



# ABOUT THIS REPORT

## REPORT OVERVIEW

CJ CheilJedang publishes a sustainability report every year to transparently disclose its sustainability activities, performance, and future goals and to use it as a communication channel with its stakeholders. Through its Sustainability Report, CJ CheilJedang plans to share the progress of its sustainability pursuits as well as its achievements with the stakeholders.

## REPORTING PERIOD AND SCOPE

This report covers our activities and performance from January 1st to December 31st, 2021. It includes some information from the first five months of 2022 to assist stakeholders in understanding the report. The scope of the report covers all of CJ CheilJedang's domestic and overseas businesses and their economic, social, and environmental achievements excluding our logistics business. This year's report additionally covers overseas business sites, and some data that were collected starting with achievements from the year 2021 are supported with footnotes and additional descriptions.

## REPORT PRINCIPLES

This report was prepared in accordance with the Core Option of the GRI (Global Reporting Initiative) Standards

## EXTERNAL ASSURANCE

This report underwent a third-party assurance process by an independent agency, LRQA to ensure the accuracy and credibility of the contents herein. Please refer to pages 94-95 for details and opinions related to the assurance.

## CONTACT

For further information or inquiries regarding this report, please contact us using the following information.

## CJ CHEILJEDANG

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**EMAIL** sustainability@cj.net  
**DATE OF ISSUE** July 2022



## COVER STORY



This image embodies the virtuous cycle of 'Nature to Nature' where we deliver nature to our consumer's tables and bring it back to nature.

## EXTERNAL RECOGNITION FOR OUR SUSTAINABILITY MANAGEMENT

### INCLUDED IN THE DJSI FOR SEVEN CONSECUTIVE YEARS



The Dow Jones Sustainability Indices was co-created by a global sustainability rating agency and investor, the S&P Dow Jones from the U.S. and a sustainability standards organization from Switzerland, called 'RobecoSAM'. CJ CheilJedang is the first Korean food company to be included for seven consecutive years in the DJSI(Dow Jones Sustainability Indices) Asia-Pacific Index. In particular, we received excellent ratings for establishing strategies for sustainability management(ESG: Environment, Society, and Governance) and embodying a mid-to long-term roadmap, strengthening competitiveness in overseas markets through a global localization strategy and accelerating groundbreaking growth, as well as expanding the launch of products that take into account consumers' health and nutrition and transparently disclosing such information.

### 'EXCELLENT' GRADE IN THE WIN-WIN GROWTH INDEX FOR SIX CONSECUTIVE YEARS

CJ CheilJedang has been selected as 'Excellent' Grade for six consecutive years, which aims to promote shared growth between large corporations and SMEs. Especially, CJ CheilJedang has achieved high ratings in both the 'Comprehensive Assessment for Shared Growth' and the 'Implementation Assessment of the Fair Trade Agreement'. With the company's philosophy of 'contributing to the national economy', the fact that we have solidified our fair trade and shared growth structure attracted positive feedback.

### ACHIEVED GRADE A IN THE COMPREHENSIVE ESG EVALUATION BY KCGS



KCGS(Korea Corporate Governance Service), which aims to promote a healthy capital market by identifying companies with excellent performance in terms of improvements to corporate governance, social responsibility, and green management, has awarded CJ CheilJedang with Grade A+ for the Social Category in the ESG evaluation. We have earned Grade A in governance, environment, and ESG integration. In particular, we received excellent ratings in the areas of green management(environment), business partners and competitors, consumers(society), and information disclosure(economy). Through continuous improvement of our ESG performance and clear disclosure of information, we hope to lay the groundwork to launch as a top-tier global company.

### ACQUIRED A RATING FROM THE MSCI ESG ASSESSMENT



CJ CheilJedang acquired an A rating in the MSCI(Morgan Stanley Capital International) ESG assessment, which has adopted to inspect ESG risks and opportunities and integrate them into the management process upon MSCI's investment decision-making. In particular, we saw a great improvement in the areas of water management and corporate behavior compared to the previous year. We also received excellent ratings for Product Carbon Footprint, Corporate Activities, and product risk management.

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This report is published as an interactive PDF that includes functions such as shortcuts to relevant pages within the report, shortcuts to relevant websites, and videos.

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## MESSAGE FROM CEO

“  
 IN ORDER TO ACHIEVE OUR SUSTAINABLE GOALS,  
 THE VIRTUOUS CYCLE OF ‘NATURE TO NATURE:  
 BRINGING NATURE TO THE CONSUMERS’ TABLES  
 AND BACK TO NATURE’, CJ CHEILJEDANG WILL  
 CREATE OPPORTUNITIES FOR NEW BUSINESSES  
 AND GLOBAL EXPANSION IN ECO-FRIENDLINESS,  
 NEW MATERIALS, FOOD RESOURCES, ETC. BASED  
 ON INNOVATIVE TECHNOLOGY.

”

## GREETINGS,

I'M EUN SEOK CHOI, CEO OF CJ CHEILJEDANG.

For the past year, CJ CheilJedang has exerted its efforts for all-rounded innovation to prepare for the future by strengthening the structural competitiveness and continuously leading the profit-based growth.

In the Food business, we were able to solidify the foundation for expansion into global territories with K-Food by maximizing our 7 Global Strategic Product, including Mandu and Processed Rice, etc. In the BIO business, we strengthened the new growth engines by expanding our BIO business to White BIO and Red BIO. On top of this, we established mid-term strategies for each business in line with CJ Group's four future growth engines (Culture, Platform, Wellness, and Sustainability) and are focusing on future innovative growth. These are meaningful achievements that were created during uncertainties amid the COVID-19 pandemic as well as intensified inflation.

In addition, we declared the year 2021 as the 'First year of Sustainable Management' and built a system to pursue ESG management. We established the Corporate Sustainability Committee as the highest decision-making body under the Board of Directors and assessed our strategies and directions. By establishing the Corporate Sustainability Council and the ESG Center, we heightened our implementation competencies. After building the foundation, we develop a roadmap to 'Respond to climate change' and to achieve 'Zero human rights risks'.

**IN 2022, WE WILL PURSUE SPREADING OF THE ESG MANAGEMENT SYSTEM TO OUR OVERSEAS SITES AND THE SUPPLY CHAIN AND FOCUS ON MAGNIFYING ENVIRONMENTAL AND SOCIAL VALUE.**

To this end, we will quickly and effectively implement the eight strategic tasks which were identified through the materiality assessment by stakeholders' interests as well as business impact.

First, as a 'Response to climate change', we will achieve Carbon Neutral & Zero Waste not only in the production process but in all areas of the value chain.

In addition, we hope to contribute to resource circulation through our task on 'Eco-friendly packaging'. We will continue our research to reduce the use of plastic and build a firm collection/upcycling system for Hetbahn (Instant Rice) containers. We will also speed up the commercialization of PHA, a marine biodegradable plastic material, which is a part of our 'Development of eco-friendly material solution'.



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We will also place our emphasis on 'Improving health and nutrition'. In order to provide healthy food that our customers can consume with confidence, we plan to heighten the nutritional value of our products and increase the number of brands and products that meet CJ CheilJedang's nutrition standards. In particular, we look forward to launching new products that reflect changes in consumer lifestyles and social trends and enhance customer satisfaction.

In addition to the above, we will establish an 'Innovative organizational culture' to secure the best talents that will be the future leaders of innovative growth. We will further strengthen our value, 'Respect for DEI(Diversity, Equity, and Inclusion)' where members can freely express their challenging and advanced ideas under fair opportunities and fulfill their competencies.

In particular, 'Respect for human rights' is a fundamental element that should not be compromised when advancing the business. To preemptively identify and mitigate human rights violations of various stakeholders and local communities related to business activities, we plan to expand the scope of on-site assessments to cover our overseas business sites as well as our suppliers.

We will also strive for 'Sustainable supply chain management'. We will expand 'Sustainable sourcing' required to protect biodiversity and the global environment, and strengthen partnerships with suppliers to build an ecosystem where we can all grow together.

Above all, we will sincerely communicate with our stakeholders.

We will further align the standards and policies of sustainability management for our stakeholders, and strive to communicate the company's updates through various channels.

I hope that the '2021 Sustainability Report', which is our eighth publication, serves as a stepping stone for us to get closer to you.

We ask for your kind interest and encouragement of CJ CheilJedang's firm will and effort to positively inspire all of us through sustainable management.

Thank you.



CEO of CJ CheilJedang **EUNSEOK CHOI**



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# 2021 SUSTAINABLE HIGHLIGHTS



## DECLARE CARBON NEUTRAL & ZERO WASTE BY 2050 AS THE FIRST IN THE DOMESTIC FOOD INDUSTRY

To overcome climate change crisis, CJ CheilJedang established a goal to achieve Carbon Neutral & Zero Waste by 2050. As a core mid-to long-term strategic direction, we suggested the worksite's green conversion to decarbonization, eco-friendly innovation of our products and solutions, and eco-friendly partnerships throughout the overall value chain. In addition to the reduction of GHG emissions from worksites and energy conversion which greatly influence carbon neutrality, we have established 2030 goals related to water, waste, food loss, and disposal that are closely related to climate change and are carrying out appropriate improvement measures. Also, we are preparing to build a steam gasification facility that would be fueled by wood resources at the Jincheon Blossom Campus to transition to eco-friendly energy.

## BUILD AN ORGANIZATIONAL CULTURE THAT GROWS TOGETHER

For future innovative growth, we have provided systems that support a wide range of opportunities, fair competition, outstanding performance, and radical compensation. Also, we have actively supported the development of our employees by innovating the HR system including simplifying rank levels, creating a guidance system for self-directed promotion, adopting differentiated compensation programs, etc. We are also executing a wide range of other systems so that our employees can concentrate better on their work and create an advanced working environment. In addition, we established governance for human rights management and revised the Declaration of Human Rights Management. With that, we executed human rights assessments at our affiliates' work sites and built a system to manage potential risks as an effort to protect human rights.

## EXPAND THE DEVELOPMENT OF SUSTAINABLE PRODUCTS

CJ CheilJedang is working to expand healthy and sustainable food for the current and future generations. We launched 'PlanTable', a brand that specializes in sustainable plant-based foods that consider the environment and biodiversity. Also, we launched 2 types of Mandu made of 100% plant-based ingredients such as TVP(Textured Vegetable Protein) made of soybeans and peas as well as vegetable oils. In addition, we launched Excycle Basak Chips, a food upcycling product that was created with the idea of the first in-house venture team. By using byproducts from the product manufacturing stage, we worked to reduce food loss and waste and to contribute to resource circulation.



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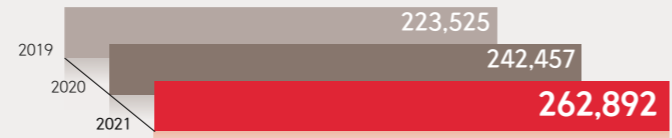
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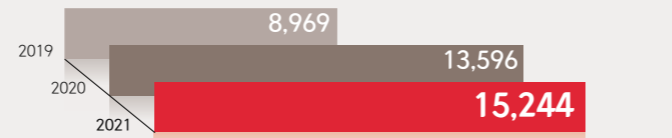
# PERFORMANCE OVERVIEW

## ECONOMY

SALES Unit: KRW 100 million

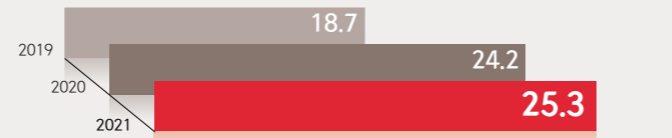


OPERATING PROFIT Unit: KRW 100 million



## EMPLOYEE

PERCENTAGE OF FEMALE EXECUTIVES\* Unit: %



\* Based on unregistered executives

FROM MINISTRY OF EMPLOYMENT AND LABOR IN KOREA

SELECTED AS

COMPANY WITH EXCELLENT LABOR-MANAGEMENT CULTURE



## ENVIRONMENT

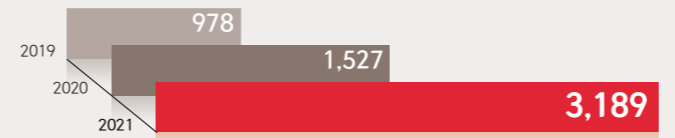
ESTABLISHED THE INTERNATIONAL ECO-FRIENDLY RSPO CERTIFIED PALM OIL POLICY

100% (PERCENTAGE OF CERTIFIED PRODUCTS USED SINCE 2022)

CERTIFIED FOR ZERO WASTE LANDFILL (JINCHEON SITE)

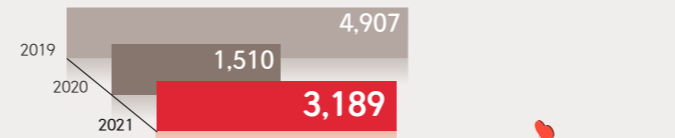
ACQUIRED GOLD GRADE AS THE FIRST IN THE DOMESTIC FOOD PRODUCT INDUSTRY

PACKAGING IMPROVEMENT TASK CO<sub>2</sub> REDUCTION Unit: Tons

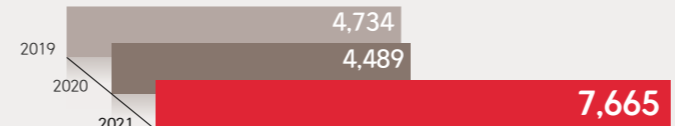


## LOCAL COMMUNITIES

NUMBER OF EMPLOYEES THAT PARTICIPATED IN VOLUNTEERING ACTIVITIES Unit: Person



NUMBER OF BENEFICIARIES OF SOCIAL CONTRIBUTION ACTIVITIES Unit: Person



## CUSTOMERS

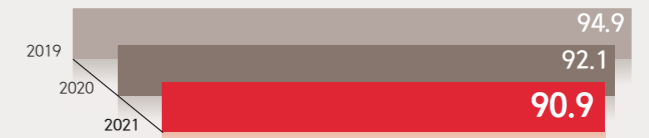
CONSUMER CENTERED MANAGEMENT CERTIFICATION

MAINTAINED FOR 7 YEARS



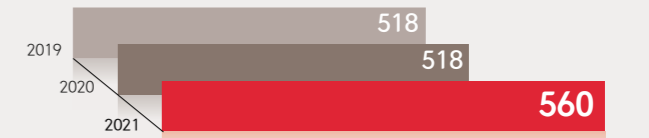
CUSTOMER SATISFACTION Unit: Points

MAINTAINED OVER 90 POINTS

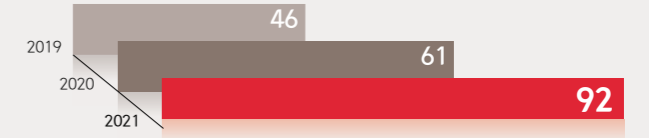


## SUPPLY CHAIN

SUPPORT FUNDS FOR PARTNERS Unit: KRW 100 million



CONTRIBUTION TO EMPLOYMENT STABILITY THROUGH NAEIL CHAEUM DEDUCTION SYSTEM Unit: Person



WIN-WIN GROWTH INDEX BY THE KOREA COMMISSION FOR CORPORATE PARTNERSHIP

EXCELLENT GRADE FOR THE 6<sup>TH</sup> CONSECUTIVE YEARS



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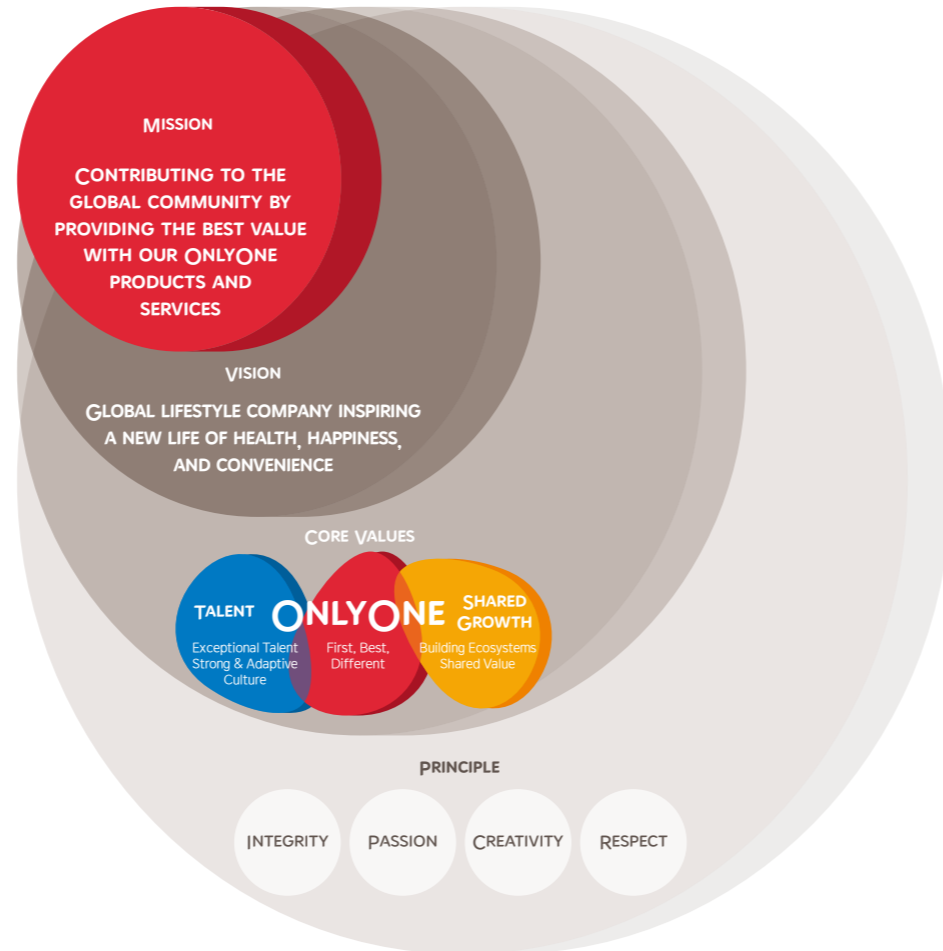
# COMPANY OVERVIEW

## CJ MANAGEMENT PHILOSOPHY

Based on our behavioral principles of integrity, passion, creativity, and respect in pursuing our core values — OnlyOne, talent, and shared growth, CJ CheilJedang is at the forefront of sharing new values for daily life with more people around the world.

While sharing a healthy, enjoyable, and convenient lifestyle around the world and continuing our efforts to create a sustainable life and a healthy planet, we want to contribute to the national society by creating the best value with our OnlyOne products and services.

### MISSION AND VISION



## INTRODUCTION TO CJ CHEILJEDANG

Established in 1953 as South Korea's first sugar manufacturing business, CJ CheilJedang has been leading the country's food product business for the past 60 years. It is now becoming a 'Global No.1 Food & BIO Company' that develops a wide range of products for the consumers. Since its establishment, CJ CheilJedang has achieved the highest performance in 2021, solidifying itself as a leader in its business areas. In January 2022, the health business department of CJ CheilJedang was independently established as CJ Wellcare, and CJ Bioscience was established to officially launch its microbiome business, accelerating securing of new growth engines.

### COMPANY OVERVIEW

As of December 31, 2021 / Separate criteria other than consolidated financial statements

Company Name	CJ CheilJedang Corporation
Date of Establishment	Nov. 5, 1953
CEO	Kyung Shik Sohn, Eun Seok Choi
Headquarter Address	CJ CheilJedang, 330 Dongho-ro, Jung-gu, Seoul, KOREA
Employees	8,156
Total Assets	KRW 26.9 trillion
Total Equities	KRW 10.8 trillion
Sales	KRW 26.3 trillion
Operating Profit	KRW 1.5 trillion
Credit Rating	Commercial paper: A1, Corporate bonds: AA

### ABOUT OUR BUSINESSES

#### FOOD BUSINESS



We will spread excellent Korean food to the world and lead the expansion of the K-Food culture.

#### BIO BUSINESS



We will lead the Nutrition & Health sector with the world's best eco-friendly BIO technology and solutions.



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2021 BUSINESS PERFORMANCE REVIEW

CJ CheilJedang has continued to grow, achieving the highest performance since its foundation as shown by KRW 15,744.4 billion in sales and KRW 1,178.7 billion in operating profit in 2021, which is an 11.2% increase in sales and 13.2% increase in operating profit compare to 2020. For the Food business, we solidified our first place based on excellent flavor, quality, and robust brand power, and continuously developed through our choice and focus on growth channels such as online/B2B/CVS, etc. Globally, we expanded K-Food based on our Bibigo brands, creating a performance of KRW 4,363.8 billion in sales. In the BIO business, we achieved KRW 3,731.2 billion in sales in 2021, which is an increase of 25.1% compared to the previous year through diversified global competitiveness, interchangeable manufacturing and R&D technology, and market power, etc.

SALES

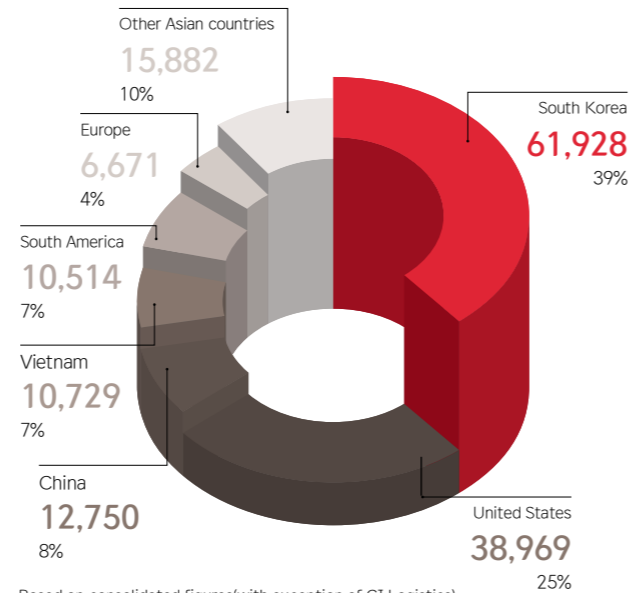


OPERATING PROFIT



OVERSEAS SALES IN 2021

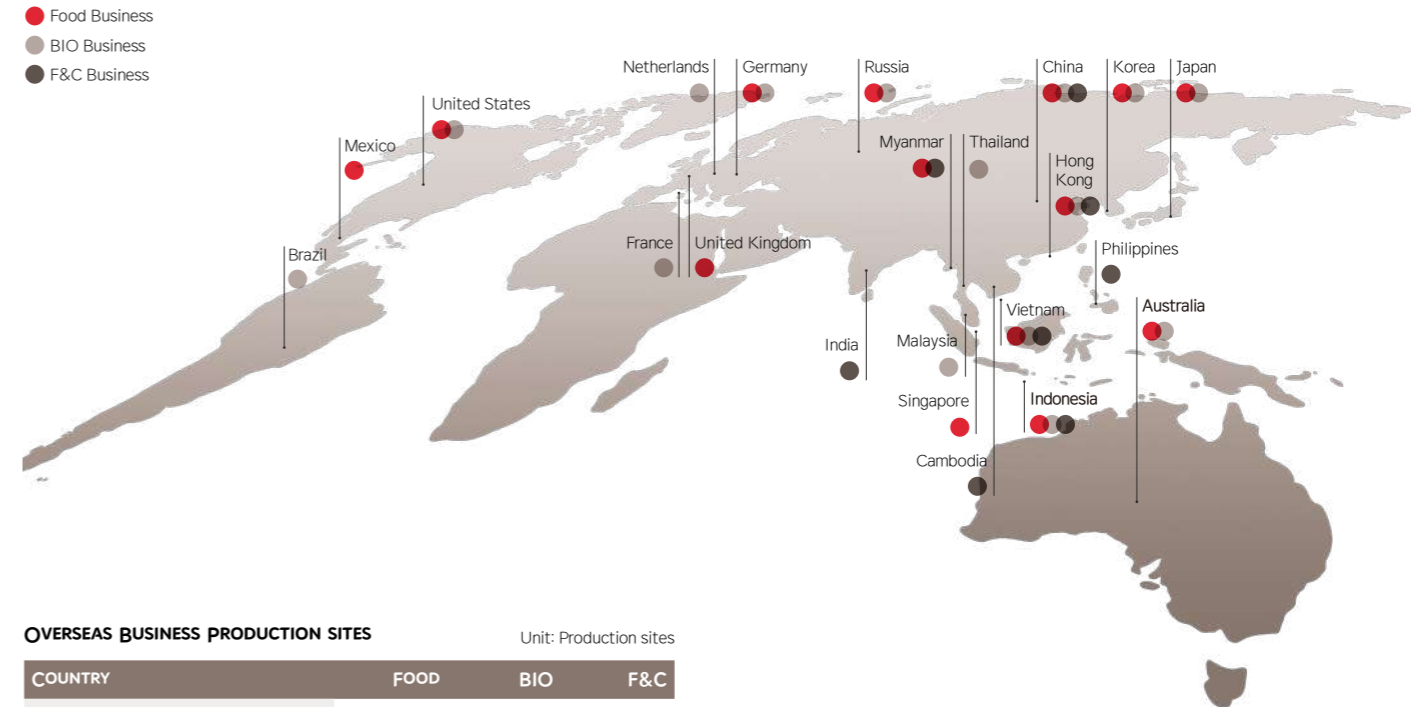
Unit: KRW 100 million



Based on consolidated figures(with exception of CJ Logistics)

OVERSEAS BUSINESSES

CJ CheilJedang has gone beyond No.1 in the domestic market and is on its way to being a 'Global Food & BIO Company'. By producing and selling our own products both in domestic and overseas markets, the company's 25,000 employees strive to create better value in its business locations in Asian markets such as China and Vietnam as well as other regions including the U.S., Germany, Australia, and Brazil. Due to the global expansion of all of Food, BIO F&C, global sales for 2021 reached KRW 9.6 trillion, with sales share amounting to 61%.



OVERSEAS BUSINESS PRODUCTION SITES

Unit: Production sites

COUNTRY	FOOD	BIO	F&C
United States	19	1	0
China	5	7	11
Indonesia	1	1	8
Japan	4	0	0
Vietnam	5	1	1
Malaysia	0	1	0
Philippines	0	0	1
Cambodia	0	0	1
Myanmar	1	0	1
Brazil	0	2	0
Germany	1	0	0
Russia	1	0	0
Australia	1	0	0
Netherlands	0	1	0
Total	37	14	23

BUSINESS SITES BY REGION

As of December 2021



OVERSEAS EMPLOYEES



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# BUSINESS REVIEW

## FOOD

CJ CheilJedang's Food business has reached the sales of KRW 9.6 trillion in 2021 by maximizing its category and expanding its global business as a result of responding to changes in mid-to long-term consumption trends. The percentage of overseas sales among the sales of processed food products marked 56%, recording KRW 4.4 trillion, which is a 6% increase since 2020. The sales of our Global Strategic Products(Mandu, Chicken, Kimchi, Rolls, Seaweed, K-Sauce, Processed rice) continued to grow, reaching approximately KRW 1 trillion in sales in 2021.

### RISKS AND OPPORTUNITIES IN THE FOOD BUSINESS AND CJ CHEILJEDANG'S RESPONSE MEASURES

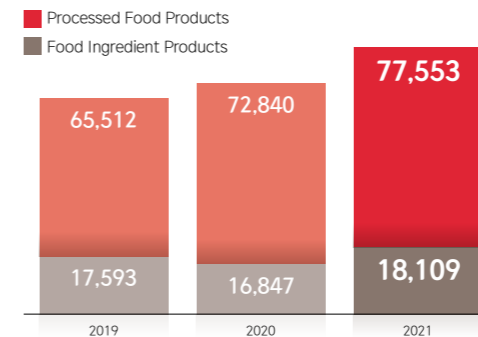
CJ CheilJedang's Food Business is being segmented by consumer tastes, preferences, and behaviors as the population structure is changing with more single-person households, double-family households, and elderly households. In particular, changes in consumer behavior due to the prolonged COVID-19 pandemic are demanding an agile response to maintain competitiveness and to deliver differentiated value through products. On the other hand, stability in supply chain management has become a significant factor in a midst of the recent supply and demand imbalances caused by the food industry's environmental changes in the global supply chain. Based on our research on such mega-trends, we will work to fulfill the functions of taste, health, nutrition, and safe food while reaching out to our customers with our innovative brand and products with social and environmental value.

In order to share better food and create New Wellness, we are working to globalize the flavor of Korea through K-Food and share a healthy and convenient lifestyle. In 2021, for the domestic business, we were able to secure our advanced market position of our core food products such as Hetbahn and Mandu etc., as a response to changes in consumption and distribution trends. As for overseas, we have grown into a global food company through the expansion of K-Food, with Mandu, chicken, fried rice, etc. But instead of being complacent with our achievements, we will work to provide target-specialized products that meet the needs of our consumers that are categorized by stages of life and provide customized products for every individual by heightening our technology innovation, service, and marketing competencies. In addition, we will work to increase the efficiency in global supply chain management, such as diversifying the supply chain and securing purchasing competitiveness based on increased predictability on mid-to long-term demands. Furthermore, we will continue to solidify sustainability management in our overall business activities with our efforts for plastic reduction and eco-friendly packaging.

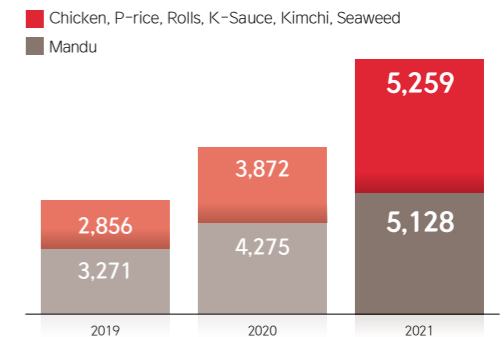
### MAJOR ACHIEVEMENTS IN THE FOOD BUSINESS

CJ CheilJedang's Food business introduces products with excellent flavor and outstanding quality, reflecting customer needs based on social trends that emphasize health and convenience and other lifestyle changes. We are marking continued growth based on our premium brand power such as 'Hetbahn' and 'Gourmet'. We are also acting as a leader in raising awareness of the K-Food culture by nurturing Bibigo into an integrated global brand. In particular, we are developing innovative brands for taste quality, health, and convenience through processing technology that is none like others.

**SALES** Unit: KRW 100 million



**GLOBAL GSP\* REVENUE** Unit: KRW 100 million



\* Global Strategic Product

### MID-TO LONG-TERM STRATEGY IN THE FOOD BUSINESS

CJ CheilJedang's Food business is focused on the 4 major growth engines of Culture, Platform, Wellness, and Sustainability, which we will use to build and implement a strategic system for future innovative growth.

#### CULTURE

##### MAXIMIZE THE GSP(GLOBAL STRATEGIC PRODUCT) BUSINESS

- Globalize representative products of K-Food with our differentiated capabilities
- Formulate a global growth strategy for Mandu, Chicken, Kimchi, K-Sauce, P-Rice(Processed rice), etc.

#### PLATFORM

##### EXPAND GLOBAL/DIGITAL TERRITORIES

- Reestablish roles for each global region such as Korea, the U.S., Asia Pacific, Europe, etc.
- Select and concentrate on core businesses through regional strategic products and channels, platform strategies.

#### WELLNESS/SUSTAINABILITY

##### EXPAND ADJACENT/ NEW TERRITORIES

- Build a New Wellness portfolio to respond to the changes in consumer value such as health and eco-friendliness
- Continuous discovery of new growth engines such as businesses in plant-based products and health-functional products



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MAJOR BRANDS AND PRODUCTS

Our diversified product portfolio includes food ingredients and convenient food and we are maintaining our No. 1 status as a comprehensive food company in Korea based on our solid brand power as well as excellent taste and quality.



SHARE KOREAN FLAVOR, BIBIGO

Bibigo is the global No. 1 Korean cuisine brand that creates Korean food with devotion and shares its value with consumers around the world. By adding modern values to Korean traditional cuisine, Bibigo shares the core of Korean cuisine, a cuisine created with devotion, and delivers value that is worth more than food to people around the world. Based on the 'Bibim' philosophy which means to blend into one, we are delivering the taste of Korea worldwide.



**UNRIVALED 1<sup>ST</sup>**  
 PLACE IN DOMESTIC FOOD BRAND AWARENESS  
 (BPI<sup>1)</sup> 25% in 2021)  
**LA LAKERS<sup>2)</sup> GLOBAL MARKETING PARTNER**

1) BPI (Brand Power Index): A comprehensive survey of consumer awareness of processed/convenient food brands. A professional investigation agency, Wave 2, conducted surveys on 1,000 people from August 23rd to September 10th, 2021  
 2) Professional Basketball League in Los Angeles, California, USA



HETBAHN, THE MOST DELICIOUS HOME-COOKED RICE

Hetbahn, meaning 'Just-cooked tasty rice' is a representative food of our OnlyOne philosophy that launched South Korea's cooked rice market.

We understand the significance as well as the difficulty of being able to eat a proper meal, and Hetbahn satisfies us with the best taste that can be enjoyed anywhere, anytime. Hetbahn encompasses Hetbahn Sotbahn, Hetbahn Cupbahn, and Hetbahn Cookbahn, and goes beyond a bowl of rice to become the best home-cooked brand that caters to lifestyles of people in the modern era.



SURPASSED CUMULATIVE SALES OF  
**4** BILLION PRODUCTS  
 (Since 1997)

HETBAHN MENBAP REACHED  
**67%** IN MS<sup>1)</sup> IN 2021  
 1) Market share based on Nielsen Korea



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**A TASTE OF NEW EXPERIENCE, GOURMET**

Gourmet is a brand created for consumers that are looking forward to enjoying a different experience at the everyday table. We hope to create a pleasant experience where their homes can become a pizza parlor in Naples, a Chinese restaurant at the center of the Chinese food mecca, or a bakery in France. We suggest a wide range of menu items so that every meal can be remembered as a pleasant moment of everyday life.



GOURMET, 'AN ERA OF THE BEST FOODS' WON  
**BEST YOUTUBE ACTION  
CAMPAIGN AWARD**

(Nov. 2021)



**BEKSUL, THE BASICS OF COOKING THAT GUARANTEES GREAT TASTE**

Since 1953, Beksul has been Korea's leading culinary ingredient brand and has accompanied the tables throughout their culinary journey. Beksul has been responsible for our dishes so that anyone can create any dish, whether they are simple dishes or complicated dishes, and has continuously helped people turn great ingredients into delicious food.



REPRESENTATIVE FOOD BRAND FOR **69** YEARS  
KRW **1.6** TRILLION IN SALES IN 2021

OTHER BRANDS



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## RESEARCH DEVELOPMENT AND INNOVATION, CREATING NEW GROWTH ENGINES



**‘NOW, WITH CUSTOMIZED HEALTH-FUNCTIONAL FOODS, WE CAN PROVIDE BETTER HEALTH TO OUR CONSUMERS.’**

### LAUNCH OF CJ WELLCARE

The Health business of CJ CheilJedang has independently launched as CJ Wellcare in January 2022 as a business focused on healthcare. This business is geared toward targeting the plant-based premium probiotics market and setting the ground for expansion into the personalized health-functional food business. Due to COVID-19, there has been an increased interest in personal health. With this, we hope to strengthen a future growth engine of business in ‘Wellness’ and become a leader in this sector by 2025. We are getting ready to launch a custom-manufactured health-functional food for 2022, where customers can check which nutrients they need, predict future health conditions, and select health functional products that are appropriate for them. Especially, customers can scan the QR code on the surface of the products and check the raw ingredients, manufacturer, date of manufacture, packaging and distribution process, and other production history at a glance, satisfying the customer’s right-to-know while offering convenience and safety.



**‘WE WILL CONTINUE TO RESEARCH AND INNOVATE FOR CURRENT AND FUTURE GENERATIONS’ FOOD.’**

### DEVELOPMENT OF ECO-FRIENDLY AND PLANT-BASED PRODUCTS FOR SUSTAINABLE EATING HABITS

In order to enter into the global mega-trend of plant-based food product market, CJ CheilJedang launched a sustainable plant-based brand called ‘PlanTable’ and launched a 100% plant-based ‘Bibigo PlanTable Mandu’ product. In just 3 months since its launch, the plant-based Mandu recorded No.1 in sales and is being sold in 10 countries including Australia and Singapore. As it is a product launched for Generation MZ and the general consumers’ intermittent vegetarian eating habits, we are planning to build a portfolio centered on K-Foods and expand it worldwide.



### COMMERCIALIZING CULTURED MEAT AS A SOLUTION TO THE HUMANKIND’S FOOD FOR THE FUTURE

CJ CheilJedang has built a portfolio of amino acids for food as well as a microbial-based mass fermentation technology platform and is pursuing the development and commercialization of innovative cultured meat. Cultured meat is gaining attention as an alternative to the current animal breeding system that destructs the ecosystem, and to reduce carbon emissions and waste of food resources, but because expensive animal serums are used in the production of cultured meat, the development of eco-friendly alternatives is essential to ensure mass production and cost competitiveness. CJ CheilJedang is working to develop production technology for eco-friendly meat alternatives such as hormones, amino acids, and growth hormones produced by microbial fermentation instead of animal serum.



### DEVELOPMENT OF CJ’S ONLY WHITE RICE VARIETIES

CJ CheilJedang developed a white rice variety for Hetbahn called ‘Donghang’ (Happy Companion) and submitted the application to the Korea Seed and Variety Service in February 2022. Through seed growth in 2022, we plan to produce new source ingredients in 2023 and apply this to our Hetbahn products by 2024. We are securing a stable source ingredient by developing differentiated white rice variety, and to increase the competitiveness of the domestic agriculture industry, we are developing outstanding seeds that allow for mass-harvesting and supplying/cultivating them. With such outstanding seeds, we are planning to build a model through contract farming with CJ breeding, where the benefits of mass cultivation can be shared between CJ and the farmers.



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## BUSINESS REVIEW

# BIO

For the BIO business, CJ CheilJedang transitioned its portfolio from its previous Lysine-focused business structure to high-yielding, specialty products. By securing cost competitiveness and expanding the share of flagship products, the business achieved KRW 3.7 trillion in sales in 2021 with 13% growth in operating profit, seeing growth in sales as well as income stability.

### RISKS AND OPPORTUNITIES IN THE BIO BUSINESS AND CJ CHEILJEDANG'S RESPONSE MEASURES

With the prolonged COVID-19 pandemic, the BIO business is facing continued uncertainty such as instability in global supply as well as increased costs of grain. On the other hand, strengthening global mega-trend in consumers' core values of health, safety, eco-friendliness, and accelerating DT(Digital Transformation)-BT(Biotechnology)convergence is acting as an opportunity factor for the BIO business. Accordingly, the BIO business is maximizing the possibility of innovation by strengthening structural competitiveness of existing routes to generate stable profits, while promoting various strategies such as active R&D, effective marketing, and open innovation to respond to changes in consumer trends.

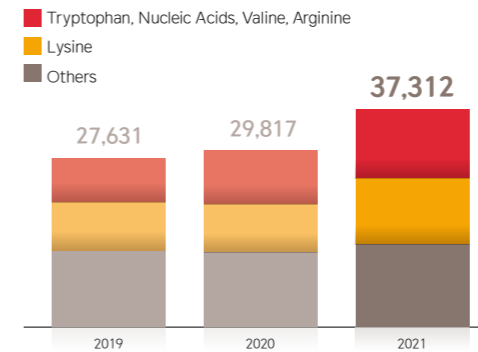
Our BIO business leads the Nutrition & Health field through high value-added amino acids, and at the same time, it aims to expand into the White BIO business including biodegradable plastics and the Red BIO business including microbiome-based technologies and capabilities accumulated through amino acid production. In 2021, the BIO business further strengthened its market position by utilizing its market leadership and presence in global production, and laid the foundation for successful landing of the White and Red BIO business through investment in biodegradable plastic production facilities and active M&A. After the pandemic, the bio industry's opportunity area is expected to expand with new business keywords such as changes in consumer perception, accelerated technological innovation, ESG, etc. CJ CheilJedang will continue to grow as a BIO company that creates a sustainable and healthy future through efforts in revitalizing the natural ingredient market, accelerating development of innovative materials to respond to ESG, and expanding its business portfolio.

### MAJOR ACHIEVEMENTS IN THE BIO BUSINESS

Our BIO business is based on world-class fermentation and refining technology for food additives(Human Nutrition & Health) and feed additives(Animal Nutrition & Health). As a result of our continued focus on strengthening cost competitiveness by improving our R&D capabilities and productivity, we are proudly maintaining the world's first place in each of the sectors of Nucleic Acids, Tryptophan, and Valine. Especially with BIOTECH, one of our core technologies, which is an eco-friendly technology that comes from nature and is returned to nature, we are contributing to the creation of sustainable life and healthy earth for humanity.

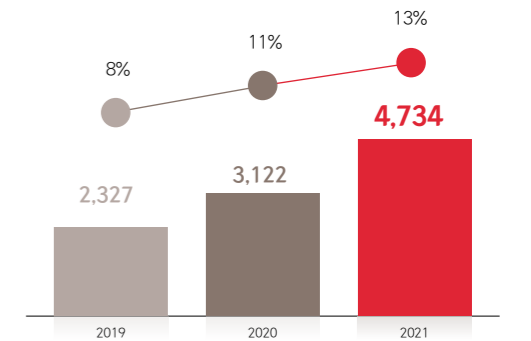
#### SALES TREND

Unit: KRW 100 million



#### OPERATING PROFIT AND MARGIN TRENDS

Unit: KRW 100 million



### MID- TO LONG-TERM STRATEGIES IN THE BIO BUSINESS

#### CULTURE

##### BUILD AN INNOVATIVE BIO ECOSYSTEM

- Occupy opportunities for new markets by investing in startups, activating in-house venture program 'Bio R', and Open Innovation

#### PLATFORM

##### EXPAND BRAND/TECHNOLOGY-BASED GLOBAL BUSINESSES

- Secure differentiated portfolios by expanding technology-based composite material solutions
- Evolve into a Total Solution Provider by securing formulation competency, CDMO on top of the materials production technology

#### WELLNESS

##### WELL-ROUNDED WELLNESS SOLUTION

- Take the lead in next-generation treatments from Red BIO by entering into the microbiome medicine business

#### SUSTAINABILITY

##### SUSTAINABLE NEW BUSINESSES AND TECHNOLOGIES

- Expand market based on mass production of marine biodegradable plastics and early maximization of eco-friendly material development that replaces the existing petrochemical materials



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MAJOR BRANDS AND PRODUCTS

GREEN BIO

ANIMAL NUTRITION & HEALTH

The BIO sector of CJ CheilJedang has a portfolio of 8 amino acids for feed that is equipped with the first eco-friendly BIO fermentation method based on differentiated microbiome technology.



EXPANDING THE SPECIALTY AMINO ACID BUSINESS

In the midst of uncertain grain supply worldwide and the trends of reducing CP\*, we are focusing on expanding supply of Valine, Arginine, Histidine, and Isoleucine, not only reducing pollutant emissions from livestock, but leading the sustainable feed industry trends.

\* CP: Crude Protein. A word that refers to a mixture of pure protein, nitrogen compounds, amino acids, and amides. There is an increasing demand for small varieties of amino acids other than existing feed additives to reduce intake of CP, because when substances that cannot be digested and absorbed are discharged, it may cause environmental pollution.

EXPANSION OF ENZYMIC PRODUCT PORTFOLIO

We launched 'Growin Act,' a feed enzyme brand that helps improve intestinal health and digestibility of livestock. Feed enzymes are not only beneficial for improving digestibility but also for increasing intestinal bacteria to improve feeding performance and feed efficiency. This not only improves the health of livestock, but also has an excellent effect on reducing production costs in the livestock industry, contributing to the overall development of the livestock industry.



In the food additives business, we are developing and providing seasoning materials in the same form as the ingredients present in natural foods based on accumulated microbial stain improvement and fermentation technology, through R&D we are developing future products focused on natural and eco-friendly technology and expanding our fermented amino acid portfolio. In the amino acid business for feed, we aim to be the first in the world to apply an eco-friendly bio-fermentation method by developing new technology and method and become a Global No. 1 'Solution Provider for Global Sustainability' based on microbiome technology

HUMAN NUTRITION & HEALTH

Based on accumulated microbial improvement and fermentation technology, we develop seasoning ingredients in the same form as the ingredients in natural foods. With our unmatched R&D technology, we are expanding our fermented amino acid portfolio by developing future products that are natural and eco-friendly.



TasteNrich®

TasteNrich is a Clean Label seasoning ingredient that contains no artificial additives. It is 100% fermented product and highly demand in the alternative meat market.

AMINATURE™

Aminature is a food amino acid brand made from safe materials based on unique fermentation methods, which lead nature-friendly, vegan, and non-GMO sectors. It is applicable to various products such as baby food, sports products and beauty products for skin and hair care, and has achieved a high average annual growth rate over the past three years as consumer needs for health have grown since the outbreak of COVID-19. (Up 41% CAGR from 2019-2021)

FlavorNrich™

FlavorNrich™ Master C is an eco-friendly functional amino acid produced without electrolysis based on our microbial fermentation method, which is the world's first vegan cysteine. It meets the U.S. FDA and USDA Organic regulations as it is the only product that has been recognized as a natural flavor enhancer. When using the FlavorNrich product, a purely vegan product can offer a deep flavor of meat.

WHITE BIO

As a result of our continued efforts to explore and discover white bio materials, we developed a technology to produce PHA, an eco-friendly biodegradable plastic material. CJ CheilJedang is the only one in the world that produces aPHA(amorphous PHA). Because it is applicable to a variety of products, we plan to expand a biodegradable plastics market and ecosystem.



RED BIO

By combining CJ CheilJedang's BIO business and its microbial R&D capacity(screening/efficacy evaluation) with Chunlab's microbiome analysis, and intestinal microflora diagnosing capabilities, we have embarked on a full-scale development of new drugs. In the future, we expect it to create synergy with our health business such as customized health-functional foods.





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## RESEARCH DEVELOPMENT AND INNOVATION, CREATING NEW GROWTH ENGINES



### ‘WE ENTERED INTO THE MICROBIOME PHARMACEUTICAL INDUSTRY TO TAKE OUR PLACE IN THE NEXT-GENERATION MEDICINE MARKET.’

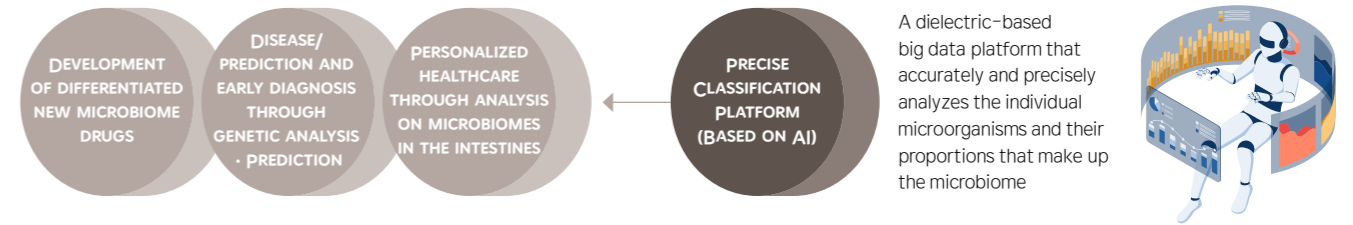
#### LAUNCH OF CJ BIOSCIENCE

For the development of microbiome pharmaceuticals, CJ CheilJedang has been working to secure its capabilities in R&D infrastructure, personnel, and research networks. To accelerate performance in R&D and the business, we have also acquired ChunLab and relaunched it as CJ Bioscience. Microbiome is a word that refers to all microbes and the genetic information that lives inside us and maintains a symbiotic relationship with the human body. Microbiome affects the body’s metabolism and immune system and as its connection to various diseases continues to be revealed, it has been noted to be a second genome, thereby emerging as a new solution to diseases that have been difficult to treat in the past.

#### THE UNIQUENESS OF THE RED BIO(PHARMACEUTICAL) MARKET

CJ CheilJedang intends to upgrade ChunLab’s Bio-digital Platform and combine it with the company’s efficiency evaluation technology and microbiome processing technology to develop new microbiome-specific drugs based on microbiome Big Data and AI. With a goal of entering global clinical trials, we are conducting research related to anti-cancer, gastrointestinal diseases, and neurological diseases, etc.

#### BUSINESS AREA



### ‘WE FOUND THE ANSWER IN 100% MARINE-DEGRADABLE PLASTICS, PHA.’

Starting with BIO’s unique marine biodegradable polymer PHA material, CJ CheilJedang is providing eco-friendly solutions with expansion of high functionality next-generation PHA technology based on PHA platform and continued development of its usage. In addition, we are leading the development of new innovative technologies such as methane-based technology and biodegradable plastic recycling, etc. through discovery and fusion of innovative new technologies. PHA is a high value-added material that can be applied to a variety of items, such as packaging materials, paper coating, textiles, and household goods. By continuously expanding the application of PHA materials and platform technologies, we intend to set a foothold for new growth engines and establish a natural eco-friendly cycle.



### THE FUTURE OF SYNTHETIC BIOLOGY, CJ BIO-FOUNDRY

CJ CheilJedang is paying attention to synthetic biology and bio-foundry in line with the rapidly changing R&D paradigm in the BIO sector. By applying the core technologies of the 4th Industrial Revolution such as artificial intelligence(AI) and robots to synthetic biology, we established a platform that increases the speed and efficiency of bio-related R&D as well as a high-speed and automated platform for the manufacturing process. To respond to the recently intensifying global competition for technology and technology blocking, CJ CheilJedang also adopted the BIO-foundry facilities and is conducting research to automate the development strain and production process. Through this, we want to innovate the manufacturing process of developing BIO-based materials by occupying key technologies and accelerating the pace of industrialization.



\* BIO-Foundry: A compound word including BIO representing biology, and Foundry representing factories, meaning IT convergence-based system



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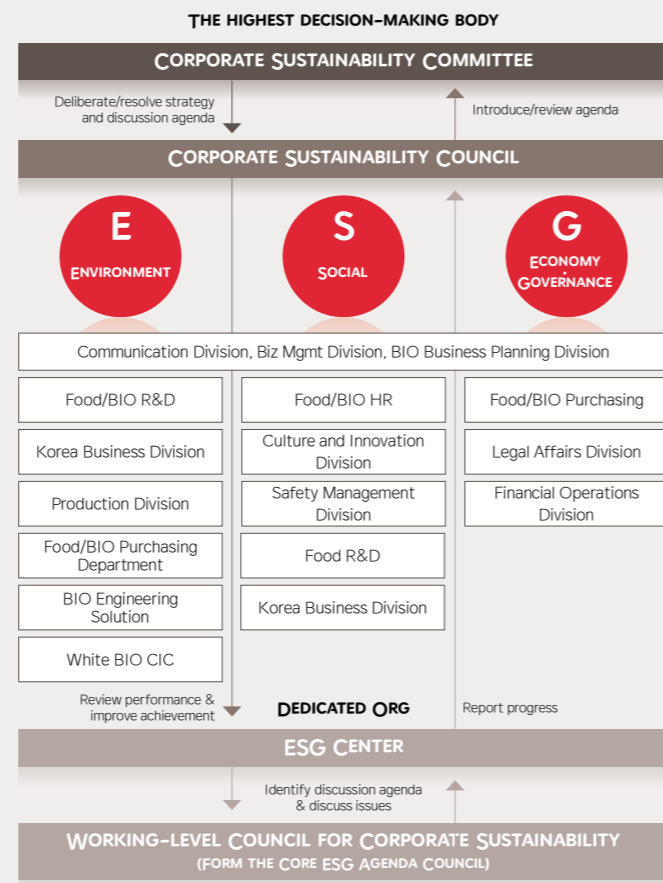
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# SUSTAINABILITY AT CJ CHEILJEDANG

## SUSTAINABLE GOVERNANCE

CJ CheilJedang established a sustainable governance structure to preemptively manage ESG risks through timely decision-making and for continuous and comprehensive execution. We formed the Corporate Sustainability Committee under the Board of Directors, which is the highest decision-making body of the company, the Corporate Sustainability Council chaired by the CEO, an organization dedicated to sustainable management, and a core ESG agenda-based council.



## SUSTAINABILITY MANAGEMENT STRATEGY

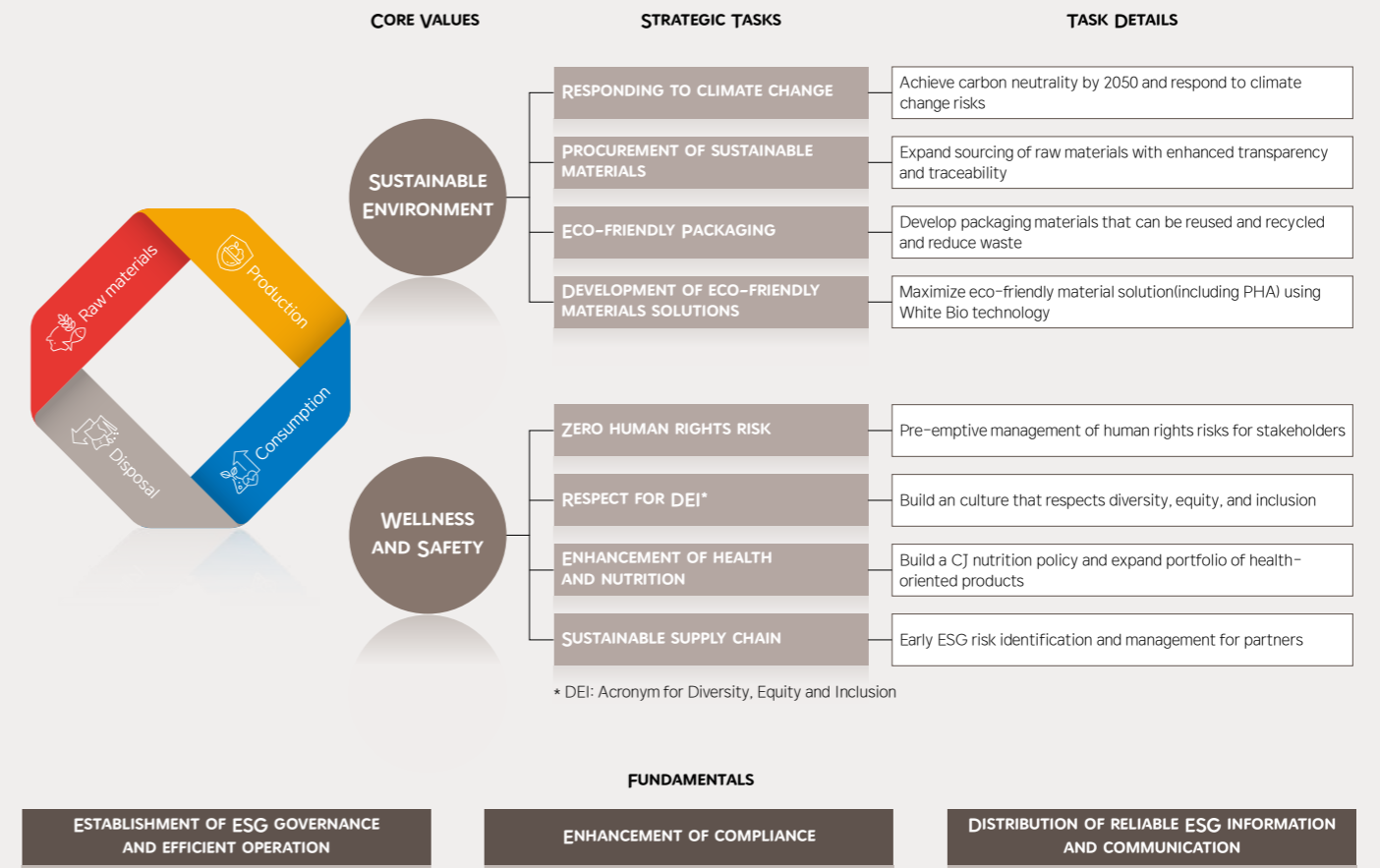
### SUSTAINABILITY PURPOSE

In order to become a leading global company of the future, we aim to create the core values of 'Wellness and Safety' and 'Sustainable Environment' throughout the phases of purchasing raw materials, production, consumption and disposal, achieving a virtuous cycle of 'Nature to Nature' where nature can be delivered to our consumers' tables and back to nature.

We linked our major sustainability management tasks to the core value of 'Sustainable Environment', and 'Wellness and Safety' and selected them based on 'social' and 'business impact' as seen below.



### IMPLEMENTATION STRATEGY



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# UN SDGS AND COMMUNITY DEVELOPMENT

CJ CheilJedang is committed to the UN SDGs(Sustainable Development Goals) for mutual sustainable development and growth in the value chain. We work with various stakeholders on raw materials, production, consumption, and disposal processes and strive to solve social and environmental problems based on innovative technologies.

## RAW MATERIALS

### PROCUREMENT OF SUSTAINABLE MATERIALS

- 100% transition to RSPO-certified Palm oil
- 'Seed Project' in Brazil
- Declaration of cessation of deforestation
- Contribution to animal welfare

### SUSTAINABLE SUPPLY CHAIN

- Evaluation of partners on compliance to the Code of Conduct
- Assessment of the human rights impact in the supply chain
- Win-Win Academy, Naeil Chaeum Deduction System, Happy Companion
- Mutual Cooperation Center for Food Safety
- Organize ecosystem for innovation (CIAT, O!VentUs, Frontier Labs)

### ZERO HUMAN RIGHTS RISK

- UN's Declaration of Eradication of Child Labor
- CSV project for rural development in Vietnam



## DISPOSAL

### ECO-FRIENDLY PACKAGING

- Hetbahn Gardening(upcycling)
- Redesigning packaging materials (Spam, etc.)
- Recovering packaging materials (Hetbahn, etc.)
- Recycling packaging materials (Gift set trays)

### DEVELOPMENT OF ECO-FRIENDLY MATERIALS SOLUTION

- Development of PHAs (Marine biodegradable plastics)



## PRODUCTION

### RESPONDING TO CLIMATE CHANGE

- GHG Reduction
- Use of new and renewable energy resources (fermented soybean meal, woodchips, etc.)
- Water resource risk management
- Waste management
- Reduce food loss

### ZERO HUMAN RIGHTS RISK

- Evaluation of human rights impact at business sites
- UN's Declaration of Eradication of Child Labor
- Expansion of ethical management
- Sustainability management education for employees and partners

### RESPECT FOR DEI

- Selected as company with excellent Labor-management culture by the Ministry of Employment and Labor in 2021
- Program to respect employee diversity
- Build a culture of fair competition and diverse opportunities
- Participation in TGE(Target Gender Equality) initiative



## CONSUMPTION

### ENHANCEMENT OF HEALTH AND NUTRITION

- Development of products for better health ('Hetbahn' with low protein rice, PlanTable, BYO probiotics, etc.)
- Development of amino acids for animal health
- Food Bank, Goodwill store, CJ Breeding Corp.
- CJ CheilJedang Sharing Refrigerator
- Hope Food Pack
- Food assistance for disaster emergency relief

### ECO-FRIENDLY PACKAGING

- Development of packaging materials that are reusable and recyclable
- Reduction in use of plastic

### DEVELOPING ECO-FRIENDLY MATERIAL SOLUTIONS

- Development of PHAs (Marine biodegradable plastics)

### RESPECT FOR DEI

- Development of halal food
- CJ-UNESCO Girl's Education campaign

### RESPONDING TO CLIMATE CHANGE

- Development of low-carbon high-efficiency feed additives
- Development of amino acids for eco-friendly agriculture



## WHAT ARE UN SDGS?

UN SDGs: Sustainable development goals consisting of 17 targets and 169 objectives that all member countries must achieve for sustainable development in environmental, economic, and social integration.



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# COMMUNITY HIGHLIGHTS

In order to faithfully fulfill corporate social responsibility, CJ CheilJedang seeks to be a lantern of hope that illuminates the virtuous cycle within the value chain and the bright tomorrow of society through valuable sharing. We will contribute where we need the most in the way we can do it best.

## ISSUE 1. WELLNESS AND SAFETY

### HOPE FOOD PACK

TO THIS DAY, THERE ARE MANY CHILDREN WHO NEED CARE. WHAT CAN CJ CHEILJEDANG DO TO HELP THE FUTURE GROWTH IN A HEALTHY WAY?



Through the 'Hope Food Pack' program, CJ CheilJedang is currently supporting the healthy development of children from the low-income vulnerable populations.



In order to contribute to the health and well-being of our future generations, we support them with food packages and programs for healthy lifestyle. In order to promote healthy development of children and to eradicate hunger problems, we ran the 'Hope Food Pack' program and delivered 70 food packs over 10 occurrences to 2,000 local children from July to November 2021.



### LET'S HELP THE YOUTH WITH 'SHARING REFRIGERATOR'!

RECENTLY, THERE HAS BEEN AN INCREASE IN SINGLE-PERSON HOUSEHOLDS AND ISOLATED YOUNG PEOPLE EXPERIENCING ECONOMIC AND PSYCHOLOGICAL DIFFICULTIES. WHAT CAN CJ CHEILJEDANG DO FOR THEM?



The most basic and urgent problem among them is the issue with 'eating habits'. For healthy eating habits of youths, CJ CheilJedang is carrying out the 'CJ CheilJedang Sharing Refrigerator' Campaign.



Through this campaign, which was accompanied by the Seoul Youth Center Eunpyeong Orang, we developed opportunities to improve the eating habits of young people. In addition, they can practice the value consumption of food and develop this as an opportunity to raise awareness of the natural circulation and collection of waste. In 2021, approximately 1,000 people participated in the program.



## OUR ACTIVITIES FOR THE COMMUNITY

### SUPPORT FOR THE DISABLED TO BE SELF-RELIANT GOODWILL STORE

With profits from selling items donated by individuals and companies, CJ CheilJedang donated about KRW 1.8 billion in products since June 2019 to the Goodwill Store of the Miral Welfare Foundation, which provides jobs and salaries to employees with disabilities. As of December 2021, we have been providing ongoing jobs for 135 people with disabilities. In addition, as a leading company in the food industry, we are contributing to raising awareness of the value of foods with imminent shelf life, changing the public's awareness of the shelf life of food, and reducing burdens. Since the second half of 2020, Goodwill Store has been sponsoring 1% of the sales from CJ CheilJedang's donated product to the United Nations World Food Programme(WFP) to contribute to solving the international hunger problem(Zero Hunger).



### VOLUNTEERING BY SHARING KIMCHI WITH ALL SITES PARTICIPATING

CJ CheilJedang is working towards regional advancement and mutual growth by 'Kimchi Sharing Program', a flagship product that the company is manufacturing, with the local community at all of its business sites at the end of the year. We shared Kimchi with the elderly, vulnerable children and people with disabilities and in 2021, we delivered 411 boxes of Kimchi to 2,055 people from the vulnerable group. For the holidays, our Jincheon site delivered 105 boxes of our Tteokgalbi product to five of their local villages for mutual cooperation. Our Incheon site supported the people in the vulnerable groups within their region by sharing gifts.



Kimchi Sharing Program



### FOOD ASSISTANCE FOR DISASTER RELIEF

We support with emergency relief food consisting of our company's products to ensure that people struggling from disasters can have stable access to food. In order to quickly deliver food items to the affected areas, the Disaster Relief Association has established an emergency support system, and provided KRW 25 million worth of emergency relief food to the people affected by the national torrential rain in 2020. In addition, KRW 23 million worth of disaster relief food was provided to the people affected by the Uljin and Samcheok wildfires in 2022.



Supporting with disaster relief goods



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ISSUE 2. SUSTAINABLE ENVIRONMENT

HETBAHN, OUR CONTAINERS TO SAVE THE EARTH

I USUALLY EAT HETBAHN AS AN ALTERNATIVE TO RICE BUT I FEEL DISHEARTENED AS I SEE THE GROWING PILE OF HETBAHN CONTAINERS. IS THERE A WAY TO RECYCLE THE EMPTY HETBAHN CONTAINERS?



CJ CheilJedang operates 'Our containers to save the Earth' campaign to recover the containers that are recyclable but are being thrown away, to recreate them as valuable resources.



After purchasing a special set containing Hetbahn and a collection box from our company-owned mall, CJ The Market, you can return more than 20 used Hetbahn containers.

The collected containers will be separated and cleaned from the local self-support center and recycled through the process of raw materialization, and in this process, jobs and revenue sources for the center will be created, developing this project into a CSV(shared value creation) business.

CLICK TO SEE MORE INFORMATION ▶



'ADOPT A BEACH' TO TAKE CARE OF BEACHES LIKE OUR PETS

I'VE READ MANY ARTICLES ON TRASH FILLING UP THE OCEAN. WHAT CAN I DO FOR CLEANER OCEANS?



CJ CheilJedang is participating in the 'Adopt a Beach' program in cooperation with the Ministry of Oceans and Fisheries where we can adopt a beach and take care of it like our pet.



CJ CheilJedang participates in the public-participating beach management program called 'Adopt a Beach'. In September 2021, 50 employees participated in the 'Masian Beach' adoption ceremony at the International Coast Cleanup Day event,

and in June 2022, for World Environment Day, 50 employees participated in 'Adopt a Beach' activities. With the Mission Clear Data Logging app where you can directly check the amount of garbage collection and carbon reduction, we plan to continue promoting environmental and biological protection activities through marine garbage cleanup activities.



OUR ACTIVITIES FOR THE COMMUNITY

The employees of CJ CheilJedang participate in CJ Donorscamp(social contribution platform of CJ Welfare Foundation) activities, in fostering healthy growth of children and youths from underprivileged groups, thereby expanding the meaning of sharing.

'WALK AND EXPERIENCE LOCAL CULTURE,' ENERGIZING CHILDREN FROM COVID-19 EXHAUSTION

'Walk and Experience Local Culture' is a campaign supporting the emotional and physical health of children that are worn out from the prolonged COVID-19 pandemic by walking and experiencing local cultures with children from after-school study groups. For two weeks, 3,000 children from approximately 170 after-school study groups, nationwide and 300 CJ executives and employees, external experts, and influencers formed small groups, and walked/hiked nearby mountains, parks, historic sites, etc., abiding by the quarantine regulations. At the same time, a walking donation event through the CJ ONE app was held for the general public, and 3 billion steps by CJ ONE members were accrued. This was multiplied by 30, and the funds created were delivered to support participating after-school study groups as funds for activities, adding significance to sharing.



Walk and Experience Local Culture



'EMPLOYMENT TRAINING PROGRAM,' NURTURING DREAMS OF THE FUTURE FOR THE YOUTH

The Employment Training Program, since 2017, has been providing job training opportunities to youths from underprivileged groups. For the students that have successfully completed the training, we connect them to employment opportunities including CJ Group and others, to provide support for practical self-independence. This program offers training opportunities in cooking, bakery production, etc., for youths that haven't had the opportunity to pursue their dreams and supports them in preparing for their dreams. In recognition of our efforts, we were awarded the CSV Porter Award for three consecutive years and were listed in the Hall of Fame. In 2022, we plan to expand the recipients of this program, including 'adolescents terminated from protection of institutional care.'



Employment training program

343 RECIPIENTS / 287 HIRED  
Accumulated up to 2021



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# COMMUNICATION WITH STAKEHOLDERS

## STAKEHOLDER ENGAGEMENT SYSTEM

CJ CheilJedang recognizes the importance of communication with stakeholders in sustainability management. We identify the stakeholders whom we mutually influence and collect stakeholders' opinions through various internal and external communication channels. In 2021, stakeholder surveys and in-depth interviews were conducted with customers, employees, communities, partners, and partner institutions to collect opinions on our ESG progress and to identify material issues for the creation of our sustainability report. When major issues arise, we will actively communicate by taking our stakeholders into account in preparing response plans and setting business directions.

### CUSTOMER



#### MAJOR ISSUES

- Customer relations management
- Customers' personal information protection
- Product and service quality
- Transparent communication

#### COMMUNICATION CHANNELS

- CJ CheilJedang's official website
- CJ CheilJedang's social media
- Customer Relations Center
- T.O.P(Trend Opinion Panel)

### SHAREHOLDERS AND INVESTORS



#### MAJOR ISSUES

- Economic performance including sharing price
- Governance stability and transparency
- ESG issue

#### COMMUNICATION CHANNELS

- General shareholders' meeting
- Disclosure
- Quarter, Annual IR Activities
- Sustainability report

### EXECUTIVE AND EMPLOYEES



#### MAJOR ISSUES

- Securing and nurturing human resources
- Addressing employees' grievances
- Maintaining work-life balance
- Managing labor-management
- Health and Safety Management
- Fair Performance Assessment

#### COMMUNICATION CHANNELS

- Recruitment fair
- Open Council (once a quarter)
- Channel CJ
- Channel Blossom
- Group newsletter NI:M
- Intranet anonymous discussion room
- Online reports
- Café La Mer (psychological counseling)
- CEO Letter
- Meetings(on demand)

### MEDIA



#### MAJOR ISSUES

- Clear and timely disclosure of information

#### COMMUNICATION CHANNELS

- Press release
- CJ CheilJedang's official website
- CJ CheilJedang's social media (Jedang Shuman YouTube Channel)

### SUPPLY CHAIN



#### MAJOR ISSUES

- Reinforce Communication
- Fair trade and shared growth
- Supplier selection and management
- Supporting suppliers and farms
- Supporting industrial ecosystems

#### COMMUNICATION CHANNELS

- Shared Growth Portal
- CJ Partners Club
- Mutual Cooperation Center for Food Safety
- CJ Partners Meeting
- Win-win VOC
- Happy Companion

### ACADEMY AND EXPERTS



#### MAJOR ISSUES

- Academy-industry cooperation
- R&D Development

#### COMMUNICATION CHANNELS

- Joint research
- Technical advice

### LOCAL COMMUNITIES



#### MAJOR ISSUES

- Social contributions
- Environmental preservation in local communities
- Fulfilling corporate social responsibility

#### COMMUNICATION CHANNELS

- CJ Donorscamp
- CJ Welfare Foundation
- CJ Cultural Foundation
- Community Chest of Korea
- Korea National Council on Social Welfare(Food Bank)
- Korea Disaster Relief Association
- UN World Food Program Korea
- ILO, International Labour Organization
- Miral Welfare Foundation (Goodwill store)
- Seoul Youth Center—Orang
- Seoul Metropolitan Government
- Seoul Creative Economy Innovation Center
- Korea Association of the Community Child Center
- Ministry of Oceans and Fisheries
- Korea Marine Environment Management Corporation



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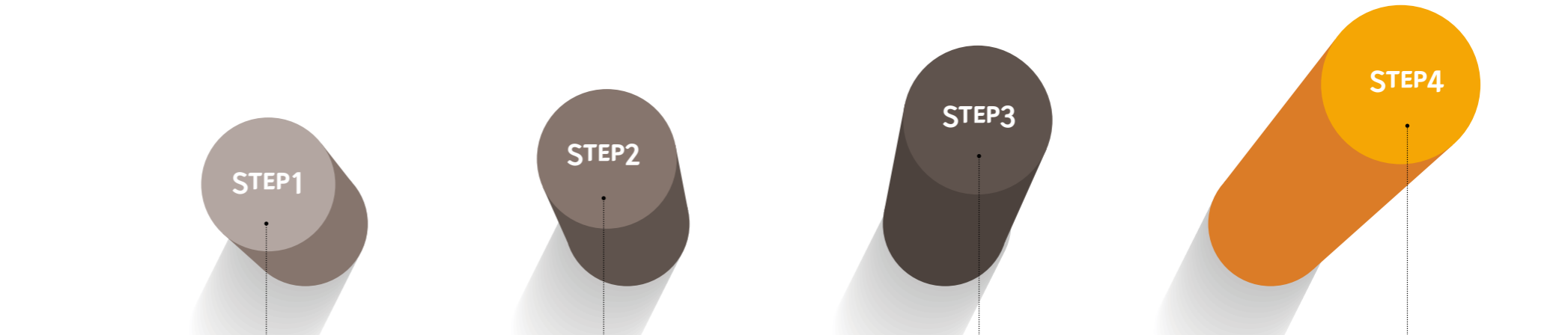
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# MATERIALITY ASSESSMENT

CJ CheilJedang conducts a materiality assessment every year and identifies core topics that are relevant to the company and primarily reports on them. Especially in this report, we proactively applied the 'GRI Standards 2021' and enhanced the materiality assessment. Through Double Materiality Assessment, we identified social and environmental impact by topic and executed the Corporate Sustainability Committee's review in addition to an independent assessment to confirm feasibility and appropriateness. We have reported the Material topics in the 'Material Issue' section of the sustainability report and are reflecting them in implementing our sustainable management strategies.



MATERIALITY ASSESSMENT PROCESS



**ESTABLISHMENT OF SUSTAINABILITY MANAGEMENT ISSUE POOL**

- Analyze international standards and indices for sustainability management: (GRI Standards, ISO26000, UN SDGs, WEF-IBC, TCFD)
- Analyze industrial issues: MSCI, DJSI, SASB
- Conduct media research: 3,018 cases associated with CJ CheilJedang analyzed during the period of Jan. 1, 2021 to Jan. 26, 2022.
- Benchmarked: ESG activities and sustainability management reports of Food and BIO Companies in Korea and abroad
- Review internal documents and management strategies
- Review material issues from the past 3 years

**MATERIALITY ASSESSMENT**

- Stakeholders Impact:**
  - Reflect international standard indices and media survey results
  - Reflect results of 1,154 global external and internal stakeholders' survey (Feb. 17, 2022 – Mar. 1, 2022)
- Business Impact:**
  - Reflect the results of external and internal experts' group interview
  - Reflect results from benchmarking companies within the industry and the results of surveys on industry issues
  - Reflect CJ CheilJedang's sustainability strategies and issues

**SELECTION OF MATERIAL TOPICS AND IMPACT**

- Selection of Material Topics
- Double Materiality Assessment:** Assess whether the issues selected based on stakeholders' evaluation affect the company and its value chain and reflect this in setting the management strategies for material issues.

**VALIDATION ASSESSMENT**

- Make final decision on priority issues reports after verifying the validation of major issues following the Sustainability Management Committee's review





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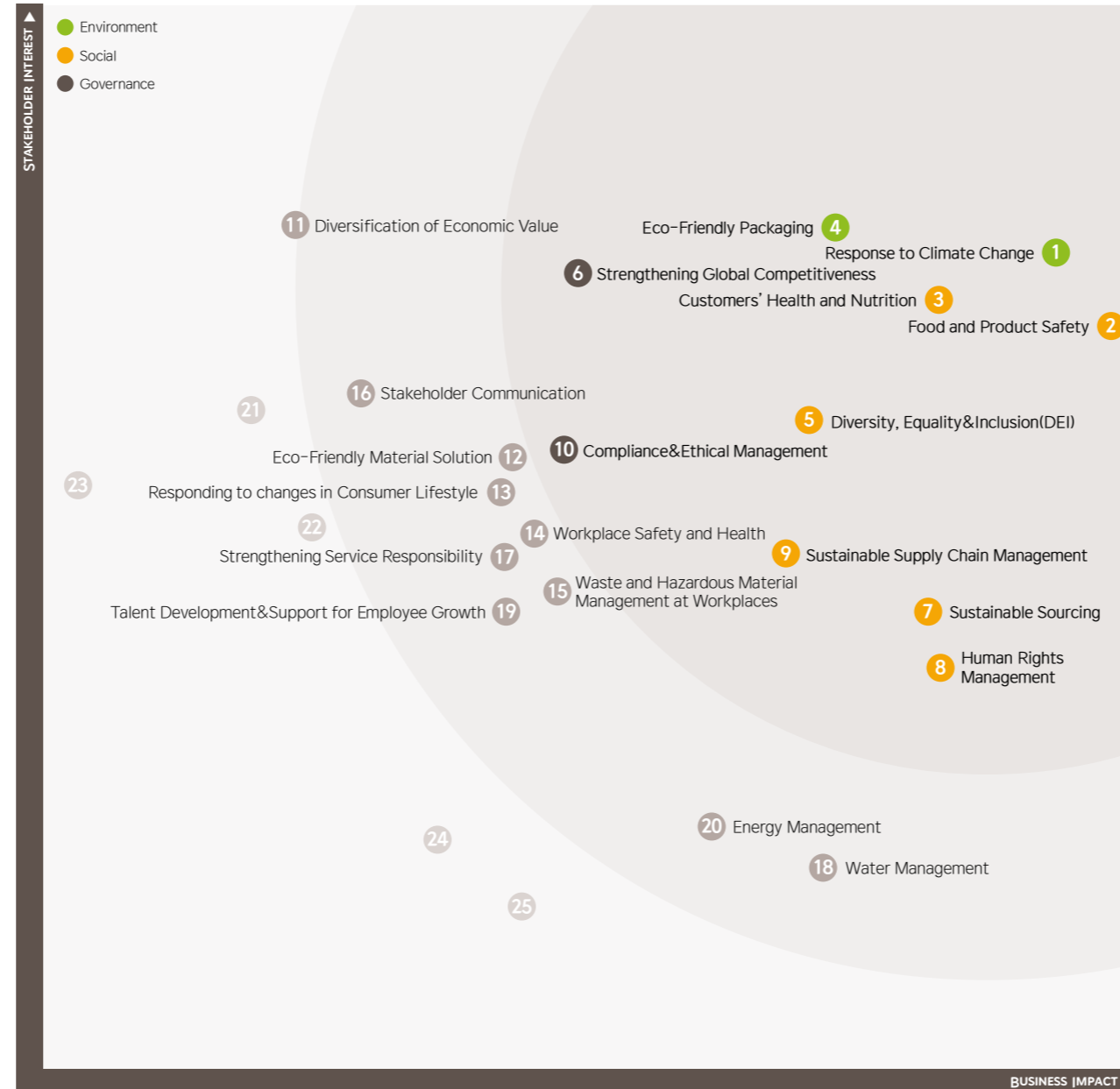
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# MATERIALITY ASSESSMENT RESULT

In selecting and managing material issues, it is important to analyze how the issues are affecting CJ CheilJedang's Business activities and the value chain and respond appropriately. Not only this, in order to assess how the company affects the sustainability of external value chains, we used stakeholder surveys and expert in-depth interviews and conducted a Double Materiality Assessment.

MATERIALITY MATRIX



IMPACT TABLE

●●● High ●● Middle ● Low

PRIORITY	ISSUES	IMPACT ON THE SOCIETY AND ENVIRONMENT			REPORT TOPIC	LINK TO GRI	COMPARED TO CORE ISSUES FROM 2020
		SUPPLY CHAIN	PRODUCTION OPERATION	CONSUMPTION DISPOSAL			
1	Response to Climate Change	●●●	●●	●	Material Issue 2. Response to Climate Change	201-2	Existing
2	Food and Product Safety	●●	●●	●●●	Material Issue 1. Health & Safety	416-1	Existing
3	Customers Health and Nutrition	●	●●	●●	Material Issue 1. Health & Safety	416-1	Existing
4	Eco-Friendly Packaging	●●	●●	●●●	Material Issue 3. Sustainable Packaging & Material Solutions	301	Existing
5	Diversity, Equality & Inclusion (DEI)	●●	●●		Material Issue 4. Respect for DEI	405-1	New
6	Strengthening Global Competitiveness	●●	●●	●	Business Review	201-1	Existing
7	Sustainable Sourcing	●●	●		Material Issue 5. Strengthening Supply Chain Sustainability	305	New
8	Human Rights Management	●●	●●	●	Material Issue 4. Respect for DEI	412	Existing
9	Sustainable Supply Chain Management	●●	●●		Material Issue 5. Strengthening Supply Chain Sustainability	414	New
10	Compliance & Ethical Management	●	●●	●	Governance	102-16, 17	Existing



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**MATERIAL ISSUE 1. HEALTH & SAFETY**

**WHAT DO CUSTOMERS WANT?**

**HOW WE MANAGE**

COVID-19 and changes in the population structure have changed our ways of life. We spend more time at home, buy more products online, and consume more products that consider individual health as well as environmental and social values.

In order to offer healthier food for the consumers, CJ CheilJedang strives to improve the nutritional quality of its products. Also, by developing products that reflect consumers' lifestyle changes and their environmental and social values, we will work toward satisfying our customers' needs and creating a sustainable society.

**LINK TO SDGS**



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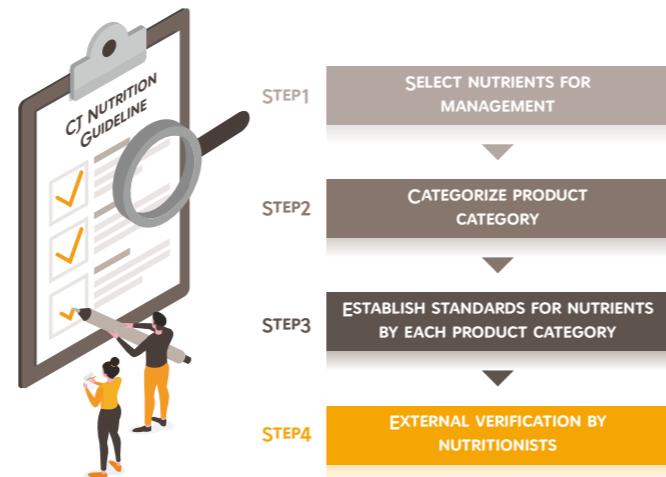
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**MATERIAL ISSUE 1. HEALTH & SAFETY**

**HEALTH & NUTRITION**

**ESTABLISHMENT OF THE CJ NUTRITION CRITERIA BY EACH PRODUCT CATEGORY**

To provide healthy processed foods to our consumers, we have established The 'CJ Nutrition Criteria(CJ nutrition guidelines by each product category)' based on domestic and international nutritional standards and guidelines and utilize it for product development. By considering the company's portfolio, we categorized our products and established standards for energy(calories) and nutrients(fat, saturated fat, trans fat, sugar, sodium). Based on this, we continuously evaluate the nutritional quality of existing products and use it as a nutritional guideline in the development phase of new health-oriented products as part of our continuous efforts to provide healthy products.



**EFFORTS TO IMPROVE CONSUMERS' HEALTH AND NUTRITION**

**ESTABLISH STRATEGIES TO IMPLEMENT THE CJ NUTRITION POLICY**

CJ CheilJedang is working to contribute to our consumers achieving healthy and balanced eating habits by offering healthy food products. We are especially in the middle of implementing a mid-to long-term nutritional policy strategy that we established to increase the nutritional value of our company's products. More specifically, we established 'Nutrition Commitment 2025' and are implementing nutritional quality improvement projects for each one of our products. We also newly established the process to assess the nutritional value when developing new products, strengthening the process for healthy product development. In addition, to enhance the implementation of our activities to improve the health and nutrition of our consumers, we formed a Nutrition Committee with the company's overall value chain involved. Moving forward, we hope to continuously enhance our company's action system for our nutritional policy and expand our portfolio of health-oriented products that consider consumers' health and nutrition.

**ESTABLISHMENT OF NUTRITION POLICY IMPLEMENTATION**

In order to improve the nutritional quality of our products, CJ CheilJedang has established goals to increase the nutritional quality of our current products and also strengthened the process of developing new products. First, we use the CJ Nutritional Guidelines to analyze the nutritional quality of our products. Especially for products that were selected to be reduced, such as nutrients that people in the current era can easily overconsume such as Sodium, Saturated fat, and Sugar, we have established and implemented the mid-to-long-term goals of 'Nutrition Commitment 2025'. In order to achieve this, we have established an improvement roadmap for each product's nutritional quality and are carrying out quality improvement step-by-step. Also, we have newly built the nutritional quality assessment stage within the development process of new products and are assessing the nutritional quality of our strategic products in advance. In this way, we hope to continue expanding our portfolio of health-oriented products and fulfill our social responsibility that contributes to consumer health.

**EXPANDING PORTFOLIO OF HEALTH-ORIENTED PRODUCTS**

- NUTRITION COMMITMENT 2025**  
ESTABLISH REDUCTION GOALS FOR SODIUM, SATURATED FAT, SUGAR
- ADOPT A NEW STAGE FOR NUTRITIONAL QUALITY ASSESSMENT**  
WHEN DEVELOPING NEW PRODUCTS

**OPERATING THE NUTRITION COMMITTEE**

We operate our Nutrition Committee every quarter so that we could assess the nutritional quality of our company's products and to suggest and agree on new ideas related to health and nutrition. This is a committee that meets to decide and discuss the company's implementation strategies on its nutritional policies with the involvement of all value chain including marketing, R&D, production, and consumer communication. By operating this committee, we hope to continuously materialize the company's implementation strategies regarding its nutritional policy, and to accelerate our action to enhance the consumer's health and nutrition, ultimately strengthening our leadership in nutrition based on consumers' trust.



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LAUNCH OF NEW HEALTH-ORIENTED PRODUCTS

LAUNCHING PLANT-BASED MANDU, 'BIBIGO PLANTABLE MANDU'

We launched 'Bibigo PlanTable Mandu' made from 100% vegetable ingredients, such as plant-based meat substitutes using soybeans, peas and vegetable oils. By using plant-based meat, we added the delicious texture and reduced the amount of saturated fat. Also, CJ CheilJedang used its own 'TasteNrich' solution, a natural seasoning material, to realize the taste of delicious Mandu without using any meat. Within three months of its launch, it reached 1st place in sales in the plant-based Mandu sector. In addition, we are currently exporting the product to 10 overseas countries in line with global demands. In addition to Mandu, we are planning to expand various menus and expand export countries in the future.



DEVELOPING DIFFERENTIATED PRODUCTS THAT CONSIDER HEALTH AND NUTRITION

Recent trends in food products are geared towards health and nutritional elements beyond simple taste and convenience. With this in mind, CJ CheilJedang is working to develop new products that reflect the changes in consumers' lifestyles as well as the environmental and social value. In addition, to improve the product's nutritional value, we are assessing the nutritional quality of our current products and selecting products that need improvement to pursue step-by-step nutritional quality improvement measures. Along with this, CJ CheilJedang is continuously expanding its portfolio of health-oriented products to fulfill its social responsibility that contributes to the consumer's well-being.

IMPROVING THE NUTRITIONAL VALUE OF EXISTING PRODUCTS

To contribute to the consumers' well-being through its products, CJ CheilJedang continuously strives to reduce sodium and saturated fat in its products. In particular, we consider Koreans' eating habits and look at our soup/stew, noodles, processed meat, and Mandu categories that allow more sodium and saturated fat consumption. From these products, we are selecting priority products that need improvement in sodium and saturated fat content and are taking step-by-step measures to reduce them. Especially in 2021, we are predicting a reduction amount of 18 tons of sodium and 188 tons of saturated fat compared to the previous year based on production amount. By linking this to our mid-to-long-term nutritional goals of 'Nutrition Commitment 2025', we hope to continuously increase our products' nutritional value.

REDUCED SODIUM



INSTANT NUTRITIONAL RICE 'HETBAHN SOTBAHN'

As instant rice has become a 'daily food', we launched a nutritional cooked rice product called 'Hetbahn Sotbahn' that meets the needs of various consumers. 'Hetbahn Sotbahn' is added with whole grains, mushrooms, vegetables, nuts, etc. other than rice for higher protein and fiber content. By applying the 'Sotbahn vacuum pressing' technology, we were able to bring out each ingredient's texture, flavor, and aroma. In the future, we will expand the product portfolio that considers consumers' needs so that Hetbahn Sotbahn can represent Hetbahn's philosophy of making everyday rice become a healthier tasty rice product that can be enjoyed anytime.



REDUCED SATURATED FAT



RELEASING 'THE HEALTHY CHICKEN BREASTS'

We have released 'The Healthy chicken breasts' with added protein content and reduced saturated fat. We especially minimized the use of food additives such as preservatives, antioxidants, and coloring and instead added TasteNrich, a plant-derived fermented flavoring ingredient as well as Andes salt, resulting in a product with 25% less sodium compared to other products in the market. We hope to expand our portfolio with various forms of products that meet the consumers' needs and lifestyles and achieve a 'daily habit of consuming chicken breasts' that is tasty and healthy.



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HEALTHIER 'TASTE'

In addition to the expansion of the vegan market and a growing interest in health, the need for plant-made meat is growing. According to the market research firm SPINS, the vegetable substitute meat market grew by 45% year-on-year in 2020 in the U.S. CJ CheilJedang strives to provide healthier flavors through eco-friendly food ingredients.



TasteNrich solution

TASTENRICH®, 100% NATURAL MATERIAL WITH NO ARTIFICIAL ADDITIVES

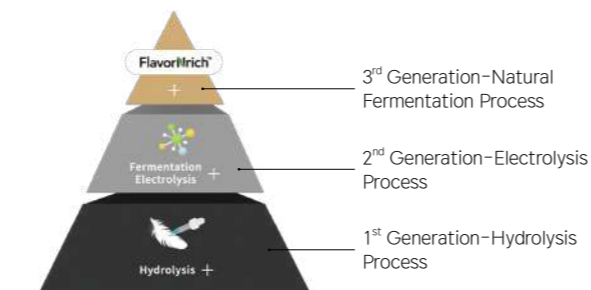
TasteNrich® is a natural premium seasoning made from ingredients produced by an eco-friendly fermentation process using plant-derived raw ingredients. TasteNrich®, a result of 60 years of accumulated fermentation technology and R&D capabilities, is also animal, GMO, and allergen-free and does not contain synthetic additives, offering assurance of the materials as a 'Clean Label' cooking solution. Transparency in food safety has become a trend in food culture worldwide. TasteNrich® has not only acquired the 'Kosher' and 'Halal' certifications but can increase saltiness even with in reduced intake of sodium, so that it can bring out healthy and

enjoyable taste experiences. TasteNrich® is a 'customized solution provider'. We have signed with approximately 120 companies including spices/sauce/food product companies in 33 countries of North America and Europe, establishing TasteNrich® as a key product. As a result, we reached an accumulated sales of KRW 20 billion within the first year of its launch. Through its efforts to achieve a healthier taste, CJ CheilJedang is practicing the spirit of 'Nature to Nature' where we return the benefits received from nature back to nature.

CHARACTERISTICS	PLANT-DERIVED FLAVOR MATERIALS	
<b>HEALTH</b>	<b>CLEAN LABEL</b>	<b>CONFIDENCE</b>
<ul style="list-style-type: none"> <li>· Natural raw ingredients</li> <li>· Plant-based, Low-sodium</li> </ul>	<ul style="list-style-type: none"> <li>· No additives, Non GMO</li> <li>· Allergen-free</li> </ul>	<ul style="list-style-type: none"> <li>· Vegan, Animal-free</li> <li>· Halal, Kosher</li> </ul>

APPLICATIONS	MAXIMIZING THE SAVORINESS AND THE ORIGINAL TASTE OF RAW INGREDIENTS	
<b>PREMIUM FOOD</b>	<b>HEALTH FOOD</b>	<b>INNOVATIVE PRODUCT FOR THE FUTURE</b>
<ul style="list-style-type: none"> <li>· Additives-free</li> <li>· Noodles, Processed meat, Sauce, Seasoning, Snacks, etc.</li> </ul>	<ul style="list-style-type: none"> <li>· Organic raw ingredient</li> <li>· Delicious healthy food</li> </ul>	<ul style="list-style-type: none"> <li>· Plant-based meat alternative(Natural Flavor)</li> <li>· Meal kits(No additives, savory taste)</li> </ul>

CLASSIFICATION OF CYSTEINE PRODUCTION METHODS



FLAVORNICH™ MASTER C, CERTIFIED BY THE VEGAN ACTION

FlavorNrich™ Master C is the world's first Vegan Cysteine\* created by CJ CheilJedang's fermentation method that is gaining recognition as the next-generation eco-friendly food material. This is because Cysteine allows you to achieve the original aroma of meat without animal-based raw materials or animal testing. CJ CheilJedang's Cysteine which is produced through a natural fermentation method was certified vegan by Vegan Action, a non-profit organization in the U.S. in October 2021. 'Vegan Action' only issues certificates to companies that do not conduct any animal testing in all R&D as well as production processes, and for products that do not contain animal materials. The perception of vegan ingredients is shifting from a simple vegetarian perspective to that of healthy ingredients. CJ CheilJedang plans to lead the change in the global food materials market through FlavorNrich™.

\* Cysteine is a functional amino acid that has antioxidant · detoxifying and skin regenerating effects, and is used to add meat flavors to health functional foods, pharmaceutical materials, animal feed additives, and general foods.

RENEWAL OF KOLAS CERTIFICATION AND DESIGNATION AS A TEST INSPECTION AGENCY BY THE FOOD AND DRUG ADMINISTRATION

Since 2017, CJ CheilJedang has been renewing and operating as a KOLAS(ISO 17025) certified institution. In addition, we are taking the lead in receiving certifications for healthy foods by being designated as a test inspection agency by the Ministry of Food and Drug Administration in 2021, qualified as a certified institution



Certification

that can analyze elements and nutritional components of food. CJ CheilJedang strives to have products that are trusted by consumers through more accurate and transparent technical analysis.



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**MATERIAL ISSUE 1. HEALTH & SAFETY**

**FOOD AND PRODUCT SAFETY**

**EFFORTS FOR SAFE FOOD**

**CJ GLOBAL QUALITY AND SAFETY MANAGEMENT SYSTEM**

CJ CheilJedang operates CJQMS<sup>1)</sup>, a Quality and Safety Management System to provide products that consumers can eat knowing that food safety is guaranteed. We strive to preemptively prevent any quality and food safety issues that may occur across the value chain including R&D, production, and sales for safe management. Also, all 14 of our domestic food sites have been certified by FSSC22000 and HACCP. To spread the quality management system globally, CJ CheilJedang currently runs the CJ Global QMS<sup>2)</sup>, a Global Quality and Safety Management System in 5 different countries. The CJ Global Quality and Safety Management System reflects three principles including the fulfillment of the CJ Quality Philosophy, the localization of CJQMS, and the obtainment of the GFSI<sup>3)</sup> Food Safety System certifications at our overseas facilities, actualizing the world's topmost food safety globally.

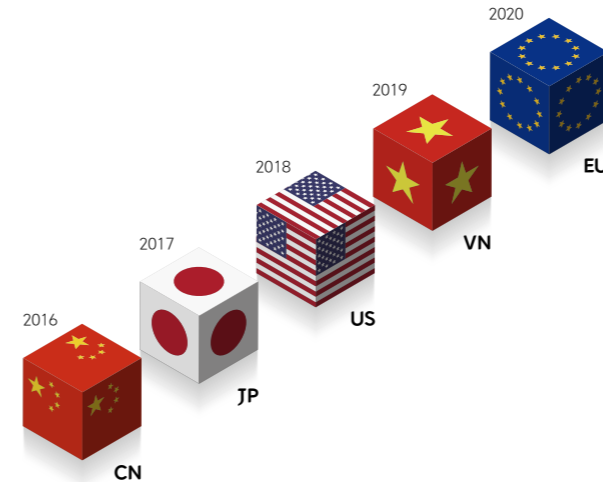
1) CJQMS: CJ Quality Management System

2) CJ Global QMS: CJ Global Quality Management System

3) GFSI certification: refers to food safety certificates such as FSSC22K, BRC, SQF, and IFS, that are recognized under the global food safety requirements defined by the GSFIGlobal Food Safety Initiative. GFSI certification is granted following vigorous reviews of production facilities that have implemented transparent and consistent food safety systems and is recognized worldwide.

CJ Quality Philosophy

**CJ GLOBAL QMS APPLIED COUNTRIES**

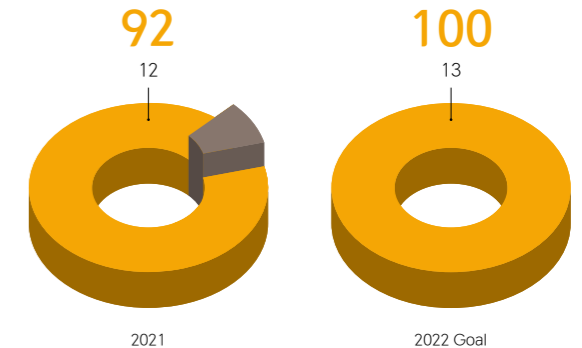


**GFSI FOOD SAFETY SYSTEM CERTIFICATIONS AT OUR OVERSEAS PRODUCTION SITES**

- ✔ A total of 12 production sites certified(as of 2021)
- ✔ Plan to reach 100% in certifications for all 13 overseas production sites (by 2022)
- ✔ Subsequently maintain 100% of certified facilities upon expansion of facilities

**CERTIFIED PRODUCTION SITES**

Unit: %



**SUPPORTING SMALL TO MEDIUM-SIZED FOOD MANUFACTURERS WITH QUALITY SAFETY MANAGEMENT**

As an effort to support the quality safety of small to medium-sized food manufacturers, CJ CheilJedang established a public corporation, Mutual Cooperation Foundation for Food Safety, to carry out quality safety support projects. Through this project, selected companies can receive the on-site diagnosis and improvement consultations four times a year with quality assurance guidance, take 14 on and offline training sessions on food safety at no cost, and reduce costs needed for quality analysis or equipment checks/repairs using the support funds. As of 2021, CJ CheilJedang has supported a total of 176 companies for quality safety. And as of April 2022, 24 small to medium-sized food manufacturers were selected and a total of 200 small to medium-sized food manufacturers received free support.



Ceremony for the Quality Safety Support Project



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**LABEL REVIEW PROCESS**

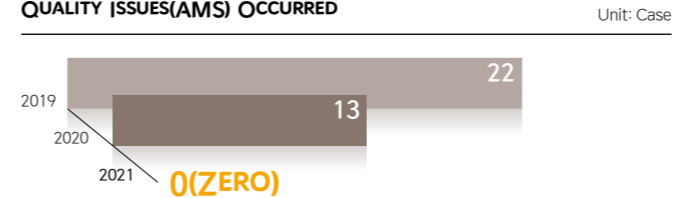
In order to provide proper information to consumers and to help them select the best products, we comply with the Act on Labeling and Advertising of Foods and the Foods Labeling Standards and operate the 'Label Review Process' that pre-validates all our products in compliance to the standards. Accordingly, all products with our trademark must be released after checking that it provides accurate information without omissions of legal requirements, etc. through the QMS(Quality Management System) and after professional personnel of the Quality Safety Center verifies the label. We conduct checks so that the product labels do not contain any false information.

**PACKAGING LABELING & MISUSE PREVENTION SYSTEM**

To prevent false labeling or omission of labeling(including partial errors) of expiration dates as well as the misuse of packaging materials, we established an inspection system to be applied throughout the warehousing stage to the shipping stage. In the warehousing stage, we adopted the GV(Global Vision) system to check whether the labeling, color, size, etc. is in accordance with legal standards. And we have set an assessment system to compare the printed expiration dates and errors with the original information through the DCMS<sup>1)</sup> verification system that can be used with a mobile application. In the packaging stage, we prevented the misuse of packaging materials by inspecting their appropriateness using BCR(Barcode Readers). In the shipping stage, we conducted the inspection of expiration dates and overall packaging errors using OCR(Optical Character Recognition), a character reading system. This reduced the time spent on facility setting by 67% and as a result, we achieved 0 cases in the AMS(Accident Management System) as of the end of 2021, breaking the record for the longest accident-free period throughout the entire company.

1) DCMS: Date & Code-Marking Management System

**QUALITY ISSUES(AMS) OCCURRED**



**OUR EFFORTS IN GMO MANAGEMENT**

CJ CheilJedang is well aware of the concerns surrounding the impact of GMO(Genetically Modified Organism) crops and ingredients on the human body and the environment. To address these concerns, we established Food Safety Centers in each country to strictly comply with local laws and regulations. We manage all products (both processed foods and health functional foods), manufactured and sold by the company by following the GMO analysis management and the Food Safety Standard's 'GMO Product Labeling Management Guide'. We are capable of analyzing all GMO events for the approved GMO products, and are continuing to enhance analysis management

through regular monitoring of raw materials and finished products. To manage the modification status of all of our domestically sourced and imported ingredients, we closely examine documents such as IP(Identity Preservation) certificates, Government certificates, Manufacturer's declarations, and test reports for beans, corn, and other imported products based on the Ministry of Food and Drug Safety's GMO safety inspection standards. Not only that, we established a designated analysis method for untraceable and unapproved soybeans, corns, and wheat to control potential food safety risks.

**2021** To promote the use of non-GMO labels, the Ministry of Food and Drug Safety issued an administrative notice on the upcoming modification of the disclosure standard for GMO food products, which will focus on the appropriate improvements needed for the unintentional inclusion of such ingredients. As for the revised disclosure standard, we will provide all necessary information, which will also reflect our consumers' needs.

**2022** In line with the implementation of the National Bioengineered Food Disclosure Standard of the U.S., we identify all raw materials used in our products and launch products that meet the criteria after thorough pre-inspection.



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MATERIAL ISSUE 1. HEALTH & SAFETY

CONSUMER LIFESTYLE CHANGES AND PRODUCTS

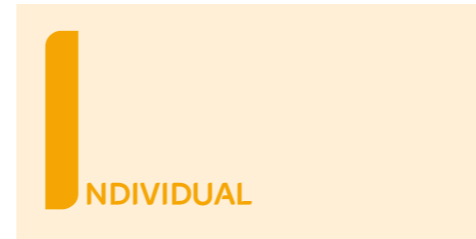
OUR EFFORTS TO UNDERSTAND CONSUMERS 'L. I. F. E.'

As normalization of our day-to-day lives is expected in 2022, our keywords are L.I.F.E., which stands for Less Effort, Individual, Food Tech, and ESG. CJ CheilJedang and consumers will be working together for a sustainable future, and we are looking forward to satisfy consumers' health and taste in an even more convenient way. CJ CheilJedang quickly identifies fast-changing food trends and reflects them in its products and services.



'BONELESS GRILLED FISH', MAKING HOME-COOKING CONVENIENT

As a response to the demand for 'Less Effort' products that can save time and effort during the process of cooking to eating, we launched a product with 'Next-level Convenience' that identifies and solves minor inconveniences for consumers in the meal preparation stage. With 'Bibigo Boneless Grilled Fish' with bones and thorns removed as well as 'Hetbahn Sotbahn,' a hot pot that takes two minutes to heat using a microwave, we reduced the time needed for the food preparation and eating.



'COOKIT MEAL KITS REFLECTING CUSTOMERS' SPECIFIC NEEDS

As the proportion of family dining in their homes has increased, consumers are demanding a wide range of homemade meals such as western food, Chinese food, etc. that have only been available when dining out. With the goal of launching 100 kinds of Cookit meal kits during the year 2021, CJ CheilJedang introduced a minimum of four new themed menus every two weeks by taking in diverse consumer needs. It is important that the meal kits offer readily-prepared ingredients and sauces that are fresh, as it should result in one complete dish when the consumer simply follows the instructions. Also, we began early morning delivery services to enhance the convenience of customers preparing their meals and we plan to expand the delivery zone in the future.



DEVELOPMENT OF TECHNOLOGY INNOVATION PRODUCTS

By developing 'alternative meat', 'cultured meat', as well as 'flavor additives' based on eco-friendly technology that can secure food for the future, and adding technical innovation to existing products, we hope that the consumers can enjoy the food more conveniently with better taste. In addition to this, we are also developing packaging technology to improve consumers' easy use. Using the by-product of fermentation (Carbon Dioxide), we enhanced an indicator packaging technology that enables easy detection of the ripeness of Kimchi by looking at the color of the indicator. Since November 2021 we have been in testing for 1.8kg of the Bibigo Kimchi product and are planning for an extension of its application. For this, we have obtained Intellectual Property rights for the color-changing ink of the indicators and the structuring and processing method of the packaging materials.

(3 patents registered, 1 patent applied)



SUSTAINABLE FOOD THAT CARES ABOUT THE ENVIRONMENT

The concept of consumption has transitioned from self-focused consumption to that of value consumption, and the purchasing standards of Generation MZ are now set on ethical and eco-friendly products. CJ CheilJedang minimizes the use of plastic in product containers and is making improvements so that it is easier for consumers to recycle the materials. In addition, we are developing plastic materials that are biodegradable in the ocean through research and development and we are using by-products of food that previously have been discarded to regenerate them into high-value products. In this way, we are striving to achieve sustainable food and materials that do not harm the environment.





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OUR EFFORTS TO COMMUNICATE WITH MILLENNIALS AND GEN Z

As Generation Millennials and Gen Z(Generation MZ) has emerged as the mainstay of current economic activities, companies are striving to actively communicate with consumers as well as in-house members from this generation. CJ CheilJedang is also making efforts to develop products that reflect the taste of members of Generation MZ and is proactively thinking of ways for better communication with them.



LAUNCHED PRODUCTS DEVELOPED BY GENERATION MZ ACCORDING TO THEIR PREFERRED TASTE

CJ CheilJedang has been operating an in-house Generation MZ Council with 24 employees in their 20s and 30s from various fields such as marketing and R&D since the end of 2021 and designed 'new products for me'. About 100 innovative ideas gathered from a wide range of skill sets from various fields through the voice of members of Generation MZ, and about 50 products were selected. From there, survey analysis based on the generation's preferences in areas of taste quality, cost, and marketability was conducted, resulting in approximately 20 products that have been commercialized. By linking the Generation MZ's ideas to differentiated taste quality based on the company's brand power and technical skills as well as production capabilities, we were able to launch products such as Hetbahn, Hetbahn Cupbahn, Bibigo porridge using Disney characters, 'Coin cookies', cookies in the shape of coins with high fiber content, 'Cube Toktok', chicken breast cubes that are convenient to eat, and ice cream with a softer texture and nutty flavor made of soft tofu(powdered beans and peanut flavor).



ENHANCING COMMUNICATION CONTENT WITH GENERATION MZ

'Hetbahn Cupbahn BIG' is a product that reflects the needs of Generation MZ by increasing the amount of rice, toppings, and sauce by 30% from the existing 'Hetbahn Cupbahn' and is gaining popularity among Generation MZ. Taking into account the high interest of Generation MZ in stock investments, we conducted a promotional activity with Shinhan Plus where upon purchasing the popular 'Hetbahn Cupbahn BIG' product, the consumers open an account with Shinhan Investment Corp., and they receive shares from one of the BIG(Bio, Internet, Game) categories.



CJ CheilJedang is strengthening communication with Generation MZ via entertainment contents. This project gained popularity among the generation on social media as it was a unique audition content that was established using a realistic virtual world. A total of 28,000 contestants from Generation MZ participated in the open recruitment held under the topic of 'Recruiting the General Manager of Bibigo Mandu who will be responsible for the future food of mankind'. Bae Sung-Jae, a broadcaster acted as the Head of the Mandu company. The Head of CJ CheilJedang's Food Research Institute Korea R&D Center participated in the selection process. This was captured in 3 videos, which were posted on YouTube, and the videos recorded more than 1.75 million views.



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MONTHLY ACTIVE USERS

As of Dec. 2021



ACCUMULATED MEMBERS

As of Oct. 2021



EVERYDAY GIFTS CURATION

As of Dec. 2021



ENHANCING DIGITAL TRANSFORMATION

ADDING CONVENIENCE FOR ONLINE CONSUMERS

Due to the prolonged COVID-19 pandemic, we are expected to see consumers that have experienced online shopping continue buying food products via online markets. To respond to the food consumption trends that have transitioned online, our company carried out various improvement activities to offer convenience for our consumers and to provide a differentiated customer experience through our online platform, CJ the Market. First, we improved the UI/UX so that our consumers can have a detailed look at our products before making their purchases even when using our website and mobile site. We also opened an easy-to-use registration service through Kakao as well as an automatic log-in system using social media services. In addition, along with the rising trend of everyday gift-giving via online, we expanded the operation of our 'everyday gift curation' that fits into the purchasing TPO from our consumers' perspectives. Through curation that matches seasoned themes such as birthdays/health/everyday/family month/holidays etc., we offered CJ the Market's unique products and services.

EXPANSION OF THE ONLINE PLATFORM, CJ THE MARKET

CJ The Market is an official food mall where consumers can access all of CJ CheilJedang's contents and products. Since its launch in July 2019, the cumulative number of members surpassed 2 million within the first year, and exceeded 2.8 million in October 2021, which is up 30% compared to the previous year. We reorganized 'The Market Sale Festa' as a monthly event and operate 'The Prime' which is a yearly subscription program and enhanced CJ CheilJedang's benefits for online consumers, ultimately expanding the customer base. Also, by revitalizing the test groups for new products and operating various themed events, we made our efforts to expand contact points with our customers. Furthermore, we are taking the lead in expanding the upcycling of Hetbahn containers by test running 'Containers to save the Earth, Safe Recycling' campaign through the CJ The Market.

AI-BASED BUSINESS INNOVATION

In order to strengthen the company's overall digital capabilities by optimizing work efficiency and automation through AI, CJ CheilJedang established a Digital Innovation team in 2019 and an AI LAB, a specialized organization to advance the use of AI in 2020. In 2021, we expanded RPA throughout the company as well as established an AI-integrated search portal.



\* RPA(Robotic Process Automation): A business process automation technology that automates simple, repetitive work processes and reduces cost and time while increasing productivity

EXPANDING RPA ACROSS THE COMPANY

Since 2018, we have been replacing low-value inefficient work processes with RPA and began our innovation of working methods for job automation and higher efficiency. With optimized work efficiency and productivity verified, we expanded RPA throughout the company in 2021, and from 86 tasks in 19 organizations(40 departments), we reduced an additional 2,859 work hours per month. Managers have displayed high satisfaction toward work automation with 9 points, so we plan to expand and apply this to work process automation on an organizational level beyond simple automation of job processes.

REDUCED BUSINESS HOURS(PER MONTH)



AI-FOCUSED ADVANCEMENT PLANS FOR THE YEAR 2022

AUTOMATE WORK PROCESSES (RPA, H/A*)	EXPAND DATA ANALYSIS PLATFORM	DATA DRIVEN DECISION (BUILD MI <sup>2</sup> DB FOR SOURCE MATERIALS)	VOC ANALYSIS/ INSIGHT
-------------------------------------	-------------------------------	--	-----------------------

1) H/A(Hyper Automation): RPA with DT technology for complete automation of work processes  
2) MI: Market Intelligence

AN AI-INTEGRATED SEARCH PORTAL

To enhance the usability of the platform users, we built an AI-integrated search portal. Users can enter their keyword of interest on the portal and search relevant data sets, other users' analysis reports, dashboards, etc., and can carry out collaborative work with other users through a communication platform. With this, users can reduce data check, data search, and data analysis processes which would normally take an average of 3 days to 1 hour on the portal. For the AI platform, we are expanding and improving the data analysis platform so that we can continuously increase the number of users and users can strengthen their digital competencies and secure data-based working methods.

DETECTING FOREIGN MATTERS WITH AI

We are developing an AI foreign matter blocking system to prevent foreign particles from infiltrating our products during the packaging stage at our domestic sites for frozen food. The AI foreign matter blocking system takes an X-ray of products in the packaging stage for a matter-detecting Vision AI to determine whether the product contains foreign matter in real-time. If the AI detects that a product contains any foreign matter, we eliminate the product from the production line.



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MATERIAL ISSUE 2. RESPONSE TO CLIMATE CHANGE

HOW WE MANAGE

# CLIMATE CHANGE: CAN WE TURN IT INTO OPPORTUNITY?

Global warming, abnormal climate, and environmental pollution have already become familiar dangers and realities. Response to climate change is now a social challenge that must be overcome through joint cooperation regardless of government, industry, or individuals.

CJ CheilJedang declared Carbon Neutral & Zero Waste for 2050, and is going after sustainable businesses and investments for the future to turn a crisis into an opportunity. We aim to not only pursue business activities for carbon neutrality but also introduce eco-friendly products and technologies that can contribute to carbon neutrality through innovative technology that can be applied by each product unit.

LINK TO SDGS



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**MATERIAL ISSUE 2. RESPONSE TO CLIMATE CHANGE**

**SUSTAINABLE ENVIRONMENTAL MANAGEMENT STRATEGIES**

**GOVERNANCE**

**BOARD OF DIRECTORS**

CJ CheilJedang approves strategies to respond to climate change and oversees its implementation within the Corporate Sustainability Committee, established in April 2021 under the highest decision-making body of the company, the Board of Directors. In December 2021, the Council decided on management strategies for sustainable environment with the declaration to achieve Carbon Neutral & Zero Waste by 2050. Moving forward, the Corporate Sustainability Committee will decide on the company's business direction based on the analysis on future climate risks.

**ROLE OF MANAGEMENT**

The Corporate Sustainability Council, chaired by the CEO is composed of the highest management directors in each business field and dedicated organizations' managers.

This Council plans/establishes response measures and continuously discovers tasks for climate change response executing the functions of a Steering Committee.



In order to actively participate in the global community's journey to overcome the climate crisis and create a sustainable environment, CJ CheilJedang has established mid-to long-term goals and strategies and is pursuing them. We have also defined our roles and responsibilities such as analyzing climate risks and opportunities and the company's financial impact by each type of scenario and established our governance system. In addition, we are striving for faithful implementation as recommended by TCFD(Task Force on Climate-related Financial Disclosures).



**RISK MANAGEMENT**

**CONSTRUCTING AN ORGANIZATION TO RESPOND TO CLIMATE CHANGE RISKS**

By constructing the Corporate Sustainability Council, CJ CheilJedang has set an identifying, analyzing and reporting system in place so that the company can recognize potential risks posed by climate change and manage the impact on the business that may arise from the uncertainties. To implement the system, we have established an Environment Strategy Team under the ESG Center, which is responsible for company-wide climate change response and eco-friendly activities. The Environment Strategy Team is responsible for identifying and analyzing risks, establishing and implementing company-wide strategies, managing cooperation among each business sector and dedicated organizations as well as external and internal communication. Also in 2022, for risk management, we have strengthened monitoring of GHG emissions of oversea sites in the BIO sector, and at the Incheon and Busan sites, we have carried out risk diagnosis for storm and flood damage to measure the impact of climate change on our sites. Moving forward, we will carry out analysis on various climate change-related risks and opportunities and report them to the Corporate Sustainability Council so that we can check the impact of climate change risks on our overall business activities.

**STRENGTHENING MONITORING OF GHG EMISSIONS**

We have established a GHG inventory of our global sites in six countries, including Indonesia, China, Vietnam, and the United States, and completed a third-party verification in 2022 to ensure the credibility of the amount of global GHG emissions. Despite not being subject to domestic regulatory obligations, we have calculated the amount of GHG emissions at our global business sites to voluntarily manage GHG and carry out GHG reduction activities. We plan to gradually expand the scope of the global sites to include in our GHG reduction activities.

**DIAGNOSING STORM AND FLOOD RISKS**

As a result of the joint climate change impact assessment of the Incheon and Busan sites that was carried out by CJ CheilJedang and the Safety Research Institute of Samsung Fire & Marine Insurance in February 2022, the total estimated damage amounts to KRW 680 million. We are planning to continuously analyze and identify risks related to climate change.

PLANTS	ESTIMATED DAMAGE FROM STORM			IMPACT OF CLIMATE CHANGE ON PLANTS				
	WINDSPEED (m/s)	PREDICTED DAMAGE (KRW 100 MIL)	RATE OF DAMAGE (%)	STREAM FLOODING	RISKS FROM SEA-LEVEL RISING	FLOODING RISKS FROM STORM AND HAIL	FLOOD RISKS	HIGH WIND (STORM) RISKS
Busan Plant	30	3.5	0.1	None	Low	Low	Low	Possible
Export Processing Center	25	0	0	Low	None	None	Low	Low
Incheon Plant 1	30	1.2	0	None	Low	Possible	Low	Low
Incheon Plant 2	30	1.3	0	None	Low	Possible	Low	Low
Incheon Plant 3	30	0.3	0	None	Low	Possible	Low	Low
Incheon Frozen Food Plant	30	0.5	0	None	Low	Possible	Low	Low
Total		6.8						



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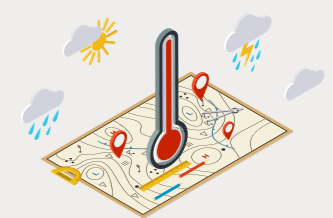
STRATEGY

ANALYSIS OF CLIMATE RISKS AND OPPORTUNITIES

The industry we belong to is closely associated with the agricultural industry, which is heavily dependent on the weather and agriculture, and the vulnerability of agriculture from natural disasters and weather changes is often transferred into our industry. We are deeply aware that we are not independent from risks caused by domestic and foreign policies and global environmental changes. As a response to this, our company identifies risks and opportunities associated with climate change, and analyzes business and financial impact from these risk and opportunity factors. From 2022 to 2023, we plan on implementing climate risk analyses based on the optimal scenario for the company, and continuously monitor risks related to climate change to reduce risks and increase opportunities as an effort to secure a sustainable environment and a future that is highly resilient.

DEVELOPMENT OF THE INTERNATIONAL CLIMATE RISK MANAGEMENT MODEL

CJ CheilJedang participated in the 'International Climate Risk Management Model Development' project as part of its pursuit for climate risk analysis. In September 2021, we signed a business agreement with the Korea Financial Supervisory Service, Ewha Womans University, and the British Embassy Seoul. By participating in the project, we developed a prototype for calculating costs of risks. In the future, we plan to qualitatively and quantitatively identify risks and opportunities with the climate change scenarios and apply them upon establishing management strategies.



TYPE		FACTORS	RISKS	OPPORTUNITIES	FINANCIAL IMPACT
TRANSITION RISKS <sup>1)</sup>	SHORT TERM	Strengthened domestic and foreign carbon regulations and higher emissions cost	Accelerated transition to low-carbon energy sources and higher emissions costs	Relieve financial burdens through pre-emptive implementation of reduction means	Reduced operating profit due to increased emissions costs
		Strengthened regulations on plastic	Increased use of plastic due to increased sales	Respond upon development of eco-friendly plastic and the construction of recycling processes	Increased investment costs for developing eco-friendly materials, Increased cost of recycling plastics
		Investment in low-carbon, eco-friendly facilities and infrastructure, and development of new technologies	Higher manpower, time, and cost needed to discover low-carbon technology	Create new business opportunities and lay the foundation for production of eco-friendly products	Increased investment costs due to new technologies, Reduced spending costs due to carbon emissions
	MID-TO LONG-TERM	Higher price of raw materials or energy costs	Problems due to rising costs and unstable energy supply	Defend rising energy costs through discovery of alternative energy	Increased costs of raw material or energy costs, Reduced operating profit
		Increased eco-friendly consumption	Launch of eco-friendly products by competitors and enhanced eco-friendly marketing	Secure competitive-edge by developing eco-friendly products and differentiated eco-friendly activities	Increased sales when recognized as an eco-friendly company
PHYSICAL RISKS <sup>2)</sup>	ACUTE	Climate disasters such as typhoons, heatwaves, wildfires, floods, etc.	Reduced yield of raw materials, poor quality, and handling recovery process	Create new business opportunities such as climate disaster prevention systems, etc.	Increased recovery costs of production disruptions and equipment
	CHRONIC	Higher global temperatures	Increased risk to storage, logistics, and product safety	Diversify business portfolio	Increased costs for logistics and storage
		Abnormal climate, such as changes in amount of rainfall	Increased competition for water and reduced yield of raw materials	Respond in the event of occurrence by establishing a risk management system for each business site	Disruption in production amount, increased cost of purchasing raw materials

1) Transition Risks: Risks that may arise during the process of transitioning to a low-carbon economy

2) Physical Risks: Risks associated with the physical impact of climate change (direct and indirect physical damage)



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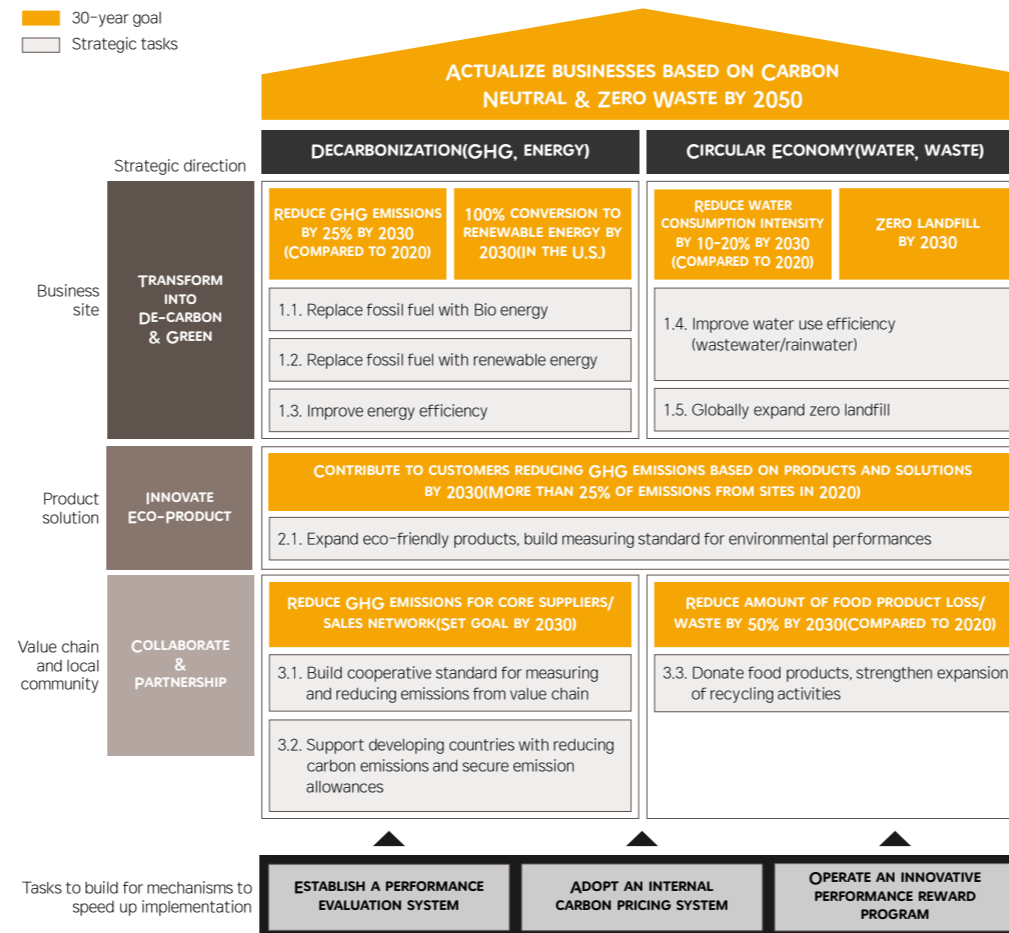
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RESPONSE TO CLIMATE CHANGE

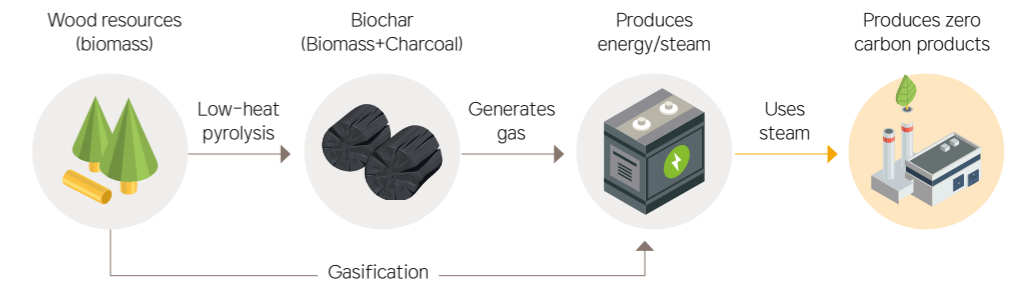
In order to achieve Carbon Neutral & Zero Waste by 2050, we established a sustainable environment management strategy and came up with 3 strategic directions and 12 strategic tasks in the areas of decarbonization(GHG, energy) and circular economy(water, waste). Also, to quickly start the implementation, we established a 'Performance Evaluation System' that adds environmental business goals to the KPI. We are also pursuing the adoption of an internal carbon pricing system and an innovation program and a rewards program. Our company plans to construct a TF(Task Force) that can encompass the company's value chain in its entirety to pursue implementation of tasks and achieve our goals.



REDUCTION ACTIVITIES AT THE BUSINESS SITES

CONSTRUCTING ECO-FRIENDLY ENERGY SUPPLY FACILITIES THAT USE WOOD RESOURCES

As the first in South Korea, CJ CheilJedang is planning to build a steam gasification facility that uses wood resources(forest biomass) at the Chungbuk K-Food Valley where its CJ Blossom Campus is located. This is planned to begin in the first half of 2023 with the goal of commercial operation by 2025 as a part of the company's effort to establish a forest resource-circulating energy supplying facility in line with the Green New Deal. Forest biomass is a clean energy system where the by-products from logging, such as branches, stems, etc. that are left behind are used, unlike the combustion system that produces second-hand environmental pollution during the energy production process. For this project, we plan to invest about KRW 130 billion and expect GHG emission reductions of about 44,000 tons per year by producing 50 tons of steam per hour, resulting in more jobs due to construction and operation of the facility and economic revitalization.



Agreement ceremony for Green New Deal project(April 2022)



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**EFFORTS TO ADOPT THE USE OF BIOMASS FUEL AT THE INDONESIA PLANT**

In order to reduce GHG emissions at our overseas plants in the BIO business, we are preparing to combine the use of biomass materials for boilers at our Indonesia plant. Through this, we plan to replace the use of fossil fuels with wood pellets, a renewable energy, and gradually expand the percentage of biomass materials. To mix in biomass, we plan to secure a stable supply of wood pellets and other materials, as well as carry out technical reviews and modification of the facility. By replacing the use of fossil fuels with biomass, we are expecting to see reduced use of fossil fuels as well as reduced GHG emissions starting in 2024.

**EXPANDING THE USE OF BIOMASS FUEL AT THE BRAZIL PLANT**

At the Piracicaba plant in Brazil, we have converted to use wood chips and bagasse as materials for steam production as opposed to the previous use of natural gas, which is a fossil fuel. Wood chips are used as fuels by cutting construction wood or roots and branches of wood that are difficult to use into a chip shape for easy combustion. As the by-product of sugar canes and cane stalks after sugar is extracted, bagasse is used as fuel after it is shredded and dried. Biomass fuel is not only economically efficient but is an eco-friendly energy source given that it produces a lesser amount of GHG emissions such as carbon dioxide, sulfur oxides, nitrogen oxides compared to petroleum and LNG.

**REVIEWING A WIDER USE OF RENEWABLE SOLAR ENERGY**

We are considering expanding the use of solar energy so that we can use eco-friendly electricity. Since 2020, we have identified the feasibility of the roof-type solar power leasing business and are reviewing the possibility of incorporating it. As of 2022, we are working to reach our goal of completing the construction of solar power generating facilities at our CJ Blossom Campus and our Incheon Plant 2 and starting full-scale operation.

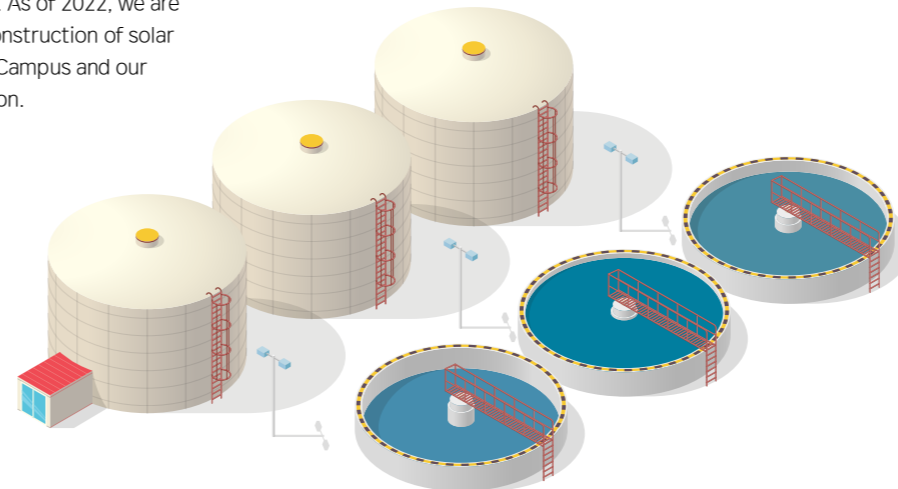
As of the first half of 2022, installation of solar power generating facilities has been completed at the Malaysia and Vietnam plants of our BIO business and is scheduled to kick off commercial operation. With the solar power generating facilities, we plan to replace a portion of electricity use at the existing fossil fuel-based business sites with renewable energy. After reviewing the operational stability of the installed solar power generating plants, we plan to gradually expand business sites for further application.

**INCREASING EFFICIENCY OF WATER USE**

CJ CheilJedang strictly manages risks related to water resources due to the nature of the business that requires water use for the cleaning and sterilization processes. To this end, we not only comply with regulations on water source management but also with wastewater-related laws and regulations. We stringently manage wastewater as it is highly likely to have a negative impact on local communities and the environment. If the area that we select for new establishment or extension of plants leads to a water source protected area, we reselect locations that are safe from the possibility of water source contamination, even if it demands increased costs and logistical challenges. In addition, we are preparing ourselves for water resource risks, such as rising water supply costs and limited water supply due to government policies, by expanding investments in wastewater reuse and relevant systems.

**TOTAL AMOUNT OF WATER CONSUMPTION**

 **519,000** TONS



**REDUCING WASTE**

In response to issues related to resource depletion and environmental pollution, we will continue to strengthen the reuse, recycling, and energy conversion of waste generated at our business sites, and reduce the amount of landfill waste that is put back into nature to a level of zero by 2030. In the case of our domestic food product business, wastes are recycled as raw materials for industrial use, agricultural feed, and composting and have already reached the level of zero landfill (0.4% of landfill rate as of 2020). We plan to spread the best practice examples from our domestic business sites to our overseas business sites, first to business sites in China, the United States, and Vietnam that have high waste generation and disposal rates, and expand this to our global sites so that we can reach our goal of zero landfill globally by 2030.

**RECYCLED WASTE**

 **95.3%**

**CASE**

**VALIDATED AS ZERO WASTE**

In April 2022, CJ CheilJedang Jincheon plant became the first in the domestic food industry to acquire the Gold grade of the 'Zero waste landfill' validation from the global UL(Underwriters Laboratories). CJ CheilJedang will continue to carry out waste reduction and resource recycling activities to promote sustainable management in the waste sector that contributes to the national policy.



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REDUCTION EFFORTS IN THE PRODUCTS/SOLUTIONS SECTOR

**BUILDING A REDUCTION BASE FOR PRODUCTS/SOLUTIONS**

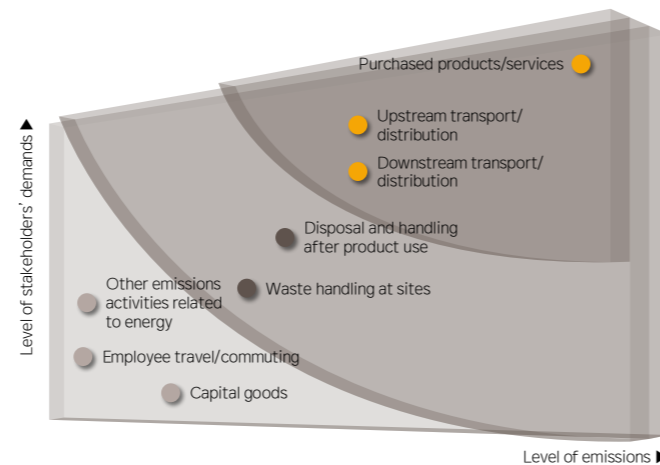
To promote reduction activities based on our products and solutions, we are building a standard to measure emissions by each product unit. As a part of the strategic tasks of 2022, we calculated the LCA (Life Cycle Assessment) of all of our major products. With this we plan to expand the product portfolio step-by-step to conduct LCA for each of the company's product groups. Using the results from the LCA, we will review GHG reduction points and will work to reduce carbon emissions by incorporating new technologies. We will continuously work towards delivering carbon neutral products to our customers by gradually reducing the carbon emission amount of our products. In addition, we are looking forward to create new business opportunities through endless research and investment on eco-friendly products such as launching products made with food by-products and developing biodegradable plastic materials. We will objectively measure the environmental effects from these efforts and carry out external verification to earn the trust of our stakeholders and build a MRV(Monitoring, Reporting, Verification) model for better communication with them.

REDUCTION EFFORTS IN VALUE CHAIN AND THE COMMUNITY

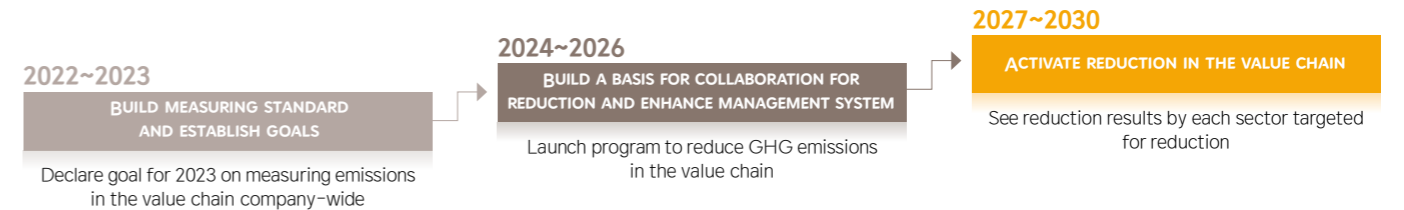
**BUILDING A REDUCTION BASE IN THE VALUE CHAIN**

We are not only reducing emissions in our business premises, but also building a reduction standard and a GHG emission management system that encompasses the entire value chain (Scope3). We have derived our priority list by considering the amount of emissions as well as each Scope 3 category's weight and importance. With this, we will build a GHG inventory one step at a time. In the mid- to long-term, we will gradually expand the width of Scope3, enhance the management system and basis by creating opportunities for collaboration with suppliers, affiliates, and partners to pursue cooperative reduction activities. With such efforts, we will proactively work towards our goal of full-scale operation of our reduction activities

VALUE CHAIN-SCOPE3 PRIORITY



ROADMAP FOR STEP-BY-STEP PROGRESS



REDUCTION EFFORTS IN THE COMMUNITY - FOOD LOSS AND WASTE MANAGEMENT

Food and food security are important agendas for our generation as we live in an era of the climate crisis. It is important to produce and supply food in a way that minimally affects the natural environment, but there are issues related to food imbalances across the globe that also needs to be addressed such as food waste while there are people that do not have access to food. To this end, CJ CheilJedang is working on reducing the amount of food that is wasted and thrown out and finding a balance between supply and demand by improving the overall process of the value chains of the food industry including production, manufacturing, processing, distribution, consumption, and disposal, and instilling better awareness for our consumers.

**SMART SCM**

- Production of proper amounts and raw material management
- Change in utilization processes by each product's remaining shelf life

**ENCOURAGING CONSUMER ACTION**

- Providing information on shelf life, and expiration dates, offering practical tips to reduce food product loss/waste
- Creating online cooking show that introduces the use of eco-friendly food\*
- \* Eco-friendly food: Products that are under their standard weight, about-to-expire, or that are misshapen and have lower product value but have no issues with taste and nutrition

**EXPANDING DONATION CHANNELS**

- Expanding donation channels to ensure diversity in food distribution
- Foodbank to support people from the vulnerable groups
- Goodwill store to encourage self-reliance of people with disabilities
- Sharing refrigerator to support isolated youths

**FOOD UPCYCLING PRODUCTS**

- Developing products from food upcycling
- Using by-products from food manufacturing processes
- Launching the first in-house Venture Team Ideas





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**INDICATORS AND REDUCTION TARGETS**

REDUCTION TARGETS

**ESTABLISHING MID- TO LONG-TERM GOALS FOR 2030**

We have established goals for Carbon Neutral & Zero Waste and are pursuing detailed implementation plans. The challenges that we have established include reducing GHG emissions by 25%, reducing food loss and waste by 50%, and from the customers' perspective, contributing to 25% or more of customers' GHG emissions reduction based on our products and solutions by 2030 compared to 2020. We have set goals to reduce our environmental impact and are working to continuously improve our environmental performance, and we hope to continue to discover and practice better ways to achieve our carbon-neutral goals.

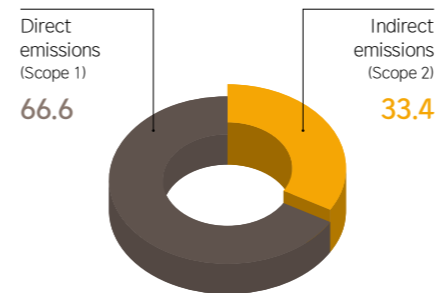


MANAGEMENT INDICATORS

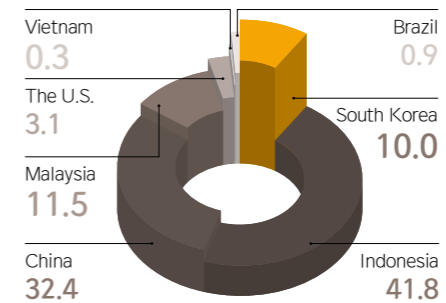
GHG EMISSION AMOUNT

We manage the amount of GHG emissions as a major climate change management indicator. We manage the amount of GHG emissions by Scope and by country, and work towards reducing GHG emissions by production unit by managing GHG emission intensity per production amount. In 2021, the unit of GHG emission amount improved by 9% compared to 2020. We plan to exert our efforts to reduce both the GHG emissions intensity as well as the total amount of emissions.

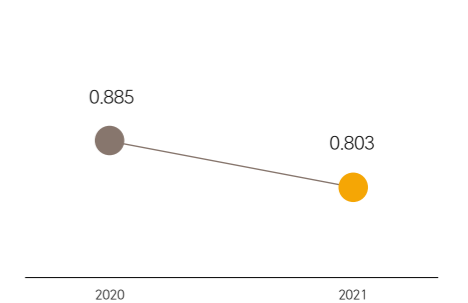
GHG EMISSION AMOUNT(SCOPE 1,2) Unit: %



GHG EMISSION AMOUNT BY REGION Unit: %



GHG EMISSIONS INTENSITY Unit: tCO<sub>2</sub>eq/Ton



AMOUNT OF REDUCED ENERGY CONSUMPTION Unit: TJ



AMOUNT OF REDUCED ENERGY CONSUMPTION

In line with greenhouse gases, we also manage indicators for energy reduction. In particular, we are striving to increase the weight of renewable energy by managing the amount and ratio of renewable energy use. We also implement various energy saving activities to improve the energy consumption intensity. In 2021, the amount of reduced energy was up by approximately 52% compared to 2020. Moving forward, we will proactively pursue improvement activities for energy efficiency by each business site.



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**MATERIAL ISSUE 2. RESPONSE TO CLIMATE CHANGE**

**PRODUCTS FOR SUSTAINABILITY**

“  
STARTING WITH ‘PLANTABLE’,  
FOOD BRAND BASED ON  
PLANT-BASED INGREDIENTS,  
CJ CHEILJEDANG WILL PROVIDE  
SUSTAINABLE FOOD.”

**SUSTAINABLE FOOD**

The number of consumers pursuing value consumption with heightened awareness to the climate change crisis and interest in healthy diet has increased. Therefore, CJ CheilJedang is working hard to reduce greenhouse gas emissions and develop food products that promote resource circulation. We developed ‘PlanTable’ Mandu, which is a plant-based food product that reduces greenhouse gas emissions that arise from large-scale livestock farming. We also launched ‘Excycle Basak Chips’, a product that promotes food upcycling by using by-products of foods that are produced during the manufacturing process.

**LAUNCHING PLANTABLE MANDU**

As the first product of the PlanTable brand, CJ CheilJedang launched 2 types of Mandu made from 100% vegetable ingredients, such as TVP(Textured Vegetable Protein) raw materials and vegetable oils using soybeans and peas in December 2021. By using plant-based ingredients, we were able to bring out the delicious texture while canola oil and onion oil brought out the juiciness of the meat and flavor. Instead of adding unnecessary food additives, CJ CheilJedang used its own ‘TasteNrich’ solution, a natural seasoning material, to realize the taste of delicious Mandu without using any meat. Within three months of its launch, it reached 1st place in sales in the plant-based dumpling sector. In addition, we are currently exporting the product to 10 overseas countries in line with global demands and we plan to continuously expand the number of countries to export the product to.



2 Types of PlanTable Mandu

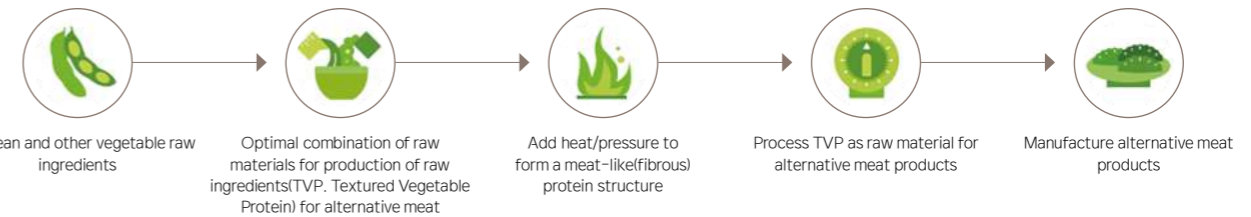
**ACQUIRED V-LABEL, A GLOBAL VEGAN CERTIFICATION**

PlanTable Mandu has acquired ‘V-label’ by an internationally recognized certification organization and is officially labeled as a vegan product. In particular, Kimchi in the Kimchi Mandu is seasoned with pickled cabbage, garlic, and red pepper powder instead of the original Kimchi made with fish sauce.

\* A certification mark by EVU(European Vegetarian Union) Italy, recognized more than 30 countries

**DEVELOPING SUSTAINABLE FOOD PRODUCTS**

We are continuing our efforts to reduce greenhouse gas emissions and environmental pollution caused by development of sustainable food and livestock farming by creating plant-based Mandu products that use vegetable ingredients such as soybeans instead of meat ingredients.



**LAUNCH FOOD UPCYCLING PRODUCT**

With the idea from CJ CheilJedang’s first in-house venture team, we launched ‘Excycle Basak Chips’, a product for food upcycling. Excycle Basak Chips are made from food by-products generated during the food manufacturing process that would have been discarded otherwise, particularly, ugly rice from Hetbahn and bean curds from Happy Soy Tofu products. For packaging, upcycled PET, (PCR-PET, Post Consumer Recycle-PET) that has acquired the GRS(Global Recycled Standard) certification was used. This product has become a representative example of eco-friendly food that reduces food loss and waste and contributes to resource circulation. We will continue our efforts to expand products that represent food upcycling.



2 types of Basak Chips



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**SUSTAINABLE ANIMAL FARMING**

With the spread of One Health, a concept that humans, animals, and the environment are interconnected and co-exist, our company is working to create businesses with the health of animals and humans in mind. The BIO sector of CJ CheilJedang produces 8 amino acids and amino acids for feed through an eco-friendly method that includes six decades of expertise in microbial fermentation R&D and state-of-the-art technology. By providing customized solutions for the customers, we are improving the digestibility of livestock which reduces the amount of feed required, and minimizing the amount of nitrogen generated by livestock excrement, all contributing to creating a sustainable environment. Starting in 2022, we have been progressing our low-protein E-balanced Diet Campaign that offers Eco-friendly, Economical, Efficient solutions through the use of our amino acids. Also our CJ Feed & Care sector is supporting the success of livestock farmers by securing differentiated feed-based technologies and developing high-quality feed, and providing consultations and solutions needed for farm operation. Furthermore, we are continuously introducing safer and healthier livestock based on our firm responsibility on high-quality feed and healthy livestock. In 2021, we launched 'DonDonMyungJak Eco', eco-friendly feed that effectively minimized the emission of Zinc generated by livestock excrement, which is a soil contaminating pollutant. We are also shortening the growth periods, thereby contributing to the revitalization of eco-friendly resource circulation.

**E-BALANCED DIET CAMPAIGN**

**ECO-FRIENDLY**

**REDUCE NITROGEN AND CARBON EMISSIONS**

- Carbon reduced by production through fermentation process, not petrochemical process
- Nitrogen emissions from livestock waste reduced when using amino acids for feed

**CJ BIO'S AMINO ACID BUSINESS SELECTED AS A SUPERIOR MODEL OF THE SDGS BY THE UN**

- 33 tons of soybean meal saved with 1 ton of L-Lysine HCL
- Deforestation effect

**ECONOMICAL**

**REPLACING GRAIN PROTEIN RAW MATERIALS**

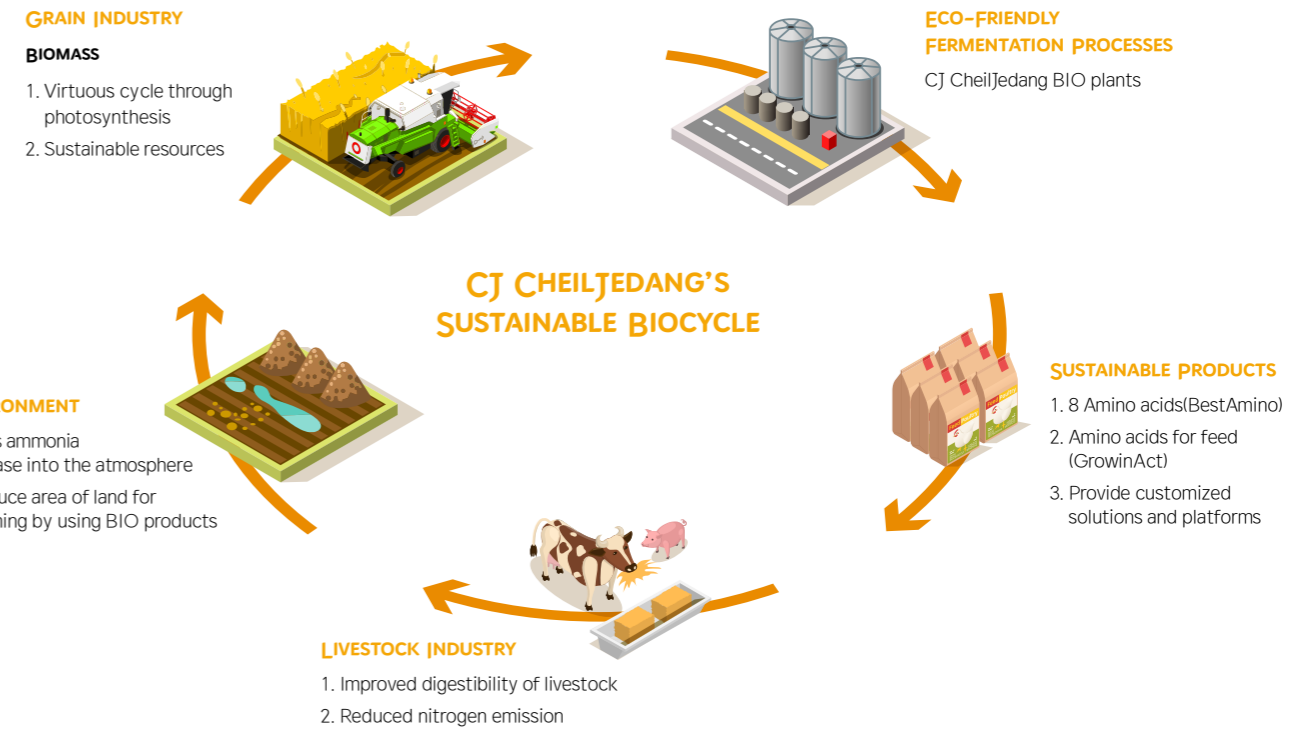
- Solution to rising grain prices due to geopolitical changes
- Solution to amino acid deficiency when using alternative raw materials by using 8 essential amino acids

**EFFICIENT**

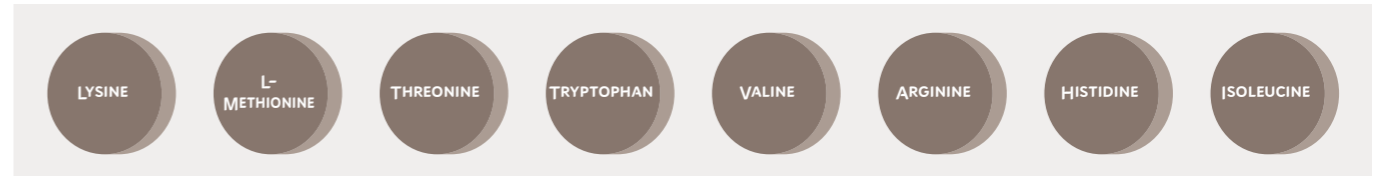
**QUALITATIVE AND QUANTITATIVE IMPROVEMENT OF LIVESTOCK AND MEAT WHEN USING AMINO ACIDS**

- Improvement in FCR<sup>1)</sup>
- Improvement in ADG<sup>2)</sup>
- Increased yield
- Improved digestibility

1) FCR(Feed Conversion Ratio)  
2) ADG(Average Daily Gain)



**8 AMINO ACIDS IN PRODUCTION WITH ECO-FRIENDLY FERMENTATION METHOD**



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**SUSTAINABLE PACKAGING & MATERIAL SOLUTIONS**

**RESOURCE CIRCULATION SYSTEM: HOW CAN WE BUILD IT?**

LINK TO SDGS



**HOW WE MANAGE**

Plastic plays an important role in food safety, but due to the plastic, our Earth is facing serious challenges. In order to solve this, it is important to build a resource circulation system, and everyone's determination to protect nature and society is needed to actualize the system.

To fulfill a sustainable resource circulation system where we can deliver nature to our consumers' tables and bring it back to nature, CJ CheilJedang established a packaging strategy. As a part of the strategic implementation, we are expanding collection systems to build a plastic circulation system, and expanding investments for R&D in eco-friendly packaging materials such as developing alternative materials to plastic and biodegradable materials(PHA). And by building a resource circulation system that covers all value chains, we will lead the way in reducing pollution that is caused by the use of plastic and other disposable products.



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**ECO-FRIENDLY PACKAGING**

“  
WE ESTABLISHED  
THE RESOURCE CIRCULATION SYSTEM  
AND SET GOALS AND STRATEGIES  
FOR SUSTAINABLE PACKAGING.”

**SUSTAINABLE PACKAGING**

To expand sustainable packaging that considers nature and society, CJ CheilJedang operates a research organization, an execution organization and an eco-friendly packaging council to pursue strategic tasks throughout all stages including product planning, research and development, production, consumption, and disposal/collection through collaboration. Out of all research and development expenses for packaging, research expenses for eco-friendly packaging counts for approximately 53% of the total amount. Also, 30% of all researchers in packaging carry out duties related to eco-friendly packaging. In 2021, we expanded sustainable packaging to a variety of products, resulting in a reduction of 925 tons of raw plastic materials. We also operate an integrated sustainable packaging program and apply the newly-adopted COMPASS tool to reflect sustainability in packaging designs. For foundational improvement, we are collaborating with external partners to create technology-based systems and platforms in 2022, in addition to improving products as well as strategic tasks. In terms of R&D, various researches for eco-friendly packaging are being conducted, such as material reduction, alternative materials, recycling technology, packaging technology, etc.

\* COMPASS is a packaging software platform that provides analysis on products and packaging materials' environmental footprints. CJ CheilJedang adopted this platform in 2021 to measure and improve GHG emissions of packaging materials.

 Eco-friendly Packaging Policy



- Technology development for material reduction
- Technology development for PHA-based food packaging
- Technology development for plastic recycling
- Technology development for bioplastic packaging
- Technology development for uni-material packaging
- Technology development for paper-based packaging



- Collaboration for the Recycling Sorting System
- Collaboration for the Label Waste Recycling System

**MINIMIZE THE PLASTIC & CO<sub>2</sub> GENERATION**

**TECHNOLOGY**

To reduce raw plastic materials and CO<sub>2</sub> emissions, we are implementing the 3R policy(Redesign, Recover, Recycle). In eco-friendly design (Redesign), we removed unnecessary plastic materials and optimized the size and thickness of packaging materials, resulting in reduced raw plastic materials and greenhouse gas emissions. In order to minimize the environmental impact by using eco-friendly raw materials(Recover), we applied biodegradable packaging materials for the first time in Korea. In terms of recycling(Recycle), we use 50% of the scrap generated during the production of Hetbahn containers when making gift set trays. By using recycled plastic, we reduced the amount of new plastic materials used in making containers. In addition, we established an implementation plan for packaging using the 3R policy, and based on this, we are planning and executing global eco-friendly packaging projects.

**GOAL TO REDUCE PLASTIC USAGE IN PACKAGING**

policy	REDESIGN	RECOVER	RECYCLE
Goals	1. Reduce and eliminate difficult-to-recycle or unnecessary plastic packaging	2. Design plastic packaging so that it is reusable, recyclable, and compostable 3. Reduced use of virgin plastics 4. Development of alternative plastic materials	5. Provide and communicate accurate packaging information for sustainable consumption



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**HETBAHN, THE LEADER OF ECO-FRIENDLY PACKAGING TECHNOLOGY**

Through four years of research, CJ CheilJedang has expanded the application of thermoforming scrap technology, a technology that reuses plastic scraps left from the process of making Hetbahn containers for new Hetbahn containers. By reusing 23% of scrap from Hetbahn containers, 60 tons of virgin plastics are expected to be reduced per year. In addition, Hetbahn is conducting the 'Our Containers to save the Earth' campaign to increase the recycling rate of Hetbahn containers with 'excellent' grade.

**PLASTIC REDUCED(YEAR)**



Hetbahn

**PLASTIC CAPS REMOVED FROM SPAM**

Starting with applying 2 units of spam sets in 2020, and expanding application to all gift sets and few special sets including 200g and 340g products in 2021, we reduced the use of plastics. We engraved the phrase, 'No Cap for Us' on the outer surface of the packaging to include our environmental consciousness that we are practicing through our Spam products. In 2022, we are planning to achieve 100% capless spam gift sets by removing the caps of 120g products as well.

**PLASTIC REDUCED(YEAR)**



Spam

**SUSTAINABLE E-COMMERCE PACKAGING**

**EASIER TO RECYCLE** | CJ the Market, our e-commerce platform, uses a structure that allows easy removal of tape from ice boxes to enhance consumer convenience and improve the recyclability of ice boxes.

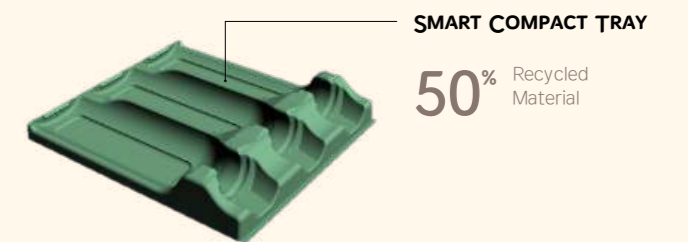
**UNI-MATERIAL** | Uni-material is applied to ice packs to facilitate recycling after use. In addition, it is expected that using uni-material will reduce greenhouse gas emissions by about 50 tons per year.



Ice box, Ice packs

**EXPANDING THE USE OF RECYCLED AND PAPER MATERIALS FOR GIFT SETS**

In order to reduce the amount of plastic used in gift sets, we are continuously expanding the use of recycled materials. In 2021, we applied trays made of 50% recycled materials, and reduced the size of trays by using the Smart Compact design to further reduce plastic consumption. In addition, the shopping bags for gift sets were converted from the previously-used non-woven fabric to paper shopping bags and minimized gift set containers and boxes, adding eco-friendly values.



50% Recycled Material

Gift Set Trays



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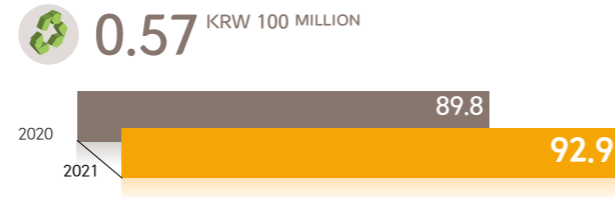
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**PERCENTAGE OF 'EXCELLENT'\* RECYCLABILITY RATING OF PACKAGING MATERIALS**

Unit: %

**PRELIMINARY REDUCTION OF ENVIRONMENTAL CHARGES**



\* 'Normal' grade or higher in recycling

**EDUCATE THE CONSUMER**

**COMMUNICATION**

It is necessary to raise consumers' awareness so that consumers can properly participate in recycling after use. To this end, we support stakeholders with packaging technology, provide information on packaging handling after product use, and strive to improve recyclability.

**COMMUNICATING THE PACKAGING POLICY WITH EXTERNAL STAKEHOLDERS**

CJ CheilJedang responds to inquiries from stakeholders about the use of biodegradable plastic packaging materials and plans to remove tray containers. We strive for well-rounded communication by sharing policy-related opinions based on the current status of companies in promoting plastic-free and carbon-neutral activities to support government agencies with establishing a resource circulation system. In 2021, we communicated with Green Korea, Korean Federation for Environmental Movement, Carbon Neutrality and Green Growth Commission, Korea Food Industry Association, and the Korea Chamber of Commerce and Industry

**IMPROVING THE RECYCLABILITY RATING**

In accordance with the 'Packaging Material Recyclability Rating Standard', we manage recycling rate of packaging material for approximately 5,000 products to improve the recyclability of packaging materials. As a result of efforts to make easier for consumers to recycle the products after use, such as inserting a perforation line on the labels of products or using a wash-off adhesives on labels/stickers, a total of 176 cases were improved in 2021, and KRW 57 million in environmental charges was reduced. We plan to continuously improve the recyclability of packaging materials from 'normal' to 'excellent/best'.

**PARTICIPATED IN THE 'JOINT STATEMENT OF GLOBAL BUSINESSES FOR PREVENTION OF PLASTIC POLLUTION'**

At the 5th United Nations Environment Assembly(UNEP) in March 2022, 'End plastic pollution: Towards an international legally binding instrument' was passed and following that, plastic regulations in each country are gradually becoming stricter. We took part in the 'Joint statement of global businesses for prevention of plastic pollution' in order to contribute to the establishment of international standards regarding plastic issues throughout production and consumption stages, and to pledge to work towards resolving the plastic crisis.

'Joint statement of global businesses for prevention of plastic pollution'

**INCREASE THE COLLABORATION**

**COLLABORATION**

We are participating in domestic and international value chains and mutual cooperation networks to build a circular economy system. In 2021, we participated in the 'Sustainability in Packaging ASIA' as a member of the advisory committee and panel. Not only that, we strengthened our global network by participating in Foodpolis, an international food conference, Retail Future and Innovation Forum, Global packaging seminar hosted by Korea Society of Packaging Science & Technology, SPC(Sustainable Packaging Coalition), European Global Paper Consortium, and 4evergreen.

**ADOPTING COMPASS FOR SUSTAINABLE PACKAGING AND CIRCULAR ECONOMY**

In 2021, we adopted COMPASS, a packaging-related software platform developed by SPC(Sustainable Packaging Coalition) of the United States. Through this, we intend to develop eco-friendly packaging designs and contents for communication with consumers. COMPASS provides various eco-friendly data and analysis for improving sustainable packaging such as life cycle evaluation, circulation evaluation, and standards for environmental footprints of products and packaging. With this, we are measuring the performance of practical improvements made such as reduction of GHG emissions from transparent PET bottles in comparison to colored PET bottles for oil products.



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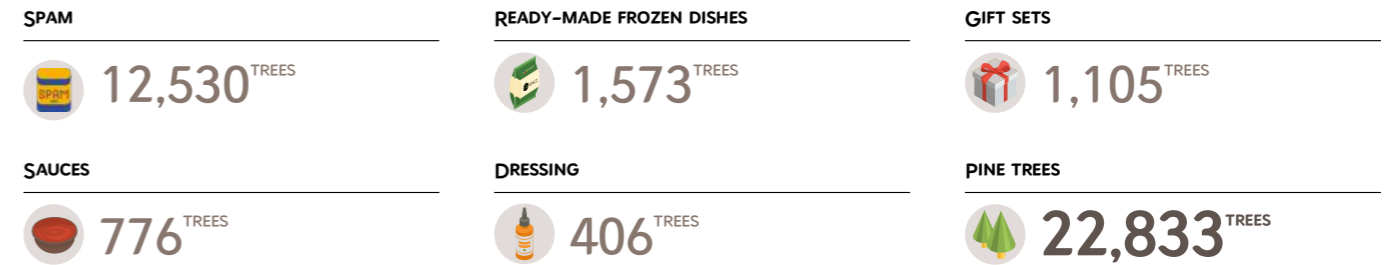
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**REDUCTION OF GHG EMISSIONS FROM RAW PLASTIC MATERIALS**



**REDUCTION OF RAW PLASTIC MATERIALS\***

Through our sustainable packaging strategy, we reduced 925 tons of plastic and 3,189 tons of GHG emissions in 2021. This is equivalent to planting 22,833 pine trees. The plastic reduction task established in 2020 is ongoing, and by discovering and expanding additional tasks, the cumulative reduction amount is increasing. For foundational improvement, we are working on the Circular Economy Platform task (Label Waste Platform, Holy Grail in Asia research, etc.).



\* Based on the standard carbon absorption amount of the National Institute of Forest Science, 7.16 pine trees planted to offset 1 ton of CO<sub>2</sub>

**SAFE RECYCLING, COLLECTING HETBAHN CONTAINERS FOR PLASTIC RESOURCE CIRCULATION**

We are running 'Our Containers to save the Earth, Safe Recycling' campaign as an upcycling project of Hetbahn containers for a self-circulating environment and resource circulation. We have established a system where customers that have purchased Hetbahn through CJ CheilJedang's online mall, CJ the Market, wash the Hetbahn containers after use, collect them in a box, and apply for free collection service, a local self sufficiency center that is linked to CJ CheilJedang will collect, wash, and processing the containers. After operating the online trial, we plan to install 'Hetbahn container collection boxes' at local self sufficiency centers in each region across the country as well as supermarkets. In 2022, we are aiming to reach our goal of collecting 4 million Hetbahn containers by expanding offline collection stations.

**UPCYCLING PROCESS OF HETBAHN CONTAINERS**



Agreement ceremony for the upcycling business of Hetbahn containers





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**SUSTAINABLE PACKAGING & MATERIAL SOLUTIONS**

**ECO-FRIENDLY MATERIAL SOLUTIONS**

“ CJ CHEILJEDANG STRIVES TO ESTABLISH A NATURAL CIRCULATION SYSTEM BY REPLACING PLASTIC WITH ECO-FRIENDLY MATERIALS. ”

**APPLYING PHA PRODUCTS**

The European Bioplastics Association predicts that the eco-friendly plastics market will grow by 35% from 2020 to 2025. In particular, PHA has a high growth potential not only as an alternative for plastic containers and packaging materials, but because it can also create synergy when combined with various industries such as agriculture, livestock, and pharmaceuticals. Accordingly, CJ CheilJedang built a production facility that produces 5,000 tons of PHA annually in Indonesia in December 2021 and supplies the material to the market. Based on the PHA platform technology, biodegradable polymer derived from BIO, CJ CheilJedang provides high-functional and added eco-friendly solutions through continuous development of various eco-friendly materials/raw material production technologies. Through exploration and convergence of innovative new technologies such as technology using methane and other recycling technology, we are leading the development of next-generation sustainable and eco-friendly technologies.

**HAPPY SOY, APPLIED WITH BIODEGRADABLE PACKAGING AS THE FIRST IN KOREA**

In April 2021, 10 types of bundled Happy Soy Tofu products that are applied with transparent vinyl using PHA and PLA, biodegradable bioplastic materials that are naturally biodegradable, were launched. By using biodegradable materials, the packages are excluded from the 'Repackaging Prohibition Act' and therefore, can be used as bundle bags. Consumers were instructed that biodegradable packaging materials can be disposed of as general waste after consumption through a guideline we added to the package of the product.



Happy Soy

**DEVELOPMENT OF ECO-FRIENDLY BIODEGRADABLE PLASTICS**

Plastic waste poses a great danger not only to marine ecosystems but also to the whole planet. CJ CheilJedang found the answer to the plastic crisis in 100% BIO-based marine biodegradable plastic called PHA(Polyhydroxyalkanoates). PHA is an eco-friendly plastic material that decomposes in the ocean. It is produced through the process of microorganism fermentation and refinement using plant-derived raw materials such as sugar cane, cassava, and corn, and returns to nature through biodegradation.



**SELECTED AS NEXT-GENERATION WORLD-CLASS PRODUCT**

In November 2021, PHA was selected as a next-generation world-class product by the Ministry of Trade, Industry and Energy of South Korea.

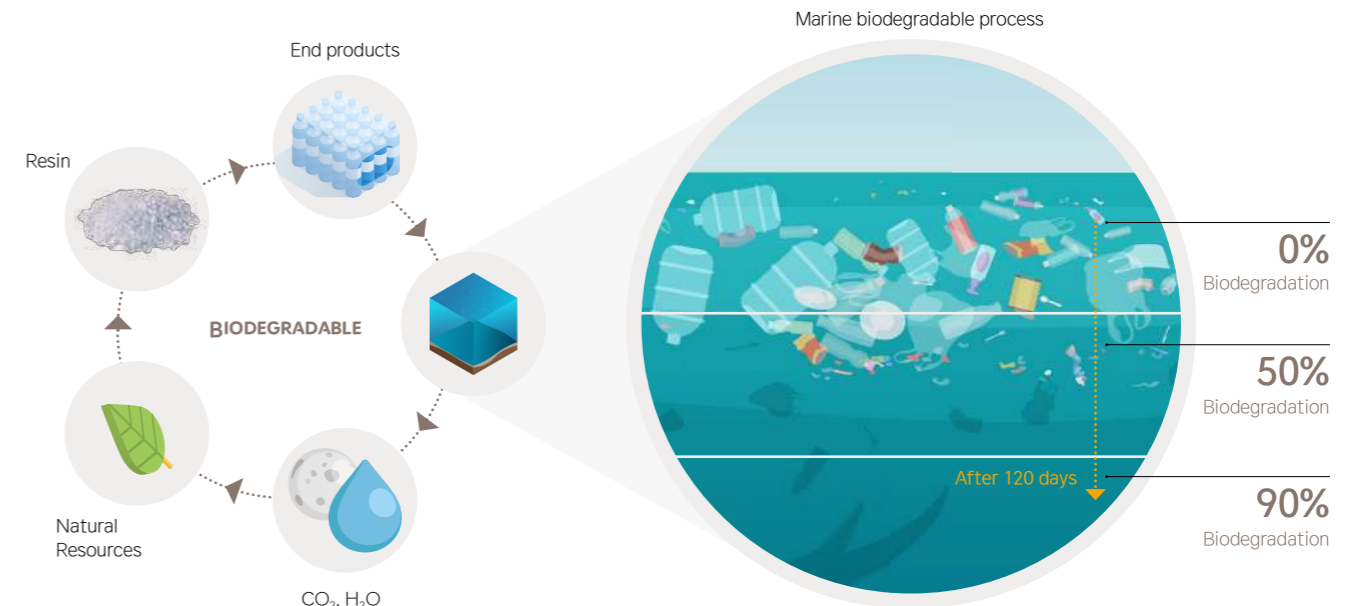


**ACQUIRED GLOBAL CERTIFICATION THAT VERIFIES BIODEGRADATION**

In February 2021, we have acquired certifications from TÜV, an internationally recognized organization, for 4 types of biodegradability. In October 2021, 2 types of BIO-derived raw materials were verified as eco-friendly materials.

**PHA MARINE BIODEGRADABLE PROCESS**

PHA is an eco-friendly plastic material that decomposes in waste composting facilities and underground, and even in the ocean within 6 months if the sea temperature between 15 to 40 degrees Celsius. With the material that can be applied to degradable straws, eco-friendly paper coating, packaging materials, agricultural mulching films, fishing nets, etc., we can reduce environmental pollution and create sustainable values for life, the earth and the future.



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**MATERIAL ISSUE 4.  
RESPECT FOR DIVERSITY, EQUITY, AND INCLUSION**

**WHAT IS A WAY TO BECOME  
A COMPANY THAT THE PEOPLE  
WOULD WANT TO WORK FOR?**

LINK TO SDGS



**HOW WE MANAGE**

Due to rapid changes in the market environment, ESG agenda, and unexpected global issues, we are in a situation where sustainability for the future cannot be guaranteed using the existing methods. Therefore, a company needs a collection of the best talent as well as a culture where achievements can be recognized through routine challenges and competition. Especially, when people from various generations with diverse ideas can relate, understand, and cooperate, the synergy will be maximized.

CJ CheilJedang strives to establish a culture and a system in which any member of the company can develop into top talent, freely create results regardless of age and experience, and fairly receive recognition for their performance.

To this end, we want to build a creative and flexible culture by strengthening diversity, equity and inclusion. In addition, we would like to pursue human rights management that not only includes our business sites but also the global supply chain, and become a company that all employees, partners, local communities, and customers would gladly collaborate with.



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**MATERIAL ISSUE 4.**  
**RESPECT FOR DIVERSITY, EQUITY, AND INCLUSION**

**EFFORTS FOR  
EMPLOYEE DIVERSITY**

 Diversity, Equity, and Inclusion Policy

-  **LISTEN**  
We will try to listen carefully to the opinions of our colleagues and relate.
-  **RESPECT FOR DIVERSITY**  
We will try to create an organizational atmosphere where we can work with pleasure through respect and consideration.
-  **BUILDING TRUST**  
We will try to understand the other person's point of view that may be different to our own.

**OPEN COMMUNICATION CULTURE**

CJ CheilJedang aims to be an organization that respects the diversity of employees and allows them to demonstrate their capabilities by providing equal opportunities. An environment where everyone's daily life is full of health and happiness is a future that CheilJedang is working towards.

**THE 'NIM CULTURE' AND PRACTICING RESPECT**



CJ CheilJedang practices the behavioral principles of integrity, passion, creativity and 'respect'. In order to practice the behavioral principle of respect and to communicate freely, we adopted the 'Nim Culture' as the first for a large company in Korea. With the culture that allows our employees to call each other with equal titles, we were able to listen to the diverse opinions of our colleagues and think from the other person's point of view, thereby building a culture of understanding and consideration for one another. As a global company, we are making efforts to establish inclusiveness and fairness for the diverse group of employees into our culture. We will continue to implement respect for diversity among our employees based on our culture of respect, CJ's unique cultural asset.

**ACTIVATING COMMUNICATION FOR THE DIVERSE GROUP OF EMPLOYEES**

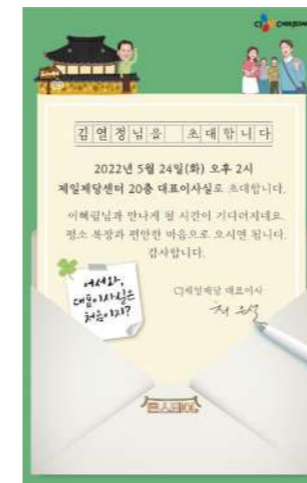
CJ CheilJedang has established diversity, equity, and inclusion as the key values for human resources system. In order to make our key values to become the company's defining culture, we focused on communication with our employees in 2021. In particular, we scheduled sessions that allowed direct communication between the CEO and the employees so that they could communicate and empathize on the establishment of a culture of change and innovation, leadership, and fostering of global talents. Further communication was facilitated by utilizing channels such as education, workshops, and conversations with various generations, positions, and job groups. In recognition of these efforts, we were selected as a company with Excellent Labor-management Culture by the Ministry of Employment and Labor in 2021.



Certificate of Excellent Labor-management Culture

**COMPANY-WIDE COMMUNICATION ACTIVITIES WITH THE CEO**

<b>EUN STAY</b>	Small-scale CEO meeting by various topics (27 times in 2021, 168 participants)
<b>WORKSHOP FOR CHANGE</b>	Online training for all team leaders (9 times in 2021)
<b>COURSE FOR NEW TEAM LEADS</b>	Online real-time training for new team leaders (3 times in 2021)
<b>G5 PROMOTION COURSE</b>	Online conferences (3 times in 2021, for 220 employees)
<b>INTRODUCTORY TRAINING FOR NEW EMPLOYEES</b>	Management philosophy, understanding of the business, and respect for human rights (for new recruits of 2021)



Eun Stay invitation



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**WORK-LIFE BALANCE**

**SUPPORTING WORK-FAMILY BALANCE**

CJ CheilJedang is working hard to revitalize various vacation programs to support the work-life balance of employees. To make sure that our executives and employees can use their annual leave without any concern, we eliminated the section requiring a reason for the leave, and we are also recommending the use of bridge leaves between holidays. Starting from 2022, we are transitioning the system for approval of leaves to a self-approving system to create a more liberal atmosphere for vacations. Not only that, we renamed the existing long-employment vacation called 'Creative Challenge' to 'Creative Week' and we added opportunities for creative development of 2 weeks for every employee at their 3rd, 5th, 7th, and 10th year of service.

**FLEXIBLE OFFICE HOURS**



**LEAVE FOR CHILDREN'S ENTRANCE TO SCHOOL**



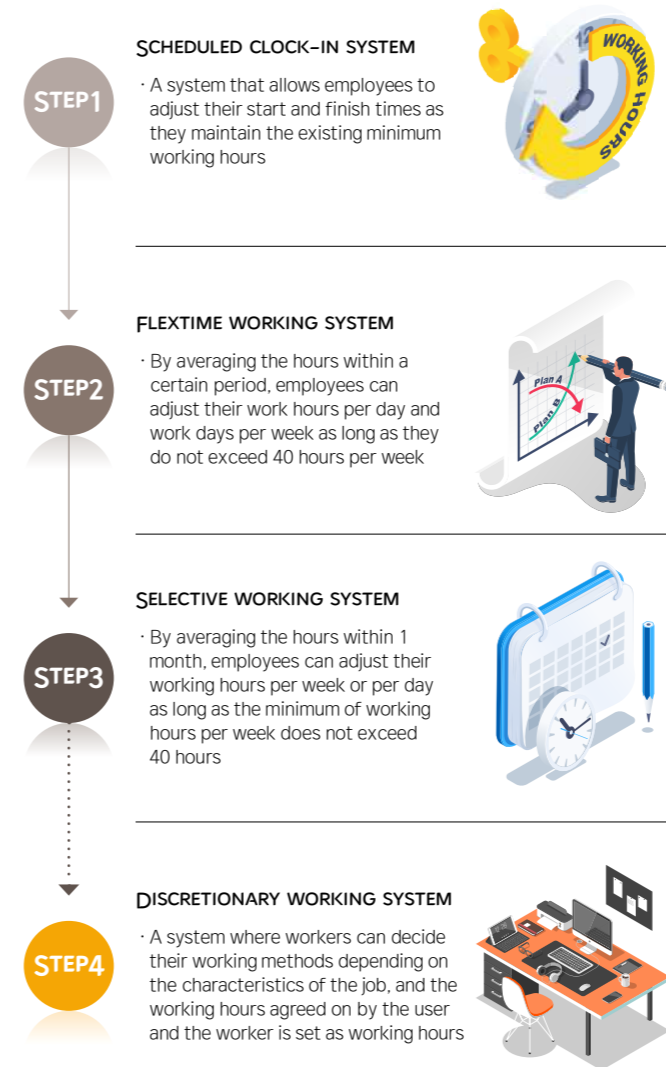
**INCREASE IN MALE EMPLOYEE'S USE OF PARENTAL LEAVE**



**CHANGING THE WAY WE WORK**

CJ CheilJedang strives to build a first-class culture of challenge and innovation for all employees to achieve the vision of becoming No. 1 global Food & BIO company. In order to innovate the way we work, we established an open work-from-home system, and promoted an environment for collaboration and effective communication using an online tool. The management is also actively participating in the transition efforts. In addition, in order to create a flexible and efficient working environment, we improved the system so that employees can autonomously design their office hours and locations as part of our effort to proactively support our employees' enhanced focus and higher performance.

**SELF-LED PLANNING OF OFFICE HOURS**



**SELF-LED PLANNING OF OFFICE LOCATIONS**



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**MATERNITY PROTECTION**

CJ CheilJedang operates various support systems for maternity protection as well as easy child and family care. For pregnant employees, we provide a separate employee ID card to encourage an environment that puts pregnant women first. For women that are breastfeeding, we allow them to use our lactation rooms with assurance in privacy and comfort. As another part of supporting work-family balance, we operate CJ Kidsville, a daycare center at our offices to help employees commute to work with their children and allow them to concentrate on their duties.



CJ Kidsville, daycare center at our offices

**ONLY CJ MATERNITY PROTECTION SYSTEM**

**PREGNANCY LEAVE**  
(IN ADDITION TO PARENTAL LEAVE DURING PREGNANCY)

- Can take leave for 1-10 months during pregnancy(can register by monthly units, can split the term 2 times maximum)

**PARENTAL LEAVE FOR SPOUSE'S MISCARRIAGE, STILLBIRTH, NEONATAL DEATH**

- Maximum of 3 days

**LEAVE FOR CHILDREN'S ENTRANCE TO SCHOOL**

- Maximum of 4 weeks

**SHORTENED OFFICE HOURS FOR CHILDREN'S ENTRANCE TO SCHOOL**

- Can reduce 1 hour of working hours per day(maximum of 1 year)

**EMERGENCY SHORTENED OFFICE HOURS FOR CHILDCARE**

- Can reduce 2 hours of working hours per day (maximum of 1 month)



■ ONLY CJ: Support system that goes beyond the legal compliance system

■ Legal compliance system

PREPARATION	PREGNANCY	BIRTH	CHILDCARE
<ul style="list-style-type: none"> <li>■ Infertility leave</li> <li>■ Support for infertility</li> </ul>	<ul style="list-style-type: none"> <li>■ Gift for pregnant employee (Mom First CARE BOX)</li> <li>■ Shortened office hours during pregnancy</li> <li>■ Leave for obstetric examination</li> <li>■ Pregnancy leave(in addition to parental leave during pregnancy)</li> </ul>	<ul style="list-style-type: none"> <li>■ Gift to celebrate childbirth</li> <li>■ Leave for before and after childbirth</li> <li>■ Maternity leave for miscarriage, stillbirth, neonatal death</li> <li>■ Support for childbirth expenses</li> <li>■ Parental leave for spouses</li> <li>■ Parental leave for miscarriage, stillbirth, neonatal death</li> </ul>	<ul style="list-style-type: none"> <li>■ Shortened office hours for newborn care</li> <li>■ Leave for children's entrance to school</li> <li>■ Shortened office hours for children's entrance to school</li> <li>■ Emergency shortened office hours for childcare</li> <li>■ Childcare leave</li> </ul>

**SUPPORT FOR EMPLOYEES AND THEIR FAMILIES' HEALTH**

CJ CheilJedang supports employees with health checkups for their health, and supports with comprehensive medical checkups for themselves and their spouses based on their position, age, and continued years of work. Starting in 2022, we have expanded the concept of a comprehensive checkup for the spouse to any family member, and expanded the existing 0.5-day leave to one full day of leave to give them enough time to rest before and after the checkup. We also provide various support, including support for infertility expenses for couples, support for congenital heart disease surgeries for themselves or their children, and subsidies for children with disabilities. In addition, through professional counseling institutions across the country, we operate counseling program, Café La Mer, that allows our employees to receive psychological counseling in various areas such as mental status, family relations, child rearing, and stress from work.



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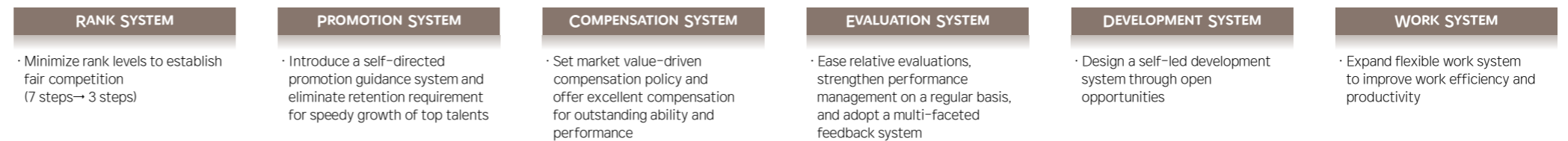
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**RESPECT FOR DIVERSITY, EQUITY, AND INCLUSION**

**HR SYSTEM THAT RESPECTS DEI**

**HR SYSTEM THAT RESPECTS DEI**

CJ CheilJedang aims to build a HR system that allows the company and employees to grow together through daily challenges and fair competition. To this end, we have completely reorganized the HR system and created a healthy environment where employees can fully realize their capabilities through open opportunities and receive rewards that match of their performance. Moving forward, CJ CheilJedang plans to construct HR system that promotes development of employees through continuous innovation in our human resources system.



**DIVERSE OPPORTUNITIES AND FAIR COMPETITION**

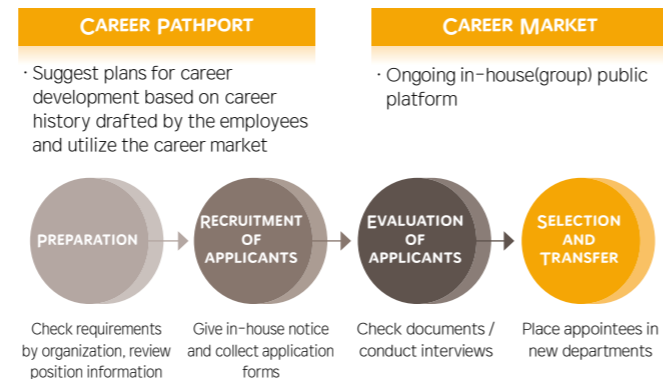
CJ CheilJedang has a variety of plans and systems that will help stabilize a culture of challenges and fair competition. By operating an inhouse venture system that allows us to develop ideas on new businesses into running businesses, we create an environment for future innovation. In addition, we established Career Pathfinder, a job posting program and system that assists with self-led career development, providing an arena of opportunities for our employees to pursue a wide range of projects and jobs within the group.

**STRIKING REWARDS FOR OUTSTANDING PERFORMANCE**

**IMPROVE PERFORMANCE EVALUATION SYSTEM PMDS+<sup>1)</sup>**

CJ CheilJedang restructured its performance management system in 2021 to prepare for a new future and to guide its employees towards innovative growth. Through the upgraded PMDS+ system, we adopted an ongoing performance managing procedure, building a culture of self-directed growth. We also applied eased relative evaluation standards and increased fairness, and strengthened the authority and responsibility of leaders. In addition, we adopted a multi-faceted feedback system that weighs peer reviews focused on strengths and points of improvement that can help with competency development and growth.

**COMPOSITION OF CAREER PATHFINDER**



In-house talent recruitment: Career Market



1) PMDS+: Performance Management & Development System

**IMPROVING THE EMPLOYEE COMPENSATION POLICY**

By reorganizing the system, CJ CheilJedang is operating compensation policy based on market value, magnifying organization leaders' rights to compensation adjustment, and strengthening striking rewards based on performance. In particular, we granted the authority to adjust compensation to the organization's leaders so that each individual's level of competence and performance can be reflected in his/her compensation. We also built a customized policy focused on market-value that also reflects the characteristics of industries and established a differentiated compensation system.

CJ CheilJedang seeks to build a culture of proactive challenges and innovation by operating programs that rewards the excellent achievements of the organization and individuals.

**INNO X BOUNS**  
Immediate incentives for key performers for outstanding performance

**INNOVATION OLYMPIC**  
Incentives for mid-to long-term challenges and innovative performance



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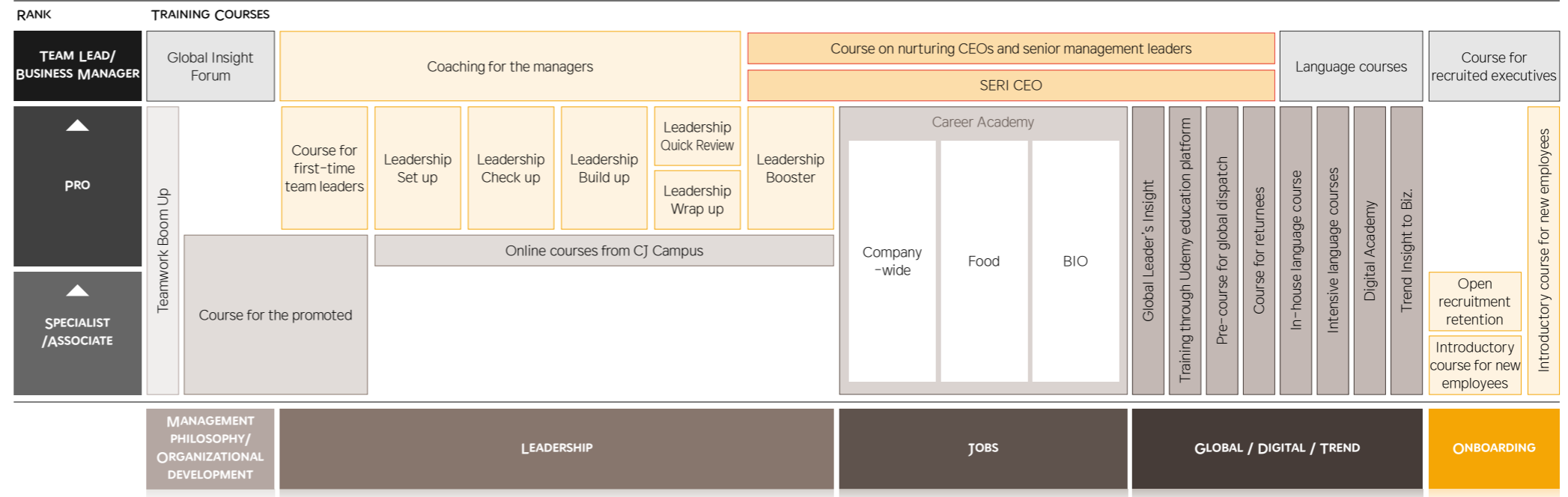
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## NURTURING TALENTS OF THE FUTURE

CJ CheilJedang strives to build a self-directed development model that encourages active participation of employees. For this, we have established an open development system that allows our employees to establish and follow their own development plans. Through questionnaires, we identify career-related developmental needs and provide career development programs that are customized according to their career paths of choice and growth visions. By operating a training system for the employees' autonomous learning opportunities and our support for their career development, we are fostering the group's management philosophy. We are also developing professional, leadership, global, digital competencies by rank and job in stages so that we can support them to develop into future global leaders.

### TRAINING PROGRAM SYSTEM



### RATIO OF FEMALE EXECUTIVES IN 2021\*



\* Based on unregistered executives

### STRENGTHENING FEMALE LEADERSHIP

Following the pursuit of talent management that respects diversity, the percentage of female executives and management personnel is continuously rising at CJ CheilJedang. As a result, the percentage of our female executives, excluding independent directors, was 25.3% as of the end of last year, which is the highest in the industry. By nurturing female management personnel, we will strive to further stabilize a culture that respects diversity, equity, and inclusion.

### COMMUNICATION ACTIVITIES FOR WORK-FAMILY BALANCE

For family month of May, our company carried out communication activities where female leaders with children communicate with the CEO. It was an arena where they could freely converse on work-related concerns as leaders and requirements needed for work-family balance. Following our pursuit of talent management that respects diversity, we will work towards creating an open work environment where we can instill a vision of growth for the female leaders.



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**MATERIAL ISSUE 4.**  
**RESPECT FOR DIVERSITY, EQUITY, AND INCLUSION**

**HUMAN RIGHTS MANAGEMENT**

CJ CheilJedang's human rights management not only respects and protects the human rights of employees but also all internal and external stakeholders, such as partner companies, consumers, and local residents, etc. By marking 2021 as the first year of human rights management, we established governance for implementation of human rights management, revised the Declaration for human rights management, and conducted human rights assessments at domestic manufacturing sites including family companies. Furthermore, we established a system where we can manage potential risks that may arise in the field of human rights by carrying out improvement derived from the results of the assessments.

**ESTABLISHMENT OF THE HUMAN RIGHTS MANAGEMENT SYSTEM**

**HUMAN RIGHTS MANAGEMENT POLICY**

CJ CheilJedang strives to respect human rights of all by preemptively identifying various human rights violations that may occur in management activities and trying to improve them. In 2021, we fully revised the Declaration of Human Rights Management to clarify the content and the direction of human rights management, and conducted activities to self-diagnose potential human rights risks that may occur at our domestic business sites. Starting with internal employees, we will further advertise and offer training activities to increase the understanding of human rights management, conduct human rights impact assessments for our partners and overseas business sites, and strengthen relief procedures and processes in the event of violations.

**GOVERNANCE OF HUMAN RIGHTS MANAGEMENT**

The Corporate Sustainability Committee under the Board of Directors deliberates and resolves agenda related to ESG including Human Rights, and promotes items related to human rights management through a dedicated department.

CORPORATE SUSTAINABILITY COMMITTEE UNDER THE BOARD OF DIRECTORS	CORPORATE SUSTAINABILITY COUNCIL	WORKING-LEVEL COUNCIL FOR HUMAN RIGHTS MANAGEMENT
<ul style="list-style-type: none"> <li>· Deliberates and resolves strategies and directions on human rights</li> <li>· Reviews performance of the company's human rights management</li> </ul>	<ul style="list-style-type: none"> <li>· Reviews and deliberates major tasks on human rights management chaired by the CEO</li> </ul>	<ul style="list-style-type: none"> <li>· Diagnoses potential human rights risks at home and abroad</li> <li>· Identifies and implements improvement measures for human rights management</li> </ul>

**HUMAN RIGHTS MANAGEMENT SYSTEM**

CJ CheilJedang established and operates the Human Rights Management System for the purpose of achieving 'Zero human rights risk' through systematic management of human rights risks.

**PARTICIPATION IN THE UN'S DECLARATION OF ERADICATION OF CHILD LABOR(JUNE 2021)**

With 2021 as the year for eradication of child labor, CJ CheilJedang participated in ILO's 'Declaration of Eradication of Child labor'. CJ CheilJedang exerts its efforts so that there are zero issues related to child labor in the value chain including its work sites, family work sites, and supply chains.





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**HUMAN RIGHTS IMPACT ASSESSMENT**

We conducted human rights impact assessments targeted to 15 domestic sites of CJ CheilJedang and its affiliates' manufacturing sites to self-assess human rights risks. The assessment was conducted to diagnose areas in employment discrimination(gender/non-regular employment), bullying/sexual harassment, forced labor(foreign workers), child labor(students/minors), humane treatment(working hours/breaks/wages/ maternity protection, etc.), freedom of association(labor councils), and protection of local residents, etc., by interviewing employees and checking relevant documents. As a result of the human rights impact assessments conducted in 2021, we saw that there needs to be stricter guidance on response procedures in the event of harassment in the workplace, continued improvement of the breaktime environment at the sites, more systematic management of protection programs for pregnant employees, and active efforts to break down intergenerational communication. We plan to continuously pursue improvement efforts in such areas.

**IMPROVEMENT PLANS FOR 2022**

 <b>CONDUCT WORKPLACE HARASSMENT RESPONSE TRAINING</b>	 <b>REVITALIZE INTERGENERATIONAL COMMUNICATION</b>	 <b>IMPROVE ENVIRONMENT FOR BREAKS</b>	 <b>SYSTEMATICALLY MANAGE MATERNITY PROTECTION PROGRAMS</b>
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**DECLARATION OF HUMAN RIGHTS**

As a document that publicly declares the company's pledge toward respect for human rights and assessments for human rights risks, and the adoption of relief measures, CJ CheilJedang revised the Declaration of Human Rights Management to include the company's key human rights principles, the core contents of human rights management, human rights assessments and relief measures. In particular, we have presented specific measures for employees, business partners, customers, and local communities regarding human rights risk management. CJ CheilJedang respects human rights that are universally recognized throughout the whole value chain regardless of women, children, natives, migrant workers, and third-party contract workers. We will also check and manage the human rights management system when we expand new businesses such as mergers and acquisitions.

 Declaration of Human Rights

**EFFORTS TO SPREAD A HUMAN RIGHTS CULTURE**

Through the revision of the employment rules in 2021, we strengthened procedures regarding workplace harassment by establishing the company's obligation for objective investigation as well as to maintain confidentiality in the investigation process in the occurrence of such case. In addition, we are raising awareness of human rights protection by including topics on appropriate management of employees' working hours and vacations, precautions for maternity protection, the role of managers when responding to bullying/sexual harassment in the workplace, the importance of employee grievance handling as well as the required attitude of managers when training new managers. In addition, we are running campaigns to prevent long hours of work and to support family care in order to achieve zero human rights risks, thereby spreading a human rights culture.

**REORGANIZING THE OPEN COUNCIL TO STRENGTHEN COMMUNICATION & ENCOURAGE PARTICIPATION**

We are continuously pursuing better communication and resolution of grievances by running the Open Council, a consultative body between employee representatives and management representatives every quarter. Also, in order to expand the participation of employees in various positions across the country, we built a council on a level of the Food Production Division and the Food Sales Division. With this, there has been an expansion in the number of outlets for employees in the production and sales sectors that allows them to overcome business-site and regional differences and communicate with management with one voice.

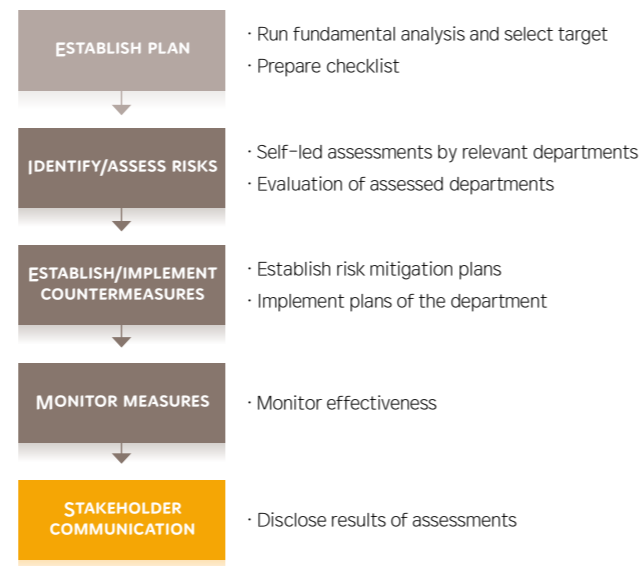
**OPERATING VARIOUS COMMUNICATION CHANNELS AND ENHANCING THE FEEDBACK SYSTEM**

We operate a variety of online/mobile communication channels that allow employees to freely express suggestions, grievances, etc. by each business site. In the case of the Jincheon Blossom Campus, the VOC management system allows management of employees' inquiries and grievances in real time, improving the efficiency of business execution in comparison to the existing system. At the Nonsan Plant, we operate an anonymous VOC channel that is more familiar and convenient for the employees to use, so that they can communicate and receive feedback more effectively.



Slogan Competition for the Food Production Division's Open Council

**OVERVIEW OF HUMAN RIGHTS IMPACT ASSESSMENT (HUMAN RIGHTS ASSESSMENT)**



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**MATERIAL ISSUE 5.**  
**STRENGTHENING SUPPLY CHAIN SUSTAINABILITY**

**WHAT IS A WAY TO  
GROW WITH SUPPLIERS?**

LINK TO SDGS



**HOW WE MANAGE**

CJ CheilJedang believes that growth in the supply chain occurs when all suppliers fulfill their responsibilities for their employees, society and the environment, and eventually enhance sustainability. Therefore, achieving a sustainable supply chain represents growth for all of us.

At CJ CheilJedang, we pursue systematic management of the supply chain to foster sustainability within the supply chains of the domestic and the global Food and BIO industries. In the process of procuring raw materials, we are expanding the procurement of eco-friendly raw materials in ways that protect biodiversity and do not harm the environment. Also, based on partnerships with suppliers, we strive to grow together through various cooperative projects.



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**SUSTAINABLE SUPPLY CHAIN**

“  
CJ CHEILJEDANG ESTABLISHED SUPPLY CHAIN  
MANAGEMENT STRATEGIES AND FULFILL  
THE SUPPLY CHAIN’S ENVIRONMENTAL  
AND SOCIAL RESPONSIBILITIES.  
”

- 🔗 Sustainable Raw Material Sourcing Policy
- 🔗 Supplier Code of Conduct

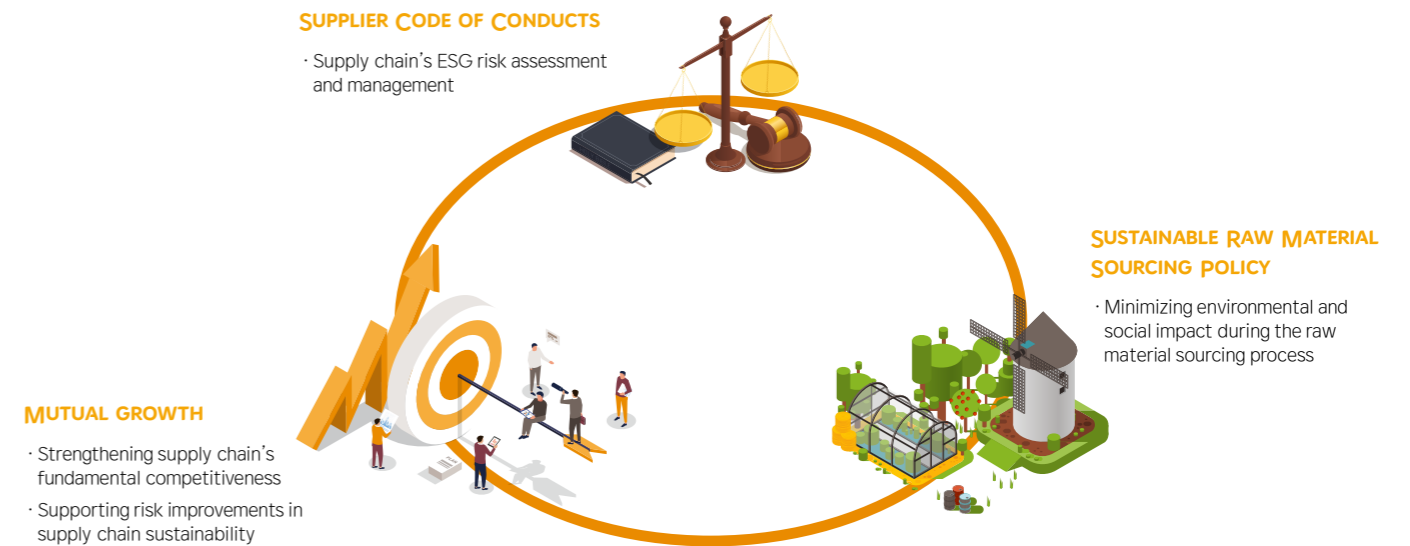
**SUPPLY CHAIN GOVERNANCE**

At CJ CheilJedang, the Corporate Sustainability Committee under the Board of Directors takes charge of the Sustainable Supply Chain Policy, and operates a supply chain working committee for the implementation of the supply chain management policy and a company-wide cooperation. The supply chain working committee operates based on the leadership of the Purchasing Department of Food, Grain, and BIO sectors, and executes tasks that enhance the supply chain’s sustainability through collaboration with departments by function, including human rights, safety, etc.



**SUSTAINABLE SUPPLY CHAIN STRATEGY**

To enhance the sustainability of supply chains, CJ CheilJedang supports the strengthening of suppliers’ competitiveness based on its mutual growth activities. Also, the company established ‘Supplier Code of Conducts’ as well as ‘Sustainable Raw Material Sourcing Policy’ in 2019 so that the supply chain can fulfill its social and environmental responsibilities.



**SUPPLY CHAIN MANAGEMENT POLICY**

**SUPPLIER CODE OF CONDUCTS**

CJ CheilJedang published the Supplier Code of Conduct on supply chain ethics and human rights in 2017. The Code of Conduct was applied to manage supply chain sustainability. In 2019, we newly announced the Supplier Code of Conduct for ethics, human rights, safety and environment in line with the global expansion of our businesses. We are applying the new Code of Conducts to the overall supply chain’s sustainability.

**SUSTAINABLE RAW MATERIAL SOURCING POLICY**

To enhance the soundness of the supply chain through traceable and sustainable raw material procurement, CJ CheilJedang has established a Sustainable Raw Material Sourcing Policy. This policy describes our approach to major raw materials such as raw sugar, corn, soybeans, palm oil, rice, eggs and seafood. CJ CheilJedang applies this policy to the entire supply chain to reinforce the sustainability of the food industry in areas of forestry and biodiversity.



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**SUPPLY CHAIN MANAGEMENT SYSTEM**

CJ CheilJedang has diverse supply chains across the world from raw materials to products, packaging materials, and facilities. To enhance environmental and social sustainability for the global supply chains, including the area where raw materials are produced to the production facilities of the raw materials, we are requesting their compliance with the Code of Conduct. Based on this, we have built a supply chain management system and are enhancing supply chain sustainability.

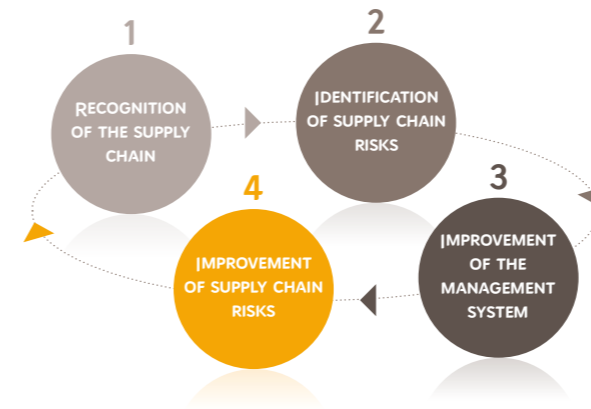
**STATUS OF COMPLIANCE TO THE SUPPLIER CODE OF CONDUCT**

In order to include sustainability factors in the selection and evaluation of suppliers, the Standard Agreement specifies quality, safety, financial soundness, and compliance to the Supplier Code of Conduct in areas including human rights, environment, and anti-corruption. In addition, to prompt self-directed improvement by the suppliers based on the Supplier Code of Conduct, we are revising and operating Supplier Code of Conduct guidelines.

**SUPPLIERS' COMPLIANCE TO THE SUPPLIER CODE OF CONDUCT**



**MANAGEMENT OF THE SUPPLY CHAIN AND KEY SUPPLIERS**



CJ CheilJedang evaluates ESG factors such as human rights and safety upon new registration of suppliers to determine the possibility of further transactions. In addition, suppliers of raw materials are managed through assessments and regular audits. If the result of the assessments proves to be unfit, a penalty is given depending on the seriousness of the matter along with recommendations for improvement. In addition, CJ CheilJedang selects and manages key suppliers based on scale of transactions, substitutability, and sustainability.

**ENHANCING TRANSPARENCY IN THE SUPPLY CHAIN**

**ADVANCING THE G-SRM SYSTEM**

G-SRM(Global Supplier Relationship Management) operates on a cloud-based purchasing system to increase transparency in purchasing and to streamline purchasing operations. Also, through automatic sharing of bid results and consent of supply chain ethics/human rights management, we have strengthened transparency as well as ESG activities. The new system is supported in five languages and compatible with all internet browsers which increased user accessibility, and enabled online global technical support by achieving interactive communication through online systems.

COMPATIBILITY UP · CONVENIENCE UP	ENHANCEMENT OF TRANSPARENCY AND ESG ACTIVITIES	TWO-WAY COMMUNICATION	CONSIDERING INTERCONNECTION
<ul style="list-style-type: none"> <li>· Compatible with all internet browsers</li> <li>· Supported in five languages</li> </ul>	<ul style="list-style-type: none"> <li>· Automatic sharing of bid results upon CJ in-house transaction system</li> <li>· Use of G-SRM after consent to ethical human rights management</li> </ul>	<ul style="list-style-type: none"> <li>· Send and confirm through online system companies</li> <li>· Global online technical support</li> </ul>	<ul style="list-style-type: none"> <li>· Unified data management through integration of G-SRM, SAP, and CJ's in-house transaction system</li> </ul>



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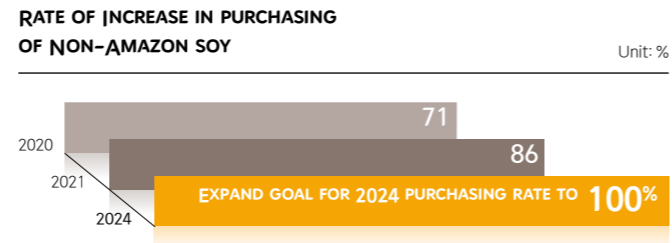
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**STRENGTHENING SUPPLY CHAIN SUSTAINABILITY**  
**SUSTAINABLE SOURCING**

“ WE OPERATE A SUSTAINABLE SOURCING SYSTEM BY WORKING TO PREEMPTIVELY IDENTIFY AND RESPOND TO ENVIRONMENTAL AND SOCIAL ISSUES THAT MAY OCCUR IN THE RAW MATERIALS SOURCING PROCESS. ”



**SUSTAINABLE PALM OIL POLICY**

The solution to the palm oil problems is to make a conscious effort to use palm oil that does not result in deforestation. In 2021, CJ CheilJedang established the ‘Sustainable Palm Oil Policy’ to minimize the negative impact on the environment and society caused by palm oil production and consumption, and to produce and sell sustainable palm oil. In addition, beginning in 2022, we are only using eco-friendly palm oil that has been certified through RSPO (Roundtable on Sustainable Palm Oil) for B2B (business-to-business) transactions. Starting with our domestic business sites, we plan to expand this movement to our overseas subsidiaries and suppliers.

NO  
DEFORESTATION

NO  
DEVELOPMENT  
ON PEAT

NO  
EXPLOITATION

CERTIFIED

Sustainable Palm Oil Policy

**EFFORTS FOR ‘SUSTAINABLE SOYBEANS’**

CJ CheilJedang is practicing sustainable sourcing through various projects to minimize environmental impact such as deforestation, which can occur during the soybean cultivating process around the world.

**EXPANDING OPERATION OF CJ SELECTA, AMAZON BIOME FREE**

In accordance with our declaration to ‘Deforestation-free’, CJ Selecta executes the ‘Seed Project’ with the goal to expand the purchase of non-Amazon Biome soybeans and to purchase soybeans outside of the Amazon Biome in the Minas Gerais region of Brazil. With the ‘Seed Project’, we have formed a partnership with major manufacturers of concentrated soybean protein in Brazil. With this we are securing and operating a mutual growth system where we supply farmers outside of Amazon with seeds, provide support for funds, and purchase cultivated soybeans.

**DEFORESTATION-FREE**

In order to prevent the destruction of the ecosystem caused by deforestation or slash-and-burn cultivation, we do not source soybeans from such regions and instead strive to use soybeans procured in sustainable methods and try to expand the percentage of sustainably procured soybeans. Our Non-GMO soybeans are certified by Pro-Terra(a global standard certificate that requires sustainability and traceability based on compliance with 10 principles, such as legal compliance, respect for human rights, biodiversity conservation, environmental policies, waste policy, and non-use of GMOs), and we are working to build a framework to acquire the same certification for our GMO soybeans.



**BIODIVERSITY POLICY**

In Brazil, the largest producer of plant-based high-protein soybeans, there has been cases of forest damage because economic benefits were prioritized over forest protection. Therefore, biodiversity issues occurred. As a response to this, CJ CheilJedang has made a declaration for ‘Deforestation-free’ in 2021 as an effort to preserve a sustainable environment. In accordance with the Biodiversity Policy, we will strive to prevent and mitigate any negative impact on biodiversity that may arise in our business.

**EFFORTS FOR ‘SUSTAINABLE PALM OIL’**

Palm oil derived from palm trees is highly productive and economical, and is being commonly used in food, cosmetics, cleaning agents, and as a raw material for BIO energy. However, the surge in palm oil consumption has led to an indiscriminate rise of palm oil production facilities. As a result, several environmental problems were induced including forest devastation, biodiversity loss, air pollution through shifting cultivation, as well as social problems such as violations of housing rights of the indigenous people and other human rights violations.

2017	2020	2021	2022
<p><b>JOINED THE RSPO AS AN OFFICIAL MEMBER</b></p> <p>Joined RSPO<sup>1)</sup> to take part in resolutions of environmental destruction problems at the production sites by purchasing palm oil produced under proper procedures</p>	<p><b>ADOPTED THE MASS BALANCE SYSTEM</b></p> <p>Strengthened sustainable purchasing of palm oil by adopting a RSPO supply chain model that manages the distribution and certification of RSPO certified palm oil and general palm oil</p>	<p><b>ESTABLISHED THE SUSTAINABLE PALM OIL POLICY</b></p> <p>Revised the section on palm oil from the sustainable raw material procurement policy to comply with local laws and international standards on purchasing palm oils, and adopted the principles of NDPE<sup>2)</sup></p>	<p><b>USING 100% RSPO CERTIFIED PALM OIL</b></p> <p>CSPO<sup>3)</sup>, RSPO Certified Sustainable Palm Oil that meets the principles of sustainable palm oil production and standards through third-party certification agencies</p>

1) RSPO(Roundtable on sustainable Palm Oil)  
2) NDPE(No Deforestation, No Development on Peat, No Exploitation)  
3) CSPO(Certified Sustainable Palm Oil)



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Material Issue 2. Response to Climate Change

Material Issue 3. Sustainable Packaging & Material Solutions

Material Issue 4. Respect for Diversity, Equity, and Inclusion

▶ **Material Issue 5. Strengthening Supply Chain Sustainability**

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**MATERIAL ISSUE 5.  
STRENGTHENING SUPPLY CHAIN SUSTAINABILITY**

**OUR EFFORTS FOR  
MUTUAL GROWTH**

“  
CJ CHEILJEDANG IS TRYING TO CREATE AN  
ECOSYSTEM OF CO-EXISTENCE WHERE  
WE CAN GROW TOGETHER WITH SMES.  
”

**WIN-WIN GROWTH INDEX**



CJ CheilJedang acquired 'Excellent' Grade in the Win-Win Growth Index for 6 consecutive years as the first in the food industry

**MUTUAL GROWTH**

Based on the shared growth philosophy of the CJ Group, CJ CheilJedang pursues win-win cooperation with the goal of maximizing capabilities of the supply chain. In particular, we continuously operate the 'CJ Partners Club' to maintain sound partnership, and we also carry out the 'Happy Companion' project to secure sales channels for local food companies. In addition, we not only support with education, fund, and technical support, but we also provide support in quality and cleanliness as well as employment safety through various shared growth programs that offer practical benefits to our partner SMEs.

**RELEASED THE FIRST RECIPIENTS OF THE NAEL CHAEUM DEDUCTION SYSTEM AS THE FIRST IN THE PRIVATE SECTOR**

By launching a mutual cooperation Naeil Chaeum Deduction System\*, we are contributing to our partner SMEs' stable employment and the alleviation of wage disparity. As a model that realizes mutual growth by lowering the burdens of SMEs with our support with the share of expenses, CJ CheilJedang released the first group of recipients that has reached the mutual cooperation Naeil Chaeum Deduction System. We released 7 people from 5 suppliers and plan to expand our support in the future.

\* A system in which workers of our suppliers deposit deductions jointly with CJ CheilJedang and the workers receive the savings upon maturity



Event for the recipients of the deduction system

**FAIR TRADE**

**OPERATION OF THE DELIBERATION COMMITTEE ON SUBCONTRACT TRANSACTIONS**

We manage major agenda and activities related to our suppliers through a monthly meeting by the Deliberation Committee on subcontractors. In 2021, we worked to collect and improve the grievances of our suppliers through the committee.

**CASE 1. JULY 2021**



**SUPPLIER A**

With the pending transition of the material of an existing product, the supplier requested for the exhaustion of the existing product and established a goal to do so within the month of September, and decided on paying the cost for disposal in the event that the total is unmet.

**CASE 2. OCTOBER 2021**



**SUPPLIER B**

Requested compensation for equipment in accordance with the withdrawal of CJ CheilJedang's business, and decided to confirm the amount of unused equipment and be reimbursed within the year.

**OPERATING THE SUPPLY CHAIN MANAGEMENT SYSTEM(CJ SRM)**

By linking the company's internal computer networks, we automatically issue documents of our suppliers' order placements, receipts, and test results, etc. in real time. Regarding subcontract transactions, we digitally adjust unit prices and sign price agreements with the suppliers.

**SUPPORT FOR THE SUPPLIERS USING ESG BONDS**

In 2021, CJ CheilJedang issued an ESG bond worth KRW 60 billion for the first time in the CJ group, adding KRW 16 billion to the mutual growth funds, and allocating KRW 44 billion to shorten the payment cycle for the suppliers.



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**MATERIAL ISSUE 5.**  
**STRENGTHENING SUPPLY CHAIN SUSTAINABILITY**  
**SUPPORT FOR THE CREATION OF**  
**AN INNOVATIVE ECOSYSTEM**

“ WE CONTRIBUTE TO THE REVITALIZATION OF ECOSYSTEMS BY NURTURING AND SUPPORTING PROMISING STARTUPS. ”

**SUPPORT PROGRAMS FOR INNOVATIVE STARTUPS**

Through the CIAT and O!VentUs program, CJ CheilJedang supports the growth of startups and SMEs and contributes to the revitalization of an innovative ecosystem. In 2021, with the Korea Institute of Startup & Entrepreneurship Development and the Seoul Creative Economy Innovation Center, we expanded the discovery of excellent companies with differentiated technologies for the future. For outstanding Tech & Biz companies among the applicant companies, we built further collaborative business relationships through 10 business connections and 2 investment connections. In addition, 19 companies have succeeded in strengthening their startup capacities following their participation in the program, raised their startup enterprise value by about five times by using reference on collaboration with CJ CheilJedang, and received further investments. In particular, we led the advancement of new startups by enhancing existing programs and launching new programs, and have supported the startups to secure their business and technical innovation capabilities by connecting excellent companies with our internal businesses and investment opportunities. Moving forward, we plan to support the growth of startups by upgrading our programs.

**SUPPORT PROGRAMS FOR INNOVATIVE STARTUPS** Cumulative result from 2018 to 2021



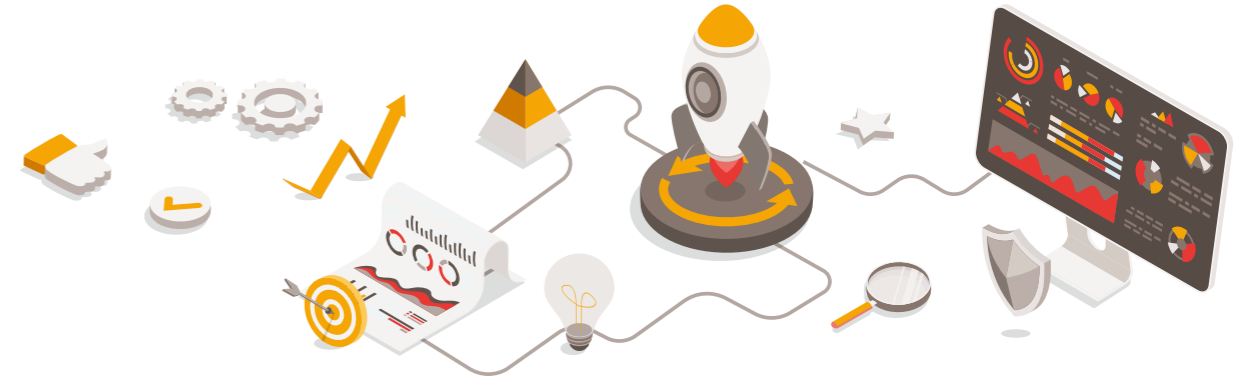
**SELECTED COMPANIES**

<b>HUBNET COMPANY</b>	Big data-based residual agricultural price and volume analysis service
<b>AGILE SODA</b>	AI-based decision-making intelligence software that realizes customer customization/recommendation services
<b>WISE SOLUTION</b>	User-customized information delivery platform that uses web crawling
<b>AIR ORDER</b>	Smart POS* platform for offline stores

\* Point of Sales: A method to manage information on sales by installing a computer terminal at sales bases

**SELECTION BENEFITS**

- 1 Group infrastructure(promotion, marketing, field test environment, etc.) provided
- 2 Support for verification of technology and commercialization feasibility provided
- 3 Opportunities for collaboration with a mentor group, composed of CJ's working experts, offered
- 4 Support for global entry(\*Targeted to CIAT participants)



**INVESTMENT PROGRAMS FOR INNOVATIVE STARTUPS**

**FRONTIER LABS**

**FRONTIER LABS** In 2021, we started 'Frontier Labs', a program that selects and invests in startups with outstanding technologies and ideas along with 'Spark Lab', a global startup planner(accelerator). Frontier Labs is a program where we make an initial investment of KRW 100 million to each selected company and then proceed with follow-up investments of the companies after they undergo expert mentoring for three months. Through this program, our company invested a total of KRW 1 billion and plan to expand the amount in the future. In the first round of recruitment in 2021, 'Elroilab', which detects foreign particles in food using AI(artificial intelligence) and hyperspectral technology, and 'Itgreen', that provides a zero-waste container rental service 'RETURNIT', and a beverage-based online and offline platform called 'Better Monday Korea' received the initial investment. In the second round of recruitment in 2022, we expanded the areas for submissions in technology, products, and services to include Food and Health(Wellness), Food and Environment(Sustainability), Food and Technology(Foodtech), and Future Innovation(Frontier). We selected 5 companies and have carried out investments to a total of 8 companies so far and plan to invest further in these areas in the future.

**SELECTION BENEFITS**

- KRW 100 million for each company as an initial investment, subsequent investments
- Business collaboration with CJ and global entry
- Funding for commercialization with the Rural Development Administration
- Initial review for SparkLabs' Batch Program
- 3~6 months of business accelerating opportunities(management advice, etc.)

**1ST GROUP OF SELECTED COMPANIES**

<b>ELROILAB</b>	Detects foreign particles in food using AI and hyperspectral technology
<b>ITGREEN</b>	A zero-waste container rental service, 'RETURNIT'
<b>BETTER MONDAY KOREA</b>	A beverage-based online and offline platform

**CIAT**



In July 2021, with the Korea Institute of Startup & Entrepreneurship Development, we started a PoC(Product of Concept) program to meet CJ's deep-dive innovation tasks by selecting startups in their 3rd to 7th year of their founding. Among the 10 selected teams, 4 companies(with the competitive ratio of 6:1) were selected in the field of Foodtech. Then, we offered mentoring for joint projects and technology development, and verified their technological feasibilities and commercial feasibilities. In April of 2022, IR Demo Day was held to support the startups looking for opportunities to enter into the global field such as the U.S. market. From this, we continuously conduct reviews for business connections with CJ and other investment opportunities.

**O! VENTUS**



We support programs that recruit SMEs and startup companies to solve CJ Group's Quick-Win challenge tasks and nurture(Scale-up, Incubating) the selected companies. In 2021, the 4th group of O!VentUs was discovered and excellent companies for collaboration were selected.



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# ENVIRONMENTAL PERFORMANCE

## ENVIRONMENTAL MANAGEMENT

### IMPLEMENTING ENVIRONMENTAL MANAGEMENT

CJ CheilJedang has developed a step-by-step environmental safety strategy starting from environmental risk awareness to improvement, prevention, response, and diagnosis. With this, we detect and preemptively respond to key environmental risks such as chemical spills and odor, etc. In addition, we maintain a total of 20 environmental certifications, including carbon emission certifications, as well as Green Company and Green Management System Certifications, which are environmental certifications for business sites. Also, 19.2% of the total number of business sites(5 out of 26 total business sites) acquired the Environmental Management System(ISO14001).

 Environmental Policy

### ENVIRONMENT-RELATED CERTIFICATIONS

NAME OF CERTIFICATION	UNIT	CERTIFICATIONS
Carbon Labelling/Low Carbon	Number of certifications	6
Green Company	Number of certifications	4
Green Management System	Number of certifications	1
Environmental Management System(ISO14001)	Number of certifications	5
Exemplary Company for Environment Management & Self-Audit Business	Number of certifications	4

### ENVIRONMENTAL MANAGEMENT-RELATED AWARDS FOR DOMESTIC BUSINESS SITES

BUSINESS SITE	AWARD	DATE OF AWARD	AWARDING AGENCY
Jincheon Blossom Campus	Commendation for Environmental Conservation Merit	June 4 2021	Ministry of Environment
Jincheon Blossom Campus	Gold medal by Korea Environmental Engineers	Nov. 25 2021	Korea Environmental Engineers Association
Incheon 2	Excellence in air emissions management	Jul. 14 2021	Metropolitan Air Quality Management Office

### INVESTMENT AMOUNT FOR ENVIRONMENTAL PROTECTION IN KOREA

CATEGORY	UNIT	2020	2021
Costs and Investments	KRW 1 million	3,293	3,897

## WATER RESOURCE MANAGEMENT

As water is used in the process of cleaning and sterilizing products, CJ CheilJedang manages water resource risks. We implement stringent water resource management regulations and comply with wastewater-related laws and regulations. In the case that a production facility site slated for construction or expansion lies downstream from a protected water resource zone, we will relocate it to an area that is safe from water pollution risks, bearing inevitable additional costs or logistical difficulties.

In addition, we are preemptively responding to water resource risks such as increased supply costs and changes in government policies by increasing investments in the wastewater recycling systems. None of CJ CheilJedang's domestic business sites source their water from critical water-stressed regions currently, and we are continuously working to reduce water consumption and to increase the recycling of water and the consumption of recycled water.

In 2021, effluents in the company's domestic sites are discharged at less than 30% of the legal standard concentration, and then it enters the local sewage treatment plant or wastewater treatment plant for further treatment. For 3 business sites (Nonsan, Gongju, and Namwon), the water is discharged directly into nearby rivers at a level of less than 50% of the legal standard concentration, not affecting the surrounding environment.

Our business sites in Indonesia withdraw wastewater from surface water and discharge it into a river, while our business sites in China withdraw wastewater from groundwater and the water supply and discharge it to the municipal sewage treatment plant. For Brazil, wastewater is collected from surface water and groundwater. The Piracicaba plant in Brazil releases wastewater into the river while Selecta business sites do not discharge. In the United States, Malaysia, and Vietnam, water is withdrawn from the water supply, and in the United States and Vietnam, wastewater is discharged to a sewage treatment plant, and in Malaysia, it is discharged into a river. We manage the discharge within the legal wastewater discharge standards of each country, not affecting the surrounding environment.

### AMOUNT OF WATER WITHDRAWAL/AMOUNT OF WATER DISCHARGE /AMOUNT OF WATER CONSUMPTION

CATEGORY	UNIT	2019	2020	2021
<b>STATISTICS OF WATER WITHDRAWAL</b>				
Water withdrawal(for industrial and residential uses)	Thousand ton	15,495	15,920	18,307
Groundwater withdrawal	Thousand ton	9,717	6,918	6,428
Surface water withdrawal	Thousand ton	24,988	25,591	27,138
Total water withdrawal	Thousand ton	50,200	48,429	51,873
Water consumption intensity	Ton/product-ton	9.76	10.83	9.78
<b>STATISTICS OF DISCHARGED WASTEWATER</b>				
Total discharged wastewater	Thousand ton	35,691	37,208	39,408
Discharged wastewater intensity	Ton/product-ton	6.94	8.32	7.43
<b>STATISTICS OF WATER CONSUMPTION*</b>				
Total water consumption	Thousand ton	14,508	11,221	12,465

\* Amount of water withdrawal - Amount of water discharge

### REUSE AND RECYCLING OF WATER RESOURCES

CATEGORY	UNIT	2019	2020	2021
Total amount of reused and recycled water resources	Thousand ton	8,294	7,780	7,328
Water recycling rate	%	16.5	16.1	14.1

The scope of the environmental performance covers 16 domestic business sites and 10 overseas business sites, and the data aggregated only for domestic business sites is separately noted.



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## WASTE MANAGEMENT

Under the company's internal waste management regulations, we process all generated wastes through a legally licensed company. Under our internal contract procedures, we conduct pre-contract document assessment and carry out on-site inspections when necessary to ensure that we only enter into contracts with companies that meet our standards. Then, we dispose of all wastes in compliance with the Waste Control Act. For our domestic business sites, we perform heat recovery of incineration waste. Moreover, at our overseas business sites, waste that can be converted into fertilizers is being sold as fertilizers, and other wastes are handled in recycling, landfill, and incineration after being treated by legally licensed companies.

## STATISTICS OF WASTE DISCHARGE

CATEGORY	UNIT	2019	2020	2021	
Designated waste	Recycled	Ton	40,048	45,063	67,915
	Incinerated	Ton	1,053	1,098	1,288
	Landfilled	Ton	96	138	45
	Other	Ton	2	10	6
	Sum	Ton	41,199	46,309	69,254
General waste	Recycled	Ton	283,990	245,009	250,591
	Incinerated	Ton	8,886	9,106	9,499
	Landfilled	Ton	1,199	1,744	927
	Other	Ton	3,327	3,686	4,162
	Sum	Ton	297,402	259,544	265,179
Total	Ton	338,601	305,852	334,434	
Waste intensity	Ton/product-ton	0.066	0.068	0.063	

## MANAGEMENT OF RESOURCE CIRCULATION AT DOMESTIC BUSINESS SITES

BUSINESS SITE	NAME OF CERTIFICATION	CERTIFICATION PERIOD
Jincheon Blossom Campus	Resource circulation	Other plant-derived residuals(Rice bran and broken rice)
	Resource circulation	Waste paper
Jincheon	Resource circulation	Other plant-derived residuals(Bean-curd refuse)
	Resource circulation	Waste paper
Busan	Resource circulation	Other plant-derived residuals(Rice bran and broken rice)

## AMOUNT OF FOOD LOSS AND WASTES AT DOMESTIC BUSINESS SITES

CATEGORY	UNIT	2019	2020	2021
Total amount of food loss and waste	Ton	7,677	8,385	4,968
Amount donated before disposal	Ton	2,956	2,957	2,021
Total waste generated	Ton	4,721	5,428	2,947
Percentage of disposal*	%	0.1	0.2	0.1

\* Calculation of the percentage of disposal: (Total waste generated/Total amount of processed food products) x 100

## ADDITIONAL ENVIRONMENTAL MANAGEMENT

## AIR POLLUTANT MANAGEMENT

CJ CheilJedang maintains its discharge density of air pollutants (dust) under 30% of the legal standard. Two(Incheon 1 and Incheon 2) of the domestic business sites have signed a voluntary agreement with the Metropolitan Air Quality Management Office to manage the total amount of air pollutants, making efforts to carry out activities to improve energy savings, maintain boiler combustion at an optimal level, etc. 4 business sites(Incheon 1, Incheon 2, Jincheon BC, Yeongdeungpo) have signed a voluntary agreement to reduce air pollutant emissions with each municipality and are taking measures to reduce air pollutant emissions, such as enacting the no-driving-every-five-days system when fine dust reduction measures are issued, closing down vacuum vehicles for inner-city roads, and scheduling shutdown of a subsection of the production line.

## AIR POLLUTANT EMISSIONS AT ALL BUSINESS SITES

CATEGORY	UNIT	2019	2020	2021
NOx(nitrogen oxide)	Ton	1,625	1,243	1,040
SOx(sulfur oxide)	Ton	529	384	1,442
Dust	Ton	587	524	499
Total	Ton	2,742	2,151	2,982

## AIR POLLUTANT EMISSIONS AT DOMESTIC BUSINESS SITES

CATEGORY	UNIT	2019	2020	2021
NOx(nitrogen oxide)	Ton	83.2	87.4	61.9
SOx(sulfur oxide)	Ton	2.4	3.4	4.5
Dust	Ton	52.8	42.7	25.2
Total	Ton	138.4	133.5	91.6

## BUILDING AN INTEGRATED ENVIRONMENTAL MONITORING SYSTEM

By establishing an integrated environmental monitoring system, we monitor in real-time COD(Chemical Oxygen Demand), a water quality pollution index: nitrogen oxides, air pollutant: and odors that can cause damage to the vicinity of the business site around the clock. In the event of accidents and abnormalities, we minimize the impact on the vicinity of the business site through timely response.

## ENVIRONMENTAL LAW VIOLATION

In the past four years, CJ CheilJedang has had a total of two environmental law violations. (Based on violations with penalties of over USD 10,000.00 per each case)

## STATISTICS OF ENVIRONMENTAL LAW VIOLATION

CATEGORY	UNIT	2018	2019	2020	2021
Legal Violations	Case	0	1 <sup>1)</sup>	1 <sup>2)</sup>	0
Penalty	KRW 100 million	0	2.8	0.19	0
Environmental Liabilities	KRW	0	0	0	0

1) Violation of waste storage site at the Malaysia Kerteh Plant

2) Exceeded the management indicators at a wastewater treatment plant at the China Shenyang Plant



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## RAW MATERIAL MANAGEMENT

 Sustainable Raw Material Sourcing Policy

## MANAGEMENT OF ECO-FRIENDLY RAW MATERIALS

As a major Korean food company, CJ CheilJedang strives to fulfill its social and environmental responsibilities in the procurement of raw materials for its products. To this end, we are continuing in our efforts to reduce environmental impacts in procuring raw materials such as sugar, soybeans, and palm oil. We have also established and are striving to comply with our Sustainable Raw Material Sourcing Policy to enhance animal welfare.

## RAW MATERIAL CONSUMPTION

CATEGORY	UNIT	2019	2020	2021
Food Business	Thousand ton	3,105	2,612	2,971
BIO Business	Thousand ton	3,812	3,545	3,856
Total amount of raw materials consumed	Thousand ton	6,917	6,157	6,827

## ECO-FRIENDLY RAW MATERIAL PROCUREMENT PERFORMANCE

CATEGORY	UNIT	2020	2021
Humane-certified eggs	eggs	310,414	343,360
Organic Sugar	Ton	174	199
Organic Flour	Ton	170	117
Organic Rice	Ton	121	372
Sweetener(SMETA <sup>1)</sup> )	Ton	4,316	4,535
Palm Oil(RSPO <sup>2)</sup> )	Ton	-	1,172
Soybean(RTRS <sup>3)</sup> )	Ton	283,602	232,687
Soybean(Pro Terra <sup>4)</sup> )	Ton	295,569	352,790
Soybean(U.S. SSAP <sup>5)</sup> )	Ton	1,459	1,502
Soybean(Amazon Biome Free)	Ton	209,516	302,336

1) SMETA(Sedex Members Ethical Trade Audit)

2) RSPO(Roundtable on Sustainable Palm Oil)

3) RTRS(Round Table On Responsible Soy)

4) Pro Terra(A global standard certification that requires sustainability and traceability on the basis of compliance with ten principles, including legal compliance, respect for human rights, preservation of biodiversity, environmental waste policy, non-usage of GMOs, etc.)

5) U.S. SSAP(Soy Sustainability Assurance Protocol)

## CONTRIBUTIONS TO ANIMAL WELFARE

CJ CheilJedang has established animal welfare principles as a part of its eco-friendly raw materials procurement policy. In order to meet our customers' expectations and provide safe foods, we avoid using genetically modified or cloned animals and procure raw materials that are produced under certain animal welfare principles. We aim to contribute to animal welfare through the use of humanely fertilized eggs produced by healthy hens raised in pleasant environments, and no use of growth agents and hormone shots.

## PACKAGING

## AMOUNT OF PACKAGING MATERIALS USED AT DOMESTIC SITES

MAJOR CATEGORY		UNIT	2019	2020	2021
Total amount of packaging materials used	Plastic	Ton	34,027	33,042	34,804
	Metal Cans	Ton	17,467	16,406	15,431
	Glass	Ton	10,913	10,217	11,064
	Paper*	Ton	40,890	47,891	53,974
Total			103,297	107,556	115,273
Amount of recycling packaging materials used	Plastic	Ton	0	0	61
	Paper*	Ton	40,890	47,891	53,974
Total			40,890	47,891	54,035

\* Paper reflects boxes without products and does not include the usage amount of cardboard pans and bins.



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## GHG EMISSIONS MANAGEMENT

### STATISTICS OF GHG EMISSIONS\*

CATEGORY	UNIT	2019	2020	2021
Direct GHG emissions(Scope1)	Thousand tonCO <sub>2</sub> eq	2,527	2,656	2,836
Indirect GHG emissions(Scope2)	Thousand tonCO <sub>2</sub> eq	1,372	1,301	1,422
Total GHG emissions	Thousand tonCO <sub>2</sub> eq	3,899	3,958	4,258
GHG emissions intensity	Thousand tonCO <sub>2</sub> eq/ton	0.758	0.885	0.803

1) Calculation Standard: Guidelines for Emissions Reports and Verification Under the GHG Emission Credit Trading Scheme

### GHG EMISSIONS BY COUNTRY

CATEGORY*	UNIT	2019	2020	2021
Korea	Thousand tonCO <sub>2</sub> eq	420	406	426
Indonesia	Thousand tonCO <sub>2</sub> eq	1,433	1,490	1,779
China	Thousand tonCO <sub>2</sub> eq	1,235	1,397	1,381
Malaysia	Thousand tonCO <sub>2</sub> eq	698	501	490
U.S.	Thousand tonCO <sub>2</sub> eq	72	121	132
Vietnam	Thousand tonCO <sub>2</sub> eq	7	10	13
Brazil	Thousand tonCO <sub>2</sub> eq	34	31	37

\* Calculation Standard: Domestic sites follow guidelines for Emissions Reports and Verification Under the GHG Emission Credit Trading Scheme, and oversea sites follows IPCC 2006 guidelines

### REDUCTION IN GHG EMISSIONS\*

CATEGORY	UNIT	2019	2020	2021
Reduction in GHG emissions	Thousand tonCO <sub>2</sub> eq	36	40	131
GHG emissions reduction cases	Case	-	232	215

\* GHG emissions reduction amount achieved as a direct result of plans to reduce GHG emissions

## ENERGY CONSUMPTION MANAGEMENT

### STATISTICS OF ENERGY CONSUMPTION

CATEGORY	UNIT	2019	2020	2021	
Non-renewable energy	Fuel consumption	TJ	34,671	34,182	35,981
	Electricity consumption	TJ	19,499	19,941	21,874
	Steam consumption	TJ	1,270	1,299	1,379
	Total non-renewable energy*	TJ	55,440	55,423	59,234
Renewable energy	Fuel consumption	TJ	6,167	6,237	6,535
	Electricity consumption	TJ	6	6	6
	Steam consumption	TJ	1,141	1,030	1,134
	Total renewable energy*	TJ	7,314	7,272	7,675
	No. of business sites that introduced renewable energy	(Accumulated) Locations	8	8	8
	Percentage of renewable energy consumption	%	12	12	11
Total Energy Consumption	TJ	62,754	62,695	66,909	
Energy consumption intensity	TJ/product-ton	0.012	0.014	0.013	

\* The calculation of total energy consumption may differ from the sum of each consumption by cutting to decimal places

### REDUCTION IN ENERGY CONSUMPTION\*

CATEGORY	UNIT	2019	2020	2021
Total reduced amount of energy consumption	TJ	610	678	1,030
Reduced amount of fuel energy consumption	TJ	293	255	720
Reduced amount of electricity energy consumption	TJ	317	424	310

\* Calculation Standard: Energy reduction amount achieved as a direct result of energy savings activities for the year

### OPERATION OF THE ENERGY CONSUMPTION COMMITTEE

CJ CheilJedang operates the Energy Consumption Committee to pursue efficient energy use at its business sites. The committee disseminates energy reduction targets and directions to energy innovation committee members at each business site. Then, as a way of organically managing energy consumption, each committee member reports back their target achievement rates.



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# SOCIAL PERFORMANCE

## SAFETY MANAGEMENT

### POLICY AND SYSTEM FOR SAFETY AND HEALTH MANAGEMENT

In order to create OnlyOne safety-first culture that puts the safety of the community and its employees as the top value of management, CJ CheilJedang amended the safety and health management policy in January 2022 and applied it to all business sites around the world. To perform the role of the control tower of safety management of the company, we established the Safety Management Division and reestablished safety and health-related regulations and guidelines. We comply with all safety-related laws and regulations and create a safe and pleasant working environment for customers.

 Safety & Health Policy

### RESPONSE TO THE SERIOUS ACCIDENT PUNISHMENT

COUNTERMEASURES TO ACCIDENTS	IMPLEMENTATION OF LAWS	SAFETY FOR THE CONTRACTED SERVICE <sup>1)</sup>
Operate AMS (Accident Management System <sup>2)</sup> )	Diagnose twice a year with the Compliance diagnostic system	Apply and support the same safety management standards

1) Scope of business: Applicable to all businesses providing manufacturing, construction, repair, logistics or service, and contracts entrusting other businesses to external parties, beautification and landscaping, construction and building, company cafeterias, security, customer consultation, etc. where contracted workers effectively control, operate and manage, or in cases where work is carried out at the worksites, where they have substantial control, operation, and management responsibilities for facilities, equipment, and sites, etc.

2) Accident Management System

### SAFETY AND HEALTH MANAGEMENT SYSTEM

CJ CheilJedang operates based on the safety and health management system, and the status of certification of safety and health management system at home and abroad is as follows.

### SAFETY AND HEALTH CERTIFICATION STATUS

CATEGORY	KOSHA18001	ISO 45001
Percentage of Safety and Health Certification acquired	56%	6%

### SAFETY MANAGEMENT IN RESPONSE TO COVID-19

We have published the 'White Paper on CJ Response to COVID-19' to respond quickly to the crisis of the outbreak and the spread of COVID-19. The white paper includes response organizations, step-by-step measures, and response processes so that the company can respond quickly in the event of a new infectious disease in the future.

## ACTIVITIES FOR SAFETY MANAGEMENT

### SAFETY AND HEALTH RISK MANAGEMENT

To identify and improve direct and indirect risk factors at all business sites, we regularly conduct Process Hazard Analysis and report them every year. In addition, we conduct Job Safety analysis and improve the identified risks, and then execute work duties. In accordance with the company's safety and health management regulations, we specify that operations should fully stop immediately when there is an imminent risk of an industrial disaster.

### SAFETY AND HEALTH SERVICES FOR EMPLOYEES

We regularly conduct health check-ups(pre-deployment, general, and specialized)to protect the safety and health of our employees, and we provide industrial health services comprising of work environment checks, health-related checks, and musculoskeletal disease management processes.

We provide medical treatment, counseling, and physical therapy to support the health care of employees in the office, and we operate the Safety Rescue Team, an emergency rescue organization that protects the lives of employees and visiting customers 24 hours a day.

### SAFETY DESIGN REVIEW(SDR)

We have established an operating system that preemptively verifies the safety and environmental risks of our plants so that they are not repeatedly encountered in the construction and installation of new plants. Our goal is to manage risks in advance by establishing specific standard manuals and building installation standards manuals for construction, fire, industrial, electrical, environmental safety, etc.

In order to reflect the reinforced domestic and foreign policies and regulations related to industrial safety, we updated the relevant design standards manual in the second half of 2021.

### IMPROVEMENT ACTIVITIES FOR CORE ENVIRONMENTAL SAFETY RISKS

CORE RISKS		2019	2020	2021	2022 TARGET
Discovery of machinery-related malpractice risks and identify improvements	(Accumulated) No. of targets	1,307	1,575	2,083	2,095
	(Accumulated) No. of improvements	965	1,199	1,653	1,693
	Improvement rate	74%	76%	79%	81%
Installation of automatic fire-fighting facilities	(Accumulated) No. of targets	104	112	113	114
	(Accumulated) No. of improvements	57	78	84	87
	Improvement rate	55%	70%	74%	76%

The scope of the social performance covers domestic business sites, and in the case of some data including overseas business sites, it has been separately noted.



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**SAFETY AND HEALTH EDUCATION AND TRAINING**

We have established guidelines on safety and health education for the entire company, and since 2022, we have been hosting Safety Mindset campaigns, safety environment forums, and safety environment councils by the region, etc. as part of our regular training for managers, compulsory training and safety culture activities, and upgraded our safety awareness, preventing potential risks. We also check for the demands and effectiveness of such activities through surveys.

**SAFETY MANAGEMENT CONSENSUS AND COMMUNICATION**

To promote consensus and communication for company-wide safety and health activities, we operated face-to-face and non-face-to-face consultative councils and are hosting safety environment forums.

**RECOGNITION OF SAFETY AND HEALTH MANAGEMENT**

**SAFETY AND HEALTH-RELATED AWARDS**

BUSINESS SITE	MONTH	AWARDS	HOST
Ansan	June	A business site with excellent electrical accident prevention measures and an excellent electricity safety culture	Korea Electrical Safety Corporation
Jincheon Blossom Campus	June	Commendation for Environmental Conservation Merit for World Environment Day 2021	Ministry of Environment
Ansan	July	Award of Excellence for Best practice in occupational health contest	Ministry of Employment and Labor, Korea Association of Occupational Health Nurses
Incheon 2	July	Outstanding business site in the evaluation of the performance of the 4th Voluntary Agreement on the management of the total amount of air pollutants	Metropolitan Air Quality Management Office
Incheon 1	August	Korea Occupational Safety and Health Agency Director of Incheon Metropolitan City	Korea Occupational Safety and Health Agency
Ansan	November	Excellence Award for best practices of non-smoking activities at business sites	Korea Health Promotion Institute, Korea Association of Occupational Health Nurses
Jincheon Blossom Campus	November	Merit for World Environment Day in 2021(Gold in the water quality sector)	Korean Environmental Engineers Association
Gongju	November	The 59 <sup>th</sup> Mert for Day of Firefighting Governor's Award of Chungnam	Gongju Fire Department
Gongju	November	Bronze in Outstanding case in electric safety management by Korea Electric Engineers Association	Korea Electric Engineers Association
Gongju	December	Korea Electrical Safety Awards- Prime Minister's Award	Korea Electrical Safety Corporation

**OCCUPATIONAL ACCIDENTS/ILLNESSES**

**STATISTICS OF OCCUPATIONAL ACCIDENTS OF EMPLOYEES AND CONTRACTORS**

CATEGORY	UNIT	2021
Employees	No. of occupational accidents <sup>1)</sup> (LFIR <sup>2)</sup> )	Case(%) 20(0.32)
	No. of fatalities(Rate)	Case(%) 0(0)
	No. of industrial accidents(Rate)	Case(%) 17(0.27)
	No. of injuries(Rate)	Case(%) 3(0.05)
	Total working hours	100,000 hours 126.1
Contractors	No. of occupational accidents <sup>1)</sup> (LFIR <sup>2)</sup> )	Case(%) 5(0.28)
	No. of fatalities(Rate)	Case(%) 0(0)
	No. of industrial accidents(Rate)	Case(%) 3(0.17)
	No. of injuries(Rate)	Case(%) 2(0.11)
	Total working hours	100,000 hours 36.2

1) Occupational accidents are accidents with more than one day of closure, including the number of fatalities, industrial accidents (accidents with more than three days of closure), and injuries. This index has been newly aggregated since 2021.

2) Rate of occupational accidents: Number of occupational accidents occurred x 200,000 / Total working hours

**MAJOR SAFETY AND HEALTH TRAINING AND EMERGENCY DRILLS CATEGORY**



**DETAILS**

- Safety training before work
- Regular safety training
- Training for managers and supervisors
- Training for new and transferred employees



**DETAILS**

- Fire drills
- Harmful substance leakage drills
- Emergency evacuation drills
- High-pressure gas leakage drills
- Confined space rescue drills

**SAFETY ENVIRONMENT FORUMS**

- TARGET** CJ CheilJedang's safety environment leaders and officers
- PURPOSE** Sharing information and smooth communication in the safety and environment sector
- SCHEDULE** Once a month



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## EMPLOYEES

## HUMAN RESOURCES

## STATISTICS OF DOMESTIC EMPLOYMENT

CATEGORY		UNIT	2019	2020	2021		
Total No. of employees	Total No. of employees*	Person	7,379	7,595	8,156		
	By gender	Male	5,464	5,518	5,890		
		Female	1,915	2,077	2,266		
	By age group	Under age 30	Person	2,503	2,328	2,294	
		Aged 30-50	Person	4,469	4,734	5,231	
		Over age 50	Person	407	533	631	
Regular	Full time	Male	5,411	5,485	5,855		
		Female	1,865	2,023	2,192		
	Short-term · Temporary	Male	0	8	9		
		Female	12	24	23		
Non-regular	Full time	Male	38	22	24		
		Female	15	20	40		
	Short-term · Temporary	Male	15	3	2		
		Female	23	10	11		
By rank	Member	By gender	Male	3,730	3,737	4,020	
			Female	1,414	1,522	1,629	
		By age group	Under age 30	Person	2,496	2,323	2,291
			Aged 30-50	Person	2,448	2,616	2,980
			Over age 50	Person	200	320	378
		Manager	By gender	Male	1,660	1,709	1,799
	Female			484	532	613	
	By age group		Under age 30	Person	7	5	3
			Aged 30-50	Person	1,974	2,057	2,198
			Over age 50	Person	163	179	211
	Executive		By gender	Male	74	72	71
		Female		17	23	24	
By age group		Under age 30	Person	0	0	0	
		Aged 30-50	Person	47	60	53	
By country		Korea	Person	7,335	7,553	8,109	
		Asia	Person	25	25	24	
		Americas	Person	18	15	19	
		Europe	Person	1	2	4	

\* Excluding registered executives

## STATISTICS OF GLOBAL EMPLOYMENT\*

CATEGORY	UNIT	2021
Korea	Person	8,156
Asia	Person	7,542
Americas	Person	8,472
Europe	Person	346
Other	Person	22
Total	Person	24,538

\* Targeted to 13 overseas countries including the U.S., China, and Japan

## STATISTICS OF MANAGERS FROM THE LOCAL AREA\*

CATEGORY	UNIT	2021
Number of local managers	Person	1,452
Number of local managers from the local area	Person	498
Percentage of local managers from the local area	%	34

\* Targeted to 13 overseas countries including the U.S., China, and Japan

## RESPECT FOR DIVERSITY

The company ensures that there is no discrimination by nationality, race, gender, education, etc. in the process of hiring and promoting of employees. For this, we work with a variety of personnel, including people with disabilities and veterans every year.

## STATISTICS OF PEOPLE WITH DISABILITIES &amp; VETERANS EMPLOYEES

CATEGORY	UNIT	2019	2020	2021
People with disabilities	Person	83	84	86
Veterans	Person	68	62	65

## STATISTICS OF FEMALE EMPLOYEES

CATEGORY	UNIT	2019	2020	2021	2022 TARGET
Ratio of female executives <sup>1)</sup>	%	18.7	24.2	25.3	26
Ratio of female managers	%	22.6	23.7	25.4	26
Ratio of female employees in Junior Managerial positions	%	32.7	32.7	43.3	44
Ratio of female employees in the STEM <sup>2)</sup> department	%	21.2	24.2	23.1	24
Ratio of female managers in revenue-generating departments <sup>3)</sup>	%	12.4	15.0	19.8	20
Ratio of female employees	%	26.0	27.3	27.8	28

1) Female executives: Based on unregistered executives

2) STEM: Science, Tech, Engineering, Math

3) Revenue-generating departments: production, sales, marketing departments



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## TALENT RECRUITMENT AND TURNOVER

## NEW RECRUITMENT

CATEGORY	UNIT	2019	2020	2021*
Total No. of new employees	Person	1,122	782	1,763
By age group	Under age 30	Person	685	1,041
	Aged 30-50	Person	432	651
	Over age 50	Person	5	71
By gender	Male	Person	656	1,247
	Female	Person	466	516
By region	Korea	Person	1,122	1,172
	Asia	Person	-	431
	Americas	Person	-	136
	Europe	Person	-	24
Percentage of open positions filled by internal candidates(internal hires)	%	57.7	68.5	75.3

\* Includes 19 overseas business sites and headquarters from 2021

## TURNOVER AND RETIREMENT

CATEGORY	UNIT	2019	2020	2021*
Total No. of employees who moved to other companies or retired	Person	623	503	1,168
By age group	Under age 30	Person	321	482
	Aged 30-50	Person	247	554
	Over age 50	Person	55	132
By gender	Male	Person	440	853
	Female	Person	183	315
By region	Korea	Person	623	814
	Asia	Person	-	268
	Americas	Person	-	74
	Europe	Person	-	12
Employees with disabilities who moved to other companies or retired	Person	8	9	7
Number of voluntary employees who moved to other companies	Person	592	457	989
By gender	Male	Person	416	717
	Female	Person	176	272
By region	Korea	Person	592	722
	Asia	Person	-	210
	Americas	Person	-	51
	Europe	Person	-	6

\* Includes 19 overseas business sites and headquarters from 2021

## EMPLOYEE EVALUATION AND REMUNERATION

CJ CheilJedang pays its employees and non-employee workers at a higher rate than the legal minimum wage. We do not pay discriminative wages based on employees' gender or region. All recruits are paid the same wages.

## REMUNERATION FOR EMPLOYEES

CATEGORY	UNIT	2019	2020	2021
Legal minimum wage	KRW	8,350	8,590	8,720
Wage of new recruits in the production sector	Ratio(Male)*	%	126	129
	Ratio(Female)*	%	126	129

\* Calculation method: (Monthly salary of new employees in domestic production sector / 209 hours) / Legal minimum hourly wage

## MANAGEMENT OF THE RETIREMENT PENSION FUND

CATEGORY	UNIT	2019	2020	2021
Amount of the retirement pension fund	KRW 100 million	2,885	3,765	4,304
Subscription	Person	6,260	6,858	7,097

## RATIO OF EMPLOYEES WHO UNDERWENT REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEW

CATEGORY	UNIT	2019	2020	2021
Ratio of employees who underwent regular performance evaluations	Male	%	100	100
	Female	%	100	100
	Total	%	100	100





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MATERNITY AND PARENTAL LEAVE

EMPLOYEES ON MATERNITY AND PARENTAL LEAVE

CATEGORY		UNIT	2019	2020	2021
No. of target employees for parental leave	Male	Person	211	209	229
	Female	Person	85	79	99
No. of employees on parental leave	Male	Person	18	15	36
	Female	Person	81	85	159
Ratio of employees who returned from parental leave	Male	%	100	93	91
	Female	%	92	96	95
Ratio of employees who worked after returning from parental leave*(for more than 12 months)	Male	%	71	93	79
	Female	%	83	89	97

\* (Number of employees working for more than 1 year / number of employees returning from parental leave previous year) x100

MATERNALITY PROTECTION-RELATED PROGRAMS

CATEGORY	UNIT	2021
Reduced working hours during pregnancy	Person	47
Reduced working hours during child-rearing	Male	1
	Female	6
Childcare leave for children's entrance to schools	Male	176
	Female	63

SUPPORT PROGRAMS FOR WORK EFFICIENCY IMPROVEMENT

CATEGORY	UNIT	2021
Flexible working system*	Person	4,038
Creative Vacation	Person	835

\* Total number of people on the time difference system, flexible working system, and selective working system

TALENT DEVELOPMENT

EMPLOYEE TRAINING STATUS

CATEGORY	UNIT	2019	2020	2021
Total No. of trained employees	Person	-	62,941	107,115
Total training hours	Hour	390,214	447,832	322,372
Training hours per employee	Hour/Person	52.2	59.0	39.5
Total training cost	KRW million	9,995	2,201	4,317
Training cost per employee	KRW million/person	1.3	0.3	0.5

TALENT DEVELOPMENT PROGRAMS

CATEGORY	UNIT	2019	2020	2021
Excellence Strategy	Person	23	23	25
Innovation Challenge	Person	12	15	15
Growth Vision Workshop	Person	34	137	76
Leadership Check-up	Person	346	432	420
Manager Leadership Build-up	Person	309	392	436
Induction of new employees	Person	224	135	227

HUMAN RIGHTS TRAINING AT WORK

HUMAN RIGHTS TRAINING STATUS

CATEGORY		UNIT	2019	2020	2021
Sexual harassment prevention program	No. of sessions	Time	1	1	1
	No. of target employees	Person	6,299	7,157	7,799
	No. of participants	Person	6,197	7,079	7,475
	Total training cost*	KRW 10,000	-	-	5,849
	Total training hours*/person	Hour	-	-	1
Disability awareness-raising program	No. of sessions	Time	1	1	1
	No. of target employees	Person	7,210	7,099	7,428
	No. of participants	Person	7,130	7,022	7,301
	Total training cost*	KRW 10,000	-	-	5,571
	Total training hours*/person	Hour	-	-	1
Workplace bullying prevention program	No. of sessions	Time	1	1	1
	No. of target employees	Person	6,957	7,192	7,551
	No. of participants	Person	6,858	7,098	7,391
	Total training cost*	KRW 10,000	-	-	5,663
	Total training hours*/person	Hour	-	-	1

\* Training costs and hours have been aggregated since 2021



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**IMPORTANT ANNOUNCEMENT GUIDE**

When there is a change in employment rules etc., that may affect the working conditions of employees, CJ CheilJedang listens to the opinions of the Open Council and the general members in advance and holds briefing sessions through various channels and subsequently proceeds agreement processes.

**COMMUNICATION AND GRIEVANCE HANDLING**

Based on employees' grievances and opinions, CJ CheilJedang runs the Open Council, a labor-management council dedicated to enhancing the welfare of employees and contributing to the growth of the company. The percentage of members to whom the convention of the Open Council applies is 100%. All staff members at each business site participate in electing employee representatives. Currently, nearly 120 employee council members actively handle relevant tasks at their respective business sites. Every quarter, the employee representatives discuss improvements to the work environment, improved benefits and welfare, enhanced productivity and work concentration, organizational revitalization, and enhanced communication with the management. In 2021, 50 grievances were submitted through the Anonymous Grievance Bulletin on work environment and working conditions, and 48 of them were handled.

**RATIO OF EMPLOYEES AS MEMBERS OF LABOR-MANAGEMENT COUNCIL**

CATEGORY	UNIT	2019	2020	2021
Ratio of employees participating in the Labor-Management Council	%	73.0	71.7	69.5

**RATIO OF ITEMS DECIDED BY THE LABOR-MANAGEMENT COUNCIL**

CATEGORY	UNIT	2021
Number of items	Item	8
Number of items handled	Item	7
Ratio of items completed	%	87.5

**ANONYMOUS GRIEVANCES BULLETIN AT THE HEADQUARTERS OPEN COUNCIL**

CATEGORY	UNIT	2021	
Work environment	Received	Case	15
	Completed	Case	14
Working conditions	Received	Case	35
	Completed	Case	34
Discrimination and Harassment	Received	Case	0
	Completed	Case	0
Total	Received	Case	50
	Completed	Case	48

**COMMUNITY**

 Social Contribution Strategy

**SOCIAL CONTRIBUTIONS OF EMPLOYEES**

**VOLUNTEER ACTIVITIES**

CATEGORY	UNIT	2019	2020	2021
Beneficiaries of social contribution activities	Person	4,734	4,489	7,665
Hours of volunteer activities	Hour	34,097	7,200	9,715
No. of employees participating	Person	4,907	1,510	3,189
Hours of participation per employee	Hour/person	6.9	4.8	3.0
Participation rate	%	74	21.3	42.3

**CORPORATE CITIZENSHIP/PHILANTHROPIC ACTIVITIES**

CJ CheilJedang makes investments in local communities and other commercial investments. Detailed figures can be found below. In addition, we manage activities based on CJ CheilJedang's Code of Ethics to ensure that the company's social contribution donations are not subject to fraud and corruption. We plan to take precautionary measures through regular monitoring of the use of social contribution donations.

**CORPORATE CITIZENSHIP ACTIVITIES**

CATEGORY	UNIT	2019	2020	2021
Charitable Donation	KRW 100 million	15.7	22.9	25.2
Community Investment	KRW 100 million	177.5	152.2	149.4
Commercial Investment	KRW 100 million	7	11.2	11.6
Total	KRW 100 million	200.2	186.3	186.2

**TYPE OF SOCIAL CONTRIBUTIONS**

CATEGORY	UNIT	2019	2020	2021
Cash Contributions	KRW 100 million	55.8	86.8	117.7
In-kind giving	KRW 100 million	144.5	99.5	68.5
Management overhead	KRW 100 million	2.2	1.9	1.6
Total monetary value of volunteer activities*	KRW 100 million	9.0	2.2	3.4

\* Employee's average wage x volunteer participating hours



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COMPANY-WIDE SYSTEM FOR POLICY CONTRIBUTIONS

CJ CheilJedang strictly abides by Article 31 of Chapter VI of the Political Funds Act(Restrictions on Contributions), under which all corporations and organizations are prohibited from contributing to any political funds. We do not provide funds for any political purpose, election, political party, or lobbying activity that may directly influence the policymaking process. However, we aim to contribute to the development of local communities and industries through support for politically independent associations. In 2021, we provided about KRW 1,515 million to such associations. In line with our business characteristics, we are engaged with the Korea Soybean Processing Association and the Korea Flour Mills Industry Association to identify and obtain advice on new trends in milling technology.

PAYMENT FOR RELEVANT ASSOCIATION

CATEGORY	UNIT	2019	2020	2021
Lobbying · Interest Group	KRW million	0	0	0
Political Campaign	KRW million	0	0	0
Relevant Associations	KRW million	1,550	1,567	1,515

DETAILS OF EXPENDITURES FOR MAJOR RELEVANT ASSOCIATIONS

CATEGORY	UNIT	2019	2020	2021
The Federation of Korean Industries	KRW million	305	305	305
The Korea Flour Mills Industrial Association	KRW million	262	296	232
The Korea Soybean Processing Association	KRW million	254	262	240
The Korea Chamber of Commerce and Industry	KRW million	103	103	103
The Korea Enterprises Federation	KRW million	77	77	77

SUPPLIERS

SHARED GROWTH SUPPORT PROGRAM FOR SME SUPPLIERS

PERFORMANCE OF SHARED GROWTH SUPPORT PROGRAMS FOR SMES

PROGRAM	DETAILS	UNIT	2019	2020	2021
Training & Education	Provision of basic theoretical education on production costs, quality, food safety, the environment, and laws and regulations	Person	417	188	545
Financial Support	Establishment of a Win-Win Fund to support the benefit of a preferential interest rate of 0.5% compared to the market interest rate	KRW 100 million	518	518	560
Technical Support	Sharing of CJ CheilJedang's technologies with SME suppliers for the launch and renewal of products	Case	195	252	305
Quality and Hygiene Support	Regular visits · on-site diagnosis management, adoption, and renewal of HACCP, on-site management, etc.	Case	245	348	304
Employment Stabilization	The first private company to introduce the Naeil Chaeum Deduction System to alleviate employment instability and the wage gap with suppliers	Company	20	22	23

PURCHASING STATUS AND MANAGEMENT

The purchase amount in the Food and BIO sector in 2021 is KRW 5.0457 trillion and the purchase amount by local suppliers amounts to 64%.

NUMBER OF SUPPLIERS BY REGION AND PURCHASE AMOUNT

CATEGORY	NO. OF SUPPLY FIRMS	PERCENTAGE OF PURCHASE AMOUNT(%)
Korea	958	32.2
China	767	22.6
Asia, Oceania	1,039	20.1
Americas	2,584	19.7
Europe	39	5.4
Total	5,387	100

MID-TO LONG-TERM KPI OF THE SUPPLY CHAIN MANAGEMENT

CATEGORY	UNIT	2021 PERFORMANCE	MID-TO LONG-TERM GOAL
Rate of Sustainable Supply Chain Management Included in the contract in 'Supplier Code of Conduct'	%	77	'25: 95
Rate of Purchasing Palm Oil certified by RSPO	%	35	'22: 100
Training Support for Suppliers	Person	326	'25: 600



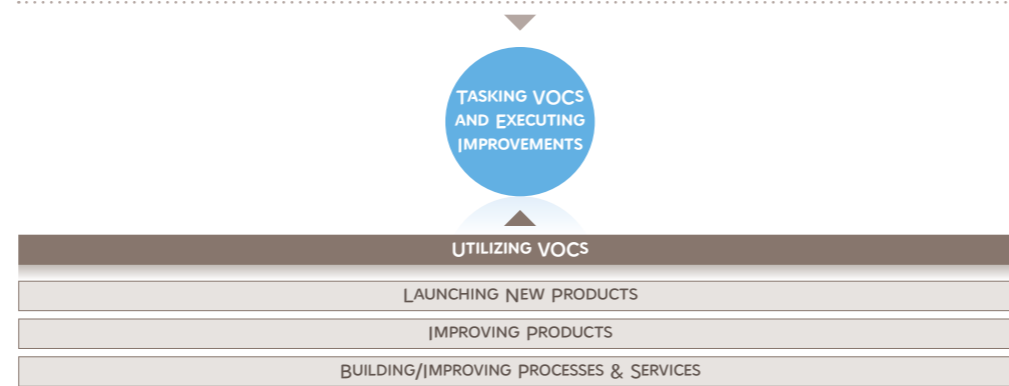
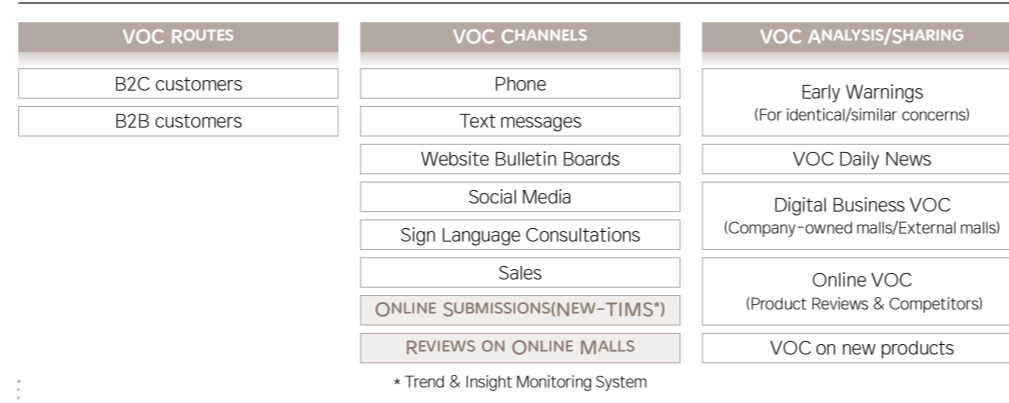
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## CUSTOMERS

### VOICE OF CUSTOMERS(VOC)

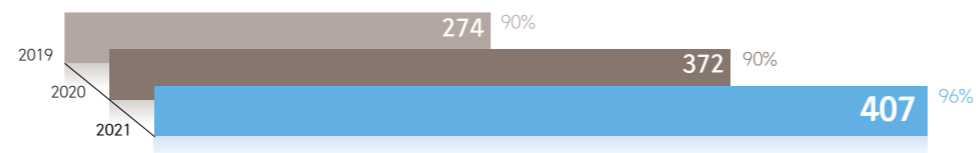
CJ CheilJedang does not simply handle VOCs collected through various channels to resolve inquiries and complaints. With our focus on consumer-centered business, we went beyond this and used them to find the fundamental sources of customer grievances and reflected them in improving our products and services. Every morning at 9 a.m., VOCs are sent across the company including the CEO. To address the unmet needs of our customers, relevant departments take in VOCs from diverse perspectives and set clear directions for improvement and implementation, which is how we strive to enhance customer satisfaction. Moreover, we vigorously manage improvements and implementations made as a result of the VOCs by conducting post-inspections.

### VOC MANAGEMENT PROCESS



### VOC IMPROVEMENTS

Unit: Number of occurrences, Percentage of resolutions reached(%)



### PRODUCTS AND SERVICES THAT REFLECT CONSUMERS' OPINIONS

#### IMPROVING THE 'CONTAINER' INSTRUCTIONS FOR MICROWAVE HEATING

A consumer who purchased our Bibigo Japchae product has expressed that it is difficult to tell whether he could use the provided container or if he should use a separate container when heating the product in the microwave. Therefore, we modified the 'container' instruction to address this issue. In the label related to 'container' use, we included the phrase that reads, 'This container is safe to heat in the microwave'. We also modified the relevant image to increase the readability of our consumers.



Microwave heating instructions

#### IMPROVING THE BIBIGO PORRIDGE POUCHES

We modified the porridge pouches to reflect a consumer's opinion that once you open the porridge pouch and microwave it, the pouch collapses, and the contents spill while heating in the microwave. In order to prevent the perforation line of the pouches from reaching the top of the microwave, we lowered the perforation line of the pouches. We also made changes to the bottom of the pouch and widened the bottom surface to increase its stability.



Bibigo porridge



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TAILORED COMMUNICATION FOR CUSTOMER SATISFACTION

For communication tailored for our customers, we have been steadily operating knowledge cultivating activities even during the COVID-19 pandemic by bringing them online. By conducting online cooking practices and contests on new products and products with most VOC requests, we were able to experience the consumers' cooking environment, look into confusing labeling methods and recycling methods in-depth, and discuss case trends on sustainability management. With such activities, we were able to provide answers to consumers' questions and offer appropriate response processes, working to respond to customers by setting a common ground with them. We learned about our new product 'The Healthy Chicken Breast' and organized questions that real consumers have about the product in a script format so that they can quickly find answers to their questions. In addition, we tried to establish a common ground with our customers by checking the convenience of cooking the product as well as the directions of the products and learned various recipes. For proper recycling, we reviewed the recycling system and the principle of recycling, and also reviewed questions that consumers have about recycling our main products. We hope to contribute to the establishment of a resource circulation system by providing accurate descriptions of recycling that are tailored to the needs of our customers.



Introducing the new product-'The Healthy Chicken Breasts'



Educate about the right recycling

VOC DATA COLLECTION RESULTS FOR 2021

CATEGORY	UNIT	QUESTIONS	COMPLAINTS	SUGGESTIONS	COMPLIMENTS	TOTAL
VOC Data Collection	Case	72,084	49,839	616	64	122,603

WEBSITE FAQ, 'UNDERSTANDING THE PRODUCT'

In order to prevent consumers from mistaking the product based on consumer misconceptions of the product, we provided explanations about the manufacturing process and principles of the products on our FAQ page on the website.

THERE IS A BLACK SUBSTANCE ON THE BIBIGO MANDU!



When ingredients like leeks and onions are left on the surface of the Mandu product, it is easy to tell that they are the raw ingredients of Mandu. However, the product's other ingredients, wood ear mushrooms are dark in color and can be seen as insects or dust when left on the surface, so we have provided additional guidance on this on the product label.

THE MEAT IN THE BEEF STEW AND CHICKEN SOUP IS RED, IS IT UNDERCOOKED?



The red color does not mean that it is undercooked, but is caused by a protein called Myoglobin, protein that plays a role of conserving oxygen in the muscular cells of meat and maintains the pigment of meat. There is a higher content of myoglobin in red meat so beef, pork, duck, and chicken contain more myoglobin in that order. Our Bibigo products have been thoroughly cooked at a high temperature so even if the meat is red, you can consume the product with assurance.

MAINTENANCE OF CCM(CUSTOMER-CENTERED MANAGEMENT) CERTIFICATION



CJ CheilJedang's CCM Certificate

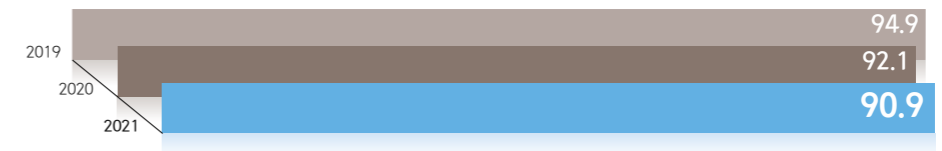
CJ CheilJedang received CCM(customer-centered management) certification for the first time in 2015 and was recertified for the 3rd time in 2021, maintaining the CCM certification for the 7 years. As a leading company of CCM, we are continuing our support for our suppliers to acquire their CCM certifications. By cooperating with Korea Consumer Resources, we conduct consultations for consumer-centered management system and certifications for SMEs with the activities of the CCM Mutual Growth Council, thereby working to spread consumer-centered management of companies.

DIVERSIFICATION OF COMMUNICATION CHANNELS

CJ CheilJedang's Customer Relations Center explores various ways to communicate with customers. We not only maintain the previous channels, such as telephone calls, websites, and social media(Facebook), but in line with the recent trends, we also offer text message consultations. Also, we began a sign language service channel for customers with hearing impairment as the first in the industry. By using Youtube and Naver posts, we offer information that our consumers want to know. Also, for 2022, we are about to officially launch a direct communication channel with our consumers through Naver's Information Partner.

CUSTOMER SATISFACTION SURVEY RESULTS

Unit: Point



\* Satisfaction survey results implemented by CJ Telenix



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# ECONOMIC PERFORMANCE

## FINANCIAL INFORMATION

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(INCLUDING CJ LOGISTICS)

CATEGORY	UNIT	2019	2020	2021
Revenue(Sales)	KRW 100 million	223,525	242,457	262,892
Cost of sales	KRW 100 million	180,693	190,593	205,071
Gross profit	KRW 100 million	42,832	51,864	57,821
Selling general administrative expenses	KRW 100 million	33,863	38,269	42,577
Operating profit	KRW 100 million	8,969	13,596	15,244
Other income	KRW 100 million	-2,131	1,414	-432
Finance income	KRW 100 million	3,042	4,649	3,459
Financial cost	KRW 100 million	6,667	8,052	6,424
Income of associates and jointly controlled entities	KRW 100 million	175	178	331
Profit before tax	KRW 100 million	3,388	11,785	12,178
Income tax expense	KRW 100 million	1,478	3,921	3,254
Profit	KRW 100 million	1,910	7,864	8,924
Other comprehensive income	KRW 100 million	1,652	-3,206	6,863
Total comprehensive income	KRW 100 million	3,562	4,658	15,787

### CONSOLIDATED BALANCE SHEET(INCLUDING CJ LOGISTICS)

CATEGORY	UNIT	2019	2020	2021
Current assets	KRW 100 million	74,337	74,314	76,959
Assets of disposal group held for sale	KRW 100 million	5,094	385	297
Non-current assets	KRW 100 million	183,376	181,420	191,302
Total assets	KRW 100 million	262,806	256,119	268,558
Current liabilities	KRW 100 million	82,022	70,827	79,159
Non-current liabilities	KRW 100 million	85,969	83,628	81,331
Total liabilities	KRW 100 million	167,992	154,455	160,490
Equity attributable to owners of the parent entity	KRW 100 million	48,809	52,744	61,135
Current capital	KRW 100 million	819	819	819
Capital surplus	KRW 100 million	15,410	15,410	15,410
Other reserves	KRW 100 million	-5,284	-7,553	-4,495
Retained earnings	KRW 100 million	37,864	44,068	49,402
Non-controlling interests	KRW 100 million	46,006	48,920	46,933
Total equity	KRW 100 million	94,815	101,664	108,068



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## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(EXCLUDING CJ LOGISTICS)

CATEGORY	UNIT	2019	2020	2021
Revenue(Sales)	KRW 100 million	127,668	141,637	157,444
Cost of sales	KRW 100 million	93,434	99,063	109,728
Gross profit	KRW 100 million	34,234	42,574	47,716
Selling general administrative expenses	KRW 100 million	28,213	32,159	35,929
Operating profit	KRW 100 million	6,021	10,415	11,787
Other income	KRW 100 million	-1,131	1,643	-1,041
Finance income	KRW 100 million	2,390	4,059	2,720
Financial cost	KRW 100 million	4,761	6,169	4,334
Income of associates and jointly controlled entities	KRW 100 million	102	90	112
Profit before tax	KRW 100 million	2,621	10,038	9,244
Income tax expense	KRW 100 million	1,117	3,259	2,521
Profit	KRW 100 million	1,504	6,779	6,723

## CONSOLIDATED BALANCE SHEET(EXCLUDING CJ LOGISTICS)

CATEGORY	UNIT	2019	2020	2021
Current assets	KRW 100 million	52,179	50,149	55,054
Assets of disposal group held for sale	KRW 100 million	5,089	384	102
Non-current assets	KRW 100 million	127,396	122,949	136,808
Total assets	KRW 100 million	184,664	173,482	191,964
Current liabilities	KRW 100 million	58,141	43,947	56,191
Non-current liabilities	KRW 100 million	54,642	54,437	54,717
Total liabilities	KRW 100 million	112,783	98,384	110,908
Equity attributable to owners of the parent entity	KRW 100 million	49,880	53,841	60,924
Current capital	KRW 100 million	819	819	819
Capital surplus	KRW 100 million	15,410	15,410	15,410
Other reserves	KRW 100 million	-4,358	-6,198	-3,925
Retained earnings	KRW 100 million	38,009	43,810	48,620
Non-controlling interests	KRW 100 million	22,001	21,256	20,132
Total equity	KRW 100 million	71,881	75,097	81,056

The scope of financial performance is subject to all domestic and overseas business sites with exception to CJ Logistics.



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FULFILLMENT OF TAX OBLIGATIONS

There are 121 subsidiaries(excluding CJ Logistics<sup>1)</sup>) in 2021 and they all comply with official tax policies and regulations under the CJ CheilJedang Tax Policy.

AMOUNT OF TAX PAID

CATEGORY	UNIT	SALES			PRE-TAX PROFIT			INCOME TAX PAYABLE			INCOME TAX EXPENSES			TAX RATE	EFFECTIVE TAX RATE	
		2020	2021	GAP	2020	2021	GAP	2020	2021	GAP	2020	2021	GAP		2020	2021
Korea	KRW 100 million	56,573	61,928	5,355	4,612	3,805	-807	1,914	12	-1,902	1,524	628	-896	22%	33%	17%
Indonesia	KRW 100 million	8,239	8,898	659	-452	145	597	15	0	-15	46	169	123	25%	N/A <sup>4)</sup>	117%
U.S.	KRW 100 million	36,952	38,969	2,017	1,999	2,769	770	463	337	-126	206	566	360	21%	10%	20%
China	KRW 100 million	11,834	12,750	916	1,775	1,688	-87	53	131	78	388	375	-13	25%	22%	22%
Vietnam	KRW 100 million	9,789	10,729	940	2,456	1,213	-1,243	78	9	-69	333	221	-112	20%	14%	18%
Other	KRW 100 million	18,250	24,170	5,920	612	2,380	1,768	64	147	83	109	699	590		18%	29%
Total <sup>5)</sup>	KRW 100 million	141,637	157,444	15,807	11,002	12,000	998	2,587	636	-1,951	2,606	2,658	52		24%	22%

1) Detailed Regional Subsidiaries List(Appendix p. 96~97)

2) Total tax paid in 2020(CJ CheilJedang, non-consolidated): KRW 165.9 billion

3) Total tax paid in 2021(CJ CheilJedang, non-consolidated): KRW 112 billion

4) In 2020, Indonesia does not display the effective tax rate due to corporate tax costs in pre-tax profit

5) The amount of pre-tax profit and corporate tax in the individual report of each local corporation is different from the amount of pre-tax profit and corporate tax in the consolidated standard business report of CJ CheilJedang

TAX RISK MANAGEMENT

We established and strictly observe the CJ CheilJedang Tax Policy under which we comply with official tax policies and regulations. Furthermore, we have appointed government-certified professionals to ensure compliance with all tax policies and regulations. CJ CheilJedang has an internal assessment process that identifies tax regulations and other relevant information in each country of operation for preemptive tax risk management. With this, we recognize the varying tax laws and regulations of each country and closely interact with relevant taxation authorities to prevent potential risks.



TAX RISK MANAGEMENT PROCESS



STATUS OF CREATION AND DISTRIBUTION OF ECONOMIC VALUES

STATUS OF CREATION AND DISTRIBUTION OF ECONOMIC VALUES

DETAILS	UNIT	2019	2020	2021
Shareholders	KRW 100 million	561	642	802
Employees(wages and welfare)	KRW 100 million	10,306	12,814	14,719
Government(tax)	KRW 100 million	1,474	3,346	3,055
Local communities(donations)	KRW 100 million	269	439	204
Suppliers(spending)	KRW 100 million	70,311	10,855	12,115

R&D

We filed a total of 1,010 new intellectual property right applications in 2021, 262 of which were filed in Korea

INTELLECTUAL PROPERTY RIGHTS OWNED BY CJ CHEILJEDANG

CATEGORY	UNIT	2019	2020	2021
New applications	Case(domestic)	922(149)	787(144)	1,010(262)
No. of patents owned	Case(domestic)	3,825(783)	4,714(902)	5,407(1,018)

R&D INVESTMENT COSTS

CATEGORY	UNIT	2019	2020	2021
Total R&D costs	KRW 100 million	1,433	1,497	1,694
Government Aid	KRW 100 million	18.3	5.5	4.3
Total R&D expenses	KRW 100 million	1,414	1,491	1,689

R&D PERSONNEL

CATEGORY	UNIT	2019	2020	2021
R&D Personnel	Person	812	851	867





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**INFORMATION SECURITY**

**INFORMATION SECURITY RISK MANAGEMENT**

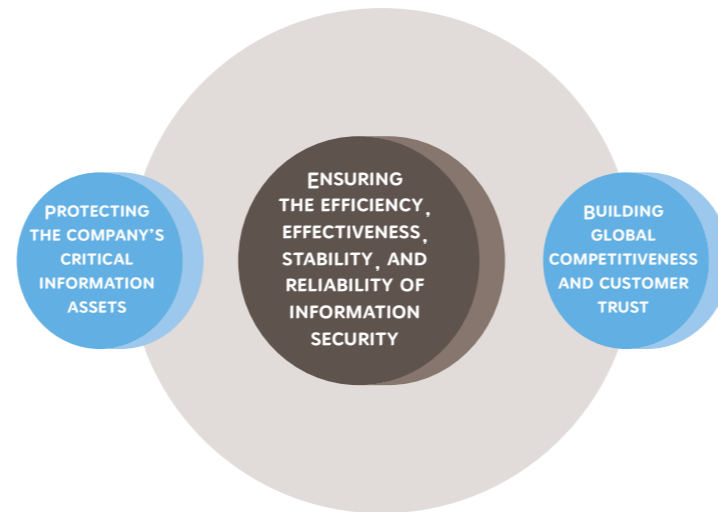
With increasing cybersecurity threats, the importance of information security to protect the personal information of consumers and corporate data is growing. CJ CheilJedang has established an information security management system to carry out information security activities that meet domestic and international standards. In addition, we designated staff in charge of security for each business division to diagnose vulnerabilities and build security solutions, thereby ensuring robust security.

**INFORMATION SECURITY MANAGEMENT SYSTEM CERTIFICATION**

In 2016, CJ CheilJedang acquired the ISMS(Information Security Management System) certification to enhance its information protection management. In 2020, we also acquired ISMS-P\* certification that expands its boundaries to the personal information management system. With follow-up reviews, we are maintaining our ISMS-P certification to this day.

\* ISMS-P(Personal Information & Information Security Management System): A system in which a company or an organization undergoes an evaluation by the national certification agency to guarantee that it manages corporate information, personal information, and infrastructure assets in a safe and reliable way.

**CJ CHEILJEDANG'S INFORMATION SECURITY MANAGEMENT SYSTEM**



**VIOLATION OF CUSTOMER PRIVACY AND LOSS OF CUSTOMER INFORMATION**

In 2021, there were no complaints filed to our company and external agencies regarding violations of our customers' privacy, and there were zero incidents of data leakage, theft, and loss of data.

**INFORMATION SECURITY AWARENESS CAMPAIGN**

To raise employees' security awareness and promote voluntary information security activities, CJ CheilJedang offers information security training and programs. In 2021, we provided preventative measures to prevent webcam hacking and phishing sites. Through this, we are informing and propagating security regulations, activities, and cautions to our employees in an easy-to-understand manner. We will continue our campaign to enhance our employees' understanding of security and prevent information security risks.



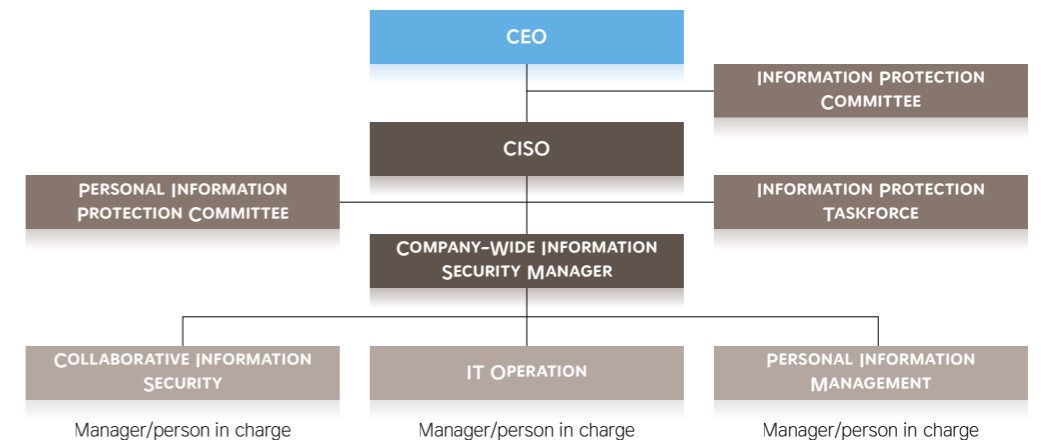
Webcam Security

Phishing Sites

**ORGANIZATION OF THE INFORMATION PROTECTION GROUP**

In accordance with the revision of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc., we appointed a CISO(Chief Information Security Officer) and reported to the Ministry of Science and ICT. Furthermore, we continue to operate a task force under the direct supervision of the CEO to establish an information protection management system and for its management and operation.

**ORGANIZATION OF THE INFORMATION PROTECTION GROUP**



**INFORMATION PROTECTION PERSONNEL**



**INVESTMENT IN INFORMATION PROTECTION**



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# GOVERNANCE

## BOARD OF DIRECTORS

### STATUS OF THE BOARD OF DIRECTORS

The board of directors at CJ CheilJedang represents diverse stakeholders, including shareholders, and supervises and votes on major management agenda for the company's long-term growth. The board of directors consists of three internal directors and four independent directors. To enhance the board of directors' strategic decision-making capability, the directors are appointed with diversity in gender, race, religion, nationality, cultural background, etc., as well as their independence in consideration. Directors are guaranteed a 3-year term and can be reappointed based on their performance evaluations during their terms.

 Corporate Governance Report

### BOARD OF DIRECTORS DECISION-MAKING SYSTEM

The chairperson of the board of directors is selected following the board's decision, as stated in the board regulations. Currently, CEO Kyung Shik Sohn who has proved to have shown his management capabilities and experience is the chairperson of the board. The target ratio of independent directors in the board of directors is more than 51%, complying with Article 542(8) of the Commercial Act, 'Appointment of Independent Directors'. To ensure fairness and objectivity, all directors have equal opportunities to present opinions. In addition, the board of directors collects opinions of diverse stakeholders through internal and external communication channels to identify major issues of the company, thereby contributing to a balanced and objective decision-making process.

### COMMITTEES UNDER THE BOARD OF DIRECTORS

CJ CheilJedang's board of directors operates the Audit Committee, the Independent Director Candidate Recommendation Committee, the Remuneration Committee, the Internal Transaction Committee, and the Corporate Sustainability Committee to ensure independence, transparency, and fairness in corporate governance. In order to ensure the implementation of continuous integrated sustainability management promotion, the company established the Corporate Sustainability Committee in April 2021 to identify various topics and issues in the E(environment)S(society)G(economy/governance) sectors, check the company's sustainability management strategy and direction, and continuously review and approve the performance related to it. In 2021, the board was held a total of three times, in which we reviewed and approved related matters such as the publication of the 2020 Sustainability Report, human rights management and the establishment of the environmental management system.

### CURRENT STATUS OF OPERATION OF THE BOARD OF DIRECTORS

Board of directors' meetings are held on a regular basis per the annual operating plan with temporary meetings held when necessary. In 2021, a total of ten board meetings were held to discuss 34 agendas. It is required that the Board members attend at least 75% of the meetings. The attendance rate of independent directors was 94.3% for the fiscal year. We disclose specifics regarding this matter on our business report and our official website.

### STATUS OF THE BOARD OF DIRECTORS

CATEGORY	UNIT	2019	2020	2021
Total no. of board of directors meetings	Time	11	8	10
No. of agendas discussed	Case	26	24	34

### ATTENDANCE RATE OF THE BOARD OF DIRECTORS

CATEGORY	UNIT	2019	2020	2021
Attendance rate	%	94.6	98.2	94.3

### COMPOSITION OF THE BOARD OF DIRECTORS

As of December 2021, ●: Chairperson, ○: Member

CATEGORY	NAME	ROLE	FIELD OF EXPERTISE	GENDER	INITIAL APPOINTMENT DATE	COMMITTEE UNDER THE BOARD OF DIRECTORS				
						AUDIT COMMITTEE	INDEPENDENT DIRECTOR CANDIDATE RECOMMENDATION COMMITTEE	INTERNAL TRANSACTION COMMITTEE	REMUNERATION COMMITTEE	CORPORATE SUSTAINABILITY COMMITTEE
Internal Director	Kyung Shik Sohn	Current CEO, CJ CheilJedang	Management	Male	2007.09				●	
	Eun Seok Choi	Current CEO, CJ CheilJedang and Head of Food Business, CJ CheilJedang	Management	Male	2020.03				○	○
	So Young Kim	Current Head of BIO Animal Nutrition & Health Business at CJ CheilJedang	R&D	Female	2021.03				○	
Independent Director	Jong Chang Kim	Current Professor, College of Business at KAIST	Finance, Investment, Financial Advisory	Male	2019.03	●	○	○	○	○
	Tae Yoon Kim	Current Professor, Department of Public Administration at Hanyang University	Policy Advisory	Male	2019.03	○	●	○	○	○
	Jeong Hwan Yun	Current Professor, Department of Internal Medicine, Seoul National University Hospital	BIO and life science	Male	2020.03	○	○	○	○	●
	Si Wook Lee	Current Professor, KDI School of Public Policy and Management	International commerce	Male	2019.03	○	○	●	○	○



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**INDEPENDENCE OF INDEPENDENT DIRECTORS**

Candidates for independent directors are considered by the Independent Director Candidate Recommendation Committee which consists only of independent directors. After approval by the Independent Director Candidate Recommendation Committee and board of directors, the recommendation is to be presented as an individual agenda item for the stakeholders' meeting. Independent directors are finally elected through the resolution of the general meeting of shareholders. It is possible for independent directors to supervise and support the management of the company in an independent position by verifying whether the relevant laws and articles of association require, such as the independence judgment standard under Article 382 of the Commercial Act. Also, the Audit Committee and the Internal Transaction Committee also consist of only of independent directors. CJ CheilJedang limits the number of other mandates for independent directors to no more than two in compliance with legal requirements, and checks the status of third-party concurrent positions through the 'Independent Director Qualification Confirmation'.

**THE EXPERTISE OF INDEPENDENT DIRECTORS**

To ensure the expertise of the independent directors, we consider professional knowledge and experience in various fields when electing the directors. With this, we can ensure that they objectively monitor, defend, and advise the company's management activities. The expertise of our independent directors includes finance, policy advice, international commerce, BIO and life sciences.

**SELECTION BACKGROUND OF INDEPENDENT DIRECTORS**

NAME	MAJOR CAREER	SELECTION BACKGROUND
Jong Chang Kim	Governor, Financial Supervisory Service ('08-'11) Committee member, Bank of Korea('04-'06) Chairman, Industrial Bank of Korea ('01-'04)	As an expert in finance, investment, and financial affairs who successfully overcame the global financial crisis during his tenure as the head of the Financial Supervisory Service, Jong Chang Kim has an expertise in risk management, global investment, and decision-making financial management in an uncertain economic environment based on expertise in investment and finance and ability to handle crisis response.
Tae Yoon Kim	Chairman, Korea Society of Regulatory Studies Current Professor, Department of Public Administration at Hanyang University	He has rich experience in national policy advisory, such as establishing national regulatory policies and proposing innovative growth tasks in preparation for rapid changes in the industrial environment, such as the advent of the 4th industrial revolution, and possesses innovative expertise. Based on a broad understanding of society as a whole, he can provide various perspectives on business issues and contribute to effective decision-making.
Jeong Hwan Yun	Current Professor, Department of Internal Medicine, Seoul National University Hospital	He has extensive medical work experience and expertise in BIO and life sciences R&D. As a medical professional who has promoted the fusion of IT technology and biotechnology, he can provide continuous advice and help to the company's BIO business
Si Wook Lee	Current Professor, KDI School of Public Policy and Management	Possessing expertise in global economic and policy fields such as international trade cooperation and knowledge sharing projects, Si Wook Lee can provide a global perspective based on the experience of carrying out a knowledge sharing project to spread Korea's economic development experience to foreign countries

**EVALUATION AND REMUNERATION OF THE BOARD OF DIRECTORS**

The assessments that are reflected in reappointment decision of the board of directors include their attendance in board meetings and committee meetings, as well as their independence, expertise, and the extent of contribution across their management activities. The attendance rate of the board and committee meetings as well as their voting decisions are disclosed on a quarterly basis in quarterly and bi-annual reports and the business report. Directors' remuneration is paid within the limits of directors' remuneration approved by the General Meeting of Shareholders in accordance with Article 388 of the Commercial Act(Remuneration of Directors) and Article 31 of the Articles of Incorporation(Remuneration of Executive Officers). The remuneration of independent directors is calculated by considering the level of remuneration in the industry and the responsibility of non-performing duties, and is paid only in the form of a fixed salary without any additional allowances or nominal expenses for meetings. In addition, remuneration for major executives, including the CEO, is divided into basic salary and performance salary in accordance with executive rules approved by the Board. The basic salary is determined by taking into account the annual salary adjustment rate by the KPI assessment rating from the previous year, the size of role responsibility, and contribution to the company. The performance salary comprises short-term incentives linked to the revenue for the fiscal year, achievement rate of the operating profit target and KPI assessment rating, and long-term incentives, which are linked to the company's mid-to long-term business performance.

**REMUNERATION FOR BOARD OF DIRECTORS IN 2021**

CATEGORY	UNIT	INTERNAL DIRECTOR	INDEPENDENT DIRECTOR	TOTAL
Number of directors	Person	3	4	7
Total remuneration	KRW million	13,847	302	14,149

**SHARES OWNED BY BOARD OF DIRECTORS**

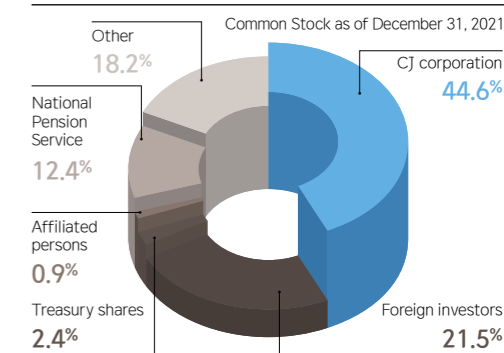
CATEGORY	NAME
Directors holding shares of CJ CheilJedang(Internal director)	Kyung Shik, Sohn 5,500 shares

**STRENGTHENING SHAREHOLDER RIGHTS AND INTERESTS**

**MID-TO LONG-TERM DIVIDEND POLICY**

CJ CheilJedang established and announced a three-year dividend policy in February 2022 to enhance investors' predictability of dividends. For the 2021-2023 business year, we plan to return at least 20% of net income(excluding one-time nonrecurring gains and losses) to shareholders based on separate financial statements, and start paying quarterly dividends from 2022.

**CJ CHEILJEDANG'S SHARES OWNED**



\* We do not issue golden shares/shares that can outvote important matters decided at the general meeting of shareholders regardless of the number of shares)



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## COMPREHENSIVE RISK MANAGEMENT

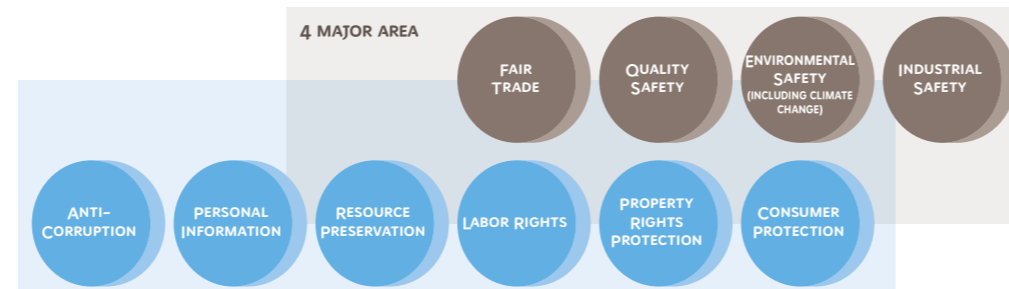
### ENHANCING THE 'COMPLIANCE MANAGEMENT SYSTEM(CMS 2.0)'

CJ CheilJedang is building the CMS(Compliance Management System) 2.0 to forecast risks and take effective measures against them. In 2021, we identified specific compliance obligations by analyzing laws and regulations related to CJ CheilJedang's business and categorized them into 10 obligatory areas. Through interviews with each business unit, we were able to identify substantial compliance obligations. For effective management of such obligations, we established a management department to manage sub-departments. In 2022, we plan to focus on 4 areas with the highest probability and highest impact among the 10 obligatory areas and stabilize CMS 2.0 centered on the management department. In 2023, we will advance our operations through the systematization of compliance duties through the real-time application of regulations and constant monitoring with the introduction of AI systems. In addition, we hope to expand CMS 2.0, which we are currently operating in domestic locations, to overseas locations in the future.

#### KEY TASKS

1 IDENTIFICATION AND CATEGORIZATION OF COMPLIANCE	2 ESTABLISH CONTROL METHODS FOR EACH COMPLIANCE	3 ESTABLISH COMPLIANCE R&R	4 BUILD COMPLIANCE SYSTEM
<ul style="list-style-type: none"> <li>Identify specific compliance obligations</li> <li>Establish 10 mandatory areas(4 major areas)</li> </ul>	<ul style="list-style-type: none"> <li>Internalization</li> <li>Monitoring</li> <li>Processing</li> <li>Standardization</li> <li>Computerized systemization</li> </ul>	<ul style="list-style-type: none"> <li>Assign roles and responsibilities for compliance-specific management department and execution department</li> </ul>	<ul style="list-style-type: none"> <li>Manage compliance activities through the system efficiently and systematically</li> <li>Conduct system upgrade</li> </ul>

#### 10 COMPLIANCE OBLIGATIONS



#### OPERATING RAPID RISK-SHARING SYSTEM

We operate a rapid system at our domestic and foreign business sites and practice sharing, decision-making, and response within one hour of the occurrence of risk. In fact, in 2021, a total of 14 risk situations, such as industrial safety and quality, were completed in a timely manner through the rapid risk-sharing system.

### EXPANDING THE SCOPE OF GLOBAL COMPLIANCE MANAGEMENT

With the expansion of its global business, CJ CheilJedang's compliance issues outside of the country have also increased. In response to the need to strengthen the legal and compliance management and response of overseas subsidiaries, we identified 54 global compliance obligations based on the global ethical management policy. In addition, we plan to continuously advance global compliance management by setting priority global compliance obligations and directions.

- Reinforce capacity of overseas departments and headquarters' legal organizations and strengthen management
- Conduct monitoring of major overseas corporations
- Prepare global policy
- Strengthen networks with global law firms
- Link to ESG management

#### CURRENT STATUS OF ISO 37301 (COMPLIANCE MANAGEMENT SYSTEM) CERTIFICATION

CJ CheilJedang obtained the standardized ISO 37301(compliance management system) certification in December 2020 and is maintaining the certification through regular post management assessments. The most recent post assessment was conducted in October 2021.



ISO37301 Certificate

### MANAGEMENT OF POTENTIAL RISKS

CJ CheilJedang is working to identify and preemptively respond to potential risks that can occur in its Food and BIO industries.

#### POTENTIAL RISK 1. RISK IN RAW MATERIAL SOURCING

Due to unpredictable changes in international affairs, such as regional closures in consequence of the COVID-19 pandemic, and production cuts in the grain belts due to the Russia-Ukrainian War, there are possibilities of disruptions in sourcing of raw materials for food ingredients. Furthermore, in the case of raw materials for food such as soybean, sugar, wheat, there are many cases where there is a high proportion of procurement from a specific country, so if decrease in products from bad weather or logistics risks occur in a specific country or region, it may lead to a global risk in procurement. These raw material sourcing risks can lead to delays in our production and cost burdens, which can make the delivery issues or put a heavy burden on corporate profitability.

#### CJ CHEILJEDANG'S RESPONSE MEASURES

Due to the prolonged COVID-19 pandemic, unstable supply of raw materials around the world, rising grain prices, and other uncertainties are continuously increasing. Accordingly, CJ CheilJedang is checking risks through regular communication with existing procurement channels. In addition, in order to respond to raw material risks caused by intermittent and unpredictable events(war, pandemic, etc.), we are operating a market information system through global network and increasing purchasing predictability. In addition, we are developing a price prediction model using AI technology and actively utilizing it for decision-making. Also, we are securing cost competitiveness and supply and demand stability through purchasing flexibility such as diversification of production areas and supply lines and improvement of purchasing structure.

#### POTENTIAL RISK 2. RISK IN REGULATIONS RELATED TO CARBON NEUTRALITY

There may be regulatory risks in climate change such as carbon border tax based on the amount of carbon emissions in the Europe and the Americas. As of 2021, CJ CheilJedang's overseas sales accounts for 61% with the proportion of overseas sales on a continuous rise. Therefore, it is necessary to meticulously respond to the ESG regulations in each region. Failure in responding to climate change may result in significant loss in operating profit, etc., and potentially fatal risks such as bans on business in such areas.

#### CJ CHEILJEDANG'S RESPONSE MEASURES

CJ CheilJedang aims to reduce its GHG emissions by 25% at all business sites by 2030, and ultimately achieve Carbon Neutral & Zero Waste by 2050. To this end, we are pursuing 100% conversion to renewable energy in the Americas and reduction of GHGs in our supply and sales chains. In addition, we are preparing environmental management policies in various areas such as waste and plastics, and are making efforts to reduce environmental impact throughout the company. These represent our preemptive preparations to prevent potential environmental risk factors.



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## CJ'S ETHICAL MANAGEMENT POLICY

### ETHICAL MANAGEMENT MONITORING

In accordance with the ethical management policy, we monitor areas with strict regulations every year. For the unsatisfactory areas identified in the result of monitoring, we reflect them by improving the system and the compliance process. In 2021, we conducted a total of 5 monitors. Moving forward we plan to distribute relevant guides and provide regular training as precautionary measures. In 2021, not one case of violation of the ethical management policy occurred.

Code of Conduct

### RESULTS FROM ETHICAL MANAGEMENT MONITORING

CATEGORY	PERIOD	METHOD	MEASURES
Monitoring of transactions between group affiliates	March 2021	Department interviews, contract reviews	Establish a process such as preparing a pre-handling list
On-site inspection and monitoring at B2B business headquarters	May 2021	Department interviews, email/file inspections	Conduct online training in preparation for the full revision of the Fair Trade Act
Inspection and monitoring of technical data management processes	September 2021	Check status of writing request for technical data, surveys	Additional distribution of guides and training in accordance with the revision of the Win-Win Cooperation Act and the Subcontracting Act
Inspection monitoring of operation of agency contracts	October 2021	Inspection of electronic contract agreements	-
Online business monitoring	October 2021	Department interviews, file and printed material inspections	Present evaluation criteria for selecting online vendor/technology evaluation/task evaluation)

### OPERATING THE MANAGEMENT SYSTEM FOR COMPANY REGULATIONS

In order to systematically and efficiently manage the procedures and contents that are essential to the operation of the company, we have established and operated the management system for company regulations. The existing system which was individually enacted and managed by each department was transitioned to a unified management system that manages the entire company's regulations, thereby improving the accessibility of employees and minimizing confusion. Through the system, we are performing the function of verifying compatibility in accordance with the changes in the legal and regulatory environment.

### PUBLISHING THE REGULATORY ENVIRONMENT ANALYSIS REPORT

In order to respond to the constantly changing regulatory environment as a result of economic conditions and policy trends, and to closely respond to the heightened stakeholder expectations, we systematically diagnose regulatory trends by business and publish a CJ CheilJedang Regulatory Environment Analysis Report each year.

The report is offered to act as a guide to preemptively respond to regulatory agencies, including upcoming legislative matters, in which each business unit can determine the improvement direction of their work procedures for the future.

#### THE MAJOR CONTENT OF THE REGULATORY ENVIRONMENT ANALYSIS REPORT

- Purpose and background
- Method of analyzing the regulatory environment
- Regulatory status by industry
- Cases of sanctions by our company and major sanctions in the same industry
- Recent regulatory environment trends(Fair Trade Commission, Ministry of Environment, Ministry of Food and Drug Safety, Ministry of Employment and Labor, etc.)
- Implications from regulatory environment analysis

## SPREADING ETHICAL MANAGEMENT

### DISTRIBUTION OF STOCK TRADING GUIDELINES FOR EMPLOYEES

In order to spread the ethical culture of our employees, we have distributed stock trading guidelines related to the use of undisclosed important information. The content was notified to the in-house compliance system so that all members could be familiar with it.

## ETHICAL MANAGEMENT TRAINING

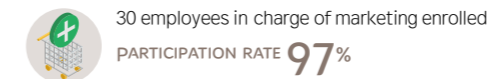
We regularly provide all our employees with ethical management training programs to encourage their compliance with regulations during their work processes and to raise ethical awareness. Following the Compliance Training Curriculum that we established on the basis of CJ People's Promise in 2020, we also set systematic training activities and recorded an outstanding participation rate as the result of our 2021 trainings.

### COMPLIANCE TRAININGS IN 2021

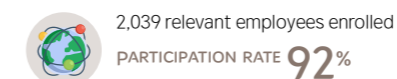
#### CJ PEOPLE'S PROMISE(CODE OF CONDUCT TRAINING)



#### TRAINING ON E-COMMERCE ACT AND FOOD LABELING AND ADVERTISING ACT



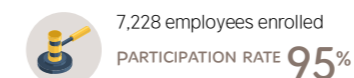
#### TRAINING ON GLOBAL ECONOMIC SANCTIONS



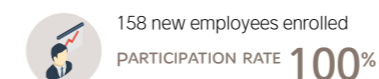
#### TRAINING ON THE IMPLEMENTATION OF TECHNICAL DATA MANAGEMENT PROCESSES



#### TRAINING ON ILLEGAL CARTEL CONDUCT



#### INTRODUCTORY TRAINING FOR NEW EMPLOYEES AND EXPERIENCED EMPLOYEES



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# GRI CONTENT INDEX

## UNIVERSAL STANDARDS

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Organizational Profile	102-1	Name of the organization	9	
	102-2	Activities, brands, products, and services	12-13, 16	
	102-3	Location of headquarters	9	
	102-4	Location of operations	10	
	102-5	Ownership and legal form	-	Annual report p.3
	102-6	Markets served	10, 11, 15	
	102-7	Scale of the organization	9-10	
	102-8	Information on employees and other workers	10, 71-73	
	102-9	Supply chain	60, 75	
	102-10	Significant changes to the organization and its supply chain	-	No significant
	102-11	Precautionary Principle or approach	35-41	
	102-12	External initiatives	19-21, 92	
	102-13	Membership of associations	23, 75	
Strategy	102-14	Statement from senior decision-maker	4-5	
	102-15	Key impacts, risks, and opportunities	11, 15, 26, 35, 44, 50, 58	
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	9, 85	Regulations and policies <a href="https://www.cj.co.kr/kr/about/sustainability/report">https://www.cj.co.kr/kr/about/sustainability/report</a>
	102-17	Mechanisms for advice and concerns about ethics	74, 85	
Governance	102-18	Governance structure	82-83	
	102-20	Executive-level responsibility for economic, environmental, and social topics	18, 82	
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	102-23	Chair of the highest governance body	82	
	102-24	Nominating and selecting the highest governance body	83	
	102-32	Highest governance body's role in sustainability reporting	18, 82	
	102-33	Communicating critical concerns	18, 82-83	
Stakeholder Engagement	102-35	Remuneration policies	83	
	102-40	List of stakeholder groups	23	
	102-41	Collective bargaining agreements	74	
	102-42	Identifying and selecting stakeholders	23	
	102-43	Approach to stakeholder engagement	23	
	102-44	Key topics and concerns raised	23-25	



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CATEGORY	DISCLOSURE	TITLE	PAGES	NOTE
Reporting Practice	102-45	Entities included in the consolidated financial statements	96-97	Annual report p.43-50
	102-46	Defining report content and topic Boundaries	2, 24-25	
	102-47	List of material topics	25	
	102-48	Restatements of information - None	66, 73	Recalculation by assessing scope of food products recycled, Recalculation by assessing job maintenance ratio after returning to work
	102-49	Changes in reporting	2	
	102-50	Reporting period	2	
	102-51	Date of most recent report	2	
	102-52	Reporting cycle	2	
	102-53	Contact point for questions regarding the report	2	
	102-54	Claims of reporting in accordance with the GRI Standards	2	
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102-56	External assurance	94-95		

**TOPIC-SPECIFIC STANDARDS**

GRI STANDARDS	DISCLOSURE	TITLE	PAGES	NOTE
<b>RESPONSE TO CLIMATE CHANGE</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	35-41	
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	37	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	39, 68	
	302-3	Energy intensity	68	
	302-4	Reduction of energy consumption	41, 68	
GRI 305: Emissions 2016	305-1	Direct(Scope 1) GHG emissions	41, 68	
	305-2	Energy indirect(Scope 2) GHG emissions	41, 68	
	305-4	GHG emissions intensity	41, 68	
	305-5	Reduction of GHG emissions	41, 68	
	305-6	Emissions of ozone-depleting substances(ODS)	-	None
	305-7	Nitrogen oxides(NOx), sulfur oxides(SOx), and other significant air emissions	66	
<b>WATER AND WASTE</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	39, 40, 65-66	
GRI 303: Water and Waste Water 2018	303-1	Interactions with water as a shared resource	39, 65	
	303-2	Management of water discharge-related impacts	39, 65	
	303-3	Water withdrawal	39, 65	
	303-4	Water discharge	65	No particular hazardous substance emitted
	303-5	Water consumption	65	
GRI 306: Effluents and Waste 2020	306-1	Waste generation and significant waste-related impacts	66	
	306-2	Management of significant waste-related impacts	66	
	306-3	Waste generated	66	
	306-4	Waste diverted from disposal	66	
	306-5	Waste directed to disposal	66	





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GRI STANDARDS	DISCLOSURE	TITLE	PAGES	NOTE
<b>FOOD PRODUCT AND PRODUCT SAFETY</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	30-31	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	30	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	None
G4 SECTOR DISCLOSURE(FOOD PROCESSING): Customer Health and Safety	FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	30-31	
<b>CUSTOMER HEALTH AND NUTRITION</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	26-29	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	42-43	
	417-2	Incidents of non-compliance concerning product and service information and labeling	31, 76-77	None
	417-3	Incidents of non-compliance concerning marketing communications	-	None
<b>ECO-FRIENDLY PACKAGING, ECO-FRIENDLY PACKAGING SOLUTIONS</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	44-49	
<b>CREATING ECONOMIC VALUE, GLOBAL COMPETITIVENESS</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	10-11,14-15, 17	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	80	
GRI 201: Economic Performance 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	72	Suppliers' Code of Conduct includes the request on the guarantee of minimum wage
<b>DIVERSITY, EQUITY &amp; INCLUSION(DEI)</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	50-57	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	72	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	72	
	401-3	Parental leave	52, 73	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	73	May expand reporting scope to overseas sites in the future and Plans to manage data on training hours by gender and job type
	404-2	Programs for upgrading employee skills and transition assistance programs	55, 73	
	404-3	Percentage of employees receiving regular performance and career development reviews	72	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	71, 82	
<b>SUSTAINABLE SOURCING</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	58-61	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	75	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	67	
G4 SECTOR DISCLOSURE(FOOD PROCESSING): Animal Welfare	FP10	Policies and practices, by species and breed type, related to physical alterations and the use of an aesthetic	67	
	FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	59, 67	

 Sustainable Raw Material Sourcing Policy



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GRI STANDARDS	DISCLOSURE	TITLE	PAGES	NOTE
<b>SUSTAINABLE SUPPLY CHAIN MANAGEMENT</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	58-63	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	60	
GRI 414: Supplier Social Assessment 2016	414-1	Percentage of new suppliers that were screened using social criteria	60	
G4 Sector Disclosure(Food Processing): Procurement/ Sourcing Practices	FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards	61, 67	
<b>CODE OF CONDUCTS &amp; ETHICAL MANAGEMENT</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	84-85	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	84	
	205-2	Communication and training about anti-corruption policies and procedures	85	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices-	-	None
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	66	
GRI 419: Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	-	None
<b>HUMAN RIGHTS MANAGEMENT</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	56-57	
GRI 412: Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	57, 73	
<b>RESPONSE TO CHANGES IN CONSUMER LIFESTYLES</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	32-34, 42	
<b>WORKSITE SAFETY AND HEALTH</b>				
GRI 103: Management Approach 2016	103-1,2,3	Explanation of the material topic and its Boundary, The management approach and its components, Evaluation of the management approach	69-70	
GRI 403: Occupational Safety and Health 2018	403-1	Occupational Safety and Health Management System	69-70	
	403-2	Hazard identification, risk assessment, and incident investigation	69-70	
	403-3	Occupational health services	53, 69-70	
	403-4	Worker participation, consultation, and communication on occupational health and safety	69-70	
	403-5	Worker training on occupational health and safety	70	
	403-6	Promotion of worker health	53, 70	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	69-70	
	403-9	Work-related injuries	70	
	403-10	Work-related illness	70	



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## SASB(SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS) INDEX

CJ CheilJedang released indicators in its report that correspond to the Processed Foods sector within the Food & Beverage business area and the Chemicals sector within the Resource Transformation area in accordance with SASB Industry standards. Among the detailed indicators of the two business areas, we selected and reported the indicators with highest relevance to CJ CheilJedang’s business. For the indicators that overlap, we made a separate note as Multiple Sectors.

### MULTIPLE SECTORS

TOPIC	CODE	ACCOUNTING METRIC	PAGES	NOTE
Energy Management	FB-PF-130a.1 RT-CH-130a.1	(1) Total energy consumed, (2) percentage grid electricity (3) percentage renewable (4) Total amount of self-generated energy	68	
Water Management	FB-PF-140a.1 RT-CH-140a.1	Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	39, 65	
	FB-PF-140a.2 RT-CH-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	65, 66	
	FB-PF-140a.3 RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	39	

### PROCESSED FOODS

TOPIC	CODE	ACCOUNTING METRIC	PAGES	NOTE
Health & Nutrition	FB-PF-260a.1	Revenue from products labeled and/or marketed to promote health and nutrition attributes	-	
	FB-PF-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	27-29	
Packaging Lifecycle Management	FB-PF-410a.1	Total weight of packaging, percentage made from recycled and/or renewable materials, and percentage that is recyclable, reusable, and/or compostable	67	
	FB-PF-410a.2	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	44-49	
Ingredient Sourcing	FB-PF-440a.1	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	-	None
	FB-PF-440a.2	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	61	

### CHEMICALS

TOPIC	CODE	ACCOUNTING METRIC	PAGES	NOTE
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	41, 68	
	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	36-41	
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	66	
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	19-21	
Workforce Health & Safety	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	70	
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	69-70	
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	37, 69	



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### TCFD(TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES) INDEX

CJ CheilJedang publishes sustainability reports that reflect the TCFD recommendations and publishes its GHG reduction progress as well as its yearly performances each year.

CATEGORY	DISCLOSURE	PAGES
Governance	a) Board's oversight of climate related risks	36
	b) Management's role in assessing and managing climate-related risks	36
Strategy	a) Short, medium and long-term climate- related risks	37-38
	b) Impact on business, strategy and planning	37-38
	c) Resilience of strategy using 2-degree or lower scenarios	37-40
Risk Management	a) Process to assess climate-related risks	36
	b) Process to manage climate-related risks	36
	c) Integration of risk process into overall risk management	36
Metrics and Targets	a) Metrics used to assess climate-related risks	41
	b) Scope 1 and scope 2 emissions	41
	c) Describe targets used	41, 68



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## GHG VERIFICATION ACCREDITATION



### CJ CHEILJAEDANG CORP.

#### VERIFICATION OPINION

Verification on 2021(1 January 2021 ~ 31 December 2021) Greenhouse gas(hereby after GHG) statement of CJ Cheiljaedang Corp.(hereby after CJ) has been planned and performed in accordance with the undermentioned standards and guide1irles. The level of assurance of verification has been performed to reach the reasonable level of assurance\*.

\* 'Reasonable level of assurance' is a high, but not absolute, level of assurance

#### VERIFICATION STANDARD/ GUIDELINE

1. Guideline for Reporting and Certification of GHG emission trading scheme (Ministry of Environment notification No. 2021-278)
2. Verification guideline for the GHG emission trading scheme(Ministry of Environment notification No. 2021-112)

The sampling approach in accordance with the verification plan has been applied after reviewing the 2021 GHG statement, the 2021 monitoring plan report and related evidences provided by CJ. In regards to verification result, detection limit may occurs due to self-decision making if the above references for GHG calculation did not define clearly. During desk review and physical on-site visit, calculation errors / omissions have been found in the GHG statement. CJ has been performed corrective actions against the non-conformities raised by KTR, Conclusion, KTR confirms that no material errors, omissions or misstatements have been found in the revised GHG statement. Materiality in this verification has been found under 5%. Also the fuel/electricity/steam usage and related parameters for GHG calculation has been correctly reflected in the revised GHG statement.

#### KTR'S VERIFICATION OPINION

KTR confirms that collected, prepared and reported amount of energy usage/GHG emission have correctly reflected to the revised GHG statement in accordance with the above references. KTR hereby concludes that the amount of GHG emission/energy usage of main facilities, which occupy 99% of total amount of GHG emission, has been calculated and reported without any material errors, omissions or misstatements.

#### GHG EMISSIONS & ENERGY(SCOPE1, 2)

NAME OF COMPANY	GREENHOUSE GAS EMISSION(tCO <sub>2</sub> eq)		
	DIRECT EMISSIONS(scope1)	INDIRECT EMISSIONS(scope2)	TOTAL
CJ Cheiljaedang Corp.	208,535.647	218,070.277	426,590



### CJ CHEILJEDANG BIO SECTOR

#### SCOPE OF VERIFICATION

KSA Certification, Ltd.(‘KSA’) was commissioned by CJ CHEILJEDANG BIO sector and 11 group companies to verify emissions(Scope 1, 2) of Greenhouse Gas Report.

#### REFERENCE STANDARD

- ISO 14064- 1,2,3: 2006
- IPCC Guideline: 2006 · WRI GHG Protocol
- Korea ETS guideline provided by Ministry of Environment, Republic of Korea

#### LIMITATIONS OF VERIFICATION

As the verification team conducted a sampling-based document review and interview on the activity data, there may be errors, omissions, and misrepresentations that were not discovered.

#### VERIFICATION OPINION

Since all nonconformities have been corrected and no additional significant errors have been found, the verification team presents an appropriate opinion on the greenhouse gas emissions and energy consumption claimed by the verification organization.

#### GHG EMISSIONS & ENERGY(SCOPE1, 2)

NAME OF COMPANY	GREENHOUSE GAS EMISSION(tCO <sub>2</sub> eq)		
	DIRECT EMISSIONS(scope1)	INDIRECT EMISSIONS(scope2)	TOTAL
CJ Cheiljaedang Oversea sites	2,627,327	1,203,846	3,831,173

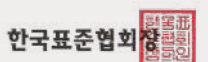
2022. 06. 10.

Head of Korea Testing and Research institute

KWON OH-JUNG



2022. 04. 22



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## THIRD-PARTY VERIFICATION



## LRQA INDEPENDENT ASSURANCE STATEMENT

## RELATING TO CJ CHEILJEDANG CORPORATION'S SUSTAINABILITY REPORT FOR THE CALENDAR YEAR 2021

This Assurance Statement has been prepared for CJ CheilJedang Corporation in accordance with our contract but is intended for the readers of this Report.

## TERMS OF ENGAGEMENT

LRQA was commissioned by CJ CheilJedang Corporation to provide independent assurance on its '2021 CJ CheilJedang Sustainability Report' ('the report') against the assurance criteria below to a 'moderate level of assurance and materiality of professional judgement' using 'Accountability's AA1000AS v3', where the scope was a Type 2 engagement.

Our assurance engagement covered CJ CheilJedang Corporation's operations and activities in domestic and overseas and specifically the following requirements:

- Evaluating adherence to the AA1000 AccountAbility Principles<sup>1</sup> of Inclusivity, Materiality, Responsiveness and Impact
- Confirming that the report is in accordance with GRI Standards<sup>2</sup> and core option
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
  - Water data(GRI disclosures: 303-3, 303-4, 303-5) and waste data(GRI disclosures: 306-3, 306-4, 306-5) in domestic sites and overseas sites<sup>3</sup>
  - Work-related injuries and ill health data(GRI disclosures: 403-9, 403-10) in domestic sites
  - Employment status in all global business sites
  - New employee hires and turn over in domestic sites and overseas sites<sup>4</sup>
  - Entry level wage by gender in domestic sites
  - Food loss & waste in domestic sites

Our assurance engagement excluded the data and information of CJ CheilJedang Corporation's suppliers, contractors and any third-parties mentioned in the report.

LRQA's responsibility is only to CJ CheilJedang Corporation. LRQA disclaims any liability or responsibility to others as explained in the end footnote. CJ CheilJedang Corporation's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of CJ CheilJedang Corporation.

1) <https://www.accountability.org>

2) <https://www.globalreporting.org>

3) These overseas sites include 10 production sites located in Brazil, China, Indonesia, Malaysia, USA and Vietnam.

4) These overseas sites include 19 BIO business sites located in Brazil, China, Indonesia, Malaysia, USA, Vietnam, Mexico, Japan and Germany.

## LRQA'S OPINION

Based on LRQA's approach nothing has come to our attention that would cause us to believe that CJ CheilJedang Corporation has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data and information as all errors or omissions identified during the assurance engagement were corrected
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a moderate level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a moderate assurance engagement is less than for a high assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a high assurance engagement been performed.

## LRQA'S APPROACH

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing CJ CheilJedang Corporation's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through reviewing documents and associated records.
- Reviewing CJ CheilJedang Corporation's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by benchmarking reports written by CJ CheilJedang Corporation and its peers to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether CJ CheilJedang Corporation makes informed business decisions that may create opportunities that contribute towards sustainable development.
- Auditing CJ CheilJedang Corporation's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Reviewing additional evidence made available by CJ CheilJedang Corporation at its headquarters in Seoul.
- Checking that the GRI Content Index allows stakeholders to access sustainability indicators.



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**OBSERVATIONS**

Further observations and findings, made during the assurance engagement, are:

- **Inclusivity:**

We are not aware of any key stakeholder groups that have been excluded from CJ CheilJedang Corporation's stakeholder engagement process.

- **Materiality:**

We are not aware of any material issues concerning CJ CheilJedang Corporation's sustainability performance that have been excluded from the report. It should be noted that CJ CheilJedang Corporation has established extensive criteria for determining which issue/aspect is material and that these criteria are not biased to the company's management.

- **Responsiveness:**

CJ CheilJedang Corporation has processes in place to respond to its stakeholders especially consumers, shareholders/investors, employees, local community, suppliers, academia, etc.

- **Impact:**

CJ CheilJedang Corporation determined topic boundaries by evaluating the magnitude of impacts in supply chain, production, consumption and disposal stages through materiality test process. In the future, we expect that CJ CheilJedang will be able to better adhere to completeness principle of reporting by monitoring and reporting the actual impact at each topic boundary where the impact occurs significantly.

- **Reliability:**

CJ CheilJedang Corporation should improve its data management process for overseas sites. For example, it is necessary to determine more specific procedures to gather and compile waste data by type and disposal.

**LRQA'S STANDARDS, COMPETENCE AND INDEPENDENCE**

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is CJ CheilJedang Corporation's certification body for FSSC 22000 and ISO 37301. We also provide CJ CheilJedang Corporation with a range of training services related to management systems. The verification and certification assessments, together with the training, are the only work undertaken by LRQA for CJ CheilJedang Corporation and as such does not compromise our independence or impartiality.

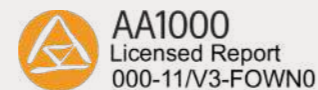
Dated: 14 June 2022

**TAE-KYOUNG KIM**

LRQA Lead Verifier

On behalf of LRQA

17th Floor, Sinsong Building, 67 Yeouinaru-ro, Yeongdeungpo-gu, Seoul, Korea



LRQA reference: SEO00000767

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## BUSINESS SITES BY REGION

NAME OF COMPANY	REGION	SHARE	INDUSTRY
CJ BREEDING CO., LTD.	Korea	94.88	Crop cultivation
Sinuido Solar Salt Corporation	Korea	88.03	Wholesale & retail business, sea salt and e-commerce business
DONDONFARM CO., LTD.	Korea	99.99	Hog farming
CJ SEAFOOD CORPORATION	Korea	46.26	Food manufacturing
WON JI CO., LTD.	Korea	100	Printing
CJ FEED & CARE	Korea	100	Feed manufacturing and sales
COFEED. CO., LTD.	Korea	100	Holding business
CJ MD1 CO., LTD.	Korea	100	Business support service
TWI GLOBAL FOOD TECH	Korea	98.68	Start-up investment
TWI BIO HEALTHCARE FUND	Korea	98.57	Start-up investment
SAM HAE COMMERCIAL CO.,LTD.	Korea	80	Food manufacturing
GLOBAL INNOVATIVE GROWTH FUND	Korea	61	Start-up investment
Sparklabs Frontier Labs No.1 Fund	Korea	98.91	Start-up investment
GLOBAL INNOVATIVE GROWTH FUND II	Korea	57.69	Start-up investment
CJ BioScience Corp	Korea	43.99	Biotechnology R&D
PT CJ CHEILJEDANG LESTARI	Indonesia	75	Food manufacturing
PT CJ FEED MEDAN	Indonesia	100	Feed manufacturing and sales
PT CJ FOOD LESTARI	Indonesia	95	Food manufacturing
PT CHEILJEDANG INDONESIA	Indonesia	100	Lysine manufacturing & sales
PT CJ FEED AND CARE INDONESIA	Indonesia	100	Feed manufacturing and sales
PT AGROBIS PANCA EKATAMA	Indonesia	100	Breeding
PT SUPER UNGGAS JAYA	Indonesia	100	Breeding
PT CJ CHEILJEDANG FEED KALIMANTAN	Indonesia	51	Feed manufacturing and sales
PT CHEIL JEDANG BIO INDONESIA	Indonesia	100	Wholesale distribution of food and feed additives
TWIN MARQUIS INC.	U.S.A	100	Food sales and distribution
CJ FOODS MANUFACTURING CORPORATION	U.S.A	100	Food manufacturing
CJ FOODS AMERICA HOLDINGS CORP.	U.S.A	100	Holding business
CJ FOODS AMERICA CORP.	U.S.A	100	Holding business
CJ SCHWAN'S COMPANY CORP.	U.S.A	70	Holding business
CJ SCHWAN'S DE CORP.	U.S.A	100	Holding business
SCHWAN'S COMPANY	U.S.A	100	Food sales and distribution
SCHWAN'S CONSUMER BRANDS, INC.	U.S.A	100	Food sales and distribution

\* Equity ratio is on the basis of direct equity ratio

NAME OF COMPANY	REGION	SHARE	INDUSTRY
SCHWAN'S FOOD SERVICE, INC.	U.S.A	100	Food sales and distribution
SFC GLOBAL SUPPLY CHAIN, INC.	U.S.A	100	Food manufacturing
SCHWAN'S INTERNATIONAL HOLDINGS, INC.	U.S.A	100	Holding business
SCHWAN'S SHARED SERVICES, LLC	U.S.A	100	Managing service
SCHWAN'S NE FOODS, LLC	U.S.A	100	Holding business
SCHWAN'S IP, LLC	U.S.A	100	Intellectual Property management
SCHWAN'S CULINARY INITIATIVES, LLC	U.S.A	100	Catering
DRAYTON FOODS, LLC	U.S.A	100	Food manufacturing
SMEDLEY STREET, LLC	U.S.A	100	Real estate management
CJ BIO AMERICA INC.	U.S.A	100	Lysine manufacturing & sales
CJ AMERICA INC.	U.S.A	100	Trade
CJ RESEARCH CENTER, INC.	U.S.A	100	R&D
CJ TMI MANUFACTURING AMERICA LLC.	U.S.A	100	Food manufacturing
CJ FOODS MANUFACTURING BEAUMONT CORPORATION	U.S.A	100	Food manufacturing
BIBIGO INTERNATIONAL LLC	U.S.A	100	Catering business
TMI LOGISTICS CORPS	U.S.A	100	Logistics
KAHIKI FOODS, INC.	U.S.A	100	Food manufacturing
CJ YOUTELL BIOTECH, INC.	U.S.A	100	Enzyme R&D & manufacturing
CJ FOODS USA INC.	U.S.A	100	Holding business
EZBIOME, INC.	U.S.A	100	Biotechnology R&D
BATAVIA HOLDINGS, INC.	U.S.A	100	Biotechnology R&D and manufacturing
BATAVIA BIOSCIENCES INC.	U.S.A	100	Biotechnology R&D and manufacturing
CJ SHENYANG FEED CO., LTD.	China	100	Feed manufacturing and sales
CJ TIANJIN FEED CO., LTD.	China	100	Feed manufacturing and sales
CJ HARBIN FEED CO., LTD.	China	100	Feed manufacturing and sales
CJ QINGDAO FEED CO., LTD.	China	100	Feed manufacturing and sales
CJ (BEIJING) FOOD CO., LTD.	China	100	Beverage & food manufacturing
CJ QINGDAO FOODS CO., LTD.	China	100	Meat processing
CJ LIAOCHENG BIOTECH CO., LTD.	China	100	Lysine manufacturing & sales
CJ NANJING FEED CO., LTD.	China	100	Feed manufacturing and sales
CJ (SHENYANG) BIOTECH CO., LTD.	China	100	Lysine manufacturing & sales
CJ DCH GUANGDONG FROZEN FOOD CO., LTD.	China	60	Frozen/refrigerated processed food production and sales





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NAME OF COMPANY	REGION	SHARE	INDUSTRY
CJ (CHANGCHUN) FEED CO., LTD.	China	100	Feed manufacturing and sales
CJ (LIAOCHENG) FEED CO., LTD.	China	100	Feed manufacturing and sales
SICHUAN JIXIANGJU FOOD CO., LTD.	China	60	Food manufacturing
CJ HAIDE (NINGBO) BIOTECH CO., LTD.	China	100	Functional amino acids manufacturing and sales
CJ HAIDE (NINGBO) AMINO ACID INDUSTRY CO., LTD.	China	100	Functional amino acids manufacturing and sales
COFEED FEEDMILL (CHANGCHUN) CO., LTD.	China	100	Feed manufacturing and sales
COFEED FEEDMILL (TIANJIN) CO., LTD.	China	100	Feed manufacturing and sales
COFEED FEEDMILL (QIQIHAER) CO., LTD.	China	100	Feed manufacturing and sales
HEILONGJIANG JIUSAN COFEED FEEDMILL CO., LTD.	China	60	Feed manufacturing and sales
COFEED FARM (FUYU) TECHNOLOGY CO., LTD.	China	100	Feed manufacturing and sales
GUANGYUAN JIXIANGJU FOOD LTD.	China	100	Food manufacturing
CJ CHINA CONSULTING, LTD.	China	100	Consulting
LIAOCHENG LANTIAN COGENERATION PLANT CO., LTD.	China	100	Power generation and steam supply
CJ INTERNATIONAL TRADING CO., LTD.	China	100	Brokerage
CJ LIAOCHENG FOOD CO., LTD.	China	100	Food manufacturing
CJ YOUTELL (HUNAN)BIOTECH CO.,LTD	China	100	Enzyme R&D & manufacturing
CJ YOUTELL (SHANDONG)BIOTECH CO.,LTD	China	100	Enzyme R&D & manufacturing
CJ YOUTELL (SHANGHAI) BIOTECH CO.,LTD	China	100	Enzyme R&D & manufacturing
SICHUAN JINONG FOOD CO., LTD.	China	50.9	Food manufacturing
JIXIANGJU ELECTRONIC COMMERCE (CHENGDU) CO., LTD.	China	100	Food manufacturing and sales
CJ VINA AGRI CO., LTD.	Vietnam	100	Feed manufacturing and sales
CJ FOODS VIETNAM CO., LTD.	Vietnam	100	Food manufacturing
CJ FEED INGREDIENT VIETNAM CO., LTD.	Vietnam	100	Feed raw material manufacturing & sales business
CJ CAU TRE FOODS JOINT STOCK COMPANY	Vietnam	71.6	Food manufacturing
LOC TAN INVESTMENT COMPANY LIMITED	Vietnam	100	Food manufacturing and sales
CJ NUTRACON PTY. LTD.	Other	100	Food manufacturing
CJ BIO MALAYSIA SDN. BHD.	Other	86	Methionine manufacturing and sales
CJ CHEILJEDANG MEXICO, S.A. DE C.V.	Other	100	Food sales and distribution

\* Equity ratio is on the basis of direct equity ratio

NAME OF COMPANY	REGION	SHARE	INDUSTRY
CJ FOODS JAPAN CORPORATION	Other	100	Food sales and distribution
GYOZA KEIKAKU CO., LTD.	Other	79.99	Food manufacturing and sales
MARUKYOSHOKUHIHIN LLC.	Other	100	Food manufacturing and sales
SCHWAN'S CONSUMER BRANDS EUROPE LIMITED	Other	100	Holding business
SCHWAN'S HOLDINGS GMBH	Other	100	Holding business
SCHWAN'S CONSUMER BRANDS UK LIMITED	Other	100	Food sales and distribution
CJ PHILIPPINES, INC.	Other	70	Feed manufacturing and sales
CJ BIO RUS	Other	99.9	BIO distribution
CJ CHEILJEDANG FEED (CAMBODIA) CO., LTD.	Other	100	Feed manufacturing and sales
S.C.F-PNH CO., LTD.	Other	49	Real estate management
CJ FEED INDIA PRIVATE LTD.	Other	100	Feed manufacturing and sales
CJ LATAM PARTICIPACOES LTD	Other	99.99	Logistics
CJ FOODS MYANMAR CO., LTD.	Other	100	Food manufacturing
CJ EUROPE GMBH.	Other	100	Trade
CJ CHINA, LTD.	Other	100	Trade
CJ GLOBAL HOLDINGS LTD.	Other	100	Holding business
CJ DO BRAZIL IND. COM. PROD. ALIM. LTDA.	Other	100	Lysine manufacturing & sales
CJ SE ASIA PTE. LTD.	Other	100	Brokerage
CJ RAVIOLLO RUS	Other	100	Food manufacturing
CJ FEED MYANMAR CO., LTD.	Other	100	Feed manufacturing and sales
CJ SELECTA S.A.	Other	66	Feed raw material manufacturing & sales business
CJ MAINFROST FOODS GMBH	Other	74	Food manufacturing
CJ FOODS ASIA HOLDINGS LIMITED	Other	100	Holding business
CJ FOODS AGRI JAPAN.,LTD	Other	100	Food manufacturing and sales
CJ BIO APAC., LTD.	Other	100	Wholesale distribution of food and feed additives
CHUNLAB LBP PTY LTD.	Other	100	Biotechnology R&D
BATAVIA BIOSCIENCES B.V.	Other	75.82	Biotechnology R&D and manufacturing
CJ BIO SWEETENERS EUROPE SAS	Other	100	Functional sweeteners manufacturing and sales
EBARA CJ FRESH FOODS INC	Other	100	Food sales



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## EXTERNAL AWARDS

MONTH & YEAR	AWARD	AWARDING AGENCY
May, 2021	Korea STAR Awards_KITECH PRESIDENT PRIZE(fermented food packaging pouch, bibigo beef bone stock cup mandu soup)	Ministry of Trade, Industry, and Energy
May, 2021	Korea STAR Awards_Korea Association in Professional Packaging Engineers Prize(Happy soy tofu bundle)	Ministry of Trade, Industry, and Energy
June, 2021	WIN Awards(Gender equality)	WIN Women in INnovation
June, 2021	JoongAng ESG Awards Grand Prize(Food&Beverage, Beauty Category)	JoongAng Ilbo
June, 2021	Korea PR Grand Prize(Hetbahn)	Korea PR Association
June, 2021	RED DOT selection(Gourmet pork cutlet special set)	Korea Internet Professional Association
June, 2021	Selected as Ministry of Employment and Labor's best labor management culture company	Ministry of Employment and Labor
July, 2021	Ministry of Agriculture, Food and Rural Affairs' Minister Prize in Korea Environmental Awards	Korea Environment Award Committee
July, 2021	Grand Prize in Korea Digital-Ad Awards Social Media Category(No.1 Taste Youtube channel)	Korea Digital Ad Association
July, 2021	Gold Prize in Korea Digital-Ad Awards Promotion Category(Gourmet, 갯먹의 시대)	Korea Digital Ad Association
July, 2021	Innovative Grand Prize in the brand category at Social i-Awards	Korea Internet Professional Association
July, 2021	Grand Prize in the Food Youtube Category at Social i-Awards(Bibigo Youtube)	Korea Internet Professional Association
July, 2021	Grand Prize in the Company Instagram Category at Social i-Awards(CJ CheilJedang)	Korea Internet Professional Association
July, 2021	Best Prize in the Food Instagram Category at Social i-Awards(Bibigo)	Korea Internet Professional Association
July, 2021	Best Prize in the Food Instagram Category at Social i-Awards(Gourmet)	Korea Internet Professional Association
July, 2021	Best Prize in the Food Instagram Category at Social i-Awards(Hetbahn)	Korea Internet Professional Association
September, 2021	Korea Food Awards Grand Prize(The Bibigo Ox Knee Soup, The Bibigo seaweed soup, Bibigo kimchi cheese riceballs , Hetbahn Sotbahn grain rice)	Chosunbiz
September, 2021	'Excellent' grade in the Win Win Growth Index for six consecutive years	Korea Commission for Corporate Partnership
October, 2021	Included in Best group of UN SDGBI Global index for three consecutive years	Korea UN SDGs Association
October, 2021	Grade A in the Comprehensive ESG Evaluation by KCGS for five consecutive years	KCGS
November, 2021	'ESG Communication Grand Prize' in Korea Interactive Communication Awards	Korea Internet Communication Association
November, 2021	Included in the DJSI Asia Pacific Index for seven consecutive years	S&P
November, 2021	Grand Prize in It-Awards(The Bibigo)	Korea Internet Professional Association
November, 2021	Asia Today Korea Consumer Trust Grand Prize	Ministry of Health and Welfare
November, 2021	'President Prize' in 2021 Korea Energy Awards Grand Prize(Kim Myung Ho)	Korea Energy Agency
November, 2021	Bronze prize in 2021 Korea Ad Awards campaign category(Hetbahn_relieving campaign)	Korea Federation of Advertising Associations
November, 2021	Best prize in 2021 Korea PR Awards campaign category(Hetbahn_relieving campaign)	Korea PR Association
November, 2021	Best prize in 2021 Korea PR Awards Marketing PR category(Hetbahn Sotbahn campaign)	Korea PR Association
November, 2021	Silver prize in 2021 year's Ad PR Awards Company Brand PR	The Korean Advertising & PR Practitioners Society
November, 2021	2021 Korea Communication Grand prize PR category(Hetbahn Sotbahn campaign)	Korea Company Magazine Association
November, 2021	Grand prize in Youtube Works Awards' Best Youtube action campaign online sales category(Gourmet, 갯먹의 시대)	Youtube Korea
December, 2021	Minister prize of Ministry of Trade, Industry and Energy for Sustainable Management	Ministry of Trade, Industry, and Energy
December, 2021	'ESG Management Grand Prize' in Global Standard Management Awards for three consecutive years	Korea Management Registrar
December, 2021	Silver prize in Korea Package Design Awards(Gourmet chicken)	Korea Package Design Association
December, 2021	Korea PACK STAR Award in 2020 Korea Package Design(BYO Probiotics)	Korea Package Design Association
December, 2021	Korea PACK STAR Award in 2020 Korea Package Design(Gourmet Premium Pizza)	Korea Package Design Association
December, 2021	Korea PACK STAR Award in 2020 Korea Package Design(Bibigo cucumber kimchi)	Korea Package Design Association
December, 2021	Korea PACK STAR Award in 2020 Korea Package Design(BIG Hetbahn Cupbahn)	Korea Package Design Association
December, 2021	Korea PACK STAR Award in 2020 Korea Package Design(Bibigo Premium porridge, Bibigo Korean soup & stew)	Korea Package Design Association



# CJ CHEILJEDANG

SUSTAINABILITY REPORT 2021

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## CJ CHEILJEDANG

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