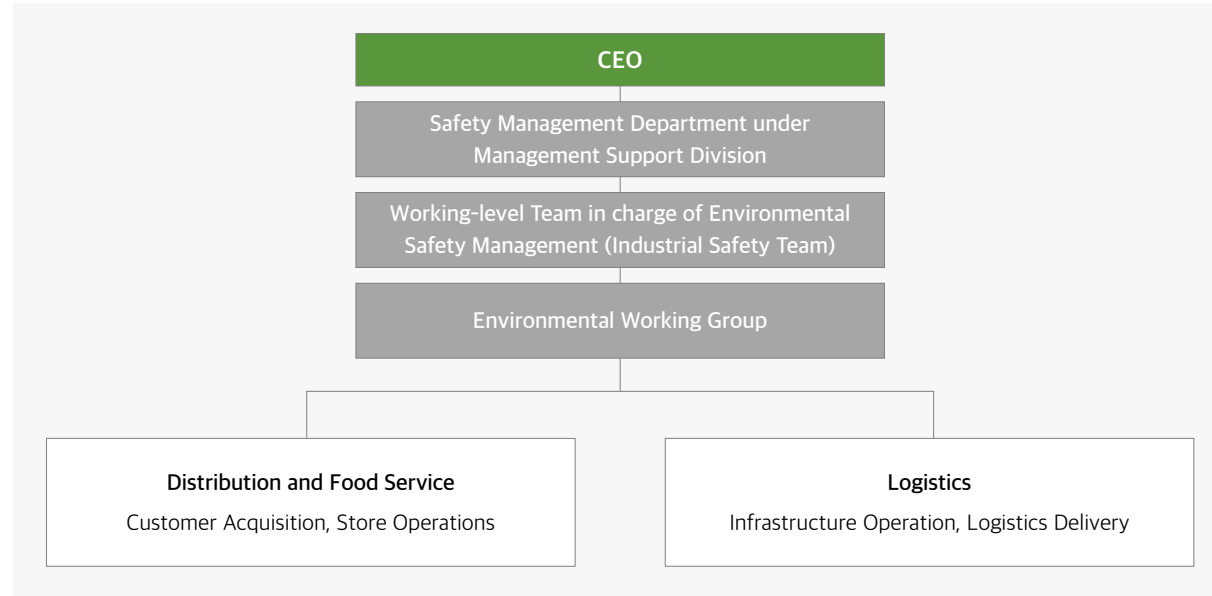
### REDUCING PRODUCT PACKAGING WASTE

We are committed to minimizing the environmental footprint of our products by using eco-friendly packaging materials. For example, I-NURI, children-focused food product brand, uses biodegradable packaging across 11 types of leafy vegetable products currently on the market.

# ENVIRONMENTAL MANAGEMENT

## ENVIRONMENTAL MANAGEMENT GOVERNANCE

CJ Freshway operates the environmental management system built on clear accountability led by senior leadership and close collaboration among operational teams. The Industrial Safety Team oversees environmental controls at manufacturing sites, conducting quarterly inspections on water, air, waste, and noise/vibration to ensure compliance and identify areas for improvement. Through these inspections, we assess compliance with legal standards and identify operational improvements. Ad-hoc inspections are also conducted when needed to proactively manage risks. To strengthen site-level capabilities, the team runs a quarterly Environmental Working Group to share regulatory updates, facility operations, and improvement best practices—helping our environmental managers enhance practical skills and promote knowledge sharing across the organization. Regular training and ESG data management further support compliance and reinforce our foundation for sustainable operations.



## ENVIRONMENTAL MANAGEMENT POLICY

Placing environmental management at the core of our values, CJ Freshway has established the environmental policy that encourages all employees to take proactive ownership. This policy reflects our corporate environmental goals and commitment while presenting a clear framework for action.

ENVIRONMENTAL MANAGEMENT POLICY

VISION

**“A COMPANY THAT PRIORITIZES ENVIRONMENTAL MANAGEMENT, UPHOLDS ITS ENVIRONMENTAL POLICY, AND EMBRACES ITS SOCIAL RESPONSIBILITIES”**

1. Operate an environmental management system that reflects our leadership’s commitment to sustainability, fulfilling our role as an environmentally responsible company
2. Communicate our environmental policy to customers and all stakeholders to foster collaborative partnerships
3. Take the lead in minimizing environmental pollution by continuously reducing the resources and energy consumed in our business activities and developing eco-friendly products
4. Proactively identify environmental risks and set goals to continuously improve our environmental management system

## ENVIRONMENTAL MANAGEMENT SYSTEM (ISO 14001)

To systematically manage the environmental impacts of its operations and minimize pollution, CJ Freshway has adopted the ISO 14001-certified environmental management system. This certification was first obtained for our headquarter, Central Kitchen, and Icheon Logistics Center, and we now apply the same standards across all business sites. Since our initial certification in 2007, we have consistently maintained compliance through annual surveillance audits. In addition, certified sites undergo regular environmental impact assessments to identify potential risks in advance and make necessary corrective actions. In 2024, we conducted training on environmental management systems to support Fresh Plus in obtaining ISO 14001 certification. As a result, Fresh Plus Jincheon and Gongju Plant 1 have newly obtained ISO 14001 certification. We also plan to expand certification to Fresh Plus Eumseong, Gongju Plants 2, 3, and 4, and Songlim FS by 2025. We will continue to provide support to strengthen environmental capabilities for major suppliers, including subsidiaries.

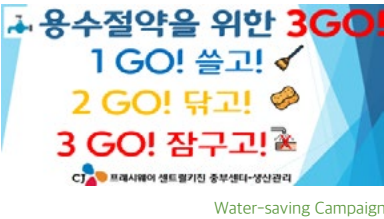


Environmental Management System (ISO 14001)



WATER RESOURCE MANAGEMENT

To efficiently manage water usage, CJ Freshway has set reduction targets for water consumption per ton of production and are actively working to reduce unnecessary use across our operations. At the Central Kitchen, which has the highest water usage among our sites, we have been running a continuous Water-Saving Campaign. We are also rolling out water optimization measures, such as adopting low-water sterilization processes and upgrading equipment to enhance cleaning efficiency throughout the production line.



Water Resource Management <sup>1)</sup>	Unit	2022	2023	2024
Water withdrawal	Ton(m <sup>3</sup> )	37,045	50,811	57,340

Performance vs. Water Management Targets

Category	Unit	2024 Target	2024 Performance	2025 Target
Water Use per Ton of Production	Ton(m <sup>3</sup> )	5.2	6.4	6.2

POLLUTANT MANAGEMENT

WATER POLLUTANT MANAGEMENT

CJ Freshway systematically controls water pollutant discharge in accordance with the Water Environment Conservation Act. At the Central Kitchen, a major discharge site, we apply a stricter internal standard set at 60% of the legal limit. Regular water quality analyses are conducted through accredited external agencies, and we monitor pollutant levels at key discharge points to ensure compliance and reinforce follow-up management. In 2024, we installed real-time monitoring equipment at the Central Kitchen and Fresh Plus sites to improve wastewater oversight. This allows for continuous tracking and early detection of potential risks. All wastewater is treated by certified third-party contractors, and we closely manage specific pollutants—such as copper and dichloromethane—to ensure they remain below quantifiable limits.

Water Pollutants <sup>2)</sup>	Unit	2022	2023	2024
Biochemical Oxygen Demand (BOD)	Ton(m <sup>3</sup> )	0.009	0.016	0.005
Total Organic Carbon (TOC)	Ton(m <sup>3</sup> )	0.040	0.069	0.047
Suspended Solids (SS)	Ton(m <sup>3</sup> )	0.013	0.013	0.014

AIR POLLUTANT MANAGEMENT

To reduce air pollutant emissions, CJ Freshway has adopted high-efficiency low-NOx burners and a structured control system that separately monitors key pollutants, including nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter. In accordance with Article 39 of the Clean Air Conservation Act, we perform biannual air quality assessments through certified third-party institutions and maintain a robust management framework to ensure steady compliance with regulatory emission limits.

Air Pollutants <sup>3)</sup>	Unit	2022	2023	2024
Nitrogen Oxides (NOx)	Ton	0.508	0.466	0.356
Sulfur Oxides (SOx)	Ton	0	0	0
Particulate Matter	Ton	0	0.016	0.015

1) Organizational boundary: Headquarter, logistics centers, Central Kitchen, Kitchen-less sites, Haengdamdo Service Area, and R&D center. Data for 2022 and 2023 have been revised due to changes in organizational boundaries and calculation methods.  
2) Organizational boundary: Central Kitchen.  
3) Organizational boundary: Central Kitchen. Data for 2022 and 2023 have been revised due to calculation of emissions in tons.



## ENVIRONMENTAL COMPLIANCE & MANAGEMENT RISK CONTROL

Based on its ISO 14001-certified environmental management system, CJ Freshway takes a structured approach to complying with key environmental laws and regulations. This includes maintaining a comprehensive compliance checklist covering the Water Environment Conservation Act, Wastes Control Act, Clean Air Conservation Act, Noise and Vibration Control Act, and Sewerage Act. Each site is regularly evaluated against this checklist to ensure adherence. For food service sites, the FS Business Support Team and Industrial Safety Team jointly distribute operational guidelines to support both store openings and closures, while also offering training on regulatory requirements and best practices for managing food waste. At our manufacturing facilities, quarterly environmental inspections help us proactively identify and address potential legal risks. In food service operations, we also work to strengthen hygiene and environmental management at customer-facing operations. For sites subject to waste reporting obligations, we manage the full waste lifecycle—from generation and collection to transport and final disposal—through the Allbaro digital tracking system, as required by the Waste Control Act. This enables us to ensure compliance while enhancing operational transparency.

### Relevant Regulations and Response Strategy

Relevant Regulation	Response Strategy
Water Environment Conservation Act	Preventive action: Conduct regular water quality inspections of pollutant discharge facilities at business sites Performance monitoring: Apply internal standards at 60% of legal discharge limits for effluent quality
Wastes Control Act	System use: Track waste history digitally using the Allbaro system Manual distribution and management: Distribute food waste management manuals to food service sites for proper waste recordkeeping and vendor contracting Waste reduction: Expand recycling initiatives and increase use of food waste dehydrators
Clean Air Conservation Act	Facility improvement: Reduce emissions by adopting low-NOx burners Emission calculation and management: Conduct self-monitoring and regular reporting of air pollutant emissions
Noise and Vibration Control Act	Personnel(manager) assignment: Appoint certified environmental technicians for noise and vibration management Preventive inspection: Perform regular vibration checks on key noise- and vibration-generating equipment
Sewerage Act	Facility inspection: Conduct routine checks of sewage and wastewater treatment facilities and operate maintenance manuals

1) The number of electric delivery vehicles decreased in 2023 due to the closure of a contracted transport service provider.

## ECO-FRIENDLY VEHICLE OPERATIONS

To advance its eco-friendly logistics system, CJ Freshway is actively expanding the use of electric vehicles. In 2021, we became the first in the food distribution industry to adopt electric freight trucks. By leveraging our Transportation Management System (TMS), we enhance route efficiency and maximize the effectiveness of carbon reduction efforts. We are also resuming and scaling up the operation of eco-friendly delivery vehicles—previously reduced temporarily—and plan to gradually expand regional coverage as part of our ongoing transition to a low-carbon logistics network.

Eco-friendly Vehicle	Unit	2022	2023	2024
Zero-Emission Vehicles (ZEVs)	Vehicles	41	14 <sup>1)</sup>	11

## FOSTERING A CULTURE OF ENVIRONMENTAL RESPONSIBILITY

### CUSTOMIZED ENVIRONMENTAL TRAINING FOR EMPLOYEES

In 2024, CJ Freshway provided job-specific environmental training programs to help employees build practical capabilities relevant to their day-to-day work. In addition, 68 newly appointed FS outlet managers in our food service business received food waste management training. Meanwhile, at our Food Safety Lab, where reagent waste is generated, an employee certified by the Korea Environmental Preservation Association offered internal training on wastewater and waste handling protocols to help prevent incidents involving hazardous waste. Going forward, we will continue to monitor environmental issues that may arise in our operations and strengthen employees’ environmental awareness and practical engagement through customized training initiatives.

Training Program	Target Group	Department	Date(s)	No. of Participants
ESG Training for New Employees	New hires	ESG Team	Jan 26, 2024	61
Environmental Working Group	Environmental managers	Industrial Safety Team	Feb, Apr, Jun, Jul, Sep, Dec 2024 (6 sessions)	5
FS Outlet Manager Training	New and experienced managers	FS Business Support Team	Oct 17, 2024	68
Lab Environmental Management	Food Safety Lab staff	Food Safety Lab	Jul 2024	15

## FOSTERING A CULTURE OF ENVIRONMENTAL RESPONSIBILITY

### LOW-CARBON COFFEE FOR A GREENER WORKPLACE

To mark World Environment Day in June 2024, CJ Freshway introduced ‘Tomorrow’s Coffee’ in some of the coffee machines in the office break areas at our headquarter. Since then, it has been served to employees and visitors. ‘Tomorrow’s Coffee’ is a sustainable, low-carbon option cultivated using organic fertilizers and renewable energy, with packaging made from upcycled materials—resulting in a significantly lower carbon footprint compared to conventional coffee beans. From June 2024 to April 2025, we used a total of 130 kg of ‘Tomorrow’s Coffee’ beans, contributing to an estimated carbon reduction of approximately 2,159 kg<sup>1)</sup>. We will continue to pursue various initiatives like this to further reduce our carbon footprint.

### LET’S GREEN: FOOD SERVICE CAMPAIGN

CJ Freshway introduces new low-carbon menu every month to its food service outlets, while sharing monthly environmental tips and promoting initiatives such as food waste reduction and energy saving. In 2024, related posters were viewed by approximately 620,048 customers across our food service locations. Beginning in 2025, we plan to expand the campaign in collaboration with the World Food Programme (WFP) to design and promote more practical on-site activities.

### GOOD-CYCLING CAMPAIGN: EMPLOYEE DONATION PROGRAM

CJ Freshway has been running a used-goods donation campaign for four straight years in partnership with the Miral Welfare Foundation, contributing to job creation for persons with disabilities. Employees across eight of our business sites are encouraged to voluntarily participate, and in 2024, approximately 900 items—including clothing, small appliances, household goods, and leisure-related items—were donated from our Seoul headquarter and regional logistics centers. The donated items are sold at Goodwill Stores nationwide. As a result of this campaign, we reduced approximately 2 tons of greenhouse gas emissions and saved about 2,440 kiloliters of water. This environmental impact is equivalent to planting 287 30-year-old pine trees.

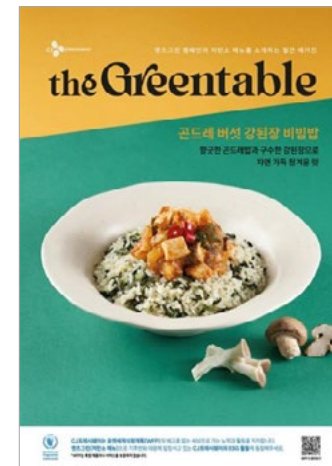
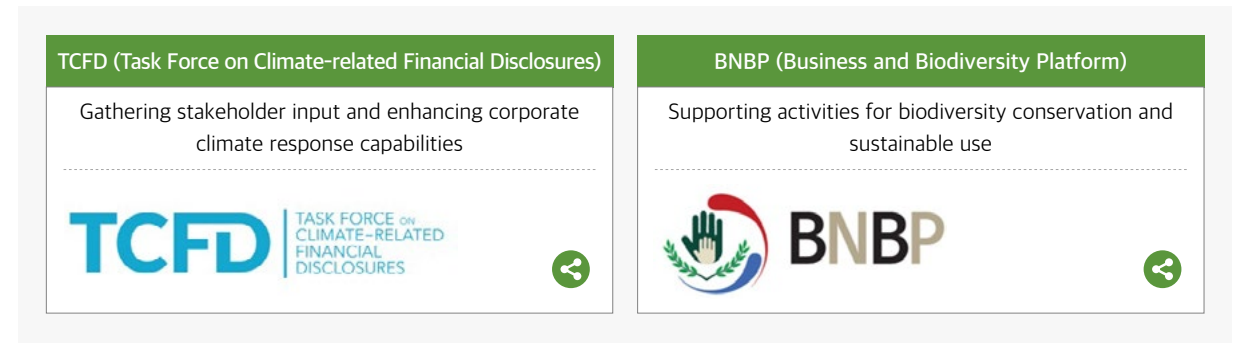
Carbon Reduction	1,892 kg CO <sub>2</sub> reduced <sup>2)</sup>
Equivalent Tree Planting	Equivalent to planting 287 30-year-old pine trees (based on 6.6 kg CO <sub>2</sub> absorbed per tree per year)
Water Savings	2,432,700 L of water saved (based on 2,700 L of water needed to produce 1 T-shirts)

1) Based on a study published in the academic journal GEO, each kilogram of coffee beans generates 15.33 kg of carbon emissions.

2) Based on the Goodwill Store’s social impact measurement standard (2.1 kg of CO<sub>2</sub> reduction per item donated).

### ENVIRONMENTAL INITIATIVES

CJ Freshway is participating in environmental initiatives to strengthen its sustainability framework and build stakeholder trust.



Food Service Campaign ‘Let’s Green’



Low-Carbon Agricultural and Livestock Certification System



Good Cycling Campaign

# SOCIAL

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Supply Chain·Mutual Growth	52
Human Rights Management	58
Work Environment	62
Capacity Building of Executives and Employees	66
Customer Satisfaction	71
Community Participation	75



# FOOD SAFETY OUR FRAMEWORK

## GOVERNANCE



CEO



Safety Management  
Department



Dedicated Food Safety  
Organization

## STRATEGY



Operate Integrated Food  
Safety Management Framework



Verify Ingredient  
Safety

## RISK MANAGEMENT



Integrated Safety  
Oversight Process

## METRICS & TARGETS



Minimizing Product  
Safety Incidents



Compliance with  
Marketing and  
Labeling Regulations



Minimizing Product  
and Service Recalls



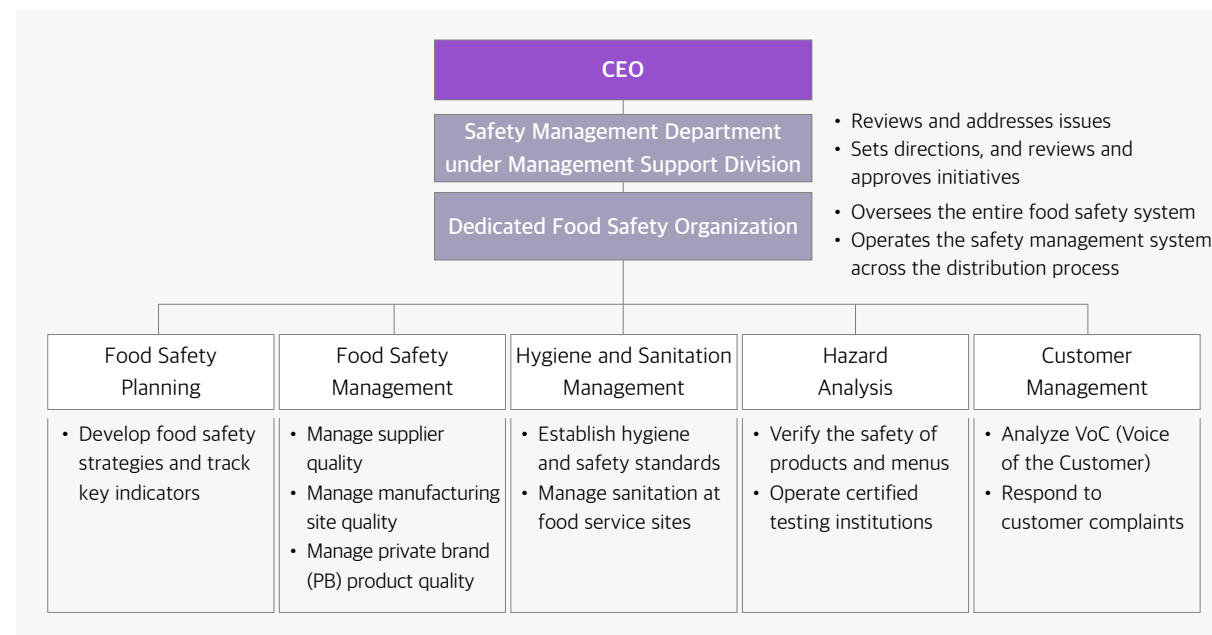
Compliance with  
High-Risk Food Safety  
Regulations

# FOOD SAFETY

## GOVERNANCE

### FOOD SAFETY GOVERNANCE

CJ Freshway recognizes food safety as a core management priority and operates the integrated food safety framework across the company. The Safety Management Department holds clear responsibility for overseeing food safety throughout the entire distribution process, ensuring the effective operation of the company-wide food safety system. Each supporting department appoints a designated person to manage food safety through a systemized approach, enabling consistent safety practices across the organization. Key food safety issues are first shared weekly between the supporting departments and the Safety Management Department and then reported to the CEO on a monthly basis for company-wide review and follow-up actions. In addition, we continuously monitor domestic and international trends related to food safety and hazardous substances to strengthen our overall responsiveness.



### ESTABLISHING QUALITY AND FOOD SAFETY MANAGEMENT POLICY

To fulfill its role as a trusted food business partner, CJ Freshway has implemented the Quality and Food Safety Management Policy as the foundation for structured management of quality and food safety across its operations. The policy is disclosed on our website to ensure it remains readily accessible to all employees and stakeholders. In January 2025, we revised the policy to reflect the nature of our business and recent key issues in food safety.

QUALITY AND FOOD SAFETY MANAGEMENT POLICY

VISION

“FOOD BUSINESS PARTNER CREATING THE SUCCESS WAY”

1. We provide safe products to customers through rigorous quality control of food materials.
2. We ensure customer satisfaction through healthy menus, hygienic process control, and differentiated services.
3. We maintain top-tier quality in food materials and services through ongoing improvements to our food safety system.
4. We provide customized total food safety solutions for both internal and external customers.
5. We enhance food safety through seamless information sharing and collaboration with suppliers, customers, and employees.

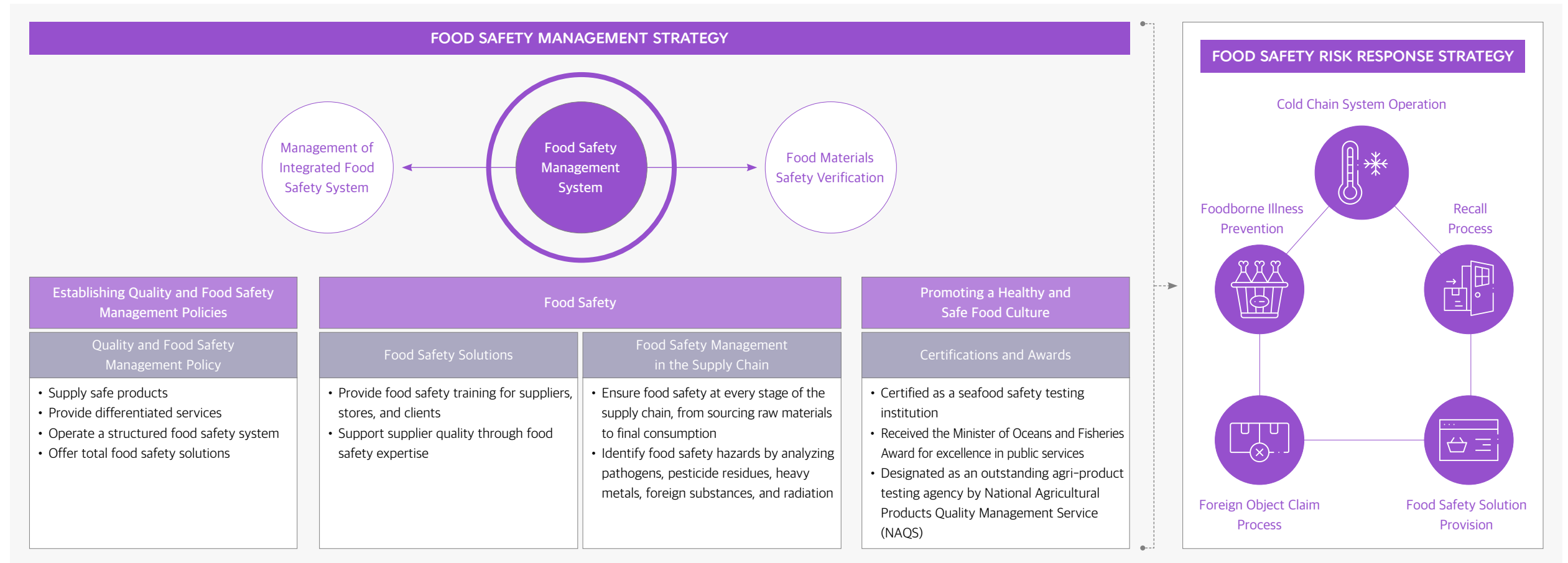
### OPERATING THE ISO 22000 FOOD SAFETY MANAGEMENT SYSTEM

To ensure safety across the global food supply chain and proactively manage diverse risks, CJ Freshway has obtained ISO 22000 certification and established the structured food safety management framework based on its principles. ISO 22000 is an international standard that outlines essential requirements for food safety and is designed for all stakeholders in the food value chain. This certification was initially granted to our FS outlet (CJ Yeongdeungpo Plant), manufacturing site (Central Kitchen - Jungbu Center), and Icheon Distribution Center. We are gradually extending the same level of management to all other sites. Through this system, we aim not only to ensure food safety but also to drive continuous performance improvement in alignment with quality management. We are continuously improving our processes to ensure food safety, maintaining the certification through annual surveillance audits.

## STRATEGY

### FOOD SAFETY MANAGEMENT STRATEGY

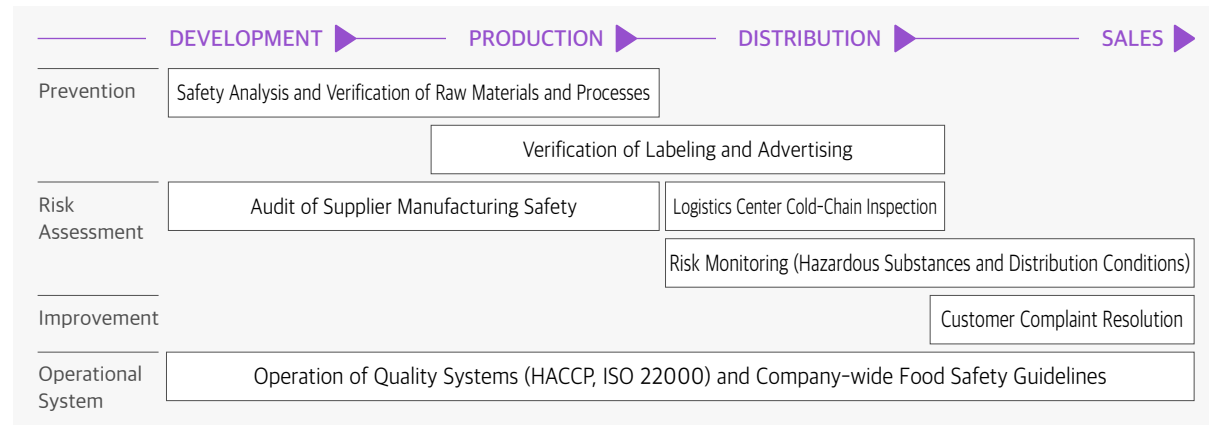
Leveraging its expertise in food analysis, CJ Freshway has secured a wide range of safety verification data, which serves as the foundation of its integrated food safety network. We have been officially designated as a certified testing and inspection agency for food, livestock, and agricultural products by the Ministry of Food and Drug Safety (MFDS) and the National Agricultural Products Quality Management Service (NAQS), ensuring both legal credibility and public trust. Notably, for two consecutive years (2023 and 2024), we received a Satisfactory rating across all categories in the Food Analysis Performance Assessment Scheme (FAPAS), conducted by the UK's Department for Environment, Food & Rural Affairs. To ensure the safety of distributed products and offered menu items, we conduct comprehensive analyses of various risk factors—including microorganisms, genetic components, and pesticide residues—enhancing our safety verification process. In addition, we provide hygiene and food safety training to our suppliers, stores, and clients, while offering customized consulting across all stages of our operations. These efforts reflect our commitment to building a holistic food safety management system.



## RISK MANAGEMENT

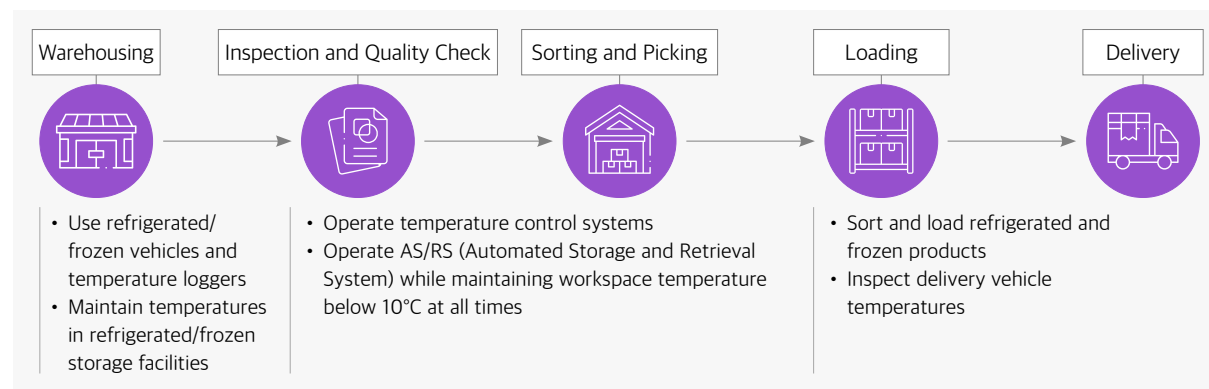
CJ Freshway manages food safety in an integrated manner, aligned with the company's end-to-end safety process across development, production, distribution, and sales.

### Comprehensive Safety Management Process



### COLD CHAIN SYSTEM

CJ Freshway operates the cold chain system to ensure the freshness and safety of temperature-sensitive food materials throughout the distribution process. In addition, we became the first company in Korea to receive the highest rating in GLC<sup>1)</sup> certification for our logistics system, serving as a leader in advancing the nation's food materials logistics sector.

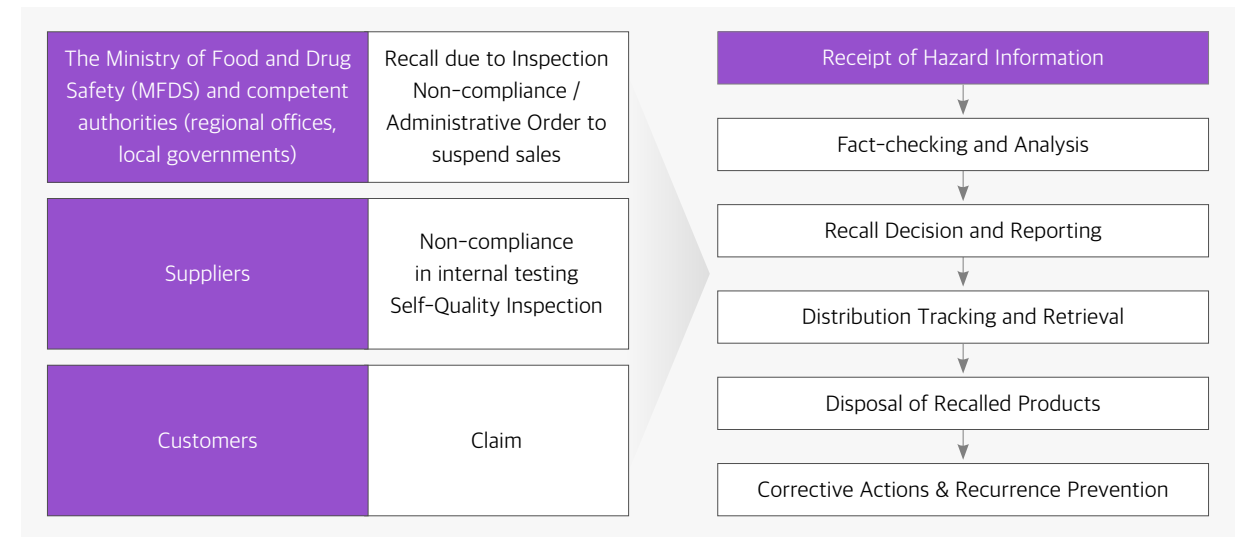


### STRENGTHENING MEASURES TO PREVENT FOODBORNE ILLNESSES

To prevent food safety incidents such as foodborne illnesses, CJ Freshway has established a structured response framework, which is continuously reviewed and updated for its effective operation. On-site inspections are conducted at FS outlets and manufacturing sites to closely monitor the quality and ingredient handling status of high-risk products prone to spoilage. In addition, we have a system in place for immediate reporting and rapid response to food poisoning based on the level of risk. To bolster our compliance with legal requirements related to foodborne illness prevention, we are providing regular training to employees. These efforts aim to enhance employees' understanding of food safety and secure our quality competitiveness.

### RECALL PROCESS

CJ Freshway has established a recall process to promptly halt the distribution and sale of products when food hygiene risks arise or are suspected, ensuring affected items do not reach customers and preventing further harm.



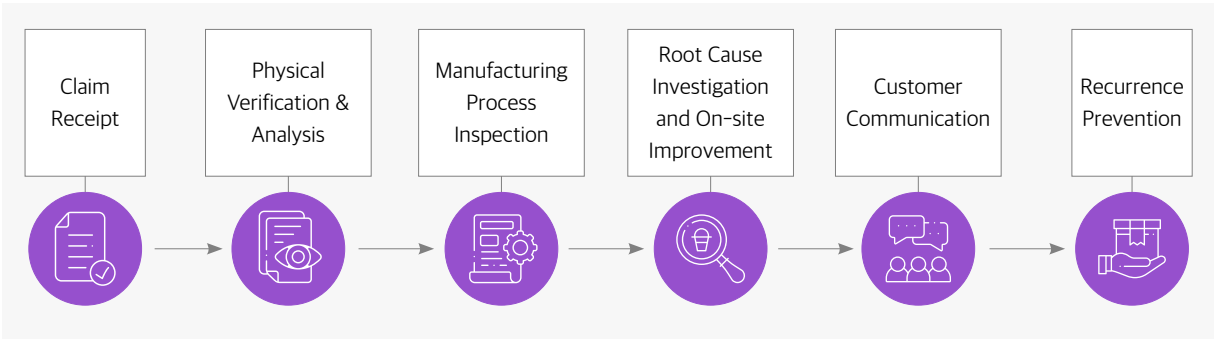
1) Global Logistics Certification for food safety certification for food materials distribution



RISK MANAGEMENT

FOREIGN SUBSTANCE CLAIM MANAGEMENT PROCESS

Building on years of accumulated data on foreign substances, CJ Freshway conducts scientific root cause analyses using FT-IR<sup>1)</sup> and XRF<sup>2)</sup> technologies—going beyond basic food safety to ensure customer confidence. In 2016, we became the first in the industry to publish technical documentation on reducing foreign material claims, which has been recognized as intellectual property.

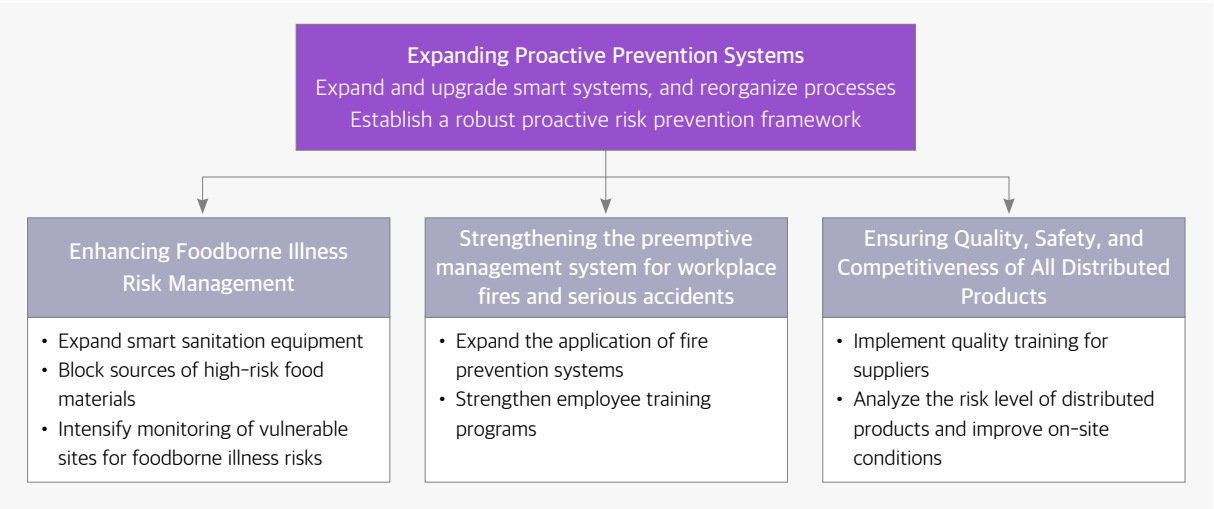


1) Fourier Transform Infrared Spectroscopy (FT-IR): A technique that uses infrared light to analyze organic materials such as fibers and plastics  
2) X-ray Fluorescence (XRF): A non-destructive method that measures metallic elements in foreign substances by irradiating the object with X-rays without damaging the substances.

METRICS & TARGETS

KEY STRATEGIES FOR FOOD SAFETY

CJ Freshway aims to further expand the proactive prevention system as a core strategic direction for food safety in 2025. This initiative is intended to eliminate risks related to safety and secure the necessary resources and organizational capabilities to build a safety foundation for future businesses.



CJ Freshway takes a meticulous approach to managing food safety and quality by monitoring key indicators, including safety incidents, regulatory violations, and product recalls. From 2022 to 2024, no such incidents or violations were reported.

Food Safety Management Indicators

Food Safety Management Indicators	Unit	2022	2023	2024
Number of Product Safety Incidents	Cases	0	0	0
Number of Violations Related to Marketing and Labeling Regulations	Cases	0	0	0
Number of Product and Service Recalls	Cases	0	0	0
Ratio of High-Risk Food Safety Regulation Violations	%	0	0	0

## PROMOTING A HEALTHY AND SAFE FOOD CULTURE

### PUBLIC CAMPAIGN TO PROMOTE HEALTHY EATING HABITS

On March 31, 2025, CJ Freshway participated in the 3·3·1 Day campaign—a health initiative organized by the Ministry of Food and Drug Safety (MFDS) and named after the Korean pronunciation of “3·3·1 (sam-sam-han)”, which represents the date itself. As part of the campaign, we served low-sodium meals at over 40 foodservice outlets nationwide, including offices, industrial facilities, and hospitals. The menu was based on recipes featured in the MFDS-published cookbook, The Samsamhan Table Our Bodies Want. To promote awareness, we posted educational materials at each dining site highlighting the importance of reduced-sodium diets and encouraged customer participation through a social media meal-sharing event. Moving forward, we will continue to develop a variety of healthy meals—including hospital patient meals and therapeutic diets—leveraging our institutional foodservice expertise to contribute to a healthier dietary culture.

### FIRST B2B FOOD DISTRIBUTOR TO EARN SEAFOOD SAFETY INSPECTION ACCREDITATION

CJ Freshway has consistently enhanced its scientific inspection capabilities in highly specialized fields, such as radiation testing, securing both credibility and objectivity through official accreditation. Established in 2003, our Food Safety Research Lab is a pivotal unit dedicated to safety assurance and hygiene management. In 2024, it proudly became the first in the B2B food distribution industry to be designated as a Seafood Safety Inspection Agency (No. 9) by the National Fishery Products Quality Management Service under the Ministry of Oceans and Fisheries. This designation has empowered us to strengthen our internal radiation safety standards and refine our inspection system by expanding our precision analytical equipment and specialized personnel. We are now capable of performing up to 800 radiation inspections each year. Looking ahead, we are committed to advancing our food safety management system by expanding the scope of radiation inspections to include categories such as processed foods and by increasing the frequency and range of our inspection parameters. We remain dedicated to fostering a safer food environment, leveraging our accredited inspection capabilities and valuable field-based expertise.



Samsamhan Day



Official Designation as a Seafood Safety Inspection Agency

### RECOGNIZED FOR EXCELLENCE IN PUBLIC SERVICE INNOVATION IN THE MARINE AND FISHERIES SECTOR

In July 2024, CJ Freshway received the Minister’s Award at the 11th Marine and Fisheries Business & Public Service Contest for its innovative concept—the Seafood Radiation Safety Map App. The app, called S.A.R.A (Seafood Assurance & Radiation Analysis), integrates key seafood safety data—such as traceability records and radiation inspection results by species and retail location—into a single, easy-to-access platform. Users can quickly view this information through convenient features like keyword search and QR code scanning. A location-based map further connects users to operational details of retailers and restaurants participating in the national seafood traceability program. As a result, this app helps provide consumers with reliable food safety information and offers sellers an opportunity to promote the safety of their products, serving as a bridge for effective information delivery. Going forward, we will continue to foster a virtuous cycle that promotes seafood consumption and to provide trustworthy information to the public on seafood safety.

### DESIGNATED AS AN OUTSTANDING INSPECTION AGENCY BY THE NATIONAL AGRICULTURAL PRODUCTS QUALITY MANAGEMENT SERVICE (NAQS)

CJ Freshway Food Safety Research Lab was recognized as an Outstanding Inspection Agency in the variety testing category by NAQS in 2024. Since 2018, the lab has participated in the Ministry of Agriculture, Food and Rural Affairs’ Public Stockpile Procurment Rice Variety Inspection Program, conducting over 6,000 inspections across five years. It has consistently met all evaluation criteria, demonstrating operational reliability. The lab also achieved a 100% accuracy rate—surpassing the 96% benchmark—for four consecutive years in the annual Variety Inspection Proficiency Test administered by the NAQS testing center, showcasing its advanced analytical capabilities. As a nationally certified testing agency, we will continue to deliver safe and healthy food culture to customers and local communities, grounded in our proven expertise and reliability in both food and agricultural product quality management.



Awarded the Minister’s Prize for Excellence in Public Services on Marine and Fisheries

# SAFETY AND HEALTH MANAGEMENT OUR FRAMEWORK

## GOVERNANCE



Board of Directors



CEO



Safety Management Department



Dedicated safety and health Organization

## STRATEGY



Elevate the Safety Management Culture



Internalize Safety Management



Enhance Corporate Competitiveness

## RISK MANAGEMENT



Risk Assessment

## METRICS & TARGETS



100% Completion Rate for Safety and Health Training



ZERO Serious Accidents



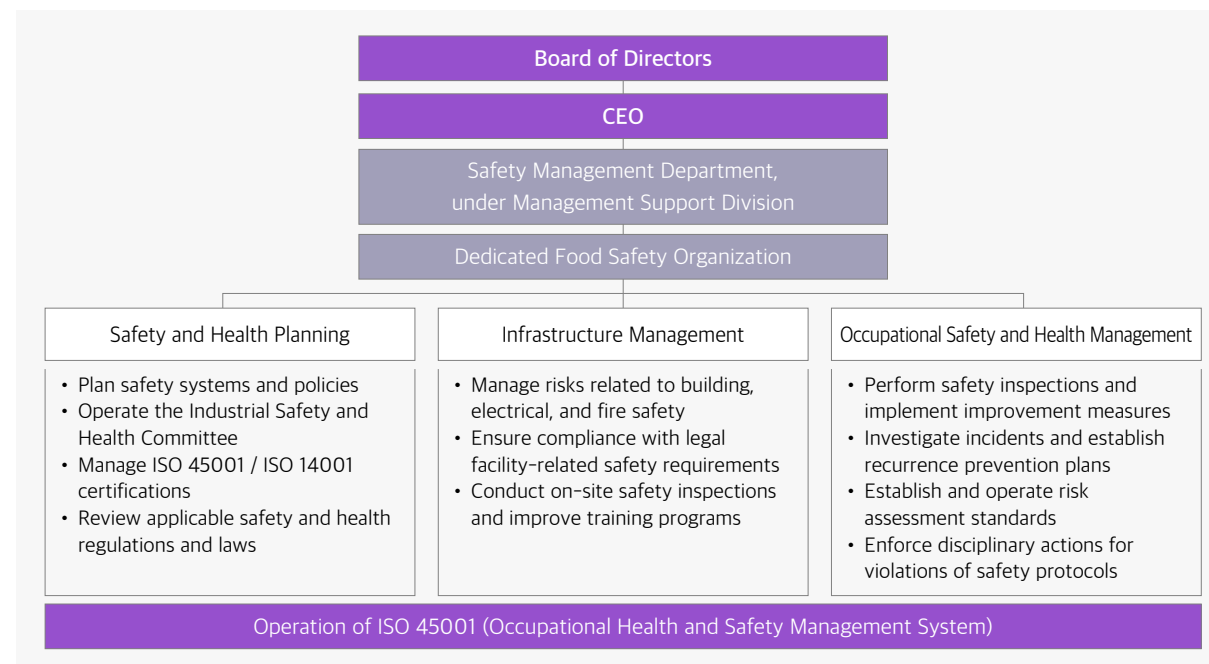
Resolution of Reported Safety Concerns and Incidents

# SAFETY AND HEALTH MANAGEMENT

## GOVERNANCE

### SAFETY AND HEALTH MANAGEMENT SYSTEM

CJ Freshway operates the dedicated safety and health organization under the leadership of executive management to oversee workplace safety and health initiatives. The Safety Management Department, empowered by the CEO, is responsible for identifying and addressing safety and health issues and approving future action plans, while a specialized team handles day-to-day operations. In compliance with the Occupational Safety and Health Act (OSHA) and the Serious Accidents Punishment Act (SAPA), we appoint safety and health officers at business sites with 100 or more employees, and safety or health managers at sites with 50 or more employees. Each site also has designated supervisors to foster a safe working environment. We also develop an annual safety and health plan and report it to the Board of Directors for review and approval.



### SAFETY AND HEALTH POLICY

Placing safety at the core of the business management, CJ Freshway revised its safety and health Management Policy in 2025 to further embed a safety-first culture across the organization. Based on this updated policy, we apply detailed safety and health management regulations to all business sites and supplier companies, ensuring a unified and systematic approach to joint safety management.

#### SAFETY AND HEALTH MANAGEMENT POLICY

##### VISION

"WE PLACE THE SAFETY AND HEALTH OF OUR CUSTOMERS AND EMPLOYEES AS OUR TOP MANAGEMENT PRIORITY. WE ARE COMMITTED TO PROVIDING RELIABLE AND HEALTHY FOOD SERVICES AND INGREDIENTS, WHILE STRIVING TO BUILD A SUSTAINABLE SAFETY MANAGEMENT ENVIRONMENT THROUGH PARTNERSHIPS FOR SAFETY WITH EMPLOYEES AND STAKEHOLDERS."

1. We maintain a strong commitment to our safety and health policy, prioritizing the creation of safe workplaces above all else.
2. We conduct risk assessments with active employee participation and immediately eliminate any identified hazards.
3. We actively implement recurrence prevention measures and apply horizontal deployment to prevent similar accidents across all sites.
4. We hold daily pre-work safety meetings at all business sites to foster a strong safety culture and raise safety awareness among employees.
5. We continuously review and faithfully comply with all relevant safety and health laws and regulations.
6. We build collaborative partnerships with stakeholders and faithfully implement our safety and health practices.

### OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM (ISO 45001)

CJ Freshway is committed to protecting the safety and health of all employees, including those of its suppliers, through a structured safety and health management system. Since acquiring ISO 45001 certification in 2019, we have conducted annual follow-up audits to maintain safety and health standards across all sites. The certification was initially granted to our headquarter, the Icheon Logistics Center, and the foodservice outlet at SK Hynix in Icheon. We are now extending the same level of management standards to all other business locations.

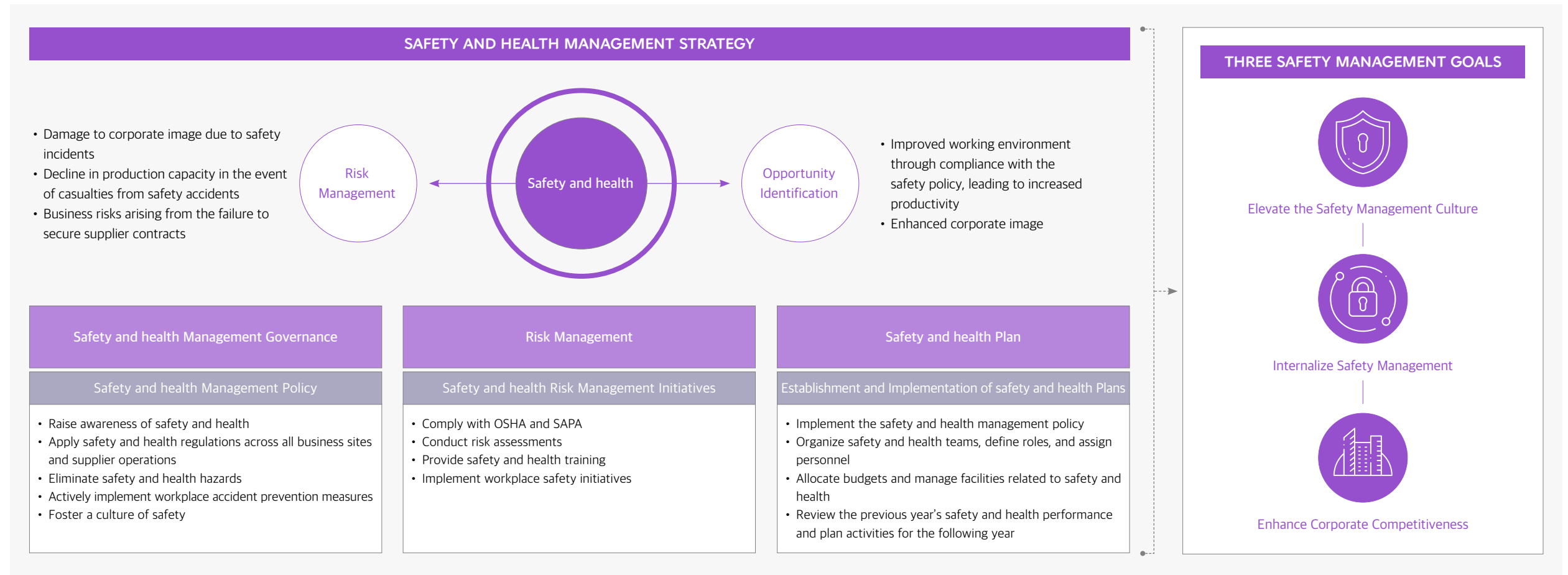


Occupational health and safety Management System (ISO 45001)

## STRATEGY

### SAFETY AND HEALTH MANAGEMENT STRATEGY

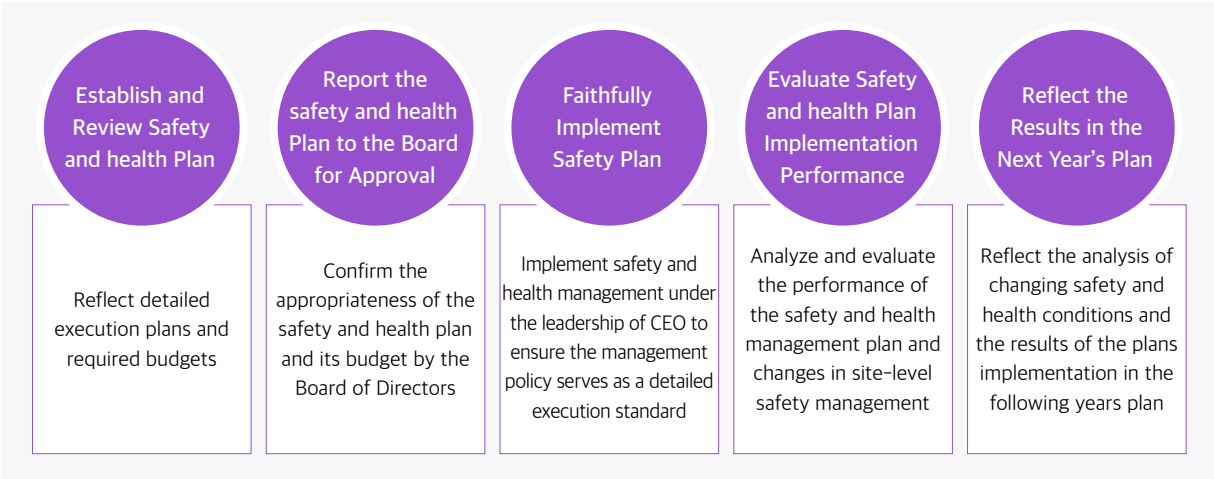
Recognizing safety and health as a core element of corporate management, CJ Freshway is committed to providing reliable services and establishing a sustainable safety management system. We strictly comply with the Occupational Safety and Health Act (OSHA) and the Serious Accidents Punishment Act (SAPA), actively working to create safe workplaces based on our safety and health policy and management system. We also manage safety and health risks systematically through risk assessments, safety and health training, and workplace safety management activities, while promoting safety awareness among both employees and suppliers.



RISK MANAGEMENT

PROCEDURES FOR DEVELOPING AND IMPLEMENTING SAFETY AND HEALTH PLANS

To prevent industrial accidents, CJ Freshway is to enhance the effectiveness of safety and health measures—such as budget allocation, facility investments, and personnel management—while promoting awareness and accountability for building a safety and health-centered management system. In accordance with Article 14 of the Occupational Safety and Health Act and Article 13 of its Enforcement Decree, our safety and health plans are reported to and approved by the Board of Directors.



STRENGTHENING SAFETY AND HEALTH MANAGEMENT

CJ Freshway has established a safety and health-focused management system to prevent workplace accidents. In doing so, we have developed a comprehensive safety and health plan to raise awareness and reinforce the CEO’s responsibility for on-site safety and health management.

Board Agenda

Agenda Title	Key Contents
Approval of the Safety and health Plan	<ul style="list-style-type: none"><li>Safety and health management policy</li><li>Organizational structure and roles &amp; responsibilities (R&amp;R) for site-level safety and health management</li><li>2024 performance and 2025 action plan for safety and health activities</li><li>Performance and plans for safety and health budget and facility investments</li></ul>

RISK ASSESSMENT

In accordance with the Occupational Safety and Health Act and the Serious Accidents Punishment Act, CJ Freshway conducts annual assessments to identify potential hazardous and risk factors at its worksites. Each identified risk is evaluated and scored based on two criteria: likelihood (frequency)<sup>1)</sup> and severity (magnitude)<sup>2)</sup>. Risks are then categorized by level—low, moderate, high, or very high—and managed accordingly. To ensure a systematic approach, we prioritize corrective actions for high-risk hazards first. All employees participate in risk assessment training and meetings to proactively identify potential hazards in each work process and to develop mitigation measures, helping to minimize the likelihood of accidents.

Risk Estimation Matrix

Severity		Maximum (4)	High (3)	Moderate (2)	Low (1)
Like- lihood	Very High (5)	Immediate Action	Immediate Action	Short-term Action	Maintain
	High (4)	Immediate Action	Short-term Action	Simple Measures	Maintain
	Moderate (3)	Short-term Action	Short-term Action	Simple Measures	Maintain
	Low (2)	Simple Measures	Simple Measures	Maintain	Maintain
	Very Low (1)	Maintain	Maintain	Maintain	Maintain

SAFETY AND HEALTH TRAINING

CJ Freshway offers tailored safety and health training programs by job level to help all employees clearly understand their roles and responsibilities and build the right capabilities to work safely. Supervisors receive 16 hours of training each year, while new hires complete 8 hours of onboarding safety education. All employees also participate in 12 hours of regular training every six months. Store managers, who are given safety manuals, lead various training sessions for at least 10 minutes per week, helping strengthen everyday safety awareness among store employees. On top of this, we provide annual health checkups to support the ongoing safety and well-being of our employees.



Training on Occupational Safety and health

1) Likelihood (Frequency): The probability of an incident occurring based on current safety measures in place.  
2) Severity (magnitude): The magnitude of risk from an incident based on current safety measures.



## RISK MANAGEMENT

### ESTABLISHING A CULTURE OF SAFETY

CJ Freshway is dedicated to building a strong safety culture through active safety management initiatives that identify and address potential hazards and risk factors in the workplace. Since 2022, we have introduced Safety Talk Talk—pre-work safety meetings designed to strengthen voluntary safety management and encourage workers to actively identify risks and propose mitigation measures. This participatory approach helps embed a safety-first mindset into everyday operations. Since 2024, we have also been running the YOYO Challenge, a safety-speaking campaign aimed at shifting passive or negative safety attitudes toward more positive, proactive engagement. The campaign empowers employees to take ownership of safety practices. Held four times throughout the year, the YOYO Challenge engaged 415 store locations nationwide. We recognized top-performing sites with snack boxes and shared their best practices across all locations to further raise safety awareness.

### DISASTER AND ACCIDENT PREVENTION

To address the growing risk of heat-related illnesses and cerebrovascular diseases among employees due to climate change, CJ Freshway regularly provides CPR and first aid training led by certified safety and health professionals. In 2024, we conducted a total of 18 training sessions for 242 participants. These on-site sessions, arranged at the request of headquarter and business sites, aimed to strengthen emergency response capabilities and ensure proficiency in using automated external defibrillators (AEDs). Participants who completed the training received CPR certification stickers, which helped boost their sense of achievement and overall satisfaction with the program. Additionally, to proactively identify and address safety risks associated with aging infrastructure, we established Facility Safety Inspection Standards. We also developed checklists and inspection frequency guidelines to enable autonomous inspections by site managers. Under the supervision of the Industrial Safety Team, thorough inspections were carried out across key technical areas of logistics centers—including construction, electricity, refrigeration, and environmental systems. Identified risks were followed up with improvement measures to enhance workplace safety.



YOYO Challenge  
(Speak-Up Safety Campaign)



CPR and First Aid Training

### CERTIFIED AS AN EXCELLENT LABORATORY FOR SAFETY MANAGEMENT

CJ Freshway has established standardized laboratory safety management protocols, including detailed manuals, to operate a structured safety and environment management system. Our Food Safety Laboratory was officially certified as the Excellent Laboratory for Safety Management by the Ministry of Science and ICT. The laboratory received high scores across all assessment areas, including systems, operational practices, and safety awareness, demonstrating our strong safety management capabilities. Based on established manuals and procedures, the lab operates a systematic safety management framework. It carries out a wide range of activities, including in-depth inspections, hazard identification and improvement, and training, covering all aspects of the lab, such as chemical handling and electrical/fire safety. These initiatives ensure a safe research environment where researchers can stay focused on their work.

### EMPLOYEE MENTAL HEALTH SUPPORT PROGRAMS

To support the psychological and emotional well-being of its employees, CJ Freshway operates two key mental health programs: Happy Mint, a comprehensive psychological support initiative, and My Heart Report, a psychological assessment program for newly promoted employees. Happy Mint lowers the barrier to mental healthcare by offering free psychological assessments and counseling with certified therapists. This provides our team members with the opportunity to address a wide range of psychological challenges they may face. My Mind Report is designed to ease the emotional burden of role transitions for newly promoted employees. It provides them with mental wellness support and a personalized psychological analysis report to help manage stress during their adjustment period, enabling them to perform effectively in their new roles. Moving forward, we will continue to expand our mental health programs to promote emotional stability and support the long-term growth and well-being of all our employees.



Certification of Excellent Safety  
Management Laboratory



Happy mint

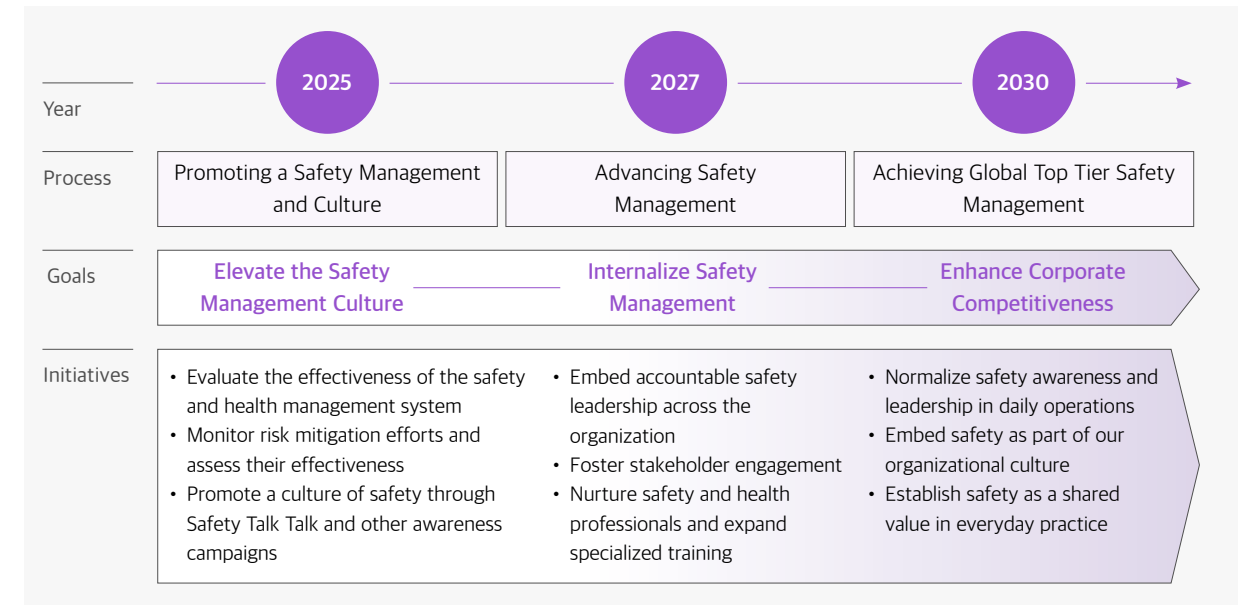


## METRICS & TARGETS

### SAFETY MANAGEMENT ROADMAP

CJ Freshway takes a structured approach to managing our safety goals by distinguishing between human-related incidents and property-related incidents. To prevent human-related incidents, we conduct regular safety meetings, safety and storage compliance inspections, and safety and health training for all employees. To prevent property-related incidents, we have implemented fire prevention systems and structured initiatives to proactively eliminate the risk of serious accidents involving hazardous machinery and equipment. These efforts are all aimed at reducing company-wide risks. We have also established a mid- to long-term safety management roadmap, setting annual goals to ensure measurable progress. By 2025, we aim to take our safety culture to a next level by achieving a 100% completion rate for occupational safety and health training for all employees. By 2027, we plan to achieve a 100% completion rate for safety compliance inspections across all business sites to fully embed safety practices into our daily operations. Ultimately, we are committed to achieving zero serious accidents by 2030, completing a sustainable safety management system that enhances our corporate competitiveness.

Human-related Incident Prevention	Property-related Incident Prevention
<ul style="list-style-type: none"> <li>Achieved an 82.6% implementation rate for worker safety meetings</li> <li>Conducted 100% of planned safety and health compliance inspections</li> <li>Delivered CPR training (18 sessions, 242 participants completed the program)</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened safety initiatives at new and high-incident sites</li> <li>Enhanced fire prevention efforts for electrical systems in manufacturing facilities and logistics centers.</li> <li>Prevented fire accidents at FS outlets by expanding fire prevention system and installation of automatic fire suppression devices</li> </ul>



### SAFETY AND HEALTH INDICATORS

CJ Freshway has developed key performance indicators (KPIs) related to safety incident reduction to systematically manage industrial accidents involving both employees and suppliers. As a result of our continued efforts in industrial safety management, we have recorded zero serious accidents over the past three years. We remain committed to minimizing safety incidents for all stakeholders and fostering a strong culture of safety across our organization.

Safety and health Indicators	Unit	2022	2023	2024
Average safety and health Training Hours per Person	Hours	27.7	26	26
Number of Serious Industrial Accidents	Cases	0	0	0
Number of Reported Safety-related Grievances	Cases	0	0	0

# SUPPLY CHAIN · MUTUAL GROWTH OUR FRAMEWORK

## GOVERNANCE



ESG Committee



ESG Management  
Council



ESG Working Group

## STRATEGY



Sustainable Supply  
Chain



Mutual Growth for  
Win-Win partnerships

## RISK MANAGEMENT

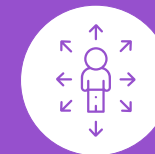


Supply Chain ESG  
Management

## METRICS & TARGETS



Establish an ESG Supply  
Chain Management  
Framework



Expand ESG Supply  
Chain Management  
Domestically and Globally



Advance Supply Chain  
Management

# SUPPLY CHAIN · MUTUAL GROWTH

## GOVERNANCE

At CJ Freshway, the ESG Committee—its highest decision-making body for supply chain management—oversees risks and opportunities within the supply chain. The ESG Management Council, delegated with authority over supply chain matters, is responsible for reviewing reports from working-level departments, discussing key issues, developing strategies, and making decisions based on outcomes. The ESG Working Group carries out various annual initiatives such as supplier self-assessments based on our Supplier Code of Conduct and mutual growth programs. It also monitors the progress, results, trends, and performance of these initiatives.

## STRATEGY

### SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION

CJ Freshway is committed to fostering a healthy food culture and building a sustainable supply chain by embedding sustainability across our entire value chain. To achieve this, we have formulated the Sustainable Supply Chain Management Policy, which strengthens the responsibilities of both our buyers and our suppliers, setting a clear direction for supply chain management. Our approach to supply chain management goes beyond fulfilling corporate social responsibility—it aims to expand sustainability throughout the supply network. We focus on identifying and mitigating ESG risks, while also uncovering growth opportunities through mutual growth initiatives. Based on close collaboration with our suppliers, we systematically classify risk and opportunity factors and establish tailored response strategies for each. Through this approach, we are gradually advancing our ESG risk management policies and response processes across the supply chain. We plan to expand ESG management practices to our entire domestic and global supply chain by 2030.

### Supply Chain Management Framework



## SUSTAINABLE SUPPLY CHAIN

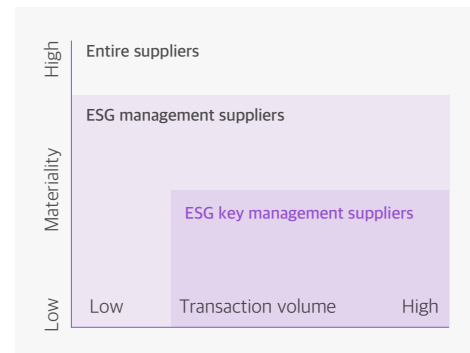
### ADVANCING SUPPLY CHAIN MANAGEMENT POLICY

CJ Freshway promotes mutual growth with suppliers through the Supplier code of Conduct, which outlines the expectations for lawful, ethical and sustainable business practices. This Code articulates our supply chain principles across four key areas—ethics management, human rights, safety management, and environmental management. All suppliers are required to sign the Code when signing a contract, and we use it as the basis for self-assessment metrics. In 2025, in line with our supply chain ESG roadmap, we established a Sustainable Supply Chain Management Policy that clearly defines our management processes—including management framework, diagnostics, evaluation, ESG support, and communication. This policy is publicly disclosed and accessible on our official website.

### IDENTIFYING SUPPLY CHAIN SUBJECT TO ESG MANAGEMENT

CJ Freshway identifies suppliers subject to ESG management based on a comprehensive set of criteria, including transaction volume, impact on its food business, and the nature of the business relationship. Based on these factors, its suppliers are categorized into two groups: ESG Management Suppliers and ESG Key Management Suppliers. Those that meet thresholds of transaction volume and relationship thresholds are designated as ESG Management Suppliers, while those considered more critical based on additional important factors are classified as ESG Key Management Suppliers. Our procurement analysis shows that we currently manage 49 ESG Key Management Suppliers and 574 ESG Management Suppliers, accounting for approximately 33% of our total supplier base of 1,892. These suppliers are further categorized by type, such as private brand (PB) manufacturers and key raw material suppliers.

Category <sup>1)</sup>	2022	2023	2024
ESG Key Management Suppliers	35	40	49
ESG Management Suppliers	420	561	574
General Suppliers	1,190	1,156	1,269
Total	1,645	1,757	1,892

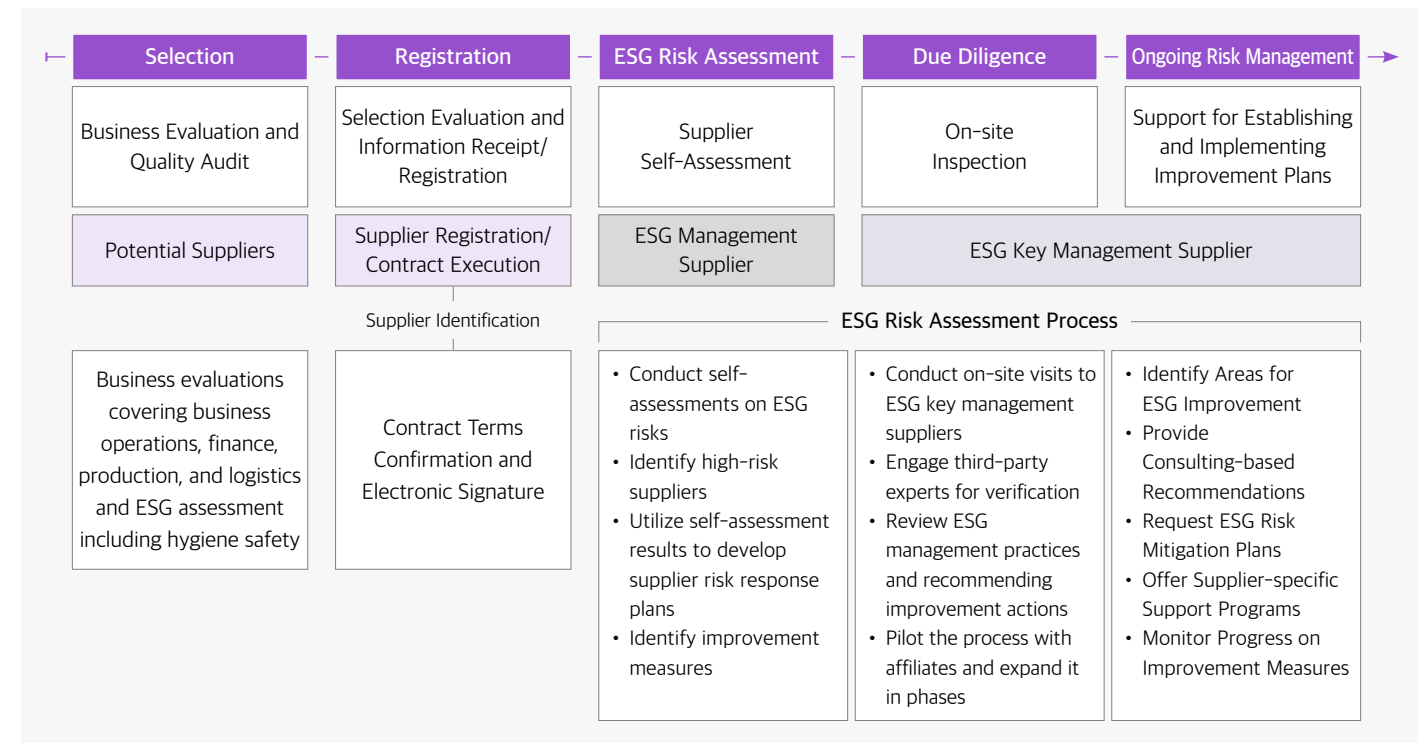


1) Suppliers are classified as ESG Management (KRW 10B+), Key Management (KRW 100B+), or General (others) based on annual purchase volume.

### SUPPLY CHAIN MANAGEMENT FRAMEWORK

We proactively prevent potential supply chain risks by conducting comprehensive evaluations—covering management, financials, production, logistics, hygiene and safety standards—as well as quality audits when selecting new suppliers. We also incorporate ESG clauses into our contracts at the time of supplier registration. In addition, ESG Management Suppliers are required to complete an annual ESG self-assessment. For ESG Key Management Suppliers, we conduct on-site audits to more effectively manage ESG risks throughout our supply chain.

### ESG Risk Management Process



## SUSTAINABLE SUPPLY CHAIN

### TRAINING FOR SUPPLIERS

To strengthen its suppliers' ESG capabilities, CJ Freshway holds annual policy briefing sessions. These sessions aim to clearly communicate our Supplier Code of Conduct and supplier engagement principles, while also providing training on major policy updates and regulatory changes issued by the Ministry of Food and Drug Safety (MFDS). The training is designed to help suppliers improve their quality management capabilities. To ensure broad accessibility, the 2024 briefing was conducted online and recorded 1,200 views. Moving forward, we plan to further expand these training opportunities to enhance supplier capabilities, foster a compliance awareness, and promote ESG excellence throughout our supply chain.

### SUPPLIER CODE OF CONDUCT SELF-ASSESSMENT

Each year, CJ Freshway carries out written self-assessments with its ESG Management Suppliers based on its Supplier Code of Conduct. This process enables us to regularly evaluate their sustainability practices. In 2024, the assessment covered 210 Private Brand (PB) manufacturing suppliers and was structured around 22 indicators across four key areas: Ethical Management (4), Human Rights Management (8), Safety Management (5), and Environmental Management (5). In the first half of 2025, we hosted the Supplier Policy Briefing to deepen suppliers' understanding of our supply chain expectations. The session introduced our Supplier Operating Principles and Supplier Code of Conduct, provided updates on key regulatory changes, shared insights from the Win-Win Cooperation Academy, and highlighted best practices from on-site inspections. A total of 144 Private Brand (PB) suppliers and 154 National Brand (NB) suppliers participated. To support their ESG competency, we awarded additional evaluation points to those who joined the session.

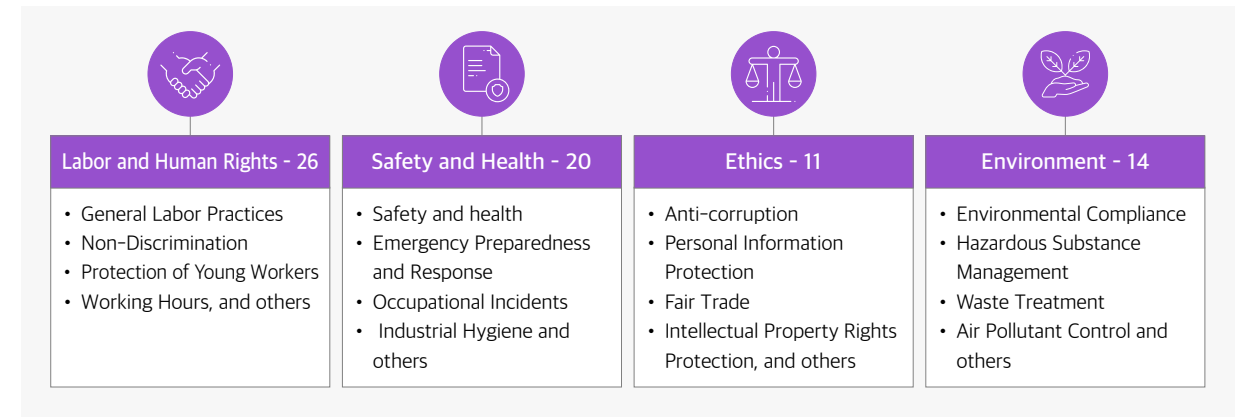
#### POLICY | Supplier Code of Conduct



### SUPPLY CHAIN ESG DUE DILIGENCE AND IMPROVEMENT SUPPORT

CJ Freshway conducted ESG due diligence on two medium-risk suppliers identified through its self-assessment process. The assessment reflected global assessments and initiatives such as the EU Corporate Sustainability Due Diligence Directive (CSDDD), Responsible Business Alliance (RBA) Validated Assessment Program (VAP), and EcoVadis. The due diligence covered a total of 71 indicators across four key areas: Labor and Human Rights (26 indicators), safety and health (20 indicators), Ethics (11 indicators), Environment (14 indicators). To ensure objectivity and transparency, the assessments were carried out by an independent third-party organization. For areas identified as needing improvement in the on-site due diligence process, we plan to engage external consultants for in-person advisory support and implement corrective actions in phases.

#### CHECKLIST | CJ Freshway Supplier ESG Due Diligence Inspection



## MUTUAL GROWTH FOR WIN-WIN PARTNERSHIPS

CJ Freshway is committed to mutual growth through ongoing collaboration with a wide range of stakeholders, including suppliers, local communities, and supplier farms. Our goal is to build a sustainable and mutually beneficial ecosystem by establishing the Win-Win management model and strengthening partnerships with farms, small and medium-sized enterprises (SMEs), and restaurants. Moving forward, we will continue to uphold mutual growth as a core principle and expand the creation of social value through engagement with diverse stakeholders.

### BUSINESS SUPPORT: WIN-WIN COOPERATION ACADEMY



CJ Freshway operates the Win-Win Cooperation Academy to strengthen the food safety capabilities of SMEs. In 2024, we held sessions for 53 supplier companies, boosting their understanding of food safety through training and Q&A on food regulations, labeling, and industrial safety. Looking ahead, we are expanding our hygiene support services to small business owners and local communities, reinforcing the foundation for sustainable, mutual growth. Additionally, our food safety professionals collaborate as instructors for food safety training programs specifically designed for small food enterprises, run by the Korea Food Safety partnership Foundation.

### BUSINESS SUPPORT: SMART AGRICULTURAL SOLUTIONS



CJ Freshway has established a strategic partnership with a leading agricultural technology firm to ensure a stable supply of domestic agricultural products and enhance farm productivity. By sharing expertise in the development of advanced agricultural technologies—such as open-field smart farming solutions, precision agriculture systems, and smart machinery and agribots—we are reliably supplying high-quality domestic produce to our foodservice and catering sites. Building on this foundation, we aim to further advance our smart contract farming business, contributing to the creation of a mutually beneficial ecosystem with local farms and ensuring the long-term sustainability of the domestic agricultural supply chain.

### BUSINESS SUPPORT: MATNAM WIN-WIN PROJECT



CJ Freshway is fostering mutual growth with local farms through the Matnam<sup>1)</sup> Win-Win Project. In 2024, we introduced menu offerings featuring high-quality agricultural products from Chungcheongnam-do and Jeju-do to promote local consumption and expand market access for regional produce. In partnership with Chungcheongnam-do, we provided 1,500 lunchboxes made with local ingredients such as Seosan potatoes and Cheongyang mushrooms to school faculty, cancer patients, and pediatric patients. Additionally, in collaboration with the Jeju Agricultural Products Supply and Demand Management Association, we launched the Jeju Matnam initiative, offering school meal menus featuring winter vegetables—such as cabbage, radish, and carrots—at approximately 70 locations nationwide. We will continue to cultivate a sustainable food culture in close cooperation with local communities, enabling healthy, value-driven meal experiences while creating a food ecosystem rooted in mutual prosperity.

### PUBLIC RELATIONS SUPPORT: PR SOLUTION 'TASTY COMPANION'



Tasty Companion is CJ Freshway's PR solution aimed at supporting the business success of foodservice brand clients through media exposure. The initiative was developed to help small- and medium-sized restaurant franchises overcome common challenges in promotion and marketing, with the goal of driving revenue growth and supporting franchise expansion. Since its official launch in 2023, it has supported the promotion of 30 franchise clients. Beginning this year, we plan to expand the program to include small, independently owned restaurants as well.

### CONSULTING SUPPORT: RESTAURANT CONSULTING FOR SMALL BUSINESSES



CJ Freshway launched a customized consulting project to enhance the competitiveness of small restaurant businesses in Jeju and support the revitalization of the local economy. The project was developed in partnership with the Jeju Small Business Support Center and based on a business agreement with the Jeju Special Self-Governing Province. Targeting restaurants that have been in operation for more than three years, we offer comprehensive foodservice solutions, including brand strategy, menu development, and design improvement. We conduct on-site assessments and provide tailored consulting through its team of foodservice experts, while the Jeju Small Business Support Center handles administrative support. Building on this initiative, we plan to further advance our foodservice consulting model and expand regionally rooted win-win programs, with a goal of fostering a sustainable growth foundation for the broader foodservice ecosystem.

### TECHNOLOGY SUPPORT: DIGITAL TRANSFORMATION SOLUTIONS

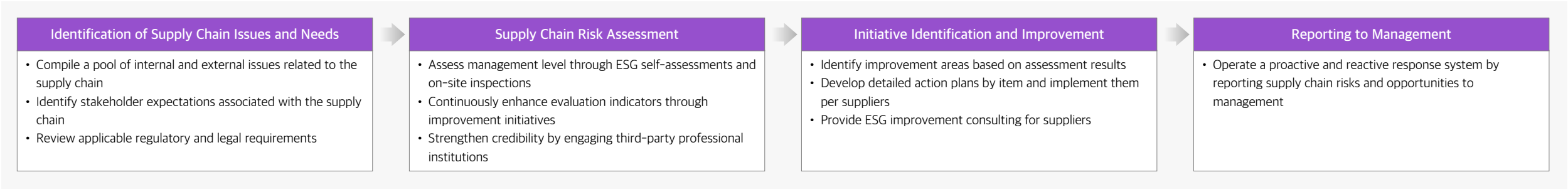


CJ Freshway supports its suppliers in addressing business challenges through OnlyOne Foodnet (OFN), its digital platform designed to deliver practical solutions backed by extensive industry expertise. The platform's menu management system includes a community board feature that enables suppliers to share operational insights and feedback across locations. This collaborative environment supports agile menu development aligned with market trends and evolving customer needs.

1) Matnam is a coined Korean term combining "mat" (taste) and "nam," and is pronounced the same as mannam, which means "to meet" in Korean.

RISK MANAGEMENT

CJ Freshway manages supply chain risks in an integrated manner as part of company-wide risk management process, taking into account the unique characteristics of the food industry—including quality, distribution, and food safety. We proactively identify potential risks across four key areas: labor and human rights, safety and health, environment, and ethics. Based on the assessment results, we plan to provide improvement consulting to high-risk suppliers.



METRICS & TARGETS

SUPPLY CHAIN MANAGEMENT ROADMAP AND GOALS

CJ Freshway has established a supply chain management roadmap and is implementing it based on phased targets. In 2025, CJ Freshway will introduce a comprehensive Supplier Code of Conduct to establish clear standards around legal compliance, ethical business practices, and sustainability. ESG self-assessments and on-site due diligence will also be conducted for key management suppliers to effectively manage ESG risks throughout the supply chain.





# HUMAN RIGHTS MANAGEMENT

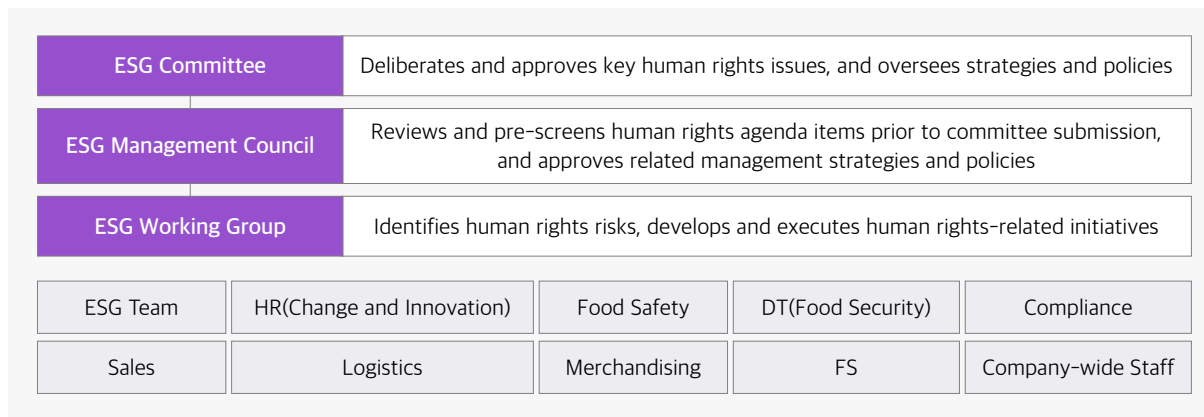
## HUMAN RIGHTS MANAGEMENT POLICY

CJ Freshway is committed to respecting and protecting the human rights of all stakeholders involved in its business activities. To demonstrate this commitment, we have established and publicly posted the CJ Freshway Human Rights Declaration on our website. Furthermore, we have developed Human Rights Management Regulations to prevent and address human rights issues, including any potential violations. These regulations outline our human rights management system, including implementation principles and operating procedures, and detail our human rights impact assessment and grievance redressal processes. All employees can access these regulations at any time via our internal policy management system. Beyond our Human Rights Declaration, we have also established the Diversity, Equity, & Inclusion (DE&I) Policy, which is also available on our website. This policy strictly prohibits discrimination based on disability, gender, region, social status, educational background, age, or job rank in our recruitment, promotion, career development, and performance compensation processes. We also ensure non-discrimination in hiring based on gender, nationality, age, religion, race, or disability.

[DE&I Policy](#)
[Human Rights Declaration](#)

## HUMAN RIGHTS MANAGEMENT GOVERNANCE

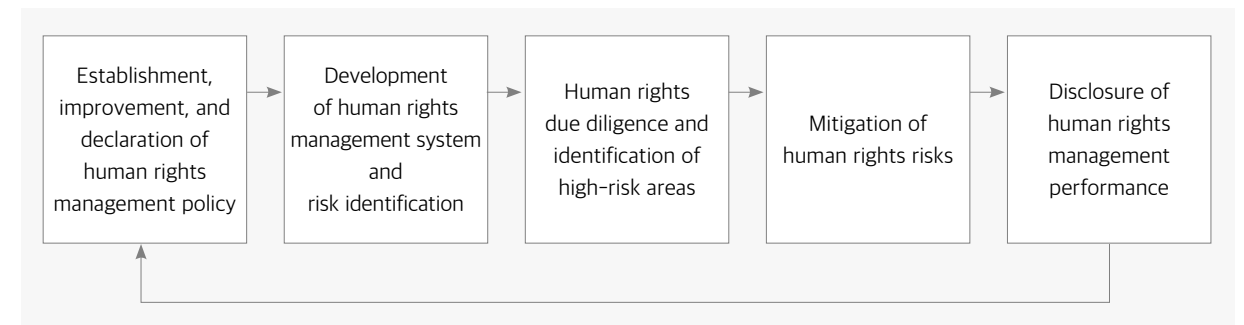
CJ Freshway oversees human rights management through the ESG Committee under the Board of Directors. The committee reviews and approves key human rights-related agenda items submitted by the ESG Council and provides oversight of related strategies and policies. At an operational level, our ESG working group, composed of representatives from HR, ESG, Sales, Merchandising, and Logistics teams, is tasked with identifying human rights risks, developing corrective action plans, and implementing relevant initiatives.



## HUMAN RIGHTS MANAGEMENT PROCESS

Based on its internal management system, CJ Freshway proactively identifies potential human rights risks across its business operations and responds through preventive and mitigation measures. We conduct annual human rights impact assessments under our Human Rights Management Policy and use the findings to identify risks and implement appropriate mitigation efforts. We also disclose assessment results through our ESG report and reflect them in our internal policies and systems, demonstrating our commitment to continuous improvement. In 2024, we conducted a self-assessment of human rights impacts, which served as the foundation for developing our 2030 Human Rights Management Roadmap.

### Human Rights Management Process



HUMAN RIGHTS MANAGEMENT ROADMAP

The 2030 Human Rights Management Roadmap guides CJ Freshway to embed and advance its human rights management system across its operations. In 2024, we refined our internal processes and developed assessment indicators covering six key areas: forced and voluntary labor, child and young workers, working hours, wages and benefits, humane treatment, and non-discrimination. Grounded in these indicators, we established a phased set of human rights goals spanning the short, mid, and long term. In the short term, by the end of 2024, we fully completed the establishment of our governance structure, policy framework, and due diligence system. For the mid-term, we aim to expand the scope of human rights due diligence by 2027 in phases and achieve a full response rate from assessed stakeholders. Looking toward the long term, by 2030, we plan to extend human rights practices across our entire supply chain and ensure full compliance with our human rights pledge among supplier companies.

Goals	2023~2024	~2027	~2030
Key Tasks	Operation of Human Rights Management Framework	Conduct and Expand Human Rights Due Diligence	Advance the Culture of Respect for Human Rights
	<ul style="list-style-type: none"><li>• Build governance structure</li><li>• Develop policies: Human Rights Declaration, Human Rights Management Regulations, DE&amp;I Policy</li><li>• Conduct pilot human rights due diligence: Identify improvement areas and monitor implementation</li></ul>	<ul style="list-style-type: none"><li>• Gradually expand due diligence: Broaden assessment scope, conduct inspections, identify corrective actions, and monitor execution</li><li>• Revise policies and regulations: Update and implement internal policies and develop new tasks in response to evolving trends and government guidelines</li></ul>	<ul style="list-style-type: none"><li>• Establish supply chain human rights management processes: Develop supply chain processes and criteria related to human rights</li><li>• Enhance stakeholder communication: Strengthen external communication and disclosure related to human rights management</li></ul>

HUMAN RIGHTS RISK MANAGEMENT

IDENTIFYING AND ASSESSING HUMAN RIGHTS RISKS

CJ Freshway identifies and assesses human rights risks among both office-based employees and foodservice staff. One of our key tools is the annual Voice-On survey conducted under the CJ Group, which diagnoses potential human rights risks through questions aligned with our Human Rights Management and Diversity, Equity & Inclusion (DE&I) policies. Given the relatively higher risk exposure in foodservice roles, we conduct additional HR compliance evaluations and self-audits to ensure a more thorough diagnosis. The Voice-On survey provides a comprehensive assessment of organizational culture—including employee engagement, mid-term vision, and management philosophy—as well as work conditions, performance evaluation, and compensation practices, all in connection with our human rights and DE&I principles. The HR compliance evaluation is structured to uncover potential risk factors, focusing on compliance with working hours, leave usage, and other aspects of employee welfare. Based on the findings, we implement mitigation measures such as enhanced training and system improvements. Our self-audit program, informed by a decade of accumulated data, is designed to detect recurring human rights issues and has been used to develop tailored evaluation questions. The program was piloted in the Foodservice division in 2024 and will be gradually scaled across all business units. We remain committed to applying differentiated improvement measures based on assessment outcomes and fostering a company-wide culture that respects and upholds human rights.

ON-SITE DUE DILLIGENCE

In line with its Human Rights Management Guidelines, CJ Freshway conducted due diligence focused on key human rights issues. The 2024 assessment identified critical areas such as compliance with labor laws, stakeholder-related human rights risks, working conditions, and organizational culture. In response, we distributed a time and attendance guide, developed a manual to address unfair treatment (e.g., power abuse) from clients, and launched initiatives including safety and environmental improvements and a company-wide respect and inclusion campaign. Our HR compliance review included focus group interviews (FGIs) to analyze root causes and collect feedback on practical mitigation measures, such as raising managerial awareness and developing institutional safeguards. To build consensus around the self-audit findings and identify practical improvement needs, we conducted in-person interviews. For 2025, we plan to visit eight business sites, conducting pre-surveys and on-site due diligence based on our standard guidelines. These efforts will help identify areas for improvement and establish concrete actions to prevent human rights risks and strengthen systematic management.

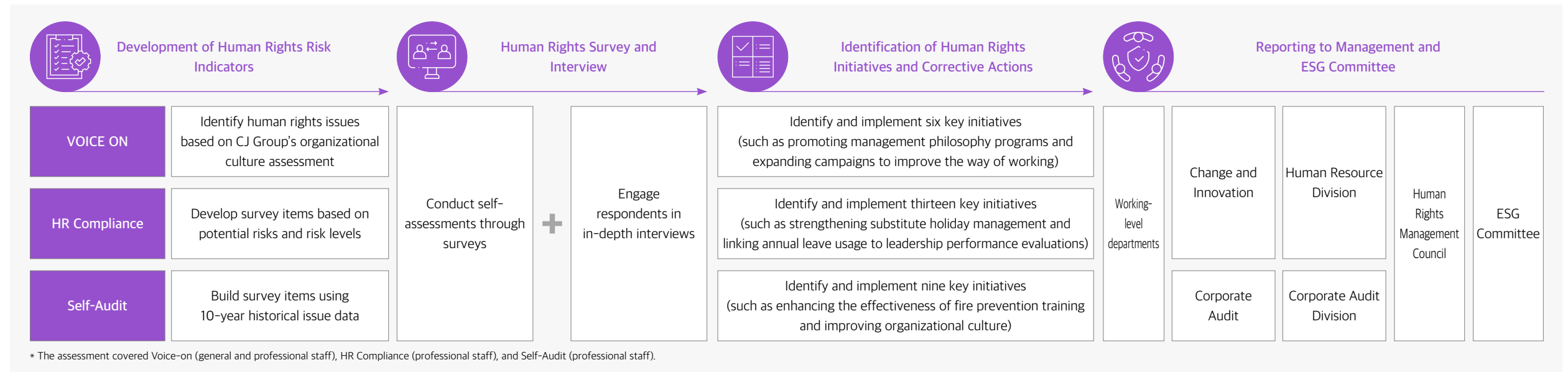
## HUMAN RIGHTS RISK MANAGEMENT

### HUMAN RIGHTS RISK ASSESSMENT RESULTS AND MITIGATION MEASURES

Based on the results of its human rights risk assessment and on-site due diligence, food-service personnel were identified as a vulnerable group with relatively higher exposure to potential human rights risks. These risks particularly stood out in areas such as compliance with total working hours, industrial safety, working conditions, organizational culture, and employee welfare. In response, we have developed and are implementing tailored mitigation and response measures aligned with each key issue. In 2024, our efforts to address these risks included the establishment of detailed guidelines, leadership training programs, and the optimization of regular monitoring processes.

Category	Risk Factors	Detailed Mitigation Measures	Related Information
Improvement of Working Conditions	Inadequate physical working conditions, reduced work engagement, insufficient kitchen facilities, and a lack of designated rest areas	<ul style="list-style-type: none"> <li>Facility remodeling and improvement of safety conditions</li> <li>Ongoing improvements to rest areas and air conditioning systems</li> </ul>	50p
Organizational Culture and Employee Welfare	Human rights issues at client sites, a lack of a culture of respect	<ul style="list-style-type: none"> <li>Standardization of customer response protocols and re-training for clients</li> <li>Ongoing campaigns to foster a culture of respect</li> <li>Activities to improve organizational culture</li> </ul>	62~63p
Working Hour Compliance	Inadequate working hour management, improvement required in the time and attendance system	<ul style="list-style-type: none"> <li>Establishment and dissemination of detailed attendance management guidelines</li> <li>Awareness training for leaders and employees</li> </ul>	63p
Ensuring Occupational Safety	Fire risks, improvement required for hygiene and safety protocols	<ul style="list-style-type: none"> <li>Improvement of fire risk management processes</li> <li>Employee awareness training</li> </ul>	50p

### Human Rights Risk Assessment Process



## MITIGATING AND IMPROVING HUMAN RIGHTS IMPACTS

### ENHANCING HUMAN RIGHTS AWARENESS

CJ Freshway promotes awareness of human rights across the organization by publishing Human Rights Card Newsletter. This newsletter helps educate all employees on the importance of human rights management, real-world cases of human rights violations, and the company's direction in advancing its human rights agenda. It also provides information on grievance channels that employees can use to report human rights issues, if any. In addition, to help prevent potential human rights violations by client companies, we have distributed a Client Misconduct Response Guideline that outlines specific response measures for various scenarios, reporting channels, and resolution procedures. This initiative is designed to foster a safe and respectful work environment for all employees. We also provide mandatory annual training programs on the prevention of sexual harassment and disability awareness. In 2024, 100% of the targeted employees completed the training programs.

Human Rights Training Performance Indicators	Unit	2022	2023	2024
Completion rate of disability awareness training	%	93.28	99.97	100
Completion rate of sexual harassment prevention training	%	98.33	100	100

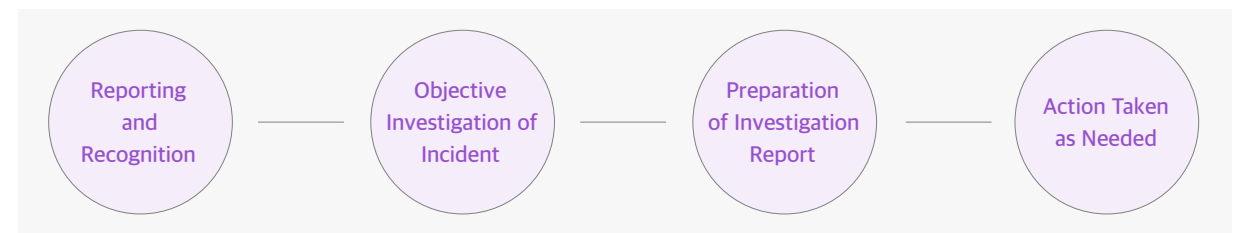
### HUMAN RIGHTS GRIEVANCE CHANNELS

CJ Freshway's employees can report human rights issues such as discrimination and workplace harassment through various channels. One of them is an online whistleblowing system operated by an independent external agency and it is open not only to employees but to external stakeholders as well. The company strictly adheres to principles that ensure the anonymity of whistleblowers and the confidentiality of reports. In addition, the grievance committee under the labor-management council, the NCC (New Culture Creator), appoints grievance officers by job function and region to address employee concerns. The HR department has also designated a dedicated manager for handling cases of sexual harassment and workplace bullying. The manager conducts internal investigations through interviews and takes appropriate action, ensuring the utmost protection and confidentiality for whistleblowers.

Channel	Details
Grievance Committee	<ul style="list-style-type: none"> <li>Appoints grievance officers from employee representatives of the labor-management council (NCC)</li> <li>Handles and resolves employee concerns</li> </ul>
Sexual Harassment & Bullying Officer	<ul style="list-style-type: none"> <li>Designates an HR personnel manager responsible for addressing workplace sexual harassment and bullying</li> <li>Posts information via online and offline boards</li> </ul>
Online Whistleblowing System	<ul style="list-style-type: none"> <li>Accessible to both employees and external stakeholders via internal systems and public website</li> <li>Guarantees strict anonymity for whistleblowers</li> <li>Offers an online reporting channel (<a href="https://ethics.cj.net/whistles/information?ref=cjw&amp;">https://ethics.cj.net/whistles/information?ref=cjw&amp;</a>)</li> </ul>

### REMEDIAL ACTIONS FOR HUMAN RIGHTS VIOLATIONS

When a human rights violation is reported through CJ Freshway's grievance channels, remedial actions are promptly initiated in accordance with internal policies, including the company's rules of employment and disciplinary procedures, under the leadership of the relevant department and HR personnel. The responsible team, the HR department, prepares a report on the case and, when necessary, convenes a disciplinary committee to determine appropriate responses, such as, reassigning the affected employee to a different work location or providing paid leave to ensure their safety and well-being. We are firmly committed to upholding strict non-retaliation and confidentiality principles to protect both victims and whistleblowers. In 2024, a total of eight human rights-related reports were received. Remedial actions were taken in 100% of the cases, including worksite relocations, departmental transfers, and the granting of paid leave.



Human Rights Reporting Metrics	Unit	2022	2023	2024
Total number of human rights-related reports	Cases	11	9	8
Valid and resolved human rights-related reports	Cases	9	9	8
Resolution rate of human rights-related reports	%	100	100	100



Card newsletter titled Understanding Human Rights Management



Poster outlining the Client Misconduct Response Guidelines



Notice for Grievance Handling Procedure



Poster introducing the Internal Grievance Reporting Channel



## ORGANIZATIONAL CULTURE IMPROVEMENT FRAMEWORK

### WELFARE PROGRAMS

CJ Freshway supports its employees in achieving a healthy work-life balance and continuous personal growth through a wide range of welfare programs. Designed to improve employees' overall quality of life, these benefits cover healthcare, wellness, culture, travel, and self-development, and feature CJ's unique offerings. These programs help us further enhance employee well-being and satisfaction. In particular, to foster a family-friendly work environment, we offer benefits that employees and their families can enjoy together, allowing them to create meaningful memories through various cultural activities. We remain committed to continuously improving the workplace environment to promote employee happiness and overall satisfaction.

#### CJ Welfare Programs

Category	Key Details	
CJ Group Benefits	<ul style="list-style-type: none"> <li>Discounts on CJ affiliate services</li> <li>Access to CJ-operated facilities</li> </ul>	<ul style="list-style-type: none"> <li>Flexible benefits program</li> <li>Support for family events</li> </ul>
Medical / Health	<ul style="list-style-type: none"> <li>Employee medical support</li> <li>Medical expense coverage</li> </ul>	<ul style="list-style-type: none"> <li>Healthy lifestyle support</li> <li>Mental health counseling services</li> </ul>
Self-Development	<ul style="list-style-type: none"> <li>Support for club activities</li> <li>Online professional training</li> </ul>	<ul style="list-style-type: none"> <li>Language test support</li> <li>Creative Week (refresh leave for long-term employees)</li> </ul>

### FLEXIBLE WORK AND LEAVE PROGRAMS

CJ Freshway designs and operates a variety of flexible work options to promote employee growth and engagement, while supporting a healthy balance between work and personal life. These programs help minimize constraints related to time and location, enabling employees to choose work arrangements that best suit their roles and personal preferences. Most recently, we introduced the selective working hour system, fostering an environment where employees can work with greater autonomy and adaptability.



Introduction of Selective Working Hour System

Category	Program	Description
Flexible Work	Selective Work Hours	Monthly application, same-day requests, and split working hours based on employees' needs, enabling flexible time management
	Staggered Working Hours	Flexible work start times based on employees' lifestyle patterns
	PC-OFF System	PC use disabled after employees' pre-set working hours
	Deemed Working Hours	Direct commuting to and from worksites or client locations for field-based roles
Leave and Leisure Programs	CJ Work ON (Satellite Offices)	Commuting convenience and foster creativity; six offices in operation as of 2024
	Creative Week	Paid leave and vacation allowance based on years of service to promote employees' rest and recharge
	Hourly Leave	Hourly leave available based on employees' individual needs

### CULTIVATING ORGANIZATIONAL CULTURE

#### Employee Idea Proposal Program

Genie-Us Lab, CJ Freshway's in-house idea generation program, is a year-round suggestion platform designed to foster a culture of innovation through creativity and collective intelligence. The program encourages employees to freely submit ideas across various areas, including new business opportunities, product development, and process improvements. After a review process, outstanding ideas may also be implemented in actual business practices. Incentives are offered to participants to encourage voluntary engagement. In the second half of the year, we also launched Tales of Trial and Error, a program designed to build a culture that embraces setbacks as opportunities for growth. The program provided a meaningful opportunity for employees to share insights from their failures with one another, enabling both individuals and the company to learn and grow together.



## ORGANIZATIONAL CULTURE IMPROVEMENT FRAMEWORK

### CULTIVATING ORGANIZATIONAL CULTURE

#### Employee Engagement Programs

CJ Freshway offers a variety of engagement programs to foster a culture where employees grow together through mutual support. These include initiatives such as the ABC Challenge, where employees share self-set goals and encourage each other's progress, and Office Attack, a campaign designed to cheer on teams and colleagues. In 2024, to celebrate our 24th anniversary, we hosted Freshway's 24th Birthday Party, featuring various activities and a pop-up cafe that gave employees an opportunity to connect and create meaningful memories in a joyful setting. Through these initiatives, we continue to foster a workplace culture where employees enjoy their work and grow together.



ABC Challenge

Category	Month	Description
Lunar New Year	January	Employee event celebrating the Lunar New Year
ABC Challenge	March / June	Motivation campaign where employees set and share personal growth goals
Parents' Day Event	May	Carnation-making activity and food truck event to honor employees' parents
Talk on the Way Home	August / November	Communication and encouragement opportunities between leadership and employees
Birthday Cafe	September	Celebration with caricature drawings, on-site quizzes, and others
Morning Has Come (and Gone!)	December	A surprise quiz show to strengthen coworker camaraderie

#### LEADERSHIP COMMUNICATION PROGRAMS

To increase employees' understanding of CJ Freshway's business and effectively communicate its strategic direction, CJ Freshway develops and delivers a variety of communication content and programs. As part of this effort, we foster a culture of open and horizontal communication with leadership. Our CEO and executives actively engage with employees through various initiatives—such as distributing snacks as a gesture of appreciation and hosting job-level-specific discussion sessions to share business strategies and the company's vision. In 2024, we held the New CEO Vision Talk, where the CEO and all employees engaged in open dialogue on the company's strategic direction, organizational culture, and vision. In addition, the WOW Connecting Day served as a platform for leadership to share the company's future vision and collaborate with employees to shape the company's path forward.

### FAMILY ENGAGEMENT PROGRAMS

CJ Freshway offers family-inclusive programs to create meaningful opportunities for employees and their loved ones to participate in company activities. In celebration of Family Month, we held a special Parents' Day event titled Make a Carnation, Send Your Love!, where employees handcrafted carnations and wrote heartfelt letters to express gratitude to their parents. Additionally, we ran a catering food truck program for selected employees who submitted touching stories, delivering snacks, beverages, and messages of appreciation from their children to their parents' hometowns or workplaces.

### POST-RETIREMENT CAREER SUPPORT PROGRAMS

CJ Freshway's career transition support program helps those approaching retirement prepare for the next chapter of their careers in a structured and meaningful way. This program is designed for employees aged 50 and older who are retiring involuntarily, and provides one-on-one career coaching with professional consultants, customized training programs, and relevant information to help them explore new career paths.

### FAMILY-FRIENDLY COMPANY CERTIFICATION

CJ Freshway has maintained certification as a Family-Friendly Company by the Ministry of Gender Equality and Family since 2014. This certification is awarded to companies and organizations that exemplify family-friendly practices, such as fostering a family-oriented organizational culture, supporting childbirth and childcare, and offering flexible work arrangements.



New\_CEO\_Vision TALK



Make a Carnation, Send Your Love!



Family-Friendly Company Certification



ORGANIZATIONAL CULTURE IMPROVEMENT

EMPLOYEE COMMUNICATION CHANNELS

CJ Freshway operates a range of communication channels to foster a healthy organizational culture that encourages employees to express their opinions freely and engage actively. Our internal labor-management council, the New Culture Creator (NCC), holds quarterly meetings attended by management and elected representatives from various regions and functions. These meetings serve as a platform to reflect employees' voices on matters such as workplace improvement, organizational culture, and internal communication. Meeting agendas and outcomes are shared transparently each quarter through the company's internal bulletin board, reinforcing trust with employees. We also maintain anonymous communication platforms—such as discussion forums and Q&A boards—to support open, two-way dialogue. Through these efforts, we aim to build a strong foundation for mutual growth between the company and its people.

2024 NCC Quarterly Meeting Outcomes

Category	Progress
Maternity Protection Notification System	A guideline email on maternity protection is being sent to the immediate supervisor of pregnant employees.
Replacement of Non-Compliant Cooking Tools	Alternative items were registered through internal consultation, and related matters will continue to be monitored and improved.
Request for CDP (Career Development Plan) Program	Mentoring programs are currently in operation for seven job functions, following a company-wide announcement and participant recruitment.
Transportation Support for Support Staff	Regular guidelines will be continuously provided.
Extended Work Hours Operation Guide	Compliance with the guideline will be monitored through surveys, followed by relevant training and ongoing improvement initiatives.
Cafeteria Point Allocation Adjustment	The point allocation for cafeteria use is being restructured to be managed under the Operations Group to improve usage efficiency.
Improving Access to Company Information (User Convenience)	A chatbot-based program is being developed to improve internal information accessibility and support user convenience.
Sangam Office 13F SNACKPICK Area Renovation	Equipment was secured and inspections conducted to mitigate fire risks.

ACTIVITIES TO FOSTER ORGANIZATIONAL CULTURE

CJ Freshway offers a range of employee welfare programs to create a work environment where employees can thrive with greater satisfaction and efficiency. A key initiative is our flexible work system, which enables employees to manage their working hours autonomously and maintain a healthy work-life balance. We also contribute to fostering a respectful work environment by promoting the Mindful Workplace Campaign, which helps spread and embed positive organization culture. In addition, we provide a variety of welfare programs aimed at improving employees' quality of life and supporting their overall well-being and stability, ultimately enhancing engagement and encouraging long-term retention. We will continue to pursue both institutional and cultural efforts to build a sustainable workplace where employees can work healthily and happily.

CULTURE ASSESSMENT (CJ VOICE ON)

CJ Group conducts an annual survey, CJ Voice ON, to evaluate employees' alignment with the Group's vision, the level of practice of core management philosophies, and their perceptions and needs. To ensure broad accessibility—including for frontline employees—the survey is made available through multiple channels such as PC and mobile platforms. This approach actively incorporates intergenerational communication and contributes to organizational culture improvement. Survey results are analyzed in debriefing sessions to gain in-depth understanding of employees' sentiments. For departments with lower organizational scores, we develop concrete action plans for improvement and support them through a structured follow-up process.

Culture Assessment (CJ VOICE ON)

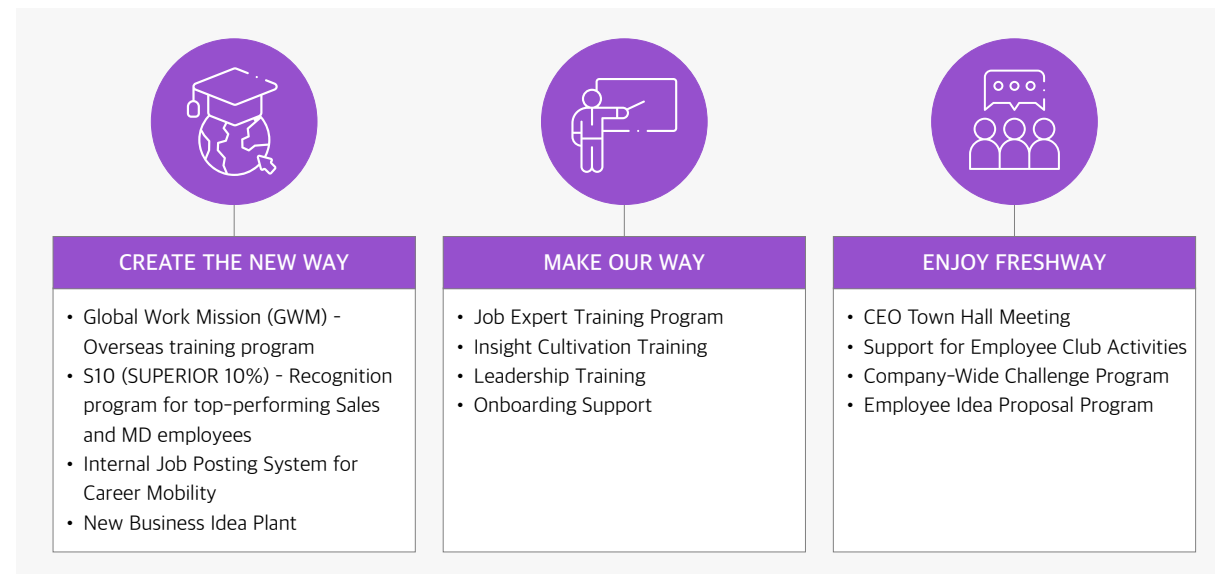
Organizational Culture Improvement Activities		
CJ Voice ON Organizational Culture Assessment	Result Analysis and Debriefing	Organizational Culture Improvement Planning
External Assessment of Alignment with Management Philosophy and Vision, and Organizational Culture Satisfaction	Company-wide and Department-level Debriefings and Gender and Generation-Based Result Analysis (excluding personal identifiers)	Identification of Weak Areas Based on Company-Wide and Departmental Results, and Development of Improvement Plans Reflected in Next Year's Organizational Culture Initiatives

# CAPACITY BUILDING OF EXECUTIVES AND EMPLOYEES

## HR POLICIES AND TALENT ACQUISITION

### TALENT PHILOSOPHY

CJ Freshway fosters the corporate culture where employees embrace challenges together, stay positively engaged, and grow continuously. We operate a performance- and competency-based HR system that empowers employees to take ownership of their development and proactively engage in ambitious tasks. Our talent philosophy is rooted in the concept of the Way Maker—individuals who are unafraid to chart a new path. Guided by this philosophy, we cultivate globally minded talent and provide a wide range of welfare benefits and compensation programs to maintain a positive employee experience. We also offer ongoing training and development programs to strengthen competencies and continuously improve the work environment by incorporating employee feedback—creating a culture that enables individuals to perform at their best. We remain committed to building an environment where employees contribute to the company's growth while realizing their full potential.



### OPERATION OF DIVERSE RECRUITMENT INFORMATION CHANNELS

CJ Freshway leverages multiple platforms to enhance accessibility to and understanding of its career opportunities. Our website features a job introduction page that provides practical, interview-based insights from current employees. For positions such as solution sales—which have traditionally presented higher entry barriers—we offer immersive, experience-based content to help applicants gain a clearer understanding of the role from their perspective. We also share recruitment information widely through offline university promotions, online recruitment briefing videos, and various social media channels. Additionally, by collaborating with well-known content creators, we are strengthening our employer brand and expanding direct engagement with potential candidates to boost recruitment competitiveness.

### ESTABLISHING RECRUITMENT DIVERSITY BASED ON DE&I PRINCIPLES

CJ Freshway operates an internship program for individuals with severe disabilities as well as senior employees (aged 50-59) with disabilities to broaden employment opportunities and support stable job placement. To help employees with disabilities adjust smoothly to their roles, we conduct task analyses for specific job functions—such as pre-processing, food distribution, dishwashing, and hall service—and provide tailored support accordingly. We also ensure equal treatment in terms of wages, benefits, and working conditions, regardless of disability or age. For senior employees, a two-week onboarding program is provided, along with role-specific training conducted by departmental experts to support successful adaptation.



Work Environment Diversity Indicators	Unit	2022	2023	2024
Employees with disabilities	Persons	138	144	128
Veterans	Persons	16	18	17

## HR POLICIES AND TALENT ACQUISITION

### PRESIDENTIAL COMMENDATION FOR EXCELLENCE IN GENDER-EQUAL EMPLOYMENT

In 2024, CJ Freshway received the Presidential Commendation for Excellence in Gender-Equal Employment in recognition of its continued efforts to promote gender equality across various areas, including maternity protection, work-life balance initiatives, and equal opportunities in recruitment and career advancement.

### FRESHWAY CAMPUS AMBASSADOR

To deepen university students' understanding of the food and distribution industry and expand CJ Freshway's connection with future talent, CJ Freshway launched the Campus Ambassador program in 2024. The program begins with a kickoff event and provides participants with practical experience through business overview sessions, mentoring with employees, site tours, and hands-on training in solution sales. By participating in major company events such as the Food Solution Fair, ambassadors gain vivid, first-hand experience of CJ Freshway's operations and workplace culture. These experiences provide participants with valuable job insights and opportunities to build practical skills. Furthermore, we offer extra points during our public recruitment process to program participants, helping us attract exceptional talent. The ambassadors also help produce recruitment content and engage in social media activities, leveraging their understanding of CJ Freshway to more effectively convey job and company information from a student's perspective. Through these efforts, we anticipate positive outcomes, including enhanced recruitment competitiveness and increased brand recognition. We will continue to utilize diverse communication channels to improve recruitment accessibility and broaden our outreach to talented individuals.



Presidential Commendation for Excellence in Gender-Equal Employment



Campus Ambassador Kickoff Ceremony

## TAILORED TALENT-NURTURING PROGRAMS BY ROLE AND JOB LEVEL

CJ Freshway's Human Resources Development Team operates a range of programs designed to enhance practical job competencies and foster talent, all closely aligned with our business strategy. In 2024, we supported our members' adaptation to the organization, job comprehension, and career development through initiatives such as the FS Professional Incubation Program, onboarding training for new hires, and retention programs—fostering their voluntary engagement and long-term growth. We also leveraged CJ Campus, CJ Group's education platform, to systematize training communication and learning plan management. In line with evolving organizational strategies and job requirements, we redefined role- and job-level-specific competencies to refine our demand-driven talent development framework. All training programs are managed in a structured manner from planning to operation and performance reporting. Program quality is continuously improved based on participant feedback and satisfaction surveys, with insights reflected in future training plans. Moving forward, we will continue to proactively support employees' self-directed competency development by continuously updating our competitive growth roadmap and adapting to changing business environments.

### Company-Wide Talent Development Framework

Talent Development Framework								
General Roles (Merchandising, Sales, and Logistics) / Specialized Roles (Food Service)								
Core & Leadership Training	Executives	New Executive Leader (Mindset, Management Capabilities, Leadership Networking)			Leadership 360-Degree Assessment Debrief  3rd. Follow-up  • [Required] Leadership WS			
	Senior Managers	Senior Manger (Understanding role transition and six key leadership roles)						
	Team Leaders	FW Synergy Coaching (Sharing leadership experience and tasks)		Internal Coach Leader (Hands-on training and application of coaching dialogue models)		2nd. Open Talk  • [Required] Executives/ Senior Managers • [Optional] Team Leaders		
		Coaching 100°C (GROW CJ Coaching, Practice / Review / Coaching Letter)		LEAD STARTER (FIRO Assessment, Mindset, Performance Management)				
	Emerging Leaders	Pre;dership (Future Leader Development Program: Hogan Assessment, Self-Awareness, Leadership Mindset)			1st. Debriefing W/S  • CJPI Assessment • 1on1 Debriefing, Leader Group WS			
	Promotees	Promotion Training by Job Level (Retention, Role Awareness, Networking)						
Master Courses	MFD(Master of Food Distribution)			MFS (Master of Food Service)				
Job-Specific Training	Merchandising (MD)	Sales (MA)	Supply Chain Management (SCM)		FS Path-Specific Development Program (Hospitals / Concessions /Enterprise Clients)			
	S-OJT(Structured On the Job Training)							
Common Training	Training on Business Principles	Group-Wide Mandatory Training	DT Training	CJ Campus Course	Fund Your Growth	PYC (Produce Your Career)	Enneagram Cafe	

Job-Specific Training Framework									
Required Competencies for Merchandising Roles					Required Competencies for Sales Roles				
Competency Level	Understanding of Business System	Supply Chain Management	Product · Solution Development	Business Data Analysis	Competency Level	Understanding of Business System	Business Data Analysis	Solution Proposal	Customer Management
L3	• Product Business Model Design from A to Z • MFD (Master of Food Distribution) Course				L3	MFD (Master of Food Distribution) Course			
L2	Purchase	Cost Reduction	B2B Marketing Strategy Planning	Excel Skills for Buying MDs	L2	Data Planning · Analysis	Tableau Academy	BC TRIPLE UP!	Customer Management
L1	Value Chain & Revenue Model	Food MD School	MD Planning Skills	Data-Driven Planning and Reporting	L1	Value Chain · Revenue Model	Data Planning · Analysis	Value Proposition	Sales Negotiation
Required Competencies for Logistics Roles					Required Competencies for Food Service Roles				
Competency Level	Logistics Operation	Logistics Planning · Management	Logistics Strategy · Innovation	Logistics Center Operation	Competency Level	Nutritionist	Chef	Store Operations Management	Business Site Operations Management
L3	• SCM Strategic Planning • MFD (Master of Food Distribution) Program				L3	• Branch Manager Development Program • MFS (Master of Food Service) Course			
L2	• Paradigm and Future Strategies of Digital Logistics • Tableau Academy				L2	• Revenue and Profit Management • Menu Engineering & Storytelling		• Proposal Writing Techniques • Key Account Management Strategy	
L1	• Value Chain & Revenue Model • Logistics Strategy • Logistics Bootcamp • On-Site Logistics Essentials				L1	• Menu Planning & Ingredient Management • Store Operations Management		• Strategic Customer Management • Proposal Presentation	

## NEW PROGRAM FOR ORGANIZATIONAL INTEGRATION AND JOB COMPETENCY ENHANCEMENT

### INTRODUCTORY TRAINING FOR EXPERIENCED NEW HIRES (MELTING DAY)

CJ Freshway launched a new introductory training program, Melting Day, designed to help experienced hires quickly integrate into the organization and strengthen their sense of belonging. This offline, in-person course focuses on deepening participants' understanding of CJ Group's management philosophy as well as CJ Freshway's organizational structure and operations, while facilitating networking among new hires. After establishing foundational knowledge about CJ Group's management philosophy and CJ Freshway's value chain, the program maximizes learning outcomes and encourages organizational immersion through practical activities, such as executive dialogue sessions and visits to key infrastructure sites. Special emphasis is placed on providing face-to-face interactions to enhance communication among experienced new hires and alleviate initial onboarding challenges. We will continue to provide effective training programs that actively support experienced new employees in smoothly integrating into the company and fully realizing their capabilities.

### ADVANCED SALES TRAINING PROGRAM (BC TRIPLE UP)

BC Triple UP is a specialized training program designed for sales professionals aspiring to become Business Consultants (BC) equipped with customer-centric solution-proposal skills. Aligned with CJ Freshway's value chain, the program consists of three key phases: providing industry insights, concretizing customer-needs-based solutions, and fostering a culture of fearless, proactive talent. Through practical, real-world scenarios, participants directly experience the role of a BC, significantly enhancing their understanding of actual work practices and job engagement. The program has successfully achieved high participant satisfaction. Moving forward, we plan to expand eligibility and make the training continuously available, incorporating feedback to establish a "Design Your Growth" culture that encourages employees to proactively set their own career paths. In 2024, the Boost UP! course, offered to graduates of the Jump UP! course, achieved an impressive average satisfaction score of 4.8 out of 5 (100% response rate). We will continue to diversify participant profiles, clearly define the objectives of each training session, and secure dedicated Learning Days to enable employees' self-directed growth.

BUILD UP!	JUMP UP!	BOOST UP!
Special Lecture on Solution Sales Insights	Practical, Case-Based Solution Proposal Training	Integration of the Value Chain and Solution
<ul style="list-style-type: none"> <li>Enhancing insights and practical application of solution sales through lectures</li> </ul>	<ul style="list-style-type: none"> <li>Developing practical and field-ready solutions through focused learning on solution sales strategies and the role of BCs</li> </ul>	<ul style="list-style-type: none"> <li>Delivering solution proposals for customers, conducting refinement and feasibility checks, and designing viable business models</li> </ul>

### ENHANCING LEADERSHIP CAPABILITY PROGRAMS FOR LEADERS

CJ Freshway operates leadership development programs based on a job-level Talent Pipeline to identify and nurture individuals with strong performance, competencies, and growth potential as next-generation leaders and executives. In response to the growing demand for personalized leadership training rooted in self-awareness, we have redefined our training approach to better sustain participants' motivation for continuous development. The Pre;dership program is CJ Freshway's signature leadership initiative for emerging leaders, designed to cultivate leadership readiness. It is designed to help prospective leaders shape their own leadership identity through deepened self-awareness before taking on formal leadership roles. The program supports participants in building a personal leadership brand through one-on-one coaching and establishing a long-term growth strategy for ongoing leadership development. The Lead-Starter program targets newly appointed team leaders and supports their transition by helping them understand their evolving responsibilities and succeed in their new roles. The curriculum includes team management, organizational operations, and leadership mindset training, complemented by a comprehensive New Leader Guidebook that provides practical tools to drive team performance and support employee development. In 2024, we revamped the Coaching 100°C program for Team Member Performance Management program to strengthen performance-driven leadership. This program enables leaders to thoroughly understand the Performance Management Development System (PMDS+) and immediately apply it in the field through case-based discussions and peer sharing. These efforts reinforce employee competitiveness and establish a sustainable, ongoing performance management system. The "Internal Coach Leader Development" program selects outstanding team leaders and builds their coaching capabilities. These leaders are designated as internal coaches and provide one-on-one coaching to newly appointed leaders. We remain committed to providing systematic and impactful leadership development programs to foster the leadership competencies of our employees.

#### Solidifying Our Leadership Development Framework

Current Team Leaders	Internal Coach Leader Development Program	<ul style="list-style-type: none"> <li>Strengthening coaching leadership for high-performing team leaders</li> <li>Developing internal talent (targeting new leaders) through advanced coaching competency training and internal coach activities</li> </ul>	One-on-one Coaching for New Leaders
	Coaching 100°C Course	<ul style="list-style-type: none"> <li>Enhancing performance management coaching models for appointed team leaders</li> <li>Hands-on training to internalize group coaching models and link them with the PMDS+ process</li> </ul>	
New Team Leaders	New Leader Course LEAD-STARTER	<ul style="list-style-type: none"> <li>Developing leadership competencies for newly appointed team leaders</li> <li>Leader mindset, HR basics, organizational management, performance management</li> </ul>	
Leader Candidates	Emerging Leader Development Program PRE;DERSHIP	<ul style="list-style-type: none"> <li>Pre-leadership development for leadership candidates</li> <li>Assessing leadership styles, defining individual leadership profiles, and establishing actionable growth plans</li> </ul>	

# EMPLOYEE SELF-DEVELOPMENT PROGRAM

## 2024 TRAINING PROGRAM NAEILLO (A PATH TOWARD TOMORROW) FOR PROMOTED EMPLOYEES

In 2024, CJ Freshway launched a leadership development program titled Naeillo—meaning a path toward tomorrow in Korean—under the theme of “a train journey toward a fresh tomorrow.” The program was delivered to 430 employees who were newly promoted that year. It was designed to help participants define their own leadership direction and encourage them to envision a better future together with their peers, leading to strong engagement throughout the program. The curriculum included self-assessments to foster a growth mindset, along with celebratory sessions to mark their promotions, strengthening employee retention and loyalty to the organization. Through job level-specific leadership training, the program focused on enhancing executional capabilities aligned with company goals. To deepen participants’ understanding of the food distribution industry’s value chain and to foster synergy through cross-functional collaboration, the program also featured offline, hands-on activities. Delivered in a step-by-step format, the program ensured structured and sustainable development at each stage. Additionally, heartfelt messages of encouragement from the CEO and business unit leaders were shared with participants, boosting morale and reinforcing their sense of belonging within the organization.

## FUND YOUR GROWTH

In an increasingly volatile and uncertain external environment, CJ Freshway is committed to empowering its employees to take ownership of their growth by choosing the learning opportunities they need at the right time. Recognizing the growing need to expand access to training and the evolving learning preferences of the MZ generation—who actively invest their time and resources in personal development—we restructured our learning framework to better support them. In 2024, we introduced the Fund Your Growth initiative, which provides insights into digital platforms and data utilization aligned with CJ Freshway’s strategic direction for growth. This program ensures that all employees have access to the learning they need, when they need it. We believe that mutual growth among learners through this program will lead to company-wide success.

	D-28	D-21	D-Day	D+14
Funding Maker (Course Recommender)	Apply for course	Recommend learner for funding (appeal with points)	Attend course	Share learnings (C-Campus Social Learning)
Funding Mate (Course Participant)		Participate in funding	Attend course	Share learnings (C-Campus Social Learning)
Human Resource Development Team	Review course request	Send company-wide email to promote funding, prepare course operations	Conduct course operations (collect feedback surveys)	Reward recommender

## EXPERT TRAINING PROGRAM

To meet the growing demand for competency development among employees and to cultivate industry experts, CJ Freshway offers a specialized training program focused on the food distribution and food service sectors. This program consists of two courses: the Master of Food Distribution (MFD) course for general employees and the Master of Food Service (MFS) course for employees in the Food Service Business Division. Each course is offered on a biennial basis. Developed and delivered in collaboration with Yonsei University through an industry-academia partnership, the program follows graduate-level curricula and emphasizes hands-on, project-based learning.

## RE: TENSION UP DAY

CJ Freshway operates a voluntary engagement program tailored for food service professionals, with the goal of preventing talent attrition and fostering sustained growth for both the organization and its people. The program is designed to strengthen motivation and help employees build long-term career visions. In 2024, we offered a series of workshops tailored to employee cohorts grouped by their time of joining the company, to support them in defining a growth vision grounded in self-awareness and a clear understanding of their roles. The program recorded a high satisfaction score of 4.64 out of 5. In addition, the workshops facilitated cross-store networking, providing participants with opportunities to refresh, connect, and inspire one another. We will continue to enhance this initiative based on feedback to further improve employee satisfaction and business performance.

## OVERSEAS TRAINING PROGRAM (GLOBAL WAY MAKERS)

To strengthen global business capabilities, CJ Freshway operates an overseas training program called Global Way Makers (GWM). The program targets regions closely connected to CJ Freshway’s business, with a focus on countries leading in food culture and distribution. In 2024, the United States and Japan were selected as key destinations. Participants gained valuable market insights and developed a global management perspective through benchmarking visits, local immersion, and market research. Additionally, participants produce video content alongside their business projects to share vivid insights into local markets and trends both internally and externally—helping to expand the organization’s global knowledge base. We will continue to evolve GWM to support self-directed growth and enhance our global competitiveness.

Employee Training Overview	Unit	2024
Training Hours per Employee	hours/person	8.3
Training Cost per Employee	KRW 10,000/person	23.9



# CUSTOMER SATISFACTION

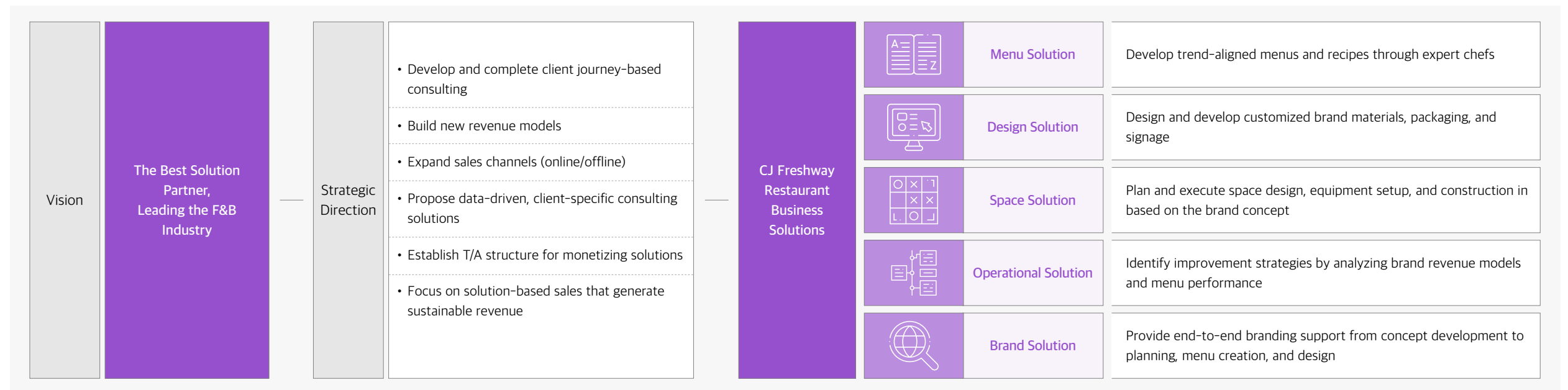
## CUSTOMER SOLUTIONS

### GROWTH STRATEGY WITH SOLUTION SERVICES

CJ Freshway leverages differentiated capabilities in logistics, manufacturing, and infrastructure to support the operational efficiency and growth of foodservice and group catering clients by providing integrated consulting services tailored to their needs. Offering consulting across various business areas, we connect food distribution with product development to establish a business model that drives mutual revenue growth. We continuously develop consulting content that provides practical support to foodservice operators and deliver diverse formats of service based on each client's business stage and specific needs. In addition, to further expand our role as a trusted growth partner, we are enhancing our data-driven, customized proposals through solution-oriented sales. A notable example is Shoji, a casual Japanese restaurant brand launched in May 2024, which embodies the culmination of CJ Freshway's accumulated expertise and core competencies. From brand development to menu planning, design, and operational manuals, we supported the entire business lifecycle through a differentiated consulting model that began at the brand planning stage. Through these solutions, we continue to reinforce our role as a long-term partner in our clients' growth journey.



Shoji, a casual Japanese restaurant brand





## CUSTOMER SOLUTIONS

### BUSINESS SOLUTION PORTAL

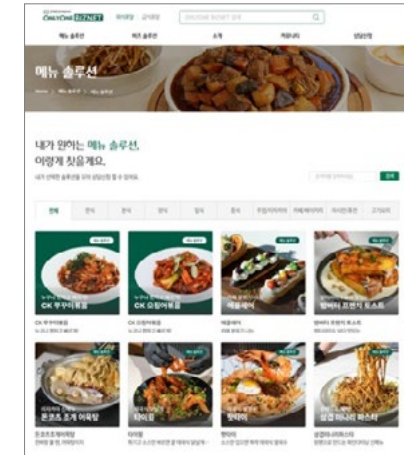
OnlyOne Biznet, CJ Freshway's dedicated food business solution portal, provides practical operational support to foodservice and institutional catering operators. Beyond ingredient supply, this platform delivers essential insights across the entire business lifecycle—including menu development, marketing, and operations management. In the second half of 2024, we launched the Menu Solution section on OnlyOne Biznet, offering over 50 recipes tailored to foodservice and catering environments. Developed by our in-house experts with a focus on cooking efficiency and cost optimization, these recipes are organized by industry segment and target audience for immediate, real-world application. In addition, the Biz Solution section provides resources on branding, design, food tech, and marketing—areas beyond menu planning—and connects clients to external partner solutions when needed, broadening the support we offer. We are committed to continuously expanding field-driven content on OnlyOne Biznet to support our clients' day-to-day operations.

### FRESH MEAL ON: KITCHEN-LESS MEAL SOLUTION

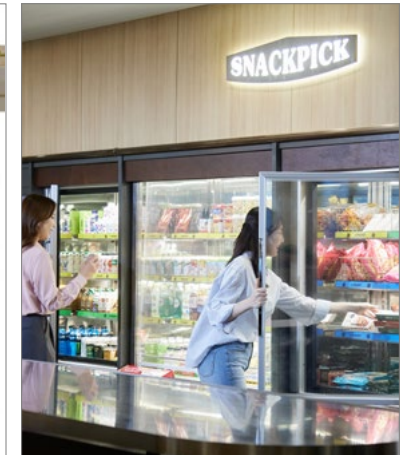
Fresh Meal On is a mobile meal solution that enables full-service catering without a dedicated kitchen by standardizing every step—cooking, delivery, serving, clearing, and washing—into a single, integrated system. Ideal for sites with limited dining space or constrained capital for initial facility investment, real-world deployments have proved significant gains in space efficiency, reduced equipment costs, and increased operational convenience. The solution enhances the user experience through features like menu viewing and satisfaction surveys via a dedicated app, a self-clearing system, and pre-prepared meal options. Backed by our specialized design team's consulting, we deliver site-customized layouts and operational environments. With both flexibility and practicality, Fresh Meal On represents CJ Freshway's unique, differentiated foodservice offering.

### SNACKPICK: A SELF-SERVE MEAL SOLUTION FOR MODERN WORKPLACES

SNACKPICK is a takeout solution designed for workplace welfare, built on the concept of “a convenient choice for me.” It reflects a wide range of customer dietary preferences and lifestyles, offering a curated selection of ready-to-eat items such as instant noodles, salads, sandwiches, and lunch boxes, along with dairy products, beverages, and hangover remedies. To expand choice, functional meal options—including lacto-ovo, high-protein, and vegan selections—are also available. SNACKPICK adopts a coin-operated self-service model, allowing for flexible deployment without space constraints. It has been introduced in workplaces, offices, and wellness zones as a food service that enhances employee convenience and satisfaction. Looking ahead, we plan to scale SNACKPICK into a platform for restaurant-style workplace dining and personalized meal spaces, accelerating our transition into a comprehensive food solution provider—moving beyond ingredient distribution.



OnlyOne Biznet



Snack Pick



Kitchen-less 'Fresh Meal On'

## STRENGTHENING CUSTOMER ENGAGEMENT

### SLOWEAT: A HEALTHY, SLOW AGING MEAL CAMPAIGN

With growing public interest in healthy eating habits, CJ Freshway launched the SlowEat campaign to position institutional meal catering not just as a means of providing food, but as a service that promotes a healthy lifestyle. Under the concept of Deliciously Healthy, the campaign designates a monthly SlowEat Day, during which meals are offered based on slow-aging dietary principles. To amplify its impact, the campaign also included interactive events to engage diners. In addition, promotional materials were distributed to raise awareness about healthy eating, and on-site events such as quiz programs were held to enhance customer understanding and interest. We will continue to develop healthy menu options and provide premium foodservice offerings to enhance customer satisfaction across diverse dimensions, contributing to a more sustainable dining culture.

### TEUN-TEUN SCHOOL SPECIAL MEAL DAY

CJ Freshway has been actively engaging in a variety of marketing initiatives through its school meal food brand, Teun-Teun School. As part of these efforts, we launched the Lobster Special Meal Day campaign in collaboration with a popular K-pop idol group. This event was held at select elementary, middle, and high schools, offering students a special year-end menu featuring lobster cheese gratin. Alongside the meal, students received mini photo postcards with QR codes linked to video messages of encouragement from the idol group. A social media campaign using designated hashtags also accompanied the event, featuring a raffle where participants had the chance to win a variety of prizes. In addition, we continue to drive content-driven marketing initiatives such as celebrity chef-curated meals and collaborations with film and drama IPs. These efforts aim to enhance customer satisfaction and create enjoyable dining experiences, reinforcing our competitive edge by generating synergies between food distribution and foodservice.



SlowEat



Teun Teun School Special Meal Day

### FOOD CULTURE EDUCATION PROGRAM

CJ Freshway's children's food brand, I-Nuri, offers a food culture education program aimed at fostering healthy eating habits among preschoolers. Under the slogan Eat Naturally, I-Nuri provides a variety of tailored educational programs for children, parents, and educators, including cooking classes led by dedicated nutritionists and chefs. In 2024, I-Nuri became the first in the industry to conduct a nationwide survey of parents on their children's eating habits. Based on the survey results, we identified the needs of both parents and children and began developing updated educational programs aligned with emerging trends. In addition, we actively promote healthy eating habits by sharing content such as "Brory's Food Guide - Things You Didn't Know You Needed," which offers fun and practical food culture tips for children via social media. Moving forward, we remain committed to advancing a healthier food culture and expanding our positive impact on children's dietary habits.

### FOOD SOLUTION FAIR 2024

CJ Freshway hosted the Food Solution Fair 2024, presenting future strategies for the foodservice and catering industries along with customized client solutions. This two-day event was open to both industry professionals and the general public, with its scale nearly doubling compared to the previous year. Through this exhibition, we showcased solutions that address kitchen staff shortages and enhance operational efficiency, with a focus on O2O (Online to Offline) food distribution strategies and our new kitchen-less business model. The fair featured a wide range of hands-on, interactive programs, including tailored solution exhibits for foodservice and catering businesses, brand menu tastings, product demonstrations, and meal planning consultations. In addition, dining trend seminars and joint exhibitions with supplier companies offered insights into the latest developments in the food solutions ecosystem. By delivering tangible benefits to participants, the event contributed to building a foundation for sustainable co-prosperity. Looking ahead, we will continue to support client business growth and advance the development of a sustainable food and beverage industry ecosystem.



Brory's Food Guide - Things You Didn't Know You Needed



Food Solution Fair 2024

## STRENGTHENING CUSTOMER ENGAGEMENT

### FOODSERVICE MARKETING CONTEST

To strengthen brand awareness and enhance customer engagement, CJ Freshway launched an integrated marketing campaign centered around a public contest, promoting its life-cycle-tailored foodservice brands—I-Nuri, Teun-Teun School, and Healthy Nuri. Targeting both institutional clients (B2B) and general consumers (B2C), the campaign was designed to directly reach each brand's core audience. The contest encouraged active participation through content-based activities that reflected each brand's identity, leading to meaningful outcomes such as new client acquisition, first-time brand exposure, and product development opportunities. Winning entries were further utilized to create educational content and develop product applications. In addition, the campaign outcomes were actively leveraged as sales assets, enhancing the brand credibility and serving as effective sales tools. Moving forward, we will continue to design credible and impactful campaigns aligned with each brand's key customer base and enhance our operational framework to ensure that campaign outcomes translate into tangible business results.

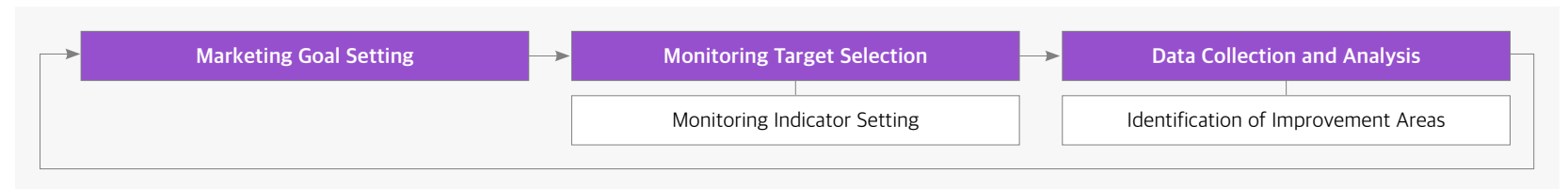


Contest: Foodservice Marketing Idea Challenge

## RESPONSIVE ACTIONS FOR CUSTOMER SATISFACTION

### MONITORING-DRIVEN QUALITY MANAGEMENT OF SOLUTIONS

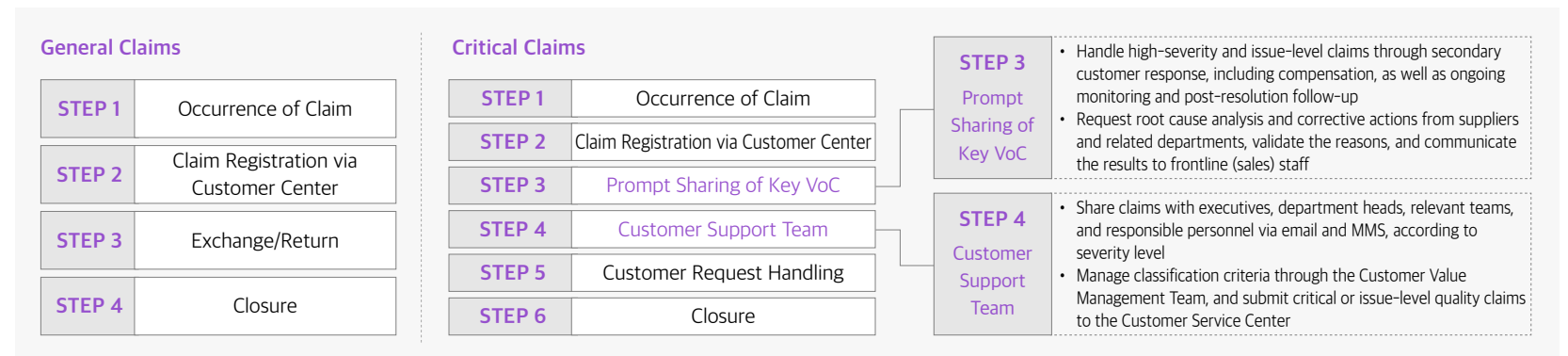
CJ Freshway conducts an annual, marketing-based customer satisfaction survey to assess brand competitiveness. The results are thoroughly analyzed to identify areas for improvement, which are then used to develop and implement targeted action plans. In addition, monthly Voice of Customer (VoC) reports and analysis summaries are shared with company leadership in the form of newsletters, helping guide organization-wide quality improvement strategies. Going forward, we will continue to improve customer satisfaction through systematic analysis of market needs and VoC status.



### CLAIM HANDLING PROCESS FOR GENERAL AND CRITICAL INCIDENTS

By establishing clear criteria for critical claims, CJ Freshway ensures that each case is addressed through a severity-specific response process. Unlike general claims, critical issues are handled through a comprehensive risk management approach that includes prompt action, customer communication, compensation, and post-resolution monitoring. In addition, depending on the type of claim and customer profile, an issue manager may visit the client on-site when necessary to assess the situation directly and strengthen communication. Our swift and responsible responses will continue to build customer trust and improve service quality.

#### General and Critical Claim Resolution Process





# COMMUNITY PARTICIPATION

## COMMUNITY PARTICIPATION PROGRAMS

### SOCIAL CONTRIBUTION COMMITTEE

CJ Freshway operates the Social Contribution Committee to review, deliberate on, and approve the appropriateness of donation expenditures. The committee is composed of the CEO, Head of Management Support Division, Head of Strategic Support Department, and Compliance Officer. It holds a regular meeting once a year, with ad-hoc meetings convened as needed. In 2024, the committee convened to review two agenda items, ensuring greater transparency and efficiency in the management of donation funds.

### COMMUNITY PARTICIPATION POLICY

CJ Freshway has established the Community Participation Policy to promote communication and collaboration with local communities and have publicly declared our commitment to fulfilling corporate social responsibility. This policy aims to encourage all employees to voluntarily participate in community contribution activities and to uphold our role as a responsible corporate citizen. Moving forward, we will continue to identify and support activities that reflect the diverse needs of the local community, aiming to foster mutual growth and internalize a practical system of cooperation.

#### COMMUNITY PARTICIPATION POLICY: KEY PRINCIPLES

- 1. We establish an active and transparent communication framework with all local stakeholders to lay the foundation for fulfilling our social responsibilities.
- 2. We actively respond to community issues, collect opinions, and devise improvement measures.
- 3. We promote community participation programs for mutual growth with stakeholders and enhance related processes.
- 4. We ensure compliance with laws and internal regulations in the execution of charitable donations, grants, and subsidies.

### COMMUNITY PARTICIPATION ROADMAP

CJ Freshway has developed a roadmap for achieving its community participation goals, outlining specific strategies and action plans. These include initiatives such as environmental cleanup activities, programs aimed at addressing food safety blind spots, and stakeholder-participatory engagement projects. Going forward, we will continue to implement this roadmap to contribute to the development of local communities and enhance quality of life for their members.

### Community Participation Goals and Key Strategies

ESG Orientation	WE BUILD A SUSTAINABLE FUTURE THROUGH HEALTHY FOOD CULTURE AND SUSTAINABLE DISTRIBUTION	
Community Participation Policy Goals	Creating a sustainable society by fostering an eco-friendly distribution environment	Building a healthy society where food safety is guaranteed for all
ESG Orientation	Community-Based Environmental Cleanup Activities around Business Sites	Initiatives to Address Blind Sports in Food Safety
	Stakeholder-Engaged Resource Circulation Programs	Stakeholder-Engaged Food Safety Capacity-Building Programs

### ROADMAP FOR COMMUNITY PARTICIPATION POLICY

CJ Freshway has established a phased roadmap—short-, mid-, and long-term—to embed the value of community participation into our organizational culture. In 2025, we aim to operate our community food safety solution program, Donghaeng Kitchen, at nine locations. By 2027, we plan to initiate at least three joint projects in collaboration with local governments and NGOs to help establish a culture of community participation. By 2030, we seek to achieve over 100 hours of annual community participation activities as a result of these efforts.

Year	2025	2027	2030
Process	Identifying Community Issues and Exploring Solutions	Strategy-Based Support for Community Development	Embedding a Culture of Mutual Growth and Co-Prosperity
Goals	Scaling Up Community Participation	Integrating a Culture of Community Participation	Advancing Community Participation Practices
Initiatives	<ul style="list-style-type: none"><li>Expand food safety CSR initiatives<ul style="list-style-type: none"><li>Scale up the scope and coverage of the Donghaeng Kitchen program</li></ul></li><li>Implement workplace environmental CSR activities<ul style="list-style-type: none"><li>Carry out environmental protection initiatives near logistics centers</li></ul></li></ul>	<ul style="list-style-type: none"><li>Expand stakeholder engagement<ul style="list-style-type: none"><li>Identify key community development initiatives and strengthen collaboration with local governments</li></ul></li><li>Foster voluntary employee participation</li></ul>	<ul style="list-style-type: none"><li>Evaluate program effectiveness<ul style="list-style-type: none"><li>Develop and institutionalize a regular impact assessment process for community participation initiatives</li></ul></li></ul>

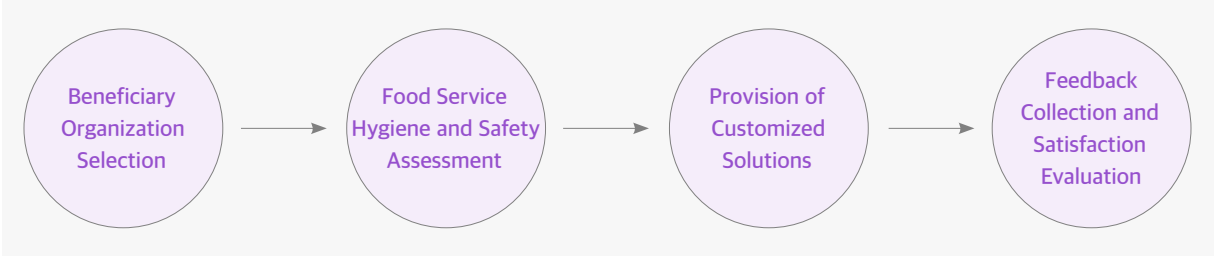
## COMMUNITY PARTICIPATION ACTIVITIES

In 2024, CJ Freshway ran a variety of social contribution programs grounded in the Community Participation Policy, with the aim of fostering a healthier and more sustainable society. As part of this effort, we operated our flagship ESG initiative, Donghaeng Kitchen, to promote public health and well-being. We also ensured that our other community programs moved beyond one-off events by running them on a regular and structured basis. Our contributions were recognized with a plaque of appreciation at the 2024 Mapo-gu Donor Appreciation Day. We are committed to continuously pursuing local improvement efforts—such as environmental cleanup activities—based on our mid- to long-term community participation goals, striving to enhance the quality of life for community members and contribute to inclusive growth.

### DONGHAENG KITCHEN: OUR ESG FLAGSHIP INITIATIVE

Since 2024, CJ Freshway has been operating Donghaeng Kitchen, our flagship ESG program based on our expertise in food safety and occupational safety. The initiative was launched to help mitigate the negative impacts associated with food safety, which was identified as a material issue in 2023. The program provides social welfare facilities with tailored solutions for food hygiene and workplace safety. Our safety experts conduct on-site assessments through interviews and diagnostic checklists. Based on the findings, we offer customized kitchen safety equipment, training, and consulting services. Through these efforts, we aim to improve the safety of kitchen environments—the starting point of a healthy food culture. In 2024, the program was implemented at seven locations, including community child centers and senior welfare facilities, providing solutions tailored to nutritionists and cooks at each site. By supporting them with safety manuals and hygiene kits, as well as training and replacing outdated kitchen equipment, we helped bring about tangible improvements in kitchen environments. In 2025, we plan to expand the Donghaeng Kitchen initiative to further promote healthy food culture and contribute to the sustainable development of local communities.

#### Donghaeng Kitchen Process



### ENGAGEMENT ACTIVITIES IN 2024

In addition to Donghaeng Kitchen, CJ Freshway actively participates in various social contribution initiatives, such as food culture sharing volunteer programs and activities organized by the CJ Welfare Foundation. Through these efforts, we strive to foster co-prosperity with local communities and contribute to spreading a culture of sharing. We are committed to continuously developing new programs that reflect pressing local issues and expanding stakeholder participation to strengthen our meaningful engagement with the community.

#### 2024 Community Participation Activities List

Activities	Details	2024 Performance
Donghaeng Kitchen	• Program to improve food hygiene and occupational safety in blind spots	7 welfare centers; 528 children and elderly beneficiaries
Food Culture Sharing Volunteering for Children's Day	• Provided cooking class and snack packages	Cooking class beneficiaries: 24 children Snack package recipients: 30 children
Food Culture Sharing Volunteering for Chuseok	• Donated Nanumnuri meal kits in collaboration with Jogyesa Temple	Beneficiaries: 700 vulnerable individuals, including seniors living alone
Employee Donations to Goodwill Store	• Donated reusable items by employees	Items donated: 907 reusable goods
Senior Internship	• Participated in an employment support project for seniors aged 60+	Participants: 252 senior citizens
CJ Donorscamp Career Academy	• Provided a support program for youth from underserved groups aiming to enter the foodservice industry	Graduates: 122 (cumulative: 477) Job placements: 84 (cumulative: 299)
CJ Donorscamp Culture Club "CJ Internship"	• Offered short-term internship for students in relevant majors	Intern participants: 4 college students
CJ Donorscamp Sports Day	• Held sports event for employees and children from community child centers	Beneficiaries: 110 child welfare centers, 2,310 children Volunteers: 182 CJ employees (including 17 from CJ Freshway)
CJ Donorscamp Wonder Walk	• Implemented cultural activities combined with plogging	Beneficiaries: 140 child welfare centers, 3,200 children Volunteers: 147 CJ employees (including 18 from CJ Freshway)
CJ Donorscamp Gourmet Food Donation Campaign	• Ran a targeted donation campaign for children at risk of missing meals	Beneficiaries: 160 community child centers, 3,200 children
CJ Donorscamp Kimchi Sharing	• Provided kimchi and offered kimjang (kimchi-making process) experience	Beneficiaries: 2,348 child welfare centers (89 tons of kimchi donated) Volunteers: 267 CJ employees (including 19 from CJ Freshway)
CJ Donorscamp Holiday Food Sharing	• Hosted folk games and cooking sessions during Seollal and Chuseok holidays	Beneficiaries: 100 child welfare centers, 2,850 children Volunteers: 138 CJ employees (including 29 from CJ Freshway)

# GOVERNANCE

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# ETHICS AND COMPLIANCE MANAGEMENT OUR FRAMEWORK

## GOVERNANCE



Compliance Management Committee



Compliance Coordinator



Compliance Officer, Dedicated Organization

## STRATEGY



Advance Compliance Management



Foster a Culture of Compliance



Expand Compliance Management to Overseas Operations

## RISK MANAGEMENT



Compliance Risk Management



Dispute Resolution and Mediation Process

## METRICS & TARGETS



Ethics and Compliance Training Performance



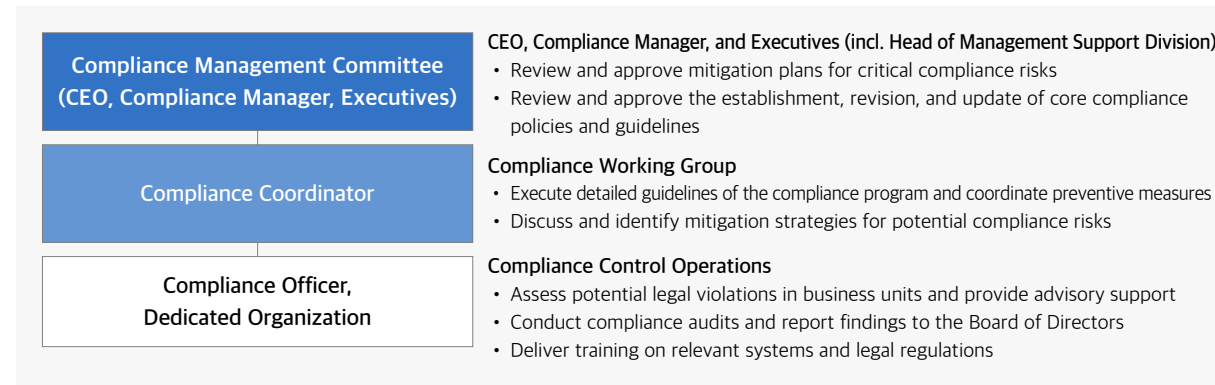
Zero Violations of Anti-Corruption Laws



# ETHICS AND COMPLIANCE MANAGEMENT

## GOVERNANCE

At CJ Freshway, the Compliance Management Committee has been designated as the highest decision-making body for compliance issues, enabling prompt and effective responses. Comprised of the CEO, Compliance Manager, and Executives, the committee discusses key compliance initiatives, sets and manages fundamental compliance policies, and reviews and approves major risk mitigation plans. The committee convenes at least once a year to ensure efficient operations. Compliance Coordinators are responsible for implementing detailed compliance program guidelines and leading the discussion and execution of preventive and risk mitigation measures. The compliance officer and dedicated organization oversee company-wide compliance operations, provide internal ethics training, and continuously monitor regulatory trends to identify potential risks and implement preemptive measures. To embed ethical and compliant practices into our culture, compliance indicators are incorporated into the KPIs of the CEO and senior leaders. We also conduct annual leadership training and hold quarterly compliance councils to enhance the expertise of the governance body. We also organize seminars through quarterly compliance councils to enhance the expertise of the governance body.



### COMPLIANCE MANAGEMENT SYSTEM (ISO 37301)

CJ Freshway systematically implements company-wide compliance initiatives and management systems with the compliance officer and dedicated organization. This structure enables the integrated management of legal risks across departments while providing practical support through an enterprise-wide framework. In 2022, we obtained ISO 37301 certification—the international standard for compliance management systems—at our headquarter. Based on this certification, we have applied the same rigorous risk management procedures across all business sites. Starting in 2025, we plan to expand the certification scope to include our subsidiaries. By strengthening risk identification and developing optimized monitoring measures, we aim to further enhance our enterprise-wide compliance framework.



Compliance Management System Certification (ISO 37301)

### Compliance Activity Proces

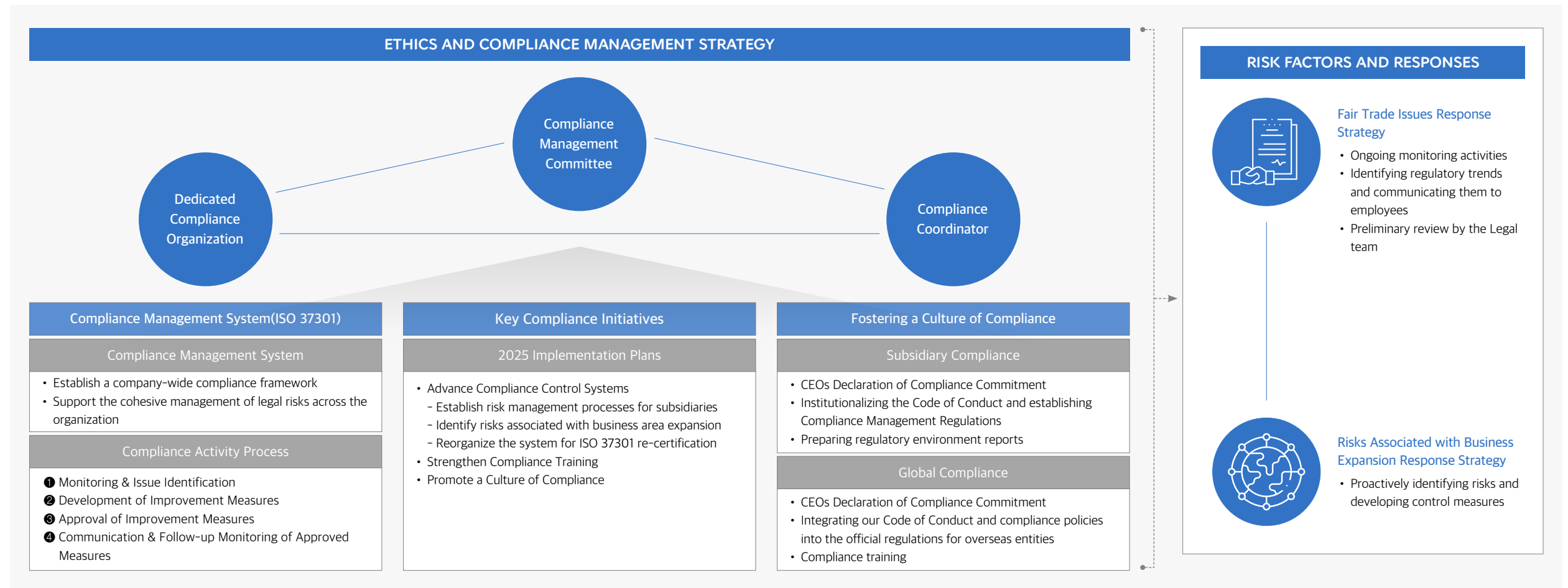
Key Risk Areas		Monitoring / Identification of Issues	Development of Improvement Measures	Approval of Improvement Measures	Communication and Follow-up Monitoring of Approved Measures
<p>① Subcontracting-related risks</p> <p>② Risks associated with the Fair Agency Transactions Act</p> <p>③ Improper customer solicitation / Ant-Graft Act risks</p> <p>④ Others: General / company-wide legal risks (e.g., Personal Information Protection Act)</p>	Department in Charge	Compliance Part (Compliance manager)	Compliance Coordinator	Compliance Management Committee	Compliance Part (Compliance manager)
	Details	<ul style="list-style-type: none"> <li>• Monitoring and identification of issues during routine operations (e.g., contract review, consultation)</li> <li>• Planning and investigation</li> <li>• Internal and external reporting</li> </ul>	<p>① Detailed assessment and analysis</p> <p>② Ideation for improvement</p> <p>③ Formulation of improvement measures</p> <p>④ Decision on submission to Compliance Committee</p>	<ul style="list-style-type: none"> <li>• Coordinator may request meeting upon Chair/Vice Chair's call</li> <li>• Minimum 4 members present (conflicted members excluded from voting)</li> <li>• Resolution by majority vote</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate approved measures internally and externally</li> <li>• Regularly monitor implementation status and report results</li> </ul>
	Frequency	Ongoing	At least 3 times a year	Convened as needed	Ongoing

### ANTI-CORRUPTION AND BRIBERY POLICY

CJ Freshway is deeply committed to upholding global anti-corruption standards and relevant domestic laws. We have established an institutional framework to ensure all our employees can actively practice these principles. CJ Group's Code of Conduct, "the Promise of CJ Members," sets forth the behavioral standards expected of all employees, with a particular focus on anti-corruption and the prohibition of bribery. The Code states key principles such as compliance with anti-corruption laws, rejection of improper solicitations, prohibition of bribery and the acceptance of money or valuables, and restrictions on business-related gifts and entertainment. Specific, actionable guidelines are also in place to help employees apply these principles in their daily work. These standards are communicated company-wide through formal training programs, and all employees are required to strictly adhere not only to domestic laws but also to international anti-corruption regulations—such as the U.S. Foreign Corrupt Practices Act (FCPA)—as well as the company's internal compliance policies.

## STRATEGY

CJ Freshway is dedicated to ethical and compliant management, operating a company-wide compliance management system. Our Compliance Management Committee, serving as the highest decision-making body, leads the systematic organization of self-compliance programs and proactive prevention activities. We ensure their effective implementation through a dedicated organization and compliance coordinators. In 2022, we proudly achieved ISO 37301 international certification, solidifying our compliance system to a global standard. We continuously strive to enhance our employees' compliance awareness through surveys, newsletters, and various educational and communication activities. Furthermore, we are embedding a strong culture of compliance by introducing our compliance framework to our subsidiaries. For our overseas operations, we prioritize compliance activities based on local regulations. Moving forward, we will continue to strengthen our ethics and compliance culture, building trust with both internal and external stakeholders by responding to key regulations, analyzing risks, and sharing messages from executive leadership.



## RISK MANAGEMENT

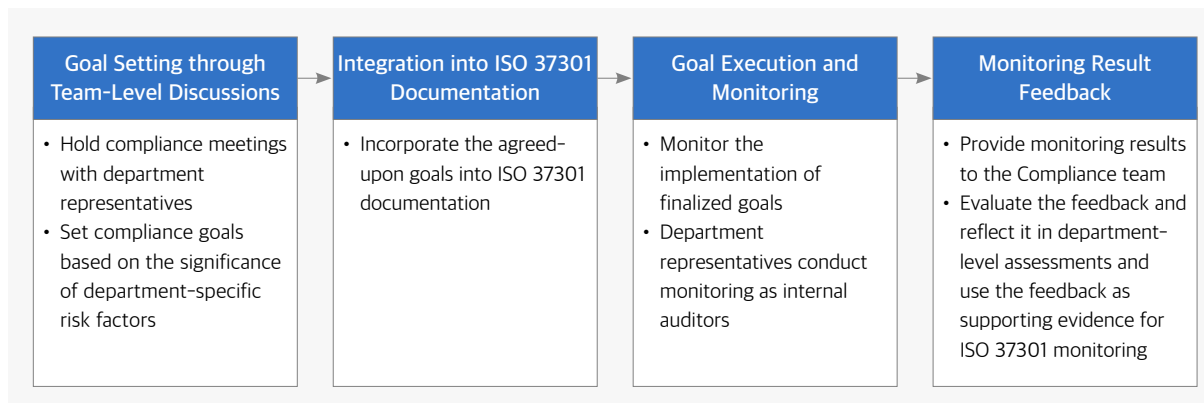
### COMPLIANCE RISK MANAGEMENT

The Legal-Compliance Team serves as the dedicated compliance function of CJ Freshway. The team proactively manages compliance risks by analyzing the regulatory environment applicable to each business unit and department, and by continuously monitoring trends in the enactment and revision of relevant laws. When a compliance risk is identified, the details are reported annually to the Compliance Officer, and relevant employees are provided with training, as necessary. In addition, the Legal-Compliance Team continuously monitors announcements from regulatory authorities and shares key updates with relevant departments through meetings, newsletters, and working-level discussions.



### INTERNAL AUDIT BASED ON THE COMPLIANCE MANAGEMENT SYSTEM

CJ Freshway conducts an annual internal audit based on the Compliance Management System (ISO 37301), with the results reported to the Board of Directors. This process, outlined in the company's Compliance Control Guidelines, includes setting risk management goals by business unit and team, monitoring and evaluating compliance activities, and using the findings as supporting evidence for ISO certification. Furthermore, we recommend improvements based on monitoring results and oversee the implementation of these actions.



### COMPLIANCE PORTAL SYSTEM (CMS)

To more effectively manage potential risks that may arise during business operations, CJ Freshway has established a Compliance Portal System (CMS). To facilitate company-wide use, we have distributed relevant guidelines and completed the migration of risk data identified by each team into the system. Looking ahead, the CMS will also support our efforts to maintain ISO 37301 certification. Through this system, we aim to further embed a culture of compliance across the organization.

### WHISTLEBLOWING SYSTEM

CJ Group provides a whistleblowing system that allows both internal and external stakeholders to report misconduct with confidence. Protective measures are in place to prevent any disadvantages to whistleblowers, and all related data is securely encrypted. In addition to the Group's internal reporting system, reports can also be submitted via K-Whistle, an independent third-party channel accessible through the company's website. All reports are handled independently under the oversight of CJ Group's designated compliance department. In accordance with our whistleblowing policy, we strictly uphold confidentiality regarding both the identity of the whistleblower and the content of the report.

### WHISTLEBLOWER PROTECTION POLICY

CJ Freshway accepts reports of ethical misconduct from a range of stakeholders, including employees and business suppliers, and strictly protects the identity and confidentiality of whistleblowers in accordance with its protection policy. We also ensure the security of any supporting evidence submitted and take prompt action in the event of any retaliation or disadvantage resulting from a report.

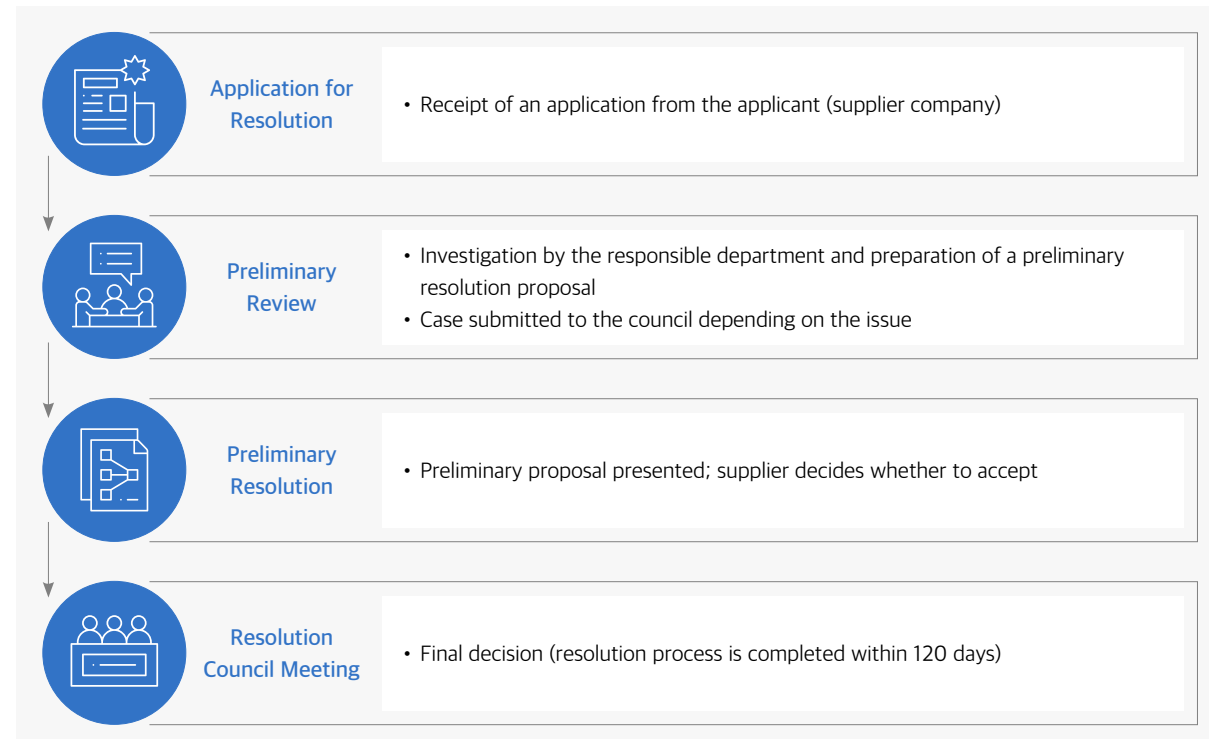
Whistleblowing Policy	Whistleblower Protection Policy	<ul style="list-style-type: none"> <li>We rigorously protect the identity and confidentiality of whistleblowers.</li> <li>We ensure the utmost security for all submitted evidence.</li> <li>We strictly prohibit any attempts to uncover the whistleblowers' identity.</li> </ul>
	Prohibition of Retaliation	<ul style="list-style-type: none"> <li>Whistleblowers will not face any discrimination or disadvantage related to their report.</li> <li>If retaliation does occur, whistleblowers have the right to request appropriate remedial action, including reinstatement or other corrective measures.</li> </ul>
	Reward Policy	<ul style="list-style-type: none"> <li>Reports that help prevent misconduct or improve operations may be eligible for a reward, subject to review and approval by the internal committee.</li> <li>However, rewards will not be granted if the report is found to be false, already known through other sources (e.g., media or investigative bodies), or deemed ineligible based on the committee's judgment.</li> </ul>

## RISK MANAGEMENT

### OPERATING THE SUBCONTRACT DISPUTE RESOLUTION COUNCILS

To enhance the value of mutual growth, CJ Freshway proactively established a subcontract payment dispute resolution council in line with the recommendations from the Korea Fair Trade Commission. We established internal regulations for the council's formation and operation and communicated the relevant rules and application procedures to our suppliers. The council is a non-standing body composed of three members, including one nominated by the applicant (supplier). Upon receiving an application, an investigation is initiated, and a preliminary proposal is presented as the first step toward resolution. If no agreement is reached at this stage, the case is formally submitted to the council for review. The entire resolution process is designed to be completed within 120 days from the date of application. Through this council, we aim to foster collaborative and mutually respectful partnerships that embody our commitment to mutual growth.

#### Dispute Resolution Process



### IMPLEMENTING THE SYSTEM OF TYPE OF BUSINESS SUITABLE FOR LIVELIHOOD OF MICRO ENTERPRISES

In accordance with the System of Type of Businesses Suitable for Livelihood of Micro Enterprises, CJ Freshway complies with and monitor annual shipment limits for eight designated sectors through an internal control and monitoring process linked to our food distribution value chain. We also offer newsletters and training programs to raise employee awareness of mutual cooperation in these sectors. Our commitment was recognized in 2023 when we received the Minister of SMEs and Startups Commendation at the 2023 Award for Outstanding Mutual Growth Efforts in types of business suitable for livelihood, organized by the Ministry of SMEs and Startups and the Korea Commission for Corporate partnership. We will continue to faithfully implement this system by fostering ongoing communication and collaboration with all stakeholders, including our employees and suppliers.

### FOSTERING A CULTURE OF BUSINESS ETHICS

CJ Freshway is dedicated to bolstering ethics management by sharing behavioral guidelines and examples of violations with employees. We send out a monthly newsletter titled “Make CJ Healthier” via email to all staff, which provides updates on ethics management and includes a direct link to our online whistleblowing system to increase awareness and ease of access. We also developed the “Dictionary on How to Work”, a resource designed to help employees better understand company-wide and team-specific processes, as well as examples of misconduct—further supporting the establishment of an ethical work culture. In 2024, we introduced a new Self-Audit program that requires employees to complete and submit a checklist for self-inspection, enabling a more proactive approach to ethics management.

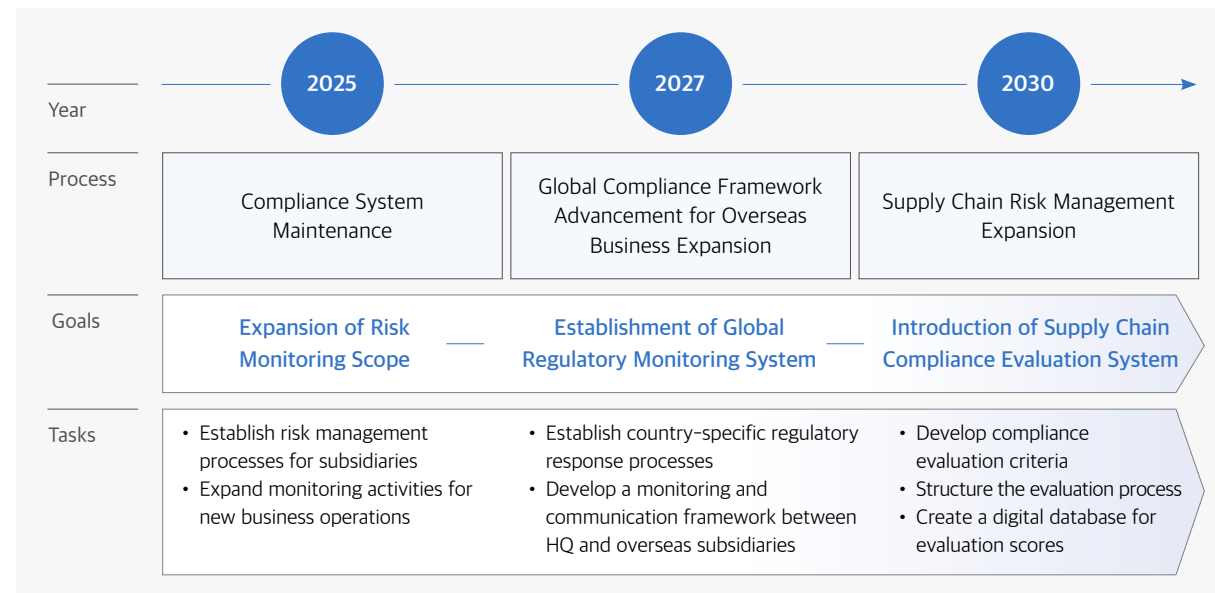
### STRENGTHENING COMPLIANCE AWARENESS AMONG EMPLOYEES AND COMMUNICATING REGULATORY TRENDS

CJ Freshway conducts an annual compliance awareness survey to instill a sense of compliance awareness in all employees. To keep them informed, we also regularly distribute Compliance Newsletters that provide easy access to the latest regulatory trends and policy developments. In 2024, we identified key focus areas such as supply chain due diligence guidelines, supply chain due diligence laws, and the Uyghur Forced Labor Prevention Act. This year, we extended these messages to our business suppliers as well as employees, clearly conveying top management’s commitment to ethical and compliant business practices both internally and externally.

## METRICS & TARGETS

### ETHICS AND COMPLIANCE MANAGEMENT ROADMAP

CJ Freshway has established an ethics and compliance roadmap and are carrying out initiatives based on a mid- to long-term strategy. In 2025, we plan to broaden the scope of risk monitoring to strengthen oversight of risks associated with business expansion and subsidiary operations. Looking ahead, by 2027, we aim to establish a global regulatory monitoring system to address compliance risks in overseas operations. By 2030, we will further advance our compliance framework by extending risk management practices throughout our supply chain.



### ETHICS AND COMPLIANCE MANAGEMENT PERFORMANCE

CJ Freshway strives to strengthen its employees' ability to make ethical decisions and act with integrity. To that end, we provide regular ethics training—including the Code of Conduct—for all employees, including new hires, to enhance awareness of ethical and compliant behavior. We also offer tailored programs for specific departments and roles, such as training on subcontracting regulations for the Product Business Unit and agency law training for the Sales Business Unit.

2024 Ethics Training Programs	Format	Target
CJ Freshway Compliance Onboarding	Offline, Online	New employees (entry-level & experienced)
ISO 37301 Internal Auditor Training	Online	Internal auditors
Training on the Fair Agency Transactions Act	Online	Agency sales representatives
Training on the Subcontracting Act	Offline	Product Business Unit
2024 Group-Wide Compliance Training	Online	All employees
Guidelines for Internal Policy Management System	Online	Policy managers
Executive Leadership Training	Offline	Business leaders
Training for Outside Directors	Offline	Outside Directors

Ethics Compliance Management Indicators	Unit	2022	2023	2024
Total hours of ethics and compliance training completed	Hours	7,761	9,570	9,562
Number of employees who completed ethics and compliance training	Persons	3,381	3,526	4,192
Number of sanctions due to violations of anti-corruption laws	Cases	0	0	0

# CORPORATE GOVERNANCE

## BOARD COMPOSITION AND OVERVIEW

CJ Freshway’s Board of Directors, the company’s highest decision-making body, is structured based on the principles of independence, diversity, and expertise to ensure responsible corporate governance. As of March 2025, the Board consists of six members—three Inside directors (including the CEO) with management expertise and three external directors with backgrounds in finance and industry expertise. By appointing external directors to half of all board seats, we secured a high level of independence. The CEO doubles as Chair of the Board to enable agile and informed decision-making in a rapidly changing business environment. In accordance with the Articles of Incorporation, the term for external directors is limited to three years, with the possibility of a single reappointment. Both the Audit Committee and the Outside Director Candidate Recommendation Committee are composed entirely of external directors, reinforcing the objectivity and transparency of board operations. In March 2022, a female expert with experience at the Ministry of Food and Drug Safety was appointed as an external director, further enhancing the Board’s diversity and expertise.

Category	Name	Gender	Term	Role	Education	Expertise	Committee Participation
Inside Directors	Lee Geon-Il	Male	2024.6~2027.3	CEO and Chair of the Board	B.A., Food Biotechnology, Yonsei University	Business Management	Remuneration Committee, ESG Committee
	Kang Yon-Jung	Male	2025.3~2028.3	Head of Food Service Business Division, CJ Freshway	B.A., Mathematics Education, Korea University	Business Management	-
	Lim Sung-Chul	Male	2025.3~2028.3	Head of Management Support Division, CJ Freshway	MBA, Korea Advanced Institute of Science and Technology (KAIST)	Business Management	-
Outside Directors	Kim Yong-Gyun	Male	2024.3~2027.3	Advisor, Lee Hyun Tax Corporation	Ph.D., Economics, University of London	Finance	Audit Committee, Outside Director Candidate Recommendation Committee, Remuneration Committee, ESG Committee
	Jeon Eun-Sook	Female	2025.3~2028.3	Advisory Member, Board of Audit and Inspection	Ph.D., Chemistry, KAIST	Food & Nutrition, Food Safety	Audit Committee, Outside Director Candidate Recommendation Committee, Remuneration Committee, ESG Committee
	Ahn Il-Hwan	Male	2025.3~2028.3	Endowed Professor, School of Applied Humanities & Public Service, Hankyong National University	M.A., Economics, University of Ottawa	Finance	Audit Committee, Outside Director Candidate Recommendation Committee, Remuneration Committee, ESG Committee

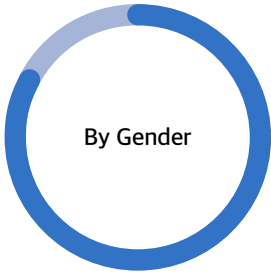


Inside Directors

50%

Outside Directors

50%



Male

83%

Female

17%



Business Management

3

Finance

2

Industry (Food)

1

(As of March 2025)

## OPERATION OF THE BOARD OF DIRECTORS

The Board of Directors meets regularly in accordance with the annual operating plan and convenes ad-hoc meetings when necessary to address key issues promptly. As a rule, all directors receive at least seven days’ advance notice, along with the agenda and relevant materials, to allow for thorough review prior to each meeting. In 2024, the Board held 11 meetings and deliberated on 38 agenda items. Key ESG-related matters included the approval of the safety and health plan, revision of the internal accounting control regulations, and the management review report on the ISO 37301 compliance management system, reflecting our commitment to incorporating ESG considerations into our decision-making processes.

### 2024 Board of Directors Operational Status

Meetings Held	Items Discussed	Items Reported	Items Approved
11	38	10	28

### Key ESG-Related Agenda Items Reviewed by the Board in 2024

Agenda Item	ESG Pillar	Date of Review	Outcome
Approval of 2024 Occupational Safety and Health Plan	Social	2024.2.8	Approved
Approval of the Record Date for Dividend and Cash Dividend Distribution	Governance	2024.2.8	Approved
Amendment to Internal Accounting Management Regulations	Governance	2024.3.11	Approved
Report on 2023 Compliance Control Standards Review Results	Governance	2024.3.11	Reported
Management Review of ISO 37301 Compliance Management System	Governance	2024.8.7	Reported

## CREATING A RESPONSIBLE BOARD OF DIRECTORS

CJ Freshway is strengthening our institutional framework to foster a responsible decision-making environment within the Board and to support sustainable corporate governance. To help safeguard the company and third parties from potential damages resulting from board decisions—and to ensure directors can be held accountable—we maintain annual directors’ liability insurance. The roles and responsibilities of the Board are clearly defined in our Corporate Governance Charter and Articles of Incorporation. All directors are expected to comply with relevant laws and regulations, proactively manage risks related to their areas of responsibility, and respond promptly in the event of any incidents, fulfilling their oversight duties.

## OPERATION OF THE CORPORATE GOVERNANCE CHARTER

CJ Freshway supports the intent of the Code of Best Practices for Corporate Governance established by the Korea Institute of Corporate Governance and Sustainability (KCGS) and remains committed to building a transparent and responsible governance structure. The Code outlines standards for the composition, roles, and responsibilities of the Board of Directors to enable sustainable growth. We transparently disclose the status of our adoption of these recommendations on our official website. Under the professional and independent oversight of the Board, we implement sound governance practices through transparent and rational decision-making that enhances shareholder value and ensures a balanced approach to the interests of all stakeholders—including customers, employees, and business suppliers. As a lifestyle company dedicated to people and society, we will continue to embed ESG principles across our operations, grounded in our strong governance framework.

## ENHANCING EXPERTISE AND EFFICIENCY OF THE BOARD OF DIRECTORS

CJ Freshway is committed to strengthening the expertise and decision-making capabilities of its Board through continuous training and support. In 2024, Outside Directors and board members participated in a range of external professional programs, including the Advanced Auditor Program (AAP), seminars hosted by leading accounting firms, and training on directors’ compliance oversight responsibilities. These initiatives have helped enhance directors’ ability to fulfill their roles and responsibilities. We also operate a dedicated Audit Committee Secretariat to support the Board in efficiently carrying out its duties, including agenda review, responding to inquiries, and legal analysis. Staffed by experienced professionals, the Secretariat assists Outside Directors in making independent and well-informed decisions.

Training Provider	Attending Outside Directors	Key Topics
Samjong KPMG	Jeon Eun-sook	<ul style="list-style-type: none"><li>Corporate governance and audit committee systems and operations</li><li>Practical cases of key activities of the audit committee</li></ul>
PwC Samil	Jeon Eun-sook	<ul style="list-style-type: none"><li>Capitalism and the board of directors from an ESG perspective</li><li>Challenges and areas for improvement in Korean corporate boards</li></ul>
Deloitte Korea	Lee Sang-do Jeon Eun-sook	<ul style="list-style-type: none"><li>Business performance indicators and ESG disclosures: Communicating with capital markets</li><li>Disclosures in corporate value-up programs and the role of the board</li></ul>
Compliance Officer	Lee Sang-do Kim Yong-gyun Jeon Eun-sook	<ul style="list-style-type: none"><li>Directors’ compliance oversight responsibilities and corporate compliance</li><li>Compliance seminar on current issues in the food and distribution industries</li></ul>



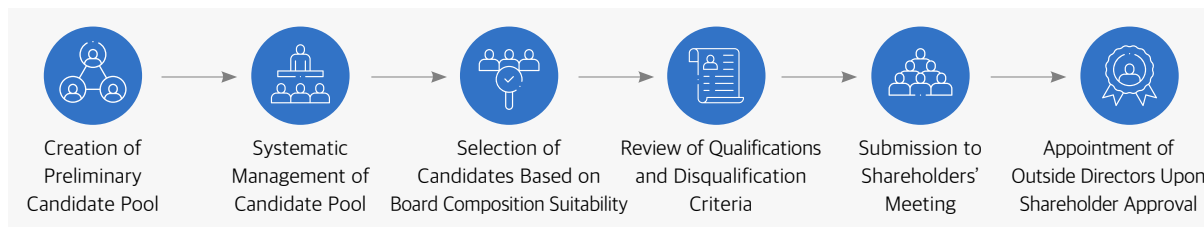
## INDEPENDENCE OF THE BOARD OF DIRECTORS

To ensure independence, CJ Freshway operates both independence and fairness in the process of director nomination and appointment. Directors are appointed through the shareholders' meeting, and the Board selects director candidates and finalizes them as agenda items to be submitted to the shareholders' meeting. In addition, if there are shareholder proposals regarding director appointments in accordance with applicable laws, the Board includes such proposals as agenda items for the shareholders' meeting within legal boundaries.

### OUTSIDER DIRECTOR APPOINTMENT PROCESS

To ensure the Board fulfills its functions independently and transparently, CJ Freshway appoints Outside Directors based on the principles of independence, expertise, and diversity. In accordance with relevant laws, the Articles of Incorporation, and Board regulations, we operate the Outside Director Candidate Recommendation Committee to ensure fairness and objectivity in the nomination process. The appointment of Outside Directors is managed through a structured process. First, a pool of preliminary candidates is created and continuously reviewed by the committee. Taking into account the appropriate composition of the Board, the committee selects qualified candidates, thoroughly reviews their eligibility and any grounds for disqualification, and finalizes the nominees to be submitted to the shareholders' meeting. Directors are formally appointed upon shareholder approval. To maintain a well-balanced and effective Board, we conduct a comprehensive analysis of the current composition and the individual expertise of each director and reflect these insights in the Board's composition.

#### Outsider Director Appointment Process



## EXECUTIVE PERFORMANCE EVALUATION AND COMPENSATION

The Remuneration Committee, under the authority delegated by the Board, makes key decisions regarding executive compensation. It reviews the appropriateness and effectiveness of the compensation framework and deliberates and approves matters such as long-term incentives and annual salary adjustments based on performance evaluations. We ensure transparency by disclosing details of executive compensation and the Committee's key activities in our annual business report.

## COMMITTEES WITHIN THE BOARD OF DIRERCTORS

CJ Freshway operates committees within the board of directors to foster a responsible decision-making structure built on expertise and independence. Each committee serves a vital deliberative function within its specific domain, supporting the Boards effective decision-making through professional discussions and thorough reviews. Currently, our operational committees include the Audit Committee, the Outside Director Candidate Recommendation Committee, the Remuneration Committee, and the ESG Committee. These committees are respectively responsible for internal audit and accounting oversight, the recommendation of Outside Director candidates, the review of executive compensation, and the deliberation on key ESG-related matters. These committees convene regularly. To ensure their independence, the chair of each committee is appointed from among our Outside Directors. Furthermore, to enhance transparency in decision-making, voting rights are strictly restricted for any member with a conflict of interest.

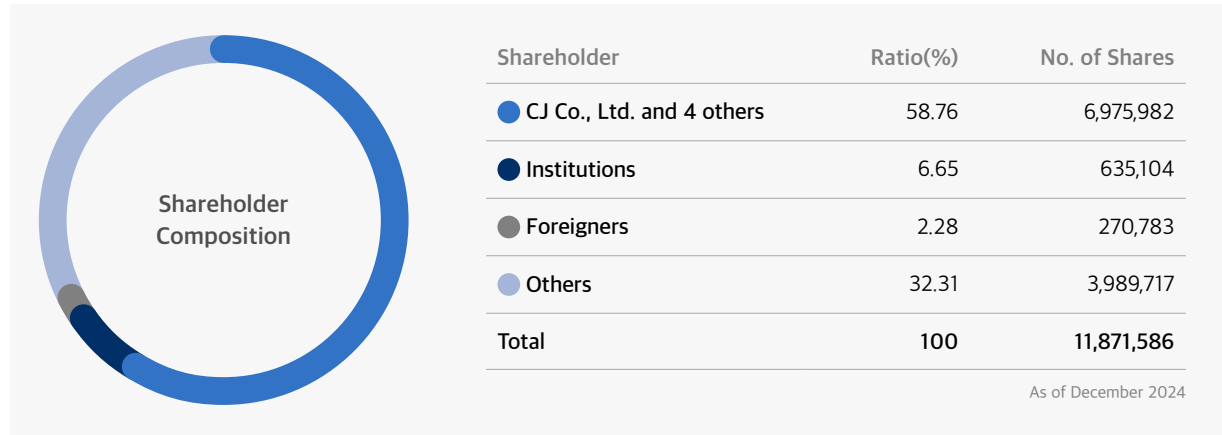
Board of Directors (3 Inside Directors, 3 Outside Directors)				
Committee Name	Audit Committee	Outside Director Candidate Recommendation Committee	Remuneration Committee	ESG Committee
Chair	Outside Director Kim Yong-Gyun	Outside Director Kim Yong-Gyun	Outside Director Jeon Eun-Sook	Outside Director Jeon Eun-Sook
Composition	Three Outside Directors	Three Outside Directors	One Inside Director & Three Outside Directors	One Inside Director & Three Outside Directors

### 2024 Board Committee Activities

Committee	Key Responsibilities	Meetings Held	Agenda Items Discussed
Audit Committee	Audit of the company's accounting and operations	6	10
Outside Director Candidate Recommendation Committee	Management of Outside Director candidates	2	2
Remuneration Committee	Determination of executive compensation policies	1	3
ESG Committee	Decision-making on ESG strategy implementation	3	6

# PROTECTION OF SHAREHOLDER RIGHTS

CJ Freshway is committed to protecting shareholder rights and enhancing long-term shareholder value through strong corporate governance and transparent management. We have established institutional frameworks to ensure that all shareholders have equal access to information and can exercise their rights fairly. We also work to improve management transparency by strengthening communication channels with investors and disclosures. In line with relevant laws, such as the Korean Commercial Act and the Financial Investment Services and Capital Markets Act, we adhere to fair and lawful practices in the operation of shareholder meetings, and we continue to improve systems that strengthen shareholder protections. As of December 31, 2024, the total number of issued shares stood at 11,871,586, all of which are common shares. No treasury shares or other classes of shares have been issued. Shareholders are entitled to one vote per common share in accordance with our Articles of Incorporation and Corporate Governance Charter. They may also exercise their voting rights through a proxy by submitting a signed power of attorney.



## INVESTOR COMMUNICATION

CJ Freshway is committed to protecting shareholder rights and addressing information asymmetry through a range of initiatives. For shareholder meetings, key details—including the date, venue, and agenda items—are announced on the company’s website at least two weeks in advance, with all related information disclosed transparently. In accordance with Article 368-4 of the Korean Commercial Act, we have adopted an electronic voting system to make it easier for share-holders to exercise their voting rights. In addition, we engage in fair and active investor relations (IR) by promptly upload-ing quarterly earnings results and IR materials to our website. These efforts aim to ensure fair and timely communication with investors and to strengthen trust-based relationships.

## DIVIDEND POLICY

CJ Freshway is dedicated to enhancing shareholder returns by consistently pursuing initiatives such as strengthening its financial structure and distributing dividends. We determine our dividend scale through a comprehensive assessment of not only business performance but also future investment plans, financial soundness, changes in the business environ-ment, and the dividend practices of peer companies in the industry. We adhere to a stable dividend policy to ensure reli-able profit distribution. To enhance predictability for investors, we pre-announce dividend amounts annually before final-izing the record date and holding the annual general meeting of shareholders. Through our IR activities, we transparently communicate our dividend policy and plans. For 2024, the dividend was maintained at KRW 450 per share, consistent with the previous year, and our cash dividend payout ratio—based on separate financial statements—increased compared to 2023. Going forward, we plan to establish and publicly disclose a mid- to long-term dividend policy to further enhance the predictability and stability of our dividend distributions.

### Key Dividend Indicators

Indicator	Unit	2022	2023	2024
Total Cash Dividends Paid	KRW million	4,155	5,342	5,342
Cash Dividend per Share	KRW	350	450	450
Net Income (Separate Basis)	KRW million	39,646	52,370	36,468
Payout Ratio (Separate Basis) <sup>1)</sup>	%	10.5	10.2	14.6
Dividend Yield	%	1.05	1.74	2.23

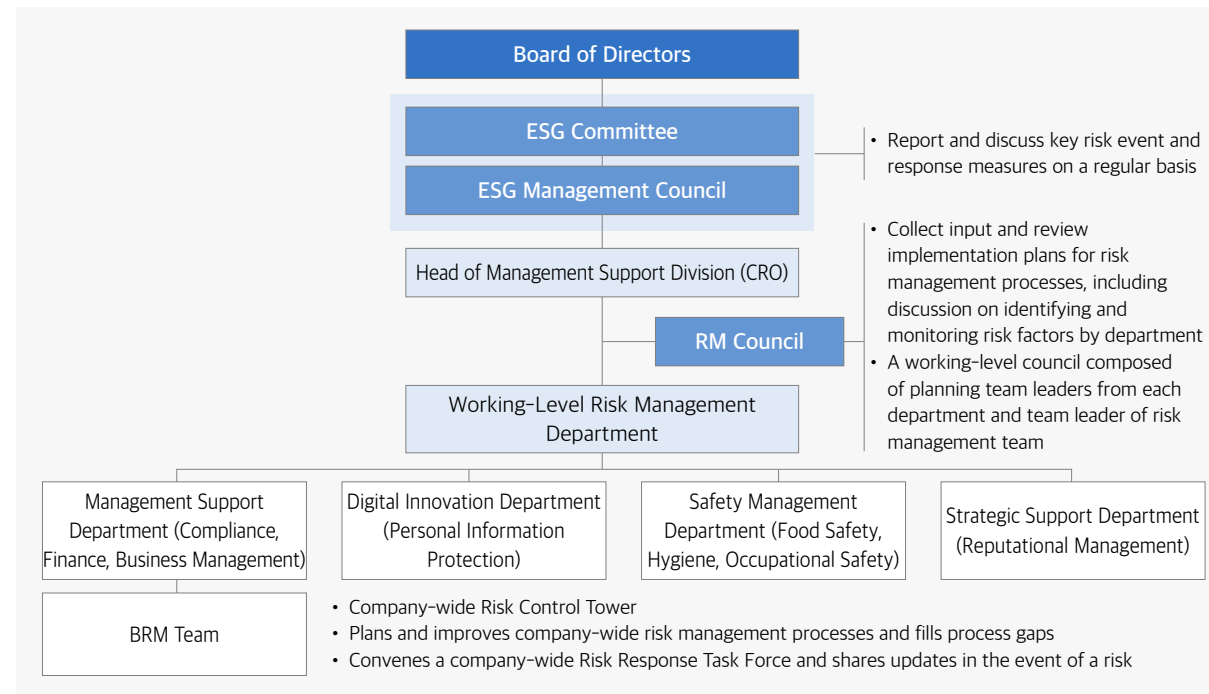
1) Recalculated on a separate basis in accordance with internal standards (2022-2023 data revised)

# INTEGRATED RISK MANAGEMENT

## INTEGRATED RISK MANAGEMENT FRAMEWORK

### RISK MANAGEMENT GOVERNANCE

CJ Freshway has established a structured risk management system to minimize the potential impact of risks through swift response. Key risk events and corresponding response plans are regularly reported and reviewed by the ESG Committee under the Board of Directors and the ESG Management Council. The Head of Corporate Management (CRO) serves as the company's Chief Risk Officer, overseeing the company-wide risk portfolio and reviewing mitigation measures. A dedicated risk management team is responsible for directly addressing each risk. Looking ahead, in 2025, we plan to strengthen our risk management framework by establishing a Risk Management Council, shifting from a reactive approach to a more proactive model that identifies department-level risk factors and reinforces preventive measures.



### ENHANCING THE INTEGRATED RISK MANAGEMENT SYSTEM

CJ Freshway has established a dedicated risk management organization under the Management Support Division to centrally manage and respond to risks across business operations. In 2024, we upgraded our company-wide risk management framework by categorizing risk incidents by type and severity, clearly defining reporting responsibilities and follow-up actions. We also strengthened the risk management system for insurance by establishing relevant standards and plans to ensure sustainable coverage. Looking ahead to 2025, we plan to formalize and implement a company-wide risk management process that shifts our approach from reactive response to proactive prevention, further advancing our risk management framework.

### RISK MANAGEMENT COUNCIL (RM COUNCIL)

In 2025, CJ Freshway established and is operating a Risk Management (RM) Council to institutionalize company-wide risk prevention processes. We are evolving our risk management framework from a reactive, post-incident response model to a proactive approach, which involves identifying potential risks in each business area in advance and discussing implementation measures through cross-functional input. By minimizing business disruptions through the efforts, we aim to strengthen corporate credibility and enhance global competitiveness.

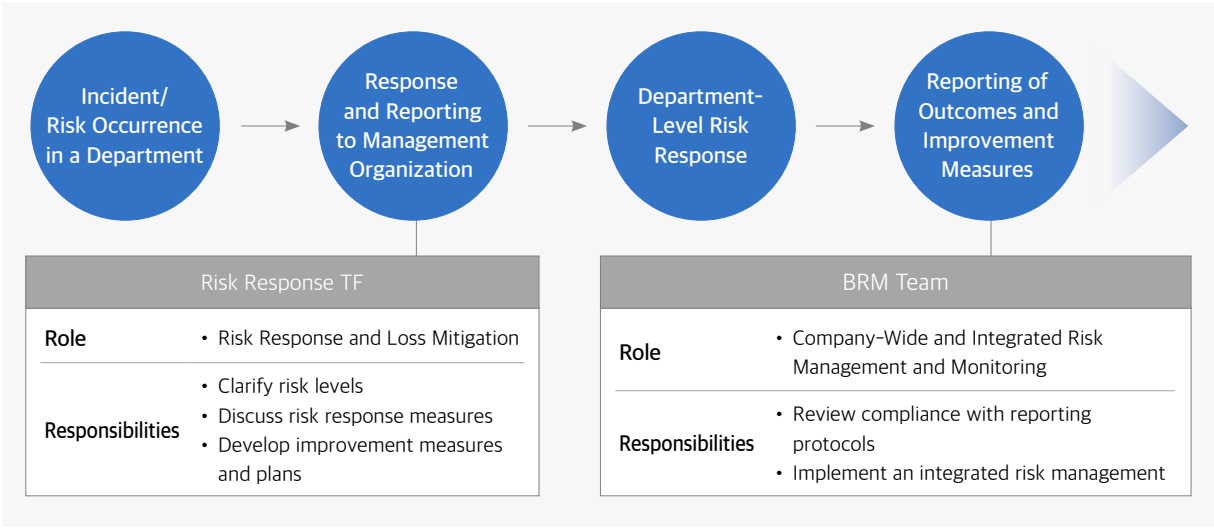
### BRM (BUSINESS RISK MANAGEMENT) TEAM

CJ Freshway's BRM (Business Risk Management) Team, the company-wide dedicated risk organization, is responsible for planning and overseeing risk management processes, addressing any management gaps, and comprehensively monitoring and managing risks across the organization. In the event of a risk incident, the team convenes a company-wide Risk Response Task Force (TF) to ensure swift information sharing and coordinated response. The outcomes of these responses and corresponding improvement measures are reported to the ESG Committee at least once a year and are reflected in our integrated risk management system to prevent recurrence and strengthen the overall risk management framework. In 2025, we plan to establish and implement management processes focused on proactive risk prevention, further solidifying the BRM Team's role as the central risk control tower across the organization.

## INTEGRATED RISK MANAGEMENT FRAMEWORK

### RISK RESPONSE PROCESS

When incidents or issues arise, relevant departments coordinate closely to deliver an immediate response tailored to the nature of the risk. Depending on its severity, the risk is promptly communicated to related units and reported to the management organization. Each department then develops and implements collaborative strategies to resolve the issue. They also report response outcomes and improvement measures to the executives and the Board, which significantly enhances the effectiveness of our risk response system. Beyond this, as part of our efforts to strengthen and embed risk management capabilities, we conduct regular, tailored training programs for employees across all business units, based on their job level and the specific risk type.



### RISK LEVEL CLASSIFICATION SYSTEM

To ensure sustainable management, CJ Freshway has established a structured risk management framework. Risks are classified into levels such as R1 and R2 based on their potential impact and significance. High-priority R1 risks are first identified and addressed proactively to minimize adverse impacts across the organization. This tiered risk management system enables us to take appropriate actions and implement targeted improvement measures according to the nature and severity of each risk.

### RISK EVALUATION AND MITIGATION MEASURES

CJ Freshway develops mitigation measures for each identified risk and regularly monitor their status to minimize potential impact.

#### Mitigation Measures by Risk Type

Risk Type	Identification and Evaluation	Mitigation Measures
Hygiene & Safety	<ul style="list-style-type: none"> <li>Hygiene and safety risks such as food poisoning incidents and potential reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>Operation of quality systems (HACCP, ISO 22000) and food safety guidelines</li> <li>Providing customized food safety solutions</li> </ul>
Fire	<ul style="list-style-type: none"> <li>Risks from facility damage and business loss due to fire or explosion</li> </ul>	<ul style="list-style-type: none"> <li>Deployment of fire detection systems across all sites</li> <li>Conducting regular and ad-hoc safety inspections and risk surveys</li> </ul>
Legal & Compliance	<ul style="list-style-type: none"> <li>Risks from financial losses from legal or regulatory violations (e.g., unfair trade, subcontracting)</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of a compliance system and operation of the Compliance Management Committee</li> </ul>
Serious Accidents	<ul style="list-style-type: none"> <li>Risks related to serious accidents and occupational safety/health</li> </ul>	<ul style="list-style-type: none"> <li>Operation of a dedicated safety management team and implementation of a safety management system</li> </ul>
Systems & Personal Data	<ul style="list-style-type: none"> <li>Financial loss risks due to system errors or delayed failure recovery</li> <li>Legal/reputational risks from data breaches causing consumer harm</li> </ul>	<ul style="list-style-type: none"> <li>Operation of a dedicated information security team and acquisition of management system certifications</li> <li>Integration of information security systems across subsidiaries</li> </ul>
Receivables & Inventory	<ul style="list-style-type: none"> <li>Risks from uncollected receivables due to delayed accounts receivable recovery</li> <li>Financial risks from disposal of excess or stagnant inventory</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of a credit review process in advance to ensure timely collection of accounts receivable</li> <li>Ongoing inventory monitoring to reduce stockpiles and turnover days</li> </ul>
Finance	<ul style="list-style-type: none"> <li>Risks from market (foreign exchange, commodity prices, interest rates), liquidity, and credit</li> </ul>	<ul style="list-style-type: none"> <li>Management of financial risks related to P&amp;L, asset, and liability by responsible departments</li> </ul>
Internal Control	<ul style="list-style-type: none"> <li>Risk related to financial reporting/internal control processes</li> </ul>	<ul style="list-style-type: none"> <li>Identification of control activities and evaluation of their effectiveness</li> <li>Reporting to the Audit Committee on the operation of the internal accounting control system</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Supply chain climate-related risks and environmental pollution risks</li> </ul>	<ul style="list-style-type: none"> <li>Adoption and operation of an eco-friendly logistics system</li> <li>Development of measures for waste resource circulation</li> </ul>

# TAX MANAGEMENT

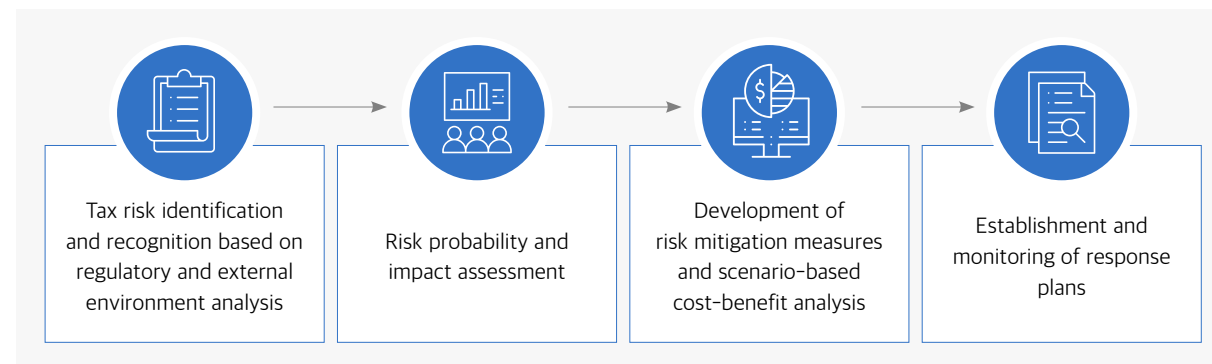
## TAX MANAGEMENT STATUS

CJ Freshway seeks to enhance sustainable corporate value by ensuring compliance with tax laws and systematically managing tax risks, all based on a transparent and ethical tax policy. We strengthen our internal tax controls through external audits and regular reviews by accounting firms. We also respond diligently to tax audits and data requests from tax authorities and ensure timely reporting and payment of both national and local taxes. In addition, we monitor changes in domestic and international tax regulations on a semi-annual basis and take necessary follow-up actions. Potential tax risks arising from business activities—including new investments—are proactively reviewed in collaboration with legal and accounting experts, and in consultation with relevant tax authorities, to ensure full compliance with applicable tax laws and regulations.

## TAX RISK MANAGEMENT

CJ Freshway operates a structured tax management process to minimize tax risks and ensure transparent tax practices. We provide training for responsible personnel and seek external expert advice on critical matters to ensure accurate interpretation of tax laws. The Accounting Team regularly monitors relevant regulations, rulings, case law, and advance interpretation inquiries using platforms such as the National Tax Law Information System and Samil Infomine to proactively prevent tax risks. In addition, we implement a Management Review Control (MRC) as part of our internal control over financial reporting, which is reviewed and approved by management and evaluated by external auditors for their feedback. We approach tax filing with the goal of tax efficiency. We comply with all tax filing and payment deadlines and ensure that eligible supporting documents related to transactions are properly documented, enabling prompt and accurate responses to information requests from tax authorities.

### Tax Risk Management Process



## TAX MANAGEMENT ORGANIZATION AND PROCESS

The Accounting Team under the Corporate Management division is responsible for managing CJ Freshway's tax process, with a reporting line from working-level personnel to the team leader and ultimately to the CFO. Tax personnel work to ensure that the company fulfills its filing and payment obligations in accordance with domestic and international tax laws and regulations. To enhance their expertise, they receive ongoing training and collaborate with external experts.



## TAX DISCLOSURE

CJ Freshway discloses its audit reports through the Financial Supervisory Service's electronic disclosure system (DART), in accordance with the Act on External Audit of Stock Companies. To enhance transparency, we also provide the basis for corporate income tax calculation through footnotes in our financial statements. In addition, we comply with the applicable payment standards and deadlines for each tax type, including corporate income tax and value-added tax (VAT). Supporting documents and decision-making records related to transactions are thoroughly retained in accordance with internal guidelines.

### Tax Payment and Effective Tax Rate Status

Data Item	Unit	2022	2023	2024
Earnings Before Tax	KRW million	53,542	64,409	49,232
Corporate Tax Expense	KRW million	13,896	12,038	12,764
Effective Tax Rate	%	25.95	18.69	25.93
Corporate Tax Paid	KRW million	8,954	13,084	10,920
Corporate Tax Rate	%	16.72	20.31	22.18

# DIGITAL TRANSFORMATION

## DIGITAL TRANSFORMATION PROJECT

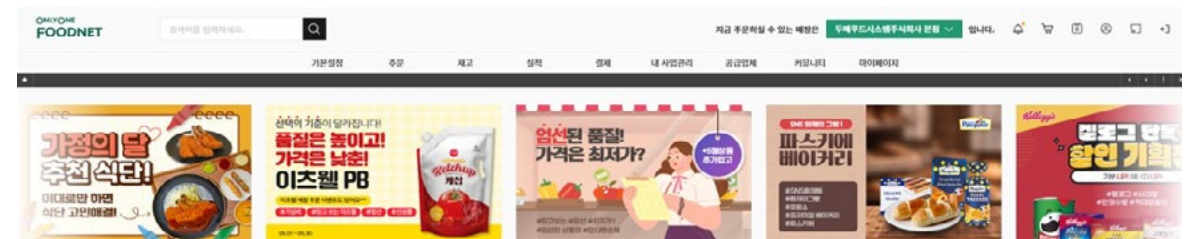
Since 2021, CJ Freshway has embarked on a digital transformation, continuously strengthening its digital infrastructure while advancing a data-driven management system. This transformation focuses on establishing and integrating systems across the entire value chain to enable data-driven decision-making, and on enhancing enterprise-wide data capabilities to identify new business opportunities and secure future growth drivers through digital innovation.

Digital Transformation		
	Enhancing Key Systems	Advancing digital systems by implementing OnlyOne Foodnet (ordering system), the menu management system, and I-Solution, a customer relationship management (CRM) platform—all of which are closely linked to our core business operations
	AI Transformation	Accelerating the execution of CJ Freshway's mid- to long-term strategy by leveraging AI technologies and automating manual tasks to enhance operational efficiency and employee engagement
	Strengthening Information Security	Established an IT and information security management framework for our food distribution operations by obtaining ISO 27001 certification, and implemented a dark web monitoring system to prevent the leakage of critical information, including personal and company data
	TABLEAU Academy	Operating the "TABLEAU Academy" program to foster a company-wide data-driven decision-making culture and strengthen employee's data analytics capabilities as part of the efforts to build a digital management system

### ONLYONE FOODNET ORDER SYSTEM UPGRADE

CJ Freshway has upgraded our digital platform, OnlyOne Foodnet (OFN), to gain deeper customer insights from digital footprints and expand sales opportunities through tailored solutions. By shifting from a text-based to a content-driven interface, we have strengthened our responsiveness to internal and external changes, as well as business competitiveness. As the primary order channel in our food distribution value chain, OFN processes approximately 80% of all customer orders. Following the upgrade, the average number of products sold increased by 7.9%, and the order conversion rate improved by 12.5%. Looking ahead, we will continue to analyze OFN's accumulated data to better understand customer needs and address identified pain points, enhancing both platform utilization and customer satisfaction.

Key Improvements to OnlyOne Foodnet (OFN)		
Digital Marketing	Customer-led Service	Enhanced Customer Communication
<ul style="list-style-type: none"> <li>Enhanced marketing features, including main product displays and promotional campaigns</li> <li>Introduced an e-commerce-style shopping cart</li> <li>Implemented an integrated product search service</li> </ul>	<ul style="list-style-type: none"> <li>Provided various certificates and supporting documents</li> <li>Enabled personalized saving of frequently viewed items on key screens</li> <li>Implemented dashboard and task card features</li> </ul>	<ul style="list-style-type: none"> <li>Enabled various tasks on mobile, including return/shortage requests and inbound inspection</li> <li>Enabled notification services through multiple channels</li> </ul>





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### MENU MANAGEMENT SYSTEM

To accelerate digital transformation and strengthen competitiveness, CJ Freshway operates a Menu Management System that systematically collects and manages menu and ingredient data. This data-driven platform enables the delivery of tailored menu solutions based on customer needs. The system focuses on building menu-related data assets, improving operational efficiency, and enhancing user experience, while standardizing and leveraging the field expertise of nutritionists and cooks. In 2024, we streamlined workflows—from menu planning and ingredient ordering to cooking guideline checks—into a single integrated interface and improved usability through an intuitive web design. Additionally, a community feature allows real-time sharing of best practices, new menu proposals, and feedback across all locations, supporting flexible menu planning and development in line with market trends and user needs. Looking ahead, we plan to develop a proof of concept (PoC) to automate food service menu and meal planning using validated, high-preference data. We also aim to extend this service to our food distribution customers over time.

Key Directions	Simplify menu editing and enhance short-term ingredient tracking to eliminate ingredient overordering	Facilitate knowledge sharing among nutritionists to build menu data assets
	Collect customer feedback through FreshMeal and gather indirect insights from nutritionists	Classify store characteristics based on data and recommend menus and ingredients tailored to each store

### Menu Management System Enhancement Roadmap

2024~2025	2025~2026	2027
Menu Management System	Menu Management System Integrated Payment System	Integrated Management System
<ul style="list-style-type: none"> <li>Build and stabilize an optimized system for managing menu data assets</li> <li>Enhance existing operational system (I-Fresh) features</li> <li>Improve work processes across integrated systems</li> </ul>	<ul style="list-style-type: none"> <li>Build the integrated payment system for Incheon Airport</li> <li>Expand new store openings and integrate existing systems</li> <li>Expand operational metrics of the menu system through data enhancement</li> </ul>	<ul style="list-style-type: none"> <li>Complete the development of an integrated food service management system</li> <li>Secure a system architecture applicable to next-generation food service business models</li> <li>Build a company-wide framework for food service menu data operations</li> </ul>

### EMBEDDING THE I-SOLUTION SYSTEM

To strengthen customer-centric sales activities and maximize customer value, CJ Freshway operates I-SOLUTION, a customer relationship management (CRM) system that standardizes and integrates customer information, which was previously fragmented across individuals and departments. In 2024, we focused on improving internal awareness and building consensus around the system, enhancing operational capabilities. Based on this groundwork, in 2025, we plan to focus on three key priorities: elevating the overall quality of customer service, strengthening customer retention, and expanding system adoption horizontally across the organization, all through a phased approach.

### Goals with I-SOLUTION

MISSION	Building CJ Freshway's CUSTOMER 360° Single View Framework to proactively identify customer needs through a customer-centric approach			
TARGET	Enhance operational efficiency by "changing ways of working"	Evolve into a "customer-first" company	Building the capability to identify "priority customers"	
KEY THEME	Convenience	Convenience	Convenience	Convenience
GOAL	Enhancing Employee Experience Digitalize MA Diary	Strengthening Sales Visibility Activate the Sales Pipeline Management System	Innovating Customer Experience Establish a Data-Driven Sales Environment	

### DIGITAL TRANSFORMATION DIRECTION

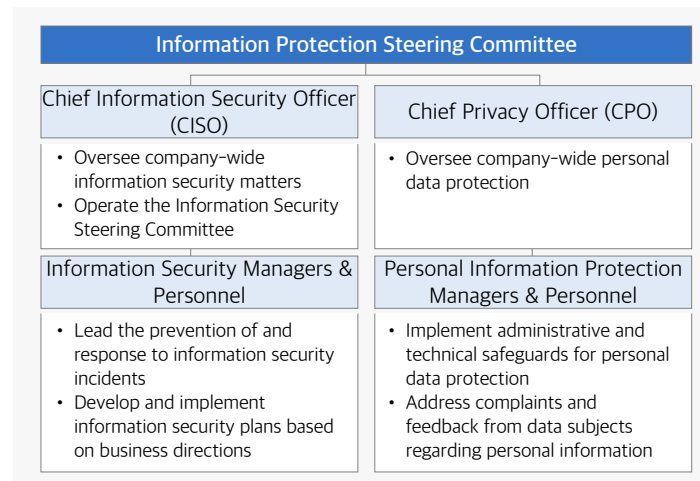
CJ Freshway plans to accelerate the execution of its mid-term strategy and respond to the evolving O2O (Online to Offline) landscape in the food service market through AX (AI Transformation). To this end, we identify key questions related to core markets, target customers, product mix, and pricing strategy, and enhance execution through AI-powered analysis. We are also advancing company-wide digital transformation by transitioning demand forecasting and inventory management—traditionally driven by experience—into data-driven processes, improving the accuracy and efficiency of decision-making. In addition, we are evolving from simply providing raw data to enhancing operational efficiency through service-driven and systemized processes. As part of this transition, we are gradually introducing company-wide collaboration tools to minimize manual documentation, transform knowledge into shared assets, and enable AI-powered knowledge reuse, with a goal of fostering a smarter way of working. Going forward, we plan to expand platform adoption and usability through structured change management, including the identification of use cases and best practices.



## STRENGTHENING INFORMATION SECURITY

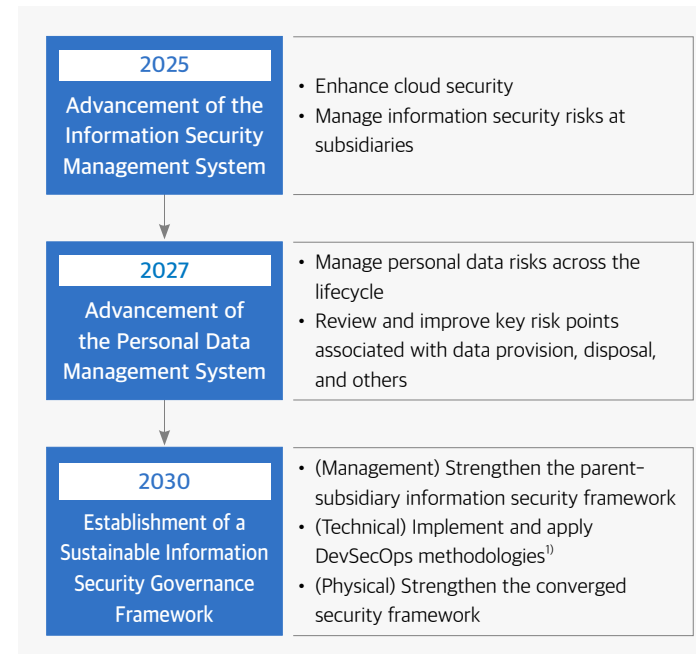
### OPERATIONAL FRAMEWORK

CJ Freshway has designated a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO) in accordance with relevant regulations, such as the Act on Promotion of Information and Communications Network Utilization and Information Protection and the Personal Information Protection Act, to systematically operate our information security framework. To strengthen collaboration among departments responsible for information security, we hold an annual Information Security Steering Committee meeting to establish and manage key information security policies and initiatives. In 2023, we established the Information Security Regulations as a top-level framework to implement our information security policy. This new framework consolidates previously guideline-based rules, establishing the core principles of information security. We also introduced the Information Security Statement to clearly communicate our commitment and foster a culture centered on information protection. Additionally, we revised related guidelines to reflect changes in applicable laws and domestic and international certification standards.



### GOALS TO BOLSTER INFORMATION SECURITY

CJ Freshway has established mid- to long-term roadmap to strengthen information security capabilities and are systematically driving its implementation. Starting in 2025, we plan to advance our information security management system and strengthen cloud security to effectively address evolving security threats. By 2027, we will enhance our personal data management system by refining risk management processes and addressing key risks related to data sharing, disposal, and other critical privacy areas. By 2030, we aim to establish a sustainable information security governance framework, creating a comprehensive management system that proactively integrates security strategies and performance management against goals.



1) A methodology that embeds security testing into every phase of the software development process, reducing security risks from the early stages of development.

## MAJOR ACHIEVEMENTS AND IMPROVEMENTS

### REGULAR INFORMATION SECURITY TRAINING

CJ Freshway operates structured training programs to strengthen information security capabilities. All employees receive basic or advanced training based on whether they handle personal data, covering key topics such as cybersecurity, personal data protection, and relevant laws. Training is provided via the online platform CJ Campus to improve accessibility and learning efficiency, with level-specific programs designed to reflect the characteristics of each role. We also provide training for suppliers and reinforce compliance requirements by clearly outlining personal data processing responsibilities in standard contracts with suppliers. In addition, since the second half of 2024, we have been reviewing the security of our corporate social media channels—including YouTube, Instagram, and Facebook—and addressing vulnerabilities. Related training is also provided to prevent account hacking incidents.

### EXPANDING PHISHING SIMULATION TRAINING AND OFFICE INSPECTIONS


CJ Freshway conducts company-wide phishing simulation training twice a year, in the first and second halves, to raise employees' awareness of information security. During these exercises, simulated phishing emails are sent, and employee responses—such as clicking links or opening attachments—are monitored and analyzed. In the second half of the year, the number of reported phishing attempts increased compared to the first half, indicating improved security awareness among employees. In addition, the company continuously strengthens activities to promote a culture of information security by conducting quarterly clean desk inspections and awareness improvement campaigns in parallel. For example, employees who do not comply with the information security guidelines are provided with guidance to help them follow the required protocols.

### INTERNAL RISK ASSESSMENT

In 2023, CJ Freshway conducted an internal information security audit through an independent third-party auditor to assess its information security risks and current status. This audit helped verify the effectiveness of the company's management system in accordance with internal policies and relevant legal requirements and identified areas of risk. In addition, we conduct an annual risk assessment to identify overall risks and to establish and implement action plans to address them.

## INFORMATION SECURITY MANAGEMENT INDICATORS

In 2024, CJ Freshway obtained ISO 27001 certification, the international standard for information security management systems, publicly demonstrating the company’s commitment to enhancing the reliability of its information protection practices and management system. In addition, the company systematically manages potential personal information breaches and continuously promotes employee participation in information security training to strengthen security awareness among our employees.



Information Security Management System  
ISO 27001

Information Security Management Indicators	Unit	2022	2023	2024
Personal Data Breach Incidents	Cases	0	0	0
Information Security Investment Ratio in Total IT Budget	%	10.0	8.2	7.3
Information Security Training Completion Rate	%	99.9	100	100

## TABLEAU ACADEMY: DATA ANALYTICS TRAINING PROGRAM

Since 2022, CJ Freshway has been operating the Tableau Academy, a data analytics training program utilizing the data visualization tool Tableau, to strengthen in-house data analytics capabilities. The program aims to cultivate data specialists and establish a company-wide culture of data-driven decision-making. Participants are selected through a comprehensive evaluation of their motivation for applying, job relevance, and future plans for utilizing the skills. In 2024, a total of 23 employees completed the program.

### TRAINING OVERVIEW AND FUTURE PLANS

The Tableau Academy program ran for approximately five months, consisting of Phase 1 and 2 pre-learning, Advanced and Master courses, team projects, Doctor sessions, and final presentations. The program helped participants improve their proficiency in Tableau through online pre-learning and guided teams in designing and building dashboards on role-specific topics, enabling practical application in the workplace. The training satisfaction score increased by about 4% from the previous year, rising from 4.26 to 4.43 out of 5. We will continue digital transformation (DT) training to accelerate our company-wide digital transformation.



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# ESG DATA

## FINANCIAL PERFORMANCE

### CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Category	Unit	2022	2023	2024
Current Assets	KRW million	673,968	540,757	654,343
Cash and Cash Equivalents	KRW million	188,326	65,772	140,427
Accounts Receivable	KRW million	277,882	305,969	312,251
Other Current Financial Assets	KRW million	15,661	19,202	18,537
Other Current Assets	KRW million	10,268	11,790	8,025
Inventories	KRW million	181,831	138,024	175,103
Non-Current Assets	KRW million	810,759	833,987	910,019
Financial Assets at Fair Value Through Profit or Loss	KRW million	44,674	46,621	53,556
Investments in Associates and Joint Ventures	KRW million	3,474	1,841	860
Tangible Assets	KRW million	427,048	439,404	517,598
Right-of-Use Assets	KRW million	99,107	100,659	97,364
Intangible Assets	KRW million	74,798	86,953	91,951
Investment Property	KRW million	83,780	71,372	68,675
Other Non-Current Financial Assets	KRW million	72,894	77,592	68,912
Deferred Tax Assets	KRW million	3,792	4,338	106
Total Assets	KRW million	1,484,727	1,374,744	1,564,362
Current Liabilities	KRW million	795,630	677,708	815,557
Non-Current Liabilities	KRW million	285,041	327,536	333,424
Total Liabilities	KRW million	1,080,671	1,005,244	1,148,981

Category	Unit	2022	2023	2024
Owners's Equity	KRW million	307,814	289,616	415,381
Share Capital	KRW million	11,872	11,872	11,872
Share Premium	KRW million	90,619	90,619	90,619
Other Components of Equity	KRW million	140,827	84,450	193,174
Retained Earnings	KRW million	64,496	102,675	119,716
Non-controlling Interests	KRW million	96,242	79,884	-
Total Equity	KRW million	404,056	369,500	415,381

Category	Unit	2022	2023	2024
Revenue	KRW million	2,747,692	3,074,242	3,224,779
Operating Income	KRW million	97,840	99,256	94,025
Profit	KRW million	52,243	59,700	27,405
Profit Attributable to Owners of the Parent	KRW million	49,097	54,476	25,928
Profit Attributable to Non-controlling Interests	KRW million	3,146	5,224	1,477
Other Comprehensive Income (After Tax effects)	KRW million	20,529	-8,996	46,378
Total Comprehensive Income	KRW million	72,772	50,704	73,783
Basic Earnings per Share (Common Stock)	KRW	3,947	4,489	2,184
Diluted Earnings per Share (Common Stock)	KRW	3,947	4,489	2,184
Number of Consolidated Subsidiaries	Number of companies	14	14	7

ENVIRONMENT

GREENHOUSE GAS<sup>1)</sup>

Category		Unit	2022	2023	2024
Greenhouse Gas (GHG) Emissions (Scope 1 + 2) <sup>2)</sup>		tCO2eq	10,788	14,000	15,369
Direct GHG Emissions (Scope 1)		tCO2eq	341.322	380.898	570.743
Indirect GHG Emissions from Energy Use (Scope 2)		tCO2eq	10,449.102	13,620.462	14,801.368
GHG Emissions Intensity (Scope 1 + 2) <sup>3)</sup>		tCO2eq per KRW 100 million	0.47	0.53	0.55
Other Indirect GHG Emissions (Scope 3) <sup>4)</sup>		tCO2eq	-	-	6,760.797 <sup>5)</sup>
C7 Employee Commuting		tCO2eq	-	-	103.282
C9 Downstream Transportation and Distribution		tCO2eq	-	-	6,657.515

1) Organizational boundary in 2022 and 2023: Headquarter, regional offices, logistics centers, Central Kitchen, and R&D center.  
Organizational boundary in 2024: Headquarter, regional offices, logistics centers, Central Kitchen, R&D center, Kitchenless sites, and the Haengdamdo service area.

2) Total GHG emissions represent the sum of Scope 1 and Scope 2 emissions, rounded down to the nearest whole number.

3) Annual Scope 1 and 2 emissions / annual revenue (standalone basis)

4) Calculated based on the use of dedicated contracted vehicles and electric vehicles in Category 7 and Category 9. Calculation formula: Annual consumption (fuel or electricity) × Calorific value × Emission factor × GWP. Calculation standards: WRI's Technical Guidance for Calculating Scope 3 Emissions, Version 1.0, Corporate Value Chain Accounting & Reporting Standard, and IPCC's Global Warming Potential (GWP) factors.

5) Converted to TJ: 96.559 TJ

ENERGY<sup>1)</sup>

Category		Unit	2022	2023	2024
Total Energy Consumption <sup>2)</sup>		TJ	223	289	316
Non-renewable Energy Consumption	Fuel Consumption	TJ	5.577	6.164	9.425
	LNG	TJ	0.052	0.093	1.446
	Diesel	TJ	0.454	0.578	0.367
	LPG	TJ	3.659	3.601	4.318
	Gasoline	TJ	1.412	1.892	3.294
	Electricity Consumption	TJ	216.440	282.745	306.804
Heat/Steam Consumption		TJ	2.467	2.462	3.397
Renewable Energy Consumption		TJ	0	0	0
Energy Intensity <sup>3)</sup>		TJ per KRW 100 million	0.0096	0.0109	0.0113

1) Organizational boundary in 2022 and 2023: Headquarter, regional offices, logistics centers, Central Kitchen, and R&D center.  
Organizational boundary in 2024: Headquarter, regional offices, logistics centers, Central Kitchen, R&D center, Kitchenless sites, and the Haengdamdo service area.

2) Total energy consumption is calculated as the sum of each energy source, rounded down to the nearest whole number. Electricity consumption is based on purchased non-renewable grid power.

3) Total energy consumption divided by annual revenue (standalone basis).

WATER RESOURCES<sup>1)</sup>

Category		Unit	2022	2023	2024
Water Withdrawal <sup>2)</sup>		Ton (m³)	37,045	50,811	57,340
Water Discharge <sup>3)</sup>		Ton (m³)	7,323	8,871	10,752
Water Consumption <sup>4)</sup>		Ton (m³)	29,722	41,940	46,588
Areas with Water Stress <sup>5)</sup>	Water Withdrawal Ratio	%	26.7	21.3	0
	Water Consumption Ratio	%	8.6	4.7	0

1) Organizational boundary: Headquarter, logistics centers, Central Kitchen, kitchenless sites, the Haengdamdo service area, and R&D center.  
(2022 and 2023 data revised due to changes in boundary and calculation methods.)

2) All water withdrawal is from municipal water.

3) Includes wastewater, sewage, greywater, and unused water.

4) Water consumption = Water withdrawal - Water discharge.

5) Central Kitchen(Sindae-ri, Baeksa-myeon, Icheon-si, Gyeonggi-do) classified as a water-stressed area in 2022-2023; excluded from 2024.

POLLUTANTS<sup>1)</sup>

Category		Unit	2022	2023	2024
Water Pollutant Emissions	Total Organic Carbon (TOC)	Ton (m³)	0.040	0.069	0.047
	Biochemical Oxygen Demand (BOD)	Ton (m³)	0.009	0.016	0.005
	Suspended Solids (SS)	Ton (m³)	0.013	0.013	0.014
	Total Nitrogen (T-N)	Ton (m³)	0.058	0.129	0.204
Air Pollutant Emissions <sup>2)</sup>	Total Phosphorus (T-P)	Ton (m³)	0.001	0.001	0.001
	Nitrogen Oxides (NOx)	Ton	0.508	0.466	0.356
	Sulfur Oxides (SOx)	Ton	0	0	0
	Particulate Matter	Ton	0	0.016	0.015

1) Organizational boundary: Central Kitchen

2) NOx, SOx, and Particulate Matter emissions for 2024 are calculated in tons; 2022 and 2023 data have been revised accordingly.

ENVIRONMENT

WASTE<sup>1)</sup>

Category			Unit	2022	2023	2024
Emissions	Total Emissions		Ton	836.2	944.9	1,139.8
		General Waste	Ton	827.9	935.0	1,125.4
		Food Waste <sup>2)</sup>	Ton	35.2	45.4	90.0
		Products	Ton	640.9	614.8	755.6
		Waste Oil	Ton	8.9	6.2	5.6
		Sludge	Ton	50.9	129.1	117.5
		Waste Synthetic Resin	Ton	92.0	139.6	156.9
		Designated Waste (Non-recovered)	Ton	8.3	9.9	14.4 <sup>3)</sup>
		Waste Generation Intensity <sup>4)</sup>	Ton per KRW 100 million	0.036	0.036	0.041
Treated	Total Treated (Recycled + Incinerated + Landfilled)		Ton	836.2	944.9	1,139.8
	Recycled	General Waste	Ton	136.1	191.2	252.4
	Incinerated	General Waste	Ton	640.9	614.8	755.6
		Designated Waste (Non-recovered)	Ton	8.1	9.9	14.2
	Landfilled	General Waste	Ton	50.9	129.1	117.5
	Others	Designated Waste (Non-recovered)	Ton	0.2	0.03	0.1

1) Organizational boundary: Logistics centers, Central Kitchen, kitchenless sites, Haengdamdo service area, and Food Safety Lab.  
(2022 and 2023 data revised due to boundary changes.)

2) Food waste from the Haengdamdo service area estimated based on floor area ratio.

3) Increase in emissions due to a rise in food analysis cases at the Food Safety Lab.

4) Total waste generated / Annual revenue (standalone basis)

PACKAGING

Category		Unit	2022	2023	2024
Packaging Materials Used (Non-renewable)		Ton	93.1	123.9	143.0
	Paper	Ton	73.9	100.5	116.3
	Plastic	Ton	19.2	23.4	26.7

ENVIRONMENTAL MANAGEMENT

Category		Unit	2022	2023	2024
Sustainable Product <sup>1)</sup> Purchase Amount		KRW million	62,476	73,961	81,746
Sustainable Product Sales <sup>2)</sup>		KRW million	57,268	82,696	88,825
Eco-friendly <sup>3)</sup> Product Purchase Amount		KRW million	57,164	66,124	69,089
Eco-friendly Product Sales <sup>2)</sup>		KRW million	-	75,402	75,244
Eco-friendly Product Purchase Ratio <sup>4)</sup>		%	2.2	2.3	2.2
Investment in Eco-friendly Infrastructure <sup>5)</sup>		KRW 100 million	5.9	4.8	6.2

1) Products falling within the company's sustainable product criteria, including eco-friendly product categories.

2) Based on external sales, excluding in-store sales at food service locations.

3) Products certified by the Ministry of Agriculture, including antibiotic-free, pesticide-free, low-carbon, organic processed foods, and organic livestock products.

4) Eco-friendly product purchase amount /Total product purchases for the year

5) Based on investment in food waste processors and air curtains.

ECO-FRIENDLY VEHICLE OPERATION

Category		Unit	2022	2023	2024
Zero-emission Vehicles		Number of vehicles	41	14 <sup>1)</sup>	11

1) Decrease in the number of vehicles in 2023 due to the closure of an electric delivery vehicle operator.



SOCIAL

WORKFORCE STATUS<sup>1)</sup>

Category		Unit	2022	2023	2024
Total Number of Employees		Persons	7,071	7,775	7,789
Employee Composition (By Employment Type)	Number of Executives (Registered + Unregistered)		Persons	9	9
	Male	Persons	8	8	8
		Persons	1	1	1
	Number of Permanent Employees		Persons	6,752	7,467
	Male	Persons	1,870	2,090	2,152
		Persons	4,882	5,377	5,385
	Number of Fixed-term Employees <sup>2)</sup>		Persons	310	299
	Male	Persons	133	136	134
		Persons	177	163	109
	Number of Full-time Employees		Persons	7,066	7,770
	Male	Persons	2,011	2,234	2,286
		Persons	5,055	5,536	5,489
	Number of Part-time Employees		Persons	5	5
	Male	Persons	0	0	0
		Persons	5	5	5
	Number of Non-guaranteed Hour Contract Employees		Persons	0	0

1) Based on the number of employees as of year-end.  
2) Excludes daily workers (part-time/temporary staff).

Category		Unit	2022	2023	2024
Employee Composition (by Gender)	Male	Persons	2,011	2,234	2,294
	Female	Persons	5,060	5,541	5,495
Employee Composition (by Age)	Under 30	Persons	1,451	1,487	1,448
	30-50	Persons	2,845	3,257	3,355
	Over 50	Persons	2,775	3,031	2,986
Employee Composition (by Nationality)	Korea	Persons	7,064	7,769	7,785
	China	Persons	6	5	3
	Japan	Persons	0	0	0
	New Zealand	Persons	1	1	1

SOCIAL

TALENT ACQUISITION AND TRAINING

Category		Unit	2022	2023	2024
Total number of New Hires		Persons	4,220	4,510	3,766
New Hire Composition (By Gender)	Male	Persons	891	1,009	840
	Female	Persons	3,329	3,501	2,926
New Hire Composition (By Age)	Under 30	Persons	1,118	442	993
	30-50	Persons	1,044	2,939	978
	Over 50	Persons	2,058	1,129	1,795
Turnover Rate	Total Number of Leavers	Persons	3,435	3,805	3,548
	Voluntary Turnover Rate	%	43.7	43.9	40.7
	Involuntary Turnover Rate	%	4.9	5.1	4.9
Employee Engagement <sup>1)</sup>		Score	79.5	83.1	57.9
Employee Training <sup>2)</sup>	Number of Employees Eligible for Training	Persons	7,071	7,775	7,789
	Training Hours per Employee	Hours	10.6	9.2	8.3
	Training Cost per Employee	KRW 10,000	20.1	22.8	23.9
Welfare Expenses		KRW million	15,479	22,186	20,073
Participation Rate in Flexible Work System <sup>3)</sup>		%	100	100	100

1) Employee engagement score calculation criteria were revised in 2024 due to stricter survey questions.  
2) 2022 and 2023 data were revised due to changes in the calculation method for the number of employees eligible for training.  
3) Calculated based on the number of employees eligible for flexible work programs.

DIVERSITY · EQUITY · INCLUSION (DE&I) PROMOTION

Category		Unit	2022	2023	2024	
Gender Equality	Ratio of Female Executives	%	11.1	11.1	0	
	Ratio of Female Managers	%	65.1	63.8	63.4	
	Ratio of Female Employees in STEM <sup>1)</sup> Departments	%	66	58	49.2	
	Female-to-Male Wage Ratio <sup>2)</sup>	%	53.7	59.2	61.4	
Inclusion of Social Minorities	Number of Social Minorities among Employees	Persons	154	162	145	
	Number of Employees with Disabilities	Persons	138	144	128	
	Number of employees Eligible for veterans benefits	Persons	16	18	17	
Work-Life Balance	Number of Employees Eligible for Parental Leave <sup>3)</sup>	Persons	941	849	996	
		Male	Persons	621	518	581
		Female	Persons	320	331	415
	Number of Employees Taking Parental Leave	Persons	156	180	187	
		Male	Persons	27	22	22
		Female	Persons	129	158	165
	Parental Leave Return Rate	%	89.6	65.8	86.7	
		Male	%	77.8	60	109.5
		Female	%	92.9	66.9	82.8
	Retention Rate after Returning from Parental Leave (≥12 months)	%	69.9	81.3	77.8	
	Male	%	52.6	61.9	60.9	
	Female	%	74.3	85.7	80.6	
Fair Performance Evaluation	Ratio of Employees Receiving Regular Performance Reviews <sup>4)</sup>	%	100	100	100	

1) Science, Tech, Engineering, Math (STEM).  
2) Based on disclosures in the business report.  
3) Employees with children under the age of 8.  
4) Regular performance reviews are based on Management by Objectives (MBO)  
They apply to employees subject to relative evaluation.

SOCIAL

SAFETY AND HEALTH

Category		Unit	2022	2023	2024
Number of Risk Assessments Conducted		Times per year	1	1	1
Occupational Accident Rate <sup>1)</sup>		%	0.91	0.97	0.6
	Injuries <sup>2)</sup>	Persons	130	136	125
	Illnesses <sup>3)</sup>	Persons	7	15	6
Number of Employee Fatalities		Cases	0	0	0
Number of Serious Accidents		Cases	0	0	0
Lost-time Injury Frequency Rate (LTIFR)		Cases per million hours	8.1	8.1	6.7
Number of Occupational Disease Cases		Cases	7	15	6
Occupational Illness Frequency Rate (OIFR)		Cases per million hours	0.4	0.8	0.3
Total Working Hours		Hours	16,970,400	18,660,000	18,693,600
Average Safety and Health Training Hours per Employee		Hours	27.7	26	26
Training Completion Rate		%	100	100	100

1) Number of injured employees / Number of workers covered by industrial accident insurance  
2022 and 2023 data were revised based on the 2024 Korea Occupational Safety and Health Agency (KOSHA) calculation method for occupational injury rates.  
(The 2024 figure is based on cumulative data from January to September.)

2) Includes falls, burns, cuts, collisions, etc.

3) Refers to musculoskeletal disorders.

HUMAN RIGHTS

Category			Unit	2022	2023	2024
Percentage of Employees Covered by Collective Agreements (Based on Labor-Management Council)			%	100	100	100
Human Rights Reports	Total Number of Reports		Cases	11	9	8
	Number of Valid and Resolved Reports		Cases	9	9	8
	Resolution Rate of Reported Cases		%	100	100	100
Human Rights Training <sup>1)</sup>	Sexual Harassment Prevention	Employees Participated	Persons	3,051	3,350	3,428
		Employees Completed	Persons	3,000	3,350	3,428
		Training Completion Rate	%	98.33	100	100
	Disability Awareness	Employees Participated	Persons	2,874	3,208	3,460
		Employees Completed	Persons	2,681	3,207	3,460
		Training Completion Rate	%	93.28	99.97	100

1) Excluded food service on-site training.

SOCIAL

SOCIAL CONTRIBUTION

Category		Unit	2022	2023	2024
Total Social Contribution Spending		KRW 100 million	40.51	70.31	85.91
	Charitable Donations	KRW 100 million	1.40	11.67	7.13
	Community Investments	KRW 100 million	38.75	58.3	77.93
	Commercial Initiatives	KRW 100 million	0.36	0.34	0.85
Volunteering	Volunteer Hours	Hours	3,868	4,622	4,187
	Number of Volunteers	Persons	660	650	454
	Monetary Value of Employee Volunteer Hours <sup>1)</sup>	KRW million	43.15	70.18	65.60

1) Calculated as employee volunteer hours × average hourly wage.

FOOD SAFETY

Category		Unit	2022	2023	2024
Number of Product Safety Incidents		Cases	0	0	0
Violation Rate of High-risk Food Safety Regulations		%	0	0	0
Number of Product and Service Recalls		Cases	0	0	0

INFORMATION SECURITY

Category		Unit	2022	2023	2024
Information Security Training <sup>1)</sup>	Number of Employees Participated	Persons	2,847	3,265	3,365
	Participation Rate	%	99.9	100	100
Information Security Investment	Information Security Investment as a Percentage of Total IT Budget	%	10.0	8.2	7.3

1) Excluded food service on-site training.

SUPPLY CHAIN MANAGEMENT<sup>1)</sup>

Category		Unit	2022	2023	2024
Number of Suppliers Contracted Annually <sup>2)</sup>		Number	1,645	1,757	1,892
Number of Suppliers with Contracts Including the Code of Conduct		Number	1,524	1,631	1,768
Percentage of Suppliers Covered by the Supplier Code of Conduct		%	92.6	93	93.4
Supply Chain ESG Risk Assessment Implementation Rate <sup>3)</sup>		%	0	2	33.7
Supplier Grievance Handling <sup>4)</sup>	Total Number of Grievances Reported by Suppliers	Cases	6	5	14
	Number of Valid and Resolved Grievances	Cases	4	3	13
	Number of Safety and Health-related Grievances Reported	Cases	0	0	1
	Supplier Grievance Resolution Rate <sup>5)</sup>	%	100	100	100

- 1) 2022 and 2023 data revised due to the expansion of the supplier scope.
- 2) Includes new suppliers within the total number of suppliers for the year.
- 3) Completed ESG risk assessments of key suppliers / total number of key domestic private brand (PB) suppliers.  
Not conducted in 2022 as the process was introduced in 2023.
- 4) Number of reports received through the reporting channel.
- 5) Resolution rate of valid grievances received through grievance channels.

GOVERNANCE

BOARD OF DIRECTORS AND AUDIT BODIES — COMPOSITION

Category		Unit	2022	2023	2024
Board Composition	Board of Directors	Persons	6	6	6
	Outside Directors	Persons	3	3	3
	Female Directors	Persons	1	1	1
	Financial Experts	Persons	1	1	1
Committee Composition	Audit Committee	Persons	3	3	3
	Outside Director Candidate Recommendation Committee	Persons	3	3	3
	Remuneration Committee	Persons	6	4	4
	ESG Committee	Persons	4	4	4
Ratio of Outside Directors	Board of Directors	%	50	50	50
	Audit Committee	%	100	100	100
	Outside Director Candidate Recommendation Committee	%	100	100	100
	Remuneration Committee	%	50	75	75
	ESG Committee	%	75	75	75

BOARD OF DIRECTORS AND AUDIT BODIES — OPERATION

Category		Unit	2022	2023	2024
Number of Meetings Held	Board of Directors	Meetings	8	8	11
	Audit Committee	Meetings	7	5	6
	Outside Director Candidate Recommendation Committee	Meetings	2	1	2
	Remuneration Committee	Meetings	1	2	1
	ESG Committee	Meetings	2	3	3

Category			Unit	2022	2023	2024
Number of Board Agenda Items	Presentation of the Board of Directors	Reported Items	Cases	7	9	10
		Resolved Items	Cases	16	11	28
	Objections/Amendments by Outside Directors		Cases	0	0	0
Number of Committee Agenda Items	Audit Committee	Reported Items	Cases	8	7	7
		Resolved Items	Cases	3	2	3
	Outside Director Candidate Recommendation Committee	Reported Items	Cases	0	1	1
		Resolved Items	Cases	2	0	1
	Remuneration Committee	Reported Items	Cases	0	0	0
		Resolved Items	Cases	1	3	3
	ESG Committee	Reported Items	Cases	2	3	4
		Resolved Items	Cases	3	3	2
Attendance Rate	Board of Directors	Inside Directors	%	95.8	100	81.8
		Outside Directors	%	95.8	100	100
	Audit Committee	Outside Directors	%	95.2	100	100
	Outside Director Candidate Recommendation Committee	Outside Directors	%	83.3	100	100
	Remuneration Committee	Outside Directors	%	100	100	100
	ESG Committee	Outside Directors	%	100	100	100

## GOVERNANCE

### BOARD OF DIRECTORS AND AUDIT BODIES — COMPENSATION

Category		Unit	2022	2023	2024
Board of Directors	Total Compensation for Inside Directors	KRW million	1,403	1,222	1,392
	Total Compensation for Outside Directors	KRW million	180	180	207
External Auditor	Ratio of Non-audit Fees to Audit Fees	%	448	0	0

### EMPLOYEE COMPENSATION

Category		Unit	2022	2023	2024
Employee Compensation Excluding the CEO (Highest-paid Individual) <sup>1)</sup>	Median Annual Salary	KRW million	43.5	45.2	45.2
CEO (Highest-paid Individual) Pay Compared to Employee Salary	CEO Pay Ratio to Median Employee Salary	Times	24	21	23

1) Based on employees as of year-end.

### SHAREHOLDERS

Category		Unit	2022	2023	2024
Shareholding Ratio	Largest Shareholder and Related Parties	%	58.6	58.6	58.8
	Registered Executives Excluding Largest Shareholder and Relatives	%	0	0	0.1
Cash Dividend Payout Ratio <sup>1)</sup>		%	10.5	10.2	14.6
Advance Notification Period for Annual General Meeting of Shareholders (Location & Agenda)		Days before	17	17	16

1) 2022 and 2023 data recalculated from consolidated to standalone basis according to internal criteria.

### ETHICS AND COMPLIANCE MANAGEMENT

Category		Unit	2022	2023	2024
Ethics & Compliance Training <sup>1)</sup>	Total Training Hours	Hours	7,761	9,570	9,562
	Total Number of Participants Completed	Persons	3,381	3,526	4,192
Ethics-related Reports <sup>2)</sup>	Total Number of Reports	Cases	29	23	39
	Number of Valid and Resolved Reports	Cases	22	19	36

1) Excludes food service on-site training.

2) Ethics-related report types: Corruption and misconduct, unfair trade practices and supplier grievances, organizational culture issues, and safety management issues.

### LEGAL VIOLATIONS

Category		Unit	2022	2023	2024
Number of Legal Violations	Environmental Regulations	Cases	0	0	0
	Information Security Regulations	Cases	0	0	0
	Fair Competition Regulations	Cases	0	0	1 <sup>1)</sup>
	Anti-corruption Regulations	Cases	0	0	0
	Marketing and Labeling Regulations	Cases	0	0	0

1) Details available in the business report.



GRI INDEX

GLOBAL REPORTING INITIATIVE

Topic	Number	Disclosure details	Page number	Notes
GRI 2: General Disclosures	2-1	Organizational details	6p	
	2-2	Entities included in the organization’s sustainability reporting	2p	
	2-3	Reporting period, frequency and contact point	2p	
	2-4	Restatements of information	96~104p	Changes are explained in the footnotes.
	2-5	External assurance	114~116p	
	2-6	Activities, value chain and other business relationships	8~9, 54p	
	2-7	Employees	99p	
	2-8	Workers who are not employees	-	Includes subcontracted workers; headcount figures are confidential.
	2-9	Governance structure and composition	84p	
	2-10	Nomination and selection of the highest governance body	84~86p	
	2-11	Chair of the highest governance body	84p	
	2-12	Role of the highest governance body in overseeing the management of impacts	11, 21, 35, 41, 47, 53, 58, 62, 79, 84~86, 88, 93p	
	2-13	Delegation of responsibility for managing impacts	11, 21, 35, 41, 47, 53, 58, 62, 79, 84~86, 88, 93p	
	2-14	Role of the highest governance body in sustainability reporting	11, 15, 85~86p	
	2-15	Conflicts of interest	85~86p	The independence of board members is disclosed in the business report.
	2-16	Communication of critical concerns	85~86p	
	2-17	Collective knowledge of the highest governance body	85p	
	2-18	Evaluation of the performance of the highest governance body	86p	
	2-19	Remuneration policies	86p	
	2-20	Process to determine remuneration	86p	

GLOBAL REPORTING INITIATIVE

Topic	Number	Disclosure details	Page number	Notes
GRI 2: General Disclosures	2-21	Annual total compensation ratio	104p	
	2-22	Statement on sustainable development strategy	4~5p	
	2-23	Policy commitments	35, 41, 47, 53, 58, 75, 79, 81, 85, 87p	
	2-24	Embedding policy commitments	11, 21, 35, 41~42, 47~48, 53, 58, 75, 79~80, 85, 87, 93p	
	2-25	Processes to remediate negative impacts	14, 61, 64~65, 74, 81p	
	2-26	Mechanisms for seeking advice and raising concerns	61, 81p	
	2-27	Compliance with laws and regulations	104p	Business report, p.253
	2-28	Membership associations	113p	
	2-29	Approach to stakeholder engagement	14p	
	2-30	Collective bargaining agreements	101p	
GRI 3: Material Topics	3-1	Process to determine material topics	15p	
	3-2	List of material topics	17p	
	3-3	Management of material topics	16~17, 20~27, 40~45, 46~51, 52~57, 78~83p	
Material Topics 1:Food Safety				
GRI 3: Material Topics	3-3	Management of material topics	16~17, 40~45p	
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	41~45p	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	44, 102p	
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	34, 98p	
	417-2	Incidents of non-compliance concerning product and service information and labeling	44, 104p	
	417-3	Incidents of non-compliance concerning marketing communications	104p	
Material Topics 2: Ethics and Compliance Management				
GRI 3: Material Topics	3-3	Management of material topics	16~17, 78~83p	
GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption	79, 81p	
	205-2	Communication and training about anti-corruption policies and procedures	79~83, 85, 104p	
	205-3	Confirmed incidents of corruption and actions taken	104p	
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	104p	

GLOBAL REPORTING INITIATIVE

Topic	Number	Disclosure details	Page number	Notes
Material Topics 3: Health and Safety Management				
GRI 3: Material Topics	3-3	Management of material topics	16~17, 46~51p	
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	47p	
	403-2	Hazard identification, risk assessment, and incident investigation	47~51, 81p	
	403-3	Occupational health services	49~50p	
	403-4	Worker participation, consultation, and communication on occupational health and safety	47~50p	
	403-5	Worker training on occupational health and safety	49~50p	
	403-6	Promotion of worker health	50p	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	47~51p	
	403-8	Workers covered by an occupational health and safety management system	47p	
	403-9	Work-related injuries	51, 101p	
	403-10	Work-related ill health	101p	
Material Topics 4: Supply Chain Management				
GRI 3: Material Topics	3-3	Management of material topics	16~17, 52~57p	
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	54, 102p	
	308-2	Negative environmental impacts in the supply chain and actions taken	54~55p	
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	54~55p, 102p	
	414-2	Negative social impacts in the supply chain and actions taken	54~55p, 102p	
Material Topics 5: Climate Change Response				
GRI 3: Material Topics	3-3	Management of material topics	16~17, 20~27p	
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	16, 21~25p	
GRI 301: Materials	301-1	Materials used by weight or volume	98p	
GRI 302: Energy	302-1	Energy consumption within the organization	27, 97p	
	302-2	Energy consumption outside of the organization	21, 26, 97p	
	302-3	Energy intensity	27, 97p	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	26, 97p	
	305-2	Energy indirect (Scope 2) GHG emissions	26, 97p	
	305-3	Other indirect (Scope 3) GHG emissions	26, 97p	
	305-4	GHG emissions intensity	97p	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	36, 97p	

GLOBAL REPORTING INITIATIVE

Topic	Number	Disclosure details	Page number	Notes
Other GRI Index				
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	96p	
GRI 207: Tax	207-1	Approach to tax	90p	
	207-2	Tax governance, control, and risk management	90p	
	207-3	Stakeholder engagement and management of concerns related to tax	81, 90p	
	207-4	Country-by-country reporting	90p	
GRI 303: Water and Effluents	303-2	Management of water discharge-related impacts	36, 97p	
	303-3	Water withdrawal	36, 97p	
	303-4	Water discharge	97p	
	303-5	Water consumption	97p	
GRI 304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	28~30p	
	304-2	Significant impacts of activities, products and services on biodiversity	28~30p	
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	31~33p	
	306-2	Management of significant waste-related impacts	31~33p	
	306-3	Waste generated	31, 98p	
	306-4	Waste diverted from disposal	98p	
	306-5	Waste directed to disposal	98p	
GRI 401: Employment	401-1	New employee hires and employee turnover	100p	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	62~65, 100p	
	401-3	Parental leave	62, 100p	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	70, 100p	
	404-2	Programs for upgrading employee skills and transition assistance programs	64~65, 68~70p	
	404-3	Percentage of employees receiving regular performance and career development reviews	100p	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and Employees	84, 100p	
	405-2	Ratio of basic salary and remuneration of women to men	-	There is no gender-based pay gap.
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	61, 101p	
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	104p	

# TCFD

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD recommendation	Disclosures	Page number
Governance	Describe the board’s oversight of climate-related risks and opportunities	21p
	Describe management’s role in assessing and managing climate-related risks and opportunities	21p
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	16, 22p
	Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	21~25p
	Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	23~25p
Risk Management	Describe the organization’s processes for identifying and assessing climate-related risks	21~25, 89p
	Describe the organization’s processes for managing climate-related risks	21~25, 89p
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	21~25, 89p
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	26, 97p (Refer to metrics on direct and indirect GHG emissions)
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	21~26, 97p
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	26~27p

# SASB

## SUSTAINABILITY ACCOUNTING STANDARDS BOARD

### FOOD & BEVERAGE SECTOR: FOOD RETAILERS & DISTRIBUTORS

Category	SASB code	Details	Page number
Fleet Fuel Management	FB-FR-110a.1	Fleet fuel consumed, percentage renewable	Unmeasurable (Outsourcing)
Air Emissions from Refrigeration	FB-FR-110b.1	Gross global Scope 1 emissions from refrigerants	Unmeasurable
	FB-FR-110b.2	Percentage of refrigerants consumed with zero ozone-depleting potential	
	FB-FR-110b.3	Average refrigerant emissions rate	
Energy Management	FB-FR-130a.1	(1) Operational energy consumed (2) percentage grid electricity (3) percentage renewable	97p (Grid electricity accounted for approximately 97% of total energy consumption, with 306.8 TJ out of 316 TJ.)
Food Waste Management	FB-FR-150a.1	Amount of food waste generated, percentage diverted from the waste stream	98p (Food waste recycled in 2024: 90 ton)
Data Security	FB-FR-230a.1	(1) Number of data breaches (2) percentage that are personal data breaches (3) number of customers affected	94, 104p
	FB-FR-230a.2	Description of approach to identifying and addressing data security risks	94, 104p
Food Safety	FB-FR-250a.1	High-risk food safety violation rate	44, 102p
	FB-FR-250a.2	(1) Number of recalls (2) number of units recalled (3) percentage of units recalled that are private-label products	44, 102p
Product Health & Nutrition	FB-FR-260a.1	Revenue from products labelled or marketed to promote health and nutrition attributes	N/A
	FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	41~44p



# SUSTAINABILITY ACCOUNTING STANDARDS BOARD

## FOOD & BEVERAGE SECTOR: FOOD RETAILERS & DISTRIBUTORS

Category	SASB code	Details	Page number
Product Labelling & Marketing	FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labelling or marketing codes	44, 104p
	FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	N/A
	FB-FR-270a.3	(1) Revenue from products labelled as containing genetically modified organisms (GMOs) (2) Revenue from products labelled as containing genetically modified organisms non-GMO	N/A
Labour Practices	FB-FR-310a.1	Average hourly wage and percentage of in-store and distribution centre employees earning minimum wage, by region	N/A
	FB-FR-310a.2	Percentage of active workforce employed under collective agreements	101p (100%)
	FB-FR-310a.3	Number of work stoppages and total days idle	N/A
	FB-FR-310a.4	Total amount of monetary losses as a result of legal proceedings associated with: labour law violations and employment discrimination	N/A
Management of Environmental & Social Impacts in the Supply Chain	FB-FR-430a.1	Revenue from products third-party certified to environmental or social sustainability sourcing standards	34, 98p
	FB-FR-430a.2	(1) Percentage of revenue from eggs that originated from a cage-free environment (2) Percentage of revenue from pork produced without the use of gestation crates	34p
	FB-FR-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	34, 57p
	FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	25, 34p

# UN SDGs

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

SDGs	Key Targets
<div>2</div> <div>Zero Hunger</div>	2.1 End hunger and ensure access by all people to safe, nutritious, and sufficient food
	2.2 End all forms of malnutrition, addressing the nutritional needs of adolescent girls, pregnant and lactating women, and older persons
	2.4 Ensure sustainable food production systems and implement resilient agricultural practices
<div>3</div> <div>Good Health and Well-being</div>	3.4 Prevent and treat non-communicable diseases, and promote mental health and well-being
	3.9 Reduce deaths and illnesses caused by hazardous chemicals and air, water, and soil pollution
	3.d Enhance capacity for early warning, mitigation, and management of health risks
<div>4</div> <div>Quality Education</div>	4.4 Increase the number of youth and adults with relevant skills for employment and entrepreneurship
	4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development
<div>5</div> <div>Gender Equality</div>	5.1 End all forms of discrimination against women and girls
	5.4 Recognize and value unpaid care and domestic work
	5.5 Ensure women's full and effective participation and equal leadership opportunities at all levels of decision-making
<div>6</div> <div>Clean Water and Sanitation</div>	6.3 Improve water quality by reducing pollution, eliminating dumping, minimizing the release of hazardous chemicals and materials, reducing untreated wastewater, and substantially increasing recycling and safe reuse
	6.4 Substantially increase water-use efficiency, ensure sustainable freshwater withdrawal and supply to address water scarcity, and significantly reduce the number of people suffering from water shortages
	6.B Support and strengthen community participation in improving water and sanitation management
<div>7</div> <div>Affordable and Clean Energy</div>	7.3 Increase the global rate of improvement in energy efficiency
<div>8</div> <div>Decent Work and Economic Growth</div>	8.2 Achieve higher economic productivity through diversification, technological upgrading, and innovation, including in high value-added industries
	8.5 Achieve full and productive employment and equal pay for work of equal value
	8.7 Eradicate forced labor and end child labor
	8.8 Protect labor rights and promote safe and secure working environments for all workers
<div>9</div> <div>Industry, Innovation and Infrastructure</div>	9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and processes
	9.5 Enhance scientific research, substantially increase the number of R&D personnel and public and private R&D spending, and promote innovation
<div>10</div> <div>Reduced Inequalities</div>	10.2 Empower and promote the social, economic, and political inclusion of all people
	10.3 Eliminate discriminatory laws, policies, and practices, ensure equal opportunity, and reduce inequalities of outcome

SDGs	Key Targets
<div>11</div> <div>Sustainable Cities and Communities</div>	11.6 Reduce the per capita environmental impact of cities
<div>12</div> <div>Responsible Consumption and Production</div>	12.2 Achieve sustainable management and efficient use of natural resources
	12.3 Reduce per capita food waste and food losses along production and supply chains
	12.4 Ensure environmentally sound management of chemicals and hazardous waste, and reduce their release to air, water, and soil
	12.5 Reduce waste generation through prevention, reduction, recycling, and reuse
	12.6 Encourage companies to adopt sustainable practices and integrate sustainability information into their reporting
<div>13</div> <div>Climate Action</div>	12.8 Ensure that all people have the knowledge and awareness for sustainable lifestyles in harmony with nature
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
<div>14</div> <div>Life Below Water</div>	13.2 Integrate climate change measures into national policies, strategies, and planning
	14.1 Prevent and reduce all forms of marine pollution
	14.4 End overfishing, illegal fishing, and destructive fishing practices, and implement science-based management plans to restore fish stocks
<div>15</div> <div>Life on Land</div>	14.b Provide access for small-scale artisanal fishers to marine resources and markets
	15.1 Ensure the conservation, restoration, and sustainable use of terrestrial and inland freshwater ecosystems and their services, including forests, wetlands, mountains, and drylands
<div>16</div> <div>Peace, Justice and Strong Institutions</div>	15.5 Take action to reduce the degradation of natural habitats, halt the loss of biodiversity, and protect and prevent the extinction of threatened species
	16.5 Substantially reduce corruption and bribery in all their forms
	16.6 Develop effective, accountable, and transparent institutions
	16.7 Ensure responsive, inclusive, participatory, and representative decision-making
<div>17</div> <div>Partnerships for the Goals</div>	16.b Promote and enforce non-discriminatory laws and policies for sustainable development
	17.14 Enhance policy coherence for sustainable development
	17.16 Strengthen the global partnership for sustainable development and complement it with multi-stakeholder partnerships
	17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on partnership experiences and resource mobilization strategies

## MEMBERSHIP ASSOCIATIONS

### Gyeonggido Transportation Agency Association



### Korea Chamber of Commerce and Industry



### KOSDAQ Listed Companies Association



### The Korean Society of Institutional Food Service



### Korea International Trade Association



### Korea Foodservice Distribution Association



### Korea Food Industry Association



### The Federation of Korean Information Industries



### Korea Integrated Logistics Association



# GHG VERIFICATION STATEMENT

## CJ FRESHWAY CORPORATION

32, Gigok-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Republic of Korea

### 1. Verification Goal

- The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows
- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

### 2. Verification Scope

Korean Standards Association conducted limited assurance verification of CJ Freshway Corporation's Scope1 and Scope2 GHG statement.

- Reporting Target : Head Office, Regional Office, CK Center, R&D Center, Logistics Center, Haengdamdo Service Area
- Boundary : Scope1 (Direct emissions), Scope2 (Indirect emissions)
  - Scope1 : Stationary combustion, Mobile combustion
  - Scope2 : Externally purchased power and heat (steam)
- Year : January 1, 2024 to December 31, 2024

### 3. Verification Criteria

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- Calculation criteria
  - KS I ISO 14064-1 : 2018
  - Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (Ministry of Environment Notice No. 2025-64)
  - 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines
  - WRI (World Resources Institute) Greenhouse Gas Protocol
  - Corporate Value Chain (Scope3) Accounting and Reporting Standard (WRI)

### 4. Level of assurance verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to CJ Freshway Corporation Head Office
- Method of confirmation

- Interview with greenhouse gas emissions manager and field staff
- Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
- Tracking review of internal documents and basic data

CJ Freshway Corporation should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

### 5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

### 6. Verification Conclusion

No errors or false facts were found in CJ Freshway Corporation's GHG emissions verified through the ISO 14064-3 verification procedure within the scope of verification.

### Appendix. GHG Emissions(Scope1, Scope2)

Division	GHG Emissions (tCO <sub>2</sub> eq)			Energy Consumption (TJ)
	Scope1	Scope2	합계	
Head Office	256.290	870.531	1,126	23
Regional Office	-	27.101	27	0.566
CK Center	230.953	1,085.589	1,316	26
R&D Center	5.495	77.510	83	1
Logistics Center	23.847	12,589.026	12,612	263
Haengdamdo	33.018	94.747	127	2
Service Area	21.140	56.864	78	1
Total	570.743	14,801.368	15,369	316

※ Note : There is a difference between GHG emissions and total emissions and workplace emissions (combining workplace level cut-off emissions by company level)

May 26, 2025

# INDEPENDENT ASSURANCE STATEMENT



## INDEPENDENT ASSURANCE STATEMENT

PRJN-947865-2025-AST-KOR

DNV Business Assurance Korea, Ltd. (‘DNV’, ‘we’, or ‘us’) has been commissioned by CJ Freshway (hereafter referred to as ‘CJ Freshway’ or ‘the Company’) to undertake an independent limited assurance on the CJ Freshway ESG Report 2024 (hereafter referred as ‘the Report’) for the calendar year ending 31 December 2024. The intended users of this assurance statement are the management and stakeholders of CJ Freshway.

### Standards of Assurance

This assurance engagement has been carried out in Type 2 limited assurance in accordance with AccountAbility’s AA1000 Assurance Standard v3 and DNV’s VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 - ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report’s adherence to the four principles of AA1000 AccountAbility Principles Standard (2018) and the accuracy, completeness, and neutrality principles of VeriSustain. In addition, DNV has reviewed the ‘reliability of specified sustainability performance information’ as described in ‘Scope of Assurance’. DNV’s Verisustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited or/and reasonable assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on CJ Freshway website for the current reporting period.

### Scope of Assurance

We have carried out an independent limited assurance on the Report and an independent verification for selected performance indicators for the year ending 31 December 2024, which include the following:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by CJ Freshway.
- Regarding the reliability of the specified sustainability performance information, we reviewed the quality and reliability of the following GRI Topic Standards

### Opinion, Obsevation and Recommendation

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the four principles of AA1000 APS and the accuracy, completeness, and neutrality principles of VeriSustain described below. In terms of the reliability of specified sustainability performance information, nothing has come to our attention to suggest that the data have not been properly collated from in-

formation reported at the operational level, nor that the assumptions used were inappropriate. Furthermore, nothing has come to our attention to cause us to believe that CJ Freshway’s Report has not been prepared, in all material respects, in accordance with the GRI Standards. Without affecting our assurance opinion, we provide the following observations against the principles of AA1000 APS and VeriSustain applicable to the relevant information described in the ‘Scope of Assurance’:

### Inclusivity: Stakeholder participation and opinion

CJ Freshway identifies employees, customers, suppliers, shareholders & investors, and local communities as key stakeholders, and reports relevant communication channels and key interests by each group. CJ Freshway has various communication channels to increase stakeholder participation in its management activities, including intranet, customer service center, grievance reporting portal system, shareholders’ meetings, and press releases.

### Materiality: Identifying and reporting on material sustainability topics

CJ Freshway conducted a double materiality assessment and reported five material topics that require intensive management from the perspective of both 1) financial and 2) social and environmental impact. In selecting material topics, the Company considered business activities, ESG management status, peer group review, ESG disclosure regulations, stakeholder surveys, and media analysis. DNV can confirm that in the Report the material topics are linked to the UN SDGs in the context of sustainable development.

### Responsiveness: Transparent response to critical sustainability topics and related impacts

CJ Freshway selects management focus and key indicators centered on materiality assessment, and describes its activities in the Report. Regarding the content of the ESG strategy materialization, it describes strategic tasks, activities, major achievements in 2024, and future goals. The Company contributes to the consistency and transparency of information by using GRI criteria related to material topics as performance indicators in order to manage key sustainability impacts and performance.

### Impact: Monitoring, measuring and accounting for the impact of organizational activities on the organization and its stakeholders

CJ Freshway reports on key identified areas, related topics/impacts, and action plans to mitigate negative impacts on the organization and supply chain, and measures, evaluates, and monitors impact through appropriate performance indicators. In particular, ISO 14001 and 45001 are applied to the head office and logistics centers to manage the environment, safety, and health. When selecting new suppliers, management evaluations (management, finance, production, logistics, hygiene and safety management levels, etc.) and quality audits are conducted for potential suppliers. Moreover, ESG related questions are reflected in contracts when registering suppliers in order to prevent supply chain risks in advance. DNV recommends that the Company manage its impact on stakeholders more systematically by establishing more specific and quantified medium- and long-term goals in supply chain management.



#### Reliability: Accuracy and comparability of information presented in the report and the quality of underlying data management systems

The data collection and processing procedures, supporting documents, and records were verified through sampling techniques. Based on the results, no intentional errors or misstatements were found in the sustainability performance information described in the Report.

CJ Freshway is able to explain the source and meaning of its sustainability performance using reliable methods and data, and any errors or unclear expressions identified during the verification process were corrected prior to the publication of the Report.

#### Completeness: How much of all the information that has been identified as material to the organization and its stakeholders is reported

CJ Freshway reports on the Company's key non-financial disclosures based on its performance related to material topics during the reporting period of 2024 using appropriate GRI Topic Standard disclosures, for the identified boundaries of operations.

#### Neutrality: Extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

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

#### Our Competence, Independence and Quality Control

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with CJ Freshway.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

#### Limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

#### Responsibilities of the Directors of CJ Freshway and of the Assurance Providers

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to CJ Freshway in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform the management and stakeholders of CJ Freshway. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

#### Basis of our Opinion

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

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

For and on behalf of DNV Business Assurance Korea Ltd.  
Seoul, Republic of Korea  
17 June 2025



Chang Rok Yun  
Lead Verifier

Sang Rye Chang  
Verifier

So Hyun Kim  
Reviewer



